



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON
DEPUTY TREASURER

TO: Representative George Cleveland, Chair, Joint Legislative Oversight Committee on General Government
Representative Dennis Riddell, Chair, Joint Legislative Oversight Committee on General Government
Senator Ted Alexander, Chair, Joint Legislative Oversight Committee on General Government
Senator Carl Ford, Chair, Joint Legislative Oversight Committee on General Government
Senator Bob Steinburg, Chair, Joint Legislative Oversight Committee on General Government
Committee Members, Joint Legislative Oversight Committee on General Government
Mark Trogdon, Director, Fiscal Research

FROM: Sharon Edmundson, Secretary
Local Government Commission

SUBJECT: Report on the Financial Impact of COVID-19 on Counties, Municipalities, and Public Utility Entities in North Carolina

DATE: March 15, 2021

The report on the information submitted by North Carolina counties, municipalities, and public utility entities regarding the financial impact of COVID-19 is submitted herewith as required by G.S. 159-33.1(b). Most of the data contained in this report was provided by the local governments and public authorities themselves, while the remaining data is that which was readily available (such as sales tax distributions) and therefore sourced from the distributing agencies.

If you have any questions about this report, please contact Sharon Edmundson at sharon.edmundson@nctreasurer.com or (919) 886-0907.

cc: Mr. James White, Principal Clerk, North Carolina House of Representatives
Ms. Sarah Holland, Principal Clerk, North Carolina Senate



LOCAL GOVERNMENT COMMISSION
STATE AND LOCAL GOVERNMENT FINANCE DIVISION
SHARON EDMUNDSON, DEPUTY TREASURER

Report on Financial Impact of COVID-19 on Local Governments

Presented to the North Carolina General Assembly

By the Local Government Commission

March 15, 2021

SECTION 1. INTRODUCTION

North Carolina Session Law 2020-3 (enacted on May 4, 2020), Section 4.29.(a) amends 159-33.1 to include:

(b) Notwithstanding the provisions of subsection (a) of this section or any rule or regulation prescribed by the secretary, the finance officer of each county, municipality, water district or authority, sewer district or authority, sanitary district, and metropolitan sewage district shall submit to the secretary a statement of financial information concerning the impact of COVID-19 on the finances of the unit or public authority no later than February 15, 2021. The information in the statement shall include monthly data for the time period of July 1, 2019, through December 31, 2020, on the following: (i) utility payments, including water, sewer, and electric, (ii) reductions in tax revenue, (iii) reductions in services due to reductions in tax revenue, (iv) total revenues received from building inspections, by type, (v) the ability to meet debt service obligations, (vi) the balances of any capital reserve funds, (vii) the purpose of any withdrawals from capital reserve funds, and (viii) any other information prescribed by the secretary. The Local Government Commission shall use the information provided pursuant to this subsection to identify units and public authorities that require assistance similar to that provided to units and public authorities on the Unit Assistance List compiled by the Commission.

(c) No later than March 15, 2021, the Local Government Commission shall report on the information provided by units and public authorities pursuant to subsection (b) of this section, including any recommendations for legislation, to the Joint Legislative Committee on General Government and the Fiscal Research Division.

Section II of this report provides background on the units that submitted reports to the Secretary of the Local Government Commission to give context for the data and analysis presented in later sections and important notes about the reported data. Section III presents a summary of the findings and recommendations for legislation. Finally, Section IV presents an outline of the data reports developed and provided herein.



SECTION II. BACKGROUND

A. Units Subject to Reporting Requirement

Based on the requirements of the legislation, LGC staff identified 700 units subject to the COVID impact reporting requirement. The following table notes the number of units subject to reporting and the number of units that complied with the requirement. Note that although the legislation provided a deadline of February 15, 2021 for units to complete their submission, LGC staff included any data received through February 22, 2021. LGC staff continues to encourage data submission for units that have not yet complied with the reporting requirement, but no data submitted after February 22 has been included in this report and analysis. Note also that although the charters of Eureka and Spencer Mountain are suspended via enacted Session Laws and their finances are currently under control of the LGC, Eureka did submit a COVID impact report and is included in the number of units below.

Unit Type	Number Subject to Reporting Requirement	Number Submitting Reports	Percent Submitting Reports
Counties	100	75	75%
Municipalities	551	355	64%
Water district or authority, sewer district or authority, sanitary district, or metropolitan sewage district	49	33	67%
TOTAL	700	463	66%

B. Populations of Reporting Units

Unit Type	Average Population Across NC	Average Population of Reporting Units
Counties	104,870	117,566
Municipalities	10,757	14,399



C. Economic Tiers of Reporting Counties

Tier	Counties in NC*	Reporting Counties	Percent of Tier Reporting
Tier 1	41	28	68%
Tier 2	39	32	82%
Tier 3	20	15	75%

**Note: The Development Tier Designation statute (§143B-437.08) requires 40 Tier One, 40 Tier Two, and 20 Tier Three counties each year. In the 2021 edition of the Development Tiers, a tie for the 40th position in Tier One means there will be 41 Tier One counties, 39 Tier Two counties, and 20 Tier Three counties (North Carolina Department of Commerce 2020).*

D. Reported Data

It is important to note that given the volume of data reported and the timeline for completion of this report, the data presented, with very few exceptions, is the data directly reported by the units with no data validation performed. Therefore, errors or anomalies may exist in the data presented in this report where the underlying data submitted by the units was incorrectly reported, either through erroneous values being reported or typographical errors during data input.

Additionally, not all units submitting a report completed all requested fields, which may create difficulties comparing values over time or within categories since missing data may skew averages or totals calculated. Where practical, the number of units providing data for specific report questions is provided.

Variances in data may also be attributable to adjustments that are completed as part of the year-end audit process or to other routine accounting transactions.

Finally, certain data required by the legislation was derived from existing data sources available from other state agencies and was not requested from the units; notations are made in the report sections that utilized agency data versus unit-reported data.



SECTION III. RECOMMENDATIONS

A. Conclusions

The data captured via this report is not sufficiently comprehensive to allow conclusions to be drawn regarding the financial impact of COVID-19 on local governments in North Carolina. Not all units and therefore not all impacts are captured, and the data that was captured is subject to the limitations described in Section II D above. The data presented here also should not be used to extrapolate state-wide averages, trends, or impacts due to these limitations.

Further, actions taken by the state and federal governments likely mitigated the financial impact anticipated when Session Law 2020-3 was passed on May 4, 2020, just two months after the first case of COVID-19 was reported in North Carolina (NC DHHS 2020). These and other actions by the state and/or federal governments, as well as economic, demographic, and other factors beyond the scope of this report, will weigh heavily in determining the ultimate financial impacts of the pandemic.

Despite these limitations, some impacts can be observed from the numbers reported. For example, the total amount of occupancy tax reported fell during the first months of the pandemic (see Report (iii)) and decreases were also reported in water utility revenue, specifically during the months of the cut-off moratorium (see Report ii).

B. Opportunities

The reported data does present an opportunity for the LGC to assess its methodology for measuring and monitoring the fiscal health of local governments so as to provide appropriate guidance to those units in establishing robust fiscal management practices and adequate budget reserves. LGC staff will use this information to further assess the financial impacts of COVID-19, to determine how best to assist units, and to develop other assistance and guidance to local governments and public authorities related to fiscal management and best practices.

In addition, the financial uncertainty of the pandemic serves as a reminder of the importance of adequate general fund balance to the financial viability and well-being of local governments. Both the LGC and units of local governments use fund balance available as a measure of fiscal health, and its use is worth reexamining in light of its importance in times of fiscal uncertainty. Specifically, LGC staff will work to address the common and widespread misconception that an 8% general fund balance is a minimum requirement. The 8% figure represents just one month's worth of expenditures and can signal an immediate and serious risk to fiscal health. Instead, units are encouraged to maintain a fund balance in line with their population-group peers; in fiscal year 2019, municipalities in North Carolina averaged a fund balance available of 46% of annual



expenditures. LGC staff will work to realign expectations for general fund balance within population peer groups and budget peer groups. Further, LGC staff will stress the importance of consistent or increasing fund balance versus a trend of declining fund balance which is another indicator of possible fiscal distress. Although the LGC has not established a recommended minimum for enterprise funds such as water/sewer funds, adequate reserves are essential for these funds as well, for both continued operations amidst fiscal uncertainty and for needed capital costs such as system maintenance and improvements.

C. Recommended Legislation

In order to adequately respond to and provide support to local governments that experience events having a detrimental impact on their financial well-being and/or fiscal management, LGC staff recommends that the General Assembly consider legislation requiring interim event reporting by units of local government subject to the Local Government Budget and Fiscal Control Act. Submission to the LGC staff of interim event reports would be required upon the occurrence of certain events and within defined deadlines. Examples of such interim event reporting include, but are not limited to, vacancies or changes in the finance officer position, suspected fraud, uncollectable property taxes beyond a defined threshold, property tax revaluations declining beyond a defined threshold, unrestricted cash and investments falling below a defined threshold for a defined period of time, and any court orders or other mandates that would negatively affect the financial position of a unit of local government.

SECTION IV. REPORTS

The reports below align with the data reporting requirements of Session Law 2020-3 and are provided on the pages that follow.

Report	Statutory Requirement
Report (i)	Utility payments, including water, sewer, and electric
Report (ii)	Reductions in tax revenue
Report (iii)	Reductions in services due to reductions in tax revenue
Report (iv)	Total revenues received from building inspections, by type
Report (v)	The ability to meet debt service obligations
Reports (vi) (vii)	The balances of any capital reserve funds, and the purpose of any withdrawals from capital reserve funds
Report (viii)(a)	Any other information prescribed by the Secretary: General fund report
Report (viii)(b)	Any other information prescribed by the Secretary: Water/sewer fund report
Report (viii)(c)	Any other information prescribed by the Secretary: Electric fund report



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SHARON EDMUNDSON
DEPUTY TREASURER

REFERENCES

NC DHHS. *North Carolina Identifies First Case of COVID-19* . March 3, 2020.

<https://www.ncdhhs.gov/news/press-releases/north-carolina-identifies-first-case-covid-19>.

North Carolina Department of Commerce. *2021 North Carolina Development Tier Designations*.

November 30, 2020. https://files.nc.gov/nccommerce/documents/Research-Publications/2021-Tiers-memo_asPublished_113020.pdf.

Report (i): Utility Payments, Including Water, Sewer, and Electric															
	Electric			Water Only				Sewer Only				Water and Sewer			
	Charges For Service	Late Fees Collected	Total	Charges For Service	Late Fees Collected	Tap Fees Collected	Total	Charges For Service	Late Fees Collected	Tap Fees Collected	Total	Charges For Service	Late Fees Collected	Tap Fees Collected	Total
Jul 19	\$ 121,565,509	\$ 641,234	\$ 122,206,743	\$ 10,865,867	\$ 209,809	\$ 261,899	\$ 11,337,575	\$ 5,905,454	\$ 20,531	\$ 68,578	\$ 5,994,563	\$ 216,188,726	\$ 3,790,833	\$ 3,805,271	\$ 223,784,830
Aug 19	\$ 128,529,021	\$ 711,789	\$ 129,240,810	\$ 11,348,527	\$ 198,950	\$ 279,265	\$ 11,826,742	\$ 6,034,905	\$ 15,735	\$ 88,947	\$ 6,139,587	\$ 218,494,343	\$ 3,744,306	\$ 4,003,788	\$ 226,242,437
Sep 19	\$ 127,599,144	\$ 752,448	\$ 128,351,592	\$ 11,173,173	\$ 194,958	\$ 191,270	\$ 11,559,401	\$ 6,118,965	\$ 20,762	\$ 87,995	\$ 6,227,722	\$ 218,352,015	\$ 3,804,633	\$ 3,853,697	\$ 226,010,345
Oct 19	\$ 118,073,340	\$ 777,070	\$ 118,850,410	\$ 11,365,478	\$ 191,069	\$ 234,244	\$ 11,790,791	\$ 6,171,828	\$ 23,810	\$ 75,454	\$ 6,271,092	\$ 230,336,974	\$ 3,890,468	\$ 3,764,967	\$ 237,992,409
Nov 19	\$ 97,878,399	\$ 608,246	\$ 98,486,645	\$ 10,262,599	\$ 190,070	\$ 272,236	\$ 10,724,905	\$ 5,781,448	\$ 15,051	\$ 154,829	\$ 5,951,328	\$ 208,548,937	\$ 3,212,335	\$ 3,561,427	\$ 215,322,699
Dec 19	\$ 102,601,817	\$ 677,183	\$ 103,279,000	\$ 9,784,454	\$ 212,340	\$ 175,202	\$ 10,171,996	\$ 5,362,825	\$ 18,942	\$ 82,142	\$ 5,463,909	\$ 192,657,796	\$ 3,917,220	\$ 3,457,852	\$ 200,032,868
Jan 20	\$ 102,157,696	\$ 690,287	\$ 102,847,983	\$ 9,255,191	\$ 235,806	\$ 249,557	\$ 9,740,554	\$ 6,013,433	\$ 22,492	\$ 82,971	\$ 6,118,896	\$ 195,984,032	\$ 4,046,285	\$ 3,824,393	\$ 203,854,710
Feb 20	\$ 101,584,888	\$ 602,467	\$ 102,187,355	\$ 9,315,569	\$ 178,438	\$ 236,597	\$ 9,730,604	\$ 5,317,316	\$ 14,412	\$ 108,388	\$ 5,440,116	\$ 186,507,323	\$ 3,809,952	\$ 4,100,952	\$ 194,418,227
Mar 20	\$ 100,873,927	\$ 482,997	\$ 101,356,924	\$ 9,412,067	\$ 191,544	\$ 175,128	\$ 9,778,739	\$ 5,742,628	\$ 16,349	\$ 131,107	\$ 5,890,084	\$ 188,844,576	\$ 3,044,758	\$ 3,912,376	\$ 195,801,710
Apr 20	\$ 90,098,679	\$ 88,008	\$ 90,186,687	\$ 8,503,349	\$ 18,900	\$ 404,504	\$ 8,926,753	\$ 5,480,343	\$ 3,564	\$ 88,749	\$ 5,572,656	\$ 182,540,553	\$ 1,873,348	\$ 3,487,918	\$ 187,901,819
May 20	\$ 82,740,130	\$ 43,160	\$ 82,783,290	\$ 9,612,963	\$ 8,877	\$ 215,825	\$ 9,837,665	\$ 5,875,823	\$ 2,633	\$ 87,239	\$ 5,965,695	\$ 196,333,832	\$ 1,894,764	\$ 3,585,838	\$ 201,814,434
Jun 20	\$ 96,758,646	\$ 101,113	\$ 96,859,759	\$ 12,779,716	\$ 52,297	\$ 384,622	\$ 13,216,635	\$ 5,216,350	\$ 2,399	\$ 129,139	\$ 5,347,888	\$ 195,126,638	\$ 2,263,390	\$ 4,195,835	\$ 201,585,863
Jul 20	\$ 109,871,319	\$ 68,516	\$ 109,939,835	\$ 11,173,096	\$ 3,334	\$ 305,617	\$ 11,482,047	\$ 5,691,534	\$ 1,134	\$ 117,279	\$ 5,809,947	\$ 214,183,887	\$ 1,476,314	\$ 4,903,770	\$ 220,563,971
Aug 20	\$ 121,025,211	\$ 254,480	\$ 121,279,691	\$ 11,947,695	\$ 51,112	\$ 251,530	\$ 12,250,337	\$ 5,136,759	\$ 9,303	\$ 141,029	\$ 5,287,091	\$ 224,770,193	\$ 2,354,286	\$ 3,505,509	\$ 230,629,988
Sep 20	\$ 124,596,949	\$ 493,738	\$ 125,090,687	\$ 12,272,239	\$ 207,184	\$ 223,248	\$ 12,702,671	\$ 7,186,921	\$ 16,012	\$ 114,133	\$ 7,317,066	\$ 216,356,159	\$ 2,852,618	\$ 3,398,928	\$ 222,607,705
Oct 20	\$ 105,643,215	\$ 521,739	\$ 106,164,954	\$ 11,445,995	\$ 213,153	\$ 272,316	\$ 11,931,464	\$ 5,529,901	\$ 18,652	\$ 93,977	\$ 5,642,530	\$ 220,587,791	\$ 3,336,901	\$ 4,973,333	\$ 228,898,025
Nov 20	\$ 92,200,829	\$ 470,017	\$ 92,670,846	\$ 10,482,566	\$ 189,331	\$ 226,081	\$ 10,897,978	\$ 5,772,956	\$ 12,749	\$ 148,985	\$ 5,934,690	\$ 203,736,116	\$ 3,417,456	\$ 3,863,677	\$ 211,017,249
Dec 20	\$ 96,032,663	\$ 537,396	\$ 96,570,059	\$ 9,991,291	\$ 221,986	\$ 317,633	\$ 10,530,910	\$ 5,345,877	\$ 16,254	\$ 82,977	\$ 5,445,108	\$ 200,168,855	\$ 3,531,953	\$ 5,203,228	\$ 208,904,036

Numbers presented represent totals of all amounts reported by counties, municipalities, water districts and authorities, sewer districts and authorities, sanitary districts, and metropolitan sewage districts.

The following definitions and instructions were provided to units submitting reports:

Charges for service - Include only revenue collected for (water sewer electric) service. Do not include customer deposits, late fees, tap fees, or other utility revenue.

Tap fees collected - Revenue from connection fees used to cover the cost of service installation which may include a tap, service line, water meter, excavation or boring costs, paving costs, etc.

NOTE: Given the volume of data reported and the timeline for completion of this report, the data presented, with very few exceptions, is the data directly reported by the units with no data validation performed. Therefore, errors or anomalies may exist in the data presented in this report where the underlying data submitted by the units was incorrectly reported, either through erroneous values being reported or typographical errors during data input. Variances in data may also be attributable to adjustments that are completed as part of the year-end audit process or to other routine accounting transactions.

Report (ii): Reductions in Tax Revenue

	Occupancy Tax*			Property Tax*			Prepared Food Tax*			Sales and Use Tax**		
	Current Month	1 Year Prior	Reduction	Current Month	1 Year Prior	Reduction	Current Month	1 Year Prior	Reduction	Current Month	1 Year Prior	Reduction
Jul 19	\$ 28,654,145	\$ 27,281,399	\$ 1,372,746	\$ 219,625,494	\$ 250,525,309	\$ (30,899,815)	\$ 11,708,544	\$ 10,546,746	\$ 1,161,798	\$ 338,630,330	\$ 322,000,134	\$ 16,630,196
Aug 19	\$ 31,479,074	\$ 39,152,352	\$ (7,673,278)	\$ 1,326,982,143	\$ 1,309,038,408	\$ 17,943,735	\$ 11,317,081	\$ 10,460,753	\$ 856,328	\$ 322,204,789	\$ 274,558,070	\$ 47,646,719
Sep 19	\$ 28,999,696	\$ 28,057,183	\$ 942,513	\$ 678,603,420	\$ 559,244,436	\$ 119,358,984	\$ 12,318,919	\$ 10,844,600	\$ 1,474,319	\$ 323,913,921	\$ 290,648,113	\$ 33,265,808
Oct 19	\$ 24,022,480	\$ 23,873,868	\$ 148,612	\$ 627,717,162	\$ 691,433,405	\$ (63,716,243)	\$ 11,472,779	\$ 10,406,943	\$ 1,065,836	\$ 310,237,661	\$ 288,739,683	\$ 21,497,979
Nov 19	\$ 23,131,104	\$ 23,449,390	\$ (318,286)	\$ 2,089,499,886	\$ 1,868,720,546	\$ 220,779,340	\$ 11,282,182	\$ 10,255,229	\$ 1,026,953	\$ 323,880,599	\$ 286,682,335	\$ 37,198,265
Dec 19	\$ 17,583,598	\$ 18,106,864	\$ (523,266)	\$ 2,260,497,680	\$ 1,922,775,859	\$ 337,721,821	\$ 11,163,388	\$ 10,526,866	\$ 636,522	\$ 319,853,786	\$ 313,703,325	\$ 6,150,461
Jan 20	\$ 16,695,384	\$ 16,119,437	\$ 575,947	\$ 1,916,377,084	\$ 1,852,232,935	\$ 64,144,149	\$ 12,508,404	\$ 11,160,268	\$ 1,348,136	\$ 339,018,248	\$ 331,559,917	\$ 7,458,331
Feb 20	\$ 15,473,444	\$ 13,936,411	\$ 1,537,033	\$ 402,456,600	\$ 405,431,486	\$ (2,974,886)	\$ 10,757,870	\$ 9,826,300	\$ 931,570	\$ 276,676,552	\$ 254,903,292	\$ 21,773,260
Mar 20	\$ 13,702,397	\$ 16,750,850	\$ (3,048,453)	\$ 297,431,428	\$ 300,189,870	\$ (2,758,442)	\$ 10,503,389	\$ 11,645,959	\$ (1,142,570)	\$ 281,591,200	\$ 261,125,484	\$ 20,465,716
Apr 20	\$ 7,562,364	\$ 19,350,149	\$ (11,787,785)	\$ 261,641,156	\$ 277,318,795	\$ (15,677,639)	\$ 7,717,781	\$ 10,601,774	\$ (2,883,993)	\$ 315,546,751	\$ 338,233,564	\$ (22,686,813)
May 20	\$ 4,878,295	\$ 20,657,216	\$ (15,778,921)	\$ 250,191,933	\$ 258,324,360	\$ (8,132,427)	\$ 6,586,893	\$ 11,123,002	\$ (4,536,109)	\$ 274,448,769	\$ 316,539,317	\$ (42,090,548)
Jun 20	\$ 12,310,593	\$ 22,896,441	\$ (10,585,848)	\$ 274,818,598	\$ 287,200,139	\$ (12,381,541)	\$ 7,623,187	\$ 11,164,653	\$ (3,541,466)	\$ 313,359,256	\$ 326,514,432	\$ (13,155,176)
Jul 20	\$ 21,072,936	\$ 28,316,573	\$ (7,243,637)	\$ 254,964,902	\$ 216,669,898	\$ 38,295,004	\$ 7,903,033	\$ 11,708,544	\$ (3,805,511)	\$ 375,030,408	\$ 338,630,330	\$ 36,400,078
Aug 20	\$ 26,620,899	\$ 30,908,366	\$ (4,287,467)	\$ 1,393,363,855	\$ 1,285,573,026	\$ 107,790,829	\$ 9,111,902	\$ 11,317,081	\$ (2,205,179)	\$ 355,539,987	\$ 322,204,789	\$ 33,335,198
Sep 20	\$ 25,629,208	\$ 28,379,664	\$ (2,750,456)	\$ 748,837,062	\$ 667,988,145	\$ 80,848,917	\$ 9,268,145	\$ 12,318,919	\$ (3,050,774)	\$ 328,704,496	\$ 323,913,921	\$ 4,790,576
Oct 20	\$ 19,640,576	\$ 23,622,060	\$ (3,981,484)	\$ 511,026,544	\$ 603,848,405	\$ (92,821,861)	\$ 8,736,581	\$ 11,472,779	\$ (2,736,198)	\$ 347,849,628	\$ 310,237,661	\$ 37,611,967
Nov 20	\$ 18,446,874	\$ 22,654,584	\$ (4,207,710)	\$ 2,345,750,284	\$ 2,064,870,358	\$ 280,879,926	\$ 9,253,435	\$ 11,282,182	\$ (2,028,747)	\$ 342,102,510	\$ 323,880,599	\$ 18,221,910
Dec 20	\$ 13,110,559	\$ 17,183,217	\$ (4,072,658)	\$ 2,459,380,184	\$ 2,232,811,911	\$ 226,568,273	\$ 8,619,827	\$ 11,163,393	\$ (2,543,566)	\$ 356,697,617	\$ 319,853,786	\$ 36,843,831
	Piped Natural Gas Sales Tax**			Electricity Sales Tax**			Telecommunications Services Sales Tax**			Video Programming Sales Tax**		
	Current Month	1 Year Prior	Reduction	Current Month	1 Year Prior	Reduction	Current Month	1 Year Prior	Reduction	Current Month	1 Year Prior	Reduction
Sep 19	\$ 2,479,400	\$ 2,217,908	\$ 261,492	\$ 95,708,179	\$ 93,318,700	\$ 2,389,479	\$ 9,738,035	\$ 11,134,352	\$ (1,396,318)	\$ 18,737,479	\$ 18,323,016	\$ 414,463
Dec 19	\$ 2,505,976	\$ 3,327,083	\$ (821,107)	\$ 81,666,600	\$ 80,825,812	\$ 840,788	\$ 9,252,164	\$ 10,487,161	\$ (1,234,997)	\$ 17,311,785	\$ 18,243,968	\$ (932,183)
Mar 20	\$ 6,950,341	\$ 8,852,736	\$ (1,902,395)	\$ 81,233,572	\$ 87,247,502	\$ (6,013,930)	\$ 9,360,318	\$ 10,084,958	\$ (724,640)	\$ 17,447,780	\$ 18,771,621	\$ (1,323,841)
Jun 20	\$ 3,644,610	\$ 4,536,771	\$ (892,161)	\$ 68,857,477	\$ 72,429,779	\$ (3,572,302)	\$ 5,431,722	\$ 9,956,935	\$ (4,525,213)	\$ 16,051,933	\$ 16,153,892	\$ (101,958)
Sep 20	\$ 1,960,250	\$ 2,479,400	\$ (519,150)	\$ 92,908,895	\$ 95,708,179	\$ (2,799,284)	\$ 12,419,477	\$ 9,738,035	\$ 2,681,442	\$ 18,661,268	\$ 18,737,479	\$ (76,211)
Dec 20***												

*Numbers presented represent totals of all amounts reported by counties and municipalities.

**Data was downloaded from the NC Department of Revenue's "Local Government Distributions" webpage at <https://www.ncdor.gov/news/reports-and-statistics/local-government-distributions>.

***Distributions are reported quarterly and the December 2020 distribution was not available at the time this report was prepared.

NOTE: Given the volume of data reported and the timeline for completion of this report, the data presented, with very few exceptions, is the data directly reported by the units with no data validation performed. Therefore, errors or anomalies may exist in the data presented in this report where the underlying data submitted by the units was incorrectly reported, either through erroneous values being reported or typographical errors during data input. Variances in data may also be attributable to adjustments that are completed as part of the year-end audit process or to other routine accounting transactions.

Report (iii): Reductions in Services Due to Reductions in Tax Revenue						
	Counties		Percent of All Reporting Counties [^]	Municipalities		Percent of All Reporting Municipalities ^{^^}
Units reporting a reduction in services due to a reduction in tax revenue during the period July 1, 2019 to December 31, 2020	9		12%	20		6%
Units reporting a reduction in services for the following services due to a reduction in tax revenue during the period July 1, 2019 to December 31, 2020:						
	Counties	Percent*	Percent of All Reporting Counties	Municipalities	Percent*	Percent of All Reporting Municipalities
Public Safety Services	2	22%	3%	5	25%	1%
Transportation Services	2	22%	3%	5	25%	1%
Environment Protection Services	1	11%	1%	2	10%	1%
Public Works Service	1	11%	1%	10	50%	3%
Human Services	4	44%	5%	0	0%	0%
Education Services	2	22%	3%	0	0%	0%
Other Services	6	67%	8%	14	70%	4%

**Represents percent of units reporting a reduction in services that indicated a reduction in the service specified*

[^]Of the 75 counties that completed the report only 9, or 12%, reported a reduction in services due to a reduction in tax revenue.

^{^^}Of the 355 municipalities that submitted the report only 20, or 6%, reported a reduction in services due to a reduction in tax revenue.

NOTE: Given the volume of data reported and the timeline for completion of this report, the data presented, with very few exceptions, is the data directly reported by the units with no data validation performed. Therefore, errors or anomalies may exist in the data presented in this report where the underlying data submitted by the units was incorrectly reported, either through erroneous values being reported or typographical errors during data input. Variances in data may also be attributable to adjustments that are completed as part of the year-end audit process or to other routine accounting transactions.

Report (iv) - Total Revenues Received From Building Inspections, By Type

	Electrical	Mechanical	Plumbing	Building	TOTAL
Jul 19	\$ 1,555,238	\$ 1,136,864	\$ 569,032	\$ 9,687,230	\$ 12,948,364
Aug 19	\$ 1,529,837	\$ 1,080,507	\$ 526,313	\$ 9,826,211	\$ 12,962,868
Sep 19	\$ 1,408,605	\$ 985,921	\$ 528,569	\$ 9,696,402	\$ 12,619,497
Oct 19	\$ 1,663,292	\$ 1,153,512	\$ 564,870	\$ 9,883,899	\$ 13,265,573
Nov 19	\$ 1,336,258	\$ 925,399	\$ 486,043	\$ 8,792,194	\$ 11,539,894
Dec 19	\$ 1,435,903	\$ 831,030	\$ 453,597	\$ 8,481,736	\$ 11,202,266
Jan 20	\$ 1,566,495	\$ 960,385	\$ 576,684	\$ 10,514,354	\$ 13,617,918
Feb 20	\$ 1,584,623	\$ 938,840	\$ 561,805	\$ 9,304,691	\$ 12,389,959
Mar 20	\$ 1,800,664	\$ 1,027,377	\$ 636,511	\$ 10,659,811	\$ 14,124,363
Apr 20	\$ 1,597,122	\$ 925,030	\$ 602,734	\$ 8,880,878	\$ 12,005,764
May 20	\$ 1,294,679	\$ 880,762	\$ 442,732	\$ 8,463,263	\$ 11,081,436
Jun 20	\$ 1,538,841	\$ 1,134,394	\$ 530,830	\$ 10,283,192	\$ 13,487,257
Jul 20	\$ 1,668,887	\$ 1,183,192	\$ 576,934	\$ 10,379,735	\$ 13,808,748
Aug 20	\$ 2,176,238	\$ 1,127,412	\$ 646,919	\$ 10,107,857	\$ 14,058,426
Sep 20	\$ 1,782,687	\$ 1,069,240	\$ 585,025	\$ 10,053,659	\$ 13,490,611
Oct 20	\$ 2,085,772	\$ 1,031,474	\$ 567,645	\$ 11,214,348	\$ 14,899,239
Nov 20	\$ 1,968,607	\$ 883,250	\$ 570,416	\$ 9,596,942	\$ 13,019,215
Dec 20	\$ 1,607,377	\$ 863,592	\$ 473,575	\$ 9,240,008	\$ 12,184,552

Numbers presented represent totals of all amounts reported by counties and municipalities.

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Report (v): Ability to Meet Debt Service Obligations

	Counties	Municipalities	Water/Sewer Units
Units reporting debt service obligation(s) (including but not limited to bonds, installment purchase contracts, leases, etc.):	75	261	29
Units reporting they were able to make all debt services obligations on time from July 1, 2019 to December 31, 2020:	75	261	29
Units reporting they were able to make debt service payments without transferring funds from another fund or without NCORR grants:	73	255	29
Units reporting they were unable to make debt service payments without transferring funds from another fund or without NCORR grants:	2	6	0

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Report (vi) - The Balances of Any Capital Reserve Funds						
Report (vii) - The Purpose of Any Withdrawals from Capital Reserve Funds						
	Counties	Average Balance	Municipalities	Average Balance	Water/Sewer Units	Average Balance
Units Reporting Capital Reserve Funds	35		127		14	
Units Reporting Capital Reserve Fund Balances						
As of July 1, 2019	35	\$ 5,702,054	121	\$ 5,675,334	14	\$ 3,659,162
As of December 31, 2020	35	\$ 7,381,961	122	\$ 6,176,459	14	\$ 3,347,926
	Counties	Percent*	Municipalities	Percent*	Water/Sewer Units	Percent*
Units Reporting Capital Reserve Fund Withdrawals between July 1, 2019 and December 31, 2020	25	71%	50	39%	6	43%
	Counties	Percent**	Municipalities	Percent**	Water/Sewer Units	Percent**
Purposes of Withdrawals						
Debt service	11	44%	9	18%	2	33%
Other capital projects	18	72%	31	62%	5	83%
Other purposes	4	16%	14	28%	2	33%
	Counties	Percent***	Municipalities	Percent***	Water/Sewer Units	Percent***
Units that delayed or modified plans for Capital Reserve Funds due of the financial impact of COVID	5	14%	15	12%	0	0%

*Represents percent of units reporting a capital reserve fund that reported a capital reserve fund withdrawal.

**Represents percent of units reporting a capital reserve fund withdrawal that reported a capital reserve fund withdrawal for the specified purpose.

***Represents percent of units reporting a capital reserve fund that reported a delay or modification in plans for the fund due to the financial impact of COVID.

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Report (viii) (a) - Any Other Information Prescribed by the Secretary: General Fund Budget						
	Counties	Average GF Budget	Municipalities	Average GF Budget	Water/Sewer Units	Average GF Budget
General Fund Budgets						
FY 2020	75	\$ 148,890,327	347	\$ 15,933,147	NA*	NA*
FY 2021	74	\$ 150,204,114	348	\$ 15,502,269	NA*	NA*
	Counties	Average Appropriation	Municipalities	Average Appropriation	Water/Sewer Units	Average Appropriation
Amount of Fund Balance Appropriated in FY2021 General Fund Budget for Operating Expenses (does not include capital expenditures or other planned use of fund balance)	52	\$ 5,971,371	190	\$ 1,006,500	NA*	NA*
Amount of Fund Balance Appropriated in FY2021 General Fund Budget for Operating Expenses Specifically Needed to Address Impacts of COVID	22	\$ 1,395,012	33	\$ 321,877	NA*	NA*
	Counties	Percent**	Municipalities	Percent**	Water/Sewer Units	Percent**
Units Reporting Legally Adopted Capital Project Funds Associated with their General Fund	35	47%	132	37%	NA*	NA*
	Counties	Percent***	Municipalities	Percent***	Water/Sewer Units	Percent***
Units with Capital Project Funds that Reported Modification, Delay, or Abandonment of Capital Projects due to COVID	12	34%	35	27%	NA*	NA*
	Counties	Percent****	Municipalities	Percent****	Water/Sewer Units	Percent****
Number of Units Reporting That They Furloughed Employees due to the Impact of COVID	7	9%	23	6%	0	0%

*Budgets reported by water/sewer units were reported in the Water/Sewer Funds report. In cases where water/sewer units submitted values for both general fund and water/sewer funds, only those values reported for water/sewer funds were included and reported; any values reported under general funds were not included.

**Represents percent of reporting units that reported a General Fund capital project fund.

***Represents percent of units reporting a capital project fund that reported plans to modify, delay, or abandon capital projects due to COVID.

****Represents percent of reporting units that reported furloughing employees due to impacts of COVID.

Note: Report only includes amounts reported greater than 0.

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Report (viii) (b) - Any Other Information Prescribed by the Secretary: Water/Sewer Fund Budget						
	Counties	Average WS Budget	Municipalities	Average WS Budget	Water/Sewer Units	Average WS Budget
Water/Sewer Fund Budgets						
FY 2020	44	\$ 9,673,307	238	\$ 10,235,914	33	\$ 15,928,067
FY 2021	43	\$ 9,076,466	237	\$ 10,482,454	32	\$ 14,044,816
	Counties	Average Appropriation	Municipalities	Average Appropriation	Water/Sewer Units	Average Appropriation
Amount of Fund Balance Appropriated in FY2021 Water/Sewer Fund Budget for Operating Expenses (does not include capital expenditures or other planned use of fund balance)	14	\$ 551,401	94	\$ 919,140	15	\$ 4,735,273
Amount of Fund Balance Appropriated in FY2021 Water/Sewer Fund Budget for Operating Expenses Specifically Needed to Address Impacts of COVID	2	\$ 169,484	13	\$ 118,786	1	\$ 450,000
	Counties	Percent*	Municipalities	Percent*	Water/Sewer Units	Percent*
Units Reporting Legally Adopted Capital Project Funds Associated with their Water/Sewer Fund	28	65%	120	51%	16	50%
	Counties	Percent**	Municipalities	Percent**	Water/Sewer Units	Percent**
Units with Capital Project Funds that Reported Modification, Delay, or Abandonment of Capital Projects due to COVID	4	14%	17	14%	2	13%

*Represents percent of units reporting a Water/Sewer Fund budget in 2021 that reported a Water/Sewer Fund capital project fund.

**Represents percent of units reporting a capital project fund that reported a plans to modify, delay, or abandon capital projects due to COVID.

Note: Report only includes amounts reported greater than 0.

Note: Budgets reported by water/sewer units were reported in the Water/Sewer Funds section. In cases where water/sewer units submitted values for both general fund and water/sewer funds, only those values reported for water/sewer funds were included and reported; any values reported under general funds were not included.

NOTE: Given the volume of data reported and the timeline for completion of this report, the data presented, with very few exceptions, is the data directly reported by the units with no data validation performed. Therefore, errors or anomalies may exist in the data presented in this report where the underlying data submitted by the units was incorrectly reported, either through erroneous values being reported or typographical errors during data input. Variances in data may also be attributable to adjustments that are completed as part of the year-end audit process or to other routine accounting transactions.

Report (viii) (c) - Any Other Information Prescribed by the Secretary: Electric Fund Budget						
	Counties	Average Electric Budget	Municipalities	Average Electric Budget	Water/Sewer Units	Average Electric Budget
Electric Fund Budgets						
FY 2020	0	\$ -	54	\$ 23,407,944	1	\$ 274,972,200
FY 2021	0	\$ -	54	\$ 22,729,774	1	\$ 270,042,600
	Counties	Average Appropriation	Municipalities	Average Appropriation	Water/Sewer Units	Average Appropriation
Amount of Fund Balance Appropriated in FY2021 Electric Fund Budget for Operating Expenses (does not include capital expenditures or other planned use of fund balance)	0	\$ -	1	\$ 27,776	1	\$ 230,405,700
Amount of Fund Balance Appropriated in FY2021 Electric Fund Budget for Operating Expenses Specifically Needed to Address Impacts of COVID	0	\$ -	16	\$ 2,353,552	1	\$ 450,000
	Counties	Percent*	Municipalities	Percent*	Water/Sewer Units	Percent*
Units Reporting Legally Adopted Capital Project Funds Associated with their Electric Fund	0	0%	20	37%	1	100%
	Counties	Percent**	Municipalities	Percent**	Water/Sewer Units	Percent**
Units with Capital Project Funds that Reported Modification, Delay, or Abandonment of Capital Projects due to COVID	0	0%	4	20%	0	0%

*Represents percent of units reporting an Electric Fund budget in 2021 that reported an Electric Fund capital project fund.

**Represents percent of units reporting a capital project fund that reported a plans to modify, delay, or abandon capital projects due to COVID.

Note: Report only includes amounts reported greater than 0.

NOTE: Given the volume of data reported and the timeline for completion of this report, the data presented, with very few exceptions, is the data directly reported by the units with no data validation performed. Therefore, errors or anomalies may exist in the data presented in this report where the underlying data submitted by the units was incorrectly reported, either through erroneous values being reported or typographical errors during data input. Variances in data may also be attributable to adjustments that are completed as part of the year-end audit process or to other routine accounting transactions.