

CITY OF GOLDSBORO, NORTH CAROLINA

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2023



Prepared by the Finance Department



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INTRODUCTORY SECTION

This section of the City of Goldsboro's annual comprehensive financial report presents general information on the City's organization and the environment in which it operates.



LETTER OF TRANSMITTAL

June 30, 2024

Honorable Mayor, Members of City Council,
and Citizens of the City of Goldsboro, North Carolina

The Annual Comprehensive Financial Report (ACFR) of the City of Goldsboro for the fiscal year ended June 30, 2023 (FY23) is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the ACFR, including all disclosures, rests with the City's management. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and reported in a manner that presents fairly the financial position and results of operations of the various City activities and funds. All disclosures required by law and necessary to enable the reader to gain an understanding of the City's financial activities are included.

The City is required to undergo an annual single audit in conformity with the requirements imposed by the Federal Single Audit Act and Subpart F of Title 2 U.S. Code Federal Regulations (CFR) Part 200 and the State Single Audit Implementation Act. As part of the single audit, the City's internal control system is tested and evaluated to ensure assets are safeguarded against loss, theft or misuse, and adequate financial records are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh the benefits, the City's framework of internal controls has been designed to provide reasonable rather than absolute assurance the financial statements will be free from material misstatement. The basic financial statements contained herein have been audited in accordance with GAAP and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, by the independent certified public accounting firm of Forvis Mazars, LLP; their unmodified opinion is included in the financial section of this report.

The Government Accounting Standards Board (GASB) GAAP requires management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditor's report.

GOVERNMENT PROFILE



The City of Goldsboro, incorporated in 1847, is in east-central North Carolina at the geographic center of Wayne County. It is the largest municipality in Wayne County with an estimated population of 33,215 and a land area of approximately 28.6 square miles. The City operates under the Council-Manager form of government. The Mayor is elected at-large and is the presiding officer of the Council. The six Councilmembers are elected from the six districts. The Mayor and Councilmembers serve four-year concurrent terms. The Council selects the Mayor Pro-Tempore. The Mayor and Councilmembers make appointments to various advisory boards and commissions and appoint the City Manager and City Attorney. The City Manager serves as the Chief Executive Officer and Budget Officer, responsible to Council for administration of all City affairs to include: faithful execution of all laws of the state, the City charter and ordinances, resolutions and regulations; preparation and submission of the annual budget and capital program, and a complete report on the finances and activities; direction, and supervision of all departments, offices, and agencies to effectively, efficiently, and safely deliver services to residents and visitors.

The City provides a wide range of services: police and fire protection; sanitation, street maintenance, and cemetery; parks and recreation; engineering, planning, zoning and inspections; event center and theatre; community relations and development; and general administrative services. In addition, the City owns, operates, and separately accounts for water, sewer and compost utilities and separately accounts for stormwater, downtown municipal service district, and travel and tourism occupancy tax funds. This report includes all the City's activities related to these services.

The City maintains budgetary controls as required by state statutes that promote sound financial management and fiscal accountability. Before April 30, as prescribed by the City Manager, each department head transmits their next fiscal year department budget requests and revenue estimates, previous fiscal year realized and current fiscal year estimated expenditures and revenues. Before June 1, the City Manager submits to Council a recommended budget by fund and department for the upcoming fiscal year. No later than June 30, the Council is required to hold a public hearing on the proposed budget and adopt a final budget.

LOCAL ECONOMY

The City has a diversified economy based upon federal military and local governmental institutions, manufacturing, a mix of wholesale and retail businesses, as well as numerous service providers. This diversity is reflected in the international composition of the manufacturers that have corporate ties with Great Britain, Japan, Mexico, South Africa, and India. Excellent railroad and two interstate highways (US Highway 70/Interstate 42 and US Highway 117/Interstate 795) intersect Goldsboro offering high-speed access for commerce within 25 minutes' driving time to interstate highways I-95 and I-40. The June 2022 Goldsboro unemployment rate was 6.3%; higher than the 4.1% statewide rate and 3.8% national rate.



Seymour Johnson Air Force Base (SJAFB), located on 3,200 acres in the southeast portion of the City, is the largest local employer and contributed over \$900 million (M) to the economy in FY23. The base is the home of the Air Combat Command's 4th Fighter Wing and 916th Air Refueling Wing (an Air Force Reserve unit), and associated units. The base payroll is over \$378M and includes: 4,606 active duty military personnel; 706 civilian personnel; and 734 reservists. The base has an estimated local employment impact of over \$594M, creating 9,299 jobs with expenditures of over \$58M for construction, utilities, procurement, and lodging.

Wayne County Government, seated in Goldsboro, employs over 1,100 people providing services to include health, social, and veteran services. Wayne County Public Schools employ nearly 3,000 people for the education of roughly 20,000 students at 35 schools for grades pre-kindergarten through 13. Wayne Community College employs approximately 415 teachers supporting 2,700 students and is among the top 20% of public schools in North Carolina.

The City serves as the medical care center for the County and portions of surrounding counties. UNC Health Wayne employs over 1,700 people at a 4-star (U.S. top 26%) hospital offering a wide range of major medical services. The North Carolina Department of Health and Human Services employs over 1,750 people providing mental health care at Cherry Hospital and O'Berry Neuro-Medical Center.

Local industries involve a range of operations from simple assembly to complex manufacturing processes, resulting in products ranging from poultry and bread to automobile parts and electric transformers. Substantial technological improvements in recent years involving modernization of plant facilities and the addition of sophisticated manufacturing equipment have resulted in enhanced profitability and productivity for many local manufacturing firms. Some of the larger companies the City provides services to include: Case Farms; Goldsboro Milling; Franklin Baking; Mission Foods; and Southco Distributing.

This fiscal year, the City Inspections Department issued commercial and residential building and miscellaneous permits for approximately \$112M of investment. This was approximately a 30 million dollar increase of 36 percent. Some of the larger projects consisted of Homewood Suites Hotel, New Hope Place Apartments and several smaller commercial projects. In addition, the city issued 93 new single family dwellings.



Downtown statistics for FY23 include: 6 building renovations; 103 new jobs (68 net); 17 new businesses (6 net) and 12 façade improvements accounting for ~\$43.9M of private investment. Since the 2013 TIGER V award, downtown has realized: 187 building renovations; 545 new jobs (421 net); 130 new businesses (71 net) and 9 business expansions. The City's investment of \$12M has attracted \$22.9M in-state and federal funding, and \$43.9M in private investment. Private investment is expected to continue in the municipal service district well into the future.

Domestic and international visitors to Wayne County spent an estimated \$192M in 2022; an increase of 11.5% from 2021. Popular venues such as the Bryan Multi Sports Complex and the Maxwell Center continue to have increased economic impact. The City also benefitted from the Wings over Wayne two-day airshow, the largest airshow on the east coast, bringing in excess of 200,000 visitors, resulting in an estimated impact of over \$20 million. The Wings over Wayne Airshow is generally held every other year.

MAJOR INITIATIVES

Wastewater. The City has undertaken an extensive sewer collection system rehabilitation program to reduce the stormwater and groundwater inflow and infiltration (I&I), which significantly impacts the Water Reclamation Facility (WRF) treatment capacity and future economic growth. Phase 1, Phase 2, and Phase 4 projects are complete; Phase 3 (~\$8.5M) remains 90% designed, as the City did not receive NC State American Rescue Plan Act (ARPA) funding for this project. Phase 3 and other projects identified in the City Capital Improvement Plan (CIP) will be considered in future budget cycles. The NC State \$22M ARPA grant to the Wayne County Development Alliance, that enabled Mount Olive Pickle Company's \$45M new production and distribution facilities in Goldsboro, is expected to replace old sewer collection system infrastructure and help reduce I&I.

Given the City's expected growth over the next decade and beyond, engineered design plans are being drafted for the expansion of the water reclamation facility. The City is permitted through the state to expand its treatment capacity by 3.4 million gallons per day. Expansion of the WRF will not only ensure that there is treatment capacity for future growth, but will allow for needed upgrades within the plant to better serve current and future customers.

Drinking Water. A waterline replacement project (~\$6M) was approved for NC State ARPA funding. The City is also evaluating future treatment options to lower PFAS/PFOS levels. Grants to continue studying the matter and construction in excess of 34 million have been submitted to the State Division of Water Infrastructure.

Roads. Several North Carolina Department of Transportation (NCDOT) improvement projects are being planned or are in work throughout Goldsboro. The US 117 (N. William Street) widening project from US-70 to US-70 Bypass is under construction. Realignment of Central Heights Road and Royall Avenue at Berkeley Boulevard will improve the intersection by relocating Central Heights Road to the north side of the railroad track to align with the existing Royall Avenue alignment, with an estimated construction let year of 2023. Wayne Memorial Drive widening is from New Hope Road to US-70 Bypass with an estimated construction let year of 2025. North Berkeley Boulevard widening is from New Hope Road to Hood Swamp Road with an estimated construction let year of 2025. Finally, Ash Street from Berkeley Boulevard to Hwy 70 will see improvements by widening the existing 2-lane facility to a 4-lane median divided roadway with an estimated construction let year beyond 2028.

LONG-TERM FINANCIAL PLANNING

City staff updated the City's strategic plan targets to achieve the Council's goals: safe and secure community; strong and diverse economy; exceptional quality of life; racial and cultural harmony; excellence in government. By aligning budget formulation, execution, analysis, and reporting with the strategic plan, the City government can best meet these goals and citizen expectations.

City staff financial forecasts expect revenues to grow in the next five to ten years due to the stability provided by SJAFB and local government institutions, growing industry, new businesses, and housing market economic drivers. Goldsboro's excellent location and access between the NC Research Triangle and eastern shore position the City well for growth. Federal, state, and local government investments in the Downtown streetscape, Bryan Multi-Sports Complex, Maxwell Center, Park East Industrial Park, and Goldsboro Business Campus should realize significant economic rewards in the form of new private investment for businesses, industry, housing, sports and entertainment events, travel and tourism that will expand our tax base and services to benefit our residents and visitors.

Recent studies forecasting potential expenditures with debt and affordability analysis necessary for sustainable government include the utility system rate study. The further development of the CIP will help plan, program, and budget for expected future infrastructure and equipment needs. These include: expanding and replacing Water Reclamation Facility capacity; maintaining over 500 miles of water distribution and sewer collection systems; building and maintaining roads; rebuilding Herman Park Center; replacing Fire Department Station No. 3; and fire trucks/apparatus reaching service life limits.

OTHER RELEVANT INFORMATION

The City utilizes the pooled cash and investment concept in investing temporarily idle cash. The criteria for selecting investments are safety, liquidity, and yield. The investment policy of the City is guided by state statute and, as a result, investments in certificates of deposit, short-term money market arrangements, and the North Carolina Capital Management Trust, an SEC registered mutual fund, have been made. All deposits are either insured by federal depository insurance or collateralized by pledged securities.

The Goldsboro City Council adopted fiscal policy guidelines in April 2010 and updated policies to include Utility Fund objectives in February 2012. This fiscal policy is a statement of the guidelines and goals that will influence and guide the financial management practice of Goldsboro. The City's debt policy ratio of direct net debt service expenditures as a percent of total governmental fund expenditures should not exceed 15% with an aggregate ten-year principal payout ratio target of 55% or better. The City will strive to maintain unassigned fund balance in the General Fund equal to or greater than 15% of the General Fund Operating Budget. At the end of this fiscal year, unassigned fund balance is 37%.

In July 2018, Standard and Poor's Ratings Services raised the City's rating to 'AA' and Moody's assigned a rating of 'Aa2' indicating the City has very strong capacity to meet its financial commitments with high-quality fixed-income securities and very low credit risk. Due to the late submission of the FY19 Audit, Moody's removed its 'Aa2' rating; however, Standard and Poor's did not remove its rating, and on September 1, 2021, affirmed its 'AA' rating on the City of Goldsboro's existing general obligation debt and 2018 street improvement bonds. The agency determined that the City's financial outlook is stable due to Goldsboro's management and budgetary performance, strong budgetary flexibility, liquidity and debt and contingent liability position.

ACKNOWLEDGEMENT

The preparation of this report was made possible by the dedicated efforts of the City Finance Department and other key staff; the independent certified public accountant auditors, Forvis Mazars; and the support and resources provided by the City Mayor and Councilmembers. We sincerely appreciate and thank all involved.

Respectfully submitted,



Matthew S. Livingston
Interim City Manager



Catherine F. Gwynn
Finance Director

Mayor and City Council Members



Left to right: **Haiwatha Jones** (District 1), **Chris Boyette** (District 2), **Jamie Taylor** (District 3), **Charles Gaylor, IV**, **Brandi Matthews** (District 4), **Beverly Weeks** (District 5), and **Roderick White** (District 6)

Staff

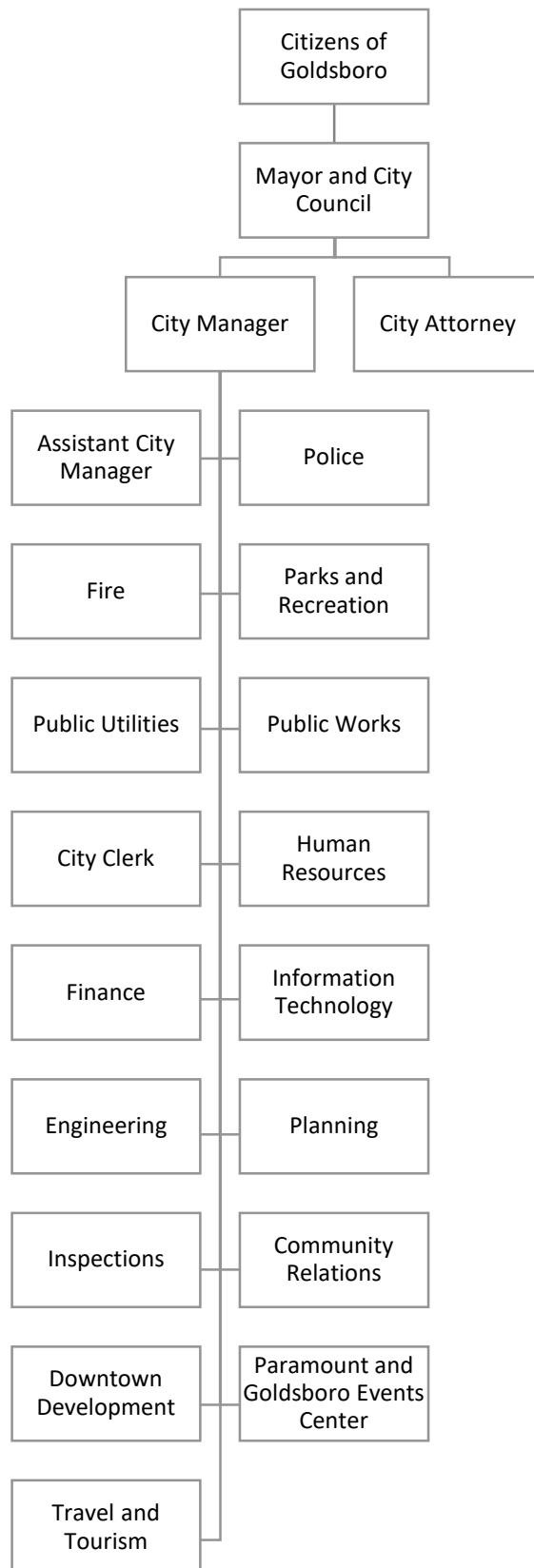
Interim City Manager
Matthew Livingston

Interim Assistant City Manager
Kelly Arnold

City Attorney
Ronald T. Lawrence, II

Finance Director
Catherine F. Gwynn, CPA, CFE, CITP

**City of Goldsboro, North Carolina
Organizational Chart**





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Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Goldsboro, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Goldsboro, North Carolina (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison information for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 (Government Auditing Standards). 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for 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 raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement 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'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'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 identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Other Post-Employment Benefits Schedule of Changes in Total OPEB Liability and Related Ratios, the Local Government Employees' Retirement System Schedules of the Proportionate Share of the Total Pension Liability and Schedules of Employer Contributions, and the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the City. The combining and individual fund statements, budgetary schedules and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis 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*, and the State Single Audit Implementation Act, and is also not a required part of the basic financial statements. Such information is 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. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory section and the statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required under *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2024, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely 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 the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the City's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Winston-Salem, North Carolina
June 30, 2024**

Management's Discussion and Analysis

As management of the City of Goldsboro (The "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the recent fiscal year by \$144,696,419 (net position). Of this amount, \$31,039,205 was the unrestricted portion of net position which may be used to meet the government's ongoing obligations to citizens employees and creditors.
- The City's total net position increased by \$13,902,313 consisting of an increase in governmental activities of \$5,419,081 and an increase in business-type activities of \$8,483,232. The change consisted of an increase of \$12,954,812 in unrestricted net position of governmental activities and a \$8,427,555 increase in unrestricted net position of business-type activities. The increase in unrestricted net position for governmental activities was largely due to \$2.5 million of grant funding recognized during the fiscal year for funds received as a result of the American Rescue Plan Act of 2021, increase of shared revenues over budgeted amounts of \$1.1 million, and the balance from spending levels lower than budgeted. The increase in unrestricted net position for business-type activities was due to \$2 million of grant funding recognized during the fiscal year for funds received as a result of the American Rescue Plan Act of 2021, additional revenues over budget of \$1 million, incomplete projects that were unspent at fiscal year-end of \$2.5 million, and the balance from spending levels lower than budgeted of \$2.9 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$30,827,503, an increase of \$7,356,968 in comparison with the prior year. Approximately 39.6 percent of this total, or \$12,209,968, is non-spendable or restricted.
- At the close of the current fiscal year, unassigned fund balance for the General Fund was \$16,057,787 or 42.66 percent of total General Fund expenditures for the fiscal year. The portion of total fund balance that was available for appropriation was \$18,367,535 or 48.79 percent of total General Fund expenditures.
- The City's total debt increased by \$5,549,030 (7.82 percent) during the current fiscal year.
- The City's bond rating remains AA from Standard and Poor's. Due to the late audit for fiscal year 2019, Moody's Investors Services withdrew its Aa2 rating from the City on August 13, 2020. The City may seek reconsideration from Moody's to reinstate the bond rating upon completion of the fiscal year 2023 audit.

Overview of the Financial Statements

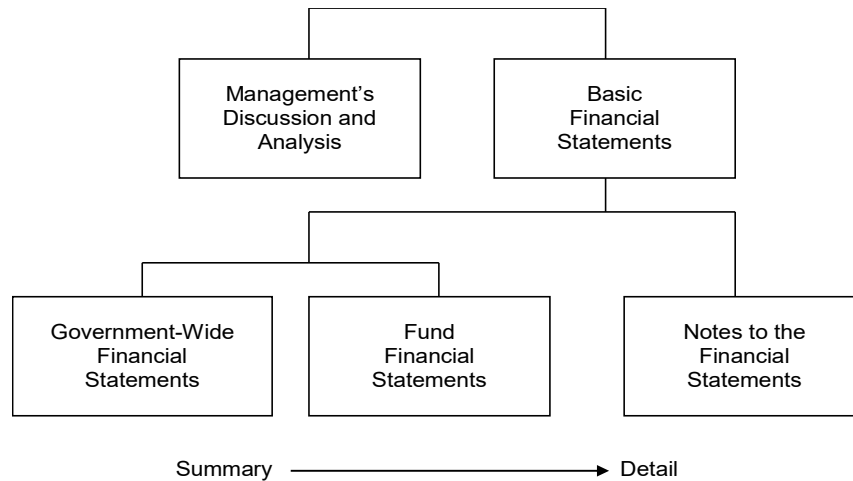
Management's discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components (see Figure 1). They are as follows:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

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.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

The next statements (Exhibits 3 through 8) are Fund Financial Statements. These statements focus on the activities of the individual functions of the City's services. These statements provide more detail than the government-wide statements. There are three parts to the fund financial statements: (1) the governmental fund 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 can also be found in this part of the statements.

Government-Wide Financial Statements

The government-wide financial statements consist of two statements. They are the Statement of Net Position and the Statement of Activities. They are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial condition of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenue and expenses are reported in the statement for some items that will only result in cash flows in future fiscal years.

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
Year Ended June 30, 2023**

Both of the government-wide financial statements distinguish functions of the City that are primarily supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation, economic and physical development, environmental protection, and cultural and recreational. The business-type activities of the City include Utility (water and sewer) and Storm Water operations.

The government-wide financial statements can be found on pages 15-17 of this report.

Fund Financial Statements

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, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All the funds of the City are 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 moneys 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 adopts an annual budget for its General Fund, as required by North Carolina 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 City Council 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. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City uses an enterprise funds to account for its utility (water and sewer) and storm water activities. To account for the difference between the budgetary basis of accounting and the accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary schedule.

The fund financial statements can be found on pages 18-26 of this report.

Notes to the Financial Statements - The notes to the financial statements 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 can be found on pages 27-63 of this report.

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
Year Ended June 30, 2023**

Other information - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information ("RSI") concerning the City's future obligations to provide pension benefits and other post-employment benefits ("OPEB") to its employees. This information can be found in schedules on pages 66-68 of this report.

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.

Government-Wide Financial Analysis

**Table 1
City of Goldsboro, North Carolina
Condensed Statement of Net Position
As of June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
ASSETS						
Current assets	\$ 34,751,061	\$ 28,440,573	\$ 30,950,779	\$ 23,201,339	\$ 65,701,840	\$ 51,641,912
Capital assets	<u>82,880,004</u>	<u>85,049,581</u>	<u>71,629,466</u>	<u>73,328,026</u>	<u>154,509,470</u>	<u>158,377,607</u>
Total	117,631,065	113,490,154	102,580,245	96,529,365	220,211,310	210,019,519
DEFERRED OUTFLOWS OF RESOURCES	<u>11,186,259</u>	<u>8,770,448</u>	<u>1,919,583</u>	<u>1,710,562</u>	<u>13,105,842</u>	<u>10,481,010</u>
Total Assets and Deferred Outflows	<u>128,817,324</u>	<u>122,260,602</u>	<u>104,499,828</u>	<u>98,239,927</u>	<u>233,317,152</u>	<u>220,500,529</u>
LIABILITIES						
Current liabilities	2,701,371	3,763,513	1,909,691	2,620,755	4,611,062	6,384,268
Long-term liabilities	<u>51,664,088</u>	<u>45,608,087</u>	<u>24,844,644</u>	<u>25,351,615</u>	<u>76,508,732</u>	<u>70,959,702</u>
Total	54,365,459	49,371,600	26,754,335	27,972,370	81,119,794	77,343,970
DEFERRED INFLOWS OF RESOURCES	<u>5,509,918</u>	<u>9,366,136</u>	<u>1,991,021</u>	<u>2,996,317</u>	<u>7,500,939</u>	<u>12,362,453</u>
Total Liabilities and Deferred Inflows	<u>59,875,377</u>	<u>58,737,736</u>	<u>28,745,356</u>	<u>30,968,687</u>	<u>88,620,733</u>	<u>89,706,423</u>
NET POSITION						
Net investment in capital assets	50,129,419	59,114,372	50,997,013	50,925,948	101,126,432	110,040,320
Restricted	11,505,551	10,056,329	1,025,231	1,040,619	12,530,782	11,096,948
Unrestricted (deficit)	<u>7,306,977</u>	<u>(5,647,835)</u>	<u>23,732,228</u>	<u>15,304,673</u>	<u>31,039,205</u>	<u>9,656,838</u>
Net Position	<u>\$ 68,941,947</u>	<u>\$ 63,522,866</u>	<u>\$ 75,754,472</u>	<u>\$ 67,271,240</u>	<u>\$ 144,696,419</u>	<u>\$ 130,794,106</u>

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 exceeded liabilities and deferred inflows by \$144,696,419 as of June 30, 2023. The City's net position increased by \$13,902,313 for the fiscal year ended June 30, 2023. The largest portion of net position (69.89%) reflects the City's investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
Year Ended June 30, 2023**

Although the City'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 of \$12,530,782 (8.66%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$31,039,205 (21.45%) is unrestricted.

**Table 2
City of Goldsboro, North Carolina
Condensed Statement of Revenue, Expenses, and Changes in Net Position
For the Year Ended June 30,**

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
REVENUES						
Program revenues:						
Charges for services	\$ 6,589,964	\$ 22,495,892	\$ 29,085,856	\$ 6,101,155	\$ 20,317,500	\$ 26,418,655
Operating grants and contributions	6,274,280	-	6,274,280	6,975,509	-	6,975,509
Capital grants and contributions	60,000	428,036	488,036	167,625	359,206	526,831
General revenues:						
Property taxes	17,937,931	-	17,937,931	17,771,140	-	17,771,140
Other taxes	1,558,465	-	1,558,465	1,440,159	-	1,440,159
Grants and contributions not restricted to specific programs	15,078,915	-	15,078,915	15,611,041	-	15,611,041
Unrestricted investment earnings	747,281	372,306	1,119,587	22,029	19,992	42,021
Miscellaneous	262,566	1,190,915	1,453,481	686,640	763,487	1,450,127
Total Revenues	48,509,402	24,487,149	72,996,551	48,775,298	21,460,185	70,235,483
EXPENSES						
Governmental activities:						
General government	3,703,360	-	3,703,360	3,265,463	-	3,265,463
Public safety	19,939,447	-	19,939,447	17,740,365	-	17,740,365
Transportation	3,939,114	-	3,939,114	4,286,639	-	4,286,639
Economic and physical development	2,859,729	-	2,859,729	2,827,070	-	2,827,070
Environmental protection	4,041,168	-	4,041,168	3,659,805	-	3,659,805
Cultural and recreation	5,857,026	-	5,857,026	5,485,584	-	5,485,584
Business-type grant related	1,979,139	-	1,979,139	579,855	-	579,855
Interest on long-term debt	771,338	-	771,338	719,449	-	719,449
Business-type activities:						
Utilities	-	14,875,553	14,875,553	-	15,790,140	15,790,140
Storm Water	-	1,128,364	1,128,364	-	1,053,518	1,053,518
Total Expenses	43,090,321	16,003,917	59,094,238	38,564,230	16,843,658	55,407,888
TRANSFERS	-	-	-	(290,592)	290,592	-
Net Change	5,419,081	8,483,232	13,902,313	9,920,476	4,907,119	14,827,595
NET POSITION						
Beginning balances	63,522,866	67,271,240	130,794,106	53,602,390	62,364,121	115,966,511
Ending Balances	\$ 68,941,947	\$ 75,754,472	\$ 144,696,419	\$ 63,522,866	\$ 67,271,240	\$ 130,794,106

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
Year Ended June 30, 2023**

Overall, the City's net position increased by \$13,902,313 during the current fiscal year. There are various factors that influenced this increase, both positively and negatively. Some key factors of the increase in governmental activities were reductions in expenditures due to American Rescue Plan grant funding; lapsed expenditures primarily due to vacant positions, and unspent operating expenditures due in part to supply chain issues; and increases in investment income. These amounts were offset in part by the recognition of additional pension liabilities and other post-employment benefits. In addition, there was a slight increase in the property valuation in the current fiscal year with the last octennial property reappraisal being done in fiscal year 2020. There was a 20 percent rate increase in water and sewer rates for the current fiscal year. There were reductions of salaries and benefits due to ARPA grant funding. There were several capital projects in the utility fund that did not commence due to supply chain issues which reduced the amount of expenditures.

Several aspects of the City's financial operations influenced its government-wide net position components:

Governmental activities: Governmental activities increased the City's net position by \$5,419,081. Key elements of this increase are as follows:

- Property tax revenues increased \$188 thousand (1 percent) over the prior year due to modest growth.
- Investment earnings increased \$719 thousand for governmental activities due to higher cash balances and increases in interest rates.
- Operating grants and contributions of \$2.5 million due to the American Rescue Plan Act of 2021.
- Shared revenues increased \$665 thousand.
- Refuse revenues increased \$320 thousand due to rate increase in FY23.

Business-type activities: Business-type activities increased the City's net position by \$8,483,232. Key elements of this increase are as follows:

- Revenues from charges for services increased \$2.2 million. There was a 20 percent rate increase in fiscal year 2023. The increase was related to the recommendation of a utility rate study conducted in 2019 to address operating and capital needs of the utility fund.
- Investment earnings increased \$352 thousand for business activities due to higher cash balances and increases in interest rates.
- Increases in transfers in from Utility capital reserve of \$975 thousand.
- Operating grants and contributions of \$2.5 million due to the American Rescue Plan Act of 2021.

Financial Analysis of the City's Funds

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

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City'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.

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
Year Ended June 30, 2023**

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$16,057,787, while total fund balance was \$27,339,238. 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 approximately 42.66% of total General Fund expenditures, while fund balance available for appropriation represents 48.79% of the same amount.

At June 30, 2023, the governmental funds of the City reported a combined fund balance of \$30,827,503, a 31.33% increase over last year, primarily due to \$4.3 million of grant revenues recognized during the year for funds received in accordance with the American Rescue Plan Act of 2021; and an increase of \$720 thousand in investment income, an increase of \$532 thousand in local options sales taxes and utilities franchise taxes within the general fund. Lapsed expenditures due to supply chain issues and position vacancies reduced corresponding related operating expenditures.

The Downtown District Fund had an increase in fund balance of \$19,688, due in part to lapsed expenditures. The Occupancy Tax Fund increased by \$70,045 due to increased occupancy tax revenues.

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; and (3) increases in appropriations that become necessary to maintain services.

There were multiple occasions the City revised its budget as noted below.

- The annual purchase order re-appropriation from the prior fiscal year.
- Transfer of funds necessary for capital projects.
- Correcting appropriations for ARPA funding of salaries and benefits.
- Funding of multiple operating fund construction projects in the General fund and Utility fund.
- Funding of capital outlay needs in the General fund and Utility fund.

Several significant differences occurred between the final amended budget and actual results:

- Ad valorem taxes exceeded the budgeted amount by approximately \$198,576.
- Local option sales and use taxes exceeded the budgeted amount by approximately \$474,140, and utility franchise taxes exceeded the budgeted amount by \$655,987.
- Overall expenditures were less than budgetary estimates, due to vacant positions and reduction in spending by all departments.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the proprietary funds at the end of the fiscal year amounted to \$23,732,228. The total increase in net position for the funds was \$8,483,232. Other factors concerning the finances of the fund have already been addressed in the discussion of the City's business-type activities.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2023 totals \$154,509,470 (net of accumulated depreciation). These assets include buildings, plant and distribution systems, streets, land, equipment, and vehicles.

The significant capital asset additions during the year were:

Governmental Activities

- Construction in progress decreased \$7,810,086 overall. The TIGER VIII project was placed in service and reduced construction in progress by \$6,527,315. Work in process related to information technology items, police vehicles, and other rolling stock was placed in service and decreased \$1,174,973.
- Equipment and vehicles totaling \$928,578 with the more significant purchases as follows:
 - Police department five vehicles placed in service \$185,081, and police radios and canine \$103,469
 - Fire department Chevy Tahoe truck \$62,958, and six air pack cylinders, thermal camera, hoses and appliances \$63,554
 - Solid Waste AutoCar garbage vehicle \$218,406, and Mack truck \$327,610
 - Parks and Recreation department mower \$12,153
 - Streets department Ford F350 \$56,576 and trailer \$13,664
 - Fleet maintenance in-ground lifts \$27,649
- Buildings and improvements totaling \$88,422 with the more significant purchases as follows:
 - Fire department garage bay doors \$18,735
 - Parks and Recreation department renovate court lights at tennis courts \$18,986
 - Golf course upgrade to automated irrigation system \$29,016, and upfit cart barn for electric golf cart charging power stations \$8,433

Business-Type Activities

- Construction in progress decreased \$8,462,903 overall. The Phase IV Sewer Rehabilitation was placed in service and reduced construction in progress by \$8,341,058. The Big Ditch Sewer Improvements project was placed in service for \$752,363.
- Vehicles and motor equipment totaling \$393,563, with the more significant purchases as follows:
 - Distribution and Collections Vector blower \$490,251
 - Compost John Deere crawler bulldozer \$189,987
 - Stormwater Global street sweeper \$296,274
- Plant, buildings and improvements category of fixed assets had no activity.

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
Year Ended June 30, 2023**

The City's capital assets are summarized in the following table:

**Table 3
City of Goldsboro, North Carolina
Condensed Statement of Capital Assets (net of depreciation)
As of June 30,**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets Not Depreciated						
Land	\$ 7,411,691	\$ 7,456,120	\$ 1,443,282	\$ 1,443,282	\$ 8,854,973	\$ 8,899,402
Construction-in-progress	11,106,457	18,916,543	1,664,456	10,127,359	12,770,913	29,043,902
Assets Depreciated, Net						
Buildings	19,124,185	19,623,461	-	-	19,124,185	19,623,461
Plant and distribution systems	-	-	61,409,727	54,414,182	61,409,727	54,414,182
Furniture and equipment	2,739,036	2,001,218	4,821,908	5,682,367	7,560,944	7,683,585
Vehicles and motor equipment	4,780,309	4,461,050	2,290,093	1,660,836	7,070,402	6,121,886
Infrastructure	37,510,661	32,474,056	-	-	37,510,661	32,474,056
Right-to-use lease assets	77,713	117,133	-	-	77,713	117,133
Right-to-use lease subscription assets	129,952	-	-	-	129,952	-
Total	\$ 82,880,004	\$ 85,049,581	\$ 71,629,466	\$ 73,328,026	\$ 154,509,470	\$ 158,377,607

Additional information on the City's capital assets can be found on pages 39-40 of this report.

Long-term debt. As of June 30, 2023, the City had total capital related debt outstanding of \$47,556,459. General obligation bonds in the amount of \$13,031,000 is backed by the full faith and credit of the City, while the remainder represents several notes payable and lease liabilities which are collateralized by various assets of the City.

**Table 4
City of Goldsboro, North Carolina
Condensed Statement of Long-Term Debt
As of June 30,**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 8,748,301	\$ 9,659,856	\$ 4,552,699	\$ 5,361,144	\$ 13,301,000	\$ 15,021,000
Premium on bonds	631,739	702,265	359,862	411,271	991,601	1,113,536
Lease liabilities	77,797	116,963	-	-	77,797	116,963
Subscription liabilities	97,172	-	-	-	97,172	-
Notes payable	16,861,977	17,847,312	16,226,912	17,162,655	33,088,889	35,009,967
Total	\$ 26,416,986	\$ 28,326,396	\$ 21,139,473	\$ 22,935,070	\$ 47,556,459	\$ 51,261,466

North Carolina General Statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the City is \$183,432,000.

Other long-term liabilities for various employee benefits are not included in this analysis. Additional information regarding the City's long-term debt can be found on pages 52-58 of this report.

Economic Factors and Next Year's Budgets and Rates

The average unemployment rate for Goldsboro is currently 3.9 percent. The statewide and the national average unemployment rate for fiscal year 2023 is 3.6 percent.

Budget Highlights for the Fiscal Year Ending June 30, 2024

Governmental activities: The City's adopted budget for 2024 reflected an increase in the property tax rate from 68 cents per \$100 valuation to 73 cents. Revenues from shared state revenues and property taxes remain flat. The retirement contribution rate increased from 12.15% to 12.91% for general employees, and from 13.04% to 14.24% for law enforcement. There was a 2 percent cost of living increase for all employees, and a 1 percent merit raise for all employees. Approximately \$1.5 million of fund balance was appropriated in the general fund.

Business-type activities: Water and sewer usage are expected to remain constant in FY 2023-2024. There was a 4 percent increase for water and sewer rates and classes, and a 5 percent increase in stormwater fees. Increases in the retirement contribution rate were also applicable for general employees in the proprietary funds. There was a 2 percent cost of living increase for all employees in the proprietary funds, and a 1 percent merit raise for all employees.

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 financial information should be directed to the Director of Finance, City of Goldsboro, P.O. Drawer A, Goldsboro, North Carolina 27533.

Basic Financial Statements

The basic financial statements for the City of Goldsboro consist of both government-wide and fund financial statements of the City of Goldsboro.

City of Goldsboro
Statement of Net Position
June 30, 2023

Exhibit 1

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and investments	\$ 24,108,230	\$ 23,477,901	\$ 47,586,131
Receivables, net	1,761,224	3,469,280	5,230,504
Due from other governments	4,986,570	17,936	5,004,506
Lease receivable	86,633	1,162,374	1,249,007
Inventories and prepaids	762,308	1,244,591	2,006,899
Restricted assets:			
Cash and investments	2,740,148	1,578,697	4,318,845
Notes receivable	305,948	-	305,948
Capital assets, net:			
Assets not being depreciated	18,518,148	2,054,946	20,573,094
Other capital assets, net of depreciation	64,361,856	69,574,520	133,936,376
Total Assets	117,631,065	102,580,245	220,211,310
DEFERRED OUTFLOWS OF RESOURCES	11,186,259	1,919,583	13,105,842
LIABILITIES			
Accounts payable and accrued liabilities	2,208,454	462,203	2,670,657
Estimated claims payable	190,963	-	190,963
Accrued interest payable	282,271	84,648	366,919
Customer deposits	19,683	1,319,197	1,338,880
Unearned revenue	-	43,643	43,643
Long-term liabilities:			
Due within one year	4,195,389	2,754,162	6,949,551
Due in more than one year	47,468,699	22,090,482	69,559,181
Total Liabilities	54,365,459	26,754,335	81,119,794
DEFERRED INFLOWS OF RESOURCES	5,509,918	1,991,021	7,500,939
NET POSITION			
Net investment in capital assets	50,129,419	50,997,013	101,126,432
Restricted for:			
Stabilization by State Statute	7,894,260	-	7,894,260
General government	262,744	-	262,744
Public safety	214,707	-	214,707
Capital outlay	2,214,679	-	2,214,679
Cemetery maintenance	294,478	-	294,478
Economic and physical development	559,736	-	559,736
Receivables held in abeyance	57,891	1,025,231	1,083,122
Unrestricted	7,314,033	23,732,228	31,046,261
Total Net Position	\$ 68,941,947	\$ 75,754,472	\$ 144,696,419

**City of Goldsboro
Statement of Activities
Year Ended June 30, 2023**

**Exhibit 2
(2 pages)**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities				
General government	\$ 3,705,792	\$ 76,931	\$ 478,657	\$ -
Public safety	19,939,447	627,145	1,670,589	-
Transportation	3,939,114	246,420	1,245,364	-
Economic and physical development	2,857,297	94,120	442,861	-
Environmental protection	4,041,168	4,039,406	201,924	-
Cultural and recreation	5,857,026	1,505,942	255,746	60,000
Business-type grant related	1,979,139	-	1,979,139	-
Interest on long-term debt	771,338	-	-	-
Total Governmental Activities	<u>43,090,321</u>	<u>6,589,964</u>	<u>6,274,280</u>	<u>60,000</u>
Business-Type Activities				
Utilities	14,875,553	20,873,466	-	428,036
Stormwater	1,128,364	1,622,426	-	-
Total Business-Type Activities	<u>16,003,917</u>	<u>22,495,892</u>	<u>-</u>	<u>428,036</u>
Total Primary Government	<u>\$ 59,094,238</u>	<u>\$ 29,085,856</u>	<u>\$ 6,274,280</u>	<u>\$ 488,036</u>

**City of Goldsboro
Statement of Activities
Year Ended June 30, 2023**

**Exhibit 2
(2 pages)**

Functions/Programs	Net Revenue (Expense) and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Governmental Activities			
General government	\$ (3,150,204)	\$ -	\$ (3,150,204)
Public safety	(17,641,713)	-	(17,641,713)
Transportation	(2,447,330)	-	(2,447,330)
Economic and physical development	(2,320,316)	-	(2,320,316)
Environmental protection	200,162	-	200,162
Cultural and recreation	(4,035,338)	-	(4,035,338)
Business-type grant related	-	-	-
Interest on long-term debt	(771,338)	-	(771,338)
Total Governmental Activities	(30,166,077)	-	(30,166,077)
Business-Type Activities			
Utilities	-	6,425,949	6,425,949
Stormwater	-	494,062	494,062
Total Business-Type Activities	-	6,920,011	6,920,011
Total Primary Government	(30,166,077)	6,920,011	(23,246,066)
General Revenues			
Taxes			
Property taxes, levied for general purpose	17,937,931	-	17,937,931
Other taxes and licenses	1,558,465	-	1,558,465
Grants and contributions not restricted to specific programs	15,078,915	-	15,078,915
Unrestricted investment earnings	747,281	372,306	1,119,587
Gain on disposal of capital assets	95,691	30,100	125,791
Miscellaneous	166,875	1,160,815	1,327,690
Total General Revenues	35,585,158	1,563,221	37,148,379
Change in Net Position	5,419,081	8,483,232	13,902,313
Net Position			
Beginning balances	63,522,866	67,271,240	130,794,106
Ending Balances	\$ 68,941,947	\$ 75,754,472	\$ 144,696,419

**City of Goldsboro
Balance Sheet
Governmental Funds
June 30, 2023**

**Exhibit 3
(2 pages)**

	Major Funds		Other Governmental Funds	Total Governmental Funds
	General Fund	ARPA Special Revenue Fund		
ASSETS				
Cash and investments	\$ 20,130,387	\$ 7,056	\$ 3,970,787	\$ 24,108,230
Receivables (net):				
Property taxes receivable	447,181	-	4,343	451,524
Accounts receivable	1,173,669	-	-	1,173,669
Interest receivable	660	-	60,000	60,660
Lease receivable	86,633	-	-	86,633
Due from other governments	4,972,637	-	13,933	4,986,570
Due from other funds	376,000	-	-	376,000
Inventories and prepaids	760,312	-	1,996	762,308
Restricted assets:				
Cash and investments	2,740,148	-	-	2,740,148
Notes receivable	5,948	-	300,000	305,948
Total Assets	\$ 30,693,575	\$ 7,056	\$ 4,351,059	\$ 35,051,690
LIABILITIES				
Accounts payable and accrued liabilities	\$ 1,692,071	\$ -	\$ 126,137	\$ 1,818,208
Accrued compensation payable	387,676	-	2,570	390,246
Due to other funds	-	-	376,000	376,000
Customer deposits	19,683	-	-	19,683
Total Liabilities	2,099,430	-	504,707	2,604,137
DEFERRED INFLOWS OF RESOURCES	1,254,907	-	365,143	1,620,050
FUND BALANCES				
Nonspendable:				
Inventories and prepaids	760,312	-	1,996	762,308
Restricted:				
Stabilization by state statute	7,871,145	-	23,115	7,894,260
General government	-	7,056	262,744	269,800
Public safety	45,768	-	1,504,252	1,550,020
Transportation	-	-	924,979	924,979
Cemetery maintenance	294,478	-	-	294,478
Economic and physical development	-	-	559,736	559,736
Cultural and recreational	-	-	(45,613)	(45,613)
Committed:				
Environmental protection	803,592	-	-	803,592
Cultural and recreational	4,102	-	-	4,102
Economic and physical development	2,054	-	-	2,054
Assigned:				
Subsequent year's expenditures	1,500,000	-	250,000	1,750,000
Unassigned	16,057,787	-	-	16,057,787
Total Fund Balances	27,339,238	7,056	3,481,209	30,827,503
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 30,693,575	\$ 7,056	\$ 4,351,059	\$ 35,051,690

**City of Goldsboro
Balance Sheet
Governmental Funds
June 30, 2023**

**Exhibit 3
(2 pages)**

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

Total Fund Balances	\$ 30,827,503
Reconciliation of amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:	
Capital assets used in governmental activities are not financial resources; therefore, the assets are not reported in the funds:	
Historical cost or estimated fair value/acquisition value:	
Assets not subject to depreciation/amortization	\$ 18,518,148
Assets subject to depreciation/amortization	<u>141,807,295</u>
Total cost	160,325,443
Less:	
Accumulated depreciation	<u>(77,445,439)</u>
Capital Assets, Net of Accumulated Depreciation	82,880,004
Deferred outflows of resources are not financial resources; therefore, the amounts are not reported in the funds:	
Local Government Employees' Retirement System ("LGERS")	8,794,716
Law Enforcement Officers' Special Separation Allowance ("LEO")	968,666
Other post employment benefits ("OPEB")	1,333,232
Deferred loss on sale of refunding bonds	89,645
Certain assets are not available to pay for current period expenditures; therefore, the balances are deferred in the funds:	
Property taxes receivable	451,524
Other receivables that are not available	1,070,864
Accrued interest receivable on unpaid property taxes	75,371
Long-term liabilities are not due and payable in the current period; therefore, the liabilities are not recognized and accrued in the funds:	
Bonds payable	(8,748,301)
Premium on bonds payable	(631,739)
Lease liabilities	(77,797)
Subscription liabilities	(97,172)
Notes payable	(16,861,977)
Compensated absences payable	(2,019,292)
Net pension liability - LGERS	(13,396,004)
Total pension liability - LEO	(3,794,234)
Total OPEB liability	(6,037,572)
Deferred inflows of resources do not require financial resources; therefore, the amounts are not reported in the funds:	
LGERS	(757,902)
LEO	(1,061,787)
OPEB	(3,592,567)
Other accrual adjustments that do not require current financial resources; therefore, the liabilities are not recognized and accrued in the funds:	
Estimated claims payable (incurred but not reported)	(190,963)
Interest payable	<u>(282,271)</u>
Net Position of Governmental Activities	<u>\$ 68,941,947</u>

City of Goldsboro
Statement of Revenues and Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2023

Exhibit 4
(2 pages)

	Major Funds		Other Governmental Funds	Total Governmental Funds
	General Fund	ARPA Special Revenue Fund		
Revenues				
Ad valorem taxes	\$ 17,874,114	\$ -	\$ 103,272	\$ 17,977,386
Other taxes and licenses	330,222	-	1,228,243	1,558,465
Unrestricted intergovernmental	15,253,518	-	-	15,253,518
Restricted intergovernmental	1,585,390	4,506,701	392,368	6,484,459
Permits and fees	625,290	-	-	625,290
Sales and services	5,639,198	-	8,353	5,647,551
Investment earnings	732,627	-	13,645	746,272
Donations and sponsorships	7,420	-	10,000	17,420
Miscellaneous	310,879	-	6,528	317,407
Total Revenues	42,358,658	4,506,701	1,762,409	48,627,768
Expenditures				
Current:				
General government	2,889,913	452,116	-	3,342,029
Public safety	17,557,279	1,429,703	26,176	19,013,158
Transportation	2,413,585	90,703	-	2,504,288
Economic and physical development	1,648,790	104,180	1,039,168	2,792,138
Environmental protection	4,135,766	201,924	-	4,337,690
Cultural and recreational	4,538,974	248,936	27,087	4,814,997
Utility related services	-	1,979,139	-	1,979,139
Debt service:				
Principal retirement	3,663,866	-	359,360	4,023,226
Interest and other charges	797,193	-	39,097	836,290
Total Expenditures	37,645,366	4,506,701	1,490,888	43,642,955
Revenues Over (Under) Expenditures	4,713,292	-	271,521	4,984,813
Other Financing Sources (Uses)				
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	-	-
Insurance recovery	124,869	-	-	124,869
Sale of capital assets	62,944	-	-	62,944
Issuance of debt	881,400	-	1,151,600	2,033,000
Issuance of subscription liabilities	151,342	-	-	151,342
Other Financing Sources (Uses), Net	1,220,555	-	1,151,600	2,372,155
Net Change in Fund Balances	5,933,847	-	1,423,121	7,356,968
Fund Balances				
Beginning balances	21,407,906	7,056	2,058,088	23,473,050
Change in reserve for inventories	(2,515)	-	-	(2,515)
Ending Balances	\$ 27,339,238	\$ 7,056	\$ 3,481,209	\$ 30,827,503

City of Goldsboro
Statement of Revenues and Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2023

Exhibit 4
(2 pages)

Reconciliation of the Governmental Funds' Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities

Net change in fund balances - total governmental funds		\$	7,356,968
Amounts reported for governmental activities in the Statement of Activities (Exhibit 2) are different because:			
Governmental funds report capital outlays as expenditures; however, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.			
Capital outlay	\$	2,260,352	
Depreciation expense		<u>(4,337,807)</u>	(2,077,455)
Inventories are a use of current financial resources and therefore reported as an expenditure in the governmental funds.			(2,515)
Deferred outflows of resources represents a consumption of net position that applies to a future period and so is not recognized as an expense in the current year.			
LGERS		2,965,332	
LEO		(338,904)	
OPEB		(191,884)	
Deferred loss on debt refunding		<u>(18,733)</u>	2,415,811
Revenues not recognized in the fund statements because they are not considered available and do not provide current financial resources.			
Insurance recovery on loss of capital assets		(124,869)	
Proceeds received from the sale of capital assets		(62,944)	
Gain on disposal of capital assets		95,691	
Net change in property taxes receivable		(22,952)	
Net change in accrued interest on unpaid property taxes		(16,503)	
Net change in other deferred balances		<u>(174,603)</u>	(306,180)
Some expenses reported in the Statement of Activities do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.			
Net change in compensated absences		(153,551)	
Net change in interest payable		13,160	
Net change in estimated claims payable		131,065	
Pension expense - LGERS, net of contributions		(4,157,731)	
Pension benefit (expense) - LEO, net of contributions		168,053	
OPEB benefit (expense)		<u>122,046</u>	(3,876,958)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.			
Long-term debt issued		(2,033,000)	
Subscription liabilities issued		(151,342)	
Principal retirement		4,023,226	
Amortization of bond premiums		<u>70,526</u>	1,909,410
Total Changes in Net Position of Governmental Activities			<u><u>\$</u></u>
			<u>5,419,081</u>

City of Goldsboro
Statement of Revenues and Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2023

Exhibit 5

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES				
Ad valorem taxes	\$ 17,652,168	\$ 17,652,167	\$ 17,874,114	\$ 221,947
Other taxes and licenses	340,000	340,000	330,222	(9,778)
Unrestricted intergovernmental	14,305,381	14,305,381	15,253,518	948,137
Restricted intergovernmental	4,800,299	2,002,965	1,538,186	(464,779)
Permits and fees	447,775	521,275	625,290	104,015
Sales and services	6,156,161	5,933,699	5,639,198	(294,501)
Investment earnings	11,000	131,450	732,601	601,151
Miscellaneous	130,300	416,626	303,091	(113,535)
Total Revenues	43,843,084	41,303,563	42,296,220	992,657
EXPENDITURES				
Current:				
General government	6,191,602	3,702,512	2,889,913	812,599
Transportation	1,415,016	2,946,185	2,413,585	532,600
Economic and physical development	1,947,454	2,314,907	1,647,413	667,494
Public safety	21,136,069	19,503,866	17,520,856	1,983,010
Environmental protection	4,650,640	5,066,782	4,135,766	931,016
Cultural and recreational	5,147,703	5,280,264	4,528,126	752,138
Debt service:				
Principal retirement	4,021,400	3,574,407	3,663,866	(89,459)
Interest and other charges	350,200	797,193	797,193	-
Total Expenditures	44,860,084	43,186,116	37,596,718	5,589,398
Revenues Under Expenditures	(1,017,000)	(1,882,553)	4,699,502	6,582,055
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	(1,000)	(278,075)	-	278,075
Transfer from other funds	1,000	-	-	-
Insurance recovery	-	-	124,869	124,869
Sale of capital assets	29,901	39,901	62,944	23,043
Issuance of debt	2,062,464	925,864	881,400	(44,464)
Issuance of subscription liabilities	-	-	151,342	151,342
Other Financing Sources (Uses), Net	2,092,365	687,690	1,220,555	532,865
Appropriation to (from) fund balance	(1,075,365)	1,194,863	-	(1,194,863)
Net Change in Fund Balance	\$ -	\$ -	5,920,057	\$ 5,920,057
FUND BALANCE				
Beginning balance			20,564,136	
Change in reserve for inventories			(2,515)	
Ending Balance			26,481,678	
Legally Budgeted Funds That Are Consolidated Into the General Fund for Reporting Purposes				
Hurricane Florence FEMA 4393 DR-NC Grant Project:				
Beginning fund balance			803,592	
Other public safety projects:				
Beginning fund balance			28,607	
Revenues			55,628	
Expenditures			(36,423)	
Other cultural and recreational projects:				
Beginning fund balance			8,140	
Revenues			6,810	
Expenditures			(10,848)	
Other economic and physical development projects:				
Beginning fund balance			3,431	
Expenditures			(1,377)	
General Fund Ending Balance (Exhibit 4)			\$ 27,339,238	

The notes to the financial statements are an integral part of this statement.

City of Goldsboro
Statement of Net Position
Proprietary Funds
June 30, 2023

Exhibit 6

	<u>Utility Fund</u>	<u>Storm Water Fund</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash and investments	\$ 21,857,425	\$ 1,620,476	\$ 23,477,901
Accounts receivable, net	3,274,168	178,368	3,452,536
Due from other governments	6,001	11,935	17,936
Lease receivable	36,646	-	36,646
Accrued interest receivable	16,744	-	16,744
Inventories and prepaids	1,189,172	55,419	1,244,591
Restricted assets:			
Cash and investments	1,578,697	-	1,578,697
Total Current Assets	<u>27,958,853</u>	<u>1,866,198</u>	<u>29,825,051</u>
Noncurrent Assets			
Lease receivable, noncurrent	1,125,728	-	1,125,728
Capital assets:			
Land and construction-in-progress	1,952,867	102,079	2,054,946
Other capital assets, net	67,600,931	1,973,589	69,574,520
Total Noncurrent Assets	<u>70,679,526</u>	<u>2,075,668</u>	<u>72,755,194</u>
Total Assets	<u>98,638,379</u>	<u>3,941,866</u>	<u>102,580,245</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>1,726,345</u>	<u>193,238</u>	<u>1,919,583</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	448,745	13,458	462,203
Accrued interest payable	82,170	2,478	84,648
Customer deposits	1,319,197	-	1,319,197
Unearned revenue	43,643	-	43,643
Current portion of:			
Compensated absences payable	53,400	5,600	59,000
Notes payable	1,724,571	121,729	1,846,300
Bonds payable	848,862	-	848,862
Total Current Liabilities	<u>4,520,588</u>	<u>143,265</u>	<u>4,663,853</u>
Noncurrent Liabilities			
Net pension liability	1,906,716	234,901	2,141,617
Total OPEB liability	1,076,336	184,995	1,261,331
Compensated absences payable	223,836	19,387	243,223
Notes payable	13,922,053	458,559	14,380,612
Bonds payable	4,063,699	-	4,063,699
Total Noncurrent Liabilities	<u>21,192,640</u>	<u>897,842</u>	<u>22,090,482</u>
Total Liabilities	<u>25,713,228</u>	<u>1,041,107</u>	<u>26,754,335</u>
DEFERRED INFLOWS OF RESOURCES	<u>1,867,652</u>	<u>123,369</u>	<u>1,991,021</u>
NET POSITION			
Net investment in capital assets	49,501,633	1,495,380	50,997,013
Restricted - accounts receivable held in abeyance	1,025,231	-	1,025,231
Unrestricted	22,256,980	1,475,248	23,732,228
Total Net Position	<u>\$ 72,783,844</u>	<u>\$ 2,970,628</u>	<u>\$ 75,754,472</u>

The notes to the financial statements are an integral part of this statement.

City of Goldsboro
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2023

Exhibit 7

	<u>Utility Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
Operating Revenues			
Charges for service	\$ 20,763,537	\$ 1,622,426	\$ 22,385,963
Assessments	28,289	-	28,289
Water and sewer taps	54,350	-	54,350
Other operating revenues	27,290	-	27,290
Total Operating Revenues	<u>20,873,466</u>	<u>1,622,426</u>	<u>22,495,892</u>
Operating Expenses			
Salaries and employee benefits	2,173,320	614,393	2,787,713
Operating expenses	7,366,947	386,647	7,753,594
Depreciation	4,974,400	121,298	5,095,698
Total Operating Expenses	<u>14,514,667</u>	<u>1,122,338</u>	<u>15,637,005</u>
Operating Income	<u>6,358,799</u>	<u>500,088</u>	<u>6,858,887</u>
Nonoperating Revenues (Expenses)			
Other revenues	1,106,659	24,594	1,131,253
Interest revenue	29,562	-	29,562
Investment earnings	343,007	29,299	372,306
Gain on disposal of capital assets	-	30,100	30,100
Interest expense	(360,886)	(6,026)	(366,912)
Nonoperating Revenues (Expenses), Net	<u>1,118,342</u>	<u>77,967</u>	<u>1,196,309</u>
Net Income Before Contributions and Transfers	7,477,141	578,055	8,055,196
Capital contributions	428,036	-	428,036
Change in Net Position	<u>7,905,177</u>	<u>578,055</u>	<u>8,483,232</u>
Net Position			
Beginning balance	64,878,667	2,392,573	67,271,240
Ending Balance	<u>\$ 72,783,844</u>	<u>\$ 2,970,628</u>	<u>\$ 75,754,472</u>

**City of Goldsboro
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023**

**Exhibit 8
(2 pages)**

	<u>Utility Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
Cash Flows From Operating Activities			
Cash received from customers	\$ 20,859,177	\$ 1,618,286	\$ 22,477,463
Cash paid for goods and services	(7,353,384)	(457,643)	(7,811,027)
Cash paid to employees for services	(2,221,851)	(615,182)	(2,837,033)
Other nonoperating revenue	1,106,659	-	1,106,659
Net Cash Provided by Operating Activities	<u>12,390,601</u>	<u>545,461</u>	<u>12,936,062</u>
Cash Flows From Noncapital Financing Activities			
Cash received from governmental agencies	-	24,594	24,594
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>24,594</u>	<u>24,594</u>
Cash Flows From Capital and Related Financing Activities			
Proceeds from the issuance of long-term debt	639,892	365,000	1,004,892
Principal paid on long-term debt	(2,575,137)	(173,943)	(2,749,080)
Interest and fees paid on long-term debt	(384,528)	(4,673)	(389,201)
Proceeds from disposal of capital assets	-	30,100	30,100
Acquisition and construction of capital assets	(2,745,596)	(1,388,635)	(4,134,231)
Capital contributions - federal and state grants	428,036	-	428,036
Net Cash Used by Capital and Related Financing Activities	<u>(4,637,333)</u>	<u>(1,172,151)</u>	<u>(5,809,484)</u>
Cash Flows From Investing Activities			
Interest on investments	373,033	29,299	402,332
Net Cash Provided by Investing Activities	<u>373,033</u>	<u>29,299</u>	<u>402,332</u>
Net Increase in Cash and Cash Equivalents	8,126,301	(572,797)	7,553,504
Cash and Cash Equivalents			
Beginning balances	15,309,821	2,193,273	17,503,094
Ending Balances	<u>\$ 23,436,122</u>	<u>\$ 1,620,476</u>	<u>\$ 25,056,598</u>
Cash and Cash Equivalents			
Unrestricted	\$ 21,857,425	\$ 1,620,476	\$ 23,477,901
Restricted	1,578,697	-	1,578,697
Total Cash and Cash Equivalents	<u>\$ 23,436,122</u>	<u>\$ 1,620,476</u>	<u>\$ 25,056,598</u>

**City of Goldsboro
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023**

**Exhibit 8
(2 pages)**

	<u>Utility Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income	\$ 6,358,799	\$ 500,088	\$ 6,858,887
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	4,974,400	121,298	5,095,698
Other nonoperating revenue	1,106,659	-	1,106,659
Changes in assets and liabilities:			
Increase in accounts receivable	(67,948)	(4,140)	(72,088)
(Increase) decrease in due from other governments	10,967	(11,413)	(446)
Decrease in lease receivable	33,966	-	33,966
Increase in prepaid expenses	(13,753)	(55,419)	(69,172)
Increase in inventories	(88,660)	-	(88,660)
(Increase) decrease in:			
Deferred outflows of resources for pensions	(316,942)	(8,695)	(325,637)
Deferred outflows of resources for OPEB	46,621	1,958	48,579
Increase in accounts payable and accrued liabilities	(23,502)	(43,660)	(67,162)
Increase in customer deposits	49,466	-	49,466
Increase in unearned revenues	33,153	-	33,153
Increase in compensated absences	11,062	6,556	17,618
Increase in net pension liability	1,241,058	134,782	1,375,840
Increase (decrease) in total OPEB liability	(107,672)	2,840	(104,832)
Increase (decrease) in:			
Deferred inflows of lease revenue	(62,926)	-	(62,926)
Deferred inflows of resources for pensions	(852,897)	(119,319)	(972,216)
Deferred inflows of resources for OPEB	58,750	20,585	79,335
Net Cash Provided by Operating Activities	<u>\$ 12,390,601</u>	<u>\$ 545,461</u>	<u>\$ 12,936,062</u>

Note 1. Summary of Significant Accounting Policies

The accounting policies of the City of Goldsboro 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 Goldsboro (the "City") is a municipal corporation that is governed by an elected mayor and a six-member council. The City is required to include, as part of the reporting entity, any entities that meet the definition of a component unit. A component unit is a legally separate entity for which the City is financial accountable. The City has no component units.

B. Basis of Presentation

Government-wide statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the City). 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. Non-operating revenues, such as subsidies, result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

The City reports the following major governmental funds:

General Fund. This is the City's primary operating fund. The general fund accounts for all financial resources of the general government, except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, intergovernmental revenues, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance and construction, recreation and sanitation services. The City has created funds and adopted ordinances for *Hurricane Florence FEMA 4393 DR-NC Grant Project*, *Edward Byrne Memorial Justice Assistance Grant Project*, *Police Other Restricted Revenue*, *Parks and Recreation Revenue*, and *Community Relations Revenue*. These funds are combined with the General Fund for financial statement purposes.

American Rescue Plan Act of 2021 Special Revenue Fund. This fund is used to account for amounts received from the Coronavirus State and Local Fiscal Recovery Funds related to the American Rescue Plan Act of 2021. The use of income from the fund is restricted to supporting economic recovery from the COVID-19 pandemic.

The City reports the following major proprietary enterprise funds:

Utility Fund. This fund is established to account for the City's water and sewer services provided to residents of the City. This fund also covers acquisition and/or construction of major water and sewer capital facilities and infrastructure which are accounted for in various capital projects funds and are combined with the Utility Fund for financial statement purposes. The current active projects include the *Phase IV Sewer Collection Rehabilitation Project*, the *2010A Sanitary Sewer Improvements Project*, the *Sewer Rehabilitation Capital Project*, the *Water Line Replacement & Booster Pump Station Capital Project*, the *Plate Settlers Capital Project*, the *Golden LEAF Stormwater & Sewer Infrastructure Capital Project*, the *Little Cherry Big Cherry Pump Station Relocation Capital Project*, the *Galvanized Water Lines Capital Project*, the *NC DEQ Viable Utility Reserve Asset Inventory and Assessment Capital Project*, and the *NC DEQ Viable Utility Reserve Asset Inventory and Assessment Feasibility Study Capital Project*.

Storm Water Fund. This fund is established to account for the City's storm water services provided to residents of the City. Technically this is a nonmajor fund but, the City has elected to report this fund as a major fund for financial statement purposes. This fund also covers construction and rehabilitation of stormwater infrastructure which is accounted for in the *Storm Water Capital Project Fund*, which is combined with the Storm Water Fund for financial statement purposes.

The City reports the following other governmental fund types:

Nonmajor special revenue funds. These funds account for and report proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. The City has the following nonmajor special revenue funds: *Community Development Fund*, *Downtown District Fund*, *Occupancy Tax Fund*, the *Federal & State Drug Forfeiture Fund*, the *Fire Other Restricted Special Revenue Fund*, and the *CARES Act Miscellaneous Grants Fund*.

Nonmajor capital project funds. These funds account for financial resources that are restricted, committed or assigned to be used for the acquisition and/or construction of capital facilities and other capital assets (other than those finance by proprietary funds) that the City will own. The City has the following nonmajor capital project funds: *Parks and Recreation FY 2019-2024 Capital Projects Fund*, *Street Improvements Capital Projects Fund*, the *Police/Fire Expansion Capital Project Fund*, the *FY 2016 TIGER Discretionary Grant Capital Project Fund*, the *Herman Park Recreation Center Capital Projects Fund*, the *1919 LaFrance Fire Truck Restoration Capital Project Fund*, the *Aerial Fire Truck Capital Project Fund*, and the *State Grants Miscellaneous Capital Project Fund*.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes ("NCGS" or "G.S."), 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. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, 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, entitlements, 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 fund 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 non-operating 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 the governmental funds. Proceeds of general long-term debt and acquisitions under 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 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, North Carolina (the "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 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 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 because the tax is levied by Wayne 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. Grant revenues which are unearned at year-end are recorded as unearned 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 revenues.

D. Budgetary Data

The City's budgets are adopted as required by North Carolina General Statutes. An annual budget ordinance is adopted for the General Fund, special revenue funds, (excluding the Community Development Fund) and all enterprise funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Community Development Fund, capital project funds, and the funds combined with the General Fund. The enterprise fund projects are consolidated with their respective operating fund for financial statement 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. The City's budget officer can transfer appropriations within a department or between departments within a fund in an amount not to exceed 10% of the departmental appropriation without the approval of the governing body; however, any revisions that alter total expenditures of any fund in excess of the 10% threshold must be approved by the governing board. During the year several immaterial 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 are made in board-designated official depositories and are secured as required by G.S. 159-31. The City may designate, as an official depository, any bank or savings association whose principal office is in North Carolina. Also, the City may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

G.S. 159-30(c) authorizes the City 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 investments are reported at fair value. Non-participating, interest-earning investment contracts are accounted for at cost. The NCCMT Government Portfolio, a SEC-registered (2a-7) external investment pool, is measured at fair value. Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than six months.

In accordance with NCGS, the City may invest in securities which are callable, and which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

(2) Cash and Cash Equivalents

The City pools moneys from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments with an original maturity date of three months or less are considered cash and cash equivalents.

(3) Restricted Assets

Restricted assets include the unexpended portion of debt proceeds for which the debt was originally issued. Customer deposits held by the City before any services are supplied are restricted to the service for which the deposit was collected. Certain other cash balances are restricted by purpose and source. The City's restricted assets are summarized as follows:

Governmental Activities			
Rolling stock	Unexpended debt proceeds	\$	2,720,465
Customer deposits			<u>19,683</u>
Total Governmental Activities		\$	<u>2,740,148</u>
Business-Type Activities			
Utility Fund:			
NCCMT - sewer	Unexpended bond proceeds	\$	259,500
Customer deposits			<u>1,319,197</u>
Total Business-Type Activities		\$	<u>1,578,697</u>

(4) Ad Valorem Taxes Receivable

In accordance with G.S. 105-347 and G.S. 159-13(a), the City levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2022.

(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) Inventories and Prepaid Items

The inventories of the City are valued at cost (first-in, first-out), which approximates market. The City's General Fund inventory consists of expendable supplies that are recorded as expenditures when purchased with adjustments made to inventory on hand at year end through a reserve for inventories.

The inventories of the City's enterprise funds consist of materials and supplies held for subsequent use. The cost of these inventories is recorded as an expense as the inventories are consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used.

(7) Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. General infrastructure assets acquired prior to July 1, 2003 consist of the road network and water and sewer system assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported as estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	50 years
Infrastructure	30 years
Improvements	10 to 20 years
Furniture and equipment	10 years
Vehicles	3 to 5 years
Computer software and equipment	3 to 5 years

(8) Right-to-Use Assets

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 (only applies when the City is the lessee) 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 lives of the related leases.

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 are amortized on a straight-line basis over the subscription terms.

(9) *Deferred Outflows/Inflows of Resources*

In addition to assets, the Statement of Net 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 three items that meets this criterion, OPEB and pension deferrals for the 2023 fiscal year and an unamortized loss on a bond defeasance for Water and Sewer Refunding bonds. In addition to liabilities, the Statement of Net 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, cemetery receivable, special assessments, miscellaneous receivables and prepaid assessments, pension and OPEB deferrals, and deferred lease revenue.

(10) *Long-Term Obligations*

In the government-wide financial statements and in the 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 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 discounts. Bond issuance costs, 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 the 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 policies of the City provide for the accumulation of up to 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. Compensated absences are liquidated in the General Fund and each respective enterprise fund. The City has assumed a first-in, first-out ("FIFO") method of accounting for accumulated compensated time assuming employees are taking leave time as it is earned. The portion of the total balance estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The sick leave policies of the City provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since none of the entities have any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the City.

(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; restricted; and unrestricted. Restricted net position represents constraints on resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) 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 they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Inventories and prepaids - portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories and prepaids, which are not expendable available resources.

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 - 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 "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as non-spendable. 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.

Public safety - portion of fund balance that is restricted by grants and donations for certain law enforcement supplies.

Cemetery maintenance - portion of fund balance that is restricted for maintenance of the City's cemetery.

Other restrictions - portion of fund balances that are restricted by the restrictive nature of special revenue and capital project funds. These restrictions are classified by the functional nature of each fund (i.e. general government, public safety, transportation, etc.).

Committed fund balance - portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by the most binding formal action (for example, legislation, resolution, ordinance) of the majority vote by quorum of City of Goldsboro's governing body (highest level of decision-making authority). The governing body can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Committed for environmental protection - portion of fund balance designated by the Board for repairs resulting from Hurricane Florence.

Other commitments - portion of fund balances that are designated by the Board for specific uses in line with nature of the related revenue sources. These commitments are classified by the functional nature of each fund (i.e. cultural and recreational, economic and physical development, etc.).

Assigned fund balance - portion of fund balance the City intends to use for specific purposes as designated by the governing body.

Assigned for subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation and all amendments made to the original ordinance.

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

The City has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city funds, city funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the City.

The City has also adopted a minimum fund balance policy for the general fund which instructs management to conduct the business of the City in such a manner that unassigned fund balance will target at the close of each fiscal year equal to 15% of the general fund operating budget; at no time shall the unassigned fund balance fall below 10% of the general fund operating budget.

(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 Government Employees' Retirement System (LGERS) and additions to/deductions from the LGERS' fiduciary net positions 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's employer contributions are recognized when due and the City has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the LGERS. Investments are reported at fair value.

(14) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. Change in Accounting Principle

Effective July 1, 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (Subscriptions)*. GASB Statement No. 96 enhances the relevance and consistency of information of the government's subscription-based IT agreements (SBITAs). The Statement establishes a single model for subscription-based information technology arrangement accounting, by establishing uniform accounting and financial reporting requirements for SBITAs, improving comparability of financial statements among governments that have entered into SBITAs, and enhancing the understandability, reliability, relevance and consistency of information about SBITAs. This adjustment had no effect on beginning net position at July 1, 2022.

Note 2. Stewardship, Compliance and Accountability

A. Significant Violations of Finance-Related Legal and Contractual Provisions

(1) Contractual Violations

Pursuant to the City's continuing disclosure undertakings with respect to its outstanding general obligation bonds, the City is obligated to make annual disclosure of certain financial and statistical data for each fiscal year, by filing such information with the Electronic Municipal Market Access ("EMMA") Service within seven months after the end of each fiscal year (January 31st). The City failed to file the requisite financial and statistical data for the fiscal year ended June 30, 2019 by January 31, 2020, which is a material event disclosed on EMMA. Such financial and statistical data was submitted on February 12, 2021. The delay was caused by a turnover of management in the City's finance department. The new Finance Director has established written procedures to ensure annual reporting requirements are completed in a timely manner.

(2) Timeliness of Audit

The audit report was issued approximately 7 months after the required due date of December 1, 2023. The City intends to complete the FY 2024 audit by the statutory due date.

(3) Excess of Expenditures over Appropriation

For the fiscal year ended June 30, 2023, the expenditures made in the City's General Fund exceeded the authorized appropriations made by the governing board for debt service expenditures by \$89,459. This over-expenditure occurred due to lease and subscription payments being classified as debt service expenditures following implementation of GASB 87 and GASB 96, while the related payments were budgeted in individual department operating expenditures.

Note 3. Detail Notes on All Funds

A. Assets

(1) Deposits and Investments

All the deposits of the City 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 agent in the City's name. 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, these deposits are considered to be held by the City's agent in the City's name. The amount of the pledged collateral is based on an approved averaging method for noninterest-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 or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the City 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 but, relies on the State Treasurer to enforce standards of minimum capitalization for all pooling methods 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 City's bank deposits had a carrying amount of \$37,958,038 and a bank balance of \$39,024,413 on June 30, 2023. The portion of the bank balance covered by federal depository insurance was \$1,000,000 and the remainder of the bank balance was covered by collateral held under the Pooling Method. The City's cash on hand was \$4,425 at June 30, 2023.

City of Goldsboro
Notes to Financial Statements

(2) Investments

The City's investment balances as of June 30, 2023 consist of the following:

<u>Investments by Type</u>	<u>Valuation Measurement Method</u>	<u>Value</u>	<u>Less than 6 Months</u>	<u>6-12 Months</u>	<u>Rating</u>
NCCMT - Government Portfolio	Level 1	\$ 13,942,513	\$ 13,942,513	\$ -	AAAm
Total investments		\$ 13,942,513	\$ 13,942,513	\$ -	

The NCCMT Term Portfolio has a weighted average maturity of less than 90 days; therefore, it is presented as an investment with a maturity of less than 6 months.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1 debt securities are valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

Interest rate risk. The City has no formal investment policy regarding interest rate risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's internal investment policy limits at least half of the City's investment portfolio to maturities of less than 12 months.

Credit risk. The City has no formal policy regarding credit risk but, it has internal management procedures that limits the City's investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. The City's investment in the NCCMT Government Portfolio carried a credit rating of AAAm by Standard & Poor's as of June 30, 2023.

(3) Receivables - Allowances for Doubtful Accounts

The City's receivable balances as of June 30, 2023 were presented net of an estimate for doubtful accounts as follows:

<u>Governmental Activities</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Taxes receivable	\$ 646,633	\$ 5,816	\$ 652,449
Accounts receivable	3,015,040	-	3,015,040
Interest receivable	76,031	60,000	136,031
Lease receivable	86,663	-	86,663
Allowance for doubtful accounts	(2,116,224)	(1,473)	(2,117,697)
Net Governmental Activities	\$ 1,708,143	\$ 64,343	\$ 1,772,486
<u>Business-Type Activities</u>	<u>Utility Fund</u>	<u>Storm Water Fund</u>	<u>Total</u>
Accounts receivable	\$ 5,078,870	\$ 289,368	\$ 5,368,238
Allowance for uncollectible	(1,804,702)	(111,000)	(1,915,702)
Accrued interest receivable	16,744	-	16,744
Net Business-Type Activities	\$ 3,290,912	\$ 178,368	\$ 3,469,280

City of Goldsboro
Notes to Financial Statements

Due from other governments that is owed to the City consists of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
North Carolina Department of Revenue		
Local option sales tax	\$ 3,041,699	\$ -
Refund of sales and use taxes	412,883	17,936
Franchise and other taxes	655,035	-
North Carolina Department of Transportation		
Grants	141,517	-
Federal Government		
Grants	13,102	-
Wayne County		
Property taxes	420,543	-
ABC Board distributions	94,380	-
Other	<u>207,411</u>	<u>-</u>
Total Due From Other Governments	<u>\$ 4,986,570</u>	<u>\$ 17,936</u>

(4) Lease Receivables

The City has entered into two lease agreements whereby the City leases space on its water towers to unrelated parties for cellular antennas. The initial non-cancelable terms of the leases are 5 years, and four additional 5-year extension(s) are offered on each of the leases, which run through 2040 and 2042, respectively. Management believes that it is reasonably certain that the lessees will exercise all extension options. The leases call for annual payments ranging from \$30,605 per month to \$31,523 per month during the year ended June 30, 2022, and increase by 3% per year thereafter, including during the extension periods. There are no variable components in the leases. The lease receivables are measured at the present value of the future minimum rent payments expected to be received during the lease term, at discount rates ranging from 1.485% to 3.75%, which are based on the lessees' incremental borrowing rates or, when unavailable, the City's own estimated incremental borrowing rate.

The City has entered into three agreements to lease farm land to unrelated parties. The leases call for annual payments ranging from \$774 to \$13,083 and have noncancellable lease terms that expire from December 2025 through December 2027, and offer no options to extend. There are no variable components in the leases. The lease receivables are measured as the present value of the future minimum rent payments expected to be received during the lease terms, at discount rates ranging from 0.218% to 2.656%, which is based on the City's estimated incremental borrowing rate.

The City has entered into an agreement to lease a kitchen and bar area, as well as related equipment at the Goldsboro Events Center to an unrelated party. The leases call for monthly payment of \$600 and has a noncancellable lease term that expires February 28, 2026, and offers one option to extend the lease for an additional three-year term through February 28, 2029. There are no variable components in the lease. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease terms, at a discount rate of 2.702%, which is based on the City's estimated incremental borrowing rate.

City of Goldsboro
Notes to Financial Statements

Future minimum lessee payments due to the City under non-cancelable lease agreements, as of June 30, 2023, are as follows:

Business-Type Activities

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 36,646	\$ 29,266	\$ 65,912
2025	39,452	28,436	67,888
2026	42,393	27,532	69,925
2027	45,473	26,550	72,023
2028	48,698	25,486	74,184
Thereafter	<u>949,712</u>	<u>201,657</u>	<u>1,151,369</u>
	<u>\$ 1,162,374</u>	<u>\$ 338,927</u>	<u>\$ 1,501,301</u>

The City reported lease revenue of \$66,032 and interest revenue of \$29,562 during the year ended June 30, 2023. Deferred inflows of resources related to the leases receivable amounted to \$1,119,318 as of June 30, 2023.

Governmental Activities

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 30,145	\$ 2,142	\$ 32,287
2025	30,893	1,408	32,301
2026	7,906	610	8,516
2027	8,108	423	8,531
2028	7,542	231	7,773
Thereafter	<u>2,039</u>	<u>410</u>	<u>2,449</u>
	<u>\$ 86,633</u>	<u>\$ 5,224</u>	<u>\$ 91,857</u>

The City reported lease revenue of \$20,258 and interest revenue of \$361 during the year ended June 30, 2023. Deferred inflows of resources related to the leases receivable amounted to \$97,662 as of June 30, 2023.

City of Goldsboro
Notes to Financial Statements

(5) Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being amortized or depreciated:				
Land	\$ 7,456,120	\$ 926	\$ (45,355)	\$ 7,411,691
Construction-in-progress	<u>18,916,543</u>	<u>418,660</u>	<u>(8,228,746)</u>	<u>11,106,457</u>
Total	<u>26,372,663</u>	<u>419,586</u>	<u>(8,274,101)</u>	<u>18,518,148</u>
Capital assets being amortized or depreciated				
Buildings	32,321,957	655,304	-	32,977,261
Equipment	6,098,561	1,262,161	-	7,360,722
Streets and improvements	77,488,142	6,794,922	-	84,283,064
Vehicles and motor equipment	16,432,086	1,205,783	(753,692)	16,884,177
Right-to-use lease assets	150,729	-	-	150,729
Right-to-use subscription assets	<u>-</u>	<u>151,342</u>	<u>-</u>	<u>151,342</u>
Total	<u>132,491,475</u>	<u>10,069,512</u>	<u>(753,692)</u>	<u>141,807,295</u>
Less accumulated depreciation and amortization				
Buildings	12,698,496	1,154,580	-	13,853,076
Equipment	4,097,343	524,343	-	4,621,686
Streets and improvements	45,014,086	1,758,317	-	46,772,403
Vehicles and motor equipment	11,971,036	839,757	(706,925)	12,103,868
Right-to-use lease assets	33,596	39,420	-	73,016
Right-to-use subscription assets	<u>-</u>	<u>21,390</u>	<u>-</u>	<u>21,390</u>
Total	<u>73,814,557</u>	<u>4,337,807</u>	<u>(706,925)</u>	<u>77,445,439</u>
Depreciable Assets, Net	<u>58,676,918</u>			<u>64,361,856</u>
Capital Assets, Net	<u>\$ 85,049,581</u>			<u>\$ 82,880,004</u>

A breakdown of depreciation and amortization expense by function at June 30, 2023 is as follows:

Depreciation and Amortization Expense	
General government	\$ 627,174
Public safety	619,862
Transportation	1,704,260
Economic and physical development	17,897
Environmental protection	353,232
Cultural and recreational	<u>1,015,382</u>
Total Depreciation and Amortization Expense	<u>\$ 4,337,807</u>

City of Goldsboro
Notes to Financial Statements

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities				
Utility Fund				
Capital assets not being depreciated:				
Land	\$ 1,443,282	\$ -	\$ -	\$ 1,443,282
Construction-in-progress	<u>10,025,280</u>	<u>346,408</u>	<u>(9,862,103)</u>	<u>509,585</u>
Total	<u>11,468,562</u>	<u>346,408</u>	<u>(9,862,103)</u>	<u>1,952,867</u>
Capital assets being depreciated				
Plant and distribution systems	163,711,349	10,794,926	-	174,506,275
Furniture and maintenance equipment	9,731,602	50,310	-	9,781,912
Vehicles	<u>3,765,474</u>	<u>699,791</u>	<u>-</u>	<u>4,465,265</u>
Total	<u>177,208,425</u>	<u>11,545,027</u>	<u>-</u>	<u>188,753,452</u>
Less accumulated depreciation for				
Plant and distribution systems	109,297,167	3,818,077	-	113,115,244
Furniture and maintenance-equipment	4,110,979	901,289	-	5,012,268
Vehicles	<u>2,769,975</u>	<u>255,034</u>	<u>-</u>	<u>3,025,009</u>
Total	<u>116,178,121</u>	<u>4,974,400</u>	<u>-</u>	<u>121,152,521</u>
Depreciable assets, net	<u>61,030,304</u>			<u>67,600,931</u>
Utility Fund capital assets, net	<u>72,498,866</u>			<u>69,553,798</u>
Storm Water Fund				
Capital assets not being depreciated				
Construction-in-progress	\$ 102,079	1,071,527	(18,735)	\$ 1,154,871
Total	<u>102,079</u>	<u>1,071,527</u>	<u>(18,735)</u>	<u>1,154,871</u>
Capital assets being depreciated				
Plant and distribution systems	-	18,735	-	18,735
Vehicles	1,011,470	296,279	-	1,307,749
Furniture and maintenance - equipment	<u>85,543</u>	<u>-</u>	<u>-</u>	<u>85,543</u>
Total	<u>1,097,013</u>	<u>315,014</u>	<u>-</u>	<u>1,412,027</u>
Less accumulated depreciation for				
Plant and distribution systems	-	39	-	39
Vehicles	346,133	111,779	-	457,912
Furniture and maintenance - equipment	<u>23,799</u>	<u>9,480</u>	<u>-</u>	<u>33,279</u>
Total	<u>369,932</u>	<u>121,298</u>	<u>-</u>	<u>491,230</u>
Depreciable assets, net	<u>727,081</u>			<u>920,797</u>
Storm Water Fund capital assets, net	<u>829,160</u>			<u>2,075,668</u>
Business-Type Capital Assets, Net	<u>\$ 73,328,026</u>			<u>\$ 71,629,466</u>

City of Goldsboro
Notes to Financial Statements

(6) Lease Assets

The City has recorded four types of lease assets. The assets are for the right to use copier equipment, a modular classroom, a firing range, and a workman sprayer. The related leases are discussed in the Lease Liabilities note. The lease assets are amortized on a straight-line basis over the terms of the leases. Lease asset activity for the year ended June 30, 2023 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balances</u>
Governmental Activities					
Lease assets:					
Copier equipment	\$ 66,723	\$ -	\$ -	\$ -	\$ 66,723
Modular classroom	8,391	-	-	-	8,391
Firing range	36,267	-	-	-	36,267
Workman sprayer	<u>39,348</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,348</u>
	<u>150,729</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,729</u>
Less accumulated amortization for:					
Copier equipment	18,310	24,006	-	-	42,316
Modular classroom	4,195	4,196	-	-	8,391
Firing range	3,454	3,454	-	-	6,908
Workman sprayer	<u>7,637</u>	<u>7,765</u>	<u>-</u>	<u>-</u>	<u>15,402</u>
	<u>33,596</u>	<u>39,421</u>	<u>-</u>	<u>-</u>	<u>73,017</u>
Governmental Activity Lease assets, net	<u>\$ 117,133</u>				<u>\$ 77,712</u>

(7) Construction Commitments

The City has active construction projects as of June 30, 2023. The projects include various water and sewer system projects and the ongoing projects in the General Fund. At June 30, 2023, the City's commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Governmental Activities		
Police/Fire Expansion Project	\$ 6,226,730	\$ 47,304
Smeal Aerial Fire Truck	-	1,117,653
FY2016 TIGER VIII Grant Streetscape	<u>6,527,315</u>	<u>11,072</u>
Total Governmental Activities	<u>12,754,045</u>	<u>1,176,029</u>
Business-Type Activities		
Stormwater Drainage Projects	<u>1,173,047</u>	<u>413,592</u>
Total Business-Type Activities	<u>1,173,047</u>	<u>413,592</u>
Total	<u>\$ 13,927,092</u>	<u>\$ 1,589,621</u>

B. Liabilities

(1) Pension Plan Obligations

(a) Local Governmental Employees' Retirement System

Plan Description. The City 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 ("LEO") 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 ("ACFR") for the State of North Carolina. The State's ACFR includes financial statements and required supplementary information for LGERS. The ACFR 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-employment 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 G.S. 128-30 and may be amended only by the North Carolina General Assembly. City 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's contractually required contribution rate for the year ended June 30, 2023 was 13.04% of compensation for law enforcement officers and 12.15% 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 were \$2,845,572 for the year ended June 30, 2023.

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

City of Goldsboro
Notes to Financial Statements

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

The City reported a liability of \$15,537,621 for its proportionate share of the net pension liability on June 30, 2023. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022, utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. The City's proportion as of June 30, 2021 (measurement date) was 0.2754%, which was a decrease of 0.0361% from its proportion measured as of June 30, 2021.

The City recognized pension expense of \$4,099,144 for the year ended June 30, 2023. Deferred outflows of resources and deferred inflows of resources related to pensions were derived from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 669,502	\$ 65,641
Changes of assumptions	1,550,306	-
Net difference between projected and actual earnings on pension plan investments	5,135,346	-
Changes in proportion and differences between employee contributions and proportionate share of contributions	-	813,427
Employer contributions subsequent to the measurement date	<u>2,845,572</u>	<u>-</u>
Total	<u>\$ 10,200,726</u>	<u>\$ 879,068</u>

\$2,845,572 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,

2024	\$ 1,971,759
2025	1,688,457
2026	369,295
2027	<u>2,446,575</u>
	<u>\$ 6,476,086</u>

Actuarial assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 to 8.25 percent, including 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.

City of Goldsboro
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The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 (measurement date) are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	33.0%	0.9%
Global equity	38.0%	6.5%
Real estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation protection	<u>6.0%</u>	2.7%
Total	<u>100.0%</u>	

The information above is based on 30-year expectations developed with the consulting actuary for the 2021 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability 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 1 percentage-point lower (5.50 percent) or 1 percentage-point higher (7.50 percent) than the current rate:

City of Goldsboro
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	<u>1% Decrease (5.50%)</u>	<u>Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
City's proportionate share of the net pension liability	\$ 28,043,405	\$ 15,537,621	\$ 5,232,129

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*

(i) *Plan Description*

The City 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 0.85 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.

All full-time City law enforcement officers are covered by the Separation Allowance. The Separation Allowance's membership at December 31, 2021 consisted of:

Retirees receiving benefits	14
Active plan members	<u>79</u>
Total	<u>93</u>

A separate report was not issued for the plan.

(ii) *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.

(iii) *Actuarial Assumptions*

The entry age actuarial cost method was used in the December 31, 2021 valuation. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Projected salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.31 percent, including inflation

The discount rate is based on the yield of the S&P Municipal Bond 20-Year High Grade Rate Index as of December 31, 2021. Mortality rates are based on Pub-2010 amount-weighted tables with adjustments for mortality improvements based on Scale MP-2019.

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(iv) *Contributions*

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the Separation Allowance 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 \$205,735 as benefits came due for the reporting period.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

The City reported a total pension liability of \$3,794,234 at June 30, 2023. The total pension liability was measured as of December 31, 2022, based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions.

The City recognized pension expense of \$376,586 for the year ended June 30, 2023. Deferred outflows of resources and deferred inflows of resources related to the Separation Allowance were derived from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 265,789	\$ 387,309
Changes of assumptions	602,018	674,478
Benefit payments and plan administrative expense subsequent to the measurement date	<u>100,859</u>	<u>-</u>
Total	<u>\$ 968,666</u>	<u>\$ 1,061,787</u>

\$100,859 paid as benefits came due subsequent to the measurement date has been reported as deferred outflows of resources and will be recognized as a decrease of the total pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,

2024	\$ 61,509
2025	70,270
2026	1,263
2027	(195,067)
2028	<u>(131,955)</u>
Total	<u>\$ (193,980)</u>

Sensitivity of the City's total pension liability to changes in the discount rate. The following presents the City's total pension liability calculated using the discount rate of 4.31 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31 percent) or 1-percentage-point higher (5.31 percent) than the current rate:

City of Goldsboro
Notes to Financial Statements

	<u>1% Decrease (3.31%)</u>	<u>Discount Rate (4.31%)</u>	<u>1% Increase (5.31%)</u>
Total pension liability	\$ 4,113,695	\$ 3,794,234	\$ 3,503,842
Changes in the Separation Allowance Total Liability			
Beginning balance			\$ 4,865,974
Service cost			194,062
Interest on the total pension liability			107,121
Differences between expected and actual experience			(470,781)
Changes of assumptions or other inputs			(692,089)
Benefit payments			<u>(210,053)</u>
Ending balance			<u>\$ 3,794,234</u>

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2019.

Total expense, liabilities and deferred outflows and inflows of resources related to pensions

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

	<u>LGERS</u>	<u>LEOSSA</u>	<u>Total</u>
Pension expense	\$ 4,099,144	\$ 376,586	\$ 4,475,730
Pension liability	15,537,621	3,794,234	19,331,855
Proportionate share of the net pension liability	0.2754%	N/A	N/A
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 669,502	\$ 265,789	\$ 935,291
Changes of assumptions	1,550,306	602,018	2,152,324
Net difference between projected and actual earnings on pension plan investments	5,135,346	-	5,135,346
Benefit payments and administrative costs paid subsequent to the measurement date	<u>2,845,572</u>	<u>100,859</u>	<u>2,946,431</u>
	<u>\$ 10,200,726</u>	<u>\$ 968,666</u>	<u>\$ 11,169,392</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 65,641	\$ 387,309	\$ 452,950
Changes of assumptions	-	674,478	674,478
Changes in proportion and differences between contributions and proportionate share of contributions	<u>813,427</u>	<u>-</u>	<u>813,427</u>
	<u>\$ 879,068</u>	<u>\$ 1,061,787</u>	<u>\$ 1,940,855</u>

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(c) *Supplemental Retirement Income Plan*

Plan description. The City contributes to the Supplemental Retirement Income Plan (the “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 fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. The ACFR 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. The City also contributes four percent of salary for all other full-time employees not engaged in law enforcement. The law enforcement officers and other employees may make voluntary contributions to the plan.

The City made contributions of \$881,974 for the reporting year, which included \$246,932 for law enforcement officers and \$635,042 for general employees. Employee contributions to the plan were \$465,845. No amounts were forfeited.

(2) **Other post-employment benefits (“OPEB”)**

(a) *Healthcare benefits*

Plan description. Under the terms of a City resolution, The City administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). City Council has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

The Plan provides post-employment healthcare benefits to retirees of the City, provided they participate in the North Carolina Local Governmental Employees’ Retirement System (System), were 55 years of age and have at least 20 years of experience with the City or participated in the System and have 30 years of experience with the City at any age. The retiree pays the full cost of the blended rate group health insurance premium. Also, retirees can purchase coverage for their dependents at the City’s group rates if enrolled in dependent coverage at the time of retirement. Retirees coverages ends when the retiree becomes Medicare eligible. Dependent coverage continues after the retiree’s death. City Council may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at June 30, 2021, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	9
Active plan members	<u>425</u>
Total	<u><u>434</u></u>

Total OPEB Liability

The City’s total OPEB liability of \$7,298,903 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021.

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

Inflation	2.50 %
Real wage growth	0.75 %
Wage inflation	3.25 %
Salary increases, including wage inflation	
General employees	3.25% to 8.41%
Firefighters	3.25% to 8.15%
Law enforcement officers	3.25% to 7.90%
Municipal Bond Index Rate:	
Prior Measurement Date	2.21%
Measurement Date	2.16%
Healthcare cost trend rates	
Pre-Medicare	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031

The City selected a Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond Index published at the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the total OPEB liability.

Changes in the Total OPEB Liability

Beginning balance	\$ 7,905,531
Service cost	455,352
Interest on the total OPEB liability	179,937
Differences between expected and actual experience in the measurement of the total OPEB liability	(25,524)
Changes of assumptions or other inputs	(1,155,146)
Benefit payments	<u>(61,247)</u>
Ending balance	<u>\$ 7,298,903</u>

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

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

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

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.54 percent) or 1 percentage-point higher (4.54 percent) than the current discount rate:

	<u>Discount Rate Sensitivity</u>		
	<u>1% Decrease (2.54%)</u>	<u>Current Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
Total OPEB liability	<u>\$ 8,117,192</u>	<u>\$ 7,298,903</u>	<u>\$ 6,571,900</u>

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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 healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	Healthcare Cost Trend Rate Sensitivity		
	1% Decrease (6.00%)	Current Cost Trend (7.00%)	1% Increase (8.00%)
Total OPEB liability	\$ 6,350,775	\$ 7,298,903	\$ 8,430,001

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended June 30, 2023, the City recognized OPEB expense of \$152,642. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,032,285
Changes of assumptions or other inputs	1,539,560	1,310,818
Benefit payments and plan administrative expense subsequent to the measurement date	<u>59,725</u>	<u>-</u>
Total	<u>\$ 1,599,285</u>	<u>\$ 4,343,103</u>

\$59,725 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2024.

Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,

2024	\$ (482,647)
2025	(482,647)
2026	(482,647)
2027	(432,009)
2028	(395,109)
Thereafter	<u>(528,484)</u>
	<u>\$ (2,803,543)</u>

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(b) Death Benefits

The City has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System ("Death Benefit Plan"), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the City, the City does not determine the number of eligible participants. The City has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The City made contributions to the State for death benefits of \$15,751 for the year ended June 30, 2023. The City's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.05% and 0.14% of covered payroll, respectively. The City considers these contributions to be immaterial.

(c) Additional Death Benefit

The City has elected to provide an additional death benefit to employees through a group life insurance policy. All employees are added to the policy on their first day of employment. There is no waiting period. The amount of benefit is \$20,000 per employee. Total premiums paid for the year were \$14,313.

(3) Deferred Outflows and Inflows of Resources

The City has deferred outflows of resources and deferred inflows of resources at June 30, 2023, which consist of the following:

	<u>Modified Accrual</u>	<u>Full Accrual</u>
Deferred Outflows of Resources		
Governmental activities		
Pension - LGERS	\$ -	\$ 8,794,716
Pension - LEO Special Separation Allowance	-	968,666
OPEB - Healthcare benefits	-	1,333,232
Deferred loss on sale of refunding bonds	-	<u>89,645</u>
Total	<u>\$ -</u>	<u>\$ 11,186,259</u>
Business-type activities:		
Pension - LGERS	\$ -	\$ 1,406,010
OPEB - Healthcare benefits	-	266,053
Deferred loss on sale of refunding bonds	-	<u>247,520</u>
Total	<u>\$ -</u>	<u>\$ 1,919,583</u>

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	<u>Modified Accrual</u>	<u>Full Accrual</u>
Deferred Inflows of Resources		
Governmental Activities:		
Property taxes receivable, net	\$ 451,524	\$ -
Notes receivable and related interest	360,000	-
Unavailable grant revenue	800	-
Special assessments receivable	100,725	-
Receivables held in abeyance	57,891	-
Miscellaneous receivables	551,448	-
Deferred lease revenue	97,662	97,662
Pension - LGERS	-	757,902
Pension - LEO Special Separation Allowance	-	1,061,787
Healthcare benefits - OPEB	-	3,592,567
	<u>-</u>	<u>3,592,567</u>
 Total	 <u>\$ 1,620,050</u>	 <u>\$ 5,509,918</u>
 Business-type activities		
Pension - LGERS	\$ -	\$ 121,166
Healthcare benefits - OPEB	-	750,537
Deferred lease revenue	<u>1,119,318</u>	<u>1,119,318</u>
 Total	 <u>\$ 1,119,318</u>	 <u>\$ 1,991,021</u>

(4) Long-Term Obligations

(a) Lease Liabilities

The City has entered into lease agreements to lease certain property and equipment. The lease agreements qualify as other than short-term lease under GASB 87.

The City has entered into seven lease agreements related to various pieces of office equipment. The leases have terms that range from 51 to 128 months, and expire from January 2024 through July 2031. The leases require monthly payments ranging from \$49 to \$1,121, and generally automatically renew for periods of 12 months unless the City terminates the agreement, or purchases the equipment at its fair market value. At the time of the initial measurement, there was no interest rate specified in the original lease agreements. The City has used its estimated incremental borrowing rate to discount the leases, ranging from 0.315% to 2.217%. As of June 30, 2023, the remaining net book value of the related right-to-use lease asset was \$24,407, net of accumulated amortization of \$42,316.

The City entered into an agreement effective July 7, 2021, to lease a sprayer, which requires monthly payments of \$701. The lease expires in July 2026, at which time the City may purchase the sprayer for its fair market value on such date. There are no variable payments components of the lease. At the time of the initial measurement, there was no interest rate specified in the original lease agreement. The City has used its estimated incremental borrowing rate to discount the lease, 0.577%. As of June 30, 2023, the remaining net book value of the related right-to-use lease asset was \$23,946, net of accumulated amortization of \$15,402.

The City entered into an agreement effective January 1, 2021, to lease land for a firing range for the police department, which requires annual payments of \$3,500. The lease expires in December 2026, and offers the City a five-year renewal option under the same terms. There are no variable payments components of the lease. At the time of the initial measurement, there was no interest rate specified in the original lease agreement. The City has used its estimated incremental borrowing rate to discount the lease, 1.217%. As of June 30, 2023, the remaining net book value of the related right-to-use lease asset was \$29,359, net of accumulated amortization of \$6,908.

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The City entered into an agreement effective July 1, 2021, to lease a modular trailer for the fire department, which requires annual payments of \$4,200. The lease expired in June 2023. There are no variable payments components of the lease. At the time of the initial measurement, there was no interest rate specified in the original lease agreement. The City has used its estimated incremental borrowing rate to discount the lease, 0.218%. As of June 30, 2023, the remaining net book value of the related right-to-use lease asset was \$0, net of accumulated amortization of \$8,391.

Future minimum lease obligations and the net present value of these minimum lease payments, as of June 30, 2023, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Governmental activities			
2023	\$ 27,712	\$ 606	\$ 28,318
2024	14,457	475	14,932
2025	13,314	360	13,674
2026	4,774	270	5,044
2027	3,954	212	4,166
Thereafter	<u>13,586</u>	<u>416</u>	<u>14,002</u>
	<u>\$ 77,797</u>	<u>\$ 2,339</u>	<u>\$ 80,136</u>

(b) General Obligation Bonds

All general obligation bonds serviced by the City's governmental funds are collateralized by the full faith, credit, and taxing power of the City. The City issues general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in the Utility Fund, are collateralized by the full faith, credit, and taxing power of the City. Principal and interest payments are appropriated when due.

The City's general obligation bonds payable at June 30, 2023 are comprised of the following individual issues:

Serviced by the General Fund

\$1,705,000 2014 Public Improvements Serial Bonds due in varying annual principal installments and varying semi-annual interest installments through May 1, 2034, interest at 3.34 percent payable with each installment.	\$ 340,000
\$829,590 2013 Refunding Serial Bonds (Street Portion) due in varying annual principal installments and varying semi-annual interest installments through June 2025, interest at 1.75 percent payable with each installment.	138,301
\$5,500,000 2017 Public Improvement Bonds due in annual principal installments of \$275,000 through May 1, 2037 plus varying annual interest through May 1, 2037, interest at 3.00 to 5.00 percent payable with each installment.	3,850,000
\$1,691,900 2017 Refunding Bonds (Street Portion) due in varying annual principal installments through May 1, 2030 plus varying annual interest through May 1, 2030, interest at 3.00 to 4.00 percent payable with each installment.	820,000

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\$4,500,000 2018 Street Improvement Bonds due in annual principal installments of \$225,000 through August 1, 2038 plus varying annual interest through August 1, 2038, interest at 3.00 to 5.00 percent payable with each installment.	<u>3,600,000</u>
Total bonds payable - governmental activities	<u>\$ 8,748,301</u>

Serviced by the Utility Fund

\$2,469,410 2013 Refunding Serial Bonds (Sewer Portion) due in varying annual principal installments and varying semi-annual interest installments through June 1, 2025, interest at 1.75 percent payable with each installment	\$ 412,699
\$5,733,100 2017 Refunding Bonds (Sewer Portion) due in varying annual principal installments and varying annual interest installments through May 1, 2030, interest at 3.00 to 4.00 percent payable with each installment	<u>4,140,000</u>
Total bonds payable - business-type activities	<u>\$ 4,552,699</u>

Annual debt service requirements to maturity for the City's outstanding bonds are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 909,547	\$ 319,732	\$ 797,453	\$ 161,122
2025	898,754	281,897	770,246	134,229
2026	665,000	246,631	605,000	107,700
2027	665,000	215,031	605,000	83,500
2028	660,000	183,431	605,000	59,300
2029-2033	2,500,000	603,906	1,170,000	52,500
2034-2038	2,225,000	215,594	-	-
2039-2043	<u>225,000</u>	<u>3,656</u>	-	-
	8,748,301	<u>\$ 2,069,878</u>	4,552,699	<u>\$ 598,351</u>
Unamortized premium on general obligation bonds	<u>631,739</u>		<u>359,862</u>	
Total carrying amount of debt	<u>\$ 9,380,040</u>		<u>\$ 4,912,561</u>	

(c) *Notes Payable*

Serviced by the General Fund

On September 10, 2008, the City entered into a financing agreement for \$4,500,000 with RBC Centura for the purchase of the Paramount Theater. On July 10, 2014, the City refinanced this agreement with Capital One Public Funding, LLC. The installment agreement is collateralized by all real and personal property acquired at the Paramount Theater. The terms of the new agreement require 10 semi-annual installments of varying amounts plus interest at 2.04% per annum beginning November 1, 2014. The balance outstanding at June 30, 2023 was \$125,000.

On July 10, 2014, the City entered into a financing agreement for \$4,558,000 with Capital One Public Funding LLC for the construction of a Transfer Facility, Police Complex Improvements and Center Street Streetscape Improvements. The installment agreement is collateralized by all real and personal property acquired at the Paramount Theater and City Hall. The terms of the new agreement require 20 semi-annual installments of varying amounts plus interest at 3.34 % per annum beginning November 1, 2014. The balance outstanding at June 30, 2023 was \$2,505,000.

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On June 26, 2015, the City entered into a financing agreement for \$7,280,000 with Sterling National Bank for the construction of the W.A. Foster Recreation Center and renovations of the Goldsboro Event Center. The installment agreement is collateralized by all real and personal property acquired with the construction of W. A. Foster Recreation Center and Goldsboro Event Center Facility. The terms of the new agreement require 15 semi-annual installments of varying amounts plus interest at 2.91 % per annum beginning November 1, 2015. The balance outstanding at June 30, 2023 was \$3,395,000.

On March 16, 2017, the City entered into an intergovernmental agreement with the County of Wayne for a funding agreement for \$3,000,000 to assist with the Multi-Sports Complex project. The installment agreement is collateralized by equipment acquired with the loan. The terms of the agreement require 15 annual payments of \$200,000 plus interest at 1.50% per annum. The balance outstanding at June 30, 2023 was \$1,800,000.

On September 13, 2018, the City entered into a financing agreement for \$5,300,000 with AMFU II, Inc. for the "Police/Fire Expansion Capital Project". The installment agreement is secured by a deed of trust that places a lien on the property. The terms of the agreement require 15 annual payments of various amounts plus interest at 3.41% per annum. The balance outstanding at June 30, 2023 was \$3,885,000.

On September 28, 2018, the City entered into a lease purchase agreement for \$450,000 with SunTrust Equipment Finance & Leasing Corp. for the purchase of technology equipment. The lease agreement is collateralized by all the equipment. The terms of the agreement require five annual payments of \$98,593 including interest at 3.21% per annum. The balance outstanding at June 30, 2023 was \$95,527.

On December 18, 2018, the City entered into a financing agreement for \$1,190,000 with Banc of America Public Capital Corporation for the purchase of vehicles and equipment. The installment agreement is collateralized by all the vehicles and equipment acquired with the loan. The terms of the agreement require 5 annual payments of various amounts plus interest at 2.98% per annum. The loan was split between the General Fund and the Utility Fund. The General Fund's balance outstanding at June 30, 2023 was \$139,614.

On June 1, 2019, the City entered into a financing agreement for \$596,000 with Zions Bank for the purchase of three garbage trucks. The installment agreement is collateralized by all the vehicles acquired with the loan. The terms of the agreement require 10 annual payments of various amounts plus interest at 2.68% per annum. The balance outstanding at June 30, 2023 was \$376,000.

On July 9, 2021, the City entered into a financing agreement for up to \$1,650,532 with Truist Bank for the purchase of various vehicles and equipment. The installment agreement is collateralized by all vehicles and equipment acquired with the loan. The terms of the agreement require 5 annual payments of various amounts plus interest at 1.180% per annum. The balance outstanding at June 30, 2023 was \$1,112,836.

On December 14, 2021, the City entered into a financing agreement for \$1,886,000 with Sterling National Bank for the purchase of vehicles, trailers, and heavy equipment. The installment agreement is collateralized by all the vehicles acquired with the loan. The terms of the agreement require 5 annual payments of various amounts plus interest at 0.940% per annum. The balance outstanding at June 30, 2023 was \$1,395,000.

On September 22, 2022, the City entered into a financing agreement for up to \$2,398,000 with Truist Bank for the purchase of various vehicles and equipment. The installment agreement is collateralized by all vehicles and equipment acquired with the loan. The terms of the agreement require 5 annual payments of approximately \$523,000, including interest at 3.09% per annum, of which approximately 85% is to be serviced by the general fund. The general fund's portion of the balance outstanding at June 30, 2023 was \$2,033,000.

Serviced by the Utility Fund

On February 2, 2010, the City entered into a long-term loan agreement with the North Carolina Department of Environment, Health and Natural Resources' North Carolina Water Pollution Control Revolving Fund for water reclamation improvements. The loan agreement was executed for \$6,460,894 for water improvements. The terms of the agreement require 20 installments of \$336,015 plus interest at 2.5% per annum. The balance outstanding at June 30, 2023 was \$3,023,704.

On February 14, 2012, the City entered into a long-term loan agreement with the North Carolina Department of Environment, Health and Natural Resources' North Carolina Water Pollution Control Revolving Fund for phase 2 of the water reclamation improvements. The loan agreement was executed for \$2,949,322 for water improvements. The terms of the agreement require 20 installments due not earlier than six months after completion of the project. The balance outstanding at June 30, 2023 was \$1,470,932.

On March 23, 2017, the City entered into a financing agreement for \$5,621,000 with Banc of America Public Capital Corporation for the purchase of AMI vehicles. The installment agreement is collateralized by all the equipment acquired with the loan. The terms of the agreement require 15 annual payments of various amounts plus interest at 2.3615% per annum. The balance outstanding at June 30, 2023 was \$3,424,000.

On May 10, 2016, the City entered into a long-term loan agreement with the North Carolina Department of Environment, Health and Natural Resources Revolving Fund for the Stoney Creek Sewer Outfall Rehabilitation. The loan agreement was executed for \$3,361,708 for these improvements. The terms of the agreement require 20 installments of \$168,085.40 plus interest at 1.88% per annum. The balance outstanding at June 30, 2023 was \$2,353,196.

On December 18, 2018, the City entered into a financing agreement for \$1,190,000 with Banc of America Public Capital Corporation for the purchase of vehicles and equipment. The installment agreement is collateralized by all the vehicles and equipment acquired with the loan. The terms of the agreement require 5 annual payments of various amounts plus interest at 2.98% per annum. The loan was split between the General Fund and the Utility Fund. The Utility Fund's balance outstanding at June 30, 2023 was \$109,386.

On October 15, 2018, the City adopted a project ordinance for Phase IV Sewer Collection Rehabilitation Project (the "Project"). The project is being financed with a loan from the North Carolina Drinking Water State Revolving Fund. As of June 30, 2019, the City had been advanced \$1,485,421 for the Project. On November 26, 2019, the loan from the State was approved for \$8,905,676 of which \$500,000 in principal will be forgiven. The terms of the loan require 20 annual payments of \$420,284 at 0% interest. As of June 30, 2023, the City had drawn down \$4,253,173. The Project was substantially complete as of September 30, 2021. The balance outstanding at June 30, 2023 was \$3,412,606.

During fiscal year 2019, the City entered into a long-term loan agreement with the North Carolina Department of Environmental Quality for the gravity sewer rehabilitation project. The loan agreement was originally offered for \$1,235,100 but was subsequently amended to the maximum amount of \$682,191 on December 18, 2023. The terms of the agreement require an initial principal payment of \$61,755 on May 1, 2023, followed by 19 installments of \$32,654.53 plus interest at 1.82% per annum, through May 1, 2042. As of June 30, 2023, the City had drawn down \$639,892. The balance outstanding at June 30, 2023 was \$578,137.

On June 14, 2021, the City entered into a long-term loan agreement with the North Carolina Department of Environmental Quality for the water treatment enhancement plate settlers project. The loan agreement was executed for \$1,484,909 for this project. The terms of the agreement require 20 installments of \$74,245.45 plus interest at 1.82% per annum, commencing no earlier than 6 months after the schedule date of completion of the project. As of June 30, 2023, the City had drawn down the full agreement amount of \$1,484,909. The balance outstanding at June 30, 2023 was \$1,336,418.

City of Goldsboro
Notes to Financial Statements

Serviced by the Storm Water Fund

On July 9, 2021, the City entered into a financing agreement for up to \$1,650,532 with Truist Bank for the purchase of various vehicles and equipment. The installment agreement is collateralized by all vehicles and equipment acquired with the loan. The terms of the agreement require 5 annual payments of various amounts plus interest at 1.180% per annum. The balance outstanding at June 30, 2023 was \$215,289.

On September 22, 2022, the City entered into a financing agreement for up to \$2,398,000 with Truist Bank for the purchase of various vehicles and equipment. The installment agreement is collateralized by all vehicles and equipment acquired with the loan. The terms of the agreement require 5 annual payments of approximately \$523,000, including interest at 3.09% per annum, of which approximately 15% is to be serviced by the storm water fund. The storm water fund's portion of the balance outstanding at June 30, 2023 was \$365,000.

Annual debt service requirements to maturity for the above financing agreements are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 2,839,624	\$ 440,821	\$ 1,846,300	\$ 260,582
2025	2,492,108	382,976	1,684,383	233,943
2026	2,217,271	324,491	1,695,114	208,771
2027	2,236,323	268,316	1,707,003	183,339
2028	1,761,950	197,705	1,663,480	157,616
2029-2033	4,740,000	466,719	6,420,782	426,936
2034-2038	574,701	19,619	1,043,569	105,856
2039-2043	-	-	166,281	14,851
	<u>\$ 16,861,977</u>	<u>\$ 2,100,647</u>	<u>\$ 16,226,912</u>	<u>\$ 1,591,894</u>

(d) *Long-Term Debt Summary*

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Governmental Activities					
General obligation debt	\$ 9,659,856	\$ -	\$ 911,555	\$ 8,748,301	\$ 909,547
Premium on bonds	702,265	-	70,526	631,739	70,526
Notes payable	17,847,312	2,033,000	3,018,335	16,861,977	2,839,624
Lease liabilities	116,963	-	39,166	77,797	27,712
Subscription liabilities	-	151,342	54,170	97,172	56,580
Net pension liability (LGERS)	4,010,608	9,385,396	-	13,396,004	-
Total pension liability (LEO)	4,865,974	-	1,071,740	3,794,234	-
Total OPEB liability	6,539,868	-	502,296	6,037,572	-
Compensated absences	1,865,741	444,890	291,339	2,019,292	291,400
Total Governmental Activities	<u>\$ 45,608,587</u>	<u>\$ 12,014,628</u>	<u>\$ 5,959,127</u>	<u>\$ 51,664,088</u>	<u>\$ 4,195,389</u>

City of Goldsboro
Notes to Financial Statements

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Business-Type Activities					
Utility Fund					
General obligation debt	\$ 5,361,144	\$ -	\$ 808,445	\$ 4,552,699	\$ 797,453
Premium on bonds	411,271	-	51,409	359,862	51,409
Notes payable	16,773,424	639,892	1,766,692	15,646,624	1,724,571
Net pension liability (LGERS)	665,658	1,241,058	-	1,906,716	-
Total OPEB liability	1,184,008	-	107,672	1,076,336	-
Compensated absences	<u>266,174</u>	<u>64,423</u>	<u>53,361</u>	<u>277,236</u>	<u>53,400</u>
Total Utility Fund	<u>24,661,679</u>	<u>1,945,373</u>	<u>2,787,579</u>	<u>23,819,473</u>	<u>2,626,833</u>
Storm Water Fund					
Notes payable	389,231	365,000	173,943	580,288	121,729
Net pension liability (LGERS)	100,119	134,782	-	234,901	-
Total OPEB liability	182,155	2,840	-	184,995	-
Compensated Absences	<u>18,431</u>	<u>12,172</u>	<u>5,616</u>	<u>24,987</u>	<u>5,600</u>
Total Storm Water Fund	<u>689,936</u>	<u>514,794</u>	<u>179,559</u>	<u>1,025,171</u>	<u>127,329</u>
Total Business-Type Activities	<u>\$ 25,351,615</u>	<u>\$ 2,460,167</u>	<u>\$ 2,967,138</u>	<u>\$ 24,844,644</u>	<u>\$ 2,754,162</u>

(e) *Debt Margin*

The City is subject to the Local Government Bond Act of North Carolina which limits the amount of the amount of debt it can issue to 8 percent of the appraised value of property subject to taxation. The City's statutory debt limit at June 30, 2023 was approximately \$209,849,000, providing a legal debt margin of approximately \$183,432,000.

C. Interfund Balances and Activity

(1) *Transfers*

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. The City transferred the following amounts during the year:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
Utility Fund	Nonmajor capital projects funds	<u>\$ 530,840</u>
Total transfers from the Utility Fund		<u>\$ 830,840</u>
Storm Water Fund	Nonmajor capital projects funds	<u>\$ 466,366</u>
Total transfers from the Storm Water Fund		<u>\$ 466,366</u>

The transfers from the Utility Fund and Storm Water Fund to nonmajor capital projects totaling \$997,206 were to fund various capital projects.

City of Goldsboro
Notes to Financial Statements

(2) Internal Charges and Reimbursements

The “administrative chargeout” represents reimbursements to the General Fund for services provided to the Utility Fund and Storm Water Fund. The amount of “shared service fees” during the year ended June 30, 2023 consisted of the following:

<u>Paid From</u>	<u>Paid To</u>	<u>Amount</u>
Utility Fund	General Fund	\$ 3,201,081
Storm Water Fund	General Fund	<u>127,915</u>
Total administrative reimbursements		<u>\$ 3,328,996</u>

D. Net Position/Fund Balances

(1) Net Investment in Capital Assets

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets, net	\$ 82,880,004	\$ 71,629,466
Less:		
General obligation bonds	(8,748,301)	(4,552,699)
Notes payable	(16,861,977)	(16,226,912)
Unamortized premium on bonds	(631,739)	(359,862)
Lease liabilities	(77,797)	-
Subscription liabilities	(97,172)	-
Add:		
Deferred loss on bond refunding	89,645	247,520
Unexpended debt proceeds	<u>2,720,465</u>	<u>259,500</u>
Net investment in capital assets	<u>\$ 59,273,128</u>	<u>\$ 50,997,013</u>

(2) Receivables Held in Abeyance

The City has recognized revenue from special assessments on the full accrual basis of accounting. A portion of net position related to certain outstanding receivable balances has been restricted as receivables held in abeyance as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Assessments receivable	\$ 160,019	\$ 1,106,603
Less:		
Unrestricted portion	<u>(102,128)</u>	<u>(81,372)</u>
Receivables held in abeyance	<u>\$ 57,891</u>	<u>\$ 1,025,231</u>

City of Goldsboro
Notes to Financial Statements

(3) Fund Balance - General Fund

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	\$ 27,339,238
Less:	
Inventories and prepaids	(760,312)
Restrictions for public safety	(45,768)
Restrictions for Cemetery maintenance	(294,478)
Stabilization by state statute	<u>(7,871,145)</u>
Fund balance available for appropriation	<u>\$ 18,367,535</u>

The City has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the City in such a manner that unassigned fund balance will target at the close of each fiscal year equal to 15 percent of the general fund operating budget; at no time shall the unassigned fund balance fall below 10 percent of the General Fund's operating budget. Ten percent of the General Fund's operating budget for the current year was \$4,662,903.

(4) Encumbrances

Outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year end. The City's outstanding encumbrances at June 30, 2023 were \$2,063,324 and \$1,185,561 in the General Fund and other governmental funds, respectively.

Note 4. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The City obtains property insurance coverage and general liability coverage for these risks through commercial carriers. The City also obtains health insurance for City employees through the State health insurance plan administered by Blue Cross Blue Shield of NC. Based on past experience, management believes that the City's coverages are sufficient.

The City carries commercial insurance for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims from these risks have not exceeded the total commercial insurance coverage in any of the past three fiscal years.

The City is self-insured for Worker's Compensation. The City retains out-of-pocket costs up to \$1,000,000 per event for workers compensation claims. Excess insurance with statutory limits is maintained for any claims exceeding the \$600,000 and \$500,000 self-insured retention for police/fire and all other classes, respectively.

City of Goldsboro
Notes to Financial Statements

The City records a liability for estimated claims incurred but not reported (“IBNR”) as of the end of the year based on an analysis provided by a third-party administrator. The following table summarizes IBNR for the two-year period ending June 30, 2023:

	<u>2022</u>	<u>2023</u>
Beginning balance	\$ 553,008	\$ 322,028
Claims reported and IBNR	100,297	123,567
Less: claims paid	<u>(331,277)</u>	<u>(254,632)</u>
Ending balance	<u>\$ 322,028</u>	<u>\$ 190,963</u>

Although the City is not in an area of the State that has been mapped and designated an “A” area (an area close to a river, lake or stream) by the Federal Emergency Management Agency, the City has elected to carry flood insurance through the National Flood Insurance Plan on those buildings located within the 100-year flood area. The City has also purchased commercial flood insurance coverage of from \$6,800 to \$500,000 per structure based on specifically identified structures located in the “100 year” flood area.

In accordance with G.S. 159-29, the finance officer and tax collector are each individually bonded for \$1,000,000, respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000 per loss.

Note 5. Joint Ventures

The City, in conjunction with Wayne County, participates in the Goldsboro-Wayne Transportation Authority (the “Authority”). Each participating government appoints four members to the nine-member board with one joint appointee. The Authority is a joint venture established to facilitate the transportation within the County and improve the quality of life for its citizens. The Authority designates its own management. Wayne County and the City provide financial support for the Authority but are not responsible for the debts or entitled to the surpluses of the Authority. The City contributed \$303,000 to the Authority during fiscal year ended June 30, 2023. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2023. Complete financial statements for the Authority can be obtained from the Authority administrative offices at 1615 E. Beech Street, Goldsboro, NC 27530.

The City and the members of the City’s fire department each appoint two members to the five-member local board of trustees for the Firemen’s Relief Fund. The State Insurance Commissioner appoints one additional member to the local board of trustees. The Firemen’s Relief Fund is funded by a portion of the fire and lightning insurance premiums which insurers remit to the State. The State passes these moneys to the local board of the Firemen’s Relief Fund. The funds are used to assist firefighters in various ways. The City obtains an ongoing financial benefit from the Fund for payments for salaries and fringe benefits made to members of the City’s fire department by the board of trustees.

The participating governments do not have any equity interest in the joint venture, so no equity has been reflected in the financial statements at June 30, 2023. The Firemen’s Relief Fund does not issue separate audited financial statements. Instead, the local board of trustees files an annual financial report with the State Firemen’s Association. This report can be obtained from the Association at Post Office Box 188, Farmville, NC 27828.

Note 6. Related Organizations

The seven-member board of the Goldsboro Housing Authority (the "Housing Authority") is appointed by the Mayor of Goldsboro. The City is accountable for the Housing Authority because it appoints the governing board; however, the City is not financially accountable for the Housing Authority. The City is also disclosed as a related organization in the notes to the financial statements for the Housing Authority. Complete financial statements for the Housing Authority can be obtained from the Authority's offices at 700 N. Jefferson Avenue, Goldsboro, NC 27530.

The Paramount Theatre Foundation (the "Foundation") was originally established in 2006 to help raise funds and coordinate the reconstruction of the Paramount Theatre (the "Theatre") after it was destroyed by fire in 2005. The Foundation continues to support the Theatre and City through annual fundraising efforts, equipment purchases and upgrades, and sponsorship of community-spirited programming targeted to cultural enrichment, diversity, and youth engagement. The Foundation is a not-for-profit organization exempt from federal taxation under IRC 501(C). Complete financial statements can be obtained from the Foundation's office at P.O. Box 2063, Goldsboro, NC 27533.

Note 7. Summary Disclosure of Significant Commitments and Contingencies

A. Federal and State Assistance 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 moneys 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.

B. Claims and Litigation

The City was a defendant to various lawsuits during the year. In the opinion of the City's management and the City attorney, the ultimate effect of these legal matters will not have any significant effect on the City's financial position; therefore, no liability has been recorded at June 30, 2023.

Note 8. Coronavirus Local Fiscal Recovery Funds

In accordance with funding provided by the American Rescue Plan Act of 2021, effective May 17, 2021, the City agreed to its terms for receiving an allocation of funds from the U.S. Department of Treasury, through the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund. The City's total estimated grant award is \$8,813,514, which is to be provided in two equal disbursements of \$4,406,757. The first disbursement was received on July 15, 2021, while the second disbursement was received on August 8, 2022. The City will have until December 31, 2024 to use or encumber the funds, and if encumbered, has until December 31, 2026 to finish any associated work. During the year ended June 30, 2022, the City obligated the full allocation of the grant award on the provision of government services using the standard allowance for revenue loss. Of this amount \$4,306,813 was expended during the year ended June 30, 2022 for salaries and benefits incurred in the general government, transportation, economic and physical development, public safety, environmental protection, cultural and recreational, occupancy tax and utility functions, for the period from April 1, 2022 through June 30, 2022. The remaining grant funds were applied for similar purposes for the period from July 1, 2022 through March 31, 2023. As of June 30, 2023, the City has encumbered and expended all of its grant award.

Note 9. Subsequent Events

The City has evaluated subsequent events through June 30, 2024, the date on which the financial statements were available to be issued. Accordingly, it has identified the following events:



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Required Supplementary Information

Required Supplementary Information ("RSI") is not a required part of the basic financial statements but is information required by accounting principles generally accepted in the United States of America. This section includes the following RSI:

- Schedules of Changes in the Total OPEB Liability and Related Ratios

- Schedule of Proportionate Share of Net Pension Liability (Asset) and City Contributions

- Schedules of Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll

Management's Discussion and Analysis is also RSI. It is presented immediately before the basic financial statements.

**City of Goldsboro
Other Post-Employment Benefits
Required Supplementary Information
Schedules of Changes in the Total OPEB Liability and Related Ratios
Last Six Fiscal Years***

RSI-1

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	\$ 455,352	\$ 522,061	\$ 383,599	\$ 420,672	\$ 435,175	\$ 470,816
Interest on the total pension liability	179,937	198,384	253,520	325,810	289,035	242,438
Differences between actual expected and experience in the measurement of the total pension liability	(25,524)	(2,193,224)	(8,713)	(2,264,511)	(39,794)	(11,376)
Changes of assumptions or other inputs	(1,155,146)	969,721	1,065,878	122,299	(284,729)	(476,696)
Benefit payments	<u>(61,247)</u>	<u>(91,486)</u>	<u>(107,142)</u>	<u>(132,560)</u>	<u>(153,484)</u>	<u>(167,941)</u>
Net Change in Total OPEB Liability	(606,628)	(594,544)	1,587,142	(1,528,290)	246,203	57,241
Total OPEB Liability						
Beginning balance	<u>7,905,531</u>	<u>8,500,075</u>	<u>6,912,933</u>	<u>8,441,223</u>	<u>8,195,020</u>	<u>8,137,779</u>
Ending Balance	<u>\$ 7,298,903</u>	<u>\$ 7,905,531</u>	<u>\$ 8,500,075</u>	<u>\$ 6,912,933</u>	<u>\$ 8,441,223</u>	<u>\$ 8,195,020</u>
Covered Payroll	<u>\$ 19,878,203</u>	<u>\$ 19,878,203</u>	<u>\$ 19,898,944</u>	<u>\$ 19,898,944</u>	<u>\$ 18,731,050</u>	<u>\$ 18,371,050</u>
Total OPEB Liability as a Percentage of Covered Payroll	<u>36.72%</u>	<u>39.77%</u>	<u>42.72%</u>	<u>34.74%</u>	<u>45.07%</u>	<u>44.61%</u>

Notes to the Required Schedules:

- The amounts presented for each fiscal year were determined as of the prior fiscal year ended June 30.
- Benefit changes. There were no changes of benefit terms for the year ended June 30, 2021.
- The above schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
- 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>Rate</u>
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%
Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation:	
General employees	3.25% - 8.41%
Firefighters	3.25% - 8.15%
Law enforcement officers	3.25% - 7.90%
Discount rate:	
Prior measurement date	2.21%
Measurement date	2.16%
Healthcare cost trend rates:	
Pre-Medicare	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031

- 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.

* The above schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

City of Goldsboro
Schedules of Proportionate Share of Net Pension Liability (Asset) and City Contributions
Local Government Employees' Retirement System
Required Supplementary Information
Last Ten Fiscal Years

RSI-2

Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	0.2754%	0.3115%	0.3183%	0.3202%	0.32890%	0.31959%	0.31496%	0.34461%	0.34955%	0.35980%
City's proportion of the net pension liability (asset)	\$ 15,537,621	\$ 4,776,385	\$ 11,373,500	\$ 8,744,958	\$ 7,803,582	\$ 4,882,450	\$ 6,684,506	\$ 1,546,596	\$ (2,061,457)	\$ 4,336,972
City's covered payroll	\$ 20,904,699	\$ 21,366,411	\$ 21,357,643	\$ 20,934,374	\$ 20,558,645	\$ 19,971,596	\$ 19,751,218	\$ 18,765,633	\$ 18,765,633	\$ 18,765,633
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	74.33%	22.35%	53.25%	41.77%	37.96%	24.45%	33.84%	8.24%	-10.99%	23.11%
Plan fiduciary net position as a percentage of the total pension liability	84.14%	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

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

Schedule of City Contributions

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,845,572	\$ 2,413,496	\$ 2,210,712	\$ 1,960,496	\$ 1,645,124	\$ 1,577,402	\$ 1,482,481	\$ 1,282,111	\$ 1,361,251	\$ 1,336,240
Contributions in relation to the contractually required contribution	<u>2,845,572</u>	<u>2,413,496</u>	<u>2,210,712</u>	<u>1,960,496</u>	<u>1,645,124</u>	<u>1,577,402</u>	<u>1,482,481</u>	<u>1,282,111</u>	<u>1,361,251</u>	<u>1,336,240</u>
Contribution Deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 23,069,139	\$ 20,904,699	\$ 21,366,411	\$ 21,357,643	\$ 20,934,374	\$ 20,558,645	\$ 19,971,596	\$ 19,751,218	\$ 18,765,633	\$ 18,765,633
Contributions as a percentage of covered payroll	12.33%	11.55%	10.35%	9.18%	7.86%	7.67%	7.42%	6.49%	7.25%	7.12%

City of Goldsboro
Schedules of Changes in Total Pension Liability and
Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Last Seven Fiscal Years*

RSI-3

Schedule of Changes in Total Pension Liability

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Changes							
Service cost	\$ 194,062	\$ 244,165	\$ 169,091	\$ 145,016	\$ 152,324	\$ 119,831	\$ 130,775
Interest on the total pension liability	107,121	87,811	106,537	109,761	97,935	113,996	107,532
Differences between expected and actual experience in the measurement of the total pension liability	(470,781)	249,445	117,745	152,980	9,252	(53,754)	-
Changes of assumptions or other inputs	(692,089)	(135,399)	1,168,270	105,476	(125,356)	185,769	(71,786)
Benefit payments	(210,053)	(259,679)	(300,064)	(221,198)	(214,702)	(225,061)	(225,677)
Net Change in Total Pension Liability	(1,071,740)	186,343	1,261,579	292,035	(80,547)	140,781	(59,156)
Total Pension Liability							
Beginning balance	4,865,974	4,679,631	3,418,052	3,126,017	3,206,564	3,065,783	3,124,939
Ending Balance	\$ 3,794,234	\$ 4,865,974	\$ 4,679,631	\$ 3,418,052	\$ 3,126,017	\$ 3,206,564	\$ 3,065,783

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

Schedule of Total Pension Liability as a Percentage of Covered Payroll

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2018</u>
Total pension liability	\$ 3,794,234	\$ 4,865,974	\$ 4,679,631	\$ 3,418,052	\$ 3,126,017	\$ 3,206,564	\$ 3,065,783
Covered payroll	4,434,041	5,068,800	5,247,836	4,892,057	4,847,317	4,422,007	4,659,564
Total Pension Liability as a Percentage of Covered Payroll	85.57%	96.00%	89.17%	69.87%	64.49%	72.51%	65.80%

Notes to the Schedules:

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

* The above schedules are intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Supplemental Information

Supplemental information ("SI") consists of combining and individual fund statements and schedules. Budgetary comparison schedules are included for every fund to demonstrate legal compliance for every fund required to adopt an annual budget or project ordinance. SI also contains certain other financial data.

Supplemental information is divided into the following sections:

Major Funds

- General Fund
- Major enterprise funds

Non-Major Funds

- Combining statements for other governmental funds
- Non-major special revenue funds combining and individual fund statements and schedules
- Non-major capital project funds combining and individual fund statements and schedules

Additional Financial Data

- Property tax schedules

All supplemental information is prepared using the same underlying financial data used to prepare the basic financial statements.

Major Governmental Funds

The General Fund is the main operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The City has elected to create additional funds to account for certain activities. Each fund has a legally adopted budget for which a separate budgetary schedule is presented. These funds do not meet the definition of a special revenue or capital project fund; therefore, they are combined with the General Fund.

This section contains budgetary schedules for the following:

Combined General Fund

- General Fund
- Hurricane Florence FEMA 4393 DR-NC Grant Project
- Edward Byrne Memorial Justice Assistance Grant
- Police Other Restricted Revenue
- Parks and Recreation Revenue
- Community Relations Revenue

American Rescue Plan Act of 2021 Special Revenue Fund

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2023

Schedule A-1
(6 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes	\$ 17,567,167	\$ 17,765,743	\$ 198,576
Penalties and interest	85,000	108,371	23,371
Total	<u>17,652,167</u>	<u>17,874,114</u>	<u>221,947</u>
Other taxes and licenses:			
Privilege licenses	3,000	3,503	503
Vehicle taxes - rental/leases	88,000	84,309	(3,691)
Vehicle tag fee	249,000	242,410	(6,590)
Total	<u>340,000</u>	<u>330,222</u>	<u>(9,778)</u>
Unrestricted intergovernmental:			
Local option sales taxes	11,373,488	11,847,628	474,140
Payment in lieu of taxes	108,000	98,525	(9,475)
Utility taxes	2,077,573	2,733,560	655,987
Cable franchise fees	190,000	184,113	(5,887)
Beer and wine tax	145,000	152,844	7,844
ABC revenues	170,000	195,270	25,270
Solid waste disposal tax	21,320	27,186	5,866
GWTA Garage reimbursement	220,000	14,392	(205,608)
Total	<u>14,305,381</u>	<u>15,253,518</u>	<u>948,137</u>
Restricted intergovernmental:			
Powell Bill allocation	1,001,400	1,003,799	2,399
Controlled substance tax	4,000	-	(4,000)
Wayne County Schools Resource			
Officer reimbursement	37,000	36,948	(52)
PEG Channel support	26,000	25,641	(359)
Cherry Hospital reimbursement	59,000	55,994	(3,006)
Transportation Planning Grant	317,289	150,862	(166,427)
NCDOT signals reimbursement	150,000	181,218	31,218
East Carolina Housing Grant	34,376	44,485	10,109
Other grants	373,900	39,239	(334,661)
Total	<u>2,002,965</u>	<u>1,538,186</u>	<u>(464,779)</u>
Permits and fees:			
Building and inspection permits	124,000	150,936	26,936
Mechanical permits	68,000	69,041	1,041
Plumbing, gas and electric inspections	95,000	143,596	48,596
Stormwater Management Fee	10,000	14,433	4,433
Miscellaneous permits	224,275	247,284	23,009
Total	<u>521,275</u>	<u>625,290</u>	<u>104,015</u>

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2023

Schedule A-1
(6 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Sales and services:			
Recreation fees	\$ 208,000	\$ 240,128	\$ 32,128
Golf course revenue	652,100	537,053	(115,047)
Goldsboro events center	75,100	168,971	93,871
Paramount Theater	513,600	519,073	5,473
GWTA Rental	64,020	64,019	(1)
Recyclable materials sold	8,000	8,915	915
Cemetery services	45,000	48,200	3,200
Refuse services	4,344,429	4,024,973	(319,456)
Miscellaneous fees and services	23,450	27,866	4,416
Total	<u>5,933,699</u>	<u>5,639,198</u>	<u>(294,501)</u>
Investment earnings	131,450	732,601	601,151
Miscellaneous:			
Officers fees	16,500	9,138	(7,362)
Assessments	-	3,000	3,000
Other miscellaneous	400,126	290,953	(109,173)
Total	<u>416,626</u>	<u>303,091</u>	<u>(113,535)</u>
Total Revenues	<u>41,303,563</u>	<u>42,296,220</u>	<u>992,657</u>
Expenditures			
Current:			
General Government			
Governing body:			
Salaries and employee benefits	72,228	71,864	364
Operating expenditures	318,970	217,272	101,698
Total	<u>391,198</u>	<u>289,136</u>	<u>102,062</u>
Administration:			
Salaries and employee benefits	1,684,059	1,578,483	105,576
Operating expenditures	1,805,955	1,244,615	561,340
Capital outlay	144,576	281,232	(136,656)
Total	<u>3,634,590</u>	<u>3,104,330</u>	<u>530,260</u>
Finance:			
Salaries and employee benefits	1,191,414	1,192,623	(1,209)
Operating expenditures	694,831	655,377	39,454
Total	<u>1,886,245</u>	<u>1,848,000</u>	<u>38,245</u>
Human resources management:			
Salaries and employee benefits	491,109	480,618	10,491
Operating expenditures	173,809	131,785	42,024
Total	<u>664,918</u>	<u>612,403</u>	<u>52,515</u>

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2023

Schedule A-1
(6 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Public building and grounds:			
Salaries and employee benefits	\$ 266,902	\$ 178,840	\$ 88,062
Operating expenditures	187,655	186,200	1,455
Total	<u>454,557</u>	<u>365,040</u>	<u>89,517</u>
Administrative chargeout	<u>(3,328,996)</u>	<u>(3,328,996)</u>	<u>-</u>
Total General Government	<u>3,702,512</u>	<u>2,889,913</u>	<u>812,599</u>
Transportation:			
Street and highways:			
Salaries and employee benefits	1,262,273	1,071,949	190,324
Street lights	470,000	556,961	(86,961)
Operating expenditures	649,388	416,296	233,092
Capital outlay	261,524	65,379	196,145
Total	<u>2,643,185</u>	<u>2,110,585</u>	<u>532,600</u>
Goldsboro/Wayne Transportation Authority	<u>303,000</u>	<u>303,000</u>	<u>-</u>
Total Transportation	<u>2,946,185</u>	<u>2,413,585</u>	<u>532,600</u>
Economic and Physical Development			
Planning and redevelopment:			
Salaries and employee benefits	474,075	387,020	87,055
Operating expenditures	917,945	540,707	377,238
Postage credits	(31,952)	(22,035)	(9,917)
Capital outlay	238,247	203,949	34,298
Total	<u>1,598,315</u>	<u>1,109,641</u>	<u>488,674</u>
Community relationships and development			
Salaries and employee benefits	106,295	161,860	(55,565)
Operating expenditures	137,934	6,169	131,765
Total	<u>244,229</u>	<u>168,029</u>	<u>76,200</u>
Downtown development:			
Salaries and employee benefits	239,349	188,864	50,485
Operating expenditures	27,014	31,288	(4,274)
Total	<u>266,363</u>	<u>220,152</u>	<u>46,211</u>

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2023

Schedule A-1
(6 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other appropriations:			
Agency Support - Boys & Girls Club	\$ 13,533	\$ 13,533	\$ -
Agency Support - Community in Schools	13,033	13,033	-
Agency Support - HGDC Community Crisis	7,086	7,086	-
Wayne County Schools - PEG Channel	26,000	32,010	(6,010)
Agency Support - Literacy Connections	9,601	9,601	-
Agency Support - Passionate Beginnings	3,898	3,898	-
Agency Support - WATCH	14,981	14,981	-
Agency Support - WAGES	10,148	10,148	-
Agency Support - Wayne County Museum	13,783	13,783	-
Agency Support - Wayne Co Chamber of Commerce	20,000	20,000	-
Agency Support - WISH	11,518	11,518	-
Other Agency Support	62,419	-	62,419
Total	<u>206,000</u>	<u>149,591</u>	<u>56,409</u>
Total Economic and Physical Development	<u>2,314,907</u>	<u>1,647,413</u>	<u>667,494</u>
Public Safety			
Building and grounds:			
Salaries and employee benefits	532,146	395,679	136,467
Operating expenditures	210,779	146,353	64,426
Capital outlay	69,390	12,176	57,214
Total	<u>812,315</u>	<u>554,208</u>	<u>258,107</u>
Engineering:			
Salaries and employee benefits	953,061	940,913	12,148
Operating expenditures	244,971	173,122	71,849
Capital outlay	29,100	-	29,100
Total	<u>1,227,132</u>	<u>1,114,035</u>	<u>113,097</u>
Fire:			
Salaries and employee benefits	5,548,317	5,384,108	164,209
Operating expenditures	1,108,003	868,375	239,628
Capital outlay	156,422	126,511	29,911
Total	<u>6,812,742</u>	<u>6,378,994</u>	<u>433,748</u>
Police:			
Salaries and employee benefits	7,464,133	6,965,041	499,092
Operating expenditures	2,004,118	1,518,143	485,975
Capital outlay	646,133	460,766	185,367
Total	<u>10,114,384</u>	<u>8,943,950</u>	<u>1,170,434</u>

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2023

Schedule A-1
(6 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Inspections:			
Salaries and employee benefits	\$ 486,691	\$ 488,616	\$ (1,925)
Operating expenditures	50,602	41,053	9,549
Total	<u>537,293</u>	<u>529,669</u>	<u>7,624</u>
Total Public Safety	<u>19,503,866</u>	<u>17,520,856</u>	<u>1,983,010</u>
Environmental Protection			
Cemetery:			
Salaries and employee benefits	285,961	266,687	19,274
Operating expenditures	57,629	54,683	2,946
Total	<u>343,590</u>	<u>321,370</u>	<u>22,220</u>
Sanitation:			
Salaries and employee benefits	1,817,198	1,699,062	118,136
Operating expenditures	1,288,835	1,301,911	(13,076)
Capital outlay	1,617,159	813,423	803,736
Total	<u>4,723,192</u>	<u>3,814,396</u>	<u>908,796</u>
Total Environmental Protection	<u>5,066,782</u>	<u>4,135,766</u>	<u>931,016</u>
Cultural and Recreational			
Parks and recreation:			
Salaries and employee benefits	2,431,588	2,204,979	226,609
Operating expenditures	691,639	664,942	26,697
Capital outlay	153,960	31,275	122,685
Total	<u>3,277,187</u>	<u>2,901,196</u>	<u>375,991</u>
Golf course:			
Salaries and employee benefits	327,744	314,121	13,623
Operating expenditures	264,936	229,639	35,297
Capital outlay	296,952	37,449	259,503
Total	<u>889,632</u>	<u>581,209</u>	<u>308,423</u>
Paramount Theatre:			
Salaries and employee benefits	312,245	322,096	(9,851)
Operating expenditures	579,229	543,408	35,821
Total	<u>891,474</u>	<u>865,504</u>	<u>25,970</u>
Goldsboro Event Center:			
Salaries and employee benefits	96,473	94,519	1,954
Operating expenditures	125,498	85,698	39,800
Total	<u>221,971</u>	<u>180,217</u>	<u>41,754</u>

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2023

Schedule A-1
(6 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Total Cultural and Recreational	\$ 5,280,264	\$ 4,528,126	\$ 752,138
Debt Service			
Principal retirement	3,574,407	3,663,866	(89,459)
Interest and other charges	797,193	797,193	-
Total Debt Service	4,371,600	4,461,059	(89,459)
Total Expenditures	43,186,116	37,596,718	5,589,398
Revenues Over (Under) Expenditures	(1,882,553)	4,699,502	6,582,055
Other Financing Sources (Uses)			
Transfers to other funds:			
Special revenue funds	(277,075)	-	277,075
Capital reserve funds	(1,000)	-	1,000
Insurance recovery	-	124,869	124,869
Sale of capital assets	39,901	62,944	23,043
Issuance of debt	925,864	881,400	(44,464)
Issuance of subscription liabilities	-	151,342	151,342
Other Financing Sources (Uses), Net	687,690	1,220,555	532,865
Fund balance appropriated	1,194,863	-	(1,194,863)
Net change in fund balance	<u>\$ -</u>	5,920,057	<u>\$ 5,920,057</u>
Fund Balance			
Beginning balance		20,564,136	
Change in reserve for inventories		(2,515)	
Ending Balance		<u>\$ 26,481,678</u>	

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Hurricane Florence FEMA 4393 DR-NC Grant Project

From Inception and for the Year Ended June 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental	\$ 2,340,773	\$ 2,866,503	\$ -	\$ 2,866,503	\$ 525,730
Miscellaneous	99,758	99,758	-	99,758	-
Total Revenues	<u>2,440,531</u>	<u>2,966,261</u>	<u>-</u>	<u>2,966,261</u>	<u>525,730</u>
Expenditures					
Current:					
Public safety:					
Emergency response	146,646	146,646	-	146,646	-
Storm debris cleanup	886,377	461,547	-	461,547	424,830
Transportation:					
Roads and bridges repairs	14,142	14,142	-	14,142	-
Environmental protection:					
Water and sewer repairs	1,584,701	1,584,701	-	1,584,701	-
Cemetery repairs	20,618	20,618	-	20,618	-
Total Expenditures	<u>2,652,484</u>	<u>2,227,654</u>	<u>-</u>	<u>2,227,654</u>	<u>424,830</u>
Revenues Over (Under) Expenditures	<u>(211,953)</u>	<u>738,607</u>	<u>-</u>	<u>738,607</u>	<u>950,560</u>
Other Financing Sources (Uses)					
Transfers from other funds:					
General Fund	447,577	482,000	-	482,000	34,423
Utility Fund	1,715,968	1,534,577	-	1,534,577	(181,391)
Transfers to other funds:					
General Fund	(563,410)	(563,410)	-	(563,410)	-
Utility Fund	(1,388,182)	(1,388,182)	-	(1,388,182)	-
Total Other Financing Sources	<u>211,953</u>	<u>64,985</u>	<u>-</u>	<u>64,985</u>	<u>(146,968)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 803,592</u>	<u>-</u>	<u>\$ 803,592</u>	<u>\$ 803,592</u>
Fund Balance					
Beginning balance			<u>803,592</u>		
Ending Balance			<u>\$ 803,592</u>		

City of Goldsboro
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual - Edward Byrne Memorial Justice Assistance Grant Fund
 From Inception and for the Year Ended June 30, 2023

Schedule A-3

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental	\$ 221,368	\$ 152,296	\$ 47,204	\$ 199,500	\$ (21,868)
Investment earnings	-	33	26	59	59
Total Revenues	<u>221,368</u>	<u>152,329</u>	<u>47,230</u>	<u>199,559</u>	<u>(21,809)</u>
Expenditures					
Current:					
Public safety:					
Capital outlay	<u>221,368</u>	<u>163,307</u>	<u>33,726</u>	<u>197,033</u>	<u>24,335</u>
Total Expenditures	<u>221,368</u>	<u>163,307</u>	<u>33,726</u>	<u>197,033</u>	<u>24,335</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(10,978)</u>	<u>13,504</u>	<u>2,526</u>	<u>2,526</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (10,978)</u>	<u>13,504</u>	<u>\$ 2,526</u>	<u>\$ 2,526</u>
Fund Balance					
Beginning balance			<u>(10,978)</u>		
Ending Balance			<u>\$ 2,526</u>		

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Police Other Restricted Revenue Fund
From Inception and for the Year Ended June 30, 2023

Schedule A-4

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Donations and sponsorships	\$ 520	\$ 20,446	\$ 610	\$ 21,056	\$ 20,536
Miscellaneous	5,288	30,637	7,788	38,425	33,137
Investment earnings	24	192	-	192	168
Total Revenues	<u>5,832</u>	<u>51,275</u>	<u>8,398</u>	<u>59,673</u>	<u>53,841</u>
Expenditures					
Current:					
Public safety:					
Operating expenditures	5,832	16,791	2,697	19,488	(13,656)
Total Expenditures	<u>5,832</u>	<u>16,791</u>	<u>2,697</u>	<u>19,488</u>	<u>(13,656)</u>
Revenues Over Expenditures	<u>-</u>	<u>34,484</u>	<u>5,701</u>	<u>40,185</u>	<u>40,185</u>
Other Financing Sources					
Sale of capital assets	-	5,101	-	5,101	5,101
Total Other Financing Sources	<u>-</u>	<u>5,101</u>	<u>-</u>	<u>5,101</u>	<u>5,101</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 39,585</u>	<u>5,701</u>	<u>\$ 45,286</u>	<u>\$ 45,286</u>
Fund Balance					
Beginning balance			39,585		
Ending Balance			<u>\$ 45,286</u>		

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Parks and Recreation Revenue Fund
From Inception and for the Year Ended June 30, 2023

Schedule A-5

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Donations	\$ 37,005	\$ 30,944	\$ 6,810	\$ 37,754	\$ 749
Total Revenues	<u>37,005</u>	<u>30,944</u>	<u>6,810</u>	<u>37,754</u>	<u>749</u>
Expenditures					
Cultural and recreational: Parks and recreation: Program expenditures	45,636	31,435	10,848	42,283	3,353
Total Expenditures	<u>45,636</u>	<u>31,435</u>	<u>10,848</u>	<u>42,283</u>	<u>3,353</u>
Revenues Under Expenditures	<u>(8,631)</u>	<u>(491)</u>	<u>(4,038)</u>	<u>(4,529)</u>	<u>4,102</u>
Other Financing Sources					
Transfer from other funds	8,631	8,631	-	8,631	-
Total Other Financing Sources	<u>8,631</u>	<u>8,631</u>	<u>-</u>	<u>8,631</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 8,140</u>	<u>(4,038)</u>	<u>\$ 4,102</u>	<u>\$ 4,102</u>
Fund Balance					
Beginning balance			<u>8,140</u>		
Ending Balance			<u>\$ 4,102</u>		

City of Goldsboro
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual - Community Relations Revenue Fund
 From Inception and for the Year Ended June 30, 2023

Schedule A-6

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Donations	\$ 14,182	\$ 14,182	\$ -	\$ 14,182	\$ -
Total Revenues	<u>14,182</u>	<u>14,182</u>	<u>-</u>	<u>14,182</u>	<u>-</u>
Expenditures					
Economic and physical development: Community affairs: Program expenditures	18,252	13,100	1,377	14,477	3,775
Total Expenditures	<u>18,252</u>	<u>13,100</u>	<u>1,377</u>	<u>14,477</u>	<u>3,775</u>
Revenues Over (Under) Expenditures	<u>(4,070)</u>	<u>1,082</u>	<u>(1,377)</u>	<u>(295)</u>	<u>3,775</u>
Other Financing Sources					
Transfer from other funds	4,070	2,349	-	2,349	(1,721)
Total Other Financing Sources	<u>4,070</u>	<u>2,349</u>	<u>-</u>	<u>2,349</u>	<u>(1,721)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 3,431</u>	<u>(1,377)</u>	<u>\$ 2,054</u>	<u>\$ 2,054</u>
Fund Balance					
Beginning balance			3,431		
Ending Balance			<u>\$ 2,054</u>		

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - American Rescue Plan Act of 2021 Special Revenue Fund

From Inception and for the Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Restricted					
intergovernmental:					
Federal grants	\$ 8,813,514	\$ 4,306,813	\$ 4,506,701	\$ 8,813,514	\$ -
Total	8,813,514	4,306,813	4,506,701	8,813,514	-
Investment earnings	-	7,056	-	7,056	7,056
Total Revenues	<u>8,813,514</u>	<u>4,313,869</u>	<u>4,506,701</u>	<u>8,820,570</u>	<u>7,056</u>
Expenditures					
Current:					
General government	1,143,095	693,411	449,684	1,143,095	-
Public safety	3,485,290	2,055,587	1,429,703	3,485,290	-
Transportation	170,177	79,474	90,703	170,177	-
Economic and physical development	230,444	126,264	104,180	230,444	-
Environmental protection	487,238	285,314	201,924	487,238	-
Cultural and recreational	713,234	464,298	248,936	713,234	-
Utility related services	2,558,994	579,855	1,979,139	2,558,994	-
Occupancy Tax-related services	25,042	22,610	2,432	25,042	-
Total Expenditures	<u>8,813,514</u>	<u>4,306,813</u>	<u>4,506,701</u>	<u>8,813,514</u>	<u>-</u>
Revenue Over Expenditures	<u>-</u>	<u>7,056</u>	<u>-</u>	<u>7,056</u>	<u>7,056</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 7,056</u>	<u>-</u>	<u>\$ 7,056</u>	<u>\$ 7,056</u>
Fund Balance					
Beginning balance			7,056		
Ending Balance			<u>\$ 7,056</u>		

Proprietary Funds

Major Enterprise Funds

Enterprise funds are used to account for revenues resulting primarily from charges for services provided to the general public and the related costs of such services.

Each enterprise fund accounts for its activities using one main operating fund. This fund adopts an annual operating budget. Significant construction activity of an enterprise fund may be accounted for in a capital projects sub-fund. Each sub-fund adopts a project ordinance.

This section contains budgetary schedules for the following:

Combined Utility Fund

- Utility Operating Fund
- Phase IV Sewer Collection Rehabilitation Capital Project
- 2010A Sanitary Sewer Improvements Project
- Sewer Rehabilitation Capital Project
- Water Line Replacement and Booster Pump Station Capital Project
- Plate Settlers Capital Project
- Little Cherry Big Cherry Pump Station Relocation
- Galvanized Water Lines Capital Project
- NC DEQ Viable Utility Reserve Asset Inventory and Assessment Capital Project
- NC DEQ Viable Utility Reserve Multi-System Merger/Regionalization Feasibility Study Capital Project
- Utility Fund Capital Reserve

The City uses an enterprise fund to account for its storm water charges. This fund does not meet the criteria to be a major fund. It is the only other enterprise fund of the City; as such, the City has elected to elevate it to major fund status.

Combined Storm Water Fund

- Storm Water Fund
- Stormwater Capital Project Fund

City of Goldsboro
Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP)
Utility Fund
Year Ended June 30, 2023

Schedule B-1
(3 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Operating revenues:			
Charges for services	\$ 22,257,700	\$ 20,822,678	\$ (1,435,022)
Assessments	12,000	28,289	16,289
Water and sewer taps	41,000	54,350	13,350
Miscellaneous fees and services	11,500	27,290	15,790
Nonoperating revenues:			
Other revenues	586,628	1,106,659	520,031
Restricted federal grants	428,036	428,036	-
Interest revenue	-	29,562	29,562
Investment earnings	24,600	333,619	309,019
Total Revenues	<u>23,361,464</u>	<u>22,830,483</u>	<u>(530,981)</u>
Expenditures			
Distribution and Collections:			
Salaries and employee benefits	1,002,713	647,348	355,365
Travel	4,900	2,094	2,806
Supplies	394,389	331,295	63,094
Insurance	38,004	38,004	-
Repairs and maintenance	81,085	43,056	38,029
Other expenditures	406,776	255,126	151,650
	<u>1,927,867</u>	<u>1,316,923</u>	<u>610,944</u>
Water Plant:			
Salaries and employee benefits	465,825	370,696	95,129
Travel	5,995	1,499	4,496
Supplies	1,275,935	1,075,199	200,736
Insurance	97,776	71,232	26,544
Utilities	310,500	313,439	(2,939)
Repairs and maintenance	561,697	473,895	87,802
Other expenditures	775,518	108,789	666,729
	<u>3,493,246</u>	<u>2,414,749</u>	<u>1,078,497</u>
Waste Treatment Plant:			
Salaries and employee benefits	1,047,146	721,695	325,451
Travel	26,900	5,567	21,333
Supplies	412,223	140,266	271,957
Insurance	203,580	90,892	112,688
Utilities	559,500	467,044	92,456
Repairs and maintenance	1,073,325	458,457	614,868
Other expenditures	294,236	175,701	118,535
	<u>3,616,910</u>	<u>2,059,622</u>	<u>1,557,288</u>

City of Goldsboro
Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP)
Utility Fund
Year Ended June 30, 2023

Schedule B-1
(3 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Compost facility department:			
Salaries and employee benefits	\$ 189,477	\$ 146,204	\$ 43,273
Supplies	26,000	14,025	11,975
Insurance	22,955	7,587	15,368
Repairs and maintenance	182,935	90,980	91,955
Other expenditures	245,567	142,367	103,200
	<u>666,934</u>	<u>401,163</u>	<u>265,771</u>
Billing and meter services:			
Salaries and employee benefits	183,580	174,720	8,860
Supplies	7,500	6,794	706
Insurance	2,530	2,529	1
Repairs and maintenance	4,550	4,122	428
Other expenditures	416,292	425,285	(8,993)
	<u>614,452</u>	<u>613,450</u>	<u>1,002</u>
Other:			
General operating expenditures	10,800	-	10,800
Shared service fees	3,201,081	3,201,081	-
Budgetary appropriations:			
Principal retirement - bonds payable	808,500	808,445	55
Principal retirement - notes payable	2,057,672	1,766,692	290,980
Interest and other charges	384,528	384,528	-
Capital outlay	6,193,510	1,372,083	4,821,427
Total Expenditures	<u>22,975,500</u>	<u>14,338,736</u>	<u>8,636,764</u>
Revenues Over Expenditures	<u>385,964</u>	<u>8,491,747</u>	<u>8,105,783</u>
Other Financing Sources (Uses)			
Transfers to Utility Capital Reserve Fund	(530,840)	(530,840)	-
Sale of capital assets	58,500	-	(58,500)
Other Financing Sources (Uses), Net	<u>(472,340)</u>	<u>(530,840)</u>	<u>(58,500)</u>
Fund balance appropriated	86,376	-	(86,376)
Revenues and Other Financing Sources (Uses) Over Expenditures	<u>\$ -</u>	<u>\$ 7,960,907</u>	<u>\$ 7,960,907</u>

City of Goldsboro
Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP)
Utility Fund
Year Ended June 30, 2023

Schedule B-1
(3 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Reconciliation From Budgetary Basis (Modified Accrual) to Full Accrual Basis			
Revenues and other financing sources			
(uses) over expenditures		\$ 7,960,907	
Reconciling items:			
Transfers to (from) Utility Capital Projects Funds, net		530,840	
Investment earnings - 2010A Sanitary Sewer Improvements Capital Project		9,388	
Expenses recorded within Utility Capital Project Funds		(33,526)	
Capital asset additions		1,882,574	
Depreciation expense		(4,974,400)	
Net change in other deferred balances		(25,988)	
Increase in inventories		102,413	
Increase in deferred outflows of resources:			
Pensions		284,265	
OPEB		(46,621)	
Decrease in accrued interest payable		7,593	
Increase in unearned revenue		(33,153)	
Increase in compensated absences		(11,062)	
Decrease in net pension liability		(1,241,058)	
Decrease in total OPEB liability		107,672	
Increase in deferred inflows of resources:			
Pensions		852,897	
OPEB		(58,750)	
Principal retirement		2,575,137	
Amortization of bond premium		51,409	
Loss on bond refunding		(35,360)	
Change in Net Position		<u>\$ 7,905,177</u>	

City of Goldsboro
 Schedule of Revenues and Expenditures
 Budget and Actual - Phase IV Sewer Collection Rehabilitation Capital Project
 From Inception and for the Year Ended June 30, 2023

Schedule B-2

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Sewer lines:					
Construction	\$ 8,905,676	\$ 8,341,058	\$ -	\$ 8,341,058	\$ 564,618
Debt service:					
Interest and other charges	<u>178,114</u>	<u>178,114</u>	<u>-</u>	<u>178,114</u>	<u>-</u>
Total Expenditures	<u>9,083,790</u>	<u>8,519,172</u>	<u>-</u>	<u>8,519,172</u>	<u>564,618</u>
Revenues Under Expenditures	<u>(9,083,790)</u>	<u>(8,519,172)</u>	<u>-</u>	<u>(8,519,172)</u>	<u>564,618</u>
Other Financing Sources					
Transfer from Utility Operating Fund	178,114	178,114	-	178,114	-
Issuance of debt - State Revolving Loan Fund	<u>8,905,676</u>	<u>4,673,457</u>	<u>-</u>	<u>4,673,457</u>	<u>(4,232,219)</u>
Total Other Financing Sources	<u>9,083,790</u>	<u>4,851,571</u>	<u>-</u>	<u>4,851,571</u>	<u>(4,232,219)</u>
Revenues and Other Financing Sources Under Expenditures	<u>\$ -</u>	<u>\$ (3,667,601)</u>	<u>\$ -</u>	<u>\$ (3,667,601)</u>	<u>\$ (3,667,601)</u>

Schedule of Revenues and Expenditures

Budget and Actual - 2010A Sanitary Sewer Improvements Capital Project

From Inception and for the Year Ended June 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Investment earnings	\$ 79,163	\$ 90,517	\$ 9,388	\$ 99,905	\$ 20,742
Total Revenues	<u>79,163</u>	<u>90,517</u>	<u>9,388</u>	<u>99,905</u>	<u>20,742</u>
Expenditures					
Sewer lines:					
Construction - S1104	8,684,163	301,777	-	301,777	8,382,386
	<u>8,684,163</u>	<u>301,777</u>	<u>-</u>	<u>301,777</u>	<u>8,382,386</u>
Waste Water Plant:					
Construction - #001-E	-	164,605	-	164,605	(164,605)
	<u>-</u>	<u>164,605</u>	<u>-</u>	<u>164,605</u>	<u>(164,605)</u>
Total Expenditures	<u>8,684,163</u>	<u>466,382</u>	<u>-</u>	<u>466,382</u>	<u>8,217,781</u>
Revenues Over (Under) Expenditures	<u>(8,605,000)</u>	<u>(375,865)</u>	<u>9,388</u>	<u>(366,477)</u>	<u>8,238,523</u>
Other Financing Sources					
Transfer from Utility Operating Fund	-	1,243,715	-	1,243,715	1,243,715
Issuance of debt	8,605,000	-	-	-	(8,605,000)
	<u>8,605,000</u>	<u>1,243,715</u>	<u>-</u>	<u>1,243,715</u>	<u>(7,361,285)</u>
Revenues and Other Financing Sources Over Expenditures	<u>\$ -</u>	<u>\$ 867,850</u>	<u>\$ 9,388</u>	<u>\$ 877,238</u>	<u>\$ 877,238</u>

City of Goldsboro
 Schedule of Revenues and Expenditures
 Budget and Actual - Sewer Rehabilitation Capital Project
 From Inception and for the Year Ended June 30, 2023

Schedule B-4

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Sewer lines:					
Construction - S1103	\$ 1,235,100	\$ 705,880	\$ 46,484	\$ 752,364	\$ 482,736
Debt service:					
Interest and other charges	<u>24,702</u>	<u>13,182</u>	<u>-</u>	<u>13,182</u>	<u>11,520</u>
Total Expenditures	<u>1,259,802</u>	<u>719,062</u>	<u>46,484</u>	<u>765,546</u>	<u>494,256</u>
Revenues Under Expenditures	<u>(1,259,802)</u>	<u>(719,062)</u>	<u>(46,484)</u>	<u>(765,546)</u>	<u>494,256</u>
Other Financing Sources					
Transfer from Utility Operating Fund	24,702	34,556	-	34,556	9,854
Issuance of debt	<u>1,235,100</u>	<u>-</u>	<u>639,892</u>	<u>639,892</u>	<u>(595,208)</u>
	<u>1,259,802</u>	<u>34,556</u>	<u>639,892</u>	<u>674,448</u>	<u>(585,354)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (684,506)</u>	<u>\$ 593,408</u>	<u>\$ (91,098)</u>	<u>\$ (91,098)</u>

City of Goldsboro
 Schedule of Revenues and Expenditures

Schedule B-5

Budget and Actual - Water Line Replacement and Booster Pump Station Capital Project
 From Inception and for the Year Ended June 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Water plant:					
Construction - W1111	\$ 3,645,000	\$ 308,113	\$ -	\$ 308,113	\$ 3,336,887
Debt service:					
Interest and other charges	72,200	-	-	-	72,200
Total Expenditures	<u>3,717,200</u>	<u>308,113</u>	<u>-</u>	<u>308,113</u>	<u>3,409,087</u>
Revenues Under Expenditures	<u>(3,717,200)</u>	<u>(308,113)</u>	<u>-</u>	<u>(308,113)</u>	<u>3,409,087</u>
Other Financing Sources					
Transfer from Utility Capital					
Reserve Fund	107,200	77,600	198,113	275,713	168,513
Issuance of debt	3,610,000	-	-	-	(3,610,000)
	<u>3,717,200</u>	<u>77,600</u>	<u>198,113</u>	<u>275,713</u>	<u>(3,441,487)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (230,513)</u>	<u>\$ 198,113</u>	<u>\$ (32,400)</u>	<u>\$ (32,400)</u>

City of Goldsboro
 Schedule of Revenues and Expenditures
 Budget and Actual - Plate Settlers Capital Project
 From Inception and for the Year Ended June 30, 2023

Schedule B-6

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Water plant:					
Construction - W1112	\$ 1,484,909	\$ 1,482,923	\$ -	\$ 1,482,923	\$ 1,986
Other fees	34,627	34,627	-	34,627	-
Total Expenditures	<u>1,519,536</u>	<u>1,517,550</u>	<u>-</u>	<u>1,517,550</u>	<u>1,986</u>
Revenues Under Expenditures	<u>(1,519,536)</u>	<u>(1,517,550)</u>	<u>-</u>	<u>(1,517,550)</u>	<u>1,986</u>
Other Financing Sources					
Transfer from Utility Operating Fund	34,627	34,627	-	34,627	-
Issuance of debt	1,484,909	1,484,909	-	1,484,909	-
	<u>1,519,536</u>	<u>1,519,536</u>	<u>-</u>	<u>1,519,536</u>	<u>-</u>
Revenues and Other Financing Sources Over Expenditures	<u>\$ -</u>	<u>\$ 1,986</u>	<u>\$ -</u>	<u>\$ 1,986</u>	<u>\$ 1,986</u>

City of Goldsboro
Schedule of Revenues and Expenditures
Budget and Actual - Little Cherry Big Cherry Pump Station Relocation
From Inception and for the Year Ended June 30, 2023

Schedule B-7

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Water Plant:					
Construction - S1106	\$ 30,000	\$ 30,000	\$ -	\$ 30,000	\$ -
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
Revenues Under Expenditures	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>	<u>-</u>
Other Financing Sources					
Transfer from Utility Operating Fund	30,000	30,000	-	30,000	-
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Goldsboro
Schedule of Revenues and Expenditures
Budget and Actual - Galvanized Water Lines Capital Project Fund
From Inception and for the Year Ended June 30, 2023

Schedule B-8

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Federal grants	\$ 5,999,395	\$ -	\$ -	\$ -	\$ (5,999,395)
Total Revenues	<u>5,999,395</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,999,395)</u>
Expenditures					
Water lines:					
Construction	\$ 6,029,395	\$ 25,000	\$ -	\$ 25,000	\$ 6,004,395
Total Expenditures	<u>6,029,395</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>6,004,395</u>
Revenues Under Expenditures	<u>(30,000)</u>	<u>(25,000)</u>	<u>-</u>	<u>(25,000)</u>	<u>6,004,395</u>
Other Financing Sources					
Transfer from Utility Operating Fund	30,000	30,000	-	30,000	-
Revenues and Other Financing Sources Over Expenditures	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>

Schedule of Revenues and Expenditures

Budget and Actual - NC DEQ Viable Utility Reserve Asset Inventory and Assessment

Capital Project Fund

From Inception and for the Year Ended June 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted state grants	\$ 300,000	\$ -	\$ -	\$ -	\$ (300,000)
Total Revenues	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(300,000)</u>
Expenditures					
Infrastructure:					
Asset Inventory & Assessment	304,500	168,500	133,800	302,300	2,200
Total Expenditures	<u>304,500</u>	<u>168,500</u>	<u>133,800</u>	<u>302,300</u>	<u>2,200</u>
Revenues Under Expenditures	<u>(4,500)</u>	<u>(168,500)</u>	<u>(133,800)</u>	<u>(302,300)</u>	<u>(297,800)</u>
Other Financing Sources					
Transfer from Utility Operating Fund	4,500	4,500	-	4,500	-
Revenues and Other Financing Sources Under Expenditures	<u>\$ -</u>	<u>\$ (164,000)</u>	<u>\$ (133,800)</u>	<u>\$ (297,800)</u>	<u>\$ (297,800)</u>

Schedule of Revenues and Expenditures

Budget and Actual - NC DEQ Viable Utility Reserve Multi-System Merger/Regionalization

Feasibility Study Capital Project Fund

From Inception and for the Year Ended June 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted state grants	\$ 100,000	\$ -	\$ -	\$ -	\$ (100,000)
Total Revenues	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Expenditures					
Infrastructure:					
Asset inventory and assessment	101,500	-	33,526	33,526	67,974
Total Expenditures	<u>101,500</u>	<u>-</u>	<u>33,526</u>	<u>33,526</u>	<u>67,974</u>
Revenues Under Expenditures	<u>(1,500)</u>	<u>-</u>	<u>(33,526)</u>	<u>(33,526)</u>	<u>(32,026)</u>
Other Financing Sources					
Transfer from Utility Operating Fund	1,500	1,500	-	1,500	-
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ (33,526)</u>	<u>\$ (32,026)</u>	<u>\$ (32,026)</u>

City of Goldsboro
Schedule of Revenues and Expenditures
Budget and Actual - Utility Fund Capital Reserve
From Inception and for the Year Ended June 30, 2023

Schedule B-11

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual</u>		<u>Variance Positive (Negative)</u>
			<u>Current Year</u>	<u>Total</u>	
Other Financing Sources					
Transfer from Utility Fund	\$ 1,506,129	\$ -	\$ 530,840	\$ 530,840	\$ (975,289)
Transfers to Utility Capital Projects Funds	<u>(1,506,129)</u>	<u>-</u>	<u>(198,113)</u>	<u>(198,113)</u>	<u>1,308,016</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>332,727</u>	<u>332,727</u>	<u>332,727</u>
Revenues and Other Financing Sources Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 332,727</u>	<u>\$ 332,727</u>	<u>\$ 332,727</u>

City of Goldsboro
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Storm Water Fund
Year Ended June 30, 2023

Schedule B-12
(2 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Operating revenues:			
Charges for services	\$ 1,601,528	\$ 1,622,426	\$ 20,898
Nonoperating revenues:			
Investment earnings	1,100	29,299	28,199
Miscellaneous	(5,000)	24,594	29,594
Total Revenues	<u>1,597,628</u>	<u>1,676,319</u>	<u>78,691</u>
Expenditures			
Public Works - Storm Water:			
Salaries and employee benefits	696,442	575,686	120,756
Consultant fees	18,346	7,950	10,396
Vehicle maintenance	45,000	40,872	4,128
Landfill tipping fees	34,225	24,645	9,580
Utility service fee	127,915	127,915	-
Other expenses	319,454	185,265	134,189
	<u>1,241,382</u>	<u>962,333</u>	<u>279,049</u>
Budgetary appropriations:			
Principal retirement	173,943	173,943	-
Interest and other charges	6,857	4,673	2,184
Capital outlay	359,575	296,838	62,737
	<u>540,375</u>	<u>475,454</u>	<u>64,921</u>
Total Expenditures	<u>1,781,757</u>	<u>1,437,787</u>	<u>343,970</u>
Revenues Over (Under) Expenditures	(184,129)	238,532	422,661
Other Financing Sources (Uses)			
Issuance of debt	311,000	365,000	54,000
Sale of equipment	30,100	30,100	-
Transfers to Capital Project Funds	(466,366)	(466,366)	-
Total Other Financing Uses	<u>(125,266)</u>	<u>(71,266)</u>	<u>54,000</u>
Revenues Over (Under) Expenditures and Other Financing Uses	(284,395)	167,266	451,661
Fund balance appropriated	284,395	-	(284,395)
Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>167,266</u>	<u>\$ 167,266</u>

City of Goldsboro
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Storm Water Fund
Year Ended June 30, 2023

Schedule B-12
(2 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Reconciliation From Budgetary Basis (Modified Accrual)			
to Full Accrual:			
Reconciling items:			
Transfer to Stormwater Capital Projects Fund		\$ 466,366	
Capital outlay		296,838	
Depreciation expense		(121,298)	
Increase (decrease) in deferred outflows of resources:			
Pensions		8,695	
OPEB		(1,958)	
Decrease in accrued interest payable		(1,353)	
Increase in compensated absences		(6,556)	
Increase in net pension liability		(134,782)	
Increase in OPEB liability		(2,840)	
Decrease in deferred inflows resources - pensions		119,319	
Increase in deferred inflows resources - OPEB		(20,585)	
Sale of assets		(30,100)	
Gain on sale of capital assets		30,100	
Issuance of debt		(365,000)	
Principal retirement		173,943	
		<u>173,943</u>	
Change in Net Position		<u>\$ 578,055</u>	

City of Goldsboro
 Schedule of Revenues and Expenditures
 Budget and Actual - Storm Water Capital Project Fund
 From Inception and for the Year Ended June 30, 2023

Schedule B-13

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Stormwater:					
Mapping and GIS Overlay	\$ 1,567,901	\$ 88,593	\$ 1,065,716	\$ 1,154,309	\$ 413,592
Storm Drainage - Vine Street	26,465	13,486	5,252	18,738	7,727
Total Expenditures	<u>1,594,366</u>	<u>102,079</u>	<u>1,070,968</u>	<u>1,173,047</u>	<u>421,319</u>
Revenues Under Expenditures	<u>(1,594,366)</u>	<u>(102,079)</u>	<u>(1,070,968)</u>	<u>(1,173,047)</u>	<u>421,319</u>
Other Financing Sources					
Transfer from Storm Water Fund	<u>1,594,366</u>	<u>1,127,778</u>	<u>466,366</u>	<u>1,594,144</u>	<u>(222)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 1,025,699</u>	<u>\$ (604,602)</u>	<u>\$ 421,097</u>	<u>\$ 421,097</u>

Nonmajor Governmental Funds Combining Statements and Schedules

Nonmajor governmental funds are combined and presented in the aggregate as "other governmental funds" in the basic financial statements. The City's nonmajor governmental funds are as follows:

Other Governmental Funds

- Combining Balance Sheet
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Special Revenue Funds

- Combining Balance Sheet
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
- Community Development Fund - Budget and Actual
- Downtown District Fund - Budget and Actual
- Occupancy Tax Fund - Budget and Actual
- Federal and State Drug Forfeiture Fund - Budget and Actual
- Fire and Other Restricted Revenue Special Revenue Fund - Budget and Actual
- CARES Act Miscellaneous Grants Fund - Budget and Actual

Nonmajor Capital Project Funds

- Combining Balance Sheet
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
- Parks and Recreation FY 2019-2024 Capital Projects Fund - Budget and Actual
- Street Improvements Capital Projects Fund - Budget and Actual
- Police/Fire Expansion Capital Project Fund - Budget and Actual
- FY 2016 TIGER Discretionary Grant Capital Project Fund - Budget and Actual
- Herman Park Recreation Center Capital Projects Fund - Budget and Actual
- 1919 LaFrance Fire Truck Restoration Capital Project Fund - Budget and Actual
- Aerial Fire Truck Capital Project Fund - Budget and Actual
- State Grants Miscellaneous Grant Capital Project Fund - Budget and Actual

**City of Goldsboro
Combining Balance Sheet
Other Governmental Funds
June 30, 2023**

Schedule C-1

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
ASSETS			
Cash and investments	\$ 1,378,059	\$ 2,592,728	\$ 3,970,787
Receivables (net):			
Property taxes receivable	4,343	-	4,343
Interest receivable	60,000	-	60,000
Due from other governments	13,933	-	13,933
Inventories and prepaids	1,996	-	1,996
Notes receivable	300,000	-	300,000
Total Assets	<u>\$ 1,758,331</u>	<u>\$ 2,592,728</u>	<u>\$ 4,351,059</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 124,088	\$ 2,049	\$ 126,137
Accrued compensation payable	2,570	-	2,570
Due to other funds	-	376,000	376,000
Total Liabilities	<u>126,658</u>	<u>378,049</u>	<u>504,707</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable grant revenue	800	-	800
Property taxes receivable	4,343	-	4,343
Interest receivable	60,000	-	60,000
Notes receivable	300,000	-	300,000
Total Deferred Inflows of Resources	<u>365,143</u>	<u>-</u>	<u>365,143</u>
FUND BALANCES			
Nonspendable:			
Inventories and prepaids	1,996	-	1,996
Restricted:			
Stabilization by state statute	23,115	-	23,115
General government	262,744	-	262,744
Transportation	-	924,979	924,979
Economic and physical development	559,736	-	559,736
Public safety	168,939	1,335,313	1,504,252
Cultural and recreational	-	(45,613)	(45,613)
Assigned:			
Subsequent year's expenditures	250,000	-	250,000
Total Fund Balances	<u>1,266,530</u>	<u>2,214,679</u>	<u>3,481,209</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,758,331</u>	<u>\$ 2,592,728</u>	<u>\$ 4,351,059</u>

City of Goldsboro
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Other Governmental Funds
Year Ended June 30, 2023

Schedule C-2

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
Revenues			
Ad valorem taxes	\$ 103,272	\$ -	\$ 103,272
Other taxes and licenses	1,228,243	-	1,228,243
Restricted intergovernmental	342,368	50,000	392,368
Sales and services	8,353	-	8,353
Investment earnings	13,042	603	13,645
Donations and sponsorships	-	10,000	10,000
Miscellaneous	6,528	-	6,528
Total Revenues	<u>1,701,806</u>	<u>60,603</u>	<u>1,762,409</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	26,176	-	26,176
Transportation	-	-	-
Economic and physical development	1,004,635	34,533	1,039,168
Environmental protection	-	-	-
Cultural and recreational	-	27,087	27,087
Utility related services	-	-	-
Occupancy Tax-related services	-	-	-
Debt service:			
Principal retirement	359,360	-	359,360
Interest and other charges	30,560	8,537	39,097
Total Expenditures	<u>1,420,731</u>	<u>70,157</u>	<u>1,490,888</u>
Revenues Over (Under) Expenditures	<u>281,075</u>	<u>(9,554)</u>	<u>271,521</u>
Other Financing Sources			
Transfers from other funds	-	-	-
Issuance of debt	-	1,151,600	1,151,600
Other Financing Sources, Net	<u>-</u>	<u>1,151,600</u>	<u>1,151,600</u>
Net Change in Fund Balances	281,075	1,142,046	1,423,121
Fund Balances			
Beginning balances	985,455	1,072,633	2,058,088
Ending Balances	<u>\$ 1,266,530</u>	<u>\$ 2,214,679</u>	<u>\$ 3,481,209</u>

City of Goldsboro
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023

Schedule D-1

	Community Development Fund	Downtown District Fund	Occupancy Tax Fund	Federal and State Drug Forfeiture Fund	Fire Other Restricted Fund	CARES Act Miscellaneous Grants Fund	Total Nonmajor Special Revenue Funds
ASSETS							
Cash and investments	\$ 213,250	\$ 165,109	\$ 568,021	\$ 168,939	\$ 4,716	\$ 258,024	\$ 1,378,059
Receivables (net):							
Property taxes receivable	-	4,343	-	-	-	-	4,343
Interest receivable	60,000	-	-	-	-	-	60,000
Due from other governments	-	674	13,255	-	4	-	13,933
Prepaid	-	-	1,996	-	-	-	1,996
Notes receivable	300,000	-	-	-	-	-	300,000
Total Assets	\$ 573,250	\$ 170,126	\$ 583,272	\$ 168,939	\$ 4,720	\$ 258,024	\$ 1,758,331
LIABILITIES							
Accounts payable and accrued liabilities	\$ -	\$ 13,994	\$ 110,094	\$ -	\$ -	\$ -	\$ 124,088
Accrued compensation payable	-	-	2,570	-	-	-	2,570
Total Liabilities	-	13,994	112,664	-	-	-	126,658
DEFERRED INFLOWS OF RESOURCES							
Unavailable grant revenue	800	-	-	-	-	-	800
Property taxes receivable	-	4,343	-	-	-	-	4,343
Interest receivable	60,000	-	-	-	-	-	60,000
Notes receivable	300,000	-	-	-	-	-	300,000
Total Deferred Inflows of Resources	360,800	4,343	-	-	-	-	365,143
FUND BALANCES							
Nonspendable:							
Inventories and prepaids	-	-	1,996	-	-	-	1,996
Restricted:							
Stabilization by state statute	-	9,860	13,255	-	-	-	23,115
General government	-	-	-	-	4,720	258,024	262,744
Economic and physical development	212,450	141,929	205,357	-	-	-	559,736
Public safety	-	-	-	168,939	-	-	168,939
Assigned:							
Subsequent year's expenditures	-	-	250,000	-	-	-	250,000
Total Fund Balances	212,450	151,789	470,608	168,939	4,720	258,024	1,266,530
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 573,250	\$ 170,126	\$ 583,272	\$ 168,939	\$ 4,720	\$ 258,024	\$ 1,758,331

City of Goldsboro
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Nonmajor Special Revenue Funds
Year Ended June 30, 2023

Schedule D-2

	Community Development Fund	Downtown District Fund	Occupancy Tax Fund	Federal and State Drug Forfeiture Fund	Fire Other Restricted Fund	CARES Act Miscellaneous Grants Fund	Total Nonmajor Special Revenue Funds
Revenues							
Ad valorem taxes	\$ -	\$ 103,272	\$ -	\$ -	\$ -	\$ -	\$ 103,272
Other taxes and licenses	-	-	1,228,243	-	-	-	1,228,243
Restricted intergovernmental:							
Community Development Block Grant	24,398	-	-	-	-	-	24,398
Community Development Block Grant - Coronavirus Relief Funds	102,736	-	-	-	-	-	102,736
Home Partnership Program	123,080	-	-	-	-	-	123,080
Urgent Repair Program	-	-	-	-	-	-	-
NCHFA ESFRLP - Disaster Recovery	38,800	-	5,037	-	-	-	43,837
Other grants	-	-	-	-	-	-	-
DEA funds	-	-	-	44,143	-	-	44,143
NC controlled substance tax	-	-	-	4,174	-	-	4,174
Coronavirus Relief Funds	-	-	-	-	-	-	-
Sales and services:							
Owner Income	8,353	-	-	-	-	-	8,353
Investment earnings	(290)	2,819	7,680	2,833	-	-	13,042
Miscellaneous	-	-	1,742	-	4,786	-	6,528
Total Revenues	<u>297,077</u>	<u>106,091</u>	<u>1,242,702</u>	<u>51,150</u>	<u>4,786</u>	<u>-</u>	<u>1,701,806</u>
Expenditures							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	26,110	66	-	26,176
Transportation	-	-	-	-	-	-	-
Economic and physical development	135,495	86,403	782,737	-	-	-	1,004,635
Environmental protection	-	-	-	-	-	-	-
Cultural and recreational	-	-	-	-	-	-	-
Utility related services	-	-	-	-	-	-	-
Occupancy Tax-related services	-	-	-	-	-	-	-
Debt service:							
Principal retirement	-	-	359,360	-	-	-	359,360
Interest and other charges	-	-	30,560	-	-	-	30,560
Total Expenditures	<u>135,495</u>	<u>86,403</u>	<u>1,172,657</u>	<u>26,110</u>	<u>66</u>	<u>-</u>	<u>1,420,731</u>
Revenues Over Expenditures	<u>161,582</u>	<u>19,688</u>	<u>70,045</u>	<u>25,040</u>	<u>4,720</u>	<u>-</u>	<u>281,075</u>
Net Change in Fund Balances	<u>161,582</u>	<u>19,688</u>	<u>70,045</u>	<u>25,040</u>	<u>4,720</u>	<u>-</u>	<u>281,075</u>
Fund Balances							
Beginning balances	<u>50,868</u>	<u>132,101</u>	<u>400,563</u>	<u>143,899</u>	<u>-</u>	<u>258,024</u>	<u>985,455</u>
Ending Balances	<u>\$ 212,450</u>	<u>\$ 151,789</u>	<u>\$ 470,608</u>	<u>\$ 168,939</u>	<u>\$ 4,720</u>	<u>\$ 258,024</u>	<u>\$ 1,266,530</u>

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit)
Budget and Actual - Community Development Fund
From Inception and for the Year Ended June 30, 2023

Schedule D-3
(2 pages)

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental:					
CDBG FY10-FY23	\$ 5,407,714	\$ 4,604,643	\$ 24,398	\$ 4,629,041	\$ (778,673)
CDBG-CV	427,303	31,056	102,736	133,792	(293,511)
HOME FY10-FY23	2,973,522	2,460,744	86,644	2,547,388	(426,134)
HOME ARP	907,913	-	36,436	36,436	(871,477)
Urgent repair program	437,000	408,970	-	408,970	(28,030)
Essential Single Family Rehab					
Loan Pool program (ESFRLP)	150,000	101,175	38,800	139,975	(10,025)
Other grants	456,965	350,000	-	350,000	(106,965)
Owner income:					
CDBG	162,024	259,653	2,341	261,994	99,970
HOME	48,691	14,425	6,012	20,437	(28,254)
Investment earnings	-	444	(290)	154	154
Miscellaneous	800	504,788	-	504,788	503,988
Prior years FY1996-FY2009:					
CDBG	9,707,787	6,403,309	-	6,403,309	(3,304,478)
HOME	7,163,071	4,773,289	-	4,773,289	(2,389,782)
Owner income CDBG	465,521	527,784	-	527,784	62,263
Owner income HOME	70,947	-	-	-	(70,947)
Other grants	47,622,877	29,476,219	-	29,476,219	(18,146,658)
Miscellaneous income	-	109,929	-	109,929	109,929
Total Revenues	<u>76,002,135</u>	<u>50,026,428</u>	<u>297,077</u>	<u>50,323,505</u>	<u>(25,678,630)</u>

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit)
Budget and Actual - Community Development Fund
From Inception and for the Year Ended June 30, 2023

Schedule D-3
(2 pages)

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Current:					
Economic and physical development:					
CDBG:					
Coronavirus Relief Fund	427,303	132,380	1,412	133,792	293,511
FY22-FY23	358,697	-	25,150	25,150	333,547
FY21-FY22	354,122	87,559	-	87,559	266,563
FY20-FY21	354,257	244,814	-	244,814	109,443
FY19-FY20	331,599	283,276	-	283,276	48,323
FY18-FY19	344,309	301,952	-	301,952	42,357
Prior years FY 96 - FY 18	16,082,654	12,495,602	-	12,495,602	3,587,052
HOME:					
HOME-ARP	907,913	-	36,436	36,436	871,477
FY22-FY23	280,171	-	27,468	27,468	252,703
FY21-FY22	250,738	24,002	8,590	32,592	218,146
FY20-FY21	241,124	92,853	-	92,853	148,271
FY19-FY20	218,780	69,443	-	69,443	149,337
FY18-FY19	317,616	20,283	-	20,283	297,333
Prior years FY 09 - FY 18	6,865,039	5,999,298	24,278	6,023,576	841,463
Urgent repair program	437,000	408,970	12,161	421,131	15,869
ESFRLP	150,000	139,975	-	139,975	10,025
Other grants	456,965	350,000	-	350,000	106,965
FEMA and prior year grants	47,623,048	29,325,153	-	29,325,153	18,297,895
Total Expenditures	<u>76,001,335</u>	<u>49,975,560</u>	<u>135,495</u>	<u>50,111,055</u>	<u>25,890,280</u>
Revenues Over Expenditures	<u>\$ 800</u>	<u>\$ 50,868</u>	<u>\$ 161,582</u>	<u>\$ 212,450</u>	<u>\$ 211,650</u>
Other Financing Uses					
Transfer to other funds	(800)	-	-	-	800
Total Other Financing Uses	<u>(800)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>800</u>
Change in Fund Balance	<u>\$ -</u>	<u>\$ 50,868</u>	<u>161,582</u>	<u>\$ 212,450</u>	<u>\$ 212,450</u>
Fund Balance					
Beginning balance			<u>50,868</u>		
Ending Balance			<u>\$ 212,450</u>		

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Downtown District Fund
Year Ended June 30, 2023

Schedule D-4

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes	\$ 95,887	\$ 102,374	\$ 6,487
Penalties and interest	500	898	398
Total	96,387	103,272	6,885
Investment earnings	-	2,819	2,819
Total Revenues	<u>96,387</u>	<u>106,091</u>	<u>9,704</u>
Expenditures			
Current:			
Economic and physical development:			
Downtown revitalization	112,219	86,403	25,816
Total Expenditures	<u>112,219</u>	<u>86,403</u>	<u>25,816</u>
Revenue Over (Under) Expenditures	<u>(15,832)</u>	<u>19,688</u>	<u>35,520</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>19,688</u>	<u>\$ 19,688</u>
Fund Balance			
Beginning balance		<u>132,101</u>	
Ending Balance		<u>\$ 151,789</u>	

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Occupancy Tax Fund
Year Ended June 30, 2023

Schedule D-5

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Other taxes and licenses	\$ 1,196,150	\$ 1,228,243	\$ 32,093
NC Tennis Association grant	5,038	5,037	(1)
Investment earnings	4,910	7,680	2,770
Miscellaneous	5,000	1,742	(3,258)
Total Revenues	<u>1,211,098</u>	<u>1,242,702</u>	<u>31,604</u>
Expenditures			
Current:			
Economic and physical development:			
Salaries and employee benefits	213,255	207,549	5,706
Operating expenditures	197,922	162,360	35,562
Wayne County share of occupancy tax	410,000	412,828	(2,828)
	<u>821,177</u>	<u>782,737</u>	<u>38,440</u>
Debt service:			
Principal retirement - notes	289,921	259,360	30,561
Principal retirement - bonds	100,000	100,000	-
Interest and other charges	-	30,560	(30,560)
	<u>389,921</u>	<u>389,920</u>	<u>1</u>
Total Expenditures	<u>1,211,098</u>	<u>1,172,657</u>	<u>38,441</u>
Revenues Over Expenditures	<u>-</u>	<u>70,045</u>	<u>70,045</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>70,045</u>	<u>\$ 70,045</u>
Fund Balance			
Beginning balance		<u>400,563</u>	
Ending Balance		<u>\$ 470,608</u>	

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Federal and State Drug Forfeiture Fund
From Inception and for the Year Ended June 30, 2023

Schedule D-6

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental:					
DEA funds	\$ 62,947	\$ 18,805	\$ 44,143	\$ 62,948	\$ 1
NC controlled substance tax	24,085	19,910	4,174	24,084	(1)
Total	87,032	38,715	48,317	87,032	-
Investment earnings	2,902	1,408	2,833	4,241	1,339
Total Revenues	<u>89,934</u>	<u>40,123</u>	<u>51,150</u>	<u>91,273</u>	<u>1,339</u>
Expenditures					
Current:					
Public safety:					
Federal operating expenditures	239,265	77,891	24,678	102,569	136,696
State operating expenditures	34,873	2,537	1,432	3,969	30,904
Total Expenditures	<u>274,138</u>	<u>80,428</u>	<u>26,110</u>	<u>106,538</u>	<u>167,600</u>
Revenue Over (Under) Expenditures	<u>(184,204)</u>	<u>(40,305)</u>	<u>25,040</u>	<u>(15,265)</u>	<u>168,939</u>
Other Financing Sources					
Transfer from general fund	179,508	179,508	-	179,508	-
Sale of fixed assets	4,696	4,696	-	4,696	-
Total Other Financing Sources	<u>184,204</u>	<u>184,204</u>	<u>-</u>	<u>184,204</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 143,899</u>	25,040	<u>\$ 168,939</u>	<u>\$ 168,939</u>
Fund Balance					
Beginning balance			143,899		
Ending Balance			<u>\$ 168,939</u>		

City of Goldsboro
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual - Fire Other Restricted Revenue Fund
 From Inception and for the Year Ended June 30, 2023

Schedule D-7

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Other revenue:					
Donations	\$ 4,050	\$ -	\$ 4,786	\$ 4,786	\$ 736
Total Revenues	<u>4,050</u>	<u>-</u>	<u>4,786</u>	<u>4,786</u>	<u>736</u>
Expenditures					
Current:					
Public safety					
Public health measures	4,050	-	66	66	3,984
Total Expenditures	<u>4,050</u>	<u>-</u>	<u>66</u>	<u>66</u>	<u>3,984</u>
Revenue Over Expenditures	<u>-</u>	<u>-</u>	<u>4,720</u>	<u>4,720</u>	<u>4,720</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	4,720	<u>\$ 4,720</u>	<u>\$ 4,720</u>
Fund Balance					
Beginning balance			-		
Ending Balance			<u>\$ 4,720</u>		

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - CARES Act Special Revenue Fund
From Inception and for the Year Ended June 30, 2023

Schedule D-8

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental:					
Coronavirus relief funds	\$ 966,688	\$ 966,688	\$ -	\$ 966,688	\$ -
Total Revenues	<u>966,688</u>	<u>966,688</u>	<u>-</u>	<u>966,688</u>	<u>-</u>
Expenditures					
Current:					
General government:					
Public Health	45,991	30,346	-	30,346	15,645
Payroll expense	196,654	165,847	-	165,847	30,807
Public health measures	429,461	235,161	-	235,161	194,300
Small business grants	57,500	57,500	-	57,500	-
Environmental services	37,082	26,202	-	26,202	10,880
Nonprofit agency support	200,000	193,608	-	193,608	6,392
Total Expenditures	<u>966,688</u>	<u>708,664</u>	<u>-</u>	<u>708,664</u>	<u>258,024</u>
Revenue Over Expenditures	<u>-</u>	<u>258,024</u>	<u>-</u>	<u>258,024</u>	<u>258,024</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 258,024</u>	<u>-</u>	<u>\$ 258,024</u>	<u>\$ 258,024</u>
Fund Balance					
Beginning balance			<u>258,024</u>		
Ending Balance			<u>\$ 258,024</u>		

City of Goldsboro
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2023

Schedule E-1

	Parks and Recreation FY 2019-2024 Capital Project Fund	Street Improvements Capital Project Fund	Police/Fire Expansion Capital Project Fund	FY 2016 TIGER Discretionary Grant Capital Project Fund	Herman Park Recreation Center Fund	1919 LaFrance Fire Truck Restoration Capital Project Fund	Aerial Fire Truck Capital Project Fund	State Grants Miscellaneous Grant Project Fund	Total Nonmajor Capital Project Funds
ASSETS									
Cash and investments	\$ 306,871	\$ 66,486	\$ 161,461	\$ 858,493	\$ -	\$ 32,691	\$ 1,143,063	\$ 23,663	\$ 2,592,728
Total Assets	<u>\$ 306,871</u>	<u>\$ 66,486</u>	<u>\$ 161,461</u>	<u>\$ 858,493</u>	<u>\$ -</u>	<u>\$ 32,691</u>	<u>\$ 1,143,063</u>	<u>\$ 23,663</u>	<u>\$ 2,592,728</u>
LIABILITIES									
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 1,902	\$ -	\$ -	\$ -	\$ -	\$ 147	\$ 2,049
Due to other funds	-	-	-	-	376,000	-	-	-	376,000
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,902</u>	<u>-</u>	<u>376,000</u>	<u>-</u>	<u>-</u>	<u>147</u>	<u>378,049</u>
FUND BALANCES									
Restricted:									
Transportation	-	66,486	-	858,493	-	-	-	-	924,979
Public safety	-	-	159,559	-	-	32,691	1,143,063	-	1,335,313
Cultural and recreational	306,871	-	-	-	(376,000)	-	-	23,516	(45,613)
Total Fund Balances	<u>306,871</u>	<u>66,486</u>	<u>159,559</u>	<u>858,493</u>	<u>(376,000)</u>	<u>32,691</u>	<u>1,143,063</u>	<u>23,516</u>	<u>2,214,679</u>
Total Liabilities and Fund Balances	<u>\$ 306,871</u>	<u>\$ 66,486</u>	<u>\$ 161,461</u>	<u>\$ 858,493</u>	<u>\$ -</u>	<u>\$ 32,691</u>	<u>\$ 1,143,063</u>	<u>\$ 23,663</u>	<u>\$ 2,592,728</u>

City of Goldsboro

Schedule E-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Nonmajor Capital Projects Funds
 Year Ended June 30, 2023

	Parks and Recreation FY 2020-2024 Capital Project Fund	Street Improvements Capital Project Fund	Police/Fire Expansion Capital Project Fund	FY 2016 TIGER Discretionary Grant Capital Project Fund	Herman Park Recreation Center Fund	1919 LaFrance Fire Truck Restoration Capital Project Fund	Aerial Fire Truck Capital Project Fund	State Grants Miscellaneous Grant Project Fund	Total Nonmajor Capital Project Funds
Revenues									
Restricted									
intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
Donations and sponsorships	10,000	-	-	-	-	-	-	-	10,000
Investment earnings	-	-	-	-	-	-	-	603	603
Total Revenues	10,000	-	-	-	-	-	-	50,603	60,603
Expenditures									
Current:									
Public safety	-	-	34,533	-	-	-	-	-	34,533
Cultural and recreational	-	-	-	-	-	-	-	27,087	27,087
Debt service:									
Interest and other charges	-	-	-	-	-	-	8,537	-	8,537
Total Expenditures	-	-	34,533	-	-	-	8,537	27,087	70,157
Revenues Over (Under) Expenditures	10,000	-	(34,533)	-	-	-	(8,537)	23,516	(9,554)
Other Financing Sources									
Issuance of debt	-	-	-	-	-	-	1,151,600	-	1,151,600
Total Other Financing Sources	-	-	-	-	-	-	1,151,600	-	1,151,600
Net Change in Fund Balances	10,000	-	(34,533)	-	-	-	1,143,063	23,516	1,142,046
Fund Balances									
Beginning balances	296,871	66,486	194,092	858,493	(376,000)	32,691	-	-	1,072,633
Ending Balances	\$ 306,871	\$ 66,486	\$ 159,559	\$ 858,493	\$ (376,000)	\$ 32,691	\$ 1,143,063	\$ 23,516	\$ 2,214,679

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Parks and Recreation FY 2019-2024 Capital Projects Fund

From Inception and for the Year Ended June 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental	\$ 56,893	\$ 6,893	\$ -	\$ 6,893	\$ (50,000)
Donations and sponsorships	536,049	501,050	10,000	511,050	(24,999)
Total Revenues	<u>592,942</u>	<u>507,943</u>	<u>10,000</u>	<u>517,943</u>	<u>(74,999)</u>
Expenditures					
Current:					
Cultural and recreational:					
Multi Sports Complex:					
Construction	330,500	211,270	-	211,270	119,230
GoWayneGo projects:					
Construction	96,892	39,802	-	39,802	57,090
Playground	5,550	-	-	-	5,550
Southend Park:					
Construction	200,000	-	-	-	200,000
Total Expenditures	<u>632,942</u>	<u>251,072</u>	<u>-</u>	<u>251,072</u>	<u>381,870</u>
Revenues Over (Under) Expenditures	<u>(40,000)</u>	<u>256,871</u>	<u>10,000</u>	<u>266,871</u>	<u>306,871</u>
Other Financing Sources					
Transfer from other funds	40,000	40,000	-	40,000	-
Total Other Financing Sources	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 296,871</u>	<u>10,000</u>	<u>\$ 306,871</u>	<u>\$ 306,871</u>
Fund Balance					
Beginning balance			296,871		
Ending Balance			<u>\$ 306,871</u>		

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Street Improvements Capital Projects Fund
From Inception and for the Year Ended June 30, 2023**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Investment earnings	\$ 118,200	\$ 116,228	\$ -	\$ 116,228	\$ (1,972)
Expenditures					
Current:					
Transportation:					
Street resurfacing	4,940,266	4,871,908	-	4,871,908	68,358
Debt Service:					
Interest and other charges	108,256	108,257	-	108,257	(1)
Total Expenditures	<u>5,048,522</u>	<u>4,980,165</u>	<u>-</u>	<u>4,980,165</u>	<u>68,357</u>
Revenues Under Expenditures	<u>(4,930,322)</u>	<u>(4,863,937)</u>	<u>-</u>	<u>(4,863,937)</u>	<u>66,385</u>
Other Financing Sources					
Transfer from general fund	187,500	187,500	-	187,500	-
Issuance of debt	4,500,000	4,500,000	-	4,500,000	-
Premium on the issuance of debt	242,822	242,923	-	242,923	101
Total Other Financing Sources	<u>4,930,322</u>	<u>4,930,423</u>	<u>-</u>	<u>4,930,423</u>	<u>101</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 66,486</u>	<u>-</u>	<u>\$ 66,486</u>	<u>\$ 66,486</u>
Fund Balance					
Beginning balance			66,486		
Ending Balance			<u>\$ 66,486</u>		

City of Goldsboro
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual - Police/Fire Expansion Capital Project Fund
 From Inception and for the Year Ended June 30, 2023

Schedule E-5

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Investment earnings	\$ 115,262	\$ 119,160	\$ -	\$ 119,160	\$ 3,898
Miscellaneous	195,000	195,000	-	195,000	-
Total Revenues	<u>310,262</u>	<u>314,160</u>	<u>-</u>	<u>314,160</u>	<u>3,898</u>
Expenditures					
Current:					
Public safety:					
Construction	5,953,926	6,054,674	34,533	6,089,207	(135,281)
Professional fees	463,000	172,058	-	172,058	290,942
Total Expenditures	<u>6,416,926</u>	<u>6,226,732</u>	<u>34,533</u>	<u>6,261,265</u>	<u>155,661</u>
Revenues Under Expenditures	<u>(6,106,664)</u>	<u>(5,912,572)</u>	<u>(34,533)</u>	<u>(5,947,105)</u>	<u>159,559</u>
Other Financing Sources					
Transfer from other funds	806,664	806,664	-	806,664	-
Issuance of debt	5,300,000	5,300,000	-	5,300,000	-
Total Other Financing Sources	<u>6,106,664</u>	<u>6,106,664</u>	<u>-</u>	<u>6,106,664</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 194,092</u>	<u>(34,533)</u>	<u>\$ 159,559</u>	<u>\$ 159,559</u>
Fund Balance					
Beginning balance			194,092		
Ending Balance			<u>\$ 159,559</u>		

Schedule of Revenues, Expenditures, and Changes in Fund Deficit

Budget and Actual - Herman Park Recreation Center Capital Project Fund

From Inception and for the Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Current:					
Cultural and recreational:					
Construction	11,013,000	376,000	-	376,000	10,637,000
Debt service:					
Interest and other charges	137,000	-	-	-	137,000
Total Expenditures	<u>11,150,000</u>	<u>376,000</u>	<u>-</u>	<u>376,000</u>	<u>10,774,000</u>
Revenues Under Expenditures	<u>(11,150,000)</u>	<u>(376,000)</u>	<u>-</u>	<u>(376,000)</u>	<u>10,774,000</u>
Other Financing Sources					
Issuance of debt	11,150,000	-	-	-	(11,150,000)
Total Other Financing Sources	<u>11,150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,150,000)</u>
Net Change in Fund Deficit	<u>\$ -</u>	<u>\$ (376,000)</u>	<u>-</u>	<u>\$ (376,000)</u>	<u>\$ (376,000)</u>
Fund Deficit					
Beginning deficit			<u>(376,000)</u>		
Ending Deficit			<u>\$ (376,000)</u>		

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - 1919 LaFrance Fire Truck Restoration Capital Project Fund

From Inception and for the Year Ended June 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Donations	\$ 80,000	\$ 32,691	\$ -	\$ 32,691	\$ (47,309)
Total Revenues	<u>80,000</u>	<u>32,691</u>	<u>-</u>	<u>32,691</u>	<u>(47,309)</u>
Expenditures					
Current:					
Public safety:					
Restoration	80,000	-	-	-	80,000
Total Expenditures	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,000</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 32,691</u>	<u>-</u>	<u>\$ 32,691</u>	<u>\$ 32,691</u>
Fund Balance					
Beginning balance			32,691		
Ending Balance			<u>\$ 32,691</u>		

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - FY 2016 TIGER Discretionary Grant Capital Projects Fund

From Inception and for the Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ 5,100,000	\$ 4,733,532	\$ -	\$ 4,733,532	\$ (366,468)
Total Revenues	<u>5,100,000</u>	<u>4,733,532</u>	<u>-</u>	<u>4,733,532</u>	<u>(366,468)</u>
Expenditures					
Current:					
Transportation:					
Design	980,000	477,375	-	477,375	502,625
Construction	5,748,642	5,589,200	-	5,589,200	159,442
Contingency	460,741	460,741	-	460,741	-
Total Expenditures	<u>7,189,383</u>	<u>6,527,316</u>	<u>-</u>	<u>6,527,316</u>	<u>662,067</u>
Revenues Under Expenditures	<u>(2,089,383)</u>	<u>(1,793,784)</u>	<u>-</u>	<u>(1,793,784)</u>	<u>295,599</u>
Other Financing Sources					
Transfers from other funds	2,089,383	2,652,277	-	2,652,277	562,894
Total Other Financing Sources	<u>2,089,383</u>	<u>2,652,277</u>	<u>-</u>	<u>2,652,277</u>	<u>562,894</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 858,493</u>	<u>-</u>	<u>\$ 858,493</u>	<u>\$ 858,493</u>
Fund Balance					
Beginning balance			858,493		
Ending Balance			<u>\$ 858,493</u>		

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Aerial Fire Truck Capital Project Fund
From Inception and for the Year Ended June 30, 2023**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Current:					
Public Safety:					
Construction	1,136,600	-	-	-	1,136,600
Debt Service:					
Interest and other charges	15,000	-	8,537	8,537	6,463
Total Expenditures	<u>1,151,600</u>	<u>-</u>	<u>8,537</u>	<u>8,537</u>	<u>1,143,063</u>
Revenues Under Expenditures	<u>(1,151,600)</u>	<u>-</u>	<u>(8,537)</u>	<u>(8,537)</u>	<u>1,143,063</u>
Other Financing Sources					
Issuance of debt	1,151,600	-	1,151,600	1,151,600	-
Total Other Financing Sources	<u>1,151,600</u>	<u>-</u>	<u>1,151,600</u>	<u>1,151,600</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	1,143,063	<u>\$ 1,143,063</u>	<u>\$ 1,143,063</u>
Fund Balance					
Beginning balance			-		
Ending Balance			<u>\$ 1,143,063</u>		

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State Grants Miscellaneous Grant Project Fund
From Inception and for the Year Ended June 30, 2023**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -
Investment earnings	-	-	603	603	603
Total Revenues	<u>50,000</u>	<u>-</u>	<u>50,603</u>	<u>50,603</u>	<u>603</u>
Expenditures					
Current:					
Parks and recreation:					
Operating	50,000	-	27,087	27,087	22,913
Total Expenditures	<u>50,000</u>	<u>-</u>	<u>27,087</u>	<u>27,087</u>	<u>22,913</u>
Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>23,516</u>	<u>23,516</u>	<u>23,516</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>23,516</u>	<u>\$ 23,516</u>	<u>\$ 23,516</u>
Fund Balance					
Beginning balance			-		
Ending Balance			<u>\$ 23,516</u>		

Additional Financial Data

The City's largest source of revenue is derived from the assessment and collection of property taxes. This section contains additional information on property taxes City-wide and

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

City of Goldsboro
Schedule of Ad Valorem Taxes Receivable
June 30, 2023

Schedule F-1
(2 pages)

City-Wide Levy

Fiscal Year	Uncollected Balance July 1, 2022	Additions	Collections and Credits	Uncollected Balance June 30, 2023
2022-2023	\$ -	\$ 17,806,772	\$ 17,591,064	\$ 215,708
2021-2022	213,457	-	122,785	90,672
2020-2021	94,584	-	46,355	48,229
2019-2020	63,585	-	25,360	38,225
2018-2019	34,503	-	8,537	25,966
2017-2018	25,348	-	5,620	19,728
2016-2017	22,278	-	3,679	18,599
2015-2016	24,608	-	5,915	18,693
2014-2015	18,380	-	2,268	16,112
2013-2014	38,204	-	2,035	36,169
2012-2013	41,909	-	41,909	-
	\$ 576,856	\$ 17,806,772	\$ 17,855,527	528,101
				(80,920)
				\$ 447,181
				Reconciliation With Revenue
				Ad valorem taxes - General Fund \$ 17,874,114
				Reconciling items:
				Interest collected (108,371)
				Taxes written off 41,909
				Other adjustments 47,875
				\$ 17,855,527
				Total Collections and Credits

City of Goldsboro
 Schedule of Ad Valorem Taxes Receivable
 June 30, 2023

Schedule F-1
 (2 pages)

Downtown District Fund

Fiscal Year	Uncollected Balance July 1, 2022	Additions	Collections and Credits	Uncollected Balance June 30, 2023
2022-2023	\$ -	\$ 102,210	\$ 100,639	\$ 1,571
2021-2022	2,094	-	429	1,665
2020-2021	1,274	-	550	724
2019-2020	600	-	380	220
2018-2019	85	-	-	85
2017-2018	514	-	84	430
2016-2017	499	-	-	499
2015-2016	444	-	-	444
2014-2015	65	-	-	65
2013-2014	113	-	-	113
2012-2013	45	-	45	-
	<u>\$ 5,733</u>	<u>\$ 102,210</u>	<u>\$ 102,127</u>	5,816
				(1,473)
				<u>\$ 4,343</u>
				Reconciliation With Revenue:
				Ad valorem taxes - Downtown District Fund \$ 103,272
				Reconciling items:
				Interest collected (898)
				Other adjustments (247)
				<u>\$ 102,127</u>
				Total Collections and Credits
				<u>\$ 102,127</u>

**City of Goldsboro
Analysis of Current Tax Levy
Year Ended June 30, 2023**

Schedule F-2

<u>Original levy</u>	<u>Total Property Valuation</u>	<u>Rate</u>	<u>Amount of Levy</u>	<u>Property Excluding Registered Motor Vehicles</u>	<u>Registered Motor Vehicles</u>	
City-Wide:						
Property taxed at current year's rate	\$ 2,623,116,912	0.68	\$ 17,837,195	\$ 15,923,096	\$ 1,914,099	
Penalties	-		17,234	17,234	-	
Discoveries	6,481,176	0.68	44,072	44,072	-	
Abatements	<u>(13,489,559)</u>	0.68	<u>(91,729)</u>	<u>(91,729)</u>	<u>-</u>	
Total Property Valuation	<u><u>\$ 2,616,108,529</u></u>					
			Net Levy	17,806,772	15,892,673	1,914,099
			Uncollected taxes at June 30, 2023	<u>(215,708)</u>	<u>(215,708)</u>	<u>-</u>
			Current Year's Taxes Collected	<u><u>\$ 17,591,064</u></u>	<u><u>\$ 15,676,965</u></u>	<u><u>\$ 1,914,099</u></u>
			Current Levy Collection Percentage	<u><u>98.79%</u></u>	<u><u>98.64%</u></u>	<u><u>100.00%</u></u>
Downtown District:						
Property taxed at current year's rate	\$ 45,558,723	0.235	\$ 107,063	\$ 100,804	\$ 6,259	
Penalties	-		57	57	-	
Discoveries	2,088,085	0.235	4,907	4,907	-	
Abatements	<u>(4,177,447)</u>	0.235	<u>(9,817)</u>	<u>(9,817)</u>	<u>-</u>	
Total Property Valuation	<u><u>\$ 43,469,361</u></u>					
			Net Levy	102,210	95,951	6,259
			Uncollected taxes at June 30, 2023	<u>(1,571)</u>	<u>(1,571)</u>	<u>-</u>
			Current Year's Taxes Collected	<u><u>\$ 100,639</u></u>	<u><u>\$ 94,380</u></u>	<u><u>\$ 6,259</u></u>
			Current Levy Collection Percentage	<u><u>98.46%</u></u>	<u><u>98.36%</u></u>	<u><u>100.00%</u></u>



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Statistical Section

This section of the City of Goldsboro's (the "City") annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the City's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the ad valorem or property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service, water system, and infrastructure data to help the reader understand how the information in the City's comprehensive annual financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the City's annual comprehensive financial reports for the relevant year.

**City of Goldsboro
Net Position by Component
Last Ten Fiscal Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental Activities				
Net investments in capital assets	\$ 38,335,957	\$ 42,803,884	\$ 44,410,030	\$ 46,326,181
Restricted	3,937,395	8,952,468	3,045,504	3,797,767
Unrestricted	804,941	(2,315,163)	5,329,663	(653,682)
Total Governmental Activities	<u>\$ 43,078,293</u>	<u>\$ 49,441,189</u>	<u>\$ 52,785,197</u>	<u>\$ 49,470,266</u>
Business-Type Activities				
Net investments in capital assets	\$ 43,218,439	\$ 45,635,607	\$ 47,525,121	\$ 48,098,769
Restricted	-	-	-	6,506,387
Unrestricted	11,720,607	10,943,475	10,326,236	4,345,372
Total Business-Type Activities	<u>\$ 54,939,046</u>	<u>\$ 56,579,082</u>	<u>\$ 57,851,357</u>	<u>\$ 58,950,528</u>
Primary Government				
Net investments in capital assets	\$ 81,554,396	\$ 88,439,491	\$ 91,935,151	\$ 94,424,950
Restricted	3,937,395	8,952,468	3,045,504	10,304,154
Unrestricted	12,525,548	8,628,312	15,655,899	3,691,690
Total Primary Government	<u>\$ 98,017,339</u>	<u>\$ 106,020,271</u>	<u>\$ 110,636,554</u>	<u>\$ 108,420,794</u>

Note: Financial information was prepared on the accrual basis of accounting.

Table 1

2018	2019	2020	2021	2022	2023
\$ 45,169,151	\$ 50,028,618	\$ 59,410,166	\$ 58,574,492	\$ 59,114,372	\$ 50,129,419
4,406,657	11,861,204	8,972,412	8,470,337	10,056,329	11,505,551
<u>(2,285,781)</u>	<u>(14,968,065)</u>	<u>(16,045,891)</u>	<u>(13,442,439)</u>	<u>(5,647,835)</u>	<u>7,306,977</u>
<u>\$ 47,290,027</u>	<u>\$ 46,921,757</u>	<u>\$ 52,336,687</u>	<u>\$ 53,602,390</u>	<u>\$ 63,522,866</u>	<u>\$ 68,941,947</u>
\$ 48,720,090	\$ 50,977,306	\$ 50,776,484	\$ 52,153,982	\$ 50,925,948	\$ 50,997,013
876,387	1,058,078	1,058,078	1,056,430	1,040,619	1,025,231
<u>9,774,239</u>	<u>5,680,895</u>	<u>5,953,461</u>	<u>9,153,709</u>	<u>15,304,673</u>	<u>23,732,228</u>
<u>\$ 59,370,716</u>	<u>\$ 57,716,279</u>	<u>\$ 57,788,023</u>	<u>\$ 62,364,121</u>	<u>\$ 67,271,240</u>	<u>\$ 75,754,472</u>
\$ 93,889,241	\$ 101,005,924	\$ 110,186,650	\$ 110,728,474	\$ 110,040,320	\$ 101,126,432
5,283,044	12,919,282	10,030,490	9,526,767	11,096,948	12,530,782
<u>7,488,458</u>	<u>(9,287,170)</u>	<u>(10,092,430)</u>	<u>(4,288,730)</u>	<u>9,656,838</u>	<u>31,039,205</u>
<u>\$ 106,660,743</u>	<u>\$ 104,638,036</u>	<u>\$ 110,124,710</u>	<u>\$ 115,966,511</u>	<u>\$ 130,794,106</u>	<u>\$ 144,696,419</u>

City of Goldsboro
Change in Net Position
Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Expenses				
Governmental activities:				
General government	\$ 3,564,525	\$ 4,184,415	\$ 3,547,629	\$ 3,257,540
Public safety	19,435,147	15,715,097	15,793,509	17,209,532
Transportation	3,656,128	4,235,342	4,618,881	4,428,701
Economic and physical development	3,696,955	3,724,636	2,241,469	4,060,385
Environmental protection	3,656,775	3,620,474	3,371,917	3,561,080
Cultural and recreational	3,137,048	3,213,278	3,374,173	4,103,845
Business-type grant related	-	-	-	-
Interest on long-term debt	489,199	505,575	647,356	365,594
Total expenses - governmental activities	<u>37,635,777</u>	<u>35,198,817</u>	<u>33,594,934</u>	<u>36,986,677</u>
Business-type activities:				
Utilities	14,121,802	13,662,335	14,916,454	15,494,774
Storm Water	-	-	-	-
Total expenses - business-type activities	<u>14,121,802</u>	<u>13,662,335</u>	<u>14,916,454</u>	<u>15,494,774</u>
Total Expenses - Primary Government	<u>51,757,579</u>	<u>48,861,152</u>	<u>48,511,388</u>	<u>52,481,451</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	347,680	302,688	309,090	421,844
Public safety	358,876	381,999	423,512	557,288
Transportation	485,833	1,219,735	139,597	152,081
Economic and physical development	-	-	-	7,955
Environmental protection	3,382,985	3,244,483	3,250,079	3,308,449
Cultural and recreational	727,498	1,831,393	743,631	733,313
Operating grants and contributions:				
General government	3,151,217	3,735,555	3,905,483	-
Public safety	276,439	193,725	184,025	258,484
Transportation	1,406,886	1,389,397	1,320,074	1,933,703
Economic and physical development	31,685	31,739	31,253	743,600
Environmental protection	166,913	-	-	1,259,527
Cultural and recreational	343,778	854,358	448,774	-
Business-type grant related	-	-	-	-
Capital grants and contributions:				
General government	-	-	-	-
Transportation	-	-	-	-
Economic and physical development	-	7,137,148	3,317,775	-
Cultural and recreational	-	-	-	-
Total program revenues - governmental activities	<u>10,679,790</u>	<u>20,322,220</u>	<u>14,073,293</u>	<u>9,376,244</u>

Table 2
(2 pages)

	2018	2019	2020	2021	2022	2023
\$	4,164,439	\$ 3,261,068	\$ 3,344,174	\$ 4,382,157	\$ 3,265,463	\$ 3,703,360
	17,919,547	18,902,090	17,282,752	18,900,022	17,740,365	19,939,447
	6,693,599	4,590,846	3,879,162	4,213,913	4,286,639	3,939,114
	2,941,441	2,945,596	5,295,646	2,820,014	2,623,651	2,859,729
	3,528,252	4,693,340	4,278,685	3,708,748	3,659,805	4,041,168
	5,030,394	5,948,219	5,326,874	5,304,795	5,485,584	5,857,026
	-	-	-	-	579,855	1,979,139
	917,168	973,293	557,062	930,163	805,959	771,338
	<u>41,194,840</u>	<u>41,314,452</u>	<u>39,964,355</u>	<u>40,259,812</u>	<u>38,447,321</u>	<u>43,090,321</u>
	17,248,002	17,895,448	19,387,215	16,744,862	15,790,140	14,875,553
	372,144	1,124,364	924,675	1,073,276	1,053,518	1,128,364
	<u>17,620,146</u>	<u>19,019,812</u>	<u>20,311,890</u>	<u>17,818,138</u>	<u>16,843,658</u>	<u>16,003,917</u>
	<u>58,814,986</u>	<u>60,334,264</u>	<u>60,276,245</u>	<u>58,077,950</u>	<u>55,290,979</u>	<u>59,094,238</u>
	83,897	119,189	70,089	84,878	85,677	76,931
	386,306	419,291	376,336	530,494	572,248	627,145
	-	218,045	70,128	390,219	230,626	246,420
	15,402	25,410	7,905	62,457	51,520	94,120
	3,253,077	3,265,796	4,049,875	3,713,661	3,711,813	4,039,406
	951,021	1,232,744	1,058,688	946,911	1,449,271	1,505,942
	27,031	27,377	27,353	26,451	719,219	478,657
	1,108,563	326,333	299,045	293,501	2,397,950	1,670,589
	1,467,623	1,055,851	1,310,490	1,005,312	1,324,431	1,245,364
	688,955	546,205	982,431	1,483,052	269,203	442,861
	440,014	263,111	2,497,458	279,557	811,044	201,924
	-	99,197	-	25,180	806,931	255,746
	-	-	-	-	579,855	1,979,139
	105,852	-	-	-	-	-
	-	272,160	4,274,200	187,172	-	60,000
	-	-	-	-	-	-
	138,813	137,393	55,000	79,116	167,625	-
	<u>8,666,554</u>	<u>8,008,102</u>	<u>15,078,998</u>	<u>9,107,961</u>	<u>13,177,413</u>	<u>12,924,244</u>

City of Goldsboro
Change in Net Position
Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Program Revenues				
Business-type activities:				
Charges for services	\$ 15,813,626	\$ 15,691,832	\$ 16,175,654	\$ 15,965,714
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
	<u>15,813,626</u>	<u>15,691,832</u>	<u>16,175,654</u>	<u>15,965,714</u>
Total program revenues - business-type activities	<u>15,813,626</u>	<u>15,691,832</u>	<u>16,175,654</u>	<u>15,965,714</u>
Total Program Revenues - Primary Government	<u>26,493,416</u>	<u>36,014,052</u>	<u>30,248,947</u>	<u>25,341,958</u>
Net Revenue (Expense)				
Governmental activities	(26,955,987)	(14,876,597)	(19,521,641)	(27,610,433)
Business-type activities	<u>1,691,824</u>	<u>2,029,497</u>	<u>1,259,200</u>	<u>470,940</u>
Total Primary Government	<u>(25,264,163)</u>	<u>(12,847,100)</u>	<u>(18,262,441)</u>	<u>(27,139,493)</u>
General Revenues and Transfers				
Governmental activities:				
Ad valorem taxes	15,194,387	15,420,547	15,056,921	15,679,927
Other taxes	1,261,863	785,616	889,751	966,303
Unrestricted intergovernmental	6,484,745	7,214,633	7,625,338	11,712,038
Investment earnings	5,323	6,848	28,027	46,006
Miscellaneous revenue	633,779	416,502	745,492	624,985
Special item	-	-	(1,479,880)	-
Transfers	-	-	-	-
	<u>23,580,097</u>	<u>23,844,146</u>	<u>22,865,649</u>	<u>29,029,259</u>
Total governmental activities	<u>23,580,097</u>	<u>23,844,146</u>	<u>22,865,649</u>	<u>29,029,259</u>
Business-type activities:				
Investment earnings	8,025	6,612	13,075	44,115
Miscellaneous revenue	-	-	-	480,802
Transfers	-	-	-	-
	<u>8,025</u>	<u>6,612</u>	<u>13,075</u>	<u>524,917</u>
Total business-type activities	<u>8,025</u>	<u>6,612</u>	<u>13,075</u>	<u>524,917</u>
Total Primary Government	<u>23,588,122</u>	<u>23,850,758</u>	<u>22,878,724</u>	<u>29,554,176</u>
Change in Net Position				
Governmental activities	(3,375,890)	8,967,549	3,344,008	1,418,826
Business-type activities	<u>1,699,849</u>	<u>2,036,109</u>	<u>1,272,275</u>	<u>995,857</u>
Total Primary Government	<u>\$ (1,676,041)</u>	<u>\$ 11,003,658</u>	<u>\$ 4,616,283</u>	<u>\$ 2,414,683</u>

Note: Financial information was prepared on the accrual basis of accounting.

Table 2
(2 pages)

2018	2019	2020	2021	2022	2023
\$ 17,101,516	\$ 17,893,916	\$ 19,117,212	\$ 20,375,257	\$ 20,317,500	\$ 22,495,892
136,914	507,885	-	-	-	-
-	-	336,324	268,854	359,206	428,036
<u>17,238,430</u>	<u>18,401,801</u>	<u>19,453,536</u>	<u>20,644,111</u>	<u>20,676,706</u>	<u>22,923,928</u>
<u>25,904,984</u>	<u>26,409,903</u>	<u>34,532,534</u>	<u>29,752,072</u>	<u>33,854,119</u>	<u>35,848,172</u>
(32,528,286)	(33,306,350)	(24,885,357)	(31,151,851)	(25,269,908)	(30,166,077)
(381,716)	(618,011)	(858,354)	2,825,973	3,833,048	6,920,011
<u>(32,910,002)</u>	<u>(33,924,361)</u>	<u>(25,743,711)</u>	<u>(28,325,878)</u>	<u>(21,436,860)</u>	<u>(23,246,066)</u>
16,052,594	15,664,078	16,534,709	16,902,783	17,771,140	17,937,931
1,287,326	1,416,068	1,304,724	1,376,911	1,440,159	1,558,465
12,586,998	13,519,564	11,652,463	14,150,649	15,611,041	15,078,915
119,896	326,850	153,374	11,466	22,029	747,281
551,233	238,255	309,017	978,927	636,607	262,566
-	-	-	-	-	-
(250,000)	1,773,265	346,000	(1,003,182)	(290,592)	-
<u>30,348,047</u>	<u>32,938,080</u>	<u>30,300,287</u>	<u>32,417,554</u>	<u>35,190,384</u>	<u>35,585,158</u>
104,850	180,115	61,710	10,229	19,992	372,306
447,054	556,724	1,214,388	736,714	763,487	1,190,915
250,000	(1,773,265)	(346,000)	1,003,182	290,592	-
<u>801,904</u>	<u>(1,036,426)</u>	<u>930,098</u>	<u>1,750,125</u>	<u>1,074,071</u>	<u>1,563,221</u>
<u>31,149,951</u>	<u>31,901,654</u>	<u>31,230,385</u>	<u>34,167,679</u>	<u>36,264,455</u>	<u>37,148,379</u>
(2,180,239)	(368,270)	5,414,930	1,265,703	9,920,476	5,419,081
420,188	(1,654,437)	71,744	4,576,098	4,907,119	8,483,232
<u>\$ (1,760,051)</u>	<u>\$ (2,022,707)</u>	<u>\$ 5,486,674</u>	<u>\$ 5,841,801</u>	<u>\$ 14,827,595</u>	<u>\$ 13,902,313</u>

City of Goldsboro
Fund Balances - Governmental Funds
Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund				
Nonspendable	\$ 337,269	\$ 651,278	\$ 589,493	\$ 564,291
Restricted	4,572,888	8,952,468	2,808,546	5,270,374
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	645,905	6,625,432	7,587,797	7,811,928
Total General Fund	<u>\$ 5,556,062</u>	<u>\$ 16,229,178</u>	<u>\$ 10,985,836</u>	<u>\$ 13,646,593</u>
Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	236,958	2,690,689
Committed:				
General government	-	-	-	-
Downtown Development	131,647	130,665	66,512	82,896
Economic Development	593,611	1,976,464	1,921,156	1,357,357
Cultural and Recreational	-	-	-	5,885,915
Assigned:				
Subsequent year's expenditures	180,485	24,850	-	-
Unassigned	-	-	-	-
Total Other Governmental Funds	<u>\$ 905,743</u>	<u>\$ 2,131,979</u>	<u>\$ 2,224,626</u>	<u>\$ 10,016,857</u>

Note: Financial information was prepared on the modified accrual basis of accounting.

Table 3

2018	2019	2020	2021	2022	2023
\$ 606,124	\$ 187,925	\$ 257,212	\$ 255,407	\$ 425,801	\$ 760,312
4,998,215	6,313,654	5,357,362	5,610,552	7,946,741	8,211,391
-	374,346	2,146,511	291,143	815,163	809,748
-	778,842	12,964	-	-	1,500,000
6,670,426	3,132,854	1,310,509	4,454,057	12,220,201	16,057,787
<u>\$ 12,274,765</u>	<u>\$ 10,787,621</u>	<u>\$ 9,084,558</u>	<u>\$ 10,611,159</u>	<u>\$ 21,407,906</u>	<u>\$ 27,339,238</u>
\$ -	\$ -	\$ -	\$ -	\$ 6,391	\$ 1,996
234,493	5,489,659	3,557,159	3,062,030	2,051,697	3,236,269
-	-	-	-	7,056	-
95,311	-	-	-	-	-
852,722	-	-	-	-	-
62,593	-	-	-	-	-
-	24,000	-	150,000	-	250,000
-	(57,024)	-	-	-	-
<u>\$ 1,245,119</u>	<u>\$ 5,456,635</u>	<u>\$ 3,557,159</u>	<u>\$ 3,212,030</u>	<u>\$ 2,065,144</u>	<u>\$ 3,488,265</u>

City of Goldsboro
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues				
Ad valorem taxes	\$ 15,491,073	\$ 15,483,368	\$ 15,373,561	\$ 15,679,928
Other taxes and licenses	1,157,562	785,616	889,751	1,056,487
Unrestricted intergovernmental	10,245,080	11,172,014	11,854,168	11,712,038
Restricted intergovernmental	2,102,416	10,256,791	5,387,555	4,354,537
Permits and fees	343,392	359,599	420,115	525,738
Sales and services	4,421,279	4,243,671	4,296,235	4,273,510
Investment earnings	5,323	6,848	28,027	46,006
Miscellaneous	686,147	1,944,958	-	750,571
Total Revenues	<u>34,452,272</u>	<u>44,252,865</u>	<u>38,249,412</u>	<u>38,398,815</u>
Expenditures				
Current:				
General government	3,252,104	3,790,187	3,180,045	3,481,672
Public safety	18,682,381	15,524,494	15,704,769	16,910,403
Transportation	3,129,332	3,164,379	3,102,998	3,261,299
Economic and physical development	3,675,907	3,712,003	1,385,332	4,402,069
Environmental protection	3,383,876	3,322,699	2,743,280	3,179,650
Cultural and recreational	3,049,440	3,014,588	2,797,524	4,181,318
Utility related services	-	-	-	-
Capital outlay	442,064	12,975,831	12,975,831	-
Debt service:				
Principal	1,990,185	2,552,236	3,362,270	3,409,903
Interest and other charges	489,199	406,507	665,728	655,308
Total Expenditures	<u>38,094,488</u>	<u>48,462,924</u>	<u>45,917,777</u>	<u>39,481,622</u>
Revenues Over (Under) Expenditures	<u>(3,642,216)</u>	<u>(4,210,059)</u>	<u>(7,668,365)</u>	<u>(1,082,807)</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Sale of capital assets	-	-	-	110,040
Insurance recoveries	-	-	-	-
Issuance of debt	-	20,686,842	2,106,326	12,608,664
Issuance of lease liabilities	-	-	-	-
Issuance of subscription liabilities	-	-	-	-
Premium on the issuance of debt	-	-	-	684,211
Debt refundings	-	(4,551,214)	-	(1,885,664)
Other Financing Sources (Uses), Net	<u>-</u>	<u>16,135,628</u>	<u>2,106,326</u>	<u>11,517,251</u>
Net Change in Fund Balances	<u>\$ (3,642,216)</u>	<u>\$ 11,925,569</u>	<u>\$ (5,562,039)</u>	<u>\$ 10,434,444</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>6.58%</u>	<u>8.34%</u>	<u>12.23%</u>	<u>10.30%</u>

Note: Financial information was prepared on the modified accrual basis of accounting.

Table 4

	2018	2019	2020	2021	2022	2023
\$	15,747,628	\$ 15,935,610	\$ 16,600,626	\$ 16,998,970	\$ 17,778,944	\$ 17,977,386
	1,287,326	1,416,068	1,304,724	1,376,911	1,440,159	1,558,465
	12,586,998	12,632,314	12,814,943	14,075,736	15,374,960	15,253,518
	3,976,851	2,514,427	9,349,644	3,512,722	7,030,632	6,484,459
	386,306	415,087	373,171	512,777	555,631	625,290
	4,303,397	4,666,133	5,260,516	4,791,165	5,260,820	5,647,551
	119,896	326,850	153,374	11,466	21,972	746,272
	551,233	650,710	404,684	1,134,831	578,423	334,827
	<u>38,959,635</u>	<u>38,557,199</u>	<u>46,261,682</u>	<u>42,414,578</u>	<u>48,041,541</u>	<u>48,627,768</u>
	3,554,876	3,238,210	2,740,767	3,588,058	3,032,086	3,058,365
	19,047,197	22,786,647	15,532,071	16,787,272	16,697,219	18,413,705
	6,054,853	2,644,769	2,066,549	2,421,598	2,631,105	2,438,909
	2,927,772	3,075,334	5,207,444	2,743,007	2,602,335	2,590,621
	3,158,528	4,748,127	3,866,411	3,312,730	3,350,622	3,524,267
	11,195,202	5,678,455	4,117,378	4,058,363	4,457,164	4,746,273
	-	-	-	-	579,855	1,979,139
	-	2,513,809	10,569,413	2,215,260	3,637,608	2,032,160
	4,237,705	4,579,171	4,968,807	4,225,075	3,973,160	4,023,226
	859,103	785,799	628,292	1,024,231	898,224	836,290
	<u>51,035,236</u>	<u>50,050,321</u>	<u>49,697,132</u>	<u>40,375,594</u>	<u>41,859,378</u>	<u>43,642,955</u>
	(12,075,601)	(11,493,122)	(3,435,450)	2,038,984	6,182,163	4,984,813
	7,342	2,342,353	1,800,430	590,871	685,243	-
	(257,342)	(569,088)	(2,148,958)	(1,594,053)	(975,835)	-
	252,509	169,080	65,931	135,392	180,027	62,944
	-	-	-	-	226,852	124,869
	2,328,000	11,513,233	105,000	-	3,268,981	2,033,000
	-	-	-	-	48,720	-
	-	-	-	-	-	151,342
	-	242,923	-	-	-	-
	-	-	-	-	-	-
	<u>2,330,509</u>	<u>13,698,501</u>	<u>(177,597)</u>	<u>(867,790)</u>	<u>3,433,988</u>	<u>2,372,155</u>
\$	<u>(9,745,092)</u>	<u>\$ 2,205,379</u>	<u>\$ (3,613,047)</u>	<u>\$ 1,171,194</u>	<u>\$ 9,616,151</u>	<u>\$ 7,356,968</u>
	<u>12.32%</u>	<u>11.29%</u>	<u>14.30%</u>	<u>13.76%</u>	<u>12.75%</u>	<u>11.68%</u>

City of Goldsboro
Tax Revenues by Source - Governmental Activities
Last Ten Fiscal Years

Table 5

Fiscal Year	Property Tax	Occupancy Tax	Privilege License Tax	Other	Total
2014	\$ 15,311,560	\$ 559,596	\$ 526,390	\$ 51,542	\$ 16,449,088
2015	15,409,895	608,514	93,101	61,361	16,172,871
2016	15,056,921	743,626	25,593	60,362	15,886,502
2017	15,679,927	964,375	1,823	66,737	16,712,862
2018	16,052,594	993,506	2,210	59,960	17,108,270
2019	15,664,078	1,104,829	3,026	72,973	16,844,906
2020	16,534,709	995,009	3,405	69,810	17,602,933
2021	16,902,783	1,034,175	2,961	86,005	18,025,924
2022	17,771,140	1,107,941	3,480	85,828	18,968,389
2023	17,977,386	1,228,243	3,503	84,308	19,293,440

Note: Financial information was prepared on the accrual basis of accounting.

City of Goldsboro
Tax Revenues by Source - Governmental Funds (Modified Accrual Basis)
Last Ten Fiscal Years

Table 6

Fiscal Year	Property Tax	Occupancy Tax	Privilege License Tax	Other	Total
2014	\$ 15,386,772	\$ 559,596	\$ 526,390	\$ 51,542	\$ 16,524,300
2015	15,486,368	608,514	93,101	61,361	16,249,344
2016	15,373,561	743,626	25,593	60,362	16,203,142
2017	15,679,928	964,375	1,823	66,737	16,712,863
2018	15,747,628	993,506	2,210	59,960	16,803,304
2019	15,935,610	1,104,829	3,026	72,973	17,116,438
2020	16,600,626	995,009	3,405	69,810	17,668,850
2021	16,998,970	1,034,175	2,961	86,005	18,122,111
2022	17,778,944	1,107,941	3,480	85,828	18,976,193
2023	17,937,931	1,228,243	3,503	84,308	19,253,985

City of Goldsboro
Assessed Values of Taxable Property
Last Ten Fiscal Years

Table 7

Fiscal Year	(1) Real Property	(1) Personal Property	(1) Corporate Excess	(1) Total Taxable Assessed Value	Total Direct Tax Rate per \$100
2014	\$ 2,071,199,242	\$ 204,156,845	\$ 52,971,759	\$ 2,328,327,846	\$ 0.65
2015	2,057,232,730	231,037,274	52,652,660	2,340,922,664	0.65
2016	2,054,356,827	230,001,759	62,084,900	2,346,443,486	0.65
2017	2,099,079,754	233,064,083	66,627,156	2,398,770,993	0.65
2018	1,855,763,343	460,281,742	70,855,530	2,386,900,615	0.65
2019	1,871,422,440	243,977,949	75,519,544	2,190,919,933	0.65
2020	1,973,661,667	250,802,345	79,103,601	2,303,567,613	0.65
2021	2,023,839,987	254,682,252	74,792,835	2,353,315,074	0.65
2022	2,005,867,369	247,836,662	74,767,017	2,328,471,048	0.68
2023	2,022,812,385	236,473,811	76,711,694	2,335,997,890	0.68

Note: Property in the county is reassessed once every eight years on average. The last county-wide revaluation occurred January 1, 2019. The county assesses property at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$100 of assessed value.

(1) Source - Wayne County Tax Administrator/Collector.

**City of Goldsboro
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Table 8

Fiscal Year Ended June 30	City Direct Rates			Overlapping Rates	Total Direct and Overlapping Rates
	General Fund Rate	Total Direct Rate	Downtown Service District Rate	(1) County Rate	
2014	\$ 0.650	\$ 0.650	\$ 0.235	\$ 0.664	\$ 1.5490
2015	0.650	0.650	0.235	0.664	1.5490
2016	0.650	0.650	0.235	0.664	1.5490
2017	0.650	0.650	0.235	0.664	1.5490
2018	0.650	0.650	0.235	0.664	1.5490
2019	0.650	0.650	0.235	0.664	1.5490
2020	0.650	0.650	0.235	0.664	1.5490
2021	0.650	0.650	0.235	0.708	1.5925
2022	0.680	0.680	0.235	0.743	1.6580
2023	0.680	0.680	0.235	0.743	1.6580

Note: There is a NC statutory tax rate limit of \$1.50 per hundred dollars valuation for operating expenses, but no limitation on the rate of tax which may be levied for debt service.

Note: Tax rates are established on a per \$100 of assessed value.

(1) Wayne County Comprehensive Annual Financial Report.

**City of Goldsboro
Principal Property Taxpayers
Current Year and Nine Years Ago**

Table 9

(1) Taxpayer	(1) Type of Business	Fiscal Year 2023			Fiscal Year 2014		
		(1) Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	(1) Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Duke Energy Progress Inc	Public Utility	\$ 28,452,615	1	1.22%	\$ 23,055,759	2	0.99%
Franklin Baking Co.	Bread Manufacturing	24,037,383	2	1.03%	22,543,591	4	0.97%
Wal-Mart Stores	Retail Department Store	21,627,518	3	0.93%	36,590,932	1	1.57%
Berkeley Mall LLC	Mall Shopping Center	21,528,020	4	0.92%	22,625,900	3	0.97%
EWT 75 LLC		21,324,137	5	0.91%			0.00%
Berkeley Place Apartments LLC	Real Estate	19,133,593	6	0.82%	18,480,478	6	0.79%
Piedmont Natural Gas Company Inc	Public Utility	19,056,496	7	0.82%	11,867,582	10	0.51%
Spectrum Southeast LLC	Public Utility	18,009,200	8	0.77%			
The Three J's Inc.	Automobile Dealer	16,240,170	9	0.70%			
Gruma Corporation	Real Estate	14,279,875	10	0.61%			
Goldsboro Apartments Investors LLC	Real Estate				20,926,708	5	0.90%
Berkeley Realty Associates LLC	Real Estate				13,320,210	7	0.57%
TWE-Advance-Newhouse Partnership	Public Utility				12,920,361	8	0.55%
Cooper Standard, Inc.	Rubber & Plastic Auto Parts				12,203,116	9	0.52%
Totals		<u>203,689,007</u>		<u>8.72%</u>	<u>194,534,637</u>		<u>8.36%</u>
Total Assessed Valuation		<u>\$ 2,335,997,890</u>		<u>100.00%</u>	<u>\$ 2,328,327,846</u>		<u>100.00%</u>

(1) Source - Wayne County Tax Administrator/Collector.

**City of Goldsboro
Property Tax Levies and Collections
Last Ten Fiscal Years**

Table 10

Fiscal Year	(1) Taxes Levied for the Fiscal Year (Original Levy)		(1) Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	(1) Adjustments	Amount		Percentage of Original Levy	Amount		Percentage of Adjusted Levy	
2014	\$ 14,270,650	\$ (199,560)	\$ 14,071,090	\$ 13,728,356	97.56%	\$ 306,565	\$ 14,034,921	99.74%
2015	13,651,130	(54,376)	13,596,754	13,375,305	98.37%	205,337	13,580,642	99.88%
2016	13,364,789	430,577	13,795,366	13,493,702	97.81%	282,971	13,776,673	99.86%
2017	14,115,765	(51,837)	14,063,928	13,780,916	97.99%	264,413	14,045,329	99.87%
2018	15,109,733	427,959	15,537,692	15,283,969	98.37%	233,995	15,517,964	99.87%
2019	15,771,272	(41,299)	15,729,973	15,485,233	98.19%	218,774	15,704,007	99.83%
2020	16,526,892	33,535	16,560,427	16,285,619	98.54%	236,583	16,522,202	99.77%
2021	16,865,771	(17,626)	16,848,145	16,626,966	98.58%	172,950	16,799,916	99.71%
2022	17,653,462	(48,709)	17,604,753	17,391,296	98.79%	122,785	17,514,081	99.48%
2023	17,837,195	(30,423)	17,806,772	17,591,064	98.79%	-	17,591,064	98.79%

(1) Source - Wayne County Tax Collector.

City of Goldsboro
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 11

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government	Per Capita	Percentage of Actual Property Values	Percentage of Personal Income
	General Obligation Bonds	Installment Loans	Subscription Liabilities	Lease Liabilities	General Obligation Bonds	Installment Loans				
2014	\$ 3,754,297	\$ 11,950,629	\$ -	\$ -	\$ 15,445,703	\$ 14,927,446	\$ 46,078,075	\$ 1,298	1.98%	1.094%
2015	5,135,723	21,683,475	-	-	13,628,277	12,922,295	53,369,770	1,506	2.28%	1.267%
2016	4,644,007	20,919,247	-	-	11,921,993	11,278,198	48,763,445	1,395	2.08%	1.114%
2017	10,389,178	23,139,645	-	-	10,729,816	17,818,945	62,077,584	1,784	2.59%	1.353%
2018	9,573,697	22,182,533	-	-	9,832,509	16,586,250	58,174,989	1,727	2.44%	1.262%
2019	13,642,377	25,232,458	-	-	8,664,963	16,870,664	64,410,462	1,915	2.94%	1.358%
2020	12,433,805	20,812,169	-	-	7,806,600	18,796,484	59,849,058	1,778	2.60%	1.126%
2021	11,393,959	17,556,414	-	-	6,789,512	18,530,702	54,270,587	1,609	2.31%	0.931%
2022	10,362,121	17,847,312	-	116,963	5,772,415	17,162,655	51,261,466	1,543	2.20%	0.885%
2023	9,380,040	16,861,977	97,172	77,797	4,912,561	16,226,912	47,556,459	1,421	2.04%	0.821%

** BEA Interactive data website not updated for 2023

City of Goldsboro
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 12

Fiscal Year	(1) General Obligation Bonds	(2) Assessed Value	Percentage of Actual Taxable Value of Property	(3) Population	(4) Per Capita
2014	\$ 19,200,000	\$ 2,328,327,846	0.82%	35,489	\$ 541
2015	18,764,000	2,340,922,664	0.80%	35,436	530
2016	16,566,000	2,346,443,486	0.71%	34,959	474
2017	21,118,994	2,398,770,993	0.88%	34,793	607
2018	19,406,206	2,386,900,615	0.81%	33,685	576
2019	22,307,340	2,190,919,933	1.02%	33,636	663
2020	18,883,000	2,303,567,613	0.82%	33,657	561
2021	18,183,471	2,353,315,074	0.77%	33,723	539
2022	16,134,536	2,328,471,048	0.69%	33,215	486
2023	14,292,601	2,335,997,890	0.61%	33,463	427

- (1) Source - Debt amortization schedules for the City of Goldsboro.
- (2) Source - Wayne County Tax Administrator/Collector.
- (3) Source - U.S. Department of Commerce, Bureau of Economic Analysis.
- (4) Source - Employment Security Commission of North Carolina.

**City of Goldsboro
 Legal Debt Margin Information
 Last Ten Fiscal Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit (8% of assessed value)	\$ 186,266,228	\$ 187,273,813	\$ 187,715,479	\$ 191,901,679
Total debt applicable to limit	<u>15,704,926</u>	<u>26,819,198</u>	<u>25,563,254</u>	<u>33,528,823</u>
Legal Debt Margin	<u><u>\$ 170,561,302</u></u>	<u><u>\$ 160,454,615</u></u>	<u><u>\$ 162,152,225</u></u>	<u><u>\$ 158,372,856</u></u>
Total Debt Applicable to Limit as a Percentage of Debt Limit	<u><u>9.21%</u></u>	<u><u>16.71%</u></u>	<u><u>15.76%</u></u>	<u><u>21.17%</u></u>

Note: North Carolina General Statute 159-55 limits the City's outstanding debt to 8% of the appraised value of property subject to taxation. The legal debt margin is the difference between the debt limit and the City's net debt outstanding applicable to the limit, and represents the City's legal borrowing authority.

Table 13

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 190,952,049	\$ 175,273,595	\$ 184,285,409	\$ 188,265,206	\$ 186,277,684	\$ 186,879,831
31,756,230	38,874,835	33,245,974	28,950,373	28,326,396	26,416,986
<u>\$ 159,195,819</u>	<u>\$ 136,398,760</u>	<u>\$ 151,039,435</u>	<u>\$ 159,314,833</u>	<u>\$ 157,951,288</u>	<u>\$ 160,462,845</u>
<u>19.95%</u>	<u>28.50%</u>	<u>22.01%</u>	<u>18.17%</u>	<u>17.93%</u>	<u>16.46%</u>

**Legal Debt Margin Calculation
for Fiscal Year 2023**

Assessed value	<u>\$ 2,335,997,890</u>
Debt Limit (8% of Assessed Value)	186,879,831
Debt applicable to limit:	
General obligation bonds	9,380,040
Other debt	<u>16,939,774</u>
Legal Debt Margin	<u>\$ 160,560,017</u>

City of Goldsboro
Direct and Overlapping Debt - Governmental Activities
June 30, 2023

Table 14

Governmental Unit	(1) Debt Outstanding	(2) Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes:			
Wayne County General Obligation Debt	\$ 16,965,000	28.64%	\$ 4,858,776
Other debt:			
Wayne County Installment Purchase Loans	49,061,000	28.64%	<u>14,051,070</u>
Subtotal, Overlapping Debt			18,909,846
Total direct debt			<u>26,416,986</u>
Total Direct and Overlapping Debt			<u><u>\$ 45,326,832</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident--and therefore responsible for repaying the debt of each overlapping government.

(1) Source - Wayne County Comprehensive Annual Financial Report.

(2) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

**City of Goldsboro
Demographic and Economic Statistics
Last Ten Fiscal Years**

Table 15

Fiscal Year	(1) Population	(2) Personal Income (000's)	(2) Per Capita Personal Income	(1) Median Age	(3) School Enrollment	(4) Unemployment Rate Percentage
2014	35,489	\$ 4,210,623	\$ 33,620	37.6	19,256	7.30%
2015	35,436	4,212,734	33,815	36.0	19,444	6.40%
2016	34,959	4,378,472	35,181	34.4	19,221	5.60%
2017	34,793	4,587,326	36,950	33.3	19,249	5.10%
2018	33,685	4,610,060	37,126	33.0	18,955	3.80%
2019	33,636	4,741,631	38,472	38.0	17,374	4.67%
2020	33,657	5,315,916	42,882	38.0	17,997	7.10%
2021	33,723	5,827,845	49,881	41.7	17,352	5.69%
2022	33,215	5,790,425	49,370	36.7	17,402	4.40%
2023	33,463	5,790,425 **	49,370 **	36.9	17,433	3.90%

Note: Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

(1) Source - North Carolina Office of State Budget and Management - State Demographer

(2) Source - U.S. Department of Commerce, Bureau of Economic Analysis and North Carolina Department of Commerce

(3) Source - Wayne County Board of Education

(4) Source - U.S. Department of Labor and Employment Security Commission of North Carolina

**** BEA Interactive data website not updated for 2022 & 2023**



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**City of Goldsboro
Principal Employers
Current Year and Nine Years Ago**

Table 16

Employer	2023			2014		
	* Employees	Rank	(1) Percentage of Total MSA Employment	Employees	Rank	(1) Percentage of Total MSA Employment
Seymour Johnson Air Force Base	11,516	1	22.38%	13,743	1	25.22%
Wayne UNC Healthcare	2,925	2	5.68%	1,804	3	3.31%
Wayne County Board of Education	2,390	3	4.64%	3,046	2	5.59%
Mount Olive Pickle Company, Inc	1,234	4	2.40%			
Case Farms	1,100	5	2.14%	1,095	5	2.01%
County of Wayne	1,007	6	1.96%	1,258	4	2.31%
O'Berry Center	624	7	1.21%	859	8	1.58%
Cherry Hospital	580	8	1.13%	956	6	1.75%
City of Goldsboro	560	9	1.09%			
AP Exhaust Technologies	550	10	1.07%			
Goldsboro Milling				800	9	1.47%
Cooper Standard Automotive				938	7	1.72%
Wal-Mart				690	10	1.27%
Total	22,486		43.70%	25,189		46.23%

(1) Source - Employment Security Commission of North Carolina for the Goldsboro Metropolitan Statistical Area.

* Wayne County FY23 Audit

City of Goldsboro
Full-Time Equivalent City Employees by Function/Program (1)
Last Ten Fiscal Years

Function	2014	2015	2016	2017
General government	32.0	33.0	34.0	35.0
Transportation:				
Streets and highways	21.0	21.0	24.0	24.0
Garage	10.0	10.0	10.0	10.0
Economic and physical development	16.0	15.0	14.0	15.0
Public safety:				
Police:				
Officers	108.0	110.0	110.0	110.0
Civilians	10.0	10.0	11.0	10.0
Fire:				
Firefighters and officers	81.0	81.0	81.0	81.0
Civilians	1.0	1.0	1.0	1.0
Other	29.0	30.0	29.0	29.0
Environmental protection	48.0	47.0	39.0	39.0
Cultural and recreational	35.0	37.0	35.0	40.0
Stormwater	-	-	-	-
Maintenance	24.0	24.0	26.0	28.0
Water	11.0	11.0	11.0	11.0
Sewer	24.0	24.0	24.0	24.0
Total	450.0	454.0	449.0	457.0

Source - City of Goldsboro's Budget Document

Table 17

2018	2019	2020	2021	2022	2023
36.0	36.0	38.0	41.0	62.2	62.2
22.0	12.5	12.5	12.5	12.5	12.5
11.0	11.0	11.0	12.0	12.0	12.0
14.0	15.0	15.0	14.0	18.0	18.0
110.0	110.0	110.0	110.0	109.0	109.0
11.0	11.0	11.0	11.0	11.0	11.0
81.0	82.0	82.0	82.0	82.0	82.0
2.0	2.0	2.0	2.0	2.0	2.0
29.0	33.0	33.0	33.0	17.0	17.0
39.0	39.0	40.0	40.0	41.0	41.0
44.0	45.0	45.0	45.0	43.0	43.0
4.0	10.5	10.5	11.5	11.9	11.9
28.0	28.0	28.0	24.0	30.4	30.4
11.0	11.0	11.0	18.0	12.0	12.0
24.0	25.0	25.0	24.0	25.0	25.0
466.0	471.0	474.0	480.0	489.0	489.0

City of Goldsboro
Operating Indicators by Function (1)
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017
Police				
Physical arrests	2,962	2,833	2,657	2,462
Traffic violations	7,205	7,964	6,367	4,959
Fire				
Number of calls answered	2,040	2,475	2,767	2,827
Inspections	1,213	1,161	1,005	901
Building Inspections				
New construction permits	96	77	58	67
Highways and Streets				
Street resurfacing (miles)	3.18	3.06	3.30	-
Potholes repaired	622	488	835	654
Sanitation				
Refuse collected (tons per day)	50.30	55.00	54.00	51.20
Recyclables collected (tons per day)	5.60	6.03	5.60	5.30
Cultural and Recreational				
Athletic field permits issued	10	68	85	203
Community center admissions	132,364	128,073	144,414	116,316
Water				
New connections	17	60	17	28
Water mains breaks	40	29	68	56
Average daily consumption (millions of gallons)	5.2	4.7	4.8	5.1
Number of customers	13,755	13,556	13,626	13,530
Waste Water				
New connections	35	37	29	41
Average daily sewage treatment (millions of gallons)	8.8	9.5	9.6	9.4
Number of customers	10,640	10,611	10,750	10,755

Note: Indicators are not available for the general government function.

(1) Sources - Various departments of the City of Goldsboro.

Table 18

2018	2019	2020	2021	2022	2023
2,193	2,070	1,840	1,551	1,288	1,130
3,690	5,581	6,116	2,091	3,722	2,544
2,387	2,623	2,296	2,630	2,806	3,107
995	1,228	1,387	1,879	1,889	1,520
73	58	81	59	113	102
11	9.60	0.31	-	4.64	-
601	452	423	693	564	816
49.73	53.09	32.45	49.74	66.50	65.66
5.28	3.60	2.96	4.10	1.55	2.73
432	434	409	252	321	346
168,525	358,062	51,565	11,000	22,499	29,124
33	27	24	23	46	39
71	359	273	18	23	15
5.9	6.5	6.5	6	6	6.1
13,651	13,836	13,874	13,659	13,713	13,807
31	37	26	39	57	49
8.3	11.5	9.0	13	9	7.8
10,685	11,214	11,311	11,518	11,707	11,777

City of Goldsboro
Capital Asset Statistics by Function (1)
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017
Public Safety				
Police:				
Stations	1	1	1	1
Patrol units	59	59	70	60
Fire stations	5	5	5	5
Sanitation				
Collection trucks	11	7	8	8
Highways and Streets				
Streets (miles)	163	163	163	163
Streetlights	2,926	2,805	2,836	2,905
Cultural and Recreational				
Parks acreage	403	403	403	403
Parks	13	13	13	13
Swimming pools	2	2	2	2
Tennis courts	18	18	18	18
Community centers	2	2	2	2
Water				
Water mains (miles)	270	270	270	274
Maximum daily capacity (millions of gallons)	12.0	12.0	12.0	12.0
Sewer				
Sanitary sewers (miles)	241	241	241	243
Maximum daily treatment capacity (millions of gallons)	14.2	14.2	14.2	14.2

Note: Indicators are not available for the general government function.

(1) Sources - Various departments of the City of Goldsboro.

Table 19

2018	2019	2020	2021	2022	2023
1	1	1	1	1	1
64	64	64	56	56	51
5	5	5	5	5	5
8	8	8	7	16	15
163	163	163	163	165	165
2,924	2,924	2,924	2751	2980	2,980
403	403	403	403	403	403
13	13	13	14	14	14
2	2	2	2	2	2
18	18	18	18	18	18
2	2	2	2	2	2
274	274	274	274	272	273
12.0	12.0	12.0	14	14	14.0
243	243	243	229	229	230
14.2	14.2	14.2	14.2	14.2	14.2



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Compliance Section

This section of the City of Goldsboro's (the "City") comprehensive annual financial report presents various schedules in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Information Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and the *State Single Audit Implementation Act*. It also contains the independent Auditor's reports on compliance and controls as required by the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the independent Auditor's reports on compliance and controls as required by the Uniform Guidance, and the independent Auditor's reports on compliance and controls as required by the *State Single Audit Implementation Act*.



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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 Auditor's Report

Honorable Mayor and
Members of the City Council
City of Goldsboro, 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 and each major fund of the City of Goldsboro, North Carolina (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2024.

Report on Internal Control over Financial Reporting

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

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results 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.

Forvis Mazars, LLP

**Winston-Salem, North Carolina
June 30, 2024**

Report on Compliance for Major Federal Program and Report on Internal Control over Compliance

Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Goldsboro, North Carolina

Report on Compliance for Major Federal Program

Opinion on Major Federal Program

We have audited the City of Goldsboro, North Carolina's (the "City") 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 the City's major federal program for the year ended June 30, 2023. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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, the Uniform Guidance and the State Single Audit Implementation Act are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

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

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 the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City'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*, the Uniform Guidance, and the State Single Audit Implementation Act 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 the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City'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 the City'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 the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies 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, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Honorable Mayor and
Members of the City Council
City of Goldsboro, North Carolina

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.

Forvis Mazars, LLP

**Winston-Salem, North Carolina
June 30, 2024**

Report on Compliance for Major State Program and Report on Internal Control over Compliance

Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Goldsboro, North Carolina

Report on Compliance for Major State Program

Opinion on Major State Program

We have audited the City of Goldsboro, North Carolina's (the "City") compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on the City's major state program for the year ended June 30, 2023. The City's major state program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Major State Program

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

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

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 the City's 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 the City'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*, the Uniform Guidance, and the State Single Audit Implementation Act 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 the City's compliance with the requirements of the major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City'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 the City'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 the City'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 a 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 the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies 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, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Honorable Mayor and
Members of the City Council
City of Goldsboro, North Carolina

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 applicable sections of the Uniform Guidance and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

Forvis Mazars, LLP

**Winston-Salem, North Carolina
June 30, 2024**

Schedule of Findings and Questioned Costs

I. Summary of Auditor's Results

Financial Statements

Type of Auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X None reported
- Noncompliance material to federal awards? _____ Yes X No

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

Unmodified

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

_____ Yes X No

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B Programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ Yes X No

State Awards

Internal control over major state programs:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not
 considered to be material weaknesses? _____ Yes X None reported
- Noncompliance material to state awards? _____ Yes X No

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?

_____ Yes X No

Identification of major state programs:

Program Name

DOT-4 Powell Bill

II. Financial Statement Findings

There were no findings related to the financial statements for the year ended June 30, 2023.

III. Federal Awards Findings and Questioned Costs

There were no findings related to federal awards for the fiscal year ended June 30, 2023.

IV. State Awards Findings and Questioned Costs

There were no findings related to state awards for the fiscal year ended June 30, 2023.

City of Goldsboro
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2023

(2 pages)

Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Pass-through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures
FEDERAL AWARDS				
Cash Programs				
<u>U.S. Department of Housing and Urban Development ("HUD")</u>				
Direct:				
Office of Community Planning and Development:				
Community Development Block Grant - Entitlement Grants Cluster:				
FY22-FY23	14.218	B-22-MC-37-0019	\$ 25,150	\$ -
COVID-19: CDBG-CV	14.218	B-20-MW-370019	1,412	-
Total CDBG Entitlement Grants Cluster			<u>26,562</u>	<u>-</u>
Home Investment Partnership Program:				
HOME ARP	14.239	M-21-MP-370209	36,436	-
FY22-FY23	14.239	M22-MC-370209	60,336	-
Total Home Investment Partnership Program			<u>96,772</u>	<u>-</u>
Total HUD			<u>123,334</u>	<u>-</u>
<u>U.S. Department of Justice ("DOJ")</u>				
<u>Passed through NC Department of Public Safety:</u>				
Bulletproof Vest Partnership Program				
	16.607	N/A	6,109	-
Edward Byrne Memorial Justice Assistance Grant Program:				
FY19- FY20	16.738	2019-DJ-BX-0708	14,315	-
FY20- FY21	16.738	2020-DJ-BX-0852	2,977	-
FY22- FY23	16.738	15PBJA-22-GG-02635- JAGX	16,434	-
			<u>33,726</u>	<u>-</u>
Equitable Sharing Program	16.922	NC0960100	24,677	-
Total DOJ			<u>64,512</u>	<u>-</u>
<u>U.S. Department of Transportation ("DOT")</u>				
<u>Passed through NC Department of Transportation:</u>				
Highway Planning and Construction ("HPC") Cluster:				
104(f) Funds	20.205-5	40435.1.9	171,440	214,300
5303 Funds	20-205	36230.13.20.6	43,227	43,227
Total HPC Cluster			<u>214,667</u>	<u>257,527</u>
Total DOT			<u>214,667</u>	<u>257,527</u>

City of Goldsboro
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2023

(2 pages)

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal (Direct and Pass-through) Expenditures</u>	<u>State Expenditures</u>
<u>U.S. Department of the Treasury ("Treasury")</u>				
Direct:				
State and Local Fiscal Recovery Funds	21.027	SLFRP4368	\$ 4,506,701	\$ -
Total Treasury			4,506,701	-
<u>U.S. Environmental Protection Agency ("EPA")</u>				
Passed through N.C. Department of Environmental Quality:				
Division of Water Infrastructure:				
Capitalization Grants for Clean Water State Revolving Funds:				
Phase 4 Sewer Collection Sewer Rehabilitation Project	66.458	E-SRP-W-17-0110	46,484	-
Total EPA			46,484	-
STATE AWARDS				
Cash Programs				
<u>N.C. Department of Environmental Quality ("NCDEQ")</u>				
NC Viable Utility Reserve Program				
DEQ VUR Training Grant	N/A	DEQ-32	-	772
VUR Asset Inventory & Assessment AIA Wtr & Swr	N/A	DEQ-32	-	133,800
VUR MRF (MRF-M-VUR-0001) Feasibility	N/A	DEQ-32	-	33,526
Total NCDEQ			-	168,098
<u>N.C. Office of Management & Budget ("NC OMB")</u>				
State Appropriations Grant P&R	N/A	12182	-	27,087
Total NC OMB			-	27,087
<u>N.C. Department of Transportation ("NCDOT")</u>				
Powell Bill	N/A	DOT-4	-	1,009,100
Total NCDOT			-	1,009,100
<u>N.C. Department of Revenue ("NCDOR")</u>				
Controlled Substance Tax	N/A	N/A	-	1,432
Total NCDOR			-	1,432
Total Expenditures of Federal and State Awards			\$ 4,955,698	\$ 1,463,244

1. Basis of Presentation

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

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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Costs

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

4. Loan and Loan Guarantee Balances Outstanding

The City has outstanding loan balances at June 30, 2023 relating to the Clean Water State Revolving Fund. The State has not imposed continuing compliance requirements other than repayment of the loan. As prescribed by the Uniform Guidance, the City shall consider current year amounts expended under this loan for inclusion within the SEFSA. Therefore, the amount reported on the SEFSA represents current year expenditures whereas the following table consists of the loans outstanding at June 30, 2023:

<u>Loan Description</u>	<u>Assistance Listing Number</u>	<u>Loan Balance</u>
Clean Water State Revolving Loan - CS370482-06	66.458	\$ 2,353,196
Clean Water State Revolving Loan - CS370482-07	66.458	3,412,606
Clean Water State Revolving Loan - 1942	66.458	1,336,418
Clean Water State Revolving Loan – E-SRP-2-17-0110	66.458	<u>578,137</u>
Total Outstanding Loan Balances		<u>\$ 7,680,357</u>

5. Program Clusters

Federal programs with different Catalog of Federal Domestic Assistance (CFDA) numbers that are closely related because they share common compliance requirements are defined as a cluster by the Uniform Guidance. The Highway Planning and Construction Cluster is separately identified in the SEFSA as a program cluster.

6. Sub-Recipients

The City did not pass through any federal or State funds to sub-recipients during the year ended June 30, 2023.

7. Contingencies

Grant moneys received and disbursed by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requires for reimbursement due to disallowed expenditures. Based upon experience, the City does not believe that such disallowance, if any, would have a material effect on the SEFSA.