

CITY OF GOLDSBORO
GOLDSBORO, NORTH CAROLINA



ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2025



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CITY OF GOLDSBORO, NORTH CAROLINA

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2025



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

December 30, 2025

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, 2025 (FY25) 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 assess the need for 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 audit process, the City's internal control system is evaluated to ensure assets are safeguarded against loss, theft or misuse, and adequate financial records are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh the benefits, the City's framework of internal controls has been designed to provide reasonable rather than absolute assurance the financial statements will be free from material misstatement. The basic financial statements contained herein have been audited in accordance with GAAP and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, by the independent certified public accounting firm of Forvis Mazars, LLP; their unmodified opinion is included in the financial section of this report.

The Government Accounting Standards Board (GASB) GAAP requires management to 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 33,443 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, and 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. In May 2025 Goldsboro unemployment rate was 3.6%; This is lower than the long-term average of 5.65% and slightly lower than the 3.7% statewide rate and lower than the 4.4% 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 approximately \$1.1 billion (B) to the economy in FY24. 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 \$475M and includes: 5,259 active-duty military personnel; 611 civilian personnel; and 1,166 reservists. The base has an estimated local employment impact of over \$594M, creating 11,253 jobs with expenditures of over \$91M 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, making it the second largest employer in the county. They serve roughly 20,000 students at 35 schools for grades pre-kindergarten through 13. Wayne County Public Schools has seen significant academic improvement in a two-year period, jumping from 91st to 62nd in North Carolina's state rankings. Additionally, the district was ranked #2 in the Southeast region for overall achievement growth for the last school year and number 1 for the previous two years of combined growth. Wayne Community College employs approximately 415 teachers supporting 2,700 students and is ranked #2

in North Carolina and number 13 in the United States by Niche for 2026. Additionally, the college was also ranked #4 in the U.S. by SmartAsset in 2024 and received a five-star rating from USA Today in 2025 for its vocational schools.

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

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

This fiscal year, the City Inspections Department issued commercial and residential building and miscellaneous permits for approximately \$174,907,029 of investment. This was broken down into \$103,449,383 in commercial projects and \$25,131,702 in new residential homes. Building permit valuation was down by \$74 million, however, the number of single-family dwelling permits increased from 119 to 136. The overall number of permits was slightly higher totaling 4,538 up from 4,218. Major projects this fiscal year included: Dollar General at \$1 million, Mazda relocation at \$5 million, SAP Dental Offices at \$2.4 million, Tractor Supply at \$4.1 million, Security Mini-Storage at \$1.2 million, Royal Farms at \$3.7 million, ABC Store at \$1.3 million and Handy Mart at \$4.5 million.

Some of the completed larger projects consisted of Homewood Suites Hotel, New Hope Place Apartments and several smaller commercial projects. New major economic development announcements include Pelsan International, a Turkish Company, with 216 new jobs and 82.6 million in capital investments and GE Prolec Waukesha expansion with 330 jobs and \$140 million dollar capital investment.



Downtown statistics for FY25 include: 13 building renovations; 94 new jobs (16 net); 19 new businesses (12 net) and 5 façade improvements accounting for ~\$7 million of private investment. Since the 2013 TIGER V award, downtown has realized: 200 building renovations; 703 new jobs (525 net); 162 new businesses (87 net) and 11 business expansions. The City's investment of \$16.4 million has attracted \$18.6 million in state, federal & county funding and \$82.4 million in private investment, for a 5:1 ROI on the City's investments. 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 \$207 million in 2024; an increase of 2.5% from 2023. Popular venues such as the Bryan Multi Sports Complex and the Maxwell Center continue to have increased economic impact. Tournaments such as LaxFest and the Kepner Cup that were hosted at the Bryan Multi Sports Complex, along with USTA Singles Tournament helped to contribute to some of the increase. This was not an airshow year, or we would have likely seen double digit increases. Travel and tourism activities generated \$8.6 million in state taxes and \$5.12 million in county taxes.

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 \$25 million ARPA grant to the Wayne County Development Alliance that enable Mount Olive Pickle Company's \$45 million new production and distribution facilities to replace old sewer collection system infrastructure and help reduce I&I was completed in the fall of 2025. Additional remaining project funds are currently being used to further reduce inflow and infiltration in the project area.

Given the city's expected growth over the next decade and beyond, engineered design plans are being drafted for the expansion of the water reclamation facility. The city is permitted through the state to expand its treatment capacity by 3.4 million gallons per day. Expansion of the WRF will not only ensure that there is treatment capacity for future growth but allow for needed upgrades within the plant to better serve current and future customers. The city has chosen to use the design build process and has selected Hazen and Sawyer as its engineer and Crowder as its contractor. The city is also working with Withers and Ravelen on a regional sewer study to determine best practices to expand the regional sewer treatment system.

Drinking Water. A waterline replacement project (~\$6 million) was approved for NC State ARPA funding. The city is also evaluating future treatment options to lower PFAS/PFOS levels. The city recently received a \$500,000 grant to study the issue and make design recommendations in order to meet the new EPA guidelines. The city recently completed its lead and copper inventory as mandated by EPA and found no lead lines in the system. However, there were many galvanized lines that property owners will be required to remove under the current federal guidelines.

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 has been completed. Realignment of Central Heights Road and Royall Avenue at Berkeley Boulevard a twenty-million-dollar project was recently completed and has greatly improved the intersection by relocating Central Heights Road to the north side of the railroad track to align with the existing Royall Avenue alignment. Wayne Memorial Drive Widening from New Hope Road to US- 70 Bypass with an estimated construction let year of 2026. North Berkeley Boulevard Widening is from New Hope Road to Hood Swamp Road with an estimated construction let year of 2026. 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.

Future Planning. The City has recently undertaken several new long-range planning initiatives. Currently in process is a long-awaited update to the Comprehensive land use plan. The comprehensive plan began in 2025 this project is expected to be completed in late 2026. This came on the heels of the newly adopted transportation master plan and bike and pedestrian plan completed in December of 2024. Future city planning initiatives also include the updating of our Unified Development Ordinance. The city updated its fifteen-year-old Parks and Recreation Master Plan and such was adopted in December of 2025.

Other new planning and economic development issues initiatives include the creation of a draft business development plan that will be presented in January 2026. Another significant initiative is a city wide survey of services. The survey conducted by an outside consulting firm is expected

to give the city a greater understanding of citizen satisfaction levels which can be evaluated by district or citywide. This tool will be helpful as we develop future plans, policies and ordinances to include the FY26/27 budget. The survey results will be presented in January as we kick off the FY26/27 budget development process.

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. Additionally, significant amounts of new commercial and residential growth have been approved over the past 18 months with more being proposed.

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; and 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 10% of total fund expenditures. 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 52%.

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. Standard and Poor's rating and on September 1, 2024, 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. On March 13, 2025, Moody's reinstated the City's bond rating, assigning an 'Aa2' rating, reflecting the City's continued improvements in financial management, strengthened internal controls, and sustained budgetary stability.

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,



Matthew S. Livingston
City Manager



Catherine F. Gwynn
Finance Director

City of Goldsboro, North Carolina
City Officials and Staff

Mayor and City Council Members



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

Staff

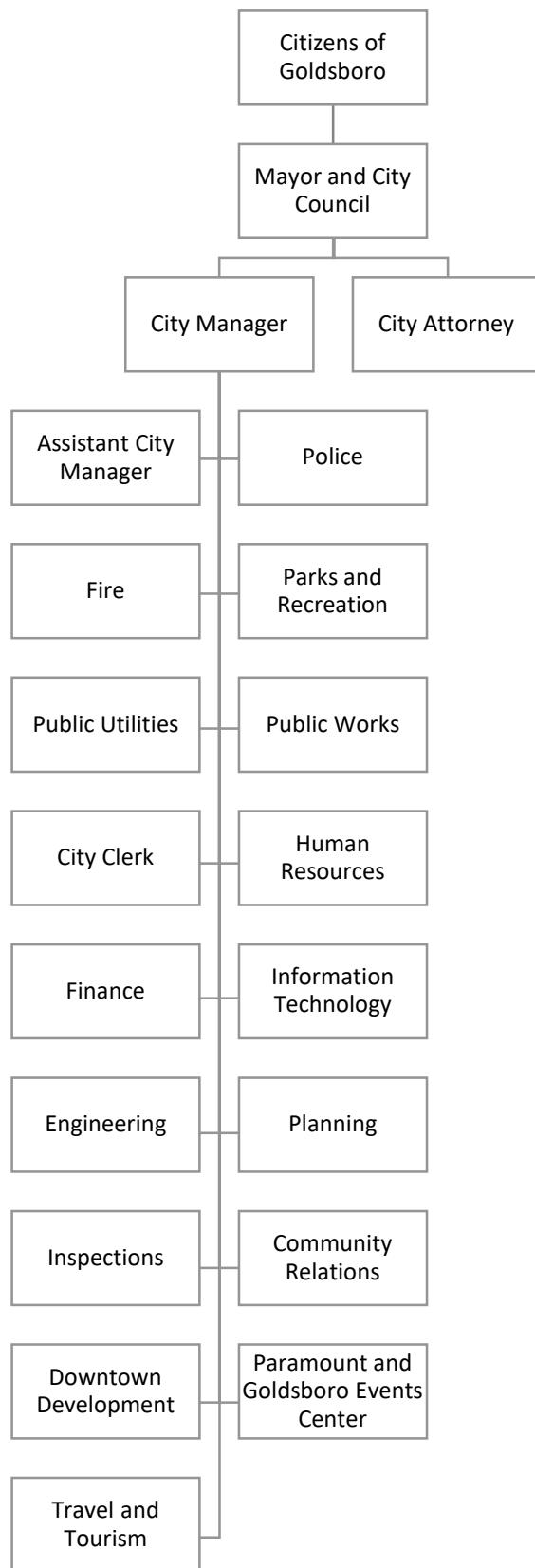
City Manager
Matthew Livingston

Assistant City Manager
Kelly Arnold

City Attorney
Ronald T. Lawrence, II

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

City of Goldsboro, North Carolina
Organizational Chart



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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison information for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Other Post-Employment Benefits Schedule of Changes in Total OPEB Liability and Related Ratios, the Local Government Employees' Retirement System Schedules of the Proportionate Share of the Total Pension Liability and Schedules of Employer Contributions, and the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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 the State Single Audit Implementation Act, and is also not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required under *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2025, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the City's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Greensboro, North Carolina
December 30, 2025

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, 2025. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the recent fiscal year by \$165,975,437 (net position). Of this amount, \$38,709,291 was the unrestricted portion of net position which may be used to meet the government's ongoing obligations to citizens employees and creditors.
- The City's total net position increased by \$13,423,088 consisting of an increase in governmental activities of \$2,928,292 and an increase in business-type activities of \$10,494,796. This increase was driven primarily by continued strength in business-type activities and stable revenue performance in governmental activities. Contributing factors included a property tax rate increase, higher investment earnings resulting from elevated interest rates, favorable operating results in the Utility Fund, and continued receipt of federal and state grant revenues. These positive factors were partially offset by increased personnel-related costs and the recognition of pension and other postemployment benefit liabilities in accordance with GASB standards.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$36,360,099, an increase of \$5,292,318 in comparison with the prior year. Approximately 29.3 percent of this total, or \$10,656,350, is non-spendable or restricted.
- At the close of the current fiscal year, unassigned fund balance for the General Fund was \$24,785,737 or 49.93 percent of total General Fund expenditures for the fiscal year.
- The City's total debt increased by \$896,911 (2.0 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. Moody's Investor Services reinstated the City's Aa2 rating on March 12, 2025, following the City's successful application and credit review process.

Overview of the Financial Statements

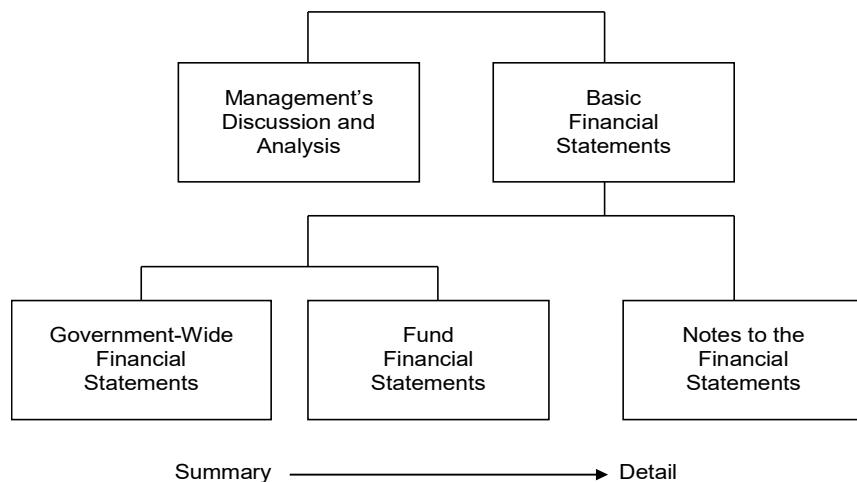
Management's discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components (see Figure 1). They are as follows:

- 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.

Notes to the financial statements - The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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

Other information - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information ("RSI") concerning the City's future obligations to provide pension benefits and other post-employment benefits ("OPEB") to its employees. This information can be found in schedules on pages 66-70 of this report.

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
June 30, 2025**

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,

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current assets	\$ 42,612,858	\$ 37,370,110	\$ 49,320,033	\$ 42,607,106	\$ 91,932,891	\$ 79,977,216
Capital assets	<u>84,113,290</u>	<u>82,740,216</u>	<u>70,583,749</u>	<u>68,900,024</u>	<u>154,697,039</u>	<u>151,640,240</u>
Total Assets	126,726,148	120,110,326	119,903,782	111,507,130	246,629,930	231,617,456
DEFERRED OUTFLOWS OF RESOURCES						
	<u>9,380,988</u>	<u>11,233,049</u>	<u>1,545,822</u>	<u>1,764,241</u>	<u>10,926,810</u>	<u>12,997,290</u>
Total Assets and Deferred Outflows	<u>136,107,136</u>	<u>131,343,375</u>	<u>121,449,604</u>	<u>113,271,371</u>	<u>257,556,740</u>	<u>244,614,746</u>
LIABILITIES						
Current liabilities	4,969,393	5,172,408	6,708,473	4,211,439	11,677,866	9,383,847
Long-term liabilities	<u>52,955,768</u>	<u>50,362,505</u>	<u>20,806,930</u>	<u>25,493,745</u>	<u>73,762,698</u>	<u>75,856,250</u>
Total Liabilities	57,925,161	55,534,913	27,515,403	29,705,184	85,440,564	85,240,097
DEFERRED INFLOWS OF RESOURCES						
	<u>4,478,685</u>	<u>5,033,464</u>	<u>1,662,054</u>	<u>1,788,836</u>	<u>6,140,739</u>	<u>6,822,300</u>
Total Liabilities and Deferred Inflows	<u>62,403,846</u>	<u>60,568,377</u>	<u>29,177,457</u>	<u>31,494,020</u>	<u>91,581,303</u>	<u>92,062,397</u>
NET POSITION						
Net investment in capital assets	65,007,728	62,915,051	51,427,977	47,337,422	116,435,705	110,252,473
Restricted	9,827,599	9,554,595	1,012,042	1,012,042	10,839,641	10,566,637
Unrestricted (deficit)	<u>(1,132,037)</u>	<u>(1,694,648)</u>	<u>39,832,128</u>	<u>33,427,887</u>	<u>38,700,091</u>	<u>31,733,239</u>
Total Net Position	<u>\$ 73,703,290</u>	<u>\$ 70,774,998</u>	<u>\$ 92,272,147</u>	<u>\$ 81,777,351</u>	<u>\$ 165,975,437</u>	<u>\$ 152,552,349</u>

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the City exceeded liabilities and deferred inflows by \$165,975,437 as of June 30, 2025. The City's net position increased by \$13,423,088 for the fiscal year ended June 30, 2025. The largest portion of net position (70.15%) 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 of \$10,839,641 (6.53%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$38,700,091 (23.32%) is unrestricted.

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
June 30, 2025**

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

	2025			2024		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
REVENUES						
Program revenues						
Charges for services	\$ 7,101,212	\$ 25,160,074	\$ 32,261,286	\$ 6,964,183	\$ 24,351,315	\$ 31,315,498
Operating grants and contributions	2,010,006	-	2,010,006	1,577,433	-	1,577,433
Capital grants and contributions	177,199	3,734,245	3,911,444	67,000	490,537	557,537
General revenues						
Property taxes	22,598,304	-	22,598,304	19,480,676	-	19,480,676
Other taxes	1,648,616	-	1,648,616	1,521,806	-	1,521,806
Grants and contributions not restricted to specific programs	16,495,399	-	16,495,399	15,345,043	-	15,345,043
Unrestricted						
Investment earnings	976,320	1,180,444	2,156,764	1,109,286	872,332	1,981,618
Miscellaneous	291,997	1,288,142	1,580,139	492,956	1,353,236	1,846,192
Total Revenues	51,299,053	31,362,905	82,661,958	46,558,383	27,067,420	73,625,803
EXPENSES						
Governmental activities						
General government	4,702,578	-	4,702,578	5,268,384	-	5,268,384
Public safety	24,993,945	-	24,993,945	21,187,922	-	21,187,922
Transportation	3,866,140	-	3,866,140	3,748,137	-	3,748,137
Economic and physical development	3,237,920	-	3,237,920	2,890,960	-	2,890,960
Environmental protection	4,455,326	-	4,455,326	4,344,287	-	4,344,287
Cultural and recreation	6,470,218	-	6,470,218	6,555,672	-	6,555,672
Business-type grant related	-	-	-	-	-	-
Interest on long-term debt	644,634	-	644,634	729,970	-	729,970
Business-type activities						
Utilities	-	19,450,137	19,450,137	-	19,840,812	19,840,812
Storm Water	-	1,417,972	1,417,972	-	1,203,729	1,203,729
Total Expenses	48,370,761	20,868,109	69,238,870	44,725,332	21,044,541	65,769,873
TRANSFERS						
Net Change	2,928,292	10,494,796	13,423,088	1,833,051	6,022,879	7,855,930
NET POSITION						
Beginning Balances	<u>70,774,998</u>	<u>81,777,351</u>	<u>152,552,349</u>	<u>68,941,947</u>	<u>75,754,472</u>	<u>144,696,419</u>
Ending Balances	<u>\$ 73,703,290</u>	<u>\$ 92,272,147</u>	<u>\$ 165,975,437</u>	<u>\$ 70,774,998</u>	<u>\$ 81,777,351</u>	<u>\$ 152,552,349</u>

Overall, the City's net position increased by \$13,423,088 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 a property tax increase of 9.5 cents, increases in charges for services, lapsed expenditures primarily due to vacant positions, and unspent operating expenditures due in part to supply chain issues. These amounts were offset in part by higher public safety expenditures, increase personnel-related costs, and the recognition of additional pension and OPEB liabilities. 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 were also rate increases in water and sewer rates for the current fiscal year.

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 \$2,928,292. Key elements of this increase are as follows:

- Property tax revenues increased \$3.1 million over the prior year due to property tax increase of 9.5 cents and modest growth.
- Operating grants and contributions of \$1.2 million due to increases in state shared revenues.
- Sales and services revenues increased \$137 thousand due to increased activity and rate increases in FY25.

Business-type activities. Business-type activities increased the City's net position by \$10,494,796. Key elements of this increase are as follows:

- Revenues from charges for services increased \$809 thousand. There was a 2 percent water rate increase, and 2 percent, 4 percent and 17 percent sewer rate increases in various classes in fiscal year 2025. 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 \$308 thousand for business activities due to higher cash balances and increases in interest rates.
- Capital contributions increased significantly, reflecting grant funding and developer-related contributions for utility and stormwater infrastructure projects placed in service during the year.
- Operating expenses remained relatively stable, with modest decreases in utility operating costs offset by increased depreciation related to newly placed capital assets.

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 \$24,785,737, while total fund balance was \$33,706,157. 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 49.93% of total General Fund expenditures, while fund balance available for appropriation represents 51.57% of the same amount.

At June 30, 2025, the governmental funds of the City reported a combined fund balance of \$36,360,099, an increase of \$5,292,318 compared to the prior fiscal year. This increase was primarily driven by strong revenue performance in the General Fund, controlled expenditure levels, and the issuance of debt to finance capital projects. Of the total governmental fund balance, approximately \$10.7 million (29.3 percent) is classified as nonspendable or restricted, reflecting inventories, stabilization by state statute, grant-restricted resources, and legally restricted revenues. The remaining balance is available for appropriation or committed for specific purposes in accordance with City Council action.

The Downtown District Fund had an increase in fund balance of \$66,329, due to lapsed expenditures and increased investment earnings and tax collections in excess of budgeted amounts. The Occupancy Tax Fund decreased by \$43,271 due to use of fund balance to complete a capital project at the Bryan Multi Sports Complex.

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 when the City revised its budget as noted below.

- The annual purchase order re-appropriation from the prior fiscal year.
- Appropriation of funds for an organization study.
- Appropriation for recruitment services for City Manager search.
- Appropriation for GASB 96 new subscriptions and GASB 87 new leases entered into in the fiscal year.
- Appropriation for an additional 9 police cars necessary to maintain public safety operations.

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

- Ad valorem taxes exceeded the budgeted amount by approximately \$808 thousand.
- Local option sales and use taxes exceeded the budgeted amount by approximately \$754 thousand, and utility franchise taxes exceeded the budgeted amount by \$97 thousand.
- 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 \$39,858,018. The total increase in net position for the funds was \$10,531,890. 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, 2025 totals \$154,697,039 (net of accumulated depreciation). These assets include buildings, plant and distribution systems, streets, land, equipment, vehicles and right-to-use lease and subscription assets.

The significant capital asset additions during the year were:

Governmental Activities

Governmental activities reported capital assets of \$84.1 million, representing a net increase of approximately \$1.4 million compared to June 30, 2024. Notable projects placed into service included a new chiller for City Hall, new fire pumper truck, police and fire equipment and vehicles, investment in information technology equipment, solid waste vehicles and equipment, replastering Mina Weil pool, and constructing a storage building at Bryan Multi Sports Complex.

The City continues to evaluate capital needs across its facilities and operations through its capital improvement planning process, including identifying potential funding sources and project timing. The City anticipates City Council consideration and adoption of a formal capital improvement plan during fiscal year 2025–2026.

Business-Type Activities

Business-type activities reported capital assets of \$70.6 million, an increase of approximately \$1.7 million from the prior fiscal year. Capital additions during fiscal year 2025 were primarily related to water, sewer, and stormwater

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
June 30, 2025**

infrastructure improvements. Projects placed into service included water line improvements, wastewater treatment facility upgrades, stormwater system equipment, and related utility vehicles and equipment. The City continued to advance its utility capital improvement program to support system reliability, regulatory compliance, and long-term operational sustainability, consistent with the financial planning assumptions incorporated in the City's utility rate study. The City continues to implement the rate modeling recommendations to support funding of its multi-year water and sewer capital improvement plan.

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	
	2025	2024	2025	2024	2025	2024
Assets Not Depreciated						
Land	\$ 7,263,679	\$ 7,320,923	\$ 1,443,282	\$ 1,443,282	\$ 8,706,961	\$ 8,764,205
Construction-in-progress	2,387,877	502,139	4,121,082	1,578,728	6,508,959	2,080,867
Assets Depreciated, Net						
Buildings	23,556,887	24,533,575	34,563	-	23,591,450	24,533,575
Plant and distribution systems	-	-	56,650,870	59,394,752	56,650,870	59,394,752
Furniture and equipment	3,902,423	3,214,355	4,165,807	4,370,700	8,068,230	7,585,055
Vehicles and motor equipment	7,860,708	6,133,130	2,454,543	2,112,562	10,315,251	8,245,692
Infrastructure	38,827,979	40,800,009	1,713,602	-	40,541,581	40,800,009
Right-to-use lease assets	195,451	163,243	-	-	195,451	163,243
Right-to-use lease subscription assets	118,286	72,842	-	-	118,286	72,842
Total	\$ 84,113,290	\$ 82,740,216	\$ 70,583,749	\$ 68,900,024	\$ 154,697,039	\$ 151,640,240

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

Long-term debt. As of June 30, 2025, the City had total capital-related debt outstanding of \$45,291,726. General obligation bonds in the amount of \$9,925,000 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	
	2025	2024	2025	2024	2025	2024
General obligation bonds						
Premium on bonds	\$ 6,940,000	\$ 7,838,754	\$ 2,985,000	\$ 3,755,246	\$ 9,925,000	\$ 11,594,000
Lease liabilities	490,687	561,213	257,044	308,453	747,731	869,666
Subscription liabilities	199,585	151,842	-	-	199,585	151,842
Notes payable	76,124	40,591	-	-	76,124	40,591
Total	\$ 25,784,981	\$ 22,620,053	\$ 19,506,745	\$ 21,774,762	\$ 45,291,726	\$ 44,394,815

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 \$217,388,000.

**City of Goldsboro, North Carolina
Management's Discussion and Analysis
June 30, 2025**

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 53 to 59 of this report.

Economic Factors and Next Year's Budgets and Rates

The average unemployment rate for Goldsboro is currently 3.6 percent. The statewide unemployment rate is 3.7 percent, and the national average unemployment rate for fiscal year 2025 is 4.1 percent.

Budget Highlights for the Fiscal Year Ending June 30, 2026

Governmental Activities: The City Council adopted a FY 2025–2026 General Fund budget of \$61.2 million, balanced as required by North Carolina law. The adopted budget reflects a reduction in the property tax rate to \$0.69 per \$100 of assessed valuation, following the countywide revaluation, while still funding key service priorities. Property tax revenues remain the City's largest revenue source, and overall revenue growth is modest.

The FY26 budget includes funding for the implementation of the MAG pay and classification study, including a 3 percent cost-of-living adjustment for all employees, market salary adjustments, and an increase in the employer 401(k) contribution for regular employees from 4 percent to 5 percent. The budget also funds a \$400 net holiday bonus for all full-time and permanent part-time employees. Two new full time employees were added in the General Fund.

Additional highlights include funding for critical public safety, street maintenance, and equipment needs, including street resurfacing, rolling stock replacement, and public safety vehicles. No General Fund balance was appropriated in the FY26 adopted budget, marking the first year in several years that fund balance was not used to balance operations.

Business-Type Activities: The Utility Fund FY 2025–2026 adopted budget totals \$27.1 million and is balanced without the use of fund balance. The budget includes a 7.5 percent water and sewer rate increase across all customer classes, consistent with the City's utility rate study and long-term financial modeling.

Utility revenues support ongoing operations, debt service, and capital needs, including funding related to water and sewer infrastructure improvements and the advancement of planning and design work for the Water Reclamation Facility expansion. The budget also includes funding for utility billing software upgrades, emergency inflow and infiltration repairs, and equipment replacement.

Personnel costs in the enterprise funds reflect the same MAG pay study implementation, including a 3 percent cost-of-living adjustment, an increase in the employer 401(k) contribution for regular employees from 4 percent to 5 percent, and a \$400 net holiday bonus for eligible employees. These adjustments are incorporated into the rate-supported financial model to maintain system sustainability and regulatory compliance.

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.



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City of Goldsboro
Statement of Net Position
June 30, 2025

Exhibit 1

	Primary Government		
	Governmental Activities		Business-Type Activities
ASSETS			
Cash and investments	\$ 27,371,647	\$ 38,184,204	\$ 65,555,851
Receivables, net	1,747,473	3,405,236	5,152,709
Due from other governments	5,463,586	3,494,260	8,957,846
Lease receivable	1,529	1,086,276	1,087,805
Inventories and prepaids	886,642	1,519,604	2,406,246
Restricted assets			
Cash and investments	6,838,233	1,630,453	8,468,686
Notes receivable	303,748	-	303,748
Capital assets, net			
Assets not being depreciated	9,651,556	5,564,364	15,215,920
Other capital assets, net of depreciation	74,461,734	65,019,385	139,481,119
Total Assets	<u>126,726,148</u>	<u>119,903,782</u>	<u>246,629,930</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>9,380,988</u>	<u>1,545,822</u>	<u>10,926,810</u>
LIABILITIES			
Accounts payable and accrued liabilities	2,696,747	937,890	3,634,637
Estimated claims payable	118,712	-	118,712
Accrued interest payable	246,968	67,324	314,292
Customer deposits	20,000	1,456,280	1,476,280
Unearned revenue	1,886,966	1,870,195	3,757,161
Long-term liabilities			
Due within one year	4,822,660	2,376,784	7,199,444
Due in more than one year	48,133,108	20,806,930	68,940,038
Total Liabilities	<u>57,925,161</u>	<u>27,515,403</u>	<u>85,440,564</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>4,478,685</u>	<u>1,662,054</u>	<u>6,140,739</u>
NET POSITION			
Net investment in capital assets	65,007,728	51,427,977	116,435,705
Restricted for			
Stabilization by State Statute	6,678,973	-	6,678,973
General government	274,913	-	274,913
Public safety	199,813	-	199,813
Streets	190,992	-	190,992
Capital outlay	1,148,023	-	1,148,023
Cemetery maintenance	294,478	-	294,478
Economic and physical development	982,516	-	982,516
Receivables held in abeyance	57,891	1,012,042	1,069,933
Unrestricted	(1,132,037)	39,832,128	38,700,091
Total Net Position	<u>\$ 73,703,290</u>	<u>\$ 92,272,147</u>	<u>\$ 165,975,437</u>

**City of Goldsboro
Statement of Activities
Year Ended June 30, 2025**

**Exhibit 2
(2 pages)**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 4,702,578	\$ 380,390	\$ 400	\$ -
Public safety	24,993,945	808,092	291,001	167,199
Transportation	3,866,140	59,530	1,552,490	-
Economic and physical development	3,237,920	42,667	147,682	-
Environmental protection	4,455,326	4,151,797	8,115	-
Cultural and recreation	6,470,218	1,658,736	10,318	10,000
Interest on long-term debt	644,634	-	-	-
Total Governmental Activities	48,370,761	7,101,212	2,010,006	177,199
Business-Type Activities				
Utilities	19,450,137	23,511,124	-	3,593,950
Stormwater	1,417,972	1,648,950	-	140,295
Total Business-Type Activities	20,868,109	25,160,074	-	3,734,245
Total Primary Government	\$ 69,238,870	\$ 32,261,286	\$ 2,010,006	\$ 3,911,444

**City of Goldsboro
Statement of Activities
Year Ended June 30, 2025**

**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	\$ (4,321,788)	\$ -	\$ (4,321,788)
Public safety	(23,727,653)	-	(23,727,653)
Transportation	(2,254,120)	-	(2,254,120)
Economic and physical development	(3,047,571)	-	(3,047,571)
Environmental protection	(295,414)	-	(295,414)
Cultural and recreation	(4,791,164)	-	(4,791,164)
Interest on long-term debt	(644,634)	-	(644,634)
Total Governmental Activities	(39,082,344)	-	(39,082,344)
Business-Type Activities			
Utilities	-	7,654,937	7,654,937
Stormwater	-	371,273	371,273
Total Business-Type Activities	-	8,026,210	8,026,210
Total Primary Government	(39,082,344)	8,026,210	(31,056,134)
General Revenues			
Taxes			
Property taxes, levied for general purpose	22,598,304	-	22,598,304
Other taxes and licenses	1,648,616	-	1,648,616
Grants and contributions not restricted to specific programs	16,495,399	-	16,495,399
Unrestricted investment earnings	976,320	1,180,444	2,156,764
Gain on disposal of capital assets	174,573	38,032	212,605
Miscellaneous	117,424	1,250,110	1,367,534
Total General Revenues	42,010,636	2,468,586	44,479,222
Change in Net Position	2,928,292	10,494,796	13,423,088
Net Position			
Beginning balances	70,774,998	81,777,351	152,552,349
Ending Balances	\$ 73,703,290	\$ 92,272,147	\$ 165,975,437

**City of Goldsboro
Balance Sheet
Governmental Funds
June 30, 2025**

**Exhibit 3
(2 pages)**

	Major Fund				Total Governmental Funds
	General Fund	State Grants Miscellaneous Grant Project Fund	Other Governmental Funds	Total Governmental Funds	
ASSETS					
Cash and investments	\$ 22,688,815	\$ 2,000,675	\$ 2,664,401	\$ 27,353,891	
Receivables (net)					
Property taxes receivable	481,704	-	3,364	485,068	
Accounts receivable	1,073,445	-	-	1,073,445	
Interest receivable	5	-	72,000	72,005	
Lease receivable	1,529	-	-	1,529	
Due from other governments	5,437,164	85	26,337	5,463,586	
Inventories and prepaids	884,542	-	2,100	886,642	
Restricted assets					
Cash and investments	6,838,233	-	-	6,838,233	
Notes receivable	3,748	-	300,000	303,748	
Total Assets	<u>\$ 37,409,185</u>	<u>\$ 2,000,760</u>	<u>\$ 3,068,202</u>	<u>\$ 42,478,147</u>	
LIABILITIES					
Accounts payable and accrued liabilities	\$ 1,786,726	\$ 11,125	\$ 136,284	\$ 1,934,135	
Accrued compensation payable	740,868	-	4,606	745,474	
Unearned revenue	-	1,886,966	-	1,886,966	
Customer deposits	20,000	-	-	20,000	
Total Liabilities	<u>2,547,594</u>	<u>1,898,091</u>	<u>140,890</u>	<u>4,586,575</u>	
DEFERRED INFLOWS OF RESOURCES	<u>1,155,434</u>	<u>-</u>	<u>376,039</u>	<u>1,531,473</u>	
FUND BALANCES					
Nonspendable					
Inventories and prepaids	884,542	-	2,100	886,642	
Restricted					
Stabilization by state statute	6,678,973	-	-	6,678,973	
General government	-	-	274,913	274,913	
Public safety	56,092	-	179,911	236,003	
Streets	190,992	-	-	190,992	
Transportation	-	-	784,962	784,962	
Cemetery maintenance	294,478	-	-	294,478	
Economic and physical development	-	-	982,516	982,516	
Cultural and recreational	-	-	326,871	326,871	
Committed					
Environmental protection	803,592	-	-	803,592	
Cultural and recreational	9,897	102,669	-	112,566	
Economic and physical development	1,854	-	-	1,854	
Unassigned	<u>24,785,737</u>	<u>-</u>	<u>-</u>	<u>24,785,737</u>	
Total Fund Balances	<u>33,706,157</u>	<u>102,669</u>	<u>2,551,273</u>	<u>36,360,099</u>	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 37,409,185</u>	<u>\$ 2,000,760</u>	<u>\$ 3,068,202</u>	<u>\$ 42,478,147</u>	

City of Goldsboro
Balance Sheet
Governmental Funds
June 30, 2025

Exhibit 3
(2 pages)

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

Total Fund Balances	\$ 36,360,099
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	\$ 9,651,556
Assets subject to depreciation/amortization	<u>161,407,038</u>
Total cost	171,058,594
Accumulated depreciation and amortization	<u>(86,945,304)</u>
Capital Assets, Net of Accumulated Depreciation and Amortization	84,113,290
Deferred outflows of resources are not financial resources; therefore, the amounts are not reported in the funds	
Local Government Employees' Retirement System ("LGERS")	7,701,655
Law Enforcement Officers' Special Separation Allowance ("LEO")	560,921
Other post employment benefits ("OPEB")	1,066,234
Deferred loss on sale of refunding bonds	52,178
Certain assets are not available to pay for current period expenditures; therefore, the balances are deferred in the funds	
Property taxes receivable	485,068
Other receivables that are not available	1,033,073
Accrued interest receivable on unpaid property taxes	80,479
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	(6,940,000)
Premium on bonds payable	(490,687)
Lease liabilities	(199,585)
Subscription liabilities	(76,124)
Notes payable	(18,078,585)
Compensated absences payable	(2,178,713)
Net pension liability - LGERS	(14,242,081)
Total pension liability - LEO	(4,130,186)
Total OPEB liability	(6,619,807)
Deferred inflows of resources do not require financial resources; therefore, the amounts are not reported in the funds	
LGERS	(762,996)
LEO	(726,308)
OPEB	(2,976,049)
The Fuel System Internal Service Fund is used by management to charge the costs of gasoline and diesel fuel by other funds and related parties. The assets and liabilities of the Fuel System Internal Service Fund are included in governmental activities in the Statement of Net Position	37,094
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)	(118,712)
Interest payable	<u>(246,968)</u>
Net Position of Governmental Activities	<u>\$ 73,703,290</u>

City of Goldsboro
Statement of Revenues and Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

Exhibit 4
(2 pages)

	Major Fund		Other Governmental Funds	Total Governmental Funds
	General Fund	State Grants Miscellaneous Grant Project Fund		
Revenues				
Ad valorem taxes	\$ 22,476,251	\$ -	\$ 108,934	\$ 22,585,185
Other taxes and licenses	328,261	-	1,320,355	1,648,616
Unrestricted intergovernmental	16,495,399	-	-	16,495,399
Restricted intergovernmental	1,807,384	173,267	138,366	2,119,017
Permits and fees	621,201	-	-	621,201
Sales and services	6,070,262	-	-	6,070,262
Investment earnings	884,022	64,587	27,711	976,320
Donations and sponsorships	8,059	-	10,000	18,059
Miscellaneous	217,315	-	35,356	252,671
Total Revenues	48,908,154	237,854	1,640,722	50,786,730
Expenditures				
Current				
General government	5,357,034	-	-	5,357,034
Public safety	25,496,114	167,199	940,215	26,603,528
Transportation	1,973,443	-	-	1,973,443
Economic and physical development	2,171,785	-	1,303,997	3,475,782
Environmental protection	4,937,600	-	-	4,937,600
Cultural and recreational	5,782,550	6,068	-	5,788,618
Debt service				
Principal retirement	3,217,945	-	315,541	3,533,486
Interest and other charges	702,228	-	41,265	743,493
Total Expenditures	49,638,699	173,267	2,601,018	52,412,984
Revenues over (under) Expenditures	(730,545)	64,587	(960,296)	(1,626,254)
Other Financing Sources (Uses)				
Insurance recovery	146,136	-	-	146,136
Sale of capital assets	85,071	-	610	85,681
Issuance of debt	5,651,588	-	891,452	6,543,040
Issuance of lease liabilities	55,789	-	62,020	117,809
Issuance of subscription liabilities	96,896	-	-	96,896
Other Financing Sources, Net	6,035,480	-	954,082	6,989,562
Net Change in Fund Balances	5,304,935	64,587	(6,214)	5,363,308
Fund Balances				
Beginning balances	28,472,212	38,082	2,557,487	31,067,781
Change in reserve for inventories	(70,990)	-	-	(70,990)
Ending Balances	\$ 33,706,157	\$ 102,669	\$ 2,551,273	\$ 36,360,099

City of Goldsboro
Statement of Revenues and Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

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	\$	5,363,308
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	\$	6,856,905
Depreciation and amortization expense		<u>(5,440,596)</u>
		1,416,309
Inventories are a use of current financial resources and therefore reported as an expenditure in the governmental funds		(70,990)
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	(1,440,877)	
LEO	(155,856)	
OPEB	(236,595)	
Deferred loss on debt refunding		<u>(18,733)</u>
		1,852,061
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	(146,136)	
Proceeds received from the sale of capital assets	(85,681)	
Gain on disposal of capital assets	174,573	
Net change in property taxes receivable	15,233	
Net change in accrued interest on unpaid property taxes	(2,114)	
Net change in other deferred balances	19,350	
		<u>(24,775)</u>
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	73,078	
Net change in interest payable	44,253	
Net change in estimated claims payable	63,380	
Pension benefit (expense) - LGERS, net of contributions	898,373	
Pension benefit (expense) - LEO, net of contributions	(67,632)	
OPEB benefit (expense), net of contributions	<u>201,688</u>	
		1,213,140
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	(6,543,040)	
Lease liabilities issued	(117,809)	
Subscription liabilities issued	(96,896)	
Principal retirement	3,533,486	
Amortization of bond premiums	<u>70,526</u>	
		(3,153,733)
Change in net position of internal service funds determined to be governmental-type		<u>37,094</u>
Total Changes in Net Position of Governmental Activities	\$	<u>2,928,292</u>

City of Goldsboro
Exhibit 5
Statement of Revenues and Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2025

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
Revenues				
Ad valorem taxes	\$ 19,009,688	\$ 21,671,741	\$ 22,476,251	\$ 804,510
Other taxes and licenses	329,300	330,500	328,261	(2,239)
Unrestricted intergovernmental	14,559,081	15,534,411	16,495,399	960,988
Restricted intergovernmental	1,843,576	1,674,900	1,764,051	89,151
Permits and fees	433,050	696,275	621,201	(75,074)
Sales and services	6,015,676	6,219,019	6,070,262	(148,757)
Investment earnings	310,721	687,000	884,022	197,022
Miscellaneous	219,616	295,868	204,787	(91,081)
Total Revenues	42,720,708	47,109,714	48,844,234	1,734,520
Expenditures				
Current				
General government	7,036,777	6,375,530	5,357,034	1,018,496
Transportation	-	2,041,075	1,973,443	67,632
Economic and physical development	-	3,120,354	2,161,249	959,105
Public safety	-	27,821,977	25,447,641	2,374,336
Environmental protection	-	5,310,379	4,937,600	372,779
Cultural and recreational	-	6,389,760	5,776,713	613,047
Debt service				
Principal retirement	4,271,500	3,686,712	3,217,945	468,767
Interest and other charges	-	702,228	702,228	-
Total Expenditures	11,308,277	55,448,015	49,573,853	5,874,162
Revenues over (under) Expenditures	31,412,431	(8,338,301)	(729,619)	7,608,682
Other Financing Sources (Uses)				
Transfers to other funds	-	(49,500)	(8,500)	41,000
Transfer from other funds	-	-	-	-
Insurance recovery	-	-	146,136	146,136
Sale of capital assets	-	3,190	85,071	81,881
Issuance of debt	-	5,646,548	5,651,588	5,040
Issuance of subscription liabilities	-	25,154	96,896	71,742
Issuance of lease liabilities	-	56,362	55,789	(573)
Other Financing Sources (Uses), Net	-	5,681,754	6,026,980	345,226
Appropriation to (from) fund balance	-	2,621,547	-	(2,621,547)
Net Change in Fund Balance	\$ 31,412,431	\$ (35,000)	\$ 5,297,361	\$ 5,332,361
Fund Balance				
Beginning balance			27,608,351	
Change in reserve for inventories			(70,990)	
Ending Balance			32,834,722	
Legally Budgeted Funds That Are Consolidated into the General Fund for Reporting Purposes				
Hurricane Florence FEMA 4393 DR-NC Grant Project				
Beginning fund balance			803,592	
Other public safety projects				
Beginning fund balance			47,495	
Revenues			57,070	
Expenditures			(48,473)	
Other cultural and recreational projects				
Beginning fund balance			11,684	
Revenues			4,050	
Expenditures			(5,837)	
Other economic and physical development projects				
Beginning fund balance			1,090	
Revenues			2,800	
Expenditures			(10,536)	
Transfers from other funds			8,500	
General Fund Ending Balance (Exhibit 4)			\$ 33,706,157	

See Notes to Financial Statements

City of Goldsboro
Statement of Net Position
Proprietary Funds
June 30, 2025

Exhibit 6

	Major Funds				Fuel System Internal Service Fund	Total		
	Utility Fund	Storm Water Fund						
			Internal Service Fund					
ASSETS								
Current Assets								
Cash and investments	\$ 34,724,018	\$ 3,460,186	\$ 17,756	\$ 38,201,960				
Accounts receivable, net	3,206,862	182,676	-	3,389,538				
Due from other governments	3,493,964	296	-	3,494,260				
Due from other funds	-	-	36,476	36,476				
Lease receivable	42,393	-	-	42,393				
Accrued interest receivable	15,698	-	-	15,698				
Inventories and prepaids	1,464,185	55,419	-	1,519,604				
Restricted assets								
Cash and investments	1,456,280	174,173	-	1,630,453				
Total Current Assets	44,403,400	3,872,750	54,232	48,330,382				
Noncurrent Assets								
Lease receivable, noncurrent	1,043,883	-	-	1,043,883				
Capital assets								
Land and construction-in-progress	5,424,066	140,298	-	5,564,364				
Other capital assets, net	62,221,625	2,797,760	11,204	65,030,589				
Total Noncurrent Assets	68,689,574	2,938,058	11,204	71,638,836				
Total Assets	113,092,974	6,810,808	65,436	119,969,218				
DEFERRED OUTFLOWS OF RESOURCES								
Pension deferrals	1,036,941	142,519	-	1,179,460				
OPEB deferrals	157,968	31,594	-	189,562				
Deferred loss on refunding	176,800	-	-	176,800				
DEFERRED OUTFLOWS OF RESOURCES	1,371,709	174,113	-	1,545,822				
LIABILITIES								
Current Liabilities								
Accounts payable and accrued liabilities	913,819	24,071	17,138	955,028				
Accrued interest payable	59,826	7,498	-	67,324				
Customer deposits	1,456,280	-	-	1,456,280				
Unearned revenue	10,490	1,859,705	-	1,870,195				
Current portion of:								
Compensated absences payable	69,812	6,864	-	76,676				
Notes payable	1,503,368	140,331	-	1,643,699				
Bonds payable	656,409	-	-	656,409				
Subscription liabilities	-	-	2,693	2,693				
Total Current Liabilities	4,670,004	2,038,469	19,831	6,728,304				
Noncurrent Liabilities								
Net pension liability	1,917,537	263,549	-	2,181,086				
Total OPEB liability	1,022,723	204,545	-	1,227,268				
Compensated absences payable	170,470	21,469	-	191,939				
Notes payable	14,259,066	361,936	-	14,621,002				
Bonds payable	2,585,635	-	-	2,585,635				
Subscription liabilities	-	-	8,511	8,511				
Total Noncurrent Liabilities	19,955,431	851,499	8,511	20,815,441				
Total Liabilities	24,625,435	2,889,968	28,342	27,543,745				
DEFERRED INFLOWS OF RESOURCES	1,555,978	106,076	-	1,662,054				
NET POSITION								
Net investment in capital assets	48,818,013	2,609,964	11,204	51,439,181				
Restricted - accounts receivable held in abeyance	1,012,042	-	-	1,012,042				
Unrestricted	38,453,215	1,378,913	25,890	39,858,018				
Total Net Position	\$ 88,283,270	\$ 3,988,877	\$ 37,094	\$ 92,309,241				

City of Goldsboro
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2025

Exhibit 7

	Major Funds		Fuel System		Total
	Utility Fund	Stormwater Fund	Internal Service Fund		
Operating Revenues					
Charges for service	\$ 23,418,241	\$ 1,648,950	\$ 886,726	\$ 25,953,917	
Water and sewer taps	88,600	-	-	88,600	
Other operating revenues	4,283	-	-	4,283	
Total Operating Revenues	23,511,124	1,648,950	886,726	26,046,800	
Operating Expenses					
Salaries and employee benefits	4,679,927	701,514	-	5,381,441	
Operating expenses	9,220,697	508,845	846,644	10,576,186	
Depreciation	5,226,948	194,663	-	5,421,611	
Amortization	-	-	2,803	2,803	
Total Operating Expenses	19,127,572	1,405,022	849,447	21,382,041	
Operating Income	4,383,552	243,928	37,279	4,664,759	
Nonoperating Revenues (Expenses)					
Other revenues	1,222,217	-	-	1,222,217	
Interest revenue	27,893	-	-	27,893	
Investment earnings	1,071,111	109,333	-	1,180,444	
Gain on disposal of capital assets	38,032	-	-	38,032	
Interest expense	(322,565)	(12,950)	(185)	(335,700)	
Nonoperating Revenues (Expenses), Net	2,036,688	96,383	(185)	2,132,886	
Net Income before Contributions and Transfers	6,420,240	340,311	37,094	6,797,645	
Capital contributions	3,593,950	140,295	-	3,734,245	
Change in Net Position	10,014,190	480,606	37,094	10,531,890	
Net Position					
Beginning balance	78,269,080	3,508,271	-	81,777,351	
Ending Balance	\$ 88,283,270	\$ 3,988,877	\$ 37,094	\$ 92,309,241	

**City of Goldsboro
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2025**

**Exhibit 8
(2 pages)**

	Major Funds		Fuel System		Total
	Utility Fund	Stormwater Fund	Internal Service Fund		
Operating Activities					
Cash received from customers	\$ 23,850,983	\$ 1,670,037	\$ 268,680	\$ 25,789,700	
Receipts from other funds	-	-	581,570	581,570	
Cash paid for goods and services	(9,607,152)	(507,149)	(829,506)	(10,943,807)	
Cash paid to employees for services	(4,619,780)	(682,834)	-	(5,302,614)	
Other nonoperating revenue	1,222,217	-	-	1,222,217	
Net Cash Provided by Operating Activities	10,846,268	480,054	20,744	11,347,066	
Capital and Related Financing Activities					
Proceeds from the issuance of long-term debt	-	171,960	-	171,960	
Principal paid on long-term debt	(2,265,615)	(122,953)	(2,803)	(2,391,371)	
Interest and fees paid on long-term debt	(347,633)	(15,528)	(185)	(363,346)	
Proceeds from disposal of capital assets	38,032	-	-	38,032	
Acquisition and construction of capital assets	(5,992,345)	(683,889)	-	(6,676,234)	
Capital contributions - federal and state grants	100,000	-	-	100,000	
Net Cash Used by Capital and Related Financing Activities	(8,467,561)	(650,410)	(2,988)	(9,120,959)	
Investing Activities					
Interest on investments	1,099,548	109,333	-	1,208,881	
Net Cash Provided by Investing Activities	1,099,548	109,333	-	1,208,881	
Net Increase (Decrease) in Cash and Cash Equivalents	3,478,255	(61,023)	17,756	3,434,988	
Cash and Cash Equivalents					
Beginning balances	32,702,043	3,695,382	-	36,397,425	
Ending Balances	\$ 36,180,298	\$ 3,634,359	\$ 17,756	\$ 39,832,413	
Cash and Cash Equivalents					
Unrestricted	\$ 34,724,018	\$ 3,460,186	\$ 17,756	\$ 38,201,960	
Restricted	1,456,280	174,173	-	1,630,453	
Total Cash and Cash Equivalents	\$ 36,180,298	\$ 3,634,359	\$ 17,756	\$ 39,832,413	

**City of Goldsboro
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2025**

**Exhibit 8
(2 pages)**

	Major Funds		Fuel System Internal Service Fund		Total
	Utility Fund	Stormwater Fund			
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating income	\$ 4,383,552	\$ 243,928	\$ 37,279	\$ 4,664,759	
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation and amortization	5,226,948	194,663	2,803	5,424,414	
Other nonoperating revenue	1,222,217	-	-	1,222,217	
Changes in assets and liabilities					
(Increase) decrease in accounts receivable	288,379	21,087	(36,476)	272,990	
(Increase) decrease in due from other governments	10,209	(296)	-	9,913	
Decrease in lease receivable	39,452	-	-	39,452	
(Increase) decrease in prepaid expenses	(16,389)	1,000	-	(15,389)	
Increase in inventories	(145,731)	-	-	(145,731)	
Decrease in					
Deferred outflows of resources for pensions	139,496	2,414	-	141,910	
Deferred outflows of resources for OPEB	34,291	6,858	-	41,149	
Decrease in accounts payable and accrued liabilities	(222,139)	(9,775)	17,138	(214,776)	
Increase in customer deposits	74,954	-	-	74,954	
Increase (decrease) in compensated absences	(69,116)	802	-	(68,314)	
Increase (decrease) in net pension liability	(44,755)	21,802	-	(22,953)	
Increase in total OPEB liability	41,044	8,209	-	49,253	
Increase (decrease) in					
Deferred inflows of lease revenue	(62,926)	-	-	(62,926)	
Deferred inflows of resources for pensions	18,986	3,802	-	22,788	
Deferred inflows of resources for OPEB	(72,204)	(14,440)	-	(86,644)	
Net Cash Provided by Operating Activities	\$ 10,846,268	\$ 480,054	\$ 20,744	\$ 11,347,066	

Note 1. Summary of Significant Accounting Policies

The accounting policies of the City of Goldsboro conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The City of Goldsboro (the "City") is a municipal corporation that is governed by an elected mayor and a six-member council. The City is required to include, as part of the reporting entity, any entities that meet the definition of a component unit. A component unit is a legally separate entity for which the City is financially 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.

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

State Grants Miscellaneous Grant Capital Project Fund. This fund is used to account for various governmental capital projects whose financial resources are restricted for the acquisition and/or construction of capital facilities and other miscellaneous capital assets (other than those finance by proprietary funds) that the City will own.

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 *Water Line Replacement & Booster Pump Station Capital Project*, the *Galvanized Water Lines Capital Project*, the *NC DEQ Viable Utility Reserve Asset Inventory and Assessment Capital Project*, the *NC DEQ Viable Utility Reserve Multi-System Merger/Regionalization Feasibility Study Capital Project*, the *Lead and Copper Capital Project*, the *Utility Fund Capital Reserve Fund*, the *Utility Fund Capital Reserve Fund for System Development Fees*, the *Arrington Bridge Road Water Reclamation Facility Expansion Capital Project*, the *MOPCO Phase III Sewer Capital Project*, the *OLDCC WRF Flood Mitigation Capital Project*, and the *PFAS Study & Treatment 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 are accounted for in the *Storm Water Capital Project Fund*, and the *Big Ditch Restoration Capital Project*, which are combined with the Storm Water Fund for financial statement purposes.

The City reports the following non-major proprietary funds:

Internal Service Fund. The Internal Service fund accounts for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City has one Internal Service Fund. The Fuel System Internal Service Fund accounts for the consumption of fuel purchased by the City by various funds, departments, and other related parties.

The City reports the following other governmental fund types:

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

Nonmajor capital project funds. These funds account for financial resources that are restricted, committed or assigned to be used for the acquisition and/or construction of capital facilities and other capital assets (other than those financed 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*, 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 *Fire Department Capital Equipment Fund 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.

City of Goldsboro
Notes to Financial Statements
June 30, 2025

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.

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

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), the Internal Service 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
June 30, 2025

Governmental Activities		
Rolling stock	Unexpended debt proceeds	\$ 6,627,241
Powell Bill funds	Unexpended grant proceeds	190,992
Customer deposits		<u>20,000</u>
Total Governmental Activities		<u>\$ 6,838,233</u>
Business-Type Activities		
Utility Fund		
Customer deposits		\$ 1,456,280
Storm Water Fund		
Rolling stock	Unexpended debt proceeds	<u>174,173</u>
Total Business-Type Activities		<u>\$ 1,630,453</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, 2024.

(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.

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

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

Buildings	50 years
Infrastructure	30 years
Improvements	10 to 20 years
Furniture and equipment	10 years
Vehicles	3 to 5 years
Computer software and equipment	3 to 5 years

(8) Right-to-Use Assets

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

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

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

(9) Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The City has three items that meets this criterion for the 2025 fiscal year, including OPEB and pension deferrals 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.

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

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 City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example, paid in cash to the employee or paid to an employee flex spending account) during or upon separation from employment. Based on the criteria above, two types of leave qualify for liability recognition for compensated absences - vacation and sick leave. The liability for compensated absences is recorded as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits where applicable.

The vacation policies of the City provide for the accumulation of up to 30 days' earned vacation leave with such leave being fully vested when earned. 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. Compensated absences are liquidated in the General Fund and each respective enterprise fund. The City has assumed a last-in, first-out ("LIFO") 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.

(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.

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

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.

Streets - Powell Bill portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents the balance of unexpended Powell Bill.

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

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

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

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

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

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

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

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

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

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.

(15) Adoption of New Accounting Standards

Effective July 1, 2024, the City adopted GASB Statement No. 101, *Compensated Absences* ("GASB 101"). GASB 101 establishes a unified recognition and measurement framework for all types of compensated absences, including vacation leave, sick leave, paid time off, holidays, parental leave, and bereavement leave, and also amends certain previously required disclosures. Under the new standard, liabilities for compensated absences are recognized when the leave is attributable to services already rendered, accumulates, and is more likely than not to be used or paid. This change in accounting principle was made to improve the relevance and comparability of financial reporting and is considered preferable under the qualitative characteristics outlined in GASB Concepts Statement No. 1. The adoption of this statement was not material to the City, and did not require restatement of previously reported balances.

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Note 2. Detail Notes on All Funds

A. Assets

(1) Deposits and Investments

All the deposits of the City are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the City's agent in the City's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agent in the City's name. The amount of the pledged collateral is based on an approved averaging method for noninterest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the City under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The City has no formal policy regarding custodial credit risk but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling methods financial institutions and to monitor them for compliance. The City complies with the provisions of G.S 159-31 when designating official depositories and verifying that deposits are properly secured.

The City's bank deposits had a carrying amount of \$62,212,719 and a bank balance of \$63,434,449 on June 30, 2025. The portion of the bank balance covered by federal depository insurance was \$500,000 and the remainder of the bank balance was covered by collateral held under the Pooling Method. The City's cash on hand was \$4,474 at June 30, 2025.

(2) Investments

The City's investment balances as of June 30, 2025 consist of the following:

Investments by Type	Valuation Measurement Method	Value	Less than 6 Months	6-12 Months	Rating
NCCMT - Government Portfolio	Level 1	\$ 11,807,344	\$ 11,807,344	\$ _____ -	AAAm
Total investments		\$ 11,807,344	\$ 11,807,344	\$ _____ -	

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 six 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.

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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 and AAA-mf by Moody's Investor Services as of June 30, 2025.

(3) Receivables - Allowances for Doubtful Accounts

The City's receivable balances as of June 30, 2025 were presented net of an estimate for doubtful accounts as follows:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Governmental Activities			
Taxes receivable	\$ 528,486	\$ 4,513	\$ 532,999
Accounts receivable	3,069,820	-	3,069,820
Interest receivable	5	72,000	72,005
Lease receivable	1,529	-	1,529
Allowance for doubtful accounts	(2,043,157)	(1,149)	(2,044,306)
Net Governmental Activities	<u>\$ 1,556,683</u>	<u>\$ 75,364</u>	<u>\$ 1,632,047</u>
	<u>Utility Fund</u>	<u>Storm Water Fund</u>	<u>Total</u>
Business-Type Activities			
Accounts receivable	\$ 5,426,057	\$ 327,798	\$ 5,753,855
Allowance for doubtful accounts	(2,219,195)	(145,122)	(2,364,317)
Lease receivable	1,086,276	-	1,086,276
Accrued interest receivable	15,698	-	15,698
Net Business-Type Activities	<u>\$ 4,308,836</u>	<u>\$ 182,676</u>	<u>\$ 4,491,512</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	\$ 3,451,081	\$ -
Refund of sales and use taxes	681,140	310
Franchise and other taxes	716,915	-
North Carolina Department of Transportation		
Grants	21,422	-
North Carolina Department of Environmental Quality		
Grants	-	3,493,950
Wayne County		
Property taxes	371,465	-
ABC Board distributions	93,815	-
Other	127,748	-
Total Due from Other Governments	<u>\$ 5,463,586</u>	<u>\$ 3,494,260</u>

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(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 five years, and four additional five-year extensions 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 farmland to unrelated parties. The leases call for annual payments ranging from \$774 to \$13,083 and have noncancelable lease terms that expire from December 2025 through December 2027, and offer no options to extend. There are no variable components in the leases. The lease receivables are measured as the present value of the future minimum rent payments expected to be received during the lease terms, at discount rates ranging from 0.218% to 2.656%, which is based on the City's estimated incremental borrowing rate.

Future minimum lessee payments due to the City under non-cancelable lease agreements, as of June 30, 2025, are as follows:

Business-Type Activities

	Principal	Interest	Total
2026	\$ 42,393	\$ 27,532	\$ 69,925
2027	45,473	26,550	72,023
2028	48,698	25,486	74,184
2029	52,075	24,334	76,409
2030	55,609	23,092	78,701
Thereafter	<u>842,028</u>	<u>140,932</u>	<u>982,960</u>
	<u>\$ 1,086,276</u>	<u>\$ 267,926</u>	<u>\$ 1,354,202</u>

The City reported lease revenue of \$62,926 and interest revenue of \$28,436 during the year ended June 30, 2025. Deferred inflows of resources related to the leases receivable amounted to \$993,466 as of June 30, 2025.

Governmental Activities

	Principal	Interest	Total
2026	\$ 761	\$ 13	\$ 774
2027	768	6	774
2028	-	-	-
2029	-	-	-
2030	-	-	-
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,529</u>	<u>\$ 19</u>	<u>\$ 1,548</u>

The City reported lease revenue of \$23,876 and interest revenue of \$635 during the year ended June 30, 2025. Deferred inflows of resources related to the leases receivable amounted to \$13,332 as of June 30, 2025.

City of Goldsboro
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(5) Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being amortized or depreciated				
Land	\$ 7,320,923	\$ -	\$ (57,244)	\$ 7,263,679
Construction-in-progress	<u>502,139</u>	<u>2,850,279</u>	<u>(964,541)</u>	<u>2,387,877</u>
Total	<u>7,823,062</u>	<u>2,850,279</u>	<u>(1,021,785)</u>	<u>9,651,556</u>
Capital assets being amortized or depreciated				
Buildings	39,578,644	423,487	-	40,002,131
Equipment	8,478,458	1,538,682	(15,900)	10,001,240
Streets and improvements	89,456,387	-	-	89,456,387
Vehicles and motor equipment	19,086,561	2,789,293	(507,696)	21,368,158
Right-to-use lease assets	298,720	117,809	(75,114)	341,415
Right-to-use subscription assets	<u>151,342</u>	<u>115,904</u>	<u>(29,539)</u>	<u>237,707</u>
Total	<u>157,050,112</u>	<u>4,985,175</u>	<u>(628,249)</u>	<u>161,407,038</u>
Less accumulated depreciation and amortization				
Buildings	15,045,069	1,400,175	-	16,445,244
Equipment	5,264,103	850,614	(15,900)	6,098,817
Streets and improvements	48,656,378	1,972,030	-	50,628,408
Vehicles and motor equipment	12,953,431	1,061,715	(507,696)	13,507,450
Right-to-use lease assets	135,477	85,601	(75,114)	145,964
Right-to-use subscription assets	<u>78,500</u>	<u>70,461</u>	<u>(29,540)</u>	<u>119,421</u>
Total	<u>82,132,958</u>	<u>5,440,596</u>	<u>(628,250)</u>	<u>86,945,304</u>
Depreciable Assets, Net	<u>74,917,154</u>			<u>74,461,734</u>
Capital Assets, Net	<u>\$ 82,740,216</u>			<u>\$ 84,113,290</u>

A breakdown of depreciation and amortization expense by function at June 30, 2025 is as follows:

Depreciation and Amortization Expense	
General government	\$ 876,410
Public safety	1,027,786
Transportation	1,927,453
Economic and physical development	38,691
Environmental protection	566,537
Cultural and recreational	<u>1,003,719</u>
Total Depreciation and Amortization Expense	<u>\$ 5,440,596</u>

City of Goldsboro
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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities				
Utility Fund				
Capital assets not being depreciated				
Land	\$ 1,443,282	\$ -	\$ -	\$ 1,443,282
Construction-in-progress	35,448	3,945,336	-	3,980,784
Total	1,478,730	3,945,336	-	5,424,066
Capital assets being depreciated				
Plant and distribution systems	176,516,472	1,268,785	-	177,785,257
Furniture and maintenance - equipment	10,217,696	532,625	-	10,750,321
Vehicles	4,585,979	690,479	(192,138)	5,084,320
Total	191,320,147	2,491,889	(192,138)	193,619,898
Less accumulated depreciation for				
Plant and distribution systems	117,139,948	4,012,198	-	121,152,146
Furniture and maintenance - equipment	5,908,885	857,756	-	6,766,641
Vehicles	3,314,630	356,994	(192,138)	3,479,486
Total	126,363,463	5,226,948	(192,138)	131,398,273
Depreciable assets, net	64,956,684			62,221,625
Utility Fund capital assets, net	66,435,414			67,645,691
Storm Water Fund				
Capital assets not being depreciated				
Construction-in-progress	1,543,280	194,800	(1,597,782)	140,298
Total	1,543,280	194,800	(1,597,782)	140,298
Capital assets being depreciated				
Plant and distribution systems	18,735	-	-	18,735
Vehicles	1,445,388	182,050	-	1,627,438
Buildings and improvements	-	34,756	-	34,756
Infrastructure	-	1,716,463	-	1,716,463
Furniture and maintenance - equipment	104,647	137,824	-	242,471
Total	1,568,770	2,071,093	-	3,639,863
Less accumulated depreciation for				
Plant and distribution systems	507	469	-	976
Vehicles	604,175	173,554	-	777,729
Buildings and improvements	-	193	-	193
Infrastructure	-	2,861	-	2,861
Furniture and maintenance - equipment	42,758	17,586	-	60,344
Total	647,440	194,663	-	842,103
Depreciable assets, net	921,330			2,797,760
Storm Water Fund capital assets, net	2,464,610			2,938,058
Business-Type Capital Assets, Net	\$ 68,900,024			\$ 70,583,749

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(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, camera equipment, 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, 2025 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balances</u>
Governmental Activities					
Lease assets					
Copier equipment	\$ 66,723	\$ -	\$ (66,723)	\$ -	\$ -
Modular classroom	8,391	-	(8,391)	-	-
Firing range	36,267	-	-	-	36,267
Camera equipment	147,991	-	-	-	147,991
Workman sprayer	39,348	-	-	-	39,348
Office space	-	62,020	-	-	62,020
Parking lot	-	20,533	-	-	20,533
Postage machine	-	35,256	-	-	35,256
	<u>298,720</u>	<u>117,809</u>	<u>(75,114)</u>	<u>-</u>	<u>341,415</u>
Less accumulated amortization for					
Copier equipment	66,723	-	(66,723)	-	-
Modular classroom	8,391	-	(8,391)	-	-
Firing range	10,362	3,454	-	-	13,816
Camera equipment	26,833	49,285	-	-	76,118
Workman sprayer	23,168	7,766	-	-	30,934
Office space	-	20,674	-	-	20,674
Parking lot	-	2,933	-	-	2,933
Postage machine	-	1,489	-	-	1,489
	<u>135,477</u>	<u>85,601</u>	<u>(75,114)</u>	<u>-</u>	<u>145,964</u>
Governmental Activities					
Lease assets, net	<u>\$ 163,243</u>				<u>\$ 195,451</u>

(7) Construction Commitments

The City has active construction projects as of June 30, 2025. The projects include various water and sewer system projects and the ongoing projects in the General Fund. At June 30, 2025, the City's commitments with contractors are as follows:

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<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Business-Type Activities		
Big Ditch Stream Restoration	\$ 140,295	\$ 565,305
Water Treatment Plant Replacements and Updates	9,850	667,167
Pump Station Replacements and Updates	-	1,373,771
WRF Expansion Project	401,388	227,231
Seymour Johnson AFB Flow Meters	-	500,000
Water and Sewer Line Relocations	-	4,900,953
Seymour Johnson AFB Sewer Flow Meters	10,115	5,000
Stoney Creek Sewer Outfall Emergency Repair	82,899	80,347
Total Business-Type Activities	\$ 644,547	\$ 8,319,774

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.

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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, 2025 was 15.04% of compensation for law enforcement officers and 13.65% 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 \$3,736,180 for the year ended June 30, 2025.

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

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

The City reported a liability of \$16,423,167 for its proportionate share of the net pension liability on June 30, 2025. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024, utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. The City's proportion as of June 30, 2024 (measurement date) was 0.2436%, which was a decrease of 0.0199% from its proportion measured as of June 30, 2023.

The City recognized pension expense of \$4,423,368 for the year ended June 30, 2025. 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	\$ 2,877,961	\$ 19,350
Net difference between projected and actual earnings on pension plan investments	2,232,720	-
Changes in proportion and differences between employee contributions and proportionate share of contributions	34,254	860,494
Employer contributions subsequent to the measurement date	<u>3,736,180</u>	<u>-</u>
Total	\$ 8,881,115	\$ 879,844

\$3,736,180 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 ending June 30, 2026. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows for years ending June 30:

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2026	\$ 1,141,960
2027	3,003,463
2028	372,124
2029	(252,456)
2030	<hr/>
	\$ 4,265,091

Actuarial Assumptions. The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.25% to 8.25%, including a 3.25% inflation and productivity factor
Investment rate of return	6.50%, 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, 2023 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 white papers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024 (measurement date) are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	33.0%	2.4%
Global equity	38.0%	6.9%
Real estate	8.0%	6.0%
Alternatives	8.0%	8.6%
Credit	7.0%	5.3%
Inflation protection	<hr/> 6.0%	4.3%
Total	<hr/> 100.0%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2023 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

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are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.38%. All rates of return and inflation are annualized.

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

Sensitivity of the City's proportionate share of the net pension 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	<u>\$ 29,102,333</u>	<u>\$ 16,423,167</u>	<u>\$ 5,992,809</u>

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

(b) *Law Enforcement Officers' Special Separation Allowance*
(i) *Plan Description*

The City administers a public employee retirement system (the *Separation Allowance*), a single employer defined benefit pension plan that provides retirement benefits to the City's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time City law enforcement officers are covered by the Separation Allowance. The Separation Allowance's membership at December 31, 2023 consisted of:

Retirees receiving benefits	10
Active plan members	72
Total	82

A separate report was not issued for the plan.

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

(ii) Summary of Significant Accounting Policies

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

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

(iii) Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2023 valuation. The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Projected salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.28 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, 2024, the measurement date. Mortality rates are based on Pub-2010 amount-weighted tables with adjustments for mortality improvements based on Scale MP-2019.

(iv) Contributions

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the Separation Allowance on a pay-as-you-go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The City paid \$162,535 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 \$4,130,186 at June 30, 2025. The total pension liability was measured as of December 31, 2024, based on a December 31, 2023 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2024 utilizing update procedures incorporating the actuarial assumptions.

The City recognized pension expense of \$386,023 for the year ended June 30, 2025. Deferred outflows of resources and deferred inflows of resources related to the Separation Allowance were derived from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 244,789	\$ 290,841
Changes of assumptions	229,158	435,467
Benefit payments and plan administrative expense subsequent to the measurement date	86,974	-
Total	\$ 560,921	\$ 726,308

City of Goldsboro
Notes to Financial Statements
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\$86,974 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, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows for years ending June 30:

2026	\$ 16,483
2027	(179,847)
2028	(116,735)
2029	16,084
2030	<u>11,654</u>
 Total	 <u>\$ (252,361)</u>

Sensitivity of the City's total pension liability to changes in the discount rate. The following presents the City's total pension liability calculated using the discount rate of 4.28 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.28 percent) or 1-percentage-point higher (5.28 percent) than the current rate:

	1% Decrease (3.28%)	Discount Rate (4.28%)	1% Increase (5.28%)
Total pension liability	<u>\$ 4,461,604</u>	<u>\$ 4,130,186</u>	<u>\$ 3,827,700</u>

Changes in the Separation Allowance Total Liability

Beginning balance	\$ 3,886,807
Service cost	148,257
Interest on the total pension liability	152,276
Differences between expected and actual experience	192,462
Changes of assumptions or other inputs	(89,793)
Benefit payments	<u>(159,823)</u>
 Ending balance	 <u>\$ 4,130,186</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, 2023 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2019.

City of Goldsboro
Notes to Financial Statements
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Total Expense, Liabilities, and Deferred Outflows and Inflows of Resources Related to Pensions

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

	LGERS	LEOSSA	Total
Pension expense	\$ 4,423,368	\$ 386,023	\$ 4,809,391
Pension liability	\$ 16,423,167	\$ 4,130,186	\$ 20,553,353
Proportionate share of the net pension liability	0.2436%	N/A	N/A
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 2,877,961	\$ 244,789	\$ 3,122,750
Changes of assumptions	-	229,158	229,158
Changes in proportion and differences between contributions and proportionate share of contributions	34,254	-	34,254
Net difference between projected and actual earnings on pension plan investments	2,232,720	-	2,232,720
Benefit payments and administrative costs paid subsequent to the measurement date	<u>3,736,180</u>	<u>86,974</u>	<u>3,823,154</u>
	<u>\$ 8,881,115</u>	<u>\$ 560,921</u>	<u>\$ 9,442,036</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 19,350	\$ 290,841	\$ 310,191
Changes of assumptions	-	435,467	435,467
Changes in proportion and differences between contributions and proportionate share of contributions	<u>860,494</u>	<u>-</u>	<u>860,494</u>
	<u>\$ 879,844</u>	<u>\$ 726,308</u>	<u>\$ 1,606,152</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 \$1,128,916 for the reporting year, which included \$307,021 for law enforcement officers and \$821,895 for general employees. Employee contributions to the plan were \$540,962. No amounts were forfeited.

City of Goldsboro

Notes to Financial Statements

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(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 coverage 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, 2023, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	7
Active plan members	<u>415</u>
Total	422

Total OPEB Liability

The City's total OPEB liability of \$7,847,075 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2023.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 %
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	3.54%
Measurement Date	3.65%
Healthcare cost trend rates	
Pre-Medicare	7.00% for 2023 decreasing to an ultimate rate of 4.50% by 2033

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.

City of Goldsboro
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June 30, 2025

Changes in the Total OPEB Liability

Beginning balance	\$ 7,532,154
Service cost	348,525
Interest on the total OPEB liability	286,589
Differences between expected and actual experience in the measurement of the total OPEB liability	(36,388)
Changes of assumptions or other inputs	(225,420)
Benefit payments	<u>(58,385)</u>
Ending balance	\$ 7,847,075

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

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

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.93 percent) or 1 percentage point higher (4.93 percent) than the current discount rate:

	Discount Rate Sensitivity		
	Current		
	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 8,687,006	\$ 7,847,075	\$ 7,099,870

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		
	Current		
	1% Decrease (6.00%)	Cost Trend (7.00%)	1% Increase (8.00%)
Total OPEB liability	\$ 6,884,466	\$ 7,847,075	\$ 8,988,666

City of Goldsboro
Notes to Financial Statements
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OPEB Expense and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the City recognized OPEB expense of \$82,056. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,452,551
Changes of assumptions or other inputs	1,212,044	1,075,238
Benefit payments and plan administrative expense subsequent to the measurement date	<u>43,752</u>	<u>-</u>
Total	<u>\$ 1,255,796</u>	<u>\$ 3,527,789</u>

\$43,752 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2026.

Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows for years ending June 30:

2026	\$ (553,058)
2027	(502,420)
2028	(465,520)
2029	(309,530)
2030	(266,026)
Thereafter	<u>(219,191)</u>
	<u>\$ (2,315,745)</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 \$18,610 for the year ended June 30, 2025. The City's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.05% and 0.14% of covered payroll, respectively. The City considers these contributions to be immaterial.

City of Goldsboro
Notes to Financial Statements
June 30, 2025

(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 \$14,847.

(3) Deferred Outflows and Inflows of Resources

The City has deferred outflows of resources and deferred inflows of resources at June 30, 2025, which consist of the following:

	Modified Accrual	Full Accrual
Deferred Outflows of Resources		
Governmental Activities		
Pension - LGERS	\$ -	\$ 7,701,655
Pension - LEO Special Separation Allowance	-	560,921
OPEB - Healthcare benefits	-	1,066,234
Deferred loss on sale of refunding bonds	-	<u>52,178</u>
Total	\$ -	\$ 9,380,988
Business-Type Activities		
Pension - LGERS	\$ -	\$ 1,179,460
OPEB - Healthcare benefits	-	189,562
Deferred loss on sale of refunding bonds	-	<u>176,800</u>
Total	\$ -	\$ 1,545,822
	Modified Accrual	Full Accrual
Deferred Inflows of Resources		
Governmental Activities		
Property taxes receivable, net	\$ 484,943	\$ -
Notes receivable and related interest	372,000	-
Unavailable grant revenue	800	-
Receivables held in abeyance	57,891	-
Miscellaneous receivables	602,507	-
Deferred lease revenue	13,332	13,332
Pension - LGERS	-	762,996
Pension - LEO Special Separation Allowance	-	726,308
Healthcare benefits - OPEB	-	<u>2,976,049</u>
Total	\$ 1,531,473	\$ 4,478,685
Business-Type Activities		
Pension - LGERS	\$ -	\$ 116,848
Healthcare benefits - OPEB	-	551,740
Deferred lease revenue	-	<u>993,466</u>
Total	\$ -	\$ 1,662,054

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

(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 leases under GASB 87.

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, 2025, the remaining net book value of the related right-to-use lease asset was \$8,414, net of accumulated amortization of \$30,934.

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, 2025, the remaining net book value of the related right-to-use lease asset was \$22,451, net of accumulated amortization of \$13,816.

The City entered into an agreement effective December 15, 2023, to lease camera equipment for the police department, which requires annual payments of \$39,000. The lease expires in December 2026. 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, 3.631%. As of June 30, 2025, the remaining net book value of the related right-to-use lease asset was \$71,873, net of accumulated amortization of \$76,118.

The City entered into an agreement effective July 1, 2024, to lease office space for the Travel and Tourism department, which requires monthly payments ranging from \$2,000 commencing July 1, 2024 to \$2,200 commencing July 1, 2026. The lease expires on June 30, 2027, and does not provide any extension options. 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, 3.110%. As of June 30, 2025, the remaining net book value of the related right-to-use lease asset was \$41,346, net of accumulated amortization of \$20,674.

The City entered into an agreement effective February 1, 2025, to lease parking spaces on N. John Street for City employees, which requires annual payments of \$7,200 each year, in advance. The initial lease term is for 11 months, and provides for two 12-month extensions 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, 2.364%. As of June 30, 2025, the remaining net book value of the related right-to-use lease asset was \$17,600, net of accumulated amortization of \$2,933.

The City has entered into an agreement effective April 15, 2025, to lease a postage machine. The lease has a term of 60 months, and expires on April 14, 2030. The lease requires monthly payments of \$1,888, commencing April 15, 2025. 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, 2.925%. As of June 30, 2025, the remaining net book value of the related right-to-use lease asset was \$33,767, net of accumulated amortization of \$1,489.

City of Goldsboro
Notes to Financial Statements
June 30, 2025

Future minimum lease obligations and the net present value of these minimum lease payments, as of June 30, 2025, are as follows:

	Principal	Interest	Total
Governmental Activities			
2026	\$ 83,806	\$ 5,324	\$ 89,130
2027	79,022	2,885	81,907
2028	10,340	710	11,050
2029	10,588	462	11,050
2030	8,956	207	9,163
Thereafter	6,873	126	6,999
	\$ 199,585	\$ 9,714	\$ 209,299

(b) Subscription Liabilities

The City has entered into multiple subscription-based information technology arrangements, which generally range in term from one to five years. At the time of the initial measurement of the subscription liabilities, there were no interest rates specified in the original subscription agreements. The City has used its estimated incremental borrowing rate to discount the subscriptions ranging from 2.403% to 2.822%.

Future minimum lease obligations and the net present value of these minimum subscription payments, as of June 30, 2025, are as follows:

	Principal	Interest	Total
Governmental Activities			
2026	\$ 38,837	\$ 1,927	\$ 40,764
2027	16,952	1,036	17,988
2028	17,425	563	17,988
2029	2,910	77	2,987
	\$ 76,124	\$ 3,603	\$ 79,727

(c) 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.

City of Goldsboro
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The City's general obligation bonds payable at June 30, 2025 are comprised of the following individual issues:

Serviced by the General Fund

\$5,500,000 - 2017 Public Improvement Bonds due in annual principal installments of \$275,000 through May 1, 2037 plus varying annual interest through May 1, 2037, interest at 3.00 to 5.00 percent payable with each installment. \$ 3,300,000

\$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. 490,000

\$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. \$ 3,150,000

Total Bonds Payable - Governmental Activities \$ 6,940,000

Serviced by the Utility Fund

\$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 \$ 2,985,000

Total Bonds Payable - Business-Type Activities \$ 2,985,000

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

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 665,000	\$ 246,631	\$ 605,000	\$ 107,700
2027	665,000	215,031	605,000	83,500
2028	660,000	183,431	605,000	59,300
2029	500,000	154,781	590,000	35,100
2030	500,000	134,781	580,000	17,400
2031-2035	2,500,000	448,422	-	-
2036-2040	1,450,000	85,173	-	-
	6,940,000	\$ 1,468,250	2,985,000	\$ 303,000
Unamortized premium on general obligation bonds	490,687		257,044	
Total carrying amount of debt	\$ 7,430,687		\$ 3,242,044	

**City of Goldsboro
Notes to Financial Statements
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(d) Notes Payable

Serviced by the General Fund

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, 2025 was \$2,049,000.

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, 2025 was \$2,425,000.

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, 2025 was \$1,400,000.

On September 13, 2018, the City entered into a financing agreement for \$5,300,000 with AMFU II, Inc. for the "Police/Fire Expansion Capital Project". The installment agreement is secured by a deed of trust that places a lien on the property. The terms of the agreement require 15 annual payments of various amounts plus interest at 3.41% per annum. The balance outstanding at June 30, 2025 was \$3,177,000.

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 ten annual payments of various amounts plus interest at 2.68% per annum. The balance outstanding at June 30, 2025 was \$257,000.

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 five annual payments of various amounts plus interest at 1.180% per annum. The balance outstanding at June 30, 2025 was \$562,945.

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 five annual payments of various amounts plus interest at 0.940% per annum. The balance outstanding at June 30, 2025 was \$410,000.

On September 22, 2022, the City entered into a financing agreement for up to \$2,398,000 with Truist Bank for the purchase of various vehicles and equipment. The installment agreement is collateralized by all vehicles and equipment acquired with the loan. The terms of the agreement require five annual payments of approximately \$523,000, including interest at 3.09% per annum, of which approximately 85% is to be serviced by the general fund. The general fund's portion of the balance outstanding at June 30, 2025 was \$1,254,600.

On March 12, 2025, the City entered into a financing agreement for up to \$6,715,000 with PNC 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 ten annual payments ranging from \$284,000 to \$1,113,000, including interest at 3.82% per annum, of which approximately 97% is to be serviced by the general fund. The general fund's portion of the balance outstanding at June 30, 2025 was \$6,543,040.

**City of Goldsboro
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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, 2025 was \$2,351,770.

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, 2025 was \$1,176,746.

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, 2025 was \$2,724,000.

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, 2025 was \$2,017,025.

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. On February 13, 2024, the final promissory note was executed in the final amount of \$8,277,337, of which \$500,000 in principal is immediately forgiven. The terms of the loan require 20 annual payments, including annual payments of \$420,284 from May 2021 through May 2023, and annual payments of \$383,323 from May 2024 through May 2040, with 0% interest. As of June 30, 2025, the City had drawn down the entire \$8,277,337. The balance outstanding at June 30, 2025 was \$5,749,840.

During fiscal year 2019, the City entered into a long-term loan agreement with the North Carolina Department of Environmental Quality for the gravity sewer rehabilitation project. The loan agreement was originally offered for \$1,235,100, but was subsequently amended to the maximum amount of \$682,191 on December 18, 2023. The terms of the agreement require an initial principal payment of \$61,755 on May 1, 2023, followed by 19 installments of \$32,654.53 plus interest at 1.82% per annum through May 1, 2042. As of June 30, 2025, the City had drawn down \$682,191. The balance outstanding at June 30, 2025 was \$555,127.

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 six months after the scheduled date of completion of the project. As of June 30, 2025, the City had drawn down the full agreement amount of \$1,484,909. The balance outstanding at June 30, 2025 was \$1,187,927.

Serviced by the Storm Water Fund

On July 9, 2021, the City entered into a financing agreement for up to \$1,650,532 with Truist Bank for the purchase of various vehicles and equipment. The installment agreement is collateralized by all vehicles and equipment acquired with the loan. The terms of the agreement require five annual payments of various amounts plus interest at 1.180% per annum. The balance outstanding at June 30, 2025 was \$108,907.

City of Goldsboro
Notes to Financial Statements
June 30, 2025

On September 22, 2022, the City entered into a financing agreement for up to \$2,398,000 with Truist Bank for the purchase of various vehicles and equipment. The installment agreement is collateralized by all vehicles and equipment acquired with the loan. The terms of the agreement require five annual payments of approximately \$523,000, including interest at 3.09% per annum, of which approximately 15% is to be serviced by the storm water fund. The storm water fund's portion of the balance outstanding at June 30, 2025 was \$221,400.

On March 12, 2025, the City entered into a financing agreement for up to \$6,715,000 with PNC 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 ten annual payments ranging from \$284,000 to \$1,113,000, including interest at 3.82% per annum, of which approximately 3% is to be serviced by the storm water fund. The general fund's portion of the balance outstanding at June 30, 2025 was \$171,960.

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

Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	3,169,625	566,798	1,643,699	207,260
2027	3,216,370	481,880	1,655,894	181,998
2028	2,780,384	387,788	1,612,984	156,234
2029	2,389,883	297,060	1,546,486	130,811
2030	2,362,270	218,125	1,556,099	107,504
2031-2035	4,160,053	374,263	5,322,701	235,062
2036-2040	-	-	2,787,284	51,363
2041-2045	-	-	139,554	3,134
	\$ 18,078,585	\$ 2,325,914	\$ 16,264,701	\$ 1,073,366

(e) Long-Term Debt Summary

	Beginning Balances	Additions	Retirements/Adjustments	Ending Balances	Due Within One Year
Governmental Activities					
General obligation debt	\$ 7,838,754	\$ -	\$ 898,754	\$ 6,940,000	\$ 665,000
Premium on bonds	561,213	-	70,526	490,687	70,526
Notes payable	14,027,653	6,543,040	2,492,108	18,078,585	3,169,625
Lease liabilities	151,842	117,809	70,066	199,585	83,806
Subscription liabilities	40,591	110,904	75,371	76,124	38,837
Net pension liability (LGERS)	15,249,715	-	1,007,634	14,242,081	-
Total pension liability (LEO)	3,886,807	243,379	-	4,130,186	162,535
Total OPEB liability	6,354,139	265,668	-	6,619,807	-
Compensated absences	2,251,791	73,078	-	2,178,713	632,331
Total Governmental Activities	\$ 50,362,505	\$ 7,353,878	\$ 4,614,459	\$ 52,955,768	\$ 4,822,660

City of Goldsboro
Notes to Financial Statements
June 30, 2025

	<u>Beginning Balances</u>		<u>Additions</u>		<u>Retirements/ Adjustments</u>		<u>Ending Balances</u>		<u>Due Within One Year</u>
Business-Type Activities									
Utility Fund									
General obligation debt	\$ 3,755,246	\$ -	\$ 770,246	\$ 2,985,000	\$ 605,000				
Premium on bonds	308,453	-	51,409	257,044	51,409				
Notes payable	17,257,803	-	1,495,369	15,762,434	1,503,368				
Net pension liability (LGERS)	1,962,292	-	44,755	1,917,537	-				
Total OPEB liability	981,679	41,044	-	1,022,723	-				
Compensated absences	309,398	-	69,116	240,282	69,812				
Total Utility Fund	<u>24,574,871</u>	<u>41,044</u>	<u>2,430,895</u>	<u>22,185,020</u>	<u>2,229,589</u>				
Storm Water Fund									
Notes payable	453,260	171,960	122,953	502,267	140,331				
Net pension liability (LGERS)	241,747	21,802	-	263,549	-				
Total OPEB liability	196,336	8,209	-	204,545	-				
Compensated absences	27,531	802	-	28,333	6,864				
Total Storm Water Fund	<u>918,874</u>	<u>202,773</u>	<u>122,953</u>	<u>998,694</u>	<u>147,195</u>				
Total Business-Type Activities	<u><u>\$ 25,493,745</u></u>	<u><u>\$ 243,817</u></u>	<u><u>\$ 2,553,848</u></u>	<u><u>\$ 23,183,714</u></u>	<u><u>\$ 2,376,784</u></u>				

(f) Debt Margin

The City is subject to the Local Government Bond Act of North Carolina which limits 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, 2025 was approximately \$217,388,000, providing a legal debt margin of approximately \$191,600,000.

C. Interfund Balances and Activity

(1) Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
Utility Fund	Utility capital projects funds	\$ 1,846,300
Utility Fund	Utility capital reserve funds (net)	<u>839,557</u>
Total transfers from the Utility Fund		<u>\$ 2,685,857</u>

These transfers totaling \$2,685,857 were to fund various capital projects.

City of Goldsboro
Notes to Financial Statements
June 30, 2025

(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, 2025, consisted of the following:

Paid From	Paid To	Amount
Utility Fund	General Fund	\$ 3,981,865
Storm Water Fund	General Fund	<u>157,260</u>
Total administrative reimbursements		\$ 4,139,125

D. Net Position/Fund Balances

(1) Net Investment in Capital Assets

	Governmental Activities	Business-Type Activities
Capital assets, net	\$ 84,113,290	\$ 70,583,749
General obligation bonds	(6,940,000)	(2,985,000)
Notes payable	(18,078,585)	(16,264,701)
Unamortized premium on bonds	(490,687)	(257,044)
Lease liabilities	(199,585)	-
Subscription liabilities	(76,124)	-
Deferred loss on bond refunding	52,178	176,800
Unexpended debt proceeds	<u>6,627,241</u>	<u>174,173</u>
Net investment in capital assets	\$ 65,007,728	\$ 51,427,977

(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:

	Governmental Activities	Business-Type Activities
Assessments receivable	\$ 160,019	\$ 1,093,414
Unrestricted portion	<u>(102,128)</u>	<u>(81,372)</u>
Receivables held in abeyance	\$ 57,891	\$ 1,012,042

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

(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	\$ 33,706,157
Inventories and prepaids	(884,542)
Restrictions for public safety	(56,092)
Restrictions for transportation	(190,992)
Restrictions for Cemetery maintenance	(294,478)
Stabilization by state statute	<u>(6,678,973)</u>
 Fund balance available for appropriation	 <u>\$ 25,601,080</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 \$5,549,752.

(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, 2025 were \$836,812 and \$148,853 in the General Fund and other governmental funds, respectively.

Note 3. 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 \$750,000 and \$500,000 self-insured retention for police/fire and all other classes, respectively.

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

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 ended June 30, 2025:

	2024	2025
Beginning balance	\$ 190,963	\$ 182,092
Claims reported and IBNR	99,352	143,217
Less: claims paid	<u>(108,223)</u>	<u>(206,597)</u>
Ending balance	<u>\$ 182,092</u>	<u>\$ 118,712</u>

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

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

Note 4. 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 \$353,123 to the Authority during fiscal year ended June 30, 2025. 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, 2025. 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, 2025. 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.

**City of Goldsboro
Notes to Financial Statements
June 30, 2025**

Note 5. Related Organizations

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

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

Note 6. 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, 2025.

Note 7. Subsequent Events

The City has evaluated subsequent events through December 30, 2025, the date on which the financial statements were available to be issued.



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Required Supplementary Information

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

- Schedules of Changes in the Total OPEB Liability and Related Ratios
- Schedules of Proportionate Share of Net Pension Liability (Asset) and City Contribution
- 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
Required Supplementary Information
Other Post-Employment Benefits
Schedules of Changes in the Total OPEB Liability and Related Ratios
Last Eight Fiscal Years*

RSI-1
(2 pages)

	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 348,525	\$ 348,043	\$ 455,352	\$ 522,061	\$ 383,599	\$ 420,672	\$ 435,175	\$ 470,816
Interest on the total pension liability	286,589	269,654	179,937	198,384	253,520	325,810	289,035	242,438
Differences between actual expected and experience in the measurement of the total OPEB liability	(36,388)	(523,066)	(25,524)	(2,193,224)	(8,713)	(2,264,511)	(39,794)	(11,376)
Changes of assumptions or other inputs	(225,420)	198,345	(1,155,146)	969,721	1,065,878	122,299	(284,729)	(476,696)
Benefit payments	(58,385)	(59,725)	(61,247)	(91,486)	(107,142)	(132,560)	(153,484)	(167,941)
Net Change in Total OPEB Liability	314,921	233,251	(606,628)	(594,544)	1,587,142	(1,528,290)	246,203	57,241
Total OPEB Liability								
Beginning balance	<u>7,532,154</u>	<u>7,298,903</u>	<u>7,905,531</u>	<u>8,500,075</u>	<u>6,912,933</u>	<u>8,441,223</u>	<u>8,195,020</u>	<u>8,137,779</u>
Ending Balance	<u>\$ 7,847,075</u>	<u>\$ 7,532,154</u>	<u>\$ 7,298,903</u>	<u>\$ 7,905,531</u>	<u>\$ 8,500,075</u>	<u>\$ 6,912,933</u>	<u>\$ 8,441,223</u>	<u>\$ 8,195,020</u>
Covered-Employee Payroll	<u>\$ 21,345,979</u>	<u>\$ 21,345,979</u>	<u>\$ 19,878,203</u>	<u>\$ 19,878,203</u>	<u>\$ 19,898,944</u>	<u>\$ 19,898,944</u>	<u>\$ 18,731,050</u>	<u>\$ 18,371,050</u>
Total OPEB Liability as a Percentage of Covered Payroll	<u>36.76%</u>	<u>35.29%</u>	<u>36.72%</u>	<u>39.77%</u>	<u>42.72%</u>	<u>34.74%</u>	<u>45.07%</u>	<u>44.61%</u>

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

RSI-1
(2 pages)

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, 2025.
3. The above schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
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 2025	3.93%
Fiscal year 2024	3.65%
Fiscal year 2023	3.54%
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	3.54%
Measurement date	3.65%
Healthcare cost trend rates	
Pre-Medicare	7.00% for 2023 decreasing to an ultimate rate of 4.50% by 2033

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 available.

City of Goldsboro

RSI-2

Required Supplementary Information

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

Local Government Employees' Retirement System

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the net pension liability (asset)	0.2436%	0.2635%	0.2754%	0.3115%	0.3183%	0.3202%	0.32890%	0.31959%	0.31496%	0.34461%
City's proportion of the net pension liability (asset)	\$ 16,423,167	\$ 17,453,755	\$ 15,537,621	\$ 4,776,385	\$ 11,373,500	\$ 8,744,958	\$ 7,803,582	\$ 4,882,450	\$ 6,684,506	\$ 1,546,596
City's covered payroll	\$ 23,648,678	\$ 23,069,139	\$ 20,904,699	\$ 21,366,411	\$ 21,357,643	\$ 20,934,374	\$ 20,558,645	\$ 19,971,596	\$ 19,751,218	\$ 19,751,218
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	69.45%	75.66%	74.33%	22.35%	53.25%	41.77%	37.96%	24.45%	33.84%	7.83%
Plan fiduciary net position as a percentage of the total pension liability	83.30%	82.49%	84.14%	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%

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

Schedule of City Contributions

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 3,736,180	\$ 3,105,963	\$ 2,845,572	\$ 2,413,496	\$ 2,210,712	\$ 1,960,496	\$ 1,645,124	\$ 1,577,402	\$ 1,482,481	\$ 1,282,111
Contributions in relation to the contractually required contribution	3,736,180	3,105,963	2,845,572	2,413,496	2,210,712	1,960,496	1,645,124	1,577,402	1,482,481	1,282,111
Contribution Deficiency	\$ -									
City's covered payroll	\$ 26,780,715	\$ 23,648,678	\$ 23,069,139	\$ 20,904,699	\$ 21,366,411	\$ 21,357,643	\$ 20,934,374	\$ 20,558,645	\$ 19,971,596	\$ 19,751,218
Contributions as a percentage of covered payroll	13.95%	13.13%	12.33%	11.55%	10.35%	9.18%	7.86%	7.67%	7.42%	6.49%

City of Goldsboro
Required Supplementary Information

RSI-3
(2 pages)

Law Enforcement Officers' Special Separation Allowance

Schedules of Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll
Last Nine Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Changes									
Service cost	\$ 148,257	\$ 133,627	\$ 194,062	\$ 244,165	\$ 169,091	\$ 145,016	\$ 152,324	\$ 119,831	\$ 130,775
Interest on the total pension liability	152,276	159,575	107,121	87,811	106,537	109,761	97,935	113,996	107,532
Differences between expected and actual experience in the measurement of the total pension liability	192,462	(108,468)	(470,781)	249,445	117,745	152,980	9,252	(53,754)	-
Changes of assumptions or other inputs	(89,793)	91,434	(692,089)	(135,399)	1,168,270	105,476	(125,356)	185,769	(71,786)
Benefit payments	(159,823)	(183,595)	(210,053)	(259,679)	(300,064)	(221,198)	(214,702)	(225,061)	(225,677)
Net Change in Total Pension Liability									
	243,379	92,573	(1,071,740)	186,343	1,261,579	292,035	(80,547)	140,781	(59,156)
Total Pension Liability									
Beginning balance	3,886,807	3,794,234	4,865,974	4,679,631	3,418,052	3,126,017	3,206,564	3,065,783	3,124,939
Ending Balance	\$ 4,130,186	\$ 3,886,807	\$ 3,794,234	\$ 4,865,974	\$ 4,679,631	\$ 3,418,052	\$ 3,126,017	\$ 3,206,564	\$ 3,065,783

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

**City of Goldsboro
Required Supplementary Information**

**RSI-3
(2 pages)**

Law Enforcement Officers' Special Separation Allowance

**Schedules of Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll
Last Nine Fiscal Years***

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 4,130,186	\$ 3,886,807	\$ 3,794,234	\$ 4,865,974	\$ 4,679,631	\$ 3,418,052	\$ 3,126,017	\$ 3,206,564	\$ 3,065,783
Covered-employee payroll	4,598,698	4,530,551	4,434,041	5,068,800	5,247,836	4,892,057	4,847,317	4,422,007	4,659,564
Total Pension Liability as a Percentage of Covered Payroll									
	89.81%	85.79%	85.57%	96.00%	89.17%	69.87%	64.49%	72.51%	65.80%

Notes to the Schedules:

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

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

Supplemental Information

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

Supplemental information is divided into the following sections:

Major Funds

- General Fund
- Major enterprise funds

Non-Major Funds

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

Additional Financial Data

- Property tax schedules

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

Major Governmental Funds

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

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

This section contains budgetary schedules for the following:

Combined General Fund

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

State Grants Miscellaneous Grant Capital Project Fund - Budget and Actual

City of Goldsboro**Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget and Actual - General Fund****Year Ended June 30, 2025****Schedule A-1****(6 pages)**

	Budget	Actual	Variance Positive (Negative)
Revenues			
Ad valorem taxes	\$ 21,564,741	\$ 22,341,548	\$ 776,807
Penalties and interest	<u>107,000</u>	<u>134,703</u>	<u>27,703</u>
Total	21,671,741	22,476,251	804,510
Other taxes and licenses			
Privilege licenses	3,500	3,875	375
Vehicle taxes - rental/leases	85,000	77,606	(7,394)
Vehicle tag fee	<u>242,000</u>	<u>246,780</u>	<u>4,780</u>
Total	330,500	328,261	(2,239)
Unrestricted intergovernmental			
Local option sales taxes	11,994,990	12,748,868	753,878
Payment in lieu of taxes	140,184	208,953	68,769
Utility taxes	2,916,272	3,013,123	96,851
Cable franchise fees	203,691	151,986	(51,705)
Beer and wine tax	136,205	136,557	352
ABC revenues	102,000	196,423	94,423
Solid waste disposal tax	26,669	26,358	(311)
GWTA Garage reimbursement	<u>14,400</u>	<u>13,131</u>	<u>(1,269)</u>
Total	15,534,411	16,495,399	960,988
Restricted intergovernmental			
Powell Bill allocation	1,099,096	1,216,275	117,179
Wayne County Schools Resource Officer reimbursement	36,948	73,896	36,948
Cherry Hospital reimbursement	56,000	53,915	(2,085)
Transportation Planning Grant	440,656	336,215	(104,441)
East Carolina Housing Grant	34,000	7,056	(26,944)
Other grants	<u>8,200</u>	<u>76,694</u>	<u>68,494</u>
Total	1,674,900	1,764,051	89,151
Permits and fees			
Building and inspection permits	260,000	189,521	(70,479)
Mechanical permits	96,000	85,333	(10,667)
Plumbing, gas and electric inspections	180,500	189,052	8,552
Stormwater Management Fee	14,000	-	(14,000)
Miscellaneous permits	<u>145,775</u>	<u>157,295</u>	<u>11,520</u>
Total	696,275	621,201	(75,074)

City of Goldsboro**Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget and Actual - General Fund****Year Ended June 30, 2025****Schedule A-1****(6 pages)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Sales and services			
Recreation fees	\$ 215,300	\$ 220,567	\$ 5,267
Golf course revenue	733,000	736,342	3,342
Goldsboro events center	177,000	150,015	(26,985)
Paramount Theater	596,700	546,964	(49,736)
GWTA Rental	64,019	58,684	(5,335)
Recyclable materials sold	5,300	5,685	385
Cemetery services	33,000	52,700	19,700
Refuse services	4,382,100	4,285,089	(97,011)
Miscellaneous fees and services	<u>12,600</u>	<u>14,216</u>	<u>1,616</u>
Total	<u>6,219,019</u>	<u>6,070,262</u>	<u>(148,757)</u>
Investment earnings			
	<u>687,000</u>	<u>884,022</u>	<u>197,022</u>
Miscellaneous			
Officers fees	16,438	44,650	28,212
Assessments	-	688	688
Other miscellaneous	<u>279,430</u>	<u>159,449</u>	<u>(119,981)</u>
Total	<u>295,868</u>	<u>204,787</u>	<u>(91,081)</u>
Total Revenues	<u>47,109,714</u>	<u>48,844,234</u>	<u>1,734,520</u>
Expenditures			
Current			
General Government			
Governing body			
Salaries and employee benefits	74,215	75,397	(1,182)
Operating expenditures	<u>422,635</u>	<u>261,645</u>	<u>160,990</u>
Total	<u>496,850</u>	<u>337,042</u>	<u>159,808</u>
Administration			
Salaries and employee benefits	2,041,028	1,932,673	108,355
Operating expenditures	1,577,693	1,200,463	377,230
Capital outlay	<u>1,485,253</u>	<u>1,359,627</u>	<u>125,626</u>
Total	<u>5,103,974</u>	<u>4,492,763</u>	<u>611,211</u>
Finance			
Salaries and employee benefits	1,386,280	1,419,163	(32,883)
Operating expenditures	812,953	745,801	67,152
Capital outlay	<u>62,575</u>	<u>62,575</u>	<u>-</u>
Total	<u>2,261,808</u>	<u>2,227,539</u>	<u>34,269</u>
Human resources management			
Salaries and employee benefits	687,659	683,752	3,907
Operating expenditures	<u>205,634</u>	<u>203,344</u>	<u>2,290</u>
Total	<u>893,293</u>	<u>887,096</u>	<u>6,197</u>

City of Goldsboro**Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget and Actual - General Fund****Year Ended June 30, 2025****Schedule A-1****(6 pages)**

	Budget	Actual	Variance Positive (Negative)
Public building and grounds			
Salaries and employee benefits	\$ 1,203,446	\$ 1,122,558	\$ 80,888
Operating expenditures	418,050	302,926	115,124
Capital outlay	137,234	126,235	10,999
Total	1,758,730	1,551,719	207,011
Administrative chargeout	(4,139,125)	(4,139,125)	-
Total General Government	6,375,530	5,357,034	1,018,496
Transportation			
Street and highways			
Salaries and employee benefits	721,157	675,646	45,511
Street lights	620,000	641,974	(21,974)
Operating expenditures	260,789	223,990	36,799
Capital outlay	86,000	78,710	7,290
Total	1,687,946	1,620,320	67,626
Goldsboro/Wayne Transportation Authority	353,129	353,123	6
Total Transportation	2,041,075	1,973,443	67,632
Economic and Physical Development			
Planning and redevelopment			
Salaries and employee benefits	722,825	647,449	75,376
Operating expenditures	1,641,404	841,798	799,606
Capital outlay	90,634	93,364	(2,730)
Total	2,454,863	1,582,611	872,252
Community relationships and development			
Salaries and employee benefits	200,063	151,838	48,225
Operating expenditures	13,672	6,303	7,369
Total	213,735	158,141	55,594
Downtown development			
Salaries and employee benefits	250,920	252,267	(1,347)
Operating expenditures	50,886	44,755	6,131
Total	301,806	297,022	4,784

City of Goldsboro**Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget and Actual - General Fund****Year Ended June 30, 2025****Schedule A-1****(6 pages)**

	Budget	Actual	Variance Positive (Negative)
Other appropriations			
Agency Support - Community in Schools	\$ 30,000	\$ 30,000	\$ -
Agency Support - Wayne County Chamber of Commerce	15,000	15,000	-
Other Agency Support	104,950	78,475	26,475
Total	149,950	123,475	26,475
Total Economic and Physical Development	3,120,354	2,161,249	959,105
Public Safety			
Building and grounds			
Salaries and employee benefits	609,283	549,181	60,102
Operating expenditures	198,204	156,190	42,014
Capital outlay	615,438	557,784	57,654
Total	1,422,925	1,263,155	159,770
Engineering			
Salaries and employee benefits	1,082,699	987,248	95,451
Operating expenditures	280,762	238,808	41,954
Total	1,363,461	1,226,056	137,405
Fire			
Salaries and employee benefits	8,165,198	8,038,205	126,993
Operating expenditures	907,193	784,243	122,950
Capital outlay	143,601	127,704	15,897
Total	9,215,992	8,950,152	265,840
Police			
Salaries and employee benefits	11,087,836	10,078,808	1,009,028
Operating expenditures	2,194,684	1,749,871	444,813
Capital outlay	1,874,190	1,535,592	338,598
Total	15,156,710	13,364,271	1,792,439

City of Goldsboro**Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget and Actual - General Fund****Year Ended June 30, 2025****Schedule A-1****(6 pages)**

	Budget	Actual	Variance Positive (Negative)
Inspections			
Salaries and employee benefits	\$ 606,402	\$ 602,058	\$ 4,344
Operating expenditures	<u>56,487</u>	<u>41,949</u>	<u>14,538</u>
Total	<u>662,889</u>	<u>644,007</u>	<u>18,882</u>
Total Public Safety	<u>27,821,977</u>	<u>25,447,641</u>	<u>2,374,336</u>
Environmental Protection			
Cemetery			
Salaries and employee benefits	336,078	336,411	(333)
Operating expenditures	45,403	30,659	14,744
Capital outlay	<u>69,190</u>	<u>30,252</u>	<u>38,938</u>
Total	<u>450,671</u>	<u>397,322</u>	<u>53,349</u>
Sanitation			
Salaries and employee benefits	2,223,168	2,107,150	116,018
Operating expenditures	1,516,927	1,340,660	176,267
Capital outlay	<u>1,119,613</u>	<u>1,092,468</u>	<u>27,145</u>
Total	<u>4,859,708</u>	<u>4,540,278</u>	<u>319,430</u>
Total Environmental Protection	<u>5,310,379</u>	<u>4,937,600</u>	<u>372,779</u>
Cultural and Recreational			
Parks and recreation			
Salaries and employee benefits	2,887,722	2,646,735	240,987
Operating expenditures	923,242	830,682	92,560
Capital outlay	<u>325,700</u>	<u>245,830</u>	<u>79,870</u>
Total	<u>4,136,664</u>	<u>3,723,247</u>	<u>413,417</u>
Golf course			
Salaries and employee benefits	472,831	460,002	12,829
Operating expenditures	354,373	319,822	34,551
Capital outlay	<u>159,300</u>	<u>98,275</u>	<u>61,025</u>
Total	<u>986,504</u>	<u>878,099</u>	<u>108,405</u>
Paramount Theatre			
Salaries and employee benefits	428,103	411,091	17,012
Operating expenditures	<u>571,441</u>	<u>504,707</u>	<u>66,734</u>
Total	<u>999,544</u>	<u>915,798</u>	<u>83,746</u>

City of Goldsboro**Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget and Actual - General Fund****Year Ended June 30, 2025****Schedule A-1****(6 pages)**

	Budget	Actual	Variance Positive (Negative)
Goldsboro Event Center			
Salaries and employee benefits	\$ 129,741	\$ 124,649	\$ 5,092
Operating expenditures	128,557	127,014	1,543
Capital outlay	8,750	7,906	844
Total	267,048	259,569	7,479
Total Cultural and Recreational	6,389,760	5,776,713	613,047
Debt Service			
Principal retirement	3,686,712	3,217,945	468,767
Interest and other charges	702,228	702,228	-
Total Debt Service	4,388,940	3,920,173	468,767
Total Expenditures	55,448,015	49,573,853	5,874,162
Revenues over (under) Expenditures	(8,338,301)	(729,619)	7,608,682
Other Financing Sources (Uses)			
Transfers to other funds			
Capital projects funds	(40,000)	-	40,000
Special revenue funds	(8,500)	(8,500)	-
Capital reserve funds	(1,000)	-	1,000
Insurance recovery	35,000	146,136	111,136
Sale of capital assets	3,190	85,071	81,881
Issuance of debt	5,646,548	5,651,588	5,040
Issuance of subscription liabilities	25,154	96,896	71,742
Issuance of lease liabilities	56,362	55,789	(573)
Other Financing Sources, Net	5,716,754	6,026,980	310,226
Fund balance appropriated	2,621,547	-	(2,621,547)
Net Change in Fund Balance	\$ -	5,297,361	\$ 5,297,361
Fund Balance			
Beginning Balance		27,608,351	
Change in reserve for inventories		(70,990)	
Ending Balance	\$ 32,834,722		

City of Goldsboro
Schedule A-2
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, 2025

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Revenues					
Restricted intergovernmental	\$ 2,340,773	\$ 2,866,503	\$ -	\$ 2,866,503	\$ 525,730
Miscellaneous	<u>99,758</u>	<u>99,758</u>	<u>-</u>	<u>99,758</u>	<u>-</u>
Total Revenues	<u>2,440,531</u>	<u>2,966,261</u>	<u>-</u>	<u>2,966,261</u>	<u>525,730</u>
Expenditures					
Current					
Public safety					
Emergency response	146,646	146,646	-	146,646	-
Storm debris cleanup	886,377	461,547	-	461,547	424,830
Transportation					
Roads and bridges repairs	14,142	14,142	-	14,142	-
Environmental protection					
Water and sewer repairs	1,584,702	1,584,702	-	1,584,702	-
Cemetery repairs	<u>20,617</u>	<u>20,617</u>	<u>-</u>	<u>20,617</u>	<u>-</u>
Total Expenditures	<u>2,652,484</u>	<u>2,227,654</u>	<u>-</u>	<u>2,227,654</u>	<u>424,830</u>
Revenues over (under) Expenditures	<u>(211,953)</u>	<u>738,607</u>	<u>-</u>	<u>738,607</u>	<u>950,560</u>
Other Financing Sources (Uses)					
Transfers from other funds					
General Fund	1,715,968	482,000	-	482,000	(1,233,968)
Utility Fund	<u>447,577</u>	<u>1,534,577</u>	<u>-</u>	<u>1,534,577</u>	<u>1,087,000</u>
Transfers to other funds					
General Fund	(563,410)	(563,410)	-	(563,410)	-
Utility Fund	<u>(1,388,182)</u>	<u>(1,388,182)</u>	<u>-</u>	<u>(1,388,182)</u>	<u>-</u>
Total Other Financing Sources	<u>211,953</u>	<u>64,985</u>	<u>-</u>	<u>64,985</u>	<u>(146,968)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 803,592</u>	<u>-</u>	<u>\$ 803,592</u>	<u>\$ 803,592</u>
Fund Balance					
Beginning balance				<u>803,592</u>	
Ending Balance	<u>\$ -</u>	<u>\$ 803,592</u>	<u>-</u>	<u>\$ 803,592</u>	<u>\$ 803,592</u>

City of Goldsboro**Schedule A-3****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, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Revenues					
Restricted intergovernmental	\$ 296,759	\$ 205,703	\$ 43,333	\$ 249,036	\$ (47,723)
Investment earnings	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
Total Revenues	296,759	205,704	43,333	249,037	(47,722)
Expenditures					
Current					
Public safety					
Capital outlay	296,759	205,704	43,333	249,037	47,722
Total Expenditures	296,759	205,704	43,333	249,037	47,722
Revenues over (under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance					
Beginning balance				<u>-</u>	
Ending Balance				<u>\$ -</u>	

City of Goldsboro**Schedule A-4**
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, 2025

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Revenues					
Donations and sponsorships	\$ 24,959	\$ 22,657	\$ 1,209	\$ 23,866	\$ (1,093)
Miscellaneous	57,598	42,070	12,528	54,598	(3,000)
Investment earnings	191	192	-	192	1
Total Revenues	82,748	64,919	13,737	78,656	(4,092)
Expenditures					
Current					
Public safety					
Operating expenditures	87,849	22,525	5,140	27,665	60,184
Total Expenditures	87,849	22,525	5,140	27,665	60,184
Revenues over (under) Expenditures					
	(5,101)	42,394	8,597	50,991	56,092
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	\$ -	\$ 47,495	8,597	\$ 56,092	\$ 56,092
Fund Balance					
Beginning balance				47,495	
Ending Balance				\$ 56,092	

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, 2025

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Positive (Negative)</u>
Revenues					
Donations	\$ 69,041	\$ 51,063	\$ 4,050	\$ 55,113	\$ (13,928)
Total Revenues	69,041	51,063	4,050	55,113	(13,928)
Expenditures					
Cultural and recreational					
Parks and recreation					
Program expenditures	77,672	48,010	5,837	53,847	23,825
Total Expenditures	77,672	48,010	5,837	53,847	23,825
Revenues over (under) Expenditures	(8,631)	3,053	(1,787)	1,266	9,897
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	\$ -	\$ 11,684	(1,787)	\$ 9,897	\$ 9,897
Fund Balance					
Beginning balance				11,684	
Ending Balance				\$ 9,897	

City of Goldsboro**Schedule A-6****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, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Revenues					
Donations	\$ 48,840	\$ 30,111	\$ 2,800	\$ 32,911	\$ (15,929)
Total Revenues	48,840	30,111	2,800	32,911	(15,929)
Expenditures					
Economic and physical development					
Community affairs					
Program expenditures	61,410	33,091	10,536	43,627	17,783
Total Expenditures	61,410	33,091	10,536	43,627	17,783
Revenues under Expenditures	(12,570)	(2,980)	(7,736)	(10,716)	1,854
Other Financing Sources					
Transfer from other funds	12,570	4,070	8,500	12,570	-
Total Other Financing Sources	12,570	4,070	8,500	12,570	-
Net Change in Fund Balance	\$ -	\$ 1,090	764	\$ 1,854	\$ 1,854
Fund Balance					
Beginning balance				1,090	
Ending Balance				\$ 1,854	

City of Goldsboro**Schedule A-7**
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State Grants Miscellaneous Grant Project Fund
From Inception and for the Year Ended June 30, 2025

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Revenues					
Restricted intergovernmental Investment earnings	\$ 2,167,233 67,756	\$ 107,000 20,108	\$ 173,267 64,587	\$ 280,267 84,695	\$ (1,886,966) 16,939
Total Revenues	2,234,989	127,108	237,854	364,962	(1,870,027)
Expenditures					
Current					
Public safety					
Public safety complex	1,676,529	-	167,199	167,199	1,509,330
Transportation					
Operating	490,232	57,000	-	57,000	433,232
Cultural and recreational					
Operating	68,228	32,026	6,068	38,094	30,134
Total Expenditures	2,234,989	89,026	173,267	262,293	1,972,696
Revenues over Expenditures	-	38,082	64,587	102,669	102,669
Net Change in Fund Balance	\$ -	\$ 38,082	64,587	\$ 102,669	\$ 102,669
Fund Balance					
Beginning balance				38,082	
Ending Balance				\$ 102,669	

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
- Water Line Replacement and Booster Pump Station Capital Project
- Galvanized Water Lines Capital Project
- NC DEQ Viable Utility Reserve Asset Inventory and Assessment Capital Project
- NC DEQ Viable Utility Reserve Multi-System Merger/Regionalization Feasibility Study Capital Project
- Lead and Copper Capital Project
- Utility Fund Capital Reserve
- Utility Fund Capital Reserve Fund for System Development Fees
- Arrington Bridge Road Water Reclamation Facility Expansion Capital Project
- MOPCO Phase III Sewer Capital Project
- OLDCC WRF Flood Mitigation Capital Project
- PFAS Study & Treatment 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 Fund
- Stormwater Capital Project
- Big Ditch Restoration Capital Project

**City of Goldsboro
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Utility Fund
Year Ended June 30, 2025**

**Schedule B-1
(3 pages)**

	Budget	Actual	Variance Positive (Negative)
Revenues			
Operating revenues			
Charges for services	\$ 24,001,533	\$ 23,418,241	\$ (583,292)
Assessments	13,000	-	(13,000)
Water and sewer taps	108,000	88,600	(19,400)
Miscellaneous fees and services	3,500	4,283	783
Nonoperating revenues			
Other revenues	1,176,402	1,222,217	45,815
Interest revenue	-	27,893	27,893
Investment earnings	601,100	1,071,111	470,011
Total Revenues	25,903,535	25,832,345	(71,190)
Expenditures			
Distribution and collections			
Salaries and employee benefits	1,750,809	1,371,695	379,114
Travel	4,500	881	3,619
Supplies	456,277	444,299	11,978
Insurance	61,351	61,348	3
Repairs and maintenance	110,120	105,609	4,511
Other expenditures	253,556	142,953	110,603
	2,636,613	2,126,785	509,828
Water plant			
Salaries and employee benefits	928,218	914,044	14,174
Travel	1,500	60	1,440
Supplies	1,712,997	1,134,424	578,573
Insurance	79,318	69,199	10,119
Utilities	338,000	373,300	(35,300)
Repairs and maintenance	580,792	390,402	190,390
Other expenditures	254,227	151,022	103,205
	3,895,052	3,032,451	862,601
Waste treatment plant			
Salaries and employee benefits	1,647,346	1,630,970	16,376
Travel	9,080	4,251	4,829
Supplies	287,579	92,612	194,967
Insurance	128,081	137,737	(9,656)
Utilities	550,000	670,820	(120,820)
Repairs and maintenance	1,234,945	712,838	522,107
Other expenditures	292,402	203,804	88,598
	4,149,433	3,453,032	696,401

City of Goldsboro
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Utility Fund
Year Ended June 30, 2025

Schedule B-1
(3 pages)

	Budget	Actual	Variance Positive (Negative)
Compost facility department			
Salaries and employee benefits	\$ 349,281	\$ 339,805	\$ 9,476
Travel	1,240	60	1,180
Supplies	29,840	22,945	6,895
Insurance	30,175	27,330	2,845
Utilities	68,000	33,615	-
Repairs and maintenance	213,525	182,069	31,456
Other expenditures	155,583	64,722	90,861
	<u>847,644</u>	<u>670,546</u>	<u>142,713</u>
Billing and meter services			
Salaries and employee benefits	396,633	375,671	20,962
Travel	2,200	1,953	-
Supplies	4,400	3,676	724
Insurance	3,727	3,727	-
Repairs and maintenance	175,265	171,271	3,994
Other expenditures	321,436	290,078	31,358
	<u>903,661</u>	<u>846,376</u>	<u>57,038</u>
Other			
Shared service fees	<u>3,981,865</u>	<u>3,981,865</u>	<u>-</u>
Budgetary appropriations			
Principal retirement - bonds payable	770,246	770,246	-
Principal retirement - notes payable	1,570,491	1,495,369	75,122
Interest and other charges	349,007	349,007	-
Capital outlay	9,756,743	2,119,121	7,637,622
Total Expenditures	<u>28,860,755</u>	<u>18,844,798</u>	<u>9,981,325</u>
Revenues over (under) Expenditures	<u>(2,957,220)</u>	<u>6,987,547</u>	<u>9,944,767</u>
Other Financing Sources (Uses)			
Transfer to Utility Capital Projects Funds	(1,846,300)	(1,846,300)	-
Transfers to Utility Capital Reserve Fund	(1,053,746)	(905,184)	148,562
Transfers from Utility Capital Reserve Fund	65,627	65,627	-
Sale of capital assets	10,000	38,032	28,032
Other Financing Sources (Uses), Net	<u>(2,824,419)</u>	<u>(2,647,825)</u>	<u>176,594</u>
Fund balance appropriated	<u>5,781,639</u>	<u>-</u>	<u>(5,781,639)</u>
Revenues and Other Financing Sources over Expenditures	<u>\$ -</u>	<u>\$ 4,339,722</u>	<u>\$ 4,339,722</u>

City of Goldsboro
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Utility Fund
Year Ended June 30, 2025

Schedule B-1
(3 pages)

	Budget	Actual	Variance Positive (Negative)
Reconciliation From Budgetary Basis (Modified Accrual) to Full Accrual Basis			
Revenues and other financing sources			
(uses) over expenditures		\$ 4,339,722	
Reconciling items			
Transfers to (from) Utility Capital			
Projects Funds, net		2,685,857	
Restricted grant revenues -			
NC DEQ Viable Utility Reserve			
Asset Inventory and Assessment			
Capital Project		22,700	
NC DEQ Viable Utility Reserve			
Multi-System Merger			
Regionalization Feasibility			
Capital Project		139,624	
MOPCO Ph 3 Sewer		3,431,626	
Expenses recorded within Utility			
Capital Project Funds		(4,204,502)	
Capital asset additions		6,437,225	
Depreciation expense		(5,226,948)	
Proceeds from sale of capital assets		(38,032)	
Gain on disposal of capital assets		38,032	
Increase in inventories		144,571	
Decrease in deferred outflows of resources			
Pensions		(139,496)	
OPEB		(34,291)	
Decrease in accrued interest payable		10,393	
Decrease in compensated absences		69,116	
Decrease in net pension liability		44,755	
Increase in total OPEB liability		(41,044)	
Decrease (increase) in deferred inflows of resources			
Pensions		(18,986)	
OPEB		72,204	
Principal retirement		2,265,615	
Amortization of bond premium		51,409	
Loss on bond refunding		(35,360)	
Change in Net Position		\$ 10,014,190	

City of Goldsboro**Schedule B-2****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, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Revenues					
Miscellaneous	\$ 32,400	\$ -	\$ -	\$ -	\$ (32,400)
Total Revenues	32,400	-	-	-	(32,400)
Expenditures					
Water plant					
Construction - W1111	265,513	265,513	-	265,513	-
Total Expenditures	265,513	265,513	-	265,513	-
Revenues under Expenditures	(233,113)	(265,513)	-	(265,513)	(32,400)
Other Financing Sources					
Transfer from Utility Operating Fund	233,113	233,113	32,400	265,513	32,400
	233,113	233,113	32,400	265,513	32,400
Revenues and Other Financing Sources over (under) Expenditures	\$ -	\$ (32,400)	\$ 32,400	\$ -	\$ -

City of Goldsboro**Schedule B-3****Schedule of Revenues and Expenditures****Budget and Actual - Galvanized Water Lines Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Revenues					
Federal grants	\$ 5,999,395	\$ -	\$ -	\$ -	\$ (5,999,395)
Total Revenues	5,999,395	-	-	-	(5,999,395)
Expenditures					
Water lines					
Construction	6,029,395	25,000	400	25,400	6,003,995
Total Expenditures	6,029,395	25,000	400	25,400	6,003,995
Revenues under Expenditures	(30,000)	(25,000)	(400)	(25,400)	6,003,995
Other Financing Sources					
Transfer from Utility Operating Fund	30,000	30,000	-	30,000	-
Revenues and Other Financing Sources over (under) Expenditures	\$ -	\$ 5,000	\$ (400)	\$ 4,600	\$ 4,600

City of Goldsboro**Schedule B-4****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, 2025**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Revenues					
Restricted state grants	\$ 650,000	\$ 297,800	\$ 22,700	\$ 320,500	\$ (329,500)
Total Revenues	650,000	297,800	22,700	320,500	(329,500)
Expenditures					
Infrastructure					
Asset inventory and assessment	654,500	302,300	22,700	325,000	329,500
Total Expenditures	654,500	302,300	22,700	325,000	329,500
Revenues under Expenditures	(4,500)	(4,500)	-	(4,500)	-
Other Financing Sources					
Transfer from Utility Operating Fund	4,500	4,500	-	4,500	-
Revenues and Other Financing Sources under Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

City of Goldsboro**Schedule B-5****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, 2025**

	<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	\$ 360,000	\$ -	\$ 139,624	\$ 139,624	\$ (220,376)
Total Revenues	360,000	-	139,624	139,624	(220,376)
Expenditures					
Infrastructure					
Asset inventory and assessment	365,400	101,500	43,524	145,024	220,376
Total Expenditures	365,400	101,500	43,524	145,024	220,376
Revenues under Expenditures	(5,400)	(101,500)	96,100	(5,400)	-
Other Financing Sources					
Transfer from Utility Operating Fund	5,400	1,500	3,900	5,400	-
Revenues and Other Financing Sources over (under) Expenditures	\$ -	\$ (100,000)	\$ 100,000	\$ -	\$ -

City of Goldsboro**Schedule B-6****Schedule of Revenues and Expenditures****Budget and Actual - Lead and Copper Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Expenditures					
Infrastructure					
Lead and copper inventory	<u>\$ 2,037,500</u>	<u>\$ 1,572,760</u>	<u>\$ 145,984</u>	<u>\$ 1,718,744</u>	<u>\$ 318,756</u>
Total Expenditures	<u>2,037,500</u>	<u>1,572,760</u>	<u>145,984</u>	<u>1,718,744</u>	<u>318,756</u>
Revenues under Expenditures	<u>(2,037,500)</u>	<u>(1,572,760)</u>	<u>(145,984)</u>	<u>(1,718,744)</u>	<u>318,756</u>
Other Financing Sources					
Transfer from Utility Operating Fund	<u>2,037,500</u>	<u>2,037,500</u>	<u>-</u>	<u>2,037,500</u>	<u>-</u>
Other Financing Sources over (under) Expenditures	<u>\$ -</u>	<u>\$ 464,740</u>	<u>\$ (145,984)</u>	<u>\$ 318,756</u>	<u>\$ 318,756</u>

City of Goldsboro
Schedule of Revenues and Expenditures
Budget and Actual - Utility Fund Capital Reserve
From Inception and for the Year Ended June 30, 2025

Schedule B-7

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Expenditures					
Utility Fund Contingency	\$ 406,546	\$ -	\$ -	\$ -	\$ 406,546
Total Expenditures	406,546	-	-	-	406,546
Revenues under Expenditures	(406,546)	-	-	-	406,546
Other Financing Sources					
Transfer from Utility Fund	1,912,675	530,840	406,546	937,386	(975,289)
Transfers to Utility Capital Projects Funds	(1,506,129)	(465,213)	(65,627)	(530,840)	975,289
Total Other Financing Sources	406,546	65,627	340,919	406,546	-
Other Financing Sources over Expenditures	\$ -	\$ 65,627	\$ 340,919	\$ 406,546	\$ -

City of Goldsboro**Schedule B-8****Schedule of Revenues and Expenditures****Budget and Actual - Utility Fund Capital Reserve Fund for System Development Fees****From Inception and for the Year Ended June 30, 2025**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Expenditures					
Utility Fund					
Capital projects	\$ 729,600	\$ -	\$ -	\$ -	\$ 729,600
Total Expenditures	729,600	-	-	-	729,600
Revenues under Expenditures	(729,600)	-	-	-	729,600
Other Financing Sources					
Transfer from Utility Fund	729,600	245,392	498,638	744,030	14,430
Total Other Financing Sources	729,600	245,392	498,638	744,030	14,430
Other Financing Sources over Expenditures	\$ -	\$ 245,392	\$ 498,638	\$ 744,030	\$ 744,030

City of Goldsboro**Schedule B-9****Schedule of Revenues and Expenditures****Budget and Actual - Arrington Bridge Road Water Reclamation Facility Expansion****Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance Positive (Negative)</u>
Expenditures					
Water Plant					
Pre-Construction - S1112	\$ 600,000	\$ -	\$ 372,769	\$ 372,769	\$ 227,231
Total Expenditures	600,000	-	372,769	372,769	227,231
Revenues under Expenditures	(600,000)	-	(372,769)	(372,769)	227,231
Other Financing Sources					
Transfer from Utility Fund	600,000	-	600,000	600,000	-
Total Other Financing Sources	600,000	-	600,000	600,000	-
Other Financing Sources over Expenditures	\$ -	\$ -	\$ 227,231	\$ 227,231	\$ 227,231

City of Goldsboro**Schedule B-10****Schedule of Revenues and Expenditures****Budget and Actual - MOPCO Phase III Sewer Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Revenues					
Restricted state grants	\$ 4,925,000	\$ -	\$ 3,431,626	\$ 3,431,626	\$ (1,493,374)
Total Revenues	4,925,000	-	3,431,626	3,431,626	(1,493,374)
Expenditures					
Sewer Lines					
Construction - S1113	\$ 6,125,000	\$ -	\$ 3,431,625	\$ 3,431,625	\$ 2,693,375
Total Expenditures	6,125,000	-	3,431,625	3,431,625	2,693,375
Revenues over (under) Expenditures	(1,200,000)	-	1	1	1,200,001
Other Financing Sources					
Transfer from Utility Fund	1,200,000	-	1,200,000	1,200,000	-
Total Other Financing Sources	1,200,000	-	1,200,000	1,200,000	-
Revenues and Other Financing Sources over Expenditures	\$ -	\$ -	\$ 1,200,001	\$ 1,200,001	\$ 1,200,001

City of Goldsboro**Schedule B-11****Schedule of Revenues and Expenditures****Budget and Actual - OLDCC WRF Flood Mitigation Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Revenues					
Restricted federal grants	\$ 404,800	\$ -	\$ -	\$ -	\$ (404,800)
Total Revenues	404,800	-	-	-	(404,800)
Expenditures					
Flood mitigation project					
OLDCC flood mitigation project	364,320	-	-	-	364,320
Federal administrative fee	40,480	-	-	-	40,480
Total Expenditures	404,800	-	-	-	404,800
Revenues over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

City of Goldsboro**Schedule B-12****Schedule of Revenues and Expenditures****Budget and Actual - PFAS Study and Treatment Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Revenues					
Restricted state grants	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Utility Fund					
PFAS treatment study	500,000	-	187,500	187,500	312,500
Loan fees	10,000	-	-	-	10,000
Total Expenditures	510,000	-	187,500	187,500	322,500
Revenues under Expenditures	(510,000)	-	(187,500)	(187,500)	322,500
Other Financing Sources					
Transfer from Utility Fund	10,000	-	10,000	10,000	-
Issuance of debt	500,000	-	-	-	(500,000)
Total Other Financing Sources	510,000	-	10,000	10,000	(500,000)
Revenues and Other Financing Sources under Expenditures	\$ -	\$ -	\$ (177,500)	\$ (177,500)	\$ (177,500)

City of Goldsboro
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Storm Water Fund
Year Ended June 30, 2025

Schedule B-13
(2 pages)

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Operating revenues			
Charges for services	\$ 1,685,000	\$ 1,648,950	\$ (36,050)
Nonoperating revenues			
Investment earnings	7,831	109,333	101,502
Miscellaneous	5,000	-	(5,000)
Total Revenues	<u>1,697,831</u>	<u>1,758,283</u>	<u>60,452</u>
Expenditures			
Public Works - Storm Water			
Salaries and employee benefits		672,067	
Consultant fees		7,800	
Vehicle maintenance		73,613	
Landfill tipping fees		41,463	
Utility service fee		157,260	
Other expenses		228,709	
	<u>1,323,611</u>	<u>1,180,912</u>	<u>142,699</u>
Budgetary appropriations			
Principal retirement	122,953	122,953	-
Interest and other charges	69,017	15,529	53,488
Capital outlay	728,784	354,634	374,150
Contingency	9,790	-	9,790
	<u>930,544</u>	<u>493,116</u>	<u>437,428</u>
Total Expenditures	<u>2,254,155</u>	<u>1,674,028</u>	<u>580,127</u>
Revenues over (under) Expenditures	<u>(556,324)</u>	<u>84,255</u>	<u>640,579</u>
Other Financing Sources			
Issuance of debt	<u>177,000</u>	<u>171,960</u>	<u>(5,040)</u>
Total Other Financing Sources	<u>177,000</u>	<u>171,960</u>	<u>(5,040)</u>
Revenues over (under) Expenditures and Other Financing Sources	<u>(379,324)</u>	<u>256,215</u>	<u>635,539</u>
Fund balance appropriated	<u>379,324</u>	<u>-</u>	<u>(379,324)</u>
Revenues and Other Financing Sources over Expenditures	<u>\$ -</u>	<u>256,215</u>	<u>\$ 256,215</u>

**City of Goldsboro
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Storm Water Fund
Year Ended June 30, 2025**

**Schedule B-13
(2 pages)**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Reconciliation From Budgetary Basis (Modified Accrual) to Full Accrual			
Reconciling items			
Restricted grant revenues -		\$ 140,295	
Capital outlay		354,634	
Depreciation expense		(194,663)	
Decrease in deferred outflows of resources			
Pensions		(2,414)	
OPEB		(6,858)	
Increase in accrued interest payable		2,579	
Increase in compensated absences		(802)	
Increase in net pension liability		(21,802)	
Increase in OPEB liability		(8,209)	
Decrease in deferred inflows resources - pensions		(3,802)	
Decrease in deferred inflows resources - OPEB		14,440	
Issuance of debt		(171,960)	
Principal retirement		122,953	
Change in Net Position		<u>\$ 480,606</u>	

City of Goldsboro**Schedule B-14****Schedule of Revenues and Expenditures****Budget and Actual - Storm Water Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Expenditures					
Stormwater					
Mapping and GIS Overlay	\$ 1,568,271	\$ 1,519,142	\$ 48,757	\$ 1,567,899	\$ 372
Storm Drainage - Vine Street	66,856	42,873	5,748	48,621	18,235
Storm Drainage - Musgrave Manor	128,000	-	118,677	118,677	9,323
Contingency	365,023	-	-	-	365,023
Total Expenditures	2,128,150	1,562,015	173,182	1,735,197	392,953
Revenues under Expenditures	(2,128,150)	(1,562,015)	(173,182)	(1,735,197)	392,953
Other Financing Sources					
Transfer from Storm Water Fund	2,128,150	1,861,258	-	1,861,258	(266,892)
Revenues and Other Financing Sources over (under) Expenditures	\$ -	\$ 299,243	\$ (173,182)	\$ 126,061	\$ 126,061

City of Goldsboro**Schedule B-15****Schedule of Revenues and Expenditures****Budget and Actual - Big Ditch Restoration Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Revenues					
Restricted state grants	\$ 2,000,000	\$ -	\$ 140,295	\$ 140,295	\$ (1,859,705)
Total Revenues	2,000,000	-	140,295	140,295	(1,859,705)
Expenditures					
Stormwater					
Big Ditch Stream Restoration	\$ 2,000,000	\$ -	\$ 140,295	\$ 140,295	\$ 1,859,705
Total Expenditures	2,000,000	-	140,295	140,295	1,859,705
Revenues over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Non-Major Proprietary Funds Internal Service Fund

Internal service funds are used to account for centralized services provided to City departments and other governmental units and agencies on a cost-reimbursement basis.

This section contains budgetary schedules for the following:

Internal Service Fund

- Fuel System Internal Service Fund

The City uses the Fuel System Internal Service Fund to account for the consumption of fuel purchased by the City by various funds, departments, and other related parties.

City of Goldsboro**Schedule B-16****Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)****Fuel System Internal Service Fund****Year Ended June 30, 2025**

	Budget	Actual	Variance Positive (Negative)
Revenues			
Operating revenues			
Internal charges for services	\$ 1,050,421	\$ 581,570	\$ (468,851)
External charges for services	311,000	305,156	(5,844)
Total Revenues	1,361,421	886,726	(474,695)
Expenditures			
Operating expenses			
Maintenance	13,654	13,506	148
Fuel costs	1,343,316	834,369	508,947
Other expenses	18,451	12,776	5,675
	1,375,421	860,651	514,770
Debt service			
Principal retirement	1,100	2,803	(1,703)
Interest and other charges	300	185	115
	1,400	2,988	(1,588)
Total Expenditures	1,376,821	863,639	513,182
Revenues over (under) Expenditures	(15,400)	23,087	38,487
Other Financing Sources			
Issuance of subscription liabilities	14,000	14,007	7
Total Other Financing Uses	14,000	14,007	7
Revenues over (under) Expenditures and Other Financing Uses	(1,400)	37,094	38,494
Fund balance appropriated	1,400	-	(1,400)
Revenues and Other Financing Sources over Expenditures and Other Financing Uses	\$ -	37,094	\$ 37,094
Reconciliation from Budgetary Basis (Modified Accrual to Full Accrual)			
Reconciling items			
Capital outlay		14,007	
Amortization expense		(2,803)	
Issuance of debt		(14,007)	
Principal retirement		2,803	
Change in Net Position	\$ 37,094		

Nonmajor Governmental Funds

Combining Statements and Schedules

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

Other Governmental Funds

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

Nonmajor Special Revenue Funds

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

Nonmajor Capital Project Funds

- Combining Balance Sheet
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
- Parks and Recreation FY 2019-2024 Capital Projects Fund - Budget and Actual
- 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
- Fire Department Capital Equipment Capital Project Fund - Budget and Actual

City of Goldsboro
Combining Balance Sheet
Other Governmental Funds
June 30, 2025

Schedule C-1

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
ASSETS			
Cash and investments	\$ 1,516,378	\$ 1,148,023	\$ 2,664,401
Receivables (net)			
Property taxes receivable	3,364	-	3,364
Interest receivable	72,000	-	72,000
Due from other governments	26,337	-	26,337
Inventories and prepaids	2,100	-	2,100
Notes receivable	300,000	-	300,000
Total Assets	\$ 1,920,179	\$ 1,148,023	\$ 3,068,202
LIABILITIES			
Accounts payable and accrued liabilities	\$ 136,284	\$ -	\$ 136,284
Accrued compensation payable	4,606	-	4,606
Unearned revenue	-	-	-
Due to other funds	-	-	-
Total Liabilities	140,890	-	140,890
DEFERRED INFLOWS OF RESOURCES			
Unavailable grant revenue	800	-	800
Property taxes receivable	3,239	-	3,239
Interest receivable	72,000	-	72,000
Notes receivable	300,000	-	300,000
Total Deferred Inflows of Resources	376,039	-	376,039
FUND BALANCES			
Nonspendable			
Inventories and prepaids	2,100	-	2,100
Restricted			
General government	274,913	-	274,913
Transportation	-	784,962	784,962
Economic and physical development	982,516	-	982,516
Public safety	143,721	36,190	179,911
Cultural and recreational	-	326,871	326,871
Total Fund Balances	1,403,250	1,148,023	2,551,273
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,920,179	\$ 1,148,023	\$ 3,068,202

City of Goldsboro**Schedule C-2**
**Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Other Governmental Funds
Year Ended June 30, 2025**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
Revenues			
Ad valorem taxes	\$ 108,934	\$ -	\$ 108,934
Other taxes and licenses	1,320,355	-	1,320,355
Restricted intergovernmental	138,366	-	138,366
Investment earnings	27,711	-	27,711
Donations and sponsorships	-	10,000	10,000
Miscellaneous	35,356	-	35,356
Total Revenues	1,630,722	10,000	1,640,722
Expenditures			
Current			
Public safety	64,407	875,808	940,215
Economic and physical development	1,303,997	-	1,303,997
Debt service			
Principal retirement	315,541	-	315,541
Interest and other charges	25,621	15,644	41,265
Total Expenditures	1,709,566	891,452	2,601,018
Revenues under Expenditures	(78,844)	(881,452)	(960,296)
Other Financing Sources			
Sale of fixed assets	610	-	610
Issuance of debt	-	891,452	891,452
Issuance of lease liabilities	62,020	-	62,020
Other Financing Sources, Net	62,630	891,452	954,082
Net Change in Fund Balances	(16,214)	10,000	(6,214)
Fund Balances			
Beginning balances	1,419,464	1,138,023	2,557,487
Ending Balances	\$ 1,403,250	\$ 1,148,023	\$ 2,551,273

City of Goldsboro
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2025

Schedule D-1

	Community Development Fund	Downtown District Fund	Occupancy Tax Fund	Federal and State Drug Forfeiture Fund	Fire Other Restricted Fund	CARES Act Miscellaneous Grants Fund	Total Nonmajor Special Revenue Funds
ASSETS							
Cash and investments	\$ 237,002	\$ 253,468	\$ 607,341	\$ 143,721	\$ 16,822	\$ 258,024	\$ 1,516,378
Receivables (net)							
Property taxes receivable	-	3,364	-	-	-	-	3,364
Interest receivable	72,000	-	-	-	-	-	72,000
Due from other governments	-	2,544	23,726	-	67	-	26,337
Prepaid	-	-	2,100	-	-	-	2,100
Notes receivable	300,000	-	-	-	-	-	300,000
Total Assets	\$ 609,002	\$ 259,376	\$ 633,167	\$ 143,721	\$ 16,889	\$ 258,024	\$ 1,920,179
LIABILITIES							
Accounts payable and accrued liabilities	\$ 6,380	\$ 4,536	\$ 125,368	\$ -	\$ -	\$ -	\$ 136,284
Accrued compensation payable	-	-	4,606	-	-	-	4,606
Total Liabilities	6,380	4,536	129,974	-	-	-	140,890
DEFERRED INFLOWS OF RESOURCES							
Unavailable grant revenue	800	-	-	-	-	-	800
Property taxes receivable	-	3,239	-	-	-	-	3,239
Interest receivable	72,000	-	-	-	-	-	72,000
Notes receivable	300,000	-	-	-	-	-	300,000
Total Deferred Inflows of Resources	372,800	3,239	-	-	-	-	376,039
FUND BALANCES							
Nonspendable							
Inventories and prepaids	-	-	2,100	-	-	-	2,100
Restricted							
General government	-	-	-	-	16,889	258,024	274,913
Economic and physical development	229,822	251,601	501,093	-	-	-	982,516
Public safety	-	-	-	143,721	-	-	143,721
Total Fund Balances	229,822	251,601	503,193	143,721	16,889	258,024	1,403,250
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 609,002	\$ 259,376	\$ 633,167	\$ 143,721	\$ 16,889	\$ 258,024	\$ 1,920,179

City of Goldsboro

Schedule D-2

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

Nonmajor Special Revenue Funds

Year Ended June 30, 2025

	Community Development Fund	Downtown District Fund	Occupancy Tax Fund	Federal and State Drug Forfeiture Fund	Fire Other Restricted Fund	CARES Act Miscellaneous Grants Fund	Total Nonmajor Special Revenue Funds
Revenues							
Ad valorem taxes	\$ -	\$ 108,934	\$ -	\$ -	\$ -	\$ -	\$ 108,934
Other taxes and licenses	-	-	1,320,355	-	-	-	1,320,355
Restricted intergovernmental							
Community Development Block Grant	76,116	-	-	-	-	-	76,116
Community Development Block Grant -							
Coronavirus Relief Funds	736	-	-	-	-	-	736
Home Partnership Program	45,367	-	-	-	-	-	45,367
NCHFA ESFRLP - Disaster Recovery	-	-	3,589	-	-	-	3,589
DEA funds	-	-	-	1,767	-	-	1,767
NC controlled substance tax	-	-	-	10,791	-	-	10,791
Sales and services							
Owner Income	-	-	-	-	-	-	-
Investment earnings	-	6,911	16,394	4,406	-	-	27,711
Miscellaneous	9,200	-	973	-	25,183	-	35,356
Total Revenues	131,419	115,845	1,341,311	16,964	25,183	-	1,630,722
Expenditures							
Current							
Public safety	-	-	-	30,353	34,054	-	64,407
Economic and physical development	148,431	50,126	1,105,440	-	-	-	1,303,997
Debt service							
Principal retirement	-	-	315,541	-	-	-	315,541
Interest and other charges	-	-	25,621	-	-	-	25,621
Total Expenditures	148,431	50,126	1,446,602	30,353	34,054	-	1,709,566
Revenues over Expenditures	(17,012)	65,719	(105,291)	(13,389)	(8,871)	-	(78,844)
Other Financing Uses							
Issuance of lease liabilities	-	-	62,020	-	-	-	62,020
Sale of fixed assets	-	610	-	-	-	-	610
Total Other Financing Uses, Net	-	610	62,020	-	-	-	62,630
Net Change in Fund Balances	(17,012)	66,329	(43,271)	(13,389)	(8,871)	-	(16,214)
Fund Balances							
Beginning balances	246,834	185,272	546,464	157,110	25,760	258,024	1,419,464
Ending Balances	\$ 229,822	\$ 251,601	\$ 503,193	\$ 143,721	\$ 16,889	\$ 258,024	\$ 1,403,250

See Independent Auditor's Report

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, 2025

Schedule D-3
(2 pages)

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Revenues					
Restricted intergovernmental					
CDBG FY10-FY25	\$ 6,149,308	\$ 4,692,091	\$ 76,116	\$ 4,768,207	\$ (1,381,101)
CDBG-CV	427,303	134,188	736	134,924	(292,379)
HOME FY10-FY25	3,530,135	2,631,065	44,533	2,675,598	(854,537)
HOME ARP	907,913	43,758	834	44,592	(863,321)
Urgent repair program	433,570	408,970	-	408,970	(24,600)
Essential Single Family Rehab					
Loan Pool program (ESFRLP)	150,000	139,975	-	139,975	(10,025)
Other grants	456,965	350,000	-	350,000	(106,965)
Owner income					
CDBG	162,776	310,275	-	310,275	147,499
HOME	55,823	20,437	-	20,437	(35,386)
Investment earnings	-	154	-	154	154
Miscellaneous	800	504,788	-	504,788	503,988
Prior years FY1996-FY2009					
CDBG	9,707,787	6,403,309	9,200	6,412,509	(3,295,278)
HOME	7,163,071	4,773,289	-	4,773,289	(2,389,782)
Owner income CDBG	465,521	527,784	-	527,784	62,263
Owner income HOME	70,947	-	-	-	(70,947)
Other grants	47,622,877	29,476,219	-	29,476,219	(18,146,658)
Miscellaneous income	-	109,929	-	109,929	109,929
Total Revenues	77,304,796	50,526,231	131,419	50,657,650	(26,647,146)

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, 2025

Schedule D-3
(2 pages)

	Project Authorization	Actual			Variance Positive (Negative)		
		Prior Years	Current Year	Total			
Expenditures							
Current							
Economic and physical development							
CDBG							
Coronavirus Relief Fund	\$ 427,303	\$ 134,188	\$ 736	\$ 134,924	\$ 292,379		
FY24-FY25	100,000	-	-	-	100,000		
FY23-FY24	552,151	25,371	9,200	34,571	517,580		
FY22-FY23	359,449	25,150	-	25,150	334,299		
FY21-FY22	354,302	87,559	52,179	139,738	214,564		
FY20-FY21	421,873	261,424	32,955	294,379	127,494		
FY19-FY20	353,246	286,567	-	286,567	66,679		
Prior years FY 96 - FY 19	16,426,963	12,802,338	3,000	12,805,338	3,621,625		
HOME							
HOME-ARP	907,913	43,758	834	44,592	863,321		
FY24-FY25	185,883	-	-	-	185,883		
FY23-FY24	304,379	39,249	-	39,249	265,130		
FY22-FY23	287,303	27,468	-	27,468	259,835		
FY21-FY22	262,710	59,002	11,052	70,054	192,656		
FY20-FY21	245,547	123,633	28,475	152,108	93,439		
FY19-FY20	214,732	73,572	-	73,572	141,160		
Prior years FY 09 - FY 19	7,192,655	6,053,859	10,000	6,063,859	1,128,796		
Urgent repair program	433,570	421,131	-	421,131	12,439		
ESFRLP	150,000	139,975	-	139,975	10,025		
Other grants	500,969	350,000	-	350,000	150,969		
FEMA and prior year grants	47,623,048	29,325,153	-	29,325,153	18,297,895		
Total Expenditures	77,303,996	50,279,397	148,431	50,427,828	26,876,168		
Revenues over (under)							
Expenditures	800	246,834	(17,012)	229,822	229,022		
Other Financing Uses							
Transfer to other funds	(800)	-	-	-	800		
Total Other Financing Uses	(800)	-	-	-	800		
Change in Fund Balance	\$ -	\$ 246,834	(17,012)	\$ 229,822	\$ 229,822		
Fund Balance							
Beginning balance			246,834				
Ending Balance			\$ 229,822				

City of Goldsboro**Schedule D-4****Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget and Actual - Downtown District Fund****Year Ended June 30, 2025**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Ad valorem taxes	\$ 99,027	\$ 107,768	\$ 8,741
Penalties and interest	700	1,166	466
Total	99,727	108,934	9,207
Investment earnings	498	6,911	6,413
Total Revenues	100,225	115,845	15,620
Expenditures			
Current			
Economic and physical development			
Downtown revitalization	100,225	50,126	50,099
Total Expenditures	100,225	50,126	50,099
Revenue over (under) Expenditures	-	65,719	65,719
Other Financing Sources			
Sale of fixed assets	-	610	610
Total Other Financing Sources	-	610	610
Fund balance appropriated	-	-	-
Net Change in Fund Balance	\$ -	66,329	\$ 66,329
Fund Balance			
Beginning balance		185,272	
Ending Balance	\$ -	251,601	

City of Goldsboro**Schedule D-5****Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget and Actual - Occupancy Tax Fund****Year Ended June 30, 2025**

	Budget	Actual	Variance Positive (Negative)
Revenues			
Other taxes and licenses	\$ 1,345,861	\$ 1,320,355	\$ (25,506)
NC Tennis Association grant	3,588	3,589	1
Investment earnings	16,000	16,394	394
Miscellaneous	1,000	973	(27)
Total Revenues	1,366,449	1,341,311	(25,138)
Expenditures			
Current			
Economic and physical development			
Travel and tourism	466,807	423,067	43,740
Civic Center	697,868	682,373	15,495
	1,164,675	1,105,440	59,235
Debt service			
Principal retirement - notes		200,000	
Principal retirement - bonds		100,000	
Principal retirement - leases		15,541	
Interest and other charges		25,621	
	341,700	341,162	538
Contingency	118,899	-	118,899
Total Expenditures	1,625,274	1,446,602	178,672
Revenues over (under) Expenditures	(258,825)	(105,291)	153,534
Other Financing Sources			
Issuance of lease liabilities	64,300	62,020	(2,280)
Total Other Financing Sources	64,300	62,020	(2,280)
Fund balance appropriated	194,525	-	(194,525)
Net Change in Fund Balance	\$ -	(43,271)	\$ (43,271)
Fund Balance			
Beginning balance		546,464	
Ending Balance	\$ 503,193		

City of Goldsboro**Schedule D-6**
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, 2025

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Revenues					
Restricted intergovernmental DEA funds	\$ 97,816	\$ 96,050	\$ 1,767	\$ 97,817	\$ 1
NC controlled substance tax	35,256	24,520	10,791	35,311	55
Total	133,072	120,570	12,558	133,128	56
Investment earnings	11,829	8,641	4,406	13,047	1,218
Total Revenues	144,901	129,211	16,964	146,175	1,274
Expenditures					
Current					
Public safety					
Federal operating expenditures	287,758	152,336	13,058	165,394	122,364
State operating expenditures	41,347	3,969	17,295	21,264	20,083
Total Expenditures	329,105	156,305	30,353	186,658	142,447
Revenue under Expenditures	(184,204)	(27,094)	(13,389)	(40,483)	143,721
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	184,204	184,204	-	184,204	-
Net Change in Fund Balance	\$ -	\$ 157,110	(13,389)	\$ 143,721	\$ 143,721
Fund Balance					
Beginning balance				<u>157,110</u>	
Ending Balance				<u>\$ 143,721</u>	

City of Goldsboro**Schedule D-7**
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Fire Other Restricted Revenue Fund
From Inception and for the Year Ended June 30, 2025

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Revenues					
Restricted intergovernmental					
State summer fire camp					
grant	\$ 35,000	\$ 17,500	\$ -	\$ 17,500	\$ (17,500)
Other revenue					
Donations	39,093	9,236	25,183	34,419	(4,674)
Total Revenues	74,093	26,736	25,183	51,919	(22,174)
Expenditures					
Current					
Public safety					
Public health measures	74,093	976	34,054	35,030	39,063
Total Expenditures	74,093	976	34,054	35,030	39,063
Revenue over (under) Expenditures	-	25,760	(8,871)	16,889	16,889
Net Change in Fund Balance	\$ -	\$ 25,760	(8,871)	\$ 16,889	\$ 16,889
Fund Balance					
Beginning balance				25,760	
Ending Balance				\$ 16,889	

City of Goldsboro**Schedule D-8**
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, 2025

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
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	193,608	-	193,608	6,392
Total Expenditures	966,688	708,664	-	708,664	258,024
Revenue over Expenditures	-	258,024	-	258,024	258,024
Net Change in Fund Balance	\$ -	\$ 258,024	-	\$ 258,024	\$ 258,024
Fund Balance					
Beginning balance				<u>258,024</u>	
Ending Balance	\$ -	\$ 258,024	-	\$ 258,024	\$ 258,024

City of Goldsboro
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2025

Schedule E-1

	Parks and Recreation FY 2019-2024 Capital Project Fund	Police/Fire Expansion Capital Project Fund	FY 2016 TIGER Discretionary Grant Capital Project Fund	Herman Park Recreation Center Fund	1919 LaFrance Fire Truck Restoration Capital Project Fund	Aerial Fire Truck Capital Project Fund	Total Nonmajor Capital Project Funds
ASSETS							
Cash and investments	\$ 326,871	\$ 3,499	\$ 784,962	\$ -	\$ 32,691	\$ -	\$ 1,148,023
Total Assets	\$ 326,871	\$ 3,499	\$ 784,962	\$ -	\$ 32,691	\$ -	\$ 1,148,023
LIABILITIES							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES							
Restricted							
Transportation	-	-	784,962	-	-	-	784,962
Public safety	-	3,499	-	-	32,691	-	36,190
Cultural and recreational	326,871	-	-	-	-	-	326,871
Total Fund Balances	326,871	3,499	784,962	-	32,691	-	1,148,023
Total Liabilities and Fund Balances	\$ 326,871	\$ 3,499	\$ 784,962	\$ -	\$ 32,691	\$ -	\$ 1,148,023

City of Goldsboro

Schedule E-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Nonmajor Capital Projects Funds
Year Ended June 30, 2025

	Parks and Recreation FY 2019-2024 Capital Project Fund	Police/Fire Expansion Capital Project Fund	FY 2016 TIGER Discretionary Grant Capital Project Fund	Herman Park Recreation Center Fund	1919 LaFrance Fire Truck Restoration Capital Project Fund	Aerial Fire Truck Capital Project Fund	Total Nonmajor Capital Project Funds
Revenues							
Donations and sponsorships	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Total Revenues	10,000	-	-	-	-	-	10,000
Expenditures							
Current							
Public safety	-	-	-	-	-	875,808	875,808
Debt service							
Interest and other charges	-	-	-	-	-	15,644	15,644
Total Expenditures	-	-	-	-	-	891,452	891,452
Revenues over (under) Expenditures	10,000	-	-	-	-	(891,452)	(881,452)
Other Financing Sources							
Issuance of debt	-	-	-	-	-	891,452	891,452
Total Other Financing Sources	-	-	-	-	-	891,452	891,452
Net Change in Fund Balances	10,000	-	-	-	-	-	10,000
Fund Balances							
Beginning balances	316,871	3,499	784,962	-	32,691	-	1,138,023
Ending Balances	\$ 326,871	\$ 3,499	\$ 784,962	\$ -	\$ 32,691	\$ -	\$ 1,148,023

City of Goldsboro
Schedule E-3
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, 2025

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual</u>		<u>Variance Positive (Negative)</u>
			<u>Current Year</u>	<u>Total</u>	
Revenues					
Restricted intergovernmental	\$ 56,893	\$ 6,893	\$ -	\$ 6,893	\$ (50,000)
Donations and sponsorships	<u>786,050</u>	<u>521,050</u>	<u>10,000</u>	<u>531,050</u>	<u>(255,000)</u>
Total Revenues	<u>842,943</u>	<u>527,943</u>	<u>10,000</u>	<u>537,943</u>	<u>(305,000)</u>
Expenditures					
Current					
Cultural and recreational					
Multi Sports Complex					
construction	330,500	211,270	-	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
Northend Park					
construction	250,000	-	-	-	250,000
Total Expenditures	<u>882,943</u>	<u>251,072</u>	<u>-</u>	<u>251,072</u>	<u>631,871</u>
Revenues over (under) Expenditures	<u>(40,000)</u>	<u>276,871</u>	<u>10,000</u>	<u>286,871</u>	<u>326,871</u>
Other Financing Sources					
Transfer from other funds	40,000	40,000	-	40,000	-
Total Other Financing Sources	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 316,871</u>	<u>10,000</u>	<u>\$ 326,871</u>	<u>\$ 326,871</u>
Fund Balance					
Beginning balance				316,871	
Ending Balance				<u>\$ 326,871</u>	

City of Goldsboro**Schedule E-4**
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, 2025

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Revenues					
Investment earnings	\$ 115,661	\$ 119,160	\$ -	\$ 119,160	\$ 3,499
Miscellaneous	<u>195,000</u>	<u>195,000</u>	<u>-</u>	<u>195,000</u>	<u>-</u>
Total Revenues	<u>310,661</u>	<u>314,160</u>	<u>-</u>	<u>314,160</u>	<u>3,499</u>
Expenditures					
Current					
Public safety					
Construction	5,959,697	5,959,697	-	5,959,697	-
Professional fees	<u>463,292</u>	<u>463,292</u>	<u>-</u>	<u>463,292</u>	<u>-</u>
Total Expenditures	<u>6,422,989</u>	<u>6,422,989</u>	<u>-</u>	<u>6,422,989</u>	<u>-</u>
Revenues under Expenditures	<u>(6,112,328)</u>	<u>(6,108,829)</u>	<u>-</u>	<u>(6,108,829)</u>	<u>3,499</u>
Other Financing Sources					
Transfer from other funds	812,328	812,328	-	812,328	-
Issuance of debt	<u>5,300,000</u>	<u>5,300,000</u>	<u>-</u>	<u>5,300,000</u>	<u>-</u>
Total Other Financing Sources	<u>6,112,328</u>	<u>6,112,328</u>	<u>-</u>	<u>6,112,328</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 3,499</u>	<u>-</u>	<u>\$ 3,499</u>	<u>\$ 3,499</u>
Fund Balance					
Beginning balance				3,499	
Ending Balance				<u>\$ 3,499</u>	

City of Goldsboro**Schedule E-5****Schedule of Revenues, Expenditures, and Changes in Fund Deficit****Budget and Actual - Herman Park Recreation Center Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	Project Authorization	Actual			Variance
		Prior Years	Current Year	Total	Positive (Negative)
Expenditures					
Current					
Cultural and recreational					
Construction	\$ 376,000	\$ 376,000	\$ -	\$ 376,000	\$ -
Total Expenditures	376,000	376,000	-	376,000	-
Revenues under Expenditures					
	(376,000)	(376,000)	-	(376,000)	-
Other Financing Sources					
Transfer from other funds	376,000	376,000	-	376,000	-
Total Other Financing Sources	376,000	376,000	-	376,000	-
Net Change in Fund Balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance (Deficit)					
Beginning balance (deficit)				-	
Ending Fund Balance (Deficit)				\$ -	

City of Goldsboro**Schedule E-6****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, 2025**

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

City of Goldsboro**Schedule E-7**
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, 2025

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Positive (Negative)</u>
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	5,662,731	-	5,662,731	85,911
Contingency	460,741	460,741	-	460,741	-
Total Expenditures	7,189,383	6,600,847	-	6,600,847	588,536
Revenues under Expenditures	(2,089,383)	(1,867,315)	-	(1,867,315)	222,068
Other Financing Sources					
Transfers from other funds	2,089,383	2,652,277	-	2,652,277	562,894
Total Other Financing Sources	2,089,383	2,652,277	-	2,652,277	562,894
Net Change in Fund Balance	\$ -	\$ 784,962	-	\$ 784,962	\$ 784,962
Fund Balance					
Beginning balance				784,962	
Ending Balance				\$ 784,962	

City of Goldsboro**Schedule E-8****Schedule of Revenues, Expenditures, and Changes in Fund Balance****Budget and Actual - Fire Department Capital Equipment Capital Project Fund****From Inception and for the Year Ended June 30, 2025**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total	
Expenditures					
Current					
Public safety					
Construction	\$ 1,143,063	\$ 1,143,063	\$ -	\$ 1,143,063	\$ -
Fire pumper	1,749,760	-	875,808	875,808	873,952
Debt service					
Interest and other charges	41,681	8,537	15,644	24,181	17,500
Total Expenditures	2,934,504	1,151,600	891,452	2,043,052	891,452
Revenues under Expenditures	(2,934,504)	(1,151,600)	(891,452)	(2,043,052)	891,452
Other Financing Sources					
Issuance of debt	2,934,504	1,151,600	891,452	2,043,052	(891,452)
Total Other Financing Sources	2,934,504	1,151,600	891,452	2,043,052	(891,452)
Net Change in Fund Balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance					
Beginning balance					-
Ending Balance				\$ -	

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, 2025

Schedule F-1
(2 pages)

City-Wide Levy

Fiscal Year	Uncollected Balance July 1, 2024	Additions	Collections and Credits	Uncollected Balance June 30, 2025
2024-2025	\$ -	\$ 22,409,259	\$ 22,159,349	\$ 249,910
2023-2024	230,890	-	138,274	92,616
2022-2023	85,205	-	35,688	49,517
2021-2022	59,240	-	23,664	35,576
2020-2021	33,345	-	10,758	22,587
2019-2020	27,643	-	7,407	20,236
2018-2019	21,400	-	5,520	15,880
2017-2018	17,757	-	3,932	13,825
2016-2017	17,006	-	3,315	13,691
2015-2016	17,473	-	2,825	14,648
2014-2015	15,010	-	15,010	-
	\$ 524,969	\$ 22,409,259	\$ 22,405,742	528,486
	Allowance for uncollectible accounts			(46,782)
	Property Taxes Receivable, Net			\$ 481,704
Reconcilement with Revenue				
	Ad valorem taxes - General Fund			\$ 22,476,251
	Reconciling items			
	Interest collected			(134,703)
	Taxes written off			15,010
	Other adjustments			49,184
	Total Collections and Credits			\$ 22,405,742

City of Goldsboro
Schedule of Ad Valorem Taxes Receivable
June 30, 2025

Schedule F-1
(2 pages)

Downtown District Fund

Fiscal Year	Uncollected Balance July 1, 2024	Additions	Collections and Credits	Uncollected Balance June 30, 2025
2024-2025	\$ -	\$ 105,758	\$ 104,219	\$ 1,539
2023-2024	2,358	-	1,354	1,004
2022-2023	1,347	-	915	432
2021-2022	1,302	-	1,168	134
2020-2021	246	-	123	123
2019-2020	219	-	190	29
2018-2019	-	-	-	-
2017-2018	430	-	40	390
2016-2017	499	-	41	458
2015-2016	444	-	40	404
2014-2015	65	-	65	-
	\$ 6,910	\$ 105,758	\$ 108,155	4,513
	Allowance for uncollectible accounts			(1,149)
	Property Taxes Receivable, Net			\$ 3,364
Reconcilement with Revenue				
	Ad valorem taxes - Downtown District Fund			\$ 108,934
	Reconciling items			
	Interest collected			(1,166)
	Other adjustments			387
	Total Collections and Credits			\$ 108,155

City of Goldsboro
Analysis of Current Tax Levy
Year Ended June 30, 2025

Schedule F-2

Original Levy	Total Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
City-Wide					
Property taxed at current year's rate	\$ 2,717,349,855	0.825	\$ 22,418,136	\$ 19,842,726	\$ 2,575,410
Penalties	-		22,579	22,579	-
Discoveries	2,848,629	0.825	23,501	23,501	-
Abatements	(6,661,463)	0.825	(54,957)	(54,957)	-
Total Property Valuation	\$ 2,713,537,021				
Net Levy			22,409,259	19,833,849	2,575,410
Uncollected taxes at June 30, 2025			(249,910)	(249,910)	-
Current Year's Taxes Collected	\$ 22,159,349		\$ 19,583,939	\$ 2,575,410	
Current Levy Collection Percentage			98.88%	98.74%	100.00%
Downtown District					
Property taxed at current year's rate	\$ 44,962,145	0.235	\$ 105,661	\$ 98,702	\$ 6,959
Penalties	-		118	118	-
Discoveries	-	0.235	-	-	-
Abatements	(9,106)	0.235	(21)	(21)	-
Total Property Valuation	\$ 44,953,039				
Net Levy			105,758	98,799	6,959
Uncollected taxes at June 30, 2025			(1,539)	(1,539)	-
Current Year's Taxes Collected	\$ 104,219		\$ 97,260	\$ 6,959	
Current Levy Collection Percentage			98.54%	98.44%	100.00%



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Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

City of Goldsboro
Net Position by Component
Last Ten Fiscal Years

	2016	2017	2018	2019
Governmental Activities				
Net investments in capital assets	\$ 44,410,030	\$ 46,326,181	\$ 45,169,151	\$ 50,028,618
Restricted	3,045,504	3,797,767	4,406,657	11,861,204
Unrestricted	<u>5,329,663</u>	<u>(653,682)</u>	<u>(2,285,781)</u>	<u>(14,968,065)</u>
Total Governmental Activities	<u>\$ 52,785,197</u>	<u>\$ 49,470,266</u>	<u>\$ 47,290,027</u>	<u>\$ 46,921,757</u>
Business-Type Activities				
Net investments in capital assets	\$ 47,525,121	\$ 48,098,769	\$ 48,720,090	\$ 50,977,306
Restricted	-	6,506,387	876,387	1,058,078
Unrestricted	<u>10,326,236</u>	<u>4,345,372</u>	<u>9,774,239</u>	<u>5,680,895</u>
Total Business-Type Activities	<u>\$ 57,851,357</u>	<u>\$ 58,950,528</u>	<u>\$ 59,370,716</u>	<u>\$ 57,716,279</u>
Primary Government				
Net investments in capital assets	\$ 91,935,151	\$ 94,424,950	\$ 93,889,241	\$ 101,005,924
Restricted	3,045,504	10,304,154	5,283,044	12,919,282
Unrestricted	<u>15,655,899</u>	<u>3,691,690</u>	<u>7,488,458</u>	<u>(9,287,170)</u>
Total Primary Government	<u>\$ 110,636,554</u>	<u>\$ 108,420,794</u>	<u>\$ 106,660,743</u>	<u>\$ 104,638,036</u>

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

Table 1

2020	2021	2022	2023	2024	2025
\$ 59,410,166	\$ 58,574,492	\$ 59,114,372	\$ 50,129,419	\$ 62,915,051	\$ 65,007,728
8,972,412	8,470,337	10,056,329	11,505,551	9,554,595	9,827,599
(16,045,891)	(13,442,439)	(5,647,835)	7,306,977	(1,694,648)	(1,132,037)
\$ 52,336,687	\$ 53,602,390	\$ 63,522,866	\$ 68,941,947	\$ 70,774,998	\$ 73,703,290
\$ 50,776,484	\$ 52,153,982	\$ 50,925,948	\$ 50,997,013	\$ 47,337,422	\$ 51,427,977
1,058,078	1,056,430	1,040,619	1,025,231	1,012,042	1,012,042
5,953,461	9,153,709	15,304,673	23,732,228	33,427,887	39,832,128
\$ 57,788,023	\$ 62,364,121	\$ 67,271,240	\$ 75,754,472	\$ 81,777,351	\$ 92,272,147
\$ 110,186,650	\$ 110,728,474	\$ 110,040,320	\$ 101,126,432	\$ 110,252,473	\$ 116,435,705
10,030,490	9,526,767	11,096,948	12,530,782	10,566,637	10,839,641
(10,092,430)	(4,288,730)	9,656,838	31,039,205	31,733,239	38,700,091
\$ 110,124,710	\$ 115,966,511	\$ 130,794,106	\$ 144,696,419	\$ 152,552,349	\$ 165,975,437

City of Goldsboro
Change in Net Position
Last Ten Fiscal Years

	2016	2017	2018	2019
Expenses				
Governmental activities				
General government	\$ 3,547,629	\$ 3,257,540	\$ 4,164,439	\$ 3,261,068
Public safety	15,793,509	17,209,532	17,919,547	18,902,090
Transportation	4,618,881	4,428,701	6,693,599	4,590,846
Economic and physical development	2,241,469	4,060,385	2,941,441	2,945,596
Environmental protection	3,371,917	3,561,080	3,528,252	4,693,340
Cultural and recreational	3,374,173	4,103,845	5,030,394	5,948,219
Business-type grant related	-	-	-	-
Interest on long-term debt	647,356	365,594	917,168	973,293
Total expenses - governmental activities	<u>33,594,934</u>	<u>36,986,677</u>	<u>41,194,840</u>	<u>41,314,452</u>
Business-type activities				
Utilities	14,916,454	15,494,774	17,248,002	17,895,448
Storm Water	-	-	372,144	1,124,364
Total expenses - business-type activities	<u>14,916,454</u>	<u>15,494,774</u>	<u>17,620,146</u>	<u>19,019,812</u>
Total Expenses - Primary Government	<u>48,511,388</u>	<u>52,481,451</u>	<u>58,814,986</u>	<u>60,334,264</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	309,090	421,844	83,897	119,189
Public safety	423,512	557,288	386,306	419,291
Transportation	139,597	152,081	-	218,045
Economic and physical development	-	7,955	15,402	25,410
Environmental protection	3,250,079	3,308,449	3,253,077	3,265,796
Cultural and recreational	743,631	733,313	951,021	1,232,744
Operating grants & contributions				
General government	3,905,483	-	27,031	27,377
Public safety	184,025	258,484	1,108,563	326,333
Transportation	1,320,074	1,933,703	1,467,623	1,055,851
Economic and physical development	31,253	743,600	688,955	546,205
Environmental protection	-	1,259,527	440,014	263,111
Cultural and recreational	448,774	-	-	99,197
Business-type grant related	-	-	-	-
Capital grants & contributions				
General government	-	-	105,852	-
Public safety	-	-	-	-
Transportation	-	-	-	272,160
Economic and physical development	3,317,775	-	-	-
Cultural and recreational	-	-	138,813	137,393
Total program revenues - governmental activities	<u>14,073,293</u>	<u>9,376,244</u>	<u>8,666,554</u>	<u>8,008,102</u>

Table 2
(4 pages)

	2020	2021	2022	2023	2024	2025
\$	3,344,174	\$ 4,382,157	\$ 3,265,463	\$ 3,703,360	\$ 5,268,384	\$ 4,702,578
17,282,752	18,900,022	17,740,365	19,939,447	21,187,922	24,993,945	
3,879,162	4,213,913	4,286,639	3,939,114	3,748,137	3,866,140	
5,295,646	2,820,014	2,623,651	2,859,729	2,890,960	3,237,920	
4,278,685	3,708,748	3,659,805	4,041,168	4,344,287	4,455,326	
5,326,874	5,304,795	5,485,584	5,857,026	6,555,672	6,470,218	
-	-	579,855	1,979,139	-	-	
557,062	930,163	805,959	771,338	729,970	644,634	
39,964,355	40,259,812	38,447,321	43,090,321	44,725,332	48,370,761	
19,387,215	16,744,862	15,790,140	14,875,553	19,840,812	19,450,137	
924,675	1,073,276	1,053,518	1,128,364	1,203,729	1,417,972	
20,311,890	17,818,138	16,843,658	16,003,917	21,044,541	20,868,109	
60,276,245	58,077,950	55,290,979	59,094,238	65,769,873	69,238,870	
70,089	84,878	85,677	76,931	59,253	380,390	
376,336	530,494	572,248	627,145	854,002	808,092	
70,128	390,219	230,626	246,420	57,810	59,530	
7,905	62,457	51,520	94,120	116,803	42,667	
4,049,875	3,713,661	3,711,813	4,039,406	4,150,355	4,151,797	
1,058,688	946,911	1,449,271	1,505,942	1,725,960	1,658,736	
27,353	26,451	719,219	478,657	-	400	
299,045	293,501	2,397,950	1,670,589	166,076	291,001	
1,310,490	1,005,312	1,324,431	1,245,364	1,194,304	1,552,490	
982,431	1,483,052	269,203	442,861	203,644	147,682	
2,497,458	279,557	811,044	201,924	-	8,115	
-	25,180	806,931	255,746	13,409	10,318	
-	-	579,855	1,979,139	-	-	
-	-	-	-	-	-	
-	-	-	-	-	167,199	
4,274,200	187,172	-	60,000	57,000	-	
-	-	-	-	-	-	
55,000	79,116	167,625	-	10,000	10,000	
15,078,998	9,107,961	13,177,413	12,924,244	8,608,616	9,288,417	

City of Goldsboro
Change in Net Position
Last Ten Fiscal Years

	2016	2017	2018	2019
Program Revenues				
Business-type activities				
Charges for services	\$ 16,175,654	\$ 15,965,714	\$ 17,101,516	\$ 17,893,916
Operating grants and contributions	-	-	136,914	507,885
Capital grants and contributions	-	-	-	-
Total program revenues - business-type activities	<u>16,175,654</u>	<u>15,965,714</u>	<u>17,238,430</u>	<u>18,401,801</u>
Total Program Revenues - Primary Government	<u>25,551,898</u>	<u>24,632,268</u>	<u>25,246,532</u>	<u>33,480,799</u>
Net Revenue (Expense)				
Governmental activities	(27,610,433)	(32,528,286)	(33,306,350)	(24,885,357)
Business-type activities	<u>680,880</u>	<u>(1,654,432)</u>	<u>(1,781,382)</u>	<u>(1,910,089)</u>
Total Primary Government	<u>(26,929,553)</u>	<u>(34,182,718)</u>	<u>(35,087,732)</u>	<u>(26,795,446)</u>
General Revenues and Transfers				
Governmental activities				
Ad valorem taxes	15,056,921	15,679,927	16,052,594	15,664,078
Other taxes	889,751	966,303	1,287,326	1,416,068
Unrestricted intergovernmental	7,625,338	11,712,038	12,586,998	13,519,564
Investment earnings	28,027	46,006	119,896	326,850
Miscellaneous revenue	745,492	624,985	551,233	238,255
Special item	(1,479,880)	-	-	-
Transfers	-	-	(250,000)	1,773,265
Total governmental activities	<u>22,865,649</u>	<u>29,029,259</u>	<u>30,348,047</u>	<u>32,938,080</u>
Business-type activities				
Investment earnings	13,075	44,115	104,850	180,115
Miscellaneous revenue	-	480,802	447,054	556,724
Transfers	-	-	250,000	(1,773,265)
Total business-type activities	<u>13,075</u>	<u>524,917</u>	<u>801,904</u>	<u>(1,036,426)</u>
Total Primary Government	<u>22,878,724</u>	<u>29,554,176</u>	<u>31,149,951</u>	<u>31,901,654</u>
Change in Net Position				
Governmental activities	(4,744,784)	(3,499,027)	(2,958,303)	8,052,723
Business-type activities	<u>693,955</u>	<u>(1,129,515)</u>	<u>(979,478)</u>	<u>(2,946,515)</u>
Total Primary Government	<u>\$ (4,050,829)</u>	<u>\$ (4,628,542)</u>	<u>\$ (3,937,781)</u>	<u>\$ 5,106,208</u>

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

Table 2
(4 pages)

2020	2021	2022	2023	2024	2025
\$ 19,117,212	\$ 20,375,257	\$ 20,317,500	\$ 22,495,892	\$ 24,351,315	\$ 25,160,074
- 336,324	- 268,854	- 359,206	- 428,036	- 490,537	- 3,734,245
<u>19,453,536</u>	<u>20,644,111</u>	<u>20,676,706</u>	<u>22,923,928</u>	<u>24,841,852</u>	<u>28,894,319</u>
<u>28,561,497</u>	<u>33,821,524</u>	<u>33,600,950</u>	<u>31,532,544</u>	<u>24,841,852</u>	<u>38,182,736</u>
(31,151,851)	(25,269,908)	(30,166,077)	(36,116,716)	-	(39,082,344)
1,635,398	3,800,453	4,672,789	1,879,387	24,841,852	8,026,210
<u>(29,516,453)</u>	<u>(21,469,455)</u>	<u>(25,493,288)</u>	<u>(34,237,329)</u>	<u>24,841,852</u>	<u>(31,056,134)</u>
 16,534,709	 16,902,783	 17,771,140	 17,937,931	 19,480,676	 22,598,304
1,304,724	1,376,911	1,440,159	1,558,465	1,521,806	1,648,616
11,652,463	14,150,649	15,611,041	15,078,915	15,345,043	16,495,399
153,374	11,466	22,029	747,281	1,109,286	976,320
309,017	978,927	636,607	262,566	492,956	291,997
- 346,000	(1,003,182)	(290,592)	-	-	-
<u>30,300,287</u>	<u>32,417,554</u>	<u>35,190,384</u>	<u>35,585,158</u>	<u>37,949,767</u>	<u>42,010,636</u>
 61,710	 10,229	 19,992	 372,306	 872,332	 1,180,444
1,214,388	736,714	763,487	1,190,915	1,353,236	1,288,142
(346,000)	1,003,182	290,592	-	-	-
<u>930,098</u>	<u>1,750,125</u>	<u>1,074,071</u>	<u>1,563,221</u>	<u>2,225,568</u>	<u>2,468,586</u>
 31,230,385	 34,167,679	 36,264,455	 37,148,379	 40,175,335	 44,479,222
 (851,564)	 7,147,646	 5,024,307	 (531,558)	 37,949,767	 2,928,292
2,565,496	5,550,578	5,746,860	3,442,608	27,067,420	10,494,796
<u>\$ 1,713,932</u>	<u>\$ 12,698,224</u>	<u>\$ 10,771,167</u>	<u>\$ 2,911,050</u>	<u>\$ 65,017,187</u>	<u>\$ 13,423,088</u>

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

	2016	2017	2018	2019
General Fund				
Nonspendable	\$ 589,493	\$ 564,291	\$ 606,124	\$ 187,925
Restricted	2,808,546	5,270,374	4,998,215	6,313,654
Committed	-	-	-	374,346
Assigned	-	-	-	778,842
Unassigned	<u>7,587,797</u>	<u>7,811,928</u>	<u>6,670,426</u>	<u>3,132,854</u>
Total General Fund	<u>\$ 10,985,836</u>	<u>\$ 13,646,593</u>	<u>\$ 12,274,765</u>	<u>\$ 10,787,621</u>
Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	236,958	2,690,689	234,493	5,489,659
Committed				
General government	-	-	-	-
Downtown development	66,512	82,896	95,311	-
Economic development	1,921,156	1,357,357	852,722	-
Cultural and recreational	-	5,885,915	62,593	-
Assigned				
Subsequent year's expenditures	-	-	-	24,000
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(57,024)</u>
Total Other Governmental Funds	<u>\$ 2,224,626</u>	<u>\$ 10,016,857</u>	<u>\$ 1,245,119</u>	<u>\$ 5,456,635</u>

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

Table 3

2020	2021	2022	2023	2024	2025
\$ 257,212	\$ 255,407	\$ 425,801	\$ 760,312	\$ 868,715	\$ 884,542
5,357,362	5,610,552	7,946,741	8,211,391	6,939,217	7,220,535
2,146,511	291,143	815,163	809,748	816,366	815,343
12,964	-	-	1,500,000	1,992,252	-
1,310,509	4,454,057	12,220,201	16,057,787	17,855,662	24,785,737
\$ 9,084,558	\$ 10,611,159	\$ 21,407,906	\$ 27,339,238	\$ 28,472,212	\$ 33,706,157
\$ -	\$ -	\$ 6,391	\$ 1,996	\$ -	\$ 2,100
3,557,159	3,062,030	2,051,697	3,236,269	2,595,569	2,549,173
-	-	7,056	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	102,669
-	150,000	-	250,000	-	-
-	-	-	-	-	-
\$ 3,557,159	\$ 3,212,030	\$ 2,065,144	\$ 3,488,265	\$ 2,595,569	\$ 2,653,942

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

	2016	2017	2018	2019
Revenues				
Ad valorem taxes	\$ 15,373,561	\$ 15,679,928	\$ 15,747,628	\$ 15,935,610
Other taxes and licenses	889,751	1,056,487	1,287,326	1,416,068
Unrestricted intergovernmental	11,854,168	11,712,038	12,586,998	12,632,314
Restricted intergovernmental	5,387,555	4,354,537	3,976,851	2,514,427
Permits and fees	420,115	525,738	386,306	415,087
Sales and services	4,296,235	4,273,510	4,303,397	4,666,133
Investment earnings	28,027	46,006	119,896	326,850
Miscellaneous	-	750,571	551,233	650,710
Total Revenues	38,249,412	38,398,815	38,959,635	38,557,199
Expenditures				
Current				
General government	3,180,045	3,481,672	3,554,876	3,238,210
Public safety	15,704,769	16,910,403	19,047,197	22,786,647
Transportation	3,102,998	3,261,299	6,054,853	2,644,769
Economic and physical development	1,385,332	4,402,069	2,927,772	3,075,334
Environmental protection	2,743,280	3,179,650	3,158,528	4,748,127
Cultural and recreational	2,797,524	4,181,318	11,195,202	5,678,455
Utility related services	-	-	-	-
Capital outlay	12,975,831	-	-	2,513,809
Debt service				
Principal	3,362,270	3,409,903	4,237,705	4,579,171
Interest and other charges	665,728	655,308	859,103	785,799
Total Expenditures	45,917,777	39,481,622	51,035,236	50,050,321
Revenues Over (Under) Expenditures	(7,668,365)	(1,082,807)	(12,075,601)	(11,493,122)
Other Financing Sources (Uses)				
Transfers from other funds	-	-	7,342	2,342,353
Transfers to other funds	-	-	(257,342)	(569,088)
Sale of capital assets	-	110,040	252,509	169,080
Insurance recoveries	-	-	-	-
Issuance of debt	2,106,326	12,608,664	2,328,000	11,513,233
Issuance of lease liabilities	-	-	-	-
Issuance of subscription liabilities	-	-	-	-
Premium on the issuance of debt	-	684,211	-	242,923
Debt refundings	-	(1,885,664)	-	-
Other Financing Sources (Uses), Net	2,106,326	11,517,251	2,330,509	13,698,501
Net Change in Fund Balances	\$ (5,562,039)	\$ 10,434,444	\$ (9,745,092)	\$ 2,205,379
Debt Service as a Percentage of Noncapital Expenditures	12.23%	10.30%	12.32%	11.29%

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

Table 4

	2020	2021	2022	2023	2024	2025
\$	16,600,626	\$ 16,998,970	\$ 17,778,944	\$ 17,977,386	\$ 19,455,268	\$ 22,585,185
1,304,724	1,376,911	1,440,159	1,558,465	1,521,806	1,648,616	
12,814,943	14,075,736	15,374,960	15,253,518	15,402,184	16,495,399	
9,349,644	3,512,722	7,030,632	6,484,459	1,595,399	2,128,217	
373,171	512,777	555,631	625,290	709,662	621,201	
5,260,516	4,791,165	5,260,820	5,647,551	6,178,350	6,070,262	
153,374	11,466	21,972	746,272	1,109,286	976,320	
404,684	1,134,831	578,423	334,827	461,806	261,530	
	46,261,682	42,414,578	48,041,541	48,627,768	46,433,761	50,786,730
2,740,767	3,588,058	3,032,086	3,058,365	4,156,031	3,871,172	
15,532,071	16,787,272	16,697,219	18,413,705	19,211,365	24,382,448	
2,066,549	2,421,598	2,631,105	2,438,909	1,883,836	1,894,733	
5,207,444	2,743,007	2,602,335	2,590,621	2,808,424	3,382,418	
3,866,411	3,312,730	3,350,622	3,524,267	3,824,139	3,814,880	
4,117,378	4,058,363	4,457,164	4,746,273	5,373,596	5,436,607	
-	-	579,855	1,979,139	-	-	
10,569,413	2,215,260	3,637,608	2,032,160	4,702,831	5,353,747	
4,968,807	4,225,075	3,973,160	4,023,226	3,874,398	3,533,486	
628,292	1,024,231	898,224	836,290	772,812	743,493	
49,697,132	40,375,594	41,859,378	43,642,955	46,607,432	52,412,984	
(3,435,450)	2,038,984	6,182,163	4,984,813	(173,671)	(1,626,254)	
1,800,430	590,871	685,243	-	-	-	
(2,148,958)	(1,594,053)	(975,835)	-	-	-	
65,931	135,392	180,027	62,944	247,123	85,681	
-	-	226,852	124,869	-	146,136	
105,000	-	3,268,981	2,033,000	-	6,543,040	
-	-	48,720	-	147,991	117,809	
-	-	-	151,342	-	96,896	
-	-	-	-	-	-	
(177,597)	(867,790)	3,433,988	2,372,155	395,114	6,989,562	
\$ (3,613,047)	\$ 1,171,194	\$ 9,616,151	\$ 7,356,968	\$ 221,443	\$ 5,363,308	
14.30%	13.76%	12.75%	11.68%	11.09%	9.09%	

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
2016	\$ 15,056,921	\$ 743,626	\$ 25,593	\$ 60,362	\$ 15,886,502
2017	15,679,927	964,375	1,823	66,737	16,712,862
2018	16,052,594	993,506	2,210	59,960	17,108,270
2019	15,664,078	1,104,829	3,026	72,973	16,844,906
2020	16,534,709	995,009	3,405	69,810	17,602,933
2021	16,902,783	1,034,175	2,961	86,005	18,025,924
2022	17,771,140	1,107,941	3,480	85,828	18,968,389
2023	17,937,931	1,228,243	3,503	84,308	19,253,985
2024	19,480,676	1,192,813	3,498	84,375	20,761,362
2025	22,598,304	1,320,355	3,875	77,606	24,000,140

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

City of Goldsboro**Table 6****Tax Revenues by Source - Governmental Funds (Modified Accrual Basis)
Last Ten Fiscal Years**

Fiscal Year	Property Tax	Occupancy Tax	Privilege License Tax	Other	Total
2016	\$ 15,373,561	\$ 743,626	\$ 25,593	\$ 60,362	\$ 16,203,142
2017	15,679,928	964,375	1,823	66,737	16,712,863
2018	15,747,628	993,506	2,210	59,960	16,803,304
2019	15,935,610	1,104,829	3,026	72,973	17,116,438
2020	16,600,626	995,009	3,405	69,810	17,668,850
2021	16,998,970	1,034,175	2,961	86,005	18,122,111
2022	17,778,944	1,107,941	3,480	85,828	18,976,193
2023	17,977,386	1,228,243	3,503	84,308	19,293,440
2024	19,455,268	1,192,813	3,498	84,375	20,735,954
2025	22,585,185	1,320,355	3,875	77,606	23,987,021

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
2016	\$ 2,054,356,827	\$ 230,001,759	\$ 62,084,900	\$ 2,346,443,486	\$ 0.650
2017	2,099,079,754	233,064,083	66,627,156	2,398,770,993	0.650
2018	1,855,763,343	460,281,742	70,855,530	2,386,900,615	0.650
2019	1,871,422,440	243,977,949	75,519,544	2,190,919,933	0.650
2020	1,973,661,667	250,802,345	79,103,601	2,303,567,613	0.650
2021	2,023,839,987	254,682,252	74,792,835	2,353,315,074	0.650
2022	2,005,867,369	247,836,662	74,767,017	2,328,471,048	0.680
2023	2,022,812,385	236,473,811	76,711,694	2,335,997,890	0.680
2024	2,329,809,335	243,018,070	76,915,335	2,649,742,740	0.730
2025	2,373,049,582	272,754,222	71,546,051	2,717,349,855	0.825

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. TR-2 reporting

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			
2016	\$ 0.650	\$ 0.650	\$ 0.235	\$ 0.6640	\$ 1.5490		
2017	0.650	0.650	0.235	0.6640	1.5490		
2018	0.650	0.650	0.235	0.6640	1.5490		
2019	0.650	0.650	0.235	0.6640	1.5490		
2020	0.650	0.650	0.235	0.6640	1.5490		
2021	0.650	0.650	0.235	0.7075	1.5925		
2022	0.680	0.680	0.235	0.7430	1.6580		
2023	0.680	0.680	0.235	0.7430	1.6580		
2024	0.730	0.730	0.235	0.7430	1.7080		
2025	0.825	0.825	0.235	0.7675	1.8275		

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 2025			Fiscal Year 2016		
		(1) Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	(1) Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Mount Olive Pickle Company Inc	Manufacturing	\$ 28,612,044	1	1.05%			
Franklin Baking Co.	Bread Manufacturing	25,877,337	2	0.95%	\$ 21,069,610	4	0.90%
Wal-Mart Stores	Retail Department Store	23,107,022	3	0.85%	44,872,213	1	1.91%
Duke Energy Progress Inc	Public Utility	22,887,637	4	0.84%	23,063,757	2	0.98%
Berkeley Mall LLC	Mall Shopping Center	21,528,020	5	0.79%	22,625,900	3	0.96%
Piedmont Natural Gas Company Inc	Public Utility	21,324,078	6	0.78%			0.00%
EWT 75 LLC		21,312,341	7	0.78%			0.00%
Berkeley Place Apartments LLC	Real Estate	19,177,779	8	0.71%	18,531,685	7	0.79%
Gruma Corporation	Real Estate	16,322,278	9	0.60%	19,815,520	6	0.84%
The Three J's Inc.	Automobile Dealer	16,240,170	10	0.60%			
Goldsboro Apartments Investors LLC	Real Estate				20,859,397	5	0.89%
AP Exhaust Technologies, Inc	Manufacturing				15,329,074	8	0.65%
TWE-Advance-Newhouse Partnership	Public Utility				13,783,857	10	0.59%
Cooper Standard, Inc.	Rubber & Plastic Auto Parts				14,746,664	9	0.63%
Totals		216,388,706		7.96%	214,697,677		9.15%
Total Assessed Valuation		\$ 2,717,349,855		100.00%	\$ 2,346,443,486		100.00%

(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		Amount	Percentage of Adjusted Levy
2016	\$ 13,364,789		\$ 430,577	\$ 13,795,366	\$ 13,493,702	97.81%	\$ 286,986	\$ 13,780,688	99.89%
2017	14,115,765		(51,837)	14,063,928	13,780,916	97.99%	269,321	14,050,237	99.90%
2018	15,109,733		427,959	15,537,692	15,283,969	98.37%	239,898	15,523,867	99.91%
2019	15,771,272		(41,299)	15,729,973	15,485,233	98.19%	228,860	15,714,093	99.90%
2020	16,526,892		33,535	16,560,427	16,285,619	98.54%	254,572	16,540,191	99.88%
2021	16,865,771		(17,626)	16,848,145	16,626,966	98.58%	198,592	16,825,558	99.87%
2022	17,653,462		(48,709)	17,604,753	17,391,296	98.79%	177,881	17,569,177	99.80%
2023	17,837,195		(30,423)	17,806,772	17,591,064	98.79%	166,191	17,757,255	99.72%
2024	19,343,122		(9,141)	19,333,981	19,067,703	98.62%	173,662	19,241,365	99.52%
2025	22,418,136		(8,876)	22,409,260	22,159,350	98.88%	-	22,159,350	98.88%

(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			Percentage of Actual Property Values	Percentage of Personal Income
	General Obligation Bonds		Installment Loans	Subscription Liabilities	Lease Liabilities	General Obligation Bonds		Installment Loans	Primary Government	Per Capita		
	General Obligation Bonds	Installment Loans	Subscription Liabilities	Lease Liabilities	General Obligation Bonds	Installment Loans	Primary Government	Per Capita				
2016	\$ 4,644,007	\$ 20,919,247	\$ -	\$ -	\$ 11,921,993	\$ 11,278,198	\$ 48,763,445	\$ 1,395	2.03%	1.114%		
2017	10,389,178	23,139,645			10,729,816	17,818,945	62,077,584	1,784	2.60%	1.353%		
2018	9,573,697	22,182,533			9,832,509	16,586,250	58,174,989	1,727	2.66%	1.262%		
2019	13,642,377	25,232,458			8,664,963	16,870,664	64,410,462	1,915	2.80%	1.358%		
2020	12,433,805	20,812,169			7,806,600	18,796,484	59,849,058	1,778	2.54%	1.126%		
2021	11,393,959	17,556,414			6,789,512	18,530,702	54,270,587	1,609	2.33%	0.931%		
2022	10,362,121	17,847,312		116,963	5,772,415	17,162,655	51,261,466	1,543	2.19%	0.885%		
2023	9,380,040	16,861,977	97,172	77,797	4,912,561	16,226,912	47,556,459	1,421	1.79%	0.821%		
2024	8,399,967	14,027,653	40,591	151,842	4,063,699	17,711,063	44,394,815	1,313	1.68%	0.767%		
2025	7,430,687	18,078,585	76,124	199,585	3,242,044	16,264,701	45,291,726	1,289	1.67%	0.752%		

** BEA Interactive data website not updated for 2023

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

Table 12

Fiscal Year	(1) General Obligation Bonds	(2) Assessed Value	Percentage of Actual Taxable Value of Property	(3) Population	(4) Per Capita
2016	\$ 16,566,000	\$ 2,346,443,486	0.71%	34,959	\$ 474
2017	21,118,994	2,398,770,993	0.88%	34,793	607
2018	19,406,206	2,386,900,615	0.81%	33,685	576
2019	22,307,340	2,190,919,933	1.02%	33,636	663
2020	20,240,405	2,303,567,613	0.88%	33,657	601
2021	18,183,471	2,353,315,074	0.77%	33,723	539
2022	16,134,536	2,328,471,048	0.69%	33,215	486
2023	14,292,601	2,335,997,890	0.61%	33,463	427
2024	12,463,666	2,649,742,740	0.47%	33,804	369
2025	10,672,731	2,717,349,855	0.39%	35,130	304

(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

	2016	2017	2018	2019
Debt limit (8% of assessed value)	\$ 187,715,479	\$ 191,901,679	\$ 190,952,049	\$ 175,273,595
Total debt applicable to limit	<u>25,563,254</u>	<u>33,528,823</u>	<u>31,756,230</u>	<u>38,874,835</u>
Legal Debt Margin	<u>\$ 162,152,225</u>	<u>\$ 158,372,856</u>	<u>\$ 159,195,819</u>	<u>\$ 136,398,760</u>
Total Debt Applicable to Limit as a Percentage of Debt Limit	<u>15.76%</u>	<u>21.17%</u>	<u>19.95%</u>	<u>28.50%</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

2020	2021	2022	2023	2024	2025
\$ 184,285,409	\$ 188,265,206	\$ 186,277,684	\$ 186,879,831	\$ 211,979,419	\$ 217,387,988
33,245,974	28,950,373	28,326,396	26,416,986	18,283,785	21,596,338
<u>\$ 151,039,435</u>	<u>\$ 159,314,833</u>	<u>\$ 157,951,288</u>	<u>\$ 160,462,845</u>	<u>\$ 193,695,634</u>	<u>\$ 195,791,650</u>
 <u>22.01%</u>	 <u>18.17%</u>	 <u>17.93%</u>	 <u>16.46%</u>	 <u>9.44%</u>	 <u>11.03%</u>

**Legal Debt Margin Calculation
for Fiscal Year 2025**

Assessed value	<u>\$ 2,717,349,855</u>
Debt Limit (8% of Assessed Value)	217,387,988
Debt applicable to limit	
General obligation bonds	7,430,687
Other debt	<u>18,278,170</u>
Legal Debt Margin	<u>\$ 191,679,131</u>

City of Goldsboro
Direct and Overlapping Debt - Governmental Activities
June 30, 2025

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	\$ 21,620,000	27.70%	\$ 5,988,777
Other debt			
Wayne County Installment Purchase Loans	125,918,000	27.70%	<u>34,879,502</u>
Subtotal, Overlapping Debt			40,868,279
Total direct debt			<u>21,596,338</u>
Total Direct and Overlapping Debt			<u>\$ 62,464,617</u>

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

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

(2) The percentage of overlapping debt applicable is estimated using 2024 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
2016	34,959	\$ 4,378,472	\$ 35,181	34.4	19,221	5.60%
2017	34,793	4,587,326	36,950	33.3	19,249	5.10%
2018	33,685	4,610,060	37,126	33.0	18,955	3.80%
2019	33,636	4,741,631	38,472	38.0	17,374	4.67%
2020	33,657	5,315,916	42,882	38.0	17,997	7.10%
2021	33,723	5,827,845	49,881	41.7	17,352	5.69%
2022	33,215	5,790,425	49,370	36.7	17,402	4.40%
2023	33,463	5,790,425	49,370	36.9	17,433	3.90%
2024	33,804	5,790,425	44,196	36.7	17,558	4.30%
2025	35,130	6,023,066	50,748	36.7	17,558	3.90%

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

- (1) Source - North Carolina Office of State Budget and Management - State Demographer
- (2) Source - U.S. Department of Commerce, Bureau of Economic Analysis and North Carolina Department of Commerce
- (3) Source - Wayne County Board of Education
- (4) Source - U.S. Department of Labor and Employment Security Commission of North Carolina



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

Table 16

Employer	2025			2016		
	* Employees	Rank	(1) Percentage of Total MSA Employment	Employees	Rank	(1) Percentage of Total MSA Employment
			Employment			Employment
Seymour Johnson Air Force Base	7,336	1	22.38%	6,482	1	11.89%
Wayne UNC Healthcare	2,925	2	5.68%	1,814	3	3.33%
Wayne County Board of Education	2,390	3	4.64%	2,997	2	5.50%
Mount Olive Pickle Company, Inc	1,234	4	2.40%			
Case Farms	1,100	5	2.14%	1,049	4	1.92%
County of Wayne	1,005	6	1.96%	980	5	1.80%
O'Berry Center	624	7	1.21%	817	7	1.50%
City of Goldsboro	582	8	1.09%			
Cherry Hospital	580	9	1.13%	978	6	1.79%
AP Exhaust Technologies	550	10	1.07%			
Wal-Mart				695	10	1.28%
Goldsboro Milling				800	8	1.47%
Cooper Standard Automotive				789	9	1.45%
Total	18,326		43.70%	17,401		31.93%

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

(2) Source - d4.nccommerce.com/QCEWLargestEmployers.aspx

*(2) Employees- same as 2024

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

Function	2016	2017	2018	2019
Elected officials	7.0	7.0	7.0	7.0
General government	37.0	38.0	40.0	40.0
Transportation	24.0	24.0	22.0	12.5
Economic and physical development	14.0	15.0	14.0	15.0
Public safety				
Police officers	110.0	110.0	110.0	110.0
Firefighters and officers	81.0	81.0	81.0	82.0
Civilians	12.0	11.0	13.0	13.0
Other	29.0	29.0	29.0	33.0
Environmental protection	39.0	39.0	39.0	39.0
Cultural and recreational	35.0	40.0	44.0	45.0
Stormwater utility	-	-	4.0	10.5
Utility Maintenance	26.0	28.0	28.0	28.0
Water treatment plant	11.0	11.0	11.0	11.0
Water reclamation and compost	24.0	24.0	24.0	25.0
Total	449.0	457.0	466.0	471.0

(1) Source - City of Goldsboro's Budget Document

Table 17

2020	2021	2022	2023	2024	2025
7.0	7.0	7.0	7.0	7.0	7.0
42.0	46.0	67.2	67.2	68.2	68.7
12.5	12.5	12.5	12.5	12.5	12.5
15.0	14.0	18.0	18.0	18.0	20.0
110.0	110.0	109.0	109.0	109.0	109.0
82.0	82.0	82.0	82.0	82.0	82.0
13.0	13.0	13.0	13.0	13.0	13.0
33.0	33.0	17.0	17.0	19.0	20.0
40.0	40.0	41.0	41.0	40.0	39.0
45.0	45.0	43.0	43.0	44.0	44.0
10.5	11.5	11.9	11.9	11.9	11.9
28.0	24.0	30.4	30.4	30.4	30.4
11.0	18.0	12.0	12.0	12.0	12.0
25.0	24.0	25.0	25.0	26.0	26.5
474.0	480.0	489.0	489.0	493.0	496.0

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

Function/Program	2016	2017	2018	2019
Police				
Physical arrests	2,657	2,462	2,193	2,070
Traffic violations	6,367	4,959	3,690	5,581
Fire				
Number of calls answered	2,767	2,827	2,387	2,623
Inspections	1,005	901	995	1,228
Building Inspections				
New construction permits	58	67	73	58
Highways and Streets				
Street resurfacing (miles)	3.30	-	11	9.60
Potholes repaired	835	654	601	452
Sanitation				
Refuse collected (tons per day)	54.00	51.20	49.73	53.09
Recyclables collected (tons per day)	5.60	5.30	5.28	3.60
Cultural and Recreational				
Athletic field permits issued	85	203	432	434
Community center admissions	144,414	116,316	168,525	358,062
Water				
New connections	17	28	33	27
Water mains breaks	68	56	71	359
Average daily consumption (millions of gallons)	4.8	5.1	5.9	6.5
Number of customers	13,626	13,530	13,651	13,836
Waste Water				
New connections	29	41	31	37
Average daily sewage treatment (millions of gallons)	9.6	9.4	8.3	11.5
Number of customers	10,750	10,755	10,685	11,214

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

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

Table 18

2020	2021	2022	2023	2024	2025
1,840	1,551	1,288	1,130	1,421	1,267
6,116	2,091	3,722	2,544	3,198	4,119
2,296	2,630	2,806	3,107	4,960	5,449
1,387	1,879	1,889	1,520	1,772	1,591
81	59	113	102	147	138
0.31	-	4.64	-	0.38	2
423	693	564	816	1,303	1,126
32.45	49.74	66.50	65.66	63.21	51.00
2.96	4.10	1.55	2.73	0.93	0.70
409	252	321	346	227	250
51,565	11,000	22,499	29,124	32,793	33,599
24	23	46	39	52	95
273	18	23	15	6	51
6.5	6	6	6.1	5.9	6.3
13,874	13,659	13,713	13,807	13,648	13,696
26	39	57	49	45	100
9.0	13	9	7.8	8.5	8.4
11,311	11,518	11,707	11,777	11,766	11,702

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

Function/Program	2016	2017	2018	2019
Public Safety				
Police				
Stations	1	1	1	1
Patrol units	70	60	64	64
Fire stations	5	5	5	5
Sanitation				
Collection trucks	8	8	8	8
Highways and Streets				
Streets (miles)	163	163	163	163
Streetlights	2,836	2,905	2,924	2,924
Cultural and Recreational				
Parks acreage	403	403	403	403
Parks	13	13	13	13
Swimming pools	2	2	2	2
Tennis courts	18	18	18	18
Community centers	2	2	2	2
Water				
Water mains (miles)	270	274	274	274
Maximum daily capacity (millions of gallons)	12.0	12.0	12.0	12.0
Sewer				
Sanitary sewers (miles)	241	243	243	243
Maximum daily treatment capacity (millions of gallons)	14.2	14.2	14.2	14.2

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

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

Table 19

2020	2021	2022	2023	2024	2025
1	1	1	1	1	1
64	56	56	51	55	48
5	5	5	5	5	5
8	7	16	15	6	14
163	163	165	165	160	161
2,924	2,751	2,980	2,980	2,980	2,980
403	403	403	403	403	403
13	14	14	14	14	14
2	2	2	2	2	2
18	18	18	18	18	18
2	2	2	2	2	2
274	274	272	273	269	270
12.0	14.0	14.0	14.0	14.0	14.0
243	229	229	230	234	220
14.2	14.2	14.2	14.2	14.2	14.2



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Compliance Section

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



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**Report on Internal Control over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards**

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of the City of Goldsboro, North Carolina (the "City") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 30, 2025.

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 or significant deficiencies may exist that have not been identified.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Forvis Mazars, LLP

Greensboro, North Carolina
December 30, 2025

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, 2025. 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, 2025.

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*, applicable sections of 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*, applicable sections of 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.

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

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 Mazars, LLP

Greensboro, North Carolina
December 30, 2025

Schedule of Findings and Questioned Costs

I. Summary of Auditor's Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted?

_____ Yes No

State Awards

Internal control over major state programs:

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

Identification of major state programs:

Program Name

DOT-4 Powell Bill

State Appropriations Grant MOPCO Phase III Sewer

II. Financial Statement Findings

There were no findings related to the financial statements for the year ended June 30, 2025.

III. State Awards Findings and Questioned Costs

There were no findings related to state awards for the fiscal year ended June 30, 2025.

City of Goldsboro

Schedule of Expenditures of Federal and State Awards

Year Ended June 30, 2025

(2 pages)

Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Pass-through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures
FEDERAL AWARDS				
Cash Programs				
U.S. Dept. of Housing and Urban Development ("HUD")				
Direct				
Office of Community Planning and Development				
Community Development Block Grant - Entitlement Grants Cluster				
FY20-FY21	14.218	B-21-MC-37-0019	\$ 32,955	\$ -
FY21-FY22	14.218	B-22-MC-37-0019	52,179	-
FY23-FY24	14.218	B-24-MC-37-0019	12,200	-
COVID-19: CDGB-CV	14.218	B-20-MW-370019	736	-
Total CDBG Entitlement Grants Cluster			98,070	-
Home Investment Partnership Program				
HOME ARP	14.239	M-21-MP-370209	834	-
FY16-FY17	14.239	M17-MC-370209	10,000	-
FY20-FY21	14.239	M21-MC-370209	28,475	-
FY21-FY22	14.239	M22-MC-370209	11,052	-
Total Home Investment Partnership Program			50,361	-
Total HUD			148,431	-
U.S. Department of Justice ("DOJ")				
Passed through NC Department of Public Safety				
Edward Byrne Memorial Justice Assistance Grant Program				
FY22- FY23	16.738	15PBJA-23-GG- 03600-JAGX	43,333	-
Equitable Sharing Program	16.922	NC0960100	13,058	-
Total DOJ			56,391	-
U.S. Department of Transportation ("DOT")				
Passed through NC Department of Transportation				
Highway Planning and Construction ("HPC") Cluster				
104(f) Funds	20.205-5	40435.1.9	144,760	-
5303 Funds	20-205	36230.13.20.6	40,004	5,001
SPR	20.205	50854.3.3	146,452	27,460
Total HPC Cluster			331,216	32,461
Total DOT			331,216	32,461

City of Goldsboro

Schedule of Expenditures of Federal and State Awards

Year Ended June 30, 2025

(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.S. Department of Treasury				
Direct				
Coronavirus State and Local Fiscal Recovery Funds				
Wastewater System Masterplan	21.027	AIA-W-ARP-0284	22,700	-
Water Galvanized Water Lines-2019 Water System Improvements	21.027	VUR-D-ARP-0085	400	-
Total U.S. Department of Treasury			<u>23,100</u>	<u>-</u>
STATE AWARDS				
Cash Programs				
N.C. Department of Environmental Quality ("NCDEQ")				
NC Viable Utility Reserve Program				
VUR MRF (MRF-M-VUR-0007) Part B	N/A	DEQ-32	-	43,524
NC Revolving Loan and Grant Program				
PFAS Study & Treatment Project	N/A	DEQ-10		187,500
Total NCDEQ			<u>-</u>	<u>231,024</u>
N.C. Office of Management & Budget ("NC OMB")				
State Appropriations Grant Transportation	N/A	12181	\$	-
State Appropriations Grant Economic				
Development	N/A	12182	-	167,199
State Appropriations Grant P&R	N/A	12182	-	3,361
State Appropriations Grant MOPCO				
Phase III Sewer	N/A	SL2023-134		3,431,626
Total NC OMB			<u>-</u>	<u>3,602,186</u>
N.C. Department of Public Safety ("NCDPS")				
NCDPS-Big Ditch	N/A	2000074830		140,295
Total NCDPS			<u>-</u>	<u>140,295</u>
N.C. Department of Transportation ("NCDOT")				
Powell Bill	N/A	DOT-4		1,037,634
Total NCDOT			<u>-</u>	<u>1,037,634</u>
Other State Financial Assistance				
NC Amateur Sports Youth Grant	N/A	N/A		2,707
NC Department of Insurance - State Fire				-
Marshall Grant	N/A	N/A		9,949
NC Department of Revenue - NC Controlled				
Substance Tax	N/A	N/A		17,295
NC Department of Administration - NCDOA				
Grant MYC	N/A	N/A		177
Total Other State Financial Assistance			<u>-</u>	<u>30,128</u>
Total Expenditures of Federal and State Awards			<u>\$ 559,138</u>	<u>\$ 5,073,728</u>

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, 2025. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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, 2025 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, 2025:

<u>Loan Description</u>	<u>Assistance Listing Number</u>	<u>Loan Balance</u>
Clean Water State Revolving Loan - CS370482-06	66.458	\$ 2,017,125
Clean Water State Revolving Loan - CS370482-07	66.458	5,749,840
Clean Water State Revolving Loan - 1942	66.458	1,187,927
Clean Water State Revolving Loan - E-SRP-2-17-0110	66.458	<u>555,127</u>
Total Outstanding Loan Balances		\$ 9,510,019

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, 2025.

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 requirements 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.