

COUNTY OF CLEVELAND, NORTH CAROLINA
AGENDA FOR THE REGULAR COMMISSION MEETING

January 21, 2020

6:00 PM

County Commissioners Chambers

- **Call to Order and Determination of a Quorum** - Commission Chair
- **Pledge of Allegiance and Invocation** (Please stand for the Pledge of Allegiance and remain standing for the Invocation)
- **Recognition of Elected Officials**
- **Recognition of Veterans**
- **Recognition of Law Enforcement**
- **Recognition of County Department Heads**

1. MOTION TO ADOPT THE PROPOSED AGENDA

(Only emergency items shall be added to the agenda. Upon approval of the Commission Chair and County Commission, the item will be added.)

SPECIAL RECOGNITION

2. Long Leaf Pine Award

Zack Parker

SPECIAL PRESENTATION

3. Radon Action Month

Phillip Gibson, NC Radon Program Coordinator
North Carolina Department of Health and Human Services

4. CITIZEN RECOGNITION

The citizen recognition portion of the meeting is an opportunity for persons wishing to appear before the Commission to do so. Each presentation will be limited to three (3) minutes. The Board is interested in hearing citizen concerns, yet speakers should not expect comment, action, or deliberation on subject matter brought up during this segment. Topics requiring further investigation will be referred to the appropriate county agency.

5. CONSENT AGENDA

Motion to approve the following Consent Agenda items: (Consent items will be adopted with a single motion, second and vote, unless a request for removal from the Consent Agenda is heard from a Commissioner.)

- | | | |
|----|------------------------------------|--|
| A. | <u>Minutes</u> | Minutes from the December 17, 2019 Regular Commissioners Meeting |
| B. | <u>Tax Administration</u> | December 2019 Collection Report |
| C. | <u>Tax Administration</u> | December 2019 Abatements and Supplements |
| D. | <u>Finance Department</u> | Monthly Manager's Report |
| E. | <u>Social Services</u> | Budget Amendment BNA#026 |
| F. | <u>Public Safety</u> | Budget Amendment (BNA#027) |
| G. | <u>Health Department</u> | Budget Amendment (BNA#028) |
| H. | <u>Health Department</u> | Budget Amendment (BNA#029) |
| I. | <u>Health Department</u> | Budget Amendment (BNA#030) |
| J. | <u>Health Department</u> | Budget Amendment (BNA#031) |
| K. | <u>Public Safety</u> | Budget Amendment (BNA#032) |
| L. | <u>Sheriff's Office</u> | Service Weapon Removal for Retiring Lieutenant Thomas Lewis |
| M. | <u>Library</u> | Library Board By-Law Revisions |
| N. | <u>Economic Development</u> | IGA Resolution |

PUBLIC HEARINGS

After the public hearing has been opened, persons wishing to speak "for" or "against" the proposition will be asked to come forward and first state his or her name and address. All comments from the public are to be directed to the board. There are no comments directed at other members of the audience. If a speaker has a question, that question is to be directed to the Chair. No one will be allowed to speak at the hearing more than once unless the Chair recognizes a speaker a second time for rebuttal of information brought forth after the speaker has spoken. The original presentation by a speaker will be limited to no more than five (5) minutes. The rebuttal presentation will be limited to no more than three (3) minutes.

6. Economic Development Incentive Agreement for Project Fix
Kristin Reese, Cleveland County Economic Development Partnership

REGULAR AGENDA

7. Audit Presentation
Lucas Jackson, Finance Director
8. Tax Applications for Exemption
Chris Green, Tax Administrator
9. Land Use Plan Consultant
Chris Martin, Senior Planner
10. Sheriff's Office Pay Plan Update
Allison Mauney, HR Director

COMMISSIONER REPORTS

ADJOURN

The next meeting of the Cleveland County Board of Commissioners will be the Commissioners Strategic Planning Work Session to be held on Thursday, January 30, 2020 at 12:30pm at the Public Health Center.

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Long Leaf Pine Award

Department:

Agenda Title: Long Leaf Pine Award

Agenda Summary: Zack Parker

Proposed Action:

ATTACHMENTS:

File Name

Description

No Attachments Available

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Radon Action Month

Department:

Agenda Title: Radon Action Month

Agenda Summary: Phillip Gibson, NC Radon Program Coordinator
North Carolina Department of Health and Human Services

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> Radon_Action_Month_Proclamation.pdf	Radon Action Month Proclamation

01-2020

Cleveland County Board of Commissioners Proclamation in Support of January 2020 National Radon Action Month

WHEREAS, radon is a colorless, odorless, radioactive gas that may threaten the health of our citizens and their families; and

WHEREAS, the National Academy of Sciences estimates that up to 21,000 lung cancer deaths occur in the United States each year;

WHEREAS, radon is the second leading cause of lung cancer in the U.S. and is the leading cause of lung cancer in non-smokers; and

WHEREAS, 1 in 15 homes across the U.S. have elevated radon levels; and

WHEREAS, any home may have elevated levels of radon, even if neighboring homes do not, and living in a home with an average radon level of 4 picocuries per liter of air poses a similar risk of developing lung cancer as smoking half a pack of cigarettes a day; and

WHEREAS, testing for radon is simple and inexpensive and radon problems can be fixed; and

WHEREAS, Cleveland County, the U.S. Surgeon General, the U.S. Environmental Protection Agency, the NC Department of Health and Human Services' NC Radon Program and the North Carolina Advisory Committee on Cancer Coordination and Control support efforts to encourage homeowners to test their homes for radon; and

WHEREAS, many residents in Cleveland County don't know about radon, yet need to know, for the safety and health of their families and a proclamation of National Radon Action Month is an opportunity to educate individuals on the available measures to reduce radon.

NOW, THEREFORE BE IT RESOLVED the Cleveland Board of Commissioners hereby proclaim January 2020 as National Radon Action Month.

Adopted this the 21st day of January, 2020.

Susan Allen, Chairman

Ronnie Whetstine, Vice-Chairman

Johnny Hutchins, Commissioner

Douglas Bridges, Commissioner

Deb Hardin, Commissioner

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Citizen Recognition

Department:

Agenda Title:

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name

Description

No Attachments Available

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Minutes from the December 17, 2019 Regular Commissioners Meeting

Department: Minutes

Agenda Title: Minutes from the December 17, 2019 Regular Commissioners Meeting

Agenda Summary:

Proposed Action:

ATTACHMENTS:

	File Name	Description
<input type="checkbox"/>	12-17-2019_Minutes.pdf	12172019 Minutes

Cleveland County Board of Commissioners
December 17, 2019

The Cleveland County Board of Commissioners met in a regular session on this date, at the hour of 6:00 p.m. in the Commission Chamber of the Cleveland County Administrative Offices.

PRESENT: Susan Allen, Chairman
Ronnie Whetstine, Vice-Chair
Johnny Hutchins, Commissioner
Doug Bridges, Commissioner
Deb Hardin, Commissioner
Brian Epley, County Manager
Tim Moore, County Attorney
Phyllis Nowlen, Clerk to the Board
Kerri Melton, Assistant County Manager
Chris Green, Tax Administrator
Elliot Engstrom, Deputy County Attorney
Allison Mauney, Human Resources Director
Clifton Philbeck, Board of Elections Director
Lorie Poston, E-911 Communications Director
Katie Swanson, Social Services Director
Ryan Wilmoth, Emergency Medical Services Director
Lucas Jackson, Finance Director
Scott Bowman, Maintenance Director
Paul Ezell, Inspections Director
Tony Adair, Animal Services Director
Dorothea Wyant, Health Department Director
Alan Norman, Sheriff

CALL TO ORDER

Chairman Allen called the meeting to order and Commissioner Bridges provided the invocation and led the audience in the Pledge of Allegiance.

AGENDA ADOPTION

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Hutchins and unanimously approved by the Board to, *approve the agenda as presented.*

SPECIAL PRESENTATION

Earl Scruggs Center (ESC) Update: Chairman Allen called Mary Beth Martin, ESC Executive Director, to the podium to present the Earl Scruggs Annual update. Ms. Martin reviewed highlights from the past year's events at the Earl Scruggs Center. Several high points include Coffee with the Curator, special exhibits, concerts and programs offered through the center. The Board thanked Ms. Martin for her hard work, dedication and enthusiasm in making the ESC a continued success.

CITIZEN RECOGNITION

Robert Williams, 814 E. Stage Coach Trl., Lawndale – spoke about his concerns in several areas of the county such as the Earl Scruggs Center, the confederate monument and the Accelerate Cleveland program.

Wayne Johnson – 102 Highland Pines, Shelby – read the following letter to the Commissioners:

“Thank you for giving me this opportunity to address the commissioners today. I have served at Gardner-Webb University for nearly 30 years and am retiring from my current position in January to accept employment in the corporate world. In all my years, I have had the opportunity to work quite closely with many county

employees. As GWU has locations across the state, I have also had a great deal of interaction with departments and employees in many other jurisdictions. I am pleased to say that Cleveland County is simply put...BETTER!

In all of my experience, I must state without reservation, that working with the people of Cleveland County has always been a pleasure. My responsibilities required close interaction with the Emergency Management, Planning, Building Inspection and Health Department teams. The managers of these areas, while highly professional, also exhibit a great deal of interest in being of service. In this age, the theme of public service has been lost from many governmental interactions, but not in Cleveland County. Our leaders and servants have a genuine attitude of service and demonstrate a willingness to be of help. This work climate makes living and working in Cleveland County a true pleasure.

In particular, the leadership of Perry Davis, Bobby Horton, Paul Ezell, Colt Farrington, Chris Martin, Lori Poston, Dorothea Wyatt and Sherry Yocum and all of the individuals who serve in these areas has been critical in the successes and challenges that I have personally endured over the past 3 decades. I applaud their service and thank you as commissioners for creating a climate where they have the authority, time and support to serve as they have done. I ask that as you plan for our future, that you continue to provide for these services in like manner so that our public servants have the time and support to continue this tradition of caring and excellence. Thank you for your time."

CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included the Minutes from the *November 19, 2019 and December 3, 2019 regular meeting*, in board members packets.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Hardin, and passed unanimously by the Board to, *approve the minutes as written.*

TAX COLLECTOR’S MONTHLY REPORT

The Tax Collector provided Commissioners with the following detailed written report regarding taxes collected during *November 2019*.

TOTAL TAXES COLLECTED NOVEMBER 2019			
YEAR	AMOUNT-REAL	AMOUNT-VEH	
DEF REV	\$0.00	\$0.00	
2019	\$2,302,625.07	\$0.00	\$2,302,625.07
2018	\$29,806.51	\$0.00	\$29,806.51
2017	\$14,412.67	\$0.00	\$14,412.67
2016	\$5,526.37	\$0.00	\$5,526.37
2015	\$5,278.83	\$0.00	\$5,278.83
2014	\$2,129.29	\$0.00	\$2,129.29
2013	\$490.03	\$49.74	\$539.77
2012	\$75.62	\$70.73	\$146.35
2011	\$257.10	\$39.76	\$296.86
2010	\$118.20	\$0.00	\$118.20
2009	\$0.00	\$0.00	\$0.00
TOTALS	\$2,360,719.69	\$160.23	\$2,360,879.92
DISCOUNT	\$3.75		
INTEREST	\$10,987.58	\$64.56	\$0.00
TOLERANCE	(\$3.21)	(\$0.47)	
ADVERTISING	\$209.77	\$73.45	
GARNISHMENT	\$617.53		
NSF/ATTY	\$92.17		
LEGAL FEES	\$1,924.57		
TOTALS	\$2,374,551.85	\$297.77	
MISC FEE	\$0.00	\$0.00	
TAXES COLL	\$2,374,551.85	\$297.77	\$2,374,849.62
	\$2,374,551.85	\$297.77	
TOTAL TAXES UNCOLLECTED NOVEMBER 2019			
	AMOUNT-REAL	AMOUNT-VEH	COMBINED AMT
2019	\$35,275,019.45	\$0.00	\$35,275,019.45
2018	\$955,835.79	\$0.00	\$955,835.79
2017	\$477,732.27	\$0.00	\$477,732.27
2016	\$286,243.80	\$0.00	\$286,243.80
2015	\$199,474.97	\$0.00	\$199,474.97
2014	\$180,040.99	\$0.00	\$180,040.99
2013	\$128,493.55	\$63,524.74	\$192,018.29
2012	\$99,264.73	\$72,172.26	\$171,436.99
2011	\$74,686.93	\$55,163.44	\$129,850.37
2010	\$67,767.70	\$52,896.35	\$120,664.05
2009	\$0.00	\$0.00	\$0.00
	\$37,744,560.18	\$243,756.79	\$37,988,316.97

TAX ABATEMENTS AND SUPPLEMENTS AND PENDING REFUNDS/RELEASES

The Tax Assessor provided Commissioners with a detailed written report regarding tax abatements and supplements during ***November 2019***. The monthly grand total of tax abatements was listed as (\$2,955.57) and monthly grand total for tax supplements was listed as \$1,289,298.00.

[illegible]

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, *to approve the Abatements and Supplements and Pending Refunds/Releases as submitted by the Tax Assessor.*

TAX ASSESSOR RE-APPOINTMENT

Counties in North Carolina must, at all times, have an appointed assessor (or acting assessor). Per N.C.G.S. 105-294, the Board of County Commissioners of each county shall appoint a County Assessor to serve a term of no less than two and no more than four years. To be eligible for re-appointment, a County Assessor must satisfy specific continuing education requirements for recertification by the N.C. Department of Revenue. The Tax Administrator position includes functions that are in addition to that of assessor and is not defined by statute. The current term of Cleveland County Assessor, Chris Green, will expire December 31, 2019. He has submitted a request for re-appointment.

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, *to re-appointment Chris Green as the County Tax Assessor for a term of four years set to expire December 31, 2023.*

COMMUNITIES IN SCHOOLS: BUDGET AMENDMENT (BNA #024)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Hardin, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<i>Account Number</i>	<i>Project Code</i>	<i>Department/Account Name</i>	<i>Increase</i>	<i>Decrease</i>
010.432.4.350.00	03700-PMED	3 rd Party Pass Thru/St Govt Grants	\$8,500.00	
010.432.5.700.00	03700-PMED	3 rd Party Pass Thru/Grants	\$8,500.00	
010.432.4.350.00	03700-PAYF	3 rd Party Pass Thru/St Govt Grants	\$9,167.00	
010.432.5.700.00	03700-PAYF	3 rd Party Pass Thru/Grants	\$9,167.00	
010.613.4.350.00	03700-PTCT	Communities in Schls/St Govt Grants	\$21,996.00	
010.613.5.700.00	03700-PTCT	Communities in Schls/Grants	\$21,996.00	

Explanation of Revisions: Budget allocation for additional \$39,663 in funds received from the North Carolina Department of Public Safety to allow programs to provide services to youths based on the Juvenile Justice Reinvestment Act which allows for most 16 and 17-year olds to be serve in juvenile justice instead of serving as adults.

SHERIFF'S OFFICE: BUDGET AMENDMENT (BNA #025)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Hardin, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<i>Account Number</i>	<i>Project Code</i>	<i>Department/Account Name</i>	<i>Increase</i>	<i>Decrease</i>
010.441.4.810.15		Sheriff's Office/Donations K9	\$11,625.00	
010.441.5.790.15		Sheriff's Office/Donations K9	\$11,625.00	

Explanation of Revisions: Budget allocation for \$11,625 in donations received for the Sheriff's Office K-9 unit for the purchase of a new multi-purpose K9 and training expenses.

CANINE RETIREMENT

Request to remove K-9 Bolo (county ID# 200856) from the K-9 program. The Sheriff's Office is requesting to remove K-9 Bolo from county insurance and inventory and assign to Deputy Jonathon Spiering who has offered to provide a good home and care for him until the remainder of his life. Deputy Spiering assumes complete custody, control and liability of the canine.

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, ***to approve the request to retire K-9 Bolo from active service and assign to handler Deputy Jonathan Spiering.***

LEGAL: B&D ENTERPRISES EASEMENT AGREEMENT

B & D Enterprises, Inc., has requested that the County grant an easement to access its land located adjacent to the Oak Grove Road Recycling Center, which is located at 1127 Oak Grove Road, Kings Mountain, NC 28086. B & D Enterprises previously conveyed to the County nearby land, for entry/exit access which allowed the County to facilitate the operation of this recycling center, see Deed Book 1565, Page 2258 of the Cleveland County Registry. The proposed easement would not permit B & D Enterprises to build any structure thereon and would further be subject to a previously existing waterline easement granted by the County to the City of Kings Mountain. The easement they are requesting is on property the county does not use.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Hardin, and unanimously adopted by the Board to, ***approve the B&D Enterprises Easement Agreement.***

5 RECORDING FEE \$ 26.⁰⁰

EASEMENT AGREEMENT

Prepared by Elliot M. Engstrom, Deputy County Attorney, P.O. Box 1210, Shelby, NC 28151-1210

STATE OF NORTH CAROLINA

COUNTY OF CLEVELAND

THIS DEED OF EASEMENT is made this 17th day of December, 2019, between CLEVELAND COUNTY, NORTH CAROLINA, a political subdivision of the State of North Carolina (hereinafter referred to as "GRANTOR") and B&D ENTERPRISES, INC., 736 Stony Point Road, Kings Mountain, NC 28086-8567 (hereinafter referred to as "GRANTEE").

The designation GRANTOR and GRANTEE as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH:

WHEREAS, said GRANTOR owns a certain tract of land ("Tract") in the County of Cleveland, North Carolina, the same being the land conveyed to GRANTOR by deed recorded in Deed Book 1120 at Page 99, in the office of the Register of Deeds of Cleveland County;

NOW, THEREFORE, said GRANTOR, in consideration of One Dollar (\$1.00) to be paid by GRANTEE, has bargained and sold, and by these presents does bargain, sell, and convey to said GRANTEE and its successors:

Permanent Easement: a non-exclusive, perpetual easement ("Permanent Easement"), near the City of Kings Mountain, North Carolina, lying between other property owned by GRANTEE and Oak Grove Road and described as follows:

BEGINNING at an iron pin located under the pavement .75 feet north of the centerline of Oak Grove Road (SR 2033) and running thence with the centerline of Oak Grove Road N. 77-24-58 E. 67.16 feet; thence continuing with the centerline of Oak Grove Road N. 78-56-04 E. 21.44 feet to a point; thence a new line S. 59-35-23 E. 212.95 feet; thence S. 40-56-44 E. 69.85 feet to an unmarked point; thence a new line S. 49-03-16 W. 60 feet to a rebar set in the boundary line between Cleveland County (Deed Book 1120, Page 99) and B&D Enterprises, Inc. (Deed Book 1139, Page 1621); thence with the common boundary line N. 40-56-44 W. 60 feet to a rebar, a corner with Cleveland County, B&D Enterprises, Inc. and George

W. Hammett (Deed Book 1520, Page 2046); thence with the Hammett line N. 59-35-23 W. passing a mag nail set on line on the south edge of the pavement of Oak Grove Road at 250.35 feet for a total of 268.29 feet to the point and place of BEGINNING.

Subject to a waterline easement within the boundary of the easement described herein, said waterline easement being granted to the City of Kings Mountain by Cleveland County, North Carolina. See Deed Book 1667, Page 1593, Cleveland County Registry.

And being a part of that property conveyed to Cleveland County, North Carolina by Howard J. Champion and wife, Barbara A. Champion by deed dated October 20, 1992 and recorded October 22, 1992 in Book 1120, page 99, Cleveland County Registry.

The Permanent Easement is further shown on a survey attached hereto as "Exhibit A."

Grantor has conveyed herein and does hereby grant unto the GRANTEE, its successors and assigns, the right of ingress, egress, and regress over and upon the above-described lands as access between Oak Grove Road and property owned by GRANTEE identified as parcel number 73170.

It is further understood that the GRANTOR shall erect no permanent structure of any kind over or across this Permanent Easement. For purposes of this document, permanent structure includes, but is not limited to: buildings, tennis courts, and swimming pools. Neither may water be ponded or impounded over or across said Permanent Easement.

GRANTOR, its successors and assigns, hereby covenants to and with the GRANTEE that GRANTOR is the owner of the hereinabove-described property, and that GRANTOR has the right to convey this Permanent Easement, subject to a waterline easement within the boundary of the easement described herein, said waterline easement being granted to the City of Kings Mountain by GRANTOR. See Deed Book 1667, Page 1593, Cleveland County Registry. GRANTOR further conveys this Deed of Easement subject to any other encumbrances or easements of record.

TO HAVE AND TO HOLD the land hereinbefore described unto the GRANTEE, its successors and assigns, for the aforesaid uses and purposes and none other.

CLEVELAND COUNTY

By: Susan K. Allen
Susan K. Allen, Chair
Cleveland County Board of Commissioners

ATTEST:

Phyllis Nowlen
Phyllis Nowlen, Clerk to the Board



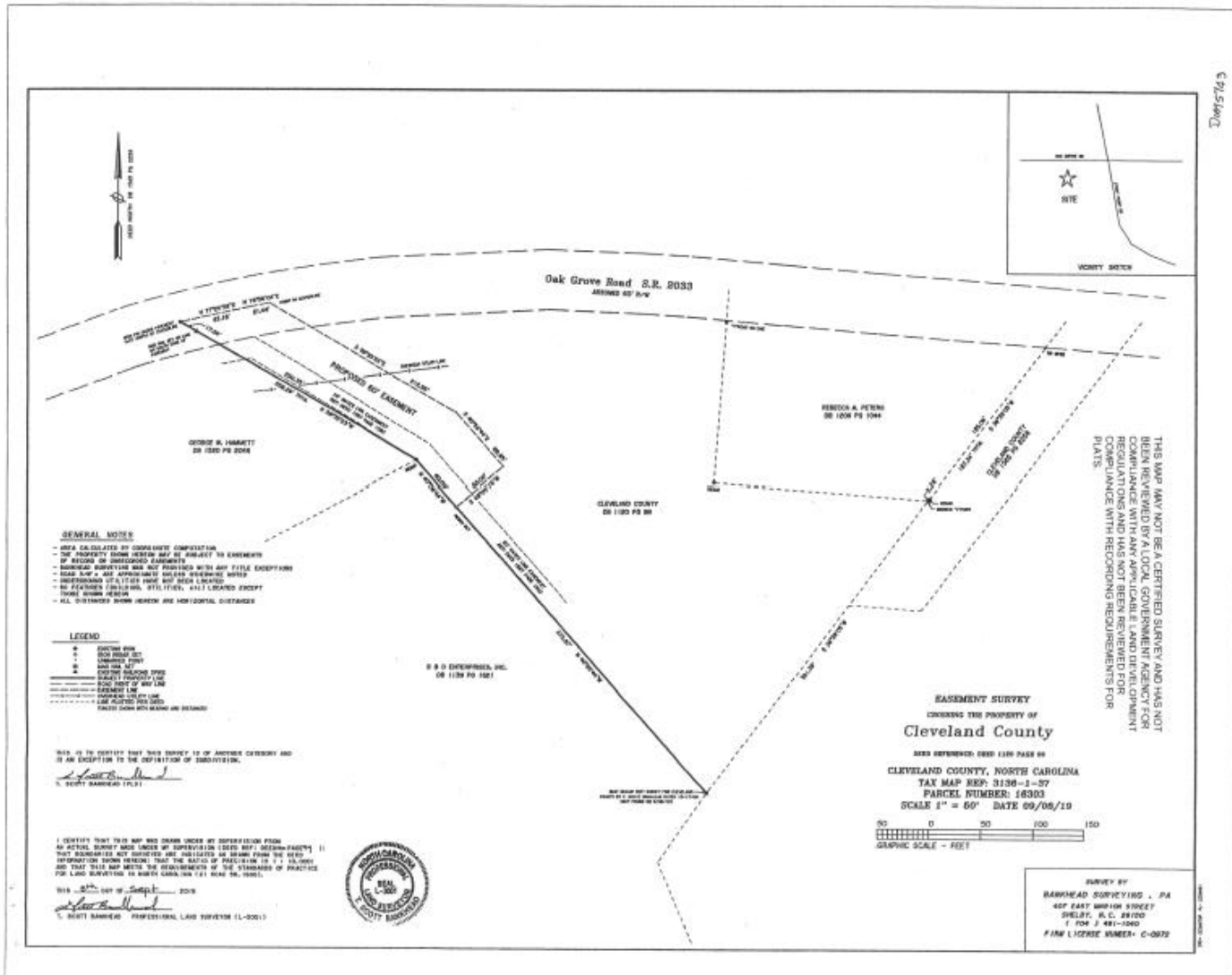
STATE OF NORTH CAROLINA – COUNTY OF CLEVELAND

I, Velda A. Cureton, a notary public, in and for the State of North Carolina, hereby certify that Phyllis Nowlen personally appeared before me this day and certified to me under oath that she is not a grantee or beneficiary of the transaction and that in her capacity as Clerk to the Board she attested the foregoing document having witnessed Susan K. Allen sign the foregoing document.

Witness my hand and official seal this 30th day of Dec, 2019.



Velda A. Cureton
Notary Public



LEGAL: ANIMAL SERVICES ADVISORY AND APPEALS BOARD EXTENSION RESOLUTION

As part of the creation of a standalone Animal Services Department, the Board of Commissioners created an Animal Services Advisory and Appeals Board. This board is charged with both advising the Board of Commissioners on animal services issues and hearing dangerous dog appeals as required by N.C.G.S. § 67-4.1(c). The terms of this board's initial members are set to expire on December 31, 2019. Additional time is requested to recruit members to serve on this board, meaning that the terms of the initial members would be extended.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Hardin, and unanimously adopted by the Board to, *approve the Animal Services and Appeals Board extension resolution.*



Resolution

Number 32-2019

RESOLUTION EXTENDING EXPIRATION OF INITIAL TERMS OF ANIMAL SERVICES ADVISORY AND APPEALS BOARD (G.S. 153A-76; G.S. 153A-77(a); G.S. 67-4.1(c))

WHEREAS, N.C.G.S. § 153A-76 authorizes the Board of Commissioners to generally organize county government in order to promote the orderly and efficient administration of county affairs; and

WHEREAS, N.C.G.S. § 153A-77(a) authorizes the Board of Commissioners to appoint advisory boards composed of qualified and interested residents to study, interpret, and develop community support and cooperation in activities conducted by or under the authority of the Board of Commissioners; and

WHEREAS, N.C.G.S. § 67-4.1(c) requires the Board of Commissioners to designate a person or board to be responsible for determining when a dog shall be deemed "dangerous" and a separate board to hear any appeal;

WHEREAS, the Board of Commissioners, on September 17, 2019, passed a resolution creating a five-member Cleveland County Animal Services Advisory and Appeals Board composed of five (5) initial members, whose initial terms would expire on December 31, 2019;

WHEREAS, the Board of Commissioners deems it appropriate that there be more time for citizens to apply for, and the County to recruit for, service on the Cleveland County Animal Services Advisory and Appeals Board;

NOW THEREFORE, BE IT RESOLVED, THE BOARD OF COMMISSIONERS OF CLEVELAND COUNTY RESOLVES THAT: the terms of the five (5) initial members of the Cleveland County Animal Services Advisory and Appeals Board shall expire upon the appointment of new members to that Board by the Board of Commissioners.

Adopted this the 17th day of December, 2019.

By: 
Susan K. Allen, Chairman
Cleveland County Board of Commissioners

Attest: 
Phyllis Nowlen
Clerk to the Board



APPROVAL OF 2020 COMMISSIONER REGULAR MEETING SCHEDULE

The Clerk to the Board included the *2020 Commissioner Regular Meeting Schedule*, in Board Members packets.

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Hardin, and unanimously approved by the Board to, *approve the 2020 Commissioner Regular Meeting Schedule*.

2020 Cleveland County Board of Commissioners Meeting Schedule

January 21
January 30 & 31 – Work Session
February 4
February 18
March 17
April 7
April 21
May 5
May 19
June 2
June 16
July 7
August 4
September 1
September 15
October 6
October 20
November 3
November 20 – Capital Work Session
December 7 – Organizational Meeting
December 15

REGULAR AGENDA

VOLUNTEER FIRE DEPARTMENT STRATEGIC GOALS

Chairman Allen recognized Perry Davis, Emergency Management Director/Fire Marshal, to present an update on the Volunteer Fire Department (VFD) Strategic Plan. Mr. Davis commended the continued hard work and dedication of the volunteer firefighters in Cleveland County. He then introduced Dave Summey, Inspection Supervisor for the North Carolina Department of Insurance and the State Fire Marshal. Mr. Summey thanked all the Volunteer Fire Departments for their efforts of improving their rating grade. Rating grades are based on several factors such as locations of water hydrants and the amount of water supplies. Mr. Summary concluded by congratulating all the departments on their hard work in the improved rating inspections.

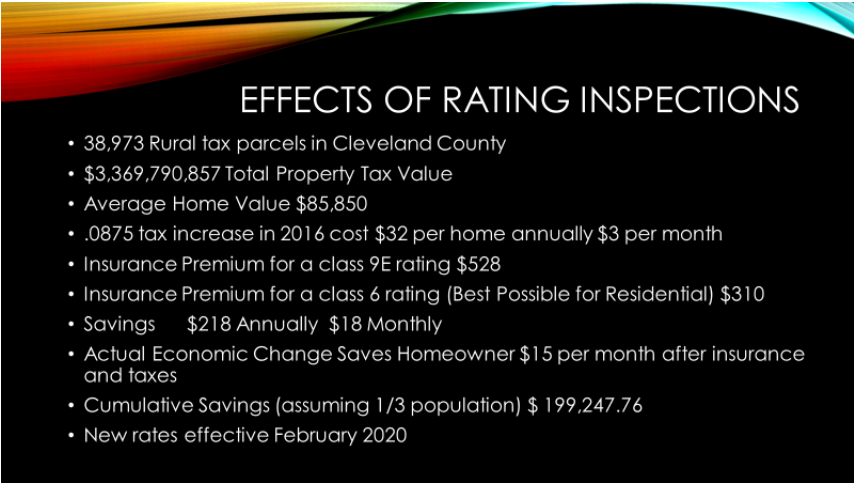
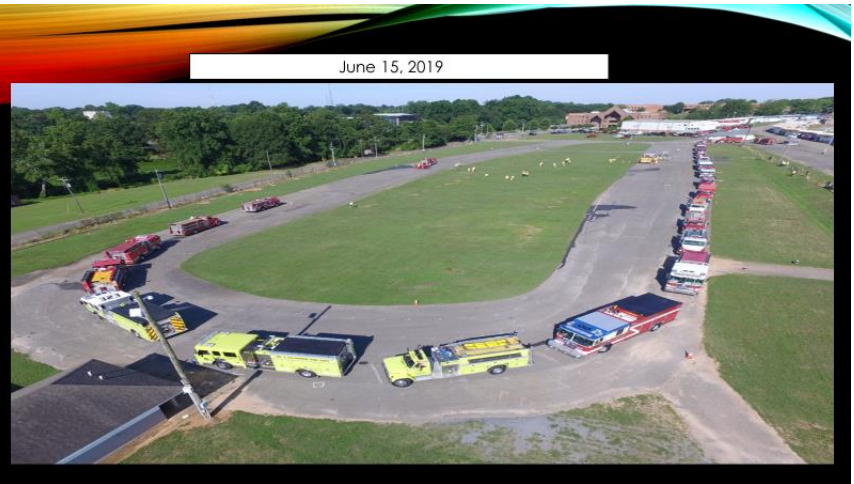
Mr. Davis presented a PowerPoint updating the Board on the status of the Volunteer Fire Department (VFD) Strategic Goals. The VFD's have been able to get every household within a five-mile radius of their fire station a lower insurance grade which will go into effect on February 1, 2020. The actual economic change will save homeowners fifteen dollars **per month** after insurance and taxes. This is a substantial amount of savings to the citizens of Cleveland County.

A total of eighteen objectives were identified in the strategic plan and are prioritized in to three categories:

- Severe
 - Distribution of Funds
 - Career Status
 - Building Infrastructure
 - General Fund Support
 - Volunteer Staffing

- Moderate
 - Apparatus Replacement
 - Group Purchasing
 - Hydrant Infrastructure
 - Contracts
 - Performance Measures
 - Fire Commission Oversight
 - Capital Assets
- Light
 - Aid and Hazard Risk Analysis
 - Response Districts
 - Class 10 Stations
 - Data and Records Management
 - Medical First Responder
 - Board of Director Training

The Board has already addressed all five of the severe objections. Examples include each fire station now having two paid staff members on duty Monday through Friday from 8:00am to 5:00pm and having their workman’s comp premiums and retirement paid. The following PowerPoint was present to the Board.



MODERATE		
Priority	Description	Status
6	Apparatus Replacement	X
7	Group Purchasing	X
8	Hydrant Infrastructure	X
9	Contracts	X
10	Performance Measures	X
11	Fire Commission Oversight	
12	Capital Assets	X

LIGHT		
Priority	Description	Status
13	Aid and Hazard Risk Analysis	X
14	Response Districts	X
15	Class 10 Stations	X
16	Data and Records Management	X
17	Medical First Responder	
18	Board of Director Training	X

- UPCOMING PRIORITIES.....
1. Additional Paid Staff
 2. Capital Projects including radio replacement
 3. Update 5-year Strategic Plan

THANK YOU BOARD AND COUNTY MANAGEMENT!



Chairman Allen opened the floor to the Board for questions and comments. Commissioners Bridges reminded the public that although the fire tax was increased, through the implementation of the strategic plan, taxpayers will be able to see a reduction in insurance premiums in February 2020. Meeting the objections of the VFD strategic goals has allowed fire departments to become more efficient and has decreased the response time from eight minutes to four minutes. Each board member thanked Mr. Davis and those first responders in attendance for their ongoing dedication, hard work and commitment to the safety of the citizens of Cleveland County.

BOARD APPOINTMENTS

CLEVELAND COUNTY ADULT HOME CARE ADVISORY BOARD

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, *to appoint Janet Torgeson to serve as a member of this board*, for a period of one-year, scheduled to conclude December 31, 2020.

CLEVELAND COUNTY AGRICULTURE ADVISORY BOARD

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, *to appoint Gary Gold, Richard Shook and Mallory Robbins to serve as members of this board* for a period of three-years, scheduled to conclude December 31, 2022.

CLEVELAND COUNTY BOARD OF ADJUSTMENT

ACTION: Commissioner Whetstine made the motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, *to re-appoint Bobby Watson and Doug Lawing to serve as members of this board*, for a period of three-years, scheduled to conclude December 31, 2022.

CLEVELAND COUNTY BOARD OF HEALTH

ACTION: Commissioner Whetstine made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to re-appoint Dr. Sara Karner, D.D.S and Dr. Cameron Hamrick, O.D. and appoint Patti Alexander and Dr. Mark Heiner, M.D. to serve as members of this board*, for a period of three-years, scheduled to conclude December 31, 2022.

CLEVELAND COUNTY COMMISSION FOR WOMEN

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Bridges and unanimously adopted by the Board, *to appoint Linda Martin and Tanzy Wallace to serve as members of this board*, for a period of three-years, scheduled to conclude December 31, 2022.

CLEVELAND COUNTY HISTORIC PRESERVATION BOARD

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, *to re-appoint Lucas Shires and Robin Brackett to serve as members of this board*, for a period of four-years, scheduled to conclude December 31, 2023.

CLEVELAND COUNTY NURSING HOME ADVISORY BOARD

ACTION: Commissioner Whetstine made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to appoint Reverend Maggie Andre to serve as a member of this board*, for a period of one-year, scheduled to conclude December 31, 2020 and *re-appoint Ginger Poteat to serve as a member of this board*, for a period of three-years, scheduled to conclude December 31, 2022.

CLEVELAND COUNTY PLANNING BOARD

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Hutchins, and adopted by a majority of the Board 4 – 1 (Commissioner Hutchins opposed), *to re-appoint Charles Christenbury and appoint Leon Martin, D. Leon Leonhardt and Daniel Lattimore to serve as members of this board*, for a period of three-years, scheduled to conclude December 31, 2022.

CLEVELAND COUNTY VETERAN'S ADVISORY BOARD

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to appoint Noah Saldo to serve as a member of this board*, for a period of three-years, scheduled to conclude December 31, 2022.

REGION C WORKFORCE DEVELOPMENT BOARD

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, *to re-appoint Tim Blackwell to serve as a member of this board*, for a period of three-years, scheduled to conclude January 1, 2022.

KINGS MOUNTAIN PLANNING AND ZONING BOARD

ACTION: Commissioner Whetstine made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to re-appoint Donald Adkins to serve as a member of this board*, for a period of three-years, scheduled to conclude December 31, 2022.

COMMISSIONER REPRESENTATIVE APPOINTMENTS

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to appoint Commissioner Hardin to serve as the Airport Commission Liaison*.

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to re-appoint Commissioner Whetstine to serve on the Commission for Women Board*.

ACTION: Commissioner Whetstine made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to appoint Commissioner Bridges to serve on the Isothermal Board of Directors*.

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, *to re-appoint Chairman Allen to serve on the Rural Fire Commission*.

COMMISSIONER REPORTS

Commissioner Bridges – commented on the amount of work and projects that have been completed this year. He thanked the other board members and staff for making the accomplishments possible and looks forward to another successful year in Cleveland County.

Commissioner Hutchins – gave an update on the Metropolitan Planning Organization (MPO) projects in the county.

Commissioner Whetstine – attended several events in the community such as the ribbon cutting for the T-Hanger at the airport and unveiling of the new Emergency Medical Services ambulance.

County Manager Brian Epley – announced Dorothea Wyant, Health Department Director, will be retiring on January 15, 2020 and DeShay Oliver will serve as the interim Health Director through the process of recruiting and hiring a new Health Department Director.

ADJOURN

There being no further business to come before the Board at this time, Commissioner Hardin made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, *to adjourn the meeting*. The next meeting of the Commission is scheduled for *Tuesday, January 21, 2020 at 6:00 p.m. in the Commissioners Chamber*.

*Susan Allen, Chairman
Cleveland County Board of Commissioners*

*Phyllis Nowlen, Clerk to the Board
Cleveland County Board of Commissioners*

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

December 2019 Collection Report

Department: Tax Administration

Agenda Title: December 2019 Collection Report

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> Monthend_Vehicle_Dec2019.pdf	December Vehicle Collections
<input type="checkbox"/> Percentage_2019_2020.pdf	December Percentage
<input type="checkbox"/> Monthend_Real_Dec2019.pdf	December Real Estate Collections

VEHICLES TOTAL TAXES COLLECTED DECEMBER 2019

DEF REV	\$0.00
2019	\$0.00
2018	\$0.00
2017	\$0.00
2016	\$0.00
2015	\$0.00
2014	\$0.00
2013	\$39.67
2012	\$62.22
2011	\$10.02
2010	\$0.00
2009	\$0.00

TOTAL	\$111.91
INTEREST	\$94.35
FEES	\$0.00
TOLERANCE	\$0.00
TOTAL	\$206.26

TOTAL TAXES UNCOLLECTED DECEMBER 2019

2019	\$0.00
2018	\$0.00
2017	\$0.00
2016	\$0.00
2015	\$0.00
2014	\$0.00
2013	\$63,485.07
2012	\$72,110.04
2011	\$55,153.42
2010	\$52,896.35
2009	\$0.00

TOTAL	\$243,644.88
-------	--------------

Percentage	Real Property				
Revenue	Unit: 010				
	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
July	1.77%	4.45%	3.79%	2.32%	6.34%
August	48.74%	55.65%	55.63%	55.60%	53.72%
September	59.56%	57.88%	58.57%	57.37%	54.98%
October	57.29%	56.00%	56.43%	54.98%	53.36%
November	59.09%	58.95%	59.42%	58.00%	56.28%
December	75.56%	72.10%	72.67%	73.13%	81.61%
January		93.34%	93.74%	93.07%	92.44%
February		95.68%	95.94%	95.48%	95.12%
March		97.04%	97.03%	96.96%	96.46%
April		97.72%	97.60%	97.58%	97.22%
May		98.14%	97.98%	98.20%	97.80%
June		98.43%	98.28%	98.42%	98.23%

TOTAL TAXES COLLECTED DECEMBER 2019

YEAR	AMOUNT-REAL	AMOUNT-VEH	
DEF REV	\$0.00	\$0.00	
2019	\$15,018,076.75	\$0.00	\$15,018,076.75
2018	\$40,580.91	\$0.00	\$40,580.91
2017	\$13,441.51	\$0.00	\$13,441.51
2016	\$7,358.25	\$0.00	\$7,358.25
2015	\$2,965.84	\$0.00	\$2,965.84
2014	\$1,792.96	\$0.00	\$1,792.96
2013	\$834.19	\$39.67	\$873.86
2012	\$765.82	\$62.22	\$828.04
2011	\$331.23	\$10.02	\$341.25
2010	\$383.33	\$0.00	\$383.33
2009	\$0.00	\$0.00	\$0.00

TOTALS	\$15,086,530.79	\$111.91	\$15,086,642.70
DISCOUNT	(\$9.38)		
INTEREST	\$12,302.50	\$94.35	\$0.00
TOLERANCE	\$4.86	\$0.00	
ADVERTISING	\$197.42	\$0.00	
GARNISHMEN	\$416.14		
NSF/ATTY	\$0.01		
LEGAL FEES	\$1,444.93		
TOTALS	\$15,100,887.27	\$206.26	
MISC FEE	\$0.00	\$0.00	
TAXES COLL	\$15,100,887.27	\$206.26	\$15,101,093.53
	\$15,100,887.27	\$206.26	

TOTAL TAXES UNCOLLECTED DECEMBER 2019

	AMOUNT-REAL	AMOUNT-VEH	COMBINED AMT
2019	\$20,262,599.39	\$0.00	\$20,262,599.39
2018	\$915,074.00	\$0.00	\$915,074.00
2017	\$464,109.88	\$0.00	\$464,109.88
2016	\$278,806.00	\$0.00	\$278,806.00
2015	\$196,427.63	\$0.00	\$196,427.63
2014	\$178,248.03	\$0.00	\$178,248.03
2013	\$127,659.36	\$63,485.07	\$191,144.43
2012	\$98,498.91	\$72,110.04	\$170,608.95
2011	\$74,355.70	\$55,153.42	\$129,509.12
2010	\$67,384.37	\$52,896.35	\$120,280.72
2009	\$0.00	\$0.00	\$0.00
	\$22,663,163.27	\$243,644.88	\$22,906,808.15

Deffered \$0.00

TOTAL UNCOLLECTED \$22,663,163.27

REAL-PERSONAL
COUNTY GENERAL

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
<u>DEF REV</u>			<u>2019</u>
2019	\$8,177,134.02		
2018	\$22,782.12		
2017	\$7,033.89		
2016	\$3,748.16		
2015	\$1,475.87		
2014	\$960.96		
2013	\$477.96		
2012	\$370.82		
2011	\$166.10		
2010	\$222.54		
2009			

ACCOUNT NOS.

SUB TOTAL	\$8,214,372.44
DISCOUNT	(\$5.32)
INTEREST	\$7,321.59
ADVERTISING	\$197.42
GARNISHMENT	\$416.14
NSF/ATTY	\$0.01
LEGAL FEES	\$1,444.93
TOLERANCE	\$2.18
TOTAL	\$8,223,749.39
misc fee	\$0.00
	\$8,223,749.39

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	<u>12/31/18</u>			
2019	\$37,500,569.86	\$49,627,090.46	75.56%	\$12,126,520.60
2018	\$46,193,331.43	\$46,677,341.77	98.96%	\$484,010.34
2017	\$43,937,185.38	\$44,183,516.34	99.44%	\$246,330.96
2016	\$43,608,716.46	\$43,749,699.59	99.68%	\$140,983.13
2015	\$42,922,518.45	\$43,029,748.71	99.75%	\$107,230.26
2014	\$42,083,356.00	\$42,171,866.22	99.79%	\$88,510.22
2013	\$41,139,173.36	\$41,203,911.73	99.84%	\$64,738.37
2012	\$38,768,792.66	\$38,820,667.00	99.87%	\$51,874.34
2011	\$36,263,756.79	\$36,300,701.22	99.90%	\$36,944.43
2010	\$34,613,057.87	\$34,649,485.04	99.89%	\$36,427.17
2009	\$34,257,353.44	\$34,257,353.44	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	\$0.00	#DIV/0!
DISC	\$0.00	\$0.00		\$0.00
TOL	\$0.00			

Respectfully,

Necole E. Richard
Necole E. Richard
TAX COLLECTOR

REAL-PERSONAL
COUNTY FIRE

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$519,050.69		
2018	\$2,176.55		
2017	\$347.55		
2016	\$63.65		
2015	\$6.74		
2014	\$22.20		
2013	\$8.96		
2012	\$1.19		
2011			
2010	\$5.27		
2009			

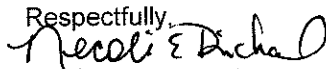
ACCOUNT NOS.

SUB TOTAL	\$521,682.80
DISCOUNT	(\$0.26)
INTEREST	\$348.59
TOLERANCE	\$0.24
TOTAL	\$522,031.37

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$2,306,098.72	\$2,925,977.18	78.81%	\$619,878.46
2018	\$2,859,740.56	\$2,895,059.85	98.78%	\$35,319.29
2017	\$2,811,171.66	\$2,830,094.14	99.33%	\$18,922.48
2016	\$1,465,494.55	\$1,471,200.75	99.61%	\$5,706.20
2015	\$1,454,184.83	\$1,458,224.62	99.72%	\$4,039.79
2014	\$1,447,523.53	\$1,450,442.64	99.80%	\$2,919.11
2013	\$1,485,078.15	\$1,487,359.99	99.85%	\$2,281.84
2012	\$864,950.20	\$865,993.49	99.88%	\$1,043.29
2011	\$774,919.67	\$775,820.57	99.88%	\$900.90
2010	\$766,340.74	\$767,219.15	99.89%	\$878.41
2009	\$761,819.45	\$761,819.45	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	\$0.00	#DIV/0!
DISC	\$0.00	\$0.00		\$0.00
TOL	\$0.00			

Respectfully,



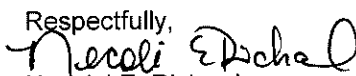
Necole' E. Richard
TAX COLLECTOR

REAL-PERSONAL
CLEVELAND COUNTY SOLID WASTE

<u>YEAR</u>	<u>FEES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$331,099.32		
2018	\$3,362.37		
2017	\$968.96		
2016	\$201.18		
2015	\$179.07		
2014	\$157.27		
2013	\$80.60		
2012	\$87.59		
2011			
2010			
2009			
SUB TOTAL	\$336,136.36		<u>ACCOUNT NOS.</u>
DISCOUNT			
INTEREST			
TOLERANCE			
TOTAL	\$336,136.36		

<u>YEAR</u>	<u>FEES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$1,501,958.51	\$2,028,746.96	74.03%	\$526,788.45
2018	\$1,840,584.10	\$1,911,421.55	96.29%	\$70,837.45
2017	\$1,875,730.40	\$1,925,046.46	97.44%	\$49,316.06
2016	\$1,685,106.95	\$1,728,734.93	97.48%	\$43,627.98
2015	\$1,723,387.85	\$1,744,617.30	98.78%	\$21,229.45
2014	\$1,734,075.66	\$1,761,967.27	98.42%	\$27,891.61
2013	\$1,749,880.83	\$1,767,907.87	98.98%	\$18,027.04
2012	\$1,407,612.43	\$1,418,122.50	99.26%	\$10,510.07
2011	\$1,413,938.69	\$1,427,570.12	99.05%	\$13,631.43
2010	\$1,409,622.56	\$1,416,632.62	99.51%	\$7,010.06
2009	\$1,423,721.49	\$1,423,721.49	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>	
TAX	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00			
TOL	\$0.00	\$0.00	INT		

Respectfully,

 Necole E. Richard
 TAX COLLECTOR

VENDOR 3170 REAL-PERSONAL
CLEVELAND COUNTY SCHOOLS

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
<u>DEF REV</u>			<u>2019</u>
2019	\$2,151,882.58		
2018	\$5,995.49		
2017	\$1,850.96		
2016	\$986.34		
2015	\$388.38		
2014	\$252.90		
2013	\$125.76		
2012	\$97.59		
2011	\$43.71		
2010	\$58.56		
2009			
			<u>ACCOUNT NOS.</u>
SUB TOTAL	\$2,161,682.27		
DISCOUNT	(\$1.38)		
INTEREST	\$1,926.95		
TOLERANCE	\$0.64		
TOTAL	\$2,163,608.48		020.600.5.524.00

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	<u>12/31/18</u>			
2019	\$9,868,592.03	\$13,059,788.82	75.56%	\$3,191,196.79
2018	\$12,156,166.63	\$12,283,538.56	98.96%	\$127,371.93
2017	\$11,562,444.80	\$11,627,269.20	99.44%	\$64,824.40
2016	\$11,476,006.47	\$11,513,107.86	99.68%	\$37,101.39
2015	\$11,295,427.89	\$11,323,647.17	99.75%	\$28,219.28
2014	\$11,074,596.94	\$11,097,889.83	99.79%	\$23,292.89
2013	\$10,826,128.50	\$10,843,165.36	99.84%	\$17,036.86
2012	\$10,202,324.73	\$10,215,976.17	99.87%	\$13,651.44
2011	\$9,542,907.06	\$9,552,629.63	99.90%	\$9,722.57
2010	\$9,108,483.25	\$9,118,069.12	99.89%	\$9,585.87
2009	\$9,014,649.51	\$9,014,649.51	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	\$0.00	#DIV/0!
DISC	\$0.00	\$0.00		\$0.00
TOL	\$0.00	\$0.00	INT	

Respectfully,

Necole' E. Richard
TAX COLLECTOR

VENDOR 5110

REAL-PERSONAL
FALLSTON FIRE

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
<u>DEF REV</u>		Added to County Service District	2019
2019	\$16.13		
2018			
2017			
2016	\$13.34		
2015	\$16.08		
2014	\$16.08		
2013	\$16.08		
2012	\$5.42		
2011			
2010			
2009			
			<u>ACCOUNT NOS</u>
SUB TOTAL	\$83.13		
DISCOUNT			
INTEREST	\$37.67		
TOLERANCE			
TOTAL	\$120.80		074.000.2.240.00

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$91.77	\$91.77	100.00%	\$0.00
2018	\$614.00	\$614.00	100.00%	\$0.00
2017	\$1,405.34	\$1,416.38	99.22%	\$11.04
2016	\$130,527.77	\$131,452.04	99.30%	\$924.27
2015	\$138,702.79	\$139,643.52	99.33%	\$940.73
2014	\$133,354.56	\$133,802.52	99.67%	\$447.96
2013	\$131,083.53	\$131,236.57	99.88%	\$153.04
2012	\$130,205.03	\$130,317.89	99.91%	\$112.86
2011	\$129,869.52	\$129,955.48	99.93%	\$85.96
2010	\$120,554.43	\$120,605.50	99.96%	\$51.07
2009	\$119,845.61	\$119,845.61	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00		
TOL	\$0.00	\$0.00		
		INT		

Respectfully,

Necole E. Richard
TAX COLLECTOR

VENDOR 7990

REAL-PERSONAL
LATTIMORE FIRE
#7 VFD

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$38,289.41		
2018	\$99.99		
2017	\$130.82		
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			
			<u>ACCOUNT NOS.</u>
SUB TOTAL	\$38,520.22		
DISCOUNT			
INTEREST	\$75.65		
TOLERANCE	(\$0.20)		
TOTAL	\$38,595.67		075.000.2.240.00

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$186,398.67	\$264,489.51	70.47%	\$78,090.84
2018	\$252,090.48	\$255,086.74	98.83%	\$2,996.26
2017	\$244,505.91	\$245,874.41	99.44%	\$1,368.50
2016	\$273,544.34	\$273,935.95	99.86%	\$391.61
2015	\$264,745.67	\$265,052.11	99.88%	\$306.44
2014	\$268,347.51	\$268,584.86	99.91%	\$237.35
2013	\$206,009.37	\$206,120.89	99.95%	\$111.52
2012	\$107,909.80	\$107,990.48	99.93%	\$80.68
2011	\$84,952.71	\$84,995.28	99.95%	\$42.57
2010	\$84,258.54	\$84,301.04	99.95%	\$42.50
2009	\$83,411.08	\$83,411.08	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	\$0.00	#DIV/0!
DISC	\$0.00	\$0.00		\$0.00
TOL	\$0.00	\$0.00		
		INT		

Respectfully,



Necole E. Richard
TAX COLLECTOR

REAL-PERSONAL
RIPPY FIRE

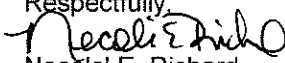
VENDOR 11870

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$34,373.04		
2018	\$182.92		
2017	\$34.41		
2016	\$0.93		
2015			
2014			
2013	\$6.86		
2012			
2011			
2010	\$3.12		
2009			
			<u>ACCOUNT NOS.</u>
SUB TOTAL	\$34,601.28		
DISCOUNT			
INTEREST	\$95.61		
TOLERANCE	(\$0.05)		
TOTAL	\$34,696.84		076.000.2.240.00

<u>TAXES COLLECTED THRU</u>				
<u>YEAR</u>	<u>12/31/18</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
2019	\$232,741.81	\$306,950.54	75.82%	\$74,208.73
2018	\$297,510.16	\$303,670.15	97.97%	\$6,159.99
2017	\$294,897.25	\$299,707.37	98.40%	\$4,810.12
2016	\$170,160.63	\$170,922.83	99.55%	\$762.20
2015	\$179,288.15	\$179,880.70	99.67%	\$592.55
2014	\$174,890.84	\$175,275.21	99.78%	\$384.37
2013	\$173,616.00	\$173,943.86	99.81%	\$327.86
2012	\$168,029.73	\$168,280.58	99.85%	\$250.85
2011	\$169,834.96	\$170,042.83	99.88%	\$207.87
2010	\$171,766.80	\$171,981.44	99.88%	\$214.64
2009	\$172,717.56	\$172,717.56	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00		
TOL	\$0.00	\$0.00		
		INT		

Respectfully,



Necole E. Richard
TAX COLLECTOR

VENDOR 12560

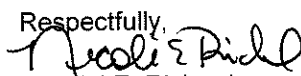
REAL-PERSONAL
CITY OF SHELBY

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$1,710,037.11		
2018	\$1,994.43		
2017	\$1,019.77		
2016	\$322.30		
2015	\$96.89		
2014			
2013	\$20.97		
2012			
2011	\$60.50		
2010			
2009			

		<u>ACCOUNT NOS.</u>
SUB TOTAL	\$1,713,551.97	
DISCOUNT		
INTEREST	\$431.50	
TOLERANCE	\$2.76	
SUBTOTAL	\$1,713,986.23	077.000.2.240.00
2% COLL FEE	(\$34,279.72)	010.413.4.540.00
TOTAL	\$1,679,706.51	10.000.1.203.00
		WIRE TRANSFER

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$9,295,201.08	\$11,644,758.85	79.82%	\$2,349,557.77
2018	\$9,682,304.13	\$9,807,310.89	98.73%	\$125,006.76
2017	\$9,271,541.27	\$9,322,272.54	99.46%	\$50,731.27
2016	\$7,981,931.25	\$8,015,141.40	99.59%	\$33,210.15
2015	\$7,409,916.97	\$7,432,099.46	99.70%	\$22,182.49
2014	\$7,207,149.76	\$7,227,092.12	99.72%	\$19,942.36
2013	\$7,037,373.87	\$7,055,478.82	99.74%	\$18,104.95
2012	\$6,907,931.18	\$6,924,160.38	99.77%	\$16,229.20
2011	\$6,831,760.93	\$6,840,524.68	99.87%	\$8,763.75
2010	\$6,808,578.58	\$6,817,752.05	99.87%	\$9,173.47
2009	\$6,783,857.32	\$6,783,857.32	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00		
TOL	\$0.00	\$0.00	INT	

Respectfully,

Nicole E. Richard
TAX COLLECTOR

VENDOR 12560

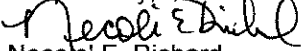
REAL-PERSONAL
CITY OF SHELBY
 DISTRICT 25

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$90,226.85		
2018			
2017			
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			
SUB TOTAL	\$90,226.85		<u>ACCOUNT NOS.</u>
DISCOUNT			
INTEREST			
TOLERANCE			077.000.2.240.00
SUBTOTAL	\$90,226.85		010.413.4.540.00
2% COLL FEE	(\$1,804.54)		10.000.1.203.00
TOTAL	\$88,422.31		WIRE TRANSFER

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$293,545.97	\$351,933.26	83.41%	\$58,387.29
2018	\$336,817.11	\$340,395.36	98.95%	\$3,578.25
2017	\$321,307.92	\$321,938.62	99.80%	\$630.70
2016	\$319,448.65	\$320,709.54	99.61%	\$1,260.89
2015	\$315,997.21	\$316,703.16	99.78%	\$705.95
2014	\$314,490.53	\$314,898.50	99.87%	\$407.97
2013	\$315,453.29	\$315,698.22	99.92%	\$244.93
2012	\$303,190.46	\$303,321.12	99.96%	\$130.66
2011	\$334,113.14	\$334,391.44	99.92%	\$278.30
2010	\$312,066.57	\$312,577.54	99.84%	\$510.97
2009	\$314,488.00	\$314,488.00	100.00%	\$0.00

2018 DEF REV COLL	TAX		LEVY	%COLLECTED	UNCOLLECTED
TAX	\$0.00		\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00			
TOL	\$0.00	\$0.00	INT		

Respectfully,

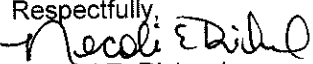

 Necole E. Richard
 TAX COLLECTOR

VENDOR 1411

REAL-PERSONAL
TOWN OF BOILING SPRINGS

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$137,968.43		
2018	\$311.79		
2017	\$241.56		
2016	\$43.09		
2015			
2014			
2013			
2012			
2011			
2010			
2009			
			<u>ACCOUNT NOS.</u>
SUB TOTAL	\$138,564.87		
DISCOUNT	(\$2.41)		
INTEREST	\$88.23		
TOLERANCE	\$0.16		
SUBTOTAL	\$138,650.85		078.000.2.240.00
2% COLL FEE	(\$2,773.02)		010.413.4.540.00
TOTAL	\$135,877.83		

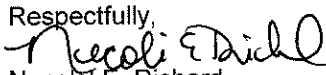
<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$854,675.65	\$997,083.37	85.72%	\$142,407.72
2018	\$945,830.19	\$951,171.44	99.44%	\$5,341.25
2017	\$915,465.43	\$919,482.67	99.56%	\$4,017.24
2016	\$821,976.10	\$822,416.68	99.95%	\$440.58
2015	\$807,776.89	\$808,449.91	99.92%	\$673.02
2014	\$790,281.59	\$790,935.69	99.92%	\$654.10
2013	\$708,813.29	\$709,598.17	99.89%	\$784.88
2012	\$699,998.60	\$700,603.25	99.91%	\$604.65
2011	\$697,140.01	\$697,192.23	99.99%	\$52.22
2010	\$696,642.91	\$696,689.62	99.99%	\$46.71
2009	\$685,290.90	\$685,290.90	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00		
TOL	\$0.00	\$0.00		
INT				
Respectfully,				
				
Necole E. Richard				
TAX COLLECTOR				

VENDOR 6230 REAL-PERSONAL
TOWN OF GROVER

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
<u>DEF REV</u>			<u>2019</u>
2019	\$20,943.46		
2018	\$661.57		
2017			
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			
			<u>ACCOUNT NOS.</u>
SUB TOTAL	\$21,605.03		
DISCOUNT			
INTEREST	\$41.29		
TOLERANCE	(\$0.19)		
SUBTOTAL	\$21,646.13		079.000.2.240.00
2% COLL FEE	(\$432.92)		010.413.4.540.00
TOTAL	\$21,213.21		

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	<u>12/31/18</u>			
2019	\$93,204.11	\$135,566.03	68.75%	\$42,361.92
2018	\$118,987.90	\$120,177.50	99.01%	\$1,189.60
2017	\$117,233.92	\$117,935.42	99.41%	\$701.50
2016	\$117,816.25	\$118,153.55	99.71%	\$337.30
2015	\$120,861.46	\$121,125.85	99.78%	\$264.39
2014	\$120,665.70	\$120,971.20	99.75%	\$305.50
2013	\$117,851.74	\$118,142.49	99.75%	\$290.75
2012	\$120,084.00	\$120,121.56	99.97%	\$37.56
2011	\$119,515.80	\$119,546.48	99.97%	\$30.68
2010	\$118,669.21	\$118,717.44	99.96%	\$48.23
2009	\$117,042.01	\$117,042.01	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00 \$0.00			
TOL	\$0.00 \$0.00	INT		
Respectfully,				
				
Necole E. Richard				
TAX COLLECTOR				

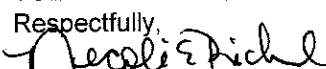
VENDOR 7770 REAL-PERSONAL
CITY OF KINGS MOUNTAIN

YEAR	TAXES COLLECTED	MONTH OF	DECEMBER
DEF REV			2019
2019	\$1,621,323.66		
2018	\$2,277.46		
2017	\$1,578.36		
2016	\$1,822.53		
2015	\$764.04		
2014	\$368.23		
2013	\$60.92		
2012	\$201.04		
2011	\$60.92		
2010	\$60.92		
2009			
SUB TOTAL		<u>ACCOUNT NOS.</u>	
DISCOUNT			
INTEREST			
TOLERANCE			
SUBTOTAL		080.000.2.240.00	
2% COLL FEE		010.413.4.540.00	
TOTAL		10.000.1.203.00	
		WIRE TRANSFER	

YEAR	TAXES COLLECTED THRU 12/31/18	LEVY	% COLLECTED	UNCOLLECTED
2019	\$5,998,303.24	\$6,795,562.82	88.27%	\$797,259.58
2018	\$6,561,496.71	\$6,593,928.50	99.51%	\$32,431.79
2017	\$5,235,315.01	\$5,247,898.32	99.76%	\$12,583.31
2016	\$4,658,497.85	\$4,667,420.25	99.81%	\$8,922.40
2015	\$3,866,625.53	\$3,872,454.49	99.85%	\$5,828.96
2014	\$3,666,802.27	\$3,676,875.56	99.73%	\$10,073.29
2013	\$3,144,733.64	\$3,148,433.74	99.88%	\$3,700.10
2012	\$2,392,678.49	\$2,395,168.71	99.90%	\$2,490.22
2011	\$2,322,247.25	\$2,324,873.03	99.89%	\$2,625.78
2010	\$2,255,208.14	\$2,257,331.26	99.91%	\$2,123.12
2009	\$2,177,553.73	\$2,177,553.73	100.00%	\$0.00

2009-20 CITY MUN \$2,116.05
2019 CITY MUN \$26,865.57 \$35,899.45 \$9,033.88
Shown separately for information only. These amounts are incorporated in the totals above.

2018 DEF REV COLL	TAX	LEVY	%COLLECTED	UNCOLLECTED
TAX	\$0.00	\$0.00	\$0.00	0.00%
DISC	\$0.00	\$0.00		\$0.00
TOL	\$0.00	\$0.00		
		INT		

Respectfully,

Necole E. Richard
TAX COLLECTOR

VENDOR 8010

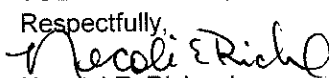
REAL-PERSONAL
TOWN OF LATTIMORE

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
<u>DEF REV</u>			<u>2019</u>
2019	\$7,119.87		
2018			
2017			
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			

		<u>ACCOUNT NOS.</u>
SUB TOTAL	\$7,119.87	
DISCOUNT		
INTEREST		
TOLERANCE		
SUBTOTAL	\$7,119.87	081.000.2.240.00
2% COLL FEE	(\$142.40)	010.413.4.540.00
TOTAL	\$6,977.47	

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	<u>12/31/18</u>			
2019	\$27,837.87	\$33,046.64	84.24%	\$5,208.77
2018	\$32,287.93	\$32,516.04	99.30%	\$228.11
2017	\$30,793.91	\$31,010.85	99.30%	\$216.94
2016	\$31,560.75	\$31,583.55	99.93%	\$22.80
2015	\$33,201.44	\$33,208.85	99.98%	\$7.41
2014	\$33,877.20	\$33,884.61	99.98%	\$7.41
2013	\$27,774.44	\$27,780.51	99.98%	\$6.07
2012	\$31,694.01	\$31,704.40	99.97%	\$10.39
2011	\$30,718.52	\$30,726.14	99.98%	\$7.62
2010	\$30,091.97	\$30,098.80	99.98%	\$6.83
2009	\$30,031.56	\$30,031.56	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00 \$0.00			
TOL	\$0.00 \$0.00	INT		

Respectfully,

 Necole E. Richard
 TAX COLLECTOR

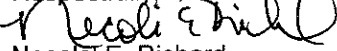
VENDOR 14350 REAL-PERSONAL
CLEVELAND CO. SANITARY DISTRICT
 CLEVELAND COUNTY WATER

YEAR	TAXES COLLECTED	MONTH OF	DECEMBER
DEF REV			2019
2019	\$136,192.68		
2018	\$523.57		
2017	\$114.87		
2016	\$30.35		
2015	\$9.12		
2014	\$15.32		
2013	\$12.76		
2012	\$2.17		
2011			
2010	\$2.96		
2009			
SUB TOTAL	\$136,903.80		
DISCOUNT	(\$0.01)		
INTEREST	\$142.89		
TOLERANCE	\$0.04		
SUBTOTAL	\$137,046.72		082.000.2.240.00
2% COLL FEE	(\$2,740.93)		010.413.4.540.00
TOTAL	\$134,305.79		
			<u>ACCOUNT NOS.</u>

YEAR	TAXES COLLECTED THRU	LEVY	% COLLECTED	UNCOLLECTED
	12/31/18			
2019	\$668,036.47	\$829,393.85	80.55%	\$161,357.38
2018	\$745,259.39	\$756,040.40	98.57%	\$10,781.01
2017	\$731,669.29	\$737,028.22	99.27%	\$5,358.93
2016	\$729,769.64	\$732,656.30	99.61%	\$2,886.66
2015	\$728,650.90	\$730,786.50	99.71%	\$2,135.60
2014	\$714,553.42	\$715,974.26	99.80%	\$1,420.84
2013	\$714,414.76	\$715,440.73	99.86%	\$1,025.97
2012	\$692,678.81	\$693,442.96	99.89%	\$764.15
2011	\$642,675.08	\$643,326.28	99.90%	\$651.20
2010	\$632,874.33	\$633,525.22	99.90%	\$650.89
2009	\$631,762.29	\$631,762.29	100.00%	\$0.00

2018 DEF REV COLL	TAX	LEVY	%COLLECTED	UNCOLLECTED
TAX	\$0.00	\$0.00	\$0.00	#DIV/0!
DISC	\$0.00	\$0.00		\$0.00
TOL	\$0.00	\$0.00		
INT				

Respectfully,


 Necole E. Richard
 TAX COLLECTOR

VENDOR 7865

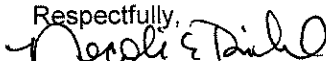
REAL-PERSONAL
TOWN OF KINGSTOWN

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$11,477.54		
2018			
2017	\$95.70		
2016	\$125.91		
2015	\$29.38		
2014			
2013			
2012			
2011			
2010	\$29.96		
2009			
SUB TOTAL	\$11,758.49		
DISCOUNT			
INTEREST	\$52.56		
TOLERANCE			
SUBTOTAL	\$11,811.05		
2% COLL FEE	(\$236.22)		
TOTAL	\$11,574.83		
<u>ACCOUNT NOS.</u>			
083.000.2.240.00			
010.413.4.540.00			
10.000.1.203.00			
WIRE TRANSFER			

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$40,408.11	\$71,773.63	56.30%	\$31,365.52
2018	\$65,066.68	\$71,430.30	91.09%	\$6,363.62
2017	\$48,977.73	\$51,928.14	94.32%	\$2,950.41
2016	\$50,354.77	\$52,117.89	96.62%	\$1,763.12
2015	\$66,161.02	\$67,620.03	97.84%	\$1,459.01
2014	\$67,133.36	\$68,254.96	98.36%	\$1,121.60
2013	\$68,575.63	\$68,953.97	99.45%	\$378.34
2012	\$68,639.16	\$68,981.82	99.50%	\$342.66
2011	\$68,494.12	\$68,584.67	99.87%	\$90.55
2010	\$68,822.84	\$69,111.07	99.58%	\$288.23
2009	\$67,631.86	\$67,631.86	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>	
TAX	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00			
TOL	\$0.00	\$0.00	INT		

Respectfully,


Necole E. Richard
TAX COLLECTOR

VENDOR 5120

REAL-PERSONAL
TOWN OF FALLSTON

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$2,609.94		
2018	\$5.78		
2017			
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			
SUB TOTAL	\$2,615.72		
DISCOUNT			
INTEREST	\$2.66		
TOLERANCE	(\$0.04)		
SUBTOTAL	\$2,618.34		084.000.2.240.00
2% COLL FEE	(\$52.37)		010.413.4.540.00
TOTAL	\$2,565.97		

ACCOUNT NOS.

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$13,716.92	\$18,880.39	72.65%	\$5,163.47
2018	\$18,784.78	\$18,932.85	99.22%	\$148.07
2017	\$18,470.83	\$18,509.14	99.79%	\$38.31
2016	\$18,527.39	\$18,533.75	99.97%	\$6.36
2015	\$20,213.05	\$20,316.31	99.49%	\$103.26
2014	\$18,703.94	\$18,794.58	99.52%	\$90.64
2013	\$18,679.04	\$18,720.08	99.78%	\$41.04
2012	\$18,703.83	\$18,742.53	99.79%	\$38.70
2011	\$18,260.93	\$18,267.75	99.96%	\$6.82
2010	\$18,098.16	\$18,109.23	99.94%	\$11.07
2009	\$17,902.61	\$17,902.61	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00		
TOL	\$0.00	\$0.00		

Respectfully,


Necole E. Richard
TAX COLLECTOR

VENDOR 4640

REAL-PERSONAL
TOWN OF EARL

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
<u>DEF REV</u>			<u>2019</u>
2019	\$1,404.49		
2018			
2017			
2016			
2015			
2014			
2013	\$23.32		
2012			
2011			
2010			
2009			
		<u>ACCOUNT NOS.</u>	
SUB TOTAL	\$1,427.81		
DISCOUNT			
INTEREST	\$3.24		
TOLERANCE	\$0.13		
SUBTOTAL	\$1,431.18		085.000.2.240.00
2% COLL FEE	(\$28.62)		010.413.4.540.00
TOTAL	\$1,402.56		

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	<u>12/31/18</u>			
2019	\$11,369.28	\$16,891.52	67.31%	\$5,522.24
2018	\$16,395.55	\$16,537.94	99.14%	\$142.39
2017	\$15,083.07	\$15,216.00	99.13%	\$132.93
2016	\$14,744.15	\$14,780.51	99.75%	\$36.36
2015	\$14,679.88	\$14,728.00	99.67%	\$48.12
2014	\$14,905.96	\$14,953.71	99.68%	\$47.75
2013	\$14,735.14	\$14,759.57	99.83%	\$24.43
2012	\$14,365.31	\$14,402.34	99.74%	\$37.03
2011	\$13,884.13	\$13,926.77	99.69%	\$42.64
2010	\$13,979.73	\$14,022.37	99.70%	\$42.64
2009	\$14,540.82	\$14,540.82	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00		
TOL	\$0.00	\$0.00	INT	

Respectfully,


Necole E. Richard
TAX COLLECTOR

VENDOR 11240

REAL-PERSONAL
TOWN OF POLKVILLE

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$3,290.66		
2018	\$3.95		
2017			
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			
			<u>ACCOUNT NOS.</u>
SUB TOTAL	\$3,294.61		
DISCOUNT			
INTEREST			
TOLERANCE	(\$0.01)		
SUBTOTAL	\$3,294.60		086.000.2.240.00
2% COLL FEE	(\$65.89)		010.413.4.540.00
TOTAL	\$3,228.71		

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$9,878.91	\$12,492.24	79.08%	\$2,613.33
2018	\$12,279.14	\$12,302.07	99.81%	\$22.93
2017	\$12,008.70	\$12,052.25	99.64%	\$43.55
2016	\$11,802.24	\$11,813.19	99.91%	\$10.95
2015	\$12,055.19	\$12,061.74	99.95%	\$6.55
2014	\$11,590.39	\$11,604.64	99.88%	\$14.25
2013	\$11,756.43	\$11,761.61	99.96%	\$5.18
2012	\$11,547.53	\$11,547.86	100.00%	\$0.33
2011	\$11,580.91	\$11,580.94	100.00%	\$0.03
2010	\$12,105.78	\$12,105.78	100.00%	\$0.00
2009	\$11,504.79	\$11,504.79	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00	\$0.00		
TOL	\$0.00	\$0.00		
Respectfully,				
				
Necole E. Richard				
TAX COLLECTOR				

VENDOR 8060

REAL-PERSONAL
TOWN OF LAWNSDALE

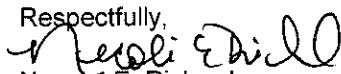
<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
<u>DEF REV</u>			<u>2019</u>
2019	\$9,286.28		
2018	\$38.07		
2017	\$24.21		
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			
SUB TOTAL	<u>\$9,348.56</u>		
DISCOUNT			
INTEREST	\$5.14		
TOLERANCE	<u>(\$0.20)</u>		
SUBTOTAL	\$9,353.50		087.000.2.240.00
2% COLL FEE	<u>(\$187.07)</u>		010.413.4.540.00
TOTAL	\$9,166.43		

ACCOUNT NOS.

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	<u>12/31/18</u>			
2019	\$41,972.32	\$65,230.89	64.34%	\$23,258.57
2018	\$42,350.45	\$43,592.04	97.15%	\$1,241.59
2017	\$42,685.89	\$43,433.51	98.28%	\$747.62
2016	\$42,163.93	\$42,482.11	99.25%	\$318.18
2015	\$45,661.66	\$46,009.12	99.24%	\$347.46
2014	\$44,390.55	\$44,697.65	99.31%	\$307.10
2013	\$44,638.83	\$44,918.54	99.38%	\$279.71
2012	\$44,351.94	\$44,558.75	99.54%	\$206.81
2011	\$44,128.33	\$44,306.00	99.60%	\$177.67
2010	\$44,150.03	\$44,337.99	99.58%	\$187.96
2009	\$46,636.79	\$46,636.79	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	\$0.00	0.00%
DISC	\$0.00	\$0.00		
TOL	\$0.00	\$0.00		
		INT		

Respectfully,



Necole E. Richard
TAX COLLECTOR

REAL-PERSONAL
TOWN OF CASAR

VENDOR 2330

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$1,099.20		
2018	\$0.43		
2017	\$0.45		
2016	\$0.47		
2015	\$0.27		
2014			
2013			
2012			
2011			
2010			
2009			

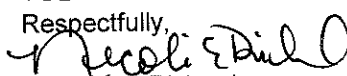
ACCOUNT NOS.

SUB TOTAL	\$1,100.82
DISCOUNT	
INTEREST	\$0.36
TOLERANCE	\$0.01
SUBTOTAL	\$1,101.19
2% COLL FEE	(\$22.02)
TOTAL	\$1,079.17

088.000.2.240.00
010.413.4.540.00

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$4,110.44	\$5,883.70	69.86%	\$1,773.26
2018	\$5,578.72	\$5,683.96	98.15%	\$105.24
2017	\$5,747.99	\$5,758.29	99.82%	\$10.30
2016	\$5,674.08	\$5,683.32	99.84%	\$9.24
2015	\$5,553.17	\$5,555.64	99.96%	\$2.47
2014	\$5,581.71	\$5,583.97	99.96%	\$2.26
2013	\$5,577.02	\$5,579.23	99.96%	\$2.21
2012	\$5,600.50	\$5,600.50	100.00%	\$0.00
2011	\$5,607.04	\$5,616.73	99.83%	\$9.69
2010	\$5,720.53	\$5,731.81	99.80%	\$11.28
2009	\$5,712.49	\$5,712.49	100.00%	\$0.00

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	\$0.00	0.00%
DISC	\$0.00	\$0.00		
TOL	\$0.00	\$0.00		
		INT		

Respectfully,

Nicole E. Richard
TAX COLLECTOR

VENDOR 14630

REAL-PERSONAL
TOWN OF WACO

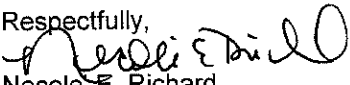
<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$6,003.48		
2018	\$30.51		
2017			
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			

SUB TOTAL	\$6,033.99
DISCOUNT	
INTEREST	\$0.44
TOLERANCE	
SUBTOTAL	\$6,034.43
2% COLL FEE	(\$120.69)
TOTAL	\$5,913.74

ACCOUNT NOS.

089.000.2.240.00
010.413.4.540.00

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$18,450.74	\$25,517.05	72.31%	\$7,066.31
2018	\$24,422.67	\$24,761.93	98.63%	\$339.26
2017	\$24,769.76	\$24,832.06	99.75%	\$62.30
2016	\$24,286.98	\$24,371.21	99.65%	\$84.23
2015	\$23,849.02	\$23,953.46	99.56%	\$104.44
2014	\$28,905.61	\$29,075.06	99.42%	\$169.45
2013	\$19,983.62	\$20,077.89	99.53%	\$94.27
2012	\$21,139.20	\$21,222.22	99.61%	\$83.02
2011	\$18,625.80	\$18,708.82	99.56%	\$83.02
2010	\$17,089.45	\$17,162.70	99.57%	\$73.25
2009	\$12,909.31	\$12,909.31	100.00%	\$0.00

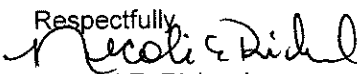
<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	0.00%	\$0.00
DISC	\$0.00 \$0.00			
TOL	\$0.00 \$0.00	INT		
Respectfully,				
				
Necole E. Richard				
TAX COLLECTOR				

VENDOR 10910 REAL-PERSONAL
TOWN OF PATTERSON SPRINGS

YEAR	TAXES COLLECTED	MONTH OF	DECEMBER
DEF REV			2019
2019	\$2,651.80		
2018	\$84.34		
2017			
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			
			ACCOUNT NOS.
SUB TOTAL	\$2,736.14		
DISCOUNT			
INTEREST	\$6.59		
TOLERANCE			
TOTAL	\$2,742.73		091.000.2.240.00
2% COLL FEE	(\$54.85)		010.413.4.540.00
TOTAL	\$2,687.88		

YEAR	TAXES COLLECTED THRU 12/31/18	LEVY	% COLLECTED	UNCOLLECTED
2019	\$26,071.26	\$31,229.03	83.48%	\$5,157.77
2018	\$29,903.78	\$30,418.37	98.31%	\$514.59
2017	\$29,634.89	\$29,935.90	98.99%	\$301.01

2018 DEF REV COLL	TAX	LEVY	%COLLECTED	UNCOLLECTED
TAX	\$0.00	\$0.00	\$0.00	#DIV/0!
DISC	\$0.00	\$0.00		\$0.00
TOL	\$0.00	\$0.00		INT

Respectfully,

Necole' E. Richard
TAX COLLECTOR

VENDOR 1180

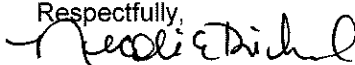
REAL-PERSONAL
TOWN OF BELWOOD

<u>YEAR</u>	<u>TAXES COLLECTED</u>	<u>MONTH OF</u>	<u>DECEMBER</u>
DEF REV			2019
2019	\$4,596.11		
2018	\$49.57		
2017			
2016			
2015			
2014			
2013			
2012			
2011			
2010			
2009			
			ACCOUNT NOS.
SUB TOTAL	\$4,645.68		
DISCOUNT			
INTEREST	\$2.95		
TOLERANCE			
TOTAL	\$4,648.63		092.000.2.240.00
2% COLL FEE	(\$92.97)		010.413.4.540.00
TOTAL	\$4,555.66		

<u>YEAR</u>	<u>TAXES COLLECTED THRU</u>	<u>LEVY</u>	<u>% COLLECTED</u>	<u>UNCOLLECTED</u>
	12/31/18			
2019	\$17,107.72	\$24,562.34	69.65%	\$7,454.62
2018	\$22,175.33	\$23,119.61	95.92%	\$944.28

<u>2018 DEF REV COLL</u>	<u>TAX</u>	<u>LEVY</u>	<u>%COLLECTED</u>	<u>UNCOLLECTED</u>
TAX	\$0.00	\$0.00	\$0.00	#DIV/0!
DISC	\$0.00	\$0.00		\$0.00
TOL	\$0.00	\$0.00		
		INT		

Respectfully,

Necole' E. Richard
TAX COLLECTOR

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

December 2019 Abatements and Supplements

Department: Tax Administration

Agenda Title: December 2019 Abatements and Supplements

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> abate_supp_report_phyllis_dec_2019_(1).pdf	122019 Abate & Suppl
<input type="checkbox"/> Pending_Refunds_and_Releases_JAN_2020.pdf	Pending Refund and Releases Jan 2020

ABATEMENTS & SUPPLEMENTS

MONTH OF

DECEMBER 2019-2020

DISTRICT	FUND		2020	2019
<u>COUNTY GENERAL</u>	<u>10</u>	ABATEMENTS		(415.48)
		SUPPLEMENTS		4,346.12
		HB ABATEMENTS		
		HB SUPPLEMENTS		
<u>CONSOLIDATED SCHOOL</u>	<u>20</u>	ABATEMENTS		(109.34)
		SUPPLEMENTS		1,143.73
		HB ABATEMENTS		
		HB SUPPLEMENTS		
<u>COUNTY FIRE</u>	<u>28</u>	ABATEMENTS		(21.15)
		SUPPLEMENTS		244.26
		HB ABATEMENTS		
		HB SUPPLEMENTS		
<u>COUNTY SCHOOLS</u>	<u>71</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
<u>SHELBY SCHOOLS</u>	<u>72</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
<u>KINGS MTN SCHOOLS</u>	<u>73</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
<u>FALLSTON FIRE</u>	<u>74</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
<u>LATTIMORE FIRE</u>	<u>75</u>	ABATEMENTS		
		SUPPLEMENTS		283.11
		HB ABATEMENTS		
		HB SUPPLEMENTS		

<u>RIPPY FIRE</u>	<u>76</u>	ABATEMENTS		(42.64)
		SUPPLEMENTS		5.79
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	10-76		0.00	(588.61)
TOTAL SUPPLEMENTS	10-76		0.00	6,023.01
TOTAL HB ABATEMENTS	10-76		0.00	0.00
TOTAL HB SUPPLEMENTS	10-76		0.00	0.00
<u>CITY OF SHELBY</u>	<u>77</u>	ABATEMENTS		
		SUPPLEMENTS		395.29
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	77		0.00	0.00
TOTAL SUPPLEMENTS	77		0.00	395.29
<u>TOWN OF BOILING SPRGS</u>	<u>78</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	78		0.00	0.00
TOTAL SUPPLEMENTS	78		0.00	0.00
<u>TOWN OF GROVER</u>	<u>79</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	79		0.00	0.00
TOTAL SUPPLEMENTS	79		0.00	0.00
<u>CITY OF KINGS MOUNTAIN</u>	<u>80</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	80		0.00	0.00
TOTAL SUPPLEMENTS	80		0.00	0.00
<u>TOWN OF LATTIMORE</u>	<u>81</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	81		0.00	0.00

TOTAL SUPPLEMENTS	81		0.00	0.00
<u>UPPER CLEVE WATER DIST</u>	<u>82</u>	ABATEMENTS		(14.58)
		SUPPLEMENTS		136.02
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	82		0.00	(14.58)
TOTAL SUPPLEMENTS	82		0.00	136.02
<u>TOWN OF KINGSTOWN</u>	<u>83</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	83		0.00	0.00
TOTAL SUPPLEMENTS	83		0.00	0.00
<u>TOWN OF FALLSTON</u>	<u>84</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	84		0.00	0.00
TOTAL SUPPLEMENTS	84		0.00	0.00
<u>TOWN OF EARL</u>	<u>85</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	85		0.00	0.00
TOTAL SUPPLEMENTS	85		0.00	0.00
<u>TOWN OF POLKVILLE</u>	<u>86</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	86		0.00	0.00
TOTAL SUPPLEMENTS	86		0.00	0.00
<u>TOWN OF LAWNSDALE</u>	<u>87</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	87		0.00	0.00
TOTAL SUPPLEMENTS	87		0.00	0.00

<u>TOWN OF CASAR</u>	<u>88</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	88		0.00	0.00
TOTAL SUPPLEMENTS	88		0.00	0.00
<u>TOWN OF WACO</u>	<u>89</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	89		0.00	0.00
TOTAL SUPPLEMENTS	89		0.00	0.00
<u>TOWN OF PATTERSON SPRGS</u>	<u>91</u>	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	91		0.00	0.00
TOTAL SUPPLEMENTS	91		0.00	0.00
TOWN OF BELWOOD	92	ABATEMENTS		
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	92		0.00	0.00
TOTAL SUPPLEMENTS	92		0.00	0.00
<u>S/W COLLECTIONS</u>	<u>54</u>	ABATEMENTS		(294.44)
		SUPPLEMENTS		
		HB ABATEMENTS		
		HB SUPPLEMENTS		
TOTAL ABATEMENTS	54		0.00	(294.44)
TOTAL SUPPLEMENTS	54		0.00	0.00
TOTAL REG ABATEMENTS	10-92		0.00	(897.63)
TOTAL REG SUPPLEMENTS	10-92		0.00	6,554.32
TOTAL HB ABATEMENTS	10-92		0.00	0.00
TOTAL HB SUPPLEMENTS	10-92		0.00	0.00
PAGE TOTALS	10-92	ABATEMENTS	0.00	(897.63)
PAGE TOTALS	10-92	SUPPLEMENTS	0.00	6,554.32

MONTHLY GRAND TOTAL		ABATEMENTS	(1,420.44)	
MONTHLY GRAND TOTAL		SUPPLEMENTS	6,554.32	

CHRIS GREEN

TAX ASSESSOR

PROPERTY AND HB20

[illegible]

[illegible]

0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(1.01)	(1.01)	(0.44)	(0.49)					
(1.01)	(1.01)	(0.44)	(0.49)	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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[illegible]

[illegible]

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0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
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0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00

PENDING REFUNDS / RELEASES (RECOMMENDED FOR APPROVAL)

January 21, 2020

The following requests have been reviewed by the County Assessor and found to be in order. They are hereby submitted for approval by the Cleveland County Board of Commissioners per G.S. 105-381. Supporting documentation is on file in the County Assessor's Office. Staff Recommendation: Approve Requests.

[illegible]

PENDING REFUNDS / RELEASES (RECOMMENDED FOR DENIAL)

January 21, 2020

The following requests have been reviewed by the County Assessor and Deputy County Attorney. It is their opinion that the stated request does not constitute a valid defense to the tax imposed or any part thereof, as provided in G.S. 105-381. Supporting documentation is on file in the County Assessor's Office. Staff recommendation: Deny requests.

				REQUESTED			TAX, FEES		REQUEST	
NAME	YEAR	RECEIPT	NOTE	VALUE CHANGE	DISTRICT	RATE	& INTEREST	PAID	RELEASE	REFUND
			(none currently)							
								TOTAL	0.00	0.00

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Monthly Manager's Report

Department: Finance Department
Agenda Title: Monthly Manager's Report
Agenda Summary:
Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> Managers_Financial_Update.pdf	Managers Report
<input type="checkbox"/> Manager_Budget_Summary_01.21.pdf	Managers Budget Summary

Cleveland County, North Carolina
Monthly Financial &
Manager's Report
FY 2019-2020

EXECUTIVE SUMMARY

Finance:

- The County's 6/30/19 annual audit report has been approved by the Local Government Commission. This report received an unmodified opinion (best opinion) indicating the report was free of material misstatements and appeared reasonably stated. This report has been submitted for the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the sixth consecutive year. This prestigious award is recognized across all local government.
- Planning for the 2020-2021 budget year is well underway and County Departments will be receiving budget packets and a budget calendar this week.
- The County's Central Collections department has collected slightly over \$1.7m in EMS revenues through December of this fiscal year. This is an increase of approx. \$300k when compared to prior year.
- The County has collected nearly \$500k in investment income through the month of December. Through strategic cash flow planning and forecasting the County has recognized increase of approx. \$140k in investment income when compared to prior year.

See attached for lateral and departmental line item transfers between 11/26/19-1/6/20:

County of Cleveland, North Carolina
Manager's Budget Summary
Presented at the 1/21/20 Board Meeting
Time Period Covered : 11/26/19 to 1/6/20
For Fiscal Year Ending June 30, 2019

BUDGET TRANSFERS LEGEND: D = DEPARTMENTAL; L = LATERAL

BUD #	BUDGET TYPE	DATE SUBMITTED BY DEPT	DEPT NAME TO	DEPT NAME FROM	EXPLANATION	BUDGET AMOUNT
423	D	11/26/2019	Janitorial Facilities		Move funds to purchase equipment	\$ 1,065
425	D	12/10/2019	Env Health		Move funds to cover equipment purchase	\$ 2,538
426	D	12/16/2019	Employee Wellness		Move funds to cover purchase of prescription drugs	\$ 46,978
427	D	12/16/2019	SW Landfill		Move funds to cover purchase of centrifugal pump & RSV stainless steel dispense coupler	\$ 922
428	D	12/17/2019	Cap Projs-Gen		Move funds cover purchase of equipment and professional services	\$ 105,993
429	D	12/17/2019	Register of Deeds		Move funds cover passport car magnets	\$ 100
430	D	12/17/2019	Animal Control		Move funds cover furniture, refrigerator, education expense, garbage expense; refunds	\$ 5,653
431	D	12/18/2019	Cap Proj-Graham Sch/TACC		Move funds to cover telecommunication expense	\$ 457
432	D	12/18/2019	Electronic Maint		Move funds to cover Polkville Tower site rental payments	\$ 2,196
433	L	12/19/2019	Cap Proj-EMS Polkville	Cap Proj-Gen	Transfer funds to cover Polkville EMS Base expenses	\$ 6,744
434	D	12/19/2019	Social Services Admin		Move funds to cover eq1603 new transmission and purchase of color printer	\$ 4,620
435	L	12/19/2019	Maintenance	Contingency	Transfer funds to cover LED Lighting upgrades in County Buildings	\$ 2,000

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Social Services: Budget Amendment (BNA#026)

Department: Social Services
Agenda Title: Budget Amendment BNA#026
Agenda Summary:
Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> bna026_1.21.20.pdf	Third Party Grant/DSS: Budget Amendment (BNA#026)

BUDGET NEW - ORDINANCE AMENDMENT

BNA # 026

SUBMITTED TO BOARD OF COUNTY COMMISSIONERS
FOR CONSIDERATION AT MEETING TO BE HELD ON:

January 21, 2020

FROM: BUDGET OFFICER
THRU: FINANCE OFFICE
FOR DEPT: TACC/DSS
DATE: 12/17/2019

SIGNATURES:



Finance Director

:

Department Manager

Account Number	Project Code	Department	Account Name	Increase	Decrease
010.497.4.350.00	08300-P432	3rd Party Grants	State Grant	\$ 66,697.00	
010.497.5.700.00	08300-P432	3rd Party Grants	Grants	\$ 66,697.00	
011.508.4.350.00	08300-P432	Income Maint	State Grant	\$ 3,781.00	
011.508.5.500.00	08300-P432	Income Maint	Misc Expense	\$ 3,781.00	

Explanation of Revisions: Budget \$70,477 in grant award verses the original budget from NCDOT for the 2020 Rural Operating Assistance Program (ROAP) funds.

THE ABOVE AMENDMENT HAS BEEN APPROVED AND RECORDED IN THE MINUTES OF THE COUNTY COMMISSIONERS' MEETING ON _____
(Date)

Phyllis Nowlen, Clerk to the Board

RETURN TO FINANCE OFFICE and Forward copy via email to Tonya.Sigmon@clevelandcounty.com

cc: Personnel Batch # _____
cc: Purchasing Date: _____
By: _____

TEMP.REPORT.FILE# 010-497-4-350-00

Typ	Date	Transaction	Transaction Amount	User	Description
---	-----	-----	-----	-----	-----
BUE	070119	20*P2	175,000.00	LUCAS.JACK SON	
			=====		
			175,000.00		

1 records listed.

FY20

106,998.84 +
134,697.86 +

002

Actual 241,696.70

budgeted

175,000.00 -

001

DIFF

66,696.70*

Qty	Cost	Description	Ext\$
1	0.00	Budget Projection	0.00
1	15,735.00	93767-P440 HEALTH CHOICE	15,735.00
1	50.00	02200-P267 AFDC INCENTIVE	50.00
1	500.00	02200-P268 TANF INCENTIVE	500.00
1	24,826.00	08300-P432 WF DOT FUNDS	24,826.00

OK Cancel

Budget Projection: 41,111.00
 Detail Lines 5

Account Number: 011-508-4-350-00
 STATE GOVERNMENT GRANTS

Year: 20 Phase: P2 Budget Group: Type: R

3,780.19*

000

24,826.00-

28,606.19+

2020	FY2020 Total Allocation			
COUNTIES	EDTAP	EMPL	RGP	Total
Alamance	\$ 122,776.71	\$ 40,837.67	\$ 89,255.42	\$ 252,869.80
Alexander	\$ 72,123.73	\$ 11,581.36	\$ 78,141.07	\$ 161,846.16
Alleghany	\$ 59,468.28	\$ 5,519.12	\$ 56,010.37	\$ 120,997.77
Anson	\$ 66,546.47	\$ 9,395.28	\$ 72,415.89	\$ 148,357.64
Ashe	\$ 67,688.67	\$ 9,759.31	\$ 72,761.90	\$ 150,209.88
Avery	\$ 61,467.37	\$ 7,169.19	\$ 62,909.59	\$ 131,546.16
Beaufort	\$ 81,868.12	\$ 14,786.53	\$ 94,032.58	\$ 190,687.23
Bertie	\$ 64,399.42	\$ 8,632.28	\$ 66,529.71	\$ 139,561.41
Bladen	\$ 74,437.72	\$ 12,680.48	\$ 80,977.16	\$ 168,095.36
Brunswick	\$ 122,230.34	\$ 33,665.53	\$ 114,555.23	\$ 270,451.10
Buncombe	\$ 174,032.99	\$ 60,048.39	\$ 104,032.89	\$ 338,114.26
Burke	\$ 105,402.78	\$ 24,776.93	\$ 84,702.28	\$ 214,881.99
Cabarrus	\$ 115,233.67	\$ 47,986.00	\$ 80,219.14	\$ 243,438.82
Caldwell	\$ 98,206.60	\$ 23,132.87	\$ 74,115.94	\$ 195,455.42
Camden	\$ 57,017.16	\$ 5,299.11	\$ 54,790.32	\$ 117,106.60
Carteret	\$ 93,950.66	\$ 20,548.83	\$ 113,468.20	\$ 227,967.69
Caswell	\$ 66,484.49	\$ 8,618.26	\$ 69,061.79	\$ 144,164.54
Catawba	\$ 120,431.77	\$ 41,351.68	\$ 99,743.76	\$ 261,527.21
Chatham	\$ 82,990.63	\$ 18,179.65	\$ 103,623.88	\$ 204,794.15
Cherokee	\$ 70,671.77	\$ 9,726.31	\$ 72,669.90	\$ 153,067.98
Chowan	\$ 61,489.34	\$ 6,612.18	\$ 59,789.49	\$ 127,891.02
Clay	\$ 58,691.31	\$ 5,347.11	\$ 55,420.35	\$ 119,458.77
Cleveland	\$ 106,998.84	\$ 28,606.19	\$ 134,697.86	\$ 270,302.89
Columbus	\$ 88,398.09	\$ 18,244.72	\$ 104,772.92	\$ 211,415.73
Craven	\$ 105,747.84	\$ 27,494.02	\$ 99,478.75	\$ 232,720.61
Cumberland	\$ 184,334.19	\$ 85,198.71	\$ 88,780.41	\$ 358,313.31
Currituck	\$ 62,487.42	\$ 9,946.37	\$ 68,882.78	\$ 141,316.57
Dare	\$ 70,025.75	\$ 17,715.95	\$ 79,658.11	\$ 167,399.82
Davidson	\$ 134,605.97	\$ 43,344.76	\$ 124,592.55	\$ 302,543.28
Davie	\$ 71,641.85	\$ 12,577.40	\$ 79,926.13	\$ 164,145.38
Duplin	\$ 82,083.08	\$ 17,758.67	\$ 105,194.93	\$ 205,036.68
Durham	\$ 151,682.80	\$ 72,808.19	\$ 60,065.49	\$ 284,556.48
Eastern Band of the Cherokee	\$ -	\$ -	\$ 52,829.27	\$ 52,829.27
Edgecombe	\$ 84,871.06	\$ 19,968.90	\$ 85,145.30	\$ 189,985.25
Forsyth	\$ 189,770.87	\$ 92,047.96	\$ -	\$ 281,818.83
Franklin	\$ 82,621.08	\$ 18,213.68	\$ 102,374.85	\$ 203,209.61
Gaston	\$ 156,529.52	\$ 56,544.45	\$ 93,410.55	\$ 306,484.52
Gates	\$ 58,452.23	\$ 5,627.11	\$ 57,093.41	\$ 121,172.75
Graham	\$ 56,319.21	\$ 5,816.17	\$ 53,131.28	\$ 115,266.66
Granville	\$ 88,679.98	\$ 16,989.58	\$ 105,660.95	\$ 211,330.51
Greene	\$ 62,344.34	\$ 7,913.21	\$ 66,612.71	\$ 136,870.26
Guilford	\$ 239,637.95	\$ 132,729.03	\$ 108,826.04	\$ 481,193.02

Halifax	\$ 89,470.08	\$ 18,463.78	\$ 101,233.80	\$ 209,167.66
Harnett	\$ 101,014.66	\$ 32,441.34	\$ 150,774.38	\$ 284,230.39
Haywood	\$ 86,272.48	\$ 17,404.64	\$ 78,422.09	\$ 182,099.21
Henderson	\$ 112,204.82	\$ 28,009.03	\$ 81,312.17	\$ 221,526.02
Hertford	\$ 67,769.47	\$ 9,026.28	\$ 70,047.82	\$ 146,843.57
Hoke	\$ 70,575.52	\$ 15,347.59	\$ 65,468.66	\$ 151,391.78
Hyde	\$ 55,321.20	\$ 4,930.13	\$ 50,458.20	\$ 110,709.53
Iredell	\$ 118,699.71	\$ 43,686.84	\$ 107,210.99	\$ 269,597.53
Jackson	\$ 73,302.78	\$ 13,407.49	\$ 82,889.23	\$ 169,599.50
Johnston	\$ 120,617.51	\$ 45,581.89	\$ 180,944.34	\$ 347,143.75
Jones	\$ 59,276.23	\$ 5,249.11	\$ 54,970.34	\$ 119,495.68
Lee	\$ 79,208.99	\$ 18,404.74	\$ 104,531.90	\$ 202,145.64
Lenoir	\$ 89,263.16	\$ 18,139.69	\$ 106,223.96	\$ 213,626.81
Lincoln	\$ 91,985.43	\$ 23,021.92	\$ 114,505.23	\$ 229,512.58
Macon	\$ 74,116.95	\$ 11,708.41	\$ 79,660.11	\$ 165,485.47
Madison	\$ 64,755.49	\$ 7,948.22	\$ 63,968.62	\$ 136,672.33
Martin	\$ 67,187.54	\$ 9,345.31	\$ 69,877.80	\$ 146,410.66
McDowell	\$ 81,631.93	\$ 13,924.48	\$ 91,162.48	\$ 186,718.89
Mecklenburg	\$ 342,264.92	\$ 254,769.98	\$ 54,601.32	\$ 651,636.22
Mitchell	\$ 62,580.37	\$ 6,895.19	\$ 60,606.51	\$ 130,082.07
Montgomery	\$ 67,494.55	\$ 9,450.28	\$ 73,298.92	\$ 150,243.75
Moore	\$ 101,990.36	\$ 24,630.94	\$ 136,089.92	\$ 262,711.22
Nash	\$ 100,932.76	\$ 29,308.28	\$ 91,773.51	\$ 222,014.55
New Hanover	\$ 141,340.77	\$ 57,387.56	\$ 49,086.11	\$ 247,814.44
Northampton	\$ 68,913.49	\$ 8,503.26	\$ 67,378.73	\$ 144,795.48
Onslow	\$ 116,635.87	\$ 44,035.65	\$ 119,579.38	\$ 280,250.90
Orange	\$ 97,596.96	\$ 35,729.41	\$ 84,078.25	\$ 217,404.62
Pamlico	\$ 60,967.36	\$ 5,967.13	\$ 58,076.44	\$ 125,010.93
Pasquotank	\$ 71,545.64	\$ 14,178.56	\$ 86,660.34	\$ 172,384.54
Pender	\$ 81,455.06	\$ 16,818.66	\$ 96,437.65	\$ 194,711.37
Perquimans	\$ 61,377.36	\$ 6,225.16	\$ 58,397.44	\$ 125,999.95
Person	\$ 73,675.77	\$ 13,057.47	\$ 85,416.30	\$ 172,149.53
Pitt	\$ 118,026.30	\$ 47,910.12	\$ 96,724.66	\$ 262,661.08
Polk	\$ 64,345.59	\$ 7,530.19	\$ 65,727.68	\$ 137,603.45
Randolph	\$ 117,206.53	\$ 38,025.52	\$ 169,558.98	\$ 324,791.03
Richmond	\$ 82,585.83	\$ 15,062.57	\$ 92,869.54	\$ 190,517.94
Robeson	\$ 122,579.02	\$ 39,414.75	\$ 183,265.41	\$ 345,259.18
Rockingham	\$ 107,571.86	\$ 26,830.08	\$ 141,695.09	\$ 276,097.02
Rowan	\$ 121,324.45	\$ 37,924.56	\$ 100,246.78	\$ 259,495.78
Rutherford	\$ 94,733.42	\$ 20,410.81	\$ 114,861.24	\$ 230,005.47
Sampson	\$ 85,298.14	\$ 19,275.75	\$ 110,312.09	\$ 214,885.98
Scotland	\$ 75,594.65	\$ 13,049.50	\$ 81,981.20	\$ 170,625.35
Stanly	\$ 83,350.16	\$ 17,483.63	\$ 107,356.00	\$ 208,189.79
Stokes	\$ 77,402.93	\$ 14,295.49	\$ 81,695.18	\$ 173,393.61
Surry	\$ 92,980.47	\$ 20,641.75	\$ 120,951.43	\$ 234,573.64
Swain	\$ 59,450.29	\$ 7,639.28	\$ 54,663.32	\$ 121,752.90
Transylvania	\$ 73,561.98	\$ 10,599.32	\$ 78,551.09	\$ 162,712.39

Tyrrell	\$ 54,680.08	\$ 4,122.07	\$ 49,001.00	\$ 107,803.15
Union	\$ 116,800.80	\$ 53,164.20	\$ 101,482.82	\$ 271,447.82
Vance	\$ 89,344.82	\$ 15,068.58	\$ 91,605.49	\$ 196,018.89
Wake	\$ 320,869.67	\$ 233,502.30	\$ 114,855.24	\$ 669,227.22
Warren	\$ 71,208.47	\$ 8,048.24	\$ 66,207.69	\$ 145,464.40
Washington	\$ 61,336.29	\$ 6,585.19	\$ 58,164.44	\$ 126,085.92
Watauga	\$ 71,416.85	\$ 15,562.56	\$ 97,481.69	\$ 184,461.10
Wayne	\$ 110,325.05	\$ 34,106.40	\$ 108,378.03	\$ 252,809.48
Wilkes	\$ 93,610.47	\$ 19,372.69	\$ 116,450.28	\$ 229,433.45
Wilson	\$ 92,888.47	\$ 27,493.29	\$ 128,142.66	\$ 248,524.42
Yadkin	\$ 70,720.73	\$ 11,670.36	\$ 84,317.27	\$ 166,708.36
Yancey	\$ 64,123.44	\$ 7,127.19	\$ 62,931.59	\$ 134,182.22
TOTALS	\$ 9,519,624.00	\$ 2,750,114.00	\$ 8,884,982.00	\$ 21,154,720.00

*Note: All unspent ROAP funds must be repaid to NC DOT before FY2020 funds will be disbursed.

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Public Safety: Budget Amendment (BNA#027)

Department: Public Safety

Agenda Title: Budget Amendment (BNA#027)

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> bna027_01.21.20.pdf	Public Safety Grants: Budget Amendment (BNA#027)

BUDGET NEW - ORDINANCE AMENDMENT

BNA # 027SUBMITTED TO BOARD OF COUNTY COMMISSIONERS
FOR CONSIDERATION AT MEETING TO BE HELD ON:January 21, 2020

SIGNATURES:

FROM: BUDGET OFFICER

THRU: FINANCE OFFICE

FOR DEPT: PUBLIC SAFETYDATE: 12/17/2019
Finance Director
Department Manager

Account Number	Project Code	Department	Account Name	Increase	Decrease
010.437.4.310.00	97067-HSGP #2	Public Safety	Federal Govt Grants	\$ 35,839.00	
010.437.5.700.00	97067-HSGP #2	Public Safety	Grants	\$ 35,839.00	

Explanation of Revisions: To budget NC Department of Public Safety Grant to purchase (7) logistic support trailers. One will stay in Cleveland County. The other (6) will go to other counties. Funds are running thru Cleveland County due to earlier grant received by Cleveland County EMS.

THE ABOVE AMENDMENT HAS BEEN APPROVED AND RECORDED IN THE MINUTES OF THE COUNTY
COMMISSIONERS' MEETING ON _____

(Date)

Phyllis Nowlen, Clerk to the BoardRETURN TO FINANCE OFFICE and Forward copy via email to Tonya.Sigmon@clevelandcounty.com

cc: Personnel Batch # _____

cc: Purchasing Date: _____

By: _____

Sybil Walker

From: Perry Davis <Perry.Davis@clevelandcounty.com>
Sent: Tuesday, December 17, 2019 1:19 PM
To: 'Sybil Walker'; Tonya Sigmon
Subject: MOA
Attachments: 2019_12_17_12_07_40.pdf

This is the MOA for the supplemental funding for our project, this funding is to purchase 7 additional trailers for shelter support, 1 will be kept here and the others will be disbursed to other counties.

If you will note the period of performance is tight ending 2/28/19. I will be getting the pricing in order and waiting for the board approval.

Thanks

Perry Davis
Director/ Fire Marshal
Cleveland County Emergency Management
P.O. Box 2232
Shelby, NC 28151-2232
980-484-4841
www.clevelandcounty.com



CONFIDENTIALITY STATEMENT:

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SUPPLEMENTAL TO THE MEMORANDUM OF AGREEMENT

Homeland Security Grant

CFDA #: 97.067

Fiscal Year 2017

Grant #: EMW-2017-SS-00085-S01

Period of Performance: 09/01/2017-02/28/2020

Project Title(s): Logistic Support Trailer

Total Amount of Award: \$51,838.50

Supplemental MOA#:1742-1

Cleveland County
Cleveland EM
100 Justice Place
Shelby, NC 28151

This modification to the Memorandum of Agreement attached hereto and incorporated herein by reference is entered into by and between the North Carolina Department of Public Safety, Division of Emergency Management, and Cleveland County.

WITNESSETH:

That WHEREAS, the parties executed a Memorandum of Agreement attached hereto and incorporated herein by reference wherein the North Carolina Department of Public Safety, Division of Emergency Management agreed to provide \$35,838.50 supplemental funding to the original MOA # 1742 This supplemental MOA will provide additional funding to Cleveland County to complete the Scope of Work for this grant Logistic Support Trailer project.

And WHEREAS, by this supplemental agreement the parties wish to extend the provisions of the Memorandum of Agreement attached hereto and incorporated herein by reference;

THEREFORE, in consideration of the work performed and the payments made under the original Memorandum of Agreement and in further consideration of the promises and agreements that follow, the North Carolina Department of Public Safety, Division of Emergency Management and Cleveland County do mutually agree that the prior Memorandum of Agreement of the parties is changed in the following respects only:

PURPOSE. This Agreement is to set forth terms by which the State of North Carolina, Department of Public Safety, North Carolina Emergency Management, shall provide FY2017 Homeland Security Grant program funding to Cleveland County to complete the Logistic Event Support Trailer project that will enable Sub-recipient to prevent, protect against, respond to, mitigate, and recover from potential hazardous or catastrophic events.

FUNDING AND COMPENSATION. Grantee will reimburse Sub-recipient for the actual eligible costs incurred for the subject of this grant, not to exceed **Fifty-One Thousand, Eight Hundred and Thirty-Eight Dollars (\$51,838.50)**. Supplemental funds will be provided by the State of North Carolina, Department of Public Safety, and Division of Emergency Management. The allocation of funds will be from the Homeland Security Grant Program.

Original MOA Budget:

Supplemental MOA Budget: *

\$16,000.00

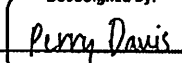
\$35,838.50

Total \$51,838.50

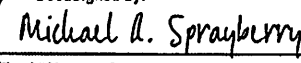
It is expressly agreed by the parties that this modification is supplemental to the Memorandum of Agreement attached hereto and incorporated herein by reference, and all terms, conditions, and provisions of the original Memorandum of Agreement, unless specifically modified by this modification, are to apply to this modification and are made a part of this agreement as though expressly included.

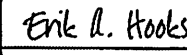
IN WITNESS WHEREOF, the parties have each executed this Agreement.

CLEVELAND COUNTY

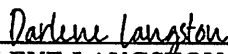
BY: 
DocuSigned by:
8BE9E47767F1467...

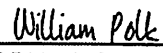
NORTH CAROLINA DEPT. OF PUBLIC SAFETY
DIVISION OF EMERGENCY MANAGEMENT

BY: 
MICHAEL A. SPRAYBERRY, DIRECTOR
NORTH CAROLINA EMERGENCY MANAGEMENT

BY: 
ERIK A. HOOKS, SECRETARY
NORTH CAROLINA DEPT. OF PUBLIC SAFETY

APPROVED AS TO PROCEDURES:

BY: 
DARLENE LANGSTON, CONTROLLER
NORTH CAROLINA DEPT. OF PUBLIC SAFETY

BY: 
WILLIAM POLK, SPECIAL COUNSEL
NORTH CAROLINA DEPT. OF PUBLIC SAFETY

APPROVED AS TO EXECUTION BY ERIK A HOOKS, SECRETARY NORTH CAROLINA DEPARTMENT OF PUBLIC SAFETY.

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Health Department: Budget Amendment (BNA#028)

Department: Health Department

Agenda Title: Budget Amendment (BNA#028)

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> BNA028_1.21.20.pdf	Health Admin Budget Amendment (BNA#028)

BNA # 028

January 21, 2020

[Signature]

Prothae Whant

DATE: 12/17/2019

Explanation of Revisions Alliance for Health donated \$494.00 to purchase a 2 door enclosed Bulletin Board to be used in the Health Department for posting of Health Education notices (class, educational information, etc.).

cc: Personnel Batch # _____
cc: Purchasing Date: _____
By: _____

Cleveland County Health Department
200 South Post Road
Shelby, NC 28152

To: Alliance For Health
200 S. Post Rd.
Shelby, NC 28152

Qty	Description	Unit Price	Line Total
1.00	2 door enclosed Bulletin Board: 3' Hx4' W	\$494.00	\$494.00
	Surface Color Beige, Frame Finish Bronze		
	012.530.4.810.00 Panahans		
	012.530.5.790.00 (Gr) -Panahans		
Subtotal			\$494.00
Sales Tax			
Total			\$494.00

ALLIANCE FOR HEALTH IN CLEV CO INC

200 S POST RD
SHELBY, NC 28152
980-484-5112

4881

81-727/829
1052

DATE

9-23-19

CHECK AMOUNT

PAY
TO THE
ORDER OF

Cleveland County Health Department

\$ 494.00

Four hundred ninety-four and no/100

DOLLARS

Photo
Safe
Deposit
Details on back



BANK of the OZARKS

www.bankozarks.com • MEMBER FDIC

FOR Invoice

190920

Anne J. Short

⑈004881⑈ ⑆082907273⑆ 2150105316⑈

CLEVELAND COUNTY HEALTH DEPT

DEPOSIT FORM

FY 19/20

DATE: SEPTEMBER 26, 2019

(Email to Accounts Receivables)

	Business Date: SEPTEMBER 25, 2019		
012.533.4.510.00	(AH) ADULT HEALTH - DEPARTMENT FEES	40.00	
012.530.4.810.00	DONATIONS	494.00	Alliance for Health
012.548.4.540.26	CONTRACTED REVENUE	10265.15	SYNAR AUGUST 2019
012.548.4.540.95	CONTRACTED REVENUE	3545.31	PARTNERS SA AUGUST 2019
013.660.4.510.65	(EHC/EHCW)EMPLOYEE HEALTH - DEPARTMENT FEES	35.00	
013.660.4.510.00	EMPLOYEE HEALTH - LAB FEES		
65.1.130.14	EHC - CREDIT CARD CHGS	-25.00	✓
012.539.4.510.00	(FP) FAMILY PLANNING - DEPARTMENT FEES	222.80	
65.1.130.14	FAMILY PLANNING - CREDIT CARD CHGS	-202.80	
012.533.4.510.00	(FT) FOREIGN TRAVEL - DEPARTMENT FEES	344.00	
65.1.130.14	FOREIGN TRAVEL - CREDIT CARD CHGS	-344.00	
012.533.4.510.00	GEN CLINIC - DEPT FEES (PPD'S)	40.00	
65.1.130.14	GENERAL CLINIC - CREDIT CARD CHGS	-20.00	
012.533.4.510.00	MEDICAL RECORDS - DEPARTMENT FEES	0.75	Receipt #12804
012.532.4.510.00	STD - DEPARTMENT FEES	21.29	
054.473.4.510.00	TIPPING FEE	5,329.14	
	HEALTH DEPARTMENT DEPOSIT	19,745.64	✓
	Total HD CC Charges 566.80		
	Total EHC CC Charges 25.00		

202.80+
 344.00+
 20.00+
 566.80**

0.*

CLEVELAND COUNTY
Expenditures By Department
Report dates 07/01/2019 - thru - 12/31/2019

Account Number	Account Description	Budget Adjusted 12/31/2019	Debits 12/01/2019 12/31/2019	Credits 12/01/2019 12/31/2019	Year to Date 07/01/2019 12/31/2019	Encumbered & Requested As of 12/31/2019	Budget Available 12/31/2019	Percent Remain
012-530-4-310-00	PETTY CASH-CC SO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-340-00	STATE - OTHER RE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-350-00	STATE GOVERNMENT	149,701.00	0.00	0.00	-37,425.00	0.00	112,276.00	75.00
012-530-4-350-01	STATE GRANTS-SMA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-409-00	LOCAL REVENUES	500,000.00	0.00	0.00	-250,000.00	0.00	250,000.00	50.00
012-530-4-465-00	ADMIN SERVICES A	1,343,723.00	0.00	0.00	0.00	0.00	1,343,723.00	100.00
012-530-4-510-00	DEPARTMENTAL FEE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-510-07	HEPATITIS VACCIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-610-00	INSURANCE FEES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-610-01	INTEREST ON INSU	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-660-00	MEDICAID	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-660-37	MEDICAID-CAROLIN	23,300.00	0.00	0.00	0.00	0.00	23,300.00	100.00
012-530-4-660-99	MEDICAID-PRIOR Y	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-800-00	MISCELLANEOUS RE	0.00	0.00	0.00	-78.40	0.00	-78.40	0.00
012-530-4-810-00	CONTRIBUTIONS/DO	0.00	0.00	0.00	-494.00	0.00	-494.00	0.00
012-530-4-810-30	DONATIONS-EYE GL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-821-00	COLLECTION NSF C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-830-01	PAYMENT OVERS/SH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-980-10	CONTRIBUTIONS FR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-980-11	TRANSFERS FR SOC	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-980-12	TFR FM HEALTH DE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-980-53	TRANSFERS FR S/W	100,000.00	0.00	0.00	0.00	0.00	100,000.00	100.00
012-530-4-980-65	TRANSFERS FM HEA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-4-991-00	FUND BALANCE APP	181,032.00	0.00	0.00	0.00	0.00	181,032.00	100.00
040-530-4-980-10	CONTRIBUTIONS FR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450-530-4-980-10	CONTRIBUTIONS FR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450-530-4-990-00	BUDGETARY ACCOUN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450-530-4-991-00	FUND BALANCE APP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HEALTH ADMINISTRATION		2,297,756.00	0.00	0.00	-287,997.40	0.00	2,009,758.60	87.47
012-530-5-121-00	SALARIES/WAGES-R	704,779.00	29,137.60	0.00	326,121.02	0.00	378,657.98	53.73
012-530-5-122-00	SALARIES/WAGES-P	80,000.00	1,460.63	0.00	14,850.02	0.00	65,149.98	81.44
012-530-5-131-00	SOCIAL SECURITY	48,656.00	1,816.57	0.00	19,917.57	0.00	28,738.43	59.06
012-530-5-132-00	RETIREMENT	63,078.00	2,625.29	0.00	29,373.74	0.00	33,704.26	53.43
012-530-5-133-00	HOSPITAL INSURAN	162,000.00	4,950.00	0.00	61,650.00	0.00	100,350.00	61.94
012-530-5-134-00	DENTAL INSURANCE	2,340.00	82.50	0.00	1,027.50	0.00	1,312.50	56.09
012-530-5-135-00	EMPLOYER 401K	35,239.00	1,456.91	0.00	16,300.72	0.00	18,938.28	53.74
012-530-5-136-00	MEDICARE TAXES	11,379.00	424.84	0.00	4,658.07	0.00	6,720.93	59.06
012-530-5-210-00	DEPARTMENTAL SUP	24,000.00	0.27	0.00	2,711.63	0.00	21,288.37	88.70
012-530-5-211-00	CONTROLLED PROPE	3,000.00	0.00	0.00	2,115.55	0.00	884.45	29.48
012-530-5-211-01	CONTROL EQ-MAJOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-230-00	MEDICINE & SUPPL	1,500.00	0.00	0.00	0.00	0.00	1,500.00	100.00

CLEVELAND COUNTY
Expenditures By Department
Report dates 07/01/2019 - thru - 12/31/2019

Account Number	Account Description	Budget Adjusted	Debits	Credits	Year to Date	Encumbered & Requested	Budget Available	Percent Remain
		12/31/2019	12/01/2019	12/01/2019	07/01/2019	As of 12/31/2019	12/31/2019	
			12/31/2019	12/31/2019	12/31/2019			
012-530-5-230-01	PRESCRIPTION DRU	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-230-02	NON-PRESCRIPTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-231-00	PHARMACY FEES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-240-00	AUTOMOTIVE SUPPL	2,500.00	0.00	0.00	558.35	0.00	1,941.65	77.67
012-530-5-241-00	MOTOR FUELS/OILS	750.00	0.00	0.00	-430.21	154.10	1,026.11	136.81
012-530-5-250-00	UNIFORMS/CLOTHIN	600.00	0.00	0.00	355.15	0.00	244.85	40.81
012-530-5-310-00	TRAVEL/TRAINING	12,000.00	201.76	0.00	5,380.37	0.00	6,619.63	55.16
012-530-5-311-00	EDUCATION/CERTIF	500.00	0.00	0.00	0.00	0.00	500.00	100.00
012-530-5-321-00	TELECOMMUNICATIO	20,000.00	1,179.20	0.00	8,267.35	0.00	11,732.65	58.66
012-530-5-322-00	POSTAGE	1,500.00	0.00	0.00	573.07	0.00	926.93	61.80
012-530-5-330-00	UTILITIES	172,000.00	0.00	0.00	72,409.58	0.00	99,590.42	57.90
012-530-5-340-00	MAINT BLDG/GROUN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-350-00	REPAIRS ON EQUIP	2,000.00	0.00	0.00	1,230.00	0.00	770.00	38.50
012-530-5-370-00	ADVERTISING/PROM	2,000.00	0.00	0.00	2,494.00	0.00	-494.00	-24.70
012-530-5-390-00	LAUNDRY/DRY CLEA	100.00	0.00	0.00	0.00	0.00	100.00	100.00
012-530-5-410-00	RENTAL/LEASE EQU	5,000.00	0.00	0.00	2,037.50	0.00	2,962.50	59.25
012-530-5-420-00	CONTRACTED SERVI	10,000.00	69.95	0.00	3,510.00	26,145.40	-19,655.40	-196.55
012-530-5-421-00	MAINT CONTRACTS-	32,000.00	1,834.31	16.21	19,068.40	8,527.74	4,403.86	13.76
012-530-5-422-00	CONTRACTED LABOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-429-00	EMPLOYEE WELLNES	48,000.00	0.00	0.00	0.00	0.00	48,000.00	100.00
012-530-5-430-00	INSURANCE /BONDI	29,254.00	0.00	0.00	26,253.00	0.00	3,001.00	10.26
012-530-5-442-00	PENALTY EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-460-00	DUES/SUBSCRIPTIO	129,271.00	300.00	0.00	128,655.18	0.00	615.82	0.48
012-530-5-461-00	LICENSE/PERMIT/C	7,000.00	0.00	0.00	2,120.00	0.00	4,880.00	69.71
012-530-5-465-00	ADMINISTRATIVE S	138,500.00	0.00	0.00	36,719.94	0.00	101,780.06	73.49
012-530-5-470-00	GARBAGE EXPENSE	10,560.00	0.00	0.00	3,564.60	3,219.60	3,775.80	35.76
012-530-5-490-00	PROFESSIONAL SER	29,750.00	1,160.00	0.00	13,707.50	7,748.00	8,294.50	27.88
012-530-5-491-00	BOARD/COMMITTEE	2,000.00	0.00	0.00	1,199.27	0.00	800.73	40.04
012-530-5-492-00	LEGAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-513-00	HOSPITAL/DOCTOR	2,500.00	0.00	0.00	0.00	0.00	2,500.00	100.00
012-530-5-581-00	AWARDS/APPRECIAT	4,000.00	4,363.12	253.12	4,148.19	0.00	-148.19	-3.70
012-530-5-700-00	GRANTS	500,000.00	0.00	0.00	250,000.00	250,000.00	0.00	0.00
012-530-5-790-00	DONATIONS/CONTRI	0.00	0.00	0.00	494.00	0.00	-494.00	0.00
012-530-5-790-30	DONATIONS-EYE GL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-890-00	INTERFUND TRANSF	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-910-00	CAPITAL EQUIPMEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-910-01	CAP EQUIP-MAJOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-530-5-970-00	C/O-LAND	0.00	0.00	0.00	0.00	0.00	0.00	0.00
040-530-5-370-00	ADVERTISING/PROM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
040-530-5-460-00	DUES/SUBSCRIPTIO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
040-530-5-910-00	CAPITAL EQUIPMEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
040-530-5-991-00	CONST IN PROGRES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450-530-5-211-00	CONTROLLED PROPE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450-530-5-370-00	ADVERTISING/PROM	0.00	0.00	0.00	0.00	0.00	0.00	0.00

CLEVELAND COUNTY
Expenditures By Department
Report dates 07/01/2019 - thru - 12/31/2019

[illegible]

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Health Department: Budget Amendment (BNA#029)

Department: Health Department

Agenda Title: Budget Amendment (BNA#029)

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> BNA029_1.21.20.pdf	Health Administration Budget Amendment (BNA#029)

BNA # 029

January 21, 2020

[Signature]

Finance Director

Dorothea Wiant

Department Manager

DATE: 1/3/2020

Explanation of Revisions Wingate University has given Cleveland County Health Department a \$500 pharmacy student Stipend. This will be used towards miscellaneous expenses for the Pharmacy Department.

THE ABOVE AMENDMENT HAS BEEN APPROVED AND RECORDED IN THE MINUTES OF THE COUNTY COMMISSIONERS' MEETING ON _____
(Date)

Phyllis Nowlen, Clerk to the Board

cc: Personnel Batch # _____
cc: Purchasing Date: _____
By: _____

Wingate University

To: COUNTY OF CLEVELAND, NORTH CAROLINA CLEVE006

Check Number: 327407

Date: 12/12/2019

Invoice Number	Date	Description	Amount	Discount	Paid Amount
FALL 2019 STIPEND	12/09/2019		\$500.00	\$0.00	\$500.00

TOTALS: \$500.00 \$0.00 \$500.00

Account Number	Account Description
1-1255-8465	School of Pharmacy Contract Services

Invoice Number	Debit	Credit
FALL 2019 STIPEND	\$500.00	\$0.00

RECEIVED
DEC 27 2019

Cleveland County
Public Health Center

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW. DO NOT CASH IF NOT PRESENT.



Wingate University

PO Box 159
Wingate, NC 28174

SunTrust Bank
Hwy 74
Wingate, NC 28174

327407

66-46/531

Pay Five Hundred Dollars and 00 Cents

DATE
Dec 12, 2019

AMOUNT
\$500.00

to the Order of:

COUNTY OF CLEVELAND, NORTH CAROLINA

dba CLEVELAND COUNTY HEALTH DEPT
P O BOX 1210
SHELBY, NC 28151-1210

T. Rhett Brown
Amanda B. Smith

327407 0531004650000281096314

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Health Department: Budget Amendment (BNA#030)

Department: Health Department

Agenda Title: Budget Amendment (BNA#030)

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> BNA030_1.21.20.pdf	Environmental Health Budget Amendment (BNA#030)

BNA # 030

January 21, 2020

SIGNATURES:



Finance Director



Department Manager

Explanation of Revisions North Carolina Environmental Health State of Practice Committee awarded Jasa Greene The 2019 Whitwam and Dideriksen Education Scholarship to attend the 2019 NEHA Conference. The \$2,000.00 is to go toward her travel expenses(hotel, mileage, food per diem). Please budget in the Travel/Training expense line.

Phyllis Nowlen, Clerk to the Board

cc: Personnel Batch # _____
cc: Purchasing Date: _____
By: _____

NCEHSOP
PO BOX 316
WENTWORTH, NC 27375

1244

66-112/531

07/25/19

Date

PAY to the order of Cleveland County Health Dept - Tara Greene

\$ 2,000.00

Two Thousand & no/100

Dollars



Photo
Safe
Deposit
Withdrawal



BRANCH BANKING AND TRUST COMPANY
1-800-BANK BB&T BB&T.com

For 2019 NCEHSOP Scholarship - visit Signature

[Signature]

⑆053101121⑆13400033798321⑆01244

Harland Clarke

012 541.4.801.00
Refunds/Co/st fund



2018 NCEHSOP SCHOLARSHIP EXPENSE REIMBURSEMENT FORM

Name Cleveland County Health Department-Jasa Greene

Mailing Address (to receive reimbursement check):

200 South Post Rd, Shelby, NC 28152

Contact Phone # 908-484-5340

Event Attended NEHA 2019 Annual Educational Conference

Expenses (enter all applicable expenses)

Registration (receipt required):	\$ 905.00	Total
Hotel (\$150 + taxes per night or established conference rate; receipt required):	<u>219.12</u> \$ 219.12 X 3 nights = \$ 657.36	Total
Meals (receipts NOT required)	\$45 per day X 4 days = \$ 180.00	Total
Air Fare (receipt required)	\$	Total
Rental Car (receipt required)	\$	Total
Personal mileage (receipts NOT required)	total miles 722 X \$0.33 per mile = \$ 238.26	Total
Parking: (receipts NOT required)	\$ 22.00 X 3 days = \$ 66.00	Total
Miscellaneous expenses (please provide explanation below)	\$	Total


Total requested for reimbursement \$ 2,046.62

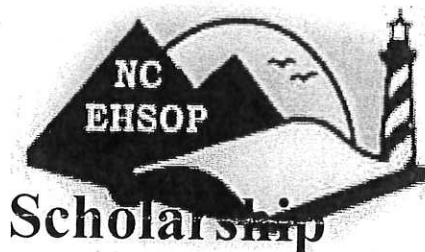
I, (print name) Jasa Greene attest that all expenses listed are accurate to the best of my knowledge and were associated with my attendance at listed event for which I received this scholarship (signature) Jasa Greene
date 07/23/2019.

012.541.4.801.00
Refunds/Co/st Fund

North Carolina Environmental Health State of Practice Committee

Training by Specialists for Specialists

Find us on 



- [The NCEHSOP Whitwam and Dideriksen Educational Scholarship Program](#)
- [Register Now](#)
- [Contact Us](#)
- [Committee Members](#)
- [FAQ](#)
- [About](#)
- [Scholarship](#)

In order to further professional development and enhance the educational opportunities for environmental health specialists across North Carolina, the NC Environmental Health State of Practice Committee has established scholarships for two actively practicing specialists in the State.

These scholarships have been established in honor of two past NCEHSOP committee members, Robert "Bob" Whitwam, and Richard Dideriksen, both of whom served tirelessly to advance the professional development of environmental health specialists across the State.

The primary goal of the scholarships is to provide opportunities for specialists to attend educational events, focusing on environmental health, which may otherwise be unavailable to them. The scholarships will provide up to \$2,000 annually for each of two candidates that meet the application requirements and are selected by the Committee.

The funds will be awarded for single events (conference, professional meeting, etc.). The scholarships are not intended for recurring educational activities, such as the pursuit of a college degree, or in combination with other funding for more than one event.

Applications will be accepted from November 1 through February 28th of each year. The scholarships will be awarded by March 22 each year and will be valid for one year from date of award. The scholarships will cover standard expenses related to attendance of environmental health-directed educational events including conferences, professional meetings, seminars, and training courses that meet the minimum requirements set forth herein.

Funds will be provided, up to \$2,000, to each selected candidate following the completion of the events attended and upon submission of all required, detailed receipts and invoices for expenses claimed by the candidate, and proof of attendance at the events. No scholarship funds will be provided in advance of an educational event.

Eligibility Requirements

CLEVELAND COUNTY
Expenditures By Department
Report dates 07/01/2019 - thru - 12/31/2019

Account Number	Account Description	Budget Adjusted	Debits	Credits	Year to Date	Encumbered & Requested	Budget Available	Percent Remain
		12/31/2019	12/01/2019 12/31/2019	12/01/2019 12/31/2019	07/01/2019 12/31/2019	As of 12/31/2019	12/31/2019	
012-541-4-310-00	FEDERAL GOVT GRA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-4-350-00	STATE GOVERNMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-4-465-00	ADMIN SERVICES A	743,446.00	0.00	0.00	0.00	0.00	743,446.00	100.00
012-541-4-510-00	DEPARTMENTAL FEE	4,000.00	0.00	0.00	-2,700.00	0.00	1,300.00	32.50
012-541-4-510-02	WATER PERMITS	1,500.00	0.00	0.00	-140.00	0.00	1,360.00	90.67
012-541-4-510-03	SEWER IMPROVEMEN	68,000.00	0.00	2,725.00	-41,550.00	0.00	26,450.00	38.90
012-541-4-510-04	SEWER RECERTIFIC	25,250.00	0.00	600.00	-16,800.00	0.00	8,450.00	33.47
012-541-4-510-05	SWIMMING POOL PE	3,900.00	0.00	0.00	-650.00	0.00	3,250.00	83.33
012-541-4-510-16	FOOD SERVICE PLA	1,250.00	0.00	0.00	-1,250.00	0.00	0.00	0.00
012-541-4-510-19	WELL WATER FEES	6,280.00	0.00	450.00	-1,200.00	0.00	5,080.00	80.89
012-541-4-510-20	NON-COMPLIANCE F	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-4-510-21	TEMP FOOD ESTABL	6,900.00	0.00	75.00	-4,950.00	0.00	1,950.00	28.26
012-541-4-510-23	REINSPECT PUMP S	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-4-510-26	LIMITED FOOD SER	525.00	0.00	0.00	0.00	0.00	525.00	100.00
012-541-4-510-31	EH ENGINEERED OP	0.00	0.00	0.00	-105.00	0.00	-105.00	0.00
012-541-4-801-00	REFUNDS CO/ST FU	0.00	0.00	0.00	-2,015.00	0.00	-2,015.00	0.00
012-541-4-821-00	COLLECTION NSF C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-4-830-01	PAYMENT OVERS/SH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-4-980-10	CONTRIBUTIONS FR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ENVIRONMENTAL HEALTH		861,051.00	0.00	3,850.00	-71,360.00	0.00	789,691.00	91.71
012-541-5-121-00	SALARIES/WAGES-R	532,129.00	24,176.95	0.00	295,513.20	0.00	236,615.80	44.47
012-541-5-122-00	SALARIES/WAGES-P	25,000.00	0.00	0.00	3,714.59	0.00	21,285.41	85.14
012-541-5-131-00	SOCIAL SECURITY	34,542.00	1,473.79	0.00	18,278.17	0.00	16,263.83	47.08
012-541-5-132-00	RETIREMENT	47,626.00	2,006.99	0.00	22,464.26	0.00	25,161.74	52.83
012-541-5-133-00	HOSPITAL INSURAN	108,000.00	4,162.50	0.00	43,987.50	0.00	64,012.50	59.27
012-541-5-134-00	DENTAL INSURANCE	1,800.00	69.37	0.00	688.07	0.00	1,111.93	61.77
012-541-5-135-00	EMPLOYER 401K	26,606.00	1,113.76	0.00	12,578.81	0.00	14,027.19	52.72
012-541-5-136-00	MEDICARE TAXES	8,078.00	344.68	0.00	4,274.85	0.00	3,803.15	47.08
012-541-5-210-00	DEPARTMENTAL SUP	7,774.00	0.00	0.00	4,152.40	0.00	3,621.60	46.59
012-541-5-211-00	CONTROLLED PROPE	4,554.00	0.00	0.00	2,015.92	0.00	2,538.08	55.73
012-541-5-211-01	CONTROL EQ-MAJOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-5-240-00	AUTOMOTIVE SUPPL	6,000.00	0.00	0.00	261.80	0.00	5,738.20	95.64
012-541-5-241-00	MOTOR FUELS/OILS	10,000.00	0.00	0.00	3,380.14	500.00	6,119.86	61.20
012-541-5-310-00	TRAVEL/TRAINING	2,405.00	0.00	0.00	1,437.65	0.00	967.35	40.22
012-541-5-311-00	EDUCATION/CERTIF	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-5-321-00	TELECOMMUNICATIO	5,400.00	0.00	0.00	2,846.32	0.00	2,553.68	47.29
012-541-5-322-00	POSTAGE	0.00	0.00	0.00	1.30	0.00	-1.30	0.00
012-541-5-350-00	REPAIRS ON EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-5-420-00	CONTRACTED SERVI	600.00	0.00	0.00	169.80	0.00	430.20	71.70
012-541-5-421-00	MAINT CONTRACTS-	12,560.00	0.00	0.00	11,225.18	688.82	646.00	5.14
012-541-5-430-00	INSURANCE /BONDI	0.00	0.00	0.00	0.00	0.00	0.00	0.00

CLEVELAND COUNTY
Expenditures By Department
Report dates 07/01/2019 - thru - 12/31/2019

Account Number	Account Description	Budget Adjusted 12/31/2019	Debits 12/01/2019 12/31/2019	Credits 12/01/2019 12/31/2019	Year to Date 07/01/2019 12/31/2019	Encumbered & Requested As of 12/31/2019	Budget Available 12/31/2019	Percent Remain
012-541-5-460-00	DUES/SUBSCRIPTIO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-5-461-00	LICENSE/PERMIT/C	450.00	0.00	0.00	0.00	0.00	450.00	100.00
012-541-5-490-00	PROFESSIONAL SER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-541-5-560-00	REFUNDS	0.00	760.00	0.00	-300.00	0.00	300.00	0.00
012-541-5-581-00	AWARDS/APPRECIAT	95.00	0.00	0.00	91.34	0.00	3.66	3.85
012-541-5-910-00	CAPITAL EQUIPMEN	27,432.00	0.00	0.00	27,431.20	0.00	0.80	0.00
ENVIRONMENTAL HEALTH		861,051.00	34,108.04	0.00	454,212.50	1,188.82	405,649.68	47.11
Total ENVIRONMENTAL HEALTH		0.00	34,108.04	3,850.00	382,852.50	1,188.82	384,041.32	69.41

CLEVELAND COUNTY

KF3112

DUPLICATE CASH RECEIPT

10:53:50 17 DEC 2019

Receipt Number 9338
 Date 07/31/2019
 Payer HEALTH
 Description 7/30 HEALTH
 Type Memo
 Cash Account 010-000-1-130-01
 Amount 4,599.72

=====

012-533-4-510-00 DEPARTMENTAL FEES	R	31.00
AH		
065-000-1-130-14 HOMETRUST-CREDIT CARD ACC	A	-31.00
AH CC CHGS		
012-541-4-801-00 REFUNDS CO/ST FUNDS	R	2,000.00
2018 NCEHSOP-JASA GREENE		
012-537-4-610-00 INSURANCE FEES	R	133.94
CH		
012-544-4-510-00 DEPARTMENTAL FEES	R	1,013.40
DEN		
065-000-1-130-14 HOMETRUST-CREDIT CARD ACC	A	-82.60
DEN CC CHGS		
013-660-4-510-65 WELLNESS CLINICIAN FEES	R	65.00
EHC		
065-000-1-130-14 HOMETRUST-CREDIT CARD ACC	A	-40.00
EHC CC CHGS		
012-539-4-510-00 DEPARTMENTAL FEES	R	195.00
FP		
065-000-1-130-14 HOMETRUST-CREDIT CARD ACC	A	-195.00
FP CC CHGS		
065-000-1-130-14 HOMETRUST-CREDIT CARD ACC	A	-495.88
FT CC CHGS		
012-533-4-610-00 INSURANCE FEES	R	495.88
FT CC		
012-533-4-510-00 DEPARTMENTAL FEES	R	60.00
GEN		
065-000-1-130-14 HOMETRUST-CREDIT CARD ACC	A	-40.00
GEN CC CHGS		
012-533-4-610-00 INSURANCE FEES	R	611.10
IMMUZ		
012-533-4-510-00 DEPARTMENTAL FEES	R	15.00
PT		

KF3112

DUPLICATE CASH RECEIPT

10:53:50 17 DEC 2019

Receipt Number 9338
 Date 07/31/2019
 Payer HEALTH
 Description 7/30 HEALTH
 Type Memo

CLEVELAND COUNTY

Cash Account 010-000-1-130-01
Amount 4,599.72

=====			
065-000-1-130-14	HOMETRUST-CREDIT CARD ACC	A	-15.00
	PT CC CHGS		
012-532-4-510-00	DEPARTMENTAL FEES	R	80.00
	STD		
054-473-4-510-00	DEPARTMENTAL FEES	R	798.88
	TIPPING FEE		

TOTAL RECEIPTS

4,599.72

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Health Department: Budget Amendment (BNA#031)

Department: Health Department

Agenda Title: Budget Amendment (BNA#031)

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> BNA031_1.21.20.pdf	Health: Nurse Family Partnership Budget Amendment (BNA#031)

BNA # 031

January 21, 2020

SIGNATURES:

Dorothea Whart
Department Manager

Explanation of Revisions: Nurse Family Partnership donated \$100 toward the purchase of food for the NFP department's Graduation for First Time Mothers that was held on 12/5/19.

Phyllis Nowlen, Clerk to the Board

cc: Personnel Batch # _____
cc: Purchasing Date: _____
By: _____

CLEV002 Cleveland County Health Department Account No.: 12/12/2019 Check No. 20314

Document No.	Document Date	Posting Description	Amount	Discount	Net Amount
191206CLEV	12/6/2019	Dec Graduation Supplies Leslie McSwain	100.00		100.00

RECEIVED
DEC 16 2019

Cleveland County
Public Health Center

Total 100.00

Nurse-Family Partnership
1900 Grant Street, 4th Floor
Denver, CO 80203-4304

Vectra Bank
23-315/1020

20314
12/12/2019

DATE

AMOUNT

\$*****100.00

PAY ****ONE HUNDRED AND 0/100 US DOLLARS

TO THE
ORDER
OF

Cleveland County Health Department
200 S Post Rd
Shelby, NC 28152

Void after 180 days


AUTHORIZED SIGNATURE

⑈020314⑈ ⑆102003154⑆ 5797118014⑈

012.545.4.810.00
Contributor's Donation

012.545.5.581.00

Leslie McSwain

From: Dashe Lawton <Dashe.Lawton@clevelandcountync.gov>
Sent: Tuesday, December 17, 2019 9:48 AM
To: Leslie McSwain
Cc: Amber Cook
Subject: RE: check \$100

581 – it's going toward the cost of the pizza and cupcakes for NFP graduation that was on 12/5.
Thanks!

Dashé

From: Leslie McSwain <Leslie.McSwain@clevelandcounty.com>
Sent: Monday, December 16, 2019 3:15 PM
To: Amber.Cook@clevelandcounty.com
Cc: Dashe.Lawton@clevelandcounty.com
Subject: check \$100

Amber/Dashe,

I have received a check in the amount of \$100.00 from NFP for Dec Graduation Supplies. Need to know where I need to budget this?

Thanks,

Leslie McSwain
Accounting Specialist I
Cleveland County Health Department
200 South Post Rd. Shelby, NC 28152
O: 980-484-5340 F: 980-484-5118
www.clevelandcounty.com



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CLEVELAND COUNTY
Expenditures By Department
Report dates 07/01/2019 - thru - 12/31/2019

Account Number	Account Description	Budget Adjusted	Debits	Credits	Year to Date	Encumbered & Requested As of	Budget Available	Percent Remain
		12/31/2019	12/01/2019 12/31/2019	12/01/2019 12/31/2019	07/01/2019 12/31/2019	12/31/2019	12/31/2019	
<hr/>								
012-545-4-310-00	FEDERAL GOVT GRA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-4-350-00	STATE GOVERNMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-4-350-45	STATE GOVT GRANT	63,500.00	0.00	0.00	-15,902.76	0.00	47,597.24	74.96
012-545-4-350-93	STATE GOVT GRANT	240,883.00	0.00	0.00	-90,844.40	0.00	150,038.60	62.29
012-545-4-410-00	LOCAL & OTHER GR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-4-465-00	ADMIN SERVICES A	16,674.00	0.00	0.00	0.00	0.00	16,674.00	100.00
012-545-4-660-30	MEDICAID-POSTPAR	3,000.00	0.00	0.00	-480.00	0.00	2,520.00	84.00
012-545-4-660-31	MEDICAID-POSTPAR	3,000.00	0.00	0.00	-413.63	0.00	2,586.37	86.21
012-545-4-660-50	MEDICAID-HV PILO	98,000.00	0.00	0.00	-5,680.96	0.00	92,319.04	94.20
012-545-4-660-99	MEDICAID-PRIOR Y	0.00	0.00	0.00	-355.74	0.00	-355.74	0.00
012-545-4-810-00	CONTRIBUTIONS/DO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-4-980-10	CONTRIBUTIONS FR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-4-991-00	FUND BALANCE APP	60,584.00	0.00	0.00	0.00	0.00	60,584.00	100.00
012-545-4-991-92	FUND BALANCE APP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NURSE FAMILY PARTNERSHIPS		485,641.00	0.00	0.00	-113,677.49	0.00	371,963.51	76.59
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
012-545-5-121-00	SALARIES/WAGES-R	283,142.00	6,129.46	0.00	101,351.94	0.00	181,790.06	64.20
012-545-5-131-00	SOCIAL SECURITY	17,555.00	361.92	0.00	6,157.42	0.00	11,397.58	64.92
012-545-5-132-00	RETIREMENT	25,341.00	371.49	0.00	6,914.23	0.00	18,426.77	72.72
012-545-5-133-00	HOSPITAL INSURAN	64,800.00	1,350.00	0.00	17,550.00	0.00	47,250.00	72.92
012-545-5-134-00	DENTAL INSURANCE	1,080.00	22.50	0.00	322.50	0.00	757.50	70.14
012-545-5-135-00	EMPLOYER 401K	14,157.00	206.16	0.00	3,837.08	0.00	10,319.92	72.90
012-545-5-136-00	MEDICARE TAXES	4,106.00	84.63	0.00	1,440.04	0.00	2,665.96	64.93
012-545-5-210-00	DEPARTMENTAL SUP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-210-45	DEPARTMENTAL SUP	6,995.00	0.00	0.00	1,284.12	0.00	5,710.88	81.64
012-545-5-211-00	CONTROLLED PROPE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-230-00	MEDICINE & SUPPL	0.00	0.00	0.00	42.00	0.00	-42.00	0.00
012-545-5-230-45	MEDICINE & SUPPL	1,000.00	0.00	0.00	211.69	0.00	788.31	78.83
012-545-5-310-00	TRAVEL/TRAINING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-310-45	TRAVEL/TRAINING-	20,000.00	0.00	0.00	1,669.95	0.00	18,330.05	91.65
012-545-5-311-00	EDUCATION/CERTIF	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-311-45	EDUCATION/CERTIF	3,800.00	0.00	0.00	1,801.44	0.00	1,998.56	52.59
012-545-5-321-00	TELECOMMUNICATIO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-321-45	TELECOMMUNICATIO	4,200.00	0.00	0.00	1,620.70	0.00	2,579.30	61.41
012-545-5-322-00	POSTAGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-322-45	POSTAGE-NFP	250.00	0.00	0.00	37.55	0.00	212.45	84.98
012-545-5-370-00	ADVERTISING/PROM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-370-45	ADVERTISING/PROM	2,000.00	0.00	0.00	-22.31	0.00	2,022.31	101.12
012-545-5-390-00	LAUNDRY/DRY CLEA	15.00	0.00	0.00	37.60	0.00	-22.60	-150.67
012-545-5-460-00	DUES/SUBSCRIPTIO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-460-45	DUE/SUBSCRIPTION	2,300.00	0.00	0.00	760.20	0.00	1,539.80	66.95
012-545-5-460-93	DUES/SUBSCRIPTIO	0.00	0.00	0.00	0.00	0.00	0.00	0.00

CLEVELAND COUNTY
Expenditures By Department
Report dates 07/01/2019 - thru - 12/31/2019

Account Number	Account Description	Budget Adjusted 12/31/2019	Debits 12/01/2019 12/31/2019	Credits 12/01/2019 12/31/2019	Year to Date 07/01/2019 12/31/2019	Encumbered & Requested As of 12/31/2019	Budget Available 12/31/2019	Percent Remain
012-545-5-461-00	LICENSE/PERMIT/C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-461-45	LICENSE/PERMIT/C	7,295.00	0.00	0.00	0.00	7,295.00	0.00	0.00
012-545-5-490-00	PROFESSIONAL SER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-490-45	PROFESSIONAL SER	21,705.00	0.00	0.00	16,003.11	0.00	5,701.89	26.27
012-545-5-490-93	PROFESSIONAL SER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-581-00	AWARDS/APPRECIAT	0.00	0.00	0.00	1.95	0.00	-1.95	0.00
012-545-5-581-45	AWARDS/APPRECIAT	5,900.00	0.00	0.00	2,003.38	0.00	3,896.62	66.04
012-545-5-790-00	DONATIONS/CONTRI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-891-00	EMERG & CONTINGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-910-00	CAPITAL EQUIPMEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012-545-5-910-93	CAPITAL EQUIPMEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NURSE FAMILY PARTNERSHIPS		485,641.00	8,526.16	0.00	163,024.59	7,295.00	315,321.41	64.93
Total NURSE FAMILY PARTNERSHIPS		0.00	8,526.16	0.00	49,347.10	7,295.00	56,642.10	70.76

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Public Safety: Budget Amendment (BNA#032)

Department: Public Safety
Agenda Title: Budget Amendment (BNA#032)
Agenda Summary:
Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> BNA032_01.21.20.pdf	Public Safety Grant: Sheriff Budget Amendment (BNA#032)

BUDGET NEW - ORDINANCE AMENDMENT

BNA # 032SUBMITTED TO BOARD OF COUNTY COMMISSIONERS
FOR CONSIDERATION AT MEETING TO BE HELD ON:January 21, 2020

FROM: BUDGET OFFICER
 THRU: FINANCE OFFICE
 FOR DEPT: SHERIFF'S OFFICE
 DATE: 1/9/2020

SIGNATURES:

[Signature]
 Finance Director
PBS Todd
 Department Manager

Account Number	Project Code	Department	Account Name	Increase	Decrease
010.438.4.310.38	16575-LEVS	Law Enforcement Grants	Federal Govt Grants-LEVS	\$ 251,000.00	
010.438.5.210.38	16575-LEVS	Law Enforcement Grants	Departmental supply-LEVS	\$ 2,888.00	
010.438.5.211.38	16575-LEVS	Law Enforcement Grants	Controlled Property Exp-LEVS	\$ 500.00	
010.438.5.310.38	16575-LEVS	Law Enforcement Grants	Travel/Training-LEVS	\$ 8,157.00	
010.438.5.321.38	16575-LEVS	Law Enforcement Grants	Telecommunication-LEVS	\$ 7,720.00	
010.438.5.322.38	16575-LEVS	Law Enforcement Grants	Postage-LEVS	\$ 2,047.00	
010.438.5.460.38	16575-LEVS	Law Enforcement Grants	Dues/Subscriptions-LEVS	\$ 2,300.00	
010.438.5.490.38	16575-LEVS	Law Enforcement Grants	Professional Services-LEVS	\$ 5,100.00	
010.438.5.910.38	16575-LEVS	Law Enforcement Grants	Capital Equipment-LEVS	\$ 3,156.00	
010.438.5.121.00		Law Enforcement Grants	Salary/Wages-F/T	\$ 95,981.00	
010.438.5.122.00		Law Enforcement Grants	Salary/Wages-P/T	\$ 52,760.00	
010.438.5.131.00		Law Enforcement Grants	Social Security Taxes	\$ 11,736.00	
010.438.5.132.00		Law Enforcement Grants	Retirement	\$ 11,390.00	
010.438.5.133.00		Law Enforcement Grants	Hospital Insurance	\$ 34,725.00	
010.438.5.134.00		Law Enforcement Grants	Dental Insurance	\$ 1,900.00	
010.438.5.135.00		Law Enforcement Grants	Employer 401K	\$ 6,864.00	
010.438.5.136.00		Law Enforcement Grants	Medicare Taxes	\$ 3,776.00	

Explanation of Revisions: To budget remaining funds of 251K received from USDOJ Office for Victims of Crime Law Enforcement Based Victim Specialist grant program. Total award 276K for 3 year period. Already budgeted 25K as a conditional clearance grant in Dec 2019.

THE ABOVE AMENDMENT HAS BEEN APPROVED AND RECORDED IN THE MINUTES OF THE COUNTY COMMISSIONERS' MEETING ON

(Date)

Phyllis Nowlen, Clerk to the Board

RETURN TO FINANCE OFFICE and Forward copy via email to Tonya.Sigmon@clevelandcounty.com

cc: Personnel Batch # _____
 cc: Purchasing Date: _____
 By: _____

**LAW ENFORCEMENT VICTIM'S SPECIALIST
3 YEAR GRANT 10.438
PROJECT CODE 16575-LEVS**

	GL#	YEAR 1	YEAR 2	Year 3	TOTALS	BNA022	REMAINDER TO BUDGET
FT SALARY	121	35360.00	36068.00	36789.00	108217.00	12236.00	95981.00
PT SALARY	122	17680.00	18720.00	19760.00	56160.00	3400.00	52760.00
FRINGES	FRINGES	21747.00	23381.00	25263.00	70391.00	0.00	70391.00
TRAVEL	310	1343.00	3302.00	3160.00	7805.00	2273.00	8157.00
	310	625.00	1000.00	1000.00	2625.00		
CONTROLLED EQ	211	500.00			500.00	0.00	500.00
SUPPLIES	210	0.00	1475.00	2900.00	4375.00	2527.00	2888.00
	210	80.00			80.00		
	210	50.00			50.00		
	210	910.00			910.00		
POSTAGE	322	645.00	914.00	488.00	2047.00	0.00	2047.00
PHONE	321	1440.00	1440.00	1440.00	4320.00	0.00	7720.00
	321	400.00	1200.00	600.00	2200.00		
	321	1200.00			1200.00		
DUES	460	2400.00			2400.00	100.00	2300.00
CAPITAL EQ	910	420.00			420.00	4464.00	3156.00
	910	2400.00			2400.00		
	910	4800.00			4800.00		
PROFESSIONAL SERVICES	490	0.00	4500.00	600.00	5100.00	0.00	5100.00
TOTALS		92000.00	92000.00	92000.00	276000.00	25000.00	251000.00

Gt#		131	136	135	132	133	134
YEAR 1 SALARY	base yr	FICA	MEDICARE	401K	ST RETIRE	HEALTH	DENTAL
35360		2192.32	512.72	1768	3217.76	10800	180
17680		1096.16	256.36				
		3288.48	769.08	1768	3217.76	10800	180
YEAR 2 SALARY	3% incrs						
36068.00		2236.22	522.99	1803.40	3282.19	10800.00	180.00
18720.00		1160.64	271.44				
		3396.86	794.43	1803.40	3282.19	10800.00	180.00
3% incrs		101.91	23.83	54.10	98.47	324.00	5.40
		4168.24	1490.48	2529.72	4052.87	11796.22	857.62
YEAR 3 SALARY	3% incrs						
36789.00		2280.92	533.44	1839.45	3347.80	11124	186
19760.00		1225.12	286.52				
		3506.04	819.96	1839.45	3347.80	11124	186
3% incrs		105.18	24.60	55.18	100.43	333.72	5.58
		4279.70	1515.78	2565.85	4119.45	12128.94	862.80
Total to budget	X	11736.42	3775.34	6863.58	11390.09	34725.16	1900.42
Total Fringes 3 year grant		70,391.00					
Budgeted		70391.00					
		(0.00)					

Difference in budgeted and predicted

Sybil Walker

From: Mark Craig <Mark.Craig@clevelandcounty.com>
Sent: Monday, December 23, 2019 7:51 AM
To: 'Emily Sisk'; Sybil Walker
Subject: FW: Removal of Special Conditions Related to Financial Clearance GAN has been Approved

-----Original Message-----

From: do-not-reply@ojp.usdoj.gov [mailto:do-not-reply@ojp.usdoj.gov]
Sent: Friday, December 20, 2019 2:56 PM
To: mark.craig@clevelandcounty.com
Subject: Removal of Special Conditions Related to Financial Clearance GAN has been Approved

The request for Removal of Special Conditions Related to Financial Clearance GAN for 2019-V3-GX-0061 has been approved. Please access GMS for more information regarding GAN Number 001.

CONFIDENTIALITY STATEMENT:

This electronic communication from Cleveland County is confidential, privileged, and intended solely for the use of the recipient named above. If you're not the intended recipient, or the employee or agent responsible for delivering this information to the intended recipient, and have received this communication in error, please notify the sender immediately. Unauthorized disclosure, copying, distribution or other use of the contents of this electronic communication is strictly prohibited.

Keystone #272

BUDGET NEW - ORDINANCE AMENDMENT

BNA # 022

SUBMITTED TO BOARD OF COUNTY COMMISSIONERS
FOR CONSIDERATION AT MEETING TO BE HELD ON:

December 3, 2019

FROM: BUDGET OFFICER

THRU: FINANCE OFFICE

FOR DEPT: SHERIFF'S OFFICE

DATE: November 15, 2019

SIGNATURES:



Finance Director



Department Manager

Account Number	Project Code	Department	Account Name	Increase	Decrease
010.438.4.310.00	16575-LEVS	Sheriff's Office Grants	Federal/Govt grants	\$ 25,000.00	
010.438.5.121.00	16575-LEVS	Sheriff's Office Grants	Salary/Wages-F/T	\$ 12,236.00	
010.438.5.122.00	16575-LEVS	Sheriff's Office Grants	Salary/Wages-P/T	\$ 3,400.00	
010.438.5.210.00	16575-LEVS	Sheriff's Office Grants	Departmental supply	\$ 2,527.00	
010.438.5.310.00	16575-LEVS	Sheriff's Office Grants	Travel/Training	\$ 2,273.00	
010.438.5.460.00	16575-LEVS	Sheriff's Office Grants	Dues/Subscriptions	\$ 100.00	
010.438.5.910.00	16575-LEVS	Sheriff's Office Grants	Capital Equipment	\$ 4,484.00	

Explanation of Revisions: Request to budget conditional clearance grant funds received from USDOJ Office for Victims of Crime Law Enforcement Based Victim Specialist grant program. Remainder of funds to be budgeted at later date.

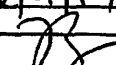
THE ABOVE AMENDMENT HAS BEEN APPROVED AND RECORDED IN THE MINUTES OF THE COUNTY COMMISSIONERS' MEETING ON 12/03/19
(Date)



Phyllis Nowlen, Clerk to the Board

RETURN TO FINANCE OFFICE and Forward copy via email to Tonya.Sigmon@clevelandcounty.com

cc: Personnel
cc: Purchasing

Batch # _____
Date: 12/4/19
By: 



U.S. Department of Justice
Office of Justice Programs

Office of the Assistant Attorney General

Washington, D.C. 20531

September 30, 2019

Mr. Brian Epley
Cleveland County
100 Justice Place
Shelby, NC 28151-1210

Dear Mr. Epley:

On behalf of Attorney General William P. Barr, it is my pleasure to inform you that the Office of Justice Programs has approved your application for funding under the FY 2019 Law Enforcement-Based Victim Specialist Program in the amount of \$276,000 for Cleveland County. The money for this award comes from the Crime Victims Fund, which is administered by the Office for Victims of Crime (OVC). It is derived not from tax dollars, but from fines, penalty assessments, and bond forfeitures of convicted federal criminal offenders. The U.S. Attorneys in each District play a critical role in securing these funds to benefit federal, tribal, state, and local crime victims' programs. This grant reflects the continuing commitment of the Department of Justice to improve the treatment of crime victims.

Enclosed you will find the Grant Award and Special Conditions documents. This award is subject to all administrative and financial requirements, including the timely submission of all financial and programmatic reports, resolution of all interim audit findings, and the maintenance of a minimum level of cash-on-hand. Should you not adhere to these requirements, you will be in violation of the terms of this agreement and the award will be subject to termination for cause or other administrative action as appropriate.

If you have questions regarding this award, please contact:




- Program Questions, Laura Ivkovich, Program Manager at (202) 616-3576; and
- Financial Questions, the Office of the Chief Financial Officer, Customer Service Center (CSC) at (800) 458-0786, or you may contact the CSC at ask.ocfo@usdoj.gov.

Congratulations, and we look forward to working with you.

Sincerely,

Katharine T. Sullivan
Principal Deputy Assistant Attorney General

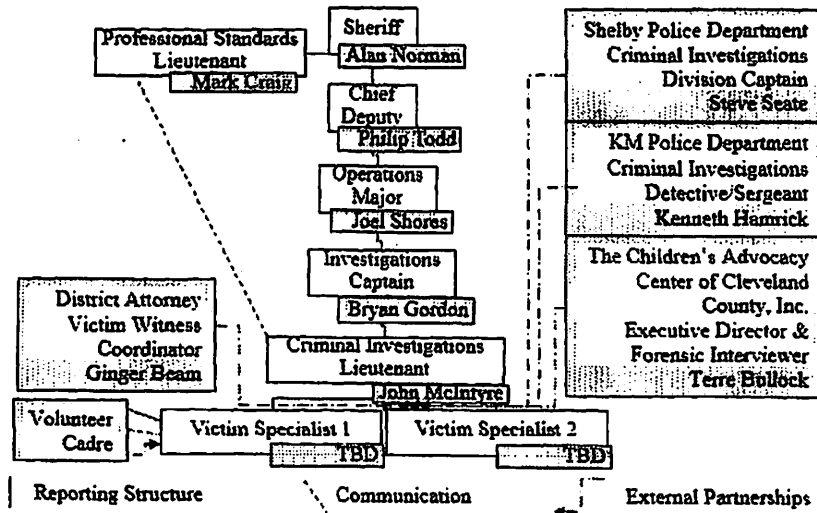
Enclosures

 U.S. Department of Justice Office of Justice Programs Office for Victims of Crime		Grant		PAGE 1 OF 14	
1. RECIPIENT NAME AND ADDRESS (Including Zip Code) Cleveland County 100 Justice Place Shelby, NC 28151-1210					
2A. GRANTEE (SPONSOR) NO. 56600228		6. AWARD DATE: 09/10/2019 7. ACTION: Initial		4. AWARD NUMBER: 2019-VJ-GX-0061	
2B. GRANTEE DUNS NO. 08146799		5. PROJECT PERIOD: FROM 10-01/2019 TO 09/30/2022 BUDGET PERIOD: FROM 10-01/2019 TO 09/30/2022		9. PREVIOUS AWARD AMOUNT \$ 0	
3. PROJECT TITLE Law Enforcement-Based Victim Specialist Program for Cleveland County, NC		10. AMOUNT OF THIS AWARD \$ 276,000		11. TOTAL AWARD \$ 276,000	
12. SPECIAL CONDITIONS THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGES.					
13. STATUTORY AUTHORITY FOR GRANT This project is supported under 34 U.S.C. § 20101(c)(1)(A)					
14. CATALOG OF DOMESTIC FEDERAL ASSISTANCE (CFDA Number) 15.52 - Crime Victim Assistance/Discretionary Grants					
15. METHOD OF PAYMENT GPRS					
AGENCY APPROVAL Katherine T. Sullivan Principal Deputy Assistant Attorney General		18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL Brian Egley County Manager			
17. SIGNATURE OF APPROVING OFFICIAL 		19. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL 		19A. DATE 10-11-19	
20. ACCOUNTING CLASSIFICATION CODES FISCAL FUND BUD. DIV. REG. SUB. FOMS AMOUNT X G VJ 49 00 00 276000					
21. AGENCY USE ONLY 21. UYKMT0371					

CLEVELAND COUNTY SHERIFF'S OFFICE (CCSO)
Cleveland County, North Carolina

Victim Specialist Position Description
DOJ OJP Grant Award 2019-V3-GX-00612019-2022

Cleveland County Sheriff's Office | Victim Specialist Program
Organizational Chart



Essential Duties and Responsibilities:

- Provide crisis intervention, needs assessment and emotional support to victims of crime.
- Review and assess police crime reports and contact crime victims by mail, phone, or in person to provide them with guidance, education and information regarding their case, services available and maneuvering the criminal justice system.
- Provide information on domestic violence and sexual assault services and referrals for counseling, medical, legal and social service needs.
- Provide information to families of child victims through the Children's Advocacy Center of Cleveland County.
- Maintain connection to Shelby Police Department and Kings Mountain Police Department in support of the crime reports and resulting victims' needs in QOZs.
- Assist eligible crime victims in applying for financial assistance from the state.
- Act as a liaison between the crime victim and officers, detectives, and members of the District Attorney's office.
- Accompany crime victims to court, as needed, depending on availability.

CLEVELAND COUNTY SHERIFF'S OFFICE (CCSO)
Cleveland County, North Carolina

Victim Specialist Position Description
DOJ OJP Grant Award 2019-V3-GX-00612019-2022

- Complete all necessary documentation for management reports, the police database, grant reporting and management.
- Promote the Victim Specialist program by educating law enforcement personnel and the public on victim's needs and services.
- Correspond with Criminal Investigation Division (CID) to identify victims in need of services.
- Participate in Victim Specialist Advisory Committee and other task groups as assigned.
- Complete all necessary documentation for Victim Services, CID, the Records Management System (police database).
- Provide support and guidance to volunteers.

Education/Experience:

- Required bachelor's degree in Human Services, with preference given to Social Work, with a preferred minimum of one year of experience in human services, counseling, or the criminal justice field; *and/or* any equivalent combination of training and experience required to perform the essential duties and responsibilities of the position.
- Demonstrate some knowledge of procedures and practices of the social services field, preferably with victims of crime.
- Required experience with computer software applications including Microsoft Office applications and the use of database entry systems.

Knowledge/Skills/Abilities:

- High degree of emotional intelligence.
- Considerable knowledge of the common emotional reactions and needs of crime victims.
- Considerable knowledge of local and statewide services available to assist crime victims.
- General knowledge of human services and mental health agencies within the community.
- General knowledge of counseling techniques appropriate to crime victims.
- General knowledge of the Criminal and Civil court systems.
- General knowledge of victim's rights within the state of North Carolina.
- General knowledge of modern office procedures and administrative techniques.
- Ability to effectively express ideas orally and in writing.
- Ability to make effective oral presentations before large groups of people.
- Ability to efficiently organize client files and documentation.
- Ability to establish and maintain positive and effective working relationships.
- Ability to exercise considerable tact, courtesy, discretion, and patience.
- Ability to exercise initiative and independent judgement toward work solutions.
- Ability to maintain confidentiality.
- Ability to coordinate volunteers.

Budget Summary

Budget Summary

Note: Any errors detected on this page should be fixed on the corresponding Budget Detail tab.

	Year 1		Year 2 (if needed)		Year 3 (if needed)		Year 4 (if needed)		Year 5 (if needed)		
Budget Category	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Total(s)
A. Personnel	\$53,040	\$0	\$54,788	\$0	\$56,549	\$0	\$0	\$0	\$0	\$0	\$164,377 ✓
B. Fringe Benefits	\$21,747	\$0	\$23,381	\$0	\$25,263	\$0	\$0	\$0	\$0	\$0	\$70,391 ✓
C. Travel	\$2,523	\$0	\$4,500	\$0	\$4,500	\$0	\$0	\$0	\$0	\$0	\$11,523
D. Equipment	\$9,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,600
E. Supplies	\$130	\$0	\$1,300	\$0	\$2,550	\$0	\$0	\$0	\$0	\$0	\$3,980
F. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G. Subawards (Subgrants)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
H. Procurement Contracts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
I. Other	\$4,960	\$0	\$8,031	\$0	\$3,138	\$0	\$0	\$0	\$0	\$0	\$16,129
Total Direct Costs	\$92,000	\$0	\$92,000	\$0	\$92,000	\$0	\$0	\$0	\$0	\$0	\$276,000
J. Indirect Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Project Costs	\$92,000	\$0	\$92,000	\$0	\$92,000	\$0	\$0	\$0	\$0	\$0	\$276,000
Does this budget contain conference costs which is defined broadly to include meetings, retreats, seminars, symposia, and training activities? - Y/N											No

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Service Weapon Removal for Retiring Lieutenant Thomas Lewis

Department: Sheriff's Office

Agenda Title: Service Weapon Removal for Retiring Lieutenant Thomas Lewis

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> Service_Weapon_Removal_TLewis.pdf	Weapon Removal request TLewis

Office of the Sheriff

SHERIFF
ALAN NORMAN



P.O. BOX 1508
SHELBY, N.C. 28151-1508
704-484-4888
FAX 704-484-4856

MEMORANDUM:

TO: Brian Epley, County Manager, and
Cleveland County Board of Commissioners

FROM: Alan Norman, Sheriff of Cleveland County *Norm*

DATE: January 3, 2020

SUBJECT: Request to Remove Service Weapon from County Inventory
And Issue to Retiring Lieutenant Thomas Lewis

The Cleveland County Sheriff's Office would like to present retiring Lieutenant Thomas Lewis his departmental service weapon. Lieutenant Lewis will retire January 31, 2020, after 27 years of full time law enforcement service with the Cleveland County Sheriff's Office. As a token of appreciation for his service to the Cleveland County Sheriff's Office and the citizens of Cleveland County, we are requesting that his service weapon be removed from county inventory and issued to him.

Lieutenant Lewis's service weapon that we request to be removed from county inventory is a *Glock 9mm, Model 17 with serial number **BDKT-873***. The county asset number is #201221.

Thank you for your assistance with this matter. Should you have questions, please call me at (704) 484-4817.

AN/lp

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Library Board By-Law Revisions

Department: Library

Agenda Title: Library Board By-Law Revisions

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> 2019_Library_Bylaws_changes.pdf	2020 Library Advisory Board Bylaws

Cleveland County Library System
Advisory Board

Bylaws

Article 1. Powers and Duties.

The members of the Advisory Board shall be appointed by the Cleveland County Board of Commissioners. The Advisory Board shall have the following powers and duties:

- (1) To advise the Board of Commissioners on the formulation of programs, policies, and regulations for the government of the Cleveland County Library System.
- (2) To make recommendations to the Board of Commissioners concerning the construction and improvement of buildings and other structures for the library system.
- (3) To assist in the raising of funds from the community to help finance the operations and programs of the library system.
- (4) To otherwise advise the Board of Commissioners on library matters.
- (5) To make an annual report on the operations of the library to the Board of Commissioners and to make an annual report to the North Carolina State Library which is a section of the Department of Natural and Cultural Resources as required by N.C.G.S. 125-5.

Article 2. Appointment and Terms of Trustees.

- (1) The Advisory Board shall consist of nine (9) members who shall be appointed by the Board of Commissioners for terms of three (3) years beginning July 1 in the year of appointment.
- (2) At least one (1) permanent seat on the Advisory Board must be a current member of the Cleveland County Board of Commissioners.
- (3) One (1) permanent seat on the Board will be the President of the Friends of the Library or their designee may serve for one year at a time.
- (4) A board member may serve up to three (3) successive, three (3) year terms. A past member of the Board may serve again, if they have been off the Board for one (1) full year.

(5) Any vacancy on the Advisory Board regardless of how created shall be filled by appointment by the Board of Commissioners for the unexpired term of the vacant position (with suggestions for future members submitted by the current board.)

(6) (A minimum of 50% attendance is required to remain on the Advisory Board, unless the Commissioners determine otherwise on a case by case basis.)

(7) As provided in N.C.G.S. 153A-265, the Board of Commissioners may remove a Board member at any time for incapacity, unfitness, misconduct, or neglect of duty.

Article 3. Meetings.

(1) The Advisory Board shall meet at least quarterly at a time and place to be determined from time to time by said Board.

(2) An annual meeting shall be held at the time of the regular quarterly meeting for the third quarter each calendar year.

(3) Special meetings may be called by the Chairman or on written request of three (3) members of the Advisory Board or on motion by the Board of Commissioners for the transaction of business stated in the call for the meeting.

(4) The Secretary of the Advisory Board shall give at least five (5) days written notice to all members of the Advisory Board of all meetings, whether regular or special.

Article 4. Officers.

(1) The Advisory Board officers shall be elected at its regular annual meeting. They shall be as follows: Chairman, Vice-Chairman and Secretary.

(2) The Board Chairman shall preside at all meetings, appoint all committees, certify all actions approved by the Board, authorize calls for special meetings, and generally perform the duties of a presiding officer.

(3) When the Chairman is absent from a Board meeting, the Vice-Chairman shall preside.

(4) The Board Secretary shall be responsible for a true and accurate account of all proceedings of the Board meetings plus issuing notices of all regular meetings and, on

the Chairman's authorization, of all special meetings; have custody of the minutes and the other records of the Board; and notify the Board of Commissioners of any vacancies on the Advisory Board. (The Library Director shall act as Recording Secretary when needed.)

Article 5. Committees.

Special committees for the study and investigation of special situations may be appointed by the Chairman to serve until they have completed the work for which they were appointed.

Article 6. Quorum.

A quorum for the transaction of business shall be a simple majority of the Board members.

Article 7. Amendments.

These bylaws may be amended from time to time by the Board of Commissioners.

Reviewed and amended by the Cleveland County Board of Commissioners on _____ (date).

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

IGA Resolution

Department: Economic Development

Agenda Title: IGA Resolution

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> Catawba_Staff_Report.pdf	Staff Report
<input type="checkbox"/> Catawba_Resolution_and_Agreement.pdf	Resolution and Agreement

STAFF REPORT

To: Cleveland County Board of Commissioners Date: January 13, 2020
From: Elliot Engstrom, Deputy County Attorney
Subject: Intergovernmental Agreement with Catawba Indian Nation

Summary Statement:

The intergovernmental agreement with the Catawba Indian Nation has, pursuant to the board's October 1, 2019 signatory authorization resolution, been signed, and is prepared to be added to the board minutes.

Review:

On October 1, 2019, the Board of Commissioners authorized Commissioner Johnny Hutchins to execute an intergovernmental agreement ("IGA") with the Catawba Indian Nation. Commissioner Hutchins did so on December 5, 2019. The Clerk to the Board has now received the final and fully executed agreement from the Catawba Indian Nation. The Board of Commissioners now should enter the fully executed agreement into its meeting minutes.

Attachment:

- Proposed resolution, including executed IGA.

Action Requested

- Pass the proposed resolution approving and ratifying the IGA.

###

01-2020

**Resolution Accepting and Ratifying Intergovernmental Agreement with
Catawba Indian Nation on Behalf of Cleveland County**

WHEREAS, N.C.G.S. § 153A-11 and N.C.G.S. § 153A-12 authorize the Board of Commissioners to enter into contracts on behalf of the County; and

WHEREAS, N.C.G.S. § 153A-12 authorizes the Board of Commissioners to exercise the powers and functions of the County, including the power to enter into contracts; and

WHEREAS, N.C.G.S. § 153A-12 further authorizes the Board of Commissioners to pass resolutions as to how its powers and functions are to be exercised, including the delegation of such powers and functions; and

WHEREAS, the Catawba Indian Nation (the "Nation") is seeking to develop an entertainment complex (the "Project") on lands located in Cleveland County; and

WHEREAS, the County and the Nation have together developed an Intergovernmental Agreement ("IGA") which will serve their mutual interest in promoting cooperation between the County and the Nation and will provide for the general welfare of all people in the County and within the proposed Project site with respect to issues including public finance, health and safety, and land use and development; and

WHEREAS, the County, in open session during its regularly scheduled meeting on October 1, 2019, authorized Commissioner Johnny Hutchins to execute the IGA on behalf the County; and

WHEREAS, the Clerk to the Board has now received the fully executed copy of the Agreement from the Nation; and

WHEREAS, the fully executed IGA is attached to this resolution as "Exhibit A";

THEREFORE, THE CLEVELAND COUNTY BOARD OF COMMISSIONERS RESOLVES THAT:

I. The Board of Commissioners approves of Commissioner Hutchins's signing of the IGA and, to the extent necessary, ratifies the IGA on behalf of Cleveland County;

2. The Clerk shall enter this resolution and the attached IGA into the minutes of this meeting of the Board of Commissioners.

Adopted this the 21st day of January, 2020.

By: _____
Susan K. Allen, Chairman
Cleveland County Board of Commissioners

ATTEST:

April Crotts, Deputy Clerk
Cleveland County Board of Commissioners

EXHIBIT A

INTERGOVERNMENTAL AGREEMENT
BY AND BETWEEN
CLEVELAND COUNTY, NORTH CAROLINA
AND THE
CATAWBA INDIAN NATION

This **Intergovernmental Agreement** (the "**Agreement**") is made on this the 5th day of December, 2019 (the "**Effective Date**"), by and between **Cleveland County, North Carolina**, a political subdivision of the State of North Carolina (the "**County**"), and **the Catawba Indian Nation**, a federally recognized Indian Tribe headquartered in Rock Hill, York County, South Carolina (the "**Nation**") (each a "**Party**" or collectively the "**Parties**").

WITNESSETH:

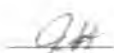
WHEREAS, the Nation, as an exercise of its sovereign authority, is seeking to acquire into trust status certain lands within its aboriginal territory that lie within the boundaries of the County;

WHEREAS, the Nation desires to develop an entertainment complex (the "**Project**"), on said lands consisting of approximately sixteen (16) acres located in the County (the "**Property**"), and more specifically located at Exit No. 5, United States Interstate 85 South, off of N.C. State Road No. 2283 (known locally as Dixon School Road);

WHEREAS, while the current plans for the Project are fluid and uncertain, the Parties nonetheless wish to delineate in this Agreement the terms and conditions pertaining to the development, construction, management, and operation of the Project;

WHEREAS, if the Nation is legally authorized to develop its Project on the Property, the Parties wish to set forth their understanding concerning the relationship between the Parties as to the development and operation of the Project and the Property;

WHEREAS, the County and the Nation have a mutual interest in promoting cooperation between the County and the Nation that will provide for the general welfare of all people in the County and within the Property with respect to issues including public finance, health and safety, and land use and development;


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WHEREAS, the County and the Nation respect each other's governmental responsibilities and priorities for serving the people living within the County and the people visiting or working within the Property;

WHEREAS, the County and the Nation wish to enter into this Agreement, which respects the jurisdiction of both Parties, to ensure orderly and efficient delivery of services and to provide similar governing standards between the two jurisdictions;

WHEREAS, the Nation, in entering into this Agreement, is not limiting its sovereign powers but rather using them to advance the well-being of the Catawba people and surrounding communities; and

WHEREAS, the County and the Nation are entering into this Agreement in reliance on the commitments made herein.

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Nation agree as follows:

Section 1. Property Subject to this Agreement. This Agreement concerns the Nation's development and operation of the Project and use of the Property in the County. A map and legal description of the Property is attached hereto and incorporated herein as Exhibit "A".

Section 2. Definitions.

The following terms shall have the following meanings for purposes of this Agreement:

"Accommodation" means a hotel room, a motel room, a residence, a cottage, or a lodging facility of any kind that is designed and used for occupancy by an individual.

"County" means Cleveland County, North Carolina, duly organized under the laws of the State of North Carolina.

"Gaming Activities" or "Gaming" means (1) the conduct of Class II or Class III gaming as defined in the Indian Gaming Regulatory Act, 25 U.S.C. § 2701 *et. seq.*; (2) the conduct of gaming that would otherwise meet the Class II and Class III definitions in the Indian Gaming Regulatory Act even if that act was not applicable; or (3) the conduct of gaming as defined under the relevant authorizing statutes, regulations, and/or judicial opinions. "Gaming Activities" shall be deemed to have commenced as of the date on which gaming operations are first made available to the public.

Provided, that the Nation shall provide the County with written notice of the commencement of Gaming Activities on the Property within ten (10) days of such commencement.

"Imminent or Immediate Threat" means a situation that is likely to cause an immediate threat to human life, an immediate threat of serious physical injury, an immediate threat of serious adverse health effects, or a serious risk of irreparable damage to the environment if no immediate action is taken.

"Nation" means the Catawba Indian Nation, a federally recognized tribe, duly organized under its Constitution.

"Project" means that entertainment, lodging, and/or gaming complex and all associated improvements, buildings, facilities, roads, structures, and fixtures of any kind that are now or may after the Effective Date be built, erected, placed, installed, or otherwise situated on or in the Property.

"Property" means that real estate within the County that is described in that survey map a complete and accurate copy of which is attached hereto as Exhibit "A", and all improvements located thereon.

"Public Health and Safety" means matters related to environmental conditions, occupational conditions, water quality, wastewater disposal, solid waste disposal, and food and beverage services.

"State" means the State of North Carolina.

"Sheriff" means the Cleveland County Sheriff's Office.

"Tribe" or "tribal" refers to the Nation or an aspect of the Nation, as the case may be.

Section 3. County Fees and Service Payments; Sales Taxes. The Parties recognize and agree that the Nation will require a number of services from the County, including, but not limited to, law enforcement services, fire protection services, and public health and safety services. The Parties further recognize that operation of the Project on the Property will result in a number of impacts to the County services and an increased financial burden to the County. The Parties recognize and agree that, although the Nation, and its Project and Property are not subject to County taxation, it is in the interest of both Parties to insure a sufficient revenue stream to the County to enable the County to provide such services and to be able to meet the increased burdens resulting from the Nation's operation of the Project. It is the intent of the County and the Nation that, to the fullest extent possible, the Nation will bear the same financial burdens as would any other non-Indian business in the County, subject to the conditions and limitations set forth herein. Therefore, notwithstanding that the Nation does not owe any taxes to the County, the Nation agrees

to pay the County the following PILOT Payments (as defined in Section "3(A)" below), fees, service payments, and Sales Taxes:

A. **Real and Personal Property.** Upon completion of the Project, the Nation agrees to make annual payments to the County in lieu of real and personal property taxes assessable with respect to the Property ("**PILOT Payments**"). *Provided*, that the Project shall be deemed to have been completed upon the opening of a temporary or permanent entertainment and/or gaming facility to the public ("**Project Completion**") and that the Nation, within fifteen (15) days of the occurrence of such completion, shall provide the County Manager with written notice of completion of the Project. Each PILOT Payment shall be equal to the real and personal property tax assessments that could be lawfully imposed in accordance with the methodology that the County would lawfully employ if the Property were subject to County real and personal property taxes. Each PILOT Payment shall be calculated by the County Tax Assessor in the same manner as is used for such calculations for similar commercial real and personal property located within the County, and shall be comprised of an annual assessment multiplied by a rate as from year-to-year lawfully established by the County. The County, by July 15 of each calendar year, shall provide the Nation with written notice of the amount of each PILOT Payment due with respect to that year (and of the methodology whereby the amount due has been calculated), which amount shall be due and payable by no later than January 15 of the following year. (If any such PILOT Payment has not been paid in full by such date, then simple interest on the unpaid balance thereof shall accrue from such date until paid at the annual rate of four percent (4.0%).) The County agrees to receive each PILOT Payment and agrees that PILOT Payments made shall be deemed to compensate the County for the tax liability that would otherwise apply if the Property was subject to taxation. *Provided*, however, if the foregoing method of determining the amount of the PILOT Payments is deemed unlawful by the United States government, then the Parties shall promptly meet and confer in good faith for the purpose of agreeing to an alternative method for determining the amount of the PILOT Payments that is consistent with all applicable law and that results in payment to the County that is substantially similar to the amount of the foregoing PILOT Payments.

1. **Annual PILOT Payments.** For the purpose of calculating each PILOT Payment, the Nation agrees to permit the County Tax Assessor, or his/her designee, access to the Property as required to assess the value of the Property. However, access to the Property shall not

exceed the minimal level of access required to complete the assessment of all other real and personal property within the County. The County agrees that the real and personal property assessments of the Property shall be made in a manner consistent with the County's real and personal property assessment procedures applicable to other property owners located in the County.

2. Rate.

The methods of determining the tax rate(s) and calculating the amount of each PILOT Payment shall be the same as the methods used to determine the tax rate(s) and calculating the amount of all taxes due for all other property in the County.

3. Disputes.

Any dispute arising under this Section 3 is subject to the dispute resolution procedures set forth in Section 11 and the limited sovereign immunity waiver set forth in Section 11(G). *Provided*, however, that, for any dispute over the County's calculation of the amount of any PILOT Payment in which the Nation claims that the amount of any PILOT Payment should be other than the amount that has been calculated by the County Tax Assessor and billed by the County, the Parties agree as follows :

- a. The Nation may contest the annual assessment before the County Board of Equalization and Review and, if unresolved to the satisfaction of the Nation, the Nation may then appeal the Board of Equalization and Review's determination to the State Property Tax Commission, and may seek judicial review of the determination of the State Property Tax Commission in the North Carolina Court of Appeals or as otherwise provided by law.
- b. Pending the final outcome of any appeal and/or the exhaustion of all rights to appeal, as the case may be, the Nation shall timely remit the PILOT Payment(s) in dispute to the County indicating its disagreement with such Payment(s). If the final determination on the contested PILOT payment(s) is that the Nation owes less than the contested PILOT Payment(s) that the Nation has made to the County, then the County shall, within thirty (30)

days of the exhaustion of all rights of appeal to any court/forum of competent jurisdiction, remit the difference to the Nation.

B. Local Infrastructure Fee. The Nation shall remit to the County a local infrastructure fee in the amount of six percent (6%) of the gross receipts derived from the rental of Accommodations located on or in the Property, which shall include the rental cost of reserving each Accommodation, as well as all fees and charges of any kind that are charged by or on behalf of the Nation with respect to such reservations, including any Complimentary Accommodation Gross Receipt, but not including tribal taxes ("**Local Infrastructure Fee**"). Each complimentary, no charge Accommodation shall be deemed to generate a maximum gross receipt of one hundred dollars (\$100.00) per day ("**Complimentary Accommodation Gross Receipt**"). The maximum Complimentary Accommodation Gross Receipt, as of the first and every subsequent anniversary of the Effective Date of this Agreement, shall be adjusted by a percentage equal to the percentage by which the "Consumer Price Index for All Urban Consumers" for "All Items" (the "CPI") published during the month immediately preceding each such anniversary by the Bureau of Labor Statistics of the U.S. Department of Labor has increased or decreased as compared to the CPI that was published during the month immediately preceding such anniversary of the prior year. (The purpose of such periodic adjustment in the maximum Complimentary Accommodation Gross Receipt is to ensure that such Receipts match the pace of inflation/deflation as measured by increases/decreases in the CPI.)

The Nation shall remit said Local Infrastructure Fee to the County in the same manner and at the same time(s) as provided by law for the remission of occupancy taxes to the County by hotels generally. The Nation may also impose a separate occupancy tax for hotel stays in addition to this Local Infrastructure Fee. *Provided*, that the Nation, by March 1 of each year if so requested by the County, shall provide the County with complete and authentic copies of documents indicating the gross receipts derived from the rental of Accommodations located on the Property during the preceding calendar year so that the County may assess the Nation's compliance with this Section 3(B).

C. Development Fee. In lieu of ordinary development fees, the Nation shall pay permitting and inspection fees and other administrative fees related to the development and construction of the Project (the "**Development Fee**"). Upon submission to the County of detailed building design, architectural plans, and engineering plans, the Development Fee shall be


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calculated in accordance with the County's Unified Development Ordinance, as amended. A minimum payment of One Hundred and Fifty Thousand Dollars (\$150,000.00) toward such Development Fee shall be paid upon submission of the building design, architectural plans, and engineering plans. The balance of the Development Fee, if any, shall be paid within thirty (30) days of Project Completion. The Development Fee is intended to support the costs of administration, plan reviews, and inspections for, among other aspects of building construction and operation, buildings, food and beverage facilities, and water systems, including drinking water, waste water, and pool facilities.

D. Sales Taxes. The Nation shall collect and remit to the County a sales tax in the amount of two percent (2%) of the gross receipts derived from the sale of food and beverages, retail sales, entertainment activities (including but not limited to "cover" and/or admission charges), and other miscellaneous sales of goods and services on the Property (collectively, the "Sales Taxes"). Payment of such Sales Taxes to the County shall be the responsibility of the Nation regardless of whether such Sales Taxes have been collected from customers who make purchases at or in the Project or on or in the Property. Such Sales Taxes, however, shall not apply to the sale of Native arts, crafts, goods, and other materials sold in the Nation's specially run Native gift shop on the Property. The Sales Taxes due hereunder shall be arrived at through the same methodology as if the Nation and transactions occurring on the Property were subject to State and County sales taxes, and shall be due and payable as of the twenty-first (21st) day of each month with respect to Sales Taxes that were collected by the Nation during the preceding month. *Provided*, that the Nation, on or about March 1 of each year, shall provide the County with complete and authentic copies of the necessary records to support the calculation of the gross receipts of the Nation that are derived from Sales Taxes generated on the Property during the preceding calendar year so that the County may assess the Nation's compliance with this Section 3(D).

E. Tax Parity. The Nation agrees that it is not seeking to secure a tax advantage for itself or other entities operating on the Property. Accordingly, the Nation agrees that it shall not permit untaxed sales of any tobacco products, motor fuel, alternative fuel, or alcoholic beverages on the Property. The Nation agrees that the fees assessed and the tax rates on the foregoing shall be no less than those fees and rates that are assessed by any lawful authority, whether by federal, state, tribal, or local government, and otherwise paid by any non-tribal entities or purchasers within the County. If the Nation does not charge or collect such taxes and fees that would otherwise be

levied with respect to tobacco products, motor fuel, alternative fuel or alcoholic beverages, then payment of such taxes to the County shall be the responsibility of the Nation, which shall remit an amount equal to such taxes to the appropriate taxing authority, including the County to the extent provided herein.

F. Equal Protection. The Nation and the County agree that, for purposes of collecting the PILOT payment(s), Local Infrastructure Fee, and Sales Taxes (collectively, the "**Fees**"), that the Property and all transactions occurring on the Property shall be deemed to be transactions not involving an Indian tribe and shall be deemed to occur on real and personal property that is subject to the County's taxation jurisdiction (regardless of whether such property is held in trust or restricted fee status), subject to the exceptions and limitations set forth herein. The Nation agrees that it shall not contest this characterization in any writing or proceeding for collection of these Fees. Accordingly, should the County, in good faith, amend the rates and methodology for assessment and calculation of any of the Fees with respect to businesses within the County, then such rates and methodology for assessment and calculation shall be applied to the Property and all transactions occurring on the Property; however, any such rates and fees shall not exceed the rates and fees applied generally to businesses in the county.

Section 4. Public Health and Safety. The Nation's operation of the Project on the Property will be subject to the same workplace, public health, safety and fair employment rules as required under North Carolina law. To this end, the Nation agrees to the following:

A. Before opening to the public any business operations on the Property, the Nation shall adopt, by resolution, and comply with standards that are no less stringent than North Carolina and related federal work place, labor, and occupational safety and health (commonly known as "OSHA") standards. The Nation shall provide the County with a meaningful opportunity to review and comment on any such proposed standards before they have been adopted by the Nation.

B. The Nation agrees to adopt and comply with the following health and safety standards of the kind that would apply were the Property and Project owned and operated by a non-tribal commercial enterprise:

1. Public health standards for food and beverage handling that are consistent with standards prescribed by North Carolina statutes, regulations, and related administrative guidance.

2. Water-quality and safe drinking water standards applicable in North Carolina by operation of State or federal law.
3. Building standards that are no less stringent than applicable building codes, fire codes, plumbing, electrical and related codes applicable in the County by either North Carolina law or County ordinance, as would apply to the construction of any similar buildings or facilities elsewhere in Cleveland County.
4. County ordinance and North Carolina laws dealing with fire safety pertaining to the operation, inspection, and maintenance of the Project.

C. The Nation will allow inspections of the Project by County inspectors, during the Project's hours of operation upon at least twenty-four (24) hours' advance written notice to the Nation by the County Manager or his/her designee(s) to assess compliance with the standards established by this Agreement. Provision of such notice shall be sent via e-mail to the Nation's primary point of contact on the Project and by overnight courier mail to the address of the Nation identified in Section 13. Nothing herein shall be construed as a submission of the Nation to the jurisdiction of such County inspectors; however, any violation of the standards may be treated as a violation of this Agreement.

D. The Parties shall consult and cooperate with one another regarding public health and safety issues of mutual concern. The Parties shall each identify a representative to serve as its respective point of contact for coordinating the handling of events that pose a threat to public health or safety. The Parties' responsibilities under this subsection shall include, at a minimum, timely notification to the other Party's point of contact of any perceived public health or safety concerns, the mutual exchange of ideas on how to respond to the concern(s), timely updates on any action being taken to address the concern(s) by a Party, and a written report summarizing with reasonable detail how the situation was ultimately addressed and what steps, if any, may be necessary or recommended to mitigate or prevent the re-occurrence of the public health or safety concern in the future. The Parties agree that this coordination function is an integral step in mitigating threats to public health and safety that may obviate the need for arbitration. The Parties also agree that such compliance with this subsection is a condition precedent to the expedited arbitration procedure for threats to public health and safety set forth in Section 11.D. of this Agreement in the event that arbitration is deemed necessary.

E. If at any time the County has grounds to determine that a public health nuisance exists, the County shall notify the Nation's representative, and if not resolved within five (5) days of provision of such notice, or such additional period as agreed upon by the Parties, then the County may invoke the expedited arbitration procedure under Section 11.D. of this Agreement.

F. Should there be an immediate and imminent threat to public health or safety, as determined by an appropriately designated State public health agency or official or the County Manager, then the County may, upon notifying the Nation's representative, conduct an emergency visit to the Property and take whatever action is necessary, consistent with North Carolina law that would apply were the Property and Project owned and operated by a non-tribal commercial enterprise, including but not limited to seeking immediate injunctive relief in the North Carolina General Court of Justice, to mitigate the immediate and imminent threat. Immediately following the emergency visit, the County shall provide a written explanation to the Nation of the basis for the emergency visit, the actions taken, and identify any additional actions that may be necessary and/or recommended in follow-up to the emergency visit and which must be carried out, if at all, in close coordination and with the approval of the Nation, which may be withheld only on an objectively-reasonable basis.

G. Upon completion of the final building design and development plans for the Project, as approved by the Nation, and before the commencement of any construction activity, the Parties agree to meet and confer for the purpose of negotiating and entering into a separate memorandum of agreement to set forth in greater detail how the Parties will coordinate on the public health safety concerns addressed in this Section 4.

Section 5. Public Safety.

A. **Emergency Medical Services.** The Nation acknowledges the importance of having adequate emergency medical services for any persons on the Property. The County, through its Emergency Medical Services Department and volunteer rescue squads, provides emergency medical services to the entire County. The County shall provide emergency medical services to the Property and the Project as requested. The Nation shall reimburse the County for the reasonable charges incurred in providing emergency medical services to or on the Property and/or the Project on the same terms and conditions as those that would be charged and could be enforced by the County were the Property and Project owned and operated by a non-tribal commercial enterprise.

B. Law Enforcement. The Parties recognize the Nation has responsibility for maintaining order and security on the Property. The Parties recognize the increase in traffic and attendance connected with the Project will create added burdens on the Sheriff in terms of patrolling and responding to calls for assistance. Because some of that activity will take place on the Property, it is expected that cross training in the mutual roles and respective authorities of both the Nation (and any Nation-owned entities) and the Sheriff will be necessary. To the greatest extent possible, the County Sheriff's Office will seek to hire a qualified member of the Nation as a civilian employee to facilitate communication between the Parties. The Nation agrees to reimburse the County for the reasonable added costs to its law enforcement resources for the Project and the Property to the same extent as would reasonably be expected were the Project and Property owned and operated by a non-tribal commercial enterprise. Additional reasonable costs for training for the Sheriff to provide law enforcement to the Project will be borne by the Nation.

C. Fire Services. The Nation acknowledges the importance of having adequate fire services for any persons on the Property. The County, through its County Emergency Management Department and County Volunteer Fire District, provides fire services to the entire County. The Parties agree that the County will provide fire services to the Property as and when requested. The Nation shall reimburse the County for the reasonable charges incurred in the provision of fire-protection services to the Property and/or the Project on the same terms and conditions as those that would be charged and could be enforced by the County were the Property and Project owned and operated by a non-tribal commercial enterprise.

D. Upon completion of the final building design and development plans for the Project, as approved by the Nation, and prior to the commencement of any construction activity, the Parties agree to enter into a separate memorandum of agreement, or alternatively to renegotiate this Section 5 pursuant to Section 15.I.3, to address specific services, standards, support, mitigation, coordination, reporting, and funding requirements for emergency services, law enforcement services, fire services, and fire safety. Failure to enter into a separate memorandum of agreement or to renegotiate this Section 5 in good faith and to the mutual agreement of the Parties shall be grounds for default under this Agreement, and subject to the dispute resolution provisions set forth in Section 11.

Section 6. Civil and Criminal Jurisdiction. The County, notwithstanding this Agreement, shall retain the right to invoke and seek enforcement of all civil and criminal laws with respect to

any person, not a member of the Nation, in a manner consistent with applicable federal and State law as of the Effective Date, and as from time to time may be amended, except to the extent explicitly provided otherwise by this Agreement. The County shall promptly notify the Nation of any suspected, alleged, or confirmed violation(s) of civil and/or criminal laws carried out by a tribal member. This provision shall not be construed so as to create criminal or civil jurisdiction over any person except as it presently exists under federal and State law. As a sovereign Indian tribe exercising inherent powers of self-governance, the Nation shall exercise exclusively jurisdiction over its tribal members, subject to applicable federal law. Notwithstanding the foregoing, if the Nation so designates, the County may exercise civil and criminal jurisdiction over members of the Nation, to the extent permitted by applicable federal law. **Provided,** notwithstanding this Section 6, that law enforcement officers employed by the Nation, the County or the Cleveland County Sheriff are authorized to arrest and detain, on an emergent basis, any person, citizen or non-citizen of the Nation, in accordance with the U.S. Constitution and all other applicable law that apply to arrest and detainment of persons without first having to obtain the consent of the other Party or determine which Party has jurisdiction to arrest and detain in accordance with this Agreement, to the extent permitted by applicable federal law.

In order to administer and enforce State laws as set forth above, the County may investigate the activities of non-tribal employees, vendors, or guests who may be in violation of State criminal or civil laws, and the County shall report suspected violations of State laws to the appropriate State prosecution authorities and the Nation. Pursuant to such investigation, the County may seek subpoenas, in accordance with State law, to compel production of any books, papers, correspondence, memoranda, agreements, or other documents or records that are relevant or material to the investigation.

The County shall have jurisdiction to commence prosecutions of non-tribal members for violation of any applicable State civil or criminal law or regulatory requirement to the extent authorized under applicable law.

Section 7. Public Utilities. The Nation shall obtain utility services, including but not limited to electric services, water, wastewater, and solid waste disposal, consistent with State law and in accordance with County ordinances and/or franchise agreements.

Section 8. Compulsive Behavior. Within ninety (90) days of commencement of Gaming Activities on the Property, the Nation shall make a one-time payment to the Carolina Community


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Health Partnership ("CCHP") or the County Health Department in the amount of fifty thousand dollars (\$50,000.00) for the treatment of compulsive behavior, including problem gambling or alcoholism. Thereafter, the Nation will make annual contributions to the CCHP or the County in the amount of twenty thousand dollars (\$20,000.00) for the same purpose, which shall be due and payable as of each anniversary of the Effective Date that occurs after the commencement of Gaming Activities on the Property. **Provided**, that the annual contributions to CCHP or the County prescribed by this Section 8 shall increase after the first annual contribution, on a year-over-year basis, at the annual rate of two percent (2%).

Section 9. Prohibited Activities. The Nation shall use its best efforts to prohibit and prevent the occurrence of the following activities on the Property and shall adopt an ordinance, ordinances, and/or regulations prohibiting them and providing for their enforcement:

A. Persons under the age of twenty-one (21) years shall not be allowed to gamble or remain in any room or area in which Gaming Activities are being conducted. Individuals under the age of twenty-one (21) years may pass through gaming rooms or areas only if they are in route to a non-gaming room or area of the Property.

B. Persons under the age of twenty-one (21) years shall not be allowed to purchase, consume, or otherwise possess alcoholic beverages. All alcoholic beverage service shall be in accordance with State law, and subject to the Nation's liquor control laws, as may be enacted in the future and amended from time to time; **provided** that the Nation's Liquor Ordinance has been duly approved by the Secretary of the Interior; **and provided** further that the Nation will not offer alcoholic beverages at no charge or as a complimentary service to its patrons unless other similarly situated business establishments in the State are legally authorized to offer alcoholic beverages at no charge or as a complimentary service to their patrons.

Section 10. County Support for Project. In consideration of the obligations undertaken by the Nation herein, and specifically of provision to the County of the "General Council Resolution" prescribed by Section 15(C) below, the County shall provide written correspondence in support of the Project to the United States Department of the Interior, Bureau of Indian Affairs ("BIA"), the State of North Carolina and any other governmental agencies or officials whose approval or cooperation must be obtained, as reasonably requested by the Nation, and the County shall promptly respond to any inquiries from these and other such governmental agencies related to the Project and Property. **Provided, however**, that the County may withdraw such "support" for

the Project if the Secretary of the United States Department of the Interior disapproves of this Agreement or determines that it is unacceptable or unenforceable; but, in the event of such disapproval or determination, the Parties shall promptly meet and confer in good faith for the purpose of agreeing to an amendment of this Agreement that renders it valid and enforceable in accordance with all applicable law.

Section 11. Dispute Resolution. All disputes arising under this Agreement, except as prescribed by Section 3(A)(3) and Section 4.F. above, shall be resolved solely in accordance with this Section 11, and subject to the following:

A. **Meet and Confer; Non-Binding Mediation.** If the County or the Nation believes that the other Party has committed a possible violation of this Agreement, then it may request in writing of the other Party that the Parties meet and confer in good faith for the purpose of attempting to reach a mutually satisfactory resolution of the possible violation within fifteen (15) days of the date of service of said request; *provided that* if the complaining Party believes that the possible violation creates a threat to public health or safety, then the complaining Party may proceed directly to arbitration as provided in Section 11.D. *Provided*, if one Party believes that the other Party has breached this Agreement, that the former may also ask the latter to engage in non-binding mediation in good faith in accordance with the Rules Implementing Statewide Mediated Settlement Conferences in Superior Court Civil Actions, the reasonable costs of which shall be borne equally by the Parties. The Party asked to engage in such mediation will do so in good faith in accordance with such Rules.

B. **Notice of Disagreement.** Within thirty (30) days of holding the conference prescribed by Section 11.A., subject to any agreed extension of that deadline to accommodate the completion of non-binding mediation in accordance with Section 11.A., if the complaining Party is not satisfied with the result of the conference, then the complaining Party shall provide written notice to the other Party identifying and describing any alleged violation of the Agreement ("Notice of Disagreement"), with reasonable particularity, and proposing the action(s) that it believes are required to remedy the alleged violation.

C. **Response to Notice of Disagreement.** Within fifteen (15) days of service of a Notice of Disagreement, the recipient Party shall provide a written response denying or admitting the allegations made in the Notice of Disagreement, and, if the truth of the allegations is admitted, then setting forth in detail the steps it has taken and/or will take to cure the violations. Failure to

serve a timely response shall entitle the complaining party to proceed directly to arbitration, as provided in Section 11(D). below.

D. Binding Arbitration Procedure. Subject to prior compliance with Section 11.A. above, and the requirements of Sections 11.B. and 11.C, except as provided in Section 11.E., either Party has the right to initiate binding arbitration as the sole mechanism by which to initiate enforcement of the terms of this Agreement. Such arbitration shall be conducted in accordance with the following procedures (the "Arbitration"):

1. Selection of the Arbitration Panel.

(a) Disputes Involving Recovery or Liability of Less Than \$250,000. The Arbitration shall be administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules (collectively, the "AAA Rules") and shall, except as set forth below, be conducted by one (1) arbitrator who shall have been selected pursuant to the AAA Rules; *provided*, that he/she must be a licensed attorney who has been actively engaged in the practice of law for at least the last ten (10) years, and during such ten years has been a member in good standing of the bar of the State, and who has served as an arbitrator and rendered a written opinion in at least one (1) completed arbitral proceeding within the last five (5) years and has demonstrated expertise in federal Indian law generally and in federal Indian gaming law specifically if the issue in dispute involves federal Indian gaming law. The Parties and the arbitrator shall maintain strict confidentiality with respect to the Arbitration so as to protect the proceedings and any matters, materials, or information disclosed therein from disclosure to any third party, except to the extent required by law.

(b) Disputes Involving Recovery or Liability of \$250,000 or More. If either Party advises the other Party that it reasonably believes that the issue in dispute to be submitted to Arbitration involves potential recovery by a Party, or potential liability of a Party, in an amount exceeding two hundred and fifty thousand dollars (\$250,000.00), exclusive of costs of arbitration/litigation and reasonable attorneys' fees, then the Arbitration shall be conducted by a panel of three (3) arbitrators (the "Panel"). Each

Party shall select one person to act as arbitrator and the two selected shall select a third arbitrator within ten (10) days of their appointment. If the arbitrators selected by the Parties are unable or fail to agree upon a third arbitrator, the third arbitrator shall be selected by the AAA. Each arbitrator shall satisfy the qualifications of the arbitrator in accordance with Section 11.D.1.a. The Parties and Panel shall maintain strict confidentiality with respect to the Arbitration so as to protect the proceedings and any matters, materials, or information disclosed therein from disclosure to any third party, except to the extent required by law. The written decision of the Panel in which two or three members of the Panel join in writing shall control the Arbitration.

2. Arbitration Award. The Arbitration shall be held in Cleveland County, North Carolina, unless otherwise agreed to by the Parties in writing. The arbitrator(s) shall be empowered to grant all legal and equitable remedies and relief that could be secured in a State court of law, including injunctive relief; *provided*, that the arbitrator(s) shall not have the power to award punitive damages or damages of a kind that cannot be obtained for breach of contract in accordance with North Carolina law. The award shall be made within nine (9) months of the filing of the notice of intent to arbitrate, and the arbitrators shall agree to comply with the schedule before accepting appointment. However, this time limit may be extended by agreement of the Parties or by the majority of the arbitrators, if necessary. Any award rendered in Arbitration shall be final and binding on the Parties.

3. Discovery. Consistent with the expedited nature of arbitration, each Party will, upon the written request of the other Party, promptly provide the other with copies of documents, provided such documents are directly relevant to the issues raised by any claim or counterclaim, and which may be redacted as necessary to protect confidential and/or sensitive information. Any dispute regarding discovery, or the relevance or scope thereof, shall be determined by the arbitrator(s), who shall decide to grant leave based on the need of the requesting Party and the burden of such discovery in light of the nature and complexity of the dispute, and such determination shall be conclusive when rendered by a single arbitrator under

Section 11.D.1.a. or the majority of the Panel under Section 11.D.1.b. All discovery shall be completed within forty-five (45) days following the appointment of the arbitrator(s), unless the Parties agree in writing to an extension.

4. Request for Hearing and/or Trial. The arbitrators shall set the matter for a hearing and/or trial upon the written request of a Party. The requesting Party must also provide three (3) days' written notice to the other Party prior to making said request. The arbitrators may also independently recommend that the Parties set the matter for a hearing and/or trial, which recommendation shall be non-binding and left to the Parties' discretion.

5. Arbitration Decision. The resulting decision shall be in writing and explain the reason(s) for the decision. Judgment on the decision of the arbitrator or Panel, may be entered in the United States District Court for the Western District of North Carolina, the Superior Court Division of the North Carolina General Court of Justice sitting in Cleveland County, North Carolina (or in any other venue of the North Carolina General Court of Justice prescribed by the North Carolina General Statutes), or in the Catawba Indian Nation Tribal Court, if the Nation has established one with jurisdiction over the matter(s) and subject to the provisions set forth in Section 11.F set forth below. The costs and expenses of the Arbitration shall be shared equally by and between the Parties.

6. Enforcement. An action to compel Arbitration or to enforce any award or specific performance ordered in an Arbitration may be brought in the United States District Court for the Western District of North Carolina, the Superior Court Division of the North Carolina General Court of Justice sitting in Cleveland County, North Carolina (or in any other venue of the North Carolina General Court of Justice prescribed by the North Carolina General Statutes) or in the Catawba Indian Nation Tribal Court, if the Nation has established one with jurisdiction authority over the matter(s) and subject to the provisions set forth in Section 11.F set forth below, and in all appellate courts to which appeals lie as provided by law.

E. Emergency Arbitration for Public Health or Safety Nuisances or Threats. If either Party reasonably believes that, in violation of this Agreement, the other's conduct has caused or will cause a nuisance or threat to public health or safety, the resolution of which cannot be

delayed for the time periods otherwise specified in this Section 11, then the complaining Party may proceed directly to arbitration under this Section 11.E, without regard to the requirements set forth in Sections 11.A–D, which shall be referred to as "Emergency Arbitration" and administered by the American Arbitration Association in accordance with the AAA Rules on Emergency Measures of Protection and conducted in accordance with the following procedures:

1. Notice of Demand for Emergency Arbitration. A Party in need of emergency relief under this Section 11.E shall notify the AAA and other Party in writing of the nature of the relief sought, the reasons why such relief is required on an emergency basis, and the basis for the complaining Party's entitlement to emergency relief. Such notice shall be sent via email with read receipt to the other Party's primary point of contact on the Project and by overnight mail to the Party's address identified in Section 13.
2. Appointment of Emergency Arbitrator. Within one (1) business day of receipt of notice as provided in Section 11.E.1, the AAA shall appoint a single emergency arbitrator designated to rule on emergency actions. The emergency arbitrator shall immediately disclose any circumstance likely, on the basis of the facts disclosed by the acting Party, to affect the arbitrator's impartiality or independence. Any challenge to the appointment of the emergency arbitrator must be made within one (1) business day of the communication by the AAA to the Parties of the appointment.
3. Schedule of Emergency Arbitration. The emergency arbitrator shall as soon as possible, but no later than two (2) business days of appointment, establish a schedule for consideration of the request for emergency relief, as well as the provision of any limited, expedited discovery or document production. Such a schedule shall provide a reasonable opportunity to all parties to be heard and may provide for alternative proceedings than a formal hearing, such as via tele- or video-conference or on written submissions.
4. Emergency Arbitration Award. If after consideration the emergency arbitrator is satisfied that the Party seeking the emergency relief has shown that the other's conduct has caused or will cause a nuisance or threat to public health or safety that requires emergency relief, and that the seeking

Party is entitled to such relief, then the emergency arbitrator may enter an order or award granting said relief and stating the reason(s) therefore. The Emergency Arbitration award shall be binding on the Parties.

5. Appeal of Emergency Arbitration Award. Any application to modify or appeal an award of emergency relief must be based on changed circumstances and may be made to the emergency arbitrator so long as the Emergency Arbitration is active, which shall not exceed a period of thirty (30) days following the appointment of the emergency arbitrator. If after such thirty (30) days the emergency dispute has not been resolved or an application to modify an award of emergency relief is still pending, then the Parties shall initiate binding Arbitration procedures in accordance with Section 11.D to resolve the dispute. The emergency arbitrator shall have no further power to act after the selection of an Arbitration panel pursuant to Section 11.D.1, *provided* that the Parties may agree to name the emergency arbitrator as the Arbitration arbitrator or a member of the Panel, depending on the amount of recovery or liability involved in the dispute.
6. Emergency Arbitration Costs. The costs associated with an Emergency Arbitration shall be equally borne by the Parties unless it is determined by the emergency arbitrator or by an arbitrator or Panel in directly resulting subsequent Arbitration that the complaining Party acted unreasonably and without justification in requesting the Emergency Arbitration, in which case the complaining Party shall be solely responsible for the costs of the Emergency Arbitration.
7. Emergency Award Enforcement. An action to enforce any order or emergency relief ordered in an Emergency Arbitration shall be brought in the Superior Court Division of the North Carolina General Court of Justice sitting in Cleveland County, North Carolina (or in any other venue of the North Carolina General Court of Justice prescribed by the North Carolina General Statutes) or in the Catawba Indian Nation Tribal Court, if the Nation establishes one with jurisdiction authority over the matter(s) and subject to the provisions set forth in Section 11.F.

F. Periodic Review of Tribal Court Status and Extension of Tribal Court Jurisdiction; Comity. The Parties hereby agree that, five (5) years from the Effective Date of this Agreement, there shall be a meeting between the Nation and the County to discuss whether the Nation has established a "Tribal Court" of competent jurisdiction that shall be added as a forum for the enforcement of the terms of this Agreement. The establishment of such Tribal Court shall be evidenced by the adoption of a Catawba Indian Nation Judicial Code that shall include, at a minimum, chapters on Tribal Court Structure (including jurisdiction), Judicial Qualifications and Appointments (including that each judge must be a member in good standing of a state bar who shall have engaged in the practice of law or served as a judge on a regular and full-time basis during the ten (10) years next-preceding appointment as a judge of the Tribal Court, and Court Procedures (including appeals)). No such Tribal Court shall be recognized as a forum for the enforcement of the terms of this Agreement unless the courts of North Carolina have extended comity to tribal courts or the State of North Carolina, by statute duly adopted or another method recognized by law, has recognized the validity of the judgments and decrees of such Tribal Court and deemed them to be as enforceable as those of the district courts of the United States within the State of North Carolina as set forth in Section 1-237 of the North Carolina General Statutes as in effect as of the Effective Date, as from time to time amended. If such Tribal Court is found to have been so established and if its judgments and decrees have been so recognized and declared so enforceable, then the extension of Tribal Court jurisdiction over disputes arising from the terms of this Agreement shall not be unreasonably denied by the Parties. However, if the Parties find that no such Tribal Court has been established by the fifth (5th) anniversary of the Effective Date of this Agreement, then the Parties agree to meet every five (5) years after such fifth (5th) anniversary to assess the status of the Tribal Court, if any, until such time as a Tribal Court has been established or this Agreement is no longer in effect, whichever shall come first.

G. Limited Waiver of Sovereign Immunity. The Nation hereby expressly, unequivocally, and irrevocably waives its sovereign immunity for the limited purpose of enabling the County to enforce the terms of this Agreement, including but not limited to doing so by seeking appropriate injunctive relief and/or judicial enforcement of any award and/or specific performance ordered in Arbitration in the United States District Court for the Western District of North Carolina, the Superior Court Division of the North Carolina General Court of Justice sitting in Cleveland County, North Carolina, or in Catawba Indian Nation Tribal Court, if the Nation has


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established one in accordance with this Agreement. The Nation further waives any Tribal Court exhaustion requirements, regardless of when such requirements may have arisen or may arise in the future. This limited waiver of immunity shall not extend to or be used for or to the benefit of any other person or entity of any kind or description whatsoever, including any successor or assign of the County. Nothing herein shall be construed to constitute a waiver of the sovereign immunity of the Nation with respect to any party other than the County. Except as expressly provided herein, nothing in this limited waiver of immunity shall be construed as a waiver or consent to the levy of any judgment, lien, or attachment upon any property or interest in property of the Nation other than as set forth in this Section 11(G). Pursuant to this limited waiver of sovereign immunity, a judgment or award against the Nation may be satisfied only from the Property, the Project and the revenues of the Project, and in no instance shall any enforcement of any kind whatsoever be allowed against any other assets of the Nation

Section 12. Indemnification.

A. The Nation agrees to and shall indemnify, defend, protect, and hold harmless the County, its elected officials, officers and employees acting in their official capacities from and against any and all claims, losses, proceedings, damages, causes of action, liability, costs, and expenses (including reasonable attorneys' fees), arising from or in connection with, or caused by any act, omission, or negligence of the Nation or its contractors, licensees, invitees, agents, lessees, servants or employees, related to or in connection with any obligations on the Nation's part to be performed under the terms of this Agreement or any such claim or any action or proceeding brought thereon or any action or proceeding filed against the County which challenges the County's approval, execution, or delivery of this Agreement; and in any case, any action or proceeding brought against the County by reason of any such claim, the Nation upon notice from the County shall have the option to defend the same at the Nation's expense by counsel reasonably satisfactory to the County. However, in the event that the Nation does not elect to defend the action or proceeding, the County shall defend the same at the Nation's expense, and shall consult with the Nation during the pendency of the action or proceeding. In any case, offers of settlement must be approved by the County and the Nation, which approval shall not be unreasonably withheld.

B. The County agrees to and shall indemnify, defend, protect, and hold harmless the Nation, its elected officials, officers, and employees acting in their official capacities from and against any and all claims, losses, proceedings, damages, causes of action, liability, costs, and


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expenses (including reasonable attorneys' fees), arising from or in connection with, or caused by any act, omission, or negligence of the County or its contractors, licensees, invitees, agents, lessees, servants or employees, related to or in connection with any obligations on the County's part to be performed under the terms of this Agreement or any such claim or any action or proceeding brought thereon or any action or proceeding filed against the Nation which challenges the Nation's approval, execution, or delivery of this Agreement; and in any case, any action or proceeding brought against the Nation by reason of any such claim, the Nation upon notice from the County shall have the option to defend the same at the County's expense by counsel reasonably satisfactory to the Nation. However, in the event that the County does not elect to defend the action or proceeding, the Nation shall defend the same at the County's expense, and shall consult with the County during the pendency of the action or proceeding. In any case, offers of settlement must be approved by the Nation and the County, which approval shall not be unreasonably withheld.

Section 13. Notices.

Any notice required under this Agreement shall be sent to the following:

Cleveland County
Attn: County Manager
P. O. Box 1210
Shelby, North Carolina 28151-1210

Catawba Indian Nation
Attn: Chief William Harris
996 Avenue of the Nations
Rock Hill, South Carolina 29730

Copy to:
Ward and Smith, P.A.
Attn: Grant B. Osborne, Esq.
Suite 300
82 Patton Avenue
Asheville, North Carolina 28801

Copy to:
Gregory A. Smith, Esq.
Hobbs Straus Dean & Walker, LLP
2120 L Street NW, Suite 700
Washington, DC 20037

Copy to:
Jeffrey C. Harris, Esq.
Tribal Attorney, Catawba Indian Nation
996 Avenue of the Nations
Rock Hill, South Carolina 29730

and/or to such other respective addresses as may be designated by notice given in accordance with this Section 13.

Section 14. Insurance.

The Parties understand that it is the Nation's practice to maintain appropriate insurance coverage for itself and all entities of the Nation. Consistent with that practice, the Nation agrees to

obtain and maintain, with responsible insurance carriers licensed to do business in the State of North Carolina, insurance (including coverage of public liability and property loss damage) satisfactory to the County covering the Property and all structures constructed thereon naming the Nation and all Nation-entities as insured parties. The tort liability insurance coverage shall be at least two million dollars (\$2,000,000.00) per occurrence and twenty million dollars (\$20,000,000.00) annual aggregate. In addition, the Nation will maintain liquor liability coverage of at least two million dollars (\$2,000,000.00) per occurrence. Certificates evidencing such coverage shall be delivered to the County annually.

Section 15. Miscellaneous Provisions.

A. Effective Date and Term.

This Agreement shall become effective on the Effective Date and shall remain in effect through and including the earlier of (a) the date that is twenty (20) years after the date on which "Gaming Activities" were first made available to the public on the Property or (b) December 31, 2049, unless otherwise terminated by the mutual written consent of the Parties or for cause as provided in and subject to Section 15.B.

B. Termination.

This Agreement shall immediately terminate upon issuance of a legally binding "Indian Land Opinion" by the National Indian Gaming Commission ("NIGC") or the U.S. Department of the Interior concluding that the Property does not qualify for lawful gaming under federal law, except to the extent that such determination is stayed pending any appeal. *Provided, however*, in the event of such a termination, that all fees payable to the County as of or before the date of such termination shall remain payable and be paid in full within ninety (90) days of such termination.

No breach or violation of any of the terms of this Agreement by either Party shall operate to void or terminate or provide grounds for termination hereof, it being the intent of the Parties that the provisions of this Agreement shall be subject to specific performance, and injunctive relief shall be provided to cure anticipatory breaches prospectively, and damages shall be awarded to redress any harm occasioned by a breach; *provided, however, that* if a Party cannot or will not conform to the requirements of this Agreement as evidenced by a pattern of documented violations of the terms set forth herein and/or a series of documented violations that pose a serious threat to public health, safety or welfare, then this restriction on termination shall not apply.

C. Authorization.

The County and the Nation each represent and warrant that each has performed all acts required by its own laws for the validity of adoption of this Agreement, including, but not limited to, matters of procedure and notice, and each has the full power and authority to execute this Agreement and to perform its obligations in accordance with the terms and conditions thereof, and that the representative executing this Agreement on behalf of such Party is duly and fully authorized to so execute and deliver this Agreement. A copy of the Resolution of the Executive Committee of the Catawba Indian Nation authorizing this Agreement on behalf of the Nation is attached as Exhibit "B". Said resolution shall (1) expressly approve and authorize this Agreement by the Executive Committee on behalf of the Nation, (2) direct the execution, delivery and performance of this Agreement by the Chief on behalf of the Nation, (3) independently grant and approve an express, unequivocal and irrevocable limited waiver of the Nation's sovereign immunity to suit, (4) consent to the jurisdiction of the courts specified in the Agreement, (5) consent to the application of the laws of the State of North Carolina to govern the Agreement, (6) consent to arbitration, (7) waive the Nation's right to exhaustion of tribal remedies, and (8) waive venue and jury trial (items (3) – (7) set forth in this Section 15(C) are referred to herein as the **"Dispute Resolution Provisions"**). The Executive Committee's resolution also will recite the Constitutional provisions authorizing the Executive Committee's actions in enacting the Executive Committee resolution, authorizing this Agreement and granting the Nation's limited waiver of sovereign immunity and consenting to the Dispute Resolution provisions, including (a) that the Executive Committee is authorized pursuant to the authority granted the Executive Committee in the Catawba Constitution and Bylaws, which provides that it "shall be the duty of the Executive Committee ... to act on behalf of the General Tribal Council at such times as said Council is not in possession and to have charge of all routine matters which shall arise during such recess, including ... such other matters as may be delegated to it by the General Council [Bylaws, Article II, Section 3]" and (b) the authority of the Chief pursuant to the Catawba Constitution and Bylaws which provides that the Chief "shall at all times have general supervision of the affairs of the General Council and Executive Committee and such matters as naturally pertain to the general welfare of the community [Bylaws, Article I.1.(a)]". *Provided, further,* that although the Executive Committee has the authority to enter into this agreement, it is the Executive Committee's practice to brief the General Council on major matters and to seek an expression of support. Whereas the County has also requested that the General Council provide a resolution of


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support, the Executive Committee, at the next regular meeting of the General Council to be held in **July of 2019**, or at a "special meeting" of the General Council called and held by no later than **December 31, 2019** (the "General Council Resolution Deadline"), in accordance with Section 4 of Article III of the "Constitution and By-Laws of the Catawba Nation of South Carolina" adopted by the Nation on or about August 30, 1975 (the "**Constitution**"), shall brief the General Council on this Agreement and secure the General Council's written resolution of support in accordance with Articles III and IV of the Constitution (the "**General Council Resolution**"). Although not required as a matter of Catawba law, for the sake of completeness, this resolution will expressly affirm all of the terms of this Agreement and the authority of the Executive Council to have negotiated and authorized the Chief to sign it. The Executive Committee shall use its best efforts, before any such regular or special meeting, to recommend and promote this Agreement to the General Council and encourage members thereof to appear and vote at such meeting to approve such a General Council Resolution, for the purpose of securing the General Council Resolution. If the Nation has failed to secure the General Council Resolution by December 31, 2019 (unless that date has been extended in writing by agreement of the County), then such failure shall not void this Agreement or render it voidable by the Nation, but shall render it voidable by the County alone if the County advises the Nation in writing by no later than February 15, 2020 (or such later date as may be agreed by the Parties), that the County has elected to void this Agreement. The County shall agree to at least one (1) extension of the General Council Resolution Deadline through and including July 31, 2020, at the request of the Nation. Notwithstanding the foregoing, if the General Counsel expresses concerns regarding the Agreement, at the request of the Executive Committee, the Parties shall work in good faith to address those concerns and questions including if necessary renegotiating the terms of this Agreement.

D. Interpretation.

This Agreement shall be interpreted as though jointly drafted by the Parties.

E. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina and applicable federal law.

F. Severability.

Any term of this Agreement ruled by the arbitrator(s) or a court of competent jurisdiction to be invalid or unenforceable will be severed, and the remainder of this Agreement will be


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enforced. The Parties agree to enter into good faith negotiations to replace the invalid provision(s) with a valid provision(s), the economic effect of which comes as close as possible to that of the invalid provision(s). If the Fees in Section 3 or any other provision are held invalid or unlawful in a way that results in the diminution of any payment or financial obligation of the Nation to the County, then the Parties agree to negotiate in good faith to try to replace the invalid Fees provision(s). If the Parties are unable to successfully renegotiate the invalid Fees provision(s), then, notwithstanding Section 11, but still subject to the limited waiver of sovereign immunity in Section 11(G), then the Parties agree that the arbitrator shall determine how to proceed with arbitration to address the conflict.

G. Good Faith and Fair Dealing.

This Agreement includes an implied covenant of good faith and fair dealing in accordance with North Carolina common law.

H. Captions.

The captions contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope of this Agreement or the intent of any provisions hereof.

I. Amendment or Modifications; Reopener.

1. This Agreement may not be amended or modified except by a writing signed by the County Manager and the Chief of the Nation pursuant to such authority as may be required by law and the Nation's governing constitution and bylaws. However, either Party may request that the other Party renegotiate one or more of the terms of this Agreement if, but not limited to, the following circumstances apply:

- a. There is a significant change in applicable circumstances, including but not limited to a change in federal or State law that directly or indirectly relates to the Party's expectations under this Agreement and/or the application of the federal Indian Gaming Regulatory Act to the Nation as provided by law;
- b. That change materially impacts that Party; and
- c. That change could not have been reasonably anticipated at the time of entering into this Agreement.


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Provided, however, if the United States Government identifies an environmental concern, the Parties will then promptly negotiate a separate "environmental matters agreement", to address mitigation of related environmental issues, if any; and that the County reserves the right to negotiate with the Nation for the purpose of reaching agreement with the Nation regarding terms and conditions pertaining to mitigation of environmental impacts that may be identified in the future as a result of environmental review processes required by law.

2. A request to renegotiate one or more of the terms of this Agreement will be made in writing, delivered to the other Party. The request will specify the basis for the request. If the request is determined to meet the requirements for renegotiation pursuant to this subsection, the Party will commence to renegotiate in good faith. However, except for the obligations to renegotiate as is set forth in this subsection, neither Party is obligated to agree to a new Agreement or to any new terms or conditions as a result of the renegotiation process.

3. Notwithstanding subsections I.1 and I.2, upon completion of the final building designs and development plans for the Project, and prior to the commencement of any construction activity, if the Parties do not enter into a separate memorandum of agreement under Section 5.D, then the Parties shall renegotiate Section 5 in good faith and to the mutual agreement of the Parties. Failure to renegotiate under this provision shall result in an automatic default of this Agreement, subject to the dispute resolution provisions set forth in Section 11.

4. Notwithstanding subsection I.1 and I.2, if there is a material change in federal or State law, or if the Nation enters into a compact with the State of North Carolina that is inconsistent with this Agreement, then the Parties, within thirty (30) days of receipt by either Party of a written demand therefor, shall meet and confer for the purpose of engaging in good-faith negotiations for the purpose of revising this Agreement to the extent needed to accommodate such material change and/or inconsistency. If a Party refuses to engage in such negotiations, then that Party shall be deemed in violation of this Agreement, which shall automatically trigger the dispute resolution provisions set forth in Section 11.

J. Complete Agreement.


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This Agreement represents the entire integrated agreement between the Parties and supersedes all past agreements and all negotiations, representations, promises or agreements, either written or oral, made during the course of negotiations leading to this Agreement.

Section 16. Section 81 Review by the Department of the Interior.

If it is determined by the United States government that a Section 81 review is necessary, then within one hundred twenty (120) days of execution of this Agreement, or within three (3) days of receipt by the Nation of a written Indian Lands determination by the National Indian Gaming Commission, whichever is sooner, the Nation will submit this Agreement to the United States Department of the Interior for either (a) approval of the Agreement pursuant to 25 U.S.C. §81, or (b) a written response that this Agreement does not require approval under 25 U.S.C. §81 to be enforceable. If the Department of the Interior determines that Section 81 approval is necessary and denies approval of this Agreement, then this Agreement shall be subject to review and appropriate action by the Department of the Interior, including possible termination and the possible recovery of payments made hereunder.

Section 17. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement.


Section 18. Miscellaneous. If after the Effective Date of this Agreement, the Nation and State of North Carolina enter into a Compact for Gaming on the property (a "Compact"), to the extent that that Compact requires payments to the County that address the PILOT, services and other payments required under this Agreement, such Compact payments shall be used to offset the Nation's obligations herein, to enable the Nation to avoid having to make duplicative payments under such Compact and this Agreement. Furthermore, any inconsistent terms between this Agreement and any future Compact will, to the extent required by law, be construed in favor of the Compact.

IN WITNESS WHEREOF, officers of the County and the Nation, pursuant to authority duly given by the governing bodies of each in accordance with applicable State law, ordinances and Tribal law, have executed this Agreement as of the Effective Date.



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**CLEVELAND COUNTY,
NORTH CAROLINA**


By: 
Johnny Hutchins, Commissioner
Cleveland County Board of Commissioners

Approved as to form:


By: 
Elliot Engstrom, Esq.
Deputy County Attorney
Cleveland County

Attest: 
Phyllis Nowlen,
Cleveland County Clerk

THE CATAWBA INDIAN NATION

By: 
William Harris, Chief
Catawba Indian Nation

Approved as to form:

By: 
Jeffrey Harris, Esq.
Tribal Governance Attorney
Catawba Indian Nation


Attest: 
Roderick Beck, Secretary/Treasurer
Catawba Indian Nation

EXHIBIT A

CONFIDENTIAL - THIS COPY CONFIDENTIAL

SUMMARY OF RIGHTS OF NAT. INHERENTS AND DEFENSE

SOURCE OF TITLE COMMITMENT:
CHICAGO TITLE INSURANCE
COMMITMENT NUMBER: 17-2817CH
EFFECTIVE DATE: OCT. 12, 2017

1. 1998年1月1日以前，在《公司法》施行前，已经依法设立的股份有限公司，其注册资本在1000万元人民币以上的，其董事会成员人数为9至13人；
 2. 1998年1月1日以后，在《公司法》施行后，依法设立的股份有限公司，其注册资本在1000万元人民币以上的，其董事会成员人数为9至13人；
 3. 1998年1月1日以后，在《公司法》施行后，依法设立的股份有限公司，其注册资本在1000万元人民币以下的，其董事会成员人数为5至9人。

LOT DATA:
LOT 1: 10.573 ACRES
LOT 2: 31.372 ACRES

TOTAL SITE AREA =
47.943 ACRES +/-
(APPROX. 0.25 ACRES
+/- IN H/W)

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94.4% \pm 1.2%

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J. *Neurosci.* 24: 1133–1142 (2004)
DOI: 10.1046/j.1469-7580.2004.01133.x



TGS
CONTRACTORS
C-0975

C-0278

EXHIBIT B

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**RESOLUTION
OF THE
GENERAL COUNCIL OF THE
CATAWBA INDIAN NATION**

November 16, 2019

Resolution Number: 20191116

Resolution Authorizing the Executive Committee to Continue to Act on Gaming Matters

WHEREAS, the Catawba Indian Nation ("the Nation") was restored to its Federal Status on October 23, 1993 (Public Law 103-116); and

WHEREAS, the General Council is the governing body of the Nation pursuant to Article 3 Section 1 of the Catawba Indian Nation Constitution; and

WHEREAS, the Executive Committee has the duty to act on behalf of the General Council when not in session and has charge of all routine matters which shall arise pursuant to Article 1 Section 3 of the Constitution and By-laws of the Nation; and

WHEREAS, the Executive Committee may also "perform such duties as may from time to time be conferred on it by the General Council" under Article III, Section 5 of the Nation's Constitution; and

WHEREAS, pursuant to its inherent authority provided by the Constitution and By-laws of the Nation and pursuant to the direction of the General Council, the Executive Committee has acted on and entered into discussions and agreements related to the development of the Nation's economy, including on gaming related matters; and

WHEREAS, the Executive Committee is responsible for the Nation's gaming proposals, including but not limited to developing a gaming operation in Cleveland County, and has engaged in extensive discussions with State, Local and private parties regarding necessary agreements in furtherance of this responsibility; and

WHEREAS, the General Council finds that it is in the Nation's best interest to reaffirm the authority of and expressly authorize the Executive Committee to act on gaming related matters so as to ensure compliance with the Nation's Constitution and By-laws, prevent unnecessary delays in the approval of gaming-related agreements, including inter-governmental agreements, and, thus, promote the economic development and self-determination of the Catawba Indian Nation.

NOW, THEREFORE BE IT RESOLVED, that the General Council hereby expressly authorizes the Executive Committee, acting through the Chief, to negotiate and sign agreements with other entities on behalf of the Nation including but not limited to financing, leasing, inter-governmental and other gaming-related agreements that may include express but limited waivers of sovereign immunity, address the scope of tribal remedies or waiver thereof, and provide for

47 any consent to jurisdiction of specified courts and the application of laws of other jurisdictions.
48 without the need for further review or approval by the General Council, so long as such
49 agreements are consistent with and necessary to the establishment of tribal gaming and related
50 operations, and such agreements shall be binding upon the Catawba Indian Nation in accordance
51 with their terms; and

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53 **BE IT FURTHER RESOLVED**, that the Executive Committee shall thereafter report in a
54 session of the General Council on the progress of the gaming ventures, maintaining
55 confidentiality on key terms where public disclosure could be harmful to the Nation. and the
56 General Council shall keep all such discussions confidential.

57
58 Whereas, this motion was made by:

59 JAROM CANTY

60
61 The Motion was seconded by:

62 SHIRLEY STEINIGER

63
64 Votes, Yes: 40

65
66 Votes, No: 3

67
68 Abstentions: 1

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72
73 Certified by Chief William Harris and Secretary/Treasurer Roderick Beck on behalf of the
74 General Council:

75 William Harris

76
77 Roderick Beck

78 On this date of:

79 Saturday November 16, 2019



**THE CATAWBA INDIAN NATION
OFFICE OF TRIBAL GOVERNMENT**

996 AVENUE OF THE NATIONS ROCK HILL, SOUTH CAROLINA 29730
TELEPHONE (803) 366-4792 FACSIMILE (803) 366-0629

**RESOLUTION
OF THE
EXECUTIVE COMMITTEE OF THE GENERAL COUNCIL OF THE
CATAWBA INDIAN NATION**

November 22, 2019

Resolution Number: 20191122

Resolution Approving the Cleveland County Intergovernmental Agreement

WHEREAS, the Catawba Indian Nation was restored to its Federal Status on October 23, 1993 (Public Law 103-116); and

WHEREAS, the General Council is the governing body of the Catawba Indian Nation pursuant to Article 3 Section 1 of the Catawba Indian Nation Constitution; and

WHEREAS, the General Council passed Resolution Number 20191116 on November 16, 2019 in a Special General Council Meeting with quorum present authorizing the Executive Committee "... to negotiate and sign agreements with other entities on behalf of the Nation including but not limited to financing, leasing, inter-governmental and other gaming-related agreements..."; and

WHEREAS, pursuant to the authority granted in the Catawba Constitution and Bylaws, the Chief of the Catawba Indian Nation "shall at all times [has] general supervision of the affairs of the General Council and Executive Committee and such matters as naturally pertain to the general welfare of the community [Bylaws, Article 1, Section 1(a)]"; and

WHEREAS, the Catawba Indian Nation, as an exercise of its sovereign authority, is seeking to advance the economic and social well-being of the Catawba People and surrounding communities through the management and operation of a tribal and economic development project on 16.57 acres +/- of off-reservation land located in Kings Mountain, Cleveland County, North Carolina, which the Nation has requested that the United States Department of the Interior take into federal trust status on its behalf; and

WHEREAS, to advance these goals, the Catawba Indian Nation and Cleveland County (collectively, the "Parties") desire to enter into an Intergovernmental Agreement to delineate the terms and conditions of the Parties' governmental responsibilities and priorities pertaining to the development, construction, management, and operation of a tribal and economic development project on said lands; and

WHEREAS, the Parties intend that the Intergovernmental Agreement shall govern the jurisdiction of both Parties on said lands to ensure the orderly and efficient delivery of services and to provide the governing standards for the general welfare of all people on the Property in

Jason Harris
Assistant Chief

William Harris
Chief

Roderick Beck
Secretary Treasurer



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terms of public finance, health and safety, and land use and development, as well as services for the Property itself; and

WHEREAS, the Parties intend and understand the Intergovernmental Agreement to be mutually beneficial and made in reliance on the commitments therein.

NOW THEREFORE BE IT RESOLVED, that the Catawba Indian Nation by and through its Executive Committee does hereby approve the attached Intergovernmental Agreement By and Between Cleveland County, North Carolina and the Catawba Indian Nation; and

BE IT FURTHER RESOLVED, that the Executive Committee now authorizes the Chief, acting on behalf of the Executive Committee and the Catawba Indian Nation, to sign the aforesaid Intergovernmental Agreement.

C-E-R-T-I-F-I-C-A-T-I-O-N

THE ABOVE RESOLUTION WAS ENACTED WITH A VOTE OF 5 YES, 0 NAY, AND 0 ABSTENTIONS WITH A QUORUM PRESENT ON NOVEMBER 22, 2019, AND CERTIFIED THERETO BY THE SIGNATURES BELOW:

A handwritten signature in cursive script that reads "William Harris".

Chief, William Harris

A handwritten signature in cursive script that reads "Jason Harris".

Assistant Chief, Jason Harris

A handwritten signature in cursive script that reads "Roderick Beck".

Secretary/Treasurer, Roderick Beck

A handwritten signature in cursive script that reads "Samuel Beck".

Committee Member, Samuel Beck

A handwritten signature in cursive script that reads "Thomas C. Sanders".

Committee Member, Thomas C. Sanders

Jason Harris
Assistant Chief

William Harris
Chief

Roderick Beck
Secretary Treasurer

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Economic Development Incentive Agreement for Project Fix

Department:

Agenda Title: Economic Development Incentive Agreement for Project Fix

Agenda Summary: Kristin Reese, Cleveland County Economic Development Partnership

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> ED_Staff_Report_for_Project_Fix.pdf	ED Staff Report Project Fix
<input type="checkbox"/> Project_Fix_Agreement_.pdf	Project Fix Agreement

CLEVELAND COUNTY GOVERNMENT | ECONOMIC DEVELOPMENT STAFF REPORT

To: County Commissioners
Date: January 9, 2020
Via: Brian Epley, County Manager
From: Kristin Reese | Executive Director | CCEDP
Subject: Project Fix Incentive Agreement

SUMMARY STATEMENT

Approve or deny Economic Development Incentive Agreement for Project Fix

N.C.G.S 158-7.1

Per N.C.G.S. 158-7.1 local governments may offer economic development incentive payments to companies to increase the tax base and for job creation. Local governments are required to approve and account for the incentive payments through an incentive agreement pursuant to N.C.G.S. 158-7.2. The Cleveland County Board of Commissioners has adopted the Cleveland County Industrial Incentive Grant Program to induce existing industry to expand in Cleveland County through payment of a stipulated grant amount from the County's General Fund.

PROJECT FIX SUMMARY

Project Fix currently has two existing manufacturing operations in a neighboring county that will be maintained, but additionally has interest in expanding their operations in Cleveland County, NC to support future growth of their business line. The project also considered expanding at other locations in other states. The company is interested in purchasing an existing and vacant building in Cleveland County and anticipate that they will create **25** new full-time jobs within three years, with the projected average wages being approximately **\$40,000**; which, exceeds the County's current average wage. The company proposes to invest approximately **\$3,000,000** in machinery and equipment, as well as improvements to the building. We are requesting that the Board of Commissioners approve a 50% County Incentive Grant (0.0057% tax rate) for three years for this project.

PROS/POSITIVE IMPACT FOR CLEVELAND COUNTY, NC

+New, Diverse, and High-Paying Jobs: Project Fix will be creating 25 new jobs. The jobs will be diverse, and the company will not only be offering wages that exceed the existing county average, but also an attractive benefits package. It is always our goal to promote new manufacturing careers to Cleveland County residents. Although our unemployment rate is very low, there is still a large percentage of underemployed and unemployed citizens who may be great candidates for these new careers.

+New Tax Revenue: The new investment of \$3,000,000 in real and personal property will generate new tax revenue for Cleveland County.

+Revitalization of Existing and Vacant Industrial Building: The property that the company is contemplating purchasing has been vacant for nearly five years and is situated in a location that makes it highly visible to existing industries, property owners and through traffic. The owner will be making substantial improvements to the exterior of the building, as well as improvements to the landscaping and parking lot, which will result in enhanced curb appeal for the site.

+Positive Economic Impact on Local Businesses: The Bureau of Economic Analysis (BEA) annual input-output tables have calculated that for every \$1.00 that manufacturers like Project Fix spend in a community, an additional \$1.48 in other local services and production will be generated as a result. Because manufacturing has so many substantial links with so many other sectors throughout the economy, its output stimulates more economic activity across society than any other sector. While the jobs that this company is creating is important, the company's true impact on the community will be much broader and more dynamic.

CONS: None

RECOMMENDATION: Approval of the Economic Development Incentive Agreement for Project Fix

STATE OF NORTH CAROLINA

INCENTIVE AGREEMENT

COUNTY OF CLEVELAND

This incentive agreement (the “Agreement”) is made and entered into as of the ____ day of _____, 2020, by and between CLEVELAND COUNTY, NORTH CAROLINA, a political subdivision of the State of North Carolina, hereinafter referred to as the “County,” and PROJECT FIX (the “Grantee”). The location for the creation of the new jobs and investment is in Cleveland County, North Carolina, and is hereinafter referred to as the “Project.”

WITNESSETH

WHEREAS, the Local Development Act of 1925, as amended (Article I of Chapter 158 of the North Carolina General Statutes) grants counties the authority to make appropriations for the purposes of aiding and encouraging the location or expansion of certain business enterprises in the County or for other purposes which the County’s governing body finds in its discretion will increase the population, taxable property base, and business prospects of the County; and

WHEREAS, the Cleveland County Board of Commissioners (the “Board”), pursuant to North Carolina law, has adopted the Cleveland County Industrial Incentive Program (the “Program”), and which Program was in force at the time of this Agreement, in order to induce existing industry to expand in the County and target new industries to located in the County, through the provision of various incentives including the payment of a stipulated grant amount from the County’s General Fund, as determined in accordance with the provisions of the Program; and

WHEREAS, it has been determined by the Board, following a public hearing on January 21, 2020, that Grantee meets the criteria for participation in the Program due to Grantee’s intention to create over the next four years at least 25 new, permanent, full-time jobs with an anticipated annual average wage of \$40,000, and make a net new investment of at least \$3,000,000 in real property, personal property, and other assets of the business (the “Project”), which will increase the population, taxable property base, and business prospects for the County, and that certain incentives for the Project (the “Incentives”) will encourage the Grantee to locate its operations in the County, and that it is in the public interest to provide assistance as authorized by N.C.G.S. § 158-7.1; and

WHEREAS, Grantee acknowledges that the Incentives and Property provided pursuant to this Agreement have served as inducement for Grantee to make the above-described investment in the County, and the County acknowledges that the investment to be made by Grantee is good and valuable consideration as described in N.C.G.S. § 158-7.1(d2).

NOW, THEREFORE, for good and valuable consideration as hereinabove recited, and the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do each contract and agree with the other as follows:

1. Grant Criteria. Grantee shall comply with the following conditions in order to qualify for initial and continuing grant payments pursuant to this Agreement. These conditions shall hereinafter be referred to as the “Grant Criteria.”

- a. The Grantee shall begin its investment in the Project within twelve (12) months of the execution of this Agreement.
- b. The Grantee shall maintain its net new investment of at least \$3,000,000 described above (subject to normal depreciation) and its 25 new, permanent, full-time positions as described above in the County for the duration of the Grant Term (hereinafter defined in Section 3). The Grantee further agrees that failure to maintain the minimum level of direct investment shall entitle the County to make pro rata reductions in the incentives paid to the Grantee as set out in Section 3 below, and that failure to meet the minimum level of new employment shall entitle the County to make reductions in incentive payments paid to the Grantee in the amount of Five Hundred Dollars (\$500.00) per new, permanent, full-time position less than the 25 positions described above.
- c. The Grantee shall operate the Project substantially in compliance with all laws, rules, regulations, ordinances, and orders of all governmental bodies, agencies, authorities, and courts with applicable jurisdiction over the Project.
- d. The County shall not be responsible for any aspect of the design or construction of the Project.
- e. The Grantee shall be current in the payment of all ad valorem taxes and fees imposed on the Grantee by the County and any municipality in the County.
- f. The Grantee shall, as of January 1 of each year during the Grant Term, submit to the County Tax Assessor a timely listing of its buildings, machinery, equipment, and all personal property associated with the Project. Grantee shall provide additional information as needed to enable the County to identify incentivized versus non-incentivized investment.

2. Certification of Grant Criteria by the Grantee.

- a. In each year of the Grant Term, the Grantee shall request payment of an Incentive Grant (hereinafter defined) from the County (the “Payment Request”). In

connection with each Payment Request, the Grantee shall deliver to the County's Chief Financial Officer a performance letter certifying that, in the prior year, the Grantee:

- i. Satisfied all the Grant Criteria;
- ii. Agreed to the Assessed Value (hereinafter defined) of the Project as determined by the County Tax Assessor (subject to the County's standard challenging policy); and
- iii. Paid all applicable local taxes on the Assessed Value of the Project ("Performance Certification").

Such Payment Requests shall be made to:

Lucas Jackson, Cleveland County Finance Director, or his successor
Cleveland County Administration Building
311 E. Marion Street
Shelby, NC 28150

- b. The County Tax Assessor shall determine, as of January 1 for each year of this Agreement following the effective date herein, the total investment in the Project that is subject to ad valorem taxes in the County (the "Taxable Investment") and the assessed value of the Taxable Investment (the "Assessed Value").
- c. The Grantee acknowledges that it has been informed by the County that the County is required by law, upon request by any person, to disclose "public records" as that term is defined by N.C.G.S. § 132-1(a). Notwithstanding the immediately preceding sentence, the County acknowledges that some or all of the information made available by the Grantee to the County pursuant to this Agreement may be exempt from disclosure as public records pursuant to N.C.G.S. § 132-1.2 or N.C.G.S. § 132-6(d), and that all such information is proprietary. Some or all of the information made available to the County pursuant to this Agreement may be designated by the Grantee as confidential and as a trade secret at the time of disclosure to the County. The County, to the fullest extent allowed by law, will hold such designated information as confidential. The County, if it receives a request for disclosure of any such information, shall promptly notify the Grantee of such request so that the Grantee may defend any claims or disputes arising from efforts of others to cause such trade secrets to be disclosed as public records, and the County shall refrain from making any such disclosures unless or until it:
 - i. Receives the Grantee's written permission to do so; or

- ii. Agrees to disclose such information as public records following a mediation conducted pursuant to N.C.G.S § 7A-38.3E; or
- iii. Is compelled to do so by the final order of a court of competent jurisdiction.

The Grantee shall have the right to direct any litigation of such dispute and shall indemnify the County for any legal fees and expenses incurred by the County in opposing such request for disclosure. The Grantee hereby acknowledges that the County has met the disclosure requirements set forth in N.C.G.S. § 132-1.11(b).

3. Grant Term and Payment.

- a. **Grant Term.** The term “Grant Term” refers to the consecutive three-year period beginning as set forth in this section and during which the Company is entitled to receive the Incentive Grant as set forth in this Agreement. Subject to the provisions below, the Grant Term will begin in the first year in which a Performance Certification is submitted by the Grantee and approved by the County, and will continue for three years (ending on June 30 of the third year) as long as the Grant Criteria remain satisfied. Notwithstanding the foregoing, unless Grantee directs otherwise, the first year of the Grant Term shall not commence any earlier than July 1, 2020 (the date upon which the first invoice for payment of ad valorem taxes in connection with the Taxable Investment for the Project is anticipated to be sent to the Grantee, such Taxable Investment having an assessed valuation on January 1, 2020 and the payment of which would be due by January 5, 2021). In the event of the above, the first Incentive Grant payment would be payable to Grantee between January 1 and March 31, 2021, subject to the County’s approval of Grantee’s Performance Certification as set forth in this section. In order to provide the Grantee with sufficient time to acquire and install a substantial part of the Taxable Investment and, accordingly, receive a full three consecutive years of Incentive Grants, Grantee can elect a later date for the three-year Grant Term to begin. Between January 1 and March 31 of each year of the three year Grant Term, the County shall make an incentive grant payment to the Grantee pursuant to the calculation provided in Section 3(b) herein (“Calculation of Grant Amount”).
- b. **Calculation of Grant Amount.** Upon the County’s approval of Grantee’s Performance Certification, the County Tax Assessor, as of January 1 of each of the three calendar years of this Agreement, shall determine the net new taxable investment of the Project (“Net New Investment”) by subtracting the assessed value of the Grantee’s property as of January 1, 2020 (such 2020 value is referred to herein as “Based Assessed Value”) from the Assessed Value (as defined herein) for the applicable year. For each year of the Grant Term, the Net New Investment, as calculated by the Tax Assessor, shall be multiplied by the County tax rate then in effect (which, as of the date of this Agreement, the County acknowledges is equal

to \$.0057) which amount shall then be multiplied by fifty percent (50%), and the resulting figure shall be the amount of the Incentive Grant payment to the Grantee for that fiscal year. It is the express intent of the parties that no grant funds shall be paid by the County pursuant to this Agreement until Grantee has first paid all applicable taxes due the County.

If at any time during the Grant Term the Grantee's net new investment in the Project drops below the \$3,000,000 amount discussed in Section 1(b), and this occurs for any other reason than normal depreciation, the County shall reduce the amount of the Incentive Grant payment to the Grantee on a pro rata basis. By way of illustration, if in a particular year the Grantee's investment in the Project were to drop to \$1,500,000, or half of \$3,000,000, the multiplier used to calculate the amount of the Incentive Grant payment would drop to twenty-five percent (25%), or half of the default multiplier of fifty percent (50%). The County shall factor normal depreciation into the amount of the pro rata reduction.

- c. **Grant Criteria Compliance.** Incentive Grant payments shall continue throughout the Grant Term only so long as Grantee continues to satisfy the Grant Criteria and submits a Payment Request and Performance Certification to the County Chief Financial Officer no later than June 30 of the year following the year in which Grantee's ad valorem property taxes are paid. Failure to submit a Payment Request and Performance Certification by December 1 of the year following the year in which Grantee's ad valorem property taxes are paid shall result in forfeiture of the Incentive Grant payment for the applicable year. Only one incentive grant will be paid to Grantee per fiscal year for this project. The County's fiscal year runs from July 1 through June 30. Grantee agrees to cooperate with the County by providing such information and such access to Grantee's records as may be necessary to verify and substantiate initial and ongoing compliance with the Grant Criteria.
4. **Tax Payments.** If the Grantee at any time during the Grant Term fails to pay all applicable local taxes on the full value of its assets when due, then the County may terminate this Agreement and have no further obligation to Grantee for the payment of any grant award or the provision of any other incentive. Notwithstanding the foregoing, the County shall not terminate this Agreement due to the Grantee challenging the applicable taxes owed under Article 19 Chapter 105 of the North Carolina General Statutes. Prior to termination on the basis of Grantee's failure to pay applicable taxes when due, the County shall provide ninety (90) days written notice to Grantee stating that taxes are delinquent. If the taxes have not been paid upon the expiration of this ninety (90) day period following Grantee's receipt of notice, then the County may terminate this Agreement.
5. **Notice.** Formal notices, demands, and communications between the County and the Grantee shall be sufficiently given if personally delivered or if dispatched by registered or certified mail, postage prepaid, return receipt requested, or by a nationally-recognized

overnight courier, to the principal offices of the County and the Grantee. Such written notices, demands, and communications may be sent in the same manner to such other addresses as either Party may from time to time designate by formal notice hereunder.

If to the County:

Cleveland County
County Administration Building
Second Floor
311 E. Marion Street
Shelby, NC 28150
Attn: County Manager

With a copy that shall not constitute notice to:

Elliot M. Engstrom, or his successor
Deputy County Attorney
Cleveland County Government
P.O. Box 1210
Shelby, NC 28151

If to the Grantee:

With a copy that shall not constitute notice to:

PROJECT FIX

TBA_____

TBA_____

6. **Agreement Terms.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors in interest. This Agreement contains the total agreement between the parties and may only be altered or amended by the parties hereto in writing. If this Agreement, or any provision thereof, is determined to be invalid, unlawful, or otherwise null and void by any court of competent jurisdiction, then the remainder of this Agreement will remain valid and enforceable.
7. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of North Carolina. Exclusive venue for any disputes arising hereunder is conferred upon the General Courts of Justice of the State of North Carolina sitting in Cleveland County, North Carolina.
8. **Paragraph Headings.** Any paragraph headings contained in this Agreement are for convenience only and in no way enlarge or limit the scope or meaning of the various and several paragraphs contained herein.
9. **Assignments, etc.** Grantee shall not assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the written consent of the County, which consent shall not be unreasonably withheld. Unless specifically stated to the contrary in any written consent to

assignment, no assignment shall release or discharge the assignor from any duty or responsibility under this Agreement.

10. Default. It shall be an Event of Default, after which the County shall no longer be bound by this Agreement, if any one or more of the following events shall occur for any reason whatsoever (and regardless of whether such occurrence shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule, or regulation of any administrative or governmental body):

- a. If Grantee, except in the event of force majeure, shall fail to observe and perform any material provision of this Agreement, and such failure shall continue for a period of thirty (30) or more days after the giving by the County of written notice of such failure to Grantee; or
- b. If any material representation, warranty, or other statement of fact contained in this Agreement or in any writing, certificate, report, or statement furnished by Grantee to the County in connection with the transaction described in this Agreement shall be false or misleading in any material respect when given; or
- c. If Grantee shall be unable to pay its debts generally as they become due; files a petition to take advantage of any insolvency statute; makes an assignment for the benefit of creditors; commences a proceeding for the appointment of a receiver, trustee, liquidator, or conservator of itself or of the whole or any substantial part of its property; files a petition or answer seeking reorganization or arrangement or similar relief under the federal bankruptcy laws or any other applicable law or statute of the United States of American or any state; or
- d. If a Court of competent jurisdiction shall enter an order, judgment, or decree appointing a custodian, receiver, trustee, liquidator, or conservator of Grantee or of the whole or any substantial part of its properties, or approves a petition filed against Grantee seeking reorganization or arrangement or similar relief under the federal bankruptcy laws or any other applicable law or statute; or if, under the provisions of any other law for the relief or aid of debtors, a court of competent jurisdiction shall assume custody or control of Grantee or of the whole or any substantial part of its properties.

11. Statutory Authority for Incentive Grant. Both Grantee and the County acknowledge that any and all monies appropriated and expended by the County for economic development incentives as provided in this Agreement are for a bona fide public purpose and are expended in good faith reliance on N.C.G.S. § 158-7.1. The County represents and warrants to Grantee that the County has made all findings and determinations required by law and has taken all action necessary to authorize the approval of the incentives described herein

and the execution, delivery, and performance of this Agreement, and that this Agreement is a valid, legal, and binding obligation of the County, enforceable against it in accordance with its terms. In the event a court of competent jurisdiction, after final appeal, rules in a lawsuit to which either Grantee or the County is a party, that the monies expended by the County pursuant to this Agreement were not offered and accepted in good faith and pursuant to and in compliance with N.C.G.S. § 158-7.1 and, further, that such monies must be repaid, Grantee will make such repayment. If any incentives provided hereunder, including the Incentive Grants, or any portion thereof, are deemed by a court of competent jurisdiction to be ultra vires or not authorized by the laws or Constitution of the State of North Carolina, then the County will use reasonable efforts to provide to Grantee equivalent incentives (support having a similar financial net present value) as allowed by law. Further, if any elected officials of the County are found by a court of competent jurisdiction, after final appeal, to be personally liable for any of the monies so expended, and such liability is not covered by the County's public officials' liability insurance, then Grantee will indemnify such elected officials individually to the extent of the monies expended by the County pursuant to this Agreement. But exclusive of court costs and attorney's fees. The County agrees to maintain adequate public official liability coverage, consistent with that maintained by other similarly situated counties in North Carolina. The County agrees to require that its insurer(s) providing such coverage waive any subrogation rights it or they may have against Grantee in connection with such coverage, and the County waives (on behalf of itself and its insurer(s)) any claim or subrogation rights against Grantee to the extent covered by such insurance coverage. In the event one or more lawsuits are brought against the County or any County elected official challenging the legality of this Agreement, then (a) the County shall exercise its best efforts to defend against any and all such lawsuits, including appealing any adverse judgment to the appropriate court, and (b) the County will promptly notify Grantee in writing and allow Grantee to participate in the defense of any challenge, at Grantee's expense and with counsel of Grantee's choosing. The indemnification by the Grantee shall not apply if neither the Grantee nor any of its representatives participated in the improper acts of the County officials.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto, acting under the authority of their respective governing bodies, have caused this contract to be duly executed, this the day and year first above written.

**CLEVELAND COUNTY,
NORTH CAROLINA**

ATTEST:

By: _____
April Crotts
Cleveland County Deputy Clerk

By: _____
Susan K. Allen
Chairman, Board of Commissioners

By: _____
Lucas Jackson
Finance Director
Cleveland County

This instrument has been pre-audited in the manner required by, and complies with, Article 3 of Chapter 159 of the NC General Statutes, also cited as “The Local Government Budget and Fiscal Control Act”

PROJECT FIX

By: _____

Printed Name: _____

Title: _____

By: _____

Printed Name: _____

Title: _____

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

FY 2019 Audit Presentation

Department: Finance

Agenda Title: Audit Presentation

Agenda Summary: Lucas Jackson, Finance Director

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> Cleveland_County_-_CAFR_2019_Audit_Report_1-105.pdf	Audit Report Attachment 1
<input type="checkbox"/> Audit_Report_Attachment_3.pdf	Audit Report Attachment 2
<input type="checkbox"/> Audit_Report_Attachment_2.pdf	Audit Report Attachment 3

CLEVELAND COUNTY NORTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019

Prepared by: Finance Department
Finance Director: Lucas Jackson

CLEVELAND COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2019

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CLEVELAND COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2019

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CLEVELAND COUNTY, NORTH CAROLINA
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FOR THE YEAR ENDED JUNE 30, 2019

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INTRODUCTORY SECTION

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CLEVELAND COUNTY

FINANCE
DEPARTMENT

**311 East Marion Street
Shelby, NC 28152**

Phone: 704-484-4838

November 19, 2019

To the Cleveland County Board of Commissioners and the
Citizens of Cleveland County, North Carolina

The Comprehensive Annual Financial Report of Cleveland County, North Carolina, for fiscal year ended June 30, 2019 is hereby submitted. Laws of the State of North Carolina, along with policies and procedures of the North Carolina Local Government Commission, require that all local governments in the State publish a complete set of financial statements annually. The financial statements must be presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

However, responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with Cleveland County. To provide a reasonable basis for making these representations, the management of Cleveland County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and compile sufficient, reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the operation of the various funds of Cleveland County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

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 is designed to complement MD&A and should be read in conjunction with it. The goal of the independent audit was to provide reasonable assurance that the financial statements of Cleveland County for the fiscal year ended June 30, 2019 are free of material misstatements. The 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. Based upon the audit, there was a reasonable basis for rendering an unmodified opinion that Cleveland County's financial statements for the year ended June 30, 2019 are fairly presented in conformity with GAAP.

The County is required to undergo an annual single audit in conformity with the provisions of the Revised State Single Audit Implementation Act of 1996 and the U.S. Office of Management and Budget Uniform Guidance, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Information related to this single audit, including the schedule of expenditures of federal and state awards, findings and recommendations, and independent auditors' reports on internal control and compliance with applicable laws and regulations are presented in the compliance section of this document.

DESCRIPTION OF THE COUNTY

Cleveland County was established in 1841 and is located in the piedmont of North Carolina. It is one of 100 counties established in North Carolina under North Carolina General Statute 153A-10. Our County has land area of 469 square miles and a population of 97,288. There are fifteen municipalities within the County, the largest being the city of Shelby, which serves as the county seat. The County has a county-manager form of government. The five members of the Board of Commissioners are elected and serve staggered four-year terms. Commissioners hold policy-making and legislative authority. They are responsible for adopting the annual budget ordinance and appointing the county manager. The manager is responsible for implementing policies, managing daily operations, and appointing department heads.

The County provides the citizens with a wide range of services that include public safety, health and social services, planning and development, environmental protection, cultural and recreational activities, and others. Public safety, human services, education and debt service represent the majority of the annual budget. This report includes all the County activities required to maintain these services. The County also extends financial support to certain boards, agencies, and commissions to assist their efforts in serving citizens. Among those receiving the largest support are the Cleveland County Board of Education and Cleveland Community College.

ECONOMIC CONDITIONS AND OUTLOOK

The County, nestled in the rolling piedmont of the southwestern portion of North Carolina, is the gateway between Asheville and Charlotte, and is centered between two of the largest metropolitan areas of the Carolinas – Charlotte and Greenville/Spartanburg. Small town charm with the big city only 30 minutes away, Cleveland County is the prime location to benefit from the best of both worlds. The County's current economic condition is based on various factors, including the construction and remodeling values of new and existing homes and businesses, new and expanding manufacturing facilities and unemployment rates.

A balanced base of agriculture, tourism and manufacturing contributes to growth in the local economy. Agriculture is Cleveland County's leading industry, generating cash receipts of \$134 million in 2017. There are 1,005 small family-owned farms producing food and fiber on 113,341 acres of fertile farmland, representing nearly 40 percent of the county's land mass. Broilers and beef cattle are the leading commodities, generating a combined \$116 million in farm gate sales. Crops (grains, oilseeds, produce, nursery stock, and forages) contribute an additional \$16 million. County leadership seeks to capitalize on opportunities to include agriculture in our aggressive economic development initiatives. Projects currently underway are focused on developing and promoting local agritourism, bolstering value-added production and direct-to-consumer sales, and exploring opportunities for high-value specialty crops including malting barley and industrial hemp.

Travel and tourism continues to be the second largest industry in North Carolina. The County's tourism industry has experienced strong growth due to its location, seasonal climate, variety of activities to experience and its encompassing marketing strategy. The tourism industry employs in excess of 600 in Cleveland County and ranks in the top 10 of North Carolina's 100 Counties. The Cleveland County Travel and Tourism does an excellent job of promoting the County and surrounding areas. The County is home to the Earl Scruggs Center, Don Gibson Theatre, Joy Performance Center, the American Legion World Series, numerous festivals and walking trails and many other attractions and cultural experiences.

CLEVELAND COUNTY, NORTH CAROLINA
CHART OF CONSTRUCTION VALUES AND UNEMPLOYMENT RATES

<u>Fiscal Year</u>	<u>Permits</u>	<u>Dollar Value</u>	<u>Unemployment Rates</u>
2019	348	\$ 29,667,204	4.6%
2018	324	\$ 40,145,389	4.3%
2017	319	\$ 23,611,367	4.4%
2016	300	\$ 23,168,978	5.6%
2015	262	\$ 27,145,411	6.9%

The number of permits issued for new residential and commercial construction was up from FY 2019 however the dollar value of those new permits decreased by approximately \$10.4m. The local unemployment rate remained fairly steady during the fiscal year as the economy continued to show positive indicators both locally and regionally.

Healthcare and Education ranks first in County employment and manufacturing ranks second. The County continues to offer and provide economic incentive payments to companies based on the number of new hires and the total new taxable investment planned in an effort to attract new industry and to help existing industry to expand. The expansion of existing industry has been a focus of the Board of Commissioners in the recent past. The following table lists the top 10 employers in the County:

<u>Company Name</u>	<u>Company Industry</u>	<u>Employment Range</u>
Cleveland County Board of Education	Education & Health Services	1000+
Atrium Health	Education & Health Services	1000+
Wal-Mart Associates Inc.	Trade, Transportation & Utilities	1000+
County of Cleveland	Public Administration	1000+
Gardner-Webb University	Education & Health Services	500-999
PPG Industries Inc.	Manufacturing	500-999
Hanesbrands, Inc.	Manufacturing	500-999
Ingles Markets, Inc	Trade, Transportation & Utilities	500-999
Clearwater Paper Corporation	Manufacturing	250-499
Cleveland Community College	Education & Health Services	250-499

MAJOR INITIATIVES

FOR THE YEAR. The Board of Commissioners adopted a balanced budget for the fiscal year with no change in the county-wide ad valorem property tax rate of 57 cents per \$100 dollars of valuation. Total General fund revenues increased by approximately \$3.8m over the previous fiscal year or 3.39 percent. Total General Fund expenditures increased by approximately \$5.5m or 5.08 percent over FY 2018. Total General Fund Balance increased by \$944,549 to \$41,814,971 and the Unassigned Fund Balance amount was \$20,716,473. The net position of the County's only Enterprise Fund increased in FY 2019 by \$1,374,453.

The Commission continues to focus on a community wide economic development strategy and job creation. Unemployment in Cleveland County is 4.60% which ranks strongly across North Carolina peer Counties. In collaboration with the City of Shelby, a joint industrial park has been completed that is located in west Shelby.

Economic Development and fiscal sustainability both continue to be a high priority of the Commissions strategic plan.

For FY 2018-2019, the Board budgeted revenues conservatively without any tax increase. Expenditures for most County Departments, the community college and other outside agencies were budgeted conservatively as well.

FOR THE FUTURE.

FY 2019-2020 brings unique challenges to Cleveland County that are results of past success. Unemployment is below five percent and the County is experiencing economic growth which creates a workforce development shortage and a shortage of housing stock. Following the January 1, 2016 mandatory revaluation which resulted in net value decrease of 3.6%, the County has fully recovered from the valuation loss and has maintained steady tax rate of .57 cents. The Board of Commissioners were able to adopt a balanced budget for FY 2019-2020 with no change to the tax rate and no service interruptions.

Cleveland County has poised itself for long-term sustainability with an external focus on a strong tax base and job creation. Moving into FY 2019-2020, the County is also focused on internal strategic planning. The Strategic Goals for FY 2019-2020 include the following focus areas: Fiscal Sustainability, Economic Development, Public Safety, and Community Wellness and Citizen Engagement.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

FUND BALANCE. Fund balance should always be measured based on the portion that is available for appropriation at the end of the fiscal year. The Board's Fund Balance direction is to have at least 16 percent, with a goal of achieving 18-20 percent in General Fund Unassigned Fund Balance at fiscal year-end. Cleveland County had \$20.7 million in Unassigned General Fund Balance or 18.2 percent of total General Fund expenditures. The Local Government Commission of the North Carolina Department of State Treasurer recommends that local governments have at least 8 percent of General Fund Expenditures in Unassigned General Fund Balance available for appropriation.

OTHER POSTEMPLOYMENT BENEFITS. Cleveland County maintains a retiree medical plan in which the County pays 100 percent of the employee-only coverage for retirees until age 65. In general, retirees must have at least 30 years of service with the County or are at least 55, but not Medicare eligible, with a minimum of 10 years of service with the County and have a combined age and years of service total of at least 70. Retired employees, who began employment prior to July 1, 2014, meeting these criteria will be provided hospitalization in the same manner as active County employees. The County pays 100 percent of the payments for any retiree with 30 or more years of service with the County or a combined age and years of service total of at least 80. Reduced contribution rates are made by the County for retirees with a combined age and years of service that total 70 or 75 at retirement.

OTHER INFORMATION

INDEPENDENT AUDIT. State statutes require an annual audit by independent certified public accountants. The firm of Thompson, Price, Scott, Adams & Co. was selected by the government's management. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Revised State Single Audit Implementation Act of 1996 and the related U.S. Office of Management and Budget Uniform Guidance, Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Auditing standards generally accepted in the United States of America and the standards set forth in Government Auditing Standards, issued by the Comptroller General of the United States, were used by the auditors in

conducting the engagement. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's reports on internal controls and compliance with applicable laws and regulations can be found in the compliance section of this report.

AWARDS. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cleveland County, North Carolina, for the year ended June 30, 2018. This was the fifth consecutive year Cleveland County received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

USE OF THE REPORT. The Government Finance Officers Association reports a growing awareness that the annual financial report should be management's report to its governing body, constituents, oversight bodies, resource providers, investors and creditors. We agree with this direction, and in keeping with our past practice, have made available a copy of this report to each of you, bond rating agencies, the Local Government Commission, and other financial institutions which have expressed an interest in Cleveland County's financial affairs.

ACKNOWLEDGMENTS. A combined effort of Cleveland County Board of Commissioners, the Managers Office, Finance Department Staff and other county departments, along with Thompson, Price, Scott, Adams & Co. made preparation of this comprehensive annual financial report possible. Each has my sincere appreciation for their contributions made towards the completion of this report.

In closing, I wish to thank the Board of Commissioners for their leadership in making Cleveland County a fiscally sound, well-governed community. Without the support of the Board of Commissioners and County Management, preparation of this report would not have been possible.

A handwritten signature in black ink, appearing to read 'RJ Jackson', with a stylized flourish at the end.

Lucas Jackson
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Cleveland
North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

CLEVELAND COUNTY, NORTH CAROLINA

List of Principal Officials

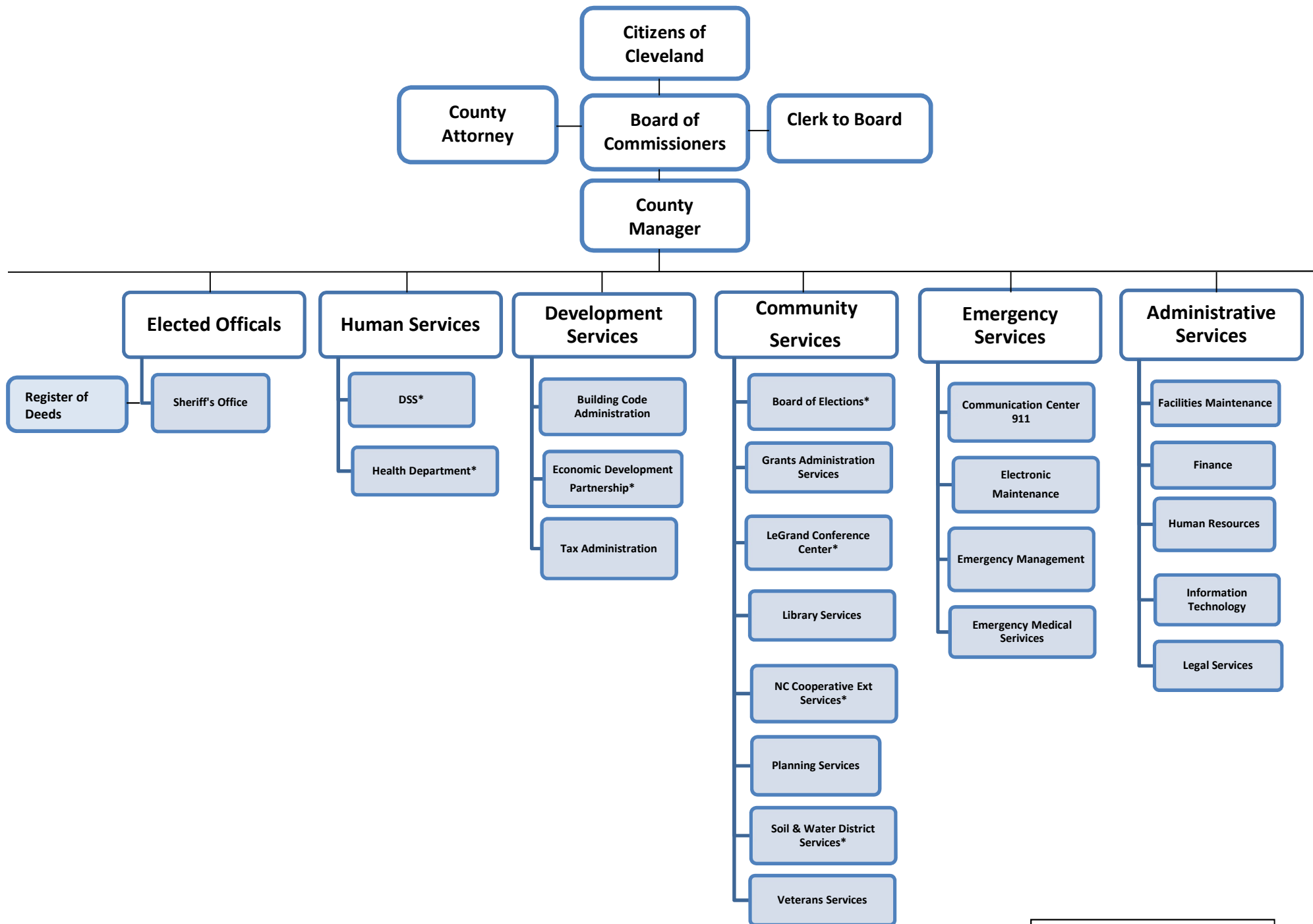
June 30, 2019

Board of Commissioners

Chairman.....	Susan Allen
Vice Chairman	Ronnie Whetstine
Commissioner	Johnny Hutchins
Commissioner	Doug Bridges
Commissioner	Deb Hardin

County Officials

Asst County Manager	Kerri Melton
County Manager.....	Brian Epley
Building Codes Administrator	Paul Ezell
Clerk to the Board.....	Phyllis Nowlen
Cooperative Extension Director.....	Greg Traywick
County Tax Assessor	Chris Green
Tax Collector.....	Necole Richard
County Attorney.....	Elliot Engstrom
Elections Director	Clifton Philbeck
Electronic Equipment Services Director	Daryl Sando
EMS Director.....	Ryan Wilmoth
Finance Director.....	Lucas Jackson
Fire Marshal/Emergency Services Director.....	Perry Davis
Human Resources Director	Allison Mauney
Information Technology Director	Marty Gold
LeGrand Conference Center Director	Jason Falls
Library Director	Carol Wilson
Maintenance Director.....	Scott Bowman
Planning Director	Chris Martin
Public Health Director	Dorothea Wyant
Register of Deeds.....	Betsy Harnage
Sheriff	Alan Norman
Social Services Director.....	Katie Swanson
Soil and Water Conservation District	Stephen Bishop
Solid Waste & Animal Services	Nathan McNeilly
Travel & Tourism.....	Emily Epley
Veteran Services Officer	Debra Conn



FINANCIAL SECTION

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Thompson, Price, Scott, Adams & Co, P.A.

**P.O Box 398
1626 S. Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958**

**Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA**

INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Cleveland County
Shelby, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Cleveland County, North Carolina, as of and for the year ended June 30, 2019, and the related notes to the financial statements which collectively comprise Cleveland County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Members

American Institute of CPAs - N.C. Association of CPAs - AICPA Division of Firms

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information Cleveland County, North Carolina as of June 30, 2019, and the respective changes in financial position and cash flows, where applicable, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 15, the Local Government Employees' Retirement System schedules of the County's Proportionate Share of the Net Pension Liability and County Contributions on pages 74 and 75, the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions on pages 76 and 77, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of covered payroll on pages 78 and 79, and Schedule of Changes in Total OPEB Liability and Related Ratios, page 80, presented to supplement the basic financial statements. Such information, 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 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Cleveland County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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. In our opinion, based on our audit, the procedures performed as described above, 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 Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 19, 2019 on our consideration of Cleveland 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 the report is 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 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 Cleveland County's internal control over financial reporting and compliance.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 19, 2019

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CLEVELAND COUNTY, NORTH CAROLINA

Management's Discussion and Analysis

June 30, 2019

As management of Cleveland County, we offer readers of Cleveland County's financial statements this narrative overview and analysis of the financial activities of Cleveland County for the fiscal year ended June 30, 2019. We encourage readers to read the information presented here, in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

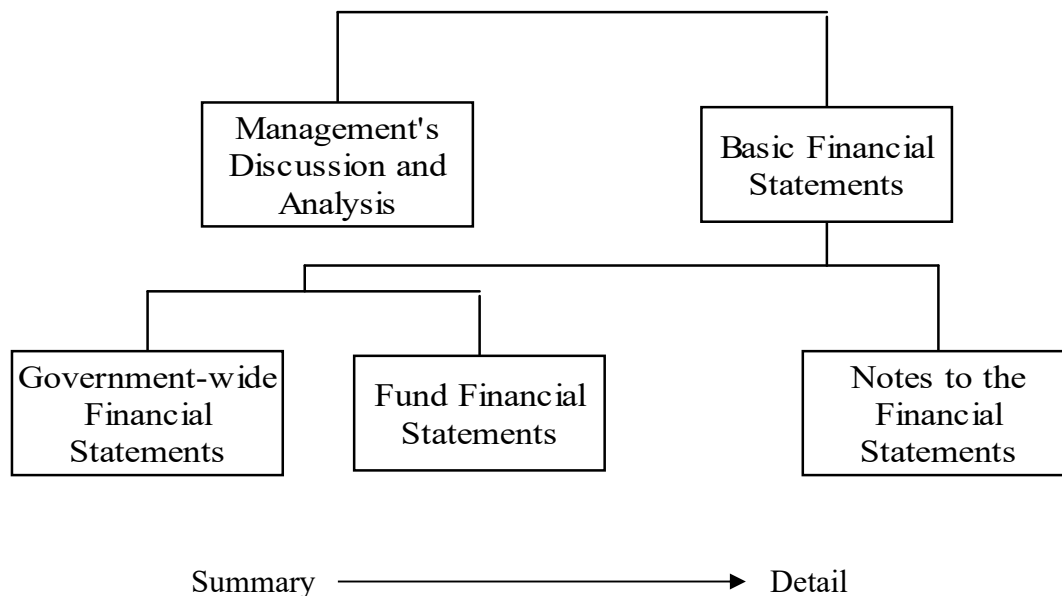
- The assets and deferred outflows of resources of Cleveland County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$118,383,080 (*net position*). In accordance with North Carolina law, liabilities of the County include approximately \$19,869,275 in long-term debt associated with assets which the County does not hold title. These assets are not reflected in the County's financial statements and the full amount of the long-term debt is reported.
- The County's total net position increased by \$4,932,289, primarily due to increased property tax revenues accompanied with decreased expenses in Governmental and Business-Type activities.
- As of the close of the current fiscal year, Cleveland County's governmental funds reported combined ending fund balances of \$61,957,143. That amount is a decrease of \$879,288, in comparison with the prior year. Approximately 36.60 percent of this total amount, or \$22,678,583, is non-spendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$20,716,473 or 18.2 percent, of total General Fund expenditures, not including transfers.
- Cleveland County's limited obligation and installment note debt decreased \$5,355,347 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Cleveland 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 will enhance the reader's understanding of the financial condition of Cleveland County.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (Exhibits A and B) 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 C through J) 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 final 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. Following the notes is the **required supplemental information**. This section contains funding information about the County's pension plans. After the required supplemental information, **supplemental schedules** are provided to show details about the County's nonmajor governmental funds and the Internal Service Fund 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.

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 they have 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 financial statements are divided into the following two types of activities:

Government Activities. These activities of the County include general government, public safety, environmental protection, economic and physical development, human services, education, and cultural recreation. Property taxes, along with state and federal grants, finance most of these activities.

Business-Type Activities. The County charges fees to recover the costs associated with providing certain services. The activities include solid waste and sewage disposal.

The government-wide financial statements directly follow the Management's Discussion and Analysis of this report on Exhibits A and B.

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. Cleveland County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Cleveland County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

The County adopts an annual budget for its General Fund, as required by the 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. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities, is shown at the end of the budgetary statement.

Proprietary Funds. The Enterprise Fund is the only proprietary-type fund that the County utilizes. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for solid waste disposal and user disposal fees. These funds are the same as those shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Fiduciary Funds. Fiduciary funds are used to account for assets held on behalf of others. The County has eight major agency funds and several smaller agency funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements directly follow the basic financial statements of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Cleveland County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found directly following the notes of this report.

Government-Wide Financial Analysis

Cleveland County's Net Position

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets:						
Current and other assets	\$ 70,360,235	\$ 70,259,084	\$ 4,430,409	\$ 3,200,122	\$ 74,790,644	\$ 73,459,206
Capital assets	119,305,857	119,875,818	23,143,736	22,669,381	142,449,593	142,545,199
Total assets	<u>189,666,092</u>	<u>190,134,902</u>	<u>27,574,145</u>	<u>25,869,503</u>	<u>217,240,237</u>	<u>216,004,405</u>
Deferred Outflows of Resources	<u>10,878,241</u>	<u>7,483,612</u>	<u>529,617</u>	<u>355,027</u>	<u>11,407,858</u>	<u>7,838,639</u>
Liabilities:						
Long-term liabilities	82,915,131	83,852,698	15,149,785	14,712,518	98,064,916	98,565,216
Other liabilities	10,413,476	10,300,210	215,394	171,258	10,628,870	10,471,468
Total liabilities	<u>93,328,607</u>	<u>94,152,908</u>	<u>15,365,179</u>	<u>14,883,776</u>	<u>108,693,786</u>	<u>109,036,684</u>
Deferred Inflows of Resources	<u>1,506,728</u>	<u>1,314,444</u>	<u>64,501</u>	<u>41,125</u>	<u>1,571,229</u>	<u>1,355,569</u>
Net Position:						
Net investment in capital assets	86,494,103	84,463,578	23,143,736	22,669,381	109,637,839	107,132,959
Restricted	22,268,506	21,675,433	-	-	22,268,506	21,675,433
Unrestricted	<u>(3,053,611)</u>	<u>(3,987,849)</u>	<u>(10,469,654)</u>	<u>(11,369,752)</u>	<u>(13,523,265)</u>	<u>(15,357,601)</u>
Total net position	<u>\$ 105,708,998</u>	<u>\$ 102,151,162</u>	<u>\$ 12,674,082</u>	<u>\$ 11,299,629</u>	<u>\$ 118,383,080</u>	<u>\$ 113,450,791</u>

As noted earlier, net position may serve, over time, as one useful indicator of a government's financial condition. The assets and deferred outflows of resources of Cleveland County exceeded its liabilities and deferred inflows of resources by \$118,383,080 as of June 30, 2019. The County's net position increased by \$4,932,289 for the fiscal year ended June 30, 2019. Net position of the County is reported in three categories: net investment in capital assets of \$109,637,839; restricted net position of \$22,268,506; and unrestricted net position of \$(13,523,265).

The net investment in capital assets category is defined as the County's investment in County-owned capital assets (e.g. land, buildings, automotive equipment, and office and other equipment), less any related debt still outstanding that was issued to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of outstanding related debt, the resources needed to repay that debt must be provided by other resources since the capital assets cannot be used to liquidate these liabilities.

Restricted net position consists of restrictions for stabilization for State statute, register of deeds emergency 911 funds, other public safety protection costs, economic and physical development, human services, cultural and recreational, education, and other unspent restricted proceeds.

Under North Carolina law, the County is responsible for providing capital funding for the school system and the community college. The County has chosen to meet its legal obligation to provide the school system and the community college capital funding by using a mixture of County funds and the issuance of debt. These assets funded by the County are owned by the County and leased to the school system and the community college over the term of the debt. After the debt is completely serviced, the title of the asset is passed to the school system or community college.

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

- Continued diligence in the collection of all revenue sources, both current and delinquent
- A strong property tax collection rate of 98.56 percent
- Other budgetary control efforts
- Budgetary re-engineering and cost benefit analyses
- Management's proactive stance on monitoring budget compliance without slowing County growth and operations.

Governmental Activities. Governmental activities increased the County's net position by \$3,557,836. Key elements of this increase are as follows:

- Increased property tax and program revenues
- Decreased capital project activity

Business-Type Activities. Business-type activities increased the County's net position by \$1,374,453. Key elements of this increase are as follows:

- Increased charges for services and disposal tax revenues
- Decreased post closure costs

Financial Analysis of the County's Funds

Cleveland County's Change in Net Position Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 11,184,144	\$ 10,614,229	\$ 7,404,183	\$ 7,305,117	\$ 18,588,327	\$ 17,919,346
Operating grants and contributions	21,324,215	21,904,953	-	-	21,324,215	21,904,953
Capital grants and contributions	7,106,271	5,224,198	-	-	7,106,271	5,224,198
General revenues:						
Property taxes	66,988,662	63,398,807	-	-	66,988,662	63,398,807
Other taxes	21,420,209	21,547,967	788,587	644,313	22,208,796	22,192,280
Other	2,066,867	1,527,506	77,333	26,814	2,144,200	1,554,320
Total revenues	<u>130,090,368</u>	<u>124,217,660</u>	<u>8,270,103</u>	<u>7,976,244</u>	<u>138,360,471</u>	<u>132,193,904</u>
Expenses:						
General government	16,206,681	13,385,504	-	-	16,206,681	13,385,504
Public safety	31,238,186	29,382,033	-	-	31,238,186	29,382,033
Environmental protection	169,678	186,362	-	-	169,678	186,362
Economic and physical development	7,042,187	17,169,078	-	-	7,042,187	17,169,078
Human services	35,995,884	34,213,345	-	-	35,995,884	34,213,345
Cultural and recreational	1,503,021	1,575,146	-	-	1,503,021	1,575,146
Education	32,645,084	32,706,674	-	-	32,645,084	32,706,674
Interest on long-term debt	2,247,146	2,411,379	-	-	2,247,146	2,411,379
Solid waste disposal	-	-	6,380,315	7,916,155	6,380,315	7,916,155
Other	-	-	-	-	-	-
Total expenses	<u>127,047,867</u>	<u>131,029,521</u>	<u>6,380,315</u>	<u>7,916,155</u>	<u>133,428,182</u>	<u>138,945,676</u>
Increase (decrease) in net position before transfers	3,042,501	(6,811,861)	1,889,788	60,089	4,932,289	(6,751,772)
Transfers	<u>515,335</u>	<u>515,335</u>	<u>(515,335)</u>	<u>(515,335)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	3,557,836	(6,296,526)	1,374,453	(455,246)	4,932,289	(6,751,772)
Net Position:						
Beginning of year - July 1, previously reported	102,151,162	116,998,730	11,299,629	11,976,369	113,450,791	128,975,099
Restatement	-	(8,551,042)	-	(221,494)	-	(8,772,536)
Beginning of year - July 1, restated	<u>102,151,162</u>	<u>108,447,688</u>	<u>11,299,629</u>	<u>11,754,875</u>	<u>113,450,791</u>	<u>120,202,563</u>
End of year - June 30	<u>\$ 105,708,998</u>	<u>\$ 102,151,162</u>	<u>\$ 12,674,082</u>	<u>\$ 11,299,629</u>	<u>\$ 118,383,080</u>	<u>\$ 113,450,791</u>

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

Governmental Funds. The focus of Cleveland County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Cleveland 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 Cleveland County. At the end of the current fiscal year, available fund balance of the General Fund was \$32,662,447 while total fund balance was \$41,814,971. As a measure of the General Fund's liquidity, it may be useful to compare available fund balance to total fund expenditures and transfers out. Available fund balance represents 28.0 percent of total General Fund expenditures and transfers out while total fund balance represents 35.8 percent of that same amount.

The governing body of Cleveland County has determined that the County should maintain an unassigned fund balance of 16% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County currently has an unassigned fund balance percentage of 18.3 percent.

At June 30, 2019, the governmental funds of the County reported a combined fund balance of \$61,957,143, a 1.4 percent decrease from last year. The decrease in fund balance was primarily due to increased expenditure activity in the Reimbursement Resolution Capital Project Fund. At the end of the current fiscal year, the Reimbursement Resolution Capital Project Fund had a decrease in fund balance of \$1,202,094. The School Capital Reserve Fund had a decrease in fund balance of \$452,426 primarily due to decreased revenues.

General Fund Budgetary Highlights. The County's financial position increased during FY 2019 due to General Fund expenditures coming in well under budget at fiscal year-end. County departments' diligence in monitoring their operational budgets resulted in total expenditures being \$5.2 million under budget at fiscal year-end. Most notable the human services function had total expenditures \$2.4 million under budget at fiscal year end. On the revenue side, the largest positive budget variances were in ad valorem tax revenues and investment earnings.

The County revised the budget for various reasons during the fiscal year. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 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 increased revenues by \$806,227, or 0.72 percent, and expenditures by \$3,514,638, or 3.1 percent, of the original budget. Total actual revenues exceeded amended budgeted amounts by \$2.7 million with most of that increase related to increased investment income, local option sales tax, and ad valorem tax revenues. Total actual expenditures were \$5.2 million less than amended budgeted amounts, with the majority of that

amount relating to expenditures lower than budgeted in human services, economic and physical development, and public safety.

Proprietary Funds. The County's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Total net position for the proprietary fund at the end of the fiscal year amounted to \$12,674,082. During the fiscal year 2019, proprietary fund net position increased \$1,374,453. The increase in total net position for the proprietary funds is primarily due to decreased expenditures of approximately \$1.9m in post closure cost liability.

Capital Asset and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of June 30, 2019 totals \$142,449,593 (net of accumulated depreciation). These assets include land, buildings, plant and distribution systems, equipment, automotive equipment, and construction in progress.

Cleveland County's Capital Assets (net of depreciation)

Figure 4

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$ 17,191,765	\$ 17,253,594	\$ 18,911,351	\$ 18,912,848	\$ 36,103,116	\$ 36,166,442
Buildings	90,391,175	79,955,561	817,615	849,028	91,208,790	80,804,589
Plant and distribution systems	-	-	130,819	140,977	130,819	140,977
Equipment	5,221,767	6,019,696	3,279,221	2,761,247	8,500,988	8,780,943
Vehicles and motor equipment	2,280,077	2,743,630	4,730	5,281	2,284,807	2,748,911
Construction in progress	4,221,073	13,903,337	-	-	4,221,073	13,903,337
Total	<u>\$ 119,305,857</u>	<u>\$ 119,875,818</u>	<u>\$ 23,143,736</u>	<u>\$ 22,669,381</u>	<u>\$ 142,449,593</u>	<u>\$142,545,199</u>

Additional information on the County's capital assets can be found in Note 2, capital assets section of the notes to the basic financial statements.

Long-Term Debt. As of June 30, 2019, Cleveland County had total bonded debt outstanding of \$12,250,000. The County also has multiple installment notes outstanding, of which the majority is related to debt issued for the construction and renovation of school, county and community college facilities. A summary of long-term debt is shown in Figure 5.

Cleveland County's Outstanding Debt & Long-Term Liabilities

Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Limited obligation bonds	\$ 12,250,000	\$ 13,335,000	\$ -	\$ -	\$ 12,250,000	\$ 13,335,000
Installment purchases	40,705,115	44,975,462	-	-	40,705,115	44,975,462
Total	<u>\$ 52,955,115</u>	<u>\$ 58,310,462</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,955,115</u>	<u>\$ 58,310,462</u>

The bond ratings are a clear indication of the sound financial condition of the County, which helps to keep interest cost low on the County's outstanding debt. Cleveland County worked through a detailed bond rating review process with both S&P and Moody's in the current year, receiving excellent ratings.

Standard & Poors	AA-
Moody's	Aa2

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 Cleveland County is \$663,426,394.

Additional information regarding Cleveland County's long-term debt can be found in note 2, Long Term Debt section of the notes to the basic financial statements.

Budget Highlights for the Fiscal Year Ending June 30, 2020

The FY 2019-20 budget was approved by the Cleveland County Board of Commission at an unchanged property tax rate of 57 cents per \$100 of property valuation. The FY 19-20 budget is the fourth budget post revaluation, and the County's tax base has recovered nicely primarily due growth in the manufacturing industry. The projected tax base for fiscal year 2019-20 is approximately \$9.2 billion which creates a projected revenue increase of 5.1% at the approved 57 cents tax rate and a historically driven collection rate.

The FY 19-20 budget reflects the Board's continued investment in the workforce. The Board approved a 2% pay increase for all full-time employees. There are also appropriations included in the budget to finish a professional pay and classification study.

The Board also continues to keep a focus on internal operations and the budget includes funding for several organizational projects: facilities master plan, energy conservation initiative, and a system wide I.T. upgrade.

The FY 19-20 budget also reflects an unchanged rate for Cleveland County Schools at 15 cents per \$100 of property valuation.

The Cleveland County Board of County Commissioners have developed strategic goals that are broken into five focus areas for the 2019-2020 fiscal year budget. Economic development and

the recruitment of new industry into Cleveland County continues to be the primary priority of the Commissioners strategic goals. The economic development focus area identifies key strategic benchmarks to grow the County's tax base and increase local jobs. Also identified as focus areas on the Commissioners strategic goals are fiscal sustainability, public safety, community wellness and citizen engagement.

The following factors were considered when developing the FY 2020 budget:

- Fiscal Sustainability :
 - Maintaining a minimum un-assigned fund balance percentage of 18-20%
 - ERP County-wide Software upgrade
 - Increased staff salaries and decreased employee turnover
 - Creation of a Master Facility Plan
 - Operational Re-Engineering & Implementation
 - Improved aspects of the employee health plan
 - Implementation of 5-year Capital Improvement Plan
- Economic Development :
 - Funding for future economic incentive projects and job creation.
 - Management of occupancy tax revenue aimed at growing travel/tourism throughout Cleveland County.
 - Partner with Cleveland Community College and Cleveland County Schools to promote dual-track and workforce development
 - Assist the Agriculture community in their efforts to promote Agriculture as an economic development opportunity
- Public Safety :
 - Acquiring American Red Cross building adding additional space for emergency services.
 - Continued support for County volunteer fire departments and monitoring of service demands on the County's emergency service departments.
 - Review current security standards in County buildings and apply best practices model.
 - Cleveland County 800mhz Motorola trunking system management plan – 5 Year Refresh
- Community Wellness :
 - A strong continued relationship with the local YMCA to provide benefits to Cleveland County employees and in an effort to promote wellness throughout the County.
 - Engaging in the fight against opioid epidemic and continued momentum of the Partnering for Community Prosperity project.
 - Educational campaign to encourage a cleaner community

- Striving to improve County Health Rankings and the ability to access health care.
- Expanding telemedicine program to serve more County schools.
- Citizen Engagement :
 - Update of County website and increased social media engagement
 - Foothills Public Shooting Complex expansion – partnership with North Carolina Wildlife Commission
 - Continued support through municipal grant program

Business-Type Activities. The solid waste household fees and current tipping fees were budgeted based on the adopted rate schedule for the 19-20 budget year which included a slight increase in fee changes. Management has developed a 10-year rate schedule to offset rising operational and personnel costs as well as future post closure and expansion costs. Management has included additional funding for convenience center site improvements in 19-20 budget year.

Requests for Information

This financial report is designed to provide an overview of Cleveland County's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Cleveland County Finance Director, 311 East Marion St. Shelby, North Carolina.

BASIC FINANCIAL STATEMENTS – OVERVIEW

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CLEVELAND COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 48,389,133	\$ 3,643,841	\$ 52,032,974
Taxes receivable, net	1,708,293	-	1,708,293
Receivables, net	12,487,472	786,568	13,274,040
Inventories	108,852	-	108,852
Prepaid items	447,172	-	447,172
Note receivable	-	-	-
Restricted cash	7,085,817	-	7,085,817
Total current assets	70,226,739	4,430,409	74,657,148
Non-current assets:			
Net pension asset	133,496	-	133,496
Capital assets:			
Land and construction in progress	21,412,838	18,911,351	40,324,189
Other capital assets, net of depreciation	97,893,019	4,232,385	102,125,404
Total capital assets	119,305,857	23,143,736	142,449,593
Total non-current assets	119,439,353	23,143,736	142,583,089
Deferred Outflows of Resources:			
OPEB deferrals	1,131,481	59,552	1,191,033
Pension deferrals	9,746,760	470,065	10,216,825
Total deferred outflows of resources	10,878,241	529,617	11,407,858
Total assets and deferred outflows of resources	200,544,333	28,103,762	228,648,095
Liabilities:			
Current liabilities:			
Accounts payable and accrued expenses	4,406,746	204,016	4,610,762
Due within one year	6,006,730	13,188	6,019,918
Total current liabilities	10,413,476	217,204	10,630,680
Long-term liabilities:			
Due in more than one year	52,812,180	13,738,355	66,550,535
Net pension liability - LGERS	11,714,224	592,537	12,306,761
Total pension liability - LEOSSA	2,829,769	-	2,829,769
Total OPEB liability	15,558,958	818,893	16,377,851
Total long-term liabilities	82,915,131	15,149,785	98,064,916
Total liabilities	93,328,607	15,366,989	108,695,596
Deferred Inflows of Resources:			
Prepaid taxes	179,747	-	179,747
OPEB deferrals	1,107,752	58,303	1,166,055
Pension deferrals	219,229	4,388	223,617
Total deferred inflows of resources	1,506,728	62,691	1,569,419
Net Position:			
Net investment in capital assets	86,494,103	23,143,736	109,637,839
Restricted for:			
Stabilization for State statute	10,566,829	-	10,566,829
Register of Deeds	172,918	-	172,918
Register of Deeds' pension plan	145,947	-	145,947
Public safety	2,097,032	-	2,097,032
Education	7,070,391	-	7,070,391
Human services	2,000,000	-	2,000,000
Cultural and recreation	215,389	-	215,389
Unrestricted	(3,053,611)	(10,469,654)	(13,523,265)
Total net position	\$ 105,708,998	\$ 12,674,082	\$ 118,383,080

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

CLEVELAND COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

		Program Revenues		
Functions/Programs:	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 16,206,681	\$ 3,906,891	\$ 1,521,611	\$ -
Public safety	31,238,186	3,206,964	464,295	1,861,658
Environmental protection	169,678	-	-	-
Economic and physical development	7,042,187	238,696	-	2,345,007
Human services	35,995,884	3,831,593	19,304,541	1,855,251
Cultural and recreational	1,503,021	-	33,768	-
Education	32,645,084	-	-	1,044,355
Interest on long-term debt	2,247,146	-	-	-
Total governmental activities	127,047,867	11,184,144	21,324,215	7,106,271
Business-Type Activities:				
Solid Waste	6,380,315	7,404,183	-	-
Total business-type activities	6,380,315	7,404,183	-	-
Total primary government	\$ 133,428,182	\$ 18,588,327	\$ 21,324,215	\$ 7,106,271

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

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

Functions/Programs:	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Primary Government:			
Governmental Activities:			
General government	\$ (10,778,179)	\$ -	\$ (10,778,179)
Public safety	(25,705,269)	-	(25,705,269)
Environmental protection	(169,678)	-	(169,678)
Economic and physical development	(4,458,484)	-	(4,458,484)
Human services	(11,004,499)	-	(11,004,499)
Cultural and recreational	(1,469,253)	-	(1,469,253)
Education	(31,600,729)	-	(31,600,729)
Interest on long-term debt	(2,247,146)	-	(2,247,146)
Total governmental activities	(87,433,237)	-	(87,433,237)
Business-Type Activities:			
Landfill	-	1,023,868	1,023,868
Total business-type activities	-	1,023,868	1,023,868
Total primary government	(87,433,237)	1,023,868	(86,409,369)
General Revenues:			
Taxes:			
Property taxes, levied for general purpose	66,988,662	-	66,988,662
Local option sales tax	21,292,439	-	21,292,439
Other taxes and licenses	127,770	788,587	916,357
Investment earnings, unrestricted	1,316,562	77,333	1,393,895
Miscellaneous, unrestricted	750,305	-	750,305
Total general revenues	90,475,738	865,920	91,341,658
Capital contribution			
Transfers	515,335	(515,335)	-
Total general revenues, capital contribution, and transfers	90,991,073	350,585	91,341,658
Change in net position	3,557,836	1,374,453	4,932,289
Net Position:			
Beginning of year - July 1, previously reported	102,151,162	11,299,629	113,450,791
Restatement	-	-	-
Beginning of year - July 1, restated	102,151,162	11,299,629	113,450,791
End of year - June 30	\$ 105,708,998	\$ 12,674,082	\$ 118,383,080

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

CLEVELAND COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	Major			Nonmajor	
	General	Reimbursement Resolution Capital Project Fund	School Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 36,729,244	\$ 6,917,978	\$ -	\$ 4,741,912	\$ 48,389,134
Taxes receivable, net	1,632,423	-	-	75,870	1,708,293
Due from other governments	294,855	-	-	-	294,855
Other receivables, net	10,273,452	-	897,918	1,021,247	12,192,617
Due from other funds	413,347	-	-	-	413,347
Inventories	108,852	-	-	-	108,852
Prepaid items	396,008	-	-	51,164	447,172
Restricted assets:					
Cash and investments	15,426	-	6,561,861	508,530	7,085,817
Total assets	<u>\$ 49,863,607</u>	<u>\$ 6,917,978</u>	<u>\$ 7,459,779</u>	<u>\$ 6,398,723</u>	<u>\$ 70,640,087</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable and accrued liabilities	\$ 3,906,093	\$ -	\$ -	\$ 141,474	\$ 4,047,567
Due to other funds	-	-	-	413,347	413,347
Total liabilities	<u>3,906,093</u>	<u>-</u>	<u>-</u>	<u>554,821</u>	<u>4,460,914</u>
Deferred Inflows of Resources:					
Property taxes receivable	1,632,423	-	-	75,870	1,708,293
Prepaid taxes	176,130	-	-	3,617	179,747
Other receivables	2,333,990	-	-	-	2,333,990
Total deferred inflows of resources	<u>4,142,543</u>	<u>-</u>	<u>-</u>	<u>79,487</u>	<u>4,222,030</u>
Fund Balances:					
Non-spendable:					
Inventory	108,852	-	-	-	108,852
Prepaid items	396,008	-	-	51,164	447,172
Restricted:					
Stabilization for State statute	8,647,664	-	897,918	1,021,247	10,566,829
Restricted for Register of Deeds	172,918	-	-	-	172,918
Restricted, all other	2,465,389	-	6,561,861	2,355,562	11,382,812
Committed	1,015,426	8,120,072	-	3,128	9,138,626
Assigned for subsequent year's expenditures	4,992,241	-	-	-	4,992,241
Assigned, all other	3,300,000	-	-	2,794,155	6,094,155
Unassigned	20,716,473	(1,202,094)	-	(460,841)	19,053,538
Total fund balances	<u>41,814,971</u>	<u>6,917,978</u>	<u>7,459,779</u>	<u>5,764,415</u>	<u>61,957,143</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 49,863,607</u>	<u>\$ 6,917,978</u>	<u>\$ 7,459,779</u>	<u>\$ 6,398,723</u>	<u>\$ 70,640,087</u>

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

Exhibit C
(continued)

Amounts reported in the governmental activities in the Statement of Net Position (Exhibit A) are different because:

Total fund balance, Government Funds	\$ 61,957,143
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	119,305,856
Deferred inflows in the governmental funds are used to offset accounts receivable not expected to be available within 90 days of year-end. These receivables are a component of net assets in the Statement of Net Position.	4,042,283
Long-term liabilities and compensated absences are not due and payable in the current period, and therefore, are not reported in the funds.	(58,818,910)
Net pension asset	133,496
Deferred outflows of resources related to pensions are not related in the funds.	9,746,760
Deferred outflows of resources related to OPEB are not related in the funds.	1,131,481
Some liabilities, including accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.	(359,179)
Deferred inflows of resources related to pensions are not related in the funds.	(219,229)
Deferred inflows of resources related to OPEB are not related in the funds.	(1,107,752)
Net pension liability	(11,714,224)
Total OPEB liability	(15,558,958)
Total pension liability	<u>(2,829,769)</u>
Net position of governmental activities	<u>\$ 105,708,998</u>

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

CLEVELAND COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Major			Nonmajor	
	General	Reimbursement	School	Other	Total
	Fund	Resolution	Capital	Governmental	Governmental
	Fund	Capital Project	Reserve	Funds	Funds
	Fund	Fund	Fund	Funds	Funds
Revenues:					
Ad valorem taxes	\$ 63,822,841	\$ -	\$ -	\$ 3,235,084	\$ 67,057,925
Local option sales taxes	16,542,035	-	3,483,998	1,266,406	21,292,439
Unrestricted intergovernmental revenues	127,770	-	-	-	127,770
Restricted intergovernmental revenues	21,516,935	-	1,044,353	4,272,881	26,834,169
Permits and fees	4,699,153	-	-	-	4,699,153
Sales and services	7,212,000	-	-	-	7,212,000
Investment earnings	1,026,578	69,961	149,775	70,248	1,316,562
Miscellaneous	610,782	-	-	139,523	750,305
Total revenues	115,558,094	69,961	4,678,126	8,984,142	129,290,323
Expenditures:					
Current:					
General government	11,625,687	-	-	1,504,150	13,129,837
Public safety	25,391,553	-	-	4,420,007	29,811,560
Environmental protection	167,498	-	-	-	167,498
Economic and physical development	6,284,388	-	-	2,864,692	9,149,080
Human services	34,799,076	-	-	-	34,799,076
Cultural and recreational	1,320,498	-	-	-	1,320,498
Education	31,401,693	-	-	749,376	32,151,069
Insurance settlements	2,481,576	-	-	-	2,481,576
Debt service:					
Principal retirement	106,878	-	-	5,355,347	5,462,225
Interest and other charges	-	-	-	2,282,665	2,282,665
Total expenditures	113,578,847	-	-	17,176,237	130,755,084
Revenues over (under) expenditures	1,979,247	69,961	4,678,126	(8,192,095)	(1,464,761)
Other Financing Sources (Uses):					
Capital lease financing issued	70,138	-	-	-	70,138
Transfers from other funds	1,977,374	-	-	-	1,977,374
From General Fund	-	-	-	3,082,210	3,082,210
From Capital Reserve Fund	-	-	-	1,119,776	1,119,776
From School Capital Reserve	-	-	-	3,680,552	3,680,552
From Reimbursement Resolution CRF	-	-	-	1,272,055	1,272,055
Transfers to other funds	(3,082,210)	(1,272,055)	(5,130,552)	(1,131,815)	(10,616,632)
Total other financing sources (uses)	(1,034,698)	(1,272,055)	(5,130,552)	8,022,778	585,473
Net change in fund balances	944,549	(1,202,094)	(452,426)	(169,317)	(879,288)
Fund Balances:					
Beginning of year - July 1	40,870,422	8,120,072	7,912,205	5,933,732	62,836,431
End of year - June 30	\$ 41,814,971	\$ 6,917,978	\$ 7,459,779	\$ 5,764,415	\$ 61,957,143

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

CLEVELAND COUNTY, NORTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

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

Total net change in fund balances - total governmental funds	\$ (879,288)
Property tax revenues and other fees and services in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds statement.	256,436
EMS revenues and other revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds statement.	674,617
Expenses related to compensated absences that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(467,005)
Pension expense - LEOSSA	(84,567)
Pension expense - LGERS	(504,575)
Pension expense - ROD	(6,893)
OPEB plan expense	(288,533)
Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	4,967,092
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(5,406,046)
Net gain/loss on the disposal of capital assets, not recognized on modified accrual basis.	(131,008)
Accrued interest that does not require current financial resources are not reported as expenditures in the governmental funds statement.	35,519
The issuance of long-term debt provides current financial resources to governmental funds, but does not effect net assets.	(70,138)
Principal repayments and capital lease payments are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.	<u>5,462,225</u>
Total change in net position of governmental activities	<u>\$ 3,557,836</u>

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

CLEVELAND COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	General Fund			
	Budgeted Amounts		Actual	Variance from Final Budget Positive/Negative
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 62,285,970	\$ 62,285,970	\$ 63,822,841	\$ 1,536,871
Local option sales taxes	15,857,500	15,857,500	16,542,035	684,535
Unrestricted intergovernmental revenues	136,000	136,000	127,770	(8,230)
Restricted intergovernmental revenues	21,416,868	22,062,362	21,516,935	(545,427)
Permits and fees	4,446,242	4,447,242	4,699,153	251,911
Sales and services	7,231,287	7,203,287	7,212,000	8,713
Investment earnings	327,500	327,500	1,026,578	699,078
Miscellaneous	393,835	581,568	610,782	29,214
Total revenues	<u>112,095,202</u>	<u>112,901,429</u>	<u>115,558,094</u>	<u>2,656,665</u>
Expenditures:				
Current:				
General government	11,750,544	12,228,405	11,625,687	602,718
Public safety	25,221,968	26,333,590	25,391,553	942,037
Environmental protection	212,103	206,048	167,498	38,550
Economic and physical development	7,187,470	7,088,553	6,284,388	804,165
Human services	36,562,378	37,182,854	34,799,076	2,383,778
Cultural and recreational	1,346,087	1,576,658	1,320,498	256,160
Intergovernmental:				
Education	31,049,985	31,402,561	31,401,693	868
Risk management	1,077,784	2,481,641	2,481,576	65
Contingency	750,000	166,657	-	166,657
Debt service:				
Principal retirement	124,117	130,107	106,878	23,229
Interest and other charges	440	440	-	440
Total expenditures	<u>115,282,876</u>	<u>118,797,514</u>	<u>113,578,847</u>	<u>5,218,667</u>
Revenues over (under) expenditures	<u>(3,187,674)</u>	<u>(5,896,085)</u>	<u>1,979,247</u>	<u>7,875,332</u>
Other Financing Sources (Uses):				
Capital lease financing issued	-	-	70,138	70,138
Transfers from other funds	2,050,335	2,050,335	1,977,374	(72,961)
Transfers to other funds	(4,809,730)	(3,770,732)	(3,082,210)	688,522
Appropriated fund balance	5,947,069	7,616,482	-	(7,616,482)
Total other financing sources (uses)	<u>3,187,674</u>	<u>5,896,085</u>	<u>(1,034,698)</u>	<u>(6,930,783)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>944,549</u>	<u>\$ 944,549</u>
Fund Balance:				
Beginning of year - July 1			<u>40,870,422</u>	
End of year - June 30			<u>\$ 41,814,971</u>	

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

CLEVELAND COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2019

	Business-Type Activities Major Solid Waste Fund
Assets:	
Current assets:	
Cash and cash equivalents	3,643,841
Accounts receivable, net	786,568
Total current assets	4,430,409
Non-current assets:	
Capital assets:	
Land and construction in progress	18,911,351
Other capital assets, net of depreciation	4,232,385
Total non-current assets	23,143,736
Total assets	27,574,145
Deferred Outflow of Resources:	
OPEB deferrals	59,552
Pension deferrals	470,065
Total deferred outflows of resources	529,617
Liabilities:	
Current liabilities:	
Accounts payable	187,727
Accrued payroll	14,479
Prepaid taxes	1,810
Current portion of compensated absences	13,188
Total current liabilities	217,204
Non-current liabilities:	
Liabilities payable from restricted assets:	
Customer deposits	-
Other non-current liabilities:	
Accrued landfill closure and post-closure care costs	13,619,664
Compensated absences	118,691
Net pension liability	592,537
Total OPEB liability	818,893
Total non-current liabilities	15,149,785
Total liabilities	15,366,989
Deferred Inflows of Resources:	
Pension deferrals	4,388
OPEB deferrals	58,303
Total deferred outflows of resources	62,691
Net Position:	
Net investment in capital assets	23,143,736
Unrestricted	(10,469,654)
Total net position	\$ 12,674,082

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

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	Business-Type Activities
	Major
	Solid Waste Fund
Operating Revenues:	
Charges for services	\$ 7,404,183
Unrestricted intergovernmental	788,587
Total operating revenues	<u>8,192,770</u>
Operating Expenses:	
Salaries and employee benefits	2,089,437
Other operating expenses	3,458,771
Landfill closure and post-closure care costs	226,511
Depreciation	828,741
Total operating expenses	<u>6,603,460</u>
Operating income (loss)	<u>1,589,310</u>
Non-Operating Revenues (Expenses):	
Interest income	77,333
Gain/(loss) on a sale	223,145
Total non-operating revenues (expenses)	<u>300,478</u>
Income (loss) before capital contributions and transfers	<u>1,889,788</u>
Transfers:	
Transfers out	<u>(515,335)</u>
Net transfers	<u>(515,335)</u>
Change in net position	1,374,453
Net Position:	
Beginning of year - July 1	<u>11,299,629</u>
End of year - June 30	<u>\$ 12,674,082</u>

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

CLEVELAND COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2019

	Enterprise Fund
	Major
	Solid Waste Fund
Cash Flows from Operating Activities:	
Cash received from customers	\$ 8,221,850
Cash paid for goods and services	(3,413,504)
Cash paid to employees for services	(2,031,267)
Customer deposits	241
Net cash provided (used) by operating activities	<u>2,777,320</u>
Cash Flows from Non-Capital Financing Activities:	
Transfers out	<u>(515,335)</u>
Net cash provided (used) by non-capital financing activities	<u>(515,335)</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition and construction of capital assets	(1,304,593)
Proceeds from sale of long-term asset	<u>224,642</u>
Net cash provided (used) for capital and related financing activities	<u>(1,079,951)</u>
Cash Flows from Investing Activities:	
Interest on investments	<u>77,333</u>
Net increase (decrease) in cash and cash equivalents	1,259,367
Cash and Cash Equivalents:	
Beginning of year - July 1	<u>2,384,472</u>
End of year - June 30	<u>\$ 3,643,841</u>

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

CLEVELAND COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2019

	Enterprise Fund
	Major
	Solid Waste Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	\$ 1,589,310
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	828,741
Landfill closure and post-closure care costs	226,511
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	29,080
Increase (decrease) in accounts payable and accrued liabilities	45,267
Increase (decrease) in prepayments	241
Increase (decrease) in accrued vacation pay	4,380
Increase (decrease) in net OPEB liability	(10,323)
(Increase) decrease in deferred outflows of resources - pensions	(181,042)
(Increase) decrease in deferred outflows of resources - OPEB	6,452
Increase in net pension liability	217,137
Decrease in deferred inflows of resources - pension	3,200
Increase in deferred inflows of resources - OPEB	18,366
Total adjustments	1,188,010
Net cash provided (used) by operating activities	\$ 2,777,320
Contributed capital assets	\$ -

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

CLEVELAND COUNTY, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS JUNE 30, 2019

	Agency Funds
Assets:	
Cash and cash equivalents	\$ 406,070
Accounts receivable	<u>1,044,738</u>
Total assets	<u>\$ 1,450,808</u>
Liabilities:	
Intergovernmental payable	<u>\$ 1,450,808</u>
Total liabilities and fund balances	<u>\$ 1,450,808</u>

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

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CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

1. Summary of Significant Accounting Policies

The accounting policies of Cleveland County (the "County") and its discretely presented component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a five-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component unit, legally separate entities for which the County is financially accountable. Cleveland County Industrial Facility and Pollution Control Financing Authority (the Authority) is the County's sole component unit.

Cleveland County Industrial Facility and Pollution Control Financing Authority

The Cleveland County Industrial Facility and Pollution Control Financing Authority (the "Authority") exists to issue and service revenue bond debt of private business for economic development purposes. The Authority is governed by a seven-member Board of Commissioners, all of whom are appointed by the County Commissioners. The County can remove any commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Authority does not issue separate financial statements.

B. Basis of Presentation - Basis of Accounting

Basis of Presentation, Measurement Focus – Basis of Accounting

Government-Wide Statements. The Statement of Net Position and the Statement of Activities display information about the primary government net position (the County). 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. However, 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 (1) fees and charges paid by the recipients of goods or services offered by the programs, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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

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

The County reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the County. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund.

Reimbursement Resolution Capital Project Fund. This fund accounts for reimbursement proceeds used to fund capital initiatives of the County.

School Capital Reserve Fund. This fund accounts for local funds and financing proceeds used to fund school construction projects.

The County reports the following major enterprise fund:

Solid Waste Fund. This fund accounts for the maintenance and post-closure of the County's landfill, transfer station operations, and recycling.

The County also reports the following fund types:

Special Revenue Funds. Special revenue funds are used to account for specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The County maintains two special revenue funds, Emergency Telephone System Fund (E-911) and Fire Districts Fund.

Debt Service Fund. The Debt Service Fund accounts for funds set aside to meet certain long-term debt requirements.

Capital Project Funds. The capital project funds account for financial resources to be used for the acquisition and construction for major capital facilities (other than those by proprietary funds, special assessments, or trust funds). The County has twelve non-major capital project funds within the governmental fund types: North Shelby School, County General Capital Projects Fund, Public Shooting Range, Foothills Commerce Center, Kings Mountain Gate Way Trail-Phase 5, Washburn Switch Road, Pinnacle Turn Lane, Economic Development, Jail Consolidation, Enterprise Resource Planning, Fair Enhancement, and the Capital Reserve Fund.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Agency Funds. Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for position the County holds on behalf of others. The County maintains the following agency funds: 1) Fines and Forfeitures Fund, which accounts for the collection and payment of fines and forfeitures to the Board of Education in the County; 2) Social Services Fund, which accounts for monies deposited with the Department of Social Services for the benefit of certain individuals; 3) the Inmate Fund, which accounts for monies deposited with the County's Detention Center for the benefit of specific matters; 4) the Rescue Squad Fund, which accounts for monies that the County holds for the benefit of four rescue squad entities (Grover, Kings Mountain, Shelby, and Upper Cleveland Rescue); 5) the Property Tax Fund, which accounts for property taxes that are billed and collected by the County on behalf of two fire districts, one water authority, and fourteen municipalities with the County.

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds, which have no measurement focus. The government-wide, propriety 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, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Long-term debt issued and acquisitions under capital leases are reported as other financing sources. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt acquisitions under capital leases are reported as other financing sources.

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

Sales taxes and certain intergovernmental revenues 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. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues.

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

C. Budgetary Data

The County's budgets are adopted as required by North Carolina General Statutes. An annual budget ordinance is adopted for the County's General Fund, Emergency Telephone System Fund (E-911), Fire Districts Fund, General Capital Projects Fund, Capital Reserve Fund, School Capital Reserve Fund, Solid Waste Fund, and Debt Service Fund. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the all other special revenue and capital project funds.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for the multi-year funds. The Budget Officer is authorized to transfer authorized appropriations within a function and to amend the authorized budget for pass-through funds, including federal and State grants. During the year, several amendments to the original budget were necessary; the effects of which were not material. The budget ordinance must be adopted

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the County to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT). The County's investments are reported at fair value. The NCCMT- Government Portfolio, an SEC-registered (2a-7) external investment pool, is measured at fair value. The NCCMT- Term Portfolio's securities are valued at fair value.

Cash and Cash Equivalents

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

Restricted Assets

Money for Tax Revaluation is classified as restricted assets because its use is restricted per North Carolina General Statue 153A-150. Money for North Shelby School Capital Project Fund is classified as restricted assets because the funding is unspent debt proceeds. Money in the School Capital Reserve Fund is classified as restricted assets because its use is restricted per North Carolina General Statue 159-18 through 22. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The following table illustrates the breakdown of Cleveland County's restricted cash:

Governmental Activities		
Fund	Purpose	Amount
General Fund	Tax revaluation	\$ 15,426
North Shelby School Capital Project Fund	Unspent debt proceeds	508,530
School Capital Reserve Fund	Restricted for school capital	6,561,861
Total		<u>\$ 7,085,817</u>
Business-Type Activities		
Solid Waste	Customer deposits	<u>\$ -</u>

Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2018. As allowed by State law, the County has established a schedule of discounts that apply to such taxes that are paid prior to the due date. In the County's General Fund and County Fire Service Fund, ad valorem tax revenues are reported net of such discounts.

Allowances for Doubtful Accounts

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

Inventories and Prepaid Items

The inventories of the County are valued at cost (first-in, first-out), which approximates market values. The County's General Fund inventory consists of pharmaceuticals and certain pharmaceutical supplies that are recorded as expenditures when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Cleveland County accounts for prepaid items using the consumption method of accounting. Under this methodology purchases are debited to a prepaid asset account and are recorded as expenditures when used rather than when purchased.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Minimum capitalization costs are as follows for the year ended June

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

30, 2019: land, \$10,000; buildings, improvements, and other plant and distribution systems, \$15,000; infrastructure, \$20,000; equipment and furniture, \$5,000; vehicles and motorized equipment, \$10,000; computer software, \$5,000; and computer equipment, \$500. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Cleveland County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase 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 Board of Education give the Board 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 Board of Education after 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 Cleveland County Board of Education.

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

Assets	Estimated Useful Lives
Computer equipment	3 years
Electronic items and vehicles	5 years
Firearms, furniture, and equipment	7 years
Infrastructure and improvements	15 years
Buildings	39 years

Long-Term Obligations

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

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Compensated Absences

The vacation policies of the County provide for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as leave when earned. Compensated absences typically have been liquidated in the General Fund and are accounted for on an LIFO basis, assuming that employees are taking leave time as it is earned.

The overtime policy of the County provides for the accumulation of up to sixty days (480 hours) for non-exempt public safety employees and up to thirty days for all other non-exempt employees. Non-exempt employees will earn compensatory hours at the rate of one and one-half the number of hours worked above forty hours during a specific week. Exempt employees earn an hour of compensatory leave for each hour worked beyond forty in a specific week. There is no maximum ceiling for compensatory hours earned by an exempt employee because exempt employees will not be paid upon termination of employment; therefore, there is no liability reflected in the government-wide or enterprise fund financial statements for overtime earned by exempt employees. There is an expense and liability recorded in the government-wide and enterprise funds for compensated absences and salary-related overtime earned by public safety employees and all other non-exempt employees.

The sick leave policies of the County provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the County has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County.

Deferred Outflows/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 position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has two items that meet this criteria – pension related deferrals 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 position that applies to a future period and so will not be recognized as revenue until then. The County has five items that meet the criteria for this category – property taxes receivable, prepaid taxes, other receivables, pension and OPEB related deferrals.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant areas where estimates are made are: allowance for doubtful accounts, depreciation lives, other post-employment benefits, and law enforcement officers' pension obligations.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

Non-Spendable Fund Balance

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

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

Note Receivable – portion of fund balance that is not an available resource because it represents the year-end balance of a long-term receivable, which are not spendable resources.

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

Restricted Fund Balance

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

Restricted for Stabilization by State Statute – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislatures in the 1930's that were designed to improve and maintain 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

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

“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.

Restricted for Register of Deeds - portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds’ office.

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

Restricted for Human Services – portion of spendable fund balance available and restricted by donors to pay for items of a human service nature, such as medications and eyeglasses for needy persons.

Restricted for Cultural and Recreation – portion of spendable fund balance restricted by donors to pay for library books, materials, equipment, and facility upgrades.

Restricted for Education – portion of spendable fund balance that can only be used for school capital per G.S. 159-18-22.

Restricted for Economic and Physical Development – portion of fund balance restricted for economic development projects.

Restricted fund balance at June 30, 2019 is as follows:

Purpose	General Fund	School Capital Reserve Fund	Other Governmental Funds	Total Restricted
Restricted, all other:				
Public safety	\$ 250,000	\$ -	\$ 1,847,032	\$ 2,097,032
Human services	2,000,000	-	-	2,000,000
Cultural and recreation	215,389	-	-	215,389
Education	-	6,561,861	508,530	7,070,391
Total	<u>\$ 2,465,389</u>	<u>\$ 6,561,861</u>	<u>\$ 2,355,562</u>	<u>\$ 11,382,812</u>

Restricted net position on Exhibit A varies from restricted fund balance on Exhibit C by ROD Pension Plan of \$145,947.

Committed Fund Balance

This classification represents the portion of fund balance that can only be used for specific purposes determined by a formal action of the government’s highest level of decision-making authority. The governing council is the highest level of decision-making authority for the

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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 Tax Revaluation – represents the portion of fund balance committed by the governing body for future tax revaluation purposes.

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

Committed for Health and Human Services – portion of fund balance committed by the governing body to support health and human services.

Committed fund balance at June 30, 2019 is as follows:

Purpose	Reimbursement			
	General	Resolution	Other	Total
	Fund	Capital Project	Governmental	Governmental
		Fund	Funds	Funds
Committed:				
Tax revaluation	\$ 15,426	\$ -	\$ -	\$ 15,426
Economic and physical development	-	8,120,072	3,128	8,123,200
Health & Human Services	1,000,000	-	-	1,000,000
Total	<u>\$ 1,015,426</u>	<u>\$ 8,120,072</u>	<u>\$ 3,128</u>	<u>\$ 9,138,626</u>

Assigned Fund Balance

Assigned fund balance is the portion of fund balance that Cleveland County intends to use for specific purposes. The County's governing body has the authority to assign fund balance. The Manager and Finance Director, as granted in the officially adopted budget ordinance, have been granted limited authority to assign fund balance.

Subsequent Year's Expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the Manager and Finance Director to make certain modifications without requiring board approval.

Assigned for General Government – portion of fund balance budgeted assigned by the Board to manage future general operational processes.

Assigned for Risk Management Operations – portion of fund balance budgeted assigned by the Board to manage future risk management processes.

Assigned for Economic and Physical Development – portion of fund balance budgeted by the board for economic development and incentive projects.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Assigned for Debt Service – portion of fund balance budgeted by the board for future debt service needs.

Assigned fund balance at June 30, 2019 is as follows:

Purpose	General Fund	Other Governmental Funds	Total
Assigned:			
Subsequent year's expenditures	\$ 4,992,241	\$ -	\$ 4,992,241
General government	-	1,594,155	1,594,155
Risk management operations	1,000,000	-	1,000,000
Economic and physical development	2,300,000	-	2,300,000
Debt service	-	1,200,000	1,200,000
Total	<u>\$ 8,292,241</u>	<u>\$ 2,794,155</u>	<u>\$ 11,086,396</u>

Unassigned Fund Balance

Unassigned fund balance is 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.

Cleveland County has a revenue spending policy that provides 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 non-county funds, and 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.

Cleveland County has adopted a minimum fund balance policy for the General Fund, which instructs management to conduct business of the County in such a manner that unassigned fund balance is at least equal to or greater than 16% of actual expenditures. Any portion of the General Fund balance in excess of 16% of actual expenditures may be appropriated for future use for a specific purpose.

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

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Total fund balance - General Fund	\$ 41,814,971
Less:	
Inventories	(108,852)
Prepays	(396,008)
Stabilization by State statute	(8,647,664)
Total available fund balance	<u>\$ 32,662,447</u>

Defined Benefit Pension and OPEB Plans

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LGERS), the Registers of Deeds' Supplemental Pension Fund (RODSPF), and the Law Enforcement Officers' Special Separation Allowance (LEOSSA) (collectively, the "state-administered defined benefit pension plans"), and one other postemployment benefit plan (OPEB). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments for all plans are reported at fair value.

Net Investment in Capital Assets:

Net investment in capital assets at June 30, 2019 are computed as follows:

	<u>Governmental</u>	<u>Business-Type</u>
Capital assets	\$ 119,305,857	\$ 23,143,736
Less: Long-term debt	(53,189,562)	-
Add: Unexpended debt proceeds	508,530	-
Add: School debt for assets to which the County does not hold title	19,869,278	-
Total	<u>\$ 86,494,103</u>	<u>\$ 23,143,736</u>

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

2. Detail Notes On All Funds

A. Assets

Deposits

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

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

At June 30, 2019, the County's deposits had a carrying amount of \$2,809,981 and a bank balance of \$3,204,119. Of the bank balance, \$744,555 was covered by federal depository insurance, and \$2,459,564 was covered by collateral held under the Pooling Method. At June 30, 2019, the County had \$18,678 cash on hand.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Investments

At June 30, 2019, the County had the following investments and maturities:

Investment Type	Valuation	Fair Value	Less Than	6-12	1-3
	Measurement Method		6 Months	Months	Years
U.S. government agencies	Fair Value - Level 2	\$ 7,170,750	\$ 4,732,695	\$ 932,198	\$ 1,505,857
NC Capital Management					
Trust - Government Portfolio	Fair Value - Level 1	18,540,925	18,540,925	-	-
Commercial paper	Fair Value - Level 2	30,984,528	25,265,174	5,719,354	-
Total		<u>\$ 56,696,203</u>	<u>\$ 48,538,794</u>	<u>\$ 6,651,552</u>	<u>\$ 1,505,857</u>

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

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2: Debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from 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 three years.

Credit Risk. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2019, the County's investments in commercial paper were rated P-1 by Standard and Poor's and A-1 by Moody's Investment Service. The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2019. The County's investment in U.S. government agencies (Federal Home Loan Mortgage Company) and (Federal National Mortgage Agency) were rated AAA by Standard & Poor's and Aaa by Moody's Investment Service as of June 30, 2019.

Concentration of Credit Risk.

To further hedge against credit risk, the County's policy on investments requires diversification among financial instruments and requires the investment officer to routinely monitor financial market conditions. The county will diversify use of investment instruments to avoid incurring unreasonable risks inherent in overinvesting in specific instruments, individual financial institutions or maturities as follows:

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

<u>Investment Type</u>	<u>Maximum % of Portfolio</u>
U.S. Government Agency	100%
U.S. Government Treasury	100%
Repurchase Agreements / CDs	25%
Commercial Bank Certificate of Deposit	25%
Commercial Paper	98%

Property Tax – Use-Value Assessment on Certain Lands

In accordance with the General Statutes, agriculture, horticulture, and forestland may be taxed by the County at the present use-value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable.

The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

<u>Tax Year Levied</u>	<u>Additional Tax</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,682,583	\$ 50,477	\$ 1,733,061
2018	1,678,722	48,714	1,727,436
2017	1,705,399	51,162	1,756,561
2016	1,707,455	51,222	1,758,677
2015	1,516,907	72,155	1,589,062
Total	<u>\$ 6,608,483</u>	<u>\$ 223,253</u>	<u>\$ 6,831,736</u>

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Receivables

Receivables at the government-wide level at June 30, 2019 were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Due from Other Governments</u>	<u>Total</u>
Governmental Activities:				
General	\$ 13,120,042	\$ 2,320,328	\$ 294,855	\$ 15,735,225
School capital reserve	897,918	-	-	897,918
Other governmental	1,021,247	75,870	-	1,097,117
Total receivables	15,039,207	2,396,198	294,855	17,730,260
Allowance for doubtful accounts	(2,846,590)	(687,905)	-	(3,534,495)
Total governmental activities	<u>\$ 12,192,617</u>	<u>\$ 1,708,293</u>	<u>\$ 294,855</u>	<u>\$ 14,195,765</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Business-Type Activities:				
Solid waste	\$ 965,536	\$ -	\$ -	\$ 965,536
Allowance for doubtful accounts	(178,968)	-	-	(178,968)
Total business-type activities	<u>\$ 786,568</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 786,568</u>

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

Sales and Use Tax	<u>\$ 294,855</u>
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CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Capital Assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	<u>Balance July 1, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Balance June 30, 2019</u>
Governmental Activities:					
Non-Depreciable Capital Assets:					
Land	\$ 17,253,594	\$ (728,605)	\$ (82,600)	\$ -	\$ 16,442,389
Construction in progress	13,903,337	3,279,172	(12,961,436)	-	4,221,073
Total non-depreciable capital assets	<u>31,156,931</u>	<u>2,550,567</u>	<u>(13,044,036)</u>	<u>-</u>	<u>20,663,462</u>
Depreciable Capital Assets:					
Buildings	103,687,651	13,052,582	-	-	116,740,233
Vehicles and motor equipment	23,605,442	1,552,441	(561,796)	(19,851)	24,576,236
Leasehold improvements	425,178	-	-	-	425,178
Infrastructure	6,740,713	-	-	-	6,740,713
Total depreciable capital assets	<u>134,458,984</u>	<u>14,605,023</u>	<u>(561,796)</u>	<u>(19,851)</u>	<u>148,482,360</u>
Less Accumulated Depreciation:					
Buildings	23,732,090	2,616,968	-	-	26,349,058
Vehicles and motor equipment	17,585,746	2,325,525	(536,951)	(19,851)	19,354,469
Leasehold improvements	289,206	14,173	-	-	303,379
Infrastructure	4,133,055	449,380	-	-	4,582,435
Total accumulated depreciation	<u>45,740,097</u>	<u>5,406,046</u>	<u>(536,951)</u>	<u>(19,851)</u>	<u>50,589,341</u>
Total depreciable capital assets	<u>88,718,887</u>	<u>9,198,977</u>	<u>(24,845)</u>	<u>-</u>	<u>97,893,019</u>
Governmental activities capital assets, net	<u>\$ 119,875,818</u>	<u>\$ 11,749,544</u>	<u>\$ (13,068,881)</u>	<u>\$ -</u>	<u>\$ 118,556,481</u>

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

General government	\$ 973,090
Public safety	2,108,368
Economic and physical development	54,071
Human services	864,967
Cultural and recreational	162,180
Education	1,243,370
Total	<u>\$ 5,406,046</u>

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Increases	Decreases	Transfers	Balance June 30, 2019
Business-Type Activities:					
Solid Waste:					
Non-Depreciable Capital Assets:					
Land	\$ 18,912,848	\$ -	\$ (1,497)	\$ -	\$ 18,911,351
Construction in progress	-	-	-	-	-
Total non-depreciable capital assets	<u>18,912,848</u>	<u>-</u>	<u>(1,497)</u>	<u>-</u>	<u>18,911,351</u>
Depreciable Capital Assets:					
Buildings	1,238,863	-	-	-	1,238,863
Equipment and vehicles	7,900,756	1,304,593	(116,529)	19,851	9,108,671
Leasehold improvements	16,518	-	-	-	16,518
Infrastructure	4,283,005	-	-	-	4,283,005
Total depreciable capital assets	<u>13,439,142</u>	<u>1,304,593</u>	<u>(116,529)</u>	<u>19,851</u>	<u>14,647,057</u>
Less Accumulated Depreciation:					
Buildings	389,835	31,413	-	-	421,248
Equipment and vehicles	5,139,509	786,619	(116,529)	19,851	5,829,450
Leasehold improvements	11,237	551	-	-	11,788
Infrastructure	4,142,028	10,158	-	-	4,152,186
Total accumulated depreciation	<u>9,682,609</u>	<u>828,741</u>	<u>(116,529)</u>	<u>19,851</u>	<u>10,414,672</u>
Total depreciable capital assets, net	<u>3,756,533</u>	<u>475,852</u>	<u>-</u>	<u>-</u>	<u>4,232,385</u>
Solid Waste capital assets, net	<u>\$ 22,669,381</u>	<u>\$ 475,852</u>	<u>\$ (1,497)</u>	<u>\$ -</u>	<u>\$ 23,143,736</u>

The County did not have any outstanding construction commitments as of June 30, 2019.

B. Liabilities

Payables

Payables at the government-wide level at June 30, 2019 were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Insurance Claims Incurred But Not Reported	Total
Governmental Activities:					
General	\$ 2,887,647	\$ 199,542	\$ 359,179	\$ 818,904	\$ 4,265,272
Other governmental	141,474	-	-	-	141,474
Total governmental activities	<u>\$ 3,029,121</u>	<u>\$ 199,542</u>	<u>\$ 359,179</u>	<u>\$ 818,904</u>	<u>\$ 4,406,746</u>
Business-Type Activities:					
Solid Waste	<u>\$ 187,727</u>	<u>\$ 14,479</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 202,206</u>

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Pension Plan and Other Postemployment Obligations

Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the statewide Local Governmental Employee's 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 Government Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919-981-5454, or at www.osc.nc.gov.

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

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 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.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2019, was 8.50% of compensation for law enforcement officers and 7.75% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$2,914,078 for the year ended June 30, 2019.

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, 2019, the County reported a liability of \$12,306,761 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2019, the County's proportion was .519%, which was a decrease of .003% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, the County recognized pension expense of \$3,457,947. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,898,641	\$ 63,709
Changes of assumptions	3,265,739	-
Net difference between projected and actual earnings on pension plan investments	1,689,353	-
Changes in proportion and differences between County contributions and proportionate share of contributions	65,564	24,051
County contributions subsequent to the measurement date	2,914,078	-
Total	<u>\$ 9,833,375</u>	<u>\$ 87,760</u>

\$2,914,078 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2019. 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
2019	\$ 3,302,063
2020	2,148,597
2021	391,121
2022	989,756
2023	-
Thereafter	-
Total	<u>\$ 6,831,537</u>

Actuarial Assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 percent
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality rates based on the RP-2014 Total Data Set for Healthy Annuitants Mortality Table that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study as of December 31, 2014.

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, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	29.0%	1.4%
Global equity	42.0%	5.3%
Real estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation protection	6.0%	4.0%
Total	<u>100%</u>	

The information above is based on 30-year expectations developed with the consulting actuary for the 2018 asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. 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

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.20%)
County's proportionate share of the net pension liability (asset)	<u>\$ 29,561,907</u>	<u>\$ 12,306,761</u>	<u>\$ (2,111,908)</u>

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

Law Enforcement Officers' Special Separation Allowance

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

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2017, the Separation Allowance's membership consisted of 109 active plan members and 9 retired members receiving benefits.

Summary of Significant Accounting Policies

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

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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 actuarial cost method was used in the December 31, 2017 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount rate	3.64 percent

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

DEATHS AFTER RETIREMENT (HEALTHY): RP-2014 Healthy Annuitant base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. Rates are adjusted by 104% for males and 100% for females.

DEATHS BEFORE RETIREMENT: RP-2014 Employee base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015.

DEATHS AFTER RETIREMENT (BENEFICIARY): RP-2014 Healthy Annuitant base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. Rates are adjusted by 123% for males and females.

DEATHS AFTER RETIREMENT (DISABLED): RP-2014 Disabled Retiree base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. Rates are adjusted by 103% for males and 99% for females.

Contributions

The County is required by Article 12D of G. S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments earned on a pay-as-you-go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$141,314 as benefits came due for the reporting period.

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

At June 30, 2019, the County reported a total pension liability of \$2,829,769. The total pension liability was measured as of December 31, 2018 based on a December 31, 2017 actuarial valuation. The total pension liability was rolled forward to December 31, 2018 utilizing update

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

procedures incorporating the actuarial assumptions. For the year ended June 30, 2019, the County recognized pension expense of \$183,865.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 145,266	\$ -
Changes in assumptions	102,084	111,506
County benefit payments and plan administrative expenditures paid subsequent to the measurement date	<u>99,298</u>	<u>-</u>
Total	<u><u>\$ 346,648</u></u>	<u><u>\$ 111,506</u></u>

\$99,298 reported as deferred outflows of resources related to pensions resulting from County benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ending June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2020	\$ 33,816
2021	33,816
2022	33,816
2023	31,102
2024	3,294
Thereafter	<u>-</u>
Total	<u><u>\$ 135,844</u></u>

\$98,847 paid as benefits came due and \$451 of administrative expenses subsequent to the measurement date are reported as deferred outflows of resources.

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 3.64 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 (2.64 percent) or 1-percentage-point higher (4.64 percent) than the current rate:

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	1% Decrease (2.64%)	Discount Rate (3.64%)	1% Increase (4.64%)
Total pension liability	\$ 3,044,161	\$ 2,829,769	\$ 2,632,979

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

	2019
Beginning balance	\$ 2,725,009
Service Cost	136,342
Interest on the total pension liability	83,878
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	126,505
Changes of assumptions or other inputs	(100,651)
Benefit payments	(141,314)
Net changes	104,760
Ending balance of the total pension liability	\$ 2,829,769

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 3.16 percent at June 30, 2017 to 3.64 percent at June 30, 2018.

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, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Supplemental Retirement Income Plan for Law Enforcement Officers

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

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes 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 that the County contribute each month an amount equal to 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2019 were \$594,255, which consisted of \$397,837 from the County and \$196,418 from the law enforcement officers. No amounts were forfeited.

Registers of Deeds' Supplemental Pension Fund

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

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$7,759 for the year ended June 30, 2019.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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

At June 30, 2019, the County reported an asset of \$133,496 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2018, the County's proportion was .806%, which was an increase of .102% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the County recognized pension expense of \$14,655. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,177	\$ 6,093
Changes of assumptions	6,279	-
Net difference between projected and actual earnings on pension plan investments	21,278	-
Changes in proportion and differences between County contributions and proportionate share of contributions	309	18,258
County contributions subsequent to the measurement date	7,759	-
Total	<u>\$ 36,802</u>	<u>\$ 24,351</u>

\$7,759 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2020. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Year Ending	
June 30	Amount
2020	\$ 861
2021	(5,744)
2022	6,271
2023	3,305
2024	-
Thereafter	-
Total	<u>\$ 4,693</u>

Actuarial Assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 to 7.75 percent, including inflation and productivity factor
Investment rate of return	3.75 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, 2017 valuation were based on the results of an actuarial experience study as of December 31, 2014.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2019 is 1.4%.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The information above is based on 30 year expectations developed with the consulting actuary for the 2019 asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 3.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.75 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	<u>1% Decrease (2.75%)</u>	<u>Discount Rate (3.75%)</u>	<u>1% Increase (4.75%)</u>
County's proportionate share of the net pension liability (asset)	<u>\$ 105,254</u>	<u>\$ 133,496</u>	<u>\$ 157,313</u>

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

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

The net pension liability for LGERS and ROD was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability for LEOSSA was measured as of June 30, 2018, with an actuarial valuation date of December 31, 2017.

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:

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 12,306,761	\$ (133,496)	\$ -	\$ 12,173,265
Proportion of the Net Pension Liability (Asset)	0.5188%	0.8060%	NA	
Total Pension Liability	\$ -	\$ -	\$ 2,829,769	\$ 2,829,769
Pension Expense	\$ 3,457,947	\$ 14,655	\$ 254,985	\$ 3,727,587

At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>ROD</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 1,898,641	\$ 145,266	\$ 1,177	\$ 2,045,084
Changes of assumptions	3,265,739	102,084	6,279	3,374,102
Net difference between projected and actual earnings on pension plan investments	1,689,353	-	21,278	1,710,631
Changes in proportion and differences between County contributions and proportionate share of contributions	65,564	-	309	65,873
County contributions (LGERS, ROD) and benefit payments and administration costs (LEOSSA) subsequent to the measurement date	<u>2,914,078</u>	<u>99,298</u>	<u>7,759</u>	<u>3,021,135</u>
	<u>\$ 9,833,375</u>	<u>\$ 346,648</u>	<u>\$ 36,802</u>	<u>\$ 10,216,825</u>

Deferred Inflows of Resources

Differences between expected and actual experience	\$ 63,709	\$ -	\$ 6,093	\$ 69,802
Changes of assumptions	-	111,506	-	111,506
Changes in proportion and differences between County contributions and proportionate share of contributions	<u>24,051</u>	<u>-</u>	<u>18,258</u>	<u>42,309</u>
	<u>\$ 87,760</u>	<u>\$ 111,506</u>	<u>\$ 24,351</u>	<u>\$ 223,617</u>

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Post-Employment Benefits

Other Post-Employment Benefits - Healthcare Benefits

Plan Description. In addition to providing pension benefits, the County has elected to provide healthcare benefits to retirees of the County who were hired on or before June 30, 2014 and have at least twenty (20) years of service with the County or are at least 50, but not Medicare eligible. Retired employees meeting the criteria discussed herein will be provided hospitalization in the same manner as the active County employees. The County is self-insured and contracts with a private carrier to administer the healthcare plan. A separate report was not issued for the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Membership of the plan consisted of the following at June 30, 2017, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	100
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	628
Total	<u>728</u>

Funding Policy. Under a County resolution that can be amended by the Board of County Commissioners, the County pays 100% of the cost of coverage for the healthcare benefits paid to qualified retirees with twenty (20) years of service to the County, and that were hired on or before June 30, 2014. Employees can purchase coverage for their dependents at the County's group rates, retirees can only purchase coverage under C.O.B.R.A. guidelines for a specific number of months following retirement. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

Total OPEB Liability

The County's total OPEB liability of \$16,377,850. was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.5 percent
Salary increases	3.50 to 7.75 percent, including wage inflation
Discount rate	3.89 percent
Healthcare cost trend rates	Pre-Medicare - 7.50 percent for 2017 decreasing to an ultimate rate of 5.00 percent by 2023

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The discount rate is based on the June average of the Bond Buyer General Obligation 20-Year Municipal Bond Index published weekly by The Bond Buyer.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2017	\$ 16,584,322
Changes for the year	
Service Cost	691,281
Interest	574,289
Changes of benefit terms	-
Differences between expected and actual experience	(24,112)
Changes in assumptions or other inputs	(534,720)
Benefit Payments	(913,210)
Net changes	<u>(206,472)</u>
Balance at June 30, 2018	<u>\$ 16,377,850</u>

Changes in assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 3.56% to 3.89%.

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 weekly 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-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2010 – December 31, 2014, adopted by LGERS.

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, 2016 valuation were based on a review of recent plan experience done concurrently with the June 30, 2016 valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.89 percent) or 1-percentage-point higher (4.89 percent) than the current discount rate:

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	<u>1% Decrease</u> <u>(2.89%)</u>	<u>Discount Rate</u> <u>(3.89%)</u>	<u>1% Increase</u> <u>(4.89%)</u>
Total OPEB liability	\$ 18,059,809	\$ 16,377,850	\$ 14,873,251

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

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB liability	\$ 14,481,411	\$ 16,377,850	\$ 18,636,698

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

For the year ended June 30, 2019, the County recognized OPEB expense of \$1,136,582. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 357,478	\$ -
Changes of assumptions	-	20,985
Benefit payments and plan administrative expense made subsequent to the measurement date	833,555	1,145,070
Total	\$ 1,191,033	\$ 1,166,055

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

\$833,555 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending	
June 30	Amount
2020	\$ (128,914)
2021	(128,914)
2022	(128,914)
2023	(128,914)
2024	(128,914)
Thereafter	<u>(164,007)</u>
Total	<u>\$ (808,577)</u>

Landfill Closure and Post-Closure Care Costs

Federal and State laws and regulations require the County to place a final cover on its landfills when they stop accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Current federal and State regulations required all unlined landfills to stop accepting waste by January 1, 1998. Although certain closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period.

The \$13,619,664 reported as landfill post-closure care liability at June 30, 2019 represents the cumulative amount reported at that date for costs yet to be incurred. The County will recognize the remaining estimated cost of post-closure care as incurred. These amounts are based on what it would cost to perform all post-closure care in 2019. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

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

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Deferred Outflows and Inflows of Resources

The balance in deferred outflows and inflows of resources in the governmental fund statements at year-end is composed of the following elements:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension deferrals	\$ 10,216,825	\$ 223,617
OPEB deferrals	1,191,033	1,166,055
Other prepaid revenue, not yet earned (General)	-	-
Prepaid taxes, not yet earned (General)	-	179,747
Taxes receivable, net less penalties (General)	-	1,632,423
Taxes receivable, net less penalties (Special Revenue)	-	75,870
Other receivable (General Fund)	-	2,333,990
Total	<u>\$ 11,407,858</u>	<u>\$ 5,611,702</u>

Risk Management

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 that are performance bonded through a commercial surety bond. The Finance Director and Tax Collector are bonded for \$200,000 and \$1,000,000, respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of position; errors and omissions; injuries to employees; and natural disasters. The County is self-funded for property and liability claims up to a maximum of \$350,000 per occurrence and purchases coverage up to statutory limits through Genesis Insurance Company, which is wholly owned subsidiary of General Reinsurance Corporation. Both companies are rated A++ by A.M. Best and AA+ by Standard & Poor's. Cleveland County contacts with Guilford City/County Insurance Advisory Committee as an independent 3rd party administrator for property and liability consultation.

The County does not carry flood insurance. County offices are not located in a flood plain; therefore, flood insurance is not deemed necessary.

The County is self-funded for workers' compensation claims up to a maximum of \$600,000 per claim and purchases coverage up to statutory limits through Safety National Casualty Corporation. Cleveland County contacts with Guilford City/County Insurance Advisory Committee as an independent 3rd party administrator for workers compensation. The estimated liability for outstanding losses includes \$281,765 for incurred but unpaid claims as of June 30, 2019.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Effective July 1, 2002, the County became self-insured for health insurance coverage on a cost-reimbursement basis. Under this program, the County is obligated for claims payments. The County contributes up to \$1,100 per employee as part of a HSA plan. A stop-loss insurance contract executed with an insurance carrier covers claims in excess of \$125,000 per person. The estimated liability for outstanding losses includes \$537,139 for incurred but unrecorded claims as of June 30, 2019. The County has contracted with a private insurer (BCBS) to administer the payment of claims and the County reimburses the insurer each week.

The County also operates a dental plan on a cost reimbursement basis up to \$1,025 per person per year. Employees are reimbursed each month.

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

Changes in the balances of claims liabilities for health insurance during the past fiscal year are as follows:

	Year Ending June 30	
	2018	2019
Health	\$ 321,555	\$ 537,139
Workers' compensation	101,086	281,765
Total	<u>\$ 422,641</u>	<u>\$ 818,904</u>

Claims typically have been liquidated in the General Fund and the Solid Waste Fund.

Claims and Judgments

At June 30, 2019, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters may have a material adverse effect on the County's financial position. A potential liability could result if unfavorable final decisions are rendered in lawsuits to which the County is a named defendant. No known amounts have been identified, therefore, an amount has not been recorded as a liability in these statements.

Long-Term Obligations

Capital Leases

The County has entered into two lease agreements to lease certain equipment that qualifies as a capital lease for accounting purposes and, therefore, it has been recorded at the present value of the future minimum lease payments as of the date of their inception. The public safety lease was executed in September 2016 and requires 5 annual payments between \$69,160 and \$105,950. The board of election lease was executed in August 2017 and requires 5 annual payments of \$5,288.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

These payments are recorded as debt service expenditures in the General Fund.

At June 30, 2019, the present value of future minimum lease payments for equipment leased by the County was:

Year Ending June 30	Principal
2020	\$ 102,644
2021	103,199
2022	17,084
2023	11,520
Total minimum lease payments	234,447
Less: amount representing interest	-
Present value of the minimum lease payments	<u>\$ 234,447</u>

Other Long-Term Obligations

The County has executed various other long-term obligations including Qualified School Construction Bonds, Recovery Zone Economic Development Bonds, American Recovery Zone Bonds, and private placement loans for the purpose of property acquisition and construction.

As authorized by state law G.S. 160A-20 and 153A-158.1, the County has financed a portion of these property acquisitions in direct placements for use by various County departments and the Cleveland County Community College. The installment purchases were issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County has entered into contracts to help finance the costs of implementing a Public Safety Communication System in 2007, the costs of expanding and renovating the Detention Center Annex Expansion in 2009, the costs of constructing a multi-use facility at Cleveland Community College through direct loans from a financial institution in 2010, and the costs of constructing a school and renovations of County buildings in 2017. When due, principal and interest are appropriated in the County's Debt Service Fund. The face value of the outstanding loans is recorded in the government-wide Statement of Net Position, along with any accrued interest payable at year-end.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Serviced by the General Fund:

Direct Placement Debt:

\$6,000,000 - Public Safety Communication Equipment, Series 2007;
due in annual installments of \$400,000 through December 2022; interest payable
BB&T at 3.93% from 2007-2010; 3.46% 2011-2013; 2.27% 2014-2022 \$ 1,600,000

\$6,720,000 - Detention Center Annex Expansion Project, Series 2009;
due in semi annual installments of \$224,000 through April 2024.
interest payable to BB&T at 3.57% through 2012; and 2.39% through 2024 2,240,000

\$17,528,950 - Community College Building Project, Series 2010 C & D. due in
semi-annual installments of \$586,098 through September 2025; interest payable
at 4.91%; These are American Recovery Zone Bonds and interest payments are
partially subsidized by the federal government; payments are due to BB&T 7,619,278

\$33,350,000 - County Buildings, Public Infrastructure & Schools Project;
due in semi-annual installments of \$2,224,000 through September 2031;
interest at 3.25%; payments are due to Capital One Public Finance 28,902,000

\$12,255,000 - City of Shelby Enterprise System Revenue Bonds, Series 2004;
due in annual installments ranging from \$315,000 to \$810,000 through
May 1, 2029; County's portion of revenue bonds (\$634,599) per contract with
City of Shelby are due in annual installments of \$16,312 to \$41,944 through
May 1, 2029; interest is payable at 5% and are due to the City of Shelby 343,837

Total direct placement \$ 40,705,115

The County's outstanding notes from direct placement contain provisions that an event of default could (a) declare the unpaid portion of the principal components of installment payments immediately due and payable without notice or demand to the County; (b) proceed by appropriate court action to enforce performance by the County of the applicable covenants of the contract or to recover for the breach thereof; (c) exercise or direct the Deed of Trust trustee to exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code of the State and the general laws of the State with respect to the enforcement of the security interest granted or reserved under the contract and the Deed of Trust including, without limitation, to the extent permitted by law, re-enter and take possession of the premises without any court order or other process of law and without liability for entering the premises and sell, lease, sublease or make other disposition of the same in a commercially reasonable manner for the account of the County, and apply the proceeds of any such sale, lease, sublease or other disposition, after deducting all cost and expenses, including court costs and attorneys' fees incurred with the recovery, repair, storage and other sale, lease, sublease or other disposition, toward the balance due under the contract and, thereafter, shall pay any remaining proceeds to the County (d) direct the Deed of Trust trustee to institute foreclosure proceedings and sell the property.

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Annual debt service requirements to maturity for the County's other long-term obligation bonds and loans are as follows:

Year Ending June 30	Principal	Interest
2020	\$ 4,271,642	\$ 1,366,679
2021	4,272,936	1,215,678
2022	4,274,490	1,064,610
2023	4,275,043	913,483
2024	3,876,597	762,295
2025-2029	13,065,409	2,100,667
2030-2033	6,668,998	325,114
Total	<u>\$ 40,705,115</u>	<u>\$ 7,748,526</u>

Limited Obligation Indebtedness

The County's Limited Obligation Bonds consisted of the following at June 30, 2019:

Limited Obligation Bonds

\$22,000,000 - Shelby Middle School, Series 2010 A & B Limited Obligation Bonds; due in semi-annual installments ranging from \$1,080,000 to \$1,140,000 through March 2030; interest is payable semi-annually ranging from 4.49% to 6.07%. These are Build America Bonds and interest payments are partially subsidized by federal government; payments are due to Wells Fargo

12,250,000

Total General Obligation and Limited Obligation Bonds

\$ 12,250,000

The County issued Limited Obligation Bonds for which the County does not hold title to the capital assets. The bonds were issued for public school construction and renovation projects. The amount of outstanding debt at June 30, 2019 for which the County held no collateral totaled \$12,250,000.

As authorized by State law [G.S.160A-20 and 153A-158.1], the County has financed various property acquisitions for use by the Cleveland County Public School by installment purchase. The installment purchase was issued pursuant to a deed of trust that requires legal title remain with the County as long as the debt is outstanding.

All limited obligation indebtedness that is serviced by the County are collateralized by the full faith credit and taxing power of the County. In 2010, the County sold limited obligation bonds to investors to finance the construction of a new middle school in Shelby and such bonds are considered a variation of the installment purchase loan mentioned above. The debt is serviced out of the County's Debt Service Fund and the face amount of principal is recorded in the

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

government-wide Statement of Net Position. The loan contains provisions that an event of default could (a) declare all payments under the Trust Agreement immediately due and payable (b) proceed by appropriate court action to enforce performance by the County of the applicable covenants of the contract or to recover for the breach thereof (c) exercise or direct the Deed of Trust trustee to exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code of the State and the general laws of the State with respect to the enforcement of the security interest granted or reserved under the contract and the Deed of Trust including, without limitation, to the extent permitted by law, re-enter and take possession of the premises without any court order or other process of law and without liability for entering the premises and sell, lease, sublease or make other disposition of the same in a commercially reasonable manner for the account of the County, and apply the proceeds of any such sale, lease, sublease or other disposition, after deducting all cost and expenses, including court costs and attorneys' fees incurred with the recovery, repair, storage and other sale, lease, sublease or other disposition, toward the balance due under the contract and, thereafter, shall pay any remaining proceeds to the County (d) direct the Deed of Trust trustee to institute foreclosure proceedings and sell the property.

Annual debt service for the County's limited obligation bonds to maturity at June 30, 2019 are:

Year Ending		
June 30	Principal	Interest
2020	\$ 1,085,000	\$ 664,734
2021	1,085,000	638,043
2022	1,135,000	586,289
2023	1,135,000	523,637
2024	1,135,000	460,985
2025-2029	5,590,000	1,323,541
2030-2033	1,085,000	65,860
Total	<u>\$ 12,250,000</u>	<u>\$ 4,263,089</u>

Debt Related to Capital Activities - Of the total governmental activities debt listed, only \$33,320,284 relates to assets the County holds title. The County has unspent debt proceeds in the amount of \$508,530 for the North Shelby School Capital Project Fund. The County also has capital proceeds that were reimbursed via installment financing in the Reimbursement Resolution Capital Project Fund. These funds are not considered unspent debt proceeds and are not restricted by debt covenants. A summary of changes in long-term debt follows:

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

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, 2019:

	<u>Balance</u> <u>July 1, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2019</u>	<u>Current</u> <u>Portion of</u> <u>Balance</u>
Governmental Activities:					
Limited obligation bonds	\$ 13,335,000	\$ -	\$ (1,085,000)	\$ 12,250,000	\$ 1,085,000
Direct placement					
installment purchases	44,975,462	-	(4,270,347)	40,705,115	4,270,347
Capital leases	271,187	70,138	(106,878)	234,447	88,448
Compensated absences	5,162,343	3,643,020	(3,176,015)	5,629,348	562,935
Total OPEB Liability	15,755,106	-	(196,148)	15,558,958	-
Net pension liability (LGERS)	7,588,620	4,125,604	-	11,714,224	-
Total Pension Liability (LEO)	<u>2,725,009</u>	<u>104,760</u>	<u>-</u>	<u>2,829,769</u>	<u>-</u>
 Total governmental activities	<u>\$ 89,812,727</u>	<u>\$ 7,943,522</u>	<u>\$ (8,834,388)</u>	<u>\$ 88,921,861</u>	<u>\$ 6,006,730</u>
 Business-Type Activities:					
Accrued landfill closure and					
post-closure care cost	\$ 13,393,153	\$ 226,511	\$ -	\$ 13,619,664	\$ -
Total OPEB Liability	829,216	-	(10,323)	818,893	-
Net pension liability (LGERS)	375,400	217,137	-	592,537	-
Compensated absences	<u>127,499</u>	<u>76,580</u>	<u>(72,200)</u>	<u>131,879</u>	<u>13,188</u>
 Total business-type activities	<u>\$ 14,725,268</u>	<u>\$ 520,228</u>	<u>\$ (82,523)</u>	<u>\$ 15,162,973</u>	<u>\$ 13,188</u>

At June 30, 2019, the County had no bonds authorized, but unissued, and a legal debt margin of \$663,426,394.

Compensated absences, net pension obligation, and other post-employment benefits, typically have been liquidated in the General Fund. Compensated absences are accounted for on an FIFO basis.

Conduit Debt Obligations

Cleveland County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. The bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private business owners involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. As of June 30, 2019, there were three series of industrial revenue bonds outstanding, with an aggregate principal payable of \$18,755,000. Neither the County, Authority, State, nor any

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

political subdivision, thereof, is obligated in any manner for the repayment of these bonds. Accordingly, these bonds were not reported in the accompanying financial statements.

Interfund Balances and Activity

Transfers to/from other funds at June 30, 2019 consist of the following:

	Transfers		Purpose
	From	To	
Emergency Telephone System Fund (E-911)	\$ 12,039	\$ -	
General Fund	-	12,039	Implemental functions
General Fund	886,408	-	
Capital Reserve Fund	-	868,000	Fund capital expansion
County General Capital Project Fund	-	17,908	Fund capital expansion
Kings Mountain Gate Way Trail - Phase 5 Capital Project Fund	-	500	Fund capital expansion
Capital Reserve Fund	1,119,776	-	
County General Capital Project Fund	-	1,119,776	Fund capital expansion
Reimbursement Resolution Capital Project Fund	874,502	-	
Economic Development Capital Project Fund	-	658,860	Fund capital expansion
Enterprise Resource Planning Capital Project Fu	-	215,642	Fund capital expansion
School Capital Reserve	5,030,552	-	
Debt Service Fund	-	3,580,552	Debt service
General Fund	-	1,450,000	Capital allotment
General Fund	2,195,802	-	
Debt Service	-	2,195,802	Debt service
Solid Waste	515,335	-	
General Fund	-	515,335	Environmental health expense
Total	<u>\$ 10,634,414</u>	<u>\$ 10,634,414</u>	

CLEVELAND COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

3. Joint Ventures

The County, in conjunction with the State of North Carolina and Cleveland County Board of Education, participates in a joint venture to operate Cleveland Community College ("Community College"). Each of the three participants appoints four members of the 13-member Board of Trustees of the Community College. The President of the Community College's student government association serves as a non-voting, ex-officio member of the Board of Trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition to providing annual appropriations for facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. 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 \$1,979,872 to the Community College for operational expenses and \$230,000 for capital expenditures during the fiscal year ended June 30, 2019. In addition, the County made debt service payments of \$1,143,108, including interest, during the year ended June 30, 2019, on general obligation bonds and certificates of participation (COPs) issued for the Community College 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, 2019. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at Blue Ridge Community College, Flat Rock, North Carolina.

4. Jointly Governed Organization

The County, in conjunction with three other counties and twenty municipalities, established the Isothermal Planning and Development Commission (IPDC). The participating governments established the commission to coordinate various funding received from federal and state agencies. Each participating member appoints one member to IPDC's governing board. The County paid membership fees of \$33,362 during the fiscal year ended June 30, 2019.

5. Summary Disclosure of Significant Commitments and Contingencies

Federal and State-Assisted Programs

The County has received proceeds from 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.

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REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

- Schedule of Proportionate Share of Net Pension Liability (Asset) - Local Government Employees' Retirement System
- Schedule of Contributions - Local Government Employees' Retirement System
- Schedule of Proportionate Share of Net Pension Asset - Register of Deeds Supplemental Pension Fund
- Schedule of Contributions - Register of Deeds' Supplemental Pension Fund
- Schedule of Changes in Total Pension Liability - Law Enforcement Officers' Special Separation Allowance
- Schedule of Total Pension Liability as a Percentage of Covered-Employee Payroll - Law Enforcement Officers' Special Separation Allowance
- Schedule of Changes in Total OPEB Liability & Related Ratios

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CLEVELAND COUNTY, NORTH CAROLINA

CLEVELAND COUNTY'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST SIX FISCAL YEARS

	Local Government Employees' Retirement System				
	2019	2018	2017	2016	2015
Cleveland County's proportion of the net pension liability (asset) (%)	0.519%	0.521%	0.524%	0.508%	0.505%
Cleveland County's proportion of the net pension liability (asset) (\$)	\$ 12,306,761	\$ 7,964,020	\$ 11,123,372	\$ 2,280,098	\$ (2,980,225)
Cleveland County's covered payroll	\$ 34,564,877	\$ 32,605,693	\$ 31,210,450	\$ 32,420,724	\$ 28,823,692
Cleveland County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.60%	24.43%	35.64%	7.03%	(10.34%)
Plan fiduciary net position as a percentage of the total pension liability**	92.00%	94.18%	91.47%	98.09%	102.64%

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

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

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

CLEVELAND COUNTY, NORTH CAROLINA**CLEVELAND COUNTY'S SCHEDULE OF CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST SIX FISCAL YEARS**

	Local Government Employees' Retirement System				
	2019	2018	2017	2016	2015
Contractually required contribution	\$ 2,914,078	\$ 2,629,021	\$ 2,403,167	\$ 2,108,026	\$ 2,119,306
Contributions in relation to the contractually required contribution	<u>2,914,078</u>	<u>2,629,021</u>	<u>2,403,167</u>	<u>2,108,026</u>	<u>2,119,306</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cleveland County's covered payroll	\$ 37,041,797	\$ 34,564,877	\$ 32,605,693	\$ 31,210,450	\$ 32,420,724
Contributions as a percentage of covered payroll	7.87%	7.61%	7.37%	6.75%	6.54%

This schedule is intended to show information for ten years.

Additional years' information will be displayed as it becomes available.

CLEVELAND COUNTY, NORTH CAROLINA**CLEVELAND COUNTY'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST SIX FISCAL YEARS**

Registers of Deeds' Supplemental Pension Fund					
	2019	2018	2017	2016	2015
Cleveland County's proportion of the net pension liability (asset) (%)	0.806%	0.704%	0.659%	0.670%	0.640%
Cleveland County's proportion of the net pension liability (asset) (\$)	\$ (133,496)	\$ (120,186)	\$ (123,136)	\$ (155,352)	\$ (144,972)
Cleveland County's covered payroll	\$ 61,000	\$ 59,346	\$ 57,374	\$ 71,130	\$ 69,732
Cleveland County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	218.85%	202.52%	214.62%	218.41%	203.81%
Plan fiduciary net position as a percentage of the total pension liability**	153.31%	153.77%	160.17%	197.29%	193.88%

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

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

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

CLEVELAND COUNTY, NORTH CAROLINA

CLEVELAND COUNTY'S CONTRIBUTIONS
 REQUIRED SUPPLEMENTARY INFORMATION
 LAST SIX FISCAL YEARS

	Registers of Deeds' Supplemental Pension Fund				
	2019	2018	2017	2016	2015
Contractually required contribution	\$ 7,759	\$ 6,897	\$ 6,118	\$ 5,381	\$ 5,364
Contributions in relation to the contractually required contribution	7,759	6,897	6,118	5,381	5,364
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Cleveland County's covered payroll	\$ 61,000	\$ 59,346	\$ 57,374	\$ 53,328	\$ 71,130
Contributions as a percentage of covered payroll	12.72%	11.62%	10.66%	10.09%	7.54%

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

CLEVELAND COUNTY, NORTH CAROLINA

**SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL
REQUIRED SUPPLEMENTARY INFORMATION
FOR YEAR ENDED JUNE 30, 2019**

	<u>Law Enforcement Officers' Special Separation Allowance</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 2,829,769	\$ 2,725,009	\$ 2,470,182
Covered payroll	4,966,309	4,621,958	4,568,949
Total pension liability as a percentage of covered payroll	56.98%	58.96%	54.06%

Notes to the schedules:

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

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

CLEVELAND COUNTY, NORTH CAROLINA

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS REQUIRED SUPPLEMENTARY INFORMATION FOR YEAR ENDED JUNE 30, 2019

Total OPEB Liability	2019	2018
Service Cost	\$ 691,281	\$ 744,068
Interest	574,289	495,401
Changes of benefit terms	-	-
Differences between expected and actual experience	(24,112)	482,688
Changes of assumptions	(534,720)	(917,780)
Benefit payments	(913,210)	(1,347,122)
Net change in total OPEB liability	(206,472)	(542,745)
Total OPEB liability - beginning	16,584,322	17,127,067
Total OPEB liability - ending	\$ 16,377,850	\$ 16,584,322
Covered payroll	Not Provided	Not Provided
Total OPEB liability as a percentage of covered payroll	N/A	N/A

Notes to Schedule

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

Fiscal year	Rate
2019	3.89%
2018	3.56%

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SUPPLEMENTARY INFORMATION

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

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The General Fund

The 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.

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CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
Revenues:				
Ad Valorem Taxes:				
Taxes - General Fund		\$ 50,843,256		\$ 48,027,435
Taxes - public schools		12,549,586		11,809,024
Penalties, interest, and advertising		429,999		385,825
Total	\$ 62,285,970	63,822,841	\$ 1,536,871	60,222,284
Other Taxes:				
Local option sales tax		11,459,606		11,838,174
Local option sales tax - schools		3,931,525		3,803,439
Other taxes		1,150,904		826,841
Total	15,857,500	16,542,035	684,535	16,468,454
Unrestricted Intergovernmental Revenues:				
Local revenue		127,770		122,392
Total	136,000	127,770	(8,230)	122,392
Restricted Intergovernmental Revenues:				
Federal and State grants		1,054,237		921,841
DSS grants		12,309,482		11,327,707
Health dept grants		8,153,216		9,392,652
Total	22,062,362	21,516,935	(545,427)	21,642,200
Permits and Fees:				
Register of Deeds		517,806		460,070
Carolina health care rent		3,029,748		3,041,253
Partners Behavioral Health		107,544		143,392
Other permits and fees		1,044,055		1,050,470
Total	4,447,242	4,699,153	251,911	4,695,185
Sales and Services:				
Rents - Legrand		475,791		684,588
EMS fees		2,220,573		2,141,465
Sherriff fees		267,066		294,139
Shooting complex fees		238,696		226,392
Health department fees		777,960		881,053
Ambulance fees		720,114		721,822
Court facility fees		140,765		147,024
Insurance fees		1,349,951		1,042,144
Wellness center fees		147,627		95,193
Other County fees		873,457		803,975
Total	7,203,287	7,212,000	8,713	7,037,795
Investment Earnings	327,500	1,026,578	699,078	629,461
Miscellaneous:				
Sale of materials		37,787		418,799
Other		572,995		532,234
Total	581,568	610,782	29,214	951,033
Total revenues	112,901,429	115,558,094	2,656,665	111,768,804

CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Expenditures:				
General Government:				
Governing Body:				
Salaries and employee benefits		153,262		137,731
Operating expenditures		211,769		237,451
Total	394,798	365,031	29,767	375,182
Administration:				
Salaries and employee benefits		709,800		574,490
Operating expenditures		161,602		151,520
Capital outlay		-		550
Total	885,513	871,402	14,111	726,560
Elections:				
Salaries and employee benefits		324,306		233,703
Operating expenditures		112,743		85,917
Capital outlay		1,795		27,101
Total	502,305	438,844	63,461	346,721
Finance:				
Salaries and employee benefits		988,656		918,210
Operating expenditures		176,663		203,838
Capital outlay		-		6,244
Total	1,180,904	1,165,319	15,585	1,128,292
Taxes:				
Salaries and employee benefits		1,353,200		1,274,055
Operating expenditures		261,066		264,587
Capital outlay		5,274		2,469
Total	1,657,265	1,619,540	37,725	1,541,111
Legal:				
Salaries and employee benefits		160,211		98,356
Contracted services		70,999		218,313
Capital outlay - foreclosure		9,409		16,863
Total	243,017	240,619	2,398	333,532
Register of Deeds:				
Salaries and employee benefits		394,813		369,969
Operating expenditures		135,134		76,988
Capital outlay		-		3,178
Total	642,899	529,947	112,952	450,135
Human Resources:				
Salaries and employee benefits		577,077		484,082
Operating expenditures		263,727		146,024
Capital outlay		-		1,603
Total	841,084	840,804	280	631,709

CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
Facilities Maintenance:				
Salaries and employee benefits		481,236		445,389
Operating expenditures		1,239,592		1,168,088
Capital outlay		50,474		41,056
Total	1,773,042	1,771,302	1,740	1,654,533
Janitorial Services:				
Salaries and employee benefits		232,298		222,036
Operating expenditures		27,487		26,842
Capital outlay		-		6,400
Total	272,839	259,785	13,054	255,278
Court Facilities:				
Salaries and employee benefits		128,677		122,947
Operating expenditures		277,861		270,200
Capital outlay		1,400		-
Total	443,747	407,938	35,809	393,147
Information Technology:				
Salaries and employee benefits		811,573		727,559
Operating expenditures		338,642		244,714
Capital outlay		24,123		1,281
Total	1,278,048	1,174,338	103,710	973,554
Municipal Elections:				
Salaries and employee benefits		-		65,783
Operating expenditures		-		59,789
Total	-	-	-	125,572
Pass-Thru Grants:				
Operating expenditures		558,420		355,385
Total	696,973	558,420	138,553	355,385
Wellness Clinic:				
Salaries and employee benefits		659,060		623,364
Operating expenditures		487,039		520,545
Total	1,186,504	1,146,099	40,405	1,143,909
Communities in Schools:				
Operating expenditures	138,316	145,148	(6,832)	138,316
Historic Courthouse:				
Operating expenditures		91,151		91,000
Capital outlay		-		-
	91,151	91,151	-	91,000
Total general government	12,228,405	11,625,687	602,718	10,663,936
Public Safety:				
Sheriff and Communications:				
Salaries and employee benefits		7,029,500		6,725,617
Operating expenditures		961,760		960,861
Capital outlay		106,944		563,856
Total	8,643,392	8,098,204	545,188	8,250,334

CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
School Resource Officers:				
Salaries and employee benefits		681,118		466,522
Operating expenditures		30,104		42,643
Capital outlay		79,958		29,646
Total	802,720	791,180	11,540	538,811
Jail:				
Salaries and employee benefits		4,360,666		3,892,539
Operating expenditures		1,441,867		1,263,451
Capital outlay		10,791		123,000
Total	5,858,377	5,813,324	45,053	5,278,990
Emergency Management:				
Salaries and employee benefits		217,695		211,150
Operating expenditures		166,359		131,489
Capital outlay		42,480		67,541
Total	459,025	426,534	32,491	410,180
Emergency Communication:				
Salaries and employee benefits		1,132,642		1,108,420
Operating expenditures		22,274		21,849
Capital outlay		-		6,273
Total	1,169,437	1,154,916	14,521	1,136,542
Electronic Maintenance:				
Salaries and employee benefits		272,046		300,488
Operating expenditures		318,823		141,342
Capital outlay		7,215		4,679
Total	605,282	598,084	7,198	446,509
Inspections:				
Salaries and employee benefits		362,647		318,305
Operating expenditures		40,561		32,179
Capital outlay		18,462		-
Total	448,773	421,670	27,103	350,484
Coroner:				
Salaries and employee benefits		11,200		26,146
Operating expenditures		61,585		82,934
Total	100,000	72,785	27,215	109,080
HAZ-MAT Control:				
Operating expenditures		14,010		14,390
Total	19,032	14,010	5,022	14,390
Public Shooting Range:				
Salaries and employee benefits		390,208		373,177
Operating expenditures		150,016		150,396
Capital outlay		2,505		5,454
Total	551,230	542,729	8,501	529,027

CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Emergency Medical Services:				
Salaries and employee benefits		6,195,659		5,311,100
Operating expenditures		903,811		819,690
Capital outlay		278,722		467,532
Total	7,538,445	7,378,192	160,253	6,598,322
Rescue Squad:				
Operating expenditures	26,077	24,651	1,426	67,601
Federal/State Forfeited Property:				
Operating expenditures		55,274		65,142
Capital outlay		-		11,535
Total	111,800	55,274	56,526	76,677
Total public safety	26,333,590	25,391,553	942,037	23,806,947
Environmental Protection:				
Soil and Water Conservation:				
Salaries and employee benefits		100,319		87,663
Operating expenditures		14,161		7,664
Capital outlay		-		3,070
Total	124,291	114,480	9,811	98,397
Forestry Service:				
Operating expenditures	81,757	53,018	28,739	85,916
Total environmental protection	206,048	167,498	38,550	184,313
Economic and Physical Development:				
Travel and Tourism:				
Salaries and employee benefits		23,281		-
Operating expenditures		9,413		-
Capital outlay		2,880		-
Total	35,598	35,574	24	-
Planning:				
Salaries and employee benefits		276,611		253,615
Operating expenditures		62,641		54,345
Capital outlay		32,915		8,466
Total	411,999	372,167	39,832	316,426
LeGrand Center:				
Salaries and employee benefits		449,419		374,582
Operating expenditures		544,601		764,717
Capital outlay		7,418		19,943
Total	1,169,812	1,001,438	168,374	1,159,242
Economic Development:				
Salaries and employee benefits		221,213		233,024
Operating expenditures		3,984,404		4,121,500
Capital outlay		213		269,491
Total	4,770,979	4,205,830	565,149	4,624,015

CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Cooperative Extension:				
Salaries and employee benefits		323,831		290,068
Operating expenditures		51,059		52,065
Total	405,676	374,890	30,786	342,133
Transportation Admin:				
Operating expenditures		294,489		257,410
Total	294,489	294,489	-	257,410
Total economic and physical development	7,088,553	6,284,388	804,165	6,699,226
Human Services:				
Health:				
General and Administration:				
Salaries and employee benefits		999,766		987,630
Operating expenditures		763,913		740,010
Capital outlay		-		17,505
Total	1,812,685	1,763,679	49,006	1,745,145
Public Health:				
Salaries and employee benefits		644,951		632,321
Operating expenditures		365,890		357,999
Total	1,046,907	1,010,841	36,066	990,320
AIDS Grant:				
Salaries and employee benefits		73,443		70,974
Operating expenditures		731		655
Total	74,543	74,174	369	71,629
Tuberculosis Clinic:				
Salaries and employee benefits		183,061		175,162
Operating expenditures		31,621		34,067
Total	227,010	214,682	12,328	209,229
School Health:				
Salaries and employee benefits		1,453,070		1,382,760
Operating expenditures		45,275		49,012
Total	1,537,280	1,498,345	38,935	1,431,772
Health Promotions:				
Salaries and employee benefits		54,259		52,718
Operating expenditures		11,738		10,425
Total	77,129	65,997	11,132	63,143
Maternal Health:				
Salaries and employee benefits		1,312,996		1,316,583
Operating expenditures		78,879		60,298
Total	1,559,709	1,391,875	167,834	1,376,881

CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Family Planning:				
Salaries and employee benefits		622,069		660,052
Operating expenditures		95,083		111,542
Total	834,735	717,152	117,583	771,594
Adolescent Pregnancy Prevention:				
Salaries and employee benefits		57,815		54,556
Operating expenditures		23,462		19,570
Total	82,162	81,277	885	74,126
Child Health:				
Salaries and employee benefits		562,953		582,623
Operating expenditures		23,767		23,242
Total	587,051	586,720	331	605,865
WIC:				
Salaries and employee benefits		566,393		487,101
Operating expenditures		58,474		77,234
Capital outlay		1,054		-
Total	628,031	625,921	2,110	564,335
Animal/Rabies Control:				
Salaries and employee benefits		735,308		630,016
Operating expenditures		517,362		307,691
Capital outlay		26,857		42,851
Total	1,279,097	1,279,527	(430)	980,558
Health Department Grants:				
Salaries and employee benefits		122,548		118,274
Operating expenditures		25,905		23,421
Total	164,229	148,453	15,776	141,695
Dental Clinic:				
Salaries and employee benefits		234,386		245,295
Operating expenditures		102,377		60,750
Total	362,188	336,763	25,425	306,045
Nurse Family Partnerships:				
Salaries and employee benefits		371,160		374,613
Operating expenditures		58,531		56,851
Capital outlay		-		11,169
Total	492,022	429,691	62,331	442,633
Carolina Access II:				
Salaries and employee benefits		1,617,341		1,706,777
Operating expenditures		224,015		306,684
Total	2,327,148	1,841,356	485,792	2,013,461

CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2019
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
CC4C PCM:				
Salaries and employee benefits		531,210		513,700
Operating expenditures		121,327		25,070
Total	671,969	652,537	19,432	538,770
CODAP:				
Salaries and employee benefits		178,412		161,132
Operating expenditures		95,157		120,611
Total	331,030	273,569	57,461	281,743
Environmental Health:				
Salaries and employee benefits		738,996		708,644
Operating expenditures		78,817		90,340
Total	845,085	817,813	27,272	798,984
Veteran Services:				
Salaries and employee benefits		102,331		91,534
Operating expenditures		3,249		4,600
Total	108,786	105,580	3,206	96,134
Total public health	15,048,796	13,915,952	1,132,844	13,504,062
Social Services:				
Mental Health:				
Operating expenditures		664,339		626,037
Total	983,411	664,339	319,072	626,037
Administration:				
Salaries and employee benefits		1,270,703		1,225,252
Operating expenditures		583,774		565,376
Capital outlay		216,951		75,159
Total	2,236,677	2,071,428	165,249	1,865,787
Smart Start:				
Operating expenditures		2,148,705		1,980,553
Total	2,180,975	2,148,705	32,270	1,980,553
TANF Program:				
Salaries and benefits		5,409,917		5,063,482
County participation only		618,092		540,191
Total	6,090,792	6,028,009	-	5,603,673
Income Maintenance Program:				
Salaries and employee benefits		5,174,721		5,043,318
Operating expenditures		116,084		170,281
Total	5,522,225	5,290,805	231,420	5,213,599

CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
Special Assistance:				
Special assistance	59,247	59,005	242	56,418
Foster Care:				
Salaries and employee benefits		1,286,640		1,183,400
Operating expenditures		4,774		5,026
Total	1,298,024	1,291,414	6,610	1,188,426
Smart Start:				
Salaries and employee benefits		111,065		105,638
Total	111,433	111,065	368	105,638
Other Assistance:				
Operating expenditures	3,162,948	3,031,219	131,729	2,693,684
Total social services	21,645,732	20,695,989	886,960	19,333,815
Council on Aging:				
Operating expenditures	488,326	187,135	301,191	187,035
Total human services	37,182,854	34,799,076	2,320,995	33,024,912
Cultural and Recreational:				
Library:				
Salaries and employee benefits		868,925		817,871
Operating expenditures		345,792		349,478
Capital outlay		-		17,322
Total	1,452,693	1,214,717	237,976	1,184,671
Parks and Recreation:				
Operating expenditures		105,781		113,105
Total	123,965	105,781	18,184	113,105
Total cultural and recreational	1,576,658	1,320,498	256,160	1,297,776
Intergovernmental:				
Education:				
Public schools - current expense		26,313,664		26,151,071
Public schools - operational expense		113,724		107,295
Public schools - capital expense		2,890,576		3,100,000
Community colleges - capital expense		2,083,729		2,051,799
Total education	31,402,561	31,401,693	868	31,410,165
Debt Service:				
Capital lease principal		106,878		74,448
Total debt service	130,547	106,878	23,669	74,448

CLEVELAND COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Risk Management:				
Operating expenditures	2,481,641	2,481,576	65	928,395
Total	2,481,641	2,481,576	65	928,395
Contingency	166,657	-	166,657	-
Total expenditures	118,797,514	113,578,847	5,155,884	108,090,118
Revenues over (under) expenditures	(5,896,085)	1,979,247	7,875,332	3,678,686
Other Financing Sources (Uses):				
Capital Lease financing issued	-	70,138	70,138	26,440
Transfers in	2,050,335	1,977,374	(72,961)	1,972,948
Transfers out	(3,770,732)	(3,082,210)	688,522	(4,409,547)
Appropriated fund balance	7,616,482	-	(7,616,482)	-
Total other financing sources (uses)	5,896,085	(1,034,698)	(6,930,783)	(2,410,159)
Net changes in fund balance	\$ -	944,549	\$ 944,549	1,268,527

Reconciliation from Budgetary Basis to Modified Accrual Basis:

Reconciling items:		
Long term note receivable	-	(18,352)
Change in fund balance	944,549	1,250,175
Fund Balance:		
Beginning of year - July 1	40,870,422	39,620,247
End of year - June 30	\$ 41,814,971	\$ 40,870,422

Major Capital Project Funds

Reimbursement Resolution Capital Reserve Fund - This fund accounts for reimbursement proceeds used to fund capital initiatives of the County.

School Capital Reserve Fund - accounts for local funds and financing proceeds used to fund school construction projects.

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CLEVELAND COUNTY, NORTH CAROLINA

REIMBURSEMENT RESOLUTION CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Restricted intergovernmental	\$ -	\$ 31,538	\$ -	\$ 31,538	\$ 31,538
Investment earnings	-	45,923	69,961	115,884	115,884
Total revenues	-	77,461	69,961	147,422	147,422
Expenditures:					
Capital outlay:					
Economic development	16,982,899	10,371,139	-	10,371,139	6,611,760
Total expenditures	16,982,899	10,371,139	-	10,371,139	6,611,760
Revenues over (under) expenditures	(16,982,899)	(10,293,678)	69,961	(10,223,717)	6,759,182
Other Financing Sources (Uses):					
Installment financing issued	-	19,975,833	-	19,975,833	19,975,833
Transfers out:					
To Capital Projects	(2,992,934)	(1,562,083)	(1,272,055)	(2,834,138)	158,796
Appropriated fund balance	19,975,833	-	-	-	(19,975,833)
Total other financing sources (uses)	16,982,899	18,413,750	(1,272,055)	17,141,695	158,796
Net change in fund balance	\$ -	\$ 8,120,072	(1,202,094)	\$ 6,917,978	\$ 6,917,978
Fund Balance:					
Beginning of year - July 1			8,120,072		
End of year - June 30			\$ 6,917,978		

CLEVELAND COUNTY, NORTH CAROLINA

SCHOOL CAPITAL RESERVE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Restricted intergovernmental	\$ 1,600,000	\$ 1,044,353	\$ (555,647)	\$ 1,289,303
Unrestricted intergovernmental	3,534,058	3,483,998	(50,060)	3,523,818
Investment earnings	-	149,775	149,775	77,999
Total revenues	<u>5,134,058</u>	<u>4,678,126</u>	<u>(455,932)</u>	<u>4,891,120</u>
 Revenues over (under) expenditures	 <u>5,134,058</u>	 <u>4,678,126</u>	 <u>(455,932)</u>	 <u>4,891,120</u>
Other Financing Sources (Uses):				
Transfers to:				
Capital Projects Funds	(100,000)	(100,000)	-	-
General Fund	(1,453,506)	(1,450,000)	(3,506)	(1,450,000)
Debt Service Fund	<u>(3,580,552)</u>	<u>(3,580,552)</u>	<u>-</u>	<u>(3,306,715)</u>
Total other financing sources (uses)	<u>(5,134,058)</u>	<u>(5,130,552)</u>	<u>(3,506)</u>	<u>(4,756,715)</u>
 Net change in fund balance	 <u>\$ -</u>	 <u>(452,426)</u>	 <u>\$ (452,426)</u>	 <u>134,405</u>
Fund Balance:				
Beginning of year - July 1		<u>7,912,205</u>		<u>7,777,800</u>
End of year - June 30		<u>\$ 7,459,779</u>		<u>\$ 7,912,205</u>

Nonmajor Governmental Funds

Special Revenue Funds – account for the proceeds of special revenue sources that are legally restricted to expenditure for specific purposes.

Emergency Telephone Systems Fund (E-911) – accounts for the funds received for the operation of the County's Emergency 911 Communications Center.

Fire Districts Fund – accounts for the property tax revenue received and used to fund County fire operations.

Capital Project Funds – account for financial resources to be used for acquisition and construction for major capital facilities.

North Shelby School Capital Project Fund - accounts for installment proceeds and funds used to for the construction of a new County school.

General Capital Projects Fund – accounts for general capital projects within the County that are annually budgeted and financed with local dollars.

Public Shooting Range Capital Project Fund – accounts for State grant dollars along with local match to finance the construction on a local public shooting range facility.

Foothills Commerce Center – West Shelby Capital Project Fund - accounts for the progress and construction of the foothills commerce economic development center.

Capital Reserve Fund – accounts for the accumulation of undedicated resources to fund future projects of the County.

Kings Mountain Gate Way Trail – Phase 5 Capital Project Fund – accounts for the progress and construction of phase 5 of the Kings Mountain Gateway Trail expansion.

Washburn Switch Road and Rail Capital Project Fund – accounts for the progress and construction of economic development road improvements at Washburn Switch Industrial Park.

Pinnacle Turn Lane Capital Project Fund – accounts for the progress and construction of an additional turn lane and Pinnacle Classical Academy.

Debt Service Fund – accounts for all expenditures for principal and interest for certain long-term debt payments.

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CLEVELAND COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2019

	Nonmajor Governmental Funds			
	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Totals June 30, 2019
Assets:				
Cash and investments	\$ 1,850,649	\$ 1,691,263	\$ 1,200,000	\$ 4,741,912
Accounts receivable, net	307,747	713,500	-	1,021,247
Taxes receivable, net	75,870	-	-	75,870
Prepaid items	51,164	-	-	51,164
Restricted cash	-	508,530	-	508,530
Total assets	<u>\$ 2,285,430</u>	<u>\$ 2,913,293</u>	<u>\$ 1,200,000</u>	<u>\$ 6,398,723</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 141,474	\$ -	\$ 141,474
Due to other funds	-	413,347	-	413,347
Total liabilities	<u>-</u>	<u>554,821</u>	<u>-</u>	<u>554,821</u>
Deferred Inflows of Resources:				
Taxes receivable	75,870	-	-	75,870
Prepaid taxes	3,617	-	-	3,617
Total deferred inflows of resources	<u>79,487</u>	<u>-</u>	<u>-</u>	<u>79,487</u>
Fund Balances:				
Non-spendable:				
Prepays	51,164	-	-	51,164
Restricted				
Stabilization for State statute	307,747	713,500	-	1,021,247
Restricted, all other	1,847,032	508,530	-	2,355,562
Committed	-	3,128	-	3,128
Assigned	-	1,594,155	1,200,000	2,794,155
Unassigned	-	(460,841)	-	(460,841)
Total fund balances	<u>2,205,943</u>	<u>2,358,472</u>	<u>1,200,000</u>	<u>5,764,415</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,285,430</u>	<u>\$ 2,913,293</u>	<u>\$ 1,200,000</u>	<u>\$ 6,398,723</u>

CLEVELAND COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Nonmajor Governmental Funds			
	Special Revenue Funds	Capital Projects Fund	Debt Service Fund	Totals June 30, 2019
Revenues:				
Ad valorem taxes	\$ 3,235,084	\$ -	\$ -	\$ 3,235,084
Other taxes and licenses	1,266,406	-	-	1,266,406
Restricted intergovernmental revenues	-	2,411,223	1,861,658	4,272,881
Investment earnings	41,434	28,814	-	70,248
Miscellaneous	-	139,523	-	139,523
Total revenues	<u>4,542,924</u>	<u>2,579,560</u>	<u>1,861,658</u>	<u>8,984,142</u>
Expenditures:				
Current:				
General government	-	1,504,150	-	1,504,150
Public safety	4,073,278	346,729	-	4,420,007
Economic and physical development	-	2,864,692	-	2,864,692
Education	-	749,376	-	749,376
Debt service:				
Principal repayments	-	-	5,355,347	5,355,347
Interest	-	-	2,282,665	2,282,665
Total expenditures	<u>4,073,278</u>	<u>5,464,947</u>	<u>7,638,012</u>	<u>17,176,237</u>
Revenues over (under) expenditures	<u>469,646</u>	<u>(2,885,387)</u>	<u>(5,776,354)</u>	<u>(8,192,095)</u>
Other Financing Sources (Uses):				
Transfers from:				
General Fund		886,408	2,195,802	3,082,210
Capital Reserve Fund	-	1,119,776	-	1,119,776
School Capital Reserve Fund	-	100,000	3,580,552	3,680,552
Reimbursement Resolution	-	1,272,055	-	1,272,055
Transfers to:				
General Fund	(12,039)	-	-	(12,039)
County General Capital Projects Fund	-	(1,119,776)	-	(1,119,776)
Total other financing sources (uses)	<u>(12,039)</u>	<u>2,258,463</u>	<u>5,776,354</u>	<u>8,022,778</u>
Net change in fund balances	457,607	(626,924)	-	(169,317)
Fund Balances:				
Beginning of year - July 1	<u>1,748,336</u>	<u>2,985,396</u>	<u>1,200,000</u>	<u>5,933,732</u>
End of year - June 30	<u>\$ 2,205,943</u>	<u>\$ 2,358,472</u>	<u>\$ 1,200,000</u>	<u>\$ 5,764,415</u>

CLEVELAND COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Nonmajor Special Revenue Funds		
	Emergency Telephone System Fund (E-911)	Fire Districts Fund	Totals June 30, 2019
Assets:			
Cash and investments	\$ 1,361,609	\$ 489,040	\$ 1,850,649
Accounts receivable, net	43,055	264,692	307,747
Taxes receivable, net	-	75,870	75,870
Prepaid items	51,164	-	51,164
Total assets	<u>\$ 1,455,828</u>	<u>\$ 829,602</u>	<u>\$ 2,285,430</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:			
Taxes receivable	-	75,870	75,870
Prepaid taxes	-	3,617	3,617
Total deferred inflows of resources	<u>-</u>	<u>79,487</u>	<u>79,487</u>
Fund Balances:			
Non-spendable:			
Prepays	51,164	-	51,164
Restricted:			
Stabilization for State statute	43,055	264,692	307,747
Restricted, all other	1,361,609	485,423	1,847,032
Total fund balances	<u>1,455,828</u>	<u>750,115</u>	<u>2,205,943</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,455,828</u>	<u>\$ 829,602</u>	<u>\$ 2,285,430</u>

CLEVELAND COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019

	Nonmajor Special Revenue Funds		
	Emergency Telephone System Fund (E-911)	Fire Districts Fund	Totals June 30, 2019
Revenues:			
Ad valorem taxes	\$ -	\$ 3,235,084	\$ 3,235,084
Other taxes and licenses	343,133	923,273	1,266,406
Investment earnings	26,716	14,718	41,434
Total revenues	<u>369,849</u>	<u>4,173,075</u>	<u>4,542,924</u>
Expenditures:			
Current:			
Public safety	<u>184,662</u>	<u>3,888,616</u>	<u>4,073,278</u>
Total expenditures	<u>184,662</u>	<u>3,888,616</u>	<u>4,073,278</u>
Revenues over (under) expenditures	<u>185,187</u>	<u>284,459</u>	<u>469,646</u>
Other Financing Sources (Uses):			
Transfers from (to):			
General Fund	<u>(12,039)</u>	<u>-</u>	<u>(12,039)</u>
Total other financing sources (uses)	<u>(12,039)</u>	<u>-</u>	<u>(12,039)</u>
Net change in fund balances	173,148	284,459	457,607
Fund Balances:			
Beginning of year - July 1	<u>1,282,680</u>	<u>465,656</u>	<u>1,748,336</u>
End of year - June 30	<u>\$ 1,455,828</u>	<u>\$ 750,115</u>	<u>\$ 2,205,943</u>

CLEVELAND COUNTY, NORTH CAROLINA

EMERGENCY TELEPHONE SYSTEM FUND (E-911)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	<u>2019</u>			<u>2018</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
User fees	\$ 389,320	\$ 343,133	\$ (46,187)	\$ 421,383
Investment income	-	26,716	26,716	12,977
Total revenues	<u>389,320</u>	<u>369,849</u>	<u>(19,471)</u>	<u>434,360</u>
Expenditures:				
Public safety:				
Operations	293,988	174,844	119,144	174,503
Capital expenditures	10,332	9,818	514	-
Total expenditures	<u>304,320</u>	<u>184,662</u>	<u>119,658</u>	<u>174,503</u>
Revenues over (under) expenditures	<u>85,000</u>	<u>185,187</u>	<u>100,187</u>	<u>259,857</u>
Other Financing Sources (Uses):				
Transfers out:				
To General Fund	(85,000)	(12,039)	72,961	(7,613)
Transfers in:				
From General Fund	-	-	-	1,043
Total other financing sources (uses)	<u>(85,000)</u>	<u>(12,039)</u>	<u>72,961</u>	<u>(6,570)</u>
Net change in fund balance	<u>\$ -</u>	<u>173,148</u>	<u>\$ 173,148</u>	<u>253,287</u>
Fund Balance:				
Beginning of year - July 1		<u>1,282,680</u>		<u>1,029,393</u>
End of year - June 30		<u>\$ 1,455,828</u>		<u>\$ 1,282,680</u>

CLEVELAND COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Ad valorem taxes	\$ 3,185,312	\$ 3,235,084	\$ 49,772	\$ 3,080,449
Unrestricted intergovernmental	670,000	923,273	253,273	861,920
Investment income	10,000	14,718	4,718	6,359
Total revenues	<u>3,865,312</u>	<u>4,173,075</u>	<u>307,763</u>	<u>3,948,728</u>
Expenditures:				
Capital outlay:				
Public safety	<u>3,888,616</u>	<u>3,888,616</u>	-	<u>3,942,898</u>
Total expenditures	<u>3,888,616</u>	<u>3,888,616</u>	-	<u>3,942,898</u>
Other Financing Sources (Uses):				
Transfer from General Fund	<u>23,304</u>	-	(23,304)	-
Total other financing sources (uses)	<u>23,304</u>	-	(23,304)	-
Revenues over (under) expenditures	<u>\$ -</u>	<u>284,459</u>	<u>\$ 284,459</u>	<u>5,830</u>
Fund Balance:				
Beginning of year, July 1		<u>465,656</u>		<u>459,826</u>
End of year, June 30		<u>\$ 750,115</u>		<u>\$ 465,656</u>

CLEVELAND COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL CAPITAL PROJECT FUNDS
JUNE 30, 2019

Nonmajor Capital Project Funds													Totals June 30, 2019
	North Shelby School Capital Project Fund	General Capital Project Fund	Public Shooting Range Capital Project Fund	Foothills Commerce Center - West Shelby Capital Project Fund	Capital Reserve Fund	Kings Mountain Gate Way Trail - Phase 5 Capital Project Fund	Washburn Switch Road Capital Project Fund	Economic Development Capital Project Fund	Pinnacle Turn Lane Capital Project Fund	Jail Consolidation Capital Project Fund	Enterprise Resource Planning Capital Project Fund	Fair Enhancement Capital Project Fund	
Assets:													
Cash and investments	\$ -	\$ 92,389	\$ -	\$ -	\$ 1,594,155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,719	\$ -	1,691,263
Accounts receivable, net	34,165	24,073	66,875	-	-	-	586,946	251	1,190	-	-	-	713,500
Restricted cash	508,530	-	-	-	-	-	-	-	-	-	-	-	508,530
Total assets	\$ 542,695	\$ 116,462	\$ 66,875	\$ -	\$ 1,594,155	\$ -	\$ 586,946	\$ 251	\$ 1,190	\$ -	\$ 4,719	\$ -	\$ 2,913,293
Liabilities and Fund Balances:													
Liabilities:													
Accounts payable and accrued liabilities	\$ -	\$ 116,462	12,603	\$ -	\$ -	\$ -	\$ 7,690	\$ -	\$ -	\$ -	\$ 4,719	\$ -	\$ 141,474
Due to other funds	-	-	51,144	-	-	-	360,762	251	1,190	-	-	-	413,347
Total liabilities	-	116,462	63,747	-	-	-	368,452	251	1,190	-	4,719	-	554,821
Fund Balances:													
Restricted													
Stabilization for State statute	34,165	24,073	66,875	-	-	-	586,946	251	1,190	-	-	-	713,500
Restricted, all other	508,530	-	-	-	-	-	-	-	-	-	-	-	508,530
Committed	-	-	3,128	-	-	-	-	-	-	-	-	-	3,128
Assigned	-	-	-	-	1,594,155	-	-	-	-	-	-	-	1,594,155
Unassigned	-	(24,073)	(66,875)	-	-	-	(368,452)	(251)	(1,190)	-	-	-	(460,841)
Total fund balances	542,695	-	3,128	-	1,594,155	-	218,494	-	-	-	-	-	2,358,472
Total liabilities and fund balances	\$ 542,695	\$ 116,462	\$ 66,875	\$ -	\$ 1,594,155	\$ -	\$ 586,946	\$ 251	\$ 1,190	\$ -	\$ 4,719	\$ -	\$ 2,913,293

CLEVELAND COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

Nonmajor Capital Projects Fund													Totals
North Shelby School Capital Project Fund	General Capital Project Fund	Public Shooting Range Capital Project Fund	Foothills Commerce Center - West Shelby Capital Project Fund	Capital Reserve Fund	Kings Mountain Gate Way Trail - Phase 5 Capital Project Fund	Washburn Switch Road Capital Project Fund	Economic Development Capital Project Fund	Pinnacle Turn Lane Capital Project Fund	Jail Consolidation Capital Project Fund	Enterprise Resource Planning Capital Project Fund	Fair Enhancement Capital Project Fund		June 30, 2019
Revenues:													
Restricted intergovernmental revenues	\$ -	\$ -	\$ 66,216	\$ -	\$ -	\$ 2,345,007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,411,223
Investment earnings	12,059	-	-	-	16,755	-	-	-	-	-	-	-	28,814
Miscellaneous	-	-	-	-	139,523	-	-	-	-	-	-	-	139,523
Total revenues	12,059	-	66,216	-	156,278	2,345,007	-	-	-	-	-	-	2,579,560
Expenditures:													
Current:													
General government	-	1,239,428	-	-	-	-	-	-	-	215,642	49,080	-	1,504,150
Public safety	-	346,729	-	-	-	-	-	-	-	-	-	-	346,729
Economic and physical development	-	-	78,819	-	-	500	2,126,513	658,860	-	-	-	-	2,864,692
Education	749,376	-	-	-	-	-	-	-	-	-	-	-	749,376
Total expenditures	749,376	1,586,157	78,819	-	-	500	2,126,513	658,860	-	215,642	49,080	-	5,464,947
Revenues over (under) expenditures	(737,317)	(1,586,157)	(12,603)	-	156,278	(500)	218,494	(658,860)	-	(215,642)	(49,080)	-	(2,885,387)
Other Financing Sources (Uses):													
Transfers from:													
General Fund	-	17,908	-	-	868,000	500	-	-	-	-	-	-	886,408
Capital Reserve Fund	-	1,119,776	-	-	-	-	-	-	-	-	-	-	1,119,776
School Capital Reserve Fund	-	100,000	-	-	-	-	-	-	-	-	-	-	100,000
Reimbursement Resolution CRF	-	348,473	-	-	-	-	658,860	-	-	215,642	49,080	-	1,272,055
Transfers to:													
County General Capital Projects Fund	-	-	-	-	(1,119,776)	-	-	-	-	-	-	-	(1,119,776)
Total other financing sources (uses)	-	1,586,157	-	-	(251,776)	500	658,860	-	-	215,642	49,080	-	2,258,463
Net change in fund balances	(737,317)	-	(12,603)	-	(95,498)	-	218,494	-	-	-	-	-	(626,924)
Fund Balances:													
Beginning of year - July 1	1,280,012	-	15,731	-	1,689,653	-	-	-	-	-	-	-	2,985,396
End of year - June 30	\$ 542,695	\$ -	\$ 3,128	\$ -	\$ 1,594,155	\$ -	\$ 218,494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,358,472

CLEVELAND COUNTY, NORTH CAROLINA

NORTH SHELBY SCHOOL CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

		<u>Actual</u>				Variance
	Project	Prior Years	Current Year	Total to Date	Closed Project	Positive
	Authorization					(Negative)
Revenues:						
Investment earnings	\$ -	\$ 94,343	\$ 12,059	\$ 106,402	\$ (106,402)	\$ 106,402
Total revenues	-	94,343	12,059	106,402	(106,402)	106,402
Expenditures:						
Capital outlay:						
Education	13,402,334	12,188,498	749,376	12,937,874	(12,937,874)	464,460
Total expenditures	13,402,334	12,188,498	749,376	12,937,874	(12,937,874)	464,460
Revenues over (under) expenditures	(13,402,334)	(12,094,155)	(737,317)	(12,831,472)	12,831,472	570,862
Other Financing Sources (Uses):						
Installment Proceeds	13,402,334	13,374,167	-	13,374,167	(13,374,167)	(28,167)
Total other financing sources (uses)	13,402,334	13,374,167	-	13,374,167	(13,374,167)	(28,167)
Net change in fund balance	\$ -	\$ 1,280,012	(737,317)	\$ 542,695	\$ (542,695)	\$ 542,695
Fund Balance:						
Beginning of year - July 1			1,280,012			
End of year - June 30			\$ 542,695			

CLEVELAND COUNTY, NORTH CAROLINA**GENERAL CAPITAL PROJECTS FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES****IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2019****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Expenditures:				
Capital outlay:				
General government	\$ 2,436,656	\$ 1,239,428	\$ 1,197,228	\$ 1,850,321
Public Safety	<u>357,573</u>	<u>346,729</u>	<u>10,844</u>	<u>-</u>
Total expenditures	<u>2,794,229</u>	<u>1,586,157</u>	<u>1,208,072</u>	<u>1,850,321</u>
Revenues over (under) expenditures	<u>(2,794,229)</u>	<u>(1,586,157)</u>	<u>(1,208,072)</u>	<u>(1,700,321)</u>
Other Financing Sources (Uses):				
Transfers in:				
From General Fund	17,909	17,908	(1)	19,461
From Reimbursement Resolution	318,397	348,473	30,076	-
From Capital Reserve Fund	2,457,923	1,119,776	(1,338,147)	1,680,860
From School Capital Reserve Fund	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total other financing sources (uses)	<u>2,794,229</u>	<u>1,586,157</u>	<u>(1,208,072)</u>	<u>1,700,321</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:				
Beginning of year - July 1		<u>-</u>		
End of year - June 30		<u>\$ -</u>		

CLEVELAND COUNTY, NORTH CAROLINA

PUBLIC SHOOTING RANGE CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

		<u>Actual</u>			Variance
	Project				Positive
	Authorization	Prior Years	Current Year	Total to Date	(Negative)
Revenues:					
Restricted intergovernmental	\$ 3,892,085	\$ 2,667,039	\$ 66,216	\$ 2,733,255	\$ (1,158,830)
Total revenues	<u>3,892,085</u>	<u>2,667,039</u>	<u>66,216</u>	<u>2,733,255</u>	<u>(1,158,830)</u>
Expenditures:					
Capital outlay:					
Economic development	<u>4,514,714</u>	<u>3,847,261</u>	<u>78,819</u>	<u>3,926,080</u>	<u>588,634</u>
Total expenditures	<u>4,514,714</u>	<u>3,847,261</u>	<u>78,819</u>	<u>3,926,080</u>	<u>588,634</u>
Revenues over (under) expenditures	<u>(622,629)</u>	<u>(1,180,222)</u>	<u>(12,603)</u>	<u>(1,192,825)</u>	<u>(570,196)</u>
Other Financing Sources (Uses):					
Transfers in:					
From Capital Reserve Fund	<u>622,629</u>	<u>1,195,953</u>	<u>-</u>	<u>1,195,953</u>	<u>573,324</u>
Total other financing sources (uses)	<u>622,629</u>	<u>1,195,953</u>	<u>-</u>	<u>1,195,953</u>	<u>573,324</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 15,731</u>	<u>(12,603)</u>	<u>\$ 3,128</u>	<u>\$ 3,128</u>
Fund Balance:					
Beginning of year - July 1			<u>15,731</u>		
End of year - June 30			<u>\$ 3,128</u>		

CLEVELAND COUNTY, NORTH CAROLINA

FOOTHILLS COMMERCE CENTER - WEST SHELBY CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Local revenue	\$ -	\$ 375,367	\$ -	\$ 375,367	\$ 375,367
Total revenues	-	375,367	-	375,367	375,367
Expenditures:					
Capital outlay:					
Economic development	3,166,848	2,181,927	-	2,181,927	984,921
Total expenditures	3,166,848	2,181,927	-	2,181,927	984,921
Revenues over (under) expenditures	(3,166,848)	(1,806,560)	-	(1,806,560)	1,360,288
Other Financing Sources (Uses):					
Transfers in:					
From Capital Reserve Fund	3,338,281	1,977,993	-	1,977,993	(1,360,288)
Transfers out:					
To Capital Reserve Fund	(171,433)	(171,433)	-	(171,433)	-
Total other financing sources (uses)	3,166,848	1,806,560	-	1,806,560	(1,360,288)
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ -		

CLEVELAND COUNTY, NORTH CAROLINA**CAPITAL RESERVE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES****IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2019****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Local revenues	\$ 100,000	\$ 139,523	\$ 39,523	\$ 144,909
Investment income	-	16,755	16,755	947
Total revenues	100,000	156,278	56,278	145,856
Other Financing Sources (Uses):				
Transfers from:				
General Fund	2,226,693	868,000	(1,358,693)	1,663,797
Transfers to:				
Capital Projects Funds	(2,326,693)	(1,119,776)	1,206,917	(1,680,860)
Total other financing sources (uses)	(100,000)	(251,776)	(151,776)	(17,063)
Net change in fund balance	\$ -	(95,498)	\$ (95,498)	128,793
Fund Balance:				
Beginning of year - July 1		1,689,653		1,560,860
End of year - June 30		\$ 1,594,155		\$ 1,689,653

CLEVELAND COUNTY, NORTH CAROLINA

KINGS MOUNTAIN GATE WAY TRAIL - PHASE 5 CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2019

		Actual			Variance
	Project Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Restricted intergovernmental	\$ 37,000	\$ -	\$ -	\$ -	\$ (37,000)
Total revenues	37,000	-	-	-	(37,000)
Expenditures:					
Capital outlay:					
Economic Development	38,000	4,615	500	5,115	32,885
Total expenditures	38,000	4,615	500	5,115	32,885
Revenues over (under) expenditures	(1,000)	(4,615)	(500)	(5,115)	(4,115)
Other Financing Sources (Uses):					
Transfers in:					
From General Fund	1,000	4,615	500	5,115	4,115
Total other financing sources (uses)	1,000	4,615	500	5,115	4,115
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ -		

CLEVELAND COUNTY, NORTH CAROLINA

WASHBURN SWITCH ROAD AND RAIL CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

		Actual			Variance
	Project				Positive
	Authorization	Prior Years	Current Year	Total to Date	(Negative)
Revenues:					
Restricted intergovernmental	\$ 3,903,887	\$ 962,703	\$ 2,345,007	\$ 3,307,710	\$ (596,177)
Total revenues	<u>3,903,887</u>	<u>962,703</u>	<u>2,345,007</u>	<u>3,307,710</u>	<u>(596,177)</u>
Expenditures:					
Capital outlay:					
Economic development	<u>3,903,887</u>	<u>1,200,162</u>	<u>2,126,513</u>	<u>3,326,675</u>	<u>577,212</u>
Total expenditures	<u>3,903,887</u>	<u>1,200,162</u>	<u>2,126,513</u>	<u>3,326,675</u>	<u>577,212</u>
Revenues over (under) expenditures	<u>-</u>	<u>(237,459)</u>	<u>218,494</u>	<u>(18,965)</u>	<u>(18,965)</u>
Other Financing Sources (Uses):					
Transfers in:					
From Reimbursement Resolution	<u>-</u>	<u>237,459</u>	<u>-</u>	<u>237,459</u>	<u>237,459</u>
Total other financing sources (uses)	<u>-</u>	<u>237,459</u>	<u>-</u>	<u>237,459</u>	<u>237,459</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>218,494</u>	<u>\$ 218,494</u>	<u>\$ 218,494</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 218,494</u>		

CLEVELAND COUNTY, NORTH CAROLINA

ECONOMIC DEVELOPMENT CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Expenditures:					
Capital outlay:					
Economic Development	\$ 758,696	\$ 99,836	\$ 658,860	\$ 758,696	\$ -
Total expenditures	<u>758,696</u>	<u>99,836</u>	<u>658,860</u>	<u>758,696</u>	<u>-</u>
Revenues over (under) expenditures	<u>(758,696)</u>	<u>(99,836)</u>	<u>(658,860)</u>	<u>(758,696)</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfers in:					
From Reimbursement Resolution	<u>758,696</u>	<u>99,836</u>	<u>658,860</u>	<u>758,696</u>	<u>-</u>
Total other financing sources (uses)	<u>758,696</u>	<u>99,836</u>	<u>658,860</u>	<u>758,696</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

CLEVELAND COUNTY, NORTH CAROLINA

PINNACLE TURN LANE CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

		Actual			Variance
	Project				Positive
	Authorization	Prior Years	Current Year	Total to Date	(Negative)
Revenues:					
Restricted intergovernmental	\$ 350,000	\$ 407,280	\$ -	\$ 407,280	\$ 57,280
Local Revenues	58,455	-	-	-	(58,455)
Total revenues	408,455	407,280	-	407,280	(1,175)
Expenditures:					
Capital outlay:					
Economic development	408,455	407,280	-	407,280	1,175
Total expenditures	408,455	407,280	-	407,280	1,175
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ -		

CLEVELAND COUNTY, NORTH CAROLINA

JAIL CONSOLIDATION CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Expenditures:					
Capital outlay:					
Public Safety	\$ 50,000	\$ 29,850	\$ -	\$ 29,850	\$ 20,150
Total expenditures	<u>50,000</u>	<u>29,850</u>	<u>-</u>	<u>29,850</u>	<u>20,150</u>
Revenues over (under) expenditures	<u>(50,000)</u>	<u>(29,850)</u>	<u>-</u>	<u>(29,850)</u>	<u>20,150</u>
Other Financing Sources (Uses):					
Transfers in:					
From Reimbursement Resolution	<u>50,000</u>	<u>29,850</u>	<u>-</u>	<u>29,850</u>	<u>(20,150)</u>
Total other financing sources (uses)	<u>50,000</u>	<u>29,850</u>	<u>-</u>	<u>29,850</u>	<u>(20,150)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

CLEVELAND COUNTY, NORTH CAROLINA

ENTERPRISE RESOURCE PLANNING SOFTWARE CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Expenditures:					
Capital outlay:					
General Government	\$ 1,367,662	\$ 457,338	\$ 215,642	\$ 672,980	\$ 694,682
Total expenditures	<u>1,367,662</u>	<u>457,338</u>	<u>215,642</u>	<u>672,980</u>	<u>694,682</u>
Revenues over (under) expenditures	<u>(1,367,662)</u>	<u>(457,338)</u>	<u>(215,642)</u>	<u>(672,980)</u>	<u>694,682</u>
Other Financing Sources (Uses):					
Transfers in:					
From Reimbursement Resolution	<u>1,367,662</u>	<u>457,338</u>	<u>215,642</u>	<u>672,980</u>	<u>(694,682)</u>
Total other financing sources (uses)	<u>1,367,662</u>	<u>457,338</u>	<u>215,642</u>	<u>672,980</u>	<u>(694,682)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

CLEVELAND COUNTY, NORTH CAROLINA
CLEVELAND COUNTY FAIR ENHANCEMENT CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Local Revenues	\$ 150,000	\$ -	\$ -	\$ -	\$ (150,000)
Total revenues	150,000	-	-	-	(150,000)
Expenditures:					
Capital outlay:					
General Government	327,906	-	49,080	49,080	278,826
Total expenditures	327,906	-	49,080	49,080	278,826
Revenues over (under) expenditures	(177,906)	-	(49,080)	(49,080)	128,826
Other Financing Sources (Uses):					
Transfers in:					
From Reimbursement Resolution	177,906	-	49,080	49,080	(128,826)
Total other financing sources (uses)	177,906	-	49,080	49,080	(128,826)
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ -		

Debt Service Fund

The Debt Service Fund is used to account for all expenditures for principal and interest for certain long-term debt payments. The other governmental fund types provide the resources to the Debt Service Fund to make the payments through transfers.

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CLEVELAND COUNTY, NORTH CAROLINA

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Restricted intergovernmental	\$ 1,833,915	\$ 1,861,658	\$ 27,743	\$ 1,088,296
Total revenues	<u>1,833,915</u>	<u>1,861,658</u>	<u>27,743</u>	<u>1,088,296</u>
Expenditures:				
Debt service:				
Principal repayments	5,355,347	5,355,347	-	5,355,089
Interest and fees	<u>2,282,665</u>	<u>2,282,665</u>	<u>-</u>	<u>2,502,268</u>
Total expenditures	<u>7,638,012</u>	<u>7,638,012</u>	<u>-</u>	<u>7,857,357</u>
Revenues over (under) expenditures	<u>(5,804,097)</u>	<u>(5,776,354)</u>	<u>27,743</u>	<u>(6,769,061)</u>
Other Financing Sources (Uses):				
Transfers in:				
From General Fund	2,593,000	2,195,802	(397,198)	2,724,746
From Reimbursement Resolution	-	-	-	737,600
From School Capital Reserve Fund	<u>3,211,097</u>	<u>3,580,552</u>	<u>369,455</u>	<u>3,306,715</u>
Total other financing sources (uses)	<u>5,804,097</u>	<u>5,776,354</u>	<u>(27,743)</u>	<u>6,769,061</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balance:				
Beginning of year - July 1		<u>1,200,000</u>		<u>1,200,000</u>
End of year - June 30		<u>\$ 1,200,000</u>		<u>\$ 1,200,000</u>

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Enterprise Fund

Enterprise funds account for the operations financed and operated in a manner similar to private business enterprises – where the intent of the government’s board is that the costs of providing goods or services to the general public on a continuing basis be financed primarily through user charges.

Individual Fund Description:

Solid Waste Fund – accounts for solid waste collection and disposal operations including recycling in the County that is financed through solid waste user fees.

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CLEVELAND COUNTY, NORTH CAROLINA

SOLID WASTE FUND

SCHEDULE OF REVENUES AND EXPENDITURES

BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Operating revenues:				
Fees for service	\$ 6,907,910	\$ 7,404,183	\$ 496,273	\$ 7,305,117
Non-operating revenues:				
Other taxes and fees	602,091	788,587	186,496	644,313
Interest income	-	77,333	77,333	26,814
Total revenues	<u>7,510,001</u>	<u>8,270,103</u>	<u>760,102</u>	<u>7,976,244</u>
Expenditures:				
Salaries and employee benefits	2,321,498	2,031,267	290,231	2,084,789
Other operating expenditures	3,983,124	3,458,771	524,353	2,901,362
Capital outlay	<u>1,379,423</u>	<u>1,304,593</u>	<u>74,830</u>	<u>917,229</u>
Total expenditures	<u>7,684,045</u>	<u>6,794,631</u>	<u>889,414</u>	<u>5,903,380</u>
Revenue over (under) expenditures	<u>(174,044)</u>	<u>1,475,472</u>	<u>(129,312)</u>	<u>2,072,864</u>
Other Financing Sources (Uses):				
Transfers out	(515,335)	(515,335)	-	(778,794)
Appropriated retained earnings	<u>689,379</u>	<u>-</u>	<u>(689,379)</u>	<u>-</u>
Total other financing sources (uses)	<u>174,044</u>	<u>(515,335)</u>	<u>(689,379)</u>	<u>(778,794)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>960,137</u>	<u>\$ 960,137</u>	<u>\$ 1,294,070</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis:				
Reconciling items:				
Decrease in deferred outflows of resources - OPEB		(6,452)		
Increase in deferred inflows of resources -OPEB		(18,366)		
Increase in OPEB liability		10,323		
Capital outlay, capitalized		1,304,593		
Change in accrued vacation		(4,380)		
Gain on disposal of asset		223,145		
Post-closure care costs		(226,511)		
Increase in deferred outflows of resources - pensions		181,042		
Increase in net pension liability		(217,137)		
Decrease in deferred inflows of resources - pensions		(3,200)		
Depreciation		<u>(828,741)</u>		
Total reconciling items		<u>414,316</u>		
Change in net position		<u>\$ 1,374,453</u>		

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Agency Funds

Agency Funds are used to account for position held by the County as an agent for individuals, private organizations, other governments and/or other funds.

Individual Fund Descriptions:

Fines and Forfeitures Fund – accounts for fines and forfeitures collected by the court system and passed directly to the public school system as required by General Statute.

Inmate Fund – accounts for funds held by the County on behalf of inmates in the County jail

Property Tax Fund – accounts for the County's collection of property taxes that the County is required to remit to other municipalities.

Rescue Squad Fund – accounts for position held for the Fireman's Association.

Social Services Fund – accounts for position held by the Social Services Department for the benefit of certain individuals in the County.

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CLEVELAND COUNTY, NORTH CAROLINA

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN POSITION AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2019

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2019</u>
Fines and Forfeitures Fund:				
Assets:				
Cash	\$ -	\$ 585,574	\$ (546,996)	\$ 38,578
Liabilities:				
Intergovernmental payable	\$ -	\$ 585,574	\$ (546,996)	\$ 38,578
Inmate Fund:				
Assets:				
Cash	\$ 12,980	\$ 688,119	\$ (671,807)	\$ 29,292
Liabilities:				
Intergovernmental payable	\$ 12,980	\$ 688,119	\$ (671,807)	\$ 29,292
Property Tax Fund:				
Assets:				
Cash	\$ 202,754	\$ 268,713	\$ (202,754)	\$ 268,713
Accounts receivable	681,124	363,614	-	1,044,738
Total assets	<u>883,878</u>	<u>632,327</u>	<u>(202,754)</u>	<u>1,313,451</u>
Liabilities:				
Intergovernmental payable	<u>\$ 883,878</u>	<u>\$ 632,327</u>	<u>\$ (202,754)</u>	<u>\$ 1,313,451</u>
Rescue Squad Fund:				
Assets:				
Cash	\$ 4,276	\$ 90	\$ -	\$ 4,366
Liabilities:				
Intergovernmental payable	<u>\$ 4,276</u>	<u>\$ 90</u>	<u>\$ -</u>	<u>\$ 4,366</u>
Social Services Fund:				
Assets:				
Cash and cash equivalents	<u>\$ 88,189</u>	<u>\$ 413,294</u>	<u>\$ (436,362)</u>	<u>\$ 65,121</u>
Liabilities:				
Intergovernmental payable	<u>\$ 88,189</u>	<u>\$ 413,294</u>	<u>\$ (436,362)</u>	<u>\$ 65,121</u>
Totals - All Agency Funds:				
Assets:				
Cash	\$ 308,199	\$ 1,370,216	\$ (1,310,923)	\$ 406,070
Account receivable	681,124	949,188	(546,996)	1,044,738
Totals - All Agency Funds:	<u>\$ 989,323</u>	<u>\$ 2,319,404</u>	<u>\$ (1,857,919)</u>	<u>\$ 1,450,808</u>
Liabilities:				
Intergovernmental payable	<u>\$ 989,323</u>	<u>\$ 2,319,404</u>	<u>\$ (1,857,919)</u>	<u>\$ 1,450,808</u>

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Additional Financial Data

This section contains additional information on taxes receivable, the tax levy, and schedule of revenues and expenditures for Cleveland County as of June 30, 2019.

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CLEVELAND COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE - GENERAL FUND
JUNE 30, 2019

Fiscal Year	Uncollected Balance July 1, 2018	Additions	Collections and Credits	Uncollected Balance June 30, 2019
2018-2019	\$ -	\$ 64,495,436	\$ 63,566,623	\$ 928,813
2017-2018	961,213	-	577,331	383,882
2016-2017	351,928	-	146,014	205,914
2015-2016	237,583	-	86,539	151,044
2014-2015	192,483	-	69,237	123,246
2013-2014	153,874	-	19,126	134,748
2012-2013	136,613	-	10,957	125,656
2011-2012	98,794	-	5,975	92,819
2010-2011	93,456	-	3,974	89,482
2009-2010	88,412	-	3,688	84,724
2008-2009	84,766	-	84,766	-
Total	<u>\$ 2,399,122</u>	<u>\$ 64,495,436</u>	<u>\$ 64,574,230</u>	2,320,328
Less: allowance for uncollectible accounts: General Fund				<u>(687,568)</u>
Ad valorem taxes receivable net: General Fund				<u>\$ 1,632,760</u>
Reconciliation with Revenues:				
Ad valorem taxes - General Fund				\$ 63,822,841
Reconciling items:				
Interest				(429,999)
Adjustments and abatements				253,441
Other miscellaneous adjustments				12,836
Incentivized paybacks				830,345
Amounts written off per Statute of Limitations				<u>84,766</u>
Total collections and credits				<u>\$ 64,574,230</u>

CLEVELAND COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
FOR THE YEAR ENDED JUNE 30, 2019

	County-Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 8,036,842,222	0.72	\$ 57,865,264	\$ 52,210,657	\$ 5,654,607
Total	8,036,842,222		57,865,264	52,210,657	5,654,607
Discoveries:					
Current year taxes	956,057,361	0.72	6,883,613	6,883,613	-
Abatements	(35,200,139)	0.72	(253,441)	(253,441)	-
Total property valuation	<u>\$ 8,957,699,444</u>				
Net Levy			64,495,436	58,840,829	5,654,607
Uncollected taxes at June 30, 2019			(928,813)	(928,813)	-
Current Year's Taxes Collected			<u>\$ 63,566,623</u>	<u>\$ 57,912,016</u>	<u>\$ 5,654,607</u>
Current Levy Collection Percentage			<u>98.56%</u>	<u>98.42%</u>	<u>100.00%</u>

Statistical Section

The Statistical Section includes data extracted from prior years' financial reports and various other sources.

The information presented in this section does not provide full and adequate disclosure of financial information for prior years required by generally accepted accounting principles. Such information is provided for supplementary analysis purposes and should be relied on only for the purpose specified.

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being has changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within, which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Schedule 1
Cleveland County
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
Governmental activities				
Net investment in capital assets	\$ 73,352,330	\$ 85,694,014	\$ 112,383,657	\$ 53,300,808
Restricted	13,033,908	39,629,067	20,948,015	23,947,192
Unrestricted	<u>40,521,330</u>	<u>474,766</u>	<u>232,842</u>	<u>18,042,969</u>
Total governmental activities	<u>\$ 126,907,568</u>	<u>\$ 125,797,847</u>	<u>\$ 133,564,514</u>	<u>\$ 95,290,969</u>
Business-type activities				
Net investment in capital assets	\$ 13,200,191	\$ 15,039,747	\$ 16,169,340	\$ 16,390,005
Unrestricted	<u>1,130,529</u>	<u>(2,389,745)</u>	<u>(4,302,149)</u>	<u>(9,340,887)</u>
Total business-type activities	<u>\$ 14,330,720</u>	<u>\$ 12,650,002</u>	<u>\$ 11,867,191</u>	<u>\$ 7,049,118</u>
Primary government				
Net investment in capital assets	\$ 86,552,521	\$ 100,733,761	\$ 128,552,997	\$ 69,690,813
Restricted	13,033,908	39,629,067	20,948,015	23,947,192
Unrestricted	<u>41,651,859</u>	<u>(1,914,979)</u>	<u>(4,069,307)</u>	<u>8,702,082</u>
Total primary government net position	<u>\$ 141,238,288</u>	<u>\$ 138,447,849</u>	<u>\$ 145,431,705</u>	<u>\$ 102,340,087</u>

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 85,821,431	\$ 96,884,891	\$ 103,435,523	\$ 82,890,909	\$ 84,463,578	\$ 86,494,103
14,779,333	14,935,402	18,719,625	29,407,653	21,716,519	22,268,506
6,497	(3,827,118)	(7,345,176)	4,700,168	(4,027,666)	(3,053,611)
<u>\$ 100,607,261</u>	<u>\$ 107,993,175</u>	<u>\$ 114,809,972</u>	<u>\$ 116,998,730</u>	<u>\$ 102,152,431</u>	<u>\$ 105,708,998</u>
\$ 16,036,546	\$ 16,448,095	\$ 17,184,372	\$ 22,236,046	\$ 22,669,381	\$ 23,143,736
(7,624,633)	(6,405,462)	(6,020,500)	(10,259,677)	(11,637,138)	(10,469,654)
<u>\$ 8,411,913</u>	<u>\$ 10,042,633</u>	<u>\$ 11,163,872</u>	<u>\$ 11,976,369</u>	<u>\$ 11,032,243</u>	<u>\$ 12,674,082</u>
\$ 101,857,977	\$ 113,332,986	\$ 120,619,895	\$ 105,126,955	\$ 107,132,959	\$ 109,637,839
14,779,333	14,935,402	18,719,625	29,407,653	21,716,519	22,268,506
(7,618,136)	(10,232,580)	(13,365,676)	(5,559,509)	(15,664,804)	(13,523,265)
<u>\$ 109,019,174</u>	<u>\$ 118,035,808</u>	<u>\$ 125,973,844</u>	<u>\$ 128,975,099</u>	<u>\$ 113,184,674</u>	<u>\$ 118,383,080</u>

Schedule 2
Cleveland County
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Page 1 of 2

	Fiscal Year					Fiscal Year				
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 9,067,110	\$ 6,758,722	\$ 8,691,798	\$ 9,360,189	\$ 10,940,284	\$ 9,192,572	\$ 11,020,393	\$ 11,852,530	\$ 13,385,504	\$ \$16,206,681
Public safety	21,698,159	23,237,692	24,789,003	23,647,499	22,277,558	23,023,383	25,934,833	25,546,272	29,382,033	31,238,186
Human services	33,914,103	36,593,375	35,480,842	36,533,683	39,910,173	37,343,610	38,328,743	36,826,648	34,213,345	35,995,884
Education	25,446,822	26,348,019	26,031,948	26,506,854	26,785,459	28,527,582	30,170,441	30,252,460	32,706,674	32,645,084
Economic and physical development	2,348,461	3,882,363	2,780,339	6,394,017	3,825,642	4,887,922	5,553,981	8,076,066	17,169,078	7,211,865
Cultural and recreation	1,103,213	1,016,592	1,212,620	1,474,692	2,015,097	698,756	1,673,852	688,520	1,761,508	1,503,021
Interest on long term debt	643,989	2,283,810	2,209,258	2,110,131	1,494,721	1,791,022	1,904,752	1,741,975	2,411,379	2,247,146
Total governmental activities	94,221,857	100,120,573	101,195,808	106,027,065	107,248,934	105,464,847	114,586,995	114,984,471	131,029,521	127,047,867
Business-type activities:										
Landfill	3,613,290	8,640,661	5,789,166	10,243,838	5,145,318	4,679,344	4,862,707	5,927,192	7,916,155	6,380,315
Conference center	-	-	216,822	593,350	-	-	-	-	-	-
Total business-type activities	3,613,290	8,640,661	6,005,988	10,837,188	5,145,318	4,679,344	4,862,707	5,927,192	7,916,155	6,380,315
Total primary government expenses	\$ 97,835,147	\$ 108,761,234	\$ 106,984,974	\$ 116,270,903	\$ 112,394,252	\$ 110,144,191	\$ 119,449,702	\$ 120,911,663	\$ 138,945,676	\$ 133,428,182
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 2,415,181	\$ 2,283,008	\$ 2,395,705	\$ 2,303,786	\$ 2,634,580	\$ 3,164,697	\$ 3,537,614	\$ 3,592,173	\$ 3,854,639	\$ 3,906,891
Public safety	5,134,699	5,486,734	5,899,901	5,355,364	2,625,778	2,264,490	2,334,725	2,004,684	2,582,628	3,206,964
Human services	5,175,178	5,470,082	7,050,168	6,441,109	11,883	-	-	3,817,502	3,950,570	3,831,593
Education	10,170,228	10,150,261	10,608,208	11,226,358	-	-	-	-	-	-
Economic and physical development	65,717	48,357	38,150	28,732	4,000,223	3,939,136	5,340,699	370,675	226,392	238,696
Cultural and recreation	43,813	57,589	98,075	79,739	-	-	-	-	-	-
Operating grants and contributions:										
General government	1,272,324	1,084,642	1,000,766	1,728,852	3,889,131	3,058,427	2,284,872	1,351,849	1,917,858	1,521,611
Public safety	1,076,840	682,837	2,216,861	1,484,910	305,039	369,245	155,891	355,316	258,388	464,295
Human services	18,147,393	18,590,542	18,363,979	16,980,332	17,987,419	20,024,711	20,176,304	17,834,543	19,695,707	19,304,541
Education	81,802	3,214,965	-	363,456	-	-	1,231,021	-	-	-
Economic and physical development	-	559,339	1,840,163	1,850,639	739,658	107,025	-	-	-	-
Cultural and recreation	263,787	799,086	1,120,349	1,313,303	-	-	-	184,000	33,000	33,768
Capital grants and contributions:										
General government	73,898	33,680	14,141	47,223	1,044,258	450,760	40,542	-	-	-
Public safety	-	26,271	67,461	252,730	59,411	298,438	183,461	-	1,088,296	1,861,658
Human services	601,747	5,020	-	3,492	3,663,827	4,311,346	4,140,732	4,351,935	1,679,551	1,855,251
Education	2,806,456	2,907,522	3,947,837	8,269,925	1,462,777	1,595,639	1,593,900	1,093,478	1,289,305	1,044,355
Economic and physical development	-	404,846	1,268,978	76,272	1,008,897	-	2,063,691	1,670,321	1,167,046	2,345,007
Cultural and recreation	450,000	-	1,146,979	29,518	-	-	-	-	-	-
Total governmental activities program revenues	47,779,063	51,804,781	57,077,721	57,835,740	39,432,881	39,583,914	43,083,452	36,626,476	37,743,380	39,614,630
Business-type activities:										
Charges for services	4,392,221	4,990,003	5,545,109	5,058,476	5,998,475	5,976,341	5,746,746	5,996,327	7,037,731	7,404,183
Operating grants and contributions	288,119	2,261,812	2,239,632	393,444	54,445	108,734	-	-	-	-
Capital grants and contributions	8,500	-	-	-	-	-	3,700	-	-	-
Total business-type activities program revenues	4,688,840	7,251,815	7,784,741	5,451,920	6,052,920	6,085,075	5,750,446	5,996,327	7,037,731	7,404,183
Total primary government program revenues	\$ 52,467,903	\$ 59,056,596	\$ 64,862,462	\$ 63,287,660	\$ 45,485,801	\$ 45,668,989	\$ 48,833,898	\$ 42,622,803	\$ 44,781,111	\$ 47,018,813
Net (Expense)/Revenue										
Governmental activities	\$ (46,442,794)	\$ (48,315,792)	\$ (44,118,087)	\$ (48,191,325)	\$ (67,816,053)	\$ (65,880,933)	\$ (71,503,543)	\$ (78,357,995)	\$ (93,286,141)	\$ (87,433,237)
Business-type activities	1,075,550	(1,388,846)	1,778,753	(5,385,268)	907,602	1,405,731	887,739	69,135	(878,424)	1,023,868
Total primary government net (expense)/revenue	\$ (49,704,638)	\$ (49,704,638)	\$ (42,339,334)	\$ (53,576,593)	\$ (66,908,451)	\$ (64,475,202)	\$ (70,615,804)	\$ (78,288,860)	\$ (94,164,565)	\$ (86,409,369)

Schedule 2
Cleveland County
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Page 2 of 2

	Fiscal Year					Fiscal Year				
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 38,289,687	\$ 38,645,416	\$ 40,301,804	\$ 42,960,964	\$ 60,502,800	\$ 59,587,494	\$ 60,047,655	\$ 61,266,854	\$ 63,400,076	\$ 66,988,662
Local option sales tax	7,429,274	7,405,889	8,077,072	8,211,061	12,625,637	17,202,034	17,561,662	19,434,159	21,425,575	21,292,439
Other taxes and licenses	378,380	426,626	461,395	455,306	-	-	-	360,205	122,392	127,770
Grants and contributions not restricted	-	190,000	380,000	38,000	-	-	-	-	-	-
Investment earnings	546,517	202,215	100,740	89,033	110,873	188,580	278,703	595,379	839,841	1,316,562
Miscellaneous	-	-	-	-	-	-	-	568,882	687,665	750,305
Special item:										
Gain/(loss) on sale of capital asset	-	-	-	(41,270,640)	-	-	-	-	-	-
Transfers	335,059	335,925	2,563,743	(565,944)	104,481	125,966	432,320	-	-	515,335
Total governmental activities:	<u>46,978,917</u>	<u>47,206,071</u>	<u>51,884,754</u>	<u>9,917,780</u>	<u>73,343,791</u>	<u>77,104,074</u>	<u>78,320,340</u>	<u>82,225,479</u>	<u>86,475,549</u>	<u>90,991,073</u>
Business-type activities:										
Investment earnings	14,553	44,053	2,179	1,251	328	1,004	13,557	31,524	26,814	77,333
Miscellaneous	-	-	-	-	-	515,482	652,263	711,838	644,313	788,587
Transfers	(335,059)	(335,925)	(2,563,743)	565,944	(104,481)	(125,967)	(432,320)	-	-	(515,335)
Total business-type activities	<u>(320,506)</u>	<u>(291,872)</u>	<u>(2,561,564)</u>	<u>567,195</u>	<u>(104,153)</u>	<u>390,519</u>	<u>233,500</u>	<u>743,362</u>	<u>671,127</u>	<u>350,585</u>
Total primary government	<u>\$ 46,658,411</u>	<u>\$ 46,914,199</u>	<u>\$ 49,323,190</u>	<u>\$ 10,484,975</u>	<u>\$ 73,239,638</u>	<u>\$ 77,494,593</u>	<u>\$ 78,553,840</u>	<u>\$ 82,968,841</u>	<u>\$ 87,146,676</u>	<u>\$ 91,341,658</u>
Change in Net Position										
Governmental activities	\$ 536,123	\$ (1,109,721)	\$ 7,766,667	\$ (38,273,545)	\$ 5,527,738	\$ 11,223,141	\$ 6,816,797	\$ 3,867,484	\$ (6,810,592)	\$ 3,557,836
Business-type activities	<u>755,044</u>	<u>(1,680,718)</u>	<u>(782,811)</u>	<u>(4,818,073)</u>	<u>803,449</u>	<u>1,796,250</u>	<u>1,121,239</u>	<u>812,497</u>	<u>(207,297)</u>	<u>1,374,453</u>
Total primary government	<u>\$ 1,291,167</u>	<u>\$ (2,790,439)</u>	<u>\$ 6,983,856</u>	<u>\$ (43,091,618)</u>	<u>\$ 6,331,187</u>	<u>\$ 13,019,391</u>	<u>\$ 7,938,036</u>	<u>\$ 4,679,981</u>	<u>\$ (7,017,889)</u>	<u>\$ 4,932,289</u>

Schedule 3
Cleveland County
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
General Fund				
Non-spendable:				
Inventories	\$ 86,552	\$ 133,331	\$ 91,497	\$ 111,774
Long-Term receivable	-	-	-	-
Prepaid items	143,292	152,370	173,487	272,721
Restricted:				
Stabilization for State statute	7,527,242	8,412,576	11,388,787	10,491,699
Register of Deeds	-	-	-	-
Restricted, all other	-	171,642	257,522	1,046,254
Committed:				
Construction	-	-	-	22,000,000
Other	-	-	-	-
Assigned for subsequent year's expenditures	4,740,153	4,437,361	5,596,601	5,869,570
Assigned all other	807,155	2,650,117	2,270,530	1,533,164
Unassigned:	10,291,084	6,324,242	5,285,290	5,941,744
Total General Fund	<u>\$ 23,595,478</u>	<u>\$ 22,281,639</u>	<u>\$ 25,063,714</u>	<u>\$ 47,266,926</u>
All Other Governmental Funds				
Non-spendable:				
Prepaid items	\$ -	\$ 4,016	\$ 1,080	\$ 1,207
Restricted:				
Stabilization for State statute	1,238,853	22,964,923	22,674,006	1,586,536
Restricted, all other	-	-	(454,660)	(17,125,893)
Committed:				
Special revenue and debt service funds	641,730	465,966	-	-
Capital project funds	-	-	-	-
Assigned all other:	-	-	-	-
Unassigned:	19,385,068	13,383,369	(643,370)	(66,517)
Total all other governmental funds	<u>21,265,651</u>	<u>36,818,274</u>	<u>21,577,056</u>	<u>(15,604,667)</u>
Total fund balances	<u>\$ 44,861,129</u>	<u>\$ 59,099,913</u>	<u>\$ 46,640,770</u>	<u>\$ 31,662,259</u>

* The County sold the Hospital during the 2012-2013 fiscal year.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 104,177	\$ 144,859	\$ 172,014	\$ 92,666	\$ 106,556	\$ 108,852
-	-	-	91,764	73,412	-
221,001	241,229	201,261	880,263	339,516	396,008
7,531,900	6,873,561	7,070,633	6,583,257	8,185,106	8,647,664
-	-	-	76,671	121,964	172,918
705,424	1,202,757	3,114,229	2,432,842	2,465,389	2,465,389
19,015,426	9,257,021	-	-	-	-
-	-	-	15,426	15,426	1,015,426
5,633,347	6,025,000	4,809,895	4,555,046	5,204,151	4,992,241
1,500,000	3,025,000	4,015,426	5,000,000	5,000,000	3,300,000
14,345,778	17,516,639	19,127,229	19,892,312	19,358,902	20,716,473
<u>\$ 49,057,053</u>	<u>\$ 44,286,066</u>	<u>\$ 38,510,687</u>	<u>\$ 39,620,247</u>	<u>\$ 40,870,422</u>	<u>\$ 41,814,971</u>
\$ 5,386	\$ -	\$ 43,573	\$ 10,856	\$ 71,930	\$ 51,164
1,422,178	1,254,152	1,238,907	1,781,340	1,440,840	1,919,165
3,298,716	5,809,555	8,548,950	29,728,948	9,206,155	8,917,423
-	15,675	469,261	-	-	-
-	-	499,948	9,832,946	8,135,803	8,123,200
-	-	-	2,269,942	2,881,403	2,794,155
(1,979,061)	(126,577)	(901,293)	(348,897)	(916,195)	(1,662,935)
<u>2,747,219</u>	<u>6,952,805</u>	<u>9,899,346</u>	<u>43,275,135</u>	<u>20,819,936</u>	<u>20,142,172</u>
<u>\$ 51,804,272</u>	<u>\$ 51,238,871</u>	<u>\$ 48,410,033</u>	<u>\$ 82,895,382</u>	<u>\$ 61,690,358</u>	<u>\$ 61,957,143</u>

Schedule 4
Cleveland County
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2010	2011	2012	2013	2014
Revenues					
Taxes:					
Property	\$ 49,833,593	\$ 49,785,232	\$ 52,089,876	\$ 55,178,746	\$ 60,197,991
Sales	10,111,795	10,067,729	10,918,854	11,099,827	11,927,085
Other	1,016,187	1,071,366	846,979	756,030	698,552
Total taxes	60,961,575	60,924,327	63,855,709	67,034,603	72,823,628
Intergovernmental	21,352,565	24,260,241	27,487,280	28,047,476	28,254,914
Permits and fees	883,785	865,693	943,235	968,754	4,662,137
Sales and services	9,709,237	10,479,805	11,919,725	10,996,680	5,450,492
Investment earnings	875,926	266,555	167,909	172,905	110,873
Miscellaneous	750,285	551,634	1,878,708	1,325,632	812,707
Total revenues	94,533,373	97,348,255	106,252,566	108,546,050	112,114,751
Expenditures					
General government	8,325,455	8,297,537	8,859,733	9,501,136	8,786,762
Public safety	18,025,869	19,404,100	20,357,264	20,234,641	20,626,911
Human services	33,192,709	33,774,319	33,936,655	34,174,002	33,749,480
Education	21,918,571	21,973,653	22,431,550	23,197,513	26,785,458
Economic and physical development	1,454,212	3,286,202	3,408,258	3,470,060	7,704,794
Culture and recreation	1,121,982	1,164,592	1,128,074	1,178,071	1,721,106
Capital outlay	14,777,085	35,247,572	27,981,472	13,914,677	4,545,366
Debt service:					
Principal	3,250,871	2,847,048	3,435,998	3,412,140	3,473,237
Interest	643,989	1,711,550	2,255,816	2,158,224	1,920,901
Total expenditures	102,710,743	127,706,573	123,794,820	111,240,464	109,314,015
Revenues over (under) expenditures	(8,177,370)	(30,358,318)	(17,542,254)	(2,694,414)	2,800,736
Other Financing Sources (Uses)					
Transfers in	335,059	335,925	2,563,743	-	24,865,333
Transfers out	-	-	-	(565,944)	(24,760,852)
Proceeds from capital lease	-	-	-	-	-
Installment financing proceeds	22,081,095	17,563,250	-	52,633	-
Sale of capital assets	-	-	-	23,349,738	-
Total other financing sources (uses)	22,416,154	17,899,175	2,563,743	22,836,427	104,481
Net change in fund balances	\$ 14,238,784	\$ (12,459,143)	\$ (14,978,511)	\$ 20,142,013	\$ 2,905,217
Debt Service / Operating Non-Capital Ratio	4.43%	4.93%	5.94%	5.72%	5.15%

Fiscal Year				
2015	2016	2017	2018	2019
\$ 59,299,996	\$ 60,146,105	\$ 61,374,504	\$ 63,302,733	\$ \$67,057,925
17,202,034	17,561,662	19,434,159	21,425,575	21,292,439
513,548	-	-	-	-
77,015,578	77,707,767	80,808,663	84,728,308	88,350,364
28,591,587	29,595,682	26,769,053	25,300,823	26,961,939
4,218,683	4,321,708	4,502,846	4,695,185	4,699,153
5,808,912	6,243,473	5,656,678	7,037,795	7,212,000
188,579	278,704	595,379	839,841	1,316,562
910,103	2,346,817	661,389	1,086,004	750,305
116,733,442	120,494,151	118,994,008	123,687,956	129,290,323
9,331,755	10,675,904	11,067,806	12,971,595	14,107,263
23,276,410	23,462,335	24,891,592	27,954,198	25,391,553
33,181,597	36,610,613	32,917,523	33,024,912	34,966,574
28,404,757	30,170,441	32,008,152	41,567,546	31,401,693
6,147,272	5,699,333	5,541,505	4,947,724	6,284,388
1,330,274	1,332,421	1,234,611	1,482,089	1,320,498
13,393,096	10,530,185	5,742,301	14,408,813	9,538,225
3,456,376	3,589,291	3,343,658	5,429,537	5,462,225
1,808,490	1,684,786	1,536,656	2,502,268	2,282,665
120,330,027	123,755,309	118,283,804	144,288,682	130,755,084
(3,596,585)	(3,261,158)	710,204	(20,600,726)	(1,464,761)
31,866,480	28,979,447	22,626,019	25,433,670	11,131,967
(31,740,513)	(28,547,127)	(22,626,019)	(24,918,335)	(10,616,632)
-	-	425,145	26,440	70,138
-	-	33,350,000	-	-
-	-	-	-	-
125,967	432,320	33,775,145	541,775	585,473
\$ (3,470,618)	\$ (2,828,838)	\$ 34,485,349	\$ (20,058,951)	\$ (879,288)
4.92%	4.66%	4.34%	6.11%	6.39%

Schedule 5
Cleveland County
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year		Commercial Real Property		Real Personal Property		Industrial Property		Total Taxable Assessed Value		Total Direct Tax Rate (3)		Estimated Actual Value (4)
2010	\$	4,983,714,807	\$	1,334,442,491	\$	326,924,856	\$	6,645,082,154	\$	0.7200	\$	2,940,662,629
2011		5,008,320,561		1,293,716,402		374,726,300		6,676,763,263		0.7200		3,230,027,558
2012		5,035,338,075		1,348,627,630		604,756,377		6,988,722,082		0.7200		3,876,548,797
2013		5,100,510,697		1,686,009,784		650,972,983		7,437,493,464		0.7200		4,397,768,311
2014		5,962,080,488		1,725,042,756		705,256,339		8,392,379,583		0.7200		4,964,092,523
2015		6,058,447,457		1,675,189,181		741,430,862		8,475,067,500		0.7200		5,008,764,893
2016 (5)		5,949,760,853		1,464,352,946		813,084,179		8,227,197,978		0.7200		4,862,274,005
2017		4,750,457,635		3,209,409,209		472,393,562		8,432,260,406		0.7200		8,634,057,316
2018		4,787,922,158		3,211,020,704		476,124,638		8,475,067,500		0.7200		9,048,102,044
2019		4,519,389,711		3,936,446,342		501,863,391		8,957,699,444		0.7200		10,193,539,465

Source: County Assessor's Annual County Report of Valuation and Property Tax Levies

Notes:

- (1) Present use value property is agricultural, horticultural, and forestland for which the owner has applied for the property to be taxed at its present use. The difference in taxes on the present use basis and the taxes that would have been payable is a lien on the property and is deferred. The taxes become due if the property ceases to qualify for present use value. The preceding three fiscal years taxes are then required to be paid.
 - (2) Public service companies valuations are provided to the County by the North Carolina Department of Revenue. These amounts include both real and personal property.
 - (3) Per \$100 of value.
 - (4) The estimated market value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the N.C. Department of Revenue. The ratio is based on actual property sales which took place during the fiscal year. The ratio for the most recent year is not yet available.
 (This ratio only applies to real property. Ratio for 2017 was 0.9628)
 - (5) Property in Cleveland County is typically reassessed every four years and never to exceed 8 years. January 1, 2016 was the last revaluation. Prior to 2016 the last revaluation was in 2008. The current cycle is set for five years. (2021)
- * Indicates valuation was included in Commercial Property Valuation

Schedule 6
Cleveland County
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

	Fiscal Year					Fiscal Year				
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Cleveland County	\$ 0.0072	\$ 0.0072	\$ 0.0072	\$ 0.0072	\$ 0.0072	\$ 0.0072	\$ 0.0072	\$ 0.0072	\$ 0.0072	0.0072
Municipality Rates:										
Town of Grover	0.0038	0.0038	0.0038	0.0038	0.0038	0.0039	0.0039	0.0039	0.0039	0.0039
City of Kings Mountain	0.0040	0.0040	0.0040	0.0040	0.0040	0.0040	0.0040	0.0043	0.0043	0.0043
City of Kings Mountain Municiple Service District	0.0024	0.0024	0.0024	0.0024	0.0024	0.0024	0.0024	0.0027	0.0027	0.0027
Town of Lattimore	0.0018	0.0018	0.0018	0.0018	0.0018	0.0022	0.0022	0.0022	0.0022	0.0022
Town of Kingstown	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0048
Town of Fallston	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005
Town of Earl	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0018
Town of Polkville	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005
Town of Lawndale	0.0023	0.0023	0.0023	0.0023	0.0023	0.0023	0.0023	0.0023	0.0023	0.0023
Town of Casar	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005
Town of Waco	0.0012	0.0015	0.0017	0.0017	0.0017	0.0020	0.0020	0.0020	0.0020	0.0020
City of Shelby	0.0044	0.0044	0.0044	0.0044	0.0044	0.0044	0.0044	0.0050	0.0050	0.0052
Uptown Shelby Municiple Revitilization	0.0022	0.0022	0.0022	0.0022	0.0022	0.0022	0.0022	0.0025	0.0025	0.0025
Town of Boiling Springs	0.0029	0.0029	0.0029	0.0029	0.0029	0.0032	0.0032	0.0033	0.0037	0.0038
Town of Patterson Springs	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0015	0.0015
Town of Belwood	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0005
Fire Districts:										
County Fire	0.0003	0.0003	0.0003	0.0003	0.0005	0.0005	0.0005	0.0005	0.0009	0.0009
Fallston Fire	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	N/A	N/A
Lattimore Fire	0.0003	0.0003	0.0003	0.0003	0.0004	0.0005	0.0005	0.0005	0.0009	0.0009
Rippy Fire	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0009	0.0009
Sanitary Water District	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002

Source: Cleveland County Tax Collector

*Fallston Fire went in with the main County Fire taxing district in FY 2018.

Schedule 7
Cleveland County
Principal Property Tax Payers,
Current Year and Nine Years Ago

Taxpayer	Type of Business	Fiscal Year 2019			Fiscal Year 2010		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Duke Energy Corporation	Electric Utility	\$ 728,882,950	1	8.9%	\$ 283,516,066	1	4.27%
Clearwater Paper Corporation	Paper products	471,585,243	2	5.7%	N/A	N/A	0.00%
NTE Energy	Electric Utility	366,856,015	3	4.5%	N/A	N/A	0.00%
Southern Power Company	Electric Utility	243,578,797	4	3.0%	N/A	N/A	0.00%
Nippon Electric Glass	Fiberglass Manufacturing	113,435,547	5	1.4%	N/A	N/A	0.00%
Disney WorldWide Services Inc.	Entertainment	105,756,720	6	1.3%	N/A	N/A	0.00%
Bell South Telephone Company	Telecommunication	102,875,029	7	1.3%	31,571,243	4	0.48%
Wal-Mart Stores East LP	Warehouse/Retail Store	85,940,384	8	1.0%	73,357,802	3	1.10%
Ensono Inc	Information Data Center	75,942,220	9	0.9%	N/A	N/A	0.00%
Albemarle Inc	Specialty Chemicals	70,601,504	10	0.9%	N/A	N/A	0.00%
Totals		\$ 2,365,454,409		28.79%	\$ 388,445,111		5.85%

Source: Cleveland County Assessor

Note: N/A - information not available due to company history in Cleveland County.

Schedule 8
Cleveland County
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the		Collected within the			Collections in Subsequent Years	Total Collections to Date			Uncollected
	Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Fiscal Year of the Levy			Amount	Percentage of Adjusted Levy		
				Amount	Percentage of Original Levy					
2010	\$ 49,202,687	\$ (34,242)	\$ 49,168,445	\$ 47,199,319	96.00%	\$ 1,847,559	\$ 49,046,878	99.75%	\$ 121,567	
2011	49,471,422	(72,829)	49,398,593	47,595,790	96.35%	1,647,112	49,242,902	99.68%	155,691	
2012	51,681,105	(1,463,467)	50,217,638	49,992,054	99.55%	-	49,992,054	99.55%	225,584	
2013	55,072,700	(1,247,947)	53,824,753	53,364,782	99.15%	-	53,364,782	99.15%	459,971	
2014	58,422,332	(392,434)	58,029,898	56,686,171	97.68%	-	56,686,171	97.68%	1,343,727	
2015	58,143,528	(69,534)	58,073,994	57,048,877	98.23%	-	57,048,877	98.23%	1,025,117	
2016	59,509,987	(274,162)	59,235,825	58,272,377	98.37%	-	58,272,377	98.37%	963,448	
2017	61,013,048	(587,915)	60,425,133	59,552,304	98.56%	-	59,552,304	98.56%	872,829	
2018	61,608,401	(587,915)	61,020,486	60,059,273	98.42%	-	60,059,273	98.42%	961,213	
2019	64,748,877	(253,441)	64,495,436	63,566,623	98.56%	-	63,566,623	98.56%	928,813	
									\$ 7,057,960	

Source: Cleveland County Tax Collector

Schedule 9
Cleveland County
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-Type Activities			Total Primary Government	Per Capita (1)	Percentage of Personal Income (1)
	General Obligation Bonds	Limited Obligation Bonds	Installment Contracts	Installment Purchases	Other	General Obligation Bonds	Limited Obligation Bonds	Installment Purchases			
2010	\$ 1,600,000	\$ 22,000,000	\$ 12,019,603	\$ -	\$ 178,830	\$ -	\$ -	\$ -	\$ 35,798,433	\$ 367	1.25%
2011	1,350,000	20,920,000	28,148,778	-	115,556	-	-	-	50,534,334	515	1.72%
2012	1,100,000	19,840,000	26,108,385	-	49,950	-	-	-	47,098,335	477	1.56%
2013	850,000	18,760,000	24,067,216	-	61,613	-	-	-	43,738,829	441	1.37%
2014	600,000	17,675,000	22,090,050	-	33,873	-	-	-	40,398,923	405	1.24%
2015	350,000	16,590,000	19,980,662	-	21,887	-	-	-	36,942,549	373	1.02%
2016	100,000	15,505,000	17,519,868	-	11,095	-	-	-	33,135,963	337	0.87%
2017	-	14,420,000	48,849,671	-	715,074	-	-	-	63,984,745	650	1.70%
2018	-	13,335,000	44,605,475	-	641,174	-	-	-	58,581,649	597	1.53%
2019	-	12,250,000	40,361,278	-	578,284	-	-	-	53,189,562	602	1.39%

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

(1) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Schedule 10
Cleveland County
Ratios of General Bonded Debt Outstanding,
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Limited Obligation Bonds	Total	Percentage of Personal Income(1)	Percentage of Actual Taxable Value of Property(2)	Per Capita(1)
2010	\$ 3,925,000	\$ -	\$ 3,925,000	0.14%	0.06%	\$ 40
2011	1,600,000	22,000,000	23,600,000	0.80%	0.35%	241
2012	1,350,000	20,920,000	22,270,000	0.74%	0.34%	225
2013	1,100,000	19,840,000	20,940,000	0.65%	0.31%	211
2014	850,000	18,760,000	19,610,000	0.60%	0.28%	197
2015	350,000	16,590,000	16,940,000	0.47%	0.23%	171
2016	100,000	15,505,000	15,605,000	0.41%	0.19%	159
2017	-	14,420,000	14,420,000	0.39%	0.18%	147
2018	-	13,335,000	13,335,000	0.35%	0.16%	136
2019	-	12,250,000	12,250,000	0.32%	0.13%	126

Notes: Details regarding the County's outstanding debt can be found in the notes to the Financial Statements.

(1) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(2) See Schedule 5 for assessed property valuation data.

Schedule 11
Cleveland County
Legal Debt Margin Information,
Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
Assessed Value of Property	\$ 6,645,082,154	\$ 6,676,763,263	\$ 6,988,722,082	\$ 7,437,493,464
Debt Limit, 8% of Assessed Value (Statutory Limitation)	531,606,572	534,141,061	559,097,767	594,999,477
Amount of Debt Applicable to Limit:				
Less: Gross debt	<u>35,798,433</u>	<u>50,534,334</u>	<u>47,098,335</u>	<u>43,738,829</u>
Total net debt applicable to limit	<u>35,798,433</u>	<u>50,534,334</u>	<u>47,098,335</u>	<u>43,738,829</u>
Legal Debt Margin	<u>\$ 495,808,139</u>	<u>\$ 483,606,727</u>	<u>\$ 511,999,432</u>	<u>\$ 551,260,648</u>
Total debt applicable to the limit as a percentage of debt limit	3.19%	6.73%	9.46%	8.42%

Note: N.C. Statute G.S. 159-55 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: debt incurred for water, sewer, gas or electric power purposes; uncollected special assessments, 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.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 8,029,709,444	\$ 8,065,832,500	\$ 8,227,197,978	\$ 8,392,379,583	\$ 8,475,067,500	\$ 8,957,699,444
642,376,756	645,266,600	658,175,838	671,390,367	678,005,400	716,615,956
40,398,923	36,942,549	33,553,258	63,984,745	58,581,649	53,189,562
40,398,923	36,942,549	33,553,258	63,984,745	58,581,649	53,189,562
\$ 601,977,833	\$ 608,324,051	\$ 624,622,580	\$ 607,405,622	\$ 619,423,751	\$ 663,426,394
7.35%	6.29%	5.73%	5.10%	9.53%	7.42%

Schedule 12
Cleveland County
Direct and Overlapping Governmental Activities Debt
As of June 30, 2019

Governmental Unit	Gross Non-Revenue Bonded Debt	Percent Applicable to County	Amount Applicable to Primary Government
Total County direct debt	\$ 53,189,562	100%	\$ 18,514,640
Overlapping:			
Public Schools	12,250,000	0%	-
Total overlapping debt	<u>\$ 12,250,000</u>		<u>-</u>
Total	<u>\$ 65,439,562</u>		<u>\$ 18,514,640</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those governments that is borne by the residents and businesses of Cleveland County reported. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses 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.

Schedule 13
Cleveland County
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population(1)	Personal Income (2) (thousands of dollars)	Median Household Income (2)	Public School Enrollment(3)	Unemployment Rate(4)	Number of Commercial Public Food Inspections Performed(5)	Number of Building Inspections Performed(6)
2010	\$ 98,078	\$ 2,939,629	\$ 29,972	\$ 17,325	13.19%	1,381	288
2011	98,760	3,026,601	30,646	16,762	12.07%	1,360	293
2012	99,230	3,202,220	32,852	16,557	10.94%	1,321	259
2013	99,660	3,268,534	33,680	16,492	10.49%	1,270	250
2014	98,953	3,618,414	36,567	16,374	6.80%	1,038	275
2015	98,224	3,829,655	38,989	15,103	6.80%	1,192	262
2016	97,871	3,739,455	38,208	14,906	5.60%	1,192	300
2017	97,178	3,892,854	40,059	14,761	4.40%	1,187	319
2018	98,074	3,838,028	39,134	14,452	4.30%	1,185	324
2019	97,288	3,531,415	40,002	15,070	4.60%	1,178	348

Notes:

(1) N.C. State Data Center. Estimates are as of the beginning of the fiscal year / Charlotte Regional Partnership Website

(2) Bureau of Economic Analysis, U. S. Department of Commerce. Figures are for the prior calendar year

<https://bea.gov/regional/> Local Area Personal Income & Employment

(3) N.C. Department of Public Instruction, Final Average Daily Membership for fiscal year

(4) N. C. Employment Security Commission, Unemployment Rate at end of fiscal year

(5) Total number of inspections performed by Cleveland County Inspections Department. Does not include inspections by municipalities

* Information not yet available.

Schedule 14
Cleveland County
Principal Employers
Current Year and Nine Years Ago

Employer	2019		2010	
	Employment Range	Rank	Employment Range	Rank
Cleveland County Board of Education	1000+	1	1000+	1
Atrium Health	1000+	2	1000+	2
Wal-Mart Associates Inc.	1000+	3	500-999	5
County of Cleveland	1000+	4	500-999	6
Gardner-Webb University	500-999	5	500-999	7
PPG Industries Inc.	500-999	6	N/A	N/A
Hanesbrands, Inc.	500-999	7	N/A	N/A
Ingles Markets, Inc	500-999	8	N/A	N/A
Clearwater Paper Corporation	250-499	9	N/A	N/A
Cleveland Community College	250-499	10	250-499	9

Source: Cleveland County Chamber of Commerce (704-487-8521)

Notes: Data not available on percentage of total employment.

Schedule 15
Cleveland County
Full-Time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	Full-Time Equivalent					Employees As of June 30				
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	84	84	85	85	85	88	89	92	95	102
Public safety	238	254	271	272	266	279	286	287	288	294
Environmental protection	36	36	36	36	36	36	39	39	38	37
Economic and physical development	16	16	17	17	17	18	18	19	19	18
Human services	373	379	385	386	403	410	417	420	421	431
Cultural and recreation	16	16	16	16	21	23	24	24	25	26
Total	<u>763</u>	<u>785</u>	<u>810</u>	<u>812</u>	<u>828</u>	<u>854</u>	<u>873</u>	<u>881</u>	<u>886</u>	<u>908</u>

Source: Human Resources Department

Note: This schedule represents number of persons employed as of June 30 of each year.
Full-time personnel work from 1950 to 2080 base hours per year (less vacation and sick leave).

Schedule 16
Cleveland County
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year				
	2010	2011	2012	2013	2014
<u>General Government</u>					
# of registered voters	61,566	60,376	63,889	61,676	62,000
<u>Public Safety</u>					
# of building permits issued	288	293	259	250	275
# of calls dispatched	67,153	77,196	90,430	95,502	90,588
<u>Human Services</u>					
# of food & lodging sites inspected	1,381	1,360	1,321	1,270	1,171
# of Health clients served (clinical)	31,684	23,937	22,370	22,964	18,226
<u>Economic and Physical Development</u>					
Number of major subdivision plan reviews	0	0	0	0	0
<u>Cultural and Recreation</u>					
Library:					
Book volumes per capita	1.42	1.44	1.48	1.44	1.54
Library income per capita (local)	9.00	8.49	8.71	8.74	8.64
Library income per capita (total)	12.84	12.08	11.90	11.07	10.02
Library visits per capita	1.69	1.71	1.60	1.70	1.62
Turnover rate (circulation per book)	2.02	2.10	1.46	1.44	1.51
<u>Education</u>					
Total \$ spent per ADM	\$ 1,655	\$ 1,680	\$ 1,715	\$ 1,761	\$ 1,736
<u>Enterprise Fund - Landfill</u>					
Solid waste generated # tons/day	398	417	489	431	468

Source: Fiscal year data for various governmental and business-type functions.

*The decline in major subdivision plan reviews is related to the downturn in the economy that began in late 2008.

** Per capita information based on most recent US Census.

Fiscal Year				
2015	2016	2017	2018	2019
58,771	61,180	63,435	64,557	60,779
262	300	319	324	348
90,154	95,769	94,568	99,050	110,779
1,192	1,192	1,187	1,185	1,178
18,627	16,796	15,813	16,442	16,329
0	0	0	0	0
1.14	1.19	0.98	1.06	1.03
9.41	9.81	10.41	9.20	10.44
13.27	12.41	12.71	12.33	12.76
1.86	1.86	1.79	2.66	1.36
1.88	1.72	1.77	1.87	2.04
\$ 1,751	\$ 1,817	\$ 1,903	\$ 1,975	\$ 1,975
477	446	470	495	699

Schedule 17
Cleveland County
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year				
	2010	2011	2012	2013	2014
<u>Public Safety</u>					
Sheriff's Department:					
Stations	1	1	1	1	1
Vehicles	123	138	128	128	128
Emergency Medical Services:					
Stations	9	9	9	9	9
Vehicles	32	31	29	28	30
<u>Cultural and Recreation</u>					
Park acreage	1,460	1,460	1,461	1,468	1,468
Parks	1	1	2	2	2
Libraries	2	2	2	2	2
Total government-wide assets value	\$ 169,432,071	\$ 203,494,186	\$ 231,646,536	\$ 146,076,511	\$ 147,872,060

Source: Various County Departments

Fiscal Year				
2015	2016	2017	2018	2019
1	1	1	1	1
154	165	169	160	164
9	9	9	9	9
30	34	34	35	38
1,468	1,468	1,468	1,468	1,468
2	2	2	2	2
2	2	2	2	2
\$ 161,888,551	\$ 173,506,273	\$ 182,857,144	\$ 197,967,905	\$ 203,453,604

Schedule 18
Cleveland County
Principal Industry Sectors -
Current versus 3 and 6 years ago

Industry NAICS Sector*	2019			2016			2013		
	Annual Wages Paid	Annual Average Number of Employees	% Percentage of Total Labor Force or Employed	Annual Wages Paid	Annual Average Number of Employees	% Percentage of Total Labor Force or Employed	Annual Wages Paid	Annual Average Number of Employees	% Percentage of Total Labor Force or Employed
1. Manufacturing (31)	\$ 372,416,470.00	6,752	20.42%	\$ 340,813,036.00	6,559	20.47%	\$ 276,572,279.00	5,657	18.44%
2. Health Care and Social Assistance (62)	\$ 224,852,300.00	5,135	15.53%	\$ 210,432,196.00	5,303	16.55%	\$ 186,873,018.00	5,188	16.91%
3. Educational Services (61)	\$ 134,569,773.00	3,652	11.04%	\$ 131,338,673.00	3,836	11.97%	\$ 125,671,232.00	3,892	12.68%
4. Retail Trade (44)	\$ 108,180,661.00	3,996	12.08%	\$ 105,739,236.00	3,926	12.25%	\$ 99,042,933.00	3,812	12.42%
5. Transportation and Warehousing (48)	\$ 103,102,274.00	2,447	7.40%	\$ 88,577,904.00	2,304	7.19%	\$ 71,878,736.00	1,983	6.46%
6. Public Administration (92)	\$ 82,877,848.00	2,042	6.17%	\$ 75,369,237.00	2,004	6.26%	\$ 71,721,327.00	2,018	6.58%
7. Construction (23)	\$ 86,047,952.00	1,695	5.13%	\$ 60,763,847.00	1,494	4.66%	\$ 51,257,852.00	1,420	4.63%
8. Administrative and Waste Services (56)	\$ 60,307,375.00	2,193	6.63%	\$ 44,488,753.00	1,723	5.38%	\$ 46,680,396.00	1,920	6.26%
9. Wholesale Trade (42)	\$ 41,859,166.00	941	2.85%	\$ 42,289,995.00	982	3.07%	\$ 42,173,238.00	1,119	3.65%
10. Accommodation and Food Services (72)	\$ 44,726,672.00	3,018	9.13%	\$ 39,326,924.00	2,808	8.76%	\$ 32,742,030.00	2,506	8.17%
11. Finance and Insurance (52)	\$ 24,913,158.00	486	1.47%	\$ 23,151,059.00	525	1.64%	\$ 24,968,007.00	606	1.97%
12. Professional and Technical Services (54)	\$ 41,957,725.00	712	2.15%	\$ 27,678,249.00	574	1.79%	\$ 22,069,785.00	565	1.84%
	<u>\$ 1,325,811,374</u>	<u>33,069</u>	<u>100.00%</u>	<u>\$ 1,189,969,109.00</u>	<u>32,038</u>	<u>100.00%</u>	<u>\$ 1,051,650,833</u>	<u>30,686</u>	<u>100.00%</u>

*All data in this exhibit was obtained from the Employment Security Commission of North Carolina

** All data is on calendar year end basis.

COMPLIANCE SECTION

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**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 Auditors' Report

To the Board of County Commissioners
Cleveland County, 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, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Cleveland County, North Carolina, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Cleveland County basic financial statements, and have issued our report thereon dated November 19, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cleveland County's internal control over financial reporting (internal control) to determine the 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 Cleveland County's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a 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 material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cleveland County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 noncompliance 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 19, 2019



Report On Compliance With Requirements Applicable To Each Major Federal
Program And Internal Control Over Compliance In Accordance With OMB
Uniform Guidance and the State Single Audit Implementation Act

Independent Auditors' Report

To the Board of County Commissioners
Cleveland County, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Cleveland County, North Carolina's, compliance with the types of compliance requirements described 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 the Cleveland County's major federal programs for the year ended June 30, 2019. Cleveland County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and State statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Cleveland County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States; 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. Those standards, Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Cleveland County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Cleveland County's compliance.

Opinion on Each Major Federal Program

In our opinion, Cleveland County complied, in all material respects, with the types of 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, 2019.

Report on Internal Control Over Compliance

Management of Cleveland County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Cleveland County internal control over compliance with the types of requirements that could have direct and material effect on major federal program to determine the auditing procedures that are appropriate in the circumstance for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's 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, noncompliance 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than 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 the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items [2019-001, 2019-002, 2019-003] that we consider to be a significant deficiency.

Cleveland County's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 19, 2019



**Report On Compliance With Requirements Applicable To Each Major State
Program And Internal Control Over Compliance In Accordance With OMB
Uniform Guidance and the State Single Audit Implementation Act**

Independent Auditors' Report

To the Board of County Commissioners
Cleveland County, North Carolina

Report on Compliance for Each Major State Program

We have audited Cleveland County, North Carolina's, compliance with the types of compliance requirements described in 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 Cleveland County's major state programs for the year ended June 30, 2019. Cleveland County's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Cleveland County's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and applicable sections of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as described in the Audit Manual for Governmental Auditors in North Carolina, and the State Single Audit Implementation Act. Those standards, Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Cleveland County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Cleveland County's compliance.

Opinion on Each Major State Program

In our opinion, Cleveland County complied, in all material respects, with the types of 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, 2019.

Report on Internal Control Over Compliance

Management of Cleveland County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Cleveland County's internal control over compliance with the types of requirements that could have and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's 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, noncompliance 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance 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 control 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 the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.

Whiteville, NC

November 19, 2019

Cleveland County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses ___ yes X none reported
- Noncompliance material to financial statements noted ___ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses X yes ___ none reported
- Noncompliance material to federal awards ___ yes X no

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) X yes ___ no

Identification of major federal programs:

<u>CFDA #</u>	<u>Program Name</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, & Children
93.659, 93.659	IV-E Foster Care and Adoption Assistance Cluster
93.778	Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? X yes ___ no

Cleveland County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Section I - Summary of Auditors' Results (continued)

State Awards

Internal control over major State programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are
not considered to be material weaknesses ___ yes X none reported
- Noncompliance material to State awards ___ yes X no

Type of auditor's report issued on compliance for major State programs: Unmodified

Any audit findings disclosed that are required to be
reported in accordance with the State Single Audit
Implementation Act ___ yes X no

Identification of major State programs:

Program Name

IV-E Foster Care and Adoption Assistance Cluster
Medical Assistance Program
Public School Building Capital Fund - Lottery Proceeds
Highway Construction Programs

Cleveland County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Section II - Financial Statement Findings

None Reported.

Section III - Federal Award Findings and Questioned Costs

Finding 2019-001

US Department of Health and Human Service

Passed through the NC Dept of Health and Human Services

Program Names: Medical Assistance Program (Medicaid; Title XIX)

CFDA #: 93.778

**SIGNIFICANT DEFICIENCY
ELIGIBILITY**

Criteria:	The Child Support Enforcement Agency (IV-D) can assist the family in obtaining financial and/or medical support or medical support payments from the child's non-custodial parent. Cooperation requirement with Social Services and Child Support Agencies must be met or good cause for not cooperating must be established when determining Medicaid eligibility.
Condition:	There were four errors discovered during our procedures that referrals between DSS and Child Support Agencies were not properly made. Three of the four errors indicating DSS failed to make referrals to Child Support Agencies. One applicant received assistance although the Child Support case was indicating non cooperation and no good cause was established.
Questioned Costs:	The amounts paid out for the above ineligible participants did not exceed the threshold for a questioned cost determination.
Context:	We examined 60 Medicaid applicants from the Medicaid Beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to the Medicaid administrative cost compliance
Effect:	One applicant received assistance for which client was not eligible.
Cause:	Error in reading the ACTS report, and ineffective case review process.
Recommendation:	Files should be reviewed internally to ensure proper information is in place and necessary procedures are taken when determining eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.
Views of responsible officials and planned corrective actions:	The County agrees with the finding. Supervisors will review action reports regularly to determine if corrective action was taken and that action was correctly closed out. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations.

Section III - Federal Award Findings and Questioned Costs (continued)

Finding 2019-002

US Department of Health and Human Service

Passed through the NC Dept of Health and Human Services

Program Names: Medical Assistance Program (Medicaid; Title XIX)

CFDA #s: 93.778

SIGNIFICANT DEFICIENCY

ELIGIBILITY

Criteria:	In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific income standards, and documentation must be maintained to support eligibility determinations. In accordance with 2 CFR 200, management should have an adequate system of internal controls procedures in place to ensure an applicant is properly determined or redetermined for benefits.
Condition:	There were ten errors discovered during our procedures that inaccurate information was entered when determining eligibility. Five of the ten errors were due to inaccurate household member information; Five of the ten errors were due to inaccurate income calculation.
Questioned Costs:	There was no affect to eligibility and there were no questioned costs.
Context:	We examined 60 Medicaid applicant from the Medicaid Beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to the Medicaid administrative cost compliance audit.
Effect:	For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which could affect income. Therefore, a participant could have been approved to receive benefits for which they were not eligible.
Cause:	Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.
Recommendation:	Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.
Views of responsible officials and planned corrective actions:	The County agrees with the finding. Supervisors will perform second party reviews to ensure proper documentation is contained in files to support eligibility determinations. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations.

Section III - Federal Award Findings and Questioned Costs (continued)

Finding 2019-003***

US Department of Health and Human Service

Passed through the NC Dept of Health and Human Services

Program Names: Medical Assistance Program (Medicaid; Title XIX)

CFDA #: 93.778

**SIGNIFICANT DEFICIENCY
ELIGIBILITY**

Criteria:	Medicaid for Aged, Blind and Disabled case records should contain documentation that verifications were done in preparation of the application and these items will agree to reports in the NC FAST system. In this process, the countable resources should be calculated correctly and agree back to the amounts in the NC FAST system. Any items discovered in the verification process should be considered countable or non-countable resources and explained within the documentation.
Condition:	There were nine errors discovered during our procedures that resources in the county documentation and those same resources contained in NC FAST were not the same amounts or files containing resources were not properly documented to be considered countable or non-countable. Six of the nine errors for which online verification for resources were incomplete.
Questioned Costs:	There was no affect to eligibility and there were no questioned costs.
Context:	We examined 60 Medicaid applicants from the Medicaid Beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to the Medicaid administrative cost compliance audit.
Effect:	For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which could affect countable resource. Therefore, applicants could have received assistance for which they were not eligible.
Cause:	Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.
Recommendation:	Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.
Views of responsible officials and planned corrective actions:	The County agrees with the finding. Supervisors will review action reports regularly to determine if corrective action was taken and that action was correctly closed out. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations.

*** This is a repeat finding.

Section IV - State Award Findings and Questioned Costs

Program Name: Medical Assistance Program (Medicaid; Title XIX)

CFDA #93.778

SIGNIFICANT DEFICENCY: Finding 2019-001, 2019-002 and 2019-003 also apply to State requirements and State Awards.



Cleveland County NORTH CAROLINA

Corrective Action Plan
For the Year Ended June 30, 2019

Section II - Financial Statement Findings

None Reported.

Section III - Federal Award Findings and Questioned Costs

Finding 2019-001

Name of Contact Person: Katie Swanson, DSS Director

Corrective Action: Management concurs with the findings and will ensure the following corrections are made and adhered to:

- Workers will complete training on IV-D Non-Coop as a refresher.
- Workers will research all agency records and will utilize OVS to thoroughly evaluate for IV-D cooperation.
- Workers will use documentation template to clearly document in case file if client has or has not cooperated with child support.
- Workers will also check evidence dashboard for accuracy and ensure the OVS was ran for all household members.
- Workers will request Social Security Numbers for all recipients as required by policy and will update evidence dashboard to reflect information received.
- Supervisors will monitor reports for IV-D noncooperation as well as check for SSN on all recipients when completing a second party on a record.

Proposed Completion Date: The proposed corrective action steps are effective immediately and on-going

Finding 2019-002

Name of Contact Person: Katie Swanson, DSS Director

Corrective Action: Management concurs with the findings and will ensure the following corrections are made and adhered to:

- Workers will have refresher training on how to correctly enter income into NCFast using the Income wizard.
- Workers will also check determinations when completing a redetermination to ensure that income and household size are being correctly determined in the system.
- Workers will check member relationships on evidence dashboard to ensure that relationships were correctly entered.
- Caseworkers will use documentation template as a means of documenting household size and countable income used for application and/or redetermination.
- Supervisors will check income and member relationship for accuracy when completing second party reviews on redeterminations/applications.

Proposed Completion Date: The proposed corrective action steps are effective immediately and on-going



Cleveland County NORTH CAROLINA

Corrective Action Plan
For the Year Ended June 30, 2019

Section III - Federal Award Findings and Questioned Costs (continued)

Finding 2019-003

Name of Contact Person: Katie Swanson, DSS Director

Corrective Action: Management concurs with the findings and will ensure the following corrections are made and adhered to:

- Workers will complete refresher training on countable resources for Aged, Blind and Disabled
- Workers will utilize the Vehicle verification form to document client's statement of vehicles showing on OVS hit.
- Workers will also utilize the documentation template to clearly document countable resources.
- Workers will be reminded that the evidence dashboard must be updated at every review to include any new or changed resource evidence including updating the value of any countable vehicles as well as OVS and real property check completed and documented.
- Workers will check resource tab on eligibility check in NCFast to ensure that they system is correctly counting the client's total resources.
- Supervisors will also check these areas when they are completing a second party on a case.

Proposed Completion Date: The proposed corrective action steps are effective immediately and on-going.

Section IV - State Award Findings and Questioned Costs

None Reported.

Cleveland County, North Carolina
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2019

Finding: 2018-01

Status: Corrected.

Finding: 2018-02

Status: Repeated as 2019-003.

Cleveland County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2019

Grantor/Pass-through Grantor/Program Title 1(a)	Federal CFDA Number 1(b)	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures 1(c)(d),2	State Expenditures 1(d)	Passed-through to Subrecipients 1(e)	Local Expenditures 1(d)
Federal Awards:						
<u>U.S. Dept. of Agriculture</u>						
Passed-through the N.C. Dept. of Health and Human Services: Division of Social Services: Administration: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$ 1,157,467	\$ -	\$ -	\$ 1,157,467
Passed-through the N.C. Dept. of Health and Human Services: Division of Public Health: Administration: Special Supplemental Nutrition Program for Women, Infants, & Children	10.557		567,080	-	-	-
Total U.S. Department of Agriculture			1,724,547	-	-	1,157,467
<u>U.S. Dept. of Justice</u>						
Edward Byrne Memorial Justice Assistance Grant Program	16.738		6,888	-	-	-
Total U.S. Dept. of Justice			6,888	-	-	-
<u>U. S. Department of Homeland Security</u>						
Passed-through N.C. Dept. of Public Safety: Division of Emergency Management: Emergency Management Performance	97.042		52,899	-	-	-
Homeland Security	97.067		16,000	-	-	-
Total U. S. Department of Homeland Security			68,899	-	-	-
<u>Institute of Museum and Library Services</u>						
Passed-through N.C. Dept. of Cultural and Natural Resources Division of State Library LSTA	45.310		8,000	-	-	-
Total Institute of Museum and Library Services			8,000	-	-	-
<u>U.S. Dept. of Health & Human Services</u>						
Temporary Assistance for Needy Families Cluster Division of Social Services: TANF - Work First	93.558		1,623,463	-	-	1,474,780
Division of Public Health TANF - Work First	93.558		16,569	-	-	-
Total TANF Cluster			1,640,032	-	-	1,474,780
AFDC Payments & Penalties	93.560		(308)	(84)	-	(85)
<u>Foster Care and Adoption Cluster</u>						
Foster Care - Title IV-E	93.658		1,787,372	347,597	-	924,919
Foster Care	N/A		166,136	-	-	299,455
Adoption Assistance	93.659		11,884	-	-	11,884
Total Foster Care and Adoption Cluster			1,965,392	347,597	-	1,236,258
Child Support Enforcement	93.563		1,223,507	-	-	630,291
Refugee and Entrant Assistance - Administered	93.566		(3)	-	-	-
Total Refugee and Entrant Assistance			(3)	-	-	-
<u>Low-Income Home Energy Assistance:</u>						
Administration	93.568		90,899	-	-	-
Energy Assistance Payments	93.568		418,800	-	-	-
Crisis Intervention Program	93.568		591,111	-	-	-
Total Low-Income Home Energy Assistance			1,100,810	-	-	-
Stephanie Tubbs Jones Child Welfare Services Program: - Permanency Planning - Families for Kids	93.645		29,008	-	-	9,669
Total Stephanie Tubbs Jones Child Welfare Services Program			29,008	-	-	9,669
Chafee Foster Care Independence Program	93.674		41,008	9,034	-	-

Cleveland County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2019

Grantor/Pass-through Grantor/Program Title 1(a)	Federal CFDA Number 1(b)	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures 1(c)(d),2	State Expenditures 1(d)	Passed-through to Subrecipients 1(e)	Local Expenditures 1(d)
SSBG - Other Service and Training	93.667		\$ 460,308	\$ -	\$ -	\$ 153,436
Division of Aging and Adult Services:						
Division of Social Services:						
SSBG - State In Home Service Fund	93.667		20,541	-	-	2,934
SSBG - State Adult Day Care	93.667		69,568	14,928	-	21,586
Passed-through Isothermal Regional Commission						
Social Service Block Grant (SSBG) - In Home Services	93.667		25,827	738	-	-
Total Social Service Block Grant			576,244	15,666	-	177,956
<u>Administration for Children and Families</u>						
Passed-through the N.C. Dept. of Health and Human Services						
Subsidized Child Care (Note 4)						
Child Care Development Fund Cluster:						
Division of Social Services:						
Child Care Development Fund-Administration	93.596		93,212	-	-	-
Total Child Care Fund Cluster			93,212	-	-	-
Total Subsidized Child Care			93,212	-	-	-
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Medical Assistance:						
Division of Social Services:						
Administration:						
Medical Assistance Program	93.778		2,772,158	16,535	-	994,843
Total Medical Assistance Program			2,772,158	16,535	-	994,843
Division of Social Services:						
Administration:						
State Children's Insurance Program - N.C. Health Choice	93.767		58,725	-	-	-
Total State Children's Insurance Program - N.C. Health Choice			58,725	-	-	-
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Public Health:						
Hospital Preparedness Program (HPP) and Public Health						
Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074		36,338	-	-	-
Well-Integrated Screening and Evaluation for Women Across the Nation	93.094		1,890	-	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Program	93.116		21	-	-	-
Family Planning Services	93.217		50,552	-	-	-
Immunization Grant	93.268		30,388	-	-	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.345		38,510	-	-	-
Well-Integrated Screening and Evaluation for Women Across the Nation (Wisewomen)	93.436		10,075	-	-	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758		39,946	-	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898		20,910	-	-	-
HIV Prevention Activities_Health Department Based	93.940		28,000	-	-	-
Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.977		100	-	-	-
Maternal and Child Health Services Block Grant	93.994		148,948	39,069	-	-
Total U.S. Dept. of Health and Human Services			9,905,463	427,817	-	4,523,712
<u>U.S. Department of Transportation</u>						
Passed-through N.C. Department of Transportation						
2707D Shelby Bypass	20.205	34497.1.FS6	37,912	9,478	-	-
2707E Shelby Bypass	20.205	34497.1.FS7	33,544	8,386	-	-
Total Shelby Bypass Project			71,456	17,864	-	-
Total U.S. Department of Transportation			71,456	17,864	-	-
Total Federal Awards			\$ 11,785,253	\$ 445,681	\$ -	\$ 5,681,179

Cleveland County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2019

Grantor/Pass-through Grantor/Program Title 1(a)	Federal CFDA Number 1(b)	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures 1(c)(d),2	State Expenditures 1(d)	Passed-through to Subrecipients 1(e)	Local Expenditures 1(d)
State Awards:						
<u>N.C. Dept. of Administration</u>						
Veterans Service			\$ -	\$ 2,216	\$ -	\$ -
Total N.C. Dept. of Administration			-	2,216	-	-
<u>N.C. Dept. of Cultural and Natural Resources</u>						
Division of State Library						
State Aid to Public Libraries			-	140,063	-	-
Total N.C. Dept. of Cultural and Natural Resources			-	140,063	-	-
<u>N.C. Department of Environmental Quality</u>						
Division of Waste Management						
Soil Conservation State Match			-	32,056	-	-
DEA-Off Waste Red Trust Fund			-	60,000	-	-
Electronic Management Program			-	6,215	-	-
DWM-Scrap Tire Program			-	1,482	-	-
Total N.C. Dept. Environmental Quality			-	67,697	-	-
<u>N.C. Dept. of Health and Human Services</u>						
Passed-through Isothermal Regional Commission:						
Division of Aging and Adult Services						
90% State Funds - In Home Support			-	133,975	-	-
Total Division of Aging			-	133,975	-	-
Division of Social Services						
ST Child Welfare/CPS/CS LD			-	88,868	-	-
DCD Smart Start			-	75,582	-	-
AFDC Incent/Prog Integrit			-	1,022	-	-
State Foster Home			-	82,247	-	82,246
Extended FC/Max Non IV-E			-	54,841	-	-
F/C at Risk Maximization			-	5,609	-	2,370
SFHF Maximization			-	193,705	-	193,705
Non-Allocating Reimbursable			-	(23,966)	-	227,984
Work First Non Reimbursable			-	-	-	474,257
County Funded Programs			-	-	-	1,273,864
Total Division of Social Service			-	477,908	-	2,254,426
Division of Public Health						
Food and Lodging Fees			-	27,160	-	-
CHA/CHIP Peer Review			-	149,701	-	-
General Communicable Disease Control			-	5,465	-	-
Nurse Family Partnership			-	240,883	-	-
Child Health			-	10,516	-	-
STD Drugs			-	838	-	-
Breast and Cervical Cancer Control			-	17,850	-	-
TPPI - Adol. Pregnancy Prevention			-	81,840	-	-
Program School Nurse Funding Initiative			-	200,000	-	-
Family Planning - State			-	50,040	-	-
Maternal Health			-	10,676	-	-
Women's Health Service Fund			-	12,775	-	-
TB Control			-	21,097	-	-
Total Division of Public Health			-	828,841	-	-
Total N. C. Department of Health and Human Services			-	1,440,724	-	2,254,426
<u>N.C. Dept. of Public Instruction</u>						
Public School Building Capital Fund - Lottery Proceeds			-	1,055,000	-	-
Total N.C. Dept. of Public Instruction			-	1,055,000	-	-
<u>N.C. Dept. of Public Safety</u>						
Mass Care Support Trailers			-	61,599	-	-
Juvenile Crime Prevention Programs						
JCPC Administration			-	1,400	-	-
Juvenile Medication/Family Centered Treatment/YDI After School Program			-	74,525	74,525	-
Cleveland County School JCPC			-	40,000	40,000	-
Communities in Schools			-	80,848	80,848	-
Roots and Wings			-	88,547	88,547	-
Total Juvenile Crime Prevention Programs			-	285,320	283,920	-
Total N. C. Department of Public Safety			-	346,919	283,920	-

Cleveland County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2019

Grantor/Pass-through Grantor/Program Title 1(a)	Federal CFDA Number 1(b)	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures 1(c)(d),2	State Expenditures 1(d)	Passed-through to Subrecipients 1(e)	Local Expenditures 1(d)
<u>N.C. Dept. of Transportation</u>						
Rural Operating Assistance Program (ROAP) Cluster						
ROAP Elderly and Disabled Transportation Assistance Program	36220.10.8.1		\$ -	\$ 91,558	\$ -	\$ -
ROAP Rural General Public Program	36228.22.8.1		-	114,150	-	-
ROAP Work First Transitional - Employment	36236.11.7.1		-	24,816	-	-
Total ROAP Cluster			-	230,524	-	-
Highway Construction Programs						
Project Grizzly Rdwy Improvement		DOT-18 47336	-	1,056,507	-	-
Cleveland County R-5849		DOT-18 47406.3.1	-	575,000	-	-
Total Highway Construction Programs			-	1,631,507	-	-
Pinnacle Classical Academy		DOT-18 44981	-	236,757	-	-
Total N.C. Dept. of Transportation			-	2,098,788	-	-
Total State Awards			-	5,183,463	283,920	2,254,426
Total Federal and State Awards			\$ 11,785,253	\$ 5,629,144	\$ 283,920	\$ 7,935,605

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Cleveland County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2019. The information in this SEFSA is presented in accordance with the requirements of Title 2 US 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 Cleveland County, it is not intended to and does not present the financial position, changes in net position or cash flows of Cleveland County.

Note 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.

Note 3: Indirect Cost Rate

Cleveland County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 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: Subsidized Child Care and Foster Care and Adoption.

Note 5: Benefit Payments Issued by the State

The amounts listed below were paid directly to individual recipients by the State from federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients that do not appear in the basic financial statements because they are not revenues and expenditures of the County.

Program Title	CFDA No.	Federal	State
Medical Assistance Program	93.778	\$ 130,223,868	\$ 67,150,049
Children's Health Insurance Program	93.767	2,302,714	-
Special Supplemental Nutrition Program for Women Infant and Child	10.557	1,788,471	-
Food and Nutrition Services	10.561	27,093,340	-
Family Preservation	93.556	76,440	-
IV-E Adopt & Vendor	93.659	891,290	-
Special Children Adoption	93.558	198,400	-
TANF Payments & Penalties	93.558	574,628	-
CWS Adopt, Vendor, Guard	N/A	-	274,622
SAA/SAD HB 1030	N/A	-	40,443
SC/SA Domiciliary Care	N/A	-	908,338

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Late Applications for Exemption

Department: Tax Administration
Agenda Title: Tax Applications for Exemption
Agenda Summary: Chris Green, Tax Administrator
Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> Late_App_1-21-2020_BOC.pdf	Late App

STAFF REPORT

To: County Commissioners Meeting Date: January 21, 2020
Via: Brian Epley, County Manager
From: Chris Green, Tax Administrator
Subject: Late Applications for Exemption / Exclusion / Deferral

Summary Statement: Approve or deny late applications.

Review: Per N.C.G.S. 105-282.1 every owner of property claiming exemption or exclusion from property taxes under the provisions of this Subchapter has the burden of establishing that the property is entitled to it.

Upon a showing of good cause by the applicant for failure to make a timely application, an application for exemption or exclusion filed after the close of the listing period may be approved by the Department of Revenue, the board of equalization and review, the board of county commissioners, or the governing body of a municipality, as appropriate.

Applications appearing on the attached roster would otherwise be eligible for 2019.

This matter is submitted for consideration as a Regular Agenda item at the Board's meeting scheduled for January 21, 2020.

Pros:

-
-

Cons:

-
-

Fiscal Impact: Estimated \$3,770.07

Recommendation: Approval / Denial is at Board's discretion.

Attachment:
(1) Roster of Applicants

2019 LATE APPLICATIONS FOR EXEMPTION / EXCLUSION / DEFERRAL**January 21, 2020**

Name	Parcel	Type	Value Exempt/Deferred	Fiscal Impact (Co. Only)
Friends of The Foothills Shooting Complex	16239	Charitable/Educational	\$ 161,621.00	\$ 921.24
Michael Ernest Putnam	17646	DAV	\$ 45,000.00	\$ 256.50
Brent W. Turner	49583	DAV	\$ 45,000.00	\$ 256.50
Martin Luther Austin	21214	DAV	\$ 45,000.00	\$ 256.50
Vicky Dorn Cook	53603	Eld/Dis	\$ 25,000.00	\$ 142.50
Sheila Earl Humphries	46455	Eld/Dis	\$ 38,456.00	\$ 219.20
David G. Shelton	39044	Eld/Dis	\$ 20,690.00	\$ 117.93
Brenda Louise Adams	13974	Eld/Dis	\$ 25,087.00	\$ 143.00
Harold D. Terry	33027	Eld/Dis	\$ 25,000.00	\$ 142.50
Paulette K. Bridges	9222	Eld/Dis	\$ 19,173.00	\$ 109.29
Macie L. Brackett	38374	Eld/Dis	\$ 33,040.00	\$ 188.33
Dean Davis Jr.	18332	Eld/Dis	\$ 33,763.00	\$ 192.45
Shirley W. Drewery	34444	Eld/Dis	\$ 25,000.00	\$ 142.50
Charles Ivan Swink	34015	Eld/Dis	\$ 15,769.00	\$ 89.88
Jimmy Lee Terry	49333	Eld/Dis	\$ 44,859.00	\$ 255.70
Pearlie M. Jenkins	20991	Eld/Dis	\$ 36,083.00	\$ 205.67
Joshua Scott Skinner	52277	PUV	\$ 22,875.00	\$ 130.39
TOTAL			\$ 661,416.00	\$ 3,770.07
2019 TOTAL LATE (YTD)			\$ 2,821,276.00	\$ 16,081.27

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Land Use Plan Consultant

Department:

Agenda Title: Land Use Plan Consultant

Agenda Summary: Chris Martin, Senior Planner

Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> Staff_Report_Land_Use.pdf	Land Use Plan Consultant Staff Report

STAFF REPORT

To: Board of Commissioners
From: Chris Martin
Subject: Award bid for Land Use Plan

Date: January 8, 2020

Summary Statement: Planning Staff recommends Benchmark Planning be awarded the bid to develop the new Cleveland County Land Use Plan.

Bids: Bids were received through the Request for Proposal process from the following three companies:

- Benchmark Planning \$98,000
- N Focus \$93,000 - \$102,300
- Withers Ravenel \$95,000 - \$125,000

Review: After careful evaluation of the three proposals, Planning Staff's opinion is that Benchmark Planning is the most responsible bid. Staff identified the following pros of selecting Benchmark:

- **Experience:** More Land Use Plan development experience
- **References:** Positive client references
- **Organization:** Proposal and samples submitted were well organized
- **Location:** Familiar with our region and the impacts that regional development will have on Cleveland County
- **Cost:** Competitive price

A Land Use Plan is designed to guide the future actions of a community. It is developed through many public meetings and represent the "vision" of a community with long range goals and strategies to achieve those goals.

Fiscal Impact:

- \$98,000

Recommendation: County Staff recommend Benchmark Planning be awarded the bid to develop the next Cleveland County Land Use Plan.

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Sheriff's Office Pay Plan Update

Department: Human Resources
Agenda Title: Sheriff's Office Pay Plan Update
Agenda Summary: Allison Mauney, HR Director
Proposed Action:

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> sheriff_office_pay_plan-_maint.doc	Staff Report
<input type="checkbox"/> Recommended_Appendix_E-_Sheriff_Pay_Plan.docx	Appendix E with changes

STAFF REPORT

To: Cleveland County Commissioners
Date: January 21, 2020
Via: Brian Epley, County Manager
From: Allison Mauney, HR Director
Subject: Cleveland County Ordinance Revisions

Summary Statement: Staff is submitting a recommendation to the Cleveland County Board of Commissioners to approve revised Appendix E of the Cleveland County Ordinance. This change will provide levelled classifications for Maintenance Techs located in the Sheriff's Office. These classifications offer opportunities for increases with years of service and an accelerated process for those employees obtaining certificates of completion in plumbing, heating/HVAC or electrical training from an accredited 2 or 4-year educational institution. This accelerated process also allows for increases for completion of an associates' or bachelors' degree. See recommended changes below:

- (b) *Maintenance Tech.* The following applies to all employees in the sheriff's office employed as "Maintenance Tech I":
 - (1) *Level 1:* Employment before attainment of Levels 2.
 - (2) *Level 2:* Four (4) years of service in a maintenance position for a governmental law enforcement agency in North Carolina; or three (3) years of such service and a certificate of completion from an accredited two year or four year educational institution in plumbing, heating/air/HVAC, or electrical; or any such service and a bachelor's degree.
 - (3) *Level 3:* Seven (7) years of service in a maintenance position for a governmental law enforcement agency in North Carolina; or four (4) years of such service and an associate's degree; or two (2) years of such service and a bachelor's degree.

Pros: These revisions will improve our ability to provide consistency and equity in classification and compensation within the Sheriff's Office as well as provide continued competitiveness with peer organizations.

Cons: None

Attachments:
Appendix E

APPENDIX E. - PAY PLAN OF OFFICE OF CLEVELAND COUNTY SHERIFF

The following pay plan applies to all full-time employees of the Cleveland County Sheriff's Office.

Section 1. - Definitions for purposes of this pay plan only (listed alphabetically).

- (1) *Advanced certificate*. An "advanced certificate" acquired from the North Carolina Department of Justice.
- (2) *Associates degree*. For the purposes of this policy, an associate's degree is a two-year degree from an accredited educational institution, consisting of sixty (60) or more hours of credit from a technical school, community college, college, or university. The degree document must state that it is an associate's degree.
- (3) *Bachelor's degree*. For the purposes of this policy, a bachelor's degree is any four-year degree from an accredited educational institution, consisting of one hundred twenty (120) or more hours from a college or university. The degree document must state that it is a bachelor's degree.
- (4) *Intermediate certificate*. An "intermediate certificate" acquired from the North Carolina Department of Justice.
- (5) *Military service*: Service in any branch of the U.S. Armed Forces. In order for military service to entitle an employee to credit for such service in accordance with this pay plan, the following criteria must be met:
 - (a) The employee must have completed/fulfilled all obligations of his/her enlistment in any of the U.S. Armed Forces: and
 - (b) The employee must have received an honorable discharge after completion of all military contracts, or, in some rare cases, a medical discharge. In cases of medical discharge, a departmentally independent panel will review and determine eligibility for credit for such service based on employee's length of time served, and circumstances surrounding his or her discharge.
- (6) *Years employed by Cleveland County Sheriff's Office*. The total years (i.e., total completed months of employment by Cleveland County Sheriff's Office divided by twelve (12)), during which an employee has worked for the Cleveland County Sheriff's Office. Only completed years of service will be considered.
- (7) *Years of service*. The total years (i.e., total completed months of employment divided by twelve (12)) during which an employee has worked for any governmental law enforcement agency in North Carolina, including job experience elsewhere than for Cleveland County. These years do not need to be consecutive. Only complete years of service will be considered.

(Ord. of 9-18-18(2))

Section 2. - Classifications.

Employees will be subject to the following classifications, based on job title, certifications, years of employment by a governmental law enforcement agency in North Carolina, and educational attainment. Based on these criteria, employees will be classified into the "levels" set forth below:

- (a) *Administrative personnel*. The following applies to all employees in the sheriff's office employed as "administrative support assistant" or "administrative assistant":

- (1) *Level 1:* Employment before attainment of Levels 2 or 3.
- (2) *Level 2:* Four (4) years of service in an administrative position for a governmental law enforcement agency in North Carolina; or three (3) years of such service and an associate's degree; or any such service and a bachelor's degree.
- (3) *Level 3:* Seven (7) years of service in an administrative position for a governmental law enforcement agency; or four (4) years of such service and an associate's degree; or two (2) years of such service and a bachelor's degree.

(b) *Maintenance Tech.* The following applies to all employees in the sheriff's office employed as "Maintenance Tech I":

- (1) *Level 1:* Employment before attainment of Levels 2.
- (2) *Level 2:* Four (4) years of service in a maintenance position for a governmental law enforcement agency in North Carolina; or three (3) years of such service and a certificate of completion from an accredited two year or four year educational institution in plumbing, heating/air/HVAC, or electrical; or any such service and a bachelor's degree.
- (3) *Level 3:* Seven (7) years of service in a maintenance position for a governmental law enforcement agency in North Carolina; or four (4) years of such service and an associate's degree; or two (2) years of such service and a bachelor's degree.

(c) *Detention officer.* The following applies to all employees in the sheriff's office employed as "detention officer":

- (1) *Level 1:* Employment before attainment of Levels 2 or 3.
- (2) *Level 2:* Four (4) years of service for a governmental law enforcement agency position for a governmental law enforcement agency in North Carolina; or two (2) years of such service and an associate's degree; or any such service and a bachelor's degree or any qualifying military service.
- (3) *Level 3:* Seven (7) years of such service; or six (6) years of such service and an associate's degree; or two (2) years of such service and a bachelor's degree or any qualifying military service.

(d) *Detention corporal.* The following applies to all employees in the sheriff's office employed as "detention corporal":

- (1) *Level 1:* Employment before attainment of Levels 2 or 3.
- (2) *Level 2:* Three (3) years of service in a detention corporal position for a Cleveland County Sheriff's Office or one (1) year of such service and an associate's degree, or any such service and a bachelor's degree or any qualifying military service.
- (3) *Level 3:* Seven (7) years of service in the role of detention corporal; or five (5) years of service in the role of detention corporal and an associate's degree; or two (2) years of service in the role of detention corporal and a bachelor's degree or any qualifying military service.

(e) *Deputy.* The following applies to all employees in the sheriff's office employed as "deputy":

- (1) *Level 1:* Employment before attainment of Levels 2 or 3.

- (2) *Level 2:* Four (4) years of service in the role of deputy for a governmental law enforcement agency; or two (2) years of such service and an associate's degree; or any such service and a bachelor's degree or any qualifying military service.
 - (3) *Level 3:* Two (2) years employed by the Cleveland County Sheriff's Office and any of the following: Seven (7) years of service; or six (6) years of service and an associate's degree; or two (2) years of service and a bachelor's degree or any qualifying military service.
 - (4) *Level 4:* Two (2) years employed by the Cleveland County Sheriff's Office and an advanced certificate and any of the following: Thirteen (13) years of service; or ten (10) years of service and an associate's degree; or six (6) years of service and a bachelor's degree or any qualifying military service.
- (f) *Investigator.* The following applies to all employees in the sheriff's office employed as "investigator":
- (1) *Level 1:* Employment before attainment of Levels 2 or 3.
 - (2) *Level 2:* (Four) 4 years of service with Cleveland County in the role of investigator; or three (3) years of service with Cleveland County in the role of investigator and an associate's degree; or any such service and a bachelor's degree or any qualifying military service.
 - (3) *Level 3:* Intermediate certificate and: Seven (7) years of service with Cleveland County in the role of investigator; or four (4) years of service with Cleveland County in the role of investigator and an associate's degree; or two (2) years of service with Cleveland County in the role of investigator and a bachelor's degree or any qualifying military service.
- (g) *Detention Master Corporal.* The following applies to all employees in the sheriff's office employed as "detention Master Corporal ":
- (1) *Level 1:* Employment before attainment of Levels 2 or 3.
 - (2) *Level 2:* Four (4) years of service with Cleveland County in the role of detention master corporal ; or two (2) years of such service and an associate's degree, or any such service and a bachelor's degree or any qualifying military service.
 - (3) *Level 3:* Seven (7) years of service with Cleveland County in the role of detention master corporal; or five (5) years of service with Cleveland County in the role of detention master corporal and an associate's degree; or two (2) years of service with Cleveland County in the role of detention master corporal and a bachelor's degree or any qualifying military service.
- (h) *Sergeant.* The following applies to all employees in the sheriff's department employed as "sergeant":
- (1) *Level 1:* Employment before attainment of Levels 2 or 3.
 - (2) *Level 2:* Four (4) years of service with Cleveland County in the role of sergeant; or three (3) years of service with Cleveland County in the role of sergeant and an associate's degree; or such service and a bachelor's degree or any qualifying military service.
 - (3) *Level 3:* Advanced certificate and any of the following: Eight (8) years of service with Cleveland County in the role of sergeant; or six (6) years of service with Cleveland County in the role of sergeant and an associate's degree; or three (3) years of service with Cleveland County in the role of sergeant and a bachelor's degree or any qualifying military service.

- (i) *Lieutenant*. The following applies to all employees in the sheriff's office employed as "lieutenant":
 - (1) *Level 1*: Employment before attainment of Levels 2 or 3.
 - (2) *Level 2*: Four (4) years of service with Cleveland County in the role of lieutenant; or three (3) years of service with Cleveland County in the role of lieutenant and an associate's degree; or any such service with a bachelor's degree or any qualifying military service.
 - (3) *Level 3*: Advanced certificate and any of the following: Eight (8) years of service with Cleveland County in the role of lieutenant; or six (6) years of service with Cleveland County in the role of lieutenant and an associate's degree; or three (3) years of service with Cleveland County in the role of lieutenant and a bachelor's degree or any qualifying military service.
- (j) *Captain*. The following applies to all employees in the sheriff's office employed as "captain":
 - (1) *Level 1*: Employment before attainment of Levels 2 or 3.
 - (2) *Level 2*: Advanced certificate and any of the following: Four (4) years of service with Cleveland County in the role of captain; or three (3) years of service with Cleveland County in the role of captain and an associate's degree; or any such service and a bachelor's degree or any qualifying military service.
- (k) *Major*. The following applies to all employees in the sheriff's office employed as "major":
 - (1) *Level 1*: Employment before attainment of Level 2.
 - (2) *Level 2*: Advanced certificate and any of the following: Four (4) years of service with Cleveland County in the role of major; or three (3) years of service with Cleveland County in the role of major and an associate's degree; or any such service and a bachelor's degree or any qualifying military service.

(Ord. of 9-18-18(2))

Section 3. - Promotional increases in compensation.

Employees will be classified according to their positions and fulfillment of the foregoing criteria. When an employee has fulfilled the requirements of any "level" beyond "level 1" of his/her position, then he/she will be given a promotional increase in compensation based on the chart below. Each employee shall inform the sheriff in writing of attainment of the certificate or degree on the basis of which the employee wishes a new classification to be based, and shall provide the sheriff with a complete copy of such certificate and/or evidence of award of the degree. (The department may require as much as thirty (30) days from compliance with this provision to implement the new classification.) The percentages set forth in the "promotional increase chart" below will be applied to the annual compensation that the employee is being paid in accordance with the "Cleveland County Pay Scale" that is in effect as of the date(s) of implementation of such promotional increases.

Promotional Increase Chart

Position	Grade	Level 2 Increase	Level 3 Increase	Level 4 Increase
Administration	6, 8, 12	4% of current compensation	2% of current compensation	None
Maintenance Tech	8	4% of current compensation	2% of current compensation	None
Detention officer	9	4% of current compensation	2% of current compensation	None
Deputy	11	4% of current compensation	2% of current compensation	6% of current compensation
Investigator	12	4% of current compensation	2% of current compensation	None
Detention Master Corporal	13	4% of current compensation	2% of current compensation	None
Sergeant	14	4% of current compensation	2% of current compensation	None
Investigator Sergeant	15	4% of current compensation	2% of current compensation	None
Lieutenant	16	4% of current compensation	2% of current compensation	None
Investigator Lieutenant	17	4% of current compensation	2% of current compensation	None
Captain	18	6% of current compensation	None	None
Major	21	6% of current compensation	None	None

(Ord. of 9-18-18(2))

Section 4. - Position incentives.

In addition to the promotional increases in compensation that will be awarded based on the criteria set forth above, selected sheriff's department employees will be paid additional monetary incentives to reward the performance of specified duties. These incentives will be awarded and paid on a semi-annual basis, and will be paid only as set forth below. Such incentives will be based on the "salary low" compensation that pertains to an employee's position that is set forth in the "Cleveland County Pay Scale" that is in effect as of the date(s) of payment of such incentives (regardless of the annual compensation that the employee is then actually being paid).

Employees employed in the following divisions will be paid a non-discretionary incentive payment ("incentive payment") of one and one-half (1.50) percent on a semi-annual basis (which amounts to three (3) percent annually): The Narcotics Division and the Criminal Investigative Division.

Employees employed in the following divisions or jobs will be paid an incentive payment of seventy-five hundredths of one (0.75) percent on a semi-annual basis (which amounts to one and one-half (1.50) percent annually): Community Interdiction Team Division, K-9 Division, and Field Training Officers.

No incentive payment shall be paid to an employee whose employment, regardless of reason, has come to an end as of the date of an incentive payment.

Employees employed in the Special Emergency Response Team ("SERT"), as defined by a roster maintained by the office of the sheriff, will be paid an incentive payment of one-half of one (0.5) percent on a semi-annual basis (which amounts to one (1) percent annually).

Provided, however, that any employee who has worked in one (1) of the foregoing positions or divisions for fewer than three (3) complete consecutive months shall be ineligible for such an incentive payment. If an employee has worked in one (1) of the foregoing positions for more than three (3) but fewer than twelve (12) complete consecutive months, then he/she is eligible for a pro-rated incentive payment based on the number of complete consecutive months worked in his/her role. For example, if an employee has worked in the narcotics division for eight (8) such months, then he/she is eligible for an incentive payment equal to $(8 \text{ months} / 12 \text{ months}) \times 3\% = (66.66) \times 3\% = \text{two percent (2\%)}$.

With the exception of employees employed in the SERT, employees may qualify for only one (1) an incentive payment at any given time, and will be paid whichever potential incentive payment is greater. (For example, if an employee is a field training officer in the narcotics division, then he/she would qualify for the [one and] one-half (1.5) percent an incentive payment on a semi-annual basis (which will amount to three (3) percent if payable over two (2) consecutive semi-annual payments.) Employees employed in the SERT will be eligible for the SERT an incentive payment regardless of eligibility for any other incentive payments.

(Ord. of 9-18-18(2))

COUNTY OF CLEVELAND, NORTH CAROLINA

AGENDA ITEM SUMMARY

Adjourn

Department:

Agenda Title: The next meeting of the Cleveland County Board of Commissioners will be the Commissioners Strategic Planning Work Session to be held on Thursday, January 30, 2020 at 12:30pm at the Public Health Center.

Agenda Summary:

Proposed Action:

ATTACHMENTS:

File Name

Description

No Attachments Available