

**CITY OF WHITEVILLE
WHITEVILLE, NORTH CAROLINA
FINANCIAL STATEMENTS
June 30, 2025**

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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, 2025, 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, based on our report and the report of the other auditors, 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, 2025, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the City of Whiteville ABC Board, which represent 100 percent, 100 percent, and 100 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units as of June 30, 2025, 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 and other auditors 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 as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 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, and the report of other auditors, the combining and individual fund statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2025, on our consideration of the City of Whiteville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Whiteville's internal control over financial reporting and compliance.

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, North Carolina
November 27, 2025

**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, 2025. 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

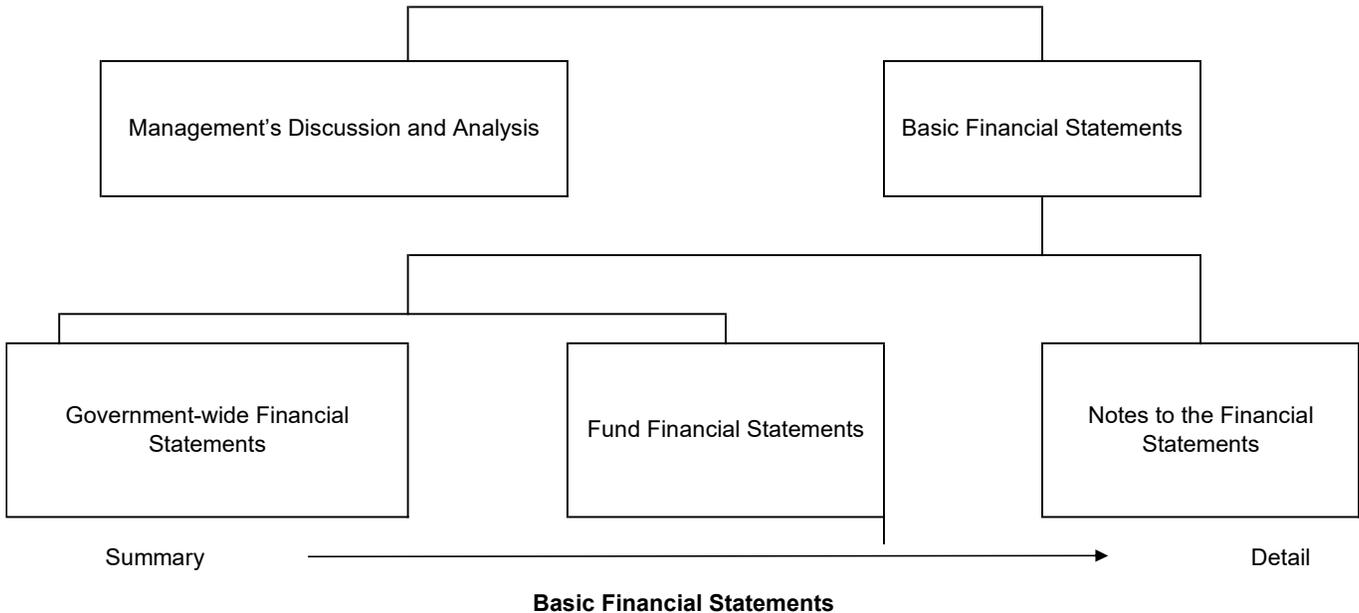
- The assets and deferred outflows of resources of the City of Whiteville exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$28,282,097 (net position).
- The government's total net position increased by \$933,636. Governmental activities increased net position by \$367,736, while business-type activities increased net position by \$565,900.
- The City also recorded a prior period restatement that increased Governmental Activities net position by \$1,859,612. Additionally, a prior period restatement was recorded to reflect a change in accounting principle for the implementation of GASB 101 which decreased Governmental Activities net position by \$467,349 and Business-Type Activities by \$78,675 (see Note 6).
- As of the close of the current fiscal year, the City of Whiteville governmental funds reported combined ending fund balances of \$3,363,250, a decrease of \$642,418 in comparison with the prior year. Approximately 44 percent of this total amount, or \$1,467,528, is available for spending at the government's discretion.
- At the end of the current fiscal year, fund balance for the General Fund was \$3,629,901, or 52 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	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 5,644,788	\$ 7,328,471	\$ 5,268,118	\$ 4,625,794	\$ 10,912,906	\$ 11,954,265
Capital assets	11,843,122	9,288,172	20,396,823	20,852,944	32,239,945	30,141,116
Deferred outflows of resources	1,288,082	1,521,695	518,661	583,526	1,806,743	2,105,221
Total assets	18,775,992	18,138,338	26,183,602	26,062,264	44,959,594	44,200,602
Long-term liabilities outstanding	8,255,621	9,099,804	6,428,064	6,701,538	14,683,685	15,801,342
Other liabilities	2,190,993	2,989,929	793,586	796,636	2,984,579	3,786,565
Deferred inflows of resources	1,616,340	1,894,502	377,472	469,885	1,993,812	2,364,387
Total liabilities & deferred inflows of resources	12,062,954	13,984,235	7,599,122	7,968,059	19,662,076	21,952,294
Net position:						
Net investments in capital assets	9,524,050	6,813,797	15,978,379	16,086,567	25,502,429	22,900,364
Restricted	1,765,818	1,267,602	-	-	1,765,818	1,267,602
Unrestricted	(2,385,837)	(937,368)	3,399,687	2,804,274	1,013,850	1,866,906
Total net position	\$ 8,904,031	\$ 7,144,032	\$ 19,378,066	\$ 18,890,841	\$ 28,282,097	\$ 26,034,873

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 \$28,282,097 as of June 30, 2025. The City’s net position increased by \$933,636 for the fiscal year ended June 30, 2025. The City also recorded a prior period restatement that increased Governmental Activities net position by \$1,859,612. Additionally, a prior period restatement was recorded to reflect a change in accounting principle for the implementation of GASB 101 which decreased Governmental Activities net position by \$467,349 and Business-Type Activities by \$78,675. The largest portion (90.17%) 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, \$1,765,818 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,013,850 is unrestricted.

City of Whiteville Changes in Net Position

Figure 3

	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 189,160	\$ 153,922	\$ 7,042,747	\$ 6,512,012	\$ 7,231,907	\$ 6,665,934
Operating grants & contributions	557,276	1,245,833	224,420	627,980	781,696	1,873,813
Capital grants & contributions	921,617	-	-	-	921,617	-
General revenues:						
Property taxes	2,953,895	2,724,286	-	-	2,953,895	2,724,286
Other taxes	2,783,577	2,812,865	-	-	2,783,577	2,812,865
Other	239,651	271,047	198,514	188,570	438,165	459,617
Total revenues	<u>7,645,176</u>	<u>7,207,953</u>	<u>7,465,681</u>	<u>7,328,562</u>	<u>15,110,857</u>	<u>14,536,515</u>
Expenses:						
General Government	715,615	1,298,273	-	-	715,615	1,298,273
Public safety	4,709,027	3,966,379	-	-	4,709,027	3,966,379
Transportation	760,925	680,845	-	-	760,925	680,845
Environmental Protection	-	-	-	-	-	-
Cultural & Recreation	853,260	159,683	-	-	853,260	159,683
Economic & Physical Development	337,581	700,732	-	-	337,581	700,732
Interest on Long-term Debt	51,032	77,243	-	-	51,032	77,243
Water & Sewer	-	-	6,749,781	6,363,172	6,749,781	6,363,172
Total expenses	<u>7,427,440</u>	<u>6,883,155</u>	<u>6,749,781</u>	<u>6,363,172</u>	<u>14,177,221</u>	<u>13,246,327</u>
Increase (Decrease) in net position before transfers	217,736	324,798	715,900	965,390	933,636	1,290,188
Transfers	150,000	150,000	(150,000)	(150,000)	-	-
Increase (decrease) in net position	367,736	474,798	565,900	815,390	933,636	1,290,188
Net position, July 1, restated	8,536,295	6,669,234	18,812,166	18,075,451	27,348,461	24,744,685
Net position, June 30	<u>\$ 8,904,031</u>	<u>\$ 7,144,032</u>	<u>\$ 19,378,066</u>	<u>\$ 18,890,841</u>	<u>\$ 28,282,097</u>	<u>\$ 26,034,873</u>

Governmental activities. Governmental activities increased the City's net position by \$367,736. The City also recorded a prior period restatement that increased Governmental Activities net position by \$1,859,612. Additionally, a prior period restatement was recorded to reflect a change in accounting principle for the implementation of GASB 101 which decreased Governmental Activities net position by \$467,349.

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

Business-type activities: Business-type activities increased the City of Whiteville's net position by \$565,900. Additionally, a prior period restatement was recorded to reflect a change in accounting principle for the implementation of GASB 101 which decreased Business-Type Activities by \$78,675.

* 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 \$1,848,769, while total fund balance of the general fund was \$3,629,901. 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 27 percent of total General Fund expenditures, while total fund balance represents 52 percent of that same amount.

At June 30, 2025, the governmental funds of City of Whiteville reported a combined fund balance of \$3,363,250, a decrease of \$642,418 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 24-25 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 \$1,284,275 in the Water Fund, \$1,544,244 in the Sewer Fund, \$636,336 in the Sanitation Fund, and \$(65,168) in the Stormwater Fund. The total change in net position was \$209,874 for the Water Fund, \$73,949 for the Sewer Fund, \$257,338 for the Sanitation Fund, and \$24,739 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, 2025, totals \$32,239,945 (net of accumulated depreciation and amortization) an increase of 0.75% 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	
	2025	2024	2025	2024	2025	2024
Land	\$ 318,182	\$ 318,182	\$ 206,018	\$ 206,018	\$ 524,200	\$ 524,200
Buildings and Distribution Systems	7,869,062	8,188,459	19,184,645	14,375,041	27,053,707	22,563,500
Equipment & Vehicles	2,222,921	2,418,387	1,006,160	875,378	3,229,081	3,293,765
Right to use assets:						
Leases	44,120	63,568	-	-	44,120	63,568
IT Subscriptions	19,651	41,201	-	-	19,651	41,201
Construction in Progress	1,369,186	117,987	-	5,396,507	1,369,186	5,514,494
Total	\$ 11,843,122	\$ 11,147,784	\$ 20,396,823	\$ 20,852,944	\$ 32,239,945	\$ 32,000,728

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, 2025, the City had total debt of \$12,707,384. There was a net decrease in total debt of \$636,146 (-4.77% over the prior year). The key factor in this decrease was the decrease in the direct installment in the amount of \$524,941 associated with the business-type activities.

City of Whiteville Outstanding Debt
Figure 5

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Direct placement and borrowing installment agreements	\$ 2,337,534	\$ 2,514,542	\$ 4,418,443	\$ 4,766,376	\$ 6,755,977	\$ 7,280,918
Total OPEB liability	1,217,854	1,213,860	677,934	675,428	1,895,788	1,889,288
Net pension liability (LGERS)	1,840,302	1,847,851	733,929	736,941	2,574,231	2,584,792
Net pension liability (LEOSSA)	364,644	390,765	-	-	364,644	390,765
Compensated Absences *	909,392	950,388	155,026	152,602	1,064,418	1,102,990
Lease liability	45,309	64,602	-	-	45,309	64,602
Subscription liability	7,017	30,175	-	-	7,017	30,175
Total	\$ 6,722,052	\$ 7,012,183	\$ 5,985,332	\$ 6,331,347	\$ 12,707,384	\$ 13,343,530

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 \$39,550,970.

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, 2026

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, 2025

Exhibit 1

	Primary Government			City of Whiteville ABC Board
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets:				
Cash and Investments	\$ 2,784,919	\$ 2,552,146	\$ 5,337,065	\$ 550,657
Taxes Receivable (Net)	77,089	-	77,089	-
Accrued Interest Receivable on Taxes	3,442	-	3,442	-
Accounts Receivable (Net)	220,897	1,343,343	1,564,240	-
Lease Receivable	64,744	-	64,744	-
Due From Other Governments	752,714	90,591	843,305	-
Due From Component Units	123,638	-	123,638	-
Inventories	-	-	-	244,147
Internal Balances	(1,110,864)	1,110,864	-	-
Restricted assets:				
Cash and cash equivalents	2,091,429	171,174	2,262,603	20,629
Total Current Assets	<u>5,008,008</u>	<u>5,268,118</u>	<u>10,276,126</u>	<u>815,433</u>
Lease Receivable, non-current	636,780	-	636,780	-
Non-current Assets:				
Capital Assets:				
Land, Non-depreciable Improvements, and Construction in Progress	1,687,368	206,018	1,893,386	-
Other Capital Assets, Net of Depreciation	10,091,983	20,190,805	30,282,788	100,386
Right to use assets, net of amortization	63,771	-	63,771	575,473
Total Capital Assets	<u>11,843,122</u>	<u>20,396,823</u>	<u>32,239,945</u>	<u>675,859</u>
Total Assets	<u>17,487,910</u>	<u>25,664,941</u>	<u>43,152,851</u>	<u>1,491,292</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferrals	1,099,635	413,759	1,513,394	43,890
OPEB deferrals	188,447	104,902	293,349	-
Total deferred outflows of resources	<u>1,288,082</u>	<u>518,661</u>	<u>1,806,743</u>	<u>43,890</u>
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	403,296	264,632	667,928	229,590
Customer Deposits	14,850	171,174	186,024	-
Unearned Revenues	1,096,651	-	1,096,651	-
Due to Primary Government	-	-	-	123,638
Accrued Interest Payable	18,772	6,925	25,697	-
Current portion of long-term liabilities	657,424	350,855	1,008,279	-
Total current liabilities	<u>2,190,993</u>	<u>793,586</u>	<u>2,984,579</u>	<u>353,228</u>
Long-Term Liabilities:				
Net Pension Liability	1,840,302	733,929	2,574,231	74,830
Total Pension Liability	364,644	-	364,644	-
Total OPEB Liability	1,217,854	677,934	1,895,788	-
Due in more than one year	2,641,828	4,222,615	6,864,443	566,074
Total Liabilities	<u>8,255,621</u>	<u>6,428,064</u>	<u>14,683,685</u>	<u>994,132</u>
DEFERRED INFLOWS OF RESOURCES				
Pension deferrals	277,971	14,438	292,409	2,958
OPEB deferrals	652,159	363,034	1,015,193	-
Lease	686,210	-	686,210	-
Total deferred inflows of resources	<u>1,616,340</u>	<u>377,472</u>	<u>1,993,812</u>	<u>2,958</u>
Net Position				
Net investment in capital assets	9,524,050	15,978,379	25,502,429	100,386
Restricted for:				
Stabilization by State Statute	1,708,258	-	1,708,258	-
Streets	57,560	-	57,560	-
Other	-	-	-	75,818
Unrestricted	(2,385,837)	3,399,687	1,013,850	361,888
Total Net Position	<u>\$ 8,904,031</u>	<u>\$ 19,378,066</u>	<u>\$ 28,282,097</u>	<u>\$ 538,092</u>

City of Whiteville, North Carolina
Statement of Activities
For the Year Ended June 30, 2025

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			City of Whiteville ABC Board
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental Activities:								
General government	\$ 715,615	\$ 131,292	\$ 174,526	\$ -	\$ (409,797)	\$ -	\$ (409,797)	\$ -
Public safety	4,709,027	37,871	27,175	-	(4,643,981)	-	(4,643,981)	-
Transportation	760,925	-	193,927	-	(566,998)	-	(566,998)	-
Environmental Protection	-	-	3,644	-	3,644	-	3,644	-
Economic & physical development	337,581	-	5,958	921,617	589,994	-	589,994	-
Cultural and recreation	853,260	19,997	152,046	-	(681,217)	-	(681,217)	-
Interest on Long-Term Debt	51,032	-	-	-	(51,032)	-	(51,032)	-
Total governmental activities	7,427,440	189,160	557,276	921,617	(5,759,387)	-	(5,759,387)	-
Business-type activities:								
Water	1,579,612	1,794,601	-	-	-	214,989	214,989	-
Sewer	3,066,595	2,862,495	224,420	-	-	20,320	20,320	-
Stormwater	322,038	346,777	-	-	-	24,739	24,739	-
Sanitation	1,781,536	2,038,874	-	-	-	257,338	257,338	-
Total business-type activities	6,749,781	7,042,747	224,420	-	-	517,386	517,386	-
Total primary government	\$ 14,177,221	\$ 7,231,907	\$ 781,696	\$ 921,617	(5,759,387)	517,386	(5,242,001)	-
Component Unit:								
City of Whiteville ABC Board	\$ 1,997,578	\$ 1,971,266	\$ -	\$ -	-	-	-	(26,312)
Total Component Unit	\$ 1,997,578	\$ 1,971,266	\$ -	\$ -	\$ -	\$ -	\$ -	(26,312)
General revenues:								
Taxes:								
Property taxes, levied for general purpose					2,953,895	-	2,953,895	-
Other taxes					5,390	-	5,390	-
Grants and contributions not restricted to specific program					2,472,286	-	2,472,286	-
Unrestricted investment earnings					305,901	-	305,901	14,228
Miscellaneous					239,651	198,514	438,165	-
Total general revenues not including transfers					5,977,123	198,514	6,175,637	14,228
Transfers					150,000	(150,000)	-	-
Total general revenues and transfers					6,127,123	48,514	6,175,637	14,228
Change in net position					367,736	565,900	933,636	(12,084)
Net position, beginning, restated (see Note 6)					8,536,295	18,812,166	27,348,461	550,176
Net position, ending					\$ 8,904,031	\$ 19,378,066	\$ 28,282,097	\$ 538,092

City of Whiteville, North Carolina
Balance Sheet
Governmental Funds
June 30, 2025

Exhibit 3

	Major Funds				Total Governmental Funds
	General Fund	FY 22 SCIF Grant Fund	Provalus Building Renovation Fund	Non-Major Funds	
ASSETS					
Cash and cash equivalents	\$ 2,603,859	\$ -	\$ -	\$ 181,060	\$ 2,784,919
Restricted Cash	78,079	1,076,883	921,617	14,850	2,091,429
Receivables, net:					
Taxes	74,964	-	-	2,125	77,089
Accounts	220,897	-	-	-	220,897
Leases	701,524	-	-	-	701,524
Due from other governments	734,461	-	12,168	6,085	752,714
Due from component unit	123,638	-	-	-	123,638
Due from other funds	629,262	-	-	-	629,262
Total assets	\$ 5,166,684	\$ 1,076,883	\$ 933,785	\$ 204,120	\$ 7,381,472
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	275,609	-	68,261	59,426	403,296
Due to other funds	500,000	-	865,524	374,602	1,740,126
Security Deposits	-	-	-	14,850	14,850
Unearned Revenues	-	1,076,883	-	19,768	1,096,651
Total liabilities	775,609	1,076,883	933,785	468,646	3,254,923
DEFERRED INFLOWS OF RESOURCES					
Property taxes receivable	74,964	-	-	2,125	77,089
Leases	686,210	-	-	-	686,210
Total deferred inflows of resources	761,174	-	-	2,125	763,299
Fund balances:					
Nonspendable					
Leases	15,314	-	-	-	15,314
Restricted					
Stabilization by State Statute	1,708,258	-	-	-	1,708,258
Streets	57,560	-	-	-	57,560
Assigned					
Economic Development	-	-	-	110,259	110,259
Capital Outlay	-	-	-	869	869
Public Safety	-	-	-	3,462	3,462
Unassigned	1,848,769	-	-	(381,241)	1,467,528
Total fund balances	3,629,901	-	-	(266,651)	3,363,250
Total liabilities, deferred inflows of resources and fund balances	\$ 5,166,684	\$ 1,076,883	\$ 933,785	\$ 204,120	

(continued)

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

Governmental Funds

June 30, 2025

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

Total Fund Balance, Governmental Funds	\$ 3,363,250
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	11,779,351
Right to use assets used in governmental activities are not financial resources and are therefore not reported in the funds	63,771
Deferred outflows of resources related to pensions are not reported in the funds	1,099,635
Deferred outflows of resources related to OPEB are not reported in the funds	188,447
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.	3,442
Liabilities for earned revenues considered deferred inflows of resources in fund statements	77,089
Lease/Subscription liability	(52,326)
Pension related deferrals	(277,971)
OPEB related deferrals	(652,159)
Net pension asset (liability)	(1,840,302)
Total LEOSSA liability	(364,644)
Total OPEB liability	(1,217,854)
Some liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in the	(3,265,698)
Net position of governmental activities	<u>\$ 8,904,031</u>

City of Whiteville, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

Exhibit 4

	Major Fund				Total Governmental Funds
	General Fund	FY 22 SCIF Grant Fund	Provalus Building Renovation Fund	Non-Major Funds	
REVENUES					
Ad valorem taxes	\$ 2,899,593	\$ -	\$ -	\$ 20,111	\$ 2,919,704
Other taxes and licenses	5,390	-	-	-	5,390
Unrestricted intergovernmental	2,472,286	-	-	-	2,472,286
Restricted intergovernmental	232,442	921,617	90,000	234,834	1,478,893
Permits and fees	131,292	-	-	-	131,292
Investment earnings	305,901	-	-	-	305,901
Sales and Service	57,868	-	-	-	57,868
Miscellaneous	179,742	-	-	59,909	239,651
Total revenues	6,284,514	921,617	90,000	314,854	7,610,985
EXPENDITURES					
Current:					
General government	475,848	-	-	38,661	514,509
Public safety	4,681,923	-	-	-	4,681,923
Transportation	719,420	-	-	-	719,420
Cultural and recreational	655,589	-	-	-	655,589
Economic Development	-	-	-	201,463	201,463
Capital Outlay	-	-	965,071	422,246	1,387,317
Debt Service:					
Principal	392,508	-	-	-	392,508
Interest & Other Charges	66,174	-	-	-	66,174
Total expenditures	6,991,462	-	965,071	662,370	8,618,903
Excess (deficiency) of revenues over expenditures	(706,948)	921,617	(875,071)	(347,516)	(1,007,918)
OTHER FINANCING SOURCES (USES)					
Transfers (to) other funds	(157,200)	(921,617)	(220,000)	155,294	(1,143,523)
Transfers from other funds	371,906	-	921,617	-	1,293,523
Installment Loan Proceeds	215,500	-	-	-	215,500
Total other financing sources (uses)	430,206	(921,617)	701,617	155,294	365,500
Net change in fund balance	(276,742)	-	(173,454)	(192,222)	(642,418)
Fund balances, beginning	3,906,643	-	173,454	(74,429)	4,005,668
Fund balances, ending	\$ 3,629,901	\$ -	\$ -	\$ (266,651)	\$ 3,363,250

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, 2025

Exhibit 5

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

Net changes in fund balances - total governmental funds	\$	(642,418)
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities		1,745,129
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		(1,008,793)
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		(40,998)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		460,925
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position		6,274
OPEB benefit payments paid and administrative costs made in the current year are not included on the Statement of Activities		25,154
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		34,191

The issuance of long-term debt provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.

New long-term debt issued	(215,500)		
Principal payments on long-term debt	434,959		
Increase in accrued interest payable	15,142		234,601

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	40,996		
Pension expense - LGERS	(518,107)		
Pension expense (revenue) - LEOSSA	(36,091)		
OPEB expense (revenue)	66,873		(446,329)
Total changes in net position of governmental activities			\$ 367,736

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, 2025

	General Fund			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Ad valorem taxes	\$ 2,785,279	\$ 2,852,879	\$ 2,899,593	\$ 46,714
Other taxes and licenses	7,500	10,513	5,390	(5,123)
Unrestricted intergovernmental revenues	2,924,278	2,917,305	2,472,286	(445,019)
Restricted intergovernmental revenues	275,000	296,993	232,442	(64,551)
Permits and fees	155,798	165,298	131,292	(34,006)
Investment Earnings	250,000	300,000	305,901	5,901
Sales and Services	50,750	61,705	57,868	(3,837)
Miscellaneous	365,765	214,933	179,742	(35,191)
Total revenues	<u>6,814,370</u>	<u>6,819,626</u>	<u>6,284,514</u>	<u>(535,112)</u>
Expenditures:				
Current:				
General government	531,542	487,513	475,848	11,665
Public safety	4,524,898	4,694,215	4,681,923	12,292
Transportation	756,989	821,726	719,420	102,306
Cultural and recreation	679,460	738,397	655,589	82,808
Debt Service:				
Principal retirement	422,110	422,110	392,508	29,602
Interest and fees	74,371	74,371	66,174	8,197
Total expenditures	<u>6,989,370</u>	<u>7,238,332</u>	<u>6,991,462</u>	<u>246,870</u>
Revenues over/(under) expenditures	<u>(175,000)</u>	<u>(418,706)</u>	<u>(706,948)</u>	<u>(288,242)</u>
Other financing sources (uses):				
Transfer from (to) other fund:				
Special Revenue	25,000	64,706	64,706	-
Sewer Fund	150,000	150,000	150,000	-
Installment Loan Proceeds	-	265,000	215,500	(49,500)
Fund Balance Appropriated (Reserved)	-	(61,000)	-	61,000
Total other financing sources (uses)	<u>175,000</u>	<u>418,706</u>	<u>430,206</u>	<u>11,500</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(276,742)</u>	<u>\$ (276,742)</u>
Fund balance, beginning of year			3,906,643	
Fund balance, end of year			<u>\$ 3,629,901</u>	

City of Whiteville, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2025

Exhibit 7

	Major		Non-Major		Total
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Fund	
Assets					
Current assets:					
Cash and cash equivalents	\$ 909,420	\$ 1,411,469	\$ 129,070	\$ 102,187	\$ 2,552,146
Accounts receivable (net) - billed	302,975	246,781	155,914	40,911	746,581
Accounts receivable (net) - unbilled	168,069	270,259	153,183	-	591,511
Miscellaneous Receivable	2,407	1,524	1,320	-	5,251
Due From Other Funds	359,658	555,247	410,000	-	1,324,905
Due From Other Governments	27,890	46,484	6,297	9,920	90,591
Restricted Assets:					
Cash and cash equivalents	171,174	-	-	-	171,174
Total current assets	1,941,593	2,531,764	855,784	153,018	5,482,159
Noncurrent assets:					
Capital assets:					
Land and other non-depreciable assets	34,131	171,887	-	-	206,018
Capital assets, net of depreciation	2,147,683	17,173,821	176,923	692,378	20,190,805
Capital Assets (net)	2,181,814	17,345,708	176,923	692,378	20,396,823
Total noncurrent assets	2,181,814	17,345,708	176,923	692,378	20,396,823
Total Assets	4,123,407	19,877,472	1,032,707	845,396	25,878,982
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan deferrals	120,238	193,686	59,089	40,746	413,759
OPEB deferrals	34,527	47,347	15,137	7,891	104,902
Total deferred outflows of resources	154,765	241,033	74,226	48,637	518,661
Liabilities					
Current liabilities:					
Accounts Payable and Accrued Liabilities	60,737	105,718	36,592	61,585	264,632
Due to Other Funds	116	213,925	-	-	214,041
Customer Deposits	171,174	-	-	-	171,174
Accrued Interest Payable	-	6,925	-	-	6,925
Current Maturities of Long Term Debt	11,183	339,672	-	-	350,855
Total Current Liabilities	243,210	666,240	36,592	61,585	1,007,627
Noncurrent Liabilities					
Compensated Absences	19,957	81,834	-	53,235	155,026
Total OPEB Liability	223,134	305,980	97,823	50,997	677,934
Net Pension Liability	213,281	343,561	104,812	72,275	733,929
Long Term Debt	55,904	4,011,685	-	-	4,067,589
Total Noncurrent liabilities	512,276	4,743,060	202,635	176,507	5,634,478
Total Liabilities	755,486	5,409,300	239,227	238,092	6,642,105
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals	4,196	6,758	2,062	1,422	14,438
OPEB deferrals	119,488	163,852	52,385	27,309	363,034
Total deferred inflows of resources	123,684	170,610	54,447	28,731	377,472
Net Position					
Net investment in capital assets	2,114,727	12,994,351	176,923	692,378	15,978,379
Unrestricted	1,284,275	1,544,244	636,336	(65,168)	3,399,687
Total Net Position of Business - Type Activities	\$ 3,399,002	\$ 14,538,595	\$ 813,259	\$ 627,210	\$ 19,378,066

City of Whiteville, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2025

Exhibit 8

	Major			Non-Major	Total
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Fund	
Operating revenues:					
Charges for services	\$ 1,739,721	\$ 2,814,435	\$ 2,038,874	\$ 346,777	\$ 6,939,807
Other operating revenues	54,880	48,060	-	-	102,940
Total operating revenues	<u>1,794,601</u>	<u>2,862,495</u>	<u>2,038,874</u>	<u>346,777</u>	<u>7,042,747</u>
Operating Expenses:					
Administration	158,347	454,992	-	-	613,339
Water Operations	1,343,550	-	-	-	1,343,550
Sewer Operations	-	906,977	-	-	906,977
Waste Water Treatment & Distribution Plant	-	1,064,708	-	-	1,064,708
Stormwater Operations	-	-	-	281,072	281,072
Sanitation	-	-	1,737,822	-	1,737,822
Depreciation and amortization	77,715	618,729	43,714	40,966	781,124
Total operating expenses	<u>1,579,612</u>	<u>3,045,406</u>	<u>1,781,536</u>	<u>322,038</u>	<u>6,728,592</u>
Operating income (loss)	<u>214,989</u>	<u>(182,911)</u>	<u>257,338</u>	<u>24,739</u>	<u>314,155</u>
Nonoperating revenues (expenses):					
Interest and fees	-	(21,189)	-	-	(21,189)
Water Tank Lease	66,923	-	-	-	66,923
Sewer Line Expansion Revenue	-	128,629	-	-	128,629
Miscellaneous income	2,962	-	-	-	2,962
Total nonoperating revenues (expenses)	<u>69,885</u>	<u>107,440</u>	<u>-</u>	<u>-</u>	<u>177,325</u>
Income (Loss) Before Contributions and	284,874	(75,471)	257,338	24,739	491,480
Capital contributions	-	224,420	-	-	224,420
Transfers from (to) other funds	(75,000)	(75,000)	-	-	(150,000)
Total Income (Loss) After Contributions	<u>209,874</u>	<u>73,949</u>	<u>257,338</u>	<u>24,739</u>	<u>565,900</u>
Change in Net Position	209,874	73,949	257,338	24,739	565,900
Total Net Position, Beginning, Restated	3,189,128	14,464,646	555,921	602,471	18,812,166
Total Net Position, Ending	<u>\$ 3,399,002</u>	<u>\$ 14,538,595</u>	<u>\$ 813,259</u>	<u>\$ 627,210</u>	<u>\$ 19,378,066</u>

City of Whiteville, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

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	\$ 1,703,501	\$ 2,693,931	\$ 1,947,652	\$ 339,119	\$ 6,684,203
Cash paid for goods and services	(751,074)	(1,483,674)	(1,434,661)	(33,510)	(3,702,919)
Cash paid to employees for services	(774,695)	(972,063)	(342,431)	(195,732)	(2,284,921)
Customer deposits received / (returned)	6,427	-	-	-	6,427
Net cash provided by (used in) operating activities	<u>184,159</u>	<u>238,194</u>	<u>170,560</u>	<u>109,877</u>	<u>702,790</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(41,072)	(175,330)	(61,000)	(47,600)	(325,002)
Principal paid on loans and leases	(11,183)	(336,751)	-	-	(347,934)
Interest & fees paid on loans and leases	-	(18,958)	-	-	(18,958)
Miscellaneous income	2,962	-	-	-	2,962
Capital Contributions & Miscellaneous Grants	-	224,420	-	-	224,420
Sewer line expansion revenue	-	128,629	-	-	128,629
Water tank lease	66,923	-	-	-	66,923
Net cash provided by (used in) capital and related financing activities	<u>17,630</u>	<u>(177,990)</u>	<u>(61,000)</u>	<u>(47,600)</u>	<u>(268,960)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Due to/from other funds	(196,621)	(424,805)	(410,000)	-	(1,031,426)
Transfers to / from other funds	(75,000)	(75,000)	-	-	(150,000)
Net cash provided by (used in) non-capital financing activities	<u>(271,621)</u>	<u>(499,805)</u>	<u>(410,000)</u>	<u>-</u>	<u>(1,181,426)</u>
Net increase (decrease) in cash and cash equivalents	(69,832)	(439,601)	(300,440)	62,277	(747,596)
Cash and cash equivalents, July 1	1,150,426	1,851,070	429,510	39,910	3,470,916
Cash and cash equivalents, June 30	<u>\$ 1,080,594</u>	<u>\$ 1,411,469</u>	<u>\$ 129,070</u>	<u>\$ 102,187</u>	<u>\$ 2,723,320</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 214,989	\$ (182,911)	\$ 257,338	\$ 24,739	\$ 314,155
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	77,715	618,729	43,714	40,966	781,124
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(1,898)	(14,775)	(88,920)	(5,657)	(111,250)
(Increase) decrease in due from other governments	(5,110)	(19,054)	(2,207)	(2,001)	(28,372)
(Increase) decrease in miscellaneous receivable	(84,092)	(134,734)	(95)	-	(218,921)
(Increase) decrease in deferred outflows of resources - pension	12,545	20,207	6,164	4,251	43,167
(Increase) decrease in deferred outflows of resources for OPEB	7,136	9,793	3,140	1,629	21,698
Increase (decrease) in accounts payable and other liabilities	(13,922)	(18,034)	(35,114)	52,331	(14,739)
Increase (decrease) in accrued vacation pay	120	1,254	-	1,049	2,423
Increase (decrease) in deferred inflows of resources - pension	(5,012)	(8,073)	(2,463)	(1,698)	(17,246)
Increase (decrease) in deferred inflows of resources - OPEB	(24,719)	(33,927)	(10,879)	(5,642)	(75,167)
Increase (decrease) in OPEB liability	858	1,129	312	207	2,506
Increase (decrease) in net pension liability	(875)	(1,410)	(430)	(297)	(3,012)
Increase (decrease) in customer deposits	6,427	-	-	-	6,427
Total adjustments	<u>(30,827)</u>	<u>421,105</u>	<u>(86,778)</u>	<u>85,138</u>	<u>388,635</u>
Net cash provided by (used in) operating activities	<u>\$ 184,159</u>	<u>\$ 238,194</u>	<u>\$ 170,560</u>	<u>\$ 109,877</u>	<u>\$ 702,790</u>

CITY OF WHITEVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Year Ended June 30, 2025

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.

Provalus Building Renovation Fund. This fund is used to account for provalus building renovation projects.

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 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.

NCLM W/C Grant Fund. This fund is used to account for equipment purchases.

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

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.

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 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.

New Downtown Park Construction Fund. This fund is used to account for downtown park construction projects.

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	\$ 78,079
FY 22 SCIF Fund	1,076,883
Provalus Building Renovation Fund	921,617
Vineland Station	14,850
Total Governmental activities	<u>\$ 2,091,429</u>
Business-type Activities	
Water Fund	
Customer Deposits	\$ 171,174
Total business-type activities	<u>\$ 171,174</u>
Total Restricted Cash	<u>\$ 2,262,603</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, 2024. 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 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, full-time employees are entitled to eight days sick leave per calendar year, regardless of length of employment. 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. With the implementation of GASB No. 101, the City had estimated what sick leave is "more likely than not to be paid or used" and recognize that portion as a liability for compensated absence and salary-related payments.

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.

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.
- 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

A. Expenditures in Excess of Appropriations

The Stormwater Fund was overspent by \$2,892 as a result of invoices that came in after year end. This amount was not considered material, so no finding is reported. The City will review the budget closely to ensure that proper amendments are requested prior to year end.

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, 2024, the City's deposits had a carrying amount of \$1,021,126 and a bank balance of \$1,546,129. The carrying amount of deposits for the ABC Board was \$621,044 and the bank balance was \$696,925. 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, 2025 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, 2025, the City's investment balances were as follows:

<u>Investments by Type</u>	<u>Valuation Measurement Method</u>	<u>Book Value at 6/30/25</u>	<u>Maturity</u>	<u>Rating</u>
NC Capital Management Trust - Government Portfolio	Fair Value-Level 1	\$ 6,578,542	N/A	AAAm
Total:		\$ 6,578,542		

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	\$ 66,709	\$ 84,151
Charges for Services - Billed	-	746,581
Charges for Services - Unbilled	-	591,511
Motor Vehicle Tax Receivable	43,892	-
Due from County - Taxes / Stormwater	24,481	6,440
ABC Board A/R	123,638	-
Returned Checks & Other Misc.Receivables	8,226	5,251
Franchise Tax Receivable	114,684	-
Local Option Sales Tax Receivable	486,881	-
Other Receivables	215,500	-
Total	<u>\$ 1,084,011</u>	<u>\$ 1,433,933</u>

Receivables – Allowance for Doubtful Accounts

The amount presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2025 are net of the following allowances for doubtful accounts.

<u>Fund</u>	<u>6/30/25</u>
General Fund:	
Taxes Receivable	<u>\$ 10,360</u>
Enterprise Funds:	
Water Fund	53,415
Sewer Fund	115,571
Sanitation Fund	79,615
Total - Enterprise Funds	<u>\$ 248,600</u>

4. Lease Receivable

On 07/01/2021, Whiteville, NC entered into a 167 month lease as Lessor for the use of Whiteville ABC Board. An initial lease receivable was recorded in the amount of \$963,000. As of 06/30/2025, the value of the lease receivable is \$701,524. 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 06/30/2025 was \$686,210 and Whiteville recognized lease revenue of \$69,198 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

In fiscal year 2025, the City recognized \$66,290 of lease revenue and \$8,710 of interest revenue under the lease.

5. Capital Assets

Primary Government

Capital asset activity for the Primary Government for the year ended June 30, 2025, was as follows:

	Beginning Balances	Increases and Adjustments	Decreases	Ending Balances
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 318,182	\$ -	\$ -	\$ 318,182
Construction in Progress	117,987	1,251,199	-	1,369,186
Total capital assets not being depreciated	<u>436,169</u>	<u>1,251,199</u>	<u>-</u>	<u>1,687,368</u>
Capital assets being depreciated				
Buildings	10,312,060	9,000	-	10,321,060
Infrastructure	2,328,920	-	-	2,328,920
Equipment & Furn. & Fixtures	3,810,849	64,312	-	3,875,161
Vehicles	4,663,875	420,618	-	5,084,493
Total capital assets being depreciated	<u>21,115,704</u>	<u>493,930</u>	<u>-</u>	<u>21,609,634</u>
Less accumulated depreciation for:				
Buildings	2,566,458	263,399	-	2,829,857
Infrastructure	1,886,063	64,998	-	1,951,061
Equipment & Furn. & Fixtures	2,589,749	342,441	-	2,932,190
Vehicles	3,466,588	337,955	-	3,804,543
Total accumulated depreciation	<u>10,508,858</u>	<u>1,008,793</u>	<u>-</u>	<u>11,517,651</u>
Total capital assets being depreciated, net	<u>10,606,846</u>	<u>(514,863)</u>	<u>-</u>	<u>10,091,983</u>
Capital assets being amortized				
Right of use asset:				
Leases	97,203	-	4,127	93,076
Subscriptions	84,301	-	-	84,301
Total capital assets being amortized	<u>181,504</u>	<u>-</u>	<u>4,127</u>	<u>177,377</u>
Less accumulated amortization for:				
Right of use asset:				
Leases	33,635	19,448	4,127	48,956
Subscriptions	43,100	21,550	-	64,650
Total accumulated amortization	<u>76,735</u>	<u>40,998</u>	<u>4,127</u>	<u>113,606</u>
Total capital assets being amortized, net	<u>104,769</u>	<u>(40,998)</u>	<u>-</u>	<u>63,771</u>
Governmental activity capital assets, net	<u>\$ 11,147,784</u>	<u>\$ 695,338</u>	<u>\$ -</u>	<u>\$ 11,843,122</u>

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

General Government	\$ 287,154
Public Safety	433,289
Transportation	126,473
Cultural & Recreational	202,875
Total Depreciation Expense	<u>\$ 1,049,791</u>

Governmental activities include a net prior period adjustment of \$1,859,612 that increased the beginning balance of Capital Assets from \$9,288,172 to \$11,147,784 (see Note 6).

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	6,059,358	-	-	6,059,358
Furniture, Maint Equip, & Vehicles	405,550	41,072	-	446,622
Total capital assets being depreciated	<u>6,464,908</u>	<u>41,072</u>	<u>-</u>	<u>6,505,980</u>
Less accumulated depreciation for:				
Plant and distribution systems	3,900,842	62,119	-	3,962,961
Furniture, Maint Equip, & Vehicles	379,740	15,596	-	395,336
Total accumulated depreciation	<u>4,280,582</u>	<u>77,715</u>	<u>-</u>	<u>4,358,297</u>
Total capital assets being depreciated, net	<u>2,184,326</u>	<u>(36,643)</u>	<u>-</u>	<u>2,147,683</u>
Capital assets being amortized				
Right of use asset:				
Leases	2,182	-	2,182	-
Total capital assets being amortized	<u>2,182</u>	<u>-</u>	<u>2,182</u>	<u>-</u>
Less accumulated amortization for:				
Right of use asset:				
Leases	2,182	-	2,182	-
Total accumulated amortization	<u>2,182</u>	<u>-</u>	<u>2,182</u>	<u>-</u>
Total capital assets being amortized, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Water fund capital assets, net	<u>\$ 2,218,457</u>	<u>\$ (36,643)</u>	<u>\$ -</u>	<u>\$ 2,181,814</u>

Sewer Fund

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 171,887	\$ -	\$ -	\$ 171,887
Construction in Progress	5,396,507	-	5,396,507	-
Total capital assets not being depreciated	<u>5,568,394</u>	<u>-</u>	<u>5,396,507</u>	<u>171,887</u>
Capital assets being depreciated:				
Plant and distribution systems	19,686,894	5,396,507	-	25,083,401
Furniture, Maint Equip, & Vehicles	1,973,738	175,330	-	2,149,068
Total capital assets being depreciated	<u>21,660,632</u>	<u>5,571,837</u>	<u>-</u>	<u>27,232,469</u>
Less accumulated depreciation for:				
Plant and distribution systems	8,130,244	504,017	-	8,634,261
Furniture, Maint Equip, & Vehicles	1,309,675	114,712	-	1,424,387
Total accumulated depreciation	<u>9,439,919</u>	<u>618,729</u>	<u>-</u>	<u>10,058,648</u>
Total capital assets being depreciated, net	<u>12,220,713</u>	<u>4,953,108</u>	<u>-</u>	<u>17,173,821</u>
Capital assets being amortized				
Right of use asset:				
Leases	2,589	-	2,589	-
Total capital assets being amortized	<u>2,589</u>	<u>-</u>	<u>2,589</u>	<u>-</u>
Less accumulated amortization for:				
Right of use asset:				
Leases	2,589	-	2,589	-
Total accumulated amortization	<u>2,589</u>	<u>-</u>	<u>2,589</u>	<u>-</u>
Total capital assets being amortized, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Sewer fund capital assets, net	<u>\$ 17,789,107</u>	<u>\$ 4,953,108</u>	<u>\$ 5,396,507</u>	<u>\$ 17,345,708</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	129,796	47,600	-	177,396
Total capital assets being depreciated	852,793	47,600	-	900,393
Less accumulated depreciation for:				
Plant and distribution systems	63,122	20,767	-	83,889
Furniture, Maint Equip, & Vehicles	103,928	20,198	-	124,126
Total accumulated depreciation	167,050	40,965	-	208,015
Total capital assets being depreciated, net	685,743	6,635	-	692,378
Capital assets being amortized				
Right of use asset:				
Leases	2,182	-	2,182	-
Total capital assets being amortized	2,182	-	2,182	-
Less accumulated amortization for:				
Right of use asset:				
Leases	2,182	-	2,182	-
Total accumulated amortization	2,182	-	2,182	-
Total capital assets being amortized, net	-	-	-	-
Stormwater fund capital assets, net	\$ 685,743	\$ 6,635	\$ -	\$ 692,378

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	286,294	61,000	-	347,294
Total capital assets being depreciated	286,294	61,000	-	347,294
Less accumulated depreciation for:				
Plant and distribution systems	-	-	-	-
Furniture, Maint Equip, & Vehicles	126,657	43,714	-	170,371
Total accumulated depreciation	126,657	43,714	-	170,371
Total capital assets being depreciated, net	159,637	17,286	-	176,923
Sanitation fund capital assets, net	\$ 159,637	\$ 17,286	\$ -	\$ 176,923
Business-type activities capital assets, net	\$ 20,852,944	\$ 4,940,386	\$ 5,396,507	\$ 20,396,823

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, 2025, was 15.04% of compensation for law enforcement officers and 13.67% 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 \$644,746 for the year ended June 30, 2025.

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, 2025, the City reported a liability of \$2,574,231 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024 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, 2025, the City's proportion was 0.03819% (measured as of June 30, 2024), which was a decrease of .00084% from its proportion measured as of June 30, 2024 (measured as of June 30, 2023).

For the year ended June 30, 2025, the City recognized pension expense of \$725,102. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 451,103	\$ 3,033
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	349,965	-
Changes in proportion and differences between City contributions and proportionate share of contributions	5,424	47,611
City contributions subsequent to the measurement date	644,746	-
Total	<u>\$ 1,451,238</u>	<u>\$ 50,644</u>

\$644,746 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, 2026. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ 210,111
2027	500,424
2028	84,884
2029	(39,571)
2030	-
Thereafter	-
	<u>\$ 755,848</u>

Actuarial Assumptions. The total pension liability in the December 31, 2023 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, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015, through December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	33.0%	2.4%
Global Equity	38.0%	6.9%
Real Estate	8%	6.0%
Alternatives	8.0%	8.6%
Credit	7.0%	5.3%
Inflation Protection	6.0%	4.3%
	<u>100.0%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2024 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 2.38%. 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)	\$ 4,561,613	\$ 2,574,231	\$ 939,336

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, 2023 (valuation date), the Separation Allowance's membership consisted of:

Retirees Receiving Benefits	1
Terminated plan members entitled to but no yet receiving benefits	0
Active Plan Members	15
Total	16

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, 2023 valuation. The total pension liability in the December 31, 2023 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	4.28 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, 2022 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 \$2,328 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, 2025, the City reported a total pension liability of \$364,644. The total pension liability was measured as of December 31, 2024 based on a December 31, 2023 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2024 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2025, the City recognized pension expense of \$36,091.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 27,563	\$ 195,406
Changes of assumptions	28,319	46,359
City benefit payments and plan administrative expense made subsequent to the measurement date	6,274	-
Total	<u>\$ 62,156</u>	<u>\$ 241,765</u>

\$6,274 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, 2026. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ (36,896)
2027	(77,474)
2028	(47,723)
2029	(14,412)
2030	(9,378)
Thereafter	-
	<u>\$ (185,883)</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 4.28 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 (3.28 percent) or one percentage point higher (5.28 percent) than the current rate:

	1% Decrease (3.28%)	Discount Rate (4.28%)	1% Increase (5.28%)
Total pension liability	\$ 419,586	\$ 364,644	\$ 364,807

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

Beginning Balance	\$ 390,765
Service Cost	22,686
Interest on the total pension liability	15,584
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(55,074)
Changes of assumptions or other inputs	(6,989)
Benefit payments	(2,328)
Other changes	-
Ending balance of the total pension liability	<u>\$ 364,644</u>

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 4.00 percent at June 30, 2023 (measurement date) to 4.28 percent at June 30, 2024 (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, 2023 valuation were based on the results of an actuarial experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five year period ending December 31, 2019.

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

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

	LGERS	LEOSSA	Total
Pension Expense (Revenue)	\$ 725,102	\$ 36,091	\$ 761,193
Pension Liability	2,574,231	364,644	2,938,875
Proportionate share of the net pension liability	0.03819%	n/a	

Deferred Outflows of Resources

Differences between expected and actual experience	451,103	27,563	478,666
Changes of assumptions	-	28,319	28,319
Net difference between projected and actual earnings on plan investments	349,965	-	349,965
Changes in proportion and differences between contributions and proportionate share of contributions	5,424	-	5,424
Benefit payments and administrative costs paid subsequent to the measurement date	644,746	6,274	651,020

Deferred Inflows of Resources

Differences between expected and actual experience	3,033	195,406	198,439
Changes of assumptions	-	46,359	46,359
Changes in proportion and differences between contributions and proportionate share of contributions	47,611	-	47,611

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, 2025 were \$96,825, which consisted of \$75,840 from the City and \$20,985 from law enforcement officers. The City has also elected to contribute four and a half 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, 2025 were \$209,828, which consisted of \$153,589 from the City and \$56,239 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, 2023, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	16
Terminated plan members entitled to but not yet receiving benefits	-
Active Plan Members	<u>80</u>
Total	<u>96</u>

Total OPEB Liability

The City's total OPEB liability of \$1,895,788 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2023 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	3.93%
Healthcare cost trend rates	
Pre-Medicare	7.00% for 2023 decreasing to an ultimate rate of 4.50% by 2033
Medicare	5.125% for 2023 decreasing to an ultimate rate of 4.50% by 2026

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, 2024	\$ 1,889,288
Changes for the year	
Service Cost	65,917
Interest	70,494
Changes in benefit terms	-
Difference between expected and actual experience	(3,312)
Changes of assumptions or other inputs	(78,449)
Benefit payments	(48,150)
Other	-
Net Changes	<u>6,500</u>
Total OPEB Liability at June 30, 2025	<u>\$ 1,895,788</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.65% to 3.93%.

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, 2023 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 (2.93%) and 1-percentage-point higher (4.93%) than the current discount rate:

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	\$ 2,200,659	\$ 1,895,788	\$ 1,651,934

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	\$ 1,628,070	\$ 1,895,788	\$ 2,239,534

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

For the year ended June 30, 2025, the City recognized OPEB income of \$104,098. At June 30, 2025, 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	\$ 42,844	\$ 555,634
Changes of assumptions	211,348	459,559
Benefit payments and administrative costs made subsequent to the measurement date	39,157	-
Total	\$ 293,349	\$ 1,015,193

\$39,157 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, 2026. Other amounts reported as deferred inflows of resources related to pension will be recognized as pension expense as follows:

Year ended June 30:

2026	\$ (217,973)
2027	(193,062)
2028	(73,450)
2029	(89,818)
2030	(116,715)
Thereafter	(69,983)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions to pension plan in current fiscal year	\$ 644,746	\$ -
Benefit payments made and administrative expenses for LEOSSA	6,274	-
Benefit payments and administrative expenses for OPEB made subsequent to measurement date	39,157	-
Differences between expected and actual experience		
LGERS	451,103	3,033
LEOSSA	27,563	195,406
OPEB	42,844	555,634
Changes of assumptions		
LGERS	-	-
LEOSSA	28,319	46,359
OPEB	211,348	459,559
Net difference between projected and actual		
LGERS	349,965	-
Changes in proportion and differences between employer contributions and proportionate share of contributions		
LGERS	5,424	47,611
Lease Receivable (General Fund)	-	686,210
Total per Government-wide Statements	<u>\$ 1,806,743</u>	<u>\$ 1,993,812</u>
Taxes Receivable, less penalties (General Fund)	\$ -	\$ 77,089
Lease Receivable (General Fund)	-	686,210
Total per Fund Statements	<u>\$ -</u>	<u>\$ 763,299</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 \$1,000,000. 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, 2025, 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.

As of 06/30/2025, Whiteville, NC had 5 active leases. The leases have payments that range from \$726 to \$17,253 and interest rates that range from 0.8450% to 2.0230%. As of 06/30/2025, the total combined value of the lease liability is \$45,309. The combined value of the right to use asset, as of 06/30/2025 of \$93,076 with accumulated amortization of \$48,956 is included within 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	\$ 93,076	\$ 48,956
Total Leases	\$ 93,076	\$ 48,956

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
2026	\$ 18,182	\$ 747	\$ 18,929
2027	18,412	377	18,789
2028	8,715	51	8,766
	\$ 45,309	\$ 1,175	\$ 46,484

b. Subscriptions

The City implemented the requirements of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (Subscriptions) effective July 1, 2022. The Statement provides a definition of Subscriptions and provides uniform guidance for accounting and financial reporting for such transactions. The guidance will decrease diversity in the accounting and financial reporting for these transactions, thereby, increasing comparability in financial reporting among governments. Further, the reporting of a subscription asset (a right-to-use intangible capital asset) and a subscription liability will enhance the relevance and reliability of the financial statements.

As of 06/30/2025, City of Whiteville, NC had 2 active subscriptions. The subscriptions have payments that range from \$6,837 to \$16,985 and interest rates that range from 2.4453% to 2.4453%. As of 06/30/2025, the total combined value of the subscription liability is \$7,017. The combined value of the right to use asset, as of 06/30/2025 of \$84,301 with accumulated amortization of \$64,650 is included within 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	\$ 64,650
Total Subscriptions	\$ 84,301	\$ 64,650

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
2026	\$ 7,017	\$ 93	\$ 7,110
	\$ 7,017	\$ 93	\$ 7,110

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>\$ 173,275</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>208,000</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>600,000</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>431,775</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>696,667</p>
<p>\$215,000 direct placement loan with First Bank issued for purchasing three trucks on June 27, 2025. Annual payments of \$75,458 including interest at 4.74% are due in 3 annual payments. Final payment is scheduled for July 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.</p>	<p>215,500</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>12,317</p>
<p>Total Serviced by Governmental Activities</p>	<p><u>\$ 2,337,534</u></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.

\$ 67,087

\$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.

885,860

\$3,718,158 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.

3,299,303

\$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.

166,193

Total Serviced by Enterprise Funds

\$ 4,418,443

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
2026	\$ 470,016	\$ 55,568	\$ 350,855	\$ 15,469	\$ 820,871	\$ 71,037
2027	454,244	50,184	354,202	11,768	808,446	61,952
2028	460,014	36,063	288,800	7,926	748,814	43,989
2029	190,557	21,711	275,923	6,909	466,480	28,620
2030	145,903	16,715	275,923	6,449	421,826	23,164
2030-2034	553,467	38,688	1,334,876	25,334	1,888,343	64,022
2035-2039	63,333	1,336	1,323,703	13,819	1,387,036	15,155
2040-2044	-	-	214,161	2,764	214,161	2,764
Total	<u>\$ 2,337,534</u>	<u>\$ 220,265</u>	<u>\$ 4,418,443</u>	<u>\$ 90,438</u>	<u>\$ 6,755,977</u>	<u>\$ 310,703</u>

d. Changes in Long-term Liabilities

	Balance July 01, 2024	Increases	Decreases	Balance June 30, 2025	Current Portion Balance
Governmental Activities:					
Direct placement and borrowing installment agreements	\$ 2,514,542	\$ 215,500	\$ 392,508	\$ 2,337,534	\$ 470,016
Lease liability	64,602	-	19,293	45,309	18,182
Subscription liability	30,175	-	23,158	7,017	7,017
Total OPEB liability	1,213,860	3,994	-	1,217,854	-
Net pension liability (LGRS)	1,847,851	-	7,549	1,840,302	-
Net pension liability (LEOSSA)	390,765	-	26,121	364,644	-
Compensated Absences *	950,388	-	40,996	909,392	162,209
Governmental activity long term liabilities	<u>\$ 7,012,183</u>	<u>\$ 219,494</u>	<u>\$ 509,625</u>	<u>\$ 6,722,052</u>	<u>\$ 657,424</u>
Business-type Activities:					
<u>Water Fund</u>					
Direct Borrowing Installment Agreement	\$ 78,269	\$ -	\$ 11,182	\$ 67,087	\$ 11,183
Net pension liability (LGRS)	214,156	-	875	213,281	-
Total OPEB liability	222,276	858	-	223,134	-
Compensated Absences *	19,837	120	-	19,957	3,407
<u>Sewer Fund</u>					
Direct Borrowing Installment Agreement	4,688,107	-	336,751	4,351,356	339,672
Net pension liability (LGRS)	344,971	-	1,410	343,561	-
Total OPEB liability	304,851	1,129	-	305,980	-
Compensated Absences *	80,579	1,255	-	81,834	16,501
<u>Sanitation Fund</u>					
Net pension liability (LGRS)	105,242	-	430	104,812	-
Total OPEB liability	97,511	312	-	97,823	-
<u>Stormwater Fund</u>					
Net pension liability (LGRS)	72,572	-	297	72,275	-
Total OPEB liability	50,790	207	-	50,997	-
Compensated Absences *	52,186	1,049	-	53,235	7,891
Business-type activity long term liabilities	<u>\$ 6,331,347</u>	<u>\$ 4,930</u>	<u>\$ 350,945</u>	<u>\$ 5,985,332</u>	<u>\$ 378,654</u>

* - The change in compensated absences above is a net change for the year.

At June 30, 2025, the City had a legal debt margin of \$39,550,970.

C. Interfund Balances and Activity

Balances due to/from other funds at June 30, 2025, consist of the following:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Purposes</u>
General Fund	\$ 629,262	\$ 500,000	Cash Deficit
Water Fund	359,658	-	Cash Deficit
Sewer Fund	555,247	-	Cash Deficit
Sanitation Fund	410,000	-	Cash Deficit
AFG Covid-19 Fund	-	1,765	Cash Deficit
P&R Capital Fund	-	140,000	Cash Deficit
Vineland Station Fund	-	10,000	Cash Deficit
Old Downtown Event Project Fund	-	130	Cash Deficit
Golden Leaf Storm Water PH III Project Fund	-	116	Cash Deficit
Mollie Branch Grant Fund Ph. II	-	1	Cash Deficit
ARP Fund	-	2,238	Cash Deficit
Streamflow Rehab. Program Grant Fund	-	39,146	Cash Deficit
Provalus Building Project Fund	-	865,524	Cash Deficit
Airport Improvement Project Fund	-	213,924	Cash Deficit
New Downtown Park Construction Fund	-	181,322	Cash Deficit
Total	<u>\$ 1,954,167</u>	<u>\$ 1,954,167</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, 2025 consist of the following:

	<u>Transfers</u>		<u>Purposes</u>
	<u>From</u>	<u>To</u>	
General Fund	\$ 157,200	\$ 370,000	Operation Support
Water Fund	75,000	-	Payment in lieu of taxes
Sewer Fund	75,000	-	Payment in lieu of taxes
WDDC Tax Fund	-	130,000	Operation Support
Vineland Depot Fund	-	27,200	Operation Support
Provalus Building Renovation Fund	220,000	-	Capital outlay support
Total	<u>\$ 527,200</u>	<u>\$ 527,200</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	\$ 11,906,893	\$ 20,396,823
less: long-term debt	2,382,843	4,418,444
Net investment in capital assets	<u>\$ 9,524,050</u>	<u>\$ 15,978,379</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>\$ 3,629,901</u>
Less:	
Nonspendable - Leases	15,314
Stabilization by State Statute	1,708,258
Street - Powell Bill	57,560
Remaining Fund Balance	<u>\$ 1,848,769</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 November 27, 2025, the date the financial statements were available to be issued.

NOTE 6: ACCOUNTING CHANGES AND ERROR CORRECTIONS

Correction of Errors

The City determined that there were asset additions and adjustments needed to accumulated depreciation to reconcile the governmental capital asset schedules to the City's subsidiary ledgers, which resulted in a net adjustment to capital assets that increased governmental activities net position by \$1,859,612.

Change In Accounting Principle

During the current fiscal year, the City implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the City now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the "Restatement - GASB 101 implementation" column in the table below.

	Net Position 6/30/2024 As Previously Reported	Restatement - GASB 101 Implementation	Correction of an Error in Prior Periods	Net Position 6/30/2024 As Restated
Governmental activities	\$ 7,144,032	\$ (467,349)	\$ 1,859,612	\$ 8,536,295
Business-type activities	18,890,841	(78,675)	-	18,812,166
Total primary government	\$ 26,034,873	\$ (546,024)	\$ 1,859,612	\$ 27,348,461

Change To or Within The Financial Reporting Entity

The following chart details the changes in major and non-major fund classifications that are reflected in the current year financial statements:

	Fund Balance 6/30/2024 As Previously Reported	Transfer to Major Funds	Transfer to Non-major Funds	Fund Balance 6/30/2024 As Restated
Governmental Funds				
Provalus Building Renovation Fund	\$ 173,454	\$ (173,454)	\$ -	\$ -
Major Governmental Funds	3,906,643	173,454	-	4,080,097
Total Governmental Funds	\$ 4,080,097	\$ -	\$ -	\$ 4,080,097

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>2024</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
City's proportion of the net pension liability (asset) (%)	0.03819%	0.03903%	0.04007%	0.04534%	0.04811%
City's proportion of the net pension liability (asset) (\$)	\$ 2,574,231	\$ 2,584,792	\$ 2,260,520	\$ 695,332	\$ 1,719,175
City's covered payroll	\$ 3,891,491	\$ 3,309,337	\$ 3,008,794	\$ 3,196,382	\$ 3,037,975
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	66.15%	78.11%	75.13%	21.75%	56.59%
Plan fiduciary net position as a percentage of the total pension liability**	83.30%	82.49%	84.14%	95.51%	88.61%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
City's proportion of the net pension liability (asset) (%)	0.04520%	0.04457%	0.05047%	0.04803%	0.05282%
City's proportion of the net pension liability (asset) (\$)	\$ 1,234,377	\$ 1,057,353	\$ 771,042	\$ 1,019,358	\$ 237,053
City's covered payroll	\$ 3,014,762	\$ 2,770,507	\$ 2,747,989	\$ 2,567,451	\$ 2,431,308
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	40.94%	38.16%	28.06%	39.70%	9.75%
Plan fiduciary net position as a percentage of the total pension liability**	90.86%	91.63%	94.18%	91.47%	98.09%

* 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>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 644,746	\$ 512,979	\$ 409,502	\$ 349,166	\$ 333,252
Contributions in relation to the contractually required contribution	644,746	512,979	409,502	349,166	333,252
Contribution deficiency (excess)	<u>\$ -</u>				
City's covered payroll	\$ 4,591,885	\$ 3,891,491	\$ 3,309,337	\$ 3,008,794	\$ 3,196,382
Contributions as a percentage of covered payroll	14.04%	13.18%	12.37%	11.60%	10.43%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 280,299	\$ 242,630	\$ 215,529	\$ 206,837	\$ 176,546
Contributions in relation to the contractually required contribution	280,299	242,630	215,529	206,837	176,546
Contribution deficiency (excess)	<u>\$ -</u>				
City's covered payroll	\$ 3,037,975	\$ 3,014,762	\$ 2,770,507	\$ 2,747,989	\$ 2,567,451
Contributions as a percentage of covered payroll	9.23%	8.05%	7.78%	7.53%	6.88%

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

	2025	2024	2023	2022	2021
Beginning Balance	\$ 390,765	\$ 402,198	\$ 554,798	\$ 726,584	\$ 216,654
Service Cost	22,686	21,376	35,294	44,023	31,947
Interest on the total pension liability	15,584	17,176	12,380	13,865	6,743
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(55,074)	(50,271)	(117,682)	(198,685)	265,198
Changes of assumptions or other inputs	(6,989)	7,641	(73,463)	(14,584)	225,681
Benefit payments	(2,328)	(7,355)	(9,129)	(16,405)	(19,639)
Other changes	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 364,644</u>	<u>\$ 390,765</u>	<u>\$ 402,198</u>	<u>\$ 554,798</u>	<u>\$ 726,584</u>
	2020	2019	2018	2017	
Beginning Balance	\$ 207,783	\$ 273,960	\$ 330,342	\$ 328,706	
Service Cost	20,973	19,766	19,188	20,906	
Interest on the total pension liability	7,247	8,400	12,326	11,356	
Changes of benefit terms	-	-	-	-	
Differences between expected and actual experience in the measurement of the total pension liability	(9,720)	(69,194)	(85,640)	-	
Changes of assumptions or other inputs	7,761	(8,871)	19,774	(9,386)	
Benefit payments	(17,390)	(16,278)	(22,030)	(21,240)	
Other changes	-	-	-	-	
Ending balance of the total pension liability	<u>\$ 216,654</u>	<u>\$ 207,783</u>	<u>\$ 273,960</u>	<u>\$ 330,342</u>	

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

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability	\$ 364,644	\$ 390,765	\$ 402,198	\$ 554,798	\$ 726,584
Covered payroll	\$ 809,803	\$ 775,354	\$ 830,428	\$ 1,074,309	\$ 1,147,970
Total pension liability as a percentage of payroll	45.03%	50.40%	48.43%	51.64%	63.29%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	
Total pension liability	\$ 216,654	\$ 207,783	\$ 273,960	\$ 330,342	
Covered payroll	\$ 926,581	\$ 882,041	\$ 829,890	\$ 851,737	
Total pension liability as a percentage of payroll	23.38%	23.56%	33.01%	38.78%	

Notes to the schedules:

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

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

Total OPEB Liability	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Service Cost	\$ 65,917	\$ 90,355	\$ 130,164	\$ 101,784
Interest	70,494	77,216	56,265	50,899
Changes in benefit terms	-	-	-	-
Difference between expected and actual experience	(3,312)	(354,007)	(7,150)	82,894
Changes of assumptions or other inputs	(78,449)	5,294	(520,305)	74,444
Benefit payments	(48,150)	(40,587)	(45,030)	(28,428)
Other	-	-	-	-
Net change in total OPEB liability	<u>\$ 6,500</u>	<u>\$ (221,729)</u>	<u>\$ (386,056)</u>	<u>\$ 281,593</u>
Total OPEB Liability - beginning	<u>\$ 1,889,288</u>	<u>\$ 2,111,017</u>	<u>\$ 2,497,073</u>	<u>\$ 2,215,480</u>
Total OPEB Liability - ending	<u><u>\$ 1,895,788</u></u>	<u><u>\$ 1,889,288</u></u>	<u><u>\$ 2,111,017</u></u>	<u><u>\$ 2,497,073</u></u>
Covered payroll	<u>\$ 3,063,866</u>	<u>\$ 3,063,866</u>	<u>\$ 3,688,854</u>	<u>\$ 3,688,854</u>
Total OPEB liability as a percentage of covered payroll	61.88%	61.66%	57.23%	67.69%
 Total OPEB Liability	 <u>2021</u>	 <u>2020</u>	 <u>2019</u>	 <u>2018</u>
Service Cost	\$ 67,569	\$ 116,869	\$ 123,618	\$ 139,194
Interest	61,350	99,456	90,200	78,733
Changes in benefit terms	-	-	-	-
Difference between expected and actual experience	429	(1,058,970)	1,667	1,903
Changes of assumptions or other inputs	423,629	17,232	(142,771)	(250,702)
Benefit payments	(45,189)	(46,759)	(52,661)	(49,675)
Other	-	-	-	-
Net change in total OPEB liability	<u>\$ 507,788</u>	<u>\$ (872,172)</u>	<u>\$ 20,053</u>	<u>\$ (80,547)</u>
Total OPEB Liability - beginning	<u>\$ 1,707,692</u>	<u>\$ 2,579,864</u>	<u>\$ 2,559,811</u>	<u>\$ 2,640,358</u>
Total OPEB Liability - ending	<u><u>\$ 2,215,480</u></u>	<u><u>\$ 1,707,692</u></u>	<u><u>\$ 2,579,864</u></u>	<u><u>\$ 2,559,811</u></u>
Covered payroll	<u>\$ 2,396,135</u>	<u>\$ 2,396,135</u>	<u>\$ 2,757,830</u>	<u>\$ 2,757,830</u>
Total OPEB liability as a percentage of covered payroll	92.46%	71.27%	93.55%	92.82%

Notes to the Schedule

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

<u>Fiscal year</u>	<u>Rate</u>	<u>Fiscal year</u>	<u>Rate</u>
2025	3.93%	2021	2.21%
2024	3.65%	2020	3.50%
2023	3.54%	2019	3.89%
2022	2.16%	2018	0.0356

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, 2025

Exhibit B-1

	2025		Variance Positive (Negative)
	Final Budget	Actual	
Revenues			
Ad Valorem taxes:			
Taxes	\$ 2,822,879	\$ 2,882,332	\$ 59,453
Penalties and interest	30,000	17,261	(12,739)
Total	<u>2,852,879</u>	<u>2,899,593</u>	<u>46,714</u>
Other taxes and licenses:			
Assessments	-	4,840	4,840
In Lieu of Taxes	10,000	-	(10,000)
Privilege license	513	550	37
Total	<u>10,513</u>	<u>5,390</u>	<u>(5,123)</u>
Unrestricted intergovernmental:			
Beer and Wine Tax	19,241	18,825	(416)
Court Cost and Fees	700	2,055	1,355
Hold Harmless	383,242	352,641	(30,601)
Local Option Sales Tax	1,846,097	1,501,380	(344,717)
ABC Profit Distribution	156,505	105,856	(50,649)
Telecommunications Tax	37,218	32,957	(4,261)
Video Franchise Fee	34,379	27,491	(6,888)
Utilities Sales Tax & Piped Natural Gas Sales Tax	439,923	470,791	30,868
Total	<u>2,917,305</u>	<u>2,472,286</u>	<u>(445,019)</u>
Restricted intergovernmental revenues:			
ABC Revenue - Law Enforcement	21,295	7,196	(14,099)
ABC Revenue - Fire	15,650	10,586	(5,064)
Controlled Substance Tax	800	5,713	4,913
Christmas Cops	4,500	3,680	(820)
Waste Disposal Tax	3,748	3,644	(104)
Reimbursement Town of Brunswick Police	75,000	7,696	(67,304)
Powell Bill allocation	176,000	193,927	17,927
Total	<u>296,993</u>	<u>232,442</u>	<u>(64,551)</u>
Permits and fees:			
Building Permits	107,590	72,280	(35,310)
Inspection Fees	57,708	59,012	1,304
Total	<u>165,298</u>	<u>131,292</u>	<u>(34,006)</u>
Sales and Services:			
Concessions	1,982	600	(1,382)
Emergency Services	12,000	13,759	1,759
Fire Protection Fees	31,198	24,112	(7,086)
Recreation Department Fees & Insurance Pymts.	16,525	19,397	2,872
Total	<u>61,705</u>	<u>57,868</u>	<u>(3,837)</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, 2025

Exhibit B-1

	2025		Variance Positive (Negative)
	Final Budget	Actual	
Other Revenue			
Insurance recovery	17,966	9,801	(8,165)
Investment earnings	300,000	305,901	5,901
Rent Income	76,500	69,198	(7,302)
Miscellaneous	120,467	100,743	(19,724)
Total	<u>514,933</u>	<u>485,643</u>	<u>(29,290)</u>
Total Revenues	<u>6,819,626</u>	<u>6,284,514</u>	<u>(535,112)</u>
Expenditures			
General Government:			
Governing body:			
Salaries and employee benefits	6,733	6,256	477
Operating expenditures	8,788	4,422	4,366
Total	<u>15,521</u>	<u>10,678</u>	<u>4,843</u>
Administration:			
Salaries and employee benefits	187,033	167,797	19,236
Professional services	120,413	83,027	37,386
Operating expenditures	60,640	111,066	(50,426)
Capital outlay	1,000	-	1,000
Total	<u>369,086</u>	<u>361,890</u>	<u>7,196</u>
Public Buildings:			
Operating expenditures	102,906	103,280	(374)
Total	<u>102,906</u>	<u>103,280</u>	<u>(374)</u>
Total general government	<u>487,513</u>	<u>475,848</u>	<u>11,665</u>
Public safety:			
Police department:			
Salaries and employee benefits	2,155,628	2,186,580	(30,952)
Professional services	173,673	191,302	(17,629)
Operating expenditures	358,188	322,244	35,944
Capital outlay	260,000	243,762	16,238
Total	<u>2,947,489</u>	<u>2,943,888</u>	<u>3,601</u>
Fire and rescue:			
Salaries and employee benefits	918,990	884,488	34,502
Professional services	49,384	32,985	16,399
Operating expenditures	280,353	296,083	(15,730)
Capital outlay	-	29,330	(29,330)
Total	<u>1,248,727</u>	<u>1,242,886</u>	<u>5,841</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, 2025

Exhibit B-1

	2025		Variance Positive (Negative)
	Final Budget	Actual	
Planning & Inspection:			
Salaries and employee benefits	174,456	166,455	8,001
Professional services	4,000	8,161	(4,161)
Operating expenditures	52,784	52,227	557
Total	<u>231,240</u>	<u>229,919</u>	<u>1,321</u>
Safety			
Salaries and employee benefits	238,015	241,527	(3,512)
Professional services	22,744	17,250	5,494
Operating expenditures	6,000	6,453	(453)
Total	<u>266,759</u>	<u>265,230</u>	<u>1,529</u>
Total public safety	<u>4,694,215</u>	<u>4,681,923</u>	<u>12,292</u>
Transportation:			
Streets and highways:			
Salaries and employee benefits	165,874	177,112	(11,238)
Operating expenditures	216,386	206,133	10,253
Maintenance - streets	295,000	196,941	98,059
Capital outlay	80,850	76,401	4,449
Total	<u>758,110</u>	<u>657,074</u>	<u>101,036</u>
Garage:			
Operating expenditures	53,616	61,960	(8,344)
Capital outlay	10,000	-	10,000
Total	<u>63,616</u>	<u>62,346</u>	<u>1,270</u>
Total transportation	<u>821,726</u>	<u>719,420</u>	<u>102,306</u>
Cultural & Recreational:			
Parks and recreation:			
Salaries and employee benefits	516,288	451,832	64,456
Operating expenditures	186,609	185,390	1,219
Chamber of Commerce donation	4,000	4,000	-
Columbus County Arts Council	500	500	-
Dream Center donation	1,000	1,000	-
Capital Outlay	30,000	9,000	21,000
Total cultural and recreation	<u>738,397</u>	<u>655,589</u>	<u>82,808</u>
Debt Service:			
Principal retirement	422,110	392,508	29,602
Interest and fees	74,371	66,174	8,197
Total debt service	<u>496,481</u>	<u>458,682</u>	<u>37,799</u>
Total expenditures	<u>7,238,332</u>	<u>6,991,462</u>	<u>246,870</u>
Revenues over (under) expenditures	(418,706)	(706,948)	(288,242)

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, 2025

Exhibit B-1

	2025		
	Final Budget	Actual	Variance Positive (Negative)
Other Financing Sources (Uses):			
Transfer to WDDC Fund	(130,000)	(130,000)	-
Transfer to Vineland Station Fund	(27,200)	(27,200)	-
Transfer from ABC Store Construction Fund	1,906	1,906	-
Transfer from Provalus Bldg. Fund	220,000	220,000	-
Transfer from Sewer Fund	150,000	150,000	-
Installment Loan Proceeds	265,000	215,500	(49,500)
Fund Balance Appropriated (Reserved)	(61,000)	-	61,000
Total Other Financing Sources (Uses)	418,706	430,206	11,500
Net change in fund balance	\$ -	(276,742)	\$ (276,742)
Fund balance:			
Beginning of year, July 1		3,906,643	
End of year, June 30		\$ 3,629,901	

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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Years	Total to Date	
Revenues:					
SCIF Grant	\$ 2,000,000	\$ 1,500	\$ 921,617	\$ 923,117	\$ (1,076,883)
Total revenues	<u>2,000,000</u>	<u>1,500</u>	<u>921,617</u>	<u>923,117</u>	<u>(1,076,883)</u>
Expenditures:					
Capital Outlay - PW - Water	-	1,500	-	1,500	(1,500)
Total expenditures	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>(1,500)</u>
Revenues Over (Under) Expenditures	<u>2,000,000</u>	<u>-</u>	<u>921,617</u>	<u>921,617</u>	<u>(1,078,383)</u>
Other Financing Sources (Uses)					
Transfer to Provalus Bldg. Proj. Fund	(2,000,000)	-	(921,617)	(921,617)	1,078,383
Total Other Sources (Uses)	<u>(2,000,000)</u>	<u>-</u>	<u>(921,617)</u>	<u>(921,617)</u>	<u>1,078,383</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			-		
End of year, June 30			<u>\$ -</u>		

City of Whiteville, North Carolina
 Capital Project Fund - Provalus Building Renovation Fund
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Year Ended June 30, 2025

	Budget Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Years		
Revenues:					
Building Reuse Grant	\$ 390,000	\$ -	\$ -	\$ -	\$ (390,000)
One NC Grant	300,000	-	-	-	(300,000)
Columbus Jobs Foundation Grant	90,000	-	90,000	90,000	-
Golden Leaf Grant	500,000	-	-	-	(500,000)
Contribution from Provalus	280,000	-	-	-	(280,000)
Insurance Proceeds	6,263	6,263	-	6,263	-
Total revenues	<u>1,566,263</u>	<u>6,263</u>	<u>90,000</u>	<u>96,263</u>	<u>(1,470,000)</u>
Expenditures:					
Professional Fees	42,500	-	17,486	17,486	25,014
Preliminary Plan Design	-	-	88,305	88,305	(88,305)
Design Fees	215,000	44,988	178,669	223,657	(8,657)
Construction	2,111,500	-	607,703	607,703	1,503,797
Roof Replacement	320,000	-	-	-	320,000
Parking Lot	476,702	-	67,169	67,169	409,533
Contingency	95,000	-	-	-	95,000
Addition Construction	280,000	-	-	-	280,000
Demolition	25,561	7,821	5,739	13,560	12,001
Total expenditures	<u>3,566,263</u>	<u>52,809</u>	<u>965,071</u>	<u>1,017,880</u>	<u>2,548,383</u>
Revenues Over (Under) Expenditures	<u>(2,000,000)</u>	<u>(46,546)</u>	<u>(875,071)</u>	<u>(921,617)</u>	<u>1,078,383</u>
Other Financing Sources (Uses)					
Transfer from SCIF Fund	2,000,000	-	921,617	921,617	(1,078,383)
Transfer from General Fund	220,000	220,000	-	220,000	-
Transfer to General Fund	(220,000)	-	(220,000)	(220,000)	-
Total Other Sources (Uses)	<u>2,000,000</u>	<u>220,000</u>	<u>701,617</u>	<u>921,617</u>	<u>(1,078,383)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 173,454</u>	<u>(173,454)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>173,454</u>		
End of year, June 30			<u>\$ -</u>		

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2025

Exhibit C-1

	Special Revenue					
	WDDC Tax Fund	NCLM Workers Comp	FEMA AFG Grant	HMGP Property Acquisition	CARES Act	Vineland Station
Assets						
Cash and cash equivalents	\$ 70,465	\$ 695	\$ 330	\$ 37,113	\$ 1,989	\$ 32,349
Taxes Receivable	2,125	-	-	-	-	-
Due from other governments	264	3	-	-	-	904
Restricted cash	-	-	-	-	-	14,850
Total assets	<u>\$ 72,854</u>	<u>\$ 698</u>	<u>\$ 330</u>	<u>\$ 37,113</u>	<u>\$ 1,989</u>	<u>\$ 48,103</u>
Liabilities and fund balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ 5,047	\$ -	\$ -	\$ -	\$ -	\$ 3,030
Due to other funds	-	-	-	-	-	10,000
Security Deposits	-	-	-	-	-	14,850
Unspent Grant	-	-	-	-	-	17,238
Total liabilities	<u>5,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,118</u>
Deferred inflows of resources	<u>2,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Assigned						
WDDC Tax Fund	65,682	-	-	-	-	-
Public Safety	-	-	330	-	1,989	-
Economic Development	-	-	-	37,113	-	2,985
Capital Outlay	-	698	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>65,682</u>	<u>698</u>	<u>330</u>	<u>37,113</u>	<u>1,989</u>	<u>2,985</u>
Total liabilities and fund balances	<u>\$ 72,854</u>	<u>\$ 698</u>	<u>\$ 330</u>	<u>\$ 37,113</u>	<u>\$ 1,989</u>	<u>\$ 48,103</u>

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2025

Exhibit C-1

	Special Revenue						
	AFG Covid-19 Grant	Downtown Events Fund	ARPA Fund	Streamflow Grant Fund	AFG FYE 2021 Grant	NCLM WC Safety Grant Fund	
Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,143	\$ 4,479
Taxes Receivable	-	-	-	-	-	-	-
Due from other governments	-	130	4,768	-	-	-	-
Restricted cash	-	-	-	-	-	-	-
Total assets	\$ -	\$ 130	\$ 4,768	\$ -	\$ -	\$ 1,143	\$ 4,479
Liabilities and fund balances							
Liabilities:							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	1,765	130	2,238	39,146	-	-	-
Security Deposits	-	-	-	-	-	-	-
Unspent Grant	-	-	2,530	-	-	-	-
Total liabilities	1,765	130	4,768	39,146	-	-	-
Deferred inflows of resources	-	-	-	-	-	-	-
Fund balances:							
Assigned							
WDDC Tax Fund	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	1,143	-
Economic Development	-	-	-	-	-	-	4,479
Capital Outlay	-	-	-	-	-	-	-
Unassigned	(1,765)	-	-	(39,146)	-	-	-
Total fund balances	(1,765)	-	-	(39,146)	-	1,143	4,479
Total liabilities and fund balances	\$ -	\$ 130	\$ 4,768	\$ -	\$ -	\$ 1,143	\$ 4,479

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2025

Exhibit C-1

	Capital Projects						Total Nonmajor Governmental Funds
	Parks Construction Fund	Downtown WIFI Project	Duke Energy Grant	ABC Store Building	Downtown Park Construction	Parks Capital Fund	
Assets							
Cash and cash equivalents	\$ -	\$ 155	\$ -	\$ -	\$ 10,600	\$ 21,742	\$ 181,060
Taxes Receivable	-	-	-	-	-	-	2,125
Due from other governments	-	16	-	-	-	-	6,085
Restricted cash	-	-	-	-	-	-	14,850
Total assets	\$ -	\$ 171	\$ -	\$ -	\$ 10,600	\$ 21,742	\$ 204,120
Liabilities and fund balances							
Liabilities:							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ 51,349	\$ -	\$ 59,426
Due to other funds	-	-	-	-	181,323	140,000	374,602
Security Deposits	-	-	-	-	-	-	14,850
Unspent Grant	-	-	-	-	-	-	19,768
Total liabilities	-	-	-	-	232,672	140,000	468,646
Deferred inflows of resources	-	-	-	-	-	-	2,125
Fund balances:							
Assigned							
WDDC Tax Fund	-	-	-	-	-	-	65,682
Public Safety	-	-	-	-	-	-	3,462
Economic Development	-	-	-	-	-	-	44,577
Capital Outlay	-	171	-	-	-	-	869
Unassigned	-	-	-	-	(222,072)	(118,258)	(381,241)
Total fund balances	-	171	-	-	(222,072)	(118,258)	(266,651)
Total liabilities and fund balances	\$ -	\$ 171	\$ -	\$ -	\$ 10,600	\$ 21,742	\$ 204,120

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2025

	Special Revenue					
	WDDC Tax Fund	NCLM Workers Comp	FEMA AGF Grant	HMGP Property Acquisition	CARES Act	Vineland Station
Revenues:						
Ad Valorem taxes	\$ 20,111	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental	-	-	-	1,288	-	-
Other Revenue	7,548	-	-	-	-	51,561
Total Revenues	<u>27,659</u>	<u>-</u>	<u>-</u>	<u>1,288</u>	<u>-</u>	<u>51,561</u>
Expenditures:						
General government	-	-	-	-	-	38,661
Economic and physical development	153,720	-	-	-	-	37,453
Capital Outlay	-	46	-	-	-	-
Total Expenditures	<u>153,720</u>	<u>46</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,114</u>
Revenues over expenditures	(126,061)	(46)	-	1,288	-	(24,553)
Other Financing Sources (Uses)						
Transfer (to) from General Fund	130,000	-	-	-	-	27,200
Transfer (to) from Other Fund	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>130,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,200</u>
Net Change in Fund Balance	3,939	(46)	-	1,288	-	2,647
Fund balance, beginning	61,743	744	330	35,825	1,989	338
Fund balance, ending	<u>\$ 65,682</u>	<u>\$ 698</u>	<u>\$ 330</u>	<u>\$ 37,113</u>	<u>\$ 1,989</u>	<u>\$ 2,985</u>

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2025

	Special Revenue						
	AFG Covid-19 Grant	Downtown Events Fund	ARPA Fund	Streamflow Grant Fund	AFG FYE 2021 Grant	NCLM WC Safety Grant Fund	
Revenues:							
Ad Valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental	-	-	136,011	-	-	-	4,670
Other Revenue	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>136,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,670</u>
Expenditures:							
General government	-	-	-	-	-	-	-
Economic and physical development	-	10,290	-	-	-	-	-
Capital Outlay	-	-	136,011	-	6	-	-
Total Expenditures	<u>-</u>	<u>10,290</u>	<u>136,011</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	-	(10,290)	-	-	(6)	-	4,670
Other Financing Sources (Uses)							
Transfer (to) from General Fund	-	-	-	-	-	-	-
Transfer (to) from Other Fund	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(10,290)	-	-	(6)	-	4,670
Fund balance, beginning	(1,765)	10,290	-	(39,146)	6	1,143	(191)
Fund balance, ending	<u>\$ (1,765)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (39,146)</u>	<u>\$ -</u>	<u>\$ 1,143</u>	<u>\$ 4,479</u>

City of Whiteville, North Carolina
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended June 30, 2025

Exhibit C-2

	Capital Projects					Parks Capital Fund	Total Nonmajor Governmental Funds
	Parks Construction Fund	Downtown WIFI Project	Duke Energy Grant	ABC Store Building	Downtown Park Construction		
Revenues:							
Ad Valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,111
Restricted intergovernmental	-	-	-	-	92,865	-	234,834
Other Revenue	-	-	-	-	-	800	59,909
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,865</u>	<u>800</u>	<u>314,854</u>
Expenditures:							
General government	-	-	-	-	-	-	38,661
Economic and physical development	-	-	-	-	-	-	201,463
Capital Outlay	-	269	55	-	285,859	-	422,246
Total Expenditures	<u>-</u>	<u>269</u>	<u>55</u>	<u>-</u>	<u>285,859</u>	<u>-</u>	<u>662,370</u>
Revenues over expenditures	-	(269)	(55)	-	(192,994)	800	(347,516)
Other Financing Sources (Uses)							
Transfer (to) from General Fund	-	-	-	(1,906)	13,000	-	168,294
Transfer (to) from Other Fund	-	-	-	-	-	(13,000)	(13,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,906)</u>	<u>13,000</u>	<u>(13,000)</u>	<u>155,294</u>
Net Change in Fund Balance	-	(269)	(55)	(1,906)	(179,994)	(12,200)	(192,222)
Fund balance, beginning	-	440	55	1,906	(42,078)	(106,058)	(74,429)
Fund balance, ending	<u>\$ -</u>	<u>\$ 171</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (222,072)</u>	<u>\$ (118,258)</u>	<u>\$ (266,651)</u>

City of Whiteville, North Carolina
Special Revenue Fund - WDDC Tax District Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2025

Exhibit C-3

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad Valorem Taxes - Current Year	\$ 17,764	\$ 19,533	\$ 1,769
Ad Valorem Taxes - Prior Year	-	578	578
Other Revenue	7,000	7,548	548
Total revenues	<u>24,764</u>	<u>27,659</u>	<u>2,895</u>
Expenditures:			
Economic and Physical Development			
Salaries and Benefits	130,770	128,043	2,727
Other Operating Expenses	23,994	25,677	(1,683)
Total expenditures	<u>154,764</u>	<u>153,720</u>	<u>1,044</u>
Revenues Over (Under) Expenditures	<u>(130,000)</u>	<u>(126,061)</u>	<u>3,939</u>
Other Financing Sources (Uses)			
Transfer from General Fund	130,000	130,000	\$ -
Total Other Sources (Uses)	<u>130,000</u>	<u>130,000</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	3,939	<u>\$ 3,939</u>
Fund balances:			
Beginning of year, July 1		<u>61,743</u>	
End of year, June 30		<u>\$ 65,682</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 Year Ended June 30, 2025

	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	46	3,682	-
Total expenditures	<u>3,682</u>	<u>3,636</u>	<u>46</u>	<u>3,682</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>(1,841)</u>	<u>(1,098)</u>	<u>(46)</u>	<u>(1,144)</u>	<u>697</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>(46)</u>	<u>\$ 698</u>	<u>\$ 698</u>
Fund balances:					
Beginning of year, July 1			<u>744</u>		
End of year, June 30			<u>\$ 698</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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
FEMA AFG Grant	\$ 240,000	\$ 120,000	\$ -	\$ 120,000	\$ (120,000)
Total revenues	<u>240,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>	<u>(120,000)</u>
Expenditures:					
Equipment - Air Packs	273,000	136,170	-	136,170	136,830
Total expenditures	<u>273,000</u>	<u>136,170</u>	<u>-</u>	<u>136,170</u>	<u>136,830</u>
Revenues Over (Under) Expenditures	<u>(33,000)</u>	<u>(16,170)</u>	<u>-</u>	<u>(16,170)</u>	<u>16,830</u>
Other Financing Sources (Uses)					
Transfer from General Fund	33,000	16,500	-	16,500	(16,500)
Total Other Sources (Uses)	<u>33,000</u>	<u>16,500</u>	<u>-</u>	<u>16,500</u>	<u>(16,500)</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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
FEMA Hurricane Matthew Proceeds	\$ 196,892	\$ 161,891	\$ 1,288	\$ 163,179	\$ (33,713)
Total revenues	<u>196,892</u>	<u>161,891</u>	<u>1,288</u>	<u>163,179</u>	<u>(33,713)</u>
Expenditures:					
Acquisition	144,636	55,821	-	55,821	88,815
Demo & Hazard Mitigation	25,380	54,216	-	54,216	(28,836)
Professional Fees	17,500	4,600	-	4,600	12,900
Project Management Cost	9,376	11,429	-	11,429	(2,053)
Total expenditures	<u>196,892</u>	<u>126,066</u>	<u>-</u>	<u>126,066</u>	<u>70,826</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>35,825</u>	<u>1,288</u>	<u>37,113</u>	<u>37,113</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 35,825</u>	<u>1,288</u>	<u>\$ 37,113</u>	<u>\$ 37,113</u>
Fund balances:					
Beginning of year, July 1			<u>35,825</u>		
End of year, June 30			<u>\$ 37,113</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 Year Ended June 30, 2025

	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, 2025

Exhibit C-8

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Rental Income	\$ 60,266	\$ 51,531	\$ (8,735)
Other Revenue	-	30	30
Total revenues	60,266	51,561	(8,705)
Expenditures:			
Economic and Physical Development			
Salaries & Wages	37,907	36,631	1,276
Payroll Taxes	1,887	2,030	(143)
Professional Fees	5,000	3,384	1,616
Telephone & Postage	3,000	720	2,280
Utilities	15,000	13,768	1,232
R&M - Buildings & Grounds	3,831	1,345	2,486
R&M - Equipment	5,300	4,469	831
Advertising	2,000	2,020	(20)
Departmental Supplies	5,935	4,814	1,121
Insurance & Bonds	6,600	6,461	139
Miscellaneous	1,006	472	534
Total expenditures	87,466	76,114	11,352
Revenues Over (Under) Expenditures	(27,200)	(24,553)	2,647
Other Financing Sources (Uses)			
Transfer from General Fund	27,200	27,200	-
Total Other Sources (Uses)	27,200	27,200	-
Revenues and Other Sources Over (Under) Expenditures	\$ -	2,647	\$ 2,647
Fund balances:			
Beginning of year, July 1		338	
End of year, June 30		\$ 2,985	

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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
AFG COVID-19 Proceeds	\$ 31,638	\$ 29,731	\$ -	\$ 29,731	\$ (1,907)
Total revenues	<u>31,638</u>	<u>29,731</u>	<u>-</u>	<u>29,731</u>	<u>(1,907)</u>
Expenditures:					
Supplies	33,220	33,078	-	33,078	142
Total expenditures	<u>33,220</u>	<u>33,078</u>	<u>-</u>	<u>33,078</u>	<u>142</u>
Revenues Over (Under) Expenditures	<u>(1,582)</u>	<u>(3,347)</u>	<u>-</u>	<u>(3,347)</u>	<u>(1,765)</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>\$ (1,765)</u>	<u>-</u>	<u>\$ (1,765)</u>	<u>\$ (1,765)</u>
Fund balances:					
Beginning of year, July 1			<u>(1,765)</u>		
End of year, June 30			<u>\$ (1,765)</u>		

City of Whiteville, North Carolina
Special Revenue Fund - NCLM W/C Grant Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP)
From Inception and for the Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
NCLM W/C Safety Grant Proceeds	\$ 5,000	\$ -	\$ 4,670	\$ 4,670	\$ (330)
Total revenues	<u>5,000</u>	<u>-</u>	<u>4,670</u>	<u>4,670</u>	<u>(330)</u>
Expenditures:					
Capital Outlay	9,809	5,000	-	5,000	4,809
Total expenditures	<u>9,809</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>4,809</u>
Revenues Over (Under) Expenditures	<u>(4,809)</u>	<u>(5,000)</u>	<u>4,670</u>	<u>(330)</u>	<u>4,479</u>
Other Financing Sources (Uses)					
Transfer from General Fund	4,809	4,809	-	4,809	-
Total Other Sources (Uses)	<u>4,809</u>	<u>4,809</u>	<u>-</u>	<u>4,809</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (191)</u>	4,670	<u>\$ 4,479</u>	<u>\$ 4,479</u>
Fund balances:					
Beginning of year, July 1			<u>(191)</u>		
End of year, June 30			<u>\$ 4,479</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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Events Proceeds	\$ 60,000	\$ 54,559	\$ -	\$ 54,559	\$ (5,441)
Total revenues	<u>60,000</u>	<u>54,559</u>	<u>-</u>	<u>54,559</u>	<u>(5,441)</u>
Expenditures:					
Events Expenditures	75,000	59,269	10,290	69,559	5,441
Total expenditures	<u>75,000</u>	<u>59,269</u>	<u>10,290</u>	<u>69,559</u>	<u>5,441</u>
Revenues Over (Under) Expenditures	<u>(15,000)</u>	<u>(4,710)</u>	<u>(10,290)</u>	<u>(15,000)</u>	<u>-</u>
Other Financing Sources (Uses)					
Transfer from ARPA Fund	15,000	15,000	-	15,000	-
Total Other Sources (Uses)	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 10,290</u>	<u>(10,290)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>10,290</u>		
End of year, June 30			<u>\$ -</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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Years	Total to Date	
Revenues:					
ARP Fund Proceeds FY 21-22	\$ 844,389	\$ 844,389	\$ -	\$ 844,389	\$ -
ARP Fund Proceeds FY 22-23	844,389	705,848	136,011	841,859	(2,530)
Total revenues	<u>1,688,778</u>	<u>1,550,237</u>	<u>136,011</u>	<u>1,686,248</u>	<u>(2,530)</u>
Expenditures:					
Capital Outlay-Viper Radios	135,000	132,407	-	132,407	2,593
Capital Outlay-Security Camera System	124,000	158,552	-	158,552	(34,552)
Capital Outlay-Infrastructure, F.A.	1,201,689	1,066,417	136,011	1,202,428	(739)
Capital Outlay-Vineland Structure Imprv.	100,000	48,298	-	48,298	51,702
Capital Outlay-Public Safety PPE	42,000	44,376	-	44,376	(2,376)
Capital Outlay-IT-Fiber Optic Connection	17,778	14,550	-	14,550	3,228
Miscellaneous Expense	-	17,327	-	17,327	(17,327)
Total expenditures	<u>1,620,467</u>	<u>1,481,927</u>	<u>136,011</u>	<u>1,617,938</u>	<u>2,529</u>
Revenues Over (Under) Expenditures	<u>68,311</u>	<u>68,310</u>	<u>-</u>	<u>68,310</u>	<u>(1)</u>
Other Financing Sources (Uses)					
Transfer to Water Fund	-	-	-	-	-
Transfer to Sewer Fund	-	-	-	-	-
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>(68,311)</u>	<u>(68,310)</u>	<u>-</u>	<u>(68,310)</u>	<u>1</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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Streamflow Rehab. Program Grant	\$ 273,466	\$ 110,627	\$ -	\$ 110,627	\$ (162,839)
Total revenues	<u>273,466</u>	<u>110,627</u>	<u>-</u>	<u>110,627</u>	<u>(162,839)</u>
Expenditures:					
Debris Removal	273,466	149,773	-	149,773	123,693
Total expenditures	<u>273,466</u>	<u>149,773</u>	<u>-</u>	<u>149,773</u>	<u>123,693</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(39,146)</u>	<u>-</u>	<u>(39,146)</u>	<u>(39,146)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (39,146)</u>	<u>-</u>	<u>\$ (39,146)</u>	<u>\$ (39,146)</u>
Fund balances:					
Beginning of year, July 1			<u>(39,146)</u>		
End of year, June 30			<u>\$ (39,146)</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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
AFG FYE 2021 Grant	\$ 69,130	\$ 34,565	\$ -	\$ 34,565	\$ (34,565)
Total revenues	<u>69,130</u>	<u>34,565</u>	<u>-</u>	<u>34,565</u>	<u>(34,565)</u>
Expenditures:					
Capital Outlay	72,586	36,287	6	36,293	36,293
Total expenditures	<u>72,586</u>	<u>36,287</u>	<u>6</u>	<u>36,293</u>	<u>36,293</u>
Revenues Over (Under) Expenditures	<u>(3,456)</u>	<u>(1,722)</u>	<u>(6)</u>	<u>(1,728)</u>	<u>1,728</u>
Other Financing Sources (Uses)					
Transfer from ARPA Fund	3,456	1,728	-	1,728	(1,728)
Total Other Sources (Uses)	<u>3,456</u>	<u>1,728</u>	<u>-</u>	<u>1,728</u>	<u>(1,728)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 6</u>	<u>(6)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>6</u>		
End of year, June 30			<u>\$ -</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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
NCLM WC Safety Grant	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ -
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Expenditures:					
Capital Outlay	18,082	16,939	-	16,939	1,143
Total expenditures	<u>18,082</u>	<u>16,939</u>	<u>-</u>	<u>16,939</u>	<u>1,143</u>
Revenues Over (Under) Expenditures	<u>(13,082)</u>	<u>(11,939)</u>	<u>-</u>	<u>(11,939)</u>	<u>1,143</u>
Other Financing Sources (Uses)					
Transfer from ARPA Fund	13,082	13,082	-	13,082	-
Total Other Sources (Uses)	<u>13,082</u>	<u>13,082</u>	<u>-</u>	<u>13,082</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 1,143</u>	<u>-</u>	<u>\$ 1,143</u>	<u>\$ 1,143</u>
Fund balances:					
Beginning of year, July 1			<u>1,143</u>		
End of year, June 30			<u>\$ 1,143</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 Year Ended June 30, 2025

	Budget Authorization	Actual			Total to Date	Variance Positive (Negative)
		Prior Years	Current Years	Completed *		
Revenues:						
Golden Leaf Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-	-
Expenditures:						
Equipment	235,000	235,000	-	(235,000)	-	-
Total expenditures	235,000	235,000	-	(235,000)	-	-
Revenues Over (Under) Expenditures	(235,000)	(235,000)	-	235,000	-	-
Other Financing Sources (Uses)						
Transfer from Parks Capital Fund	235,000	235,000	-	(235,000)	-	-
Total Other Sources (Uses)	235,000	235,000	-	(235,000)	-	-
Revenues and Other Sources Over (Under) Expenditures	\$ -	\$ -	-	\$ -	\$ -	\$ -
Fund balances:						
Beginning of year, July 1			-			
End of year, June 30			\$ -			

* Project completed and capitalized in prior years, fund closed in FY2024-25

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 Year Ended June 30, 2025

	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	49,560	269	49,829	171
Total expenditures	<u>50,000</u>	<u>49,560</u>	<u>269</u>	<u>49,829</u>	<u>171</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>440</u>	<u>(269)</u>	<u>171</u>	<u>171</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 440</u>	<u>(269)</u>	<u>\$ 171</u>	<u>\$ 171</u>
Fund balances:					
Beginning of year, July 1			<u>440</u>		
End of year, June 30			<u>\$ 171</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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual		Total to Date	Variance Positive (Negative)
			Current Years	Completed *		
Revenues:						
Duke Energy Grant	\$ 99,200	\$ 49,630	\$ -	\$ (49,630)	\$ -	\$ (49,570)
Total revenues	<u>99,200</u>	<u>49,630</u>	<u>-</u>	<u>(49,630)</u>	<u>-</u>	<u>(49,570)</u>
Expenditures:						
Safety Equipment	99,200	49,575	55	(49,630)	-	49,570
Total expenditures	<u>99,200</u>	<u>49,575</u>	<u>55</u>	<u>(49,630)</u>	<u>-</u>	<u>49,570</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>55</u>	<u>(55)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 55</u>	<u>(55)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:						
Beginning of year, July 1			<u>55</u>			
End of year, June 30			<u>\$ -</u>			

* Project completed and capitalized in prior years, fund closed in FY2024-25

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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual		Total to Date	Variance Positive (Negative)
			Current Years	Completed *		
Revenues:						
Misc. Revenue	\$ 1,906	\$ 1,931	\$ -	\$ (1,931)	\$ -	\$ 25
Total revenues	<u>1,906</u>	<u>1,931</u>	<u>-</u>	<u>(1,931)</u>	<u>-</u>	<u>25</u>
Expenditures:						
Land Acquisition	436,000	218,000	-	(218,000)	-	218,000
Design and Construction Management	197,000	101,840	-	(101,840)	-	95,160
Building Cost	1,880,000	944,613	-	(944,613)	-	935,387
Soil Testing & Surveying	41,000	16,048	-	(16,048)	-	24,952
Misc. Expense	-	124	-	(124)	-	(124)
Contingency	10,000	1,400	-	(1,400)	-	8,600
Total expenditures	<u>2,564,000</u>	<u>1,282,025</u>	<u>-</u>	<u>(1,282,025)</u>	<u>-</u>	<u>1,281,975</u>
Revenues Over (Under) Expenditures	<u>(2,562,094)</u>	<u>(1,280,094)</u>	<u>-</u>	<u>1,280,094</u>	<u>-</u>	<u>1,282,000</u>
Other Financing Sources (Uses)						
Transfer to General Fund	(1,906)	-	(1,906)	1,906	-	-
NCDOT Proceeds	664,000	332,000	-	(332,000)	-	(332,000)
Loan Proceeds	1,900,000	950,000	-	(950,000)	-	(950,000)
Total Other Sources (Uses)	<u>2,562,094</u>	<u>1,282,000</u>	<u>(1,906)</u>	<u>(1,280,094)</u>	<u>-</u>	<u>(1,282,000)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 1,906</u>	<u>(1,906)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:						
Beginning of year, July 1			<u>1,906</u>			
End of year, June 30			<u>\$ -</u>			

* Project completed and capitalized in prior years, fund closed in FY2024-25

City of Whiteville, North Carolina
 Capital Project Fund - New Downtown Park Construction Fund
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Year Ended June 30, 2025

	Budget Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Years		
Revenues:					
Rural Transformation Grant Proceeds	\$ 439,000	\$ -	\$ -	\$ -	\$ (439,000)
NCLWF	628,786	-	92,865	92,865	(535,921)
Private Donations	116,000	23,100	-	23,100	(92,900)
Total revenues	<u>1,183,786</u>	<u>23,100</u>	<u>92,865</u>	<u>115,965</u>	<u>(1,067,821)</u>
Expenditures:					
Design Fees	372,516	65,178	233,010	298,188	74,328
Rural Transformation Grant Admin.	39,000	-	52,849	52,849	(13,849)
Stormwater Infrastructure	628,786	-	-	-	628,786
Contingency	143,484	-	-	-	143,484
Total expenditures	<u>1,183,786</u>	<u>65,178</u>	<u>285,859</u>	<u>351,037</u>	<u>832,749</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(42,078)</u>	<u>(192,994)</u>	<u>(235,072)</u>	<u>(235,072)</u>
Other Financing Sources (Uses)					
Transfer from Parks Capital Fund	-	-	13,000	13,000	13,000
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (42,078)</u>	<u>(179,994)</u>	<u>\$ (222,072)</u>	<u>\$ (222,072)</u>
Fund balances:					
Beginning of year, July 1			<u>(42,078)</u>		
End of year, June 30			<u>\$ (222,072)</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 Year Ended June 30, 2025

	Budget Authorization	Actual			Total to Date	Variance Positive (Negative)
		Prior Years	Current Years	Completed *		
Revenues:						
Tournament Ball Field Rentals	\$ 35,000	\$ 20,942	\$ 800	\$ -	\$ 21,742	\$ (13,258)
Sponsorship	-	13,000	-	(13,000)	-	(13,000)
Tournament Concessions	15,000	-	-	-	-	(15,000)
Total revenues	<u>50,000</u>	<u>33,942</u>	<u>800</u>	<u>(13,000)</u>	<u>21,742</u>	<u>(41,258)</u>
Expenditures:						
Direct Tournament Contract Labor	25,000	-	-	-	-	25,000
Total expenditures	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
Revenues Over (Under) Expenditures	<u>25,000</u>	<u>33,942</u>	<u>800</u>	<u>(13,000)</u>	<u>21,742</u>	<u>(16,258)</u>
Other Financing Sources (Uses)						
Transfer from General Fund	(25,000)	-	-	-	-	25,000
Transfer to New DTP Construction Fund	-	-	(13,000)	13,000	-	13,000
Transfer to Parks Construction Fund	-	(140,000)	-	-	(140,000)	(140,000)
Total Other Sources (Uses)	<u>(25,000)</u>	<u>(140,000)</u>	<u>(13,000)</u>	<u>13,000</u>	<u>(140,000)</u>	<u>(102,000)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (106,058)</u>	<u>(12,200)</u>	<u>\$ -</u>	<u>\$ (118,258)</u>	<u>\$ (118,258)</u>
Fund balances:						
Beginning of year, July 1			<u>(106,058)</u>			
End of year, June 30			<u>\$ (118,258)</u>			

* Project moved to the New Downtown Park Construction Fund in FY2024-25

City of Whiteville, North Carolina
Water Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2025

Exhibit D-1

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Operating Revenues:			
Water Sales	\$ 1,614,833	\$ 1,739,721	\$ 124,888
Water Connections	6,000	7,000	1,000
Reconnection Fees	51,000	47,880	(3,120)
Total Operating Revenues	<u>1,671,833</u>	<u>1,794,601</u>	<u>122,768</u>
Nonoperating Revenues:			
Water Tank Lease	65,001	66,923	1,922
Miscellaneous	3,200	2,962	(238)
Total Nonoperating Revenues	<u>68,201</u>	<u>69,885</u>	<u>1,684</u>
Total Revenues	<u>1,740,034</u>	<u>1,864,486</u>	<u>124,452</u>
Expenditures:			
Water & Sewer Administration:			
Professional Fees	149,783	168,417	(18,634)
Total Administration	<u>149,783</u>	<u>168,417</u>	<u>(18,634)</u>
Water Operations:			
Salaries and Employee Benefits	780,916	774,815	6,101
Utilities	92,000	90,411	1,589
Supplies	290,240	284,100	6,140
Other Departmental Expenses	181,295	194,224	(12,929)
Capital Outlay	69,600	41,072	28,528
Total Water Operations	<u>1,414,051</u>	<u>1,384,622</u>	<u>29,429</u>
Debt service:			
Principal Retirement	12,683	11,183	1,500
Total Debt Service	<u>12,683</u>	<u>11,183</u>	<u>1,500</u>
Total Expenditures	<u>1,576,517</u>	<u>1,564,222</u>	<u>12,295</u>
Other Financing Sources (Uses):			
Transfer from (to) General Fund	(75,000)	(75,000)	-
Appropriated (Contributed) Fund Balance	(88,517)	-	88,517
Total Other Sources (Uses)	<u>(163,517)</u>	<u>(75,000)</u>	<u>88,517</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>225,264</u>	<u>\$ 225,264</u>

City of Whiteville, North Carolina
Water Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2025

Exhibit D-1

	Final Budget	Actual	Variance Favorable (Unfavorable)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Principal retirement		11,183	
Capital outlay		41,072	
Depreciation		(77,715)	
Increase (decrease) in deferred outflows of resources - pensions		(12,545)	
Increase (decrease) in deferred outflows of resources - OPEB		(7,136)	
(Increase) decrease in net pension liability		875	
(Increase) decrease in OPEB liability		(858)	
(Increase) decrease in deferred inflows of resources - pensions		5,012	
(Increase) decrease in deferred inflows of resources - OPEB		24,719	
Total Reconciling items		(15,390)	
Change in net position		\$ 209,874	

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 Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
NCDEQ Grant Proceeds	\$ 300,000	\$ 98,500	\$ -	\$ 98,500	\$ (201,500)
Total revenues	<u>300,000</u>	<u>98,500</u>	<u>-</u>	<u>98,500</u>	<u>(201,500)</u>
Expenditures:					
Professional Services	315,000	105,352	-	105,352	209,648
Total expenditures	<u>315,000</u>	<u>105,352</u>	<u>-</u>	<u>105,352</u>	<u>209,648</u>
Revenues Over (Under) Expenditures	<u>(15,000)</u>	<u>(6,852)</u>	<u>-</u>	<u>(6,852)</u>	<u>8,148</u>
Other Financing Sources (Uses)					
Transfer from Other Fund	15,000	7,500	-	7,500	(7,500)
Total Other Sources (Uses)	<u>15,000</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>(7,500)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 648</u>	<u>\$ -</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, 2025

Exhibit D-2

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Sewer Charges	\$ 2,627,947	\$ 2,810,435	\$ 182,488
Sewer Connections	5,500	4,000	(1,500)
Reconnection Fees	50,000	48,060	(1,940)
Total Operating Revenues	<u>2,683,447</u>	<u>2,862,495</u>	<u>179,048</u>
Nonoperating Revenues:			
Sewer Line Expansion Revenue	141,000	128,629	(12,371)
Miscellaneous	-	-	-
Total Nonoperating Revenues	<u>141,000</u>	<u>128,629</u>	<u>(12,371)</u>
Total Revenues	<u>2,824,447</u>	<u>2,991,124</u>	<u>166,677</u>
Expenditures:			
Sewer Administration:			
Salaries and Employee Benefits	266,461	259,302	7,159
Supplies	9,000	6,616	2,384
Other Departmental Expenses	46,635	33,358	13,277
Professional Fees	141,619	159,098	(17,479)
Governing Body			
Salaries and Employee Benefits	6,733	6,258	475
Other Expenses	10,788	2,640	8,148
Total Administration	<u>481,236</u>	<u>467,272</u>	<u>13,964</u>
Sewer Operations:			
Salaries and Employee Benefits	403,446	389,977	13,469
Utilities	80,100	47,790	32,310
Supplies	168,073	170,411	(2,338)
Other Departmental Expenses	85,060	98,933	(13,873)
Capital Outlay	289,000	375,196	(86,196)
Total Sewer Operations	<u>1,025,679</u>	<u>1,082,307</u>	<u>(56,628)</u>
Wastewater Treatment:			
Salaries and Employee Benefits	318,644	317,780	864
Utilities	179,000	126,909	52,091
Supplies	124,700	133,177	(8,477)
Other Departmental Expenses	103,720	143,590	(39,870)
Capital Outlay	62,000	-	62,000
Total Wastewater Treatment	<u>788,064</u>	<u>721,456</u>	<u>66,608</u>
Debt service:			
Principal Retirement	336,645	336,751	(106)
Interest and other charges	19,064	21,189	(2,125)
Total Debt Service	<u>355,709</u>	<u>357,940</u>	<u>(2,231)</u>
Total Expenditures	<u>2,650,688</u>	<u>2,628,975</u>	<u>21,713</u>

City of Whiteville, North Carolina
Sewer Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2025

Exhibit D-2

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Other Financing Sources (Uses):			
Transfer to Other Funds	(75,000)	(75,000)	-
Appropriated (Contributed) Fund Balance	<u>(98,759)</u>	<u>-</u>	<u>98,759</u>
Total Other Sources (Uses)	<u>(173,759)</u>	<u>(75,000)</u>	<u>98,759</u>
 Revenues and Other Sources over Expenditures and Other Financing Uses	 <u>\$ -</u>	 <u>287,149</u>	 <u>\$ 287,149</u>
 Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Principal retirement		336,751	
Capital outlay		175,330	
Depreciation		(618,729)	
Increase (decrease) in deferred outflows of resources - pensions		(20,208)	
Increase (decrease) in deferred outflows of resources - OPEB		(9,793)	
(Increase) decrease in net pension liability		1,410	
(Increase) decrease in OPEB liability		(1,129)	
(Increase) decrease in deferred inflows of resources - pensions		8,073	
(Increase) decrease in deferred inflows of resources - OPEB		33,927	
Capital Contribution (Ex D-2D)		136,900	
Expenditures (Ex D-2D)		(41,807)	
Capital Contribution (Ex D-2E)		87,520	
Expenditures (Ex D-2E)		<u>(301,445)</u>	
Total Reconciling items		<u>(213,200)</u>	
 Change in net position		 <u>\$ 73,949</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 Year Ended June 30, 2025

	Budget Authorization	Actual			Total to Date	Variance Positive (Negative)
		Prior Years	Current Years	Completed *		
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>	<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>-</u>	<u>2,590</u>
Revenues Over (Under) Expenditures	<u>(7,500)</u>	<u>(4,910)</u>	<u>-</u>	<u>4,910</u>	<u>-</u>	<u>2,590</u>
Other Financing Sources (Uses)						
Transfer from (to) Sewer Fund	7,500	7,500	(2,590)	(4,910)	-	(2,590)
Total Other Sources (Uses)	<u>7,500</u>	<u>7,500</u>	<u>(2,590)</u>	<u>(4,910)</u>	<u>-</u>	<u>(2,590)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 2,590</u>	<u>\$ (2,590)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* Project completed and capitalized in prior years, fund closed in FY2024-25

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 Year Ended June 30, 2025

	Budget Authorization	Actual			Total to Date	Variance Positive (Negative)
		Prior Years	Current Years	Completed		
Expenditures:						
Administrative Cost	\$ 81,740	\$ 82,564	\$ -	\$ (82,564)	\$ -	\$ (824)
Engineering Cost	98,910	275,812	-	(275,812)	-	(176,902)
Surveying	20,200	10,864	-	(10,864)	-	9,336
Bidding Assistance	12,000	13,500	-	(13,500)	-	(1,500)
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>1,178,349</u>	<u>-</u>	<u>(1,178,349)</u>	<u>-</u>	<u>32,173</u>
Revenues Over (Under) Expenditures	<u>(1,210,522)</u>	<u>(1,178,349)</u>	<u>-</u>	<u>1,178,349</u>	<u>-</u>	<u>32,173</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	-	(71,024)	23,923	-
Total Other Sources (Uses)	<u>1,210,522</u>	<u>1,202,272</u>	<u>-</u>	<u>(1,178,349)</u>	<u>23,923</u>	<u>(8,250)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 23,923</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,923</u>	<u>\$ 23,923</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 Year Ended June 30, 2025

	Budget Authorization	Actual			Total to Date	Variance Positive (Negative)
		Prior Years	Current Years	Completed		
Revenues:						
Grant Proceeds-NCDEQ	\$ 500,000	\$ 500,000	\$ -	\$ (500,000)	\$ -	\$ -
Total revenues	500,000	500,000	-	(500,000)	-	-
Expenditures:						
Construction Administrative Fees	182,410	189,910	-	(189,910)	-	(7,500)
Bidding Assistance	-	-	-	-	-	-
Loan Administration Fees	-	7,500	-	(7,500)	-	(7,500)
Land Surveying & Legal Fees	25,000	10,000	-	(10,000)	-	15,000
Engineering Planning	31,000	30,000	-	(30,000)	-	1,000
Engineering Design	212,630	213,630	-	(213,630)	-	(1,000)
Construction Cost	4,227,946	3,767,118	-	(3,767,118)	-	460,828
Construction Inspection	8,500	-	-	-	-	8,500
Total expenditures	4,687,486	4,218,158	-	(4,218,158)	-	469,328
Revenues Over (Under) Expenditures	(4,187,486)	(3,718,158)	-	3,718,158	-	469,328
Other Financing Sources (Uses)						
Loan Proceeds-NCDEQ	4,187,486	3,718,158	-	(3,718,158)	-	(469,328)
Total Other Sources (Uses)	4,187,486	3,718,158	-	(3,718,158)	-	(469,328)
Revenues and Other Sources Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

City of Whiteville, North Carolina
Golden Leaf M.B. Stream Restoration - Capital Project Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Golden Leaf Grant	\$ 249,880	\$ 112,980	\$ 136,900	\$ 249,880	\$ -
Total revenues	<u>249,880</u>	<u>112,980</u>	<u>136,900</u>	<u>249,880</u>	<u>-</u>
Expenditures:					
Engineering	249,880	206,370	41,807	248,177	1,703
Total expenditures	<u>249,880</u>	<u>206,370</u>	<u>41,807</u>	<u>248,177</u>	<u>1,703</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(93,390)</u>	<u>95,093</u>	<u>1,703</u>	<u>1,703</u>
Other Financing Sources (Uses)					
Transfer from Sewer Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (93,390)</u>	<u>\$ 95,093</u>	<u>\$ 1,703</u>	<u>\$ 1,703</u>

City of Whiteville, North Carolina
 Airport Improvement Project - Capital Project Fund
 Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 From Inception and for the Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Proceeds from Columbus County	\$ 1,000,715	\$ 15,000	\$ 87,520	\$ 102,520	\$ (898,195)
Total revenues	<u>1,000,715</u>	<u>15,000</u>	<u>87,520</u>	<u>102,520</u>	<u>(898,195)</u>
Expenditures:					
Construction Cost	1,000,715	15,000	301,445	316,445	684,270
Total expenditures	<u>1,000,715</u>	<u>15,000</u>	<u>301,445</u>	<u>316,445</u>	<u>684,270</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(213,925)</u>	<u>(213,925)</u>	<u>(213,925)</u>
Other Financing Sources (Uses)					
Transfer from Sewer Fund	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (213,925)</u>	<u>\$ (213,925)</u>	<u>\$ (213,925)</u>

City of Whiteville, North Carolina
Stormwater Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2025

Exhibit D-3

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Stormwater Assessments	\$ 327,330	\$ 346,777	\$ 19,447
Total Operating Revenues	<u>327,330</u>	<u>346,777</u>	<u>19,447</u>
Total Revenues	<u>327,330</u>	<u>346,777</u>	<u>19,447</u>
Expenditures:			
Stormwater Operations:			
Salaries and Employee Benefits	239,730	196,781	42,949
Professional Fees	-	1,435	(1,435)
Supplies	45,000	41,420	3,580
Other Departmental Expenses	42,600	42,986	(386)
Capital Outlay	-	47,600	(47,600)
Total Stormwater Operations	<u>327,330</u>	<u>330,222</u>	<u>(2,892)</u>
Total Expenditures	<u>327,330</u>	<u>330,222</u>	<u>(2,892)</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>16,555</u>	<u>\$ 16,555</u>

City of Whiteville, North Carolina
Stormwater Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2025

Exhibit D-3

	Final Budget	Actual	Variance Favorable (Unfavorable)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Capital outlay		47,600	
Depreciation		(40,966)	
Increase (decrease) in deferred outflows of resources - pensions		(4,251)	
Increase (decrease) in deferred outflows of resources - OPEB		(1,629)	
(Increase) decrease in net pension liability		297	
(Increase) decrease in OPEB liability		(207)	
(Increase) decrease in deferred inflows of resources - pensions		1,698	
(Increase) decrease in deferred inflows of resources - OPEB		5,642	
Total Reconciling items		8,184	
Change in net position		\$ 24,739	

City of Whiteville, North Carolina
Golden Leaf Storm Water Proj Phase III Project - Capital Project Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Year Ended June 30, 2025

	Budget Authorization	Prior Years	Actual Current Years	Total to Date	Variance Positive (Negative)
Revenues:					
Golden Leaf Grant Proceeds	\$ 1,180,800	\$ -	\$ -	\$ -	\$ (1,180,800)
Total revenues	<u>1,180,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,180,800)</u>
Expenditures:					
Administrative/Engineering	252,025	-	-	-	252,025
Construction	1,028,775	-	-	-	1,028,775
Total expenditures	<u>1,280,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,280,800</u>
Revenues Over (Under) Expenditures	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
Other Financing Sources (Uses)					
Transfer from Other Fund	100,000	-	-	-	(100,000)
Total Other Sources (Uses)	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Revenues and Other Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Whiteville, North Carolina
Sanitation Fund
Schedule of Revenues and Expenditures
Budget & Actual (Non-GAAP)
For the Year Ended June 30, 2025

Exhibit D-4

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Refuse Collection Fees	\$ 1,922,939	\$ 2,038,874	\$ 115,935
Total Operating Revenues	<u>1,922,939</u>	<u>2,038,874</u>	<u>115,935</u>
Total Revenues	<u>1,922,939</u>	<u>2,038,874</u>	<u>115,935</u>
Expenditures:			
Sanitation Services:			
Salaries and Employee Benefits	337,981	342,431	(4,450)
Professional Fees	94,413	107,448	(13,035)
Other Operating Expenses	107,654	75,468	32,186
Contract Services	1,293,680	1,216,633	77,047
Capital Outlay	61,000	61,000	-
Total Administration	<u>1,894,728</u>	<u>1,802,980</u>	<u>91,748</u>
Total Expenditures	<u>1,894,728</u>	<u>1,802,980</u>	<u>91,748</u>
Other Financing Sources (Uses):			
Appropriated From (Transfer to) Fund Balance	(28,211)	-	28,211
Total Other Sources (Uses)	<u>(28,211)</u>	<u>-</u>	<u>28,211</u>
Revenues and Other Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>235,894</u>	<u>\$ 235,894</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling Items:			
Capital outlay		61,000	
Depreciation		(43,714)	
Increase (decrease) in deferred outflows of resources - pensions		(6,162)	
Increase (decrease) in deferred outflows of resources - OPEB		(3,140)	
(Increase) decrease in net pension liability		430	
(Increase) decrease in OPEB liability		(312)	
(Increase) decrease in deferred inflows of resources - pensions		2,463	
(Increase) decrease in deferred inflows of resources - OPEB		10,879	
Total Reconciling items		<u>21,444</u>	
Change in net position		<u>\$ 257,338</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, 2025

Exhibit E-1

Fiscal Year	Uncollected Balance June 30, 2024	Additions	Collections And Credits	Uncollected Balance June 30, 2025
2024-2025	\$ -	\$ 2,831,006	\$ 2,773,056	\$ 57,950
2023-2024	32,675	-	21847	10,828
2022-2023	7,872	-	1881	5,991
2021-2022	3,108	-	737	2,371
2020-2021	2,769	-	677	2,092
2019-2020	2,010	-	62	1,948
2018-2019	1,087	-	81	1,006
2017-2018	1,295	-	62	1,233
2016-2017	1,224	-	42	1,182
2015-2016	765	-	42	723
2014-2015	971	-	971	-
Totals	\$ 53,776	\$ 2,831,006	\$ 2,799,458	85,324

Less: Allowance for Uncollectible Accounts:	
General Fund	<u>10,360</u>
Ad valorem taxes receivable - net	<u>\$ 74,964</u>

Reconcilement with revenues:

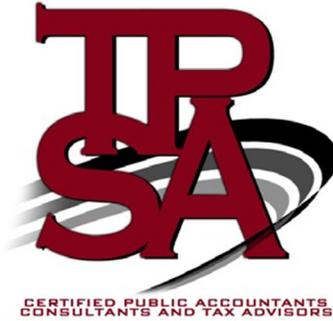
Ad valorem taxes - General Fund	\$ 2,899,593
Reconciling items:	
Interest & Penalties Collected	(17,261)
Tax releases, written off & adjustments	(82,874)
Subtotal	<u>(100,135)</u>
Total collections and credits	<u>\$ 2,799,458</u>

City of Whiteville, North Carolina
 Analysis of Current Tax Levy
 City - Wide Levy
 For the Year Ended June 30, 2025

Exhibit E-2

	City - Wide		Total Levy		
	Property Valuation	Rate	Total Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Net levy					
Property taxed at current year's rate	<u>\$ 524,260,370</u>	0.5400	<u>\$ 2,831,006</u>	<u>\$ 2,572,021</u>	<u>\$ 258,985</u>
Total Property Valuation			<u>2,831,006</u>	<u>2,572,021</u>	<u>258,985</u>
Net levy			2,831,006	2,572,021	258,985
Uncollected taxes at June 30, 2025			<u>57,950</u>	<u>57,950</u>	<u>-</u>
Current year's taxes collected			<u>\$ 2,773,056</u>	<u>\$ 2,514,071</u>	<u>\$ 258,985</u>
Current levy collection percentage			<u>97.95%</u>	<u>97.75%</u>	<u>100.00%</u>

COMPLIANCE SECTION



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Alan W. Thompson, CPA

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**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, 2025, and the related notes to the financial statements, which collectively comprises City of Whiteville's basic financial statements, and have issued our report thereon dated November 25, 2024. 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 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. However, as described in the accompanying schedule of findings and questioned costs we identified certain deficiencies as item [2025-001] that we consider to be material weaknesses.

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*.

City of Whiteville's Response to Findings

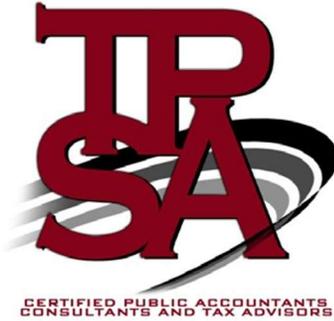
Government Auditing Standards requires the auditor to perform limited procedures on the City of Whiteville's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures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

Purpose of this Report

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

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 27, 2025



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

Independent Auditors' Report

To the Board of City Commissioners
City of Whiteville, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the 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 City of Whiteville's major State programs for the year ended June 30, 2025. City of Whiteville's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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 State programs for the year ended June 30, 2025.

Basis for Opinion on Each Major State 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 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 provides a reasonable basis for our opinion on compliance for each major State program. Our audit does not provide a legal determination of City of Whiteville's compliance with the compliance requirements referred to above.

Members

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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 State 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 State 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 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 State 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 State 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 State 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
November 27, 2025

CITY OF WHITEVILLE, NORTH CAROLINA
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2025

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?	<u> X </u> Yes	<u> </u> No
Significant Deficiency(s)	<u> </u> Yes	<u> X </u> None Reported
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

State Awards

Internal control over major State programs:

Material weaknesses identified?	<u> </u> Yes	<u> X </u> No
Significant Deficiency(s) identified	<u> </u> Yes	<u> X </u> None Reported

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?

	<u> </u> Yes	<u> X </u> No
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Identification of major State programs:

Program Name
 State Capital Infrastructure Fund

Dollar threshold used to determine a State major program \$ 500,000

Auditee qualified as State low-risk auditee? X Yes No

Section II. Financial Statement Findings

Finding 2025-001 **Correction of an Error in Previously Issued Financial Statements**

MATERIAL WEAKNESS

Criteria: Management should have a system in place to verify that transactions are recorded in the correct fund, thereby reducing the likelihood of errors in financial reporting.

CITY OF WHITEVILLE, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section II. Financial Statement Findings (continued)

Condition:	The City determined that there were asset additions and adjustments needed to accumulated depreciation to reconcile the governmental capital asset schedules to the City's subsidiary ledgers, which resulted in a net adjustment to capital assets that increased governmental activities net position by \$1,859,612.
Effect:	The City's management and other users of the financial statements do not have accurate information for decisions-making and monitoring of the City's financial position and adherence to laws, regulations, and other requirements. Errors in financial reporting could occur and not be detected.
Cause:	Financial records were not reconciled accurately.
Recommendation:	The City should review the ledger and financial documents regularly to ensure that necessary adjustments are made timely and correctly during the year.
Views of Responsible official and planned corrective actions:	The City agrees with the finding.

Section III - State Award Findings and Questioned Costs

None reported



Darren Currie
City Manager
 24 Hill Plaza
 PO Box 607
 Whiteville, NC 28472

City of Whiteville

Terry L. Mann
Mayor
Sara B. Thompson.
Mayor Pro-Tem
Tim Blackmon
Council Member
Jimmy Clarida
Council Member
Robert Leder
Council Member
Timothy Collier
Council Member
Justin S. Smith.
Council Member

Corrective Action Plan
 For the Year Ended June 30, 2025

Section II. Financial Statement Findings

Finding 2025-001 Correction of an Error in Previously Issued Financial Statements

Name of contact person: Colburn Brown, Finance Director

Corrective Action: We concur with the finding. The City is in the process of reviewing policies and internal controls to help ensure accurate reporting of all capital asset additions.

Proposed Completion Date: Immediately

Section III - State Award Findings and Questioned Costs

None reported

CITY OF WHITEVILLE, NORTH CAROLINA
Summary of Prior Year Audit Findings
For the Year Ended June 30, 2025

None reported.

CITY OF WHITEVILLE, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2025

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL# CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed (Direct & Pass-through Expenditures</u>	<u>State Expenditures</u>
Federal Awards:				
<u>U.S. Department of Treasury</u>				
Direct Program				
Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 136,011	\$ -
<u>U.S. Department of Homeland Security</u>				
Pass-through N.C. Dept. of Public Safety:				
Division of Emergency Management				
Disaster Grant - Public Assistance	97.036		59,612	
Total Assistance - Federal Programs			<u>\$ 195,623</u>	<u>\$ -</u>
State Awards:				
<u>The Golden Leaf Foundation:</u>				
Stream Restoration Grant Fund			\$ -	\$ 41,807
<u>N.C. Dept. of Transportation</u>				
Powell Bill			-	236,941
<u>Office of State Budget and Management</u>				
State Capital Infrastructure Fund			-	921,617
<u>N.C. Dept. Insurance</u>				
2025 State Fire Protection Grant Fund			-	1,460
<u>NC Dept. of Natural & Cultural Resources</u>				
NC Land and Water Fund			-	272,859
Total Assistance - State Programs			<u>\$ -</u>	<u>\$ 1,474,684</u>
Total Assistance			<u>\$ 195,623</u>	<u>\$ 1,474,684</u>

CITY OF WHITEVILLE, NORTH CAROLINA
 Schedule of Expenditures of Federal and State Awards
 For The Year Ended June 30, 2025

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL# CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed (Direct & Pass-through Expenditures</u>	<u>State Expenditures</u>
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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, 2025. 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.