Davenport & Company

Johnston County, North Carolina

Financial Update

Johnston County North Carolina

February 18, 2021

Background

- Johnston County has a track record of fiscally responsible and strategic financial management.

- The County's partnership with Davenport dates back roughly 20 years – just as the County began its economic expansion that continues today.

- During that roughly 20 year time period – the County has:

  - Moved from solid "A" range ratings to having two ratings on the cusp of "Aaa" – the highest possible;

  - Financed over $525 million in capital investment for critical County infrastructure;

  - Saved an estimated $21 million as a result of the County's steadily increasing credit ratings / credit standing;

  - Refinanced existing debt for savings of over $44 million over the life of the refinanced loans; and

  - Positioned the County to continue to maximize its financial position to the benefit of the County's tax payers.

- Despite the financial/economic impacts of the COVID-19 pandemic, the County remains financially resilient and is poised to continue to maximize its growth into the future.

- Recent economic development successes provide additional momentum for the County.

Goals & Objectives

- Position Johnston County to be able to maintain its financial strength and stability.

- Review the most recent available Rating Agency commentary and results with the Board.

- Continue to maximize the County’s ability to achieve “Aaa” credit ratings.

- Provide suggestions as to ways that are directly within the County’s control to maintain, or possibly enhance, the County’s favorable standing with the Rating Agencies and the Credit Markets including updates to existing County financial policies.

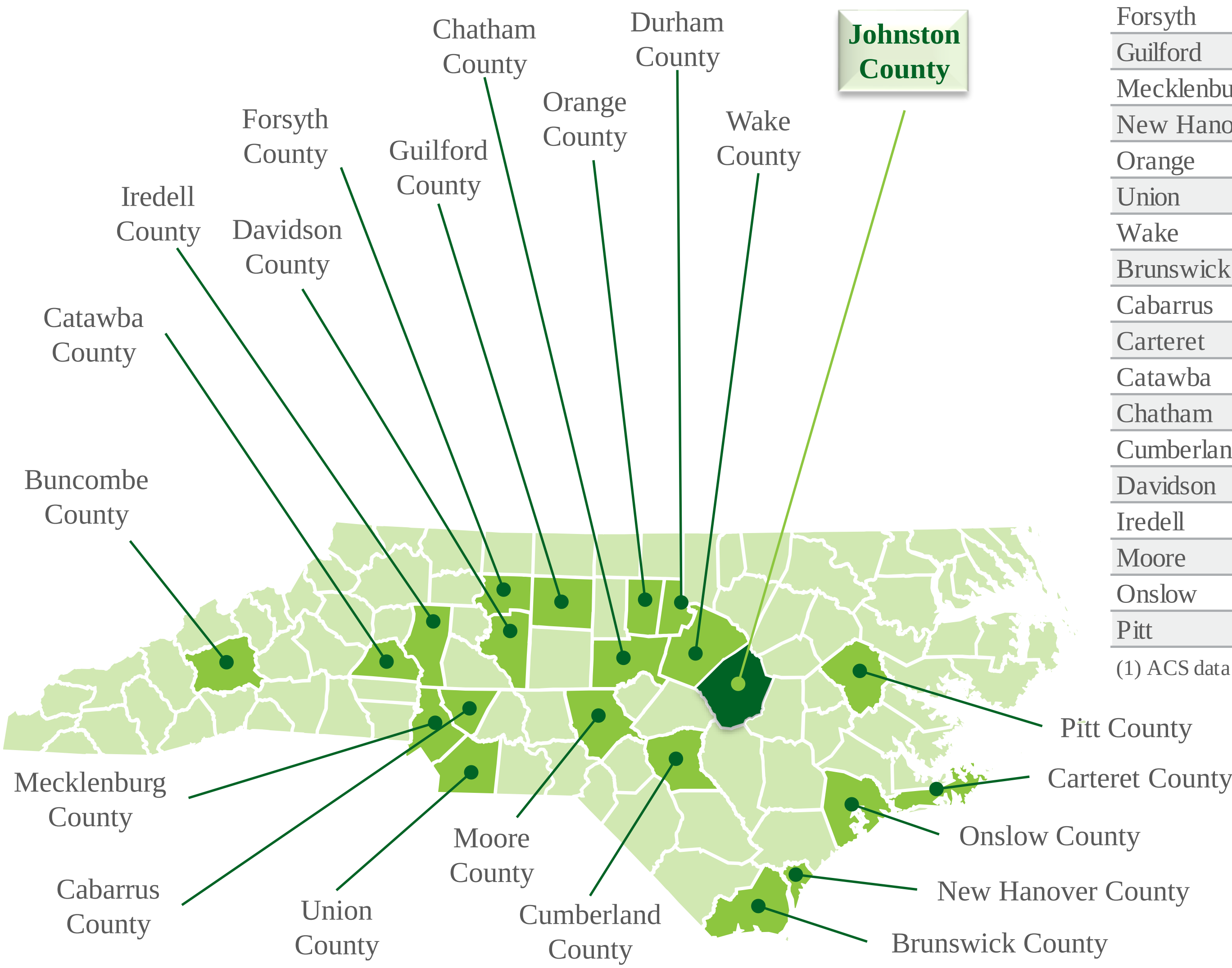
- Continue to engage in multi-year financial planning for both the General Fund and Self-Supporting Water/Sewer Utility Enterprise Funds.

Comparative North Carolina Counties

- The following pages compare Johnston County to high "AA" and "AAA" rated Counties in North Carolina.

County	Moody's	S&P	Fitch	Population[1]
Johnston	**Aa1**	**AA+**	**--**	**196,870**
Buncombe	Aaa	AAA	--	256,886
Durham	Aaa	AAA	AAA	311,848
Forsyth	Aaa	AAA	AAA	375,195
Guilford	Aaa	AAA	AAA	527,868
Mecklenburg	Aaa	AAA	AAA	1,074,475
New Hanover	Aaa	AAA	--	227,938
Orange	Aaa	AAA	AAA	144,836
Union	Aaa	AAA	AAA	231,053
Wake	Aaa	AAA	AAA	1,069,079
Brunswick	Aa1	AAA	AA+	131,815
Cabarrus	Aa1	AA+	AA+	206,615
Carteret	Aa1	AA+	AA+	69,070
Catawba	Aa1	AA+	--	157,613
Chatham	Aa1	AAA	--	71,338
Cumberland	Aa1	AA+	--	332,861
Davidson	Aa1	AA	--	165,381
Iredell	Aa1	AA+	AAA	175,538
Moore	Aa1	AA+	--	97,294
Onslow	Aa1	AA	--	195,069
Pitt	Aa1	AA	AA+	178,433

(1) ACS data from Moody's MFRA database as of February 14, 2021.



Credit Ratings

History of Johnston County's Credit Ratings

Johnston County North Carolina

A History of Johnston County's General Obligation Credit Ratings

Year	*Moody's* Rating	*Standard & Poor's* Rating
1997	A1	A
2000	A1	**A+**
2001	**Aa3**	A+
2003	Aa3	**AA-**
2007	Aa3	**AA**
2008	Aa3	**AA+**
2010	**Aa2**	AA+
2016	**Aa1**	AA+
Current	Aa1	AA+

Key:

Green denotes upgrade / upward rating recalibration.

- The County's General Obligation Credit Ratings have been increasing steadily during the past decade.
- Most recently, in 2020, both Rating Agencies assigned a "Stable Outlook" to the County's Credit Ratings of "Aa1" (Moody's) and "AA+" (S&P).

Davenport partnership with Johnston County begins in roughly 1999.

Credit Rating Scale

	Moody's	S&P		
Top Tier "Highest Possible Rating"	Aaa	AAA		
2nd Tier "Very Strong"	Aa1	AA+	(Highest)	← Current County Ratings
	Aa2	AA	(Middle)	
	Aa3	AA-	(Lowest)	
3rd Tier "Strong"	A1	A+	(Highest)	Initial County Ratings
	A2	A	(Middle)	
	A3	A-	(Lowest)	
4th Tier "Adequate Capacity to Repay"	Baa1	BBB+	(Highest)	↑ Considered Investment Grade
	Baa2	BBB	(Middle)	
	Baa3	BBB-	(Lowest)	
5th – 10th Tiers "Below Investment Grade"	BB, B, CCC, CC, C, D			↓ Below Investment Grade

What are the Key Drivers to a Credit Rating?

Moody's Quantitative Scoring Factors

- On January 15, 2014, Moody's updated its US Local Governments General Obligation Debt methodology and assumptions. Under the methodology, an initial indicative rating is calculated from a weighted average of four key factors. "Below the line" qualitative adjustments can be made after the initial indicative rating.

	US Local Governments General Obligation Debt Methodology	
1	**Economy / Tax Base**	**30%**
	Tax Base Size (Full Value)	10%
	Full Value Per Capita	10%
	Wealth (Median Family Income)	10%
2	**Finances**	**30%**
	Fund Balance (% of Revenues)	10%
	Fund Balance Trend (5-Year Change)	5%
	Cash Balance (% of Revenues)	10%
	Cash Balance Trend (5-Year Change)	5%
3	**Management**	**20%**
	Institutional Framework	10%
	Operating History	10%
4	**Debt / Pensions**	**20%**
	Debt to Full Value	5%
	Debt to Revenue	5%
	Moody's Adjusted Net Pension Liability (3-Year Average) to Full Value	5%
	Moody's Adjusted Net Pension Liability (3-Year Average) to Revenue	5%

What are the Key Drivers to a Credit Rating?

Standard & Poor's Quantitative Scoring Factors

- Standard & Poor's US Local Governments General Obligation Ratings methodology and assumptions utilizes an initial indicative rating is calculated from a weighted average of seven key factors.
- Up to a one-notch adjustment can be made from the indicative rating based on other qualitative factors.

US Local Governments General Obligation Ratings Methodology	
1. Economy	30%
Total Market Value Per Capita	
Projected per capita effective buying income as a % of US	
2. Management	20%
Impact of management conditions on the likelihood of repayment	
3. Budgetary Flexibility	10%
Available Fund Balance as a % of Expenditures	
4. Budgetary Performance	10%
Total Government Funds Net Result (%)	
General Fund Net Revenue	
5. Liquidity	10%
Total Gov't Available Cash as a % of Total Gov't Funds Debt Service	
Total Gov't Cash as a % of Total Gov't Funds Expenditures	
6. Debt and Contingent Liabilities	10%
Net Direct Debt as a % of Total Governmental Funds Revenue	
Total Governmental Funds Debt Service as a % of Total	
7. Institutional Framework	10%
Legal and practical environment in which the local gov't operates	

Combined 30%

Moody's Commentary – May 2020

- **"The Aa1 rating is based on the County's diverse local economic base with significant ongoing economic investment. The rating further reflects growing reserves that help mitigate potential challenges from an elevated debt position and a prudent management team.**

- The stable outlook is based upon future economic growth potential as part of the greater Triangle economy, expected adherence to sound policies and maintenance of reserves levels in line with budgetary growth guided by a prudent management team"

- **"FACTORS THAT COULD LEAD TO AN UPGRADE**
  - **Material tax base growth in line with a higher rating category**
  - **Improved resident income and wealth levels in line with a higher rating category**

- FACTORS THAT COULD LEAD TO A DOWNGRADE
  - Substantial contraction in tax base and wealth levels
  - Material declines in reserves limiting financial flexibility
  - Significant escalation of fixed costs."

Note: From Moody's rating report published May 29, 2020. See appendix for full rating report.

S&P Commentary – May 2020

- "The 'AA+' GO rating reflects our opinion of the county's:
  - Strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
  - Very strong management, with strong financial policies and practices under our financial management assessment (FMA) methodology;
  - Adequate budgetary performance, with operating surpluses in the general fund and at the total governmental fund level in fiscal 2019;
  - Very strong budgetary flexibility, with an available fund balance in fiscal 2019 of 29% of operating expenditures;
  - Very strong liquidity, with total government available cash at 52.4% of total governmental fund expenditures and 3.2x governmental debt service, and access to external liquidity we consider strong;
  - Adequate debt and contingent liability position, with debt service carrying charges at 16.4% of expenditures and net direct debt that is 105.5% of total governmental fund revenue, as well as low overall net debt at less than 3% of market value and rapid amortization, with 65.9% of debt scheduled to be retired in 10 years; and
  - Very strong institutional framework score."

Note: From S&P rating report published May 19, 2020. See appendix for full rating report.

S&P Commentary – May 2020 (cont.)

- “The rating reflects our view of the county's consistently strong financial performance and flexibility to date. The county's use of conservative budgeting assumptions have typically lead to positive operating results, which has allowed the county to build and maintain very strong general fund reserves.”

- “We believe that prudent budget management and relatively stable general fund revenues, comprised primarily of property taxes, will help the county weather the current recession.”

- “Given the relative stability in both the local economy and the county's revenue base, we do not expect to change the rating within the outlook period.”

- **UPSIDE SCENARIO**
  - **“Assuming all other credit factors remain stable, we could raise the rating if underlying economic metrics improve to levels we consider comparable to higher-rated peers.”**

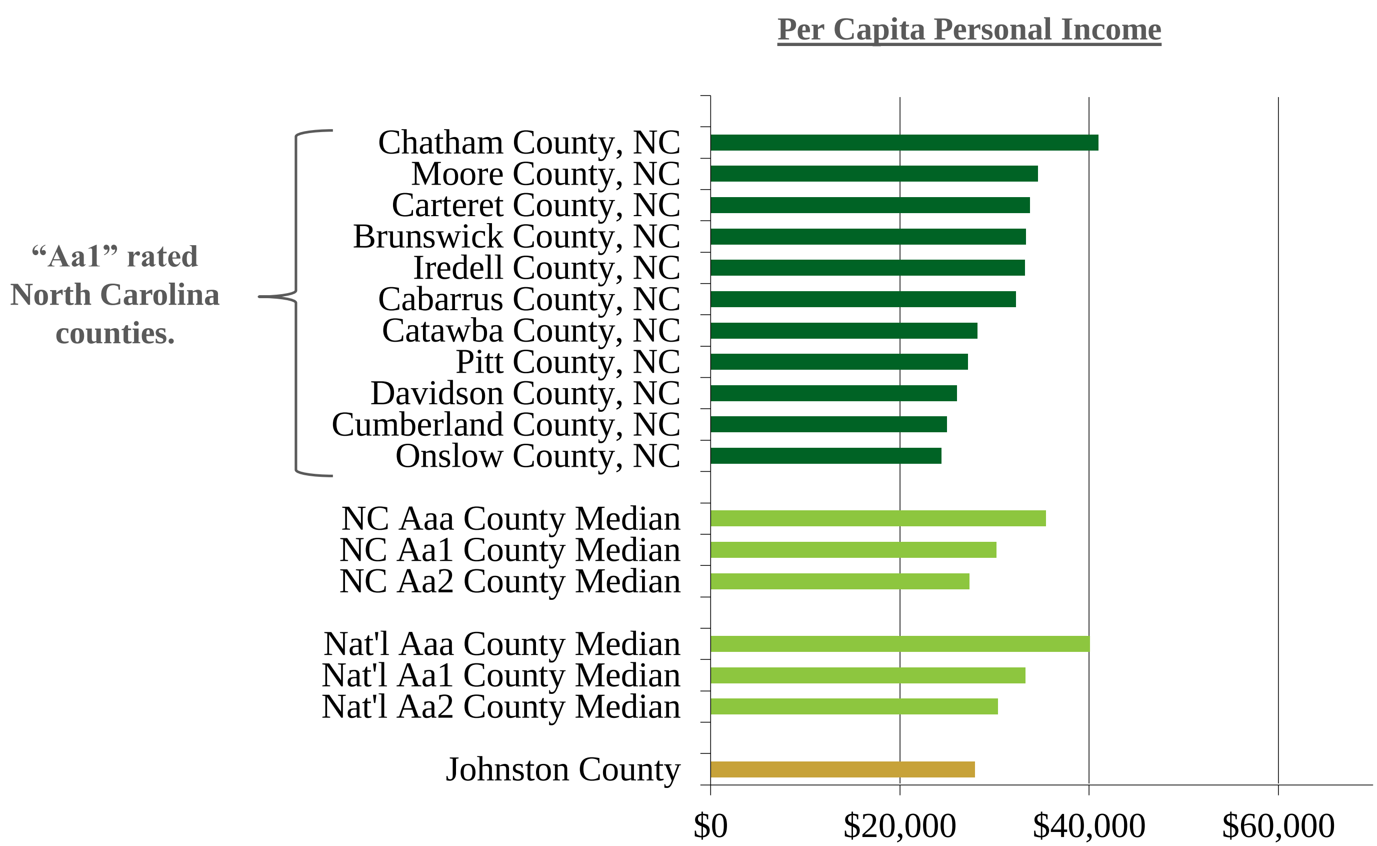
- DOWNSIDE SCENARIO
  - “We could lower the rating if the county experiences financial pressures – stemming from the recession or otherwise that lead to budgetary imbalance and material draws on reserves. We could also take a negative rating action if the county's economy or debt profiles materially weaken.”

Note: From S&P rating report published May 19, 2020. See appendix for full rating report.

Comparative Per Capita Personal Income

- The graph below shows comparative data from Moody's for County Per Capita Personal Income.

- Per Capita Personal Income is an important factor in the Rating Agencies' determination of a local government's demographic/economic strength.

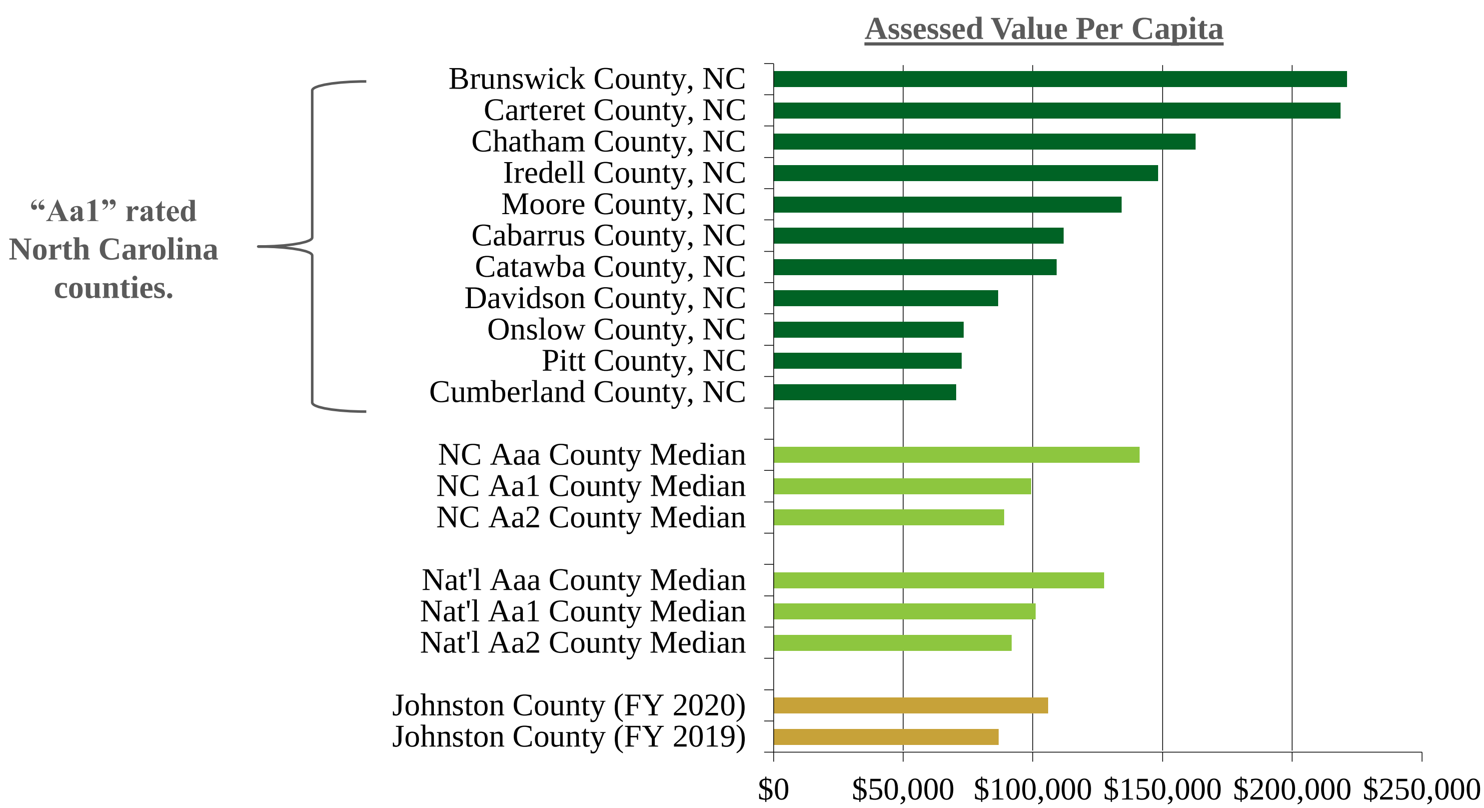


Source: ACS data from Moody's MFRA database as of February 14, 2021.

Comparative Assessed Value Per Capita

- The graph below shows comparative data from Moody's for County Assessed Value Per Capita.

- Assessed Value Per Capita is an important factor in the Rating Agencies' determination of a local government's demographic/economic strength.



Source: Johnston County FY 2020 value uses AV from FY 2020 CAFR and population from ACS/Moody's MFRA. Johnston County FY 2019 value uses AV from FY 2019 CAFR and population from ACS/Moody's MFRA. Peer comparative data is most recent available from Moody's MFRA database as of February 14, 2021.

Credit Rating Key Takeaways

- The County enjoys top tier credit ratings. The ability to manage through the COVID19 pandemic while still producing a record surplus – coupled with resiliency across a majority of other major streams - further underscores the County's economic and financial strength.

- Fund Balance/Reserves remain amongst the most heavily weighted factors in the Rating Agency methodology.

- The County's current Fund Balance policy should be updated to reflect the County's current financial situation. Further detail is included herein.

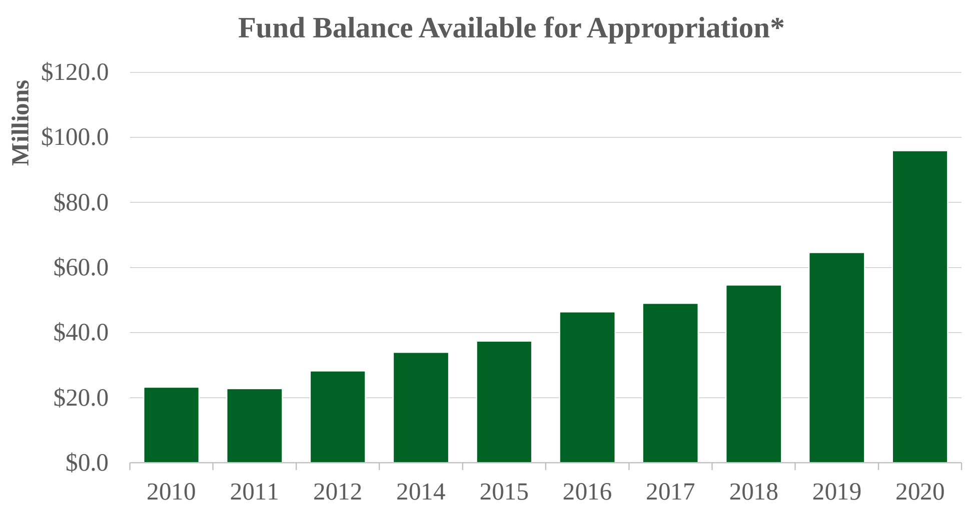
- The recent revaluation – which results in an increase to the County's Real Property tax base of roughly 25% - will provide further momentum to the ratings.

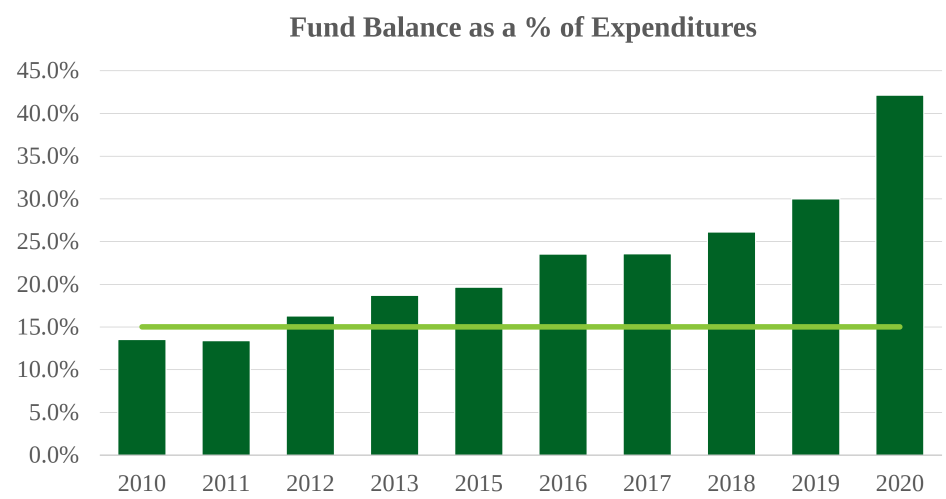
- County-wide income statistics (i.e. per capita income) continue to be a challenge relative to "Aaa" medians. These are a major factor in the "economy" portion of the Rating Agency methodology which is weighted heavily by the agencies.

Fund Balance

Fund Balance Trends

- The County's Available Fund Balance increased for the 8th consecutive year in FY 2020. This increasing trend will further aid in maintaining the County's very strong rating categories.
- Preliminary estimates for FY 2021 look positive in terms of the ability to further add to Fund Balance.
- The County should consider updating/enhancing its Fund Balance policies.

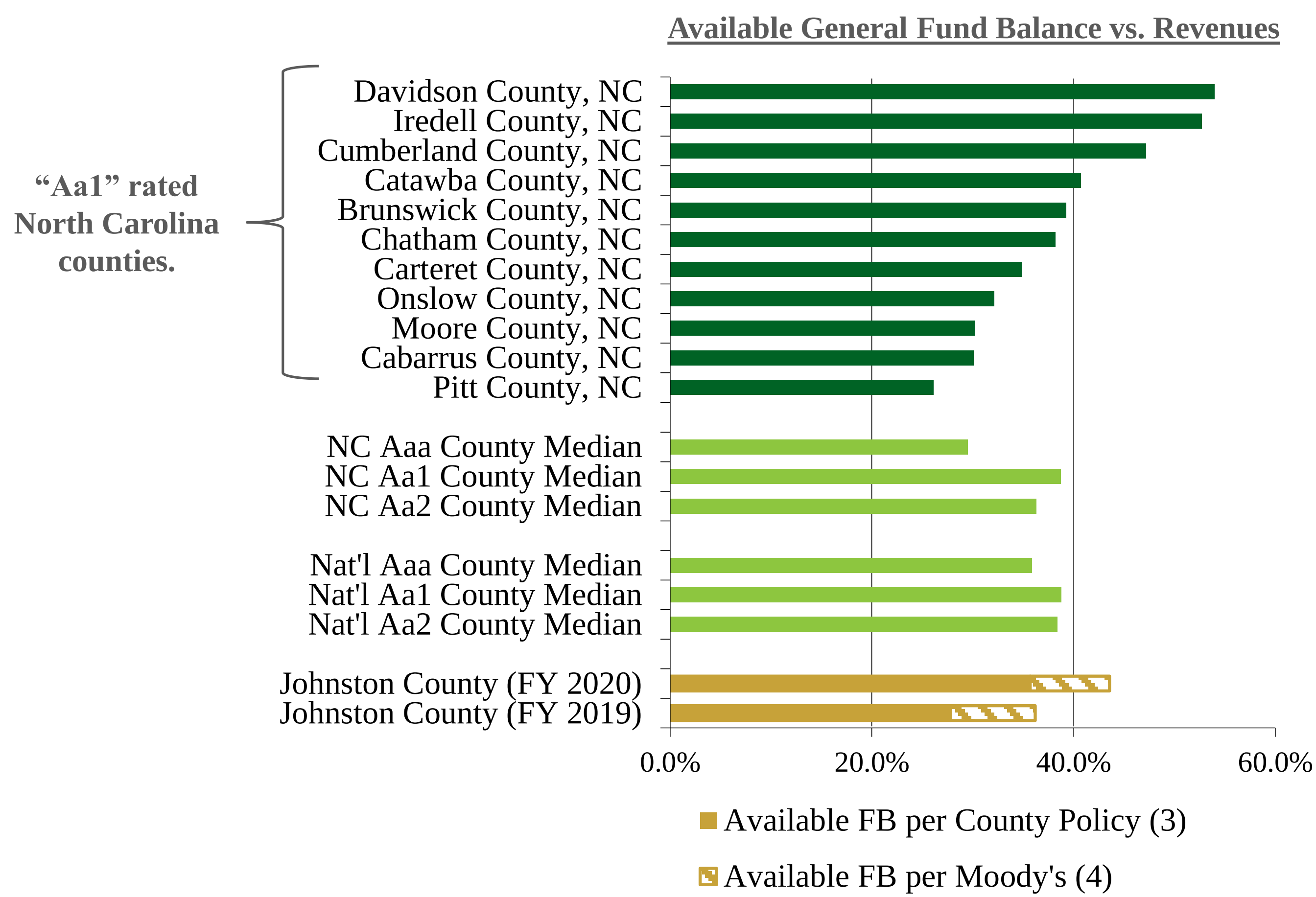




Source: Johnston County CAFRs.
Notes: * Calculated in accordance with GS-159 (i.e., to include Committed, Assigned, and Unassigned Fund Balances).

Comparative Fund Balance

- The graph below shows comparative data from Moody's for Available General Fund Balance vs. Revenues.(1,2)
- The graph shows medians for highly rated National counties, highly rated North Carolina counties, and the eleven other North Carolina Counties that share the County's current rating of "Aa1."



Source: Moody's MFRA database and Johnston County FY 2020 Audit. NC and National medians based on financials most recently available to Moody's.
(1, 2, 3, 4) Please see page 37 for additional detail related to these items.

Rating Methodology Fund Balance

- The County's Fund Balances are now solidly in the "Aaa" range for both Moody's and S&P.

  - **Moody's:** Under the Finances section of Moody's methodology, Fund Balance as a % of Revenues category is defined as follows:
    - Aaa: >30.0%
    - Aa: 30.0%-15.0%
    - A: 15.0%-5.0%
    - Baa and below: <5.0%

  - **S&P:** The Finances section defines categories of Budgetary Flexibility and Available Fund Balance as a % of Expenditures as follows:
    - Very Strong: >15.0%
    - Strong: 8.0%-15.0%
    - Adequate: 4.0%-8.0%
    - Weak: 1.0%-4.0%
    - Very Weak: <1.0%

Fund Balance Considerations

- The County's Fund Balance levels have improved and are now be in line with "Aaa" medians.

- The County's 15% Fund Balance policy should be updated to reflect the County's current financial situation.

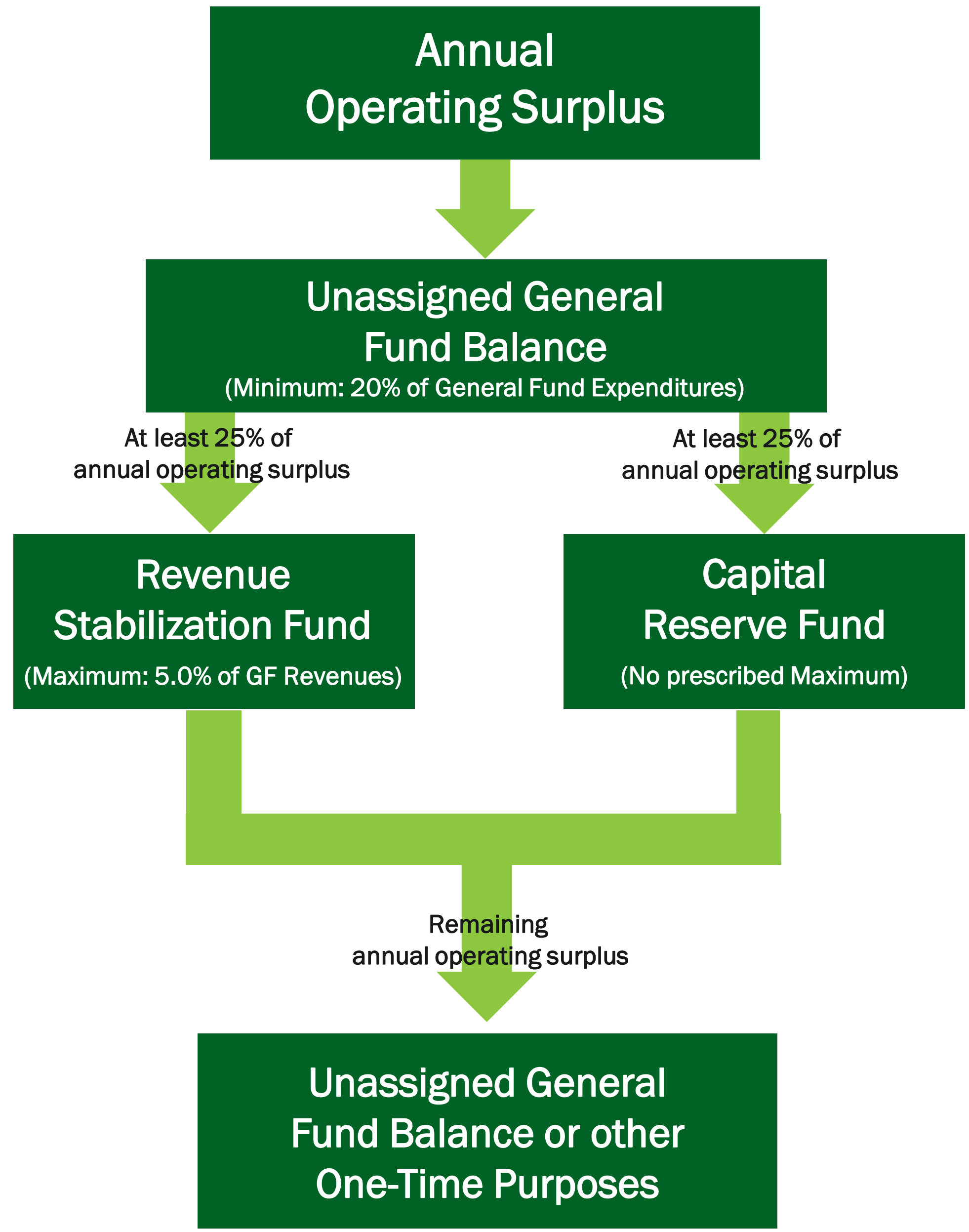
- Potential updates to the Fund Balance policy include:

  - Increase the policy minimum from 15% to 20% (note: this can accomplished based on the County's existing Fund Balance levels).

  - Adopt a mechanism to allocate year-end surpluses (if any) via an adopted policy methodology to provide for predictable and responsible allocation of year-end surpluses that is in-line with best practices.

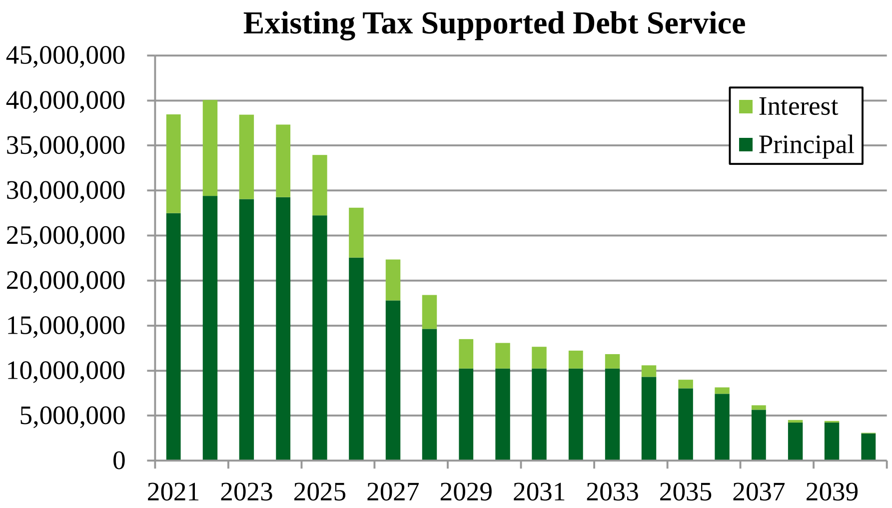
Fund Balance Policy Updates

- Priorities of an updated Fund Balance policy:
  - Increase Unassigned Fund Balance minimum to at least 20%;
  - Annual surpluses dedicated to:
    1. Ensuring Unassigned is at 20%;
    2. Provide Funds for the creation of a new Revenue Stabilization Fund to provide a "first line of defense" in the event of an unforeseen decline in revenues;
    3. Provide Funds for a Capital Reserve to help allocate dollars to cash funded capital projects. Doing so helps to ensure the County continues to have monies to responsibly balance cash funding of capital needs vs. debt funding for longer-term projects.



Multi-Year Capital Planning Update

Existing Tax Supported Debt Service



- The County has approximately $290 million of existing Tax Supported debt service.
- Principal repayment is strong with over 75% of principal repaid in the next 10 years.
- This debt repayment structure helps to ensure capacity is available for future projects.

Existing General Fund Debt Service

Fiscal Year	Principal	Interest	Total	Payout Ratio
2021	27,475,000	10,999,720	38,474,720	9.5%
2022	29,400,000	10,668,675	40,068,675	19.6%
2023	29,065,000	9,370,825	38,435,825	29.6%
2024	29,270,000	8,055,875	37,325,875	39.7%
2025	27,250,000	6,709,075	33,959,075	49.1%
2026	22,570,000	5,515,925	28,085,925	56.8%
2027	17,805,000	4,536,175	22,341,175	63.0%
2028	14,625,000	3,774,925	18,399,925	68.0%
2029	10,220,000	3,273,875	13,493,875	71.5%
2030	10,220,000	2,843,375	13,063,375	75.0%
2031	10,220,000	2,409,375	12,629,375	78.5%
2032	10,215,000	2,010,925	12,225,925	82.1%
2033	10,220,000	1,612,725	11,832,725	85.6%
2034	9,315,000	1,260,075	10,575,075	88.8%
2035	8,015,000	963,900	8,978,900	91.6%
2036	7,415,000	713,850	8,128,850	94.1%
2037	5,665,000	484,800	6,149,800	96.1%
2038	4,215,000	308,250	4,523,250	97.5%
2039	4,215,000	193,650	4,408,650	99.0%
2040	3,030,000	79,050	3,109,050	100.0%
Total	**$290,425,000**	**$75,785,045**	**$366,210,045**	

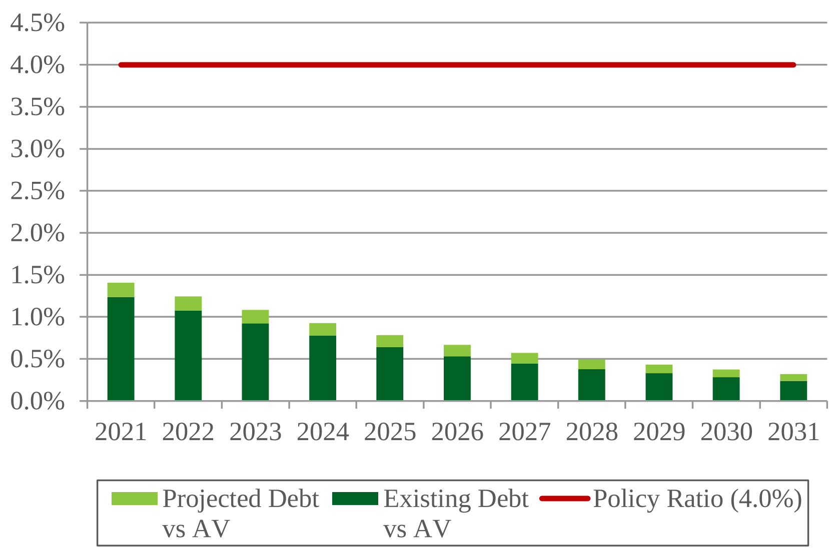
Source: Davenport debt model.

Debt Capacity – Impact of New Debt on Policy Ratios

JOHNSTON COUNTY NORTH CAROLINA

- The County has substantial capacity versus this policy and should consider tightening it given the expansion in the tax base.

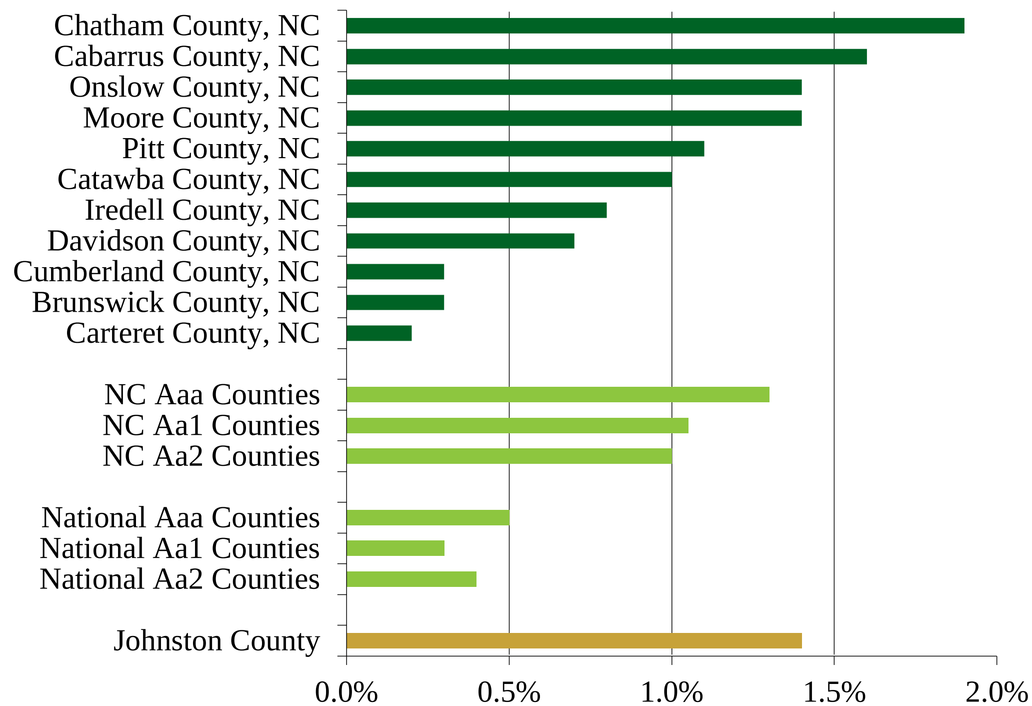
Debt vs. Assessed Value (4% Policy)



- **Moody's Criteria for General Obligation Credits defines categories of Debt to Assessed Values as:**

—	Very Strong (Aaa):	<0.75%
—	Strong (Aa):	0.75% - 1.75%
—	Moderate (A):	1.75% - 4.00%
—	Weak - Very Poor (Baa and below):	>4.00%

Debt vs. Assessed Value Peer Comparative



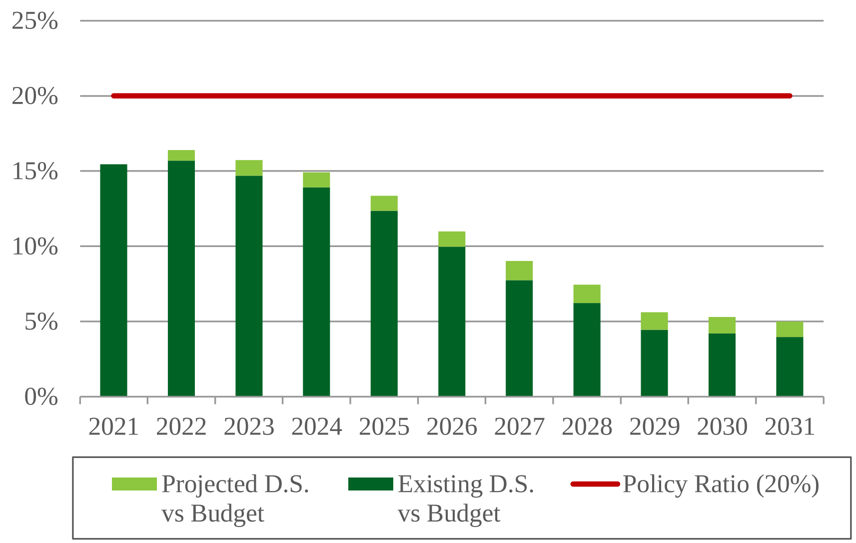
Note: Projected Johnston County FY 2021 Debt vs. Assessed Value Ratio is 1.4%. Based on existing tax-supported debt and projected debt consisting of the remainder of the Fall 2018 GO Education Referendum totaling $36 million. Based on FY 2020 Assessed Value of $20,816,104,511 per the FY 2020 CAFR and assumes annual growth of 2.1%.

Debt Capacity – Impact of New Debt on Policy Ratios

JOHNSTON COUNTY NORTH CAROLINA

- The County has solid capacity versus this policy. No immediate change is recommended.

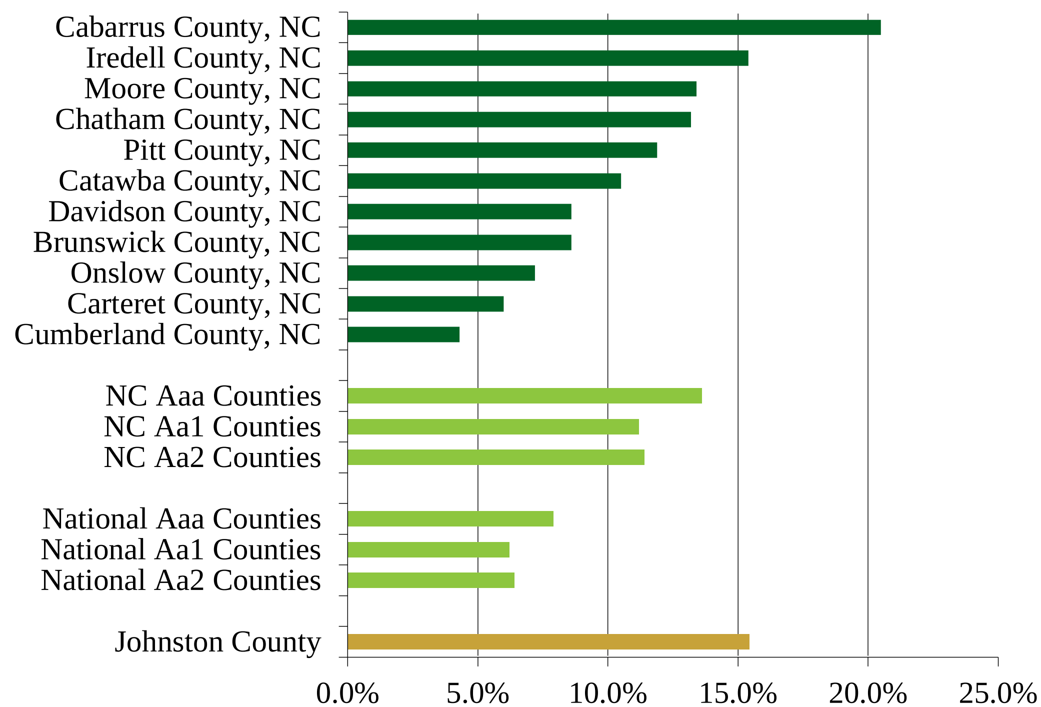
Debt Service vs. Expenditures (20% Policy)



- **Standard & Poor's Criteria for General Obligation Credits Defines categories of Debt Service as a % of Governmental Expenditures as:**

—	Very Strong:	<8%
—	Strong:	8% - 15%
—	Adequate:	15% - 25%
—	Weak:	25% - 35%
—	Very Weak:	>35%

Debt Service vs. Expenditures



Note: Peer County and Median ratios are based on Debt Service vs. Expenditures. Johnston County ratio is calculated as Debt Service vs. Revenues in accordance with the County's adopted policy. Projected Johnston County FY 2021 Debt Service vs. Revenues ratio is 15.5%. Based on existing debt service and projected debt service consisting of the remainder of the Fall 2018 GO Education Referendum totaling $36 million. Revenues based on FY 2021 General Fund Budget net of Appropriated Fund Balance revenues. Assumes annual budget growth of 2.5% per year.

Debt Capacity Considerations

- The County has debt levels that are in compliance with County policy and highly rated medians.

- The County pays it debt off rapidly which leads to a strong Payout Ratio but also a correspondingly higher than national average Debt Service vs. Expenditures.

- The County's Debt vs. Assessed Value ratio continues to be an important policy but could be tightened to further align with the County's substantially larger tax base. The County could consider reducing this ratio to the 2.5% range.

- The County has strong Debt Capacity with which to finance future capital projects.

- The County should continue effort to update its comprehensive "Debt Affordability" projections (i.e. impact on the budget) to take into account the strong annual cash-flow and the potential to strategically balance its cash funded vs. debt funded capital funding mixture.

Utility Enterprise Funds

Utility Enterprise Funds

- The County owns and operates Water, Wastewater, and Solid Waste systems.

- The County also serves water customers through Water Districts operated by the County. Operations are accounted for through the Water District Operating Fund.

- The County Water Fund, Water District Operating Fund, and Wastewater Fund are all Self-Supporting and do not rely on support from the General Fund.

Utility Capital Planning

- The County anticipates potential Utility Capital Needs of over $300 million over the next 10 years. This is a substantial investment in utility infrastructure that is required for future economic growth and regulatory compliance.

- The County has historically financed its Utility Enterprise capital needs through a combination of State and Federal loans, Water District Obligations, as well County issued Limited Obligation Bonds backed – in some instances – by County (i.e. General Fund) owned assets.

- It is anticipated that the magnitude of the County's Utility Enterprise capital needs will require that the County put in place a new mechanism to finance its Utility Enterprise capital projects – rated Utility Revenue Bonds. The historical methods used are not expected to be sufficient to fully fund the needs going forward.

- Utility Revenue Bonds are commonly used across the State and the Nation. They are a long standing financing structure across the Country and are widely accepted in the municipal marketplace.

Utility Capital Planning (cont.)

- As such, the County anticipates putting in place an inaugural issuance of Utility Revenue Bonds in the Spring/Summer of 2021 in support of the new Wastewater Treatment Plant project and other immediate needs not covered with state funding.

- It is important for the County's financial health and standing in the eyes of the National Credit Rating Agencies to maintain the "self-supporting" status of its utility funds.

  - Relieves pressure on the County's general tax revenues to fund other critical County-wide priorities (education, public safety, etc.).

  - **Self-Supporting Utility debt is not counted against the County's Debt Policy Ratio limits. This significantly enhances the County's capacity to take on other critical capital projects.**

- The Department of Public Utilities, County Finance and the County's finance team (including Davenport) are developing a Multi-Year Financial plan for appropriate User Rates – including potential Rate Increases – over the next several fiscal years.

Key Takeaways

Summary

- Johnston County continues to grow economically as a result of favorable local and national economic conditions. Demographic trends are expected to improve.

- Strategic management has been a major factor in the County's trend of positive rating results.

- Interest rates remain at historically favorable levels.

- Johnston County is expected to have major capital needs both for general County projects and for Utility Enterprise projects.

- Johnston County is expected to have capacity for future debt issuance.
  - Given the evolving nature of the economy and the fact that large capital projects take years to design, build, and construct, Davenport recommends an incremental approach to taking advantage of this expected capacity.
  - It is vitally important to maintain self-supporting utility enterprise funds in order to preserve debt capacity for general County projects.

Summary Next Steps

- Balance of February / March
  1. Develop planning and related materials for Utility Revenue Bonds.
  2. Continue with FY2022 Budget development.
  3. Continue to monitor for refinancing opportunities.
  4. Consider adopting updated Financial Policy Guidelines.

- Month of April / May
  1. Present update to National Credit Rating Agencies:
     a) General Obligation Bonds ($36 mm of New Money);
     b) Utility Revenue Bonds (likely in the $60 million range).

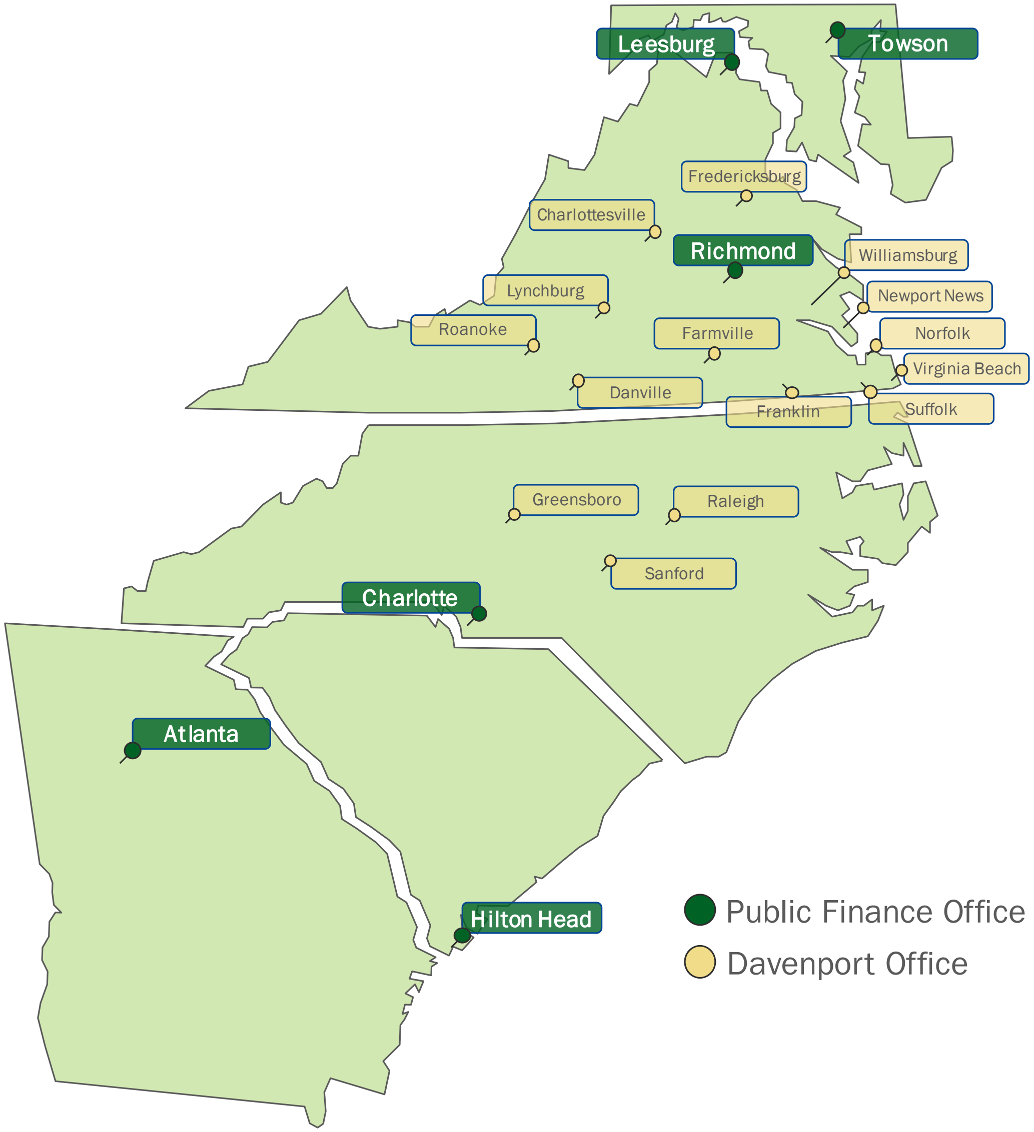
- Month of May
  1. Receive Credit Ratings.

- May 11, 2021
  1. Sell GO bonds in the public credit markets.

- Month of June / July
  1. Sell Revenue Bonds in the public credit markets.

Appendix

Overview | Davenport & Company LLC



Founded in 1863 in Richmond, VA, Davenport recently celebrated its 155th anniversary. We are wholly owned by our Employees.

Key Statistics

- Employees: 400+
- Client Assets: $25.7 Billion
- Firm Assets: $124.3 Million
- Firm Capital: $28.2 Million

Major Business Concentrations

- Public Finance
- Asset Management
- Investment Consulting
- Retail Brokerage
- Equity Research

Regional Rankings | Top Financial Advisors

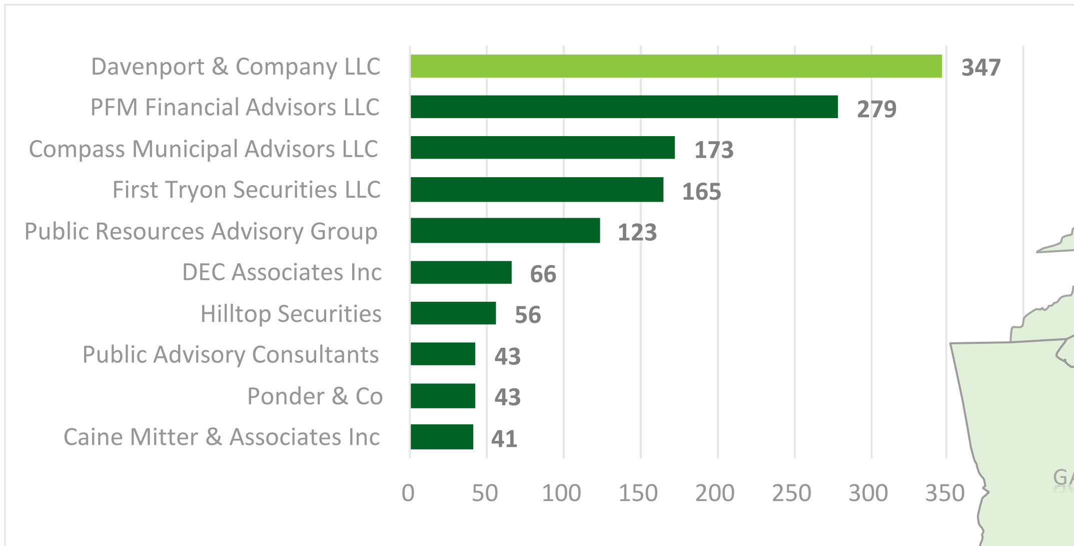
Davenport consistently ranks as the Top Financial Advisor in the Mid-Atlantic.

Financial Advisor Transactions*

2015-2019

Maryland
Virginia
North Carolina
South Carolina
Georgia

Transactions: 347
Par: $17.6 Billion



Source: Thomson Reuters
**Data shown is for tax-exempt public bond offerings and does not include bank loans or privately placed transactions.*

Davenport's Advisory Philosophy

DEPTH, EXPERTISE, EXPERIENCE...
DAVENPORT DELIVERS VALUE-ADDED SERVICES
THAT OUR CLIENTS RELY ON AND TRUST.

Pro-Active: *We believe a Financial Advisor's role does not simply begin and end with a particular debt financing.*

Holistic: *Rather, a Financial Advisor should be there for its client to help navigate financial problems and find creative solutions.*

Team Oriented: *By providing in-house technical and analytical expertise, including direct market intelligence*

Fiduciary: *Finally, the Financial Advisor is a fiduciary; Our client's needs will come first.*

We emphasize working with our clients at the beginning of the planning process through the use of comprehensive modeling and analytics.

ABOVE AND BEYOND DEBT ISSUANCE, DAVENPORT BRINGS VALUE ADDED FINANCIAL ADVISORY SERVICES TAILORED TO MEET OUR CLIENTS' NEEDS

Comparative Fund Balance Note

The notes below provide additional detail for the Fund Balance calculations shown on page 17.

(1) Moody's uses General Fund Revenues in the denominator of this ratio. The County's policy measures Fund Balance vs. Expenditures. The County's ratio is shown as "vs. Revenues" for an "apples to apples" comparison.

(2) This graph measures Available Fund Balance vs. Revenues per the Moody's MFRA database. "Available" fund balance typically includes Unassigned, Assigned, and Committed fund balance, but Moody's calculation of this ratio includes Fund Balance Available by State Statute in their ratio for all local governments. Thus, Moody's also includes County fund balance classified as "Restricted for Stabilization by State Statue."

(3) The ratio of 35.7%, as shown in the <u>solid</u> gold bar for FY 2020, is based on FY 2020 Available Fund Balance calculated in accordance with the County's policy and Net General Fund Revenues of $268,641,323 consisting of revenues $265,085,838 plus transfers in of $3,555,485. In the context of the County's policy, FY 2020 Available Fund Balance consists of Unassigned, Assigned, and Committed fund balance in the total amount of $95,922,779. The ratio of 27.8%, as shown in the <u>solid</u> gold bar for FY 2019, is based on FY 2019 Available Fund Balance calculated in accordance with the County's policy and Net General Fund Revenues of $232,123,635. In the context of the County's policy, FY 2019 Available Fund Balance consists of Unassigned, Assigned, and Committed fund balance in the total amount of $64,584,729.

(4) The ratio of 43.6% for FY 2020, which includes the <u>hashed</u> gold bar, is based on the Moody's calculation of Available Fund Balance and Net General Fund Revenues of $ 268,641,323. Moody's includes Unassigned, Assigned, and Committed Fund Balance ($ 95,922,779) <u>plus</u> $21,138,424 of fund balance Restricted for Stabilization by State Statute for a total of $117,061,203. The ratio of 36.2% for FY 2019, which includes the hashed gold bar, is based on the Moody's calculation of Available Fund Balance and Net General Fund Revenues of $232,123,635. Moody's includes Unassigned, Assigned, and Committed Fund Balance ($64,584,729) plus $19,499,334 of fund balance Restricted for Stabilization by State Statute for a total of $84,084,063.

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