

CITY OF WHITEVILLE

FOR YEAR ENDED
JUNE 30, 2022

Annual Financial Report



**CITY OF WHITEVILLE
WHITEVILLE, NORTH CAROLINA
FINANCIAL STATEMENTS
June 30, 2022**

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Financial Section

Independent Auditor's Report

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Independent Auditors' Report

To the Members of the City Council
Whiteville, North Carolina

Report on the Financial Statements

Opinions

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

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

We did not audit the financial statements of the City of Whiteville ABC Board, which represent 100 percent, 100 percent, and 100 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Whiteville ABC Board, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Whiteville and to meet our 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. The financial statements of City of Whiteville ABC Board were not audited in accordance with *Governmental Auditing Standards*.

*Members
American Institute of CPAs - N.C. Association of CPAs - AICPA Division of firms*

Responsibilities of Management for the Audit of the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 raises substantial doubt about the City of Whiteville's ability to continue as a going concern for the twelve months beyond the financial statement date, including any current known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements, 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 not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than the 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 judgement made by a reasonable user based on the financial statements.

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

- exercised professional judgement and maintained professional skepticism throughout the audit.
- identify and assess the risks of material misstatements 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 City of Whiteville'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 City of Whiteville's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 9, the Local Government Employees' Retirement Systems' Schedules of the Proportionate Share of the Net Pension Liability and Contributions on pages 45 through 46, the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on pages 47 through 48, and the Schedule of Changes in the Total OPEB Liability and Related Ratios, on page 49, 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Whiteville's basic financial statements. The combining and individual fund statements, budgetary schedules, and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements, budgetary schedules, other schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2022, on our consideration of the City of Whiteville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Whiteville's internal control over financial reporting and compliance.

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, North Carolina
November 23, 2022

**City of Whiteville
Management's Discussion and Analysis**

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

Financial Highlights

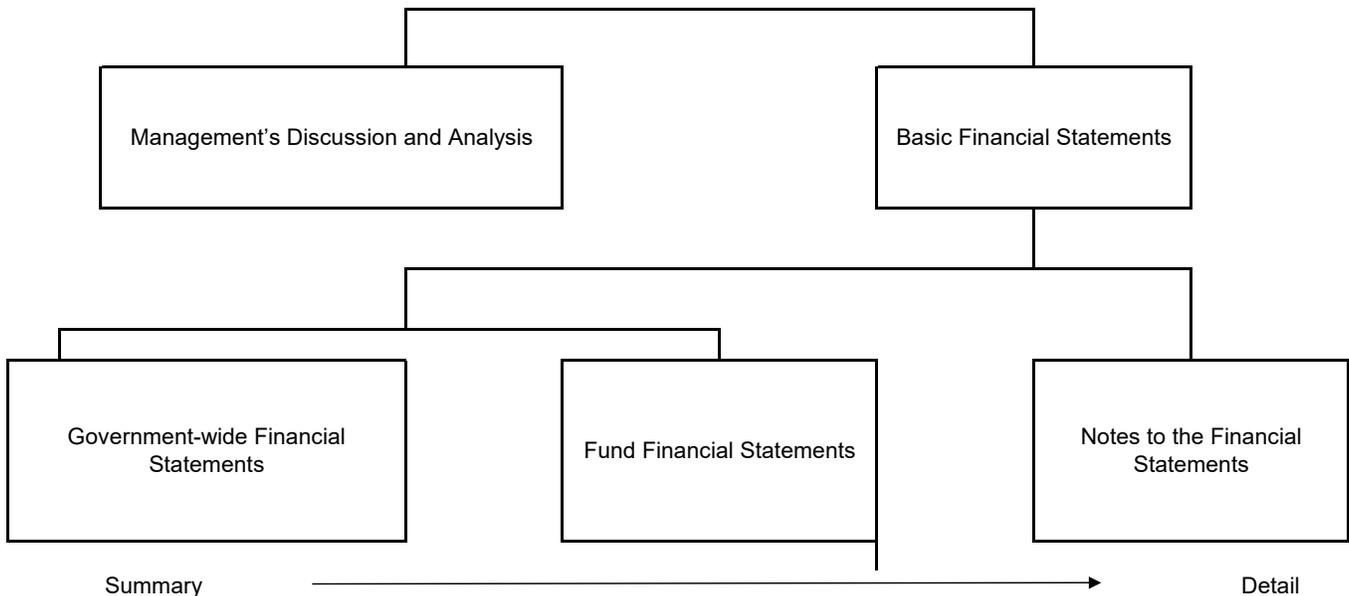
- The assets and deferred outflows of resources of the City of Whiteville exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$24,068,712 (net position).
- The government's total net position increased by \$487,070. Governmental activities increased net position by \$198,602, while business-type activities increased net position by \$288,466.
- As of the close of the current fiscal year, the City of Whiteville governmental funds reported combined ending fund balances of \$3,481,350, a decrease of \$437,933 in comparison with the prior year. A prior period adjustment also decreased the prior year ending fund balances by \$85,894. Approximately 49 percent of this total amount, or \$1,693,791, is available for spending at the government's discretion.
- At the end of the current fiscal year, fund balance for the General Fund was \$3,215,927, or 58 percent of total general fund expenditures for the fiscal year.

Overview of the Financial Statements

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

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

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

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the City's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City'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 City's financial status as a whole.

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

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) a component unit. The governmental activities include most of the City's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the City charges customers to provide. This includes the water, sewer, sanitation, and stormwater services offered by the City of Whiteville. The final category is the component unit. Although legally separate from the City, the ABC Board is important to the City because the City exercises control over the Board by appointing its members and because the Board is required to distribute its profits to the City. Complete financial statements for the ABC Board may be obtained from the entity's administrative offices at City of Whiteville ABC Board, 112 South J.K. Powell Blvd, Whiteville, NC 28472.

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

Fund Financial Statements

The fund financial statements (see Figure 1) provide a more detailed look at the City'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. The City of Whiteville, 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 City's budget ordinance. All of the funds of City of Whiteville can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City'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* which provides a short-term spending 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 City's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

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

Proprietary Funds – City of Whiteville has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. City of Whiteville uses enterprise fund to account for its water, sewer, sanitation, and stormwaer activity. This fund is the same as the functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

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

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City of Whiteville’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information follows directly behind the notes to the financial statements.

Interdependence with Other Entities – The City depends on financial resources flowing from, or associated with, both the federal government and the State of North Carolina. Because of this dependency, the City is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign governments and other holders of publicly held U.S. Treasury Securities.

Government-Wide Financial Analysis

City of Whiteville Net Position

Figure 2

	Governmental Activities		Business Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 7,201,642	\$ 4,244,737	\$ 3,580,110	\$ 3,480,157	\$ 10,781,752	\$ 7,724,894
Capital assets	9,594,130	9,265,333	17,040,373	17,197,932	26,634,503	26,463,265
Deferred outflows of resources	1,691,172	1,398,785	176,425	404,435	1,867,597	1,803,220
Total assets	18,486,944	14,908,855	20,796,908	21,082,524	39,283,852	35,991,379
Long-term liabilities outstanding	9,201,351	7,684,283	2,972,698	3,463,712	12,174,049	11,147,995
Other liabilities	3,247,241	643,672	650,001	485,811	3,897,242	1,129,483
Deferred inflows of resources	2,742,069	793,756	299,022	345,982	3,041,091	1,139,738
Total liabilities & deferred inflows of resources	15,190,661	9,121,711	3,921,721	4,295,505	19,112,382	13,417,216
Net position:						
Net investments in capital assets	6,287,021	5,866,207	15,565,639	15,263,605	21,852,660	21,129,812
Restricted	1,417,381	1,882,075	-	-	1,417,381	1,882,075
Unrestricted	(1,160,878)	(1,317,466)	1,959,549	2,009,225	798,671	691,759
Total net position	\$ 6,543,524	\$ 6,430,816	\$ 17,525,188	\$ 17,272,830	\$ 24,068,712	\$ 23,703,646

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The assets and deferred outflows of the City of Whiteville exceeded liabilities and deferred inflows by \$24,068,712 as of June 30, 2022. The City’s net position increased by \$487,070 for the fiscal year ended June 30, 2022. The largest portion (90.79%) of net position reflects the City’s investment in capital assets (e.g. land, construction in progress, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. The City of Whiteville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Whiteville’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. An additional portion of the City’s net position, \$1,417,381 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$798,671 is unrestricted.

City of Whiteville Changes in Net Position

Figure 3

	Governmental Activities		Business Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 116,503	\$ 83,521	\$ 4,761,578	\$ 4,251,238	\$ 4,878,081	\$ 4,334,759
Operating grants & contributions	864,778	635,940	43,750	52,057	908,528	687,997
Capital grants & contributions	-	221,086	-	-	-	221,086
General revenues:						
Property taxes	2,572,671	2,499,235	-	-	2,572,671	2,499,235
Other taxes	2,332,341	2,080,614	-	-	2,332,341	2,080,614
Other	191,138	47,852	184,147	160,497	375,285	208,349
Total revenues	6,077,431	5,568,248	4,989,475	4,463,792	11,066,906	10,032,040
Expenses:						
General Government	566,639	698,141	-	-	566,639	698,141
Public safety	3,496,149	3,908,516	-	-	3,496,149	3,908,516
Transportation	1,090,531	540,448	-	-	1,090,531	540,448
Environmental Protection	-	-	-	-	-	-
Cultural & Recreation	621,170	165,934	-	-	621,170	165,934
Economic & Physical Development	137,062	557,322	-	-	137,062	557,322
Interest on Long-term Debt	102,277	85,683	-	-	102,277	85,683
Water & Sewer	-	-	4,566,009	4,144,421	4,566,009	4,144,421
Total expenses	6,013,828	5,956,044	4,566,009	4,144,421	10,579,837	10,100,465
Increase (Decrease) in net position before transfers	63,603	(387,796)	423,466	319,371	487,069	(68,425)
Transfers	135,000	95,685	(135,000)	(95,855)	-	-
Increase (decrease) in net position	198,602	(292,111)	288,466	223,516	487,069	(68,425)
Net position, July 1	6,430,816	6,722,927	17,272,830	17,049,315	23,703,646	23,772,242
Prior Period Adjustment	(85,894)	-	(36,108)	-	(122,002)	-
Net position, June 30	\$ 6,543,524	\$ 6,430,816	\$ 17,525,188	\$ 17,272,831	\$ 24,068,713	\$ 23,703,817

Governmental activities. Governmental activities increased the City's net position by \$198,602.

* The City received more operating grants and contributions than last year.

Business-type activities: Business-type activities increased the City of Whiteville's net position by \$288,466. Key elements of this increase are as follows:

* The City maintained a steady growth in business-type activities.

Financial Analysis of the City's Funds

As noted earlier, the City of Whiteville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of Whiteville governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City of Whiteville's financing requirements. Specifically, unassigned fund balance 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 the City of Whiteville. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,814,097, while total fund balance of the general fund was \$3,215,927. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 32 percent of total General Fund expenditures, while total fund balance represents 57 percent of that same amount.

At June 30, 2022, the governmental funds of City of Whiteville reported a combined fund balance of \$3,481,350, a decrease of \$437,933 over last year. A prior period adjustment also decreased the prior year ending fund balances by \$85,894.

General Fund Budgetary Highlights: During the fiscal year, the City 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.

The budgetary amendments for FY 21-22 were due to necessary increases in appropriations in order to meet and maintain service needs of the City's departments.

Proprietary Funds. The City of Whiteville proprietary fund provides the same type of information found in the government-wide statements but in more detail. Unrestricted net position at the end of the fiscal year was \$826,567 in the Water Fund, \$1,068,280 in the Sewer Fund, \$210,654 in the Sanitation Fund, and \$(145,952) in the Stormwater Fund. The total change in net position was \$51,680 for the Water Fund, \$236,662 for the Sewer Fund, \$39,383 for the Sanitation Fund, and \$(39,259) for the Stormwater Fund. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Whiteville's business-type activities.

Capital Assets and Debt Administration

Capital Assets. The City of Whiteville investment in capital assets for its governmental and business-type activities as of June 30, 2022, totals \$26,634,503 (net of accumulated depreciation). These assets include buildings, land, construction in progress, machinery and equipment, and vehicles.

Major capital asset transactions during the year include the following additions:

- Vehicles for various departments
- Trailor for Water & Sewer Department
- Infrastructure for Storm Water

City of Whiteville Capital Assets

Figure 4

(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 318,182	\$ 318,182	\$ 206,018	\$ 206,018	\$ 524,200	\$ 524,200
Buildings and Distribution Systems	5,703,662	5,907,245	15,186,577	15,385,080	20,890,239	21,292,325
Equipment & Vehicles	2,879,689	2,779,415	456,597	455,999	3,336,286	3,235,414
Construction in Progress	692,597	260,491	1,191,181	1,150,835	1,883,778	1,411,326
Total	\$ 9,594,130	\$ 9,265,333	\$ 17,040,373	\$ 17,197,932	\$ 26,634,503	\$ 26,463,265

Additional information on the City's capital assets can be found in note 3.A. of the Basic Financial Statements.

Long-Term Debt

As of June 30, 2022, the City had total debt of \$4,803,786 (excluding compensated absences, pension obligations, and OPEB). There was a net decrease in total debt of \$902,866.

City of Whiteville Outstanding Debt

Figure 5

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Direct placement and borrowing installment agreements	\$ 3,307,189	\$ 3,743,253	\$ 1,474,995	\$ 1,934,328	\$ 4,782,184	\$ 5,677,581
Capital Leases	-	29,071	-	-	-	29,071
Lease Liabilities	10,981	-	10,621	-	21,602	-
Total	\$ 3,318,170	\$ 3,772,324	\$ 1,485,616	\$ 1,934,328	\$ 4,803,786	\$ 5,706,652

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the City of Whiteville is \$38,133,893.

Economic Factors and Next Year's Budgets and Rates

The City of Whiteville is located in Columbus County which is experiencing an unemployment rate of approximately 4.0% and the primary elements of the local economy, textiles and agriculture, have experienced losses in the past years. Related information may be reviewed at www.nccommerce.com/workforce, which addresses transitions in occupations and opportunities for displaced workers. The North Carolina Department of Commerce has designated Columbus County as Tier One. This category is reserved for the most economically distressed counties.

Budget Highlights for the Fiscal Year Ending June 30, 2023

Governmental Activities: Property tax revenues are expected to remain stable. Other tax revenues should also remain stable. Capital spending is expected to increase with various projects within the American Rescue Plan Project Fund.

Business – type Activities: Business revenues are expected to remain stable. Capital spending is expected to increase with the ongoing Mollies Branch Phase II Project as well as additional sewer rehabilitation projects which are expected to be in progress for approximately the next 3-5 years. The loan repayments will continue on the Well loan, FlexNet Smart Utility System loan, as well as Mollies Branch Phase I and II loans.

Requests for Information

This report is designed to provide an overview of the City'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 Director of Finance, City of Whiteville, P.O. Box 607, Whiteville, NC 28472. One can also call (910)-642-8046, visit our website www.whitevillecity.com or send an email to cbrown@ci.whiteville.nc.us for more information.

BASIC FINANCIAL STATEMENTS

City of Whiteville, North Carolina
Statement of Net Position
June 30, 2022

	Primary Government			City of Whiteville ABC Board
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets:				
Cash and Investments	\$ 2,681,104	\$ 2,766,107	\$ 5,447,211	\$ 790,616
Taxes Receivable (Net)	37,512	-	37,512	-
Accrued Interest Receivable on Taxes	4,765	-	4,765	-
Accounts Receivable (Net)	1,194	773,582	774,776	-
Lease Receivable	64,744	-	64,744	-
Due From Other Governments	674,908	38,866	713,774	-
Due From Component Units	188,732	-	188,732	-
Inventories	-	-	-	178,033
Prepaid Expenses	-	-	-	6,250
Internal Balances	157,835	(157,835)	-	-
Restricted assets:				
Cash and cash equivalents	2,546,461	148,508	2,694,969	-
Total Current Assets	<u>6,357,255</u>	<u>3,569,228</u>	<u>9,926,483</u>	<u>974,899</u>
Non-current Assets:				
Capital Assets:				
Land, Non-depreciable Improvements, and Construction in Progress	1,010,779	1,397,199	2,407,978	-
Other Capital Assets, Net of Depreciation	8,583,351	15,643,174	24,226,525	108,751
Total Capital Assets	<u>9,594,130</u>	<u>17,040,373</u>	<u>26,634,503</u>	<u>108,751</u>
Lease Receivable, non-current	833,326	-	833,326	-
Right to use assets, net of amortization	11,061	10,882	21,943	748,115
Total Assets	<u>16,795,772</u>	<u>20,620,483</u>	<u>37,416,255</u>	<u>1,831,765</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferrals	1,342,935	8,924	1,351,859	17,560
OPEB deferrals	348,237	167,501	515,738	-
Total deferred outflows of resources	<u>1,691,172</u>	<u>176,425</u>	<u>1,867,597</u>	<u>17,560</u>
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	453,448	254,567	708,015	275,947
Customer Deposits	9,900	148,508	158,408	-
Unearned Revenues	2,309,443	-	2,309,443	-
Due to Primary Government	-	-	-	188,732
Accrued Interest Payable	31,622	4,694	36,316	-
Current portion of long-term liabilities	442,828	242,232	685,060	-
Total current liabilities	<u>3,247,241</u>	<u>650,001</u>	<u>3,897,242</u>	<u>464,679</u>
Long-Term Liabilities:				
Net Pension Liability	497,088	198,242	695,330	12,269
Total Pension Liability	554,798	-	554,798	-
Total OPEB Liability	1,668,283	810,595	2,478,878	-
Due in more than one year	3,233,941	1,313,860	4,547,801	713,855
Total Liabilities	<u>9,201,351</u>	<u>2,972,698</u>	<u>12,174,049</u>	<u>1,190,803</u>
DEFERRED INFLOWS OF RESOURCES				
Pension deferrals	1,264,499	18,610	1,283,109	32,057
OPEB deferrals	583,407	280,412	863,819	-
Lease	893,803	-	893,803	-
Prepaid licenses	360	-	360	-
Total deferred inflows of resources	<u>2,742,069</u>	<u>299,022</u>	<u>3,041,091</u>	<u>32,057</u>
Net Position				
Net investment in capital assets	6,287,021	15,565,639	21,852,660	108,751
Restricted for:				
Stabilization by State Statute	1,314,188	-	1,314,188	-
Streets	83,375	-	83,375	-
Economic Development	19,818	-	19,818	-
Other	-	-	-	78,590
Unrestricted	(1,160,878)	1,959,549	798,671	439,124
Total Net Position	<u>\$ 6,543,524</u>	<u>\$ 17,525,188</u>	<u>\$ 24,068,712</u>	<u>\$ 626,465</u>

City of Whiteville, North Carolina
Statement of Activities
For the Year Ended June 30, 2022

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			City of Whiteville ABC Board
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental Activities:								
General government	\$ 566,639	\$ 62,405	\$ 534,946	\$ -	\$ 30,712	\$ -	\$ 30,712	\$ -
Public safety	3,496,149	24,359	162,688	-	(3,309,102)	-	(3,309,102)	-
Transportation	1,090,531	-	163,445	-	(927,086)	-	(927,086)	-
Environmental Protection	-	-	3,699	-	3,699	-	3,699	-
Economic & physical	137,062	-	-	-	(137,062)	-	(137,062)	-
Cultural and recreation	621,170	29,739	-	-	(591,431)	-	(591,431)	-
Interest on Long-Term Debt	102,277	-	-	-	(102,277)	-	(102,277)	-
Total governmental activities	6,013,828	116,503	864,778	-	(5,032,547)	-	(5,032,547)	-
Business-type activities:								
Water	1,033,221	1,049,896	43,750	-	-	60,425	60,425	-
Sewer	1,927,923	2,096,723	-	-	-	168,800	168,800	-
Stormwater	258,003	228,744	-	-	-	(29,259)	(29,259)	-
Sanitation	1,346,862	1,386,215	-	-	-	39,353	39,353	-
Total business-type activities	4,566,009	4,761,578	43,750	-	-	239,319	239,319	-
Total primary government	\$ 10,579,837	\$ 4,878,081	\$ 908,528	\$ -	(5,032,547)	239,319	(4,793,228)	-
Component Unit:								
City of Whiteville ABC Board	\$ 1,962,416	\$ 2,043,315	\$ -	\$ -	-	-	-	80,899
Total Component Unit	\$ 1,962,416	\$ 2,043,315	\$ -	\$ -	\$ -	\$ -	\$ -	80,899
General revenues:								
Taxes:								
Property taxes, levied for general purpose					2,572,671	-	2,572,671	-
Other taxes					7,454	-	7,454	-
Grants and contributions not restricted to specific program					2,321,409	-	2,321,409	-
Unrestricted investment earnings					3,478	-	3,478	1,991
Miscellaneous					191,138	184,147	375,285	52,773
Total general revenues not including transfers					5,096,149	184,147	5,280,297	54,764
Transfers					135,000	(135,000)	-	-
Total general revenues and transfers					5,231,149	49,147	5,280,297	54,764
Change in net position					198,602	288,466	487,070	135,663
Net position, beginning					6,430,816	17,272,830	23,703,646	490,802
Prior Period Adjustment (see Note 5)					(85,894)	(36,108)	(122,002)	-
Net position, beginning, adjusted					6,344,922	17,236,722	23,581,644	490,802
Net position, ending					\$ 6,543,524	\$ 17,525,188	\$ 24,068,712	\$ 626,465

City of Whiteville, North Carolina
Balance Sheet
Governmental Funds
June 30, 2022

Exhibit 3

	Major Funds				Total Governmental Funds
	General Fund	American Rescue Plan Act Fund	FY 22 SCIF Grant Fund	Non-Major Funds	
ASSETS					
Cash and cash equivalents	\$ 2,186,905	\$ -	\$ -	\$ 494,199	\$ 2,681,104
Restricted Cash	102,772	433,789	2,000,000	9,900	2,546,461
Receivables, net:					
Taxes	36,910	-	-	602	37,512
Accounts	1,194	-	-	-	1,194
Leases	898,070	-	-	-	898,070
Due from other governments	661,932	7,654	-	5,322	674,908
Due from component unit	188,732	-	-	-	188,732
Due from other funds	462,330	-	-	-	462,330
Total assets	<u>\$ 4,538,845</u>	<u>\$ 441,443</u>	<u>\$ 2,000,000</u>	<u>\$ 510,023</u>	<u>\$ 7,490,311</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	247,484	132,000	-	73,964	453,448
Due to other funds	144,361	-	-	160,134	304,495
Security Deposits	-	-	-	9,900	9,900
Unearned Revenues	-	309,443	2,000,000	-	2,309,443
Total liabilities	<u>391,845</u>	<u>441,443</u>	<u>2,000,000</u>	<u>243,998</u>	<u>3,077,286</u>
DEFERRED INFLOWS OF RESOURCES					
Property taxes receivable	36,910	-	-	602	37,512
Leases	893,803	-	-	-	893,803
Prepaid licenses	360	-	-	-	360
Total deferred inflows of resources	<u>931,073</u>	<u>-</u>	<u>-</u>	<u>602</u>	<u>931,675</u>
Fund balances:					
Nonspendable					
Leases	4,267	-	-	-	4,267
Restricted					
Stabilization by State Statute	1,314,188	-	-	-	1,314,188
Streets	83,375	-	-	-	83,375
Economic Development	-	-	-	19,818	19,818
Assigned					
Economic Development	-	-	-	81,876	81,876
Capital Outlay	-	-	-	20,545	20,545
Hurricane Recovery	-	-	-	261,172	261,172
Public Safety	-	-	-	2,318	2,318
Unassigned	1,814,097	-	-	(120,306)	1,693,791
Total fund balances	<u>3,215,927</u>	<u>-</u>	<u>-</u>	<u>265,423</u>	<u>3,481,350</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,538,845</u>	<u>\$ 441,443</u>	<u>\$ 2,000,000</u>	<u>\$ 510,023</u>	

(continued)

City of Whiteville, North Carolina
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
 Governmental Funds
 June 30, 2022

Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:

Total Fund Balance, Governmental Funds	\$ 3,481,350
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	9,594,130
Right to use assets used in governmental activities are not financial resources and are therefore not reported in the funds	11,061
Deferred outflows of resources related to pensions are not reported in the funds	1,342,935
Deferred outflows of resources related to OPEB are not reported in the funds	348,237
Other long-term assets (accrued interest receivable from taxes) are not available to pay for current-period expenditures and therefore are inflows of resources in the funds.	4,765
Liabilities for earned revenues considered deferred inflows of resources in fund statements.	37,512
Lease liability issued	(10,981)
Pension related deferrals	(1,264,499)
OPEB related deferrals	(583,407)
Net pension asset (liability)	(497,088)
Total pension liability	(554,798)
Total OPEB liability	(1,668,283)
Some liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	<u>(3,697,410)</u>
Net position of governmental activities	<u>\$ 6,543,524</u>

City of Whiteville, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

Exhibit 4

	Major Fund				Total Governmental Funds
	General Fund	American Rescue Plan Act Fund	FY 22 SCIF Grant Fund	Non-Major Funds	
REVENUES					
Ad valorem taxes	\$ 2,568,546	\$ -	\$ -	\$ 29,055	\$ 2,597,601
Other taxes and licenses	7,454	-	-	-	7,454
Unrestricted intergovernmental	2,321,409	-	-	-	2,321,409
Restricted intergovernmental	279,134	534,946	-	50,698	864,778
Permits and fees	62,405	-	-	-	62,405
Investment earnings	3,478	-	-	-	3,478
Sales and Service	54,098	-	-	-	54,098
Miscellaneous	127,621	-	-	63,517	191,138
Total revenues	5,424,145	534,946	-	143,270	6,102,361
EXPENDITURES					
Current:					
General government	433,670	-	-	2,068	435,738
Public safety	3,161,673	-	-	20,802	3,182,475
Transportation	886,325	-	-	-	886,325
Environmental protection	-	-	-	-	-
Cultural and recreational	489,163	-	-	-	489,163
Economic Development	-	-	-	137,062	137,062
Capital Outlay	-	534,946	-	453,636	988,582
Debt Service:					
Principal	465,135	-	-	-	465,135
Interest & Other Charges	106,557	-	-	-	106,557
Total expenditures	5,542,523	534,946	-	613,568	6,691,037
Excess (deficiency) of revenues over expenditures	(118,378)	-	-	(470,298)	(588,676)
OTHER FINANCING SOURCES (USES)					
Transfers (to) other funds	(86,712)	-	-	91,712	5,000
Transfers from other funds	130,000	-	-	-	130,000
Lease liability issued	15,743	-	-	-	15,743
Total other financing sources (uses)	59,031	-	-	91,712	150,743
Net change in fund balance	(59,347)	-	-	(378,586)	(437,933)
Fund balances, beginning	3,359,641	-	-	645,536	4,005,177
Prior Period Adjustment (see Note 5)	(84,367)	-	-	(1,527)	(85,894)
Fund balances, ending	\$ 3,215,927	\$ -	\$ -	\$ 265,423	\$ 3,481,350

City of Whiteville, North Carolina
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2022

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ (437,933)
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	1,111,984
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements	(783,187)
Capital outlay expenditures recorded in the fund statements but capitalized as right to use leased assets in the statement of activities	15,743
Amortization expense, the allocation of those assets over the lease term, that is recorded on the statement of activities but not in the fund statements	(4,682)
New debt issued during the year is recorded as a source of funds on the fund	(15,743)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements	469,897
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	349,166
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	4,867
OPEB benefit payments paid and administrative costs made in the current year are not included on the Statement of Activities	44,560
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Change in unavailable revenue for tax revenues	(24,930)
Decrease in accrued interest payable	4,280
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences & related liabilities	(101,107)
Pension expense - LGERS	(281,030)
Pension expense (revenue) - LEOSSA	(83,340)
OPEB expense (revenue)	(69,942)
	<u>(535,419)</u>
Total changes in net position of governmental activities	<u>\$ 198,602</u>

City of Whiteville, North Carolina
General Fund

Exhibit 6

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

	General Fund			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Ad valorem taxes	\$ 2,782,628	\$ 2,782,908	\$ 2,568,546	\$ (214,362)
Other taxes and licenses	7,280	7,900	7,454	(446)
Unrestricted intergovernmental revenues	2,171,218	2,156,226	2,321,409	165,183
Restricted intergovernmental revenues	194,500	359,652	279,134	(80,518)
Permits and fees	109,361	70,910	62,405	(8,505)
Investment Earnings	-	1,500	3,478	1,978
Sales and Services	102,000	53,750	54,098	348
Miscellaneous	69,560	152,201	127,621	(24,580)
Total revenues	<u>5,436,547</u>	<u>5,585,047</u>	<u>5,424,145</u>	<u>(160,902)</u>
Expenditures:				
Current:				
General government	666,177	428,437	433,670	(5,233)
Public safety	3,773,475	3,787,708	3,161,673	626,035
Transportation	753,909	887,799	886,325	1,474
Cultural and recreation	1,000,016	918,449	489,163	429,286
Debt Service:				
Principal retirement	-	563,794	465,135	98,659
Interest and fees	-	107,940	106,557	1,383
Total expenditures	<u>6,193,577</u>	<u>6,694,127</u>	<u>5,542,523</u>	<u>1,151,604</u>
Revenues over/(under) expenditures	<u>(757,030)</u>	<u>(1,109,080)</u>	<u>(118,378)</u>	<u>990,702</u>
Other financing sources (uses):				
Transfer from (to) other fund:				
Special Revenue	(77,050)	(86,712)	(86,712)	-
Capital Project Fund	-	-	-	-
Sewer Fund	134,080	134,080	130,000	(4,080)
Installment Loan Proceeds	700,000	700,000	-	(700,000)
Lease Liability Issued	-	-	15,743	15,743
Appropriated Fund Balance	-	361,712	-	(361,712)
Total other financing sources (uses)	<u>757,030</u>	<u>1,109,080</u>	<u>59,031</u>	<u>(1,050,049)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(59,347)</u>	<u>\$ (59,347)</u>
Fund balance, beginning of year			<u>3,359,641</u>	
Prior Period Adjustment (see Note 5)			<u>(84,367)</u>	
Fund balance, end of year			<u>\$ 3,215,927</u>	

City of Whiteville, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2022

Exhibit 7

	Major			Non-Major	Total
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Fund	
Assets					
Current assets:					
Cash and cash equivalents	\$ 813,289	\$ 1,725,707	\$ 153,321	\$ 73,790	\$ 2,766,107
Accounts receivable (net) - billed	259,946	168,449	100,642	10,058	539,095
Accounts receivable (net) - unbilled	51,103	101,137	77,995	-	230,235
Miscellaneous Receivable	1,928	1,643	681	-	4,252
Due From Other Funds	84,361	-	60,000	-	144,361
Due From Other Governments	16,667	15,871	1,807	4,521	38,866
Restricted Assets:					
Cash and cash equivalents	148,508	-	-	-	148,508
Total current assets	<u>1,375,802</u>	<u>2,012,807</u>	<u>394,446</u>	<u>88,369</u>	<u>3,871,424</u>
Noncurrent assets:					
Capital assets:					
Land and other non-depreciable assets	34,131	1,363,068	-	-	1,397,199
Other capital assets, net of depreciation	2,276,658	12,550,083	59,304	757,129	15,643,174
Capital Assets (net)	<u>2,310,789</u>	<u>13,913,151</u>	<u>59,304</u>	<u>757,129</u>	<u>17,040,373</u>
Right to use assets, net of amortization	3,213	4,456	-	3,213	10,882
Total noncurrent assets	<u>2,314,002</u>	<u>13,917,607</u>	<u>59,304</u>	<u>760,342</u>	<u>17,051,255</u>
 Total Assets	 <u>3,689,804</u>	 <u>15,930,414</u>	 <u>453,750</u>	 <u>848,711</u>	 <u>20,922,679</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan deferrals	2,593	4,178	1,274	879	8,924
OPEB deferrals	52,309	78,474	20,377	16,341	167,501
Total deferred outflows of resources	<u>54,902</u>	<u>82,652</u>	<u>21,651</u>	<u>17,220</u>	<u>176,425</u>
Liabilities					
Current liabilities:					
Accounts Payable and Accrued Liabilities	34,126	184,340	29,126	6,975	254,567
Due to Other Funds	-	207,196	-	95,000	302,196
Customer Deposits	148,508	-	-	-	148,508
Accrued Interest Payable	-	4,694	-	-	4,694
Current Maturities of Long Term Debt	13,141	210,759	-	18,332	242,232
Total Current Liabilities	<u>195,775</u>	<u>606,989</u>	<u>29,126</u>	<u>120,307</u>	<u>952,197</u>
Noncurrent Liabilities					
Compensated Absences	7,070	51,754	-	11,651	70,475
Total OPEB Liability	261,094	354,909	107,990	86,602	810,595
Net Pension Liability	57,610	92,799	28,311	19,522	198,242
Long Term Debt	90,643	1,151,551	-	1,191	1,243,385
Total Noncurrent liabilities	<u>416,417</u>	<u>1,651,013</u>	<u>136,301</u>	<u>118,966</u>	<u>2,322,697</u>
Total Liabilities	<u>612,192</u>	<u>2,258,002</u>	<u>165,427</u>	<u>239,273</u>	<u>3,274,894</u>
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals	5,408	8,711	2,658	1,833	18,610
OPEB deferrals	90,320	122,776	37,358	29,958	280,412
Total deferred inflows of resources	<u>95,728</u>	<u>131,487</u>	<u>40,016</u>	<u>31,791</u>	<u>299,022</u>
Net Position					
Net investment in capital assets	2,210,219	12,555,297	59,304	740,819	15,565,639
Unrestricted	826,567	1,068,280	210,654	(145,952)	1,959,549
Total Net Position of Business - Type Activities	<u>\$ 3,036,786</u>	<u>\$ 13,623,577</u>	<u>\$ 269,958</u>	<u>\$ 594,867</u>	<u>\$ 17,525,188</u>

City of Whiteville, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Major			Non-Major	Total
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Fund	
Operating revenues:					
Charges for services	\$ 963,433	\$ 2,096,723	\$ 1,386,215	\$ 228,744	\$ 4,675,115
Other operating revenues	86,463	-	-	-	86,463
Total operating revenues	<u>1,049,896</u>	<u>2,096,723</u>	<u>1,386,215</u>	<u>228,744</u>	<u>4,761,578</u>
Operating Expenses:					
Administration	23,195	215,996	-	-	239,191
Water Operations	941,165	-	-	-	941,165
Sewer Operations	-	686,883	-	-	686,883
Waste Water Treatment & Distribution Plant	-	601,150	-	-	601,150
Stormwater Operations	-	-	-	212,701	212,701
Sanitation	-	-	1,325,771	-	1,325,771
Depreciation and amortization	68,829	410,868	21,091	44,428	545,216
Total operating expenses	<u>1,033,189</u>	<u>1,914,897</u>	<u>1,346,862</u>	<u>257,129</u>	<u>4,552,077</u>
Operating income (loss)	<u>16,707</u>	<u>181,826</u>	<u>39,353</u>	<u>(28,385)</u>	<u>209,501</u>
Nonoperating revenues (expenses):					
Investment earnings	-	-	-	-	-
Interest and fees	(32)	(13,026)	-	(874)	(13,932)
Water Tank Lease	50,197	-	-	-	50,197
Sewer Line Expansion Revenue	-	122,493	-	-	122,493
Miscellaneous income	3,558	7,869	30	-	11,457
Total nonoperating revenues (expenses)	<u>53,723</u>	<u>117,336</u>	<u>30</u>	<u>(874)</u>	<u>170,215</u>
Income (Loss) Before Contributions and	70,430	299,162	39,383	(29,259)	379,716
Capital contributions	43,750	-	-	-	43,750
Transfers from (to) other funds	(62,500)	(62,500)	-	(10,000)	(135,000)
Total Income (Loss) After Contributions	<u>51,680</u>	<u>236,662</u>	<u>39,383</u>	<u>(39,259)</u>	<u>288,466</u>
Change in Net Position	51,680	236,662	39,383	(39,259)	288,466
Total Net Position, Beginning	2,996,450	13,404,451	234,619	637,310	17,272,830
Prior Period Adjustment (see Note 5)	(11,344)	(17,536)	(4,044)	(3,184)	(36,108)
Total Net Position, Ending	<u>\$ 3,036,786</u>	<u>\$ 13,623,577</u>	<u>\$ 269,958</u>	<u>\$ 594,867</u>	<u>\$ 17,525,188</u>

City of Whiteville, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

Exhibit 9

	Major			Non-Major	Total
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Fund	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers and users	\$ 985,204	\$ 2,111,170	\$ 1,362,968	\$ 226,051	\$ 4,685,393
Cash paid for goods and services	(524,586)	(747,774)	(1,134,462)	(40,385)	(2,447,207)
Cash paid to employees for services	(456,381)	(628,498)	(188,373)	(148,499)	(1,421,751)
Customer deposits received / (returned)	4,328	-	-	-	4,328
Net cash provided by (used in) operating activities	<u>8,565</u>	<u>734,898</u>	<u>40,133</u>	<u>37,167</u>	<u>820,763</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(46,903)	(91,342)	(20,000)	(213,226)	(371,471)
Installment Purchase Proceeds	-	92,235	-	-	92,235
Principal paid on loans and leases	(15,492)	(531,039)	-	(21,476)	(568,007)
Interest & fees paid on loans and leases	(32)	(16,513)	-	(874)	(17,419)
Miscellaneous income	3,558	7,869	28	-	11,455
Capital Contributions & Miscellaneous Grants	43,750	-	-	-	43,750
Sewer line expansion revenue	-	122,493	-	-	122,493
Water tank lease	50,197	-	-	-	50,197
Net cash provided by (used in) capital and related financing activities	<u>35,078</u>	<u>(416,297)</u>	<u>(19,972)</u>	<u>(235,576)</u>	<u>(636,767)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Due to/from other funds	-	20,259	-	-	20,259
Transfers to / from other funds	(62,500)	(62,500)	-	(10,000)	(135,000)
Net cash provided by (used in) non-capital financing activities	<u>(62,500)</u>	<u>(42,241)</u>	<u>-</u>	<u>(10,000)</u>	<u>(114,741)</u>
Cash flows from investment activities:					
Interest on investments	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	(18,857)	276,360	20,161	(208,409)	69,255
Cash and cash equivalents, July 1	980,654	1,449,347	133,160	282,199	2,845,360
Cash and cash equivalents, June 30	<u>\$ 961,797</u>	<u>\$ 1,725,707</u>	<u>\$ 153,321</u>	<u>\$ 73,790</u>	<u>\$ 2,914,615</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 16,707	\$ 181,826	\$ 39,353	\$ (28,385)	\$ 209,501
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	68,829	410,868	21,091	44,428	545,216
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(47,510)	28,156	(22,475)	(2,210)	(44,040)
(Increase) decrease in due from other governments	(8,478)	(2,408)	(624)	(483)	(11,993)
(Increase) decrease in miscellaneous receivable	(8,701)	(11,301)	(148)	-	(20,150)
(Increase) decrease in prepaid expense	-	-	-	-	-
(Increase) decrease in deferred outflows of resources - pension	75,824	122,140	37,262	25,694	260,920
(Increase) decrease in deferred outflows of resources for OPEB	(3,296)	(19,876)	(4,683)	(5,055)	(32,910)
Increase (decrease) in accounts payable and other liabilities	15,375	135,650	(3,254)	5,341	153,112
Increase (decrease) in accrued vacation pay	811	5,160	-	3,596	9,567
Increase (decrease) in deferred inflows of resources - pension	3,359	5,411	1,651	1,139	11,560
Increase (decrease) in deferred inflows of resources - OPEB	(29,281)	(24,394)	(4,617)	(228)	(58,520)
Increase (decrease) in OPEB liability	5,428	40,311	18,263	22,076	86,078
Increase (decrease) in net pension liability	(84,827)	(136,645)	(41,686)	(28,746)	(291,904)
Increase (decrease) in customer deposits	4,328	-	-	-	4,328
Total adjustments	<u>(8,139)</u>	<u>553,072</u>	<u>780</u>	<u>65,552</u>	<u>611,261</u>
Net cash provided by (used in) operating activities	<u>\$ 8,565</u>	<u>\$ 734,898</u>	<u>\$ 40,133</u>	<u>\$ 37,167</u>	<u>\$ 820,763</u>

CITY OF WHITEVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Whiteville and its discretely presented component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The City of Whiteville is a municipal corporation, incorporated in 1834, that is governed by an elected mayor and a six member council. As required by generally accepted accounting principles, these financial statements present the City and its component unit, a legally-separate entity for which the City is financially accountable. The discretely presented component unit presented below is reported in a separate column in the City's financial statements in order to emphasize that it is legally separate from the City.

Whiteville ABC Board

The members of the ABC Board's governing board are appointed by the City. In addition, the ABC Board is required by State statute to distribute 55% of its surpluses to the General Fund of the City. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund (discrete presentation). Complete financial statements for the ABC Board may be reviewed at the Board's administrative offices at 112 South J.K. Powell Blvd., Whiteville, North Carolina 28472.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government and its component unit. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. 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 City and for each function of the City'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 City's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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

The City reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the City. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for general government, public safety, transportation, and environmental protection services.

American Rescue Plan Act Fund. This fund is used to account for the American Rescue Plan Act grant proceeds used for revenue replacement for operations due to COVID-19.

FY 22 SCIF Grant Fund. This fund is used to account for the SCIF infrastructure grant proceeds used for downtown stormwater infrastructure installation and maintenance.

The City reports the following non-major governmental funds:

WDDC Tax District Fund. This fund accounts for the ad valorem tax levy of the municipal service district established at the request of the Whiteville Downtown City Development Commission.

NCLM P&L Insurance Grnat Fund. This fund is used to account for grant proceeds received to purchase and install a perimeter fence at the fire station.

NCLM Workers Comp Grnat Fund. This fund is used to account for fire department safety equipment purchases.

AFG FYE 2020 Grant Fund. This fund is used to account for grant proceeds received to purchase fire department equipment – Mobile Air Unit.

FEMA AFG Grant Fund. This fund is used to account for grant proceeds received to purchase fire department equipment.

HMGP Property Acquisition Fund. This fund is used to account for funding received to purchase homes that were flooded in Hurricane Matthew.

Hurricane Dorian Recovery Fund. This fund is used to account for repairs necessary as a result of Hurricane Dorian.

CARES Act Fund. This fund is used to account for CARES Act funding received from the County. These funds will be used for relevant COVID-19 expenditures.

Vineland Station. This fund is used to account for rental activity and associated expenses of the Vineland Station.

ABC Store Building Construction Fund. This fund is used to account for the acquisition of land and construction expenses of the new ABC Store.

AFG COVID-19 Grant Fund. This fund is used to account for AFG Covid-19 Grant proceeds and related expenditures for the mitigation of Covid-19.

Parks Pedestrian Bridge Construction. This fund is used to account for the related expenditures for the construction of the pedestrian bridge.

Parks Capital Fund. This fund is used to account for ball field rental revenue and capital purchases.

Parks Construction Fund. This fund is used to account for park construction projects.

Hurricane Florence Recovery Fund. This fund accounts for expenditures associated with Hurricane Florence recovery.

HMGP Generator Fund. This fund is used to account for grant funds received to purchase a generator.

Downtown WIFI Project Fund. This fund is used to account for grant funds received to update the WIFI equipment downtown.

Duke Energy Grant. This fund is used to account for grant funds received to purchase public safety equipment.

The City reports the following major enterprise funds:

Water Fund. This fund is used to account for the City's water operations.

Sewer Fund. This fund is used to account for the City's sewer operations.

Sanitation Fund. This fund is used to account for the City's sanitation operations.

The City reports the following non-major enterprise fund:

Stormwater Fund. This fund is used to account for the City's stormwater operations.

C. Measurement Focus and Basis of Accounting

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

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The City considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as a 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. Also, 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 beer and wine tax, collected and held by the State at year-end on behalf of the City are recognized as revenue. Sales taxes are considered a shared revenue for the City of Whiteville because the tax is levied by Columbus County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Under the terms of grant agreements, the City 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 City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenue.

D. Budgetary Data

The City's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, WDDC Tax District, the Water Fund, the Sewer Fund, the Sanitation Fund, and the Stormwater Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the remaining Special Revenue Funds, Capital Project Funds, and the Enterprise Capital Project Funds, which are consolidated with the operating funds for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Any revisions that alter the total expenditures of any fund 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.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity

1. Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the City and ABC Board 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 City's and the ABC Board's investments are reported at fair value. Because the NCCMT Government has a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

2. Cash and Cash Equivalents

The City pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The ABC Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents.

3. Restricted Assets

Unexpended loan proceeds are classified as restricted assets, as the loan proceeds were restricted for project expenses. Customer deposits held by the City before any services are supplied are restricted to the service for which the deposit was collected. Powell Bill funds are also classified as restricted cash because they can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through 136-41.4.

<u>City of Whiteville Restricted Cash</u>	
Governmental Activities	
General Fund	
Powell Bill Funds - Streets	\$ 102,772
ARPA Fund	433,789
FY 22 SCIF Fund	2,000,000
Vineland Station	9,900
Total Governmental activities	<u>\$ 2,546,461</u>
Business-type Activities	
Water Fund	
Customer Deposits	\$ 148,508
Total business-type activities	<u>\$ 148,508</u>
Total Restricted Cash	<u>\$ 2,694,969</u>

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the City levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2021. As allowed by State law, the City has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the City's General Fund, ad valorem tax revenues are reported net of such discounts.

5. 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.

6. Lease Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

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.

7. Inventory and Prepaid Items

The inventories of the ABC Board are valued at LIFO. The City does not keep enough supplies on hand to require maintaining an inventory; expendable supplies are recorded as expenditures when purchased.

8. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization costs are as follows: land, \$0; equipment, furniture and fixtures, and vehicles, \$5,000; streets, \$100,000; wells, tanks, and bridges, \$100,000; culverts, \$15,000 and sidewalks and water and sewer lines, \$10,000. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. 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.

Capital assets of the City are depreciated on a straight--line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Water and Sewer Distribution Lines	67 Years
Buildings	45 Years
Water and Sewer Equipment	40 Years
Infrastructure	30 Years
Equipment & Furniture	5-10 Years
Computers	3 - 5 Years
Vehicles	5-15 Years

9. Right to Use Assets

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

10. Deferred Outflows/Inflows of Resources

In addition to assets, the state of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The City has two items that meets this criterion, pension deferrals and OPEB deferrals. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The City has several items that meet the criterion for this category – property taxes receivable, pension deferrals, OPEB deferrals, and leases.

11. Long-Term Obligations

In the government-wide financial statements, and 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. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance cost, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

12. Compensated Absences

The vacation policy of the City allows for the maximum accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the City'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 City has assumed a last-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The City's sick leave policy 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 neither the City nor the ABC Board has any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Full-time employees are entitled to eight days sick leave per calendar year, regardless of length of employment, and unused sick leave benefits are allowed to accumulate. Since the Board has no obligation for accumulated sick leave until it is actually taken no accrual for sick leave has been made.

13. Net Position/Fund Balances

Net Position

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, net of related debt; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or 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 governmental fund types classify fund balances as follows:

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

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

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

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

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of City of Whiteville's governing body. Any changes or removal of specific purpose requires majority action by the governing body.

Assigned Fund Balance – portion of fund balance that City of Whiteville intends to use for specific purposes.

- Economic Development – Portion of fund balance that is assigned to WDDC Development and other Economic Development projects.
- Capital Outlay – Portion of fund balance that is assigned to the construction, fixed assets and equipments for various funds..
- Hurricane Recovery – Portion of fund balance that is assigned for Hurricane Recovery.
- Public Safety – Portion of fund balance that was remaining from firefighters grants received and not yet spent.
- Subsequent year's expenditures – Portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however the budget ordinance authorizes the manager to modify the appropriations by resource or appropriation within funds up to \$100,000.

Unassigned Fund Balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

14. Defined Benefit Cost-Sharing Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The City of Whiteville's employer contributions are recognized when due and the City of Whiteville has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

For purposes of measuring the net pension expense, information about the fiduciary net position of the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF) and additions to/deductions from FRSWPF's fiduciary net position have been determined on the same basis as they are reported by FRSWPF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Excess of Expenditures over Appropriations

The City adopted GASB 87, which requires that lease agreements be recorded on the fund statements. The City did not adopt budget amendments to account for recording the remaining lease liabilities. As a result, the City's budget was overspent in the Administration Department by \$14,234.

NOTE 3: DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All the deposits of the City and the ABC Board are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the City's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City and the ABC Board, these deposits are considered to be held by the City's and the ABC Board's agents in their 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 City, the ABC Board, or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the City and the ABC Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The City has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2022, the City's deposits had a carrying amount of \$4,263,634 and a bank balance of \$4,413,070. The carrying amount of deposits for the ABC Board was \$789,741 and the bank balance was \$1,035,271. Of the ABC Board's bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. Of the City's bank balance, \$250,000 was covered by FDIC and the excess deposits were collateralized under the pooling method. Included in the carrying amount at June 30, 2022 was the City's petty cash fund which totaled \$200 and the ABC Board had petty cash which totaled \$875..

2. Investments

At June 30, 2022, the City's investment balances were as follows:

<u>Investments by Type</u>	<u>Valuation Measurement Method</u>	<u>Book Value at 6/30/22</u>	<u>Maturity</u>	<u>Rating</u>
NC Capital Management Trust - Government Portfolio	Fair Value- Level 1	\$ 3,878,542	N/A	AAAm
Total:		\$ 3,878,542		

3. Accounts Receivable and Due From Other Governments

The amounts presented in the Statement of Net Position are shown below:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Sales Tax Refund Receivable	\$ 48,141	\$ 36,088
Charges for Services - Billed	-	539,123
Charges for Services - Unbilled	-	230,235
Motor Vehicle Tax Receivable	43,900	-
Due from County - Taxes / Stormwater	10,921	2,779
ABC Board A/R	188,732	-
Returned Checks & Other Misc.Receivables	4,123	4,223
Franchise Tax Receivable	110,962	-
Local Option Sales Tax Receivable	458,055	-
Other Receivables	-	-
Total	\$ 864,834	\$ 812,448

Receivables – Allowance for Doubtful Accounts

The amount presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2022 are net of the following allowances for doubtful accounts.

Fund	6/30/22
General Fund:	
Taxes Receivable	<u>\$ 19,000</u>
Enterprise Funds:	
Water Fund	45,873
Sewer Fund	71,237
Sanitation Fund	49,612
Total - Enterprise Funds	<u>\$ 166,721</u>

4. Lease Receivable

On 07/01/2021, Whiteville, NC entered into a 167 month lease as Lessor for the use of Whiteville ABC Board. An initial lease receivable was recorded in the amount of \$963,000. As of 06/30/2022, the value of the lease receivable is \$898,070. The lessee is required to make monthly fixed payments of \$6,250. The lease has an interest rate of 1.1810%. The value of the deferred inflow of resources as of 06/30/2022 was \$893,803 and Whiteville recognized lease revenue of \$69,198 during the fiscal year. The lessee has 2 extension option(s), each for 60 months. The lessee had a termination period of 2 months as of the lease commencement.

5. Capital Assets

Primary Government

Capital asset activity for the Primary Government for the year ended June 30, 2022, was as follows:

	Beginning Balances	Increases and Adjustments	Decreases	Ending Balances
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 318,182	\$ -	\$ -	\$ 318,182
Construction in Progress	260,491	432,106	-	692,597
Total capital assets not being depreciated	<u>578,673</u>	<u>432,106</u>	-	<u>1,010,779</u>
Capital assets being depreciated				
Buildings	7,115,937	33,160	-	7,149,097
Infrastructure	2,269,820	-	-	2,269,820
Equipment & Furn. & Fixtures	2,971,483	196,553	-	3,168,036
Vehicles	4,549,616	450,165	-	4,999,781
Total capital assets being depreciated	<u>16,906,856</u>	<u>679,878</u>	-	<u>17,586,734</u>
Less accumulated depreciation for:				
Buildings	1,790,874	171,313	-	1,962,187
Infrastructure	1,687,638	65,430	-	1,753,068
Equipment & Furn. & Fixtures	1,634,123	250,626	-	1,884,749
Vehicles	3,107,561	295,818	-	3,403,379
Total accumulated depreciation	<u>8,220,196</u>	<u>\$ 783,187</u>	\$ -	<u>9,003,383</u>
Total capital assets being depreciated, net	<u>8,686,660</u>			<u>8,583,351</u>
Governmental activity capital assets, net	<u>\$ 9,265,333</u>			<u>\$ 9,594,130</u>

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

General Government	\$ 138,769
Public Safety	341,891
Transportation	132,477
Cultural & Recreational	170,050
Total Depreciation Expense	<u>\$ 783,187</u>

Business-type activities:**Water Fund**

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 34,131	\$ -	\$ -	\$ 34,131
Construction in Progress	-	-	-	-
Total capital assets not being depreciated	34,131	-	-	34,131
Capital assets being depreciated:				
Plant and distribution systems	6,013,210	-	-	6,013,210
Furniture, Maint Equip, & Vehicles	358,644	46,906	-	405,550
Total capital assets being depreciated	6,371,854	46,906	-	6,418,760
Less accumulated depreciation for:				
Plant and distribution systems	3,728,879	55,465	-	3,784,344
Furniture, Maint Equip, & Vehicles	348,639	9,119	-	357,758
Total accumulated depreciation	4,077,518	\$ 64,584	\$ -	4,142,102
Total capital assets being depreciated, net	2,294,336			2,276,658
Water fund capital assets, net	<u>\$ 2,328,467</u>			<u>\$ 2,310,789</u>

Sewer Fund

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 171,887	\$ -	\$ -	\$ 171,887
Construction in Progress	1,135,835	55,346	-	1,191,181
Total capital assets not being depreciated	1,307,722	55,346	-	1,363,068
Capital assets being depreciated:				
Plant and distribution systems	19,666,894	-	-	19,666,894
Furniture, Maint Equip, & Vehicles	1,421,176	36,000	-	1,457,176
Total capital assets being depreciated	21,088,070	36,000	-	21,124,070
Less accumulated depreciation for:				
Plant and distribution systems	7,045,390	358,104	-	7,403,494
Furniture, Maint Equip, & Vehicles	1,125,418	45,075	-	1,170,493
Total accumulated depreciation	8,170,808	\$ 403,179	\$ -	8,573,987
Total capital assets being depreciated, net	12,917,262			12,550,083
Sewer fund capital assets, net	<u>\$ 14,224,984</u>			<u>\$ 13,913,151</u>

Stormwater Fund

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	15,000	213,225	228,225	-
Total capital assets not being depreciated	15,000	213,225	228,225	-
Capital assets being depreciated:				
Plant and distribution systems	494,772	228,225	-	722,997
Furniture, Maint Equip, & Vehicles	112,933	-	-	112,933
Total capital assets being depreciated	607,705	228,225	-	835,930
Less accumulated depreciation for:				
Plant and distribution systems	15,527	13,159	-	28,686
Furniture, Maint Equip, & Vehicles	23,091	27,024	-	50,115
Total accumulated depreciation	38,618	\$ 40,183	\$ -	78,801
Total capital assets being depreciated, net	569,087			757,129
Stormwater fund capital assets, net	<u>\$ 584,087</u>			<u>\$ 757,129</u>

Sanitation Fund

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total capital assets not being depreciated	-	-	-	-
Capital assets being depreciated:				
Plant and distribution systems	-	-	-	-
Furniture, Maint Equip, & Vehicles	115,470	20,000	-	135,470
Total capital assets being depreciated	115,470	20,000	-	135,470
Less accumulated depreciation for:				
Plant and distribution systems	-	-	-	-
Furniture, Maint Equip, & Vehicles	55,076	21,090	-	76,166
Total accumulated depreciation	55,076	\$ 21,090	\$ -	76,166
Total capital assets being depreciated, net	60,394			59,304
Sanitation fund capital assets, net	<u>\$ 60,394</u>			<u>\$ 59,304</u>
Business-type activities capital assets, net				<u>\$ 17,040,373</u>

6. Right to Use Leased Assets

The City has recorded five right to use leased assets. The assets are right to use assets for leased equipment. The related leases are discussed in the Leases subsection of the Liabilities section of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity for the Primary Government for the year ended June 30, 2022, was as follows:

Governmental Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Right to use assets				
Leased equipment	\$ -	\$ 15,743	\$ -	\$ 15,743
Total right to use assets	-	15,743	-	15,743
Less accumulated amortization for:				
Leased equipment	-	4,682	-	4,682
Total accumulated amortization	-	4,682	-	4,682
Right to use assets, net	<u>\$ -</u>	<u>\$ 11,061</u>	<u>\$ -</u>	<u>\$ 11,061</u>

Business-Type Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Right to use assets				
Leased equipment	\$ -	\$ 27,060	\$ -	\$ 27,060
Total right to use assets	-	27,060	-	27,060
Less accumulated amortization for:				
Leased equipment	-	16,178	-	16,178
Total accumulated amortization	-	16,178	-	16,178
Right to use assets, net	<u>\$ -</u>	<u>\$ 10,882</u>	<u>\$ -</u>	<u>\$ 10,882</u>

B. - Liabilities

1. Pension Plan and Postemployment Obligations

a. Local Governmental Employees' Retirement System

Plan Description. The City of Whiteville is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual 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. City of Whiteville employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City of Whiteville's contractually required contribution rate for the year ended June 30, 2022, was 12.04% of compensation for law enforcement officers and 11.44% 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 City of Whiteville were \$349,166 for the year ended June 30, 2022.

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

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

At June 30, 2022, the City reported a liability of \$695,332 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2022, the City's proportion was .04534% (measured as of June 30, 2021), which was an decrease of .00277% from its proportion measured as of June 30, 2021 (measured as of June 30, 2020).

For the year ended June 30, 2022, the City recognized pension expense of \$281,030. At June 30, 2022, the City 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	\$ 221,210	\$ -
Changes of assumptions	436,846	-
Net difference between projected and actual earnings on pension plan investments	-	993,421
Changes in proportion and differences between City contributions and proportionate share of contributions	17,494	65,275
City contributions subsequent to the measurement date	349,166	-
Total	<u>\$ 1,024,716</u>	<u>\$ 1,058,696</u>

\$349,166 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ 44,100
2024	(30,015)
2025	(93,239)
2026	(303,992)
2027	-
Thereafter	-
	<u>\$ (383,146)</u>

Actuarial Assumptions. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.25 to 8.25 percent, which includes a 3.25% inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study 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, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
	<u>100.0%</u>	

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

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
City's proportionate share of the net pension liability (asset)	\$ 2,699,223	\$ 695,332	\$ (953,753)

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

b. Law Enforcement Officers Special Separation Allowance

1. Plan Description.

The City of Whiteville administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the City'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.

The Separation Allowance covers all full-time law enforcement officers of the City. At December 31, 2020, the Separation Allowance's membership consisted of:

Retirees Receiving Benefits	3
Terminated plan members entitled to but no yet receiving benefits	0
Active Plan Members	24
Total	27

2. Summary of Significant Accounting Policies:

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

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

3. Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2020 valuation. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	2.25 percent

The discount rate is the S&P Municipal Bond 20 Year High Grade Rate Index determined at the end of each month.

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

Mortality Rate

Deaths After Retirement (Healthy): Mortality rates are based on the Safety Mortality Table for Retirees. Rates for all members are multiplied by 97% and Set Forward by 1 year.

Deaths After Retirement (Disabled): Mortality rates are based on the Non-Safety Mortality Table for Disabled Retirees. Rates are Set Back 3 years for all ages.

Deaths Before Retirement: Mortality rates are based on the Safety Mortality Table for Employees.

Mortality Projection: All mortality rates are projected from 2010 using generational improvement with Scale MP-2019.

4. Contributions.

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City'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 City paid \$16,405 as benefits came due for the reporting period.

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

At June 30, 2022, the City reported a total pension liability of \$554,798. The total pension liability was measured as of December 31, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2021 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2022, the City recognized pension expense of \$83,340.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 170,144	\$ 208,320
Changes of assumptions	152,132	16,093
City benefit payments and plan administrative expense made subsequent to the measurement date	4,867	-
Total	<u>\$ 327,143</u>	<u>\$ 224,413</u>

\$4,867 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ 25,887
2024	36,449
2025	48,637
2026	13,734
2027	(26,844)
Thereafter	-
	<u>\$ 97,863</u>

Sensitivity of the City's total pension liability to changes in the discount rate. The following presents the City's total pension liability calculated using the discount rate of 2.25 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.25 percent) or one percentage point higher (3.25 percent) than the current rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total pension liability	\$ 601,749	\$ 554,798	\$ 511,805

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

Beginning Balance	\$ 726,584
Service Cost	44,023
Interest on the total pension liability	13,865
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(198,685)
Changes of assumptions or other inputs	(14,584)
Benefit payments	(16,405)
Other changes	-
Ending balance of the total pension liability	<u>\$ 554,798</u>

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

The plan currently uses mortality tables that vary by age, and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

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

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

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

	LGERS	LEOSSA	Total
Pension Expense (Revenue)	\$ 281,030	\$ 83,340	\$ 364,370
Pension Liability	695,332	554,798	1,250,130
Proportionate share of the net pension liability	0.04534%	n/a	

Deferred Outflows of Resources

Differences between expected and actual experience	221,210	170,144	391,354
Changes of assumptions	436,846	152,132	588,978
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	17,494	-	17,494
Benefit payments and administrative costs paid subsequent to the measurement date	349,166	4,867	354,033

Deferred Inflows of Resources

Differences between expected and actual experience	-	208,320	208,320
Changes of assumptions	-	16,093	16,093
Net difference between projected and actual earnings on plan investments	993,421	-	993,421
Changes in proportion and differences between contributions and proportionate share of contributions	65,275	-	65,275

c. Supplemental Retirement Income Plan (Law Enforcement Officers and Non-Law)

Plan Description. The City contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the City. 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 (ACFR) for the State of North Carolina. The State's ACFR includes the pension trust financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the City 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. Contributions for the year ended June 30, 2022 were \$66,048, which consisted of \$47,661 from the City and \$18,387 from law enforcement officers. The City has also elected to contribute four and one half a percent of general employees' salaries to the plan on their behalf. General employees may also make voluntary contributions to the plan. Contributions for general employees for the year ended June 30, 2022 were \$157,075, which consisted of \$91,286 from the City and \$65,789 from general employees.

e. Other Postemployment Benefit

Healthcare Benefits

Plan Description. Under the terms of a City resolution, the City administers a single-employer defined benefits healthcare plan ("the Retiree Health Plan"). The plan provides postemployment healthcare benefits to retirees of the City, provided they participate in the North Carolina Local Government Employees' Retirement System and have at least 20 years of creditable service with the City for all employees hired prior to June 8, 2010. The City adopted an amendment to the plan that offers healthcare benefits to retirees hired after June 8, 2010 at the following percentages: after 20 years of service, the City will pay 25%; after 25 years of service, the City will pay 50%; after 30 years of service, the City will pay 75%, and after 35 years of service, the City will pay 100%. The City pays the cost of coverage for these benefits through private insurers. Also, the City's retirees can purchase coverage for their dependents at the City's group rates. The City Council may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the plan consisted of the following at December 31, 2021, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	18
Terminated plan members entitled to but not yet receiving benefits	-
Active Plan Members	<u>92</u>
Total	<u>110</u>

Total OPEB Liability

The City's total OPEB liability of \$2,497,073 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50%
Salary increases	
General Employees	3.25% - 8.41%
Firefighters	3.25% - 8.15%
Law Enforcement Officers	3.25% - 7.90%
Discount rate	2.16%
Healthcare cost trend rates	
Pre-Medicare	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031
Medicare	5.125% for 2021 decreasing to an ultimate rate of 4.50% by 2024

The discount rate is based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Bond Buyer.

Changes in the Total OPEB Liability

Balance at July 1, 2021	\$ 2,215,480
Changes for the year	
Service Cost	101,784
Interest	50,899
Changes in benefit terms	-
Difference between expected and actual experience	82,894
Changes of assumptions or other inputs	74,444
Benefit payments	(28,428)
Other	-
Net Changes	<u>281,593</u>
Total OPEB Liability at June 30, 2022	<u>\$ 2,497,073</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.21% to 2.16%.

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generation mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) and 1-percentage-point higher (3.16%) than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability	\$ 2,977,119	\$ 2,497,073	\$ 2,122,997

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower and 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Discount Rate	1% Increase
Total OPEB Liability	\$ 2,103,494	\$ 2,497,073	\$ 3,017,536

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the City recognized OPEB expense of \$69,942. At June 30, 2022, the City 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	\$ 74,803	\$ 671,070
Changes of assumptions	396,375	192,749
Benefit payments and administrative costs made subsequent to the measurement date	44,560	-
Total	\$ 515,738	\$ 863,819

\$44,560 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pension will be recognized as pension expense as follows:

Year ended June 30:

2023	\$ (98,936)
2024	(98,936)
2025	(98,936)
2026	(98,936)
2027	(74,025)
Thereafter	77,128

2. Other Employment Benefit

The City has also elected to provide death benefits to employees through One America. The City pays the premiums to provide employees life insurance in the amount of one times their annual salary. The City also provides \$15,000 of life insurance coverage for department head retirees and \$5,000 of life insurance coverage for all other retirees.

3. Deferred Outflows and Inflows of Resources

The City has several deferred outflows of resources. Deferred outflows of resources is comprised of the following:

Source	Amount
Contributions to pension plan in current fiscal year	\$ 349,166
Benefit payments made and administrative expenses for LEOWSA	4,867
Benefit payments and administrative expenses for OPEB made subsequent to measurement date	44,560

Differences between expected and actual experience	
LGERS	221,210
LEOSSA	170,144
OPEB	74,803
Changes of assumptions	
LGERS	436,846
LEOSSA	152,132
OPEB	396,375
Changes in proportion and differences between employer contributions and proportionate share of contributions	
LGERS	17,494
Total	<u>\$ 1,867,597</u>

Deferred inflows of resources at year-end is comprised of the following:

Prepaid taxes (General Fund)	\$ 360
Taxes Receivable, less penalties (General Fund)	37,512
Lease Receivable (General Fund)	893,803
Differences between expected and actual experience	
LEOSSA	208,320
OPEB	671,070
Changes of assumptions	
LEOSSA	16,093
OPEB	192,749
Net difference between projected and actual earnings on pension plan investments	
LGERS	993,421
Changes in proportion and differences between employer contributions and proportionate share of contributions	
LGERS	65,275
Total	<u>\$ 3,078,603</u>

4. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in two self-funded risk-financing pools administered by the North Carolina League of Municipalities. Through these pools, the City obtains general liability and auto liability coverage of \$5 million per occurrence, property coverage up to the total insurance values of the property policy and workers' compensation coverage up to statutory limits. The liability and property exposures are reinsured through commercial carriers for claims in excess of retentions as selected by the Board of Trustees each year. Specific information on the limits of the reinsurance and excess policies purchased by the Board of Trustees can be obtained by contacting the Risk Management Services Department of the NC League of Municipalities. The pools are audited annually by certified public accountants, and the audited financial statements are available to the City upon request.

The City carries flood insurance through the North Carolina League of Municipalities. The City has areas that have been mapped and designated by the Federal Emergency Management Agency as not being in a flood zone and some are in a flood zone. The City's insurance carrier will provide coverage for those areas in the flood zones B, C, and X, but no coverage is provided for property located in the other flood zones. The City does not have any additional insurance to cover this damage should it occur.

In accordance with G.S. 159-29, The City's employees that have access to \$100 or more at any given time of the City's funds are performance bonded through a commercial surety bond. The finance officer is bonded for \$100,000. The remaining employees are that have access to funds are bonded under a blanket bond for \$50,000.

5. Claims, Judgments and Contingent Liabilities

As of June 30, 2022, the City was not involved in any civil or legal actions which in the opinion of management and the City's attorney, would have an adverse or material effect on the City's financial position.

6. Long-Term Obligations

a. Leases

The City has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On 07/01/2021, Whiteville, NC entered into a 40 month lease as Lessee for the use of Clerk's Office. An initial lease liability was recorded in the amount of \$6,084. As of 06/30/2022, the value of the lease liability is \$4,318. Whiteville is required to make monthly fixed payments of \$150. The lease has an interest rate of 0.8450%. The value of the right to use asset as of 06/30/2022 of \$6,084 with accumulated amortization of \$1,803 is included with Equipment on the Lease Class activities table found below.

On 02/04/2022, Whiteville, NC entered into a 63 month lease as Lessee for the use of Vineland Station COECO Copier. An initial lease liability was recorded in the amount of \$4,190. As of 06/30/2022, the value of the lease liability is \$3,866. Whiteville is required to make monthly fixed payments of \$70. The lease has an interest rate of 1.8800%. The value of the right to use asset as of 06/30/2022 of \$4,190 with accumulated amortization of \$326 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Whiteville, NC entered into a 16 month lease as Lessee for the use of Multifunction Printer COECO Copiers. An initial lease liability was recorded in the amount of \$23,438. As of 06/30/2022, the value of the lease liability is \$5,872. Whiteville is required to make monthly fixed payments of \$1,678. The lease has an interest rate of 0.4660%. The value of the right to use asset as of 06/30/2022 of \$23,438 with accumulated amortization of \$17,220 is included with Equipment on the Lease Class activities table found below.

On 05/10/2022, Whiteville, NC entered into a 63 month lease as Lessee for the use of Fire Department COECO Copier. An initial lease liability was recorded in the amount of \$4,096. As of 06/30/2022, the value of the lease liability is \$3,966. Whiteville is required to make monthly fixed payments of \$70. The lease has an interest rate of 2.7730%. The value of the right to use asset as of 06/30/2022 of \$4,096 with accumulated amortization of \$111 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Whiteville, NC entered into a 42 month lease as Lessee for the use of Pitney Bowes Postage Meter. An initial lease liability was recorded in the amount of \$4,996. As of 06/30/2022, the value of the lease liability is \$3,580. Whiteville is required to make quarterly fixed payments of \$363. The lease has an interest rate of 1.0110%. The value of the right to use asset as of 06/30/2022 of \$4,996 with accumulated amortization of \$1,401 is included with Equipment on the Lease Class activities table found below.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-End	
	Lease Asset Value	Accumulated Amortization
Equipment	\$ 42,803	\$ 20,860
Total Leases	\$ 42,803	\$ 20,860

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

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 4,297	\$ 129	\$ 4,426
2024	2,493	93	2,586
2025	1,831	59	1,890
2026	1,277	33	1,310
2027	1,083	9	1,092
	\$ 10,981	\$ 323	\$ 11,304

Fiscal Year	Business Type Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 5,703	\$ 110	\$ 5,813
2024	2,314	75	2,389
2025	1,372	45	1,417
2026	583	27	610
2027	599	10	609
2028-2029	50	-	50
	<u>\$ 10,621</u>	<u>\$ 267</u>	<u>\$ 10,888</u>

b. Installment Loans

Serviced by Governmental Activities:

\$540,000 direct placement loan with BB&T issued for the purchase of a Rescue Pumper Fire Truck on August 14, 2013. Annual installments of \$47,320, including interest at 3.630% are due in 15 payments. Final payment is scheduled for August 2028. The equipment stands as collateral for the loan. In the event of default, the lender may: (a) declare the unpaid principal immediately due and payable; (b) proceed by appropriate court action to enforce the performance of the covenants of the agreement or to recover for the breach thereof; (c) require the lender to pay over any balance remaining in the project fund to be applied against outstanding Required Payments in any manner the lender may reasonably deem appropriate; and (d) avail itself of all available remedies under the agreement.

\$ 287,942

\$520,000 direct placement loan with BB&T issued for improvements to Nolan Park fitness center and recreation complex on July 13, 2015. Annual installments of \$34,667, including interest at 2.87% are due in 15 payments. Final payment is scheduled for July, 2031. The equipment stands as collateral for the loan. In the event of default, the lender may: (a) declare the unpaid principal immediately due and payable; (b) proceed by appropriate court action to enforce the performance of the covenants of the agreement or to recover for the breach thereof; (c) require the lender to pay over any balance remaining in the project fund to be applied against outstanding Required Payments in any manner the lender may reasonably deem appropriate; and (d) avail itself of all available remedies under the agreement.

312,000

\$2,000,000 direct placement loan with BB&T issued for building the new Town Hall on March 13, 2018. Annual installments of \$200,000, plus interest at 3.01% are due in 10 annual payments. Final payment is scheduled for March 2028. The building stands as collateral for the loan. In the event of default, the lender may withdraw any balance remaining in the project fund and apply the balance against outstanding required payments.

1,200,000

\$688,000 direct placement loan with First Bank issued for purchasing a fire truck on February 3, 2020. Annual payments of \$53,484 including interest at 2.15% are due in 15 payments. Final payment is scheduled for June 2034. The equipment stands as collateral for the loan. In the event of default, the lender may: (a) declare the entire principal amount of the Installment Payments and all accrued interest and other charges immediately due and payable without notice or demand to the City; (b) proceed by appropriate court action to enforce performance of the covenants of the contract; or (c) pursue any other remedy available at law or equity to the Bank.

558,192

\$950,000 direct placement loan with First Bank issued for building the ABC Store construction on June 5, 2020. Annual installments of \$63,333, plus interest at 2.08% are due in 15 annual payments. Final payment is scheduled for June 2035. The Building stands as collateral for the loan. In the event of default, the lender may: (a) declare the entire principal amount of the Installment Payments and all accrued interest and other charges immediately due and payable without notice or demand to the City; (b) proceed by appropriate court action to enforce performance of the covenants of the contract; or (c) pursue any other remedy available at law or equity to the Bank.

886,667

\$57,000 direct placement loan with KS State Bank revolving loan issued for purchase of Fire Department equipment on June 23, 2020. Annual installments of \$12,806, including interest at 2.08% are due in 5 annual payments. Final payment is scheduled for July 2025. The City requested and received \$20,537 as of June 30, 2022. The equipment stands as collateral for the loan. In the event of default, the lender may: (a) declare the entire principal amount of the Installment Payments and all accrued interest and other charges immediately due and payable without notice or demand to the City; (b) proceed by appropriate court action to enforce performance of the covenants of the contract; or (c) pursue any other remedy available at law or equity to the Bank.

10,049

\$156,054 direct placement loan with First Bank issued for purchase of three police trucks on August 11, 2020. Annual installments of \$53,409 including interest at 2.39% are due in 3 annual payments. Final payment is scheduled for June 2023. The vehicles stands as collateral for the loan. In the event of default, the lender may: (a) declare the entire principal amount of the Installment Payments and all accrued interest and other charges immediately due and payable without notice or demand to the City; (b) proceed by appropriate court action to enforce performance of the covenants of the contract; or (c) pursue any other remedy available at law or equity to the Bank.

52,339

Total Serviced by Governmental Activities

\$ 3,307,189

Serviced by the Enterprise Funds:

Note Payable – North Carolina Drinking Water State Revolving Loan Proceeds

\$462,104 direct borrowing agreement with NC Drinking Water Revolving Loan issued for a well replacement project. Principal installments in the amount of \$11,183 are due annually on May 1. In July 2013, the City was awarded ARRA funds to refinance the loan, which reduced the principal to \$201,288 and reduced the interest rate to 0%. This note is not secured by a pledge of the faith and credit of the State of North Carolina or of the City, but is payable solely from the revenues of the project or benefited systems, or other available funds. The City agrees that any other monies due to them from the State may be withheld by the State and applied to the payment of this obligation whenever the City fails to pay any amount of principal or interest on this note when due.

\$ 100,635

\$50,946 direct placement loan with First Bank issued for purchase of one truck for storm water on August 11, 2020. Annual installments of \$17,803 including interest at 2.39% are due in 3 annual payments. Final payment is scheduled for June 2023. The vehicle stands as collateral for the loan. In the event of default, the lender may: (a) declare the entire principal amount of the Installment Payments and all accrued interest and other charges immediately due and payable without notice or demand to the City; (b) proceed by appropriate court action to enforce performance of the covenants of the contract; or (c) pursue any other remedy available at law or equity to the Bank.

16,374

\$1,107,325 revolving loan with NC DEQ issued to fund a sanitary sewer project on September 11, 2020. Annual payments of \$55,366 without interest are due in 20 annual payments. Final payment is scheduled for May 2041. This note is not secured by a pledge of the faith and credit of the State of North Carolina or of the City, but is payable solely from the revenues of the project or benefited systems, or other available funds. The City agrees that any other monies due to them from the State may be withheld by the State and applied to the payment of this obligation whenever the City fails to pay any amount of principal or interest on this note when due.

1,051,959

\$600,000 direct placement loan with BB&T issued to purchase water/sewer equipment on October 10, 2019. Annual payments of \$157,689 including interest at 2.03% are due in 4 annual payments. Final payment is scheduled for October 2023. The equipment stands as collateral for the loan. In the event of default, the lender may: (a) declare the unpaid principal immediately due and payable; (b) proceed by appropriate court action to enforce the performance of the covenants of the agreement or to recover for the breach thereof; (c) require the lender to pay over any balance remaining in the project fund to be applied against outstanding Required Payments in any manner the lender may reasonably deem appropriate; and (d) avail itself of all available remedies under the agreement.

306,028

Total Serviced by Enterprise Funds

\$ 1,474,995

Annual debt service requirements to maturity for the City's Governmental activities are as follows:

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 438,531	\$ 89,341	\$ 234,400	\$ 6,633	\$ 672,931	\$ 95,974
2024	378,369	77,066	221,101	3,137	599,470	80,203
2025	380,662	65,969	66,549	-	447,211	65,969
2026	383,026	54,784	66,549	-	449,575	54,784
2027	385,461	43,509	66,549	-	452,010	43,509
2028-2032	984,681	94,402	321,552	-	1,306,233	94,402
2033-2037	356,459	16,696	276,831	-	633,290	16,696
2038-2042	-	-	221,465	-	221,465	-
Total	\$ 3,307,189	\$ 441,767	\$ 1,474,995	\$ 9,770	\$ 4,782,185	\$ 451,537

c. Changes in Long – Term Liabilities

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022	Current Portion Balance
Governmental Activities:					
Direct placement and borrowing installment agreements	\$ 3,743,253	\$ -	\$ 436,064	\$ 3,307,189	\$ 438,531
Capital Leases	29,071	-	29,071	-	-
Lease Liabilities	-	15,743	4,762	10,981	4,297
Total OPEB liability	1,490,962	177,321	-	1,668,283	-
Net pension liability (LGERS)	1,229,027	-	731,939	497,088	-
Net pension liability (LEOSSA)	726,584	-	171,786	554,798	-
Compensated Absences	257,492	101,107	-	358,599	-
Governmental activity long term liabilities	\$ 7,476,389	\$ 294,171	\$ 1,373,622	\$ 6,396,938	\$ 442,828
Business-type Activities:					
<u>Water Fund</u>					
Direct Borrowing Installment Agreement	\$ 111,817	\$ -	\$ 11,183	\$ 100,634	\$ 11,183
Net pension liability (LGERS)	142,437	-	84,827	57,610	-
Total OPEB liability	255,666	5,428	-	261,094	-
Compensated Absences	6,260	810	-	7,070	-
Lease Liabilities	-	7,458	4,309	3,149	1,958
<u>Sewer Fund</u>					
Direct Borrowing Installment Agreement	1,788,969	92,235	523,217	1,357,987	206,843
Net pension liability (LGERS)	229,445	-	136,646	92,799	-
Total OPEB liability	314,598	40,311	-	354,909	-
Compensated Absences	46,595	5,159	-	51,754	-
Lease Liabilities	-	12,145	7,822	4,323	3,916
<u>Sanitation Fund</u>					
Net pension liability (LGERS)	69,998	-	41,687	28,311	-
Total OPEB liability	89,727	18,263	-	107,990	-
<u>Stormwater Fund</u>					
Direct Borrowing Installment Agreement	33,542	-	17,168	16,374	16,374
Net pension liability (LGERS)	48,268	-	28,746	19,522	-
Total OPEB liability	64,526	22,076	-	86,602	-
Lease Liabilities	-	7,458	4,309	3,149	1,958
Compensated Absences	8,055	3,596	-	11,651	-
Business-type activity long term liabilities	\$ 3,209,903	\$ 214,939	\$ 859,914	\$ 2,564,928	\$ 242,232

At June 30, 2022, the City had a legal debt margin of \$38,133,893.

C. Interfund Balances and Activity

Balances due to/from other funds at June 30, 2022, consist of the following:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Purposes</u>
General Fund	\$ 462,331	\$ 144,361	Cash Deficit
AFG Covid-19 Fund	-	2,782	Cash Deficit
Vineland Station Fund	-	20,000	Cash Deficit
Parks Construction Fund	-	135,267	Cash Deficit
Mollie Branch Grant Fund Ph. II	-	37,196	Cash Deficit
Water Fund	84,361	-	Cash Deficit
Sewer Fund	-	170,000	Cash Deficit
Sanitation Fund	60,000	-	Cash Deficit
Stormwater Fund	-	95,000	Cash Deficit
NCLM Workers Comp Grant Fund	-	1,499	Cash Deficit
AFG FYE 2020 Grant Fund	-	587	Cash Deficit
Total	<u>\$ 606,692</u>	<u>\$ 606,692</u>	

The interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers to and from other funds at June 30, 2022 consist of the following:

	<u>Transfers</u>		<u>Purposes</u>
	<u>From</u>	<u>To</u>	
General Fund	\$ 86,712	\$ 130,000	Operation Support
WDDC Tax Fund	-	72,000	Operation Support
Water Fund	62,500	-	- Payment in lieu of taxes
Sewer Fund	62,500	-	- Payment in lieu of taxes
Stormwater Fund	10,000	-	- Payment in lieu of taxes
NCLM P&L Insurance Grant Fund	-	17,870	Capital outlay support
NCLM Workers Comp Grant Fund	-	1,842	Capital outlay support
Total	<u>\$ 221,712</u>	<u>\$ 221,712</u>	

Transfers are used to move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided matching funds for various grant programs.

D. Net Investment in Capital Assets

	<u>Governmental</u>	<u>Business-type</u>
Capital Assets	\$ 9,605,191	\$ 17,051,255
less: long-term debt	3,318,170	1,485,616
Net investment in capital assets	<u>\$ 6,287,021</u>	<u>\$ 15,565,639</u>

E. Fund Balance

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

Total fund balance - General Fund	<u>\$ 3,215,927</u>
Less:	
Nonspendable - Leases	4,267
Stabilization by State Statute	1,314,188
Street - Powell Bill	83,375
Remaining Fund Balance	<u>\$ 1,814,097</u>

NOTE 4: Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The City 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 moneys.

NOTE 5: Prior Period Adjustment

The City accrued incorrect amount of payroll expenditures as of June 30, 2021. The adjustment associated with the prior fiscal year resulted in decreases in fund balance of \$84,367 in General Fund, \$1,418 in WDDC Tax Fund, \$109 in Vineland Station Fund, \$11,344 in Water Fund, \$17,536 in Sewer Fund, \$4,044 in Sanitation Fund, and \$3,184 in Stormwater Fund for a total prior period adjustment of \$122,002.

NOTE 6: SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through November 23, 2022, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY FINANCIAL DATA

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

- Schedule of Proportionate Share of Net Pension Asset for Local Government Employees' Retirement System
- Schedule of Contributions to Local Government Employees' Retirement System
- Schedule of Changes in Total Pension Liability
- Schedule of Total Pension Liability as a Percentage of Covered Payroll
- Schedule of Changes in the Total OPEB Liability and Related Ratios

City of Whiteville, North Carolina
City of Whiteville's Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information
Last Nine Fiscal Years*

Local Government Employees' Retirement System

	2022	2021	2020	2019	2018
City's proportion of the net pension liability (asset) (%)	0.04534%	0.04811%	0.04520%	0.04457%	0.05047%
City's proportion of the net pension liability (asset) (\$)	\$ 695,332	\$ 1,719,175	\$ 1,234,377	\$ 1,057,353	\$ 771,042
City's covered payroll	\$ 3,196,382	\$ 3,037,975	\$ 3,014,762	\$ 2,770,507	\$ 2,747,989
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	21.75%	56.59%	40.94%	38.16%	28.06%
Plan fiduciary net position as a percentage of the total pension liability**	95.51%	88.61%	90.86%	91.63%	94.18%
	2017	2016	2015	2014	
City's proportion of the net pension liability (asset) (%)	0.04803%	0.05282%	0.04803%	0.04850%	
City's proportion of the net pension liability (asset) (\$)	\$ 1,019,358	\$ 237,053	\$ (283,255)	\$ 584,611	
City's covered payroll	\$ 2,567,451	\$ 2,431,308	\$ 2,387,209	\$ 2,298,610	
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	39.70%	9.75%	-11.87%	25.43%	
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%	

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

** This will be the same percentage for all participant employers in the LGERS plan.

**City of Whiteville, North Carolina
City of Whiteville's Contributions
Required Supplementary Information
Last Nine Fiscal Years**

Local Government Employees' Retirement System

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 349,166	\$ 333,252	\$ 280,299	\$ 242,630	\$ 215,529
Contributions in relation to the contractually required contribution	349,166	333,252	280,299	242,630	215,529
Contribution deficiency (excess)	<u>\$ -</u>				
City's covered payroll	\$ 3,008,794	\$ 3,196,382	\$ 3,037,975	\$ 3,014,762	\$ 2,770,507
Contributions as a percentage of covered payroll	11.60%	10.43%	9.23%	8.05%	7.78%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
Contractually required contribution	\$ 206,837	\$ 176,546	\$ 174,463	\$ 170,382	
Contributions in relation to the contractually required contribution	206,837	176,546	174,463	170,382	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 2,747,989	\$ 2,567,451	\$ 2,431,308	\$ 2,387,209	
Contributions as a percentage of covered payroll	7.53%	6.88%	7.18%	7.14%	

City of Whiteville, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Last Six Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning Balance	\$ 726,584	\$ 216,654	\$ 207,783	\$ 273,960	\$ 330,342	\$ 328,706
Service Cost	44,023	31,947	20,973	19,766	19,188	20,906
Interest on the total pension liability	13,865	6,743	7,247	8,400	12,326	11,356
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(198,685)	265,198	(9,720)	(69,194)	(85,640)	-
Changes of assumptions or other inputs	(14,584)	225,681	7,761	(8,871)	19,774	(9,386)
Benefit payments	(16,405)	(19,639)	(17,390)	(16,278)	(22,030)	(21,240)
Other changes	-	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 554,798</u>	<u>\$ 726,584</u>	<u>\$ 216,654</u>	<u>\$ 207,783</u>	<u>\$ 273,960</u>	<u>\$ 330,342</u>

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

City of Whiteville, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
Last Six Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 554,798	\$ 726,584	\$ 216,654	\$ 207,783	\$ 273,960	\$ 330,342
Covered payroll	\$ 1,074,309	\$ 1,147,970	\$ 926,581	\$ 882,041	829,890	851,737
Total pension liability as a percentage of payroll	51.64%	63.29%	23.38%	23.56%	33.01%	38.78%

Notes to the schedules:

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

City of Whiteville, North Carolina
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Five Fiscal Years

Total OPEB Liability	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 101,784	\$ 67,569	\$ 116,869	\$ 123,618	\$ 139,194
Interest	50,899	61,350	99,456	90,200	78,733
Changes in benefit terms	-	-	-	-	-
Difference between expected and actual experience	82,894	429	(1,058,970)	1,667	1,903
Changes of assumptions or other inputs	74,444	423,629	17,232	(142,771)	(250,702)
Benefit payments	(28,428)	(45,189)	(46,759)	(52,661)	(49,675)
Other	-	-	-	-	-
Net change in total OPEB liability	\$ 281,593	\$ 507,788	\$ (872,172)	\$ 20,053	\$ (80,547)
Total OPEB Liability - beginning	\$ 2,215,480	\$ 1,707,692	\$ 2,579,864	\$ 2,559,811	\$ 2,640,358
Total OPEB Liability - ending	\$ 2,497,073	\$ 2,215,480	\$ 1,707,692	\$ 2,579,864	\$ 2,559,811
Covered payroll	\$ 3,688,854	\$ 2,396,135	\$ 2,396,135	\$ 2,757,830	\$ 2,757,830
Total OPEB liability as a percentage of covered payroll	67.69%	92.46%	71.27%	93.55%	92.82%

Notes to the Schedule

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

<u>Fiscal year</u>	<u>Rate</u>
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

City of Whiteville, North Carolina
 General Fund
 Statement of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Final Budget	Actual	
Revenues			
Ad Valorem taxes:			
Taxes	\$ 2,768,908	\$ 2,552,135	\$ (216,773)
Penalties and interest	14,000	16,411	2,411
Total	<u>2,782,908</u>	<u>2,568,546</u>	<u>(214,362)</u>
Other taxes and licenses:			
Assessments	400	230	(170)
In Lieu of Taxes	7,000	6,624	(376)
Privilege license	500	600	100
Total	<u>7,900</u>	<u>7,454</u>	<u>(446)</u>
Unrestricted intergovernmental:			
Beer and Wine Tax	22,723	18,772	(3,951)
Court Cost and Fees	1,200	1,190	(10)
Hold Harmless	268,034	323,088	55,054
Local Option Sales Tax	1,288,264	1,331,098	42,834
ABC Profit Distribution	79,212	152,688	73,476
Telecommunications Tax	43,303	35,960	(7,343)
Video Franchise Fee	37,729	36,997	(732)
Utilities Sales Tax & Piped Natural Gas Sales Tax	415,761	421,616	5,855
Total	<u>2,156,226</u>	<u>2,321,409</u>	<u>165,183</u>
Restricted intergovernmental revenues:			
ABC Revenue - Law Enforcement	6,000	20,776	14,776
ABC Revenue - Fire	5,820	15,268	9,448
Controlled Substance Tax	500	3,677	3,177
Christmas Cops	960	2,500	1,540
Waste Disposal Tax	3,872	3,699	(173)
Reimbursement Whiteville City Schools	125,000	-	(125,000)
Reimbursement Town of Brunswick Police	69,500	69,769	269
Powell Bill allocation	148,000	163,445	15,445
Total	<u>359,652</u>	<u>279,134</u>	<u>(80,518)</u>
Permits and fees:			
Building Permits	31,000	24,034	(6,966)
Inspection Fees	39,910	38,371	(1,539)
Total	<u>70,910</u>	<u>62,405</u>	<u>(8,505)</u>
Sales and Services:			
Concessions	2,000	1,977	(23)
Emergency Services	6,000	7,531	1,531
Fire Protection Fees	20,750	16,828	(3,922)
Recreation Department Fees & Insurance Pymts.	25,000	27,762	2,762
Total	<u>53,750</u>	<u>54,098</u>	<u>348</u>

City of Whiteville, North Carolina
 General Fund
 Statement of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Final Budget	Actual	
Other Revenue			
Insurance recovery	10,500	30,708	20,208
Investment earnings	1,500	3,478	1,978
Rent Income	75,000	69,248	(5,752)
Miscellaneous	66,701	27,665	(39,036)
Total	<u>153,701</u>	<u>131,099</u>	<u>(22,602)</u>
Total Revenues	<u>\$ 5,585,047</u>	<u>\$ 5,424,145</u>	<u>\$ (160,902)</u>
Expenditures			
General Government:			
Governing body:			
Salaries and employee benefits	\$ 11,650	\$ 10,471	\$ 1,179
Professional services	1,250	-	1,250
Operating expenditures	18,127	11,877	6,250
Total	<u>31,027</u>	<u>22,348</u>	<u>8,679</u>
Administration:			
Salaries and employee benefits	225,937	220,459	5,478
Professional services	12,210	17,174	(4,964)
Operating expenditures	70,031	69,036	995
Capital outlay	-	15,743	(15,743)
Total	<u>308,178</u>	<u>322,412</u>	<u>(14,234)</u>
Public Buildings:			
Operating expenditures	89,232	88,910	322
Total	<u>89,232</u>	<u>88,910</u>	<u>322</u>
Total general government	<u>428,437</u>	<u>433,670</u>	<u>(5,233)</u>
Public safety:			
Police department:			
Salaries and employee benefits	1,820,217	1,400,439	419,778
Professional services	150,000	172,377	(22,377)
Operating expenditures	254,451	269,802	(15,351)
Capital outlay	200,000	40,510	159,490
Total	<u>2,424,668</u>	<u>1,883,128</u>	<u>541,540</u>
Fire and rescue:			
Salaries and employee benefits	661,911	586,363	75,548
Professional services	39,525	39,945	(420)
Operating expenditures	176,307	219,340	(43,033)
Capital outlay	70,000	38,276	31,724
Total	<u>947,743</u>	<u>883,924</u>	<u>63,819</u>

City of Whiteville, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

Exhibit B-1

	2022		Variance Positive (Negative)
	Final Budget	Actual	
Planning & Inspection:			
Salaries and employee benefits	217,062	161,671	55,391
Professional services	4,000	45,174	(41,174)
Operating expenditures	50,816	57,813	(6,997)
Total	271,878	264,658	7,220
Safety			
Salaries and employee benefits	109,015	102,213	6,802
Professional services	17,429	15,008	2,421
Operating expenditures	14,475	14,415	60
Capital outlay	2,500	2,407	93
Total	143,419	134,043	9,376
Total public safety	3,787,708	3,165,753	621,955
Transportation:			
Streets and highways:			
Salaries and employee benefits	121,800	107,647	14,153
Operating expenditures	304,378	318,400	(14,022)
Professional services	14,475	13,381	1,094
Maintenance - sidewalks	60,000	34,446	25,554
Maintenance - streets	180,000	202,808	(22,808)
Capital outlay	130,000	132,746	(2,746)
Total	810,653	809,428	1,225
Garage:			
Professional services	16,475	15,621	854
Operating expenditures	56,671	61,268	(4,597)
Total	77,146	76,897	249
Total transportation	887,799	886,325	1,474
Cultural & Recreational:			
Parks and recreation:			
Salaries and employee benefits	276,092	290,594	(14,502)
Professional services	14,475	22,836	(8,361)
Operating expenditures	116,232	148,518	(32,286)
Chamber of Commerce donation	4,000	4,000	-
Columbus County Arts Council	300	300	-
Dream Center donation	750	750	-
Capital Outlay	506,600	22,165	484,435
Total cultural and recreation	918,449	489,163	429,286

City of Whiteville, North Carolina
 General Fund
 Statement of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Final Budget	Actual	
Debt Service:			
Principal retirement	563,794	465,135	98,659
Interest and fees	107,940	106,557	1,383
Total debt service	<u>671,734</u>	<u>571,692</u>	<u>100,042</u>
Total expenditures	<u>\$ 6,694,127</u>	<u>\$ 5,546,603</u>	<u>\$ 1,147,524</u>
Revenues over (under) expenditures	<u>\$ (1,109,080)</u>	<u>\$ (122,458)</u>	<u>\$ 986,622</u>
Other Financing Sources (Uses):			
Transfer to WDDC Fund	\$ (72,000)	\$ (72,000)	\$ -
Transfer to NCLM P&L Insurance Fund	(12,870)	(12,870)	-
Transfer to NCLM Workers Comp Fund	(1,842)	(1,842)	-
Transfer from Sewer Fund	134,080	134,080	-
Installment Loan Proceeds	700,000	-	(700,000)
Lease Liability Issued	-	15,743	15,743
Appropriated Fund Balance	361,712	-	(361,712)
Total Other Financing Sources (Uses)	<u>\$ 1,109,080</u>	<u>\$ 63,111</u>	<u>\$ (1,045,969)</u>
Net change in fund balance	<u>\$ -</u>	<u>(59,347)</u>	<u>\$ (59,347)</u>
Fund balance:			
Beginning of year, July 1		3,359,641	
Prior Period Adjustment (see Note 5)		<u>(84,367)</u>	
End of year, June 30		<u>\$ 3,215,927</u>	

City of Whiteville, North Carolina
 Special Revenue Fund - Coronavirus State Local Fiscal Recovery Funds CFR 21.027 (ARPA Funds)
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Years	Total to Date	
Revenues:					
ARP Fund Proceeds FY 21-22	\$ 844,389		\$ 534,946	\$ 534,946	\$ (309,443)
ARP Fund Proceeds FY 22-23	844,389		-	-	(844,389)
Total revenues	<u>1,688,778</u>	<u>-</u>	<u>534,946</u>	<u>534,946</u>	<u>(1,153,832)</u>
Expenditures:					
Capital Outlay-Viper Radios	135,000	-	9,732	9,732	125,268
Capital Outlay-Security Camera System	124,000	-	62,000	62,000	62,000
Capital Outlay-Infrastructure, F.A.	1,120,000	-	408,780	408,780	711,220
Capital Outlay-Vineland Structure Imprv.	100,000	-	30,566	30,566	69,434
Capital Outlay-Public Safety PPE	42,000	-	23,868	23,868	18,132
Capital Outlay-IT-Fiber Optic Connection	17,778	-	-	-	17,778
Miscellaneous Expense	-	-	-	-	-
Total expenditures	<u>1,538,778</u>	<u>-</u>	<u>534,946</u>	<u>534,946</u>	<u>1,003,832</u>
Revenues Over (Under) Expenditures	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>
Other Financing Sources (Uses)					
Transfer to General Fund	-	-	-	-	-
Transfer to Water Fund	(75,000)	-	-	-	75,000
Transfer to Sewer Fund	(75,000)	-	-	-	75,000
Total Other Sources (Uses)	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

City of Whiteville, North Carolina
 Special Revenue Fund - FY22 SCIF Grant Fund
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Years		
Revenues:					
SCIF Grant	\$ 2,000,000	\$ -	\$ -	\$ -	\$ (2,000,000)
Total revenues	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,000,000)</u>
Expenditures:					
Capital Outlay - Police	-	-	-	-	-
Capital Outlay - PW - Water	250,000	-	-	-	250,000
Capital Outlay - PW - Sewer	250,000	-	-	-	250,000
Capital Outlay - PW - Storm Water	1,250,000	-	-	-	1,250,000
Capital Outlay - PW - Streets	250,000	-	-	-	250,000
Total expenditures	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)					
Transfer from General Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2022

Exhibit C-1

	Special Revenue										
	WDDC Tax Fund	NCLM P&L Insurance	NCLM Workers Comp	FEMA AFG Grant	HMGP Property Acquisition	Hurricane Dorian Recovery	CARES Act	Vineland Station	AFG Covid-19 Grant	Hurricane Florence Recovery	AFG FYE 2020 Grant
Assets											
Cash and cash equivalents	\$ 56,214	\$ -	\$ 167	\$ 330	\$ 28,622	\$ 22,384	\$ 1,913	\$ 17,061	\$ 1,305	\$ 238,169	\$ -
Taxes Receivable	602	-	-	-	-	-	-	-	-	-	-
Due from other governments	1,446	-	2,076	-	-	-	75	157	362	619	587
Restricted cash	-	-	-	-	-	-	-	9,900	-	-	-
Total assets	<u>\$ 58,262</u>	<u>\$ -</u>	<u>\$ 2,243</u>	<u>\$ 330</u>	<u>\$ 28,622</u>	<u>\$ 22,384</u>	<u>\$ 1,988</u>	<u>\$ 27,118</u>	<u>\$ 1,667</u>	<u>\$ 238,788</u>	<u>\$ 587</u>
Liabilities and fund balances											
Liabilities:											
Accounts payable and accrued liabilities	\$ 4,406	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 683	\$ -	\$ -	\$ -
Due to other funds	-	-	1,499	-	-	-	-	20,000	2,781	-	587
Security Deposits	-	-	-	-	-	-	-	9,900	-	-	-
Total liabilities	<u>4,406</u>	<u>-</u>	<u>1,499</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,583</u>	<u>2,781</u>	<u>-</u>	<u>587</u>
Deferred inflows of resources	602	-	-	-	-	-	-	-	-	-	-
Fund balances:											
Restricted											
Economic Development	-	-	-	-	-	-	-	-	-	-	-
Assigned											
WDDC Tax Fund	53,254	-	-	-	-	-	-	-	-	-	-
Hurricane Recovery	-	-	-	-	-	22,384	-	-	-	238,788	-
Public Safety	-	-	-	330	-	-	1,988	-	-	-	-
Economic Development	-	-	-	-	28,622	-	-	-	-	-	-
Capital Outlay	-	-	744	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(3,465)	(1,114)	-	-
Total fund balances	<u>53,254</u>	<u>-</u>	<u>744</u>	<u>330</u>	<u>28,622</u>	<u>22,384</u>	<u>1,988</u>	<u>(3,465)</u>	<u>(1,114)</u>	<u>238,788</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 58,262</u>	<u>\$ -</u>	<u>\$ 2,243</u>	<u>\$ 330</u>	<u>\$ 28,622</u>	<u>\$ 22,384</u>	<u>\$ 1,988</u>	<u>\$ 27,118</u>	<u>\$ 1,667</u>	<u>\$ 238,788</u>	<u>\$ 587</u>

City of Whiteville, North Carolina
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2022

Exhibit C-1

	Capital Projects							Total Nonmajor Governmental Funds
	Parks Construction Fund	HMGP Generator	Downtown WIFI Project	Duke Energy Grant	ABC Store Building	Parks Pedestrian Bridge	Parks Capital Fund	
Assets								
Cash and cash equivalents	\$ 88,415	\$ -	\$ 17,840	\$ 55	\$ 1,906	\$ 8,313	\$ 11,505	\$ 494,199
Taxes Receivable	-	-	-	-	-	-	-	602
Due from other governments	-	-	-	-	-	-	-	5,322
Restricted cash	-	-	-	-	-	-	-	9,900
Total assets	<u>\$ 88,415</u>	<u>\$ -</u>	<u>\$ 17,840</u>	<u>\$ 55</u>	<u>\$ 1,906</u>	<u>\$ 8,313</u>	<u>\$ 11,505</u>	<u>\$ 510,023</u>
Liabilities and fund balances								
Liabilities:								
Accounts payable and accrued liabilities	\$ 68,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,964
Due to other funds	135,267	-	-	-	-	-	-	160,134
Security Deposits	-	-	-	-	-	-	-	9,900
Total liabilities	<u>204,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>243,998</u>
Deferred inflows of resources	-	-	-	-	-	-	-	602
Fund balances:								
Restricted								
Economic Development	-	-	-	-	-	8,313	11,505	19,818
Assigned								
WDDC Tax Fund	-	-	-	-	-	-	-	53,254
Hurricane Recovery	-	-	-	-	-	-	-	261,172
Public Safety	-	-	-	-	-	-	-	2,318
Economic Development	-	-	-	-	-	-	-	28,622
Capital Outlay	-	-	17,840	55	1,906	-	-	20,545
Unassigned	<u>(115,727)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(120,306)</u>
Total fund balances	<u>(115,727)</u>	<u>-</u>	<u>17,840</u>	<u>55</u>	<u>1,906</u>	<u>8,313</u>	<u>11,505</u>	<u>265,423</u>
Total liabilities and fund balances	<u>\$ 88,415</u>	<u>\$ -</u>	<u>\$ 17,840</u>	<u>\$ 55</u>	<u>\$ 1,906</u>	<u>\$ 8,313</u>	<u>\$ 11,505</u>	<u>\$ 510,023</u>

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2022

Exhibit C-2

	Special Revenue										
	WDDC Tax Fund	NCLM P&L Insurance	NCLM Workers Comp	FEMA AGF Grant	HMGP Property Acquisition	Hurricane Dorian Recovery	CARES Act	Vineland Station	AFG Covid-19 Grant	Hurricane Florence Recovery	AFG FYE 2020 Grant
Revenues:											
Ad Valorem taxes	\$ 29,055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental	-	-	2,538	-	-	-	5,364	-	7,666	35,130	-
Other Revenue	18,818	-	-	-	-	-	-	33,053	-	-	-
Total Revenues	47,873	-	2,538	-	-	-	5,364	33,053	7,666	35,130	-
Expenditures:											
General government	-	-	-	-	-	-	-	2,068	-	-	-
Public safety	-	-	-	-	-	-	5,364	-	6,270	9,168	-
Economic and physical development	114,413	-	-	-	6,200	-	-	16,449	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	17,870	3,636	-	-	-	-	-	-	-	-
Total Expenditures	114,413	17,870	3,636	-	6,200	-	5,364	18,517	6,270	9,168	-
Revenues over expenditures	(66,540)	(17,870)	(1,098)	-	(6,200)	-	-	14,536	1,396	25,962	-
Other Financing Sources (Uses)											
Transfer (to) from General Fund	72,000	17,870	1,842	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	72,000	17,870	1,842	-	-	-	-	-	-	-	-
Net Change in Fund Balance	5,460	-	744	-	(6,200)	-	-	14,536	1,396	25,962	-
Fund balance, beginning	49,212	-	-	330	34,822	22,384	1,988	(17,892)	(2,510)	212,826	-
Prior Period Adjustment (see Note 5)	(1,418)	-	-	-	-	-	-	(109)	-	-	-
Fund balance, beginning, adjusted	47,794	-	-	330	34,822	22,384	1,988	(18,001)	(2,510)	212,826	-
Fund balance, ending	\$ 53,254	\$ -	\$ 744	\$ 330	\$ 28,622	\$ 22,384	\$ 1,988	\$ (3,465)	\$ (1,114)	\$ 238,788	\$ -

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2022

Exhibit C-2

	Capital Projects						Parks Capital Fund	Total Nonmajor Governmental Funds
	Parks Construction Fund	HMGP Generator	Downtown WIFI Project	Duke Energy Grant	ABC Store Building	Parks Pedestrian Bridge		
Revenues:								
Ad Valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,055
Restricted intergovernmental	-	-	-	-	-	-	-	50,698
Other Revenue	-	-	-	-	141	-	11,505	63,517
Total Revenues	-	-	-	-	141	-	11,505	143,270
Expenditures:								
General government	-	-	-	-	-	-	-	2,068
Public safety	-	-	-	-	-	-	-	20,802
Economic and physical development	-	-	-	-	-	-	-	137,062
Transportation	-	-	-	-	-	-	-	-
Capital Outlay	210,727	11,185	18,160	784	24	191,250	-	453,636
Total Expenditures	210,727	11,185	18,160	784	24	191,250	-	613,568
Revenues over expenditures	(210,727)	(11,185)	(18,160)	(784)	117	(191,250)	11,505	(470,298)
Other Financing Sources (Uses)								
Transfer (to) from General Fund	-	-	-	-	-	-	-	91,712
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	91,712
Net Change in Fund Balance	(210,727)	(11,185)	(18,160)	(784)	117	(191,250)	11,505	(378,586)
Fund balance, beginning	95,000	11,185	36,000	839	1,789	199,563	-	645,536
Prior Period Adjustment (see Note 5)	-	-	-	-	-	-	-	(1,527)
Fund balance, beginning, adjusted	95,000	11,185	36,000	839	1,789	199,563	-	644,009
Fund balance, ending	<u>\$ (115,727)</u>	<u>\$ -</u>	<u>\$ 17,840</u>	<u>\$ 55</u>	<u>\$ 1,906</u>	<u>\$ 8,313</u>	<u>\$ 11,505</u>	<u>\$ 265,423</u>

City of Whiteville, North Carolina
Special Revenue Fund - WDDC Tax District Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2022

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad Valorem Taxes - Current Year	\$ 24,903	\$ 28,750	\$ 3,847
Ad Valorem Taxes - Prior Year	-	305	305
Other Revenue	19,332	18,818	(514)
Total revenues	<u>44,235</u>	<u>47,873</u>	<u>3,638</u>
Expenditures:			
Economic and Physical Development			
Salaries and Benefits	63,127	63,871	(744)
Other Operating Expenses	53,108	50,542	2,566
Total expenditures	<u>116,235</u>	<u>114,413</u>	<u>1,822</u>
Revenues Over (Under) Expenditures	<u>(72,000)</u>	<u>(66,540)</u>	<u>5,460</u>
Other Financing Sources (Uses)			
Transfer from General Fund	72,000	72,000	\$ -
Total Other Sources (Uses)	<u>72,000</u>	<u>72,000</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	5,460	<u>\$ 5,460</u>
Fund balances:			
Beginning of year, July 1		49,212	
Prior Period Adjustment (see Note 5)		(1,418)	
Fund balance, beginning, adjusted		<u>47,794</u>	
End of year, June 30		<u>\$ 53,254</u>	

City of Whiteville, North Carolina
 Special Revenue Fund - NCLM P&L Insurance Grant Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Local Match	\$ 12,870	\$ -	\$ -	\$ -	\$ (12,870)
Total revenues	<u>12,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,870)</u>
Expenditures:					
Capital Outlay	17,870	-	17,870	17,870	-
Total expenditures	<u>17,870</u>	<u>-</u>	<u>17,870</u>	<u>17,870</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>(5,000)</u>	<u>-</u>	<u>(17,870)</u>	<u>(17,870)</u>	<u>(12,870)</u>
Other Financing Sources (Uses)					
Transfer from General Fund	5,000	-	17,870	17,870	12,870
Total Other Sources (Uses)	<u>5,000</u>	<u>-</u>	<u>17,870</u>	<u>17,870</u>	<u>12,870</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

City of Whiteville, North Carolina
Special Revenue Fund - NCLM Workers Comp Grant Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
NCLM W/C Grant	\$ 1,841	\$ -	\$ 2,538	\$ 2,538	\$ 697
Total revenues	<u>1,841</u>	<u>-</u>	<u>2,538</u>	<u>2,538</u>	<u>697</u>
Expenditures:					
Inventory Assets	3,682	-	3,636	3,636	46
Total expenditures	<u>3,682</u>	<u>-</u>	<u>3,636</u>	<u>3,636</u>	<u>46</u>
Revenues Over (Under) Expenditures	<u>(1,841)</u>	<u>-</u>	<u>(1,098)</u>	<u>(1,098)</u>	<u>743</u>
Other Financing Sources (Uses)					
Transfer from General Fund	1,841	-	1,842	1,842	1
Total Other Sources (Uses)	<u>1,841</u>	<u>-</u>	<u>1,842</u>	<u>1,842</u>	<u>1</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	744	<u>\$ 744</u>	<u>\$ 744</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ 744</u>		

City of Whiteville, North Carolina
Special Revenue Fund - FEMA AFG Grant
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
FEMA AFG Grant	\$ 120,000	\$ 120,000	\$ -	\$ 120,000	\$ -
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>	<u>-</u>
Expenditures:					
Equipment - Air Packs	136,500	136,170	-	136,170	330
Total expenditures	<u>136,500</u>	<u>136,170</u>	<u>-</u>	<u>136,170</u>	<u>330</u>
Revenues Over (Under) Expenditures	<u>(16,500)</u>	<u>(16,170)</u>	<u>-</u>	<u>(16,170)</u>	<u>330</u>
Other Financing Sources (Uses)					
Transfer from General Fund	16,500	16,500	-	16,500	-
Total Other Sources (Uses)	<u>16,500</u>	<u>16,500</u>	<u>-</u>	<u>16,500</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 330</u>	<u>-</u>	<u>\$ 330</u>	<u>\$ 330</u>
Fund balances:					
Beginning of year, July 1			<u>330</u>		
End of year, June 30			<u>\$ 330</u>		

City of Whiteville, North Carolina
 Special Revenue Fund - HMGP Property Acquisition Grant
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
FEMA Hurricane Matthew Proceeds	\$ 196,892	\$ 84,098	\$ -	\$ 84,098	\$ (112,794)
Total revenues	<u>196,892</u>	<u>84,098</u>	<u>-</u>	<u>84,098</u>	<u>(112,794)</u>
Expenditures:					
Acquisition	144,636	48	-	48	144,588
Demo & Hazard Mitigation	25,380	40,724	6,200	46,924	(21,544)
Professional Fees	17,500	504	-	504	16,996
Project Management Cost	9,376	8,000	-	8,000	1,376
Total expenditures	<u>196,892</u>	<u>49,276</u>	<u>6,200</u>	<u>55,476</u>	<u>141,416</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>34,822</u>	<u>(6,200)</u>	<u>28,622</u>	<u>28,622</u>
Other Financing Sources (Uses)					
Transfer from General Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 34,822</u>	<u>(6,200)</u>	<u>\$ 28,622</u>	<u>\$ 28,622</u>
Fund balances:					
Beginning of year, July 1			<u>34,822</u>		
End of year, June 30			<u>\$ 28,622</u>		

City of Whiteville, North Carolina
Special Revenue Fund - Hurricane Dorian Recovery
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
FEMA Proceeds	\$ 79,500	\$ 78,360	\$ -	\$ 78,360	\$ (1,140)
State of NC Proceeds	26,500	-	-	-	(26,500)
Total revenues	<u>106,000</u>	<u>78,360</u>	<u>-</u>	<u>78,360</u>	<u>(27,640)</u>
Expenditures:					
Emergency Response - Admin	20,000	-	-	-	20,000
Emergency Response-Police	40,000	25,602	-	25,602	14,398
Emergency Response - Fire	20,000	-	-	-	20,000
Emergency Response-Public Works	20,000	24,927	-	24,927	(4,927)
CATEGORY C - Road Repair	6,000	5,447	-	5,447	553
Total expenditures	<u>106,000</u>	<u>55,976</u>	<u>-</u>	<u>55,976</u>	<u>50,024</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>22,384</u>	<u>-</u>	<u>22,384</u>	<u>22,384</u>
Other Financing Sources (Uses)					
Transfer from General Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 22,384</u>	<u>-</u>	<u>\$ 22,384</u>	<u>\$ 22,384</u>
Fund balances:					
Beginning of year, July 1			<u>22,384</u>		
End of year, June 30			<u>\$ 22,384</u>		

City of Whiteville, North Carolina
 Special Revenue Fund - CARES Act Funding
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Years	Total to Date	
Revenues:					
CARES Act Proceeds	\$ 178,696	\$ 173,332	\$ 5,364	\$ 178,696	\$ -
Total revenues	<u>178,696</u>	<u>173,332</u>	<u>5,364</u>	<u>178,696</u>	<u>-</u>
Expenditures:					
Emergency Response - Supplies	20,000	12,090	1,118	13,208	6,792
Emergency Response-Equipment	158,696	159,254	4,246	163,500	(4,804)
Total expenditures	<u>178,696</u>	<u>171,344</u>	<u>5,364</u>	<u>176,708</u>	<u>1,988</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>1,988</u>	<u>-</u>	<u>1,988</u>	<u>1,988</u>
Other Financing Sources (Uses)					
Transfer from General Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 1,988</u>	<u>-</u>	<u>\$ 1,988</u>	<u>\$ 1,988</u>
Fund balances:					
Beginning of year, July 1			<u>1,988</u>		
End of year, June 30			<u>\$ 1,988</u>		

City of Whiteville, North Carolina
Special Revenue Fund - Vineland Station
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2022

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Rental Income	\$ 31,250	\$ 33,053	\$ 1,803
Other Revenue	-	-	-
Total revenues	<u>31,250</u>	<u>33,053</u>	<u>1,803</u>
Expenditures:			
Economic and Physical Development			
Salaries & Wages	15,000	1,921	13,079
Payroll Taxes	3,000	147	2,853
Professional Fees	-	125	(125)
Contract Labor	8,000	7,200	800
Telephone & Postage	-	2,959	(2,959)
Utilities	-	1,584	(1,584)
R&M - Buildings & Grounds	-	2,613	(2,613)
Advertising	2,000	-	2,000
Departmental Supplies	1,650	1,593	57
Insurance & Bonds	1,600	-	1,600
Miscellaneous	-	375	(375)
Total expenditures	<u>31,250</u>	<u>18,517</u>	<u>12,733</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>14,536</u>	<u>14,536</u>
Other Financing Sources (Uses)			
Transfer from General Fund	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>14,536</u>	<u>\$ 14,536</u>
Fund balances:			
Beginning of year, July 1		(17,892)	
Prior Period Adjustment (see Note 5)		<u>(109)</u>	
Fund balance, beginning, adjusted		<u>(18,001)</u>	
End of year, June 30		<u>\$ (3,465)</u>	

City of Whiteville, North Carolina
 Special Revenue Fund - AFG Covid-19 Grant Fund
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
AFG COVID-19 Proceeds	\$ 31,638	\$ -	\$ 7,666	\$ 7,666	\$ (23,972)
Total revenues	<u>31,638</u>	<u>-</u>	<u>7,666</u>	<u>7,666</u>	<u>(23,972)</u>
Expenditures:					
Supplies	33,220	4,092	6,270	10,362	22,858
Total expenditures	<u>33,220</u>	<u>4,092</u>	<u>6,270</u>	<u>10,362</u>	<u>22,858</u>
Revenues Over (Under) Expenditures	<u>(1,582)</u>	<u>(4,092)</u>	<u>1,396</u>	<u>(2,696)</u>	<u>(1,114)</u>
Other Financing Sources (Uses)					
Transfer from General Fund	1,582	1,582	-	1,582	-
Total Other Sources (Uses)	<u>1,582</u>	<u>1,582</u>	<u>-</u>	<u>1,582</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (2,510)</u>	1,396	<u>\$ (1,114)</u>	<u>\$ (1,114)</u>
Fund balances:					
Beginning of year, July 1			<u>(2,510)</u>		
End of year, June 30			<u>\$ (1,114)</u>		

City of Whiteville, North Carolina
Special Revenue Fund - Hurricane Florence Recovery
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
FEMA Proceeds	\$ 1,171,000	\$ 1,119,216	\$ -	\$ 1,119,216	\$ (51,784)
State of NC Proceeds	270,000	135,580	35,130	170,710	(99,290)
Insurance Proceeds	560,000	478,345	-	478,345	(81,655)
Total revenues	<u>2,001,000</u>	<u>1,733,141</u>	<u>35,130</u>	<u>1,768,271</u>	<u>(232,729)</u>
Expenditures:					
Debris Removal	407,000	406,783	-	406,783	217
Emergency Response	310,000	212,650	9,168	221,818	88,182
Road Repair	300,000	122,183	-	122,183	177,817
Building & Equipment Damages	626,000	556,254	-	556,254	69,746
Wastewater	134,000	133,999	-	133,999	1
Parks	224,000	88,446	-	88,446	135,554
Total expenditures	<u>2,001,000</u>	<u>1,520,315</u>	<u>9,168</u>	<u>1,529,483</u>	<u>471,517</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>212,826</u>	<u>25,962</u>	<u>238,788</u>	<u>238,788</u>
Other Financing Sources (Uses)					
Transfer from General Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 212,826</u>	<u>25,962</u>	<u>\$ 238,788</u>	<u>\$ 238,788</u>
Fund balances:					
Beginning of year, July 1			<u>212,826</u>		
End of year, June 30			<u>\$ 238,788</u>		

City of Whiteville, North Carolina
 Special Revenue Fund - AFG FYE 2020 Grant Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
AFG FYE 2020 Grant	\$ 133,333	\$ -	\$ -	\$ -	\$ (133,333)
Local Contribution	6,667	-	-	-	(6,667)
Total revenues	<u>140,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(140,000)</u>
Expenditures:					
Capital Outlay	140,000	-	-	-	140,000
Total expenditures	<u>140,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,000</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)					
Transfer from General Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

City of Whiteville, North Carolina
 Capital Project Fund - Parks Construction Fund
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Golden Leaf Grant	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Equipment	235,000	-	210,727	210,727	24,273
Total expenditures	<u>235,000</u>	<u>-</u>	<u>210,727</u>	<u>210,727</u>	<u>24,273</u>
Revenues Over (Under) Expenditures	<u>(235,000)</u>	<u>-</u>	<u>(210,727)</u>	<u>(210,727)</u>	<u>24,273</u>
Other Financing Sources (Uses)					
Transfer from General Fund	235,000	95,000	-	95,000	(140,000)
Total Other Sources (Uses)	<u>235,000</u>	<u>95,000</u>	<u>-</u>	<u>95,000</u>	<u>(140,000)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 95,000</u>	<u>(210,727)</u>	<u>\$ (115,727)</u>	<u>\$ (115,727)</u>
Fund balances:					
Beginning of year, July 1			<u>95,000</u>		
End of year, June 30			<u>\$ (115,727)</u>		

City of Whiteville, North Carolina
 Capital Project Fund - HMGP Generator
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2022

	Project Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
NC Emergency Management	\$ 184,495	\$ 176,886	\$ -	\$ 176,886	\$ (7,609)
Total revenues	<u>184,495</u>	<u>176,886</u>	<u>-</u>	<u>176,886</u>	<u>(7,609)</u>
Expenditures:					
Project Management Costs	7,500	-	-	-	7,500
Equip.-EOC & Fire Dept. Generators	176,995	165,701	11,185	176,886	109
Total expenditures	<u>184,495</u>	<u>165,701</u>	<u>11,185</u>	<u>176,886</u>	<u>7,609</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>11,185</u>	<u>(11,185)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)					
Transfer to General Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 11,185</u>	<u>(11,185)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>11,185</u>		
End of year, June 30			<u>\$ -</u>		

City of Whiteville, North Carolina
 Capital Project Fund - Downtown WIFI Project
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2022

	Project Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Grant Proceeds	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ -
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Expenditures:					
Professional Fees and Equipment	50,000	14,000	18,160	32,160	17,840
Total expenditures	<u>50,000</u>	<u>14,000</u>	<u>18,160</u>	<u>32,160</u>	<u>17,840</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>36,000</u>	<u>(18,160)</u>	<u>17,840</u>	<u>17,840</u>
Other Financing Sources (Uses)					
Transfer from General Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 36,000</u>	<u>(18,160)</u>	<u>\$ 17,840</u>	<u>\$ 17,840</u>
Fund balances:					
Beginning of year, July 1			<u>36,000</u>		
End of year, June 30			<u>\$ 17,840</u>		

City of Whiteville, North Carolina
 Capital Project Fund - Duke Energy Grant
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Years	Total to Date	
Revenues:					
Duke Energy Grant	\$ 49,600	\$ 49,630	\$ -	\$ 49,630	\$ 30
Total revenues	<u>49,600</u>	<u>49,630</u>	<u>-</u>	<u>49,630</u>	<u>30</u>
Expenditures:					
Safety Equipment	49,600	48,791	784	49,575	25
Total expenditures	<u>49,600</u>	<u>48,791</u>	<u>784</u>	<u>49,575</u>	<u>25</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>839</u>	<u>(784)</u>	<u>55</u>	<u>55</u>
Other Financing Sources (Uses)					
Transfer from General Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 839</u>	<u>(784)</u>	<u>\$ 55</u>	<u>\$ 55</u>
Fund balances:					
Beginning of year, July 1			<u>839</u>		
End of year, June 30			<u>\$ 55</u>		

City of Whiteville, North Carolina
 Capital Project Fund - ABC Store Building Construction
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Years		
Revenues:					
ABC Board Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Misc. Revenue	-	1,790	141	1,931	1,931
Total revenues	-	1,790	141	1,931	1,931
Expenditures:					
Land Acquisition	218,000	218,000	-	218,000	-
Design and Construction Management	98,500	101,840	-	101,840	(3,340)
Building Cost	940,000	944,613	-	944,613	(4,613)
Soil Testing & Surveying	20,500	16,048	-	16,048	4,452
Equipment & Furnishings	-	-	-	-	-
Misc. Expense	-	100	24	124	(124)
Contingency	5,000	1,400	-	1,400	3,600
Total expenditures	1,282,000	1,282,001	24	1,282,025	(25)
Revenues Over (Under) Expenditures	(1,282,000)	(1,280,211)	117	(1,280,094)	1,906
Other Financing Sources (Uses)					
Transfer from General Fund	-	-	-	-	-
NCDOT Proceeds	332,000	332,000	-	332,000	-
Loan Proceeds	950,000	950,000	-	950,000	-
Total Other Sources (Uses)	1,282,000	1,282,000	-	1,282,000	-
Revenues and Other Sources Over (Under) Expenditures	\$ -	\$ 1,789	117	\$ 1,906	\$ 1,906
Fund balances:					
Beginning of year, July 1			1,789		
End of year, June 30			\$ 1,906		

City of Whiteville, North Carolina
 Capital Project Fund - Parks Pedestrian Bridge Construction
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Years	Total to Date	
Revenues:					
Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-
Expenditures:					
Engineering Design	13,500	-	13,500	13,500	-
Bidding Assistance	5,000	-	5,000	5,000	-
Construction Administration	7,400	-	3,700	3,700	3,700
Construction Observation	7,400	-	7,400	7,400	-
Construction - Bid Price	166,263	-	161,650	161,650	4,613
Total expenditures	199,563	-	191,250	191,250	8,313
Revenues Over (Under) Expenditures	(199,563)	-	(191,250)	(191,250)	8,313
Other Financing Sources (Uses)					
Transfer from General Fund	199,563	199,563	-	199,563	-
Total Other Sources (Uses)	199,563	199,563	-	199,563	-
Revenues and Other Sources Over (Under) Expenditures	\$ -	\$ 199,563	(191,250)	\$ 8,313	\$ 8,313
Fund balances:					
Beginning of year, July 1			199,563		
End of year, June 30			\$ 8,313		

City of Whiteville, North Carolina
 Capital Project Fund - Parks Capital Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Tournament Ball Field Rentals	\$ 35,000	\$ -	\$ 11,505	\$ 11,505	\$ (23,495)
Tournament Concessions	15,000	-	-	-	(15,000)
Total revenues	<u>50,000</u>	<u>-</u>	<u>11,505</u>	<u>11,505</u>	<u>(38,495)</u>
Expenditures:					
Direct Tournament Contract Labor	25,000	-	-	-	25,000
Total expenditures	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
Revenues Over (Under) Expenditures	<u>25,000</u>	<u>-</u>	<u>11,505</u>	<u>11,505</u>	<u>(13,495)</u>
Other Financing Sources (Uses)					
Transfer from General Fund	(25,000)	-	-	-	25,000
Total Other Sources (Uses)	<u>(25,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	11,505	<u>\$ 11,505</u>	<u>\$ 11,505</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ 11,505</u>		

City of Whiteville, North Carolina
Water Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2022

Exhibit D-1

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Water Sales	\$ 975,569	\$ 963,430	\$ (12,139)
Water Connections	15,000	5,028	(9,972)
Reconnection Fees	60,000	81,435	21,435
Total Operating Revenues	<u>1,050,569</u>	<u>1,049,893</u>	<u>(676)</u>
Nonoperating Revenues:			
Interest on Investments	-	-	-
Water Tank Lease	55,000	50,197	(4,803)
Miscellaneous	1,750	3,558	1,808
Total Nonoperating Revenues	<u>56,750</u>	<u>53,755</u>	<u>(2,995)</u>
Total Revenues	<u>1,107,319</u>	<u>1,103,648</u>	<u>(3,671)</u>
Expenditures:			
Water & Sewer Administration:			
Professional Fees	11,831	14,269	(2,438)
Governing Body			
Salaries and Employee Benefits	-	22,779	(22,779)
Total Administration	<u>11,831</u>	<u>37,048</u>	<u>(25,217)</u>
Water Operations:			
Salaries and Employee Benefits	468,487	434,413	34,074
Utilities	73,500	71,646	1,854
Supplies	225,000	254,014	(29,014)
Other Departmental Expenses	190,392	156,282	34,110
Capital Outlay	28,000	54,364	(26,364)
Total Water Operations	<u>985,379</u>	<u>970,719</u>	<u>14,660</u>
Debt service:			
Principal Retirement	26,937	11,183	15,754
Interest and other charges	249	-	249
Principal - Lease	-	4,309	(4,309)
Interest - Lease	-	32	(32)
Total Debt Service	<u>27,186</u>	<u>15,524</u>	<u>11,662</u>
Total Expenditures	<u>1,024,396</u>	<u>1,023,291</u>	<u>1,105</u>
Other Financing Sources (Uses):			
Transfer from (to) General Fund	(62,500)	(62,500)	-
Lease Liability Issued	-	7,458	7,458
Appropriated (Contributed) Fund Balance	(20,423)	-	20,423
Total Other Sources (Uses)	<u>(82,923)</u>	<u>(55,042)</u>	<u>27,881</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>25,315</u>	<u>\$ 25,315</u>

City of Whiteville, North Carolina
Water Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2022

	Final Budget	Actual	Variance Favorable (Unfavorable)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Principal retirement		11,183	
Capital outlay		46,906	
Depreciation		(64,584)	
Lease Liability		(7,458)	
Lease Asset		7,458	
Principal payment - Lease Liability		4,309	
Amortization - Lease Asset		(4,245)	
Increase (decrease) in deferred outflows of resources - pensions		(75,824)	
Increase (decrease) in deferred outflows of resources - OPEB		3,296	
(Increase) decrease in net pension liability		84,827	
(Increase) decrease in OPEB liability		(5,428)	
(Increase) decrease in deferred inflows of resources - pensions		(3,359)	
(Increase) decrease in deferred inflows of resources - OPEB		29,281	
Capital Contribution (Ex D-1A)		43,750	
Expenditures (Ex D-1A)		(43,750)	
Total Reconciling items		<u>26,365</u>	
Change in net position		<u>\$ 51,680</u>	

City of Whiteville, North Carolina
 Water Assessment Project - Capital Project Fund
 Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
NCDEQ Grant Proceeds	\$ 150,000	\$ 29,750	\$ 43,750	\$ 73,500	\$ (76,500)
Total revenues	<u>150,000</u>	<u>29,750</u>	<u>43,750</u>	<u>73,500</u>	<u>(76,500)</u>
Expenditures:					
Professional Services	157,500	35,000	43,750	78,750	78,750
Total expenditures	<u>157,500</u>	<u>35,000</u>	<u>43,750</u>	<u>78,750</u>	<u>78,750</u>
Revenues Over (Under) Expenditures	<u>(7,500)</u>	<u>(5,250)</u>	<u>-</u>	<u>(5,250)</u>	<u>2,250</u>
Other Financing Sources (Uses)					
Transfer from Other Fund	7,500	7,500	-	7,500	-
Total Other Sources (Uses)	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 2,250</u>	<u>\$ -</u>	<u>\$ 2,250</u>	<u>\$ 2,250</u>

City of Whiteville, North Carolina
Sewer Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2022

Exhibit
D-2

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Sewer Charges	\$ 2,141,585	\$ 2,095,723	\$ (45,862)
Sewer Connections	-	1,000	1,000
Insurance Proceeds	-	7,869	7,869
Reconnection Fees	20,000	-	(20,000)
Total Operating Revenues	<u>2,161,585</u>	<u>2,104,592</u>	<u>(56,993)</u>
Nonoperating Revenues:			
Sewer Line Expansion Revenue	117,000	122,493	5,493
Miscellaneous	5,000	-	(5,000)
Total Nonoperating Revenues	<u>122,000</u>	<u>122,493</u>	<u>493</u>
Total Revenues	<u>2,283,585</u>	<u>2,227,085</u>	<u>(56,500)</u>
Expenditures:			
Sewer Administration:			
Salaries and Employee Benefits	170,869	167,001	3,868
Supplies	6,500	4,791	1,709
Other Departmental Expenses	33,175	34,394	(1,219)
Professional Fees	9,250	5,282	3,968
Governing Body			
Salaries and Employee Benefits	5,160	4,870	290
Other Expenses	7,331	2,293	5,038
Total Administration	<u>232,285</u>	<u>218,631</u>	<u>13,654</u>
Sewer Operations:			
Salaries and Employee Benefits	405,283	251,563	153,720
Utilities	53,100	28,780	24,320
Supplies	115,360	141,093	(25,733)
Other Departmental Expenses	109,439	106,082	3,357
Capital Outlay	108,000	212,913	(104,913)
Total Sewer Operations	<u>791,182</u>	<u>740,431</u>	<u>50,751</u>
Wastewater Treatment:			
Salaries and Employee Benefits	265,918	210,224	55,694
Utilities	145,001	134,587	10,414
Supplies	97,270	91,574	5,696
Other Departmental Expenses	102,695	157,635	(54,940)
Capital Outlay	8,000	12,145	(4,145)
Total Wastewater Treatment	<u>618,884</u>	<u>606,165</u>	<u>12,719</u>
Debt service:			
Principal Retirement	523,630	523,217	413
Interest and other charges	16,468	12,981	3,487
Principal - Lease	-	7,822	(7,822)
Interest - Lease	-	45	(45)
Total Debt Service	<u>540,098</u>	<u>544,065</u>	<u>(3,967)</u>
Total Expenditures	<u>2,182,449</u>	<u>2,109,292</u>	<u>73,157</u>

City of Whiteville, North Carolina
Sewer Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2022

	Final Budget	Actual	Variance Favorable (Unfavorable)
Other Financing Sources (Uses):			
Transfer to Other Funds	(62,500)	(62,500)	-
Lease Liability Issued	-	12,145	12,145
Appropriated (Contributed) Fund Balance	(38,636)	-	38,636
Total Other Sources (Uses)	<u>(101,136)</u>	<u>(50,355)</u>	<u>50,781</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>67,438</u>	<u>\$ 67,438</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Principal retirement		523,217	
Capital outlay		36,000	
Depreciation		(403,179)	
Lease Liability		(12,145)	
Right to Use Assets		12,145	
Principal Payment - Lease Liability		7,822	
Amortization - Right to Use Assets		(7,689)	
Increase (decrease) in deferred outflows of resources - pensions		(122,140)	
Increase (decrease) in deferred outflows of resources - OPEB		19,876	
(Increase) decrease in net pension liability		136,645	
(Increase) decrease in OPEB liability		(40,311)	
(Increase) decrease in deferred inflows of resources - pensions		(5,411)	
(Increase) decrease in deferred inflows of resources - OPEB		24,394	
Total Reconciling items		<u>169,224</u>	
Change in net position		<u>\$ 236,662</u>	

City of Whiteville, North Carolina
Waste Water Asset Inventory & Assessment - Capital Project Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
NCDENR Grant Proceeds	\$ 150,000	\$ 150,000	\$ -	\$ 150,000	\$ -
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
Expenditures:					
Professional Fees	146,500	146,500	-	146,500	-
Computer Hardware	-	(2,590)	-	(2,590)	2,590
Computer Software	11,000	11,000	-	11,000	-
Total expenditures	<u>157,500</u>	<u>154,910</u>	<u>-</u>	<u>154,910</u>	<u>2,590</u>
Revenues Over (Under) Expenditures	<u>(7,500)</u>	<u>(4,910)</u>	<u>-</u>	<u>(4,910)</u>	<u>2,590</u>
Other Financing Sources (Uses)					
Transfer from Sewer Fund	7,500	7,500	-	7,500	-
Total Other Sources (Uses)	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 2,590</u>	<u>\$ -</u>	<u>\$ 2,590</u>	<u>\$ 2,590</u>

City of Whiteville, North Carolina
Mollie Branch Sewer Construction- Capital Project Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Years	Total to Date	
Expenditures:					
Administrative Cost	\$ 81,740	\$ 73,919	\$ 8,645	\$ 82,564	\$ (824)
Engineering Cost	98,910	275,812	-	275,812	(176,902)
Surveying	20,200	-	-	-	20,200
Bidding Assistance	12,000	-	-	-	12,000
Loan Closing Fee	22,312	-	-	-	22,312
Construction Cost	975,360	772,604	23,005	795,609	179,751
Total expenditures	<u>1,210,522</u>	<u>1,122,335</u>	<u>31,650</u>	<u>1,153,985</u>	<u>56,537</u>
Revenues Over (Under) Expenditures	<u>(1,210,522)</u>	<u>(1,122,335)</u>	<u>(31,650)</u>	<u>(1,153,985)</u>	<u>56,537</u>
Other Financing Sources (Uses)					
NCDEQ Loan	1,115,575	1,015,090	92,235	1,107,325	(8,250)
Transfer from Sewer Fund	94,947	94,947	-	94,947	-
Total Other Sources (Uses)	<u>1,210,522</u>	<u>1,110,037</u>	<u>92,235</u>	<u>1,202,272</u>	<u>(8,250)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (12,298)</u>	<u>\$ 60,585</u>	<u>\$ 48,287</u>	<u>\$ 48,287</u>

City of Whiteville, North Carolina
Mollie Branch Sewer Construction Ph. II - Capital Project Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Grant Proceeds-NCDEQ	\$ 500,000	\$ -	\$ -	\$ -	\$ (500,000)
Total revenues	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(500,000)</u>
Expenditures:					
Construction Administrative Fees	97,990	-	23,696	23,696	74,294
Bidding Assistance	10,000	-	-	-	10,000
Loan Administration Fees	10,000	-	-	-	10,000
Closing Cost	58,016	-	-	-	58,016
Land Surveying & Legal Fees	25,000	-	-	-	25,000
Engineering Planning	30,000	-	-	-	30,000
Engineering Design	188,630	5,000	-	5,000	183,630
Construction Cost	2,449,758	-	-	-	2,449,758
Construction Inspection	89,420	8,500	-	8,500	80,920
Total expenditures	<u>2,958,814</u>	<u>13,500</u>	<u>23,696</u>	<u>37,196</u>	<u>2,921,618</u>
Revenues Over (Under) Expenditures	<u>(2,458,814)</u>	<u>(13,500)</u>	<u>(23,696)</u>	<u>(37,196)</u>	<u>2,421,618</u>
Other Financing Sources (Uses)					
Loan Proceeds-NCDEQ	2,458,814	-	-	-	(2,458,814)
Total Other Sources (Uses)	<u>2,458,814</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,458,814)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (13,500)</u>	<u>\$ (23,696)</u>	<u>\$ (37,196)</u>	<u>\$ (37,196)</u>

City of Whiteville, North Carolina
Stormwater Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2022

Exhibit D-3

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Stormwater Assessments	\$ 296,336	\$ 228,744	\$ (67,592)
Total Operating Revenues	<u>296,336</u>	<u>228,744</u>	<u>(67,592)</u>
Total Revenues	<u>296,336</u>	<u>228,744</u>	<u>(67,592)</u>
Expenditures:			
Stormwater Operations:			
Salaries and Employee Benefits	213,232	152,095	61,137
Professional Fees	20,000	11,674	8,326
Supplies	23,393	23,401	(8)
Other Departmental Expenses	11,700	10,651	1,049
Capital Outlay	-	7,458	(7,458)
Total Stormwater Operations	<u>268,325</u>	<u>205,279</u>	<u>63,046</u>
Debt Service:			
Principal Retirement	17,168	17,167	1
Interest and Fees	843	842	1
Principal - Lease	-	4,309	(4,309)
Interest - Lease	-	32	(32)
Total Debt Service	<u>18,011</u>	<u>22,350</u>	<u>(4,339)</u>
Total Expenditures	<u>286,336</u>	<u>227,629</u>	<u>58,707</u>
Other Financing Sources (Uses):			
Transfer from (to) General Fund	(10,000)	(10,000)	-
Lease Liability Issued	-	7,458	7,458
Total Other Sources (Uses)	<u>(10,000)</u>	<u>(2,542)</u>	<u>7,458</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>(1,427)</u>	<u>\$ (1,427)</u>

City of Whiteville, North Carolina
Stormwater Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2022

	Final Budget	Actual	Variance Favorable (Unfavorable)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Principal Retirement		17,167	
Capital outlay		-	
Depreciation		(40,183)	
Lease Liability		(7,458)	
Right to Use Assets		7,458	
Principal Payment - Lease Liability		4,309	
Armotization - Right to Use Assets		(4,245)	
Increase (decrease) in deferred outflows of resources - pensions		(25,694)	
Increase (decrease) in deferred outflows of resources - OPEB		5,055	
(Increase) decrease in net pension liability		28,746	
(Increase) decrease in OPEB liability		(22,076)	
(Increase) decrease in deferred inflows of resources - pensions		(1,139)	
(Increase) decrease in deferred inflows of resources - OPEB		228	
Total Reconciling items		(37,832)	
Change in net position		\$ (39,259)	

City of Whiteville, North Carolina
Downtown Stormwater Construction Fund - Capital Project Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2022

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Prof. Fees-Engineering Design	15,000	-	20,000	20,000	(5,000)
Cleaning & Video Inspection	8,500	-	-	-	8,500
Bidding Assistance	5,000	-	-	-	5,000
Construction Administration	10,000	-	-	-	10,000
Construction Observation	10,000	-	-	-	10,000
Stormwater Construction	179,725	15,000	193,225	208,225	(28,500)
Total expenditures	<u>228,225</u>	<u>15,000</u>	<u>213,225</u>	<u>228,225</u>	<u>-</u>
Revenues Over (Under)					
Expenditures	<u>(228,225)</u>	<u>(15,000)</u>	<u>(213,225)</u>	<u>(228,225)</u>	<u>-</u>
Other Financing Sources (Uses)					
Transfer from General Fund	28,225	28,225	-	28,225	-
Transfer from Stormwater Fund	200,000	200,000	-	200,000	-
Total Other Sources (Uses)	<u>228,225</u>	<u>228,225</u>	<u>-</u>	<u>228,225</u>	<u>-</u>
Revenues and Other Sources					
Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 213,225</u>	<u>\$ (213,225)</u>	<u>\$ -</u>	<u>\$ -</u>

City of Whiteville, North Carolina
Sanitation Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2022

Exhibit D-4

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Refuse Collection Fees	\$ 1,363,669	\$ 1,386,215	\$ 22,546
Total Operating Revenues	<u>1,363,669</u>	<u>1,386,215</u>	<u>22,546</u>
Nonoperating Revenues:			
Miscellaneous	-	30	30
Total Nonoperating Revenues	<u>-</u>	<u>30</u>	<u>30</u>
Total Revenues	<u>1,363,669</u>	<u>1,386,245</u>	<u>22,576</u>
Expenditures:			
Sanitation Services:			
Salaries and Employee Benefits	272,525	188,373	84,152
Professional Fees	26,715	29,724	(3,009)
Other Operating Expenses	69,971	59,608	10,363
Contract Services	973,000	1,041,876	(68,876)
Capital Outlay	20,000	20,000	-
Total Administration	<u>1,362,211</u>	<u>1,339,581</u>	<u>22,630</u>
Total Expenditures	<u>1,362,211</u>	<u>1,339,581</u>	<u>22,630</u>
Other Financing Sources (Uses):			
Appropriated From (Transfer to) Fund Balance	(1,458)	-	1,458
Total Other Sources (Uses)	<u>(1,458)</u>	<u>-</u>	<u>1,458</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>46,664</u>	<u>\$ 46,664</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Capital outlay		20,000	
Depreciation		(21,091)	
Increase (decrease) in deferred outflows of resources - pensions		(37,262)	
Increase (decrease) in deferred outflows of resources - OPEB		4,683	
(Increase) decrease in net pension liability		41,686	
(Increase) decrease in OPEB liability		(18,263)	
(Increase) decrease in deferred inflows of resources - pensions		(1,651)	
(Increase) decrease in deferred inflows of resources - OPEB		4,617	
Total Reconciling items		<u>(7,281)</u>	
Change in net position		<u>\$ 39,383</u>	

OTHER SCHEDULES

This section contains additional information on property taxes.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy

City of Whiteville, North Carolina
 General Fund
 Schedule of Ad Valorem Taxes Receivable
 June 30, 2022

Fiscal Year	Uncollected Balance June 30, 2021	Additions	Collections And Credits	Uncollected Balance June 30, 2022
2021-2022	\$ -	\$ 2,642,569	\$ 2,609,763	\$ 32,806
2020-2021	42,548	-	32342	10,206
2019-2020	9,062	-	5870	3,192
2018-2019	2,681	-	1261	1,420
2017-2018	2,401	-	478	1,923
2016-2017	2,248	-	675	1,573
2015-2016	1,389	-	363	1,026
2014-2015	1,408	-	246	1,162
2013-2014	5,772	-	4631	1,141
2012-2013	12,789	-	11328	1,461
2011-2012	8,140	-	8,140	-
Totals	\$ 88,438	\$ 2,642,569	\$ 2,675,097	55,910

Less: Allowance for Uncollectible Accounts:	
General Fund	19,000
Ad valorem taxes receivable - net	<u>\$ 36,910</u>

Reconcilement with revenues:

Ad valorem taxes - General Fund	\$ 2,568,546
Reconciling items:	
Interest & Penalties Collected	(16,411)
Tax releases, written off & adjustments	122,962
Subtotal	<u>106,551</u>
Total collections and credits	<u>\$ 2,675,097</u>

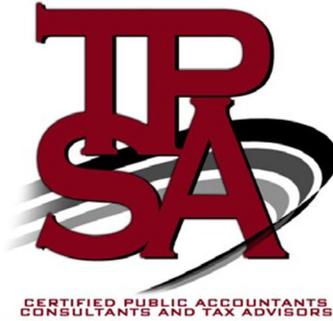
City of Whiteville, North Carolina
 Analysis of Current Tax Levy
 City - Wide Levy
 For the Fiscal Year Ended June 30, 2022

Exhibit E-2

	City - Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Net levy					
Property taxed at current year's rate	\$ 518,150,784	0.5100	\$ 2,642,569	\$ 2,389,264	\$ 253,305
Total Property Valuation			2,642,569	2,389,264	253,305
Net levy			2,642,569	2,389,264	253,305
Uncollected taxes at June 30, 2022			32,806	32,806	-
Current year's taxes collected			\$ 2,609,763	\$ 2,356,458	\$ 253,305
Current levy collection percentage			98.76%	98.63%	100.00%

Compliance Section





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Alan W. Thompson, CPA

R. Bryon Scott, CPA

Gregory S. Adams, CPA

**Report On Internal Control Over Financial Reporting And On Compliance and
Other Matters Based On An Audit Of Financial Statements Performed In Accordance With
*Government Auditing Standards***

Independent Auditors' Report

To the Honorable Mayor and
Members of the City Council
City of Whiteville, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the 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 the City of Whiteville, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprises City of Whiteville's basic financial statements, and have issued our report thereon dated November 23, 2022. Our report includes a reference to other auditors who audited the financial statements of the Whiteville ABC Board, as described in our report on the City of Whiteville's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Whiteville ABC Board were not audited in accordance with *Government Auditing Standards*

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Whiteville's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Whiteville's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Members

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the schedule of findings and questioned costs as item [2022-001 and 2022-002] that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Whiteville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items [2022-001].

City of Whiteville's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Whiteville's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 23, 2022

CITY OF WHITEVILLE, NORTH CAROLINA
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2022

Section I. Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP: Unmodified

Internal control over financial reporting:

Material Weakness (es) identified?	___ Yes	___X___ No
Significant Deficiency(s)	___X___ Yes	___ None Reported
Noncompliance material to financial statements noted?	___ Yes	___X___ No

Section II. Financial Statement Findings

Finding 2022-001 Budget Violation

NONCOMPLIANCE / SIGNIFICANT DEFICIENCY

Criteria:	In accordance with North Carolina General Statutes § 143C, Budget revisions must be requested and approved prior to any commitment and/or expenditure that would exceed the amount budgeted. Entities should not overspend the authorized budget.
Condition:	The City adopted GASB 87, which requires that lease agreements be recorded on the fund statements. The City did not adopt budget amendments to account for recording the remaining lease liabilities. As a result, the City's budget was overspent in the Administration Department by \$14,234.
Effect:	Funds were spent that had not been obligated and appropriated.
Cause:	City oversight on the requirements of new accounting standard (GASB 87).
Recommendation:	The finance office should review the General Statutes and GASB Statements more carefully to ensure that new pronouncements are presented correctly in the financials and appropriately budgeted.
Views of responsible officials and planned corrective actions:	The City agrees with this finding. Please refer to the corrective action plan for details.

CITY OF WHITEVILLE, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section II. Financial Statement Findings

Finding 2022-002

Prior Period Adjustment

SIGNIFICANT DEFICIENCY

Criteria:	Management should have a system in place to verify that transactions are recorded in the correct period, thereby reducing the likelihood of errors in financial reporting.
Condition:	The City accrued incorrect amount of payroll expenditures as of June 30, 2021. The adjustment associated with the prior fiscal year resulted in decreases in fund balance of \$84,367 in General Fund, \$1,418 in WDDC Tax Fund, \$109 in Vineland Station Fund, \$11,344 in Water Fund, \$17,536 in Sewer Fund, \$4,044 in Sanitation Fund, and \$3,184 in Stormwater Fund for a total prior period adjustment of \$122,002.
Effect:	The City's management and other users of the financial statements do not have accurate information for decisions-making and monitoring of the City's financial position and adherence to laws, regulations, and other requirements. Errors in financial reporting could occur and not be detected.
Cause:	The City incorrectly allocated the number of days that should be accrued back into the prior period associated with the first payroll issued in July 2021.
Recommendation:	The City should review the first payroll issued in the subsequent year to ensure that correct allocations are made to properly reflect payroll expenditures in the period for which they were incurred.
Views of responsible officials and planned corrective actions:	The City agrees with this finding. Please refer to the corrective action plan for details.

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*Terry L. Mann
Mayor
Jimmy Clarida
Mayor Pro-Tem
Tim Collier
Council Member
Helen B. Holden
Council Member
Vickie Pait
Council Member
Kevin G. Williamson
Council Member
Emory Worley
Council Member*

Corrective Action Plan
For the Year Ended June 30, 2022

Section II. Financial Statement Findings

Finding 2022-001

Name of contact person: Colburn Brown, Finance Director

Corrective Action: The City will review budget vs. actual reports after recording entire lease amounts related to GASB 87 to ensure there are no budget violations. If budget violations are encountered, the City will submit the appropriate budget amendment to Council for approval in a timely manner.

Proposed completion date: This will be implemented and completed by FYE 6-30-23.

Finding 2022-002

Name of contact person: Colburn Brown, Finance Director

Corrective Action: The City will analyze the first payroll register issued in the subsequent year and determine which days should be allocated to the prior fiscal year's payroll allocations and ensure they are accurately reflected in the appropriate fiscal year.

Proposed completion date: This will be implemented and completed as soon as possible after the close of FYE 6-30-23.

CITY OF WHITEVILLE, NORTH CAROLINA
Summary of Prior Year Audit Findings
For the Year Ended June 30, 2022

Section II. Financial Statement Findings

None reported.