

CITY OF GOLDSBORO GOLDSBORO, NORTH CAROLINA



ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2022



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CITY OF GOLDSBORO, NORTH CAROLINA

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022



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.



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LETTER OF TRANSMITTAL

November 21, 2023

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, 2022 (FY22) 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, 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 \$899 million (M) to the economy in FY22. 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 of 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 \$82M of investment to include: Central Gardens Apartments; AAA Mini Storage; UNC Health Wayne hospital expansion; Wayne Preparatory Academy grade school and gym; Chick-Fil-A remodel; Discount Tire; Ace Hardware; and 90 new single family dwellings.



Downtown statistics for FY22 include: 20 building renovations; 34 new jobs (24 net); 10 new businesses (3 net) and 12 façade improvements accounting for ~\$11.9M 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 \$172.4M in 2021; an increase of 21.6% from 2020. The 2022 estimate is not yet complete but venues such as the Bryan Multi Sports Complex and the Maxwell Center continue to have increased economic impact.

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 enable 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.

Drinking Water. A waterline replacement project (~\$6M) was approved for NC State ARPA funding.

Roads. Several North Carolina Department of Transportation (NCDOT) improvement projects are being planned or in work throughout Goldsboro. 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.

American Rescue Plan Act. The City utilized its first tranche and received its second tranche of federal ARPA funds (\$8.8M total) for employee salary expenses. This revenue made it possible to fund increased employee salaries operations, maintenance, and equipment costs associated with COVID related supply and demand issues.

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 10-year principal payout ratio target of 55% or better. This FY debt service expenditures were 11.6% of total fund expenditures and the aggregate 10-year principal payout ratio was 83.2%. 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 34.8%.

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; and the support and resources provided by the City Mayor and Councilmembers. We sincerely appreciate and thank all involved.

Respectfully submitted,



Timothy M. Salmon
City Manager



Catherine F. Gwynn
Finance Director

Mayor and City Council Members



Left to right: **Antonio Williams** (District 1), **Bill Broadway** (District 2), **Taj Polack** (District 3), **Chuck Allen**, **Brandi Matthews** (District 4), **David Ham** (District 5), and **Gene Aycock** (District 6)

Staff

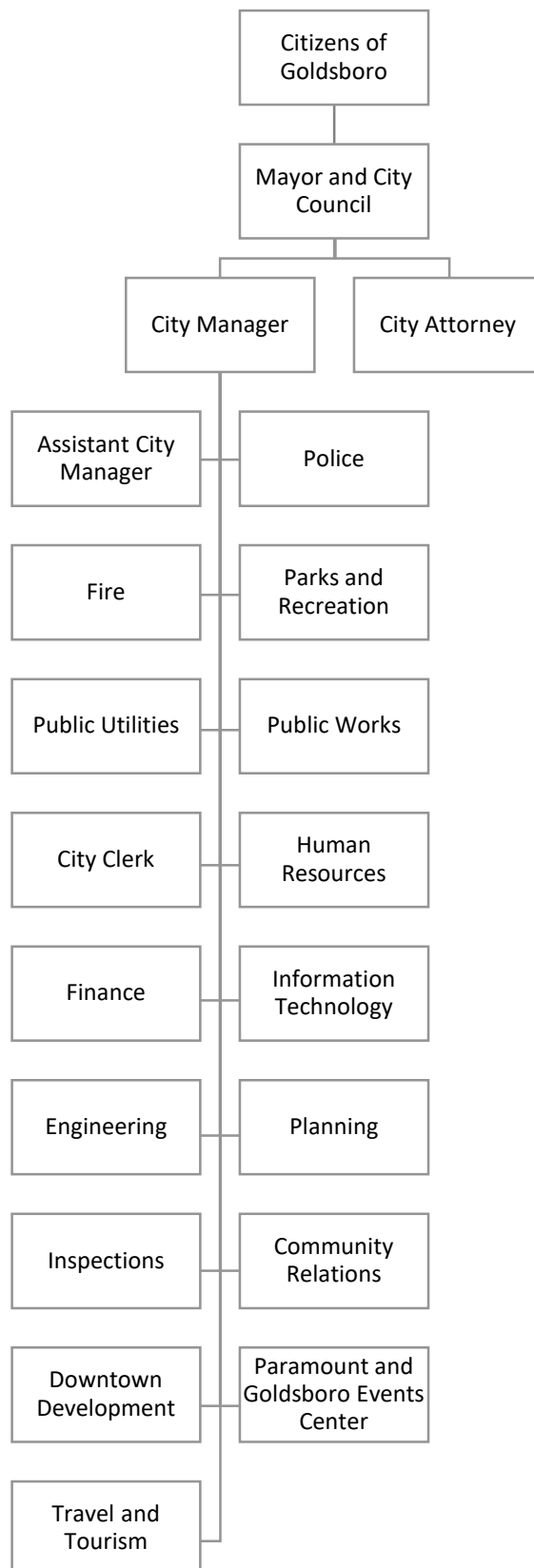
City Manager
Tim Salmon

Assistant City Manager
Randy Guthrie

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2022, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2022, the City adopted new accounting guidance for accounting for leases. Our opinions are not modified with respect to this matter.

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 Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2023, 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,LLP

**High Point, North Carolina
November 21, 2023**

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, 2022. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the recent fiscal year by \$130,794,106 (net position). Of this amount, \$9,656,838 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 \$14,827,595 consisting of an increase in governmental activities of \$9,920,476 and an increase in business-type activities of \$4,907,119. The change consisted of an increase of \$7,794,604 in unrestricted net position of governmental activities and a \$6,150,964 increase in unrestricted net position of business-type activities. The increase in unrestricted net position for governmental activities was largely due to \$4.3 million of grant funding recognized during the fiscal year for funds received as a result of the American Rescue Plan Act of 2021. The increase in unrestricted net position for business-type activities was due to continued strong operational performance within the Utility Fund following an increase in rates implemented in fiscal year 2020.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$23,473,050, an increase of \$9,649,861 in comparison with the prior year. Approximately 44.4 percent of this total, or \$10,430,630, is non-spendable or restricted.
- At the close of the current fiscal year, unassigned fund balance for the General Fund was \$12,220,201 or 35.78 percent of total General Fund expenditures for the fiscal year. The portion of total fund balance that was available for appropriation was \$13,035,364 or 38.17 percent of total General Fund expenditures.
- The City's total debt decreased by \$3,111,130 (5.72 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

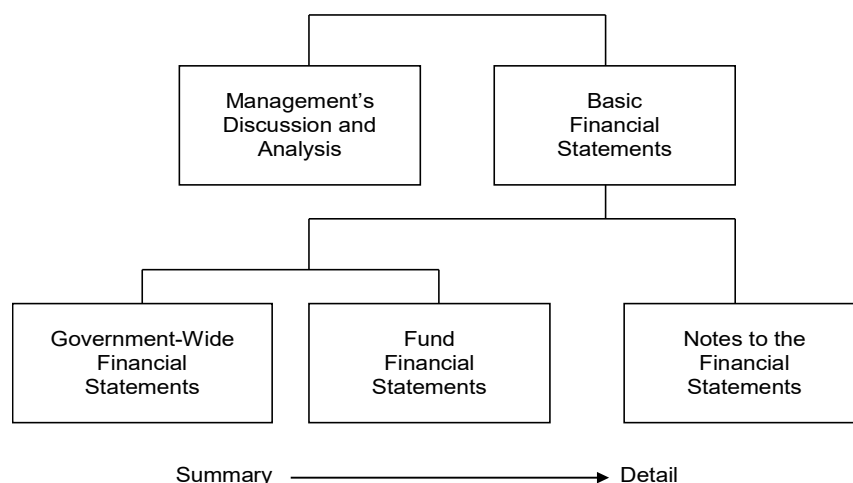
Management's discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components (see Figure 1). They are as follows:

- 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.

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.

City of Goldsboro, North Carolina
Management's Discussion and Analysis
Year Ended June 30, 2022

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 27-62 of this report.

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 64-66 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>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
ASSETS						
Current assets	\$ 28,440,573	\$ 18,211,523	\$ 23,201,339	\$ 16,289,259	\$ 51,641,912	\$ 34,500,782
Capital assets	<u>85,049,581</u>	<u>85,607,126</u>	<u>73,328,026</u>	<u>76,604,470</u>	<u>158,377,607</u>	<u>162,211,596</u>
Total	113,490,154	103,818,649	96,529,365	92,893,729	210,019,519	196,712,378
DEFERRED OUTFLOWS OF RESOURCES	<u>8,770,448</u>	<u>7,848,703</u>	<u>1,710,562</u>	<u>1,405,881</u>	<u>10,481,010</u>	<u>9,254,584</u>
Total assets and deferred outflows	<u>122,260,602</u>	<u>111,667,352</u>	<u>98,239,927</u>	<u>94,299,610</u>	<u>220,500,529</u>	<u>205,966,962</u>
LIABILITIES						
Current liabilities	3,763,513	3,693,704	2,620,755	2,793,839	6,384,268	6,487,543
Long-term liabilities	<u>45,608,087</u>	<u>52,269,491</u>	<u>25,351,615</u>	<u>28,734,208</u>	<u>70,959,702</u>	<u>81,003,699</u>
Total	49,371,600	55,963,195	27,972,370	31,528,047	77,343,970	87,491,242
DEFERRED INFLOWS OF RESOURCES	<u>9,366,136</u>	<u>2,101,767</u>	<u>2,996,317</u>	<u>407,442</u>	<u>12,362,453</u>	<u>2,509,209</u>
Total liabilities and deferred inflows	<u>58,737,736</u>	<u>58,064,962</u>	<u>30,968,687</u>	<u>31,935,489</u>	<u>89,706,423</u>	<u>90,000,451</u>
NET POSITION						
Net investment in capital assets	59,114,372	58,574,492	50,925,948	52,153,982	110,040,320	110,728,474
Restricted	10,056,329	8,470,337	1,040,619	1,056,430	11,096,948	9,526,767
Unrestricted (deficit)	<u>(5,647,835)</u>	<u>(13,442,439)</u>	<u>15,304,673</u>	<u>9,153,709</u>	<u>9,656,838</u>	<u>(4,288,730)</u>
Net position	<u>\$ 63,522,866</u>	<u>\$ 53,602,390</u>	<u>\$ 67,271,240</u>	<u>\$ 62,364,121</u>	<u>\$ 130,794,106</u>	<u>\$ 115,966,511</u>

City of Goldsboro, North Carolina
Management's Discussion and Analysis
Year Ended June 30, 2022

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 \$130,794,106 as of June 30, 2022. The City's net position increased by \$14,827,595 for the fiscal year ended June 30, 2022. The largest portion of net position (84.13%) 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.

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 (8.48%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$9,656,838 (7.38%) 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,

	2022			2021		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
REVENUES						
Program revenues:						
Charges for services	\$ 6,101,155	\$ 20,317,500	\$ 26,418,655	\$ 5,728,620	\$ 20,375,257	\$ 26,103,877
Operating grants and contributions	6,975,509	-	6,975,509	3,113,053	-	3,113,053
Capital grants and contributions	167,625	359,206	526,831	266,288	268,854	535,142
General revenues:						
Property taxes	17,771,140	-	17,771,140	16,902,783	-	16,902,783
Other taxes	1,440,159	-	1,440,159	1,376,911	-	1,376,911
Grants and contributions not restricted to specific programs	15,611,041	-	15,611,041	14,150,649	-	14,150,649
Unrestricted investment earnings	22,029	19,992	42,021	11,466	10,229	21,695
Miscellaneous	686,640	763,487	1,450,127	978,927	736,714	1,715,641
Total revenues	<u>48,775,298</u>	<u>21,460,185</u>	<u>70,235,483</u>	<u>42,528,697</u>	<u>21,391,054</u>	<u>63,919,751</u>
EXPENSES						
Governmental activities:						
General government	3,265,463	-	3,265,463	4,382,157	-	4,382,157
Public safety	17,740,365	-	17,740,365	18,900,022	-	18,900,022
Transportation	4,286,639	-	4,286,639	4,213,913	-	4,213,913
Economic and physical development	2,827,070	-	2,827,070	2,820,014	-	2,820,014
Environmental protection	3,659,805	-	3,659,805	3,708,748	-	3,708,748
Cultural and recreation	5,485,584	-	5,485,584	5,304,795	-	5,304,795
Business-type grant related	579,855	-	579,855	-	-	-
Interest on long-term debt	719,449	-	719,449	930,163	-	930,163
Business-type activities:						
Utilities	-	15,790,140	15,790,140	-	16,744,862	16,744,862
Storm Water	-	1,053,518	1,053,518	-	1,073,276	1,073,276
Total expenses	<u>38,564,230</u>	<u>16,843,658</u>	<u>55,407,888</u>	<u>40,259,812</u>	<u>17,818,138</u>	<u>58,077,950</u>
TRANSFERS	<u>(290,592)</u>	<u>290,592</u>	<u>-</u>	<u>(1,003,182)</u>	<u>1,003,182</u>	<u>-</u>
Net change	9,920,476	4,907,119	14,827,595	1,265,703	4,576,098	5,841,801
NET POSITION						
Beginning balances	<u>53,602,390</u>	<u>62,364,121</u>	<u>115,966,511</u>	<u>52,336,687</u>	<u>57,788,023</u>	<u>110,124,710</u>
Ending balances	<u>\$ 63,522,866</u>	<u>\$ 67,271,240</u>	<u>\$ 130,794,106</u>	<u>\$ 53,602,390</u>	<u>\$ 62,364,121</u>	<u>\$ 115,966,511</u>

Overall, the City's net position increased by \$14,827,595 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 increases in operating grants and contributions due in large part to the American Rescue Plan funding and reimbursements from FEMA for Hurricane Florence; lapsed expenditures primarily due to vacant positions and unspent operating expenditures due in part to supply chain issues; and increases in unrestricted grants and contributions. 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 no rate increase in water and sewer rates for the current fiscal year, however, the business-type activities continued to be positively affected by the 17.5% increase in utility rates as recommended by the utility rate study conducted in 2019. 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 \$9,920,476. Key elements of this increase are as follows:

- Property tax revenues increased \$868,357 (5.14 percent) over the prior year due to modest growth.
- Investment earnings increased \$10,563 for governmental activities due to higher cash balances.
- Operating grants and contributions increased \$3,795,580 due to in large part to the American Rescue Plan Act of 2021, and the FEMA reimbursements for Hurricane Florence.
- Grants and contributions not restricted increased \$1,460,392.
- Operating expenses in general government and public safety decreased approximately \$2,276,351 due to lapsed expenses.

Business-type activities: Business-type activities increased the City's net position by \$4,907,119. Key elements of this increase are as follows:

- The charges for services remained flat from the prior year. The last rate increase being in 2020. 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 \$9,763 for business activities due to higher cash balances.
- Decreases in operating and maintenance costs of \$974,480 in the utility fund due to supply chain issues where large projects could not be undertaken.

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.

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 \$12,220,201, while total fund balance was \$21,407,906. 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 35.78% of total General Fund expenditures, while fund balance available for appropriation represents 38.17% of the same amount.

At June 30, 2022, the governmental funds of the City reported a combined fund balance of \$23,473,050, a 69.57% 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; loan proceeds received for which related capital outlays had not yet been made at the end of the fiscal year; and an increase of \$1.3 million in local options sales taxes, utilities taxes, ABC revenues, and other intergovernmental revenues 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 \$29,186, due in part to lapsed appropriations for capital outlay. The Occupancy Tax Fund increased by \$12,710 due to lapsed expenditures.

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.
- Funding several workers' compensation settlements negotiated.
- Funding economic development agreement to Wayne County for a shell building and improvements to the Maxwell Center property.
- Funding the Kiwanis train replacement with the surplus sale of the existing train.
- Funding various expenditures related to insurance claims.

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

- Ad valorem taxes exceeded the budgeted amount by approximately \$129,800.
- Local option sales and use taxes exceeded the budgeted amount by approximately \$1,315,483, and utility franchise taxes fell short of the budgeted amount by \$249,992.
- Other grants fell short of the budgeted amounts by approximately \$1,695,242 due to American Rescue Plan accounted for in a special revenue fund.
- 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 \$15,304,673. The total increase in net position for the funds was \$4,907,119. 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, 2022 totals \$158,377,607 (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 increased \$2,532,744 overall. The 2018 Street Bonds project increased construction in progress by \$1,608,222. Work in process related to information technology items and police vehicles, and other rolling stock placed in service increased \$762,647.
- Equipment and vehicles totaling \$928,578 with the more significant purchases as follows:
 - Police department one vehicle placed in service \$43,970, and repair chiller at police and fire complex \$36,573
 - Fire department Ford F150 truck \$47,668, and four air pack cylinders \$33,237
 - Solid Waste International rear loader \$194,605, dumpster carrier and three transfer trailers \$347,633
 - Parks and Recreation department Kiwanis F-Unit locomotive with 12 passenger car donated by the Kiwanis \$98,500
 - Streets department Bobcat excavator \$65,714
- Buildings and improvements totaling \$276,628 with the more significant purchases as follows:
 - Fire department source capture exhaust system \$202,083
 - Parks and Recreation department Berkley Park shelter \$74,545

Business-Type Activities

- Construction in progress increased \$898,866 overall. Construction in progress increased \$552,794 for the Phase IV Sewer Rehabilitation, and for several other small capital projects.
- Vehicles and motor equipment totaling \$393,563, with the more significant purchases as follows:
 - Distribution and Collections 2 robot pipe inspection cameras \$145,000
 - Water Treatment Plant 2 vehicles \$52,399, various major equipment repairs to pumps, filters and switches \$80,484
- Plant, buildings and improvements totaling \$35,920, related to major repairs to water treatment plant elevator and reroofing blower building at the water reclamation facility, \$367,317 related to long term maintenance contract for water tanks, and Hwy 117 force main major repair \$74,866

City of Goldsboro, North Carolina
Management's Discussion and Analysis
Year Ended June 30, 2022

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	
	2022	2021	2022	2021	2022	2021
Assets not depreciated:						
Land	\$ 7,456,120	\$ 7,488,292	\$ 1,443,282	\$ 1,443,282	\$ 8,899,402	\$ 8,931,574
Construction-in-progress	18,916,543	16,383,799	10,127,359	9,228,493	29,043,902	25,612,292
Assets depreciated, net:						
Buildings	19,623,461	20,495,380	-	-	19,623,461	20,495,380
Plant and distribution systems	-	-	54,414,182	57,684,339	54,414,182	57,684,339
Furniture and equipment	2,001,218	2,417,014	5,682,367	6,323,101	7,683,585	8,740,115
Vehicles and motor equipment	4,461,050	4,593,648	1,660,836	1,925,255	6,121,886	6,518,903
Infrastructure	32,474,056	34,228,993	-	-	32,474,056	34,228,993
Right-to-use lease assets	117,133	-	-	-	117,133	-
Total	<u>\$ 85,049,581</u>	<u>\$ 85,607,126</u>	<u>\$ 73,328,026</u>	<u>\$ 76,604,470</u>	<u>\$ 158,377,607</u>	<u>\$ 162,211,596</u>

Additional information on the City's capital assets can be found on pages 38-40 of this report.

Long-term debt. As of June 30, 2022, the City had total capital related debt outstanding of \$51,261,466. General obligation bonds in the amount of \$15,021,000 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	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 9,659,856	\$ 10,621,168	\$ 5,361,144	\$ 6,326,832	\$ 15,021,000	\$ 16,948,000
Premium on bonds	702,265	772,791	411,271	462,680	1,113,536	1,235,471
Lease liabilities	116,963	-	-	-	116,963	-
Notes payable	17,847,312	17,556,414	17,162,655	18,530,702	35,009,967	36,087,116
Total	<u>\$ 28,326,396</u>	<u>\$ 28,950,373</u>	<u>\$ 22,935,070</u>	<u>\$ 25,320,214</u>	<u>\$ 51,261,466</u>	<u>\$ 54,270,587</u>

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 \$179,361,000.

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 52-57 of this report.

Economic factors and next year's budgets and rates

The average unemployment rate for Goldsboro is currently 4.4 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, 2023

Governmental activities: The City's adopted budget for 2023 saw no increase for the property tax rate of 68 cents per \$100 valuation and an average of 12 percent increase in solid waste fees. Revenues from shared state revenues and property taxes remain flat. The retirement contribution rate increased from 11.41% to 12.43% for general employees, and from 12.24% to 12.79% for law enforcement. There was a 5 percent cost of living increase for all employees, increases for the police employees sworn and non-sworn, and increases for fire personnel. Approximately \$1.1 million was appropriated in the general fund for contingency.

Business-type activities: Water and sewer usage are expected to remain constant in FY 2022-2023. There was a 20 percent increase for water and sewer rates and classes with all other utility service rates and charges remaining the same. Increases in the retirement contribution rate were also applicable for general employees in the proprietary funds. There was a 5 percent cost of living increase for all employees in the proprietary funds. Approximately \$1.2 million was appropriated in the utility fund for contingency, and \$1.5 million was appropriated for a newly created capital reserve fund.

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, 2022

Exhibit 1

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 17,695,531	\$ 15,983,251	\$ 33,678,782
Receivables, net	1,790,106	3,397,656	5,187,762
Due from other governments	5,806,381	17,490	5,823,871
Lease receivable	3,775	1,196,340	1,200,115
Inventories and prepaids	432,192	1,086,759	1,518,951
Restricted assets:			
Cash and investments	2,405,940	1,519,843	3,925,783
Notes receivable	306,648	-	306,648
Capital assets, net:			
Assets not being depreciated	26,372,663	11,570,641	37,943,304
Other capital assets, net of depreciation	58,676,918	61,757,385	120,434,303
Total assets	113,490,154	96,529,365	210,019,519
DEFERRED OUTFLOWS OF RESOURCES	8,770,448	1,710,562	10,481,010
LIABILITIES			
Accounts payable and accrued liabilities	3,029,980	1,249,646	4,279,626
Estimated claims payable	322,028	-	322,028
Accrued interest payable	295,430	90,888	386,318
Customer deposits	16,131	1,269,731	1,285,862
Unearned revenue	99,944	10,490	110,434
Long-term liabilities:			
Due within one year	4,345,182	2,729,279	7,074,461
Due in more than one year	41,262,905	22,622,336	63,885,241
Total liabilities	49,371,600	27,972,370	77,343,970
DEFERRED INFLOWS OF RESOURCES	9,366,136	2,996,317	12,362,453
NET POSITION			
Net investment in capital assets	59,221,372	50,925,948	110,147,320
Restricted for:			
Stabilization by State Statute	7,626,653	-	7,626,653
General government	258,024	-	258,024
Public safety	172,506	-	172,506
Capital outlay	1,072,633	-	1,072,633
Cemetery maintenance	294,478	-	294,478
Economic and physical development	574,144	-	574,144
Receivables held in abeyance	57,891	1,040,619	1,098,510
Unrestricted	(5,754,835)	15,304,673	9,549,838
Total net position	\$ 63,522,866	\$ 67,271,240	\$ 130,794,106

City of Goldsboro
Statement of Activities
Year Ended June 30, 2022

Exhibit 2
(2 pages)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 3,265,463	\$ 85,677	\$ 719,219	\$ -
Public safety	17,740,365	572,248	2,397,950	-
Transportation	4,286,639	230,626	1,324,431	-
Economic and physical development	2,827,070	51,520	336,079	-
Environmental protection	3,659,805	3,711,813	811,044	-
Cultural and recreation	5,485,584	1,449,271	806,931	167,625
Business-type grant related	579,855	-	579,855	-
Interest on long-term debt	719,449	-	-	-
Total governmental activities	38,564,230	6,101,155	6,975,509	167,625
Business-type activities				
Utilities	15,790,140	18,728,457	-	359,206
Stormwater	1,053,518	1,589,043	-	-
Total business-type activities	16,843,658	20,317,500	-	359,206
Total primary government	<u>\$ 55,407,888</u>	<u>\$ 26,418,655</u>	<u>\$ 6,975,509</u>	<u>\$ 526,831</u>

City of Goldsboro
Statement of Activities
Year Ended June 30, 2022

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	\$ (2,460,567)	\$ -	\$ (2,460,567)
Public safety	(14,770,167)	-	(14,770,167)
Transportation	(2,731,582)	-	(2,731,582)
Economic and physical development	(2,439,471)	-	(2,439,471)
Environmental protection	863,052	-	863,052
Cultural and recreation	(3,061,757)	-	(3,061,757)
Business-type grant related	-	-	-
Interest on long-term debt	(719,449)	-	(719,449)
Total governmental activities	(25,319,941)	-	(25,319,941)
Business-type activities			
Utilities	-	3,297,523	3,297,523
Stormwater	-	535,525	535,525
Total business-type activities	-	3,833,048	3,833,048
Total primary government	(25,319,941)	3,833,048	(21,486,893)
General revenues			
Taxes:			
Property taxes, levied for general purpose	17,771,140	-	17,771,140
Other taxes and licenses	1,440,159	-	1,440,159
Grants and contributions not restricted to specific programs	15,611,041	-	15,611,041
Unrestricted investment earnings	22,029	19,992	42,021
Gain on disposal of capital assets	290,070	30,203	320,273
Miscellaneous	396,570	733,284	1,129,854
Total general revenues	35,531,009	783,479	36,314,488
Transfers	(290,592)	290,592	-
Total general revenues and transfers	35,240,417	1,074,071	36,314,488
Change in net position	9,920,476	4,907,119	14,827,595
Net position			
Beginning balances	53,602,390	62,364,121	115,966,511
Ending balances	\$ 63,522,866	\$ 67,271,240	\$ 130,794,106

City of Goldsboro
Balance Sheet
Governmental Funds
June 30, 2022

Exhibit 3
(2 pages)

	Major Funds		Other	Total
	General Fund	ARPA Special Revenue Fund	Governmental Funds	Governmental Funds
ASSETS				
Cash and investments	\$ 15,100,564	\$ -	\$ 2,594,967	\$ 17,695,531
Receivables (net):				
Property taxes receivable	469,869	-	4,607	474,476
Accounts receivable	1,169,743	-	-	1,169,743
Interest receivable	13	-	54,000	54,013
Lease receivable	3,775	-	-	3,775
Due from other governments	5,602,990	-	203,391	5,806,381
Due from other funds	358,000	-	-	358,000
Inventories and prepaids	425,801	-	6,391	432,192
Restricted assets:				
Cash and investments	2,298,940	107,000	-	2,405,940
Notes receivable	6,648	-	300,000	306,648
Total assets	<u>\$ 25,436,343</u>	<u>\$ 107,000</u>	<u>\$ 3,163,356</u>	<u>\$ 28,706,699</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 1,555,808	\$ -	\$ 199,161	\$ 1,754,969
Accrued compensation payable	1,267,665	-	7,346	1,275,011
Unearned revenue	-	99,944	-	99,944
Due to other funds	-	-	358,000	358,000
Customer deposits	16,131	-	-	16,131
Total liabilities	<u>2,839,604</u>	<u>99,944</u>	<u>564,507</u>	<u>3,504,055</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>1,188,833</u>	<u>-</u>	<u>540,761</u>	<u>1,729,594</u>
FUND BALANCES				
Nonspendable:				
Inventories and prepaids	425,801	-	6,391	432,192
Restricted:				
Stabilization by state statute	7,623,656	-	2,997	7,626,653
General government	-	-	258,024	258,024
Public safety	28,607	-	370,682	399,289
Transportation	-	-	924,979	924,979
Cemetery maintenance	294,478	-	-	294,478
Economic and physical development	-	-	574,144	574,144
Cultural and recreational	-	-	(79,129)	(79,129)
Committed:				
General government	-	7,056	-	7,056
Environmental protection	803,592	-	-	803,592
Cultural and recreational	8,140	-	-	8,140
Economic and physical development	3,431	-	-	3,431
Unassigned	12,220,201	-	-	12,220,201
Total fund balances	<u>21,407,906</u>	<u>7,056</u>	<u>2,058,088</u>	<u>23,473,050</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 25,436,343</u>	<u>\$ 107,000</u>	<u>\$ 3,163,356</u>	<u>\$ 28,706,699</u>

**Reconciliation of the governmental funds' Balance Sheet to the
Statement of Net Position**

Total fund balances	\$	23,473,050
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	\$	26,372,663
Assets subject to depreciation/amortization		<u>132,496,471</u>
Total cost		158,869,134
Less:		
Accumulated depreciation		<u>(73,819,553)</u>
Capital assets, net of accumulated depreciation		85,049,581
Deferred outflows of resources are not financial resources; therefore, the amounts are not reported in the funds:		
Local Government Employees' Retirement System ("LGERS")		5,829,384
Law Enforcement Officers' Special Separation Allowance ("LEO")		1,307,570
Other post employment benefits ("OPEB")		1,525,116
Deferred loss on sale of refunding bonds		108,378
Certain assets are not available to pay for current period expenditures; therefore, the balances are deferred in the funds:		
Property taxes receivable		474,476
Other receivables that are not available		1,245,467
Accrued interest receivable on unpaid property taxes		91,874
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		(9,659,856)
Premium on bonds payable		(702,265)
Lease liabilities		(116,963)
Notes payable		(17,847,312)
Compensated absences payable		(1,865,741)
Net pension liability - LGERS		(4,010,608)
Total pension liability - LEO		(4,865,974)
Total OPEB liability		(6,539,368)
Deferred inflows of resources do not require financial resources; therefore, the amounts are not reported in the funds:		
LGERS		(5,985,567)
LEO		(158,100)
OPEB		(3,212,818)
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)		(322,028)
Interest payable		<u>(295,430)</u>
Net position of governmental activities	\$	<u><u>63,522,866</u></u>

City of Goldsboro
Statement of Revenues and Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2022

Exhibit 4
(2 pages)

	Major Funds			
	General Fund	ARPA Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Ad valorem taxes	\$ 17,680,532	\$ -	\$ 98,412	\$ 17,778,944
Other taxes and licenses	332,218	-	1,107,941	1,440,159
Unrestricted intergovernmental	15,374,960	-	-	15,374,960
Restricted intergovernmental	2,448,285	4,306,813	352,853	7,107,951
Permits and fees	555,631	-	-	555,631
Sales and services	5,254,431	-	6,650	5,261,081
Investment earnings	13,655	7,056	1,261	21,972
Donations and sponsorships	16,515	-	69,125	85,640
Miscellaneous	487,198	-	44,914	532,112
Total revenues	42,163,425	4,313,869	1,681,156	48,158,450
EXPENDITURES				
Current:				
General government	3,135,573	693,411	24,469	3,853,453
Public safety	15,042,012	2,055,587	8,148	17,105,747
Transportation	2,627,133	79,474	1,608,223	4,314,830
Economic and physical development	1,396,192	148,874	1,302,387	2,847,453
Environmental protection	3,609,466	285,314	-	3,894,780
Cultural and recreational	3,992,896	464,298	138,101	4,595,295
Utility related services	-	579,855	-	579,855
Debt service:				
Principal retirement	3,571,096	-	402,064	3,973,160
Interest and other charges	774,765	-	36,949	811,714
Total expenditures	34,149,133	4,306,813	3,520,341	41,976,287
Revenues over (under) expenditures	8,014,292	7,056	(1,839,185)	6,182,163
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	-	-	685,243	685,243
Transfer to other funds	(975,835)	-	-	(975,835)
Insurance recovery	226,852	-	-	226,852
Sale of capital assets	180,027	-	-	180,027
Issuance of debt	3,268,981	-	-	3,268,981
Issuance of lease liabilities	48,720	-	-	48,720
Other financing sources (uses), net	2,748,745	-	685,243	3,433,988
Net change in fund balances	10,763,037	7,056	(1,153,942)	9,616,151
FUND BALANCES				
Beginning balances	10,611,159	-	3,212,030	13,823,189
Change in reserve for inventories	33,710	-	-	33,710
Ending balances	\$ 21,407,906	\$ 7,056	\$ 2,058,088	\$ 23,473,050

City of Goldsboro
Statement of Revenues and Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2022

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		\$	9,616,151
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	\$	3,688,171	
Depreciation expense		(4,329,415)	(641,244)
Inventories are a use of current financial resources and therefore reported as an expenditure in the governmental funds.			33,710
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		619,029	
LEO		(242,200)	
OPEB		563,649	
Deferred loss on debt refunding		(18,733)	921,745
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		(226,852)	
Proceeds received from the sale of capital assets		(180,027)	
Gain on disposal of capital assets		290,070	
Donated capital assets		98,500	
Net change in property taxes receivable		(10,179)	
Net change in accrued interest on unpaid property taxes		2,375	
Net change in other deferred balances		236,081	209,968
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		33,055	
Net change in interest payable		40,473	
Net change in estimated claims payable		230,980	
Pension expense - LGERS, net of contributions		(191,919)	
Pension expense - LEO, net of contributions		(254,661)	
OPEB expense		(803,767)	(945,839)
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		(3,268,981)	
Lease liabilities issued		(48,720)	
Principal retirement		3,973,160	
Amortization of bond premiums		70,526	725,985
Total changes in net position of governmental activities		\$	<u>9,920,476</u>

City of Goldsboro
Statement of Revenues and Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2022

Exhibit 5

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES				
Ad valorem taxes	\$ 17,519,044	\$ 17,528,744	\$ 17,680,532	\$ 151,788
Other taxes and licenses	309,200	309,200	332,218	23,018
Unrestricted intergovernmental	13,605,124	13,605,124	15,374,960	1,769,836
Restricted intergovernmental	3,247,111	3,579,019	1,908,427	(1,670,592)
Permits and fees	399,750	502,070	555,631	53,561
Sales and services	4,675,397	4,849,418	5,254,431	405,013
Investment earnings	15,000	15,000	13,608	(1,392)
Miscellaneous	254,438	349,663	481,004	131,341
Total revenues	<u>40,025,064</u>	<u>40,738,238</u>	<u>41,600,811</u>	<u>862,573</u>
EXPENDITURES				
Current:				
General government	5,441,392	4,451,387	3,135,573	1,315,814
Transportation	1,621,191	2,748,737	2,627,133	121,604
Economic and physical development	2,218,248	1,866,397	1,395,090	471,307
Public safety	17,524,646	18,923,349	15,011,841	3,911,508
Environmental protection	4,051,765	4,606,299	3,609,466	996,833
Cultural and recreational	4,345,630	4,721,354	3,979,873	741,481
Debt service:				
Principal retirement	4,705,000	4,319,785	3,571,096	748,689
Interest and other charges	389,550	774,765	774,765	-
Total expenditures	<u>40,297,422</u>	<u>42,412,073</u>	<u>34,104,837</u>	<u>8,307,236</u>
Revenues under expenditures	<u>(272,358)</u>	<u>(1,673,835)</u>	<u>7,495,974</u>	<u>9,169,809</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	(1,735,576)	(1,929,194)	(975,835)	953,359
Insurance recovery	-	-	226,852	226,852
Sale of capital assets	142,869	198,351	180,027	(18,324)
Issuance of debt	1,865,065	3,248,045	3,268,981	20,936
Issuance of lease liabilities	-	-	48,720	48,720
Other financing sources (uses), net	<u>272,358</u>	<u>1,517,202</u>	<u>2,748,745</u>	<u>1,231,543</u>
Fund balance appropriated	-	156,633	-	(156,633)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	10,244,719	<u>\$ 10,244,719</u>
FUND BALANCE				
Beginning balance			10,285,707	
Change in reserve for inventories			33,710	
Ending balance			<u>20,564,136</u>	
LEGALLY BUDGETED FUNDS THAT ARE CONSOLIDATED INTO THE GENERAL FUND FOR REPORTING PURPOSES:				
Hurricane Florence FEMA 4393 DR-NC Grant Project:				
Beginning fund balance			277,862	
Revenues			525,730	
Other public safety projects:				
Beginning fund balance			34,309	
Revenues			24,469	
Expenditures			(30,171)	
Other cultural and recreational projects:				
Beginning fund balance			11,752	
Revenues			9,411	
Expenditures			(13,023)	
Other economic and physical development projects:				
Beginning fund balance			1,529	
Revenues			3,004	
Expenditures			(1,102)	
General Fund ending balance (Exhibit 4)			<u>\$ 21,407,906</u>	

City of Goldsboro
Statement of Net Position
Proprietary Funds
June 30, 2022

Exhibit 6

	Utility Fund	Storm Water Fund	Total
ASSETS			
Current assets:			
Cash and investments	\$ 13,789,978	\$ 2,193,273	\$ 15,983,251
Accounts receivable, net	3,206,220	174,228	3,380,448
Due from other governments	16,968	522	17,490
Lease receivable	43,840	-	43,840
Accrued interest receivable	17,208	-	17,208
Inventories	1,086,759	-	1,086,759
Restricted assets:			
Cash and investments	1,519,843	-	1,519,843
Total current assets	19,680,816	2,368,023	22,048,839
Noncurrent assets:			
Lease receivable, noncurrent	1,152,500	-	1,152,500
Capital assets:			
Land and construction-in-progress	11,468,562	102,079	11,570,641
Other capital assets, net	61,030,304	727,081	61,757,385
Total noncurrent assets	73,651,366	829,160	74,480,526
Total assets	93,332,182	3,197,183	96,529,365
DEFERRED OUTFLOWS OF RESOURCES	1,524,061	186,501	1,710,562
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	1,188,511	61,135	1,249,646
Accrued interest payable	89,763	1,125	90,888
Customer deposits	1,269,731	-	1,269,731
Unearned revenue	10,490	-	10,490
Current portion of:			
Compensated absences payable	45,700	6,600	52,300
Notes payable	1,643,183	173,942	1,817,125
Bonds payable	859,854	-	859,854
Total current liabilities	5,107,232	242,802	5,350,034
Noncurrent liabilities:			
Net pension liability	665,658	100,119	765,777
Total OPEB liability	1,184,008	182,155	1,366,163
Compensated absences payable	220,474	11,831	232,305
Notes payable	15,130,241	215,289	15,345,530
Bonds payable	4,912,561	-	4,912,561
Total noncurrent liabilities	22,112,942	509,394	22,622,336
Total liabilities	27,220,174	752,196	27,972,370
DEFERRED INFLOWS OF RESOURCES	2,757,402	238,915	2,996,317
NET POSITION			
Net investment in capital assets	50,486,019	439,929	50,925,948
Restricted - accounts receivable held in abeyance	1,040,619	-	1,040,619
Unrestricted	13,352,029	1,952,644	15,304,673
Total net position	\$ 64,878,667	\$ 2,392,573	\$ 67,271,240

City of Goldsboro
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2022

Exhibit 7

	Utility Fund	Stormwater Fund	Total
Operating revenues			
Charges for service	\$ 18,659,528	\$ 1,589,043	\$ 20,248,571
Assessments	21,015	-	21,015
Water and sewer taps	47,914	-	47,914
Total operating revenues	18,728,457	1,589,043	20,317,500
Operating expenses			
Salaries and employee benefits	3,316,130	554,183	3,870,313
Operating expenses	7,048,672	375,839	7,424,511
Depreciation	4,940,464	119,513	5,059,977
Total operating expenses	15,305,266	1,049,535	16,354,801
Operating income	3,423,191	539,508	3,962,699
Nonoperating revenues (expenses)			
Other revenues	691,220	11,558	702,778
Interest revenue	30,506	-	30,506
Investment earnings	18,385	1,607	19,992
Gain on disposal of capital assets	30,203	-	30,203
Interest expense	(484,874)	(3,983)	(488,857)
Nonoperating revenues (expenses), net	285,440	9,182	294,622
Net income before contributions and transfers	3,708,631	548,690	4,257,321
Capital contributions	359,206	-	359,206
Transfers from other funds	290,592	-	290,592
Change in net position	4,358,429	548,690	4,907,119
Net position			
Beginning balance	60,520,238	1,843,883	62,364,121
Ending balance	\$ 64,878,667	\$ 2,392,573	\$ 67,271,240

City of Goldsboro
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022

Exhibit 8
(2 pages)

	Utility Fund	Stormwater Fund	Total
Cash flows from operating activities:			
Cash received from customers	\$ 18,866,178	\$ 1,621,116	\$ 20,487,294
Cash paid for goods and services	(7,528,320)	(373,544)	(7,901,864)
Cash paid to employees for services	(3,269,293)	(506,910)	(3,776,203)
Other nonoperating revenue	691,220	-	691,220
Net cash provided by operating activities	<u>8,759,785</u>	<u>740,662</u>	<u>9,500,447</u>
Cash flows from noncapital financing activities:			
Cash received from governmental agencies	-	11,558	11,558
Transfers from other funds, net	290,592	-	290,592
Net cash provided by noncapital financing activities	<u>290,592</u>	<u>11,558</u>	<u>302,150</u>
Cash flows from capital and related financing activities:			
Proceeds from the issuance of long-term debt	239,636	267,551	507,187
Principal paid on long-term debt	(2,722,622)	(118,300)	(2,840,922)
Interest and fees paid on long-term debt	(510,823)	(5,077)	(515,900)
Proceeds from disposal of capital assets	30,203	-	30,203
Acquisition and construction of capital assets	(1,524,668)	(81,250)	(1,605,918)
Capital contributions - federal and state grants	359,206	-	359,206
Net cash provided (used) for capital and related financing activities	<u>(4,129,068)</u>	<u>62,924</u>	<u>(4,066,144)</u>
Cash flows from investing activities:			
Interest on investments	31,683	1,607	33,290
Net cash provided by investing activities	<u>31,683</u>	<u>1,607</u>	<u>33,290</u>
Net increase in cash and cash equivalents	4,952,992	816,751	5,769,743
Cash and cash equivalents:			
Beginning balances	10,356,829	1,376,522	11,733,351
Ending balances	<u>\$ 15,309,821</u>	<u>\$ 2,193,273</u>	<u>\$ 17,503,094</u>
Cash and cash equivalents:			
Unrestricted	\$ 13,789,978	\$ 2,193,273	\$ 15,983,251
Restricted	1,519,843	-	1,519,843
Total cash and cash equivalents	<u>\$ 15,309,821</u>	<u>\$ 2,193,273</u>	<u>\$ 17,503,094</u>

City of Goldsboro
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022

Exhibit 8
(2 pages)

	Utility Fund	Stormwater Fund	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 3,423,191	\$ 539,508	\$ 3,962,699
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	4,940,464	119,513	5,059,977
Other nonoperating revenue	691,220	-	691,220
Changes in assets and liabilities:			
Decrease (increase) in accounts receivable	126,161	32,073	158,234
(Increase) decrease in due from other governments	61,466	(522)	60,944
Increase in lease receivable	(1,196,340)	-	(1,196,340)
Increase in inventories	(147,967)	-	(147,967)
Increase in:			
Deferred outflows of resources for pensions	(146,921)	(34,493)	(181,414)
Deferred outflows of resources for OPEB	(116,963)	(19,931)	(136,894)
Increase (decrease) in accounts payable and accrued liabilities	(374,765)	9,404	(365,361)
Increase in customer deposits	25,656	-	25,656
Increase (decrease) in compensated absences	4,158	(663)	3,495
Decrease in net pension liability	(818,920)	(106,210)	(925,130)
Increase (decrease) in total OPEB liability	(87,209)	11,395	(75,814)
Increase in:			
Deferred inflows of lease revenue	1,182,244	-	1,182,244
Deferred inflows of resources for pensions	953,063	146,828	1,099,891
Deferred inflows of resources for OPEB	241,247	43,760	285,007
Net cash provided by operating activities	<u>\$ 8,759,785</u>	<u>\$ 740,662</u>	<u>\$ 9,500,447</u>

Notes to Financial Statements

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 *CARES Act Special Revenue Fund*, the *CARES Act Miscellaneous Grants Fund*, and the *BJA FY20 Coronavirus Emergency Supplemental Funding 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*, and the *FEMA Assistance to Firefighters Grant 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:

City of Goldsboro
Notes to Financial Statements

Governmental activities:		
Street bonds	Unexpended debt proceeds	\$ 107,000
Rolling stock	Unexpended debt proceeds	2,282,809
Customer deposits		<u>16,131</u>
Total governmental activities		<u>\$ 2,405,940</u>
Business-type activities:		
Utility Fund:		
NCCMT - sewer	Unexpended bond proceeds	\$ 250,112
Customer deposits		<u>1,269,731</u>
Total business-type activities		<u>\$ 1,519,843</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, 2021.

(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) Lease assets

The City's capital assets also include certain right-to-use lease assets, as a result of implementing GASB 87. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liabilities plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the leases into service. The lease assets are amortized on a straight-line basis over the lives of the related leases.

(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 2022 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 thirty 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.

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, 2021, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources, except for certain regulated leases. A lessee is required to recognize a lease liability and a right-to-use lease asset. This adjustment had no effect on the beginning net position at July 1, 2021, since the deferred inflows equal the amount of the leases receivable upon adoption for the leases in which the City is a lessor, and since the right-of-use leased assets equal the lease liabilities upon adoption for the leases in which the City is a lessee. Refer to notes 3.A.(4) and 3.B(4)(a) for additional information surrounding the adoption of this statement.

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 12 months after the required due date of December 1, 2022. The City intends to complete the FY 2024 audit by the statutory due date.

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

City of Goldsboro
Notes to Financial Statements

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 \$28,562,311 and a bank balance of \$28,455,311 on June 30, 2022. 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 \$3,255 at June 30, 2022.

(2) Investments

The City's investment balances as of June 30, 2022 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	\$ 9,038,999	\$ 9,038,999	\$ -	AAAm
Total investments		\$ -	\$ -	\$ -	

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, 2022.

(3) Receivables - allowances for doubtful accounts

The City's receivable balances as of June 30, 2022 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	\$ 656,722	\$ 5,733	\$ 662,455
Accounts receivable	2,979,854	-	2,979,854
Interest receivable	13	54,000	54,013
Lease receivable	3,775	-	3,775
Allowance for doubtful accounts	(1,996,964)	(1,126)	(1,998,090)
Net governmental activities	\$ 1,643,400	\$ 58,607	\$ 1,702,007

City of Goldsboro
Notes to Financial Statements

<u>Business-Type Activities</u>	<u>Utility Fund</u>	<u>Storm Water Fund</u>	<u>Total</u>
Accounts receivable	\$ 5,028,174	\$ 268,409	\$ 5,296,583
Allowance for uncollectible	(1,821,954)	(94,181)	(1,916,135)
Accrued interest receivable	17,208	-	17,208
Net business-type activities	<u>\$ 3,223,428</u>	<u>\$ 174,228</u>	<u>\$ 3,397,656</u>

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	\$ 3,069,193	\$ -
Refund of sales and use taxes	384,641	17,490
Franchise and other taxes	656,313	-
North Carolina Department of Transportation:		
Grants	181,240	-
Federal government:		
Grants	639,141	-
Wayne County:		
Property taxes	207,341	-
ABC Board distributions	350,800	-
Other	<u>317,712</u>	<u>-</u>
Total due from other governments	<u>\$ 5,806,381</u>	<u>\$ 17,490</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 \$13,241 and have noncancellable lease terms that expire from December 2022 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 0.833%, which is based on the City's estimated incremental borrowing rate.

Future minimum lessee payments due to the City under non-cancelable lease agreements, as of June 30, 2022, are as follows:

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Business-Type Activities

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 33,967	\$ 30,024	\$ 63,991
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
Thereafter	<u>998,409</u>	<u>227,143</u>	<u>1,225,552</u>
	<u>\$ 1,196,340</u>	<u>\$ 368,951</u>	<u>\$ 1,565,291</u>

The City reported lease revenue of \$62,926 and interest revenue of \$27,086 during the year ended June 30, 2022. Deferred inflows of resources related to the leases receivable amounted to \$1,182,244 as of June 30, 2022.

Governmental Activities

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 743	\$ 48	\$ 791
2024	749	25	774
2025	755	19	774
2026	761	13	774
2027	<u>767</u>	<u>7</u>	<u>774</u>
	<u>\$ 3,775</u>	<u>\$ 112</u>	<u>\$ 3,887</u>

The City reported lease revenue of \$12,336 and interest revenue of \$44 during the year ended June 30, 2022. Deferred inflows of resources related to the leases receivable amounted to \$9,650 as of June 30, 2022.

(5) Capital assets

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

	<u>Beginning Balance, as Restated</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being amortized or depreciated:				
Land	\$ 7,488,292	\$ -	\$ (32,172)	\$ 7,456,120
Construction-in-progress	<u>16,383,799</u>	<u>2,532,744</u>	<u>-</u>	<u>18,916,543</u>
Total	<u>23,872,091</u>	<u>2,532,744</u>	<u>(32,172)</u>	<u>26,372,663</u>
Capital assets being amortized or depreciated:				
Buildings	32,045,329	276,628	-	32,321,957
Equipment	5,966,724	131,837	-	6,098,561
Streets and improvements	77,488,142	-	-	77,488,142
Vehicles and motor equipment	16,800,173	796,741	(1,164,828)	16,432,086
Right-to-use lease assets	<u>102,009</u>	<u>48,720</u>	<u>-</u>	<u>150,729</u>
Total	<u>132,402,377</u>	<u>1,253,926</u>	<u>(1,164,828)</u>	<u>132,491,475</u>

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	<u>Beginning Balance, as Restated</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Less accumulated depreciation:				
Buildings	\$ 11,549,949	\$ 1,148,547	\$ -	\$ 12,698,496
Equipment	3,549,710	547,633	-	4,097,343
Streets and improvements	43,259,149	1,754,937	-	45,014,086
Vehicles and motor equipment	12,206,525	844,702	(1,080,191)	11,971,036
Right-to-use lease assets	-	33,596	-	33,596
Total	<u>70,565,333</u>	<u>4,329,415</u>	<u>(1,080,191)</u>	<u>73,814,557</u>
Depreciable assets, net	<u>61,837,044</u>			<u>58,676,918</u>
Capital assets, net	<u>\$ 85,709,135</u>			<u>\$ 85,049,581</u>

A breakdown of depreciation expense by function at June 30, 2022 is as follows:

Depreciation expense:	
General government	\$ 613,732
Public safety	621,300
Transportation	1,700,266
Economic and physical development	22,374
Environmental protection	336,686
Cultural and recreational	<u>1,035,057</u>
Total depreciation expense	<u>\$ 4,329,415</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
<u>Utility Fund:</u>				
Capital assets not being depreciated:				
Land	\$ 1,443,282	\$ -	\$ -	\$ 1,443,282
Construction-in-progress	<u>9,228,493</u>	<u>796,787</u>	<u>-</u>	<u>10,025,280</u>
Total	<u>10,671,775</u>	<u>796,787</u>	<u>-</u>	<u>11,468,562</u>
Capital assets being depreciated:				
Plant and distribution systems	163,220,245	491,104	-	163,711,349
Furniture and maintenance equipment	9,412,201	319,401	-	9,731,602
Vehicles	<u>3,899,276</u>	<u>74,162</u>	<u>(207,964)</u>	<u>3,765,474</u>
Total	<u>176,531,722</u>	<u>884,667</u>	<u>(207,964)</u>	<u>177,208,425</u>
Less accumulated depreciation for:				
Plant and distribution systems	105,535,906	3,761,261	-	109,297,167
Furniture and maintenance-equipment	3,160,324	950,655	-	4,110,979
Vehicles	<u>2,749,391</u>	<u>228,548</u>	<u>(207,964)</u>	<u>2,769,975</u>
Total	<u>111,445,621</u>	<u>4,940,464</u>	<u>(207,964)</u>	<u>116,178,121</u>
Depreciable assets, net	<u>65,086,101</u>			<u>61,030,304</u>
Utility Fund capital assets, net	<u>75,757,876</u>			<u>72,498,866</u>

City of Goldsboro
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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Storm Water Fund:</u>				
Capital assets not being depreciated:				
Construction-in-progress	\$ -	102,079	-	\$ 102,079
Total	-	102,079	-	102,079
Vehicles	1,011,470	-	-	1,011,470
Furniture and maintenance - equipment	85,543	-	-	85,543
Total	1,097,013	-	-	1,097,013
Less accumulated depreciation for:				
Vehicles	236,100	110,033	-	346,133
Furniture and maintenance - equipment	14,319	9,480	-	23,799
Total	250,419	119,513	-	369,932
Depreciable assets, net	846,594			727,081
Storm Water Fund capital assets, net	846,594			829,160
Business-type capital assets, net	\$ 76,604,470			\$ 73,328,026

(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, 2022 was as follows:

	<u>Beginning Balances, as Restated</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balances</u>
Governmental activities:					
Lease assets:					
Copier equipment	\$ 57,351	\$ 9,372	\$ -	\$ -	\$ 66,723
Modular classroom	8,391	-	-	-	8,391
Firing range	36,267	-	-	-	36,267
Workman sprayer	-	39,348	-	-	39,348
	102,009	48,720	-	-	150,729
Less accumulated amortization for:					
Copier equipment	-	18,310	-	-	18,310
Modular classroom	-	4,195	-	-	4,195
Firing range	-	3,454	-	-	3,454
Workman sprayer	-	7,637	-	-	7,637
	-	33,596	-	-	33,596
Governmental activity Lease assets, net	\$ 102,009				\$ 117,133

(7) Construction commitments

The City has active construction projects as of June 30, 2022. The projects include various water and sewer system projects and the ongoing projects in the General Fund. At June 30, 2022, 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	\$ 20,969
GWTA Concourse	33,230	11,072
Total governmental activities	6,259,960	32,041
Business-Type Activities:		
Phase IV Sewer Collection Rehabilitation Project	\$ -	\$ -
Sewer Line Rehabilitation	671,323	83,472
Stormwater Drainage Projects	102,079	1,039,964
Water Line Replacement and Booster Pump Station	265,513	14,629
Total business-type activities	1,038,915	1,138,065
Total	\$ 7,298,875	\$ 1,170,106

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, 2022 was 12.04% of compensation for law enforcement officers and 11.41% 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 \$2,413,496 for the year ended June 30, 2022.

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

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

The City reported a liability of \$4,776,385 for its proportionate share of the net pension liability on June 30, 2022. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021, utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. The City's proportion as of June 30, 2021 (measurement date) was 0.3115%, which was a decrease of 0.0068% from its proportion measured as of June 30, 2020.

The City recognized pension expense of \$1,979,734 for the year ended June 30, 2022. Deferred outflows of resources and deferred inflows of resources related to pensions were derived from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,519,540	\$ -
Changes of assumptions	3,000,790	-
Net difference between projected and actual earnings on pension plan investments	-	6,824,019
Changes in proportion and differences between employee contributions and proportionate share of contributions	8,608	304,419
Employer contributions subsequent to the measurement date	<u>2,413,496</u>	<u>-</u>
Total	<u>\$ 6,942,434</u>	<u>\$ 7,128,438</u>

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\$2,413,496 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, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:

2023	\$ 336,761
2024	(260,738)
2025	(587,333)
2026	<u>(2,088,190)</u>
	<u>\$ (2,599,500)</u>

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

Inflation	2.5 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.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2021 (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	29.0%	1.4%
Global equity	42.0%	5.3%
Real estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation protection	<u>6.0%</u>	4.0%
Total	<u>100.0%</u>	

The information above is based on 30-year expectations developed with the consulting actuary for the 2020 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.50%. 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:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
City's proportionate share of the net pension liability (asset)	\$ 18,541,528	\$ 4,776,385	\$ (6,551,528)

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

(b) Law Enforcement Officers' Special Separation Allowance

1. Plan description

The City 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, 2020 consisted of:

Retirees receiving benefits	19
Active plan members	90
Total	109

A separate report was not issued for the plan.

2. Summary of significant accounting policies

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

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

3. Actuarial assumptions

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

Inflation	2.50 percent
Projected salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	2.25 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, 2020. Mortality rates are based on Pub-2010 amount-weighted tables with adjustments for mortality improvements based on Scale MP-2019.

4. Contributions

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the 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 \$232,945 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 \$4,865,974 at June 30, 2022. The total pension liability was measured as of December 31, 2021, based on a December 31, 2020 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2021 utilizing update procedures incorporating the actuarial assumptions.

The City recognized pension expense of \$531,298 for the year ended June 30, 2022. Deferred outflows of resources and deferred inflows of resources related to the Separation Allowance were derived from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 358,848	\$ 6,849
Changes of assumptions	843,545	151,251
Benefit payments and plan administrative expense subsequent to the measurement date	<u>105,177</u>	<u>-</u>
Total	<u>\$ 1,307,570</u>	<u>\$ 158,100</u>

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\$105,177 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, 2023. 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:

2023	\$ 281,586
2024	267,692
2025	276,453
2026	207,446
2027	<u>11,116</u>
Total	<u>\$ 1,044,293</u>

Sensitivity of the City's total pension liability to changes in the discount rate. The following presents the City's total pension liability calculated using the discount rate of 2.25 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	<u>1% Decrease (1.25%)</u>	<u>Discount Rate (2.25%)</u>	<u>1% Increase (3.25%)</u>
Total pension liability	<u>\$ 5,302,945</u>	<u>\$ 4,865,974</u>	<u>\$ 4,468,624</u>

2022

Changes in the Separation Allowance Total Liability:

Beginning balance	\$ 4,679,631
Service cost	244,165
Interest on the total pension liability	87,811
Differences between expected and actual experience	249,445
Changes of assumptions or other inputs	(135,399)
Benefit payments	<u>(259,679)</u>
Ending balance	<u>\$ 4,865,974</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, 2020 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	\$ 1,979,734	\$ 531,298	\$ 2,511,032
Pension liability	4,776,385	4,865,974	9,642,359
Proportionate share of the net pension liability	0.3115%	N/A	N/A
Deferred Outflows of Resources:			
Differences between expected and actual experience	\$ 1,519,540	\$ 358,848	\$ 1,878,388
Changes of assumptions	3,000,790	843,545	3,844,335
Changes in proportion and differences between contributions and proportionate share of contributions	8,608	-	8,608
Benefit payments and administrative costs paid subsequent to the measurement date	<u>2,413,496</u>	<u>105,177</u>	<u>2,518,673</u>
	<u>\$ 6,942,434</u>	<u>\$ 1,307,570</u>	<u>\$ 8,250,004</u>
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$ 6,824,019	\$ 6,849	\$ 6,830,868
Changes of assumptions	-	151,251	151,251
Changes in proportion and differences between contributions and proportionate share of contributions	<u>304,419</u>	<u>-</u>	<u>304,419</u>
	<u>\$ 7,128,438</u>	<u>\$ 158,100</u>	<u>\$ 7,286,538</u>

(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:

	<u>2022</u>
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 \$7,905,531 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2021.

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

Inflation	2.50 %
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.

	<u>2022</u>
Changes in the Total OPEB Liability:	
Beginning balance	\$ 8,500,075
Service cost	522,061
Interest on the total OPEB liability	198,384
Differences between expected and actual experience in the measurement of the total OPEB liability	(2,193,224)
Changes of assumptions or other inputs	969,721
Benefit payments	<u>(91,486)</u>
Ending balance	<u>\$ 7,905,531</u>

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

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and 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 (1.16 percent) or 1 percentage-point higher (3.16 percent) than the current discount rate:

	Discount Rate Sensitivity		
	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	<u>\$ 8,827,631</u>	<u>\$ 7,905,531</u>	<u>\$ 7,084,644</u>

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	<u>\$ 6,867,976</u>	<u>\$ 7,905,531</u>	<u>\$ 9,144,945</u>

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

For the year ended June 30, 2022, the City recognized OPEB expense of \$373,663. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,511,378
Changes of assumptions or other inputs	1,778,500	372,642
Benefit payments and plan administrative expense subsequent to the measurement date	<u>61,248</u>	<u>-</u>
Total	<u>\$ 1,839,748</u>	<u>\$ 3,884,020</u>

\$61,248 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2023.

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

Year Ending June 30:

2023	\$ (346,782)
2024	(346,782)
2025	(346,782)
2026	(346,782)
2027	(296,144)
Thereafter	<u>(422,248)</u>
	<u>\$ (2,105,520)</u>

(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 \$7,158 for the year ended June 30, 2022. The City's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.06% 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 \$14,826.

(3) Deferred outflows and inflows of resources

The City has deferred outflows of resources and deferred inflows of resources at June 30, 2022, which consist of the following:

	<u>Modified Accrual</u>	<u>Full Accrual</u>
Deferred Outflows of Resources:		
Governmental Activities:		
Pension - LGERS	\$ -	\$ 5,829,384
Pension - LEO Special Separation Allowance	-	1,307,570
OPEB - Healthcare benefits	-	1,525,116
Deferred loss on sale of refunding bonds	-	108,378
	<u>-</u>	<u>8,770,448</u>
Total	<u>\$ -</u>	<u>\$ 8,770,448</u>
Business-Type Activities:		
Pension - LGERS	\$ -	\$ 1,113,050
OPEB - Healthcare benefits	-	314,632
Deferred loss on sale of refunding bonds	-	282,880
	<u>-</u>	<u>1,710,562</u>
Total	<u>\$ -</u>	<u>\$ 1,710,562</u>
Deferred Inflows of Resources:		
Governmental Activities:		
Property taxes receivable, net	\$ 474,476	\$ -
Notes receivable and related interest	354,000	-
Unavailable grant revenue	182,154	-
Special assessments receivable	102,128	-
Receivables held in abeyance	57,891	-
Miscellaneous receivables	549,294	-
Deferred lease revenue	9,651	9,651
Pension - LGERS	-	5,985,567
Pension - LEO Special Separation Allowance	-	158,100
Healthcare benefits - OPEB	-	3,212,818
	<u>-</u>	<u>9,366,136</u>
Total	<u>\$ 1,729,594</u>	<u>\$ 9,366,136</u>
Business-Type Activities:		
Pension - LGERS	\$ -	\$ 1,142,871
Healthcare benefits – OPEB	-	671,202
Deferred lease revenue	1,182,244	1,182,244
	<u>1,182,244</u>	<u>1,182,244</u>
Total	<u>\$ 1,182,244</u>	<u>\$ 2,996,317</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 and, therefore, a liabilities have been recorded at the present value of the future minimum lease payments at the date of inception, resulting in an initial liability of \$102,009.

The City has entered into seven lease agreements related to various pieces of office equipment. The leases have terms that range from 51 to 72 months, and expire from January 2024 through April 2028. 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, 2022, the remaining net book value of the related right-to-use lease asset was \$48,413, net of accumulated amortization of \$23,305.

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, 2022, the remaining net book value of the related right-to-use lease asset was \$31,712, net of accumulated amortization of \$7,637.

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, 2022, the remaining net book value of the related right-to-use lease asset was \$32,813, net of accumulated amortization of \$3,454.

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 expires 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, 2022, the remaining net book value of the related right-to-use lease asset was \$4,195, net of accumulated amortization of \$4,195.

Future minimum lease obligations and the net present value of these minimum lease payments, as of June 30, 2022, are as follows:

Governmental Activities

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 39,166	\$ 791	\$ 39,957
2024	27,712	606	28,318
2025	14,457	475	14,932
2026	13,314	360	13,674
2027	4,774	270	5,044
Thereafter	<u>17,540</u>	<u>627</u>	<u>18,167</u>
	<u>\$ 116,963</u>	<u>\$ 3,129</u>	<u>\$ 120,092</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, 2022 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.	\$ 510,000
\$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.	214,856
\$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.	4,125,000
\$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.	985,000
\$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>3,825,000</u>
Total bonds payable - governmental activities	<u>\$ 9,659,856</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	\$ 641,144
\$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>4,720,000</u>
Total bonds payable - business-type activities	<u>\$ 5,361,144</u>

City of Goldsboro
Notes to Financial Statements

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>
2023	\$ 911,555	\$ 357,261	\$ 808,445	\$ 188,320
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
2028-2032	2,660,000	697,555	1,775,000	111,800
2033-2037	2,500,000	294,406	-	-
2038-2042	<u>450,000</u>	<u>14,625</u>	<u>-</u>	<u>-</u>
	9,659,856	<u>\$ 2,427,138</u>	5,361,144	<u>\$ 786,671</u>
Unamortized premium on general obligation bonds	<u>702,265</u>		<u>411,271</u>	
Total carrying amount of debt	<u>\$ 10,362,121</u>		<u>\$ 5,772,415</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, 2022 was \$409,000.

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, 2022 was \$2,733,000.

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, 2022 was \$3,880,000.

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, 2022 was \$2,000,000.

On December 7, 2017, the City entered into a lease purchase agreement for \$515,000 with Musco Finance, LLC for the purchase of lighting system for athletic fields. The lease agreement is collateralized by the lighting system. The terms of the agreement require a down payment of \$16,000 and 59 monthly payments of \$9,218.49 including interest at 3.5% per annum. The balance outstanding at June 30, 2022 was \$54,751.

On March 23, 2018, the City entered into a lease purchase agreement for \$478,000 with SunTrust Equipment Finance & Leasing Corp. for the purchase of equipment. The lease agreement is collateralized by all the equipment. The terms of the agreement require one annual payment of \$111,560 and four annual payments of \$102,264 including interest at 3.04% per annum. The balance outstanding at June 30, 2022 was \$99,246.

On May 3, 2018, the City entered into a financing agreement for \$1,335,000 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 2.7893% per annum. The balance outstanding at June 30, 2022 was \$266,948.

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, 2022 was \$4,239,000.

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, 2022 was \$188,083.

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, 2022 was \$275,304.

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, 2022 was \$433,000.

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, 2022 was \$1,382,981.

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, 2022 was \$1,886,000.

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, 2022 was \$3,359,672.

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, 2022 was \$1,618,025.

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, 2022 was \$3,762,000.

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, 2022 was \$2,521,281.

On May 3, 2018, the City entered into a financing agreement for \$311,500 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 five annual payments of various amounts plus interest at 2.7893% per annum. The balance outstanding at June 30, 2022 was \$65,520.

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, 2022 was \$215,696.

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, 2022, the City had drawn down \$4,253,173. The Project was substantially complete as of September 30, 2021. The balance outstanding at June 30, 2022 was \$3,832,889.

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, 2022, the City had drawn down the full agreement amount of \$1,484,909. The balance outstanding at June 30, 2022 was \$1,398,340.

Serviced by the Storm Water Fund

On May 3, 2018, the City entered into a financing agreement for \$578,500 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 five annual payments of various amounts plus interest at 2.7893% per annum. The balance outstanding at June 30, 2022 was \$121,680.

City of Goldsboro
Notes to Financial Statements

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>
2023	\$ 3,018,335	\$ 450,412	\$ 1,817,125	\$ 251,344
2024	2,449,474	386,760	1,653,940	230,811
2025	2,098,558	332,049	1,553,178	205,848
2026	1,811,821	285,724	1,561,809	183,947
2027	1,818,123	242,077	1,571,448	161,849
2028-2032	5,491,000	611,869	7,349,426	476,689
2033-2037	1,160,000	58,857	1,358,747	134,032
2038-2042	-	-	296,982	24,752
	<u>\$ 17,847,311</u>	<u>\$ 2,367,748</u>	<u>\$ 17,162,655</u>	<u>\$ 1,669,272</u>

(d) Long-term debt summary

	<u>Beginning Balances, as Restated</u>	<u>Additions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balances</u>	<u>Due within One Year</u>
Governmental activities:					
General obligation debt	\$ 10,621,168	\$ -	\$ 961,312	\$ 9,659,856	\$ 911,555
Premium on bonds	772,791	-	70,526	702,265	70,526
Notes payable	17,556,414	3,268,981	2,978,083	17,847,312	3,018,335
Lease liabilities	102,009	48,720	33,766	116,963	39,166
Net pension liability (LGERS)	9,682,593	-	5,671,985	4,010,608	-
Total pension liability (LEO)	4,679,631	186,343	-	4,865,974	-
Total OPEB liability	7,058,098	-	518,730	6,539,368	-
Compensated absences	1,898,796	272,507	305,562	1,865,741	305,600
Total governmental activities	<u>\$ 52,371,500</u>	<u>\$ 3,776,551</u>	<u>\$ 10,539,964</u>	<u>\$ 45,608,087</u>	<u>\$ 4,345,182</u>
Business-type activities:					
<u>Utility Fund:</u>					
General obligation debt	\$ 6,326,832	\$ -	\$ 965,688	\$ 5,361,144	\$ 808,445
Premium on bonds	462,680	-	51,409	411,271	51,409
Notes payable	18,290,722	239,636	1,756,934	16,773,424	1,643,183
Net pension liability (LGERS)	1,484,578	-	818,920	665,658	-
Total OPEB liability	1,271,217	-	87,209	1,184,008	-
Compensated absences	262,016	49,875	45,717	266,174	45,700
Total Utility Fund	<u>28,098,045</u>	<u>289,511</u>	<u>3,725,877</u>	<u>24,661,679</u>	<u>2,548,737</u>
<u>Storm Water Fund:</u>					
Notes payable	239,980	267,551	118,300	389,231	173,942
Net pension liability (LGERS)	206,329	-	106,210	100,119	-
Total OPEB liability	170,760	11,395	-	182,155	-
Compensated absences	19,094	5,891	6,554	18,431	6,600
Total Storm Water Fund	<u>636,163</u>	<u>284,837</u>	<u>231,064</u>	<u>689,936</u>	<u>180,542</u>
Total business-type activities	<u>\$ 28,734,208</u>	<u>\$ 574,348</u>	<u>\$ 3,956,941</u>	<u>\$ 25,351,615</u>	<u>\$ 2,729,279</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, 2022 was approximately \$207,688,000, providing a legal debt margin of approximately \$179,361,000.

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>
General Fund	Nonmajor capital projects funds	\$ 685,243
General Fund	Utility fund	<u>290,592</u>
Total transfers from the General Fund		<u>\$ 975,835</u>
Utility Fund	Nonmajor capital projects funds	<u>\$ 40,627</u>
Total transfers from the Utility Fund		<u>\$ 40,627</u>
Storm Water Fund	Nonmajor capital projects funds	<u>\$ 877,778</u>
Total transfers from the Storm Water Fund		<u>\$ 877,778</u>

The transfer from the General Fund to the Utility Fund totaling \$290,592 was for the final interfund loan repayment for an outstanding lawsuit settlement. The transfers from the Utility Fund and Storm Water Fund to nonmajor capital projects totaling \$918,405 were to fund various capital projects.

(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, 2022 consisted of the following:

<u>Paid From</u>	<u>Paid To</u>	<u>Amount</u>
Utility Fund	General Fund	\$ 3,097,595
Storm Water Fund	General Fund	<u>110,245</u>
Total administrative reimbursements		<u>\$ 3,207,840</u>

City of Goldsboro
Notes to Financial Statements

D. Net position/fund balances

(1) Net investment in capital assets

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets, net	\$ 85,049,581	\$ 73,328,026
Less:		
General obligation bonds	(9,659,856)	(5,361,144)
Notes payable	(17,847,312)	(17,162,655)
Unamortized premium on bonds	(702,265)	(411,271)
Lease liabilities	(116,963)	-
Add:		
Deferred loss on bond refunding	108,378	282,880
Unexpended debt proceeds	<u>2,282,809</u>	<u>250,112</u>
Net investment in capital assets	<u>\$ 59,114,372</u>	<u>\$ 50,925,948</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	\$ 1,168,863
Less:		
Unrestricted portion	<u>(102,128)</u>	<u>(128,244)</u>
Receivables held in abeyance	<u>\$ 57,891</u>	<u>\$ 1,040,619</u>

(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	\$ 21,407,906
Less:	
Inventories and prepaids	(425,801)
Restrictions for public safety	(28,607)
Restrictions for Cemetery maintenance	(294,478)
Stabilization by state statute	<u>(7,626,656)</u>
Fund balance available for appropriation	<u>\$ 13,032,364</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 \$4,434,127.

(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, 2022 were \$1,201,451 and \$459,987 in the General Fund and other governmental funds, respectively.

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.

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, 2022:

	<u>2021</u>	<u>2022</u>
Beginning balance	\$ 466,775	\$ 553,008
Claims reported and IBNR	355,061	100,297
Less: claims paid	<u>(268,828)</u>	<u>(331,277)</u>
Ending balance	<u>\$ 553,008</u>	<u>\$ 322,028</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 \$50,000 and \$55,000, respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000 per loss.

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 \$303,129 to the Authority during fiscal year ended June 30, 2022. 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, 2022. 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, 2022. 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.

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.

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, 2022.

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 are to be applied for similar purposes for the period from July 1, 2022 through March 31, 2023.

9. Subsequent Events

The City has evaluated subsequent events through November 21, 2023, the date on which the financial statements were available to be issued. Accordingly, it has identified the following events:

A. Pending Audit by the Office of the State Auditor

On January 12, 2022, North Carolina State Treasurer Dale Folwell requested State Auditor Beth Wood to conduct an audit of the City's financial records, as a result of the City not having submitted the fiscal 2020 and fiscal 2021 audited financial statements by their statutory due dates. As of November 21, 2023, the results of the audit are still pending.

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 Five Fiscal Years*

RSI-1

	2022	2021	2020	2019	2018
Service cost	\$ 522,061	\$ 383,599	\$ 420,672	\$ 435,175	\$ 470,816
Interest on the total pension liability	198,384	253,520	325,810	289,035	242,438
Differences between expected and actual experience in the measurement of the total pension liability	(2,193,224)	(8,713)	(2,264,511)	(39,794)	(11,376)
Changes of assumptions or other inputs	969,721	1,065,878	122,299	(284,729)	(476,696)
Benefit payments	(91,486)	(107,142)	(132,560)	(153,484)	(167,941)
Net change in total OPEB liability	(594,544)	1,587,142	(1,528,290)	246,203	57,241
Total OPEB liability:					
Beginning balance	8,500,075	6,912,933	8,441,223	8,195,020	8,137,779
Ending 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>
Covered payroll	<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>39.77%</u>	<u>42.72%</u>	<u>34.74%</u>	<u>45.07%</u>	<u>44.61%</u>

Notes to the required schedules:

1. The amounts presented for each fiscal year were determined as of the prior fiscal year ended June 30.
2. Benefit changes. There were no changes of benefit terms for the year ended June 30, 2021.
3. The above schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes
4. 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:

	Rate
Fiscal year 2022	2.16%
Fiscal year 2021	2.21%
Fiscal year 2020	3.50%
Fiscal year 2019	3.89%
Fiscal year 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

5. 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

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

RSI-2

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

	<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)	0.3115%	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)	\$ 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	\$ 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	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	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>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	\$ 2,413,496	\$ 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>2,413,496</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>
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
Contributions as a percentage of covered payroll	11.55%	10.35%	9.18%	7.86%	7.67%	7.42%	6.49%	7.25%	7.12%

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

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 Six Fiscal Years*

RSI-3

Schedule of Changes in Total Pension Liability

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

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

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, 2022

Schedule A-1
(6 pages)

	Budget	Actual	Variance Positive (Negative)
Revenues			
Ad valorem taxes	\$ 17,448,344	\$ 17,578,144	\$ 129,800
Penalties and interest	80,400	102,388	21,988
Total	17,528,744	17,680,532	151,788
Other taxes and licenses:			
Privilege licenses	2,700	3,480	780
Vehicle taxes - rental/leases	70,000	85,828	15,828
Vehicle tag fee	236,500	242,910	6,410
Total	309,200	332,218	23,018
Unrestricted intergovernmental:			
Local option sales taxes	9,997,261	11,312,744	1,315,483
Payment in lieu of taxes	108,000	108,437	437
Utility taxes	2,871,676	2,621,684	(249,992)
Cable franchise fees	204,511	203,609	(902)
Beer and wine tax	149,770	135,558	(14,212)
ABC revenues	95,000	617,060	522,060
Solid waste disposal tax	24,906	25,753	847
GWTA Garage reimbursement	154,000	350,115	196,115
Total	13,605,124	15,374,960	1,769,836
Restricted intergovernmental:			
Powell Bill allocation	830,800	1,024,644	193,844
Controlled substance tax	3,700	-	(3,700)
Wayne County Schools Resource			
Officer reimbursement	111,963	36,948	(75,015)
PEG Channel support	26,400	25,808	(592)
Cherry Hospital reimbursement	59,000	56,608	(2,392)
Transportation Planning Grant	289,372	220,313	(69,059)
NCDOT signals reimbursement	183,000	156,465	(26,535)
East Carolina Housing Grant	34,376	42,475	8,099
Other grants	2,040,408	345,166	(1,695,242)
Total	3,579,019	1,908,427	(1,670,592)

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2022

Schedule A-1
(6 pages)

	Budget	Actual	Variance Positive (Negative)
Permits and fees:			
Building and inspection permits	\$ 117,000	\$ 126,804	\$ 9,804
Mechanical permits	71,000	65,214	(5,786)
Plumbing, gas and electric inspections	87,000	107,068	20,068
Stormwater Management Fee	14,000	6,900	(7,100)
Miscellaneous permits	213,070	249,645	36,575
Total	502,070	555,631	53,561
Sales and services:			
Recreation fees	83,000	272,176	189,176
Golf course revenue	546,500	589,051	42,551
Goldsboro events center	63,371	92,704	29,333
Paramount Theater	356,170	446,305	90,135
GWTA Rental	132,020	69,354	(62,666)
Recyclable materials sold	5,000	9,187	4,187
Cemetery services	57,000	46,510	(10,490)
Refuse services	3,594,007	3,704,913	110,906
Miscellaneous fees and services	12,350	24,231	11,881
Total	4,849,418	5,254,431	405,013
Investment earnings	15,000	13,608	(1,392)
Miscellaneous:			
Officers fees	12,500	19,267	6,767
Donations	5,000	10,000	5,000
Other miscellaneous	332,163	451,737	119,574
Total	349,663	481,004	131,341
Total revenues	40,738,238	41,600,811	862,573
Expenditures			
Current:			
General government:			
Governing body:			
Salaries and employee benefits	72,228	68,932	3,296
Operating expenditures	273,339	245,625	27,714
Total	345,567	314,557	31,010
Administration:			
Salaries and employee benefits	1,564,211	1,176,886	387,325
Operating expenditures	1,878,557	1,483,948	394,609
Capital outlay	873,600	821,367	52,233
Total	4,316,368	3,482,201	834,167

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2022

Schedule A-1
(6 pages)

	Budget	Actual	Variance Positive (Negative)
Finance:			
Salaries and employee benefits	\$ 1,165,003	\$ 924,976	\$ 240,027
Operating expenditures	677,447	652,726	24,721
Total	1,842,450	1,577,702	264,748
Human resources management:			
Salaries and employee benefits	472,522	457,533	14,989
Operating expenditures	206,638	128,278	78,360
Total	679,160	585,811	93,349
Public building and grounds:			
Salaries and employee benefits	294,062	202,505	91,557
Operating expenditures	181,620	180,637	983
Total	475,682	383,142	92,540
Administrative chargeout	(3,207,840)	(3,207,840)	-
Total general government	4,451,387	3,135,573	1,315,814
Transportation:			
Street and highways:			
Salaries and employee benefits	1,367,691	1,192,130	175,561
Street lights	470,000	498,795	(28,795)
Operating expenditures	374,419	557,577	(183,158)
Capital outlay	233,498	75,502	157,996
Total	2,445,608	2,324,004	121,604
Goldsboro/Wayne Transportation Authority	303,129	303,129	-
Total transportation	2,748,737	2,627,133	121,604
Economic and physical development:			
Planning and redevelopment:			
Salaries and employee benefits	596,992	403,911	193,081
Operating expenditures	680,789	389,806	290,983
Postage credits	(32,542)	(16,674)	(15,868)
Capital outlay	47,755	41,699	6,056
Total	1,292,994	818,742	474,252
Community affairs:			
Salaries and employee benefits	127,163	114,223	12,940
Operating expenditures	26,269	127,523	(101,254)
Total	153,432	241,746	(88,314)

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2022

Schedule A-1
(6 pages)

	Budget	Actual	Variance Positive (Negative)
Downtown development:			
Salaries and employee benefits	\$ 233,643	\$ 205,987	\$ 27,656
Operating expenditures	85,028	47,276	37,752
Total	318,671	253,263	65,408
Other appropriations:			
Agency Support - Kiwanis Train	28,900	28,900	-
Community in Schools	15,500	15,500	-
Mental Health Association	12,000	-	12,000
Wayne County Schools - PEG Channel	27,400	19,439	7,961
WAGES	-	-	-
WATCH	-	-	-
WISH	11,000	11,000	-
Alta Foods	6,500	6,500	-
Total	101,300	81,339	19,961
Total economic and physical development	1,866,397	1,395,090	471,307
Public safety:			
Building and grounds:			
Salaries and employee benefits	544,169	430,951	113,218
Operating expenditures	213,878	178,901	34,977
Capital outlay	30,000	288	29,712
Total	788,047	610,140	177,907
Engineering:			
Salaries and employee benefits	950,529	751,962	198,567
Operating expenditures	186,189	153,062	33,127
Capital outlay	100	-	100
Total	1,136,818	905,024	231,794
Fire:			
Salaries and employee benefits	5,794,961	4,764,535	1,030,426
Operating expenditures	731,652	549,302	182,350
Capital outlay	110,302	92,940	17,362
Total	6,636,915	5,406,777	1,230,138
Police:			
Salaries and employee benefits	7,898,750	6,166,627	1,732,123
Operating expenditures	1,597,791	1,401,322	196,469
Capital outlay	265,834	45,524	220,310
Total	9,762,375	7,613,473	2,148,902

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2022

Schedule A-1
(6 pages)

	Budget	Actual	Variance Positive (Negative)
Inspections:			
Salaries and employee benefits	\$ 551,275	\$ 440,770	\$ 110,505
Operating expenditures	47,919	35,657	12,262
Total	599,194	476,427	122,767
Total public safety	18,923,349	15,011,841	3,911,508
Environmental protection:			
Cemetery:			
Salaries and employee benefits	305,134	229,091	76,043
Operating expenditures	50,549	38,474	12,075
Total	355,683	267,565	88,118
Sanitation:			
Salaries and employee benefits	2,132,582	1,666,431	466,151
Operating expenditures	1,269,234	1,131,312	137,922
Capital outlay	848,800	544,158	304,642
Total	4,250,616	3,341,901	908,715
Total environmental protection	4,606,299	3,609,466	996,833
Cultural and recreational:			
Parks and recreation:			
Salaries and employee benefits	2,566,062	2,054,877	511,185
Operating expenditures	597,424	564,866	32,558
Capital outlay	1,500	30	1,470
Total	3,164,986	2,619,773	545,213
Golf course:			
Salaries and employee benefits	331,388	277,683	53,705
Operating expenditures	212,968	214,246	(1,278)
Capital outlay	32,000	-	32,000
Total	576,356	491,929	84,427
Paramount Theatre:			
Salaries and employee benefits	294,049	285,277	8,772
Operating expenditures	492,135	421,315	70,820
Total	786,184	706,592	79,592

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2022

Schedule A-1
(6 pages)

	Budget	Actual	Variance Positive (Negative)
Goldsboro Event Center:			
Salaries and employee benefits	\$ 82,617	\$ 65,903	\$ 16,714
Operating expenditures	71,211	55,676	15,535
Total	153,828	121,579	32,249
Assistance to:			
Museum	15,500	15,500	-
Art Council	24,500	24,500	-
Total	40,000	40,000	-
Total cultural and recreational	4,721,354	3,979,873	741,481
Debt service:			
Principal retirement	4,319,785	3,571,096	748,689
Interest and other charges	774,765	774,765	-
Total debt service	5,094,550	4,345,861	748,689
Total expenditures	42,412,073	34,104,837	8,307,236
Revenues under expenditures	(1,673,835)	7,495,974	9,169,809
Other financing sources (uses)			
Transfers to other funds:			
Capital projects funds	(685,243)	(685,243)	-
Special revenue funds	(952,359)	-	952,359
Utilities funds	(290,592)	(290,592)	-
Capital reserve funds	(1,000)	-	1,000
Transfers from other funds:			
Grant project funds	-	-	-
Insurance recovery	-	226,852	226,852
Sale of capital assets	198,351	180,027	(18,324)
Issuance of debt	3,248,045	3,268,981	20,936
Issuance of lease liabilities	-	48,720	48,720
Other financing sources (uses), net	1,517,202	2,748,745	1,231,543
Fund balance appropriated	156,633	-	(156,633)
Net change in fund balance	\$ -	10,244,719	\$ 10,244,719
Fund balance			
Beginning balance		10,285,707	
Change in reserve for inventories		33,710	
Ending balance		\$ 20,564,136	

City of Goldsboro
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, 2022

Schedule A-2

	<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	\$ 2,340,773	\$ 525,730	\$ 2,866,503	\$ 525,730
Miscellaneous	99,758	99,758	-	99,758	-
Total revenues	<u>2,440,531</u>	<u>2,440,531</u>	<u>525,730</u>	<u>2,966,261</u>	<u>525,730</u>
Expenditures					
Current:					
Public safety:					
Emergency response		146,646	-	146,646	
Storm debris cleanup		461,547	-	461,547	
Transportation:					
Roads and bridges repairs		14,142	-	14,142	
Environmental protection:					
Water and sewer repairs		1,584,701	-	1,584,701	
Cemetery repairs		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>212,877</u>	<u>525,730</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 (uses)	<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>\$ 277,862</u>	<u>525,730</u>	<u>\$ 803,592</u>	<u>\$ 803,592</u>
Fund balance					
Beginning balance			<u>277,862</u>		
Ending balance			<u>\$ 803,592</u>		

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, 2022

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental	\$ 197,770	\$ 138,168	\$ 14,128	\$ 152,296	\$ (45,474)
Investment earnings	25	30	3	33	8
Total revenues	<u>197,795</u>	<u>138,198</u>	<u>14,131</u>	<u>152,329</u>	<u>(45,466)</u>
Expenditures					
Current:					
Public safety:					
Capital Outlay	<u>197,795</u>	<u>135,903</u>	<u>27,404</u>	<u>163,307</u>	<u>34,488</u>
Total expenditures	<u>197,795</u>	<u>135,903</u>	<u>27,404</u>	<u>163,307</u>	<u>34,488</u>
Revenues over (under) expenditures	<u>-</u>	<u>2,295</u>	<u>(13,273)</u>	<u>(10,978)</u>	<u>(10,978)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 2,295</u>	<u>(13,273)</u>	<u>\$ (10,978)</u>	<u>\$ (10,978)</u>
Fund balance					
Beginning balance			<u>2,295</u>		
Ending balance			<u>\$ (10,978)</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, 2022

Schedule A-4

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Donations and sponsorships	\$ 20,446	\$ 16,346	\$ 4,100	\$ 20,446	\$ -
Miscellaneous	30,636	24,443	6,194	30,637	1
Investment earnings	168	148	44	192	24
Total revenues	51,250	40,937	10,338	51,275	25
Expenditures					
Current:					
Public safety:					
Operating expenditures	56,351	14,024	2,767	16,791	39,560
Total expenditures	56,351	14,024	2,767	16,791	39,560
Revenues over (under) expenditures	(5,101)	26,913	7,571	34,484	39,585
Other financing sources					
Sale of capital assets	5,101	5,101	-	5,101	-
Total other financing sources	5,101	5,101	-	5,101	-
Net change in fund balance	\$ -	\$ 32,014	7,571	\$ 39,585	\$ 39,585
Fund balance					
Beginning balance			32,014		
Ending balance			\$ 39,585		

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, 2022

Schedule A-5

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Donations	\$ 30,569	\$ 21,533	\$ 9,411	\$ 30,944	\$ 375
Total revenues	30,569	21,533	9,411	30,944	375
Expenditures					
Cultural and recreational:					
Parks and recreation:					
Program expenditures	39,200	18,412	13,023	31,435	7,765
Total expenditures	39,200	18,412	13,023	31,435	7,765
Revenues over (under) expenditures	(8,631)	3,121	(3,612)	(491)	8,140
Other financing sources					
Transfer from other funds	8,631	8,631	-	8,631	-
Total other financing sources	8,631	8,631	-	8,631	-
Net change in fund balance	\$ -	\$ 11,752	(3,612)	\$ 8,140	\$ 8,140
Fund balance					
Beginning balance			11,752		
Ending balance			\$ 8,140		

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, 2022

Schedule A-6

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Donations	\$ 13,928	\$ 13,428	\$ 3,004	\$ 16,432	\$ 2,504
Total revenues	13,928	13,428	3,004	16,432	2,504
Expenditures					
Economic and physical development:					
Community affairs:					
Program expenditures	16,277	14,248	1,102	15,350	927
Total expenditures	16,277	14,248	1,102	15,350	927
Revenues under expenditures	(2,349)	(820)	1,902	1,082	3,431
Other financing sources					
Transfer from other funds	2,349	2,349	-	2,349	-
Total other financing sources	2,349	2,349	-	2,349	-
Net change in fund balance	\$ -	\$ 1,529	1,902	\$ 3,431	\$ 3,431
Fund balance					
Beginning balance			1,529		
Ending balance			\$ 3,431		

City of Goldsboro
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, 2022

Schedule A-7

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted					
intergovernmental:					
Federal grants	\$ 8,813,514	\$ -	\$ 4,306,813	\$ 4,306,813	\$ (4,506,701)
Total revenues	8,813,514	-	4,306,813	4,306,813	(4,506,701)
Investment earnings	-	-	7,056	7,056	7,056
Total revenues	8,813,514	-	4,313,869	4,313,869	(4,499,645)
Expenditures					
Current:					
General government	1,143,095	-	693,411	693,411	449,684
Public safety	3,485,290	-	2,055,587	2,055,587	1,429,703
Transportation	170,177	-	79,474	79,474	90,703
Economic and physical development	230,444	-	126,264	126,264	104,180
Environmental protection	487,238	-	285,314	285,314	201,924
Cultural and recreational	713,234	-	464,298	464,298	248,936
Utility related services	2,558,994	-	579,855	579,855	1,979,139
Occupancy Tax-related services	25,042	-	22,610	22,610	2,432
Total expenditures	8,813,514	-	4,306,813	4,306,813	4,506,701
Revenue over expenditures	-	-	7,056	7,056	7,056
Net change in fund balance	\$ -	\$ -	7,056	\$ 7,056	\$ 7,056
Fund balance					
Beginning balance			-		
Ending balance			\$ 7,056		

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
- Golden LEAF Stormwater and Sewer Infrastructure Capital Project
- Little Cherry Big Cherry Pump Station Relocation
- Galvanized Water Lines Capital Project

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 Operating Fund
- Stormwater Capital Projects

City of Goldsboro
Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP)
Utility Fund
Year Ended June 30, 2022

Schedule B-1
(3 pages)

	Budget	Actual	Variance Positive (Negative)
Revenues			
Operating revenues:			
Charges for services	\$ 17,814,830	\$ 18,701,237	\$ 886,407
Assessments	7,400	21,015	13,615
Water and sewer taps	31,000	47,914	16,914
Miscellaneous fees and services	70,000	-	(70,000)
Nonoperating revenues:			
Other revenues	392,668	691,220	298,552
Restricted federal grants	2,558,994	-	(2,558,994)
Restricted state grants	166,750	250,125	83,375
Interest revenue	-	30,506	30,506
Investment earnings	8,000	17,982	9,982
Total revenues	<u>21,049,642</u>	<u>19,759,999</u>	<u>(1,289,643)</u>
Expenditures			
Distribution and Collections:			
Salaries and employee benefits	1,496,344	1,021,954	474,390
Travel	400	-	400
Supplies	444,158	261,080	183,078
Insurance	26,185	26,080	105
Repairs and maintenance	79,693	65,416	14,277
Other expenditures	311,453	229,636	81,817
	<u>2,358,233</u>	<u>1,604,166</u>	<u>754,067</u>
Water Plant:			
Salaries and employee benefits	825,494	696,058	129,436
Travel	6,804	2,914	3,890
Supplies	1,056,724	758,226	298,498
Insurance	93,459	92,267	1,192
Utilities	313,030	302,556	10,474
Repairs and maintenance	855,302	262,056	593,246
Other expenditures	758,957	181,743	577,214
	<u>3,909,770</u>	<u>2,295,820</u>	<u>1,613,950</u>
Waste Treatment Plant:			
Salaries and employee benefits	1,398,187	1,066,080	332,107
Travel	27,350	7,083	20,267
Supplies	310,021	181,776	128,245
Insurance	215,674	192,101	23,573
Utilities	605,000	435,549	169,451
Repairs and maintenance	937,478	422,461	515,017
Other expenditures	264,913	152,312	112,601
	<u>3,758,623</u>	<u>2,457,362</u>	<u>1,301,261</u>

City of Goldsboro
Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP)
Utility Fund
Year Ended June 30, 2022

Schedule B-1
(3 pages)

	Budget	Actual	Variance Positive (Negative)
Compost facility department:			
Salaries and employee benefits	\$ 327,500	\$ 249,121	\$ 78,379
Supplies	24,500	22,528	1,972
Insurance	36,995	24,365	12,630
Repairs and maintenance	133,387	68,123	65,264
Other expenditures	222,623	141,922	80,701
	<u>745,005</u>	<u>506,059</u>	<u>238,946</u>
Billing and meter services:			
Salaries and employee benefits	337,217	276,195	61,022
Supplies	7,542	3,910	3,632
Insurance	2,362	2,151	211
Repairs and maintenance	3,896	3,896	-
Other expenditures	399,979	375,824	24,155
	<u>750,996</u>	<u>661,976</u>	<u>89,020</u>
Other:			
General operating expenditures	20,615	13,903	6,712
Shared service fees	3,097,595	3,097,595	-
Budgetary appropriations:			
Principal retirement - bonds payable	965,700	965,688	12
Principal retirement - notes payable	2,100,777	1,756,934	343,843
Interest and other charges	510,823	510,823	-
Capital outlay	2,574,349	698,732	1,875,617
Total expenditures	<u>20,792,486</u>	<u>14,569,058</u>	<u>6,223,428</u>
Revenues over expenditures	<u>257,156</u>	<u>5,190,941</u>	<u>4,933,785</u>
Other financing sources (uses)			
Transfer to Utility Capital Projects Funds	(40,627)	(40,627)	-
Transfers from General Fund	290,592	290,592	-
Transfer from Golden LEAF Stormwater and Sewer Infrastructure Capital Project	-	2,357	2,357
Sale of capital assets	-	30,203	30,203
Other financing sources (uses), net	<u>249,965</u>	<u>282,525</u>	<u>32,560</u>
Fund balance appropriated	<u>(507,121)</u>	<u>-</u>	<u>507,121</u>
Revenues and other financing sources (uses) over expenditures	<u>\$ -</u>	<u>\$ 5,473,466</u>	<u>\$ 5,473,466</u>

City of Goldsboro
Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP)
Utility Fund
Year Ended June 30, 2022

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		\$ 5,473,466	
Reconciling items:			
Transfers to (from) Utility Capital Projects Funds, net		38,270	
Investment earnings - 2010A Sanitary Sewer			
Improvements Capital Project		403	
Restricted grant revenues - Golden LEAF			
Stormwater & Sewer Infrastructure Capital			
Project		109,081	
Expenses recorded within Utility Capital Project Funds		(55,100)	
Capital asset additions		884,666	
Depreciation expense		(4,940,464)	
Proceeds from sale of capital assets		(30,203)	
Gain on disposal of capital assets		30,203	
Net change in other deferred balances		(41,709)	
Increase in inventories		147,967	
Increase in deferred outflows of resources:			
Pensions		168,654	
OPEB		116,963	
Decrease in accrued interest payable		9,900	
Increase in compensated absences		(4,158)	
Decrease in net pension liability		818,920	
Decrease in total OPEB liability		87,209	
Increase in deferred inflows of resources:			
Pensions		(953,063)	
OPEB		(241,247)	
Principal retirement		2,722,622	
Amortization of bond premium		51,409	
Loss on bond refunding		(35,360)	
Change in net position		<u>\$ 4,358,429</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, 2022

Schedule B-2

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Expenditures					
Sewer Lines:					
Construction	\$ 8,905,676	\$ 7,788,264	\$ 552,794	\$ 8,341,058	\$ 564,618
Debt service:					
Interest and other charges	178,114	178,114	-	178,114	-
Total expenditures	9,083,790	7,966,378	552,794	8,519,172	564,618
Revenues under expenditures	(9,083,790)	(7,966,378)	(552,794)	(8,519,172)	564,618
Other financing sources					
Transfer from Utility Operating Fund	178,114	178,114	-	178,114	-
Issuance of debt - State Revolving Loan Fund	8,905,676	4,673,457	-	4,673,457	(4,232,219)
Total other financing sources	9,083,790	4,851,571	-	4,851,571	(4,232,219)
Revenues and other financing sources under expenditures	\$ -	\$ (3,114,807)	\$ (552,794)	\$ (3,667,601)	\$ (3,667,601)

City of Goldsboro
Schedule of Revenues and Expenditures
Budget and Actual - 2010A Sanitary Sewer Improvements Capital Project
From Inception and for the Year Ended June 30, 2022

Schedule B-3

	<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	\$ 90,114	\$ 403	\$ 90,517	\$ 11,354
Total revenues	79,163	90,114	403	90,517	11,354
Expenditures					
Sewer Lines:					
Construction - S1104	8,684,163	301,777	-	301,777	8,382,386
	8,684,163	301,777	-	301,777	8,382,386
Waste Water Plant:					
Construction - #001-E	-	164,605	-	164,605	(164,605)
	-	164,605	-	164,605	(164,605)
Total expenditures	8,684,163	466,382	-	466,382	8,217,781
Revenues over (under) expenditures	(8,605,000)	(376,268)	403	(375,865)	8,229,135
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)
	8,605,000	1,243,715	-	1,243,715	(7,361,285)
Revenues and other financing sources over expenditures	\$ -	\$ 867,447	\$ 403	\$ 867,850	\$ 867,850

City of Goldsboro
Schedule of Revenues and Expenditures
Budget and Actual - Sewer Rehabilitation Capital Project
From Inception and for the Year Ended June 30, 2022

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	\$ 630,386	\$ 75,494	\$ 705,880	\$ 529,220
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>643,568</u>	<u>75,494</u>	<u>719,062</u>	<u>540,740</u>
Revenues under expenditures	<u>(1,259,802)</u>	<u>(643,568)</u>	<u>(75,494)</u>	<u>(719,062)</u>	<u>540,740</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>-</u>	<u>-</u>	<u>(1,235,100)</u>
	<u>1,259,802</u>	<u>34,556</u>	<u>-</u>	<u>34,556</u>	<u>(1,225,246)</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ (609,012)</u>	<u>\$ (75,494)</u>	<u>\$ (684,506)</u>	<u>\$ (684,506)</u>

Schedule of Revenues and Expenditures

Budget and Actual - Water Line Replacement and Booster Pump Station Capital Project
From Inception and for the Year Ended June 30, 2022

	<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	\$ 308,013	\$ 100	\$ 308,113	\$ 3,336,887
Debt service:					
Interest and other charges	<u>72,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,200</u>
 Total expenditures	<u>3,717,200</u>	<u>308,013</u>	<u>100</u>	<u>308,113</u>	<u>3,409,087</u>
 Revenues under expenditures	<u>(3,717,200)</u>	<u>(308,013)</u>	<u>(100)</u>	<u>(308,113)</u>	<u>3,409,087</u>
Other financing sources					
Transfer from Utility Operating Fund	107,200	77,600	-	77,600	(29,600)
Issuance of debt	<u>3,610,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,610,000)</u>
	<u>3,717,200</u>	<u>77,600</u>	<u>-</u>	<u>77,600</u>	<u>(3,639,600)</u>
 Revenues and other financing sources under expenditures	<u>\$ -</u>	<u>\$ (230,413)</u>	<u>\$ (100)</u>	<u>\$ (230,513)</u>	<u>\$ (230,513)</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, 2022

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	1,519,536	1,517,550	-	1,517,550	1,986
Revenues under expenditures	(1,519,536)	(1,517,550)	-	(1,517,550)	1,986
Other financing sources					
Transfer from Utility Operating Fund	34,627	-	34,627	34,627	-
Issuance of debt	1,484,909	1,245,273	239,636	1,484,909	-
	1,519,536	1,245,273	274,263	1,519,536	-
Revenues and other financing sources over (under) expenditures	\$ -	\$ (272,277)	\$ 274,263	\$ 1,986	\$ 1,986

Schedule of Revenues and Expenditures

Budget and Actual - Golden LEAF Stormwater and Sewer Infrastructure Capital Project
From Inception and for the Year Ended June 30, 2022

	<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	\$ 598,574	\$ 489,492	\$ 109,081	\$ 598,573	\$ (1)
Total revenues	598,574	489,492	109,081	598,573	(1)
Expenditures					
Sewer Lines:					
Construction	596,216	596,216	-	596,216	-
Total expenditures	596,216	596,216	-	596,216	-
Revenues over (under) expenditures	2,358	(106,724)	109,081	2,357	(1)
Other financing uses					
Transfers to Utilities Fund	(2,358)	-	(2,357)	(2,357)	1
Revenues and other financing uses over (under) expenditures	\$ -	\$ (106,724)	\$ 106,724	\$ -	\$ -

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, 2022

Schedule B-8

	<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	30,000	-	30,000	30,000	-
Revenues under expenditures	(30,000)	-	(30,000)	(30,000)	-
Other financing sources					
Transfer from Utility Operating Fund	30,000	30,000	-	30,000	-
Revenues and other financing sources over (under) expenditures	\$ -	\$ 30,000	\$ (30,000)	\$ -	\$ -

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, 2022

Schedule B-9

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Water Lines:					
Construction	\$ 30,000	\$ -	\$ 25,000	\$ 25,000	\$ 5,000
Total expenditures	<u>30,000</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>5,000</u>
Revenues under expenditures	<u>(30,000)</u>	<u>-</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>5,000</u>
Other financing sources					
Transfer from Utility Operating Fund	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ (25,000)</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, 2022

	<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	300,000	-	-	-	(300,000)
Expenditures					
Infrastructure:					
Asset Inventory & Assessment	304,500	-	168,500	168,500	136,000
Total expenditures	304,500	-	168,500	168,500	136,000
Revenues under expenditures	(4,500)	-	(168,500)	(168,500)	(164,000)
Other financing sources					
Transfer from Utility Operating Fund	4,500	-	4,500	4,500	-
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (164,000)</u>	<u>\$ (164,000)</u>	<u>\$ (164,000)</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, 2022

	<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	100,000	-	-	-	(100,000)
Expenditures					
Infrastructure:					
Asset Inventory & Assessment	101,500	-	-	-	101,500
Total expenditures	101,500	-	-	-	101,500
Revenues under expenditures	(1,500)	-	-	-	1,500
Other financing sources					
Transfer from Utility Operating Fund	1,500	-	1,500	1,500	-
Revenues and other financing sources over expenditures	\$ -	\$ -	\$ 1,500	\$ 1,500	\$ 1,500

City of Goldsboro
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Storm Water Fund
Year Ended June 30, 2022

Schedule B-12
(2 pages)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Operating revenues:			
Charges for services	\$ 1,575,000	\$ 1,589,043	\$ 14,043
Nonoperating revenues:			
Investment earnings	1,200	1,607	407
Miscellaneous	-	11,558	11,558
Total revenues	<u>1,576,200</u>	<u>1,602,208</u>	<u>26,008</u>
Expenditures			
Public Works - Storm Water:			
Salaries and employee benefits	661,986	513,497	148,489
Consultant fees	30,900	25,000	5,900
Vehicle maintenance	55,000	38,247	16,753
Landfill tipping fees	40,900	27,900	13,000
Utility service fee	110,245	110,245	-
Other expenses	275,080	174,447	100,633
	<u>1,174,111</u>	<u>889,336</u>	<u>284,775</u>
Budgetary appropriations:			
Principal retirement	118,300	118,300	-
Interest and other charges	63,457	5,077	58,380
	<u>181,757</u>	<u>123,377</u>	<u>58,380</u>
Total expenditures	<u>1,355,868</u>	<u>1,012,713</u>	<u>343,155</u>
Revenues over (under) expenditures	220,332	589,495	369,163
Other financing sources (uses):			
Issuance of debt	267,551	267,551	-
Transfers to Capital Project Funds	(877,778)	(877,778)	-
Total other financing sources (uses)	<u>(610,227)</u>	<u>(610,227)</u>	<u>-</u>
Revenues over (under) expenditures and other financing uses	(389,895)	(20,732)	369,163
Fund balance appropriated	<u>389,895</u>	<u>-</u>	<u>(389,895)</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>(20,732)</u>	<u>\$ (20,732)</u>

City of Goldsboro
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Storm Water Fund
Year Ended June 30, 2022

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		\$ 877,778	
Depreciation expense		(119,513)	
Increase (decrease) in deferred outflows of resources:			
Pensions		34,493	
OPEB		19,931	
Decrease in accrued interest payable		1,094	
Decrease in compensated absences		663	
Decrease in net pension liability		106,210	
Decrease in OPEB liability		(11,395)	
Increase in deferred inflows resources - pensions		(146,828)	
Increase in deferred inflows resources - OPEB		(43,760)	
Issuance of debt		(267,551)	
Principal retirement		118,300	
		<u>118,300</u>	
Change in net position		<u>\$ 548,690</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, 2022

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 & GIS Overlay	\$ 1,088,000	\$ -	\$ 88,593	\$ 88,593	\$ 999,407
Storm Drainage - Vine Street	40,000	-	13,486	13,486	26,514
Total expenditures	<u>1,128,000</u>	<u>-</u>	<u>102,079</u>	<u>102,079</u>	<u>1,025,921</u>
Revenues under expenditures	<u>(1,128,000)</u>	<u>-</u>	<u>(102,079)</u>	<u>(102,079)</u>	<u>1,025,921</u>
Other financing sources					
Transfer from Storm Water Fund	<u>1,128,000</u>	<u>250,000</u>	<u>877,778</u>	<u>1,127,778</u>	<u>(222)</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ 775,699</u>	<u>\$ 1,025,699</u>	<u>\$ 1,025,699</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
- CARES Act Special Revenue Fund - Budget and Actual
- CARES Act Miscellaneous Grants Fund - Budget and Actual
- BJA FY20 Coronavirus Emergency Supplemental Funding 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
- FEMA Assistance to Firefighters Grant Capital Project Fund - Budget and Actual

City of Goldsboro
Combining Balance Sheet
Other Governmental Funds
June 30, 2022

Schedule C-1

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
ASSETS			
Cash and investments	\$ 1,163,705	\$ 1,431,262	\$ 2,594,967
Receivables (net):			
Property taxes receivable	4,607	-	4,607
Interest receivable	54,000	-	54,000
Due from other governments	186,020	17,371	203,391
Inventories and prepaids	6,391	-	6,391
Notes receivable	300,000	-	300,000
Total assets	<u>\$ 1,714,723</u>	<u>\$ 1,448,633</u>	<u>\$ 3,163,356</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 181,161	\$ 18,000	\$ 199,161
Accrued compensation payable	7,346	-	7,346
Due to other funds	-	358,000	358,000
Total liabilities	<u>188,507</u>	<u>376,000</u>	<u>564,507</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable grant revenue	182,154	-	182,154
Property taxes receivable	4,607	-	4,607
Interest receivable	54,000	-	54,000
Notes receivable	300,000	-	300,000
Total deferred inflows of resources	<u>540,761</u>	<u>-</u>	<u>540,761</u>
FUND BALANCES			
Nonspendable:			
Inventories and prepaids	6,391	-	6,391
Restricted:			
Stabilization by state statute	2,997	-	2,997
General government	258,024	-	258,024
Transportation	-	924,979	924,979
Economic and physical development	574,144	-	574,144
Public safety	143,899	226,783	370,682
Cultural and recreational	-	(79,129)	(79,129)
Total fund balances	<u>985,455</u>	<u>1,072,633</u>	<u>2,058,088</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,714,723</u>	<u>\$ 1,448,633</u>	<u>\$ 3,163,356</u>

City of Goldsboro
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Other Governmental Funds
Year Ended June 30, 2022

Schedule C-2

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
Revenues			
Ad valorem taxes	\$ 98,412	\$ -	\$ 98,412
Other taxes and licenses	1,107,941	-	1,107,941
Restricted intergovernmental	169,141	183,712	352,853
Sales and services	6,650	-	6,650
Investment earnings	1,142	119	1,261
Donations and sponsorships	-	69,125	69,125
Miscellaneous	44,914	-	44,914
Total revenues	<u>1,428,200</u>	<u>252,956</u>	<u>1,681,156</u>
Expenditures			
Current:			
Transportation	-	1,608,223	1,608,223
General government	24,469	-	24,469
Economic and physical development	1,060,015	242,372	1,302,387
Public safety	8,148	-	8,148
Cultural and recreational	-	138,101	138,101
Debt service:			
Principal retirement	402,064	-	402,064
Interest and other charges	36,949	-	36,949
Total expenditures	<u>1,531,645</u>	<u>1,988,696</u>	<u>3,520,341</u>
Revenues under expenditures	<u>(103,445)</u>	<u>(1,735,740)</u>	<u>(1,839,185)</u>
Other financing sources			
Transfers from other funds	<u>-</u>	<u>685,243</u>	<u>685,243</u>
Other financing sources, net	<u>-</u>	<u>685,243</u>	<u>685,243</u>
Net change in fund balances	(103,445)	(1,050,497)	(1,153,942)
Fund balances			
Beginning balances	<u>1,088,900</u>	<u>2,123,130</u>	<u>3,212,030</u>
Ending balances	<u>\$ 985,455</u>	<u>\$ 1,072,633</u>	<u>\$ 2,058,088</u>

City of Goldsboro
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

Schedule D-1

	Community Development Fund	Downtown District Fund	Occupancy Tax Fund	Federal and State Drug Forfeiture Fund	CARES Act Special Revenue Fund	CARES Act Miscellaneous Grants Fund	BJA FY20 Coronavirus Emergency Supplemental Funding	Total Nonmajor Special Revenue Funds
ASSETS								
Cash and investments	\$ 127,289	\$ 129,104	\$ 505,389	\$ 143,899	\$ 258,024	\$ -	\$ -	\$ 1,163,705
Receivables (net):								
Property taxes receivable	-	4,607	-	-	-	-	-	4,607
Interest receivable	54,000	-	-	-	-	-	-	54,000
Due from other governments	183,023	2,997	-	-	-	-	-	186,020
Prepaid	-	-	6,391	-	-	-	-	6,391
Notes receivable	300,000	-	-	-	-	-	-	300,000
Total assets	<u>\$ 664,312</u>	<u>\$ 136,708</u>	<u>\$ 511,780</u>	<u>\$ 143,899</u>	<u>\$ 258,024</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,714,723</u>
LIABILITIES								
Accounts payable and accrued liabilities	\$ 77,290	\$ -	\$ 103,871	\$ -	\$ -	\$ -	\$ -	\$ 181,161
Accrued compensation payable	-	-	7,346	-	-	-	-	7,346
Total liabilities	<u>77,290</u>	<u>-</u>	<u>111,217</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>188,507</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable grant revenue	182,154	-	-	-	-	-	-	182,154
Property taxes receivable	-	4,607	-	-	-	-	-	4,607
Interest receivable	54,000	-	-	-	-	-	-	54,000
Notes receivable	300,000	-	-	-	-	-	-	300,000
Total deferred inflows of resources	<u>536,154</u>	<u>4,607</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>540,761</u>
FUND BALANCES								
Nonspendable:								
Inventories and prepaids	-	-	6,391	-	-	-	-	6,391
Restricted:								
Stabilization by state statute	-	2,997	-	-	-	-	-	2,997
General government	-	-	-	-	258,024	-	-	258,024
Economic and physical development	50,868	129,104	394,172	-	-	-	-	574,144
Public safety	-	-	-	143,899	-	-	-	143,899
Total fund balances	<u>50,868</u>	<u>132,101</u>	<u>400,563</u>	<u>143,899</u>	<u>258,024</u>	<u>-</u>	<u>-</u>	<u>985,455</u>
Total liabilities, deferred inflows of re- sources and fund balances	<u>\$ 664,312</u>	<u>\$ 136,708</u>	<u>\$ 511,780</u>	<u>\$ 143,899</u>	<u>\$ 258,024</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,714,723</u>

City of Goldsboro
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Special Revenue Funds
Year Ended June 30, 2022

Schedule D-2

	Community Development Fund	Downtown District Fund	Occupancy Tax Fund	Federal and State Drug Forfeiture Fund	CARES Act Special Revenue Fund	CARES Act Miscellaneous Grants Fund	BJA FY20 Coronavirus Emergency Supplemental Funding	Total Nonmajor Special Revenue Funds
Revenues								
Ad valorem taxes	\$ -	\$ 98,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,412
Other taxes and licenses	-	-	1,107,941	-	-	-	-	1,107,941
Restricted intergovernmental:								
Community Development Block Grant	87,669	-	-	-	-	-	-	87,669
Urgent Repair Program	46,570	-	-	-	-	-	-	46,570
NCHFA ESFRLP - DisasterRecovery	-	-	2,237	-	-	-	-	2,237
Other grants	-	-	-	-	-	-	22,357	22,357
DEA funds	-	-	-	3,409	-	-	-	3,409
NC controlled substance tax	-	-	-	6,899	-	-	-	6,899
Sales and services:								
Owner Income	6,650	-	-	-	-	-	-	6,650
Investment earnings	291	127	561	163	-	-	-	1,142
Miscellaneous	39,329	-	5,585	-	-	-	-	44,914
Total revenues	<u>180,509</u>	<u>98,539</u>	<u>1,116,324</u>	<u>10,471</u>	<u>-</u>	<u>-</u>	<u>22,357</u>	<u>1,428,200</u>
Expenditures								
Current:								
Economic and physical development	326,061	69,353	664,601	-	-	-	-	1,060,015
General government	-	-	-	-	2,112	-	22,357	24,469
Public safety	-	-	-	8,148	-	-	-	8,148
Debt service:								
Principal retirement	-	-	402,064	-	-	-	-	402,064
Interest and other charges	-	-	36,949	-	-	-	-	36,949
Total expenditures	<u>326,061</u>	<u>69,353</u>	<u>1,103,614</u>	<u>8,148</u>	<u>2,112</u>	<u>-</u>	<u>22,357</u>	<u>1,531,645</u>
Revenues over (under) expenditures	<u>(145,552)</u>	<u>29,186</u>	<u>12,710</u>	<u>2,323</u>	<u>(2,112)</u>	<u>-</u>	<u>-</u>	<u>(103,445)</u>
Net change in fund balances	(145,552)	29,186	12,710	2,323	(2,112)	-	-	(103,445)
Fund balances								
Beginning balances	196,420	102,915	387,853	141,576	260,136	-	-	1,088,900
Ending balances	<u>\$ 50,868</u>	<u>\$ 132,101</u>	<u>\$ 400,563</u>	<u>\$ 143,899</u>	<u>\$ 258,024</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 985,455</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, 2022

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-FY22	\$ 5,049,017	\$ 4,516,974	\$ 87,669	\$ 4,604,643	\$ (444,374)
CDBG-CV	427,303	31,056	-	31,056	(396,247)
HOME FY10-FY22	2,693,351	2,460,744	-	2,460,744	(232,607)
Urgent repair program	437,000	362,400	46,570	408,970	(28,030)
Essential Single Family Rehab					
Loan Pool program (ESFRLP)	150,000	101,175	-	101,175	(48,825)
Other grants	456,965	350,000	-	350,000	(106,965)
Owner income:					
CDBG	162,024	259,147	506	259,653	97,629
HOME	48,691	8,281	6,144	14,425	(34,266)
Investment earnings	-	153	291	444	444
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	-	70,600	39,329	109,929	109,929
Total revenues	<u>74,455,354</u>	<u>49,845,919</u>	<u>180,509</u>	<u>50,026,428</u>	<u>(24,428,926)</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, 2022

Schedule D-3
(2 pages)

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Expenditures					
Current:					
Economic and physical development:					
CDBG:					
Coronavirus Relief Fund	\$ 427,303	\$ 27,098	\$ 105,282	\$ 132,380	\$ 294,923
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:					
FY21-FY22	250,738	-	24,002	24,002	226,736
FY20-FY21	241,124	72,376	20,477	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	-	5,999,298	865,741
Urgent repair program	437,000	349,429	59,541	408,970	28,030
ESFRLP	150,000	110,775	29,200	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	74,454,554	49,649,499	326,061	49,975,560	24,478,994
Revenues over (under) expenditures	800	196,420	(145,552)	50,868	50,068
Other financing sources (uses)					
Transfer to other funds	(800)	-	-	-	800
Total other financing uses	(800)	-	-	-	800
Change in fund balance	\$ -	\$ 196,420	(145,552)	\$ 50,868	\$ 50,868
Fund balance					
Beginning balance			196,420		
Ending balance			\$ 50,868		

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Downtown District Fund
Year Ended June 30, 2021

Schedule D-4

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes	\$ 94,674	\$ 97,590	\$ 2,916
Penalties and interest	500	822	322
Total	95,174	98,412	3,238
Investment earnings	-	127	127
Total revenues	95,174	98,539	3,365
Expenditures			
Current:			
Economic and physical development:			
Downtown revitalization	95,174	69,353	25,821
Total expenditures	95,174	69,353	25,821
Revenue over (under) expenditures	-	29,186	29,186
Net change in fund balance	<u>\$ -</u>	29,186	<u>\$ 29,186</u>
Fund balance			
Beginning balance		102,915	
Ending balance		<u>\$ 132,101</u>	

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Occupancy Tax Fund
Year Ended June 30, 2022

Schedule D-5

	Budget	Actual	Variance Positive (Negative)
Revenues			
Other taxes and licenses	\$ 1,045,866	\$ 1,107,941	\$ 62,075
NC Tennis Association grant	30,731	2,237	(28,494)
Investment earnings	200	561	361
Miscellaneous	5,000	5,585	585
Total revenues	1,081,797	1,116,324	34,527
Expenditures			
Current:			
Economic and physical development:			
Salaries and employee benefits	188,592	136,504	52,088
Operating expenditures	194,692	153,240	41,452
Wayne County share of occupancy tax	347,956	374,857	(26,901)
	731,240	664,601	66,639
Debt Service:			
Principal retirement - notes	400,557	302,064	98,493
Principal retirement - bonds	100,000	100,000	-
Interest and other charges	-	36,949	(36,949)
	500,557	439,013	61,544
Total expenditures	1,231,797	1,103,614	128,183
Revenues over (under) expenditures	(150,000)	12,710	162,710
Fund balance appropriated	150,000	-	(150,000)
Net change in fund balance	\$ -	12,710	\$ 12,710
Fund balance			
Beginning balance		387,853	
Ending balance		\$ 400,563	

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, 2022

Schedule D-6

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Restricted intergovernmental:					
DEA funds	\$ 188,813	\$ 15,396	\$ 3,409	\$ 18,805	\$ (170,008)
NC controlled substance tax	6,091	13,011	6,899	19,910	13,819
Total	194,904	28,407	10,308	38,715	(156,189)
Investment earnings	1,215	1,245	163	1,408	193
Total revenues	196,119	29,652	10,471	40,123	(155,996)
Expenditures					
Current:					
Public safety:					
Federal operating expenditures	194,724	72,280	5,611	77,891	116,833
State operating expenditures	6,091	-	2,537	2,537	3,554
Total expenditures	200,815	72,280	8,148	80,428	120,387
Revenue over (under) expenditures	(4,696)	(42,628)	2,323	(40,305)	(35,609)
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	4,696	184,204	-	184,204	179,508
Net change in fund balance	\$ -	\$ 141,576	2,323	\$ 143,899	\$ 143,899
Fund balance					
Beginning balance			141,576		
Ending balance			\$ 143,899		

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, 2022

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					
Restricted intergovernmental:					
Coronavirus relief funds	\$ 966,688	\$ 966,688	\$ -	\$ 966,688	\$ -
Total revenues	966,688	966,688	-	966,688	-
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	191,496	2,112	193,608	6,392
Total expenditures	966,688	706,552	2,112	708,664	258,024
Revenue over expenditures (under) expenditures	-	260,136	(2,112)	258,024	258,024
Net change in fund balance	\$ -	\$ 260,136	(2,112)	\$ 258,024	\$ 258,024
Fund balance					
Beginning balance			260,136		
Ending balance			\$ 258,024		

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - CARES Act Miscellaneous Revenue Fund
From Inception and for the Year Ended June 30, 2022

Schedule D-8

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Restricted intergovernmental:					
Coronavirus relief funds	\$ 120,366	\$ 45,431	\$ -	\$ 45,431	\$ (74,935)
Total revenues	120,366	45,431	-	45,431	(74,935)
Expenditures					
Current:					
General government:					
Federal operating expenditures	120,366	45,431	-	45,431	74,935
Total expenditures	120,366	45,431	-	45,431	74,935
Revenue over expenditures	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance					
Beginning balance			-		
Ending balance			\$ -		

City of Goldsboro
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - BJA FY20 Coronavirus Emergency Supplemental Funding
From Inception and for the Year Ended June 30, 2022

Schedule D-9

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental:					
Federal grants	\$ 108,628	\$ 64,822	\$ 22,357	\$ 87,179	\$ (21,449)
Total revenues	108,628	64,822	22,357	87,179	(21,449)
Expenditures					
Current:					
General government:					
Federal operating expenditures	108,628	64,822	22,357	87,179	(21,449)
Total expenditures	108,628	64,822	22,357	87,179	(21,449)
Revenue over expenditures	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance					
Beginning balance			-		
Ending balance			\$ -		

City of Goldsboro
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2022

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	FEMA Assistance to Firefighters Fund	Total Nonmajor Capital Project Funds
ASSETS								
Cash and investments	\$ 296,606	\$ 49,380	\$ 194,092	\$ 858,493	\$ -	\$ 32,691	\$ -	\$ 1,431,262
Due from other governments	265	17,106	-	-	-	-	-	17,371
Total assets	<u>\$ 296,871</u>	<u>\$ 66,486</u>	<u>\$ 194,092</u>	<u>\$ 858,493</u>	<u>\$ -</u>	<u>\$ 32,691</u>	<u>\$ -</u>	<u>\$ 1,448,633</u>
LIABILITIES								
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ -	\$ -	\$ 18,000
Due to other funds	-	-	-	-	358,000	-	-	358,000
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,000</u>	<u>-</u>	<u>-</u>	<u>376,000</u>
FUND BALANCES								
Restricted:					-			
Transportation	-	66,486	-	858,493	-	-	-	924,979
Public safety	-	-	194,092	-	-	32,691	-	226,783
Cultural and recreational	296,871	-	-	-	(376,000)	-	-	(79,129)
Total fund balances	<u>296,871</u>	<u>66,486</u>	<u>194,092</u>	<u>858,493</u>	<u>(376,000)</u>	<u>32,691</u>	<u>-</u>	<u>1,072,633</u>
Total liabilities and fund balances	<u>\$ 296,871</u>	<u>\$ 66,486</u>	<u>\$ 194,092</u>	<u>\$ 858,493</u>	<u>\$ -</u>	<u>\$ 32,691</u>	<u>\$ -</u>	<u>\$ 1,448,633</u>

City of Goldsboro
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Capital Projects Funds
Year Ended June 30, 2022

Schedule E-2

	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	FEMA Assistance to Firefighters Fund	Total Nonmajor Capital Project Funds
Revenues								
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 183,712	\$ 183,712
Donations and sponsorships	60,550	-	-	-	-	8,575	-	69,125
Investment earnings	-	119	-	-	-	-	-	119
Total revenues	60,550	119	-	-	-	8,575	183,712	252,956
Expenditures								
Current:								
Transportation	-	1,608,223	-	-	-	-	-	1,608,223
Public safety	-	-	40,289	-	-	-	202,083	242,372
Cultural and recreational	120,101	-	-	-	18,000	-	-	138,101
Total expenditures	120,101	1,608,223	40,289	-	18,000	-	202,083	1,988,696
Revenues over (under) expenditures	(59,551)	(1,608,104)	(40,289)	-	(18,000)	8,575	(18,371)	(1,735,740)
Other financing sources								
Transfer from other funds	-	-	-	685,243	-	-	-	685,243
Total other financing sources	-	-	-	685,243	-	-	-	685,243
Net change in fund balances	(59,551)	(1,608,104)	(40,289)	685,243	(18,000)	8,575	(18,371)	(1,050,497)
Fund balances								
Beginning balances	356,422	1,674,590	234,381	173,250	(358,000)	24,116	18,371	2,123,130
Ending balances	\$ 296,871	\$ 66,486	\$ 194,092	\$ 858,493	\$ (376,000)	\$ 32,691	\$ -	\$ 1,072,633

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, 2022

	<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	536,050	440,500	60,550	501,050	(35,000)
Total revenues	592,943	447,393	60,550	507,943	(85,000)
Expenditures					
Current:					
Cultural and recreational:					
Multi Sports Complex:					
construction	330,500	91,169	120,101	211,270	119,230
GoWayneGo projects:					
construction	96,893	39,802	-	39,802	57,091
Playground	5,550	-	-	-	5,550
Southend Park:					
construction	200,000	-	-	-	200,000
Total expenditures	632,943	130,971	120,101	251,072	381,871
Revenues over (under) expenditures	(40,000)	316,422	(59,551)	256,871	296,871
Other financing sources					
Transfer from other funds	40,000	40,000	-	40,000	-
Total other financing sources	40,000	40,000	-	40,000	-
Net change in fund balance	\$ -	\$ 356,422	(59,551)	\$ 296,871	\$ 296,871
Fund balance					
Beginning balance			356,422		
Ending balance			\$ 296,871		

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, 2022

	<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	\$ 116,109	\$ 119	\$ 116,228	\$ (1,972)
Expenditures					
Current:					
Transportation:					
Street resurfacing	4,940,265	3,263,685	1,608,223	4,871,908	68,357
Debt Service:					
Interest and other charges	108,257	108,257	-	108,257	-
Total expenditures	5,048,522	3,371,942	1,608,223	4,980,165	68,357
Revenues under expenditures	(4,930,322)	(3,255,833)	(1,608,104)	(4,863,937)	66,385
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	4,930,322	4,930,423	-	4,930,423	101
Net change in fund balance	\$ -	\$ 1,674,590	(1,608,104)	\$ 66,486	\$ 66,486
Fund balance					
Beginning balance			1,674,590		
Ending balance			\$ 66,486		

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, 2022

Schedule E-5

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Investment earnings	\$ 115,662	\$ 119,160	\$ -	\$ 119,160	\$ 3,498
Miscellaneous	195,000	195,000	-	195,000	-
Total revenues	310,662	314,160	-	314,160	3,498
Expenditures					
Current:					
Public safety:					
Construction	5,953,926	6,014,385	40,289	6,054,674	(100,748)
Professional fees	463,400	172,058	-	172,058	291,342
Total expenditures	6,417,326	6,186,443	40,289	6,226,732	190,594
Revenues over (under) expenditures	(6,106,664)	(5,872,283)	(40,289)	(5,912,572)	194,092
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	6,106,664	6,106,664	-	6,106,664	-
Net change in fund balance	\$ -	\$ 234,381	(40,289)	\$ 194,092	\$ 194,092
Fund balance					
Beginning balance			234,381		
Ending balance			\$ 194,092		

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Herman Park Recreation Center Capital Project Fund
From Inception and for the Year Ended June 30, 2022

	Project Authorization	Prior Years	Actual Current Year	Total	Variance Positive (Negative)
Revenues					
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-
Expenditures					
Current:					
Cultural and recreational:					
Construction	11,013,000	358,000	18,000	376,000	10,637,000
Debt service:					
Interest and other charges	137,000	-	-	-	137,000
Total expenditures	11,150,000	358,000	18,000	376,000	10,774,000
Revenues under expenditures	(11,150,000)	(358,000)	(18,000)	(376,000)	10,774,000
Other financing sources					
Issuance of debt	11,150,000	-	-	-	(11,150,000)
Total other financing sources	11,150,000	-	-	-	(11,150,000)
Net change in fund balance	\$ -	\$ (358,000)	(18,000)	\$ (376,000)	\$ (376,000)
Fund balance (deficit)					
Beginning balance			(358,000)		
Ending balance (deficit)			\$ (376,000)		

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, 2022

	<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	\$ 24,116	\$ 8,575	\$ 32,691	\$ (47,309)
Total revenues	80,000	24,116	8,575	32,691	(47,309)
EXPENDITURES					
Current:					
Public safety:					
Restoration	80,000	-	-	-	80,000
Total expenditures	80,000	-	-	-	80,000
Net change in fund balance	\$ -	\$ 24,116	8,575	\$ 32,691	\$ 32,691
FUND BALANCE					
Beginning balance			24,116		
Ending balance			\$ 32,691		

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, 2022

	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	5,100,000	4,733,532	-	4,733,532	(366,468)
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	7,189,383	6,527,316	-	6,527,316	662,067
Revenues under expenditures	(2,089,383)	(1,793,784)	-	(1,793,784)	295,599
Other financing sources					
Transfers from other funds	2,089,383	1,967,034	685,243	2,652,277	562,894
Total other financing sources	2,089,383	1,967,034	685,243	2,652,277	562,894
Net change in fund balance	\$ -	\$ 173,250	685,243	\$ 858,493	\$ 858,493
Fund balance					
Beginning balance			173,250		
Ending balance			\$ 858,493		

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - FEMA Assistance to Firefighters Grant Capital Project Fund
From Inception and for the Year Ended June 30, 2022

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted intergovernmental	\$ 183,712	\$ -	\$ 183,712	\$ 183,712	\$ -
Total revenues	<u>183,712</u>	<u>-</u>	<u>183,712</u>	<u>183,712</u>	<u>-</u>
Expenditures					
Current:					
Public Safety:					
Construction	<u>202,083</u>	<u>-</u>	<u>202,083</u>	<u>202,083</u>	<u>-</u>
Total expenditures	<u>202,083</u>	<u>-</u>	<u>202,083</u>	<u>202,083</u>	<u>-</u>
Revenues under expenditures	<u>(18,371)</u>	<u>-</u>	<u>(18,371)</u>	<u>(18,371)</u>	<u>-</u>
Other financing sources					
Transfers from other funds	<u>18,371</u>	<u>18,371</u>	<u>-</u>	<u>18,371</u>	<u>-</u>
Total other financing sources	<u>18,371</u>	<u>18,371</u>	<u>-</u>	<u>18,371</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 18,371</u>	<u>(18,371)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance					
Beginning balance			<u>18,371</u>		
Ending balance			<u>\$ -</u>		



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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, 2022

Schedule F-1
(2 pages)

City-Wide Levy

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2021</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2022</u>
2021-2022	\$ -	\$ 17,604,753	\$ 17,391,296	\$ 213,457
2020-2021	221,179	-	126,595	94,584
2019-2020	119,431	-	55,846	63,585
2018-2019	56,785	-	22,282	34,503
2017-2018	36,535	-	11,187	25,348
2016-2017	30,248	-	7,970	22,278
2015-2016	28,904	-	4,296	24,608
2014-2015	21,909	-	3,529	18,380
2013-2014	39,888	-	1,684	38,204
2012-2013	43,417	-	1,508	41,909
2011-2012	42,669	-	42,669	-
	<u>\$ 640,965</u>	<u>\$ 17,604,753</u>	<u>\$ 17,668,862</u>	576,856
Less: allowance for uncollectible accounts				<u>(106,987)</u>
Property taxes receivable, net				<u>\$ 469,869</u>
Reconciliation with revenue:				
Ad valorem taxes - General Fund				\$ 17,680,532
Reconciling items:				
Interest collected				(102,388)
Taxes written off				42,669
Other adjustments				<u>48,049</u>
Total collections and credits				<u>\$ 17,668,862</u>

City of Goldsboro
Schedule of Ad Valorem Taxes Receivable
June 30, 2022

Schedule F-1
(2 pages)

Downtown District Fund

Fiscal Year	Uncollected Balance July 1, 2021	Additions	Collections and Credits	Uncollected Balance June 30, 2022
2021-2022	\$ -	\$ 96,744	\$ 94,650	\$ 2,094
2020-2021	2,048	-	774	1,274
2019-2020	1,737	-	1,137	600
2018-2019	467	-	382	85
2017-2018	514	-	-	514
2016-2017	500	-	1	499
2015-2016	444	-	-	444
2014-2015	65	-	-	65
2013-2014	113	-	-	113
2012-2013	45	-	-	45
2011-2012	-	-	-	-
	<u>\$ 5,933</u>	<u>\$ 96,744</u>	<u>\$ 96,944</u>	5,733
Less: allowance for uncollectible accounts				<u>(1,126)</u>
Property taxes receivable, net				<u>\$ 4,607</u>
Reconciliation with revenue:				
Ad valorem taxes - Downtown District Fund				\$ 98,412
Reconciling items:				
Interest collected				(822)
Other adjustments				<u>(646)</u>
Total collections and credits				<u>\$ 96,944</u>

City of Goldsboro
Analysis of Current Tax Levy
Year Ended June 30, 2022

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	\$ 2,596,097,353	0.68	\$ 17,653,462	\$ 15,842,133	\$ 1,811,329
Penalties	-		14,416	14,416	-
Discoveries	5,595,882	0.68	38,052	38,052	-
Abatements	<u>(14,878,971)</u>	0.68	<u>(101,177)</u>	<u>(101,177)</u>	<u>-</u>
Total property valuation	<u>\$ 2,586,814,264</u>				
	Net levy		17,604,753	15,793,424	1,811,329
	Uncollected taxes at June 30, 2022		<u>(213,457)</u>	<u>(213,457)</u>	<u>-</u>
	Current year's taxes collected		<u>\$ 17,391,296</u>	<u>\$ 15,579,967</u>	<u>\$ 1,811,329</u>
	Current levy collection percentage		<u>98.79%</u>	<u>98.65%</u>	<u>100.00%</u>
Downtown District:					
Property taxed at current year's rate	\$ 41,176,596	0.235	\$ 96,765	\$ 91,335	\$ 5,430
Penalties	-		56	56	-
Abatements	<u>(32,766)</u>	0.235	<u>(77)</u>	<u>(77)</u>	<u>-</u>
Total property valuation	<u>\$ 41,143,830</u>				
	Net levy		96,744	91,314	5,430
	Uncollected taxes at June 30, 2022		<u>(1,274)</u>	<u>(1,274)</u>	<u>-</u>
	Current year's taxes collected		<u>\$ 95,470</u>	<u>\$ 90,040</u>	<u>\$ 5,430</u>
	Current levy collection percentage		<u>98.68%</u>	<u>98.60%</u>	<u>100.00%</u>

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

	2013	2014	2015	2016
Governmental activities				
Net investments in capital assets	\$ 37,507,996	\$ 38,335,957	\$ 42,803,884	\$ 44,410,030
Restricted	3,578,328	3,937,395	8,952,468	3,045,504
Unrestricted	5,367,859	804,941	(2,315,163)	5,329,663
Total governmental activities	<u>\$ 46,454,183</u>	<u>\$ 43,078,293</u>	<u>\$ 49,441,189</u>	<u>\$ 52,785,197</u>
Business-type activities				
Net investments in capital assets	\$ 41,216,430	\$ 43,218,439	\$ 45,635,607	\$ 47,525,121
Restricted	-	-	-	-
Unrestricted	12,022,767	11,720,607	10,943,475	10,326,236
Total business-type activities	<u>\$ 53,239,197</u>	<u>\$ 54,939,046</u>	<u>\$ 56,579,082</u>	<u>\$ 57,851,357</u>
Total primary government				
Net investments in capital assets	\$ 78,724,426	\$ 81,554,396	\$ 88,439,491	\$ 91,935,151
Restricted	3,578,328	3,937,395	8,952,468	3,045,504
Unrestricted	17,390,626	12,525,548	8,628,312	15,655,899
Total primary government	<u>\$ 99,693,380</u>	<u>\$ 98,017,339</u>	<u>\$ 106,020,271</u>	<u>\$ 110,636,554</u>

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

Table 1

2017	2018	2019	2020	2021	2022
\$ 46,326,181	\$ 45,169,151	\$ 50,028,618	\$ 59,410,166	\$ 58,574,492	\$ 59,114,372
3,797,767	4,406,657	11,861,204	8,972,412	8,470,337	10,056,329
(653,682)	(2,285,781)	(14,968,065)	(16,045,891)	(13,442,439)	(5,647,835)
<u>\$ 49,470,266</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>
\$ 48,098,769	\$ 48,720,090	\$ 50,977,306	\$ 50,776,484	\$ 52,153,982	\$ 50,925,948
6,506,387	876,387	1,058,078	1,058,078	1,056,430	1,040,619
4,345,372	9,774,239	5,680,895	5,953,461	9,153,709	15,304,673
<u>\$ 58,950,528</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>
\$ 94,424,950	\$ 93,889,241	\$ 101,005,924	\$ 110,186,650	\$ 110,728,474	\$ 110,040,320
10,304,154	5,283,044	12,919,282	10,030,490	9,526,767	11,096,948
3,691,690	7,488,458	(9,287,170)	(10,092,430)	(4,288,730)	9,656,838
<u>\$ 108,420,794</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>

City of Goldsboro
Change in Net Position
Last Ten Fiscal Years

	2013	2014	2015	2016
Expenses				
Governmental activities:				
General government	\$ 3,570,115	\$ 3,564,525	\$ 4,184,415	\$ 3,547,629
Public safety	17,432,563	19,435,147	15,715,097	15,793,509
Transportation	9,176,022	3,656,128	4,235,342	4,618,881
Economic and physical development	5,502,759	3,696,955	3,724,636	2,241,469
Environmental protection	3,369,229	3,656,775	3,620,474	3,371,917
Cultural and recreational	2,958,211	3,137,048	3,213,278	3,374,173
Business-type grant related	-	-	-	-
Interest on long-term debt	671,960	489,199	505,575	647,356
Total expenses - governmental activities	<u>42,680,859</u>	<u>37,635,777</u>	<u>35,198,817</u>	<u>33,594,934</u>
Business-type activities:				
Utilities	14,598,647	14,121,802	13,662,335	14,916,454
Storm Water	-	-	-	-
Total expenses - business-type activities	<u>14,598,647</u>	<u>14,121,802</u>	<u>13,662,335</u>	<u>14,916,454</u>
Total expenses - primary government	<u>57,279,506</u>	<u>51,757,579</u>	<u>48,861,152</u>	<u>48,511,388</u>
Program revenues				
Governmental activities:				
Charges for services:				
General government	354,205	347,680	302,688	309,090
Public safety	435,183	358,876	381,999	423,512
Transportation	316,779	485,833	1,219,735	139,597
Economic and physical development	-	-	-	-
Environmental protection	3,197,586	3,382,985	3,244,483	3,250,079
Cultural and recreational	562,576	727,498	1,831,393	743,631
Operating grants and contributions:				
General government	3,159,698	3,151,217	3,735,555	3,905,483
Public safety	372,695	276,439	193,725	184,025
Transportation	1,179,871	1,406,886	1,389,397	1,320,074
Economic and physical development	33,139	31,685	31,739	31,253
Environmental protection	32,356	166,913	-	-
Cultural and recreational	527,157	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>10,171,245</u>	<u>10,679,790</u>	<u>20,322,220</u>	<u>14,073,293</u>

Table 2
(2 pages)

2017	2018	2019	2020	2021	2022
\$ 3,257,540	\$ 4,164,439	\$ 3,261,068	\$ 3,344,174	\$ 4,382,157	\$ 3,265,463
17,209,532	17,919,547	18,902,090	17,282,752	18,900,022	17,740,365
4,428,701	6,693,599	4,590,846	3,879,162	4,213,913	4,286,639
4,060,385	2,941,441	2,945,596	5,295,646	2,820,014	2,623,651
3,561,080	3,528,252	4,693,340	4,278,685	3,708,748	3,659,805
4,103,845	5,030,394	5,948,219	5,326,874	5,304,795	5,485,584
-	-	-	-	-	579,855
365,594	917,168	973,293	557,062	930,163	805,959
36,986,677	41,194,840	41,314,452	39,964,355	40,259,812	38,447,321
15,494,774	17,248,002	17,895,448	19,387,215	16,744,862	15,790,140
-	372,144	1,124,364	924,675	1,073,276	1,053,518
15,494,774	17,620,146	19,019,812	20,311,890	17,818,138	16,843,658
52,481,451	58,814,986	60,334,264	60,276,245	58,077,950	55,290,979
421,844	83,897	119,189	70,089	84,878	85,677
557,288	386,306	419,291	376,336	530,494	572,248
152,081	-	218,045	70,128	390,219	230,626
7,955	15,402	25,410	7,905	62,457	51,520
3,308,449	3,253,077	3,265,796	4,049,875	3,713,661	3,711,813
733,313	951,021	1,232,744	1,058,688	946,911	1,449,271
-	27,031	27,377	27,353	26,451	719,219
258,484	1,108,563	326,333	299,045	293,501	2,397,950
1,933,703	1,467,623	1,055,851	1,310,490	1,005,312	1,324,431
743,600	688,955	546,205	982,431	1,483,052	269,203
1,259,527	440,014	263,111	2,497,458	279,557	811,044
-	-	99,197	-	25,180	806,931
-	-	-	-	-	579,855
-	105,852	-	-	-	-
-	-	272,160	4,274,200	187,172	-
-	-	-	-	-	-
-	138,813	137,393	55,000	79,116	167,625
9,376,244	8,666,554	8,008,102	15,078,998	9,107,961	13,177,413

City of Goldsboro
Change in Net Position
Last Ten Fiscal Years

	2013	2014	2015	2016
Program revenues				
Business-type activities:				
Charges for services	\$ 14,952,610	\$ 15,813,626	\$ 15,691,832	\$ 16,175,654
Operating grants and contributions	-	-	-	-
Capital grants and contributions	291,331	-	-	-
Total program revenues - business-type activities	15,243,941	15,813,626	15,691,832	16,175,654
Total program revenues - primary government	25,415,186	26,493,416	36,014,052	30,248,947
Net revenue (expense)				
Governmental activities	(32,509,614)	(26,955,987)	(14,876,597)	(19,521,641)
Business-type activities	645,294	1,691,824	2,029,497	1,259,200
Total primary government	(31,864,320)	(25,264,163)	(12,847,100)	(18,262,441)
General revenues and transfers				
Governmental activities:				
Ad valorem taxes	14,501,826	15,194,387	15,420,547	15,056,921
Other taxes	1,230,159	1,261,863	785,616	889,751
Unrestricted intergovernmental	6,466,342	6,484,745	7,214,633	7,625,338
Investment earnings	20,605	5,323	6,848	28,027
Miscellaneous revenue	702,929	633,779	416,502	745,492
Special item	-	-	-	(1,479,880)
Transfers	-	-	-	-
Total governmental activities	22,921,861	23,580,097	23,844,146	22,865,649
Business-type activities:				
Investment earnings	16,778	8,025	6,612	13,075
Miscellaneous revenue	-	-	-	-
Transfers	-	-	-	-
Total business-type activities	16,778	8,025	6,612	13,075
Total primary government	22,938,639	23,588,122	23,850,758	22,878,724
Change in net position				
Governmental activities	(9,587,753)	(3,375,890)	8,967,549	3,344,008
Business-type activities	662,072	1,699,849	2,036,109	1,272,275
Total primary government	<u>\$ (8,925,681)</u>	<u>\$ (1,676,041)</u>	<u>\$ 11,003,658</u>	<u>\$ 4,616,283</u>

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

Table 2
(2 pages)

2017	2018	2019	2020	2021	2022
\$ 15,965,714	\$ 17,101,516	\$ 17,893,916	\$ 19,117,212	\$ 20,375,257	\$ 20,317,500
-	136,914	507,885	-	-	-
-	-	-	336,324	268,854	359,206
15,965,714	17,238,430	18,401,801	19,453,536	20,644,111	20,676,706
25,341,958	25,904,984	26,409,903	34,532,534	29,752,072	33,854,119
(27,610,433)	(32,528,286)	(33,306,350)	(24,885,357)	(31,151,851)	(25,269,908)
470,940	(381,716)	(618,011)	(858,354)	2,825,973	3,833,048
(27,139,493)	(32,910,002)	(33,924,361)	(25,743,711)	(28,325,878)	(21,436,860)
15,679,927	16,052,594	15,664,078	16,534,709	16,902,783	17,771,140
966,303	1,287,326	1,416,068	1,304,724	1,376,911	1,440,159
11,712,038	12,586,998	13,519,564	11,652,463	14,150,649	15,611,041
46,006	119,896	326,850	153,374	11,466	22,029
624,985	551,233	238,255	309,017	978,927	636,607
-	-	-	-	-	-
-	(250,000)	1,773,265	346,000	(1,003,182)	(290,592)
29,029,259	30,348,047	32,938,080	30,300,287	32,417,554	35,190,384
44,115	104,850	180,115	61,710	10,229	19,992
480,802	447,054	556,724	1,214,388	736,714	763,487
-	250,000	(1,773,265)	(346,000)	1,003,182	290,592
524,917	801,904	(1,036,426)	930,098	1,750,125	1,074,071
29,554,176	31,149,951	31,901,654	31,230,385	34,167,679	36,264,455
1,418,826	(2,180,239)	(368,270)	5,414,930	1,265,703	9,920,476
995,857	420,188	(1,654,437)	71,744	4,576,098	4,907,119
\$ 2,414,683	\$ (1,760,051)	\$ (2,022,707)	\$ 5,486,674	\$ 5,841,801	\$ 14,827,595

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Nonspendable	\$ 214,187	\$ 337,269	\$ 651,278	\$ 589,493
Restricted	3,151,398	4,572,888	8,952,468	2,808,546
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	<u>4,710,346</u>	<u>645,905</u>	<u>6,625,432</u>	<u>7,587,797</u>
Total General Fund	<u>\$ 8,075,931</u>	<u>\$ 5,556,062</u>	<u>\$ 16,229,178</u>	<u>\$ 10,985,836</u>
Other governmental funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	426,930	-	-	236,958
Committed:				
General government	-	-	-	-
Downtown Development	108,793	131,647	130,665	66,512
Economic Development	1,022,456	593,611	1,976,464	1,921,156
Cultural and Recreational	-	-	-	-
Assigned:				
Subsequent year's expenditures	346,828	180,485	24,850	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other governmental funds	<u>\$ 1,905,007</u>	<u>\$ 905,743</u>	<u>\$ 2,131,979</u>	<u>\$ 2,224,626</u>

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

Table 3

2017	2018	2019	2020	2021	2022
\$ 564,291	\$ 606,124	\$ 187,925	\$ 257,212	\$ 255,407	\$ 425,801
5,270,374	4,998,215	6,313,654	5,357,362	5,610,552	7,946,741
-	-	374,346	2,146,511	291,143	815,163
-	-	778,842	12,964	-	-
7,811,928	6,670,426	3,132,854	1,310,509	4,454,057	12,220,201
<u>\$ 13,646,593</u>	<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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,391
2,690,689	234,493	5,489,659	3,557,159	3,062,030	2,051,697
-	-	-	-	-	7,056
82,896	95,311	-	-	-	-
1,357,357	852,722	-	-	-	-
5,885,915	62,593	-	-	-	-
-	-	24,000	-	150,000	-
-	-	(57,024)	-	-	-
<u>\$ 10,016,857</u>	<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>

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

	2013	2014	2015	2016
Revenues				
Ad valorem taxes	\$ 14,686,221	\$ 15,491,073	\$ 15,483,368	\$ 15,373,561
Other taxes and licenses	1,132,323	1,157,562	785,616	889,751
Unrestricted intergovernmental	10,023,938	10,245,080	11,172,014	11,854,168
Restricted intergovernmental	2,064,100	2,102,416	10,256,791	5,387,555
Permits and fees	409,622	343,392	359,599	420,115
Sales and services	4,124,519	4,421,279	4,243,671	4,296,235
Investment earnings	20,605	5,323	6,848	28,027
Miscellaneous	718,339	686,147	1,944,958	-
Total revenues	<u>33,179,667</u>	<u>34,452,272</u>	<u>44,252,865</u>	<u>38,249,412</u>
Expenditures				
Current:				
General government	2,883,603	3,252,104	3,790,187	3,180,045
Public safety	16,701,484	18,682,381	15,524,494	15,704,769
Transportation	2,741,812	3,129,332	3,164,379	3,102,998
Economic and physical development	5,447,114	3,675,907	3,712,003	1,385,332
Environmental protection	3,308,479	3,383,876	3,322,699	2,743,280
Cultural and recreational	2,900,990	3,049,440	3,014,588	2,797,524
Utility related services	-	-	-	-
Capital outlay	1,724,736	442,064	12,975,831	12,975,831
Debt service:				
Principal	1,817,581	1,990,185	2,552,236	3,362,270
Interest and other charges	671,960	489,199	406,507	665,728
Total expenditures	<u>38,197,759</u>	<u>38,094,488</u>	<u>48,462,924</u>	<u>45,917,777</u>
Revenues under expenditures	<u>(5,018,092)</u>	<u>(3,642,216)</u>	<u>(4,210,059)</u>	<u>(7,668,365)</u>
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Sale of capital assets	-	-	-	-
Insurance recoveries	-	-	-	-
Issuance of debt	1,539,819	-	20,686,842	2,106,326
Issuance of lease liabilities	-	-	-	-
Premium on the issuance of debt	-	-	-	-
Debt refundings	(745,600)	-	(4,551,214)	-
Other financing sources (uses), net	<u>794,219</u>	<u>-</u>	<u>16,135,628</u>	<u>2,106,326</u>
Net change in fund balances	<u>\$ (4,223,873)</u>	<u>\$ (3,642,216)</u>	<u>\$ 11,925,569</u>	<u>\$ (5,562,039)</u>
Debt service as a percentage of noncapital expenditures	<u>6.83%</u>	<u>6.58%</u>	<u>8.34%</u>	<u>12.23%</u>

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

Table 4

2017	2018	2019	2020	2021	2022
\$ 15,679,928	\$ 15,747,628	\$ 15,935,610	\$ 16,600,626	\$ 16,998,970	\$ 17,778,944
1,056,487	1,287,326	1,416,068	1,304,724	1,376,911	1,440,159
11,712,038	12,586,998	12,632,314	12,814,943	14,075,736	15,374,960
4,354,537	3,976,851	2,514,427	9,349,644	3,512,722	7,030,632
525,738	386,306	415,087	373,171	512,777	555,631
4,273,510	4,303,397	4,666,133	5,260,516	4,791,165	5,260,820
46,006	119,896	326,850	153,374	11,466	21,972
750,571	551,233	650,710	404,684	1,134,831	578,423
38,398,815	38,959,635	38,557,199	46,261,682	42,414,578	48,041,541
3,481,672	3,554,876	3,238,210	2,740,767	3,588,058	3,032,086
16,910,403	19,047,197	22,786,647	15,532,071	16,787,272	16,697,219
3,261,299	6,054,853	2,644,769	2,066,549	2,421,598	2,631,105
4,402,069	2,927,772	3,075,334	5,207,444	2,743,007	2,602,335
3,179,650	3,158,528	4,748,127	3,866,411	3,312,730	3,350,622
4,181,318	11,195,202	5,678,455	4,117,378	4,058,363	4,457,164
-	-	-	-	-	579,855
-	-	2,513,809	10,569,413	2,215,260	3,637,608
3,409,903	4,237,705	4,579,171	4,968,807	4,225,075	3,973,160
655,308	859,103	785,799	628,292	1,024,231	898,224
39,481,622	51,035,236	50,050,321	49,697,132	40,375,594	41,859,378
(1,082,807)	(12,075,601)	(11,493,122)	(3,435,450)	2,038,984	6,182,163
-	7,342	2,342,353	1,800,430	590,871	685,243
-	(257,342)	(569,088)	(2,148,958)	(1,594,053)	(975,835)
110,040	252,509	169,080	65,931	135,392	180,027
-	-	-	-	-	226,852
12,608,664	2,328,000	11,513,233	105,000	-	3,268,981
-	-	-	-	-	48,720
684,211	-	242,923	-	-	-
(1,885,664)	-	-	-	-	-
11,517,251	2,330,509	13,698,501	(177,597)	(867,790)	3,433,988
\$ 10,434,444	\$ (9,745,092)	\$ 2,205,379	\$ (3,613,047)	\$ 1,171,194	\$ 9,616,151
10.30%	12.32%	11.29%	14.30%	13.76%	12.75%

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
2013	\$ 14,517,335	\$ 594,404	\$ 470,191	\$ 45,120	\$ 15,627,050
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

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
2013	\$ 14,588,386	\$ 594,404	\$ 470,191	\$ 45,120	\$ 15,698,101
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

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
2013	\$ 1,983,506,780	\$ 211,298,675	\$ 55,905,159	\$ 2,250,710,614	\$ 0.65
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	473,053,814	75,519,544	2,419,995,798	0.65
2020	1,973,661,667	489,833,501	79,103,601	2,542,598,769	0.65
2021	2,023,839,987	496,101,178	74,792,835	2,594,734,000	0.65
2022	2,005,867,369	515,462,967	74,767,017	2,596,097,353	0.65

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	
2013	\$ 0.650	\$ 0.650	\$ 0.235	\$ 0.7025	\$ 1.5875
2014	0.650	0.650	0.235	0.6650	1.5500
2015	0.650	0.650	0.235	0.6650	1.5500
2016	0.650	0.650	0.235	0.6650	1.5500
2017	0.650	0.650	0.235	0.6635	1.5485
2018	0.650	0.650	0.235	0.6635	1.5485
2019	0.650	0.650	0.235	0.6635	1.5485
2020	0.650	0.650	0.235	0.6635	1.5485
2021	0.650	0.650	0.235	0.7075	1.5925
2022	0.680	0.680	0.235	0.7075	1.6225

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 2022			Fiscal Year 2013		
		(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	\$ 28,677,833	1	1.10%	\$ 23,098,541	2	1.03%
Wal-Mart Stores	Retail Department Store	22,261,242	2	0.86%	35,854,934	1	1.59%
Berkeley Mall LLC	Mall Shopping Center	21,528,020	3	0.83%	20,661,630	5	0.92%
Goldsboro Apartments Investors LLC (E	Real Estate	21,329,990	4	0.82%	20,957,900	4	0.93%
Franklin Baking Co.	Bread Manufacturing	21,202,740	5	0.82%	22,965,428	3	1.02%
Spectrum Southeast LLC	Public Utility	19,810,003	6	0.76%			
Berkeley Place Apartments LLC	Real Estate	19,137,867	7	0.74%	18,494,445	6	0.82%
Piedmont Natural Gas Company Inc	Public Utility	16,290,263	8	0.63%	14,766,133	7	0.66%
The Three J's Inc.	Automobile Dealer	15,928,190	9	0.61%			
Gruma Corporation	Real Estate	14,731,220	10	0.57%			
TWE-Advance-Newhouse Partnership	Public Utility				12,470,284	10	0.55%
Cooper Standard, Inc.	Rubber & Plastic Auto Parts				12,828,195	9	0.57%
BRC Goldsboro LLC	Real Estate				13,320,210	8	0.59%
Totals		<u>\$ 200,897,368</u>		<u>7.74%</u>	<u>\$ 195,417,700</u>		<u>8.68%</u>
Total assessed valuation		<u>\$ 2,596,097,353</u>		<u>100.00%</u>	<u>\$ 2,250,710,614</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) Adjustments	(1) Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Amount			Percentage of Original Levy	Amount		Percentage of Adjusted Levy	
2013	\$ 14,958,097	\$ (328,503)	\$ 14,629,594	\$ 14,003,582	95.72%	\$ 584,103	\$ 14,587,685	99.71%
2014	14,270,650	(199,560)	14,071,090	13,728,356	97.56%	304,530	14,032,886	99.73%
2015	13,651,130	(54,376)	13,596,754	13,375,305	98.37%	203,069	13,578,374	99.86%
2016	13,364,789	430,577	13,795,366	13,493,702	97.81%	277,056	13,770,758	99.82%
2017	14,115,765	(51,837)	14,063,928	13,780,916	97.99%	260,734	14,041,650	99.84%
2018	15,109,733	427,959	15,537,692	15,283,969	98.37%	228,375	15,512,344	99.84%
2019	15,771,272	(41,299)	15,729,973	15,485,233	98.19%	210,237	15,695,470	99.78%
2020	16,526,892	33,535	16,560,427	16,285,619	98.54%	211,223	16,496,842	99.62%
2021	16,865,771	(17,626)	16,848,145	16,626,966	98.58%	126,595	16,753,561	99.44%
2022	17,653,462	(48,709)	17,604,753	17,391,296	98.79%	-	17,391,296	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	Lease Liabilities	General Obligation Bonds	Installment Loans				
2013	\$ 4,130,120	\$ 10,864,990	\$ -	\$ 17,633,879	\$ 16,941,884	\$ 49,570,873	\$ 1,392	2.20%	1.242%
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	2.66%	1.358%
2020	12,433,805	20,812,169	-	7,806,600	18,796,484	59,849,058	1,778	2.35%	1.126%
2021	11,393,959	17,556,414	-	6,789,512	18,530,702	54,270,587	1,609	2.09%	0.931%
2022	10,362,121	17,847,312	116,963	5,772,415	17,162,655	51,261,466	1,543	1.97%	**

** BEA Interactive data website not updated for 2022

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
2013	\$ 21,763,999	\$ 2,250,710,614	0.97%	35,609	\$ 611
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	2,419,995,798	0.92%	33,636	663
2020	18,883,000	2,542,598,769	0.74%	33,657	561
2021	18,183,471	2,594,734,000	0.70%	33,723	539
2022	16,134,536	2,596,097,353	0.62%	33,215	486

(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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt limit (8% of assessed value)	\$ 180,056,849	\$ 186,266,228	\$ 187,273,813	\$ 187,715,479
Total debt applicable to limit	<u>14,995,110</u>	<u>15,704,926</u>	<u>26,819,198</u>	<u>25,563,254</u>
Legal debt margin	<u>\$ 165,061,739</u>	<u>\$ 170,561,302</u>	<u>\$ 160,454,615</u>	<u>\$ 162,152,225</u>
Total debt applicable to limit as a percentage of debt limit	<u>9.08%</u>	<u>9.21%</u>	<u>16.71%</u>	<u>15.76%</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

2017	2018	2019	2020	2021	2022
\$ 191,901,679	\$ 190,952,049	\$ 193,599,664	\$ 203,407,902	\$ 207,578,720	\$ 207,687,788
33,528,823	31,756,230	38,874,835	33,245,974	28,950,373	28,326,396
<u>\$ 158,372,856</u>	<u>\$ 159,195,819</u>	<u>\$ 154,724,829</u>	<u>\$ 170,161,928</u>	<u>\$ 178,628,347</u>	<u>\$ 179,361,392</u>
<u>21.17%</u>	<u>19.95%</u>	<u>25.13%</u>	<u>19.54%</u>	<u>16.21%</u>	<u>15.79%</u>

**Legal Debt Margin Calculation
for Fiscal Year 2022**

Assessed value	<u>\$ 2,596,097,353</u>
Debt limit (8% of assessed value)	207,687,788
Debt applicable to limit:	
General obligation bonds	10,362,121
Other debt	<u>17,964,275</u>
Legal debt margin	<u>\$ 179,361,392</u>

City of Goldsboro
Direct and Overlapping Debt - Governmental Activities
June 30, 2022

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%	14,051,070
Subtotal, overlapping debt			18,909,846
Total direct debt			28,326,396
Total direct and overlapping debt			\$ 47,236,242

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
2013	35,609	\$ 3,992,263	\$ 31,245	36.7	19,355	8.00%
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	**	**	**	17,402	4.40%

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**



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

Table 16

Employer	2022			2013		
	Employees	Rank	(1) Percentage of Total MSA Employment	Employees	Rank	(1) Percentage of Total MSA Employment
Seymour Johnson Air Force Base	11,516	1	15.00%	12,478	1	22.55%
Wayne UNC Healthcare	2,925	2	5.94%	1,820	3	3.29%
Wayne County Board of Education	2,452	3	4.98%	3,275	2	5.92%
Wayne County	1,100	4	2.23%	1,255	4	2.27%
O'Berry Center	642	5	1.30%	954	8	1.72%
Cherry Hospital	600	6	1.22%	1,000	6	1.81%
City of Goldsboro	475	7	0.96%	492	10	0.89%
Wayne Community College	471	8	0.96%			
Neuse Correctional Institute	314	9	0.64%			
Wal-Mart	300	10	0.61%	803	9	1.45%
Case Farms				1,000	5	1.81%
Cooper Standard Automotive				980	7	1.77%
Total	<u>20,795</u>		<u>33.84%</u>	<u>24,057</u>		<u>43.48%</u>

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

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

Function	2013	2014	2015	2016
General government	32.0	32.0	33.0	34.0
Transportation:				
Streets and highways	24.0	21.0	21.0	24.0
Garage	11.0	10.0	10.0	10.0
Economic and physical development	18.0	16.0	15.0	14.0
Public safety:				
Police:				
Officers	112.0	108.0	110.0	110.0
Civilians	10.0	10.0	10.0	11.0
Fire:				
Firefighters and officers	82.0	81.0	81.0	81.0
Civilians	1.0	1.0	1.0	1.0
Other	33.0	29.0	30.0	29.0
Environmental protection	53.0	48.0	47.0	39.0
Cultural and recreational	37.0	35.0	37.0	35.0
Stormwater	-	-	-	-
Maintenance	26.0	24.0	24.0	26.0
Water	11.0	11.0	11.0	11.0
Sewer	24.0	24.0	24.0	24.0
Total	474.0	450.0	454.0	449.0

Source - City of Goldsboro's Budget Document

Table 17

2017	2018	2019	2020	2021	2022
35.0	36.0	36.0	38.0	41.0	62.2
24.0	22.0	12.5	12.5	12.5	12.5
10.0	11.0	11.0	11.0	12.0	12.0
15.0	14.0	15.0	15.0	14.0	18.0
110.0	110.0	110.0	110.0	110.0	109.0
10.0	11.0	11.0	11.0	11.0	11.0
81.0	81.0	82.0	82.0	82.0	82.0
1.0	2.0	2.0	2.0	2.0	2.0
29.0	29.0	33.0	33.0	33.0	17.0
39.0	39.0	39.0	40.0	40.0	41.0
40.0	44.0	45.0	45.0	45.0	43.0
-	4.0	10.5	10.5	11.5	11.9
28.0	28.0	28.0	28.0	24.0	30.4
11.0	11.0	11.0	11.0	18.0	12.0
24.0	24.0	25.0	25.0	24.0	25.0
457.0	466.0	471.0	474.0	480.0	489.0

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

Function/Program	2013	2014	2015	2016
Police:				
Physical arrests	3,212	2,962	2,833	2,657
Traffic violations	8,636	7,205	7,964	6,367
Fire:				
Number of calls answered	2,026	2,040	2,475	2,767
Inspections	944	1,213	1,161	1,005
Building inspections:				
New construction permits	107	96	77	58
Highways and streets:				
Street resurfacing (miles)	3	3.18	3.06	3.30
Potholes repaired	540	622	488	835
Sanitation:				
Refuse collected (tons per day)	57.01	50.30	55.00	54.00
Recyclables collected (tons per day)	5.45	5.60	6.03	5.60
Cultural and recreational:				
Athletic field permits issued	14	10	68	85
Community center admissions	106,513	132,364	128,073	144,414
Water:				
New connections	29	17	60	17
Water mains breaks	20	40	29	68
Average daily consumption (millions of gallons)	5.4	5.2	4.7	4.8
Number of customers	13,606	13,755	13,556	13,626
Waste water:				
New connections	32	35	37	29
Average daily sewage treatment (millions of gallons)	7.0	8.8	9.5	9.6
Number of customers	11,572	10,640	10,611	10,750

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

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

Table 18

2017	2018	2019	2020	2021	2022
2,462	2,193	2,070	1,840	1,551	1,288
4,959	3,690	5,581	6,116	2,091	3,722
2,827	2,387	2,623	2,296	2,630	2,806
901	995	1,228	1,387	1,879	1,889
67	73	58	81	59	113
-	11	9.60	0.31	-	4.64
654	601	452	423	693	564
51.20	49.73	53.09	32.45	49.74	66.50
5.30	5.28	3.60	2.96	4.10	1.55
203	432	434	409	252	321
116,316	168,525	358,062	51,565	11,000	22,499
28	33	27	24	23	46
56	71	359	273	18	23
5.1	5.9	6.5	6.5	6	6
13,530	13,651	13,836	13,874	13,659	13,713
41	31	37	26	39	57
9.4	8.3	11.5	9.0	13	9
10,755	10,685	11,214	11,311	11,518	11,707

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

Function/Program	2013	2014	2015	2016
Public safety:				
Police:				
Stations	1	1	1	1
Patrol units	62	59	59	70
Fire stations	5	5	5	5
Sanitation:				
Collection trucks	11	11	7	8
Highways and streets:				
Streets (miles)	163	163	163	163
Streetlights	2,915	2,926	2,805	2,836
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)	298	270	270	270
Maximum daily capacity (millions of gallons)	12.0	12.0	12.0	12.0
Sewer:				
Sanitary sewers (miles)	239	241	241	241
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

2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
60	64	64	64	56	56
5	5	5	5	5	5
8	8	8	8	7	16
163	163	163	163	163	165
2,905	2,924	2,924	2,924	2751	2980
403	403	403	403	403	403
13	13	13	13	14	14
2	2	2	2	2	2
18	18	18	18	18	18
2	2	2	2	2	2
274	274	274	274	274	272
12.0	12.0	12.0	12.0	14	14
243	243	243	243	229	229
14.2	14.2	14.2	14.2	14.2	14.2

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*.

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 21, 2023.

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, LLP

**High Point, North Carolina
November 21, 2023**

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, 2022. 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, 2022.

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.

FORVIS

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.

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,LLP

**High Point, North Carolina
November 21, 2023**

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, 2022. 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, 2022.

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.

FORVIS

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.

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,LLP

**High Point, North Carolina
November 21, 2023**

Schedule of Findings and Questioned Costs

1. 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 Names

DOT-4 Powell Bill

2. Financial Statement Findings

There were no findings related to the financial statements for the year ended June 30, 2022.

3. Federal Awards Findings and Questioned Costs

There were no findings related to federal awards for the fiscal year ended June 30, 2022.

4. State Awards Findings and Questioned Costs

There were no findings related to state awards for the fiscal year ended June 30, 2022.



City of Goldsboro
P.O. Drawer A
North Carolina
27533-9701

(919) 580-4362

Summary Schedule of Prior Audit Findings

Finding 2021-001: Internal Controls over Financial Reporting

Status: Management has addressed staffing levels and is currently filling positions. Policy and procedures are being developed, written and implemented.

City of Goldsboro
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2022

(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>
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:				
FY21- FY22	14.218	B-21-MC-37-0019	\$ 87,559	\$ -
COVID-19: CDBG-CV	14.218	B-20-MW-370019	105,282	-
Total CDBG Entitlement Grants Cluster			192,841	-
Home Investment Partnership Program:				
FY21- FY22	14.239	M-21-MC-370209	24,002	-
FY20- FY21	14.239	M-20-MC-370209	20,477	-
Total Home Investment Partnership Program			44,479	-
Total HUD			237,320	-
<u>U.S. Department of Justice ("DOJ")</u>				
<u>Passed through NC Department of Public Safety:</u>				
Edward Byrne Memorial Justice Assistance Grant Program:				
FY20- FY21	16.738	2020-DJ-BX-0852	49,762	-
Equitable Sharing Program	16.922	NC0960100	5,611	-
Total DOJ			55,373	-
<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	131,984	32,996
5303 Funds	20-205	36230.13.20.6	23,997	5,999
Total HPC Cluster			155,981	38,995
Total DOT			155,981	38,995

City of Goldsboro
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2022

(2 pages)

Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Pass-through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures
<u>U.S. Department of the Treasury ("Treasury")</u>				
Direct:				
State and Local Fiscal Recovery Funds	21.027	SLFRP4368	\$ 4,306,813	\$ -
<u>Passed through Wayne County:</u>				
COVID-19 - Coronavirus Relief Fund Coronavirus Aid Relief & Economic Recovery Act (CARES)	21.019	02-93	2,112	-
Total Treasury			4,308,925	-
<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 Rehabilitation Project	66.458	E-SRF-T-17-0453	552,794	-
Sewer Rehabilitation Project	66.458	E-SRP-W-17-0110	75,493	-
Plate Settlers	66.458	WIF1942	100	-
Total EPA			628,387	-
<u>U.S. Small Business Administration ("SBA")</u>				
Direct:				
COVID-19 - Shuttered Venue Operators Program	59.075	SBAHQ21SV006915.1	331,908	-
Total SBA			331,908	-
<u>U.S. Department of Homeland Security ("DHS")</u>				
Direct:				
Assistance to Firefighters Grant	97.044	SBAHQ21SV006915.1	202,083	-
Total DHS			202,083	-
State awards:				
Cash programs:				
<u>N.C. Department of Transportation ("NCDOT")</u>				
Powell Bill	N/A	DOT-4	-	1,024,644
Total NCDOT			-	1,024,644
<u>N.C. Housing Finance Agency ("NCHFA"):</u>				
Urgent Repairs Program	N/A	URP 1709	-	59,541
Essential Single Family Rehab Loan Pool Program	N/A	ESFRLPDR01	-	29,200
Total NCHFA			-	88,741
Total expenditures of federal and state awards			\$ 5,919,977	\$ 1,152,380

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, 2022. 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, 2022 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, 2022:

<u>Loan Description</u>	<u>Assistance Listing Number</u>	<u>Loan Balance</u>
Clean Water State Revolving Loan - CS370482-06	66.458	\$ 2,521,281
Clean Water State Revolving Loan - CS370482-07	66.458	3,832,889
Clean Water State Revolving Loan - 1942	66.458	<u>1,398,340</u>
Total outstanding loan balances		<u>\$ 7,752,510</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, 2022.

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.