Rutherford County, North Carolina

Annual Comprehensive Financial Report

For the Year Ended June 30, 2024

Prepared By

Rutherford County Finance Department

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INTRODUCTORY SECTION

Rutherford County

289 North Main Street
Rutherfordton, NC 28139
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February 27, 2025

Rutherford County Board of Commissioners
County of Rutherford
289 North Main Street
Rutherfordton, North Carolina 28139

Dear Commissioners:

In compliance with the General Statutes of the State of North Carolina, the annual comprehensive financial report (ACFR) of the County of Rutherford, North Carolina, is submitted for the fiscal year ended June 30, 2024. The responsibility for the accuracy, completeness, and clarity of the report rests with the County Finance Director. We believe the data presented is accurate in all material respects; that it is presented in a manner to fairly represent the financial position and the results of operations of the County of Rutherford as measured by the financial activities of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the County's financial activity have been included.

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

REPORTING ENTITY AND ITS SERVICES

The County has a commissioner/manager form of government with five commissioners elected for four-year staggered terms. The Board of Commissioners approves all tax and budget issues by a majority vote. An organizational chart is presented in this introductory section.

The financial reporting entity consists of the primary government, organizations for which a primary government is financially accountable and other organizations for which the nature and significance of their relationships with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The primary government is financially accountable if it appoints a voting majority of the organization's governing body; and (1) is able to impose its will on that organization, or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government. The following agencies have been included in the reporting entity as component units:

Rutherford County Airport Authority
Rutherford County Transit Authority
Rutherford County Tourism Development Authority
Rutherford County Economic Development Association

Based on the foregoing criteria, it was not considered appropriate to include the following entities in the County of Rutherford reporting entity:

Rutherford County Board of Education
Region C Council of Governments
Fire and Sanitary Districts
Isothermal Community College
Foothills Public Health District
Partners Behavioral Health Management

The financial statements of these entities are audited and available at the office of each entity.

The County provides, in total or in part, a full range of governmental services including General Government, Public Safety, Environmental Protection, Human Services, Economic and Physical Development, Education, and Cultural Activities.

ACCOUNTING SYSTEM AND BUDGETARY CONTROLS

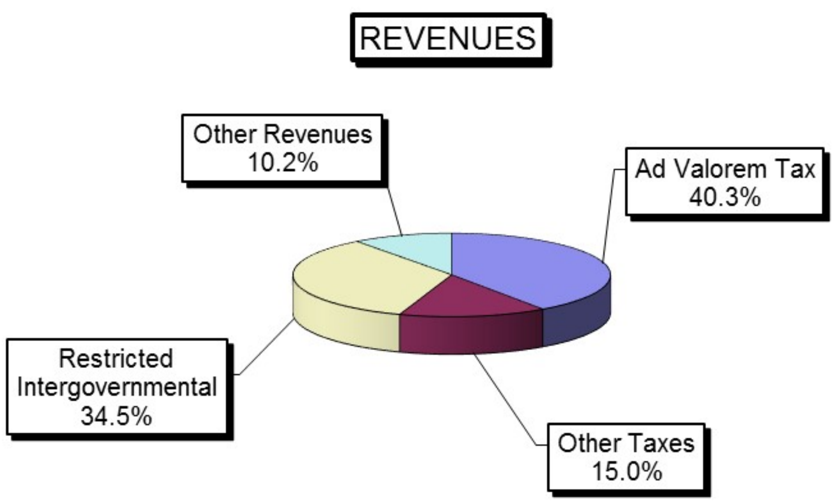
The County's accounting and financial systems have been designed to provide adequate internal accounting controls and to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or dispositions and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits to be derived, and the evaluation of costs and benefits requires estimates and judgment by management. The County believes that the internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary or other control is exercised over all funds. Appropriations are made at the functional level for the General Fund, at the departmental level for the Special Revenue and Proprietary Funds, and at the object level for the Capital Project and Debt Service Funds. The Governing Board amends appropriations as necessary. The budget shown in the financial statements is the budget ordinance as amended through June 30, 2024. The County's budget ordinance is prepared on a modified accrual basis for all governmental fund types. The budgets for the General Fund, Special Revenue Funds with the exception of the Debt Service and Grant Fund, and Enterprise Funds are prepared on an annual basis, and the budgets for the Capital Project and Grant Funds are authorized for the life of the grant/project.

GENERAL GOVERNMENTAL FUNCTIONS

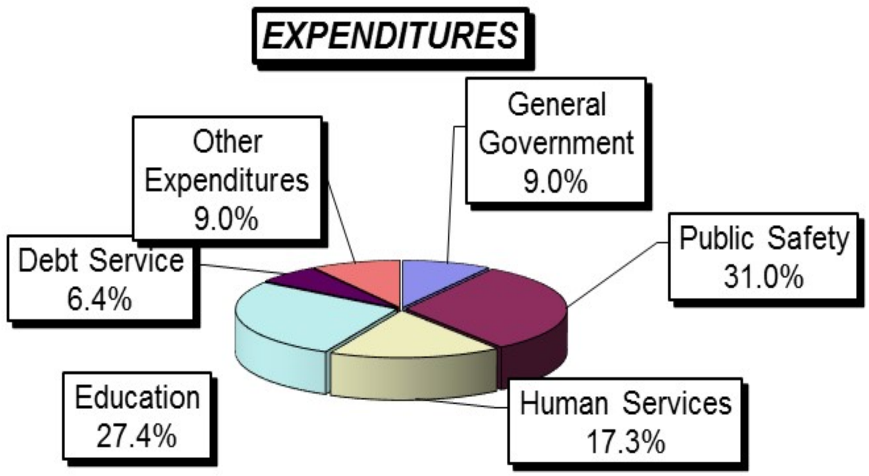
Revenues for annual general governmental functions come primarily from ad valorem taxes, the two and one-half-cent optional sales tax, and intergovernmental revenues (primarily state and federal). These governmental functions include the general, special revenue and debt service funds. Revenues in the General Fund are the sources used to carry out the general operations of the County. Special revenue funds are monies that are restricted by law or administrative action for specific purposes such as emergency telephone system fund, school capital projects and the fire districts tax distribution.

The following graph illustrates the County's general governmental sources of revenue for the general, special revenue and debt service funds only:



Rutherford County's general governmental sources of revenue increased by approximately 40.97%, or $40.5M, attributable to increases in restricted intergovernmental revenues with the receipt of OSBM state appropriation grants received. Ad valorem and restricted intergovernmental are the largest source of revenues for the County accounting for 74.8% of total revenues. Ad valorem taxes account for 40.3% of revenues and increased by $3,296,868 or 6.25% due to growth in the tax base with the 2023 reappraisal and special district taxes and with the continued investments at Andale. fiscal year 2023-2024 budget was adopted based on a tax rate of 45.4 cents per $100 of value. Restricted intergovernmental revenues account for 34.5% of revenues and increased by 244.8% due to approximately $33.7M in OSBM state grants received during the fiscal year. The County experienced increases in the areas of fees during FY 2023-2024 with steady building permits related to commercial construction and residential property sales along with increased excise taxes with strong residential property sales.

Management recognizes that local sources of revenue must be used to provide basic services instead of relying on the uncertainty of federal and state funding. Education, human services, and public safety continue to be the largest of County government expenditures representing 74% of all expenditures. The following graph illustrates the County's general governmental expenditures in the general, special revenue and debt service funds only:



Total expenditures increased 16.7% as compared to FY 2022-2023. This increase was largely a result of the construction of the school transportation facility, animal control facility and county services building and retirement of debt. Due to backorders and delivery issues for equipment in the last several years, an installment obligation was finally completed in July 2023. Increases in Public Safety were a result of increased operational costs and construction of the animal control facility. Increases in Human Services were due to Medicaid expansion. Increases in Education and Debt Service costs were due to construction costs and debt service costs of the school transportation facility.

The County’s fund balance available for appropriation as of June 30, 2024, of approximately \$54.3 million or 71% of general fund expenditures remains positive when compared to the State-wide average of 48% and that of other North Carolina counties of similar size of 52%. One of the many reasons that governments retain fund balance is for unforeseen events. The recent Tropical Storm Helene event is one instance where a healthy fund balance for a government can be useful in weathering the event while still providing the services to its citizens that they have come to expect. Rising costs of capital expenditures have also added pressure to fund balance and the need for the county to use reserves to fill the funding gaps of previously planned construction projects such as roof replacements, HVAC replacements and other improvements and to provide funding for unexpected operational costs such as higher than anticipated inmate medical costs.

THE ECONOMY OF RUTHERFORD COUNTY

Rutherford County's population is estimated to be 65,507 with a work force of 24,011. The population has decreased by 1.64% over the past 10 years; however, there is slight increase in most recent years. The goods-producing industry employment has declined over the last decade, while the service industry employment has increased. The median age has increased to 44.60 as compared to 43.42 a decade ago. The County trend in jobs and population seems to be following the national trends in rural America.

Sixty-plus manufacturing firms are located in Rutherford County, and there is a more diverse industrial base than was previously experienced led by valve manufacturing, plastics, and textiles. While utility company employees are the highest paid sector, the telecommunications subsector is a close second. Manufacturing sectors also continue to be the leaders in employment wages. Recent trends closely resemble the national trend of an overall slowdown in manufacturing and textiles.

In recent years, the industrial base in the County has become more diversified with the introduction of composites and automotive components. Current targets for growth include emerging technologies (such as data centers and call centers), alternative energy sources (such as solar farm and wind farm component manufacturing), plastics and composites, and metal working along with a continued focus on traditional manufacturing that is now being performed to advanced standards and with new technologies. Andale (Facebook) has expanded their operations the past few years, continuing to make investments in their facility that opened in 2012, and is the County's largest taxpayer making up 9.19% of the tax base.

Other recent announcements included an advanced manufacturing investment by Trelleborg for a second major facility within the County, specialty craft ice manufacturer Abstract Ice Inc and a specialty lumber warehousing/distribution operation Cedar Direct LLC. Unfortunately, the County has not had immunity from the nationwide trend of increased unemployment brought on by plant slowdowns and layoffs and other impacts of COVID-19. Unemployment in Rutherford County peaked at 19.4% in January 2010 and had been in decline each month since that time until fiscal year 2020 due to COVID-19, with 9.5% being the rate in June 2020. Fortunately, it has continued to decrease to 5.7% as of November 2024.

The outlook, however, remains optimistic. In addition to current targets of recruitment that have been previously mentioned, a strong Existing Industry team, through a liaison with the NC Department of Commerce, the NC Community College System, the Rutherford County School system, and Rutherford County government, has been assembled to address current manufacturing issues on a local level. Efforts to seek new commercial growth opportunities are ongoing. A commercial development team comprised of strategic municipal and County personnel is working on several programs to strengthen and grow existing downtown and commercially viable areas in the County. Several projects have looked at Rutherford County during the past 12 months; however, most are indicating wanting to see the overall national economy improve and the overall impacts post-pandemic before taking the next step of announcing and committing to spending significant sums of money and job creation.

Another significant industry in the County is travel and tourism. The County tourism industry employs almost 1,400 people and generates over $282 million in revenues. Over 1,500 rentable units are available to visitors for overnight stays. In addition to traditional hotels, rental cabins, rental cottages and rental houses – B&Bs are here, as well. Utilizing the 6% occupancy tax revenue (increased to 6% effective January 1, 2018) to promote the area as a travel, tourism, retirement and convention destination, the Rutherford County Tourism Development Authority (TDA) is the destination management organization for Rutherford County. The TDA invites visitors who are longing to live more simply to come "revisit their senses" here, where "remembered pleasures thrive in abundance." As the TDA says in its advertising, "With great food, great things to do, and great things to see, the lake may lure you – the rest will keep you."

INDEPENDENT AUDIT

The General Statutes of North Carolina require an independent financial audit of all local governments in the state. Gould Killian CPA Group, P.A., a firm of independent certified public accountants, has examined the financial records of the County and their opinion is included in this report. Their audit was made in accordance with generally accepted auditing standards and accordingly, included tests of the County's records and any other auditing procedures as they considered necessary. Their unmodified opinion indicates that the accompanying financial statements have been prepared by the County in conformity with generally accepted accounting principles.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Rutherford County for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the thirty-fifth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENT

Deserving special recognition are the skilled, talented, and dedicated employees - the work force of the County of Rutherford. We also express sincere appreciation to the Board of County Commissioners for their leadership in providing responsible government.

USE OF REPORT

A copy of this report will be made available to various departments of the County, the Local Government Commission, bond rating agencies, state and federal grant agencies and such other institutions expressing an interest in Rutherford County's financial affairs. A copy of this report will also be placed on the County's website at www.rutherfordcountync.gov.

Respectfully submitted,

Steve Garrison
County Manager

Paula Roach
Finance Director

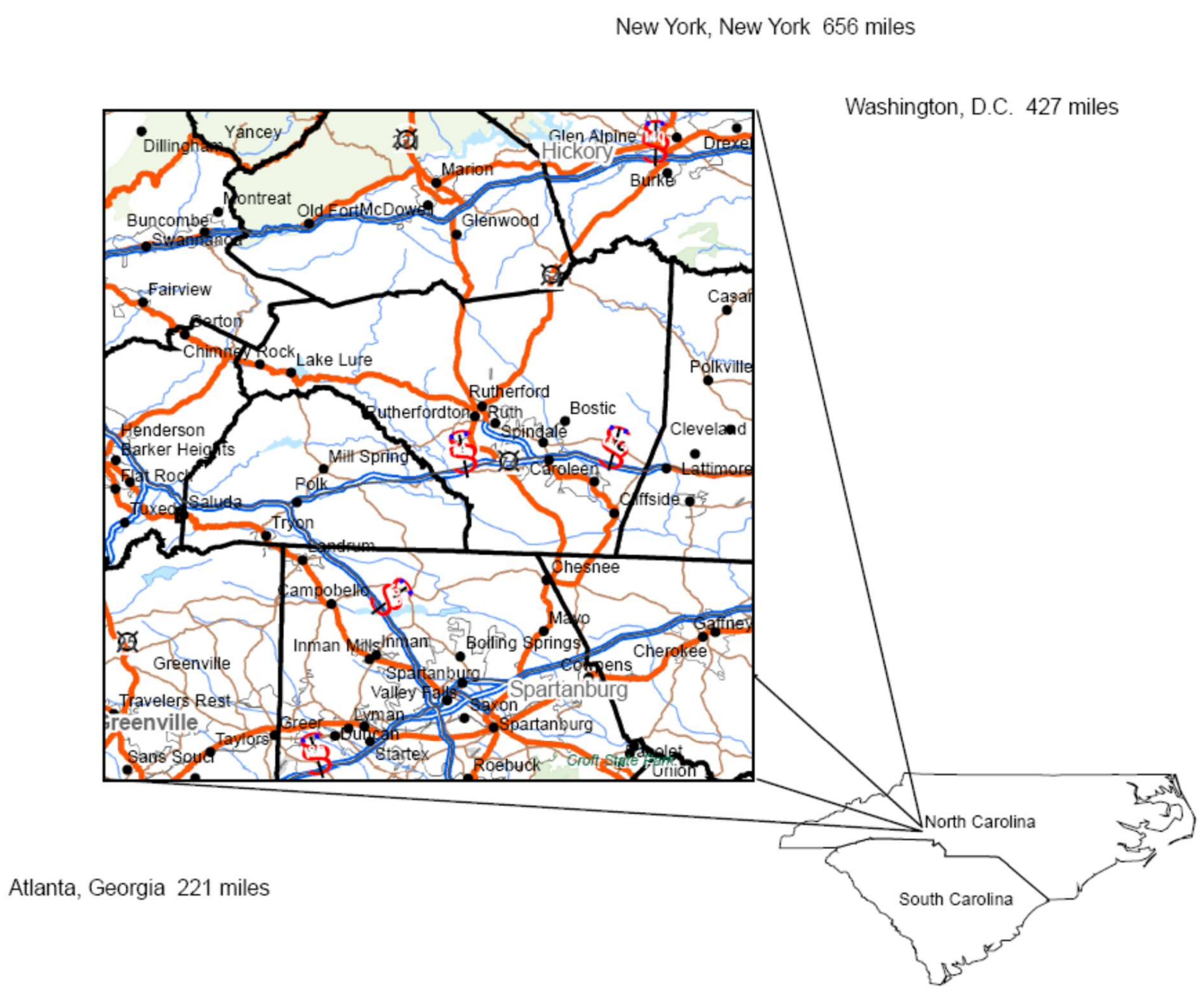
THE COUNTY

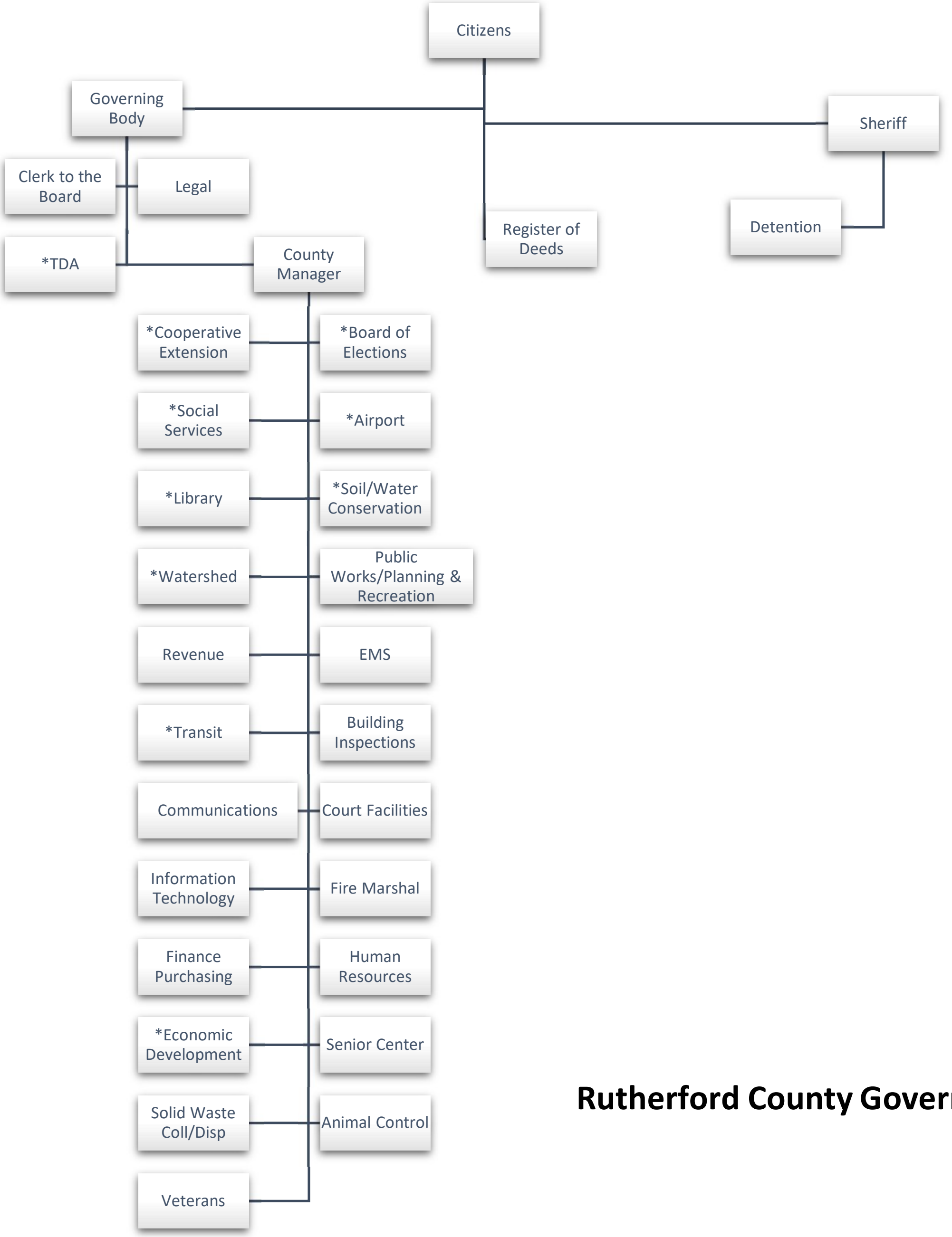
General Description

The County was formed in 1779 from Tryon and named for General Griffith B. Rutherford. The County comprises approximately 566 square miles and is nestled in the rolling foothills of the Blue Ridge Mountains in the heart of the Thermal Belt. These mountain ranges provide shelter from extreme weather conditions in winter, but have cooling mountain breezes in summer. This moderation of weather and temperatures contribute greatly to the pleasant and peaceful living conditions enjoyed by the County residents.

Located in an urban triangle comprised of Charlotte, North Carolina – 70 miles; Asheville, North Carolina – 45 miles; and Spartanburg, South Carolina – 30 miles, the residents of the County enjoy suburban living while having access to urban facilities.

50 MILE RADIUS





Rutherford County Government

**Note: Appointed in whole or in part by others*

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Rutherford
North Carolina

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

RUTHERFORD COUNTY, NORTH CAROLINA

June 30, 2024

Board of County Commissioners

Bryan King, Chairman

Alan Toney, Vice Chairman

Michal Benfield

Donnie Haulk

Hunter Haynes

County Manager

Steve Garrison

Finance Director

Paula Roach

FINANCIAL SECTION

GOULD KILLIAN
CPA GROUP, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Board of Commissioners
Rutherford County
Rutherfordton, North Carolina

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rutherford County, North Carolina, as of and for the year then ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Rutherford County's basic financial statements as listed in the table of contents.

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rutherford County, North Carolina as of June 30, 2024, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

The financial statements of the Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance Schedules of Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Liability (Asset) and County Contributions, the Register of Deeds' Supplemental Pension Fund Schedules of the County's Proportionate Share of the Net Pension Asset and County Contributions, and the Retiree Health Benefit Fund Schedules of the County's Proportionate Share of the Net OPEB Liability and County Contributions be 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Rutherford County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules, the introductory section, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, and other schedules 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. In our opinion, based on our audit and the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 27, 2025 on our consideration of Rutherford 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 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 Rutherford County's internal control over financial reporting and compliance.

Gould Killian CPA Group, P.A.

Asheville, North Carolina
February 27, 2025

Management's Discussion and Analysis

As management of Rutherford County, we offer readers of Rutherford County's financial statements this narrative overview and analysis of the financial activities of Rutherford County for the fiscal year ended June 30, 2024. We encourage readers to review 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

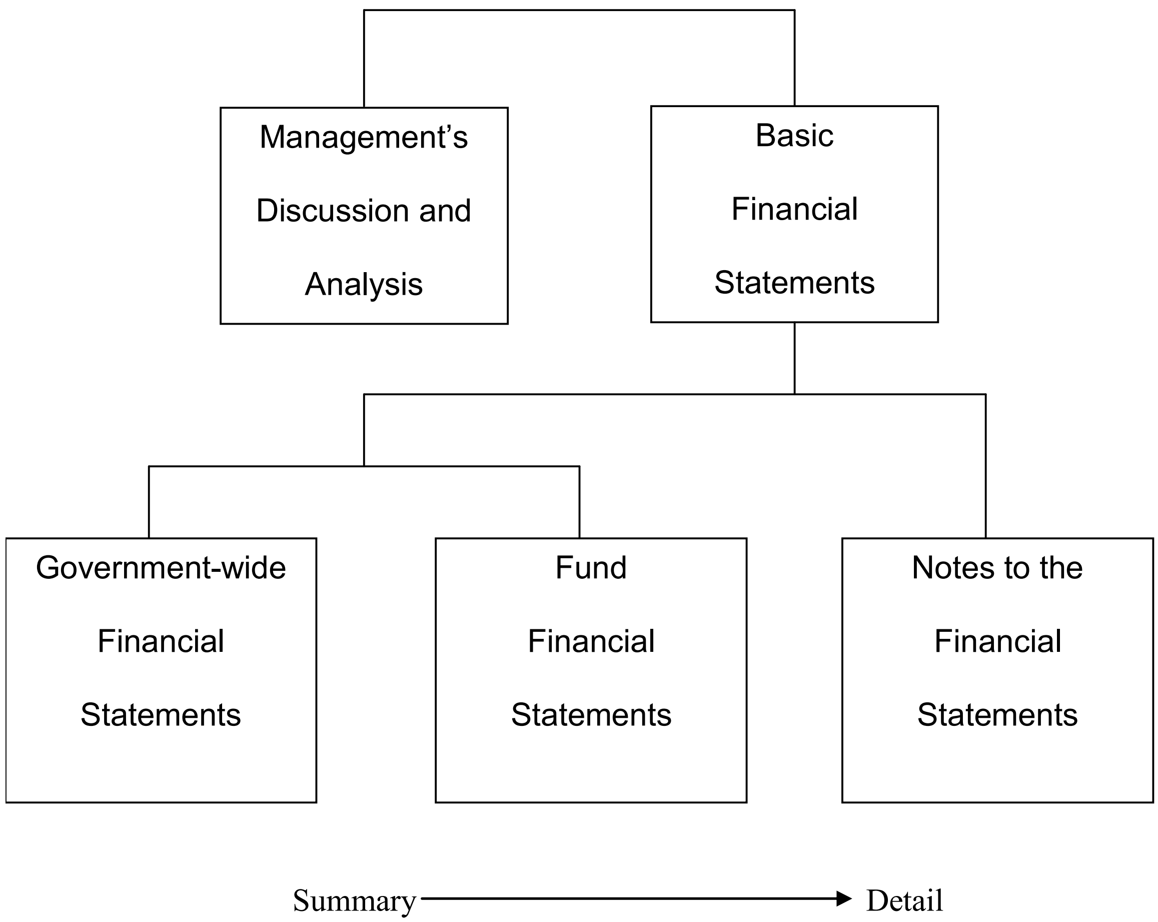
- As of the close of the current fiscal year, Rutherford County's governmental funds reported combined ending fund balances of $135,778,838, an increase of $46,625,478 in comparison with the prior year amount of $89,153,060. The combined fund balance consisted of: general fund - $62,928,103 compared to $54,673,121 (2023); Debt service fund - $16,609,417; General capital project fund - $39,301,507; School capital project fund - $8,966,928; Opioid settlement fund - $58,159, and non-major funds - $7,914,724.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $46,720,255, or 61.4% of total general fund expenditures.
- The assets and deferred outflows of resources of Rutherford County's governmental activities exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $147,347,148 (*net position).* This compares to June 30, 2023 net position of $101,534,635. In accordance with North Carolina law, liabilities of the County include $2,249,595 in long-term debt associated with assets belonging to the Rutherford County Board of Education and Isothermal Community College. As these assets are not reflected in the County's financial statements and the full amount of the long-term debt is reported, it created a deficit on the financial statements. However, much of this debt has now been paid off and not creating a deficit to the net position as it did in prior years along with other debt that has been extinguished over time. The County has reported a deficit of $6,982,854 in unrestricted net position.
- The primary government's long-term debt, excluding pension liability, compensated absences and landfill post-closure accrual increased by $10,080,366.
- The primary government's total net position increased by $46,680,930.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Rutherford County's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. See Figure 1 below. 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 fiscal condition of Rutherford County.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements in the basic financial statements are the Government-Wide Financial Statements. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits 3 through 10) are Fund Financial Statements. These statements focus on the activities of the County and 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. After the notes, supplemental information is provided to show details about the County's non-major governmental funds. Budgetary information required by North Carolina General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the various pension and other postemployment benefits plans the County participates in.

Government-Wide Financial Statements

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

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and the 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 three categories:

Governmental activities – These activities of the County include general government, public safety, human services, environmental protection, economic and physical development, education, cultural and recreation, and debt service. Property taxes, the local option sales taxes and state and federal grant funds finance most of these activities.

Business-type activities – The County charges fees to recover the costs associated with providing certain services. These activities include solid waste collection and disposal.

Component units – The government-wide financial statements include not only the County of Rutherford itself (known as the primary government), but also a legally separate airport, a legally separate tourism development authority, and a legally separate transit authority for which the County of Rutherford is financially accountable. Although legally separate from the County, these agencies are important to the County because the County exercises control over the Board by appointing its members and because the Board is required to distribute its profits to the County. The government-wide statements also include a legally separate Economic Development Association, which is economically dependent upon monetary and non-monetary contributions from the County. Financial information for these component units is reported separately from the financial information for the primary government itself.

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Rutherford 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 Rutherford County can be divided into three categories: governmental, proprietary and fiduciary 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.

Rutherford 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 – Rutherford County has one type of proprietary fund – enterprise fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Rutherford County uses enterprise funds to account for its landfill operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Fiduciary Funds – Custodial funds are used to account for resources held for the benefit of parties outside the government. Rutherford County has two custodial 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.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $147,347,148 as of June 30, 2024. The County's net position increased by

$46,680,930 for the fiscal year ended June 30, 2024, compared to an increase of $16,949,412 in 2023. One of the largest portions, $66,914,392, reflects the County's net investment in capital assets (e.g. land, buildings, intangible assets, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. Rutherford County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Rutherford County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources since the capital assets cannot be used to liquidate these liabilities. A portion of Rutherford County's net position, $66,722,258, represents resources that are subject to external restrictions on how they may be used. At June 30, 2024, total unrestricted fund balance was $22,448,360 is attributable to the governmental activities unrestricted net position of $17,651,088. This low amount in unrestricted net position relative to the total amount of net position is attributable to significant liabilities for pensions and other postemployment benefits. The County reports $50,762,688 of these liabilities at June 30, 2024.

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	$150,075,956	$ 98,808,985	$10,111,952	$ 8,609,584	$160,187,908	$107,418,569
Capital assets	89,312,412	80,488,671	3,319,522	3,508,736	92,631,934	83,997,407
Total Assets	239,388,368	179,297,656	13,431,474	12,118,320	252,819,842	191,415,976
Total deferred outflows of resources	18,771,599	17,686,542	472,310	445,828	19,243,909	18,132,370
Long-term liabilities outstanding	84,499,575	69,048,467	5,386,293	4,985,760	89,885,868	74,034,227
Other liabilities	17,448,627	13,233,575	553,753	367,701	18,002,380	13,601,276
Total liabilities	101,948,202	82,282,042	5,940,046	5,353,461	107,888,248	87,635,503
Total deferred inflows of resources	8,864,617	13,167,521	225,876	341,242	9,090,493	13,508,763
Net position						
Net investment in capital assets	62,973,802	55,660,151	2,940,590	3,508,736	65,914,392	59,168,887
Restricted	66,722,258	33,030,720	-	-	66,722,258	33,030,720
Unrestricted	17,651,088	12,843,764	4,797,272	3,360,709	22,448,360	16,204,473
Total net position	$147,347,148	$101,534,635	$ 7,737,862	$ 6,869,445	$155,085,010	$108,404,080

Also, under North Carolina law, the County is responsible for providing capital funding for the School System. The County has chosen to meet its legal obligation to provide the school system capital funding by using a mixture of county funds, general obligation debt and certificates of participation. The assets funded by the County, however, are owned and utilized by the School System. When the County, as the issuing government, acquires no capital assets, the County incurs a liability without a corresponding increase in assets. Sunshine Elementary, Dunbar Elementary, the Isothermal Community College Lifelong Learning Center, Business Sciences and Communication Buildings, Rutherfordton Elementary, and Rutherford-Spindale Middle School are exceptions where the County owns the building. At the end of the fiscal year, $2,249,595 of the outstanding debt on the County's financial statements was related to assets included in the School System's financial statements. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

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

- Continued diligence in the collection of property taxes with the County's collection percentage of 98.27%.
- Continued efforts of all departments to minimize costs and efficiently serve our citizens with most expenditures coming in under budget due to savings in salaries from vacant positions and conservative operating spending.
- Sales tax increases continued above projections and seemed related to continued spending from Federal economic stimulus measures. Building inspections permits, excise taxes and interest earnings remained strong.

Figure 3

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 8,689,659	$ 7,194,496	$ 5,909,969	$ 5,177,010	$ 14,599,628	$ 12,371,506
Operating grants and contributions	16,201,656	12,560,827	508,041	522,490	16,709,697	13,083,317
Capital grants and contributions	31,747,225	1,280,631	-	-	31,747,225	1,280,631
General revenues:						
Property taxes	56,152,393	52,634,782	-	-	56,152,393	52,634,782
Other taxes	21,475,144	22,125,257	-	-	21,475,144	22,125,257
Other	5,688,042	2,689,938	-	-	5,688,042	2,689,938
Total revenues	139,954,119	98,485,931	6,418,010	5,699,500	146,372,129	104,185,431
Expenses:						
General government	9,828,626	9,272,507	-	-	9,828,626	9,272,507
Public safety	31,282,106	26,129,414	-	-	31,282,106	26,129,414
Environmental protection	180,588	167,752	-	-	180,588	167,752
Economic and physical development	5,950,085	7,058,442	-	-	5,950,085	7,058,442
Human services	18,794,042	16,307,403	-	-	18,794,042	16,307,403
Cultural and recreation	3,074,127	760,440	-	-	3,074,127	760,440
Education	23,730,347	21,435,865	-	-	23,730,347	21,435,865
Interest on long-term debt	1,362,981	1,025,297	-	-	1,362,981	1,025,297
Landfill	-	-	5,549,593	5,256,978	5,549,593	5,256,978
Total expenses	94,202,902	82,157,120	5,549,593	5,256,978	99,752,495	87,414,098
Increase in net position before special items	45,751,217	16,328,811	868,417	442,522	46,619,634	16,771,333
Gain (loss) on disposal of capital assets	61,296	174,597	-	3,482	61,296	178,079
Special items	-	(350,000)	-	350,000	-	-
Increase in net position	45,812,513	16,153,408	868,417	796,004	46,680,930	16,949,412
Net position, July 1, as originaly stated	-	86,441,364	-	6,073,441	-	92,514,805
Restatement	-	(1,060,137)	-	-	-	(1,060,137)
Net position, July 1, as restated	101,534,635	85,381,227	6,869,445	6,073,441	108,404,080	91,454,668
Net position, June 30	$147,347,148	$101,534,635	$ 7,737,862	$ 6,869,445	$155,085,010	$108,404,080

Governmental activities. Governmental activities increased the County's net position by $45,812,513. This compares to an increase of $16,153,408 in 2023. The majority of this increase is in the General Capital Projects Fund due to grants received from OSBM state appropriation grants for capital building and equipment projects for $30 million. Projects will be completed over a two-year period. The County building permits increased with additional commercial construction and new home construction, including resort areas by 10% or approximately $174,000 and EMS fees increased by 11% or approximately $437,000 positively impacting the general fund. Property tax collections increased following the January 2023 revaluation and overall value increases experienced in the general fund and the fire district funds. The governmental activity's long-term debt, excluding pension and OPEB liabilities, and compensated absences although new debt issued for $15 million, increased by only $9,701,434 as debt has been retired.

Business-type activities. Business-type activities increased Rutherford County's net position by $868,417. The key element of this increase in net position was increased tipping fees and household user fees while maintaining steady operating costs..

The County established an Enterprise Fund on July 1, 1992 to account for solid waste collection and disposal operations that are financed through solid waste fees. Effective January 1, 1998, the State began requiring that all municipal solid waste (MSW) be placed in a lined landfill. In order to meet this requirement, the County constructed a transfer station and began transporting MSW to a lined landfill outside the County. Studies are currently being conducted on the feasibility of constructing a lined landfill adjacent to our Central Landfill. The County has obtained a site suitability determination (the initial stage of obtaining a permit) from the North Carolina Department of Environment and Natural Resources for this construction. The current contract for MSW transportation out of County expires June 30, 2027.

The County operates a Construction and Demolition (C&D) landfill. As of June 30, 2023, a lateral expansion was completed to maximize the space available for C&D landfill operations. It is estimated that the County has used 6.4 percent of the total estimated capacity of Phase II of this landfill as of June 30, 2024.

The County has established the following tipping fee system. The tipping fee for C&D is $61 per ton, the commercial-industrial tipping fee is $74 per ton. There is also a $61 per ton tipping fee for demolition material and $130 per ton fee for out of county recycling materials received. In addition, the State established a fee of $2 per ton on municipal solid waste and construction and demolition debris as a result of the North Carolina General Assembly passing the Solid Waste Act of 2007. The statewide solid waste disposal tax must be collected at the Landfill and submitted to the State. The County's household fee is $154 per household per year with a reduced homestead exemption fee of $60 per household per year. The County's recycling availability fee is $8 for all improved property beginning July 2020. Nine convenience centers and one manned green box site are now in operation throughout the County.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Rutherford County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Rutherford 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 Rutherford County. At the end of the current fiscal year, Rutherford County's fund balance available in the General Fund was $54,322,428, while total fund balance was $62,928,103. The Governing Body of Rutherford County has an informal goal that the County should maintain an available fund balance of 20% 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 available fund balance of 66% of adjusted General Fund expenditures, while total fund balance represents 83% of that same amount. The County's fund balance as of June 30, 2024 remains comparable to the state-wide average and that of other North Carolina counties in our population group.

At June 30, 2024, the governmental funds of Rutherford County reported a combined fund balance of $135,778,838, a $46,625,478 increase as compared to the prior year end. The primary reason for this increase is largely due to positive activities such as ad valorem tax growth, increased sales taxes, economic growth (building permits and excise taxes) and investment earnings along with over $30 million from OSBM state appropriation grants received for capital projects.

The General Fund's net increase in fund balance by $8.25 million is mainly due to the following reasons:

- Property tax collections were $750 thousand above budgeted with increased assessed property values and commercial investment
- Investment earnings remained strong with rates not experienced since the late 2000s
- Unexpected continuation of strong sales tax which seems to be related to continued spending from Federal economic stimulus measures providing more funds to County agencies, citizens and the County itself.
- Strong building permit and excise stamp revenues reflective of the construction and real estate market upswing
- Increased EMS revenues following the dissolution of the rescue squads and increased call volumes
- Conservative revenue forecast and departmental spending were effectively used to minimize any unforeseen shortfalls during this time of continued uncertainty following the pandemic
- Continued to constructively utilized available American Rescue plan funding covering some county projects when eligible

Increases in fund balance in other major funds as a result of the following activities:

- School Capital Fund includes bond proceeds for the construction of a school transportation facility.
- Debt service Fund increased as older debt issuances have been retired.

General Capital Projects Fund increased due to OSBM state appropriation grants were received that will also relieve the burden of future debt with county priority projects including a new services building (housing tax office, main library, veterans and elections) and a new animal control facility.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust 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 budget amendments to the General Fund increased revenues by $1,839,562 which represents an increase of 2% of the original revenue budgeted.

The main amended increases in the budget were in general government, public safety, and human services. Amendments in the areas of general government and public safety primarily due to capital expenditures that had been appropriated in the previous year but were unexpended and were therefore carried forward and "re-budgeted" into FY 2023-2024 after the Budget Ordinance was adopted. These carried forward items accounted for over $3.03 million of the adjustments. Other amendments included additional funding for human services programs for foster care and Medicaid expansion; and public safety and information technology capital outlay that were carried forward into the fiscal year due to backorders and equipment delays. Expenditures in some functional areas experienced notable positive variances as compared to the budget due to expenditures being curtailed due to the economy and project delays. Growth in ad valorem tax collections, sales tax, excise taxes and public safety revenues helped to offset previously appropriated fund balance. Due to continued delays, many budgeted capital items remained unspent and will need to be carried forward into the next budget year again.

Proprietary Funds. Rutherford County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Solid Waste Fund at the end of the fiscal year amounted to a balance of $4,797,272. The total increase in net position was $868,417. Other factors concerning the finances of this fund have already been addressed in the discussion of Rutherford County's business-type activities.

Capital Asset and Debt Administration

Capital assets. Rutherford County's capital assets for its governmental and business – type activities as of June 30, 2024, totals $92,631,934 (net of accumulated depreciation/amortization). These assets include buildings, land, intangible assets, machinery and equipment, park facilities, leased assets, and vehicles.
Major capital asset transactions during the year included the following:

- Purchase of new vehicles, equipment and bookmobile for Public Safety, General Government and Solid Waste
- Began renovations to the building purchased to enhance county library and revenue department operations
- Construction in progress for a new animal control facility and the school transportation facility

Figure 4

RUTHERFORD COUNTY'S CAPITAL ASSETS
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land and CIP	$ 18,295,738	$ 7,906,758	$ 716,875	$ 716,875	$19,012,613	$ 8,623,633
Buildings and System	65,020,883	67,511,701	1,518,677	1,701,106	66,539,560	69,212,807
Improvements other than buildings	1,516,654	1,628,420	-	-	1,516,654	1,628,420
Machinery and equipment	858,759	1,047,679	401,081	618,280	1,259,840	1,665,959
Intangibles	287,203	340,922	-	-	287,203	340,922
Vehicle and motorized equipment	2,916,149	1,557,305	682,889	472,475	3,599,038	2,029,780
Leased assets	417,026	495,886	-	-	417,026	495,886
Total	$ 89,312,412	$80,488,671	$ 3,319,522	$ 3,508,736	$92,631,934	$83,997,407

Additional information on the County's capital assets can be found in note 2(E) of the Basic Financial Statements.

Long-term Debt. As of June 30, 2024, Rutherford County had total bonded debt outstanding of $525,000 all of which is debt backed by the full faith and credit of the County. A comparative summary of general obligation bonds, installment purchase and revolving fund debt outstanding is as follows:

Figure 5

RUTHERFORD COUNTY'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	$ 525,000	$ 677,000	$ -	$ -	$ 525,000	$ 677,000
Installment purchases	37,913,872	27,973,982	378,932	-	38,292,804	27,973,982
Leases	69,189	139,503	-	-	69,189	139,503
IT subscription liabilities	286,552	286,124	-	-	286,552	286,124
Revolving fund - NCDENR	49,710	66,280	-	-	49,710	66,280
Total	$38,844,323	$29,142,889	$ 378,932	$ -	$39,223,255	$29,142,889

Rutherford County's total debt (excluding pension and OPEB liabilities, accrued vacation and compensatory pay, landfill post-closure accruals and grant repayments) decreased $4,550,444 during the past fiscal year.

The County bond rating for the outstanding general obligation debt is "Aa3" with Moody

Investor Service, “A+” with Standard & Poors Corporation, and “A+” with Fitch Ratings. The rating for the Limited Obligation Bonds, Series 2011 is “A1” with Moody’s Investor Service. The rating for the December 2019 LOBs financing is "A1" with Moody Investor Service and "A+" with Standard and Poors Corporation. The rating for the September 2002 COPS financing is “A+” with Fitch Ratings. The rating process normally rates COPS issues one rate lower than General Obligation issues. This achievement is a primary factor in keeping interest costs low on the County’s outstanding debt.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government’s boundaries. The legal debt margin for Rutherford County is approximately $846,000,000. The County has no un-issued authorized bonds at June 30, 2024.

Additional information regarding Rutherford County’s long-term debt can be found in note 4 of this Annual Comprehensive Financial Report.

Economic Factors and Next Year’s Budgets and Rates

The County has positioned itself for other business expansion opportunities. The County and private developers have developed industrial/business sites and buildings for sale. The County has completed a site-readiness program sponsored by Duke Energy for the shell building in Riverstone Business Park, Rutherford 221 Corporate Center, as well as the county-owned Gateway West site. The County also secured an infrastructure grant to provide public sewer to the Rutherford 221 Corporate Center, which was completed spring 2021. The County has also invested funds to construct the drive and entrance way to the Gateway West site. Summer 2021 the County closed on the sale of a lot to its first expected tenant Charlotte Metro Credit Union at Gateway West. The County completed the sale of another parcel at Gateway West for an industrial expansion for Trelleborg, their second facility within the county. The County continues to review other sites that offer opportunity for economic growth and sites marketed as industrial along with supportive workforce housing opportunities. The County has been positively impacted by a strong western North Carolina tourism industry and continued investments by Andale LLC at their existing facility and strong production at American Zinc Products.

In September 2024, Rutherford County was impacted by TS Helene. With a strong fund balance, Rutherford County was able to move forward with recovery for the citizens without being dependent on Federal and State support for cash flow. Debris management contracts were executed late October 2024 and to date contractors have processed over 700,000 cubic yards of vegetative debris from the public road right of ways. FEMA reimbursement is anticipated for this work, but fund balance provided the cash flow to support the towns and rural community with cleanup. Debris operations are projected to be around $23 million and $13.6 million has been paid to date.

Budget Highlights for the Fiscal Year Ending June 30, 2025

Governmental Activities: The tax rate adopted for fiscal year 2024-2025 was 45.4 cents.

The FY 2024-25 General Fund a slight increase in the property values and budgeted at a conservative collection rate of 98.25% following the 2023 reappraisal. The County may only budget property tax revenues based upon the prior fiscal tax collection by State law as compared to the Fiscal Year 2022-23 actual collection rate of 98.83%. Sales tax revenues are projected to decrease by 5% over the FY2022-23 actuals as the county is impacted by town and special district levies since Rutherford County is an ad valorem distribution county. Budgeted expenditures and transfers in the General Fund are $80,826,507.

The County does anticipate expending fund balance in the fiscal year ending June 30, 2025 to complete projects that were in process as of the prior fiscal year end and planned expenditures of fund balance. As of the fiscal year ended June 30, 2024, Rutherford County has fund balance available for appropriation of approximately $54.4 million or 71% of general fund expenditures. On average, other North Carolina counties in our population group were at approximately 48.07% of FY 2020-2021 general fund expenditures and, on average state-wide, other North Carolina counties were at 51.79%.

Business – Type Activities: The County rates for landfill services were increased effective July 2024 and a recycling availability fee added July 2020. The tipping fee structure was analyzed and adjusted in conjunction with the expected costs of operations. The current waste disposal contract expires June 30, 2027.

As mentioned previously, the State established a fee of $2 per ton on municipal solid waste and construction and demolition debris in FY 2008-2009 as a result of the North Carolina General Assembly passing the Solid Waste Act of 2007. The statewide solid waste disposal tax must be collected at the Landfill and submitted to the State. Once the State's costs of administration have been taken, the funds will be used for inactive hazardous sites cleanup and to fund grants to State agencies and units of local government to initiate or enhance local recycling programs to provide for the management of difficult to manage solid waste, including abandoned mobile homes and household hazardous waste. Since the FY 2016-17 budget the County has appropriated some of these funds to continue an extensive recycling program in the County public school system and throughout the County. This includes retaining a part-time recycling coordinator in addition to using these funds as a match to a grant which will be used to purchase an additional recycling compactor for the convenience centers.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Rutherford County, 289 North Main Street, Rutherfordton, NC 28139. You can also call (828) 287-6085 or visit our website at www.rutherfordcountync.gov for more information.

BASIC FINANCIAL STATEMENTS

Rutherford County, North Carolina
Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 81,109,187	$ 9,648,395	$ 90,757,582
Receivables (net)	2,614,675	376,290	2,990,965
Due from other governments	8,003,288	78,797	8,082,085
Lease receivable	-	-	-
Prepaid items and deposits	795,971	8,470	804,441
Inventories	87,604	-	87,604
Cash and cash equivalents - restricted	57,381,302	-	57,381,302
Total current assets	149,992,027	10,111,952	160,103,979
Noncurrent assets:			
Net pension asset (ROD)	83,929	-	83,929
Capital assets:			
Land and construction in progress	18,295,738	716,875	19,012,613
Other capital assets, net of depreciation/amortization	71,016,674	2,602,647	73,619,321
Total capital assets	89,312,412	3,319,522	92,631,934
Total noncurrent assets	89,396,341	3,319,522	92,715,863
Total assets	239,388,368	13,431,474	252,819,842
DEFERRED OUTFLOWS OF RESOURCES	18,771,599	472,310	19,243,909
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	5,038,928	335,130	5,374,058
Accrued interest payable	410,347	-	410,347
Liabilities payable from restricted assets			
Advances from grantors	3,806,686	-	3,806,686
Accounts payable and accrued expenses	2,449,400	-	2,449,400
Long-term liabilities due within one year	5,743,266	218,623	5,961,889
Total current liabilities	17,448,627	553,753	18,002,380
Long-term liabilities:			
Net pension liability - LGERS	17,207,469	471,337	17,678,806
Total pension liability - LEOSSA	3,996,080	-	3,996,080
Net OPEB liability	28,312,268	775,514	29,087,782
Due in more than one year	34,983,758	4,139,442	39,123,200
Total long-term debt	84,499,575	5,386,293	89,885,868
Total liabilities	101,948,202	5,940,046	107,888,248
DEFERRED INFLOWS OF RESOURCES	8,864,617	225,876	9,090,493
NET POSITION			
Net investment in capital assets	62,973,802	2,940,590	65,914,392
Restricted for:			
Stabilization by State statute	9,883,872	-	9,883,872
Debt service	16,604,167	-	16,604,167
Health services	220,445	-	220,445
Capital projects	34,725,396	-	34,725,396
Public safety	2,547,357	-	2,547,357
Building inspections	659,723	-	659,723
Register of deeds	823,557	-	823,557
Register of deeds pension plan	83,929	-	83,929
Economic development	1,173,812	-	1,173,812
Unrestricted	17,651,088	4,797,272	22,448,360
Total net position	$ 147,347,148	$ 7,737,862	$ 155,085,010

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

	Component Units			
	Tourism Development Authority	Economic Development Association	Rutherford County Airport Authority	Transit Administration
ASSETS				
Current assets:				
Cash and cash equivalents	$ 5,053,910	$ 1,048,207	$ 293,027	$ 1,159,908
Receivables (net)	348,009	-	-	-
Due from other governments	-	-	62,901	209,406
Lease receivable	-	-	173,250	-
Prepaid items and deposits	4,812	4,468	3,520	7,147
Inventories	-	-	39,506	-
Cash and cash equivalents - restricted	120,000	-	-	-
Total current assets	5,526,731	1,052,675	572,204	1,376,461
Noncurrent assets:				
Net pension asset (ROD)	-	-	-	-
Capital assets:				
Land and construction in progress	-	-	1,922,026	-
Other capital assets, net of depreciation/amortization	-	-	5,243,958	134,427
Total capital assets	-	-	7,165,984	134,427
Total noncurrent assets	-	-	7,165,984	134,427
Total assets	5,526,731	1,052,675	7,738,188	1,510,888
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-
LIABILITIES				
Current liabilities:				
Accounts payable and accrued expenses	362,365	-	66,800	86,859
Accrued interest payable	-	-	-	-
Liabilities payable from restricted assets				
Advances from grantors	-	20,000	-	-
Accounts payable and accrued expenses	-	-	-	-
Long-term liabilities due within one year	10,486	-	-	-
Total current liabilities	372,851	20,000	66,800	86,859
Long-term liabilities:				
Net pension liability - LGERS	-	-	-	-
Total pension liability - LEOSSA	-	-	-	-
Net OPEB liability	-	-	-	-
Due in more than one year	-	-	-	-
Total long-term debt	-	-	-	-
Total liabilities	372,851	20,000	66,800	86,859
DEFERRED INFLOWS OF RESOURCES	-	-	170,552	-
NET POSITION				
Net investment in capital assets	-	-	7,165,984	134,427
Restricted for:				
Stabilization by State statute	348,009	-	236,151	209,406
Debt service	-	-	-	-
Health services	-	-	-	-
Capital projects	-	-	-	-
Public safety	-	-	-	-
Building inspections	-	-	-	-
Register of deeds	-	-	-	-
Register of deeds pension plan	-	-	-	-
Economic development	120,000	1,032,675	-	-
Unrestricted	4,685,871	-	98,701	1,080,196
Total net position	$ 5,153,880	$ 1,032,675	$ 7,500,836	$ 1,424,029

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

Rutherford County, North Carolina
Statement of Activities
For the Year Ended June 30, 2024

		Program Revenues			Net (Expense) Revenue and Changes in Net Position						
					Primary Government			Component Units			
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**	**Tourism Development Authority**	**Economic Development Association**	**Rutherford County Airport Authority**	**Transit Administration**
Primary government:											
Governmental activities:											
General government	$ 9,828,626	$ 458,263	$ 56,500	$ -	$ (9,313,863)	$ -	$ (9,313,863)				
Public safety	31,282,106	7,784,527	2,368,129	19,562,096	(1,567,354)	-	(1,567,354)				
Environmental protection	180,588	1,005	30,150	-	(149,433)	-	(149,433)				
Economic and physical development	5,950,085	13,500	-	685,129	(5,251,456)	-	(5,251,456)				
Human services	18,794,042	388,342	13,689,560	-	(4,716,140)	-	(4,716,140)				
Cultural and recreation	3,074,127	44,022	57,317	11,000,000	8,027,212	-	8,027,212				
Education	23,730,347	-	-	500,000	(23,230,347)	-	(23,230,347)				
Interest on long-term debt	1,362,981	-	-	-	(1,362,981)	-	(1,362,981)				
Total governmental activities	94,202,902	8,689,659	16,201,656	31,747,225	(37,564,362)	-	(37,564,362)				
Business-type activities:											
Solid waste disposal	5,549,593	5,909,969	508,041	-	-	868,417	868,417				
Total primary government	$ 99,752,495	$ 14,599,628	$ 16,709,697	$ 31,747,225	(37,564,362)	868,417	(36,695,945)				
Component units:											
Tourism Development Authority	$ 2,665,617	$ 18,891	$ 9,000	$ -				$ (2,637,726)	$ -	$ -	$ -
Economic Development Association	122,375	-	126,875	-				-	4,500	-	-
Rutherford County Airport Authority	1,242,937	616,766	77,116	871,082				-	-	322,027	-
Transit Administration	1,416,670	599,831	561,908	109,145				-	-	-	(145,786)
Total component units	$ 5,447,599	$ 1,235,488	$ 774,899	$ 980,227				(2,637,726)	4,500	322,027	(145,786)
General revenues:											
Taxes:											
Property taxes, levied for general purpose					56,152,393	-	56,152,393	-	-	-	-
Local option sales tax					20,924,960	-	20,924,960	-	-	-	-
Other taxes and licenses					550,184	-	550,184	2,874,624	-	-	-
Investment earnings, unrestricted					5,257,946	-	5,257,946	267,104	-	-	-
Miscellaneous, unrestricted					430,096	-	430,096	-	2,721	-	-
Gain on sale of assets					61,296	-	61,296	150	-	-	8,179
Total general revenues					83,376,875	-	83,376,875	3,141,878	2,721	-	8,179
Change in net position					45,812,513	868,417	46,680,930	504,152	7,221	322,027	(137,607)
Net position, beginning					101,534,635	6,869,445	108,404,080	4,649,728	1,025,454	7,178,809	1,561,636
Net position, ending					$ 147,347,148	$ 7,737,862	$ 155,085,010	$ 5,153,880	$ 1,032,675	$ 7,500,836	$ 1,424,029

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

Rutherford County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2024

	Major					Non-major	
	General	School Capital Project Fund	Debt Service Fund	Opioid Settlement Fund	General Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	$ 57,743,132	$ -	$ 16,604,167	$ -	$ 5,390,335	$ 1,242,246	$ 80,979,880
Receivables, net	2,261,956	-	-	-	-	220,795	2,482,751
Due from other governments	7,338,163	139,840	5,250	-	39,742	480,293	8,003,288
Due from other funds	-	-	-	-	-	1,607,930	1,607,930
Prepaid items	766,112	-	-	-	-	29,159	795,271
Inventories	87,604	-	-	-	-	-	87,604
Notes receivable	-	-	-	-	-	-	-
Cash and cash equivalents - restricted	706,650	11,931,003	-	2,476,011	35,706,808	6,560,830	57,381,302
Total assets	$ 68,903,617	$ 12,070,843	$ 16,609,417	$ 2,476,011	$ 41,136,885	$ 10,141,253	$ 151,338,026
LIABILITIES							
Accounts payable and accrued liabilities	$ 1,932,113	$ 3,103,915	$ -	$ -	$ -	$ -	$ 5,036,028
Due to other funds	1,607,930	-	-	-	-	-	1,607,930
Liabilities payable from restricted assets:							
Accounts payable and accrued liabilities	-	-	-	-	1,835,378	614,022	2,449,400
Advances from grantors - Cares Act and Opioid	-	-	-	2,417,852	-	43,755	2,461,607
Advances from grantors - ARPA	-	-	-	-	-	1,345,079	1,345,079
Total liabilities	3,540,043	3,103,915	-	2,417,852	1,835,378	2,002,856	12,900,044
DEFERRED INFLOWS OF RESOURCES							
Prepaid taxes	172,311	-	-	-	-	2,878	175,189
Property taxes and other receivables	2,263,160	-	-	-	-	220,795	2,483,955
Total deferred inflows of resources	2,435,471	-	-	-	-	223,673	2,659,144
FUND BALANCES							
Nonspendable:							
Inventories and prepaid items	853,716	-	-	-	-	29,159	882,875
Restricted:							
Stabilization by State statute	7,751,959	-	5,250	-	39,742	2,086,921	9,883,872
Debt service	-	-	16,604,167	-	-	-	16,604,167
Health services	-	-	-	58,159	-	162,286	220,445
Education	-	8,966,928	-	-	-	-	8,966,928
Capital projects	-	-	-	-	33,871,430	853,966	34,725,396
Public safety	46,927	-	-	-	-	2,500,430	2,547,357
Register of deeds	-	-	-	-	-	823,557	823,557
Building inspections	659,723	-	-	-	-	-	659,723
Economic development	-	-	-	-	-	1,173,812	1,173,812
Committed:							
Capital projects	-	-	-	-	5,390,335	-	5,390,335
Assigned:							
Subsequent year's expenditures	6,167,203	-	-	-	-	-	6,167,203
HVAC replacement	398,108	-	-	-	-	-	398,108
Roof replacement	330,212	-	-	-	-	-	330,212
Unassigned	46,720,255	-	-	-	-	284,593	47,004,848
Total fund balances	62,928,103	8,966,928	16,609,417	58,159	39,301,507	7,914,724	135,778,838
Total liabilities, deferred inflows of resources and fund balances	$ 68,903,617	$ 12,070,843	$ 16,609,417	$ 2,476,011	$ 41,136,885	$ 10,141,253	$ 151,338,026

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

Rutherford County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2024

Total fund balances for governmental funds	$	135,778,838
Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:		
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in the governmental activities column)		141,881,990
Less accumulated depreciation/amortization		(52,569,578)
Net pension asset		83,929
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position		2,965,683
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position		148,288
Contributions for OPEB are deferred outflows of resources on the Statement of Net Position		1,644,540
Accrued interest receivable on property taxes in the government-wide statements as these funds are unavailable in the fund statements.		131,924
Net position of internal service fund		127,107
Net pension liability - LGERS		(17,207,469)
Total pension liability - LEOSSA		(3,996,080)
Net OPEB liability		(28,312,268)
Pension related deferrals		7,570,097
OPEB-related deferrals		(2,543,418)
Liabilities for deferred inflows of resources recorded in the fund statements but not the government-wide		2,483,955
Deferred charges related to advance refunding bonds issued recorded on the government-wide statement of net position but are not current financial resources		296,981
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:		
Bonds, leases, direct placement installment purchases, and direct borrowings		(38,844,323)
Compensated absences		(1,882,701)
Accrued interest payable		(410,347)
Net position of governmental activities	$	147,347,148

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

Rutherford County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	Major						Non-major	
	General	School Capital Project Fund	ARPA Fund	Debt Service Fund	Opioid Settlement Fund	General Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES								
Ad valorem taxes	$ 50,134,631	$ -	$ -	$ -	$ -	$ -	$ 5,909,375	$ 56,044,006
Local option sales taxes	9,267,900	-	-	9,807,134	-	-	1,849,926	20,924,960
Restricted intergovernmental	11,369,201	-	-	1,268,630	-	30,099,308	5,290,796	48,027,935
Permits and fees	1,589,125	-	-	-	-	-	-	1,589,125
Sales and services	6,938,496	-	-	13,500	-	-	-	6,951,996
Investment earnings	3,677,001	665,929	-	367,450	50,136	290,676	206,754	5,257,946
Miscellaneous	380,288	-	-	-	-	3,690	46,118	430,096
Total revenues	83,356,642	665,929	-	11,456,714	50,136	30,393,674	13,302,969	139,226,064
EXPENDITURES								
Current:								
General government	9,377,288	-	-	-	-	386,897	6,990	9,771,175
Public safety	22,036,225	-	-	-	-	2,268,461	9,204,544	33,509,230
Environmental protection	180,321	-	-	-	-	-	-	180,321
Economic and physical development	4,472,743	-	-	-	-	-	1,433,167	5,905,910
Human services	17,839,661	-	-	-	-	240,410	624,908	18,704,979
Cultural and recreational	809,239	-	-	-	-	2,654,651	82,633	3,546,523
Intergovernmental:								
Education	20,902,824	8,735,959	-	-	-	-	-	29,638,783
Debt service:								
Principal	511,463	-	-	5,188,569	-	-	-	5,700,032
Interest and other charges	14,159	-	-	1,250,771	-	-	-	1,264,930
Total expenditures	76,143,923	8,735,959	-	6,439,340	-	5,550,419	11,352,242	108,221,883
Revenues over (under) expenditures	7,212,719	(8,070,030)	-	5,017,374	50,136	24,843,255	1,950,727	31,004,181
OTHER FINANCING SOURCES (USES)								
Transfers from other funds	606,814	768,631	-	934,055	-	-	104,148	2,413,648
Transfers to other funds	(185,848)	-	-	(1,073,825)	-	(852,355)	(301,620)	(2,413,648)
Proceeds from sale of assets	84,149	-	-	-	-	-	-	84,149
Proceeds from installment obligations	300,000	15,000,000	-	-	-	-	-	15,300,000
Lease liabilities issued	237,148	-	-	-	-	-	-	237,148
Total other financing sources (uses)	1,042,263	15,768,631	-	(139,770)	-	(852,355)	(197,472)	15,621,297
Net changes in fund balances	8,254,982	7,698,601	-	4,877,604	50,136	23,990,900	1,753,255	46,625,478
Fund balances, beginning, as originally reported	54,673,121	-	46,718	11,731,813	-	15,310,607	7,391,101	89,153,360
Adjustment (Note 15)	-	1,268,327	(46,718)	-	8,023	-	(1,229,632)	-
Fund balances, beginning, as adjusted	54,673,121	1,268,327	-	11,731,813	8,023	15,310,607	6,161,469	89,153,360
Fund balances, ending	$ 62,928,103	$ 8,966,928	$ -	$ 16,609,417	$ 58,159	$ 39,301,507	$ 7,914,724	$ 135,778,838

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

Rutherford County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

Amounts reported for governmental activities in the Statement of Activities are different because:	
Net change in fund balances - total governmental funds	$ 46,625,478
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of net position	13,066,735
Depreciation and amortization expense, the allocation of those assets over their useful lives that is recorded on the statement of activities but not in the fund statements	(4,220,141)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities – it affects only the government-wide statement of net position	(15,537,148)
Principal payments on debt owed are recorded as a use of funds on the fund statements but affect only the statement of net position in the government-wide statements	5,700,032
Contributions to pension plans in the current fiscal year are not included on the statement of activities	2,965,683
Contributions to the OPEB plan in the current fiscal year are not included on the statement of activities	1,644,540
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position.	148,288
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements:	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	(129,217)
Amortization of debt premiums	135,681
Amortization of refunding costs not recorded on fund statements	(104,514)
Pension expense	(5,256,179)
OPEB benefit	248,763
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(180,630)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:	
Difference in interest revenue between fund statements (modified accrual) and government-wide statements (full accrual)	(66,471)
Increase of deferred inflows of resources – taxes receivable	174,858
Decrease of deferred inflows of resources – other receivable	619,667
Net income, including transfers, of internal funds determined to be governmental type	(59)
Governmental activities change in net position	$ 45,812,513

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

Rutherford County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues:				
Ad valorem taxes	$ 49,393,081	$ 49,393,081	$ 50,134,631	$ 741,550
Local option sales taxes	8,417,857	8,074,852	9,267,900	1,193,048
Restricted intergovernmental	10,450,248	12,451,747	11,369,201	(1,082,546)
Permits and fees	1,283,850	1,283,850	1,589,125	305,275
Sales and services	6,407,635	6,509,128	6,938,496	429,368
Investment earnings	500,000	500,000	3,677,001	3,177,001
Miscellaneous	165,952	245,527	380,288	134,761
Total revenues	76,618,623	78,458,185	83,356,642	4,898,457
Expenditures:				
Current:				
General government	10,108,172	11,755,938	9,377,288	2,378,650
Public safety	22,853,333	24,673,629	22,036,225	2,637,404
Environmental protection	194,784	198,705	180,321	18,384
Economic and physical development	5,057,771	5,109,809	4,472,743	637,066
Human services	17,005,079	19,851,237	17,839,661	2,011,576
Cultural and recreational	758,677	827,268	809,239	18,029
Intergovernmental:				
Education	20,578,704	20,938,111	20,902,824	35,287
Total current expenditures	76,556,520	83,354,697	75,618,301	7,736,396
Debt service:				
Principal retirement			511,463	
Interest and other charges			14,159	
Total debt service	768,412	801,718	525,622	276,096
Total expenditures	77,324,932	84,156,415	76,143,923	8,012,492
Revenues over (under) expenditures	(706,309)	(5,698,230)	7,212,719	12,910,949
Other financing sources (uses):				
Transfers from other funds	305,194	642,101	606,814	(35,287)
Transfers to other funds	(155,885)	(161,312)	(185,848)	(24,536)
Lease liabilities issued	-	-	237,148	237,148
Installment obligations issued	1,207,000	1,507,000	300,000	(1,207,000)
Sale of capital assets	35,000	37,460	84,149	46,689
Appropriated fund balances	(685,000)	3,672,981	-	(3,672,981)
Total other financing sources (uses)	706,309	5,698,230	1,042,263	(4,655,967)
Net change in fund balance	$ -	$ -	8,254,982	$ 8,254,982
Fund balance, beginning			54,673,121	
Fund balance, ending			$ 62,928,103	

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

Exhibit 6

Rutherford County, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2024

	Enterprise Fund	Internal Service Fund
	Solid Waste Disposal Fund	County Technology Upgrade Fund
ASSETS		
Current assets:		
Cash and cash equivalents	$ 9,648,395	$ 129,307
Receivables, net	376,290	-
Due from other governments	78,797	-
Prepaid expenses	8,470	700
Total current assets	10,111,952	130,007
Capital assets:		
Land and construction in progress	716,875	-
Other capital assets, net of depreciation	2,602,647	-
Total capital assets	3,319,522	-
Total assets	13,431,474	130,007
DEFERRED OUTFLOWS OF RESOURCES	472,310	-
LIABILITIES		
Current liabilities:		
Accounts payable	335,130	2,900
Current portion of long-term debt	218,623	-
Total current liabilities	553,753	2,900
Noncurrent liabilities:		
Accrued landfill closure and postclosure care costs	3,938,879	-
Net pension liability (LGERS)	471,337	-
Net OPEB liability	775,514	-
Long-term debt	200,563	-
Total long-term liabilities	5,386,293	-
Total liabilities	5,940,046	2,900
DEFERRED INFLOWS OF RESOURCES	225,876	-
NET POSITION		
Net investment in capital assets	2,940,590	-
Unrestricted	4,797,272	127,107
Total net position	$ 7,737,862	$ 127,107

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

Rutherford County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Enterprise Fund	Internal Service Fund
	Solid Waste Disposal Fund	County Technology Upgrade Fund
OPERATING REVENUES		
Charges for services	$ 5,909,969	$ 84,967
Miscellaneous	508,041	-
Total operating revenues	6,418,010	84,967
OPERATING EXPENSES		
Salaries, wages, and fringe benefits	1,328,252	85,026
Maintenance and repairs	116,056	-
Other operating expenses	3,398,153	-
Landfill closure and postclosure care costs	157,728	-
Depreciation	534,253	-
Total operating expenses	5,534,442	85,026
Operating income	883,568	(59)
NON-OPERATING REVENUES (EXPENSES)		
Interest and other charges	(15,151)	-
Change in net position	868,417	(59)
Total net position, beginning	6,869,445	127,166
Total net position, ending	$ 7,737,862	$ 127,107

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

Exhibit 8

Rutherford County, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Enterprise Fund	Internal Service Fund
	Solid Waste Disposal Fund	**County Technology Upgrade Fund**
Cash flows from operating activities:		
Cash received from customers	$ 6,399,028	$ 84,967
Cash paid to employees for services	(1,335,398)	(84,980)
Cash paid for goods and services	(3,579,318)	-
Net cash provided (used) by operating activities	1,484,312	(13)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(345,039)	-
Proceeds from installment obligations	537,000	-
Principal paid on long-term debt	(158,068)	-
Interest paid on long-term debt	(15,151)	-
Net cash used by capital and related financing activities	18,742	-
Net increase (decrease) in cash and cash equivalents	1,503,054	(13)
Cash and cash equivalents, beginning of year	8,145,341	129,320
Cash and cash equivalents, end of year	$ 9,648,395	$ 129,307
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 883,568	$ (59)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	534,253	-
Landfill closure and postclosure care costs	157,728	-
Changes in assets and liabilities:		
(Increase) decrease in receivables	(968)	-
(Increase) decrease in prepaid expenses	1,654	(91)
(Increase) decrease in deferred outflows of resources - LGERS	(15,583)	-
(Increase) decrease in deferred outflows of resources - OPEB	(10,899)	-
Increase (decrease) in accounts payable and accrued liabilities	(84,777)	137
Increase (decrease) in net LGERS liability	65,916	-
Increase (decrease) in net OPEB liability	75,513	-
Increase (decrease) in accrued compensated absences	(6,727)	-
Increase (decrease) in deferred inflows of resources - LGERS	1,109	-
Increase (decrease) in deferred inflows of resources - OPEB	(116,475)	-
Total adjustments	600,744	46
Net cash provided (used) by operating activities	$ 1,484,312	$ (13)

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

Rutherford County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

		Custodial Funds
ASSETS		
Cash and cash equivalents	$	176,288
Taxes receivable for other governments, net		74,119
Total assets		250,407
NET POSITION		
Restricted for:		
Individuals and other governments	$	250,407

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

Rutherford County, North Carolina
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2024

	Custodial Funds
ADDITIONS	
Ad valorem taxes collected for other governments	$ 20,663,211
Collections on behalf of inmates	319,609
Total additions	20,982,820
DEDUCTIONS	
Tax distributions to other governments	20,642,996
Payments on behalf of inmates	317,940
Total deductions	20,960,936
Net decrease in fiduciary net position	21,884
Net position beginning	228,523
Net position, ending	$ 250,407

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

Note 1 – Summary of Significant Accounting Policies

The accounting policies of Rutherford County and its discretely presented component units 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 units, legally-separate entities for which the County is financially accountable. One component unit of the County has no financial transactions or account balances; therefore, it does not appear in the basic financial statements.

Rutherford County Industrial Facility and Pollution Control Financing Authority

The Rutherford County Industrial Facility and Pollution Control Financing Authority ("Financing Authority") exists to issue and service revenue bond debt of private businesses for economic development purposes. The Financing 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 Financing Authority with or without cause. The Financing Authority has no financial transactions or account balances; therefore, it is not presented in the financial statements. The Financing Authority does not issue separate financial statements.

The three discretely presented component units discussed below are reported in separate columns in the County's government-wide financial statements in order to emphasize that they are legally separate from the County.

Rutherford County Airport Authority

The County appoints a majority of the Board of Directors of the Rutherford County Airport Authority ("Authority"). Operations of the Authority are budgeted and administered as a part of the general fund. The Authority does not issue separate financial statements. The Statement of Net Position and Statement of Activities for this governmental activity component unit are discretely presented in separate columns in the government-wide financial statements.

Rutherford County Transit Administration

The Rutherford County Transit Administration, Inc. ("Transit Administration") is a non-profit corporation organized to coordinate and provide the most cost effective method of transportation services for Rutherford County. The County appoints a majority of the Board of Directors for the Transit Administration and is able to impose its will on the Transit Administration. The Transit Administration, which has a June 30 year-end, is presented as if it were a business activity component unit. The Transit Administration does not issue separate financial statements. The Statement of Net Position and Statement of Activities include a separate column for this business-type activity.

Rutherford County Tourism Development Authority

The Rutherford County Tourism Development Authority ("Development Authority") was established as a component unit on June 9, 2011 when the North Carolina General Assembly passed Session Law 2011-115, House Bill 414, An Act to Modify the Rutherford County Occupancy Tax. As a result of this amendment, the Tourism Development Authority has issued separate financial statements as a discretely presented component unit of Rutherford County beginning with the fiscal year ended June 30, 2012. The County appoints a majority of the Board of Directors for the Authority and is able to impose its will on the Authority. The Statement of Net Position and the Statement of Activities for this governmental activity component unit are discretely presented in the separate columns in the government-wide financial statements.

Rutherford County Economic Development Association

The Rutherford County Economic Development Association ("Association") was established as a 501(c)(6) nonprofit association to support economic development efforts in the County. The Association is fiscally dependent upon the County. A financial burden also exists for the County as it is contractually required to provide monetary support, staffing, IT services, and substantially all other administrative services necessary for the Association to operate. The Statement of Net Position and the Statement of Activities for this governmental activity component unit are discretely presented in the separate columns in the government-wide financial statements.

Component Unit	Reporting Method	Separate Financial Statements
Rutherford County Industrial Facility and Pollution Control Financing Authority	Discrete	None issued (no amounts have been presented because no financial transactions or account balances exist).
Rutherford County Airport Authority	Discrete	None issued.
Rutherford County Transit Administration	Discrete	None issued.
Rutherford County Tourism Development Authority	Discrete	Tourism Development Authority 146 North Main Street Rutherfordton, NC 28139
Rutherford County Economic Development Association	Discrete	Economic Development Association 142 East Main Street, Suite 100 Forest City, NC 28139

(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) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

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

The County reports the following major governmental funds:

General Fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

School Capital Projects Fund. This fund accounts for the transactions related to numerous school capital projects ongoing in the County.

Opioid Settlement Fund. This fund accounts for the funding received by the County from the Opioid Settlement.

Debt Service Fund. This fund accounts for the accumulated resources in anticipation of debt service payments of other related expenditures for County and school facilities.

General Capital Projects Fund. This fund accounts for the transactions related to numerous capital projects ongoing in the County.

The County reports the following major enterprise fund:

Solid Waste Disposal Fund. This fund accounts for the solid waste collection and disposal operations and is financed with user fees.

The County also reports the following fund types:

County Technology Upgrade Fund. This internal service fund is used to account for the accumulation and allocation of costs associated with the County's efforts to upgrade and improve certain areas of the technological infrastructure.

Custodial Funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Municipal Tax Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but that are not revenues to the County, and the Detention Center Commissary Fund, which holds cash collections for the benefit of inmates from their friends and families.

Non-major Funds. The County maintains ten legally budgeted non-major funds. The CDBG Capital Project Fund, and the Queen's Gap Capital Project Fund are reported as capital projects funds. The ICC Capital Projects Fund, Covid Relief Fund, Grant Fund, Emergency Telephone

System Fund, the Fire Districts Fund, the ARPA Fund, the Register of Deeds Automation Enhancement Fund, and the Representative Payee Fund, are reported as non-major special revenue funds.

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 and 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.

Enterprise Fund. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Internal Service Fund. The County has appropriated funds for the purpose of upgrading and improving various technologies used in County operations. A portion of these funds are also allocated to administrative support related to these systems.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

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

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

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

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

(C) **Budgetary Data**

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, Debt Service Fund, Fire Districts Fund, Register of Deeds Automation Enhancement Fund, Isothermal Community College Capital Project Fund, the Grant Fund, Representative Payee Fund, and Solid Waste Disposal Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the ARPA Fund, Opioid Settlement Fund, School Capital Project Fund, Queen's Gap Capital Project Fund, CDBG Capital Project Fund, and the General Capital Projects Fund.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the department level for the general fund, the special revenue funds, and proprietary funds, and at the object level for the capital projects funds. All amendments at the departmental level must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

(D) **Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity**

(1) **Deposits and Investments**

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

State law (G.S. 159-30(c)) authorizes the County, Airport Authority, Transit Administration, Economic Development Association, and Tourism Development Authority 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, Airport Authority, Transit Administration, Economic Development Association, and Tourism Develop Authority's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The North Carolina Capital Management Trust (NCCMT) Government Portfolio is authorized by G.S. 159-30(c)(8). The Government Portfolio, is a SEC-registered (2a-7) money market mutual fund which invests in treasuries and government agencies and is rated AAAm by S&P and AAAmF by Moodys Investor Service. The Government Portfolio is reported at fair value.

(2) **Cash and Cash Equivalents**

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

(3) **Restricted Assets**

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

Governmental Activities:		
General Fund		
	Drug forfeiture funds	$ 46,927
	Building inspection funds	659,723
Grant Fund		
	Unexpended grant funds	1,195,357
ARPA Fund		
	Unexpended grant funds	1,462,580
Queen's Gap Capital Project Fund		
	Unexpended surety bond settlement proceeds	138,399
Rep payee fund		
	Unexpended social security funds	162,286
Covid Relief fund		
	Unexpended grant funds	42,584
School Capital Projects Fund		
	Unexpended loan proceeds	11,931,003
General Capital Projects		
	Unexpended grant funds	35,706,808
Fire District Fund		
	Taxes collected and held on behalf of County fire districts	2,735,727
Opioid Settlement Fund		
	Unexpended grant funds	2,476,011
Register of Deeds Automation Enhancement Fund		
	Unexpended restricted Register of Deeds fees	823,897
	Total restricted cash and cash equivalents	$ 57,381,302

(4) **Ad Valorem Taxes Receivable**

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on July 1, the beginning of the fiscal year. The taxes are due on September 1; however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2023. As allowed by State law, the County has established a schedule of discounts that apply to taxes which are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

(5) **Lease Receivable**

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

(6) **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 and evaluating potential collectability issues for certain troubled receivables.

(7) **Inventories and Prepaid Items**

The inventories of the County are valued at cost (first-in, first-out), which approximates market. The inventories are held for consumption and the costs are recorded as expenditure when consumed.

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.

(8) **Capital Assets**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. Minimum capitalization cost is $5,000. 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 Rutherford 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, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Rutherford County Board of Education. Sunshine Elementary, Dunbar Elementary, the Isothermal Community College Lifelong Learning Center, and Rutherfordton Elementary are exceptions in that the County owns the buildings.

Capital assets of the County, Airport Authority, and Transit Administration are depreciated on a straight-line basis over the following estimated useful lives:

	Years
Buildings	20-50
Improvements	25-39
Intangibles	20
Furniture and equipment	5-7
Vehicles	5
Computer equipment	3

The County's capital assets also include certain right to use assets. These right to use assets arise in association with agreements where the County reports a lease or agreements where the County reports an Information Technology (IT) Subscription in accordance with the requirements of GASB 87 and GASB 96, respectively.

The right to use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made at or prior to the start of the lease term, less lease incentives received from the lessor at or prior to the start of the lease term, and plus ancillary charges necessary to place the lease asset into service. The right to use lease assets are amortized on a straight-line basis over the life of the related lease.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term should be reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right to use subscription assets should be amortized on a straight-line basis over the subscription term.

(9) **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion - a charge on refunding, pension-related deferrals, OPEB-related deferrals, and contributions made to the pension and OPEB plans in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents the acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The County has five items that meet the criterion for this category: prepaid taxes, property taxes receivable, leases, pension-related deferrals, OPEB-related deferrals, and other receivables.

(10) **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 another financing source.

(11) **Compensated Absences**

The vacation policies of the County and its component units provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

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 none of the entities have any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County or its component units.

(12) **Opioid Settlement Funds**

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

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

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

As of June 30, 2024, the County received $2,417,851 as part of this settlement. Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Funds are restricted until expended. No funds have been expended as of June 30, 2024. The MOA offered the County two options of expending the funds. The County opted for Option A, which allows the County to fund one or more high-impact strategies from a list of evidence-based strategies to combat the opioid epidemic.

(13) **Reimbursements for Pandemic-Related Expenditures**

During the fiscal year ending June 30, 2021, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for the eligible state, local, territorial, and tribal governments. The County was allocated $13,019,596 of fiscal recovery funds to be paid in two equal installments. The first installment of $6,509,798 was received in June 2021. The second installment was received in June 2022. County staff and the Board of Commissioners elected to use $10,000,000 of the ARPA funds for revenue replacement during the fiscal year ending June 30, 2022. During the fiscal year ending June 30, 2024, the County expended $1,674,518 on various projects. The remaining $1,345,079 will be expended during fiscal year ended June 30, 2025.

(14) **Net Position/Fund Balances**

Net Position

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

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The general fund is the only fund that reports a positive unassigned fund balance amount. The governmental fund types classify fund balances as follows:

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

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

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

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

Restricted for Stabilization by State Statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

Restricted for Debt Service – portion of fund balance that can only be used for debt service payments.

Restricted for Education – portion of fund balance that represents unspent bond proceeds in the School Capital Projects fund.

Restricted for Health services – portion of fund balance that can only be used to benefit beneficiaries under the Social Security Representative Payee Program

Restricted for Capital Projects – portion of fund balance that is restricted by revenue sources for capital projects.

Restricted for Public Safety – portion of fund balance that is restricted by revenue source for public safety purposes such as emergency communications, fire protection, or law enforcement.

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 Building Inspections – portion of fund balance that can only be used for building inspections and related activities.

Restricted for Economic Development – portion of fund balance that can only be used for economic development.

Committed Fund Balance – portion of fund balance that can only be used for specific purpose imposed by majority vote of Rutherford County's governing body (highest level of decision-making authority) by resolution. Any changes or removal of specific purposes requires majority action by the governing body.

Capital projects – portion of fund balance that has been committed by the board for capital projects throughout the County.

Assigned Fund Balance – portion of fund balance that the Rutherford County governing board has budgeted.

Subsequent year's expenditures – portion of fund balance that has been budgeted by the board to pay for purchase orders and commitments that will be fulfilled in the next fiscal year.

HVAC replacement – portion of fund balance that has been budgeted by the board for replacement of County HVAC systems throughout the County.

Roof replacement – portion of fund balance that has been budgeted by the board for replacement of various County building roofs throughout the County.

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

Rutherford County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city 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 Officer has the authority to deviate from this policy if it is in the best interest of the County.

Rutherford County has an informal management goal to conduct the business of the County in such a manner that the General Fund available fund balance is at least 20% of annual expenditures. At this time, the Board has not adopted a formal fund balance policy.

(15) **Defined Benefit Pension and OPEB Plans**

The County participates in two cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LGERS) and the Registers of Deeds' Supplemental Pension Fund (RODSPF) (collectively, the "state-administered defined benefit pension plans"). The County also participates in a cost sharing, multiple employer plan providing certain retiree health benefits: the Retiree Health Benefit Fund (RHBF). For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions or OPEB, and pension/OPEB expense, information about the fiduciary net position of LGERS, RODSPF, and the RHBF, the additions to/deductions from the respective fiduciary net positions have been determined on the same basis as they are reported by the respective benefit 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 when 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 LGERS, RODSPF, and RHBF. Investments are reported at fair value.

Note 2 – Assets

(A) **Deposits**

All of the County's, Airport Authority's, Transit Administration's, and Tourism Develop Authority'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, Airport Authority, Transit Administration, and Tourism Development Authority's agents in those 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, Airport Authority, Transit Administration, and Tourism Development Authority, these deposits are considered to the 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, Airport Authority, Transit Administration, Tourism Develop Authority, or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

At June 30, 2024, the County's deposits had a carrying amount of $59,372,607 and a bank balance of $60,864,003. Of the bank balance, $500,000 was covered by federal depository insurance, and the remainder was covered by collateral held under the Pooling Method.

The County also had petty cash on hand at June 30, 2024 of $2,730.

The Transit Administration's deposits had a carrying amount and bank balance of $1,159,908, all of which was covered by collateral held under the pooling method.

The Tourism Development Authority's deposits had a carrying amount and bank balance of $5,173,910 all of which was covered by collateral held under the pooling method.

The Airport Authority's deposits had a carrying amount and bank balance of $293,027, all of which was covered by collateral held under the pooling method.

The Fiduciary Funds' deposits had a carrying amount and bank balance of $176,288, all of which was covered by collateral held under the pooling method.

At June 30, 2024, the Economic Development Authority's deposits had a carrying amount and bank balance of $1,048,207. Of the bank balance, $500,000 was covered by federal depository insurance, and the remainder was uncovered. The EDA's board does not consider this to be a significant risk.

(B) **Investments**

At June 30, 2024, the County had the following investments and maturities:

Investment Type	Valuation Measurement Method	Fair Value	Less than 6 months
NC Capital Management Trust – Government Portfolio	Fair Value Level I	$88,763,547	$88,763,547

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 Two: Debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Credit Risk. The County's policy is to limit investments to the provisions of G.S. 159-30 and restrict the purchase of securities to the highest possible ratings whenever particular types of securities are rated. In fiscal year ended June 30, 2024, the County only invested in North Carolina Capital Cash Management Trust's Government Portfolio and as of June 30, 2024, had no investment securities with a counterparty.

A reconciliation of deposits and investments held by the County to the government-wide financial statements is as follows:

	Primary Government	Transit Administration	Tourism Development Authority	Airport Authority	Economic Development Association	Fiduciary Funds	Total
Deposits	$ 59,372,607	$ 1,159,908	$ 5,173,910	$ 293,027	$ 1,048,207	$ 176,288	$ 67,223,947
Cash on hand	2,730	-	-	-	-	-	2,730
Investments	88,763,547	-	-	-	-	-	88,763,547
	$ 148,138,884	$ 1,159,908	$ 5,173,910	$ 293,027	$ 1,048,207	$ 176,288	$ 155,990,224

Reported on government-wide statement of net position:

	Primary Government	Transit Administration	Tourism Development Authority	Airport Authority	Economic Development Association	Fiduciary Funds	Total
Cash and cash equivalents	$ 90,757,582	$ 1,159,908	$ 5,173,910	$ 293,027	$ 1,048,207	$ 176,288	$ 98,608,922
Restricted cash	57,381,302	-	120,000	-	-	-	57,501,302
	$ 148,138,884	$ 1,159,908	$ 5,293,910	$ 293,027	$ 1,048,207	$ 176,288	$ 156,110,224

(C) **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 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.

Year Levied	Tax	Interest	Total
2021	$ 962,484	$ 228,590	$ 1,191,074
2022	959,219	141,485	1,100,704
2023	964,751	55,473	1,020,224
2024	946,878	-	946,878
Total	$ 3,833,332	$ 425,548	$ 4,258,880

(D) **Receivables**

Receivables at the government-wide level at June 30, 2024, were as follows:

	Accounts	Taxes and Related Accrued Interest	Total
Governmental Activities:			
General	$ 4,993,231	$ 2,000,649	$ 6,993,880
Other Governmental	-	220,795	220,795
Total receivables	4,993,231	2,221,444	7,214,675
Allowance for doubtful accounts	(3,700,000)	(900,000)	(4,600,000)
Total - governmental activities	$ 1,293,231	$ 1,321,444	$ 2,614,675
Business-type Activities			
Solid waste	$ 477,968	$ -	$ 477,968
Allowance for doubtful accounts	(101,678)	-	(101,678)
Total - business-type activities	$ 376,290	$ -	$ 376,290

The Rutherford County Airport Authority has numerous leases with various tenants for hangars located at the airport. Under these leases, the Authority receives from $126 to $1,140 annually in exchange for the use of the Authority's hangar space. The leases mature between FY25 and FY62. There are no variable components in the leases. The lease receivables are measure as the present value of the future minimum rent payments expected to be received during the term of the respective leases at a discount rate ranging from 0.5% to 2%. At June 30, 2024 the lease receivable balance was $173,250.

In fiscal year 2024, the Authority recognized $40,888 of lease revenue and $2,512 of interest revenue under the lease.

Amounts due from other governments at the government-wide level at June 30, 2024 consists of the following:

	Local Option Sales Tax	Other	Total
Governmental Activities:			
General	$ 5,319,331	$ 2,018,832	$ 7,338,163
Internal service fund	-	-	-
Other Governmental	-	665,125	665,125
Total - governmental activities	$ 5,319,331	$ 2,683,957	$ 8,003,288
Business-type Activities			
Solid waste	$ -	$ 78,797	$ 78,797

(E) **Capital Assets**

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 6,682,068	$ -	$ -	$ 6,682,068
Construction in progress	1,224,690	10,654,171	265,191	11,613,670
Total capital assets not being depreciated	7,906,758	10,654,171	265,191	18,295,738
Capital assets being depreciated:				
Buildings	99,457,638	-	-	99,457,638
Other improvements	2,567,861	7,019	-	2,574,880
Intangibles	1,518,419	-	-	1,518,419
Equipment	9,790,310	268,511	-	10,058,821
Vehicles	7,203,923	2,165,077	325,502	9,043,498
Total capital assets being depreciated	120,538,151	2,440,607	325,502	122,653,256
Less accumulated depreciation for:				
Buildings	31,945,937	2,490,818	-	34,436,755
Other improvements	939,441	118,785	-	1,058,226
Intangibles	1,177,497	53,719	-	1,231,216
Equipment	8,742,631	457,431	-	9,200,062
Vehicles	5,646,618	783,380	302,649	6,127,349
Total accumulated depreciation	48,452,124	3,904,133	302,649	52,053,608
Capital assets being depreciated, net	72,086,027			70,599,648
Capital assets being amortized:				
Right-to-use lease asset (equipment)	298,284	-	178,913	119,371
Right-to-use lease asset (buildings)	101,477	-	-	101,477
Right-to-use subscription assets	475,000	237,148	-	712,148
Total capital assets being amortized	874,761	237,148	178,913	932,996
Less accumulated amortization for:				
Right-to-use lease asset (equipment)	244,392	52,365	178,913	117,844
Right-to-use lease asset (buildings)	16,913	16,913	-	33,826
Right-to-use subscription assets	117,570	246,730	-	364,300
Total accumulated amortization	378,875	316,008	178,913	515,970
Capital assets being amortized, net	495,886			417,026
Governmental Activities capital assets, net	$ 80,488,671			$ 89,312,412

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

Governmental activities:	
General government	$ 363,222
Public safety	1,298,465
Economic and physical development	41,259
Human services	179,761
Cultural and recreational	60,491
Education	1,960,935
Total depreciation expense	$ 3,904,133

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities:				
Capital assets not being depreciated:				
Land	$ 716,875	$ -	$ -	$ 716,875
Construction in progress	-	-	-	-
Total capital assets not being depreciated	716,875	-	-	716,875
Capital assets being depreciated:				
Buildings and improvements	5,158,656	-	-	5,158,656
Equipment	2,959,004	44,176	-	3,003,180
Vehicles	1,405,431	300,863	-	1,706,294
Total capital assets being depreciated	9,523,091	345,039	-	9,868,130
Less accumulated depreciation for:				
Buildings and improvements	3,457,550	182,429	-	3,639,979
Equipment	2,340,724	261,375	-	2,602,099
Vehicles	932,956	90,449	-	1,023,405
Total accumulated depreciation	6,731,230	534,253	-	7,265,483
Solid Waste Disposal capital assets, net	2,791,861			2,602,647
	$ 3,508,736			$ 3,319,522

Construction Commitments

The County had the following construction commitments as of June 30, 2024:

Project	Contract	Spent to Date	Remaining Commitment
Schools Transportation Building	$ 13,078,895	$ 7,132,617	$ 5,946,278
Animal Control Building	4,167,644	1,587,810	2,579,834
Library Project	9,000,000	442,542	8,557,458

Discretely presented component units

	Beginning Balances	Increases	Decreases	Ending Balances
Airport Authority:				
Capital assets not being depreciated				
Land	$ 925,804	$ -	$ -	$ 925,804
Construction in progress	150,152	846,070	-	996,222
Total capital assets not being depreciated	1,075,956	846,070	-	1,922,026
Capital assets being depreciated:				
Land improvements	93,355	-	-	93,355
Equipment	9,387,809	-	-	9,387,809
Vehicles	1,036,626	-	-	1,036,626
Total capital assets being depreciated	10,517,790	-	-	10,517,790
Less accumulated depreciation for:				
Equipment	4,137,556	406,751	-	4,544,307
Vehicles	649,197	80,328	-	729,525
Total accumulated depreciation	4,786,753	487,079	-	5,273,832
Airport Authority capital assets, net	5,731,037			5,243,958
	$ 6,806,993			$ 7,165,984

	Beginning Balances	Increases	Decreases	Ending Balances
Transit Administration:				
Capital assets being depreciated:				
Buildings and improvements	$ 29,915	$ -	$ -	$ 29,915
Equipment	79,296	8,528	-	87,824
Vehicles	1,776,648	94,095	60,178	1,810,565
Total capital assets being depreciated	1,885,859	102,623	60,178	1,928,304
Less accumulated depreciation for:				
Buildings and improvements	12,715	1,496	-	14,211
Equipment	34,361	11,057	-	45,418
Vehicles	1,681,450	105,955	53,157	1,734,248
Total accumulated depreciation	1,728,526	118,508	53,157	1,793,877
Transit Authority capital assets, net	157,333			134,427
	$ 157,333			$ 134,427

	Beginning Balances	Increases	Decreases	Ending Balances
Tourism Development Authority (TDA):				
Capital assets being depreciated:				
Buildings and improvements	$ 241,867	$ -	$ -	$ 241,867
Less accumulated depreciation for:				
Buildings and improvements	241,867	-	-	241,867
TDA capital assets, net	$ -			$ -

Note 3 – Liabilities

(A) **Payables**

Payables at the government-wide level at June 30, 2024, were as follows:

	Vendors	Salaries and Accrued Benefits	Total
Governmental Activities			
General	$ 3,928,398	$ 1,107,630	$ 5,036,028
Other Governmental	2,449,400	-	2,449,400
Internal service fund	2,900	-	2,900
Total - governmental activities	$ 6,380,698	$ 1,107,630	$ 7,488,328
Business-type Activities			
Solid Waste	$ 299,608	$ 35,522	$ 335,130

(B) **Pension Plan Obligations**

North Carolina Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's the Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

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

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. 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, 2024, was 14.10% of compensation for law enforcement officers and 12.85% 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 $3,040,904 for the year ended June 30, 2024.

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, 2024, the County reported a liability of $17,678,806 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 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, 2024, the County's proportion was .26693% (measured as of June 30, 2023), which was a decrease of .00262% from its proportion measured as of June 30, 2023 (measured as of June 30, 2022).

For the year ended June 30, 2024, the County recognized pension expense of $4,970,371. At June 30, 2024, 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	$ 1,969,943	$ 42,409
Changes of assumptions	751,247	-
Net difference between projected and actual earnings on plan investments	4,731,623	-
Changes in proportion and differences between County contributions and proportionate share of contributions	-	284,611
County contributions subsequent to the measurement date	3,040,904	-
Total	$ 10,493,717	$ 327,020

$3,040,904 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	$ 2,559,656
2026	1,254,291
2027	3,111,769
2028	200,077
Thereafter	-
Total	$ 7,125,793

Actuarial Assumptions. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25 percent
Salary increases	3.25-8.25 percent
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

The plan actuary currently uses mortality rates based on the RP-2014 Total Data Set for Healthy Annuitants Mortality Table that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	100.0%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2020 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 6.50 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	$ 30,627,839	$ 17,678,806	$ 7,017,951

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

Law Enforcement Officers' Special Separation Allowance

Plan Description: The County administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2022 (valuation date), the Separation Allowance's membership consisted of:

Retirees receiving benefits	18
Active plan members	88
Total	106

Summary of Significant Accounting Policies:

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

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

Actuarial Assumptions. The entry age actuarial cost method was used in the December 31, 2022 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent per annum
Salary increases	3.25 -7.75% per annum
Discount rate	4.00% per annum, compounded annually

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2020. The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2020.

Deaths after retirement (healthy): RP-2014 Healthy Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 104% for males and 100% for females.

Deaths before retirements: RP-2014 Employee base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015.

Deaths after retirement (beneficiary): RP-2014 Healthy Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 123% for males and females.

Deaths after retirement (disabled): RP-2014 Disabled Retiree base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 103% for males and 99% for females.

Mortality rates are based on the RP-2000 Mortality tables with adjustments for mortality improvements based on Scale AA.

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. 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 $223,276 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, 2024, the County reported a total pension liability of $3,996,080. The total pension liability was measured as of December 31, 2023 based on a December 31, 2022 actuarial valuation. The total pension liability was rolled forward to December 31, 2023 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2024, the County recognized pension expense of $404,403.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 673,536	$ 4,049
Changes of assumptions	361,238	429,910
Benefit payments and administrative costs subsequent to the measurement date	148,288	-
Total	$ 1,183,062	$ 433,959

The County paid $147,288 in benefit payments and $969 in administrative expenditures subsequent to the measurement date that are reported as deferred outflows of resources related to pensions, which will be recognized as a decrease of the total pension liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	$ 216,960
2026	189,264
2027	44,505
2028	44,664
2029	60,191
Thereafter	45,231
Total	$ 600,815

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 4.00 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 (3.00 percent) or 1-percentage-point higher (5.00 percent) than the current rate:

	1% Decrease (3.00%)	Discount (4.00%)	1% Increase (5.00%)
County's proportionate share of the net pension liability (asset)	$ 4,338,095	$ 3,996,080	$ 3,686,014

Changes in the Total Pension Liability

	2024
Beginning Balance	$ 3,398,491
Service cost	149,345
Interest on the total pension liability	141,663
Changes of benefit terms	-
Differences between expected and actual in the measurement of the total pension	436,967
Changes of assumptions or other inputs	92,890
Benefit payments	(223,276)
Ending balance of the total pension liability	$ 3,996,080

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, 2022 valuation were based on the results of an actuarial experience study as of December 31, 2019.

Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. The County's Contributions for the year ended June 30, 2024 were $232,286. No amounts were forfeited.

Supplemental Retirement Income Plan for General Employees
Plan Description: The County, Rutherford County Transit Administration and Rutherford County Tourism Development Authority voluntarily contribute to the Supplemental Retirement Income Plan of North Carolina, often referred to as the State's 401(k) Plan, a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees, for all full-time non-law enforcement employees. The Plan provides retirement benefits to employees of the County who are members of the Local Government Employees' Retirement System. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

Funding Policy. The County, Rutherford County Airport Authority, Rutherford County Transit Administration, and Rutherford County Tourism Development Authority contribute each month an amount equal to 5% of each full-time non-law enforcement employee's salary. Employee contributions are voluntary. An additional amount equal to one percent of an employee's salary is contributed by the County, Rutherford County Transit Administration, and Tourism Development Authority each month for those employees who have chosen to contribute at least one percent themselves. All amounts are vested immediately. The County's contributions for the fiscal year ended June 30, 2024 were $881,670. Contributions from Rutherford County Transit Administration for its employees for the fiscal year ended June 30, 2024 were $20,281. Contributions from Tourism Development Authority for its employees for the fiscal year ended June 30, 2024 were $13,535. Contributions from Airport Authority for its employees were $4,808. No amounts were forfeited.

Other Postemployment Benefits:

Postemployment Healthcare Benefits

Plan Description. The Retiree Health Benefit Fund (RHBF) has been established as a fund to provide health benefits to retired and disabled employees and their applicable beneficiaries. RHBF is established by General Statute 135-7, Article 1. It is a cost-sharing, multiple-employer, defined benefit healthcare plan, exclusively for the benefit of former employees of the State, the University of North Carolina System, and community colleges. In addition, LEAs, charter schools, and some select local governments also participate.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer, the State Superintendent, and the Director of the Office of State Human Resources who serve as ex-officio members. RHBF is supported by a percent of payroll contribution from participating employing units. Each year the percentage is set in legislation, as are the maximum per retiree contributions from RHBF to the State Health Plan. The State Treasurer, with the approval of the State Health Plan Board of Trustees, then sets the employer contributions (subject to the legislative cap) and the premiums to be paid by retirees, as well as the health benefits to be provided through the State Health Plan.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's Annual Comprehensive Financial Report, which can be found at https://www.osc.nc.gov/public-information/report.

Benefits provided. Plan benefits received by retired employees and disabled employees from RHBF are OPEB. The healthcare benefits for retired and disabled employees who are not eligible for Medicare are the same as for active employees. The plan options change when former employees become eligible for Medicare. Medicare retirees have the option of selecting one of two fully-insured Medicare Advantage/Prescription Drug Plan (MA-PDP) options of the self-funded Traditional 70/30 preferred Provider Organization plan option that is also offered to non-Medicare members. If the Traditional 70/30 Plan is selected by a Medicare retiree, the self-funded State Health Plan coverage is secondary to Medicare.

Those former employees who are eligible to receive medical benefits from RHBF are long-term disability beneficiaries of the Disability Income Plan of North Carolina (DIPNC) and retirees of the TSERS, the Consolidated Judicial Retirement System (CJRS), the Legislative Retirement System (LRS), the University Employees' Optional Retirement Program (ORP), and a small number of local governments, with five or more years of contributory membership service in their retirement system prior to disability or retirement, with the following exceptions: for employees first hired on or after October 1, 2006, and members of the General Assembly first taking office on or after February 1, 2007, future coverage as retired employees and retired members of the General Assembly is subject to the requirement that the future retiree have 20 or more years of retirement service credit in order to receive coverage on a noncontributory basis. Employees first hired on or after October 1, 2006 and members of the General Assembly first taking office on or after February 1, 2007 with 10 but less than 20 years of retirement service credit are eligible for coverage on a partially contributory basis. For such future retirees, the State will pay 50% of the State Health Plan's noncontributory premium.

Section 35.21 (c) and (d) of Session Law 2017-57 repeals retiree medical benefits for employees first hired January 1, 2021. The new legislation amends Article 3B of Chapter 135 of the General Statutes to require that retirees must earn contributory retirement service in TSERS (or in an allowed local system unit), CJRS, or LRS prior to January 1, 2021, and not withdraw that service, in order to be eligible for retiree Revised August 2018 35-K-57 medical benefits under the amended law. Consequently, members first hired on and after January 1, 2021, will not be eligible to receive retiree medical benefits.

RHBF's benefit and contribution provisions are established by Chapter 135-7, Article 1 and Chapter 135, Article 3B of the General Statutes and may be amended only by the North Carolina General Assembly. RHBF does not provide for automatic post-retirement benefit increases.

Contribution. By General Statute, accumulated contributions from employers to RHBF and any earnings on those contributions shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. By statute, contributions to RHBF are irrevocable. Also by law, fund assets are dedicated to providing benefits to retired and disabled employees and their applicable beneficiaries and are not subject to the claims of creditors of the employers making contributions to RHBF. However, RHBF assets may be used for reasonable expenses to administer the RHBF, including costs to conduct required actuarial valuations of state—supported retired employees' health benefits. Contribution rates to RHBF, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis are determined by the General Assembly in the Appropriations Bill. For the current fiscal year, the County contributed 7.14% of covered payroll which amounted to $1,689,654.

At June 30, 2024, County reported a liability of $29,087,782 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. The total OPEB liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net OPEB liability was based on a projection of the County's present value of future salary, actuarially determined. At June 30, 2024 (measured as of June 30, 2023), the County's proportion was 0.10916%, a decrease of .00140% compared to its proportion as of June 30, 2023 (measured as of June 30, 2022).

Actuarial assumptions. The following actuarial assumptions were used to measure the total OPEB liability for the RHBF.

Inflation	3.50%
Salary increases	3.25-8.05%, including inflation and productivity factor
Investment rate of return	6.50%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate – medical	5.00-6.50%
Healthcare cost trend rate – prescription drug	5.00-7.25%
Healthcare cost trend rate – Medicare advantage	4.00-5.00%
Healthcare cost trend rate – administrative	3.00%

The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2022 using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified. The total OPEB liability was calculated through the use of update procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2023. The update procedures incorporated the actuarial assumptions used in the valuation. The entry age normal cost method was utilized.

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. teacher, 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 mortality rates also contain a provision to reflect future mortality improvements. The actuarial assumptions were based on the results of an actuarial experience review for the period January 1, 2015 through December 31, 2019.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges 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 and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	100.0%	

Discount rate. The discount rate used to measure the total OPEB liability for the RHBF was 3.65 %. The projection of cash flow used to determine the discount rate assumed that contributions from employers would be made at the current statutorily determined contribution rate. Based on the above assumptions, the plan's fiduciary net position was not projected to be available to make projected future benefit payments of current plan members. As a result, a municipal bond rate of 3.65% was used as the discount rate used to measure the total OPEB liability. The 3.65% rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2023.

Sensitivity of the County's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the County's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65 percent) or 1-percentage point higher (4.65 percent) than the current discount rate:

	1% Decrease (2.65%)	Discount (3.65%)	1% Increase (4.65%)
County's proportionate share of the net OPEB liabiltiy	$ 34,315,221	$ 29,087,782	$ 24,831,375

Sensitivity of the County's proportionate share of the net OPEB liability to changes in the healthcare trend rates. The following presents the County's proportionate share of the net OPEB liability, as well as what the County's proportionate share of the net OPEB liability would be if it were to calculate healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rate:

	1% Decrease (Medical - 5.50%, Pharmacy - 6.25%, Administrative - 2.00%)	Healthcare Trend Rates (Medical - 6.50%, Pharmacy - 7.25%, Administrative - 3.00%)	1% increase (Medical - 7.50%, Pharmacy - 8.25%, Administrative - 4.00%)
County's proportionate share of the net OPEB liabiltiy	$ 24,015,024	$ 29,087,782	$ 35,630,252

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resourced Related to OPEB. For the year ended June 30, 2024, the County recognized an OPEB benefit of $217,300. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 320,313	$ 28,500
Changes of assumptions	3,151,092	7,760,385
Net difference between projected and actual earnings on plan investments	232,368	-
Changes in proportion and differences between County contributions and proportionate share of contributions	1,828,119	356,160
County contributions subsequent to the measurement date	1,689,654	-
Total	$ 7,221,546	$ 8,145,045

$1,689,654 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:		
2025	$	(859,217)
2026		(1,477,869)
2027		(677,747)
2028		401,680
Thereafter		-
Total	$	(2,613,153)

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

Post-Employment Death Benefits

The County, Rutherford County Transit Administration, and Tourism Development Authority, have elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple- employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of $25,000 and will not exceed $50,000. All death benefit payments are made from the Death Benefit Plan. The County, Rutherford County Transit Administration, and Tourism Development Authority have no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payrolls, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the County, Rutherford County Transit Administration, Airport Authority, nor Tourism Development Authority, the County, Rutherford County Transit Administration, Airport Authority, and Tourism Development Authority, do not determine the number of eligible participants. For the fiscal year ended June 30, 2024, the County made $11,832 in contributions to the State for death benefits. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.05% and 0.25% of covered payroll, respectively. For the fiscal year ended June 30, 2024, the Rutherford County Transit Administration, Airport Authority, and Tourism Development Authority made no required contributions. The contributions to the Death Benefit Plan cannot be separated between the postemployment benefit amount and the other benefit amount.

Registers of Deeds' Supplemental Pension Fund

Plan Description. Rutherford County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the Resisters 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 $5,971 for the year ended June 30, 2024.

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

At June 30, 2024, the County reported a net pension asset of $83,929 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 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, 2024 (measured June 30, 2023), the County's proportion was .69842%, which was an increase of .00427% from its proportion as of June 30, 2023 (measured June 30, 2022).

For the year ended June 30, 2024, the County recognized pension expense of $14,039. At June 30, 2024, 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	$ -	$ 3,716
Changes of assumptions	-	-
Net difference between projected and actual earnings on plan investments	42,632	-
Changes in proportion and differences between County contributions and proportionate share of contributions	-	5,564
County contributions subsequent to the measurement date	5,971	-
Total	$ 48,603	$ 9,280

$5,971 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, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2025	$	4,496
2026		13,791
2027		12,376
2028		2,689
Thereafter		-
Total	$	33,352

Actuarial Assumptions. The total pension asset in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	3.50 to 7.75 percent, including inflation and productivity factor
Discount rate	3.00 percent

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, 2022 valuation were based on the results of an actuarial experience study as of December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2023 is 1.4%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2020 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 asset was 3.00%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current rate:

	1% Decrease (2.00%)	Discount (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	$ (57,291)	$ (83,929)	$ (106,390)

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

Deferred Compensation Plans

The County offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are administered by Equitable Assurance Company and Public Employees Benefit Service Corporation (PEBSCO). The plans, available to all County employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

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

(C) **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

Following is information related to the proportionate share and pension expense for all pension plans:

	LGERS	ROD	LEOSSA	Total
Proportionate share of the net pension liability (asset)	$ 17,678,806	$ (83,929)	$ -	$ 17,594,877
Proportion of the net pension liability (asset)	0.26693%	0.69842%	n/a	
Total pension liability	-	-	3,996,080	3,996,080
Pension expense	4,970,371	14,039	404,403	5,388,813

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	LGERS	ROD	LEOSSA	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	$ 1,969,943	$ -	$ 673,536	$ 2,643,479
Changes of assumptions	751,247	-	361,238	1,112,485
Net difference between projected and actual earnings on pension plan investments	4,731,623	42,632	-	4,774,255
Changes in proportion and differences between County contributions and proportionate share of contributions	-	-	-	-
County contributions/benefit payments subsequent to the measurement date	3,040,904	5,971	148,288	3,195,163
Total	$ 10,493,717	$ 48,603	$ 1,183,062	$ 11,725,382
Deferred Inflows of Resources				
Differences between expected and actual experience	$ 42,409	$ 3,716	$ 4,049	$ 50,174
Changes of assumptions	-	-	429,910	429,910
Changes in proportion and differences between County contributions and proportionate share of contributions	284,611	5,564	-	290,175
	$ 327,020	$ 9,280	$ 433,959	$ 770,259

(D) **Risk Management**

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk financing pools administered by the North Carolina Association of County Commissioners Joint Risk Management Agency.

Through these pools, the County obtains property coverage equal to the replacement cost of owned property subject to total insured values, with sub-limits on coverage for specified perils; general, auto, professional, employment practices, and law enforcement liability coverage of $2 million per occurrence (some members purchase higher limits); auto physical damage for owned autos at actual cash value; crime coverage of $250,000 per occurrence; and workers' compensation coverage up to the statutory limits.

All property coverage and some liability coverage are subject to per occurrence deductibles, as selected by the County. The pools are audited annually by certified public accountants, and audited financial statements are available to the County upon request.

Both of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of $500,000, up to a $2 million limit for liability coverage, and single occurrence losses in excess of $750,000 for workers' compensation.

Through the captive, the Liability and Property Pool is reinsured for $2,000,000 of annual aggregate losses in excess of $500,000 per occurrence for property, auto physical damage and crime coverage, with additional limits of $998 million purchased through a group of commercial carriers through the multi-state public entity captive.

The County carries commercial coverage for other risks of loss. There have been no significant reductions in insurance coverage from the previous year, and settled claims have not exceeded coverage in any of the past three fiscal years.

The County also participates in the State's Comprehensive Major Medical Plan (also referred to as The State Health Plan), a self-funded risk financing pool of the State administered by Blue Cross and Blue Shield of North Carolina. Participants in the Plan include all full-time agency employees, retired employees, disabled employees and other participants who have the option to participate at their own expense (employee family members and terminated employees up to 18 months after termination). The County pays the full cost of coverage for employees enrolled in the Comprehensive Major Medical Plan. As of June 30, 2023, the program had 446 active participants in the Plan. The plan provides medical coverage with no lifetime maximum. Dental coverage is provided up to a maximum of $1,500 per employee per year other than orthodontics, which is a lifetime maximum of $2,000 per eligible employee. The Insurance Plan Administrators for the fiscal year ended June 30, 2022 were North Carolina State Health Plan for medical and Delta Dental for dental.

In accordance with G.S. 159-29, the County's employees that have access to $100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The finance officer is bonded for $1,000,000; the County manager, tax collector and DSS director are each individually bonded for $100,000 each; the Register of Deeds is bonded for $50,000 and the Sheriff is bonded for $10,000. The remaining employees that have access to funds are bonded under a blanket bond for $50,000.

(E) **Claims and Judgments**

At June 30, 2024, the County was a defendant to various lawsuits. In the opinion of the County's management, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

(F) **Deferred Outflows and Inflows of Resources**

The balances in deferred outflows of resources and deferred inflows of resources on the fund statements and on the government-wide statements at year-end is composed of the following elements:

Deferred Outflows of Resources:

	Statement of Net Position
Pensions and OPEB - difference between expected and actual experience	$ 2,963,792
Pensions and OPEB - changes of assumptions	4,263,577
Pensions and OPEB- change in proportion and differences between employer contributions and proportionate share of contributions	1,828,119
Contributions to pension plans subsequent to the measurement date	3,046,875
Benefit payments/administration costs paid subsequent to the measurement date (LEOSSA)	148,288
Contributions to the OPEB plan paid subsequent to the measurement date	1,689,654
Charge on refunding of debt	296,981
Total	$ 19,243,909

Deferred Inflows of Resources:

	Statement of Net Position	Governmental Fund Balance Sheet
Difference between expected and actual experience (pensions, OPEB)	$ 78,674	$ -
Net difference between projected and actual earnings on OPEB plan investments (pensions, OPEB)	-	-
Change in proportion and differences between employer contributions and proportionate share of contributions (pensions, OPEB)	646,335	-
Changes of assumptions (pensions, OPEB)	8,190,295	-
Prepaid taxes not yet earned	175,189	175,189
Ad valorem taxes receivable, net (General Fund)	-	968,725
Other receivables, net (General Fund)	-	1,294,435
Ad valorem taxes receivable, net (Special Revenue)	-	220,795
Total	$ 9,090,493	$ 2,659,144

Note 4 – Long-Term Obligations

(A) Leases

For the year ended June 30, 2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of June 30, 2024, the County had 3 active leases. The leases have payments that range from $14,298 to $39,931 and interest rates that range from 0.3150% to 2.1840%. As of June 30, 2024, the total combined value of the lease liability is $69,189. The combined value of the right to use asset, as of June 30, 2024 was $220,849 with accumulated amortization of $151,670. The future minimum lease obligations and net present value of these minimum lease payments as of June 30, 2024, were as follows:

	Governmental Activities	
	Principal	Interest
2025	$ 16,585	$ 1,346
2026	17,154	978
2027	17,532	599
2028	17,918	213
Total	$ 69,189	$ 3,136

(B) Subscriptions

For the year ended June 30, 2024 the City implemented the requirements of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (Subscriptions). The Statement provides a definition of Subscriptions and provides uniform guidance for accounting and financial reporting for such transactions. The guidance will decrease diversity in the accounting and financial reporting for these transactions, thereby, increasing comparability in financial reporting among governments. Further, the reporting of a subscription asset (a right-to-use intangible capital asset) and a subscription liability will enhance the relevance and reliability of the financial statements.

As of June 30, 2024, the County had 5 active subscriptions. The subscriptions have payments that range from $19,926 to $82,339 and interest rates that range from 0.3150% to 2.9010%. As of June 30, 2024, the total combined value of the subscription liability is $286,552. The combined value of the right to use asset, as of June 30, 2024 was $712,148 with accumulated amortization of $364,300. The future minimum subscription obligations and net present value of these minimum subscription payments as of June 30, 2024, were as follows:

	Governmental Activities	
	Principal	Interest
2025	$ 208,038	$ 7,026
2026	78,514	2,278
Total	$ 286,552	$ 9,304

(C) **Installment Purchases**

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County financed, in a direct placement, various property acquisitions, construction and improvements for use by Rutherford County, Rutherford County Board of Education and Isothermal Community College as of the fiscal year ended June 30, 2024 by installment purchases, private placement, certificates of participation (COP's), or limited obligation bonds (LOB's). The property is pledged as collateral for the debt.

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Governmental Activities				
Serviced by the General Fund:				
Vehicle and equipment lease purchase agreement, 2021, $376,000 issue, monthly payments of $10,611, including interest at 1.03% through June 2024	$ 116,123	$ -	$ 116,123	$ -
Vehicle and equipment lease purchase agreement, 2023, $300,000 issue, monthly payments of $8,797, including interest at 3.55% through July 2026	-	300,000	88,306	211,694
Serviced by the Debt Service Fund:				
Public facilities project lease purchase agreement, 2015 $1,800,000 issue, interest at 2.65%, due semiannually to 2030.	840,000	-	120,000	720,000
Refunding certificates of participation, 2011, $22,555,000 issue interest at 2.0% to 5.0%, payable semiannually, due semiannually to 2024. A premium of $2,276,960 is included and will be amortized over the life of the debt.	741,346	-	741,346	-
Refunding certificates of participation, 2013, $9,790,000 issue interest at 2.190%, payable semiannually, due semiannually to 2028.	4,218,000	-	890,000	3,328,000
Refunding limited obligation bonds, 2012, $8,425,000 issue, interest at 2.0%, due semiannually to 2024.	465,000	-	465,000	-
Public facilities project installment purchase agreement, 2023 $15,000,000 issue, interest at 3.61%, due semiannually to 2033.	-	15,000,000	1,500,000	13,500,000

Public facilities project installment purchase agreement, 2019 $17,080,000 issue, interest at 1.995%, due semiannually to 2040. A premium of $3,218,105 is included and will be amortized over the life of the debt.	17,562,675	-	984,335	16,578,340
Public facilities project lease purchase agreement, 2017, $6,825,000 issue, interest at 2.49% due semiannually to 2032	4,030,838	-	455,000	3,575,838
Total direct placement installment purchases	$27,973,982	$ 15,300,000	$ 5,360,110	$ 37,913,872

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Business-type Activities				
Serviced by the Landfill Fund:				
Vehicle and equipment lease purchase agreement, 2023, $537,000 issue, monthly payments of $15,747, including interest at 3.55% through July 2026	$ -	$ 537,000	$ 158,068	$ 378,932

For Rutherford County, the future minimum payments for installment obligations as of June 30, 2024, including interest are:

	Principal	Interest	Principal	Interest
2025	$ 3,896,646	$ 1,297,062	$ 178,369	$ 10,568
2026	3,877,259	1,163,321	184,834	4,131
2027	3,759,771	1,031,398	15,729	46
2028	3,726,000	901,716	-	-
2029	2,930,000	782,130	-	-
2030-2034	11,695,856	2,273,139	-	-
2035-2039	4,270,000	682,000	-	-
2040-2044	850,000	34,000	-	-
Total	$ 35,005,532	$ 8,164,766	$ 378,932	$ -
Add unamortized premium	2,908,340			
	37,913,872			

(D) **Direct Borrowing Revolving Fund – Water Quality Loan**

The County has received a loan through North Carolina Department of Environment and Natural Resources State Revolving Fund Program. This loan provided funds to pay the capital costs of providing loans and grants to municipalities, water authorities and sanitary districts for the extension of water and sewer lines in the County.

Governmental Activities Serviced by the Debt Service Fund:	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Public utilities DENR water quality loan, 2007 $331,400 issue, interest at 2.305% due semiannually to 2027.	$ 66,280	$ -	$ 16,570	$ 49,170

For Rutherford County, the future minimum payments as of June 30, 2024, including interest are:

	Governmental Activities	
	Principal	Interest
2025	$ 16,570	$ 1,146
2026	16,570	764
2027	16,570	764
Total	$ 49,710	$ 2,674

(E) **General Obligation Indebtedness**

The general obligation bonds are issued to finance the construction of County facilities. All bonds are collateralized by the faith, credit and taxing power of the County. These bonds are being serviced by the Debt Service Fund.

General Obligation Bonds	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
General obligation bonds, 2008 $1,555,000 issue interest at 3.875% to 4.2%, payable semiannually, due serially 2028.	$ 430,000	$ -	$ 75,000	$ 355,000
Refunding bonds, 2013 $1,683,000 issue interest at 2.020%, payable semiannually, due serially 2026.	247,000	-	77,000	170,000
Total general obligation bonds	$ 677,000	$ -	$ 152,000	$ 525,000

Annual debt service requirements to maturity for the County's general obligation bonds are as follows:

	Governmental Activities	
	Principal	Interest
2025	$ 151,000	$ 17,250
2026	169,000	12,624
2027	100,000	8,200
2028	105,000	4,200
Total	$ 525,000	$ 42,274

Debt Related to Capital Activities - Of the total Governmental Activities debt listed only $37,339,162 relates to assets for which the County holds title. Unspent restricted cash related to this debt amounts to $11,931,003. See also Note 8 regarding the County's net investment in capital assets.

(F) **Long-Term Obligation Activity**

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2024:

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024	Current Portion
Governmental Activities:					
By type of debt:					
Direct placement installment purchases	$ 27,973,982	$ 15,300,000	$ 5,360,110	$ 37,913,872	$ 3,896,646
Direct borrowing revolving fund - DENR	66,280	-	16,570	49,710	16,570
Leases	139,503	-	70,314	69,189	16,585
IT subscription liabilities	286,124	237,148	236,720	286,552	208,038
General obligation bonds	677,000	-	152,000	525,000	151,000
Total pension liability (LEOSSA)	3,398,491	597,589	-	3,996,080	-
Net pension liability (LGERS)	14,801,047	2,406,422	-	17,207,469	-
Net OPEB liability	25,555,447	2,756,821	-	28,312,268	-
Compensated absences	1,702,071	1,635,057	1,454,427	1,882,701	1,454,427
	$ 74,599,945	$ 22,933,037	$ 7,290,141	$ 90,242,841	$ 5,743,266

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
By purpose:				
School	$ 26,174,209	$ 15,000,000	$ 4,609,263	$ 36,564,946
General government				
-equipment/vehicles/software	541,749	537,148	511,463	567,434
-public facilities	1,669,539	-	532,307	1,137,232
-economic development	757,392	-	182,681	574,711
Total pension liability (LEOSSA)	3,398,491	597,589	-	3,996,080
Net pension liability (LGERS)	14,801,047	2,406,422	-	17,207,469
Net OPEB liability	25,555,447	2,756,821	-	28,312,268
Compensated absences	1,702,071	1,635,057	1,454,427	1,882,701
	$ 74,599,945	$ 22,933,037	$ 7,290,141	$ 90,242,841

Reconciliation:	
Current portion	$ 5,743,266
Subsequent years	84,499,575
	$ 90,242,841

Compensated absences typically have been liquidated in the General Fund. The liability for pension and OPEB-related debt is fully liquidated by the General Fund.

		Balance June 30, 2023		Additions		Retirements		Balance June 30, 2024		Current Portion
Business-type activities:										
By type of debt:										
Direct placement installment purchases - equipment	$	-	$	537,000	$	158,068	$	378,932	$	178,369
Closure and post-closure care costs		3,867,322		71,557		-		3,938,879		-
Net pension liability (LGERS)		405,421		65,916		-		471,337		-
Net OPEB liability		700,001		75,513		-		775,514		-
Compensated absences		46,981		41,256		47,983		40,254		40,254
	$	5,019,725	$	791,242	$	206,051	$	5,604,916	$	218,623

At June 30, 2024, the County had a legal debt margin of approximately $847,000,000.

(G) **Conduit Debt Obligations**

Rutherford County Industrial Facility and Pollution Control Financing Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as by letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2024, there were no industrial revenue bonds outstanding.

Note 5 – Closure and Post-Closure Care Costs

State and federal laws and regulations require the County to place a final cover on its landfills when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County reports a portion of closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

Closed Municipal Solid Waste (MSW) Landfill:

Effective January 1, 1998, the State began requiring that all municipal solid waste (MSW) be placed in a lined landfill. Therefore, Rutherford County closed the Rutherford County Central Landfill on December 31, 1997. In accordance with state and federal laws and regulations, the County placed a final cover on this landfill upon its closure and is performing certain maintenance and monitoring functions at this site for thirty years after its closure. 100% of projected closure and post-closure costs were accrued at the time the landfill was closed. As of June 30, 2024, the County is responsible for 4 years of additional monitoring and reports a remaining post-closure liability of $150,618 related to this landfill. Actual costs may be higher due to inflation, changes in technology, or changes in regulation.

Closed Phase 1 Construction and Demolition Landfill:

In 2013, the County closed phase 1 of their construction and demolition landfill. 100% of projected closure and post-closure costs were accrued at the time the landfill was closed. As of June 30, 2024, the County is responsible for 20 years of additional monitoring and reports a remaining post-closure liability of $600,256 related to this landfill. Actual costs may be higher due to inflation, changes in technology, or changes in regulation.

Active Construction and Demolition (C&D) Landfill:
The County currently operates a C&D Landfill with anticipated closure and post-closure costs of $485,742 reported as of June 30, 2024 representing a cumulative amount reported to date based on the use of 100% of the total estimated capacity of this landfill. This amount is based on what it would cost to perform all closure and post-closure care in 2024. The County expects to close this landfill in the year 2024. Therefore, the County has recognized 100% of the anticipated closure and post-closure care costs as of June 30, 2024. In addition, the County is now under a potential assessment and corrective action plan for this landfill for which the County has accrued a projected cost of $2,702,262 as of June 30, 2024. This liability represents the projected actual costs over the next 30 years based on what it would cost to perform all action in 2024. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

The County has met the requirements of a 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. However, the County has also elected to establish a reserve fund to accumulate resources for the payment of closure and post-closure costs.

Note 6 – Interfund Balances and Activities

Balances due from the general fund at June 30, 2024 consist of $1,607,930 due to the fire districts fund. Funds were advanced by the fire districts fund to the general capital project fund for the construction of a new Emergency Services Training Facility. The general fund then assumed the payable since the fire district fund will be repaid in the coming years with funds from the general fund.

Transfers between funds and during the year ended June 30, 2024 consists of the following:

From	To	For	Amount
General Fund	Grant Fund	Matching funds for grant projects	$ 5,427
General Fund	Register of Deeds Automation	Accumulate resources for office automation	80,196
General Fund	Debt Service Fund	Contribution for EMS station	81,700
General Fund	911 Fund	Reimbursement of expenditures	18,525
			185,848
Debt Service Fund	General Fund	School capital improvements	305,194
Debt Service Fund	School Capital Projects Fund	School transportation building	768,631
			1,073,825
General Capital Projects Fund	Debt Service Fund	Project close out	852,355
ICC Capital Project	General Fund	College capital outlay	301,620
Total			$ 2,413,648

Note 7 – Fund Balance

The following schedule provides management and citizens with information on the portion of fund balance in the general fund that is available for appropriation.

Total fund balance - general fund	$ 62,928,103
Less:	
Prepaid items and inventories	853,716
Stabilization by State statute	7,751,959
Restricted for building inspections	659,723
Restricted for public safety	46,927
Assigned - subsequent year's ependitures	6,167,203
Assigned - HVAC replacement	398,108
Assigned - roof replacement	330,212
Minimum fund balance informal policy	15,228,785
Remaining fund balance	$ 31,491,470

The County has an informal fund balance policy for the General Fund which instructs management to conduct business of the County in such a manner that available fund balance is at least equal to or greater than 20% of actual expenditures.

The County had outstanding encumbrances in the general fund in the amount of approximately $415,000 at June 30, 2024.

Note 8 – Net Investment in Capital Assets

	Governmental	Business-Type
Capital assets, net of depreciation	$ 89,312,412	$ 3,319,522
Less:		
Installment obligations	(37,913,872)	(378,932)
Revolving fund - DENR	(49,710)	-
General obligation bonds	(525,000)	-
Leases and subscription liabilities	(355,741)	-
Add:		
Water/Sewer debt	574,710	-
Unspent debt proceeds	11,931,003	-
	$ 62,973,802	$ 2,940,590

Note 9 – Joint Ventures

(A) Mental Health

Rutherford County realigned with Partners Behavioral Health Management effective July 1, 2019. Partners Behavioral Health Management is a leading local managed care organization (LME/MCO), providing access to care for central and western North Carolina’s most vulnerable citizens. Partners manages all Medicaid, state and local funding for intellectual/developmental disabilities, mental health and substance use disorder (IDD/MH/SUD) services in its covered areas. Through Partners’ community focus and longstanding partnerships with local stakeholders, agencies and elected officials, Partners’ members receive the care and support they need. Partners serves individuals in Burke, Cabarrus, Catawba, Cleveland, Davie, Forsyth, Gaston, Iredell, Lincoln, Rutherford, Stanly, Surry, Union and Yadkin counties and has community offices in Gastonia, Hickory and Elkin. The County contributed $102,168 to fund operations during the fiscal year ended June 30, 2024. Complete financial statements for Partners Behavioral Health Management may be obtained from the offices at 901 S. New Hope Road, Gastonia, NC 28054.

(B) Public Health

The County, in conjunction with McDowell County, participates in the Foothills Public Health District. Each Board of Commissioners of the counties appoints one of its own members to the public health board. These commissioner-members then appoint the other eleven members jointly with six of these members being from Rutherford County and five being from McDowell County. All commissioner-members must agree on the appointments for the appointments to occur. The County contributes funds annually to fund operations of the District. None of the participating counties have any equity interest in the District, so no equity interest has been reflected in the financial statements at June 30, 2024. The County contributed $918,541 to the District to fund operations during fiscal year June 30, 2024. Complete financial statements for the District may be obtained from the District's offices at 221 Callahan Koon Rd., Spindale, NC 28160.

(C) Community College

The County, in conjunction with the State of North Carolina and the Rutherford County Board of Education, participates in a joint venture to operate the Isothermal Community College. The County appoints four members of the fifteen-member Board of Trustees of the Community College. 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. 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 $2,992,884 to the Community College for operating and $301,620 for capital expenditure purposes during the fiscal year ended June 30, 2024. 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, 2024. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at P.O. Box 804, Spindale, NC 28160.

Note 10 – Region C Council of Government (Jointly Governed Organization)

The Council is a voluntary association of four county governments, including Rutherford County for the purpose of coordinating federal and state projects of a planning nature in the four county area comprising Region C in Southwestern North Carolina. General support of the Council is provided by the counties based upon their respective populations. Each county appoints one member to the Council's governing body and this governing body selects the management and determines the budget and financing requirements of the Council. The County paid membership fees of $46,295 to the Council during the fiscal year ended June 30, 2024.

Note 11 – Federal and State Assisted Programs

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

Note 12 – Benefit Payments Issued by the State

Certain amounts were paid directly to individual recipients by the State from federal and State monies. County personnel are involved with certain functions, primarily eligibility determinations, which cause benefit payments to be issued by the State. This additional aid to County recipients does not appear in the financial statements because they are not revenues and expenditures of the County.

Note 13 – Concentration of Tax Base

One taxpayer represented approximately 9% of the County's tax base for the 2023 tax year. Taxes collected from this taxpayer amounted to $3,834,753 for the fiscal year ended June 30, 2024. Also, economic development incentive payments were made to this taxpayer in the amount of $3,519,179 during the fiscal year ended June 30, 2024. Economic development incentive payments equal to 85% of real property taxes paid and 95% of personal property taxes paid will continue to be made to this taxpayer until the year 2040.

Note 14 – Subsequent Event - Hurricane Helene

In September 2024, Western North Carolina was severely impacted by Hurricane Helene leading to a Federal disaster area declaration which included Rutherford County, as well as all surrounding counties and municipalities. While there were no damages to county owned facilities or infrastructure, management estimates costs of cleanup to be in excess $23,000,000. Primarily, damages include significant debris removal from publicly maintained road right-of way and waterway debris that may impact public infrastructure including roads, bridges or culverts and the County anticipates FEMA reimbursements for the debris removal projects that have been contracted. Debris work is anticipated to be completed by June 1, 2025.

As of the issuance date of these financial statements, management is unable to determine the full extent of these costs, but believe they are adequately insured and intend to pursue any Federal or State grant or emergency relief funding that is available.

Note 15 – Adjustments and restatements of beginning balances

Due to the issuance of installment obligations, the assets in the School Capital Project Fund significantly increased relative to the previous year. Advances due to grantors in the Opioid Settlement significantly increased due to receipt of additional proceeds that were unspent at June 30, 2024. Therefore, the School Capital Project Fund and Opioid Settlement Fund now meet the quantitative threshold that would require each of them to be reported as a major governmental fund.

Advances due to grantors in the ARPA fund significantly decreased due to expenditure of previously unspent grand funding. Therefore, the ARPA Fund no longer meets the quantitative threshold that would require it to be reported as a major governmental fund.

The effect of the change within the financial reporting entity is summarized below in the following table.

	Fund balance, 6/30/23, as previously reported	Adjustments	Fund balance, 6/30/23, as adjusted
Governmental Funds			
General Fund	$ 54,673,121	$ -	$ 54,673,121
ARPA Fund	46,718	(46,718)	-
School Capital Project Fund	-	1,268,327	1,268,327
Debt Service Fund	11,731,813	-	11,731,813
Opioid Settlement Fund	-	8,023	8,023
General Capital Project Fund	15,310,607	-	15,310,607
Nonmajor funds	7,391,101	(1,229,632)	6,161,469
Total revenues	$ 89,153,360	$ -	$ 89,153,360

REQUIRED SUPPLEMENTAL FINANCIAL DATA

RUTHERFORD COUNTY, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS*

Schedule of Changes in Total Pension Liability

	2024	2023	2022	2021	2020	2019	2018	2017
Beginning balance	$ 3,398,491	$ 3,344,901	$ 3,319,165	$ 2,325,298	$ 2,248,750	$ 2,221,777	$ 2,132,626	$ 2,115,637
Service cost	149,345	167,698	165,324	102,527	91,208	98,933	90,562	89,955
Interest on the total pension liability	141,663	72,952	62,124	73,063	79,528	68,244	80,054	73,794
Changes of benefit terms	-	255,346	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	436,967	320,629	84,293	122,219	(32,954)	70,591	(98,306)	-
Change of assumptions or other inputs	92,890	(557,851)	(85,347)	864,275	66,616	(86,469)	134,196	(49,578)
Benefit payments	(223,276)	(205,184)	(200,658)	(168,217)	(127,850)	(124,326)	(117,355)	(97,182)
Other changes	-	-	-	-	-	-	-	-
Ending balance of the total pension liability	$ 3,996,080	$ 3,398,491	$ 3,344,901	$ 3,319,165	$ 2,325,298	$ 2,248,750	$ 2,221,777	$ 2,132,626

Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll

	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability	$ 3,996,080	$ 3,398,491	$ 3,344,901	$ 3,319,165	$ 2,325,298	$ 2,248,750	$ 2,221,777	$ 2,132,626
Covered employee payroll	4,573,804	3,994,839	3,812,709	3,651,228	3,516,026	3,471,684	3,609,219	3,523,604
Total pension liability as a percentage of covered employee payroll	87.37%	85.07%	87.73%	90.91%	66.13%	64.77%	61.56%	60.52%

Notes to the schedules:

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

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

RUTHERFORD COUNTY, NORTH CAROLINA

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

Local Government Employees' Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's proportionate share of the net pension liability (asset) (%)	0.26693%	0.26955%	0.27187%	0.27560%	0.26901%	0.26498%	0.28707%	0.27643%	0.27445%	0.26645%
County's proportion of the net pension liability (asset) ($)	$ 17,678,806	$ 15,206,468	$ 4,169,386	$ 9,848,361	$ 7,346,453	$ 6,286,232	$ 4,385,634	$ 5,866,771	$ 1,231,719	$ (1,571,379)
County's covered payroll	21,959,961	19,556,927	19,046,183	18,614,759	19,366,760	16,644,520	16,488,891	16,224,597	16,011,558	15,382,073
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	80.50%	77.75%	21.89%	52.91%	37.93%	37.77%	26.60%	36.16%	7.69%	(10.22%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	82.49%	84.14%	95.51%	88.61%	90.86%	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.

RUTHERFORD COUNTY, NORTH CAROLINA

SCHEDULE OF COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS

Local Government Employees' Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 3,040,904	$ 2,666,955	$ 2,270,122	$ 1,936,788	$ 1,666,926	$ 1,502,541	$ 1,251,698	$ 1,090,181	$ 1,088,227	$ 1,130,416
Contribution in relation to the contractually required contribution	3,040,904	2,666,955	2,270,122	1,936,788	1,666,926	1,502,541	1,251,698	1,090,181	1,088,227	1,130,416
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered payroll	$23,664,499	$21,959,961	$19,556,927	$19,046,183	$18,614,759	$19,366,760	$16,644,520	$16,488,891	$16,224,597	$16,011,558
Contributions as a percentage of covered payroll	12.85%	12.14%	11.61%	10.17%	8.95%	7.76%	7.52%	6.61%	6.71%	7.06%

RUTHERFORD COUNTY, NORTH CAROLINA

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

Register of Deeds' Supplemental Pension Fund

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's proportionate share of the net pension liability (asset) (%)	0.69842%	0.69415%	0.62087%	0.63701%	0.60494%	0.67662%	0.68475%	0.65884%	0.65574%	0.63346%
County's proportion of the net pension liability (asset) ($)	$ (83,929)	$ (91,905)	$ (119,288)	$ (145,990)	$ (119,427)	$ (112,070)	$ (116,880)	$ (123,176)	$ (151,964)	$ (143,580)
Plan fiduciary net position as a percentage of the total pension liability (asset)	(135.74%)	(139.04%)	(156.53%)	(173.62%)	(162.50%)	(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 ending June 30.

RUTHERFORD COUNTY, NORTH CAROLINA

SCHEDULE OF COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS

Register of Deeds' Supplemental Pension Fund

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 5,971	$ 6,233	$ 7,328	$ 6,791	$ 6,099	$ 5,750	$ 5,790	$ 5,950	$ 5,373	$ 4,822
Contribution in relation to the contractually required contribution	5,971	6,233	7,328	6,791	6,099	5,750	5,790	5,950	5,373	4,822
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

RUTHERFORD COUNTY, NORTH CAROLINA

COUNTY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS *

Retiree Health Benefit Fund

	2024	2023	2022	2021	2020	2019	2018	2017
County's proportionate share of the net OPEB liability (%)	0.10916%	0.11056%	0.10879%	0.10464%	0.10155%	0.09749%	0.10419%	0.09258%
County's proportion of the net OPEB liability ($)	$ 29,087,782	$ 26,255,448	$ 33,632,629	$ 29,029,365	$ 32,129,165	$ 27,772,726	$ 34,160,722	$ 40,276,690
County's covered payroll	21,959,961	19,556,927	19,046,183	18,614,759	19,366,760	16,644,520	16,488,891	16,224,597
County's proportionate share of the net OPEB liability as a percentage of its covered payroll	132.46%	134.25%	176.58%	155.95%	165.90%	166.86%	207.17%	248.24%
Plan fiduciary net position as a percentage of the total OPEB liability	10.73%	10.58%	7.72%	4.40%	4.40%	4.40%	3.52%	2.41%

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

RUTHERFORD COUNTY, NORTH CAROLINA

SCHEDULE OF COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS

Retiree Health Benefit Fund

	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 1,689,654	$ 1,518,621	$ 1,180,063	$ 1,274,654	$ 1,205,029	$ 1,210,874	$ 1,009,703	$ 951,746
Contribution in relation to the contractually required contribution	1,689,654	1,518,621	1,180,063	1,274,654	1,205,029	1,210,874	1,009,703	951,746
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered payroll	$ 23,664,499	$ 21,959,961	$ 19,556,927	$ 19,046,183	$ 18,614,759	$ 19,366,760	$ 16,644,520	$ 16,488,891
Contributions as a percentage of covered payroll	7.14%	6.92%	6.03%	6.69%	6.47%	6.25%	6.07%	5.77%

COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES

GENERAL FUND

RUTHERFORD COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current year	$ 48,115,581	**$ 49,164,191**	$ 1,048,610
Prior years	870,000	**391,677**	(478,323)
Penalties and interest	407,500	**578,763**	171,263
Total	49,393,081	**50,134,631**	741,550
Local option sales taxes	8,074,852	**9,267,900**	1,193,048
Restricted intergovernmental revenues:			
ABC net revenues	17,000	**20,118**	3,118
Court facilities	70,000	**76,997**	6,997
Federal and state grants	12,364,747	**11,272,086**	(1,092,661)
Total	12,451,747	**11,369,201**	(1,082,546)
Permits and fees:			
Building permits	478,000	**710,222**	232,222
Register of deeds	325,000	**334,238**	9,238
Marriage licenses	11,850	**9,920**	(1,930)
Revenue stamps	405,000	**457,805**	52,805
Video programming tax	32,000	**32,856**	856
Other fees	32,000	**44,084**	12,084
Total	1,283,850	**1,589,125**	305,275
Sales and services:			
Rents, concessions and fees	504,912	**423,897**	(81,015)
Sheriff's fees	1,935,546	**1,625,084**	(310,462)
Senior center meals	30,000	**69,845**	39,845
EMS fees	3,753,470	**4,426,592**	673,122
Court costs, fees and charges	55,000	**72,352**	17,352
Detention center fees	141,200	**233,808**	92,608
Tax collection fees	45,000	**49,053**	4,053
Animal shelter fees	44,000	**37,865**	(6,135)
Total	6,509,128	**6,938,496**	429,368
Investment earnings	500,000	**3,677,001**	3,177,001
Miscellaneous	245,527	**380,288**	134,761
Total revenues	78,458,185	**83,356,642**	4,898,457

RUTHERFORD COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Expenditures:			
General Government:			
Governing body	377,648	**316,991**	60,657
Manager	214,332	**207,980**	6,352
Board of elections	406,128	**346,071**	60,057
Finance	557,089	**505,541**	51,548
Information technology	3,075,707	**2,359,825**	715,882
Revenue collections	2,223,905	**1,876,156**	347,749
Legal	254,502	**232,695**	21,807
Register of deeds	340,789	**323,352**	17,437
Human resources	291,429	**252,489**	38,940
Public buildings/recreation	3,289,877	**2,376,367**	913,510
County garage	236,460	**220,111**	16,349
Court facilities	211,836	**140,307**	71,529
Special appropriations	276,236	**219,403**	56,833
Total general government	11,755,938	**9,377,288**	2,378,650
Public Safety:			
Sheriff's department	7,774,418	**7,544,521**	229,897
College security officer	1,774,243	**1,384,686**	389,557
Detention center	4,151,757	**4,053,923**	97,834
Communications	1,900,207	**1,658,792**	241,415
Inspections	675,942	**638,430**	37,512
Coroner	82,000	**81,650**	350
Emergency services	6,890,782	**5,556,097**	1,334,685
Special appropriations	10,203	**10,203**	-
Fire prevention	521,091	**443,662**	77,429
Animal control	892,986	**664,261**	228,725
Total public safety	24,673,629	**22,036,225**	2,637,404
Environmental Protection:			
Soil conservation	162,355	**156,960**	5,395
Watershed	36,350	**23,361**	12,989
Total environmental protection	198,705	**180,321**	18,384
Economic and Physical Development:			
Agricultural extension	287,671	**219,371**	68,300
Forestry	154,545	**80,240**	74,305
Airport Authority	244,506	**126,561**	117,945
Economic Development Commission	4,423,087	**4,046,571**	376,516
Total economic and physical development	5,109,809	**4,472,743**	637,066

RUTHERFORD COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Human Services:			
Contribution to public health district	918,541	**918,541**	-
Contribution to mental health district	305,409	**102,168**	203,241
Veterans service officers	172,931	**163,595**	9,336
Special appropriation	264,234	**248,734**	15,500
Social services administration	12,643,656	**11,449,171**	1,194,485
Social services programs	4,337,278	**3,810,511**	526,767
Senior citizens center	512,734	**471,106**	41,628
Meals program	696,454	**675,835**	20,619
Total human services	19,851,237	**17,839,661**	2,011,576
Cultural and recreational:			
Libraries	827,268	**809,239**	18,029
Total cultural and recreational	827,268	**809,239**	18,029
Education:			
Public schools:			
Current expenditures	16,655,820	**16,655,820**	-
Capital outlay	1,022,500	**1,022,500**	-
Community college:			
Current expenditures	2,922,884	**2,922,884**	-
Capital outlay	336,907	**301,620**	35,287
Total education	20,938,111	**20,902,824**	35,287
Debt Service:			
Principal retirement		**511,463**	
Interest and fees		**14,159**	
Total debt service	801,718	**525,622**	276,096
Total expenditures	84,156,415	**76,143,923**	8,012,492
Revenues over (under) expenditures	(5,698,230)	**7,212,719**	12,910,949
Other Financing Sources (Uses):			
Transfers:			
From other funds	642,101	**606,814**	(35,287)
To other funds	(161,312)	**(185,848)**	(24,536)
Lease liabilities issued	-	**237,148**	237,148
Installment obligations issued	1,507,000	**300,000**	(1,207,000)
Sale of capital assets	37,460	**84,149**	46,689
Appropriated fund balance	3,672,981	**-**	(3,672,981)
Total other financing sources (uses)	5,698,230	**1,042,263**	(4,655,967)
Net change in fund balance	$ -	**8,254,982**	$ 8,254,982
Fund balance, beginning of year		**54,673,121**	
Fund balance, end of year		**$ 62,928,103**	

OTHER GOVERNMENTAL FUNDS

RUTHERFORD COUNTY, NORTH CAROLINA

SCHOOL CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
From inception and for the year ended June 30, 2024

	Project Authorization	Actual through June 30, 2024 Prior Years	**Current Year**	Total To Date	Variance Positive (Negative)
Revenues:					
Investment income	$ -	$ 124,150	**$ 665,929**	$ 790,079	$ 790,079
Expenditures:					
School Transportation Facility	16,132,938	710,485	**7,967,328**	8,677,813	7,455,125
East High Chiller Replacement	500,000	-	**468,631**	468,631	31,369
School Security Camera Upgrades	300,000	-	**300,000**	300,000	-
Total expenditures	16,932,938	710,485	**8,735,959**	9,446,444	7,486,494
Revenues over (under) expenditures	(16,932,938)	(586,335)	**(8,070,030)**	(8,656,365)	8,276,573
Other financing sources:					
Prior year surplus	-	525,974	**-**	525,974	525,974
Proceeds from installment obligations	15,000,000	-	**15,000,000**	15,000,000	-
Transfer from other funds	1,932,938	1,328,688	**768,631**	2,097,319	164,381
Total other financing sources	16,932,938	1,854,662	**15,768,631**	17,623,293	690,355
Net change in fund balance	$ -	$ 1,268,327	**7,698,601**	$ 8,966,928	$ 8,966,928
Fund balance, beginning of year			**1,268,327**		
Fund balance, end of year			**$ 8,966,928**		

RUTHERFORD COUNTY, NORTH CAROLINA

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Local option sales tax	$ 9,807,134	**$ 9,807,134**	$ -
Lottery funds	1,300,000	**1,268,630**	(31,370)
Taps fees	-	**13,500**	13,500
Investment earnings	-	**367,450**	367,450
Total revenues	11,107,134	**11,456,714**	349,580
Expenditures:			
Debt service:			
Principal retirement	5,188,569	**5,188,569**	-
Interest	1,228,928	**1,228,928**	-
Arbitrage payment	8,158	**8,158**	-
Bond issuance costs	19,150	**13,685**	5,465
Contingency	4,502,252	**-**	4,502,252
Total expenditures	10,947,057	**6,439,340**	4,507,717
Revenues over expenditures	160,077	**5,017,374**	4,857,297
Other Financing Sources (Uses):			
Transfer to general fund	(305,194)	**(305,194)**	-
Transfer from capital project fund	863,417	**852,355**	(11,062)
Transfer to school capital projects fund	(800,000)	**(768,631)**	31,369
Transfer from the general fund	81,700	**81,700**	-
Total other financing sources (uses)	(160,077)	**(139,770)**	20,307
Net change in fund balance	$ -	**4,877,604**	$ 4,877,604
Fund balance, beginning of year		**11,731,813**	
Fund balance, end of year		**$ 16,609,417**	

RUTHERFORD COUNTY, NORTH CAROLINA

OPIOID SETTLEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
From inception and for the year ended June 30, 2024

		Actual through June 30, 2024			
	Project Authorization	Prior Years	**Current Year**	Total To Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental	$ 738,324	$ -	**$ -**	$ -	$ (738,324)
Investment income	-	8,023	**50,136**	58,159	58,159
Total revenues	738,324	8,023	**50,136**	58,159	(680,165)
Expenditures:					
Human Services:					
Opiod addiction treatment	738,324	-	**-**	-	738,324
Total expenditures	738,324	-	**-**	-	738,324
Revenues over expenditures	$ -	$ 8,023	**50,136**	$ 58,159	$ 58,159
Fund balance, beginning of year			**8,023**		
Fund balance, end of year			**$ 58,159**		

RUTHERFORD COUNTY, NORTH CAROLINA

GENERAL CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
From inception and for the year ended June 30, 2024

	Project Authorization	Actual through June 30, 2024 Prior Years	Current Year	Total To Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental	$ 35,706,808	$ 5,607,500	**$ 30,099,308**	$ 35,706,808	$ -
Investment income	-	70,700	**290,676**	361,376	361,376
Miscellaneous	-	-	**3,690**	3,690	3,690
Total revenues	35,706,808	5,678,200	**30,393,674**	36,071,874	365,066
Expenditures:					
General government:					
ARPA enabled projects	10,163,007	388,702	**386,897**	775,599	9,387,408
Courthouse improvements	3,107,500	-	**-**	-	3,107,500
Public safety:					
ARPA enabled projects	1,041,961	330,606	**53,912**	384,518	657,443
Animal Control Building	5,000,000	-	**2,214,549**	2,214,549	2,785,451
Detention Facility Improvements	10,000,000	-	**-**	-	10,000,000
Human services:					
ARPA enabled projects	370,340	85,295	**240,410**	325,705	44,635
Cultural and recreation:					
Soccer complex	2,500,000	-	**2,136,500**	2,136,500	363,500
Library project	11,000,000	-	**518,151**	518,151	10,481,849
ARPA enabled projects	2,800,000	1,758,568	**-**	1,758,568	1,041,432
Education:					
Isothermal Library Renovation	1,500,000	-	**-**	-	1,500,000
Economic and physical development:					
Emergency Services Training Facility	2,150,000	1,990,473	**-**	1,990,473	159,527
ARPA enabled projects	39,000	-	**-**	-	39,000
Gateway West Infrastructure	715,000	605,304	**-**	605,304	109,696
Total expenditures	50,386,808	5,158,948	**5,550,419**	10,709,367	39,677,441
Revenues under expenditures	(14,680,000)	519,252	**24,843,255**	25,362,507	40,042,507
Other Financing Sources (Uses):					
Transfers in (out):					
General Fund	12,556,000	12,617,355	**-**	12,617,355	61,355
Airport Fund	(50,000)	-	**-**	-	50,000
Debt Service	324,000	324,000	**(852,355)**	(528,355)	(852,355)
Isothermal Community College Capital Projects	1,850,000	1,850,000	**-**	1,850,000	-
Total other financing sources (uses)	14,680,000	14,791,355	**(852,355)**	13,939,000	(741,000)
Net change in fund balance	$ -	$ 15,310,607	**23,990,900**	$ 39,301,507	$ 39,301,507
Fund balance, beginning of year			**15,310,607**		
Fund balance, end of year			**$ 39,301,507**		

RUTHERFORD COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Capital Project Funds		**Special Revenue Funds**								Total
	Queen's Gap Capital Project Fund	CDBG Capital Project Fund	ICC Capital Projects Fund	Grant Fund	Emergency Telephone System Fund	Fire Districts Fund	Register of Deeds Automation Enhancement Fund	Covid Relief Fund	ARPA Fund	Representative Payee Fund	Non-Major Governmental Funds
ASSETS											
Cash and cash equivalents	$ -	$ -	$ 715,567	$ -	$ 526,679	$ -	$ -	$ -	$ -	$ -	$ 1,242,246
Cash and cash equivalents, restricted	138,399	-	-	1,195,357	-	2,735,727	823,897	42,584	1,462,580	162,286	6,560,830
Receivables, net	-	-	-	-	-	220,795	-	-	-	-	220,795
Due from other governments	-	-	-	356,774	60,995	42,555	418	1,302	18,249	-	480,293
Due from other funds	-	-	-	-	-	1,607,930	-	-	-	-	1,607,930
Prepaid items	-	-	-	-	29,159	-	-	-	-	-	29,159
Total assets	$ 138,399	$ -	$ 715,567	$ 1,552,131	$ 616,833	$ 4,607,007	$ 824,315	43,886	1,480,829	162,286	$ 10,141,253
LIABILITIES											
Liabilities payable from restricted assets:											
Accounts payable and accrued liabilities	$ -	$ -	$ -	$ 21,545	$ 3,299	$ 586,564	$ 340	$ 131	$ 2,143	$ -	$ 614,022
Unearned revenue	-	-	-	-	-	-	-	43,755	1,345,079	-	1,388,834
Total liabilities	-	-	-	21,545	3,299	586,564	340	43,886	1,347,222	-	2,002,856
DEFERRED INFLOWS OF RESOURCES											
Prepaid taxes	-	-	-	-	-	2,878	-	-	-	-	2,878
Property taxes receivable	-	-	-	-	-	220,795	-	-	-	-	220,795
Total deferred inflows of resources	-	-	-	-	-	223,673	-	-	-	-	223,673
FUND BALANCES											
Non Spendable:											
Prepaid items	-	-	-	-	29,159	-	-	-	-	-	29,159
Restricted:											
Stabilization by State statute	-	-	-	356,774	60,995	1,650,485	418	-	18,249	-	2,086,921
Public health	-	-	-	-	-	-	-	-	-	162,286	162,286
Capital projects	138,399	-	715,567	-	-	-	-	-	-	-	853,966
Public safety	-	-	-	-	238,787	2,146,285	-	-	115,358	-	2,500,430
Economic development	-	-	-	1,173,812	-	-	-	-	-	-	1,173,812
Register of deeds	-	-	-	-	-	-	823,557	-	-	-	823,557
Total fund balance (deficit)	138,399	-	715,567	1,530,586	613,534	3,796,770	823,975	-	133,607	162,286	7,914,724
Total liabilities, deferred inflows of resources, and fund balances	$ 138,399	$ -	$ 715,567	$ 1,552,131	$ 616,833	$ 4,607,007	$ 824,315	$ 43,886	$ 1,480,829	$ 162,286	$ 10,141,253

RUTHERFORD COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the year ended June 30, 2024

	Capital Project Funds			Special Revenue Funds									Total
	Queen's Gap Capital Project Fund	School Capital Project Fund	CDBG Capital Project Fund	ICC Capital Projects Fund	Grant Fund	Emergency Telephone System Fund	Fire Districts Fund	Register of Deeds Automation Enhancement Fund	Covid Relief Fund	ARPA Fund	Opioid Settlement Fund	Representative Payee Fund	Non-Major Governmental Funds
REVENUES													
Ad valorem taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,909,375	$ -	$ -	$ -	$ -	$ -	$ 5,909,375
Local option sales tax	-	-	-	700,000	-	-	1,149,926	-	-	-	-	-	1,849,926
Restricted intergovernmental	-	-	649,268	-	1,821,925	543,700	-	-	56,500	1,674,518	-	544,885	5,290,796
Miscellaneous	-	-	-	-	1,083	-	45,035	-	-	-	-	-	46,118
Investment earnings	4,247	-	-	107,949	7,669	-	-	-	-	86,889	-	-	206,754
Total revenues	4,247	-	649,268	807,949	1,830,677	543,700	7,104,336	-	56,500	1,761,407	-	544,885	13,302,969
EXPENDITURES													
General government	-	-	-	-	-	-	-	6,990	-	-	-	-	6,990
Public safety	-	-	-	-	370,515	283,314	7,038,073	-	29,807	1,482,835	-	-	9,204,544
Economic and physical development	-	-	649,268	-	592,216	-	-	-	-	191,683	-	-	1,433,167
Human services	-	-	-	-	135,313	-	-	-	-	-	-	489,595	624,908
Cultural and recreation	-	-	-	-	55,940	-	-	-	26,693	-	-	-	82,633
Total expenditures	-	-	649,268	-	1,153,984	283,314	7,038,073	6,990	56,500	1,674,518	-	489,595	11,352,242
Revenues over (under) expenditures	4,247	-	-	807,949	676,693	260,386	66,263	(6,990)	-	86,889	-	55,290	1,950,727
OTHER FINANCING SOURCES (USES)													
Transfers:													
From other funds	-	-	-	-	5,427	18,525	-	80,196	-	-	-	-	104,148
To other funds	-	-	-	(301,620)	-	-	-	-	-	-	-	-	(301,620)
Total other financing sources (uses)	-	-	-	(301,620)	5,427	18,525	-	80,196	-	-	-	-	(197,472)
Net change in fund balance	4,247	-	-	506,329	682,120	278,911	66,263	73,206	-	86,889	-	55,290	1,753,255
Fund balances, beginning, as originally reported	134,152	1,268,327	-	209,238	848,466	334,623	3,730,507	750,769	-	-	8,023	106,996	7,391,101
Adjustment (Note 15)	-	(1,268,327)	-	-	-	-	-	-	-	46,718	(8,023)	-	(1,229,632)
Fund balances, beginning, as adjusted	134,152	-	-	209,238	848,466	334,623	3,730,507	750,769	-	46,718	-	106,996	6,161,469
Fund balance, end of year	$ 138,399	$ -	$ -	$ 715,567	$ 1,530,586	$ 613,534	$ 3,796,770	$ 823,975	$ -	$ 133,607	$ -	$ 162,286	$ 7,914,724

RUTHERFORD COUNTY, NORTH CAROLINA

CAPITAL PROJECTS FUND - QUEEN'S GAP
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
From inception and for the year ended June 30, 2024

		Actual through June 30, 2024			Variance
	Project Authorization	Prior Years	**Current Year**	Total To Date	Positive (Negative)
Revenues:					
Surety bond settlement	$ 12,100,000	$ 12,100,000	**$ -**	$ 12,100,000	$ -
Miscellaneous revenue	-	3,708	**-**	3,708	3,708
Investment earnings	-	49,332	**4,247**	53,579	53,579
Total revenues	12,100,000	12,153,040	**4,247**	12,157,287	57,287
Expenditures:					
Economic and physical development:					
Land development	12,100,000	12,018,888	**-**	12,018,888	81,112
Total expenditures	12,100,000	12,018,888	**-**	12,018,888	81,112
Revenues over expenditures	$ -	$ 134,152	**4,247**	$ 138,399	$ 138,399
Fund balance, beginning of year			**134,152**		
Fund balance, end of year			**$ 138,399**		

RUTHERFORD COUNTY, NORTH CAROLINA

CAPITAL PROJECTS FUND - CDBG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2024

		Actual through June 30, 2024			Variance
	Project Authorization	Prior Years	**Current Year**	Total To Date	Positive (Negative)
Revenues:					
Restricted intergovernmental	$ 900,000	$ 214,729	**$ 649,268**	$ 863,997	$ (36,003)
Total revenues	900,000	214,729	**649,268**	863,997	(36,003)
Expenditures:					
Economic and physical development:					
CDBG-CV	900,000	214,729	**649,268**	863,997	36,003
Total expenditures	900,000	214,729	**649,268**	863,997	36,003
Revenues over expenditures	$ -	$ -	**-**	$ -	$ -
Fund balance, beginning of year			**-**		
Fund balance, end of year			**$ -**		

RUTHERFORD COUNTY, NORTH CAROLINA

ISOTHERMAL COMMUNITY COLLEGE CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Local option sales tax	$ 700,000	**$ 700,000**	$ -
Investment earnings	-	**107,949**	107,949
Total revenues	700,000	**807,949**	107,949
Expenditures	546,940	**-**	546,940
Revenues over expenditures	153,060	**807,949**	654,889
Other financial sources (uses):			
Transfer to general fund	(336,907)	**(301,620)**	35,287
Fund balance appropriated	183,847	**-**	(183,847)
Total other financing sources (uses)	(153,060)	**(301,620)**	(148,560)
Net change in fund balance	$ -	**506,329**	$ 506,329
Fund balance, beginning of year		**209,238**	
Fund balance, ending of year		**$ 715,567**	

RUTHERFORD COUNTY, NORTH CAROLINA

GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From inception and for the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental	$ 1,184,328	**$ 1,821,925**	$ 637,597
Economic development loan payments	-	**43,504**	43,504
Miscellaneous	710	**1,083**	373
Investment earnings	-	**7,669**	7,669
Total revenues	1,185,038	**1,874,181**	689,143
Expenditures:			
Public safety		**370,515**	
Economic and physical development		**592,216**	
Human services		**135,313**	
Cultural and recreational		**55,940**	
Total expenditures	1,190,465	**1,153,984**	36,481
Revenues under expenditures	(5,427)	**720,197**	725,624
Other Financing Sources:			
Transfer from General Fund	5,427	**5,427**	-
Revenues and other sources under expenditures	$ -	**725,624**	$ 725,624
Reconciliation from budget and actual schedule (budgetary basis) to the fund schedule (modified accrual)			
Reconciling items:			
Net collections on long-term loans		**(43,504)**	
Net change in fund balance		**$ 682,120**	

RUTHERFORD COUNTY, NORTH CAROLINA

EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental:			
Wireless 911 revenues	$ 550,498	**$ 543,700**	$ (6,798)
Expenditures:			
Public safety:			
Phone		**68,660**	
Software		**98,718**	
Hardware		**103,042**	
Training		**7,410**	
Other		**5,484**	
Total expenditures	557,811	**283,314**	274,497
Revenues over (under) expenditures	(7,313)	**260,386**	267,699
Other financial sources:			
Transfer from general fund	-	**18,525**	18,525
Net change in fund balance	$ -	**278,911**	$ 278,911
Fund balance, beginning of year		**334,623**	
Fund balance, end of year		**$ 613,534**	

RUTHERFORD COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current year	$ 5,671,580	**$ 5,753,743**	$ 82,163
Prior years	31,600	**68,038**	36,438
Penalties and interest	-	**87,594**	87,594
	5,703,180	**5,909,375**	206,195
Other taxes and licenses:			
Local option sales tax	1,062,136	**1,149,926**	87,790
Miscellaneous	74,757	**45,035**	(29,722)
Total revenues	6,840,073	**7,104,336**	264,263
Expenditures:			
Public safety:			
Cliffside	864,459	**864,459**	-
Chimney Rock	56,725	**56,725**	-
Sandy Mush	757,883	**757,883**	-
Bills Creek	484,123	**484,123**	-
Shingle Hollow	337,724	**337,724**	-
Shiloh, Danieltown, and Oakland	801,690	**801,690**	-
Cherry Mountain	477,492	**477,492**	-
Hudlow	656,051	**656,051**	-
Rutherfordton	558,227	**558,227**	-
Ellenboro	713,872	**713,872**	-
Bostic	302,599	**302,599**	-
Union Mills	204,643	**204,643**	-
Green Hill	431,067	**431,067**	-
Spindale	22,980	**22,980**	-
Hollis Community	13,241	**13,241**	-
Edneyville	69,303	**69,303**	-
Broad River	3,698	**3,698**	-
Forest City	24,444	**24,444**	-
Lake Lure	14,538	**14,538**	-
Fairfield	15,605	**15,605**	-
Contracted	218,479	**218,479**	-
Cliffside Sanitary District	9,230	**9,230**	-
Total expenditures	7,038,073	**7,038,073**	-
Revenues over (under) expenditures	(198,000)	**66,263**	264,263
Other Financing Sources:			
Appropriated fund balance	198,000	**-**	(198,000)
Net change in fund balance	$ -	**66,263**	$ 66,263
Fund balance, beginning of year		**3,730,507**	
Fund balance, end of year		**$ 3,796,770**	

RUTHERFORD COUNTY, NORTH CAROLINA

REGISTER OF DEEDS AUTOMATION ENHANCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues	$ -	**$ -**	$ -
Expenditures:			
General Government:			
Automation equipment	137,263	**6,990**	130,273
Revenues under expenditures	(137,263)	**(6,990)**	130,273
Other Financing Sources:			
Appropriated fund balance	75,173	**-**	(75,173)
Transfer from general fund	62,090	**80,196**	18,106
Total other financing sources	137,263	**80,196**	(57,067)
Net change in fund balance	$ -	**73,206**	$ 73,206
Fund balance, beginning of year		**750,769**	
Fund balance, end of year		**$ 823,975**	

RUTHERFORD COUNTY, NORTH CAROLINA

COVID-19 RELIEF FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental	$ 100,255	**$ 56,500**	$ (43,755)
Total revenues	100,255	**56,500**	(43,755)
Expenditures:			
Cultural and recreation	70,448	**26,693**	43,755
Public safety	29,807	**29,807**	-
Total expenditures	100,255	**56,500**	43,755
Revenues over expenditures	$ -	**-**	$ -
Fund balance, beginning of year		**-**	
Fund balance, end of year		**$ -**	

RUTHERFORD COUNTY, NORTH CAROLINA

CORONAVIRUS STATE LOCAL FISCAL RECOVERY FUNDS (ARPA FUNDS)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
From inception and for the year ended June 30, 2024

		Actual through June 30, 2024			
	Project Authorization	Prior Years	**Current Year**	Total To Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental	$ 13,019,597	$ 10,000,000	**$ 1,674,518**	$ 11,674,518	$ (1,345,079)
Investment income	-	46,718	**86,889**	133,607	133,607
Total revenues	13,019,597	10,046,718	**1,761,407**	11,808,125	(1,211,472)
Expenditures:					
Public Safety	1,592,697	-	**1,482,835**	1,482,835	109,862
Economic Development	1,426,900	-	**191,683**	191,683	1,235,217
Total expenditures	3,019,597	-	**1,674,518**	1,674,518	1,345,079
Revenues over expenditures	10,000,000	10,046,718	**86,889**	10,133,607	133,607
Other Financing Sources (Uses):					
Transfers out:					
General Fund	(10,000,000)	(10,000,000)	**-**	(10,000,000)	-
Net change in fund balance	$ -	$ 46,718	**86,889**	$ 133,607	$ 133,607
Fund balance, beginning of year			**46,718**		
Fund balance, end of year			**$ 133,607**		

RUTHERFORD COUNTY, NORTH CAROLINA

REPRESENTATIVE PAYEE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental	$ 675,000	**$ 544,885**	$ (130,115)
Expenditures:			
Human Services:			
	675,000	**489,595**	185,405
Net change in fund balance	$ -	**55,290**	$ 55,290
Fund balance, beginning of year		**106,996**	
Fund balance, end of year		**$ 162,286**	

PROPRIETARY FUNDS

RUTHERFORD COUNTY, NORTH CAROLINA

ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the year ended June 30, 2024

	Solid Waste Fund	Solid Waste Reserve Fund	Total
Operating Revenues:			
Charges for services	$ 5,909,969	$ -	$ 5,909,969
Other operating revenues	508,041	-	508,041
Total operating revenues	6,418,010	-	6,418,010
Operating Expenses:			
Salaries	954,767	-	954,767
Employee benefits	373,485	-	373,485
Operating expenses	3,398,153	-	3,398,153
Landfill closure and postclosure care costs	-	157,728	157,728
Depreciation	534,253	-	534,253
Maintenance	116,056	-	116,056
Total operating expenses	5,376,714	157,728	5,534,442
Operating income (loss)	1,041,296	(157,728)	883,568
Nonoperating Expense:			
Interest expense	(15,151)	-	(15,151)
Income (loss) before transfers	1,026,145	(157,728)	868,417
Transfers in (out):			
Landfill postclosure expenditures	(86,171)	86,171	-
Change in net position	939,974	(71,557)	868,417
Net position (deficit), beginning of year	8,882,926	(2,013,481)	6,869,445
Net position (deficit), end of year	$ 9,822,900	$ (2,085,038)	$ 7,737,862

RUTHERFORD COUNTY, NORTH CAROLINA

SOLID WASTE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Charges for services	$ 5,398,351	**$ 5,909,969**	$ 511,618
Other operating revenues	345,400	**508,041**	162,641
Total operating revenues	5,743,751	**6,418,010**	674,259
Expenditures:			
Salaries		**961,914**	
Employee benefits		**373,485**	
Operating expenses		**3,398,153**	
Landfill closure		**86,171**	
Maintenance		**116,056**	
Capital outlay		**345,039**	
Debt principal		**158,068**	
Interest and fees		**15,151**	
Total expenditures	6,458,673	**5,454,037**	1,004,636
Revenues over (under) expenditures	(714,922)	**963,973**	1,678,895
Other Financing Sources:			
Fund balance appropriated	21,922	**-**	(21,922)
Proceeds from sale of capital asset	1,000	**-**	(1,000)
Issuance of long-term obligations	692,000	**537,000**	(155,000)
Total other financing sources	714,922	**537,000**	(177,922)
Revenues and other sources over expenditures	$ -	**1,500,973**	$ 1,500,973
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Capital outlay		**345,039**	
Depreciation		**(534,253)**	
Increase (decrease) in deferred outflows of resources - LGERS		**15,583**	
Increase (decrease) in deferred outflows of resources - OPEB		**10,899**	
(Increase) decrease in net LGERS liability		**(65,916)**	
(Increase) decrease in net OPEB liability		**(75,513)**	
(Increase) decrease in deferred inflows of resources - LGERS		**(1,109)**	
(Increase) decrease in deferred inflows of resources - OPEB		**116,475**	
Decrease in accrued vacation pay		**6,728**	
Payment of debt principal		**158,068**	
Proceeds from issuance of debt		**(537,000)**	
Total reconciling items		**(560,999)**	
Change in net position		**$ 939,974**	

RUTHERFORD COUNTY, NORTH CAROLINA

SOLID WASTE RESERVE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues	$ -	**$ -**	$ -
Expenditures	-	**-**	-
Revenues over expenditures	$ -	**-**	$ -
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Landfill closure and postclosure care accrual		**(157,728)**	
Payment for landfill closure by solid waste fund		**86,171**	
Change in net position		**$ (71,557)**	

RUTHERFORD COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2024

	Financial Plan	**Actual**	Variance Positive (Negative)
Revenues	$ 80,007	**$ 84,967**	$ 4,960
Expenditures			
Salaries, wages, and fringe benefits	80,007	**85,026**	(5,019)
Revenues under expenditures	$ -	**$ (59)**	$ (59)

CUSTODIAL FUNDS

RUTHERFORD COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

	Municipal Tax Fund	Detention Center Commissary Fund	Total Custodial Funds
Assets			
Cash and cash equivalents	$ 105,892	$ 70,396	$ 176,288
Taxes receivable for other governments, net	74,119	-	74,119
Total assets	180,011	70,396	250,407
Net Position			
Restricted for:			
Individuals, organizations, and other governments	180,011	70,396	250,407
Total net position	$ 180,011	$ 70,396	$ 250,407

RUTHERFORD COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the year ended June 30, 2024

	Municipal Tax Fund	Detention Center Commissary Fund	Total Custodial Funds
Additions			
Ad valorem taxes for other governments	$ 20,663,211	$ -	$ 20,663,211
Collections on behalf of inmates	-	319,609	319,609
Total additions	20,663,211	319,609	20,982,820
Deductions			
Tax distributions to other governments	20,642,996	-	20,642,996
Payments on behalf of inmates	-	317,940	317,940
Total deductions	20,642,996	317,940	20,960,936
Net increase in fiduciary net position	20,215	1,669	21,884
Net position, beginning	159,796	68,727	228,523
Net position, ending	$ 180,011	$ 70,396	$ 250,407

DISCRETELY PRESENTED
COMPONENT UNITS

RUTHERFORD COUNTY, NORTH CAROLINA

COMPONENT UNIT
RUTHERFORD COUNTY TRANSIT ADMINISTRATION
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2024

	Budget	**Actual**	**Variance Positive (Negative)**
Revenues:			
Charges for services	$ 712,416	**$ 599,831**	$ (112,585)
Restricted intergovernmental	1,147,811	**671,053**	(476,758)
Total revenue	1,860,227	**1,270,884**	(589,343)
Expenditures:			
Human services			
Salaries		**658,493**	
Employee benefits		**261,397**	
Operating expenses		**212,955**	
Maintenance		**165,175**	
Capital outlay		**102,623**	
Total expenditures	2,075,230	**1,400,643**	674,587
Revenue under expenditures	(215,003)	**(129,759)**	85,244
Other Financing Sources:			
Sale of capital assets	28,000	**15,200**	(12,800)
Fund balance appropriated	187,003	**-**	(187,003)
Total other financing sources (uses)	215,003	**15,200**	(199,803)
Revenues and other sources under expenditures	$ -	**(114,559)**	$ (114,559)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Capital outlay - items capitalized		**102,623**	
Net book value of capital asset disposals		**(7,021)**	
(Increase) decrease in compensated absences		**(142)**	
Depreciation		**(118,508)**	
Total reconciling items		**(23,048)**	
Change in net position		**$ (137,607)**	

RUTHERFORD COUNTY, NORTH CAROLINA

COMPONENT UNIT
RUTHERFORD COUNTY TRANSIT ADMINISTRATION
STATEMENT OF CASH FLOWS
For the year ended June 30, 2024

	2024
Cash flows from operating activities:	
Cash received from operating revenues	$ 599,831
Cash paid to employees for services	(914,153)
Cash paid for goods and services	(378,299)
Net cash used by operating activities	(692,621)
Cash flows from noncapital financing activities:	
Cash received from operating grants	499,120
Cash flows from capital and related financing activities:	
Cash received from capital grants	109,145
Proceeds from sale of capital assets	15,200
Acquisition of capital assets	(102,623)
Net cash used by capital and related financing activities	21,722
Net decrease in cash and cash equivalents	(171,779)
Cash and cash equivalents at beginning of year	1,331,687
Cash and cash equivalents at end of year	$ 1,159,908
Reconciliation of net income to net cash used by operating activities:	
Operating loss	$ (816,697)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	118,508
Changes in operating assets and liabilities:	
(Increase) decrease in prepaid expenses	(726)
Increase (decrease) in accounts payable and accrued liabilities	6,294
Total adjustments	124,076
Net cash used by operating activities	$ (692,621)

RUTHERFORD COUNTY, NORTH CAROLINA

COMPONENT UNIT
RUTHERFORD COUNTY AIRPORT AUTHORITY
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2024

	Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental	$ 2,437,137	**$ 821,637**	$ (1,615,500)
Operating grant from Rutherford County	195,061	**77,116**	(117,945)
Capital grant from Rutherford County	49,445	**49,445**	-
Charges for services	573,021	**573,366**	345
Lease revenue	40,000	**43,400**	3,400
Total revenues	3,294,664	**1,564,964**	(1,729,700)
Expenditures:			
Economic and physical development			
Salaries and benefits	177,067	**176,012**	1,055
Other operating expenses	617,958	**579,846**	38,112
Capital outlay	2,818,627	**846,070**	1,972,557
Total expenditures	3,613,652	**1,601,928**	2,011,724
Revenues under expenditures	(318,988)	**(36,964)**	282,024
Other Financing Sources:			
Proceeds from sale of assets	15,000	**-**	(15,000)
Fund balance appropriated	303,988	**-**	(303,988)
Total other financing sources	318,988	**-**	(318,988)
Revenues and other sources over expenditures	$ -	**(36,964)**	$ (36,964)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Capital outlay		**846,070**	
Depreciation		**(487,079)**	
Change in net position		**$ 322,027**	

RUTHERFORD COUNTY, NORTH CAROLINA

COMPONENT UNIT
RUTHERFORD COUNTY AIRPORT AUTHORITY
STATEMENT OF CASH FLOWS
For the year ended June 30, 2024

		2024
Cash flows from operating activities:		
Cash received from operating revenues	$	573,366
Cash paid to employees for services		(173,835)
Cash paid for goods and services		(565,390)
Net cash used by operating activities		(165,859)
Cash flows from noncapital financing activities:		
Cash received from operating grants		77,116
Cash flows from capital and related financing activities:		
Cash received from grants		936,221
Cash received from lease receivable		42,199
Acquisition and construction of capital assets		(846,070)
Net cash provided by capital and related financing activities		132,350
Net increase in cash and cash equivalents		43,607
Cash and cash equivalents at beginning of year		249,420
Cash and cash equivalents at end of year	$	293,027
Reconciliation of net income to net cash used by operating activities:		
Operating loss	$	(669,571)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation		487,079
Changes in operating assets and liabilities:		
(Increase) decrease in inventory		6,604
(Increase) decrease in prepaid expenses		(1,006)
Increase (decrease) in accounts payable and accrued liabilities		11,035
Total adjustments		503,712
Net cash used by operating activities	$	(165,859)

OTHER SCHEDULES

This section contains additional information on Taxes Receivable and Tax Levy.

RUTHERFORD COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE
GENERAL FUND
June 30, 2024

Fiscal Year	Uncollected Balance July 1, 2023	Additions	Collections and Credits	Uncollected Balance June 30, 2024
2023-2024	$ -	$ 50,499,071	$ 49,623,899	$ 875,172
2022-2023	570,694	-	344,612	226,082
2021-2022	221,939	-	94,919	127,020
2020-2021	173,450	-	54,987	118,463
2019-2020	165,656	-	51,604	114,052
2018-2019	138,260	-	34,577	103,683
2017-2018	116,236	-	32,554	83,682
2016-2017	109,488	-	26,239	83,249
2015-2016	95,496	-	20,215	75,281
2014-2015	77,770	-	15,729	62,041
2013-2014	219,397	-	219,397	-
	$ 1,888,386	$ 50,499,071	$ 50,518,732	1,868,725
Less allowance for uncollectible ad valorem taxes receivable				(900,000)
Ad valorem taxes receivable - net				$ 968,725
Reconcilement with revenues:				
Ad valorem taxes - General fund				$ 50,134,631
Reconciling items:				
Interest collected				(316,375)
Discounts/adjustments				481,079
Taxes written off				219,397
Total reconciling items				384,101
Total collections and credits				$ 50,518,732

RUTHERFORD COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
GENERAL FUND
For the year ended June 30, 2024

	Property Valuation	Rate	Total Levy	Total Levy: Property Excluding Registered Motor Vehicles	Total Levy: Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	$ 11,073,342,511	0.454	$ 50,272,975	$ 46,866,443	$ 3,406,532
Penalties	-		258,075	258,075	-
Total	11,073,342,511		50,531,050	47,124,518	3,406,532
Discoveries:					
Current year taxes	14,836,123	0.454	67,356	67,356	-
Advertising costs			10,546	10,546	-
Abatements	(24,202,863)	0.454	(109,881)	(109,881)	-
Total property valuation	$ 11,063,975,771				
Net levy			50,499,071	47,092,539	3,406,532
Uncollected taxes at June 30, 2024			875,172	875,172	-
Current year's taxes collected			$ 49,623,899	$ 46,217,367	$ 3,406,532
Current levy collection percentage			98.27%	98.14%	100.00%

RUTHERFORD COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE
SPECIAL DISTRICTS LEVY
June 30, 2024

Fiscal Year	Uncollected Balance July 1, 2023	Additions	Collections and Credits	Uncollected Balance June 30, 2024
2023-2024	$ -	$ 5,927,090	$ 5,796,386	$ 130,704
2022-2023	62,973	-	41,334	21,639
2021-2022	22,572	-	9,166	13,406
2020-2021	16,131	-	5,012	11,119
2019-2020	15,597	-	4,248	11,349
2018-2019	11,896	-	3,040	8,856
2017-2018	9,315	-	2,707	6,608
2016-2017	8,594	-	2,321	6,273
2015-2016	7,488	-	1,608	5,880
2014-2015	6,302	-	1,341	4,961
2013-2014	15,408	-	15,408	-
	$ 176,276	$ 5,927,090	$ 5,882,571	

Ad valorem taxes receivable at June 30, 2024	$ 220,795
Reconciliation with revenues:	
Ad valorem taxes - special districts	$ 5,909,375
Reconciling items:	
Interest collected	(28,201)
Discounts/adjustments	(14,011)
Taxes written off	15,408
Total reconciling items	(26,804)
Total collections and credits	$ 5,882,571

RUTHERFORD COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
SPECIAL DISTRICTS LEVY
For the year ended June 30, 2024

				Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicle	Registered Motor Vehicles
Original Levy:					
Chimney Rock Fire					
Property taxed at current year's rate	$ 90,747,160	0.05	$ 45,374	$ 44,829	$ 545
Sandy Mush Fire					
Property taxed at current year's rate	613,643,333	0.12	736,372	669,948	66,424
Cliffside Sanitary					
Property taxed at current year's rate	11,171,725	0.08	8,937	8,121	816
Bills Creek Fire					
Property taxed at current year's rate	531,388,080	0.075	398,541	383,488	15,053
Shingle Hollow Fire					
Property taxed at current year's rate	213,794,100	0.13	277,932	254,310	23,622
Shiloh, Danieltown, and Oakland Fire					
Property taxed at current year's rate	841,751,325	0.08	673,401	617,101	56,300
Cherry Mountain Fire					
Property taxed at current year's rate	325,909,150	0.12	391,091	364,728	26,363
Hudlow Fire					
Property taxed at current year's rate	552,954,360	0.10	552,954	509,084	43,870
Rutherfordton Fire					
Property taxed at current year's rate	415,696,918	0.11	457,267	419,693	37,574
Cliffside Fire					
Property taxed at current year's rate	758,360,844	0.09	682,525	652,995	29,530
Ellenboro Fire					
Property taxed at current year's rate	667,466,622	0.09	600,720	542,152	58,568
Bostic Fire					
Property taxed at current year's rate	258,416,830	0.10	258,417	239,329	19,088
Union Mills Fire					
Property taxed at current year's rate	288,397,067	0.06	173,038	160,040	12,998
Green Hill Fire					
Property taxed at current year's rate	399,773,967	0.09	359,797	333,389	26,408
Hollis/Polkville Fire					
Property taxed at current year's rate	71,019,963	0.08	56,816	52,687	4,129
Contracted Fire					
Property taxed at current year's rate	309,813,133	0.045	139,416	105,229	34,187

(Continued on next page)

RUTHERFORD COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
SPECIAL DISTRICTS LEVY
For the year ended June 30, 2024

				Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicle	Registered Motor Vehicles
Lake Lure Rural					
Property taxed at current year's rate	11,314,555	0.11	12,446	11,830	616
Fairfield Fire					
Property taxed at current year's rate	13,218,160	0.10	13,218	12,819	399
Broad River Fire					
Property taxed at current year's rate	7,276,288	0.16	11,642	11,054	588
Edneyville Fire					
Property taxed at current year's rate	2,640,000	0.12	3,168	3,168	-
Forest City Rural					
Property taxed at current year's rate	20,301,727	0.11	22,332	19,450	2,882
Spindale Rural					
Property taxed at current year's rate	19,294,490	0.10	19,294	17,175	2,119
Total			5,894,698	5,432,619	462,079
Penalties			41,948	41,948	-
Discoveries			2,878	2,878	-
Gross tax levy			5,939,524	5,477,445	462,079
Releases			(12,434)	(12,434)	-
Net levy			5,927,090	5,465,011	462,079
Less: uncollected taxes at June 30, 2024			130,704	130,704	-
Current year taxes collected			$ 5,796,386	$ 5,334,307	$ 462,079
Percent current year collected			97.79%	97.61%	100.00%

STATISTICAL SECTION

Statistical Section

This part of Rutherford County's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	**Tables**
Financial Trends	1 – 4
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	5 – 8
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.	
Debt Capacity	9 – 12
These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information	13 – 14
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	15 – 16
These schedules contain information about how the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	

Sources:* *Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Reports for the relevant year.

Rutherford County, North Carolina
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

Table 1

	Fiscal Year									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Governmental activities:										
Net investment in capital assets	$ 62,973,802	$ 55,660,151	$ 71,606,467	$ 60,777,613	$ 31,584,957	$ 28,409,580	$ 27,967,835	$ 32,295,655	$ 18,093,988	$ 15,099,163
Restricted	66,722,258	33,030,720	32,668,227	24,057,816	20,946,728	19,911,412	24,698,803	19,330,487	21,895,919	25,159,105
Unrestricted (deficit)	17,651,088	12,843,764	(17,833,330)	(35,529,132)	(24,184,398)	(24,480,919)	(31,329,784)	3,343,607	6,149,661	4,367,236
	$ 147,347,148	$ 101,534,635	$ 86,441,364	$ 49,306,297	$ 28,347,287	$ 23,840,073	$ 21,336,854	$ 54,969,749	$ 46,139,568	$ 44,625,504
Business-type activities:										
Net investment in capital assets	$ 2,940,590	$ 3,508,736	$ 3,168,681	$ 2,421,566	$ 2,283,283	$ 2,132,935	$ 2,085,062	$ 2,291,339	$ 2,416,009	$ 2,464,016
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	4,797,272	3,360,709	2,904,760	2,959,668	2,516,917	2,183,967	1,593,463	1,954,994	1,362,149	740,140
	$ 7,737,862	$ 6,869,445	$ 6,073,441	$ 5,381,234	$ 4,800,200	$ 4,316,902	$ 3,678,525	$ 4,246,333	$ 3,778,158	$ 3,204,156
Primary government:										
Net investment in capital assets	$ 65,914,392	$ 59,168,887	$ 74,775,148	$ 63,199,179	$ 33,868,240	$ 30,542,515	$ 30,052,897	$ 34,586,994	$ 20,509,997	$ 17,563,179
Restricted	66,722,258	33,030,720	32,668,227	24,057,816	20,946,728	19,911,412	24,698,803	19,330,487	21,895,919	25,159,105
Unrestricted (deficit)	22,448,360	16,204,473	(14,928,570)	(32,569,464)	(21,667,481)	(22,296,952)	(29,736,321)	5,298,601	7,511,810	5,107,376
	$ 155,085,010	$ 108,404,080	$ 92,514,805	$ 54,687,531	$ 33,147,487	$ 28,156,975	$ 25,015,379	$ 59,216,082	$ 49,917,726	$ 47,829,660

Rutherford County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

	Fiscal Year									
Expenses	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Governmental activities:										
General government	$ 9,828,626	$ 9,272,507	$ 9,013,052	$ 8,192,851	$ 8,082,599	$ 7,509,984	$ 7,862,677	$ 7,101,860	$ 7,123,583	$ 6,571,693
Public safety	31,282,106	26,129,414	22,582,881	24,315,731	21,532,305	20,947,285	19,224,486	18,222,247	16,918,343	17,041,922
Environmental protection	180,588	167,752	178,361	153,651	163,749	158,446	147,226	154,628	142,376	133,992
Econ & phys development	5,950,085	7,058,442	8,130,390	9,399,072	12,003,810	8,216,310	12,832,750	10,274,454	10,774,441	11,010,474
Human services	18,794,042	16,307,403	16,489,404	16,236,555	15,400,704	13,940,305	13,621,683	15,302,178	14,971,333	15,025,723
Cultural & recreational	3,074,127	760,440	791,880	766,581	1,268,891	3,354,411	661,114	624,210	131,504	581,125
Education	23,730,347	21,435,865	20,283,748	20,142,537	22,615,387	20,318,305	18,759,965	18,001,176	18,212,776	16,693,749
Interest on long-term debt	1,362,981	1,025,297	1,227,226	1,375,928	1,221,318	914,471	1,014,822	986,126	1,133,416	1,152,070
Total governmental activities expenses	94,202,902	82,157,120	78,696,942	80,582,906	82,288,763	74,124,723	70,666,879	69,407,772	68,210,748	68,237,563
Business-type activities:										
Solid Waste Disposal	5,549,593	5,256,978	4,649,849	4,767,946	4,495,193	4,276,769	4,090,275	3,917,969	3,786,627	3,764,871
Total primary government expenses	$ 99,752,495	$ 87,414,098	$ 83,346,791	$ 85,350,852	$ 86,783,956	$ 78,214,998	$ 74,584,848	$ 73,194,399	$ 71,975,619	$ 72,347,014
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 458,263	$ 461,945	$ 560,547	$ 511,434	$ 468,341	$ 426,861	$ 453,966	$ 436,638	$ 407,846	$ 398,710
Public safety	7,784,527	6,331,984	5,461,468	5,336,459	5,051,270	4,334,145	4,941,096	4,377,039	3,675,180	3,535,600
Environmental protection	1,005	656	736	666	460	780	1,300	2,105	1,219	734
Econ & phys development	13,500	11,250	10,500	27,000	3,000	56,175	30,750	2,975	11,500	18,246
Human services	388,342	367,484	308,179	359,673	350,137	298,638	503,655	502,923	551,751	500,381
Cultural & recreational	44,022	21,177	17,068	11,377	6,125	4,130	-	-	-	-
Op. grants and contributions	16,201,656	12,560,827	23,378,454	15,730,427	10,529,620	9,656,092	9,380,573	11,551,304	12,056,219	13,710,084
Cap.grants and contributions	31,747,225	1,280,631	12,767,771	8,167,842	3,321,954	1,044,591	4,462,108	8,199,819	1,266,916	701,839
Total governmental activities program revenues	56,638,540	21,035,954	42,504,723	30,144,878	19,730,907	19,773,448	25,072,803	17,970,631	18,865,594	17,154,435
Business-type activities:										
Charges for services:										
Solid Waste Disposal	5,909,969	5,177,010	5,207,274	5,014,106	4,541,317	4,523,607	4,064,889	3,804,863	3,786,670	3,550,521
Op. grants and contributions	508,041	522,490	670,594	414,413	427,174	391,539	436,085	453,146	445,914	487,017
Cap. grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type program revenues	6,418,010	5,699,500	5,877,868	5,428,519	4,968,491	4,500,974	4,258,009	4,232,584	4,037,538	4,094,846
Total primary government program revenues	$ 63,056,550	$ 26,735,454	$ 48,382,591	$ 35,573,397	$ 24,699,398	$ 24,274,422	$ 29,330,812	$ 22,203,215	$ 22,903,132	$ 21,249,281
Net (expense)/revenue										
Governmental activities	$ (37,564,362)	$ (61,121,166)	$ (36,192,219)	$ (50,438,028)	$ (62,557,856)	$ (54,351,275)	$ (45,594,076)	$ (51,437,141)	$ (49,345,154)	$ (51,083,128)
Business-type activities	868,417	442,522	1,228,019	660,573	473,298	410,699	340,040	445,957	272,667	(14,605)
Total primary government net	$ (36,695,945)	$ (60,678,644)	$ (34,964,200)	$ (49,777,455)	$ (62,084,558)	$ (53,940,576)	$ (45,254,036)	$ (50,991,184)	$ (49,072,487)	$ (51,097,733)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	$ 56,152,393	$ 52,634,782	$ 51,104,830	$ 50,659,023	$ 49,264,705	$ 45,278,842	$ 44,832,190	$ 41,622,198	$ 41,137,349	$ 40,668,238
Local Option Sales Tax	20,924,960	21,555,057	20,292,994	19,047,383	15,734,847	15,348,484	13,051,607	13,331,022	11,122,892	10,134,926
Other Taxes and Licenses	550,184	570,200	699,067	619,804	392,726	368,728	328,841	322,530	293,483	244,799
Investment earnings	5,257,946	2,282,522	74,815	29,666	574,246	581,065	208,550	66,120	39,246	16,803
Gain (loss) on disposal of capital assets	61,296	174,597	616,512	207,676	-	-	-	-	-	-
Miscellaneous, unrestricted	430,096	407,416	539,068	628,199	760,146	464,205	641,270	402,997	483,235	192,450
Special items	-	-	-	-	338,400	-	-	-	-	-
Transfers	-	(350,000)	-	-	-	-	(100,000)	(125,000)	(125,000)	(125,000)
Total governmental activities	83,376,875	77,274,574	73,327,286	71,191,751	67,065,070	58,962,458	55,619,867	52,951,205	51,132,216	50,064,177
Business-type activities:										
Investment earnings	-	3,482	32	-	-	-	2,355	3,135	3,045	4,878
Miscellaneous, unrestricted	-	-	25,200	2,800	10,000	-	-	-	-	-
Transfers	-	350,000	-	-	-	-	100,000	125,000	125,000	125,000
Total business-type activities	-	353,482	25,232	2,800	10,000	102,355	128,135	128,045	129,878	130,447
Total primary government	$ 83,376,875	$ 77,628,056	$ 73,352,518	$ 71,194,551	$ 67,075,070	$ 59,064,813	$ 55,748,002	$ 53,079,250	$ 51,262,094	$ 50,194,624
Change in Net Position										
Governmental activities	$ 45,812,513	$ 16,153,408	$ 37,135,067	$ 20,753,723	$ 4,507,214	$ 4,611,183	$ 10,025,791	$ 1,514,064	$ 1,787,062	$ (1,018,951)
Business-type activities	868,417	796,004	1,253,251	663,373	483,298	513,054	468,175	574,002	402,545	115,842
Total primary government	$ 46,680,930	$ 16,949,412	$ 38,388,318	$ 21,417,096	$ 4,990,512	$ 5,124,237	$ 10,493,966	$ 2,088,066	$ 2,189,607	$ (903,109)

Rutherford County, North Carolina
Fund Balances of Governmental Funds
Last Ten Fiscal Years

Table 3

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	$ 853,716	$ 792,974	$ 845,684	$ 914,616	$ 1,110,811	$ 1,052,943	$ 984,996	$ 846,578	$ 714,826	$ 499,280
Restricted	8,458,609	8,164,074	8,430,124	8,470,044	7,769,204	6,623,337	8,437,266	7,481,346	5,331,125	5,017,086
Assigned	6,895,523	3,945,723	5,269,510	4,243,932	2,305,994	2,463,850	2,745,044	3,720,193	1,632,802	2,341,293
Unassigned	46,720,255	41,770,350	33,340,010	28,038,610	22,721,302	20,897,032	17,134,051	12,663,518	13,784,520	12,058,936
Total General Fund	$ 62,928,103	$ 54,673,121	$ 47,885,328	$ 41,667,202	$ 33,907,311	$ 31,037,162	$ 29,301,357	$ 24,711,635	$ 21,463,273	$ 19,916,595
All other governmental funds										
Nonspendable	$ 29,159	$ 32,221	$ 123,576	$ 135,740	$ 158,136	$ 614,585	$ 511,913	$ 621,334	$ -	$ -
Restricted	67,146,648	26,527,510	25,417,597	20,292,041	29,772,993	13,152,187	17,106,476	20,025,638	16,564,794	20,743,981
Committed	5,390,335	7,873,790	10,000,000	-	-	-	-	-	-	-
Assigned	284,593	46,718	-	846,759	572,478	-	-	-	-	-
Unassigned	-	-	4,041	(144,091)	(133,731)	(21,907)	-	-	-	-
Total all other governmental funds	$ 72,850,735	$ 34,480,239	$ 35,545,214	$ 21,130,449	$ 30,369,876	$ 13,744,865	$ 17,618,389	$ 20,646,972	$ 16,564,794	$ 20,743,981

Rutherford County, North Carolina
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
Revenues	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Ad valorem taxes	$ 56,044,006	$ 52,747,138	$ 52,241,332	$ 51,739,044	$ 50,333,204	$ 45,628,481	$ 43,965,348	$ 41,522,825	$ 41,009,138	$ 40,125,882
Local option sales taxes	20,924,960	21,555,057	20,292,994	19,047,383	15,734,847	15,348,484	13,051,607	13,331,022	11,122,892	10,134,926
Restricted intergovernmental	48,027,935	13,928,200	36,239,893	23,970,839	13,941,763	10,732,626	13,857,817	13,023,541	13,336,984	14,416,168
Permits and fees	1,589,125	1,439,385	1,689,360	1,526,428	1,369,557	1,122,728	1,176,793	1,022,166	1,020,999	786,701
Sales and services	6,951,996	6,478,747	5,148,557	4,730,648	4,895,532	4,368,474	4,838,662	4,738,390	4,446,218	4,018,899
Investment earnings	5,257,946	2,282,522	74,815	29,666	574,246	581,065	208,550	66,120	39,246	16,803
Miscellaneous	430,096	407,416	539,068	628,199	527,502	418,151	610,108	506,835	411,316	265,355
Total revenues	139,226,064	98,838,465	116,226,019	101,672,207	78,200,009	77,708,885	74,210,899	71,386,793	69,764,734	67,011,852
Expenditures										
Current:										
General government	9,771,175	9,087,925	8,720,882	7,798,414	7,537,347	7,390,726	7,196,011	6,571,578	6,761,457	6,321,036
Public safety	33,509,230	25,375,905	22,117,319	23,135,206	20,246,037	20,369,888	17,518,670	17,093,898	16,176,256	16,597,186
Environmental protection	180,321	167,833	178,148	152,788	159,650	159,893	147,048	155,627	142,280	133,367
Economic and physical development	5,905,910	7,090,000	8,352,280	9,613,329	11,744,645	8,285,218	12,896,595	10,452,144	10,275,103	11,064,920
Human services	18,704,979	16,670,465	16,836,158	16,136,591	15,039,955	13,994,803	12,840,852	14,889,517	14,884,684	15,134,073
Cultural and recreational	3,546,523	744,192	771,824	710,626	1,196,890	3,315,683	572,278	560,934	606,405	572,728
Intergovernmental:										
Education	29,638,783	19,995,615	19,209,389	19,068,176	21,541,026	19,243,943	17,685,604	17,099,713	17,311,313	15,792,286
Capital outlay		7,391,693	13,380,687	19,393,233	5,376,583	1,345,768	1,187,909	1,306,967	1,755,425	1,392,788
Debt service										
Principal	5,700,032	4,773,060	5,856,676	6,296,216	5,736,678	5,751,177	6,005,524	5,257,782	5,312,057	5,194,918
Interest	1,264,930	1,086,002	1,240,538	1,585,853	816,929	997,683	1,164,348	1,195,604	1,382,066	1,513,422
Total expenditures	108,221,883	92,382,690	96,663,901	103,890,432	80,854,782	77,214,839	74,583,764	74,607,046	73,716,724	71,764,808
Revenues over (under) expenditures	31,004,181	6,455,775	19,562,118	(2,218,225)	(2,654,773)	494,046	(372,865)	(3,220,253)	(3,951,990)	(4,752,956)
Other financing sources (uses)										
Transfers from other funds	2,413,648	3,861,273	21,881,506	1,241,411	4,703,136	3,898,876	2,291,827	3,292,158	228,493	437,415
Transfers to other funds	(2,413,648)	(4,211,273)	(21,881,506)	(1,241,411)	(4,703,136)	(3,898,876)	(2,391,827)	(3,417,158)	(353,493)	(562,415)
Proceeds from bond issuance	-	-	-	-	20,298,105	-	-	-	-	-
Installment obligations issued	15,300,000	-	-	376,000	983,500	471,000	1,135,931	7,791,719	640,825	2,672,803
Lease liabilities issued	237,148	502,583	299,778	-	-	-	-	-	-	-
Economic loan, net	-	-	-	-	-	-	-	-	-	100,000
Sale of capital assets	84,149	174,597	770,995	239,741	232,644	46,054	31,162	36,686	71,919	179,754
Total other financing sources (uses)	15,621,297	327,180	1,070,773	615,741	517,054	1,067,093	7,703,405	587,744	2,827,557	179,002
Net change in fund balances	$ 46,625,478	$ 6,782,955	$ 20,632,891	$ (1,602,484)	$ (2,137,719)	$ 1,561,139	$ 7,330,540	$ (2,632,509)	$ (1,124,433)	$ (4,573,954)
Debt services as a percentage of noncapital expenditures	6.44%	6.89%	8.52%	9.33%	8.49%	9.43%	8.81%	9.19%	9.28%	9.98%

Rutherford County, North Carolina
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Table 5

	Assessed Value in Thousands							Estimated	Assessed
	Real Property		Personal Property			Total Taxable	Total Direct	Actual	Value as a
Fiscal Year	Residential Property	Commercial Property	Motor Vehicles	Other	Public Service Companies	Assessed Value	Tax Rate per $100	Taxable Value (in thousands)	Percentage of Actual Value
2024	$ 6,391,435	$ 1,664,646	$ 676,734	$ 1,466,637	$ 864,524	$ 11,063,976	0.454	11,183,641	98.93
2023	3,989,687	1,550,209	464,293	1,338,045	807,325	8,149,559	0.597	11,857,353	68.73
2022	4,162,266	1,081,765	617,456	1,455,132	767,798	8,084,417	0.597	9,144,234	88.41
2021	4,607,804	715,324	538,134	1,429,606	726,409	8,017,277	0.597	8,703,080	92.12
2020	4,411,410	709,498	521,235	1,600,813	696,602	7,939,558	0.597	8,053,107	98.59
2019	4,083,633	656,799	490,432	1,181,326	599,256	7,011,446	0.607	7,528,665	93.13
2018	4,403,803	653,253	480,451	523,957	540,677	6,602,141	0.607	7,102,895	92.95
2017	4,023,982	643,142	461,383	724,934	604,769	6,458,210	0.607	6,338,414	101.89
2016	3,561,551	476,050	449,007	1,321,286	549,277	6,357,171	0.607	6,357,171	100.00
2015	3,960,312	413,653	449,050	851,294	520,306	6,194,615	0.607	6,028,822	102.75

Note - Property was revalued in fiscal year 2012, 2020, and 2024

Rutherford County, North Carolina
Direct and Overlapping Property Tax Rates
Last Ten Years
(rate per $100 af assessed value)

Table 6

	Year Taxes Are Payable									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County Direct Rate	$ 0.454	$ 0.597	$ 0.597	$ 0.597	$ 0.597	$ 0.607	$ 0.607	$ 0.607	$ 0.607	$ 0.607
Town Rates										
Bostic	0.280	0.280	0.260	0.260	0.260	0.260	0.260	0.260	0.260	0.260
Chimney Rock	0.110	0.140	0.140	0.140	0.140	0.120	0.110	0.110	0.085	0.075
Ellenboro	0.220	0.220	0.220	0.220	0.220	0.220	0.220	0.220	0.220	0.220
Forest City	0.590	0.590	0.280	0.280	0.280	0.290	0.290	0.290	0.290	0.290
Lake Lure	0.157	0.230	0.230	0.309	0.269	0.269	0.194	0.1943	0.189	0.191
Ruth	0.310	0.310	0.280	0.280	0.280	0.280	0.280	0.280	0.280	0.280
Rutherfordton	0.470	0.590	0.540	0.540	0.540	0.567	0.567	0.567	0.567	0.567
Spindale	0.522	0.593	0.593	0.593	0.593	0.633	0.633	0.633	0.633	0.633
Special Districts										
Bill's Creek Fire	0.075	0.075	0.070	0.070	0.070	0.070	0.060	0.060	0.060	0.060
Bostic Fire	0.100	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060
Broad River Fire	0.160	0.160	0.160	0.160	0.140	0.140	0.140	0.120	0.100	0.100
Cherry Mountain Fire	0.120	0.120	0.120	0.110	0.110	0.110	0.100	0.100	0.090	0.090
Chimney Rock Fire	0.050	0.060	0.060	0.050	0.050	0.050	0.050	0.050	0.050	0.050
Cliffside Fire	0.090	0.090	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080
Cliffside Sanitary	0.080	0.080	0.080	0.080	0.100	0.080	0.080	0.080	0.080	0.080
Contracted Fire	0.045	0.045	0.045	0.045	0.045	0.030	0.030	0.030	0.060	0.060
Edneyville Fire	0.120	0.115	0.115	0.115	0.115	0.100	0.100	0.100	0.100	0.090
Ellenboro Fire	0.090	0.095	0.085	0.080	0.080	0.080	0.075	0.070	0.070	0.070
Fairfield Fire	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Forest City Rural	0.110	0.110	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080
Green Hill Fire	0.090	0.090	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070
Hollis/Polkville Fire	0.080	0.080	0.080	0.080	0.080	0.080	0.050	0.050	0.050	0.050
Hudlow Fire	0.100	0.100	0.100	0.100	0.080	0.080	0.080	0.080	0.080	0.080
Lake Lure Rural Fire	0.110	0.110	0.110	0.090	0.090	0.090	0.090	0.090	0.090	0.090
Rutherfordton Fire	0.110	0.110	0.110	0.110	0.110	0.090	0.090	0.090	0.090	0.090
Sandy Mush Fire	0.120	0.120	0.100	0.080	0.080	0.080	0.070	0.080	0.050	0.050
Shiloh Danieltown Oakland Fire	0.080	0.080	0.070	0.060	0.060	0.050	0.050	0.050	0.050	0.050
Shingle Hollow Fire	0.130	0.130	0.120	0.120	0.120	0.115	0.100	0.100	0.100	0.100
Spindale Rural Fire	0.100	0.100	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080
Union Mills Fire	0.060	0.060	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050

Note: Property was revalued as of January 1, 2018 which affected the 2019 tax levy and January 1, 2023 which affected the 2024 tax levy.

Rutherford County, North Carolina
Principal Property Tax Payers
Current Year and Nine Years Ago

Table 7

Taxpayer	Type Of Business	Fiscal Year 2024 Assessed Value (Thousands)	Rank	Percentage of Total County Taxable Assessed Value	Fiscal Year 2015 Assessed Value (Thousands)	Rank	Percentage of Total County Taxable Assessed Value
Andale Inc. FKA	Software	$ 1,016,666	1	9.19%	$ 559,157	1	9.39%
Duke Energy	Public Utility	826,898	2	7.47%	446,035	2	7.49%
Befesa Zinc Metal (formerly American Zinc Products)	Manufacturing	318,824	3	2.88%	135,889	3	2.28%
Public Service Co of NC Inc	Public Utility	128,667	4	1.16%	12,278	9	0.21%
CSX Transportation	Public Utility	59,809	5	0.54%	30,540	6	0.51%
Everest Textiles USA LLC	Manufacturing	49,043	6	0.44%			
Rutherford Electric Membership Corp	Public Utility	48,425	7	0.44%			
Foxrun Property Owners	Resort Property	36,572	8	0.33%	11,949	10	0.20%
Trellborg Coated System Inc	Manufacturing	34,992	9	0.32%	20,439	8	
DDH (North America) Inc	Manufacturing	27,184	10	0.25%			0.00%
Dell Equipmen Funding LP	Leasing Company				82,705	4	1.39%
DLP Rutherford Regional Health System LLC	Hospital				23,352	5	0.39%
Bellsouth	Public Utility				20,641	7	0.35%
							0.00%
Other		8,516,896		76.98%	4,613,994		77.46%
Total		$ 11,063,976		100.00%	$ 5,956,979		100.00%

Source: Rutherford County Revenue Department

Rutherford County, North Carolina
Property Tax Levies and Collections (1)
Last Ten Fiscal Years

Table 8

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Original Levy		Amount	Percentage of Original Levy
2024	$ 56,426,161	$ 55,420,285	98.2	$ -	$ 55,420,285	98.2
2023	52,779,243	52,145,576	98.8	385,946	52,531,522	99.5
2022	51,801,268	51,124,036	98.7	432,721	51,556,757	99.5
2021	51,214,237	50,480,760	98.6	540,788	51,021,548	99.6
2020	50,503,804	49,426,788	97.9	895,760	49,426,788	97.9
2019	45,227,869	44,317,085	98.0	755,846	44,712,896	98.9
2018	42,603,043	41,592,341	97.6	880,275	42,207,137	99.1
2017	41,700,452	40,529,750	97.2	1,052,622	41,356,731	99.2
2016	41,030,225	39,779,746	97.0	1,139,736	40,731,372	99.3
2015	40,734,335	39,178,470	96.2	1,465,958	40,493,456	99.4

(1) Includes general fund and special districts.

Source: Rutherford County Revenue Department

Rutherford County, North Carolina
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Table 9

		Governmental Activities					Business-type Activities			
Fiscal Year	**Population in thousands (Estimated)**	**General Obligation Bonds**	**Installment Purchase (1)**	**Leases**	**IT Subscription Liabilities**	**Revolving Fund - DENR**	**Installment Purchases**	**Total Primary Government**	**Percentage of Personal Income (2)**	**Per Capita (2)**
2015	67	3,582,000	39,250,742			198,840	188,098	43,219,680	2.30%	645
2016	67	3,233,000	34,628,775			182,270	69,630	38,113,675	1.97%	569
2017	67	2,884,000	37,256,012			165,700	114,808	40,420,520	*2.03%*	603
2018	67	2,272,955	32,785,539			149,130	651,174	35,858,798	*1.91%*	535
2019	67	1,930,955	27,713,219			132,560	847,557	30,624,291	*1.58%*	457
2020	67	1,591,955	43,502,373			115,990	831,682	46,042,000	*2.31%*	687
2021	64	1,261,955	37,827,149			99,420	477,678	39,666,202	*1.61%*	620
2022	64	933,955	32,404,469	115,133		82,850	156,980	33,693,387	*1.23%*	526
2023	64	677,000	27,973,982	139,503	286,124	66,280	-	29,142,889	*1.05%*	455
2024	64	525,000	37,913,872	69,189	286,552	49,710	378,932	39,223,255	*1.36%*	613

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

(1) Includes certificates of participation, private placement debt and vehicle/equipment installment purchase.
(2) See the Schedule of Demographic and Economic Statistics, Table 13, for personal income and population data.

Rutherford County, North Carolina
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 10

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2015	3,582,000	-	3,582,000	0.06%	54
2016	3,233,000	-	3,233,000	0.05%	49
2017	2,884,000	-	2,884,000	0.05%	43
2018	2,272,955	-	2,272,955	0.03%	34
2019	1,930,955	-	1,930,955	0.03%	29
2020	1,591,955	-	1,591,955	0.02%	24
2021	1,261,955	-	1,261,955	0.02%	20
2022	933,955	-	933,955	0.01%	14
2023	677,000	-	677,000	0.01%	10
2024	525,000	-	525,000	0.01%	8

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property, Table 5, for property value data.
(2) Population data can be found in the Schedule of Demographic and Economic Statistics, Table 13.

Rutherford County, North Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2024

Table 11

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
None currently outstanding	$ -	100%	$ -
Subtotal, overlapping debt			-
Rutherford County direct debt - general obligation	525,000	100%	525,000
Rutherford County direct debt - other outstanding (1)	38,319,323	100%	38,319,323
			38,844,323
Total direct and overlapping debt			$ 38,844,323

Source: Local finance offices as reported to North Carolina Local Government Commission.
(1) Certificates of participation, installment purchase agreements, and DENR water quality loan, leases and IT subscriptions.

Rutherford County, North Carolina
Legal Debt Margin
Last Ten Fiscal Years

Table 12

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assessed value of property	$ 5,792,219,942	$ 6,374,447,776	$ 6,458,210,247	$ 6,602,141,122	$ 7,011,446,395	$ 7,939,557,866	$ 8,017,276,881	$ 8,068,767,555	$ 8,149,559,412	$ 11,063,975,771
Debt limit	463,377,595	509,955,822	516,656,820	528,171,290	560,915,712	635,164,629	641,382,150	645,501,404	651,964,753	885,118,061
Total net debt applicable to limit	43,031,582	38,113,675	40,420,520	35,858,798	29,776,734	39,188,524	39,188,526	33,421,274	28,717,262	38,488,042
Legal debt margin	$ 420,346,013	$ 471,842,147	$ 476,236,300	$ 492,312,492	$ 531,138,978	$ 595,976,105	$ 602,193,624	$ 612,080,130	$ 623,247,491	$ 846,630,019
Total net debt applicable to the limit as a percentage of debt limit	9.63%	9.29%	7.47%	7.82%	6.79%	5.31%	6.17%	5.21%	4.40%	4.35%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed value - January 1, 2023	$ 11,063,975,771
Debt Limit (8% of total assessed value)	$ 885,118,062
Debt applicable to limit:	
General obligation bonds	525,000
Other outstanding debt	38,319,323
Net debt applicable to limit	38,844,323
Legal debt margin	$ 846,273,739

Note: The County is subject to the Local Government Bond Act of North Carolina which limits the amount of net bonded debt the County may have outstanding to 8% of the appraised value of property subject to taxation. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general oblibation bonds.

Rutherford County, North Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 13

Fiscal Year	Population (1)	Personal Income (2) (amounts expressed in thousands)	Per Capita Personal Income	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2015	66,600	1,877,171	28,212	43.42	8,301	8.4
2016	66,390	1,934,743	29,142	43.48	8,169	6.8
2017	66,421	1,995,025	30,036	43.57	8,014	5.8
2018	66,551	2,099,349	31,555	43.59	7,948	5.6
2019	66,826	2,179,155	32,634	43.58	7,775	5.6
2020	67,029	2,280,387	34,021	43.57	7,548	9.5
2021	64,421	2,462,642	36,714	43.45	7,336	6.6
2022	64,586	2,736,899	42,376	42.86	7,252	5.6
2023	64,963	2,762,552	42,525	41.64	7,191	4.7
2024	65,507	2,888,271	44,091	44.60	7,061	5.5

(1) 2005-2007 population projected by the Office of State Planning 2008-2014 population is from the Population Division, U.S. Census Bureau. 2011

(2) Personal income information is from Bureau of Economic Analysis, U.S. Department of Commerce.

(3) NC Office of State Budget and Management.

(4) Public school enrollment from the North Carolina Department of Public Instruction (Final ADM).

(5) Unemployment data from U.S Bureau of Labor Statistics.

Rutherford County, North Carolina
Principal Employers
Current Year and Nine Years Ago

Table 14

MANUFACTURING	**2024**		**2015**	
Employer	**Employment Range**	**Rank**	**Employment Range**	**Rank**
Sumter Builders	250-499	1		
Trelleborg Coated Systems US Inc (formerly Reeves Brothers)	250-499	2	100-249	5
American Greetings Corporation	250-499	3		
The Timken Company	100-249	4	250-499	2
West Rock (formerly Rock-Tenn AGI Schultz)	100-249	5		
Fountain Services LLC	100-249	6		
Watts Regulator Company (A Corp)	100-249	7		
Parker-Hannifin Corporation	100-249	8	100-249	4
Meritor Heavy Vehicle Systems LLC	100-249	9		
Danfoss Power Solutions Li LLC (formerly Eatc	100-249	10		
Sonoco Molded Plastics			100-249	7
Rock-Tenn In-Store Solutions			250-499	1
American Zinc Products (formerly Horsehead Corporation)			100-249	3
Allied Die Casting Co of NC			100-249	6
Parton Lumber			100-249	8
Eaton Corporation			100-249	9
Milliken & Co			100-249	10

NON-MANUFACTURING	**2024**		**2015**	
Employer	**Employment Range**	**Rank**	**Employment Range**	**Rank**
Rutherford County Board of Education (1)	1000+	1	1000+	1
Rutherford County - Local Government	500-999	2	250-499	4
Isothermal Community College	250-499	3	100-249	5
Wal-Mart Associates Inc	250-499	4		
DLP Wilson Rutherford LLC	250-499	5		
State of North Carolina			500-999	2
Rutherford Hospital			500-999	3

Source: Economic Development Commission October 2024 and October 2015

(1) includes all permanent full- and part-time positions

Rutherford County, North Carolina
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Table 15

	Full-time Equivalent Employees									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Function										
General government	78.0	77.0	74.0	74.0	75.0	73.0	72.0	71.7	71.7	71.7
Public safety	227.5	225.5	217.5	201.5	200.5	199.5	198.5	197.8	193.8	189.8
Environmental protection	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Economic and physical development	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	10.0
Human services	152.0	140.0	140.0	140.0	139.0	138.0	135.0	133.0	129.0	125.0
Cultural and recreational	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	9.0	9.0
Enterprise Fund - Solid Waste	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Total	498.5	483.5	472.5	456.5	455.5	451.5	446.5	443.5	434.5	424.5

Source: Rutherford County Finance Office

Rutherford County, North Carolina
Operating Indicators by Function
Last Ten Fiscal Years

Table 16

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
	Fiscal Year									
General Government										
# Deeds/Deeds of Trusts Processed	5,330	5,712	7,491	7,393	5,715	5,211	5,283	5,393	4,876	4,634
Parcel Count	58,451	55,228	58,275	57,787	57,343	57,064	57,060	56,756	56,188	56,619
Public Safety										
# Inmates Processed	4,071	4,334	4,308	2,598	2,641	2,781	2,858	2,945	2,760	2,945
# Arrests	2,319	2,881	2,778	2,310	1,953	2,193	2,385	3,885	2,779	2,504
# Building Permits Issued	1,157	913	1,016	864	685	608	636	558	503	449
Human Services										
# Senior Center Meals Served	83,551	79,338	78,087	110,491	90,640	77,935	79,658	77,924	79,005	72,602
# of Medicaid Recipients	21,242	22,162	21,147	18,985	16,749	16,066	16,068	16,302	16,585	16,588
Culture										
Library Book Circulation*	77,612	155,095	141,948	121,223	118,248	182,430	188,757	197,084	201,574	267,282
Library Electronic Book Circulation	73,753	69,466	68,264	70,956	59,744	42,074	32,206	32,118	26,396	53,583
**Beginning FY2024, numbers do not include local consortium resources handled by the library.*										
Enterprise Fund - Transit										
# Trips	53,733	56,557	43,315	32,728	55,053	56,955	56,261	56,571	51,616	47,798
Enterprise Fund - Landfill										
Total Tonnage	66,262	62,918	69,354	68,811	62,755	61,279	54,315	55,395	53,119	47,791

Sources: Various government departments.

Rutherford County, North Carolina
Capital Assets Statistics by Function
Last Ten Fiscal Years

Table 17

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government										
County Buildings	37	37	36	36	36	35	35	35	34	33
County Vehicles	275	265	240	245	260	254	263	252	241	254
Public Safety										
Detention Center Capacity	205	205	205	205	205	205	205	205	205	205
EMS Stations	5	5	5	5	5	5	5	5	5	4
Volunteer Fire Departments	14	14	14	14	14	14	14	14	14	14
Volunteer Rescue Squads	0	0	0	1	1	1	1	1	1	1
Volunteer EMS Agencies	0	0	0	1	1	1	1	1	1	1
Cultural and Recreation										
Park Acreage	144	144	144	144	144	144	144	144	144	144
Public Libraries	3	3	3	3	3	3	3	3	3	3
Education (Not included in the Reporting Entity)										
Elementary Schools	11	11	11	11	11	11	11	11	11	11
Middle Schools	3	3	3	3	3	3	3	3	3	3
High Schools	3	3	3	3	3	3	3	3	3	3
Community Colleges	1	1	1	1	1	1	1	1	1	1
Airport										
Acreage	313	313	313	313	313	313	313	313	313	313
Solid Waste										
Convenience Centers	9	9	9	9	9	9	9	9	9	9
Manned Green Box Sites	1	1	1	1	1	1	1	1	1	1

Sources: Various government departments.