

ANNUAL FINANCIAL REPORT



2023



Whiteville
NORTH CAROLINA

FOR YEAR ENDED
JUNE 30, 2023

**CITY OF WHITEVILLE
WHITEVILLE, NORTH CAROLINA
FINANCIAL STATEMENTS
June 30, 2023**

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FINANCIAL SECTION

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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, 2023, 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, 2023, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, and FY22 SCIF Grant 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, 2023, 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's Private Companies Practice Section*

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 46 through 47, 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 48 through 49, and the Schedule of Changes in the Total OPEB Liability and Related Ratios, on page 50, 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 December 12, 2023, 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
December 12, 2023

**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, 2023. 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.

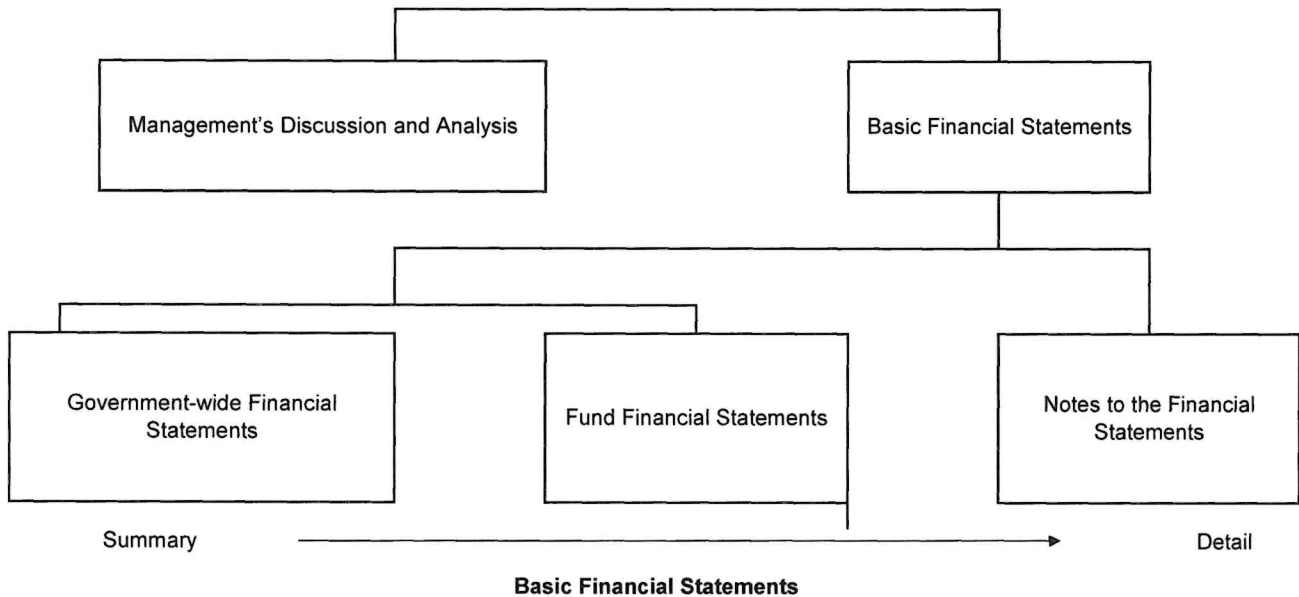
Financial Highlights

- 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 \$24,744,686 (net position).
- The government's total net position increased by \$675,976. Governmental activities increased net position by \$125,711, while business-type activities increased net position by \$550,263.
- As of the close of the current fiscal year, the City of Whiteville governmental funds reported combined ending fund balances of \$3,937,994, an increase of \$456,643 in comparison with the prior year. Approximately 41 percent of this total amount, or \$1,627,380, is available for spending at the government's discretion.
- At the end of the current fiscal year, fund balance for the General Fund was \$3,883,854, or 69 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**



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 stormwater 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	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 7,585,910	\$ 7,201,642	\$ 4,054,573	\$ 3,580,110	\$ 11,640,483	\$ 10,781,752
Capital assets	9,089,503	9,594,130	19,498,920	17,040,373	28,588,423	26,634,503
Deferred outflows of resources	1,596,049	1,691,172	563,684	176,425	2,159,733	1,867,597
Total assets	18,271,462	18,486,944	24,117,177	20,796,908	42,388,639	39,283,852
Long-term liabilities outstanding	9,577,086	9,201,351	5,632,874	2,972,698	15,209,960	12,174,049
Other liabilities	3,222,807	3,247,241	794,093	650,001	4,016,900	3,897,242
Deferred inflows of resources	2,025,141	2,742,069	408,852	299,022	2,433,993	3,041,091
Total liabilities & deferred inflows of resources	14,825,034	15,190,661	6,835,819	3,921,721	21,660,853	19,112,382
Net position:						
Net investments in capital assets	6,247,341	6,287,021	15,533,256	15,565,639	21,780,597	21,852,660
Restricted	1,940,919	1,417,381	-	-	1,940,919	1,417,381
Unrestricted	(1,519,025)	(1,160,878)	2,542,195	1,959,549	1,023,170	798,671
Total net position	\$ 6,669,235	\$ 6,543,524	\$ 18,075,451	\$ 17,525,188	\$ 24,744,686	\$ 24,068,712

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 \$24,744,686 as of June 30, 2023. The City's net position increased by \$675,976 for the fiscal year ended June 30, 2023. The largest portion (88.02%) 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, \$1,940,919 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,023,170 is unrestricted.

City of Whiteville Changes in Net Position

Figure 3

	Governmental Activities		Business Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 230,194	\$ 116,503	\$ 5,856,644	\$ 4,761,578	\$ 6,086,838	\$ 4,878,081
Operating grants & contributions	1,107,565	864,778	68,750	43,750	1,176,315	908,528
Capital grants & contributions	-	-	-	-	-	-
General revenues:						
Property taxes	2,823,480	2,572,671	-	-	2,823,480	2,572,671
Other taxes	2,580,135	2,332,341	-	-	2,580,135	2,332,341
Other	353,183	191,138	194,593	184,147	547,776	375,285
Total revenues	7,094,557	6,077,431	6,119,987	4,989,475	13,214,544	11,066,906
Expenses:						
General Government	778,025	566,639	-	-	778,025	566,639
Public safety	4,077,702	3,496,149	-	-	4,077,702	3,496,149
Transportation	830,348	1,090,531	-	-	830,348	1,090,531
Environmental Protection	-	-	-	-	-	-
Cultural & Recreation	351,295	621,170	-	-	351,295	621,170
Economic & Physical Development	964,635	137,062	-	-	964,635	137,062
Interest on Long-term Debt	91,840	102,277	-	-	91,840	102,277
Water & Sewer	-	-	5,444,724	4,566,009	5,444,724	4,566,009
Total expenses	7,093,845	6,013,828	5,444,724	4,566,009	12,538,569	10,579,837
Increase (Decrease) in net position before transfers	712	63,603	675,263	423,466	675,975	487,069
Transfers	125,000	135,000	(125,000)	(135,000)	-	-
Increase (decrease) in net position	125,711	198,602	550,263	288,466	675,975	487,069
Net position, July 1	6,543,524	6,430,816	17,525,188	17,272,830	24,068,712	23,703,646
Prior Period Adjustment	-	(85,894)	-	(36,108)	-	(122,002)
Net position, June 30	\$ 6,669,235	\$ 6,543,524	\$ 18,075,451	\$ 17,525,188	\$ 24,744,687	\$ 24,068,713

Governmental activities. Governmental activities increased the City's net position by \$125,711.

* 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 \$550,263. 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 \$1,965,474, while total fund balance of the general fund was \$3,883,854. 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 34 percent of total General Fund expenditures, while total fund balance represents 68 percent of that same amount.

At June 30, 2023, the governmental funds of City of Whiteville reported a combined fund balance of \$3,937,994, an increase of \$456,643 over last year.

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 22-23 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 \$953,414 in the Water Fund, \$1,374,017 in the Sewer Fund, \$315,373 in the Sanitation Fund, and \$(100,609) in the Stormwater Fund. The total change in net position was \$84,877 for the Water Fund, \$357,014 for the Sewer Fund, \$89,642 for the Sanitation Fund, and \$18,730 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, 2023, totals \$28,588,423 (net of accumulated depreciation and amortization) an increase of 7.25% over the prior year. These assets include buildings, land, construction in progress, machinery and equipment, vehicles, and right to use assets for leases and IT subscriptions.

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

- Vehicles
- Equipment
- Infrastructure

City of Whiteville's Capital Assets

Figure 4

(net of depreciation/amortization)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 318,182	\$ 318,182	\$ 206,018	\$ 206,018	\$ 524,200	\$ 524,200
Buildings and Distribution Systems	5,801,034	5,703,662	14,773,407	15,186,577	20,574,441	20,890,239
Equipment & Vehicles	2,562,087	2,879,689	728,233	456,597	3,290,320	3,336,286
Right to use assets:						
Leases	84,958	11,061	3,000	10,882	87,958	21,943
IT Subscriptions	62,751	-	-	-	62,751	-
Construction in Progress	260,491	260,491	3,788,262	1,191,181	4,048,753	1,451,672
Total	<u>\$ 9,089,503</u>	<u>\$ 9,173,085</u>	<u>\$ 19,498,920</u>	<u>\$ 17,051,255</u>	<u>\$ 28,588,423</u>	<u>\$ 26,224,340</u>

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, 2023, the City had total debt of \$12,137,158. There was a net increase in total debt of \$3,175,022 (35.43% over the prior year). The key factors in this increase were the increase in the liability to LGERS in the amount of \$1,565,190, and the increase in the direct installment in the amount of \$2,487,984 associated with the business-type activities.

City of Whiteville Outstanding Debt

Figure 5

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Direct placement and borrowing installment agreements	\$ 2,904,303	\$ 3,307,189	\$ 3,962,979	\$ 1,474,995	\$ 6,867,282	\$ 4,782,184
Total OPEB liability	1,435,280	1,668,283	675,526	810,595	2,110,806	2,478,878
Net pension liability (LGERS)	1,616,031	497,088	644,489	198,242	2,260,520	695,330
Net pension liability (LEOSSA)	402,198	554,798	-	-	402,198	554,798
Compensated Absences	291,775	358,599	63,538	70,475	355,313	429,074
Lease liability	85,568	10,981	2,955	10,891	88,523	21,872
Subscription liability	52,516	-	-	-	52,516	-
Total	<u>\$ 6,787,671</u>	<u>\$ 6,396,938</u>	<u>\$ 5,349,487</u>	<u>\$ 2,565,198</u>	<u>\$ 12,137,158</u>	<u>\$ 8,962,136</u>

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 \$42,827,731.

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, 2024

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.whitevillenc.gov 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, 2023

Exhibit 1

	Primary Government			City of Whiteville ABC Board
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets:				
Cash and Investments	\$ 3,096,030	\$ 3,011,998	\$ 6,108,028	\$ 651,524
Taxes Receivable (Net)	62,685	-	62,685	-
Accrued Interest Receivable on Taxes	5,125	-	5,125	-
Accounts Receivable (Net)	145	993,132	993,277	-
Lease Receivable	64,744	-	64,744	-
Due From Other Governments	1,167,147	76,743	1,243,890	-
Due From Component Units	136,694	-	136,694	-
Inventories	-	-	-	242,596
Prepaid Expenses	-	-	-	6,250
Internal Balances	184,352	(184,352)	-	-
Restricted assets:				
Cash and cash equivalents	2,100,406	157,052	2,257,458	-
Total Current Assets	6,817,328	4,054,573	10,871,901	900,370
Non-current Assets:				
Capital Assets:				
Land, Non-depreciable Improvements, and Construction in Progress	578,673	3,994,280	4,572,953	-
Other Capital Assets, Net of Depreciation	8,363,121	15,501,640	23,864,761	105,963
Right to use assets, net of amortization	147,709	3,000	150,709	690,568
Total Capital Assets	9,089,503	19,498,920	28,588,423	796,531
Lease Receivable, non-current	768,582	-	768,582	-
Total Assets	16,675,413	23,553,493	40,228,906	1,696,901
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferrals	1,298,396	424,333	1,722,729	31,423
OPEB deferrals	297,653	139,351	437,004	-
Total deferred outflows of resources	1,596,049	563,684	2,159,733	31,423
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	258,779	121,912	380,691	238,937
Customer Deposits	7,500	157,052	164,552	-
Unearned Revenues	2,489,222	-	2,489,222	-
Due to Primary Government	-	-	-	136,694
Accrued Interest Payable	33,914	4,694	38,608	-
Current portion of long-term liabilities	433,392	510,435	943,827	-
Total current liabilities	3,222,807	794,093	4,016,900	375,631
Long-Term Liabilities:				
Net Pension Liability	1,616,031	644,488	2,260,519	44,567
Total Pension Liability	402,198	-	402,198	-
Total OPEB Liability	1,435,280	675,526	2,110,806	-
Due in more than one year	2,900,770	3,518,767	6,419,537	666,548
Total Liabilities	9,577,086	5,632,874	15,209,960	1,086,746
DEFERRED INFLOWS OF RESOURCES				
Pension deferrals	416,000	39,658	455,658	9,283
OPEB deferrals	784,536	369,194	1,153,730	-
Lease	824,605	-	824,605	-
Prepaid licenses	-	-	-	-
Total deferred inflows of resources	2,025,141	408,852	2,433,993	9,283
Net Position				
Net investment in capital assets	6,247,341	15,533,256	21,780,597	105,963
Restricted for:				
Stabilization by State Statute	1,825,906	-	1,825,906	-
Streets	83,753	-	83,753	-
Economic Development	31,260	-	31,260	-
Other	-	-	-	80,188
Unrestricted	(1,519,025)	2,542,195	1,023,170	446,144
Total Net Position	\$ 6,669,235	\$ 18,075,451	\$ 24,744,686	\$ 632,295

City of Whiteville, North Carolina
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Net (Expense) Revenue and Changes in Net Position												
	Program Revenues					Primary Government					City of Whiteville ABC Board		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total			
Primary government:													
Governmental Activities:													
General government	\$ 778,025	\$ 162,304	\$ 663,110	\$ -	\$ 47,389	\$ -	\$ -	\$ 47,389	\$ -	\$ -	\$ 47,389	\$ -	\$ -
Public safety	4,077,702	46,349	24,241	-	(4,007,112)	-	-	(4,007,112)	-	-	(4,007,112)	-	-
Transportation	830,348	-	161,161	-	(669,187)	-	-	(669,187)	-	-	(669,187)	-	-
Environmental Protection	-	-	3,675	-	3,675	-	-	3,675	-	-	3,675	-	-
Economic & physical	964,635	-	176,590	-	(788,045)	-	-	(788,045)	-	-	(788,045)	-	-
Cultural and recreation	351,295	21,541	78,788	-	(250,966)	-	-	(250,966)	-	-	(250,966)	-	-
Interest on Long-Term Debt	91,840	-	-	-	(91,840)	-	-	(91,840)	-	-	(91,840)	-	-
Total governmental activities	7,093,845	230,194	1,107,565	-	(5,756,086)	-	-	(5,756,086)	-	-	(5,756,086)	-	-
Business-type activities:													
Water	1,213,567	1,233,872	68,750	-	-	89,055	-	89,055	-	-	89,055	-	-
Sewer	2,175,544	2,458,787	-	-	-	283,243	-	283,243	-	-	283,243	-	-
Stormwater	312,978	331,708	-	-	-	18,730	-	18,730	-	-	18,730	-	-
Sanitation	1,742,635	1,832,277	-	-	-	89,642	-	89,642	-	-	89,642	-	-
Total business-type activities	5,444,724	5,856,644	68,750	-	-	480,670	-	480,670	-	-	480,670	-	-
Total primary government	12,538,569	6,086,838	1,176,315	\$ -	(5,756,086)	-	-	(5,275,416)	-	-	(5,275,416)	-	-
Component Unit:													
City of Whiteville ABC Board	\$ 2,085,620	\$ 2,084,912	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(708)
Total Component Unit	2,085,620	2,084,912	-	-	-	-	-	-	-	-	-	-	(708)
General revenues:													
Taxes:													
Property taxes, levied for general purpose					2,823,480			2,823,480			2,823,480		
Other taxes					12,828			12,828			12,828		
Grants and contributions not restricted to specific program					2,405,554			2,405,554			2,405,554		
Unrestricted investment earnings					161,753			161,753			161,753		6,538
Miscellaneous					353,183		194,593	547,776			547,776		
Total general revenues not including transfers					5,756,797		194,593	5,951,391			5,951,391		6,538
Transfers					125,000		(125,000)	-			-		
Total general revenues and transfers					5,881,797		69,593	5,951,391			5,951,391		6,538
Change in net position					125,711		550,263	675,976			675,976		5,830
Net position, beginning					6,543,524		17,525,188	24,068,712			24,068,712		626,465
Net position, ending					\$ 6,669,235		\$ 18,075,451	\$ 24,744,686			\$ 24,744,686		\$ 632,295

City of Whiteville, North Carolina
Balance Sheet
Governmental Funds
June 30, 2023

Exhibit 3

	Major Funds			Total Governmental Funds
	General Fund	FY 22 SCIF Grant Fund	Non-Major Funds	
ASSETS				
Cash and cash equivalents	\$ 2,173,644	\$ -	\$ 922,386	\$ 3,096,030
Restricted Cash	92,906	2,000,000	7,500	2,100,406
Receivables, net:				
Taxes	61,720	-	965	62,685
Accounts	145	-	-	145
Leases	833,326	-	-	833,326
Due from other governments	1,127,897	-	39,250	1,167,147
Due from component unit	136,694	-	-	136,694
Due from other funds	561,170	-	-	561,170
Total assets	\$ 4,987,502	\$ 2,000,000	\$ 970,101	\$ 7,957,603
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	217,323	-	41,456	258,779
Due to other funds	-	1,500	375,318	376,818
Security Deposits	-	-	7,500	7,500
Unearned Revenues	-	1,998,500	490,722	2,489,222
Total liabilities	217,323	2,000,000	914,996	3,132,319
DEFERRED INFLOWS OF RESOURCES				
Property taxes receivable	61,720	-	965	62,685
Leases	824,605	-	-	824,605
Total deferred inflows of resources	886,325	-	965	887,290
Fund balances:				
Nonspendable				
Leases	8,721	-	-	8,721
Restricted				
Stabilization by State Statute	1,825,906	-	-	1,825,906
Streets	83,753	-	-	83,753
Economic Development	-	-	31,260	31,260
Assigned				
Economic Development	-	-	94,332	94,332
Capital Outlay	-	-	3,151	3,151
Hurricane Recovery	-	-	261,172	261,172
Public Safety	-	-	2,319	2,319
Unassigned	1,965,474	-	(338,094)	1,627,380
Total fund balances	3,883,854	-	54,140	3,937,994
Total liabilities, deferred inflows of resources and fund balances	\$ 4,987,502	\$ 2,000,000	\$ 970,101	

(continued)

City of Whiteville, North Carolina
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
 Governmental Funds
 June 30, 2023

Exhibit 3

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

Total Fund Balance, Governmental Funds	\$ 3,937,994
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	8,941,794
Right to use assets used in governmental activities are not financial resources and are therefore not reported in the funds	147,709
Deferred outflows of resources related to pensions are not reported in the funds	1,298,396
Deferred outflows of resources related to OPEB are not reported in the funds	297,653
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.	5,125
Liabilities for earned revenues considered deferred inflows of resources in fund statements	62,685
Lease/Subscription liability	(138,084)
Pension related deferrals	(416,000)
OPEB related deferrals	(784,536)
Net pension asset (liability)	(1,616,031)
Total pension liability	(402,198)
Total OPEB liability	(1,435,280)
Some liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in the	(3,229,992)
Net position of governmental activities	<u>\$ 6,669,235</u>

City of Whiteville, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

Exhibit 4

	Major Fund			Total Governmental Funds
	General Fund	FY 22 SCIF Grant Fund	Non-Major Funds	
REVENUES				
Ad valorem taxes	\$ 2,780,388	\$ -	\$ 17,559	\$ 2,797,947
Other taxes and licenses	12,828	-	-	12,828
Unrestricted intergovernmental	2,405,554	-	-	2,405,554
Restricted intergovernmental	260,939	1,500	845,126	1,107,565
Permits and fees	162,304	-	-	162,304
Investment earnings	161,753	-	-	161,753
Sales and Service	67,890	-	-	67,890
Miscellaneous	246,873	-	106,310	353,183
Total revenues	<u>6,098,529</u>	<u>1,500</u>	<u>968,995</u>	<u>7,069,024</u>
EXPENDITURES				
Current:				
General government	399,718	-	51,445	451,163
Public safety	3,473,996	-	13,027	3,487,023
Transportation	608,993	-	-	608,993
Cultural and recreational	628,998	-	-	628,998
Economic Development	-	-	351,295	351,295
Capital Outlay	-	1,500	838,012	839,512
Debt Service:				
Principal	439,863	-	-	439,863
Interest & Other Charges	89,548	-	-	89,548
Total expenditures	<u>5,641,116</u>	<u>1,500</u>	<u>1,253,779</u>	<u>6,896,395</u>
Excess (deficiency) of revenues over expenditures	<u>457,413</u>	<u>-</u>	<u>(284,784)</u>	<u>172,629</u>
OTHER FINANCING SOURCES (USES)				
Transfers (to) other funds	(73,500)	-	73,500	-
Transfers from other funds	125,000	-	-	125,000
Lease/Subscription Liability Issued	159,014	-	-	159,014
Total other financing sources (uses)	<u>210,514</u>	<u>-</u>	<u>73,500</u>	<u>284,014</u>
Net change in fund balance	667,927	-	(211,284)	456,643
Fund balances, beginning	<u>3,215,927</u>	<u>-</u>	<u>265,424</u>	<u>3,481,351</u>
Fund balances, ending	<u>\$ 3,883,854</u>	<u>\$ -</u>	<u>\$ 54,140</u>	<u>\$ 3,937,994</u>

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, 2023

Exhibit 5

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

Net changes in fund balances - total governmental funds	\$	456,643
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities		635,860
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		(856,090)
Capital outlay expenditures recorded in the fund statements but capitalized as right to use leased assets in the statement of activities		173,187
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		(36,539)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net position		(159,014)
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		506,350
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		292,753
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position		4,672
OPEB benefit payments paid and administrative costs made in the current year are not included on the Statement of Activities		26,844
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		25,533
Increase in accrued interest payable		(2,292)
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	(291,775)	
Pension expense - LGERS	(593,506)	
Pension expense (revenue) - LEOSSA	(41,909)	
OPEB expense (revenue)	(15,004)	(942,194)
Total changes in net position of governmental activities	\$	<u>125,711</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, 2023

	General Fund			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Ad valorem taxes	\$ 2,782,628	\$ 2,862,000	\$ 2,780,388	\$ (81,612)
Other taxes and licenses	7,280	7,500	12,828	5,328
Unrestricted intergovernmental revenues	2,171,218	2,354,798	2,405,554	50,756
Restricted intergovernmental revenues	194,500	254,832	260,939	6,107
Permits and fees	109,361	72,460	162,304	89,844
Investment Earnings	-	1,500	161,753	160,253
Sales and Services	102,000	71,000	67,890	(3,110)
Miscellaneous	69,560	323,903	246,873	(77,030)
Total revenues	<u>5,436,547</u>	<u>5,947,993</u>	<u>6,098,529</u>	<u>150,536</u>
Expenditures:				
Current:				
General government	666,177	470,307	399,718	70,589
Public safety	3,773,475	3,587,028	3,473,996	113,032
Transportation	753,909	632,710	608,993	23,717
Cultural and recreation	1,000,016	647,814	628,998	18,816
Debt Service:				
Principal retirement	-	439,866	439,863	3
Interest and fees	-	89,548	89,548	-
Total expenditures	<u>6,193,577</u>	<u>5,867,273</u>	<u>5,641,116</u>	<u>226,157</u>
Revenues over/(under) expenditures	<u>(757,030)</u>	<u>80,720</u>	<u>457,413</u>	<u>376,693</u>
Other financing sources (uses):				
Transfer from (to) other fund:				
Special Revenue	(77,050)	(73,500)	(73,500)	-
Sewer Fund	134,080	134,080	125,000	(9,080)
Installment Loan Proceeds	700,000	-	-	-
Lease/Subscription Liability Issued	-	-	159,014	159,014
Appropriated Fund Balance	-	(141,300)	-	141,300
Total other financing sources (uses)	<u>757,030</u>	<u>(80,720)</u>	<u>210,514</u>	<u>291,234</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>667,927</u>	<u>\$ 667,927</u>
Fund balance, beginning of year			<u>3,215,927</u>	
Fund balance, end of year			<u>\$ 3,883,854</u>	

City of Whiteville, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2023

Exhibit 7

	Major		Sanitation	Non-Major Stormwater	Total
	Water Fund	Sewer Fund	Fund	Fund	
Assets					
Current assets:					
Cash and cash equivalents	\$ 809,521	\$ 1,821,807	\$ 267,676	\$ 112,994	\$ 3,011,998
Accounts receivable (net) - billed	289,605	273,947	150,024	36,433	750,009
Accounts receivable (net) - unbilled	57,614	100,095	80,721	-	238,430
Miscellaneous Receivable	2,113	1,729	851	-	4,693
Due From Other Funds	162,921	45,368	-	-	208,289
Due From Other Governments	14,924	43,875	4,712	13,232	76,743
Restricted Assets:					
Cash and cash equivalents	157,052	-	-	-	157,052
Total current assets	<u>1,493,750</u>	<u>2,286,821</u>	<u>503,984</u>	<u>162,659</u>	<u>4,447,214</u>
Noncurrent assets:					
Capital assets:					
Land and other non-depreciable assets	34,131	3,960,149	-	-	3,994,280
Capital assets, net of depreciation	2,223,410	12,520,227	44,227	713,776	15,501,640
Right to use assets, net of amortization	1,145	710	-	1,145	3,000
Capital Assets (net)	<u>2,258,686</u>	<u>16,481,086</u>	<u>44,227</u>	<u>714,921</u>	<u>19,498,920</u>
Total noncurrent assets	<u>2,258,686</u>	<u>16,481,086</u>	<u>44,227</u>	<u>714,921</u>	<u>19,498,920</u>
Total Assets	<u>3,752,436</u>	<u>18,767,907</u>	<u>548,211</u>	<u>877,580</u>	<u>23,946,134</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan deferrals	123,311	198,636	60,599	41,787	424,333
OPEB deferrals	38,901	66,143	18,326	15,981	139,351
Total deferred outflows of resources	<u>162,212</u>	<u>264,779</u>	<u>78,925</u>	<u>57,768</u>	<u>563,684</u>
Liabilities					
Current liabilities:					
Accounts Payable and Accrued Liabilities	32,494	51,638	19,327	18,453	121,912
Due to Other Funds	-	297,641	-	95,000	392,641
Customer Deposits	157,052	-	-	-	157,052
Accrued Interest Payable	-	4,694	-	-	4,694
Current Maturities of Long Term Debt	11,420	498,778	-	237	510,435
Total Current Liabilities	<u>200,966</u>	<u>852,751</u>	<u>19,327</u>	<u>113,690</u>	<u>1,186,734</u>
Noncurrent Liabilities					
Compensated Absences	6,649	47,921	-	8,968	63,538
Total OPEB Liability	198,858	294,487	97,318	84,863	675,526
Net Pension Liability	187,289	301,693	92,039	63,467	644,488
Long Term Debt	79,017	3,375,734	-	478	3,455,229
Total Noncurrent liabilities	<u>471,813</u>	<u>4,019,835</u>	<u>189,357</u>	<u>157,776</u>	<u>4,838,781</u>
Total Liabilities	<u>672,779</u>	<u>4,872,586</u>	<u>208,684</u>	<u>271,466</u>	<u>6,025,515</u>
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals	11,525	18,564	5,664	3,905	39,658
OPEB deferrals	108,681	160,945	53,188	46,380	369,194
Total deferred inflows of resources	<u>120,206</u>	<u>179,509</u>	<u>58,852</u>	<u>50,285</u>	<u>408,852</u>
Net Position					
Net investment in capital assets	2,168,249	12,606,574	44,227	714,206	15,533,256
Unrestricted	953,414	1,374,017	315,373	(100,609)	2,542,195
Total Net Position of Business - Type Activities	<u>\$ 3,121,663</u>	<u>\$ 13,980,591</u>	<u>\$ 359,600</u>	<u>\$ 613,597</u>	<u>\$ 18,075,451</u>

City of Whiteville, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

Exhibit 8

	Major			Non-Major	Total
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Fund	
Operating revenues:					
Charges for services	\$ 1,188,668	\$ 2,417,576	\$ 1,832,277	\$ 331,708	\$ 5,770,229
Other operating revenues	45,204	41,211	-	-	86,415
Total operating revenues	<u>1,233,872</u>	<u>2,458,787</u>	<u>1,832,277</u>	<u>331,708</u>	<u>5,856,644</u>
Operating Expenses:					
Administration	109,560	302,157	-	-	411,717
Water Operations	1,033,408	-	-	-	1,033,408
Sewer Operations	-	815,852	-	-	815,852
Waste Water Treatment & Distribution Plant	-	639,783	-	-	639,783
Stormwater Operations	-	-	-	267,106	267,106
Sanitation	-	-	1,718,083	-	1,718,083
Depreciation and amortization	70,567	411,495	24,552	45,422	552,036
Total operating expenses	<u>1,213,535</u>	<u>2,169,287</u>	<u>1,742,635</u>	<u>312,528</u>	<u>5,437,985</u>
Operating income (loss)	<u>20,337</u>	<u>289,500</u>	<u>89,642</u>	<u>19,180</u>	<u>418,659</u>
Nonoperating revenues (expenses):					
Investment earnings	-	-	-	-	-
Interest and fees	(32)	(6,257)	-	(450)	(6,739)
Water Tank Lease	55,079	-	-	-	55,079
Sewer Line Expansion Revenue	-	136,241	-	-	136,241
Miscellaneous income	3,243	30	-	-	3,273
Total nonoperating revenues (expenses)	<u>58,290</u>	<u>130,014</u>	<u>-</u>	<u>(450)</u>	<u>187,854</u>
Income (Loss) Before Contributions and	78,627	419,514	89,642	18,730	606,513
Capital contributions	68,750	-	-	-	68,750
Transfers from (to) other funds	(62,500)	(62,500)	-	-	(125,000)
Total Income (Loss) After Contributions	<u>84,877</u>	<u>357,014</u>	<u>89,642</u>	<u>18,730</u>	<u>550,263</u>
Change in Net Position	84,877	357,014	89,642	18,730	550,263
Total Net Position, Beginning	3,036,786	13,623,577	269,958	594,867	17,525,188
Total Net Position, Ending	<u>\$ 3,121,663</u>	<u>\$ 13,980,591</u>	<u>\$ 359,600</u>	<u>\$ 613,597</u>	<u>\$ 18,075,451</u>

City of Whiteville, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

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	\$ 1,199,259	\$ 2,326,243	\$ 1,777,094	\$ 296,621	\$ 5,599,216
Cash paid for goods and services	(645,546)	(1,161,881)	(1,441,234)	(65,707)	(3,314,368)
Cash paid to employees for services	(514,864)	(718,082)	(272,030)	(172,452)	(1,677,428)
Customer deposits received / (returned)	8,544	-	-	-	8,544
Net cash provided by (used in) operating activities	<u>47,393</u>	<u>446,280</u>	<u>63,830</u>	<u>58,462</u>	<u>615,964</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(15,250)	(2,974,974)	(9,475)	-	(2,999,699)
Installment Purchase Proceeds	-	2,722,383	-	-	2,722,383
Principal paid on loans and leases	(13,347)	(210,181)	-	(18,808)	(242,336)
Interest & fees paid on loans and leases	(32)	(6,257)	-	(450)	(6,739)
Miscellaneous income	3,243	30	-	-	3,273
Capital Contributions & Miscellaneous Grants	68,750	-	-	-	68,750
Sewer line expansion revenue	-	136,241	-	-	136,241
Water tank lease	55,079	-	-	-	55,079
Net cash provided by (used in) capital and related financing activities	<u>98,443</u>	<u>(332,758)</u>	<u>(9,475)</u>	<u>(19,258)</u>	<u>(263,048)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Due to/from other funds	(78,560)	45,078	60,000	-	26,518
Transfers to / from other funds	(62,500)	(62,500)	-	-	(125,000)
Net cash provided by (used in) non-capital financing activities	<u>(141,060)</u>	<u>(17,422)</u>	<u>60,000</u>	<u>-</u>	<u>(98,482)</u>
Cash flows from investment activities:					
Interest on investments	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	4,776	96,100	114,355	39,204	254,434
Cash and cash equivalents, July 1	961,797	1,725,707	153,321	73,790	2,914,616
Cash and cash equivalents, June 30	<u>\$ 966,573</u>	<u>\$ 1,821,807</u>	<u>\$ 267,676</u>	<u>\$ 112,994</u>	<u>\$ 3,169,050</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 20,337	\$ 289,500	\$ 89,642	\$ 19,180	\$ 418,659
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	70,567	411,495	24,552	45,422	552,036
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(29,657)	(105,496)	(52,108)	(26,376)	(213,638)
(Increase) decrease in due from other governments	1,743	(28,004)	(2,905)	(8,711)	(37,877)
(Increase) decrease in miscellaneous receivable	(6,696)	956	(170)	-	(5,910)
(Increase) decrease in deferred outflows of resources - pension	(120,718)	(194,458)	(59,325)	(40,908)	(415,409)
(Increase) decrease in deferred outflows of resources for OPEB	13,408	12,331	2,051	360	28,150
Increase (decrease) in accounts payable and other liabilities	(1,632)	(132,705)	(9,799)	11,478	(132,658)
Increase (decrease) in accrued vacation pay	(421)	(3,833)	-	(2,683)	(6,937)
Increase (decrease) in deferred inflows of resources - pension	6,117	9,853	3,006	2,072	21,048
Increase (decrease) in deferred inflows of resources - OPEB	18,361	38,169	15,830	16,422	88,782
Increase (decrease) in OPEB liability	(62,236)	(60,422)	(10,672)	(1,739)	(135,069)
Increase (decrease) in net pension liability	129,679	208,894	63,728	43,945	446,246
Increase (decrease) in customer deposits	8,544	-	-	-	8,544
Total adjustments	<u>27,059</u>	<u>156,780</u>	<u>(25,812)</u>	<u>39,282</u>	<u>197,305</u>
Net cash provided by (used in) operating activities	<u>\$ 47,393</u>	<u>\$ 446,280</u>	<u>\$ 63,830</u>	<u>\$ 58,462</u>	<u>\$ 615,964</u>

CITY OF WHITEVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2023

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.

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 Grant 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 Grant Fund. This fund is used to account for fire department safety equipment purchases.

NCLM WC Safety Grant Fund. This fund is used to account for fire department safety equipment purchases.

Streamflow Rehab. Program Grant Fund. This fund is used to account for grant proceeds received to clean debris.

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

AFG FYE 2021 Grant Fund. This fund is used to account for grant proceeds received to purchase fire department equipment.

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

Downtown Events Fund. This fund is used to account for proceeds received and expenditures spent associated with various downtown events.

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.

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.

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	\$ 92,906
FY 22 SCIF Fund	2,000,000
Vineland Station	7,500
Total Governmental activities	<u>\$ 2,100,406</u>
Business-type Activities	
Water Fund	
Customer Deposits	\$ 157,052
Total business-type activities	<u>\$ 157,052</u>
Total Restricted Cash	<u>\$ 2,257,458</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.

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

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

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

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. 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.

10. 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.

11. 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.

12. 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 economic development purposes..

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.

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

13. 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.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

None noted.

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, 2023, the City's deposits had a carrying amount of \$4,786,944 and a bank balance of \$4,627,371. The carrying amount of deposits for the ABC Board was \$650,649 and the bank balance was \$806,936. 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, 2023 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, 2023, the City's investment balances were as follows:

<u>Investments by Type</u>	<u>Valuation Measurement Method</u>	<u>Book Value at 6/30/23</u>	<u>Maturity</u>	<u>Rating</u>
NC Capital Management Trust - Government Portfolio	Fair Value-Level 1	\$ 3,578,542	N/A	AAAm
Total:		\$ 3,578,542		

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	\$ 52,768	\$ 65,211
Charges for Services - Billed	-	750,012
Charges for Services - Unbilled	-	238,430
Motor Vehicle Tax Receivable	40,517	-
Due from County - Taxes / Stormwater	41,093	11,530
Due from County-'22 Prop. Tax Shortfall	390,044	-
ABC Board A/R	136,694	-
Returned Checks & Other Misc.Receivables	3,173	4,692
Franchise Tax Receivable	109,469	-
Local Option Sales Tax Receivable	530,228	-
Total	\$ 1,303,986	\$ 1,069,875

Receivables – Allowance for Doubtful Accounts

The amount presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2023 are net of the following allowances for doubtful accounts.

<u>Fund</u>	<u>6/30/23</u>
General Fund:	
Taxes Receivable	\$ 26,000
Enterprise Funds:	
Water Fund	51,395
Sewer Fund	83,652
Sanitation Fund	59,283
Total - Enterprise Funds	\$ 194,329

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 06/30/2023, the value of the lease receivable is \$833,326. 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 06/30/2023 was \$824,605 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.

In fiscal year 2023, the City recognized \$64,744 of lease revenue and \$10,256 of interest revenue under the lease.

5. Capital Assets

Primary Government

Capital asset activity for the Primary Government for the year ended June 30, 2023, was as follows:

	<u>Beginning Balances</u>	<u>Increases and Adjustments</u>	<u>Decreases</u>	<u>Ending Balances</u>
<u>Governmental Activities:</u>				
Capital assets not being depreciated				
Land	\$ 318,182	\$ -	\$ -	\$ 318,182
Construction in Progress	260,491	-	-	260,491
Total capital assets not being depreciated	578,673	-	-	578,673
Capital assets being depreciated				
Buildings	7,149,097	277,216	-	7,426,313
Infrastructure	2,269,820	59,100	-	2,328,920
Equipment & Furn. & Fixtures	3,168,036	87,590	-	3,255,626
Vehicles	4,999,781	211,954	-	5,211,735
Total capital assets being depreciated	17,586,734	635,860	-	18,222,594
Less accumulated depreciation for:				
Buildings	1,962,187	173,350	-	2,135,537
Infrastructure	1,753,068	65,594	-	1,818,662
Equipment & Furn. & Fixtures	1,884,749	275,764	-	2,160,513
Vehicles	3,403,379	341,382	-	3,744,761
Total accumulated depreciation	9,003,383	856,090	-	9,859,473
Total capital assets being depreciated, net	8,583,351	(220,230)	-	8,363,121
Capital assets being amortized				
Right of use asset:				
Leases	15,743	88,886	3,330	101,299
Subscriptions	-	84,301	-	84,301
Total capital assets being amortized	15,743	173,187	3,330	185,600
Less accumulated amortization for:				
Right of use asset:				
Leases	4,682	14,989	3,330	16,341
Subscriptions	-	21,550	-	21,550
Total accumulated amortization	4,682	36,539	3,330	37,891
Total capital assets being amortized, net	11,061	136,648	-	147,709
Governmental activity capital assets, net	\$ 9,173,085	\$ (83,582)	\$ -	\$ 9,089,503

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

General Government	\$ 188,701
Public Safety	362,080
Transportation	162,403
Cultural & Recreational	179,445
Total Depreciation Expense	<u>\$ 892,629</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	<u>34,131</u>	<u>-</u>	<u>-</u>	<u>34,131</u>
Capital assets being depreciated:				
Plant and distribution systems	6,013,210	15,250	-	6,028,460
Furniture, Maint Equip, & Vehicles	405,550	-	-	405,550
Total capital assets being depreciated	<u>6,418,760</u>	<u>15,250</u>	<u>-</u>	<u>6,434,010</u>
Less accumulated depreciation for:				
Plant and distribution systems	3,784,344	56,647	-	3,840,991
Furniture, Maint Equip, & Vehicles	357,758	11,851	-	369,609
Total accumulated depreciation	<u>4,142,102</u>	<u>68,498</u>	<u>-</u>	<u>4,210,600</u>
Total capital assets being depreciated, net	<u>2,276,658</u>	<u>(53,248)</u>	<u>-</u>	<u>2,223,410</u>
Capital assets being amortized				
Right of use asset:				
Leases	7,458	-	5,276	2,182
Total capital assets being amortized	<u>7,458</u>	<u>-</u>	<u>5,276</u>	<u>2,182</u>
Less accumulated amortization for:				
Right of use asset:				
Leases	4,245	2,069	5,276	1,038
Total accumulated amortization	<u>4,245</u>	<u>2,069</u>	<u>5,276</u>	<u>1,038</u>
Total capital assets being amortized, net	<u>3,213</u>	<u>(2,069)</u>	<u>-</u>	<u>1,144</u>
Water fund capital assets, net	<u>\$ 2,314,002</u>	<u>\$ (55,317)</u>	<u>\$ -</u>	<u>\$ 2,258,685</u>

Sewer Fund

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 171,887	\$ -	\$ -	\$ 171,887
Construction in Progress	1,191,181	2,597,081	-	3,788,262
Total capital assets not being depreciated	<u>1,363,068</u>	<u>2,597,081</u>	<u>-</u>	<u>3,960,149</u>
Capital assets being depreciated:				
Plant and distribution systems	19,666,894	-	-	19,666,894
Furniture, Maint Equip, & Vehicles	1,457,176	377,893	-	1,835,069
Total capital assets being depreciated	<u>21,124,070</u>	<u>377,893</u>	<u>-</u>	<u>21,501,963</u>
Less accumulated depreciation for:				
Plant and distribution systems	7,403,494	358,104	-	7,761,598
Furniture, Maint Equip, & Vehicles	1,170,493	49,645	-	1,220,138
Total accumulated depreciation	<u>8,573,987</u>	<u>407,749</u>	<u>-</u>	<u>8,981,736</u>
Total capital assets being depreciated, net	<u>12,550,083</u>	<u>(29,856)</u>	<u>-</u>	<u>12,520,227</u>
Capital assets being amortized				
Right of use asset:				
Leases	12,145	-	9,556	2,589
Total capital assets being amortized	<u>12,145</u>	<u>-</u>	<u>9,556</u>	<u>2,589</u>
Less accumulated amortization for:				
Right of use asset:				
Leases	7,689	3,746	9,556	1,879
Total accumulated amortization	<u>7,689</u>	<u>3,746</u>	<u>9,556</u>	<u>1,879</u>
Total capital assets being amortized, net	<u>4,456</u>	<u>(3,746)</u>	<u>-</u>	<u>710</u>
Sewer fund capital assets, net	<u>\$ 13,917,607</u>	<u>\$ 2,563,479</u>	<u>\$ -</u>	<u>\$ 16,481,086</u>

Stormwater 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	722,997	-	-	722,997
Furniture, Maint Equip, & Vehicles	112,933	-	-	112,933
Total capital assets being depreciated	835,930	-	-	835,930
Less accumulated depreciation for:				
Plant and distribution systems	28,686	13,669	-	42,355
Furniture, Maint Equip, & Vehicles	50,115	29,684	-	79,799
Total accumulated depreciation	78,801	43,353	-	122,154
Total capital assets being depreciated, net	757,129	(43,353)	-	713,776
Capital assets being amortized				
Right of use asset:				
Leases	7,458	-	5,276	2,182
Total capital assets being amortized	7,458	-	5,276	2,182
Less accumulated amortization for:				
Right of use asset:				
Leases	4,245	2,069	5,276	1,038
Total accumulated amortization	4,245	2,069	5,276	1,038
Total capital assets being amortized, net	3,213	(2,069)	-	1,144
Stormwater fund capital assets, net	\$ 760,342	\$ (45,422)	\$ -	\$ 714,920

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	135,470	9,475	-	144,945
Total capital assets being depreciated	135,470	9,475	-	144,945
Less accumulated depreciation for:				
Plant and distribution systems	-	-	-	-
Furniture, Maint Equip, & Vehicles	76,166	24,552	-	100,718
Total accumulated depreciation	76,166	24,552	-	100,718
Total capital assets being depreciated, net	59,304	(15,077)	-	44,227
Sanitation fund capital assets, net	\$ 59,304	\$ (15,077)	\$ -	\$ 44,227
Business-type activities capital assets, net	\$ 17,051,255	\$ 2,447,663	\$ -	\$ 19,498,918

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, 2023, was 13.04% of compensation for law enforcement officers and 12.16% 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 \$409,502 for the year ended June 30, 2023.

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, 2023, the City reported a liability of \$2,260,520 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 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, 2023, the City's proportion was 0.04007% (measured as of June 30, 2022), which was an decrease of .00527% from its proportion measured as of June 30, 2022 (measured as of June 30, 2021).

For the year ended June 30, 2023, the City recognized pension expense of \$591,487. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 97,404	\$ 9,550
Changes of assumptions	225,549	-
Net difference between projected and actual earnings on pension plan investments	747,126	-
Changes in proportion and differences between City contributions and proportionate share of contributions	8,746	129,551
City contributions subsequent to the measurement date	409,502	-
Total	<u>\$ 1,488,327</u>	<u>\$ 139,101</u>

\$409,502 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, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 293,915
2025	237,021
2026	52,843
2027	355,945
2028	-
Thereafter	-
	<u>\$ 939,724</u>

Actuarial Assumptions. The total pension liability in the December 31, 2021 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, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2015, through December 31, 2019.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
	<u>100.0%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 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)	\$ 4,079,948	\$ 2,260,520	\$ 761,206

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, 2021 (valuation date), the Separation Allowance's membership consisted of:

Retirees Receiving Benefits	2
Terminated plan members entitled to but no yet receiving benefits	0
Active Plan Members	18
Total	20

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, 2021 valuation. The total pension liability in the December 31, 2021 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	4.31 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, 2021 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 2011 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 \$9,129 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, 2023, the City reported a total pension liability of \$402,198. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the City recognized pension expense of \$41,909.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 122,617	\$ 244,394
Changes of assumptions	107,113	72,163
City benefit payments and plan administrative expense made subsequent to the measurement date	<u>4,672</u>	<u>-</u>
Total	<u>\$ 234,402</u>	<u>\$ 316,557</u>

\$4,672 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, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 4,107
2025	16,295
2026	(18,608)
2027	(59,186)
2028	(29,435)
Thereafter	-
	<u>\$ (86,827)</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 4.31 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 (3.31 percent) or one percentage point higher (5.31 percent) than the current rate:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total pension liability	\$ 435,887	\$ 402,198	\$ 371,906

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

Beginning Balance	\$ 554,798
Service Cost	35,294
Interest on the total pension liability	12,380
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(117,682)
Changes of assumptions or other inputs	(73,463)
Benefit payments	(9,129)
Other changes	-
Ending balance of the total pension liability	<u>\$ 402,198</u>

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 2.25 percent at June 30, 2021 (measurement date) to 4.31 percent at June 30, 2022 (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, 2021 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:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>Total</u>
Pension Expense (Revenue)	\$ 591,487	\$ 41,909	\$ 633,396
Pension Liability	2,260,520	402,198	2,662,718
Proportionate share of the net pension liability	0.04007%	n/a	

Deferred Outflows of Resources

Differences between expected and actual experience	97,404	122,617	220,021
Changes of assumptions	225,549	107,113	332,662
Net difference between projected and actual earnings on plan investments	747,126	-	747,126
Changes in proportion and differences between contributions and proportionate share of contributions	8,746	-	8,746
Benefit payments and administrative costs paid subsequent to the measurement date	409,502	4,672	414,174

Deferred Inflows of Resources

Differences between expected and actual experience	9,550	244,394	253,944
Changes of assumptions	-	72,163	72,163
Changes in proportion and differences between contributions and proportionate share of contributions	129,551	-	129,551

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, 2023 were \$67,954, which consisted of \$50,193 from the City and \$17,761 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, 2023 were \$182,236, which consisted of \$115,275 from the City and \$66,961 from general employees.

d. 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	92
Total	110

Total OPEB Liability

The City's total OPEB liability of \$2,111,017 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021.

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	3.54%
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	\$ 2,497,073
Changes for the year	
Service Cost	130,164
Interest	56,265
Changes in benefit terms	-
Difference between expected and actual experience	(7,150)
Changes of assumptions or other inputs	(520,305)
Benefit payments	(45,030)
Other	-
Net Changes	(386,056)
Total OPEB Liability at June 30, 2022	\$ 2,111,017

Changes in assumptions and other inputs reflect a change in the discount rate from 2.16% to 3.54%.

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 (2.54%) and 1-percentage-point higher (4.54%) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 2,470,388	\$ 2,111,017	\$ 1,825,308

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	\$ 1,794,048	\$ 2,111,017	\$ 2,523,089

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

For the year ended June 30, 2023, the City recognized OPEB expense of \$22,065. At June 30, 2023, 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	\$ 64,150	\$ 548,039
Changes of assumptions	333,378	605,691
Benefit payments and administrative costs made subsequent to the measurement date	39,476	-
Total	\$ 437,004	\$ 1,153,730

\$39,476 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, 2024. Other amounts reported as deferred inflows of resources related to pension will be recognized as pension expense as follows:

Year ended June 30:

2024	\$ (163,894)
2025	(163,894)
2026	(163,894)
2027	(138,983)
2028	(19,371)
Thereafter	(106,166)

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:

<u>Source</u>	<u>Amount</u>
Contributions to pension plan in current fiscal year	\$ 409,502
Benefit payments made and administrative expenses for LEOSSA	4,672
Benefit payments and administrative expenses for OPEB made subsequent to measurement date	39,476
Differences between expected and actual experience	
LGERS	97,404
LEOSSA	122,617
OPEB	64,150
Changes of assumptions	
LGERS	225,549
LEOSSA	107,113
OPEB	333,378
Net difference between projected and actual	
LGERS	747,126
Changes in proportion and differences between employer contributions and proportionate share of contributions	
LGERS	8,746
Total	<u>\$ 2,159,733</u>

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

<u>Source</u>	<u>Amount</u>
Taxes Receivable, less penalties (General Fund)	\$ 62,685
Lease Receivable (General Fund)	824,605
Differences between expected and actual experience	
LGERS	9,550
LEOSSA	244,394
OPEB	548,039
Changes of assumptions	
LEOSSA	72,163
OPEB	605,691
Changes in proportion and differences between employer contributions and proportionate share of contributions	
LGERS	129,551
Total	<u>\$ 2,496,678</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, 2023, 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 06/30/2023, the value of the lease liability is \$2,542. 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 06/30/2023 of \$6,084 with accumulated amortization of \$3,605 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 06/30/2023, the value of the lease liability is \$3,095. 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 06/30/2023 of \$4,190 with accumulated amortization of \$1,124 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 06/30/2023, the value of the lease liability is \$0. Whiteville is required to make monthly fixed payments of \$1,678. The lease has an interest rate of 0.4660%. The printer was returned at the end of the lease term, so the right to use the asset value and accumulated amortization has been removed from the table 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 06/30/2023, the value of the lease liability is \$3,229. 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 06/30/2023 of \$4,096 with accumulated amortization of \$891 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 06/30/2023, the value of the lease liability is \$2,159. 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 06/30/2023 of \$4,996 with accumulated amortization of \$2,802 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 Finance Department UBEO Copier. An initial lease liability was recorded in the amount of \$4,174. As of 06/30/2023, the value of the lease liability is \$3,347. Whiteville is required to make monthly fixed payments of \$70. The lease has an interest rate of 1.9770%. The value of the right to use asset as of 06/30/2023 of \$4,174 with accumulated amortization of \$905 is included with Equipment on the Lease Class activities table found below.

On 10/31/2022, Whiteville, NC entered into a 63 month lease as Lessee for the use of Multi-Function Printer UBEO Copiers - 2022. An initial lease liability was recorded in the amount of \$84,712. As of 06/30/2023, the value of the lease liability is \$74,151. Whiteville is required to make monthly fixed payments of \$1,647. The lease has an interest rate of 2.0230%. The value of the right to use asset as of 06/30/2023 of \$84,712 with accumulated amortization of \$10,970 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	\$ 108,252	\$ 20,297
Total Leases	\$ 108,252	\$ 20,297

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

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 21,287	\$ 828	\$ 22,115
2025	19,285	750	20,035
2026	18,239	710	18,949
2027	18,044	702	18,746
2028	8,713	339	9,052
	<u>\$ 85,568</u>	<u>\$ 3,329</u>	<u>\$ 88,897</u>

Fiscal Year	Business Type Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 711	\$ 114	\$ 825
2025	664	107	771
2026	626	101	727
2027	639	103	742
2028	315	50	365
	<u>\$ 2,955</u>	<u>\$ 475</u>	<u>\$ 3,430</u>

b. Subscriptions

For the year ended June 30, 2023, the City implemented the requirements of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (Subscriptions). The Statement provides a definition of Subscriptions and provides uniform guidance for accounting and financial reporting for such transactions. The guidance will decrease diversity in the accounting and financial reporting for these transactions, thereby, increasing comparability in financial reporting among governments. Further, the reporting of a subscription asset (a right-to-use intangible capital asset) and a subscription liability will enhance the relevance and reliability of the financial statements.

On 07/01/2022, Whiteville, NC entered into a 46 month subscription for the use of Ferguson Water Works Subscription. An initial subscription liability was recorded in the amount of \$48,735. As of 06/30/2023, the value of the subscription liability is \$32,763. Whiteville is required to make annual fixed payments of \$16,985. The subscription has an interest rate of 2.4453%. The value of the right to use asset as of 06/30/2023 of \$48,735 with accumulated amortization of \$12,659 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Whiteville, NC entered into a 48 month subscription for the use of Website Partnership Plan. An initial subscription liability was recorded in the amount of \$25,567. As of 06/30/2023, the value of the subscription liability is \$19,753. Whiteville is required to make monthly fixed payments of \$525. The subscription has an interest rate of 2.4453%. The value of the right to use asset as of 06/30/2023 of \$35,566 with accumulated amortization of \$8,891 is included with Software on the Subscription Class activities table found below.

Amount of Subscription Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-End	
	Subscription Asset Value	Accumulated Amortization
Software	\$ 84,301	\$ 21,550
Total Subscriptions	<u>\$ 84,301</u>	<u>\$ 21,550</u>

The future minimum subscription obligations and the net present value of these minimum lease payments were as follows:

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 22,343	\$ 1,215	\$ 23,558
2025	23,157	665	23,822
2026	7,016	93	7,109
	<u>\$ 52,516</u>	<u>\$ 1,973</u>	<u>\$ 54,489</u>

c. Installment Loans

Serviced by Governmental Activities:

<p>\$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.</p>	<p>\$ 251,074</p>
<p>\$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.</p>	<p>277,333</p>
<p>\$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.</p>	<p>1,000,000</p>
<p>\$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 annual 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.</p>	<p>517,008</p>
<p>\$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.</p>	<p>823,333</p>
<p>\$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.</p>	<p>35,555</p>
<p>Total Serviced by Governmental Activities</p>	<p>\$ 2,904,303</p>

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.

\$ 89,452

\$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.

996,593

\$2,405,036 revolving loan with NC DEQ issued to fund a sanitary sewer project on February 28, 2023. Annual payments of \$209,374 with interest rate of 0.22% are due in 20 annual payments. Final payment is scheduled for May 2043. 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.

2,405,036

\$317,347 direct placement loan with First Bank issued for the purchase of paving equipment on September 7, 2022. Annual installments of \$82,216, including interest at 4.26% are due in 5 annual payments. Final payment is scheduled for September 1, 2027. 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.

317,347

\$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.

154,552

Total Serviced by Enterprise Funds \$ 3,962,979

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
2024	\$ 389,762	\$ 77,066	\$ 509,724	\$ 16,919	\$ 899,486	\$ 93,985
2025	390,508	65,969	347,827	19,064	738,335	85,033
2026	395,342	54,784	350,961	15,469	746,303	70,253
2027	385,461	42,514	354,202	11,768	739,663	54,282
2028	387,971	31,654	288,800	7,926	676,771	39,580
2028-2032	711,103	66,290	1,357,241	29,941	2,068,344	96,231
2033-2037	242,156	9,135	588,124	18,425	830,280	27,560
2038-2042	-	-	166,101	6,909	166,101	6,909
Total	<u>\$ 2,902,303</u>	<u>\$ 347,412</u>	<u>\$ 3,962,979</u>	<u>\$ 126,421</u>	<u>\$ 6,865,283</u>	<u>\$ 473,833</u>

d. Changes in Long-term Liabilities

	Balance July 01, 2022	Increases	Decreases	Balance June 30, 2023	Current Portion Balance
Governmental Activities:					
Direct placement and borrowing installment agreements	\$ 3,307,189	\$ 36,462	\$ 439,348	\$ 2,904,303	\$ 389,762
Lease liability	10,981	88,558	13,971	85,568	21,287
Subscription liability	-	74,302	21,786	52,516	22,343
Total OPEB liability	1,668,283	-	233,003	1,435,280	-
Net pension liability (LGERS)	497,088	1,118,943	-	1,616,031	-
Net pension liability (LEOSSA)	554,798	-	152,600	402,198	-
Compensated Absences	358,599	-	66,824	291,775	-
Governmental activity Long term liabilities	<u>\$ 6,396,938</u>	<u>\$ 1,318,265</u>	<u>\$ 927,532</u>	<u>\$ 6,787,671</u>	<u>\$ 433,392</u>
Business-type Activities:					
<u>Water Fund</u>					
Direct Borrowing Installment Agreement	\$ 100,634	\$ -	\$ 11,182	\$ 89,452	\$ 11,183
Net pension liability (LGERS)	57,610	129,679	-	187,289	-
Total OPEB liability	261,094	-	62,236	198,858	-
Compensated Absences	7,070	-	421	6,649	-
Lease Liabilities	3,149	-	2,164	985	237
<u>Sewer Fund</u>					
Direct Borrowing Installment Agreement	1,357,987	2,722,383	206,843	3,873,527	498,541
Net pension liability (LGERS)	92,799	208,895	-	301,694	-
Total OPEB liability	354,909	-	60,422	294,487	-
Compensated Absences	51,754	-	3,833	47,921	-
Lease Liabilities	4,323	-	3,338	985	237
<u>Sanitation Fund</u>					
Net pension liability (LGERS)	28,311	63,728	-	92,039	-
Total OPEB liability	107,990	-	10,672	97,318	-
<u>Stormwater Fund</u>					
Direct Borrowing Installment Agreement	16,374	-	16,374	-	-
Net pension liability (LGERS)	19,522	43,945	-	63,467	-
Total OPEB liability	86,602	-	1,739	84,863	-
Lease Liabilities	3,419	-	2,434	985	237
Compensated Absences	11,651	-	2,683	8,968	-
Business-type activity long term liabilities	<u>\$ 2,565,198</u>	<u>\$ 3,168,630</u>	<u>\$ 384,341</u>	<u>\$ 5,349,487</u>	<u>\$ 510,435</u>

At June 30, 2023, the City had a legal debt margin of \$42,827,731.

C. Interfund Balances and Activity

Balances due to/from other funds at June 30, 2023, consist of the following:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Purposes</u>
General Fund	\$ 561,170	\$ -	Cash Deficit
Water Fund	162,921	-	Cash Deficit
Sewer Fund	45,367	-	Cash Deficit
AFG Covid-19 Fund	-	8,714	Cash Deficit
Vineland Station Fund	-	20,000	Cash Deficit
Parks Construction Fund	-	140,000	Cash Deficit
Mollie Branch Grant Fund Ph. II	-	297,641	Cash Deficit
Stormwater Fund	-	95,000	Cash Deficit
FY 22 SCIF Grant Fund	-	1,500	Cash Deficit
Streamflow Rehab. Program Grant Fund	-	149,772	Cash Deficit
FEMA AFG FYE 2021 Fund	-	2,438	Cash Deficit
NCLM WC Grant Fund	-	5,000	Cash Deficit
HMGP Property Acquisition Grant	-	33,276	Cash Deficit
AFG FYE 2020 Grant Fund	-	16,117	Cash Deficit
Total	<u>\$ 769,458</u>	<u>\$ 769,458</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, 2023 consist of the following:

	<u>Transfers</u>		<u>Purposes</u>
	<u>From</u>	<u>To</u>	
General Fund	\$ 73,500	\$ 125,000	Operation Support
Water Fund	62,500	-	Payment in lieu of taxes
Sewer Fund	62,500	-	Payment in lieu of taxes
ARPA Fund	68,310	-	Operation/Capital outlay support
WDDC Tax Fund	-	73,500	Operation Support
Vineland Depot Fund	-	38,500	Operation Support
Downtown Events Fund	-	15,000	Operation Support
FEMA AFG FYE 2021 Fund	-	1,728	Capital outlay support
NCLM WC Grant Fund	-	13,082	Capital outlay support
Total	<u>\$ 266,810</u>	<u>\$ 266,810</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	\$ 9,237,212	\$ 19,498,918
less: long-term debt	2,989,871	3,962,664
Net investment in capital assets	<u>\$ 6,247,341</u>	<u>\$ 15,536,254</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>\$ 3,883,854</u>
Less:	
Nonspendable - Leases	8,721
Stabilization by State Statute	1,825,906
Street - Powell Bill	83,753
Remaining Fund Balance	<u>\$ 1,965,474</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: SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through December 12, 2023, 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 Ten Fiscal Years*

Local Government Employees' Retirement System

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net pension liability (asset) (%)	0.04007%	0.04534%	0.04811%	0.04520%	0.04457%
City's proportion of the net pension liability (asset) (\$)	\$ 2,260,520	\$ 695,332	\$ 1,719,175	\$ 1,234,377	\$ 1,057,353
City's covered payroll	\$ 3,008,794	\$ 3,196,382	\$ 3,037,975	\$ 3,014,762	\$ 2,770,507
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	75.13%	21.75%	56.59%	40.94%	38.16%
Plan fiduciary net position as a percentage of the total pension liability**	84.14%	95.51%	88.61%	90.86%	91.63%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset) (%)	0.05047%	0.04803%	0.05282%	0.04803%	0.04850%
City's proportion of the net pension liability (asset) (\$)	\$ 771,042	\$ 1,019,358	\$ 237,053	\$ (283,255)	\$ 584,611
City's covered payroll	\$ 2,747,989	\$ 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	28.06%	39.70%	9.75%	-11.87%	25.43%
Plan fiduciary net position as a percentage of the total pension liability**	94.18%	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 Ten Fiscal Years**

Local Government Employees' Retirement System

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 409,502	\$ 349,166	\$ 333,252	\$ 280,299	\$ 242,630
Contributions in relation to the contractually required contribution	409,502	349,166	333,252	280,299	242,630
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,309,337	\$ 3,008,794	\$ 3,196,382	\$ 3,037,975	\$ 3,014,762
Contributions as a percentage of covered payroll	12.37%	11.60%	10.43%	9.23%	8.05%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 215,529	\$ 206,837	\$ 176,546	\$ 174,463	\$ 170,382
Contributions in relation to the contractually required contribution	215,529	206,837	176,546	174,463	170,382
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,770,507	\$ 2,747,989	\$ 2,567,451	\$ 2,431,308	\$ 2,387,209
Contributions as a percentage of covered payroll	7.78%	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 Seven Fiscal Years*

	2023	2022	2021	2020
Beginning Balance	\$ 554,798	\$ 726,584	\$ 216,654	\$ 207,783
Service Cost	35,294	44,023	31,947	20,973
Interest on the total pension liability	12,380	13,865	6,743	7,247
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(117,682)	(198,685)	265,198	(9,720)
Changes of assumptions or other inputs	(73,463)	(14,584)	225,681	7,761
Benefit payments	(9,129)	(16,405)	(19,639)	(17,390)
Other changes	-	-	-	-
Ending balance of the total pension liability	<u>\$ 402,198</u>	<u>\$ 554,798</u>	<u>\$ 726,584</u>	<u>\$ 216,654</u>
	2019	2018	2017	
Beginning Balance	\$ 273,960	\$ 330,342	\$ 328,706	
Service Cost	19,766	19,188	20,906	
Interest on the total pension liability	8,400	12,326	11,356	
Changes of benefit terms	-	-	-	
Differences between expected and actual experience in the measurement of the total pension liability	(69,194)	(85,640)	-	
Changes of assumptions or other inputs	(8,871)	19,774	(9,386)	
Benefit payments	(16,278)	(22,030)	(21,240)	
Other changes	-	-	-	
Ending balance of the total pension liability	<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

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability	\$ 402,198	\$ 554,798	\$ 726,584	\$ 216,654
Covered payroll	\$ 830,428	\$ 1,074,309	\$ 1,147,970	\$ 926,581
Total pension liability as a percentage of payroll	48.43%	51.64%	63.29%	23.38%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	
Total pension liability	\$ 207,783	\$ 273,960	\$ 330,342	
Covered payroll	\$ 882,041	\$ 829,890	\$ 851,737	
Total pension liability as a percentage of payroll	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 Six Fiscal Years

Total OPEB Liability	<u>2023</u>	<u>2022</u>	<u>2021</u>
Service Cost	\$ 130,164	\$ 101,784	\$ 67,569
Interest	56,265	50,899	61,350
Changes in benefit terms	-	-	-
Difference between expected and actual experience	(7,150)	82,894	429
Changes of assumptions or other inputs	(520,305)	74,444	423,629
Benefit payments	(45,030)	(28,428)	(45,189)
Other	-	-	-
Net change in total OPEB liability	<u>\$ (386,056)</u>	<u>\$ 281,593</u>	<u>\$ 507,788</u>
Total OPEB Liability - beginning	<u>\$ 2,497,073</u>	<u>\$ 2,215,480</u>	<u>\$ 1,707,692</u>
Total OPEB Liability - ending	<u>\$ 2,111,017</u>	<u>\$ 2,497,073</u>	<u>\$ 2,215,480</u>
Covered payroll	<u>\$ 3,688,854</u>	<u>\$ 3,688,854</u>	<u>\$ 2,396,135</u>
Total OPEB liability as a percentage of covered payroll	57.23%	67.69%	92.46%
Total OPEB Liability	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 116,869	\$ 123,618	\$ 139,194
Interest	99,456	90,200	78,733
Changes in benefit terms	-	-	-
Difference between expected and actual experience	(1,058,970)	1,667	1,903
Changes of assumptions or other inputs	17,232	(142,771)	(250,702)
Benefit payments	(46,759)	(52,661)	(49,675)
Other	-	-	-
Net change in total OPEB liability	<u>\$ (872,172)</u>	<u>\$ 20,053</u>	<u>\$ (80,547)</u>
Total OPEB Liability - beginning	<u>\$ 2,579,864</u>	<u>\$ 2,559,811</u>	<u>\$ 2,640,358</u>
Total OPEB Liability - ending	<u>\$ 1,707,692</u>	<u>\$ 2,579,864</u>	<u>\$ 2,559,811</u>
Covered payroll	<u>\$ 2,396,135</u>	<u>\$ 2,757,830</u>	<u>\$ 2,757,830</u>
Total OPEB liability as a percentage of covered payroll	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>	<u>Fiscal year</u>	<u>Rate</u>
2023	3.54%	2020	3.50%
2022	2.16%	2019	3.89%
2021	2.21%	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, 2023

Exhibit B-1

	2023		Variance Positive (Negative)
	Final Budget	Actual	
Revenues			
Ad Valorem taxes:			
Taxes	\$ 2,846,000	\$ 2,764,087	\$ (81,913)
Penalties and interest	16,000	16,301	301
Total	<u>2,862,000</u>	<u>2,780,388</u>	<u>(81,612)</u>
Other taxes and licenses:			
Assessments	-	965	965
In Lieu of Taxes	7,000	11,238	4,238
Privilege license	500	625	125
Total	<u>7,500</u>	<u>12,828</u>	<u>5,328</u>
Unrestricted intergovernmental:			
Beer and Wine Tax	23,000	21,325	(1,675)
Court Cost and Fees	1,200	812	(388)
Hold Harmless	329,315	344,050	14,735
Local Option Sales Tax	1,431,824	1,421,927	(9,897)
ABC Profit Distribution	67,459	115,950	48,491
Telecommunications Tax	45,000	36,488	(8,512)
Video Franchise Fee	40,000	33,705	(6,295)
Utilities Sales Tax & Piped Natural Gas Sales Tax	417,000	431,297	14,297
Total	<u>2,354,798</u>	<u>2,405,554</u>	<u>50,756</u>
Restricted intergovernmental revenues:			
ABC Revenue - Law Enforcement	14,000	9,148	(4,852)
ABC Revenue - Fire	6,000	11,596	5,596
Controlled Substance Tax	500	1,472	972
Christmas Cops	960	2,025	1,065
Waste Disposal Tax	3,872	3,675	(197)
Reimbursement Town of Brunswick Police	69,500	71,862	2,362
Powell Bill allocation	160,000	161,161	1,161
Total	<u>254,832</u>	<u>260,939</u>	<u>6,107</u>
Permits and fees:			
Building Permits	37,000	102,731	65,731
Inspection Fees	35,460	59,573	24,113
Total	<u>72,460</u>	<u>162,304</u>	<u>89,844</u>
Sales and Services:			
Concessions	2,000	2,370	370
Emergency Services	10,000	11,885	1,885
Fire Protection Fees	22,000	34,464	12,464
Recreation Department Fees & Insurance Pymts.	37,000	19,171	(17,829)
Total	<u>71,000</u>	<u>67,890</u>	<u>(3,110)</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, 2023

	2023		Variance Positive (Negative)
	Final Budget	Actual	
Other Revenue			
Insurance recovery	16,407	8,383	(8,024)
Investment earnings	1,500	161,753	160,253
Rent Income	75,000	67,808	(7,192)
Miscellaneous	232,496	170,682	(61,814)
Total	<u>325,403</u>	<u>408,626</u>	<u>83,223</u>
Total Revenues	<u>5,947,993</u>	<u>6,098,529</u>	<u>150,536</u>
Expenditures			
General Government:			
Governing body:			
Salaries and employee benefits	6,617	6,941	(324)
Professional services	-	229	(229)
Operating expenditures	11,879	6,291	5,588
Total	<u>18,496</u>	<u>13,461</u>	<u>5,035</u>
Administration:			
Salaries and employee benefits	141,370	158,722	(17,352)
Professional services	92,516	100,406	(7,890)
Operating expenditures	71,675	54,056	17,619
Capital outlay	51,250	-	51,250
Total	<u>356,811</u>	<u>313,184</u>	<u>43,627</u>
Public Buildings:			
Operating expenditures	95,000	73,073	21,927
Total	<u>95,000</u>	<u>73,073</u>	<u>21,927</u>
Total general government	<u>470,307</u>	<u>399,718</u>	<u>70,589</u>
Public safety:			
Police department:			
Salaries and employee benefits	1,552,970	1,460,984	91,986
Professional services	153,900	183,815	(29,915)
Operating expenditures	360,901	351,018	9,883
Capital outlay	52,750	51,497	1,253
Total	<u>2,120,521</u>	<u>2,047,314</u>	<u>73,207</u>
Fire and rescue:			
Salaries and employee benefits	767,852	676,388	91,464
Professional services	31,357	20,969	10,388
Operating expenditures	239,376	276,063	(36,687)
Capital outlay	-	27,429	(27,429)
Total	<u>1,038,585</u>	<u>1,000,849</u>	<u>37,736</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, 2023

	2023		Variance Positive (Negative)
	Final Budget	Actual	
Planning & Inspection:			
Salaries and employee benefits	233,051	213,303	19,748
Professional services	4,000	4,334	(334)
Operating expenditures	46,584	64,283	(17,699)
Total	<u>283,635</u>	<u>281,920</u>	<u>1,715</u>
Safety			
Salaries and employee benefits	113,936	118,298	(4,362)
Professional services	20,744	15,341	5,403
Operating expenditures	-	1,230	(1,230)
Capital outlay	9,607	9,044	563
Total	<u>144,287</u>	<u>143,913</u>	<u>374</u>
Total public safety	<u>3,587,028</u>	<u>3,473,996</u>	<u>113,032</u>
Transportation:			
Streets and highways:			
Salaries and employee benefits	137,727	128,272	9,455
Operating expenditures	158,315	174,016	(15,701)
Professional services	-	1,606	(1,606)
Maintenance - sidewalks	18,700	18,650	50
Maintenance - streets	80,000	87,132	(7,132)
Capital outlay	178,295	139,779	38,516
Total	<u>573,037</u>	<u>549,455</u>	<u>23,582</u>
Garage:			
Professional services	-	607	(607)
Operating expenditures	54,673	58,931	(4,258)
Total	<u>59,673</u>	<u>59,538</u>	<u>135</u>
Total transportation	<u>632,710</u>	<u>608,993</u>	<u>23,717</u>
Cultural & Recreational:			
Parks and recreation:			
Salaries and employee benefits	456,177	350,475	105,702
Professional services	-	6,567	(6,567)
Operating expenditures	186,137	265,086	(78,949)
Chamber of Commerce donation	4,000	4,000	-
Columbus County Arts Council	500	500	-
Dream Center donation	1,000	1,000	-
Capital Outlay	-	1,370	(1,370)
Total cultural and recreation	<u>647,814</u>	<u>628,998</u>	<u>18,816</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, 2023

	2023		Variance Positive (Negative)
	Final Budget	Actual	
Debt Service:			
Principal retirement	439,866	439,863	3
Interest and fees	89,548	89,548	-
Total debt service	<u>529,414</u>	<u>529,411</u>	<u>3</u>
Total expenditures	<u>5,867,273</u>	<u>5,641,116</u>	<u>226,157</u>
Revenues over (under) expenditures	80,720	457,413	376,693
Other Financing Sources (Uses):			
Transfer to WDDC Fund	(73,500)	(73,500)	-
Transfer from Sewer Fund	134,080	125,000	(9,080)
Lease/Subscription Liability Issued	-	159,014	159,014
Appropriated Fund Balance	(141,300)	-	141,300
Total Other Financing Sources (Uses)	<u>(80,720)</u>	<u>210,514</u>	<u>291,234</u>
Net change in fund balance	<u>\$ -</u>	667,927	<u>\$ 667,927</u>
Fund balance:			
Beginning of year, July 1		<u>3,215,927</u>	
End of year, June 30		<u>\$ 3,883,854</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, 2023

	Budget Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Years	Total to Date	
Revenues:					
SCIF Grant	\$ 2,000,000	\$ -	\$ 1,500	\$ 1,500	\$ (1,998,500)
Total revenues	<u>2,000,000</u>	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>(1,998,500)</u>
Expenditures:					
Capital Outlay - Police	-	-	-	-	-
Capital Outlay - PW - Water	250,000	-	1,500	1,500	248,500
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>1,500</u>	<u>1,500</u>	<u>1,998,500</u>
Revenues Over (Under) Expenditures	<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, 2023

Exhibit C-1

	WDDC Tax Fund	Special Revenue							CARES Act	Vineland Station
		NCLM P&L Insurance	NCLM Workers Comp	FEMA AFG Grant	HMGP Property Acquisition	Hurricane Dorian Recovery				
Assets										
Cash and cash equivalents	\$ 63,555	\$ -	\$ 744	\$ 330	\$ -	\$ 22,384	\$ -	\$ 1,989	\$ 20,356	
Taxes Receivable	965	-	-	-	-	-	-	-	-	-
Due from other governments	155	-	-	-	-	-	-	-	182	
Restricted cash	-	-	-	-	-	-	-	-	7,500	
Total assets	\$ 64,675	\$ -	\$ 744	\$ 330	\$ -	\$ 22,384	\$ -	\$ 1,989	\$ 28,038	
Liabilities and fund balances										
Liabilities:										
Accounts payable and accrued liabilities	\$ 2,443	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,011	
Due to other funds	-	-	-	-	33,276	-	-	-	20,000	
Security Deposits	-	-	-	-	-	-	-	-	7,500	
Unspent Grant	-	-	-	-	-	-	-	-	-	
Total liabilities	2,443	-	-	-	33,276	-	-	-	30,511	
Deferred inflows of resources	965	-	-	-	-	-	-	-	-	
Fund balances:										
Restricted										
Economic Development Assigned	-	-	-	-	-	-	-	-	-	
WDDC Tax Fund	61,267	-	-	-	-	-	-	-	-	
Hurricane Recovery	-	-	-	-	-	22,384	-	-	-	
Public Safety	-	-	-	330	-	-	-	1,989	-	
Economic Development	-	-	-	-	-	-	-	-	-	
Capital Outlay	-	-	744	-	-	-	-	-	-	
Unassigned	-	-	-	-	(33,276)	-	-	-	(2,473)	
Total fund balances	61,267	-	744	330	(33,276)	22,384	-	1,989	(2,473)	
Total liabilities and fund balances	\$ 64,675	\$ -	\$ 744	\$ 330	\$ -	\$ 22,384	\$ -	\$ 1,989	\$ 28,038	

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2023

	Special Revenue							
	AFG Covid-19 Grant	Hurricane Florence Recovery	Downtown Events Fund	ARPA Fund	Streamflow Grant Fund	AFG FYE 2021 Grant	NCLM WC Safety Grant Fund	AFG FYE 2020 Grant
Assets								
Cash and cash equivalents	\$ 4,229	\$ 238,788	\$ 33,065	\$ 496,618	\$ -	\$ -	\$ -	\$ 6,667
Taxes Receivable	-	-	-	-	-	-	-	-
Due from other governments	519	-	-	25,357	-	2,444	1,143	9,450
Restricted cash	-	-	-	-	-	-	-	-
Total assets	<u>\$ 4,748</u>	<u>\$ 238,788</u>	<u>\$ 33,065</u>	<u>\$ 521,975</u>	<u>\$ -</u>	<u>\$ 2,444</u>	<u>\$ 1,143</u>	<u>\$ 16,117</u>
Liabilities and fund balances								
Liabilities:								
Accounts payable and accrued liabilities	\$ 4,749	\$ -	\$ -	\$ 31,253	\$ -	\$ -	\$ -	\$ -
Due to other funds	8,714	-	-	-	149,773	2,438	5,000	16,117
Security Deposits	-	-	-	-	-	-	-	-
Unspent Grant	-	-	-	490,722	-	-	-	-
Total liabilities	<u>13,463</u>	<u>-</u>	<u>-</u>	<u>521,975</u>	<u>149,773</u>	<u>2,438</u>	<u>5,000</u>	<u>16,117</u>
Deferred inflows of resources	-	-	-	-	-	-	-	-
Fund balances:								
Restricted	-	-	-	-	-	-	-	-
Economic Development Assigned	-	-	-	-	-	-	-	-
WDDC Tax Fund	-	-	-	-	-	-	-	-
Hurricane Recovery	-	238,788	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Economic Development	-	-	33,065	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Unassigned	(8,715)	-	-	-	(149,773)	6	(3,857)	-
Total fund balances	<u>(8,715)</u>	<u>238,788</u>	<u>33,065</u>	<u>-</u>	<u>(149,773)</u>	<u>6</u>	<u>(3,857)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 4,748</u>	<u>\$ 238,788</u>	<u>\$ 33,065</u>	<u>\$ 521,975</u>	<u>\$ -</u>	<u>\$ 2,444</u>	<u>\$ 1,143</u>	<u>\$ 16,117</u>

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2023

	Capital Projects							Total Nonmajor Governmental Funds
	Parks Construction Fund	HMGF Generator	Downtown WiFi Project	Duke Energy Grant	ABC Store Building	Parks Pedestrian Bridge	Parks Capital Fund	
Assets								
Cash and cash equivalents	\$ -	\$ -	\$ 440	\$ 55	\$ 1,906	\$ -	\$ 31,260	\$ 922,386
Taxes Receivable	-	-	-	-	-	-	-	965
Due from other governments	-	-	-	-	-	-	-	39,250
Restricted cash	-	-	-	-	-	-	-	7,500
Total assets	\$ -	\$ -	\$ 440	\$ 55	\$ 1,906	\$ -	\$ 31,260	\$ 970,101
Liabilities and fund balances								
Liabilities:								
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,456
Due to other funds	140,000	-	-	-	-	-	-	375,318
Security Deposits	-	-	-	-	-	-	-	7,500
Unspent Grant	-	-	-	-	-	-	-	490,722
Total liabilities	140,000	-	-	-	-	-	-	914,996
Deferred inflows of resources	-	-	-	-	-	-	-	965
Fund balances:								
Restricted	-	-	-	-	-	-	31,260	31,260
Assigned	-	-	-	-	-	-	-	61,267
WDDC Tax Fund	-	-	-	-	-	-	-	261,172
Hurricane Recovery	-	-	-	-	-	-	-	2,319
Public Safety	-	-	-	-	-	-	-	33,065
Economic Development	-	-	-	-	-	-	-	3,151
Capital Outlay	-	-	440	55	1,906	-	-	(338,094)
Unassigned	(140,000)	-	-	-	-	-	-	54,140
Total fund balances	(140,000)	-	440	55	1,906	-	31,260	54,140
Total liabilities and fund balances	\$ -	\$ -	\$ 440	\$ 55	\$ 1,906	\$ -	\$ 31,260	\$ 970,101

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2023

	WDDC Tax Fund	Special Revenue								
		NCLM P&L Insurance	NCLM Workers Comp	FEMA AGF Grant	HMGP Property Acquisition	Hurricane Dorian Recovery	CARES Act	Vineland Station		
Revenues:										
Ad Valorem taxes	\$ 17,559	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental	-	-	-	-	-	-	8,692	-	-	-
Other Revenue	3,136	-	-	-	-	-	-	-	-	31,287
Total Revenues	20,695	-	-	-	-	-	8,692	-	-	31,287
Expenditures:										
General government	-	-	-	-	-	-	-	-	-	51,445
Public safety	-	-	-	-	-	-	-	-	-	-
Economic and physical development	86,182	-	-	-	-	-	70,590	-	-	17,350
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	86,182	-	-	-	-	-	70,590	-	-	68,795
Revenues over expenditures	(65,487)	-	-	-	-	-	(61,898)	-	-	(37,508)
Other Financing Sources (Uses)										
Transfer (to) from General Fund	73,500	-	-	-	-	-	-	-	-	-
Transfer (to) from Other Fund	-	-	-	-	-	-	-	-	-	38,500
Total Other Financing Sources (Uses)	73,500	-	-	-	-	-	-	-	-	38,500
Net Change in Fund Balance	8,013	-	-	-	-	-	(61,898)	-	-	992
Fund balance, beginning	53,254	-	744	330	28,622	22,384	1,989	-	-	(3,465)
Fund balance, ending	\$ 61,267	\$ -	\$ 744	\$ 330	\$ (33,276)	\$ 22,384	\$ 1,989	\$ -	\$ -	\$ (2,473)

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2023

	Special Revenue							
	AFG Covid-19 Grant	Hurricane Florence Recovery	Downtown Events Fund	ARPA Fund	Streamflow Grant Fund	AFG FYE 2021 Grant	NCLM WVC Safety Grant Fund	AFG FYE 2020 Grant
Revenues:								
Ad Valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental	5,426	-	-	663,110	-	34,565	-	133,333
Other Revenue	-	-	45,465	-	-	-	-	6,667
Total Revenues	5,426	-	45,465	663,110	-	34,565	-	140,000
Expenditures:								
General government	-	-	-	-	-	-	-	-
Public safety	13,027	-	-	-	-	-	-	-
Economic and physical development	-	-	27,400	-	149,773	-	-	-
Capital Outlay	-	-	-	594,800	-	36,287	16,939	140,000
Total Expenditures	13,027	-	27,400	594,800	149,773	36,287	16,939	140,000
Revenues over expenditures	(7,601)	-	18,065	68,310	(149,773)	(1,722)	(16,939)	-
Other Financing Sources (Uses)								
Transfer (to) from General Fund	-	-	-	-	-	-	-	-
Transfer (to) from Other Fund	-	-	15,000	(68,310)	-	1,728	13,082	-
Total Other Financing Sources (Uses)	-	-	15,000	(68,310)	-	1,728	13,082	-
Net Change in Fund Balance	(7,601)	-	33,065	-	(149,773)	6	(3,857)	-
Fund balance, beginning	(1,114)	238,788	-	-	-	-	-	-
Fund balance, ending	\$ (8,715)	\$ 238,788	\$ 33,065	\$ -	\$ (149,773)	\$ 6	\$ (3,857)	\$ -

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2023

	Parks Construction Fund	Capital Projects						Parks Capital Fund	Total Nonmajor Governmental Funds
		HMGP Generator	Downtown WiFi Project	Duke Energy Grant	ABC Store Building	Parks Pedestrian Bridge			
Revenues:									
Ad Valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,559	
Restricted intergovernmental	-	-	-	-	-	-	-	845,126	
Other Revenue	-	-	-	-	-	-	19,755	106,310	
Total Revenues	-	-	-	-	-	-	19,755	968,995	
Expenditures:									
General government	-	-	-	-	-	-	-	51,445	
Public safety	-	-	-	-	-	-	-	13,027	
Economic and physical development	-	-	-	-	-	-	-	351,295	
Capital Outlay	24,273	17,400	-	-	8,313	-	-	838,012	
Total Expenditures	24,273	17,400	-	-	8,313	-	-	1,253,779	
Revenues over expenditures	(24,273)	(17,400)	-	-	(8,313)	-	19,755	(284,784)	
Other Financing Sources (Uses)									
Transfer (to) from General Fund	-	-	-	-	-	-	-	73,500	
Transfer (to) from Other Fund	-	-	-	-	-	-	-	-	
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	73,500	
Net Change in Fund Balance	(24,273)	(17,400)	-	-	(8,313)	-	19,755	(211,284)	
Fund balance, beginning	(115,727)	17,840	55	1,906	8,313		11,505	265,424	
Fund balance, ending	\$ (140,000)	\$ 440	\$ 55	\$ 1,906	\$ -	\$ -	\$ 31,260	\$ 54,140	

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, 2023

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad Valorem Taxes - Current Year	\$ 25,000	\$ 17,252	\$ (7,748)
Ad Valorem Taxes - Prior Year	-	307	307
Other Revenue	3,800	3,136	(664)
Total revenues	<u>28,800</u>	<u>20,695</u>	<u>(8,105)</u>
Expenditures:			
Economic and Physical Development			
Salaries and Benefits	71,037	69,273	1,764
Other Operating Expenses	31,263	16,909	14,354
Total expenditures	<u>102,300</u>	<u>86,182</u>	<u>16,118</u>
Revenues Over (Under) Expenditures	<u>(73,500)</u>	<u>(65,487)</u>	<u>8,013</u>
Other Financing Sources (Uses)			
Transfer from General Fund	73,500	73,500	\$ -
Total Other Sources (Uses)	<u>73,500</u>	<u>73,500</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	8,013	<u>\$ 8,013</u>
Fund balances:			
Beginning of year, July 1		<u>53,254</u>	
End of year, June 30		<u>\$ 61,267</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, 2023

	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>17,870</u>	<u>-</u>	<u>17,870</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>(5,000)</u>	<u>(17,870)</u>	<u>-</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>17,870</u>	<u>-</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, 2023

	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>2,538</u>	<u>-</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>3,636</u>	<u>-</u>	<u>3,636</u>	<u>46</u>
Revenues Over (Under) Expenditures	<u>(1,841)</u>	<u>(1,098)</u>	<u>-</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>1,842</u>	<u>-</u>	<u>1,842</u>	<u>1</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 744</u>	<u>-</u>	<u>\$ 744</u>	<u>\$ 744</u>
Fund balances:					
Beginning of year, July 1			<u>744</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, 2023

	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 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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
FEMA Hurricane Matthew Proceeds	\$ 196,892	\$ 84,098	\$ 8,692	\$ 92,790	\$ (104,102)
Total revenues	<u>196,892</u>	<u>84,098</u>	<u>8,692</u>	<u>92,790</u>	<u>(104,102)</u>
Expenditures:					
Acquisition	144,636	48	55,773	55,821	88,815
Demo & Hazard Mitigation	25,380	46,924	7,292	54,216	(28,836)
Professional Fees	17,500	504	4,096	4,600	12,900
Project Management Cost	9,376	8,000	3,429	11,429	(2,053)
Total expenditures	<u>196,892</u>	<u>55,476</u>	<u>70,590</u>	<u>126,066</u>	<u>70,826</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>28,622</u>	<u>(61,898)</u>	<u>(33,276)</u>	<u>(33,276)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 28,622</u>	<u>(61,898)</u>	<u>\$ (33,276)</u>	<u>\$ (33,276)</u>
Fund balances:					
Beginning of year, July 1			<u>28,622</u>		
End of year, June 30			<u>\$ (33,276)</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, 2023

	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>
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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
CARES Act Proceeds	\$ 178,696	\$ 178,696	\$ -	\$ 178,696	\$ -
Total revenues	<u>178,696</u>	<u>178,696</u>	<u>-</u>	<u>178,696</u>	<u>-</u>
Expenditures:					
Emergency Response - Supplies	20,000	13,207	-	13,207	6,793
Emergency Response-Equipment	158,696	163,500	-	163,500	(4,804)
Total expenditures	<u>178,696</u>	<u>176,707</u>	<u>-</u>	<u>176,707</u>	<u>1,989</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>1,989</u>	<u>-</u>	<u>1,989</u>	<u>1,989</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 1,989</u>	<u>-</u>	<u>\$ 1,989</u>	<u>\$ 1,989</u>
Fund balances:					
Beginning of year, July 1			<u>1,989</u>		
End of year, June 30			<u>\$ 1,989</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, 2023

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Rental Income	\$ 31,500	\$ 31,287	\$ (213)
Total revenues	<u>31,500</u>	<u>31,287</u>	<u>(213)</u>
Expenditures:			
Economic and Physical Development			
Salaries & Wages	48,253	48,620	(367)
Payroll Taxes	2,920	2,825	95
Contract Labor	-	1,200	(1,200)
Telephone & Postage	3,000	1,869	1,131
Utilities	6,000	6,697	(697)
Advertising	2,194	1,612	582
Departmental Supplies	1,079	1,258	(179)
Insurance & Bonds	6,554	4,714	1,840
Total expenditures	<u>70,000</u>	<u>68,795</u>	<u>1,205</u>
Revenues Over (Under) Expenditures	<u>(38,500)</u>	<u>(37,508)</u>	<u>992</u>
Other Financing Sources (Uses)			
Transfer from ARPA Fund	38,500	38,500	-
Total Other Sources (Uses)	<u>38,500</u>	<u>38,500</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	992	<u>\$ 992</u>
Fund balances:			
Beginning of year, July 1		<u>(3,465)</u>	
End of year, June 30		<u>\$ (2,473)</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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
AFG COVID-19 Proceeds	\$ 31,638	\$ 7,666	\$ 5,426	\$ 13,092	\$ (18,546)
Total revenues	<u>31,638</u>	<u>7,666</u>	<u>5,426</u>	<u>13,092</u>	<u>(18,546)</u>
Expenditures:					
Supplies	33,220	10,362	13,027	23,389	9,831
Total expenditures	<u>33,220</u>	<u>10,362</u>	<u>13,027</u>	<u>23,389</u>	<u>9,831</u>
Revenues Over (Under) Expenditures	<u>(1,582)</u>	<u>(2,696)</u>	<u>(7,601)</u>	<u>(10,297)</u>	<u>(8,715)</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>\$ (1,114)</u>	(7,601)	<u>\$ (8,715)</u>	<u>\$ (8,715)</u>
Fund balances:					
Beginning of year, July 1			<u>(1,114)</u>		
End of year, June 30			<u>\$ (8,715)</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, 2023

	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	170,710	-	170,710	(99,290)
Insurance Proceeds	560,000	478,345	-	478,345	(81,655)
Total revenues	<u>2,001,000</u>	<u>1,768,271</u>	<u>-</u>	<u>1,768,271</u>	<u>(232,729)</u>
Expenditures:					
Debris Removal	407,000	406,783	-	406,783	217
Emergency Response	310,000	221,818	-	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>1,529,483</u>	<u>-</u>	<u>1,529,483</u>	<u>471,517</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>238,788</u>	<u>-</u>	<u>238,788</u>	<u>238,788</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 238,788</u>	<u>-</u>	<u>\$ 238,788</u>	<u>\$ 238,788</u>
Fund balances:					
Beginning of year, July 1			<u>238,788</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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
AFG FYE 2020 Grant	\$ 133,333	\$ -	\$ 133,333	\$ 133,333	\$ -
Local Contribution	6,667	-	6,667	6,667	-
Total revenues	<u>140,000</u>	<u>-</u>	<u>140,000</u>	<u>140,000</u>	<u>-</u>
Expenditures:					
Capital Outlay	140,000	-	140,000	140,000	-
Total expenditures	<u>140,000</u>	<u>-</u>	<u>140,000</u>	<u>140,000</u>	<u>-</u>
Revenues Over (Under) Expenditures	<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
Special Revenue Fund - Downtown Events 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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Events Proceeds	\$ 25,000	\$ -	\$ 10,465	\$ 10,465	\$ (14,535)
Insurance Proceeds	35,000	-	35,000	35,000	-
Total revenues	<u>60,000</u>	<u>-</u>	<u>45,465</u>	<u>45,465</u>	<u>(14,535)</u>
Expenditures:					
Events Expenditures	75,000	-	27,400	27,400	47,600
Total expenditures	<u>75,000</u>	<u>-</u>	<u>27,400</u>	<u>27,400</u>	<u>47,600</u>
Revenues Over (Under) Expenditures	<u>(15,000)</u>	<u>-</u>	<u>18,065</u>	<u>18,065</u>	<u>33,065</u>
Other Financing Sources (Uses)					
Transfer from ARPA Fund	15,000	-	15,000	15,000	-
Total Other Sources (Uses)	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>33,065</u>	<u>\$ 33,065</u>	<u>\$ 33,065</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ 33,065</u>		

City of Whiteville, North Carolina
Special Revenue Fund - Coronavirus State Local Fiscal Recovery Funds CFR 21.027 (ARPA Fund)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
ARP Fund Proceeds FY 21-22	\$ 844,389	\$ 534,946	\$ 309,443	\$ 844,389	\$ -
ARP Fund Proceeds FY 22-23	844,389	-	353,667	353,667	(490,722)
Total revenues	<u>1,688,778</u>	<u>534,946</u>	<u>663,110</u>	<u>1,198,056</u>	<u>(490,722)</u>
Expenditures:					
Capital Outlay-Viper Radios	135,000	9,732	122,675	132,407	2,593
Capital Outlay-Security Camera System	124,000	62,000	15,348	77,348	46,652
Capital Outlay-Infrastructure, F.A.	1,051,689	408,780	404,987	813,767	237,922
Capital Outlay-Vineland Structure Imprv.	100,000	30,566	16,732	47,298	52,702
Capital Outlay-Public Safety PPE	42,000	23,868	20,508	44,376	(2,376)
Capital Outlay-IT-Fiber Optic Connection	17,778	-	14,550	14,550	3,228
Total expenditures	<u>1,470,467</u>	<u>534,946</u>	<u>594,800</u>	<u>1,129,746</u>	<u>340,721</u>
Revenues Over (Under) Expenditures	<u>218,311</u>	<u>-</u>	<u>68,310</u>	<u>68,310</u>	<u>(150,001)</u>
Other Financing Sources (Uses)					
Transfer to Water Fund	(75,000)	-	-	-	75,000
Transfer to Sewer Fund	(75,000)	-	-	-	75,000
Transfer to Vineland Depot Fund	(38,500)	-	(38,500)	(38,500)	-
Transfer to Concert Series Fund	(15,000)	-	(15,000)	(15,000)	-
Transfer to FEMA AFG FY 2021 Fund	(1,729)	-	(1,728)	(1,728)	1
Transfer to NCLM WC Grant Fund	(13,082)	-	(13,082)	(13,082)	-
Total Other Sources (Uses)	<u>(218,311)</u>	<u>-</u>	<u>(68,310)</u>	<u>(68,310)</u>	<u>150,001</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 - Streamflow Rehab. Program 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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Streamflow Rehab. Program Grant	\$ 273,466	\$ -	\$ -	\$ -	\$ (273,466)
Total revenues	<u>273,466</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(273,466)</u>
Expenditures:					
Debris Removal	273,466	-	149,773	149,773	123,693
Total expenditures	<u>273,466</u>	<u>-</u>	<u>149,773</u>	<u>149,773</u>	<u>123,693</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(149,773)</u>	<u>(149,773)</u>	<u>(149,773)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(149,773)</u>	<u>\$ (149,773)</u>	<u>\$ (149,773)</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ (149,773)</u>		

City of Whiteville, North Carolina
Special Revenue Fund - AFG FYE 2021 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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
AFG FYE 2021 Grant	\$ 34,565	\$ -	\$ 34,565	\$ 34,565	\$ -
Total revenues	<u>34,565</u>	<u>-</u>	<u>34,565</u>	<u>34,565</u>	<u>-</u>
Expenditures:					
Capital Outlay	36,293	-	36,287	36,287	6
Total expenditures	<u>36,293</u>	<u>-</u>	<u>36,287</u>	<u>36,287</u>	<u>6</u>
Revenues Over (Under) Expenditures	<u>(1,728)</u>	<u>-</u>	<u>(1,722)</u>	<u>(1,722)</u>	<u>6</u>
Other Financing Sources (Uses)					
Transfer from ARPA Fund	1,728	-	1,728	1,728	-
Total Other Sources (Uses)	<u>1,728</u>	<u>-</u>	<u>1,728</u>	<u>1,728</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	6	<u>\$ 6</u>	<u>\$ 6</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ 6</u>		

City of Whiteville, North Carolina
Special Revenue Fund - NCLM WC Safety 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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
NCLM WC Safety Grant	\$ 5,000	\$ -	\$ -	\$ -	\$ (5,000)
Total revenues	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>
Expenditures:					
Capital Outlay	18,082	-	16,939	16,939	1,143
Total expenditures	<u>18,082</u>	<u>-</u>	<u>16,939</u>	<u>16,939</u>	<u>1,143</u>
Revenues Over (Under) Expenditures	<u>(13,082)</u>	<u>-</u>	<u>(16,939)</u>	<u>(16,939)</u>	<u>(3,857)</u>
Other Financing Sources (Uses)					
Transfer from ARPA Fund	13,082	-	13,082	13,082	-
Total Other Sources (Uses)	<u>13,082</u>	<u>-</u>	<u>13,082</u>	<u>13,082</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(3,857)</u>	<u>\$ (3,857)</u>	<u>\$ (3,857)</u>
Fund balances:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ (3,857)</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, 2023

	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	24,273	235,000	-
Total expenditures	<u>235,000</u>	<u>210,727</u>	<u>24,273</u>	<u>235,000</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>(235,000)</u>	<u>(210,727)</u>	<u>(24,273)</u>	<u>(235,000)</u>	<u>-</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>\$ (115,727)</u>	<u>(24,273)</u>	<u>\$ (140,000)</u>	<u>\$ (140,000)</u>
Fund balances:					
Beginning of year, July 1			<u>(115,727)</u>		
End of year, June 30			<u>\$ (140,000)</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, 2023

	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	176,886	-	176,886	109
Total expenditures	<u>184,495</u>	<u>176,886</u>	<u>-</u>	<u>176,886</u>	<u>7,609</u>
Revenues Over (Under) Expenditures	<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 - 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, 2023

	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	32,160	17,400	49,560	440
Total expenditures	<u>50,000</u>	<u>32,160</u>	<u>17,400</u>	<u>49,560</u>	<u>440</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>17,840</u>	<u>(17,400)</u>	<u>440</u>	<u>440</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 17,840</u>	<u>(17,400)</u>	<u>\$ 440</u>	<u>\$ 440</u>
Fund balances:					
Beginning of year, July 1			<u>17,840</u>		
End of year, June 30			<u>\$ 440</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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
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	49,575	-	49,575	25
Total expenditures	<u>49,600</u>	<u>49,575</u>	<u>-</u>	<u>49,575</u>	<u>25</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>55</u>	<u>-</u>	<u>55</u>	<u>55</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 55</u>	<u>-</u>	<u>\$ 55</u>	<u>\$ 55</u>
Fund balances:					
Beginning of year, July 1			<u>55</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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Misc. Revenue	\$ -	\$ 1,931	\$ -	\$ 1,931	\$ 1,931
Total revenues	<u>-</u>	<u>1,931</u>	<u>-</u>	<u>1,931</u>	<u>1,931</u>
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
Misc. Expense	-	124	-	124	(124)
Contingency	5,000	1,400	-	1,400	3,600
Total expenditures	<u>1,282,000</u>	<u>1,282,025</u>	<u>-</u>	<u>1,282,025</u>	<u>(25)</u>
Revenues Over (Under) Expenditures	<u>(1,282,000)</u>	<u>(1,280,094)</u>	<u>-</u>	<u>(1,280,094)</u>	<u>1,906</u>
Other Financing Sources (Uses)					
NCDOT Proceeds	332,000	332,000	-	332,000	-
Loan Proceeds	950,000	950,000	-	950,000	-
Total Other Sources (Uses)	<u>1,282,000</u>	<u>1,282,000</u>	<u>-</u>	<u>1,282,000</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 1,906</u>	<u>-</u>	<u>\$ 1,906</u>	<u>\$ 1,906</u>
Fund balances:					
Beginning of year, July 1			<u>1,906</u>		
End of year, June 30			<u>\$ 1,906</u>		

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, 2023

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

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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Tournament Ball Field Rentals	\$ 35,000	\$ 11,505	\$ 6,755	\$ 18,260	\$ (16,740)
Sponsorship	-	-	13,000	13,000	13,000
Tournament Concessions	15,000	-	-	-	(15,000)
Total revenues	<u>50,000</u>	<u>11,505</u>	<u>19,755</u>	<u>31,260</u>	<u>(18,740)</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>11,505</u>	<u>19,755</u>	<u>31,260</u>	<u>6,260</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>\$ 11,505</u>	<u>19,755</u>	<u>\$ 31,260</u>	<u>\$ 31,260</u>
Fund balances:					
Beginning of year, July 1			<u>11,505</u>		
End of year, June 30			<u>\$ 31,260</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	\$ 1,207,000	\$ 1,188,665	\$ (18,335)
Water Connections	15,000	3,993	(11,007)
Reconnection Fees	30,000	41,211	11,211
Total Operating Revenues	<u>1,252,000</u>	<u>1,233,869</u>	<u>(18,131)</u>
Nonoperating Revenues:			
Water Tank Lease	55,000	55,079	79
Miscellaneous	1,750	3,243	1,493
Total Nonoperating Revenues	<u>56,750</u>	<u>58,322</u>	<u>1,572</u>
Total Revenues	<u>1,308,750</u>	<u>1,292,191</u>	<u>(16,559)</u>
Expenditures:			
Water & Sewer Administration:			
Professional Fees	97,730	109,560	(11,830)
Governing Body			
Salaries and Employee Benefits	-	15,389	(15,389)
Total Administration	<u>97,730</u>	<u>124,949</u>	<u>(27,219)</u>
Water Operations:			
Salaries and Employee Benefits	543,980	499,054	44,926
Utilities	78,750	76,327	2,423
Supplies	258,790	204,505	54,285
Other Departmental Expenses	162,860	183,030	(20,170)
Capital Outlay	29,000	15,390	13,610
Total Water Operations	<u>1,073,380</u>	<u>978,306</u>	<u>95,074</u>
Debt service:			
Principal Retirement	11,183	11,183	-
Principal - Lease	-	2,164	(2,164)
Interest - Lease	-	32	(32)
Total Debt Service	<u>11,183</u>	<u>13,379</u>	<u>(2,196)</u>
Total Expenditures	<u>1,182,293</u>	<u>1,116,634</u>	<u>65,659</u>
Other Financing Sources (Uses):			
Transfer from (to) General Fund	(62,500)	(62,500)	-
Appropriated (Contributed) Fund Balance	(63,957)	-	63,957
Total Other Sources (Uses)	<u>(126,457)</u>	<u>(62,500)</u>	<u>63,957</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>113,057</u>	<u>\$ 113,057</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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Principal retirement		11,183	
Capital outlay		15,250	
Depreciation		(68,498)	
Principal payment - Lease Liability		2,164	
Amortization - Lease Asset		(2,069)	
Increase (decrease) in deferred outflows of resources - pensions		120,718	
Increase (decrease) in deferred outflows of resources - OPEB		(13,408)	
(Increase) decrease in net pension liability		(129,679)	
(Increase) decrease in OPEB liability		62,236	
(Increase) decrease in deferred inflows of resources - pensions		(6,117)	
(Increase) decrease in deferred inflows of resources - OPEB		(18,361)	
Capital Contribution (Ex D-1A)		68,750	
Expenditures (Ex D-1A)		<u>(70,352)</u>	
Total Reconciling items		<u>(28,180)</u>	
Change in net position		<u>\$ 84,877</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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
NCDEQ Grant Proceeds	\$ 150,000	\$ 29,750	\$ 68,750	\$ 98,500	\$ (51,500)
Total revenues	<u>150,000</u>	<u>29,750</u>	<u>68,750</u>	<u>98,500</u>	<u>(51,500)</u>
Expenditures:					
Professional Services	157,500	35,000	70,352	105,352	52,148
Total expenditures	<u>157,500</u>	<u>35,000</u>	<u>70,352</u>	<u>105,352</u>	<u>52,148</u>
Revenues Over (Under) Expenditures	<u>(7,500)</u>	<u>(5,250)</u>	<u>(1,602)</u>	<u>(6,852)</u>	<u>648</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>\$ (1,602)</u>	<u>\$ 648</u>	<u>\$ 648</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)
Revenues:			
Operating Revenues:			
Sewer Charges	\$ 2,404,000	\$ 2,414,513	\$ 10,513
Sewer Connections	-	3,063	3,063
Reconnection Fees	20,000	41,211	21,211
Total Operating Revenues	<u>2,424,000</u>	<u>2,458,787</u>	<u>34,787</u>
Nonoperating Revenues:			
Sewer Line Expansion Revenue	127,530	136,241	8,711
Miscellaneous	5,000	30	(4,970)
Total Nonoperating Revenues	<u>132,530</u>	<u>136,271</u>	<u>3,741</u>
Total Revenues	<u>2,556,530</u>	<u>2,595,058</u>	<u>38,528</u>
Expenditures:			
Sewer Administration:			
Salaries and Employee Benefits	146,369	149,999	(3,630)
Supplies	7,500	3,034	4,466
Other Departmental Expenses	37,085	25,795	11,290
Professional Fees	92,516	98,960	(6,444)
Governing Body			
Salaries and Employee Benefits	6,617	6,088	529
Other Expenses	6,879	3,914	2,965
Total Administration	<u>296,966</u>	<u>287,790</u>	<u>9,176</u>
Sewer Operations:			
Salaries and Employee Benefits	398,753	302,461	96,292
Utilities	59,100	38,510	20,590
Supplies	153,233	152,924	309
Other Departmental Expenses	67,389	59,211	8,178
Capital Outlay	657,000	640,639	16,361
Total Sewer Operations	<u>1,335,475</u>	<u>1,193,745</u>	<u>141,730</u>
Wastewater Treatment:			
Salaries and Employee Benefits	272,884	255,701	17,183
Utilities	157,000	156,278	722
Supplies	99,470	94,495	4,975
Other Departmental Expenses	129,572	133,309	(3,737)
Capital Outlay	9,000	-	9,000
Total Wastewater Treatment	<u>667,926</u>	<u>639,783</u>	<u>28,143</u>
Debt service:			
Principal Retirement	206,843	206,843	-
Interest and other charges	6,212	6,212	-
Principal - Lease	-	3,338	(3,338)
Interest - Lease	-	45	(45)
Total Debt Service	<u>213,055</u>	<u>216,438</u>	<u>(3,383)</u>
Total Expenditures	<u>2,513,422</u>	<u>2,337,756</u>	<u>175,666</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)	-
Proceed from Loan Issuance	360,230	317,347	(42,883)
Appropriated (Contributed) Fund Balance	(340,838)	-	340,838
Total Other Sources (Uses)	<u>(43,108)</u>	<u>254,847</u>	<u>297,955</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>512,149</u>	<u>\$ 512,149</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Principal retirement		206,843	
Loan proceed		(317,347)	
Capital outlay		377,893	
Depreciation		(407,749)	
Principal Payment - Lease Liability		3,338	
Amortization - Right to Use Assets		(3,746)	
Increase (decrease) in deferred outflows of resources - pensions		194,458	
Increase (decrease) in deferred outflows of resources - OPEB		(12,331)	
(Increase) decrease in net pension liability		(208,894)	
(Increase) decrease in OPEB liability		60,422	
(Increase) decrease in deferred inflows of resources - pensions		(9,853)	
(Increase) decrease in deferred inflows of resources - OPEB		(38,169)	
Total Reconciling items		<u>(155,135)</u>	
Change in net position		<u>\$ 357,014</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, 2023

	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, 2023

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Expenditures:					
Administrative Cost	\$ 81,740	\$ 82,564	\$ -	\$ 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	795,609	-	795,609	179,751
Total expenditures	<u>1,210,522</u>	<u>1,153,985</u>	<u>-</u>	<u>1,153,985</u>	<u>56,537</u>
Revenues Over (Under) Expenditures	<u>(1,210,522)</u>	<u>(1,153,985)</u>	<u>-</u>	<u>(1,153,985)</u>	<u>56,537</u>
Other Financing Sources (Uses)					
NCDEQ Loan	1,115,575	1,107,325	-	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>1,202,272</u>	<u>-</u>	<u>1,202,272</u>	<u>(8,250)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 48,287</u>	<u>\$ -</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, 2023

	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	182,410	23,696	30	23,726	158,684
Bidding Assistance	-	-	162	162	(162)
Loan Administration Fees	-	-	2,000	2,000	(2,000)
Land Surveying & Legal Fees	25,000	-	10,100	10,100	14,900
Engineering Planning	31,000	-	30,018	30,018	982
Engineering Design	212,630	5,000	163,630	168,630	44,000
Construction Cost	4,227,946	-	2,391,141	2,391,141	1,836,805
Construction Inspection	8,500	8,500	-	8,500	-
Total expenditures	<u>4,687,486</u>	<u>37,196</u>	<u>2,597,081</u>	<u>2,634,277</u>	<u>2,053,209</u>
Revenues Over (Under) Expenditures	<u>(4,187,486)</u>	<u>(37,196)</u>	<u>(2,597,081)</u>	<u>(2,634,277)</u>	<u>1,553,209</u>
Other Financing Sources (Uses)					
Loan Proceeds-NCDEQ	4,187,486	-	2,405,036	2,405,036	(1,782,450)
Total Other Sources (Uses)	<u>4,187,486</u>	<u>-</u>	<u>2,405,036</u>	<u>2,405,036</u>	<u>(1,782,450)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (37,196)</u>	<u>\$ (192,045)</u>	<u>\$ (229,241)</u>	<u>\$ (229,241)</u>

City of Whiteville, North Carolina
 Stormwater Fund
 Schedule of Revenues and Expenditures
 Budget & Actual (Non-GAAP)
 For the Year Ended June 30, 2023

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Stormwater Assessments	\$ 295,000	\$ 331,708	\$ 36,708
Total Operating Revenues	<u>295,000</u>	<u>331,708</u>	<u>36,708</u>
Total Revenues	<u>295,000</u>	<u>331,708</u>	<u>36,708</u>
Expenditures:			
Stormwater Operations:			
Salaries and Employee Benefits	191,288	169,769	21,519
Professional Fees	1,000	(892)	1,892
Supplies	41,734	40,168	1,566
Other Departmental Expenses	23,969	24,343	(374)
Capital Outlay	19,000	13,566	5,434
Total Stormwater Operations	<u>276,991</u>	<u>246,954</u>	<u>30,037</u>
Debt Service:			
Principal Retirement	17,583	16,374	1,209
Interest and Fees	426	426	-
Principal - Lease	-	2,434	(2,434)
Interest - Lease	-	24	(24)
Total Debt Service	<u>18,009</u>	<u>19,258</u>	<u>(1,249)</u>
Total Expenditures	<u>295,000</u>	<u>266,212</u>	<u>28,788</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>65,496</u>	<u>\$ 65,496</u>

City of Whiteville, North Carolina
 Stormwater Fund
 Schedule of Revenues and Expenditures
 Budget & Actual (Non-GAAP)
 For the Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Principal Retirement		16,374	
Capital outlay		-	
Depreciation		(43,353)	
Principal Payment - Lease Liability		2,434	
Amortization - Right to Use Assets		(2,069)	
Increase (decrease) in deferred outflows of resources - pensions		40,908	
Increase (decrease) in deferred outflows of resources - OPEB		(360)	
(Increase) decrease in net pension liability		(43,945)	
(Increase) decrease in OPEB liability		1,739	
(Increase) decrease in deferred inflows of resources - pensions		(2,072)	
(Increase) decrease in deferred inflows of resources - OPEB		(16,422)	
Total Reconciling items		<u>(46,766)</u>	
Change in net position		<u>\$ 18,730</u>	

City of Whiteville, North Carolina
Sanitation Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2023

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Refuse Collection Fees	\$ 1,914,000	\$ 1,832,277	\$ (81,723)
Total Operating Revenues	<u>1,914,000</u>	<u>1,832,277</u>	<u>(81,723)</u>
Total Revenues	<u>1,914,000</u>	<u>1,832,277</u>	<u>(81,723)</u>
Expenditures:			
Sanitation Services:			
Salaries and Employee Benefits	367,214	272,030	95,184
Professional Fees	92,516	127,083	(34,567)
Other Operating Expenses	101,700	61,993	39,707
Contract Services	1,200,000	1,242,219	(42,219)
Capital Outlay	85,000	9,615	75,385
Total Administration	<u>1,846,430</u>	<u>1,712,940</u>	<u>133,490</u>
Total Expenditures	<u>1,846,430</u>	<u>1,712,940</u>	<u>133,490</u>
Other Financing Sources (Uses):			
Appropriated From (Transfer to) Fund Balance	(67,570)	-	67,570
Total Other Sources (Uses)	<u>(67,570)</u>	<u>-</u>	<u>67,570</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>119,337</u>	<u>\$ 119,337</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Capital outlay		9,475	
Depreciation		(24,552)	
Increase (decrease) in deferred outflows of resources - pensions		59,325	
Increase (decrease) in deferred outflows of resources - OPEB		(2,051)	
(Increase) decrease in net pension liability		(63,728)	
(Increase) decrease in OPEB liability		10,672	
(Increase) decrease in deferred inflows of resources - pensions		(3,006)	
(Increase) decrease in deferred inflows of resources - OPEB		(15,830)	
Total Reconciling items		<u>(29,695)</u>	
Change in net position		<u>\$ 89,642</u>	

OTHER SCHEDULES

This section contains additional information on property taxes.

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

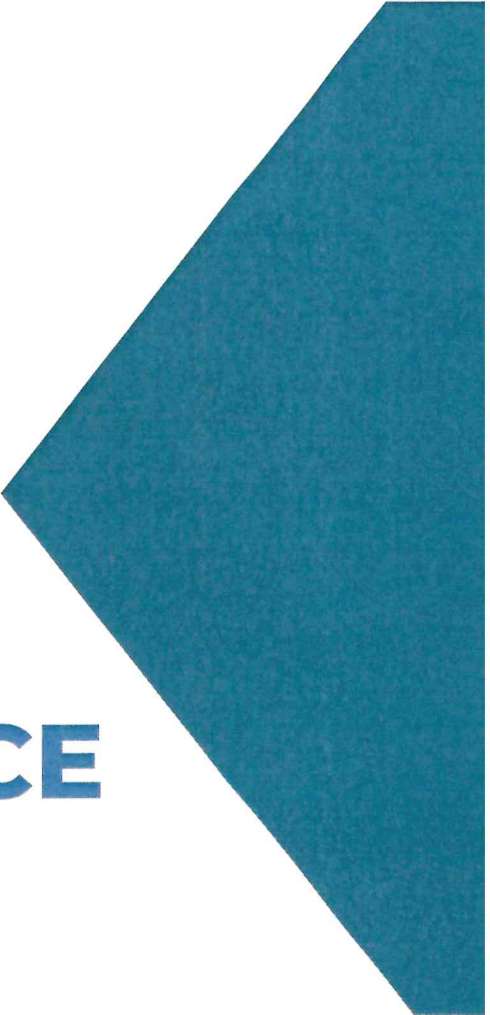
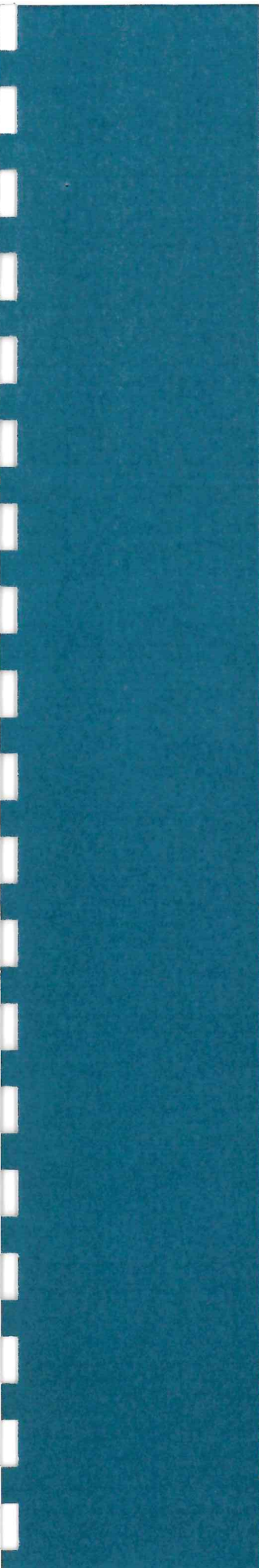
City of Whiteville, North Carolina
 General Fund
 Schedule of Ad Valorem Taxes Receivable
 June 30, 2023

<u>Fiscal Year</u>	Uncollected Balance <u>June 30, 2022</u>	Additions	Collections And Credits	Uncollected Balance <u>June 30, 2023</u>
2022-2023	\$ -	\$ 2,924,220	\$ 2,859,564	\$ 64,656
2021-2022	32,806	-	25311	7,495
2020-2021	10,206	-	5048	5,158
2019-2020	3,192	-	468	2,724
2018-2019	1,420	-	181	1,239
2017-2018	1,923	-	329	1,594
2016-2017	1,573	-	33	1,540
2015-2016	1,026	-	8	1,018
2014-2015	1,162	-	7	1,155
2013-2014	1,141	-	0	1,141
2012-2013	1,461	-	1,461	-
Totals	<u>\$ 55,910</u>	<u>\$ 2,924,220</u>	<u>\$ 2,892,410</u>	<u>87,720</u>

Less: Allowance for Uncollectible Accounts:
 General Fund 26,000
 Ad valorem taxes receivable - net \$ 61,720

Reconciliation with revenues:

Ad valorem taxes - General Fund	\$ 2,780,388
Reconciling items:	
Interest & Penalties Collected	(16,301)
Tax releases, written off & adjustments	<u>128,323</u>
Subtotal	<u>112,022</u>
Total collections and credits	<u>\$ 2,892,410</u>



COMPLIANCE SECTION





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Alan W. Thompson, CPA

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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 City of Whiteville, North Carolina, as of and for the year ended June 30, 2023, 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 December 12, 2023. 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 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 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's Private Companies Practice Section

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 material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

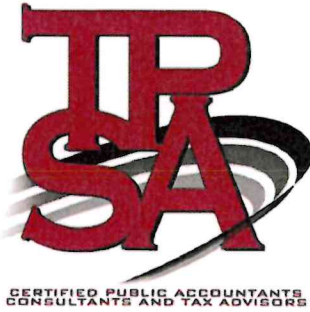
As part of obtaining reasonable assurance about whether City of Whiteville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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
December 12, 2023



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**Report On Compliance With Requirements Applicable To Each Major Federal
Program And Internal Control Over Compliance In Accordance With OMB
Uniform Guidance and the State Single Audit Implementation Act**

Independent Auditors' Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Whiteville, North Carolina, compliance with the types of compliance requirements described in the OMB Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Whiteville's major federal programs for the year ended June 30, 2023. The City of Whiteville's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Whiteville complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Whiteville and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Whiteville's compliance with the compliance requirements referred to above.

Members

American Institute of CPAs - N.C. Association of CPAs - AICPA's Private Companies Practice Section

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Whiteville federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Whiteville's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Whiteville's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 City of Whiteville's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of City of Whiteville's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Whiteville's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
December 12, 2023

CITY OF WHITEVILLE, NORTH CAROLINA
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2023

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)	___ Yes	___X___ None Reported
Noncompliance material to financial statements noted?	___ Yes	___X___ No

Federal Awards

Internal control over major federal programs:

Material Weakness (es) identified?	___ Yes	___X___ No
Significant Deficiency(s)	___ Yes	___X___ None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

	___ Yes	___X___ No
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Identification of major federal programs:

<u>AL No.</u>	<u>Names of Federal Program or Cluster</u>
66.458	Capitalization Grants for Clean Water State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? X Yes No

Section II. Financial Statement Findings

None reported

Section III - Federal Award Findings and Questioned Costs

None reported

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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, 2023

Section II. Financial Statement Findings

None reported.

CITY OF WHITEVILLE, NORTH CAROLINA
Summary of Prior Year Audit Findings
For the Year Ended June 30, 2023

Section II. Financial Statement Findings

Finding: 2022-001
Status: Corrected

Finding: 2022-002
Status: Corrected

City of Whiteville, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2023

Grantor/Pass-through Grantor/Program Title	Federal AL# CFDA Number	State/ Pass-through Grantor's Number	Fed (Direct & Pass-through Expenditures	State Expenditures	Local Expenditures
Federal Awards:					
<u>U.S. Department of Treasury</u>					
Direct Program					
Coronavirus State and Local Fiscal Recovery Funds	21.027		663,110	-	-
<u>U.S. Department of Environmental Protection Agency</u>					
Passed-through NC Department of Environmental Quality:					
Capitalization Grants for Clean Water State Revolving Funds	66.458	CS370534-02	2,597,080	-	-
<u>U.S. Department of Homeland Security</u>					
Pass-through N.C. Dept. of Public Safety:					
Division of Emergency Management					
Hazard Mitigation Grant - Acquisition	97.039		52,942	17,647	-
Assistance to Firefighters Grant	97.044		133,333	-	-
ARPA - Assistance to Firefighters Grant	97.044		34,565	-	-
COVID-19 - Assistance to Firefighters Grant	97.044	EMW-2020-FG-04578	13,026	-	-
Total Assistance - Federal Programs			<u>\$ 3,494,056</u>	<u>\$ 17,647</u>	<u>\$ -</u>
State Awards:					
<u>NC Department of Environmental Quality</u>					
Water Asset Inventory & Assessment Grant		E-AIA-D-20-0186	-	68,750	-
<u>N.C. Dept. of Transportation</u>					
Powell Bill			-	160,782	-
<u>Office of State Budget and Management</u>					
State Capital Infrastructure Fund			-	1,500	-
<u>NC Dept. of Natural & Cultural Resources</u>					
Downtown Wi-Fi Grant			-	17,400	-
Total Assistance - State Programs			<u>\$ -</u>	<u>\$ 248,432</u>	<u>\$ -</u>
Total Assistance			<u>\$ 3,494,056</u>	<u>\$ 266,079</u>	<u>\$ -</u>

City of Whiteville, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2023

Grantor/Pass-through Grantor/Program Title	Federal AL# CFDA Number	State/ Pass-through Grantor's Number	Fed (Direct & Pass-through Expenditures	State Expenditures	Local Expenditures
-------------------------------------------------------	--------------------------------------------	---------------------------------------------------------	------------------------------------------------------------	-------------------------------	-------------------------------

Notes to the Schedule of Expenditures of State Financial Awards

Note 1: Basis of Presentation

The accompanying schedule of expenditures of State awards includes the State grant activity of the City of Whiteville under the programs of the State of North Carolina for the year ended June 30, 2023. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the City of Whiteville, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Whiteville.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

The City of Whiteville has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.