



# **City of Eden**

## **Financial Statements**

**June 30, 2023**

**Rouse, Rouse, Rouse & Gardner, LLP  
Certified Public Accountants  
Eden, North Carolina**

## **COUNCIL MEMBERS**

**Neville Hall, Mayor**  
**Bernie Moore, Mayor Pro Tem**

**Jerry Epps**  
**Bruce Nooe**  
**Gerald Ellis**

**Greg Light**  
**Kenny Kirkman**  
**Tommy Underwood**

## **OFFICIALS**

**Jon Mendenhall**  
**Deanna F. Hunt**  
**Erin B. Gilley**  
**Tammie B. McMichael**

**City Manager**  
**City Clerk**  
**City Attorney**  
**Director of Finance**  
**and Personnel**



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# Rouse, Rouse, Rouse & Gardner, L.L.P.

Certified Public Accountants



R. Rex Rouse, Jr., CPA  
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## Independent Auditor's Report

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

### **Report on the Audit of Financial Statements**

#### *Opinions*

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

In our opinion, based upon our audit, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Eden as of June 30, 2023, and the respective changes in financial position, and cash flows [where applicable] thereof and the respective budgetary comparison for the General Fund and the ARPA Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did audit the financial statements of the City of Eden's ABC Board, which represent 100 percent, 100 percent, and 100 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component unit, as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Eden and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of City of Eden's ABC Board were not audited in accordance with *Governmental Auditing Standards*.

#### *Responsibilities of Management for the Audit of the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raises substantial doubt about the City of Eden's ability to continue as a going

concern for the twelve 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 of 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 *Governmental Auditing Standards* will always detect material statement 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 *Governmental Auditing Standards* we

- exercised professional judgement and maintained 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 responsible to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Eden's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Eden'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 on pages 4 through 14, and the Other Post Employment Benefit and Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contributions on pages 83 through 85, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset (Liability) and Contributions, on pages 80 through 81, respectively, and the Firefighter' and Rescue Squad Worker's Pension Fund's Schedule of the Proportionate Share of Net Pension Liability (Asset) on page 82 be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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 consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Eden's basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, as well as the accompanying schedule of expenditures of federal and state awards as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory information and the statistical sections 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 by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2023, on our consideration of the City of Eden's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Eden'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* in considering City of Eden's internal control over financial reporting and compliance.

Rouse, Rouse, Rouse & Gardner, LLP  
Rouse, Rouse, Rouse & Gardner, LLP  
Eden, North Carolina  
November 9, 2023

## Management's Discussion and Analysis

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

### Financial Highlights

- The assets and deferred outflows of resources of the City of Eden exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$90,187,110 (Net Position).
- The government's total net position increased by \$5,179,275 primarily due to the increase in business-type activities net position.
- On June 30, 2023, the governmental funds reported combined ending fund balances of \$15,755,733, an increase of \$3,338,605 in comparison with the prior year. Approximately 70.08% of this total amount, or \$11,041,408, is available for spending (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,041,408, or 66.99% of the total general fund expenditures for the fiscal year.
- The City of Eden's total liabilities increased by \$7,015,898 from \$42,538,336 to \$49,554,234 during the current fiscal year. The key factor in this change was the increase in current liabilities.

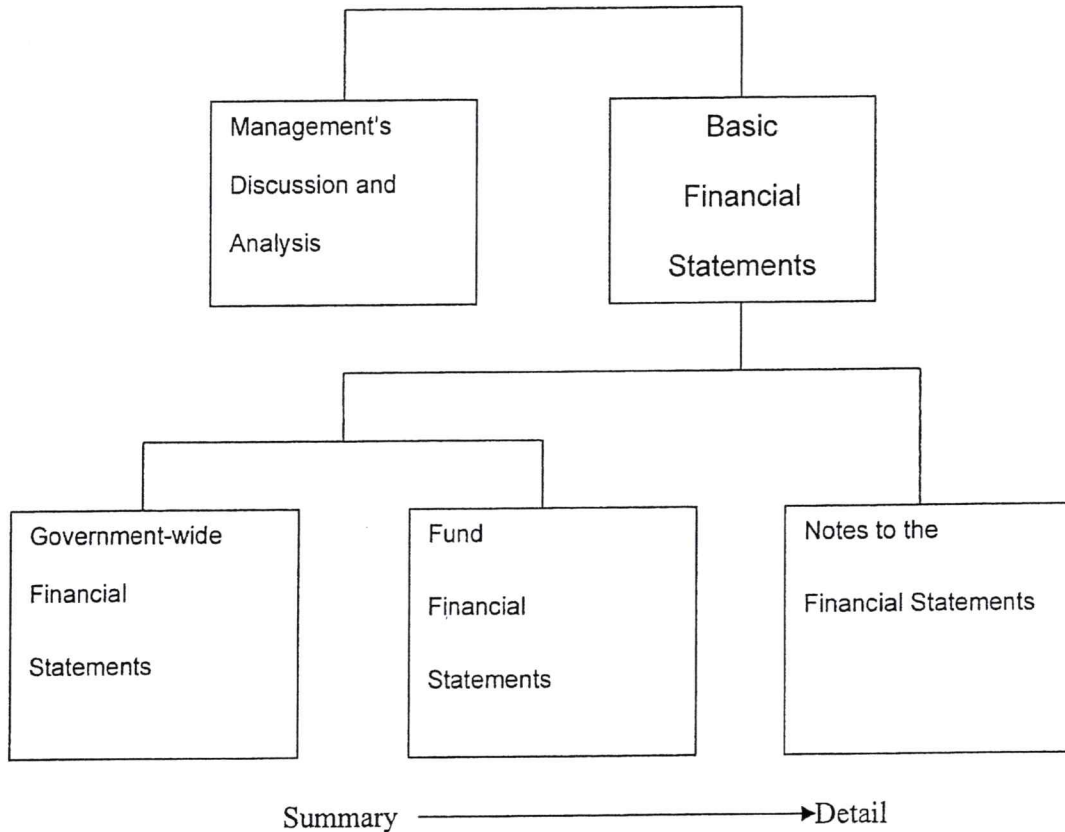
### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to City of Eden's basic financial statements. The City's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) 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 (see Figure 1). In addition to the basic financial statements, this audit report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City of Eden.



*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 parts of the City's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the notes. These notes explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the City's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

## **Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements report the City's net position and how they have changed. Net position is the difference between the City's total assets and total liabilities. Measuring net position is one way to gauge the City's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the City's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the City charges customers to provide. These include the water and sewer offered by the City of Eden. The final category is the component unit. Although legally separate from the City, the ABC Board is important to the City because the City exercises control over the Board by appointing its members and because the Board is required to distribute its profits to the City.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

## **Fund Financial Statements**

The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Eden, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the City's budget ordinance. All of the funds of City of Eden can be divided into two categories: governmental funds and proprietary funds.

## **Governmental Funds**

Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. The relationship between government activities (reported in the Statement of Net Position and the

Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The City of Eden adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City, and the decisions of the 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 City Council; 2) the final budget as amended by the City Council; 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**

City of Eden has two different kinds of proprietary funds:

#### *Enterprise Funds*

Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. City of Eden uses enterprise funds to account for its water and sewer activity. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

#### *Internal Service Funds*

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the functions of City of Eden. The City uses an internal service fund to account for one activity – its self-insurance operations. Because this operation benefits predominantly governmental rather than business-type activities, the internal service fund has been included within the governmental activities in the government-wide financial statements.



**Notes to the Financial Statements & Other Information**

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 are on pages 28 - 78 of this report.

In addition to the basic financial statements and accompanying notes, this audit report includes certain required supplementary information concerning the City of Eden's progress in funding its obligation to provide pension benefits and other post employee benefits to its employees.

**Government-Wide Financial Analysis**

The City of Eden's Net Position

Figure 2

	Governmental Activities		Business-type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current and other assets	21,767,524	16,243,571	7,581,665	6,435,062	29,349,189	22,678,633
Capital assets	25,984,575	26,068,361	78,835,537	74,085,724	104,820,112	100,154,085
Deferred outflows of resources	<u>6,487,141</u>	<u>6,607,747</u>	<u>1,633,634</u>	<u>1,517,389</u>	<u>8,120,775</u>	<u>8,125,136</u>
Total assets and deferred outflows of resources	<u>54,239,240</u>	<u>48,919,679</u>	<u>88,050,836</u>	<u>82,038,175</u>	<u>142,290,076</u>	<u>130,957,854</u>
Long-term liabilities	19,707,775	18,507,435	20,918,278	18,269,524	40,626,053	36,776,959
Other liabilities	5,152,676	3,449,919	3,775,505	2,311,458	8,928,181	5,761,377
Deferred inflows of resources	<u>2,251,965</u>	<u>2,753,897</u>	<u>296,769</u>	<u>657,786</u>	<u>2,548,734</u>	<u>3,411,683</u>
Total liabilities and deferred inflows of resources	<u>27,112,416</u>	<u>24,711,251</u>	<u>24,990,552</u>	<u>21,238,768</u>	<u>52,102,968</u>	<u>45,950,019</u>
Net Position:						
Invested in capital assets, net of related debt	22,775,157	22,524,990	60,922,591	58,082,150	83,697,748	80,607,140
Restricted	2,838,318	2,349,939			2,838,318	2,349,939
Unrestricted	<u>1,513,349</u>	<u>(666,501)</u>	<u>2,137,695</u>	<u>2,717,257</u>	<u>3,651,044</u>	<u>2,050,756</u>
Total Net Assets	<u>27,126,824</u>	<u>24,208,428</u>	<u>63,060,286</u>	<u>60,799,407</u>	<u>90,187,110</u>	<u>85,007,835</u>

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the City of Eden exceeded liabilities and deferred inflows by \$90,187,110 as of June 30, 2023. The City's net position increased by \$5,179,275 for the fiscal year ended June 30, 2023. However, the largest portion reflects the City's investment in capital assets (e.g. land, buildings, machinery, and equipment); less any debt still outstanding that was issued to acquire those items. The City of Eden uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Eden'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 of Eden's net position 3.15% represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$3,651,044 is unrestricted.

City of Eden  
Changes in Net Position  
Figure 3

	Governmental Activities 2023	Governmental Activities 2022	Business-type Activities 2023	Business-type Activities 2022	Total 2023	Total 2022
<b>Revenues:</b>						
Program revenues:						
Charges for services	2,935,414	2,598,948	10,109,518	9,422,190	13,044,932	12,021,138
Operating grants and Contributions	300,144	974,493			300,144	974,493
Capital grants and Contributions	2,460,821	594,843	2,528,278	1,173,032	4,989,099	1,767,875
General revenues:						
Property taxes	6,555,580	6,474,399			6,555,580	6,474,399
Other taxes	6,083,725	5,373,772			6,083,725	5,373,772
Grants and contributions not restricted						
to specific programs	1,623,313	1,516,915			1,623,313	1,516,915
Other	450,888	34,870	135,145	23,510	586,033	58,380
<b>Total revenues</b>	<b>20,409,885</b>	<b>17,568,240</b>	<b>12,772,941</b>	<b>10,618,732</b>	<b>33,182,826</b>	<b>28,186,972</b>
<b>Expenses:</b>						
General government	2,603,223	2,489,861			2,603,223	2,489,861
Public safety	7,731,011	8,105,723			7,731,011	8,105,723
Transportation	2,192,725	2,033,872			2,192,725	2,033,872
Sanitation	1,978,452	1,968,757			1,978,452	1,968,757
Economic and physical development	108,654	69,005			108,654	69,005
Cultural and recreation	1,030,873	1,069,948			1,030,873	1,069,948
Public works	1,084,038	1,134,342			1,084,038	1,134,342
Special appropriations	167,771	241,283			167,771	241,283
Interest on long-term debt	93,635	177,595			93,635	177,595
Water and sewer			11,013,169	10,496,373	11,013,169	10,496,373
<b>Total expenses</b>	<b>16,990,382</b>	<b>17,290,386</b>	<b>11,013,169</b>	<b>10,496,373</b>	<b>28,003,551</b>	<b>27,786,759</b>
Total General Revenues excluding Transfers	3,419,503	277,854	1,759,772	122,359	5,179,275	400,213
Transfers ARPA	(501,107)	(134,371)	501,107	134,371	0	-
<b>Increases (decreases) in net position</b>	<b>2,918,396</b>	<b>143,483</b>	<b>2,260,879</b>	<b>256,730</b>	<b>5,179,275</b>	<b>400,213</b>
Net position-Beginning of Year	24,208,428	24,064,945	60,799,407	60,542,677	85,007,835	84,607,622
<b>Net position-End of Year</b>	<b>27,126,824</b>	<b>24,208,428</b>	<b>63,060,286</b>	<b>60,799,407</b>	<b>90,187,110</b>	<b>85,007,835</b>

**Governmental activities.** Governmental activities increased the City's net position by \$2,918,396. Key element of this increase is as follows:

- An increase in charges for services, capital grants and contributions, property taxes, local sales tax, franchise tax, other taxes, grants and contributions not restricted to specific programs, and unrestricted investment earnings.

**Business-type activities:** Business-type activities increased the City of Eden's net position by \$2,260,879. Key elements of this increase are as follows:

- Charges for services, Transfer of ARPA Funds, and capital grants & contributions.

### **Financial Analysis of the City's Funds**

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

**Governmental Funds.** The focus of the City of Eden'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 of Eden's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the City of Eden. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$11,041,408 while total fund balance reached \$15,419,523. 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 66.99% of total General Fund expenditures, while total fund balance represents 93.55% of that same amount.

At June 30, 2023, the governmental funds of City of Eden reported a combined fund balance of \$15,755,733 a 26.89% increase compared with last year. Included in this change in fund balance is an increase in fund balance in the General Fund in the amount of \$3,041,418 and an increase in other governmental funds of \$297,187.

**General Fund Budgetary Highlights:** During the fiscal year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Revenues were greater than the budgeted amounts primarily because of increases in ad valorem taxes, other taxes and licenses, local sales tax, franchise, other unrestricted intergovernmental revenues, permits & fees, sales and services, miscellaneous revenues, and interest on investments.



**Proprietary Funds.** The City of Eden’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water and Sewer Fund at the end of the fiscal year amounted to \$2,137,695. The total increase in net position for the fund was \$2,260,879. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Eden’s business-type activities.

**Capital Asset and Debt Administration**

**Capital assets.** The City of Eden’s investment in capital assets for its governmental and business-type activities as of June 30, 2023, totals \$104,820,112. These assets include buildings, roads, and bridges, land, machinery and equipment, park facilities, and vehicles.



City of Eden's Capital Assets

Figure 4  
(net of depreciation)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	1,299,611	1,308,686	1,826,960	1,826,960	3,126,571	3,135,646
Buildings and systems	3,962,057	3,945,670	56,381,105	48,848,889	60,343,162	52,794,559
Improvements other than buildings	4,880,074	4,973,374			4,880,074	4,973,374
Machinery and equipment	907,872	1,025,035	1,616,407	1,681,282	2,524,279	2,706,317
Infrastructure	12,407,521	12,559,596			12,407,521	12,559,596
Vehicles and motorized equipment	2,083,651	2,083,182	190,688	276,339	2,274,339	2,359,521
Construction in progress	<u>443,789</u>	<u>172,819</u>	<u>18,820,377</u>	<u>21,452,254</u>	<u>19,264,166</u>	<u>21,625,073</u>
Total	<u>25,984,575</u>	<u>26,068,362</u>	<u>78,835,537</u>	<u>74,085,724</u>	<u>104,820,112</u>	<u>100,154,086</u>

Additional information on the City's capital assets can be found on pages 41 and 42 in the notes to the financial statements.

**Long-term Debt.** As of June 30, 2023, the City of Eden had total bonded debt outstanding of \$0.

City of Eden's Outstanding Debt  
General Obligation Bonds

The City of Eden's total debt increased by \$7,015,898 from \$42,538,336 to \$49,554,234 during the past fiscal year.

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 City of Eden is \$75,356,266.

**Budget Highlights for the Fiscal Year Ending June 30, 2023**

**Governmental Activities:** Property taxes (benefiting from the economic growth) and revenues from operating charges for services are expected to lead the increase in budgeted revenue. The City will use these increases in revenues to finance programs currently in place.

**Business-type Activities:** Charges for water and sewer are expected to lead the increase in budgeted revenue.

**Requests for Information**

This report is designed to provide an overview of the City's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance & Personnel or City Manager, City of Eden, PO Box 70, Eden, NC 27289.

City of Eden  
Statement of Net Position  
June 30, 2023

Exhibit I

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	15,393,602	2,842,067	18,235,669	448,744
Cash and cash equivalents - restricted deposits	3,559,249	368,345	3,927,594	
Taxes receivable, net of allowance for uncollectible	116,348		116,348	
Unbilled water and sewer receivables		886,185	886,185	
Customer receivables, net of allowance for uncollectibles	449,709	768,919	1,218,628	
Due from other governmental agencies	1,602,226		1,602,226	
Accrued interest receivable	3,620		3,620	
Due from component unit	53,491		53,491	
Other receivables		2,615,968	2,615,968	
Internal balance	209,482	(209,482)	-	
Inventories	276,236	300,164	576,400	186,215
Prepaid items	103,561	9,499	113,060	6,983
<b>Total Current Assets</b>	<b>21,767,524</b>	<b>7,581,665</b>	<b>29,349,189</b>	<b>641,942</b>
<b>Capital Assets:</b>				
Land and construction in progress	1,743,400	20,647,337	22,390,737	95,335
Other capital assets, net of depreciation	24,241,175	58,188,200	82,429,375	34,040
<b>Total Capital Assets</b>	<b>25,984,575</b>	<b>78,835,537</b>	<b>104,820,112</b>	<b>129,375</b>
<b>Total Assets</b>	<b>47,752,099</b>	<b>86,417,202</b>	<b>134,169,301</b>	<b>771,317</b>
<b>Deferred Outflows of Resources</b>				
Contributions to Pension Plan in Current Fiscal Year	3,204,536	993,071	4,197,607	78,296
Contributions to Pension Plan in Current Fiscal Year - Police Separation	585,831		585,831	
OPEB Deferrals	2,696,774	632,578	3,329,352	
Other Deferrals	-	7,985	7,985	
<b>Total Deferred Outflows of Resources</b>	<b>6,487,141</b>	<b>1,633,634</b>	<b>8,120,775</b>	<b>78,296</b>
<b>Liabilities</b>				
Accounts payable and retainage payable	699,418	2,453,792	3,153,210	130,522
Internal balance			-	
Customer deposits	15,690	368,345	384,035	
Due to Customers		24,003	24,003	
Due to Primary Government			-	53,491
Liabilities to be paid from Restricted Assets	3,118,277		3,118,277	
Current Portion of Long Term Liabilities	342,233	747,154	1,089,387	
<b>Total Current Liabilities</b>	<b>4,175,618</b>	<b>3,593,294</b>	<b>7,768,912</b>	<b>184,013</b>
Long-term liabilities:				
Compensated absences payable	977,058	182,211	1,159,269	
Total OPEB Liability	9,460,568	2,219,146	11,679,714	
Net Pension Liability - Police Separation Allowance	2,524,444		2,524,444	
Net Pension Liability - LGERS	4,855,578	1,533,340	6,388,918	73,339
Due in more than one year	2,867,185	17,165,792	20,032,977	
<b>Total Long Term Liabilities</b>	<b>20,684,833</b>	<b>21,100,489</b>	<b>41,785,322</b>	<b>73,339</b>
<b>Total Liabilities</b>	<b>24,860,451</b>	<b>24,693,783</b>	<b>49,554,234</b>	<b>257,352</b>
<b>Deferred Inflows of Resources:</b>				
Prepaid items	631,546		631,546	
OPEB Deferrals	1,241,825	290,293	1,532,118	
Pension Deferrals - Separation Allowance	358,083		358,083	
Pension Deferrals	20,511	6,476	26,987	310
<b>Total Deferred Inflows of Resources</b>	<b>2,251,965</b>	<b>296,769</b>	<b>2,548,734</b>	<b>310</b>
<b>Net Position</b>				
Net Investment in capital assets	22,775,157	60,922,591	83,697,748	129,375
Restricted for:				
Stabilization by State Statute	2,259,170		2,259,170	
Other purposes	7,825		7,825	462,576
Transportation	420,875		420,875	
Public safety	30,039		30,039	
Economic Development	120,409		120,409	
Unrestricted	1,513,349	2,137,695	3,651,044	
<b>Total Net Position</b>	<b>27,126,824</b>	<b>63,060,286</b>	<b>90,187,110</b>	<b>591,951</b>

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

City of Eden  
Statement of Activities  
For the Year Ended June 30, 2023

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
<b>Governmental Activities:</b>								
General Government	2,603,223	140,297	25,641	1,114,822	(1,322,463)		(1,322,463)	
Public Safety	7,731,011	258,236	233,606	500,000	(6,739,169)		(6,739,169)	
Transportation	2,192,725	13,436		524,150	(1,655,139)		(1,655,139)	
Economic and Physical Development	108,654			89,618	(19,036)		(19,036)	
Environmental Protection	1,978,452	2,161,724			183,272		183,272	
Cultural and Recreation	1,030,873	345,274	40,897		(644,702)		(644,702)	
Public Works	1,084,038	16,447		232,231	(835,360)		(835,360)	
Special Appropriations	167,771				(167,771)		(167,771)	
Interest on Long-Term Debt	93,635				(93,635)		(93,635)	
<b>Total Governmental Activities</b>	<b>16,990,382</b>	<b>2,935,414</b>	<b>300,144</b>	<b>2,460,821</b>	<b>(11,294,003)</b>		<b>(11,294,003)</b>	
<b>Business-Type Activities:</b>								
Water and Sewer	11,013,169	10,109,518		2,528,278		1,624,627	1,624,627	
	<u>28,003,551</u>	<u>13,044,932</u>	<u>300,144</u>	<u>4,989,099</u>	<u>(11,294,003)</u>	<u>1,624,627</u>	<u>(9,669,376)</u>	
<b>Component Unit:</b>								
ABC Board	<u>2,164,941</u>	<u>2,168,103</u>						<u>3,162</u>
<b>General Revenues:</b>								
<b>Taxes:</b>								
Property Taxes, Levied for General Purpose					6,555,580		6,555,580	
Local Sales Tax					4,239,416		4,239,416	
Franchise Tax					904,307		904,307	
Other Taxes					939,287		939,287	
Privilege License Tax					715		715	
Grants and Contributions Not Restricted to Specific Programs					1,623,313		1,623,313	
Unrestricted Investment Earnings					450,888	135,145	586,033	2,401
<b>Total General Revenues, excluding transfers</b>					<b>14,713,506</b>	<b>135,145</b>	<b>14,848,651</b>	<b>2,401</b>
Transfers - ARPA					(501,107)	501,107	-	-
<b>Total General Fund Revenues &amp; Transfers</b>					<b>14,212,399</b>	<b>636,252</b>	<b>14,848,651</b>	<b>2,401</b>
Change in Net Position					2,918,396	2,260,879	5,179,275	5,563
Net Position - Beginning of Year					24,208,428	60,799,407	85,007,835	586,388
Net Position - End of Year					<u>27,126,824</u>	<u>63,060,286</u>	<u>90,187,110</u>	<u>591,951</u>

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

City of Eden  
Balance Sheet  
Governmental Funds  
June 30, 2023

Exhibit 3

Assets	Major		Non-Major	Total
	General	American Rescue Plan Fund	Other Governmental Funds	Governmental Funds
Cash and Cash Equivalents	13,393,540	3,120,181	336,211	16,849,932
Cash and cash equivalents - restricted deposits	439,068			439,068
Taxes receivable, net of allowance for uncollectibles of \$160,881	116,348			116,348
Accounts receivable, net of allowance for uncollectibles of \$551,557	429,909		19,800	449,709
Due from other governmental agencies	1,553,842			1,553,842
Due from other funds	221,928	1,905		223,833
Due from Component Unit	53,491			53,491
Inventories	276,236			276,236
Deferred Outflows				-
Prepaid Expenses	103,561			103,561
<b>Total Assets</b>	<b>16,587,923</b>	<b>3,122,086</b>	<b>356,011</b>	<b>20,066,020</b>
<b>Liabilities:</b>				
Unearned revenues		3,118,277	-	3,118,277
Accounts payable and accrued liabilities	404,816		19,800	424,616
Due to Other Funds		3,809	-	3,809
Client Deposits	15,690		-	15,690
<b>Total Liabilities</b>	<b>420,506</b>	<b>3,122,086</b>	<b>19,800</b>	<b>3,562,392</b>
<b>Deferred Inflows of Resources:</b>				
Property taxes receivable	116,348			116,348
Prepaid items	631,546			631,546
	747,894	-	-	747,894
<b>Fund Balances:</b>				
<b>Non Spendable</b>				
Inventories	276,236			276,236
Prepaid Expenses	103,560			103,560
<b>Restricted</b>				
Stabilization by State Statute	2,259,171			2,259,171
Streets	420,875			420,875
Public Safety	30,039		300,000	330,039
Historic Preservation	7,825			7,825
Economic Development	120,409		36,211	156,620
Cultural & Recreational				-
<b>Assigned</b>				
Subsequent year's expenditures	1,160,000			1,160,000
<b>Unassigned reported in:</b>				
General fund	11,041,408			11,041,408
<b>Total Fund Balance</b>	<b>15,419,523</b>	<b>-</b>	<b>336,211</b>	<b>15,755,734</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>16,587,923</b>	<b>3,122,086</b>	<b>356,011</b>	<b>20,066,020</b>

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

City of Eden  
Balance Sheet  
Governmental Funds  
June 30, 2023

Exhibit 3

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

Total Fund Balance, Governmental Funds	15,755,734
--	------------

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds. (Land and construction in progress - \$1,743,400 ; capital assets being depreciated, net - \$24,241,175)	25,984,575
--	------------

The prepaid pension obligation resulting from contributions in excess of the annual required contribution are not financial resources and therefore are not reported in the funds.	(2,524,444)
--	-------------

Net pension liability	(4,855,578)
-----------------------	-------------

Net OPEB liability	(9,460,567)
--------------------	-------------

Contributions to pension plan in current fiscal year and not included in the statement of activities	3,790,366
--	-----------

Contributions to OPEB in current fiscal year and not included in the statement of activities	2,696,773
--	-----------

Internal service funds are used by management to charge the costs of certain activities, such as risk management, equipment replacement and print services to individual funds. The Position and liabilities of certain internal service funds are included in governmental activities in the statement of net Position.	1,437,433
--	-----------

Taxes receivable (\$116,348) and accrued interest receivable (\$3,620) will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred revenue in the funds	119,968
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Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (Notes payable (\$3,209,418); earned vacation/ comp time - (\$977,058); transfer overpayment from prior year (\$10,541)	(4,197,017)
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Pension deferrals - Local Government Retirement	(20,511)
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Pension deferrals - Police Separation Allowance	(358,083)
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OPEB deferrals	(1,241,825)
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Net Position of governmental activities	27,126,824
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The notes to the financial statements are an integral part of this statement.



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

Exhibit 4

Revenues	Major		Non-Major	Total
	General	American Rescue Plan Fund	Other Governmental Funds	Governmental Funds
Ad valorem taxes	6,551,129		13,532	6,564,661
Privilege licenses	715			715
Other taxes and licenses	939,287			939,287
Local sales tax	4,239,416			4,239,416
Franchise tax	904,307			904,307
Other unrestricted intergovernmental revenues	1,623,313			1,623,313
Restricted intergovernmental revenues	1,556,525	1,125,362	89,618	2,771,505
Permits and fees	155,106			155,106
Sales and services	2,628,699			2,628,699
Interest on investments	449,898		990	450,888
Miscellaneous	151,609			151,609
<b>Total revenues</b>	<b>19,200,004</b>	<b>1,125,362</b>	<b>104,140</b>	<b>20,429,506</b>
<b>Expenditures</b>				
Current:				
General government	3,851,469			3,851,469
Public safety	7,500,841			7,500,841
Cultural and recreational	957,592			957,592
Transportation	2,268,131			2,268,131
Economic and physical development	-		106,953	106,953
Environmental protection	1,792,033			1,792,033
Public Works	1,873,655			1,873,655
Special appropriations	179,864			179,864
Non Departmental	(12,093)			(12,093)
Debt service:				
Principal	333,953			333,953
Interest	93,635			93,635
<b>Total expenditures before charge-out</b>	<b>18,839,080</b>	<b>-</b>	<b>106,953</b>	<b>18,946,033</b>
Less: Administrative cost charged to water and sewer fund	2,356,239			2,356,239
<b>Total expenditures</b>	<b>16,482,841</b>	<b>-</b>	<b>106,953</b>	<b>16,589,794</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>2,717,163</b>	<b>1,125,362</b>	<b>(2,813)</b>	<b>3,839,712</b>
<b>Other financing Sources (Uses)</b>				
Transfers in	624,255		300,000	924,255
Transfer from/to funds	(300,000)	(1,125,362)		(1,425,362)
Proceeds from installment purchase	-			-
<b>Total other financing sources and uses</b>	<b>324,255</b>	<b>(1,125,362)</b>	<b>300,000</b>	<b>(501,107)</b>
<b>Net change in fund balance</b>	<b>3,041,418</b>	<b>-</b>	<b>297,187</b>	<b>3,338,605</b>
<b>Fund balances - beginning of year</b>	<b>12,378,104</b>	<b>-</b>	<b>39,024</b>	<b>12,417,128</b>
<b>Fund balances - ending of year</b>	<b>15,419,522</b>	<b>-</b>	<b>336,211</b>	<b>15,755,733</b>

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

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

Exhibit 4

Net change in fund balances - total governmental funds	3,338,605
The change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those Position is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$1,594,999) exceeded capital outlay (\$1,511,212) net of disposals (\$9,075) in the current period.	(83,787)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (accrued interest receivable from property taxes - \$4,093).	(4,093)
Liability for earned but deferred revenues in fund statements	(4,988)
Installment loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net Position. This is the amount of the repayment.	333,953
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Earned vacation/comp time (\$96,650), net pension obligation (\$22,358), other post-employment benefits (\$447,301) and pension expense (\$563,763); transfer overpayment from prior year (\$10,540)	(1,140,612)
Internal service funds are used by management to charge the costs of certain activities such as risk management, print shop services and equipment replacement to individual funds. The (expense) of certain internal services funds is reported with governmental activities.	<u>479,318</u>
Change in net position of governmental activities	<u><u>2,918,396</u></u>



City of Eden  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
For the Year Ended June 30, 2023

Exhibit 5

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Ad valorem taxes	6,498,800	6,498,800	6,551,129	52,329
Privilege licenses	700	700	715	15
Other taxes and licenses	649,200	649,200	939,287	290,087
Local sales tax	3,233,000	3,533,000	4,239,416	706,416
Franchise tax	870,400	870,400	904,307	33,907
Other unrestricted intergovernmental revenues	1,333,800	1,333,800	1,623,313	289,513
Restricted intergovernmental revenues	685,800	1,613,400	1,556,525	(56,875)
Permits and fees	152,900	152,900	155,106	2,206
Sales and services	2,373,800	2,449,400	2,628,699	179,299
Interest on investments	46,400	46,400	449,898	403,498
Miscellaneous	16,400	20,100	151,609	131,509
Total revenues	<u>15,861,200</u>	<u>17,168,100</u>	<u>19,200,004</u>	<u>2,031,904</u>
<b>EXPENDITURES</b>				
General government:				
Governing body	86,100	93,200	76,400	16,800
Administration & Legal	730,400	744,800	729,394	15,406
Finance/Human Resources	703,300	704,300	680,439	23,861
Planning	815,400	898,200	803,228	94,972
Marketing & Customer Service	428,600	488,000	461,072	26,928
Division of Design & Construction	408,900	409,100	324,991	84,109
Information Technology	725,900	822,600	775,945	46,655
Total general government	<u>3,898,600</u>	<u>4,160,200</u>	<u>3,851,469</u>	<u>308,731</u>
Public works:				
Facilities & Grounds	973,600	1,079,000	1,008,553	70,447
City Garage	1,010,600	1,371,100	865,102	505,998
Total public works	<u>1,984,200</u>	<u>2,450,100</u>	<u>1,873,655</u>	<u>576,445</u>
Public safety:				
Police department	5,693,800	5,768,500	5,587,814	180,686
Fire department	2,113,600	2,352,600	1,913,027	439,573
Total public safety	<u>7,807,400</u>	<u>8,121,100</u>	<u>7,500,841</u>	<u>620,259</u>
Transportation:				
Streets	1,744,400	2,095,500	2,055,986	39,514
Powell Bill	450,000	450,000	212,145	237,855
Total Transportation	<u>2,194,400</u>	<u>2,545,500</u>	<u>2,268,131</u>	<u>277,369</u>

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

City of Eden  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
For the Year Ended June 30, 2023

Exhibit 5

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Environmental protection	1,834,600	2,000,800	1,792,033	208,767
Cultural and recreational	810,100	1,056,300	957,592	98,708
Special Appropriations	653,000	358,200	179,864	178,336
Non Departmental - Bad Debt Expense	-	-	(12,093)	12,093
Debt Service:				
Principal	334,100	334,100	333,953	147
Interest	93,800	93,800	93,635	165
Total debt service	427,900	427,900	427,588	312
Contingency	500,000	-	-	-
Total expenditures before charge-out	20,110,200	21,120,100	18,839,080	2,281,020
Less: administrative cost charged to water and sewer fund	2,480,000	2,480,000	2,356,239	(123,761)
Total expenditures	17,630,200	18,640,100	16,482,841	2,157,259
Excess (deficiency) of revenues over expenditures	(1,769,000)	(1,472,000)	2,717,163	4,189,163
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer to Other Funds	-	(300,000)	(300,000)	-
Transfer from Other Funds	769,000	769,000	624,255	(144,745)
Fund balance appropriated	1,000,000	1,003,000	-	(1,003,000)
Total other financing sources (uses)	1,769,000	1,472,000	324,255	(1,147,745)
Net changes in fund balances	-	-	3,041,418	3,041,418
Fund balances - beginning of year			12,378,104	
Fund balances - end of year			15,419,522	

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

City of Eden  
Statement of Fund Net Position  
Proprietary Funds  
June 30, 2023

Exhibit 6

	<b>Enterprise Fund</b>	<b>Internal Service Fund</b>
	Water and Sewer Fund	Self Insured Insurance Fund
<b>Assets:</b>		
Current Assets:		
Cash and Cash Equivalents	2,842,067	1,663,851
Cash and Cash Equivalents - Restricted Deposits	368,345	
Customer Receivables, net of allowance for uncollectibles of \$840,075	768,919	
Unbilled Water Receivable	886,185	
Other Receivables	2,615,968	48,384
Inventory	300,164	
Prepaid Expenses	9,499	
	<u>7,791,147</u>	<u>1,712,235</u>
Total Current Assets		
Noncurrent Assets:		
Capital Assets:		
Land	1,826,960	
Construction in Progress	18,820,377	
Water and Sewer Systems	100,680,003	
Furniture, Machinery, Equipment	16,123,143	
Vehicles	1,377,966	
Less Accumulated Depreciation	(59,992,912)	
	<u>78,835,537</u>	<u>-</u>
Capital Assets (Net)		
	<u>86,626,684</u>	<u>1,712,235</u>
Total Assets		
Deferred Outflows of Resources - Contributions to		
Pension Plan	993,071	
OPEB	632,578	
Other Deferrals	7,985	
	<u>1,633,634</u>	<u>-</u>
Total Deferred Outflows of Resources		

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

City of Eden  
Statement of Fund Net Position  
Proprietary Funds  
June 30, 2023

Exhibit 6

	<b>Enterprise Fund</b>	<b>Internal Service Fund</b>
	Water and Sewer Fund	Self Insured Insurance Fund
<b>Liabilities:</b>		
Current Liabilities:		
Accounts Payable	2,453,792	274,802
Due from other funds	209,480	
Customer Deposits	368,345	
Due to Customers	24,003	
Bonds and Installment Purchases Payable - Current Maturities	747,154	
Total Current Liabilities	3,802,774	274,802
Noncurrent Liabilities:		
Accrued Vacation Pay	155,715	
Compensated Absences	26,496	
Bonds and Installment Purchases Payable - Long-Term Portion	17,165,792	
Net Pension Liability	1,533,340	
Net OPEB Liability	2,219,146	
Total Noncurrent Liabilities	21,100,489	-
Total Liabilities	24,903,263	274,802
Deferred Inflows of Resources:		
OPEB Deferrals	290,293	
Pension Deferrals	6,476	
Total Deferred Inflows of Resources	296,769	-
<b>Net Position</b>		
Net Investment in Capital Assets	60,922,591	
Unrestricted	2,137,695	1,437,433
Total Net Position	63,060,286	1,437,433

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

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

Exhibit 7

	<b>Enterprise Fund</b>	<b>Internal Service Fund</b>
	Water and Sewer Fund	Self Insured Insurance Fund
<b>Operating Revenue</b>		
User Charges	10,109,518	3,355,780
<b>Operating Expenses</b>		
Billing and Collections	447,794	
Water Filtration	1,361,620	
Maintenance	2,054,925	
Waste Treatment	1,387,673	
Water and Sewer Resources	670,919	
Depreciation Expense	2,333,619	
Pension Expense	178,029	
Non-Departmental	2,356,239	
OPEB Expense	104,922	
Bad Debt Expense	(855)	
Sewer Construction Maintenance	73,100	
Gross Insurance Fixed Cost		1,001,123
Additional Costs		35,828
Insurance Claims		1,866,811
Total Operating Expenses	10,967,985	2,903,762
Net Operating Income (Loss)	(858,467)	452,018
<b>Non-Operating Revenues (Expenses)</b>		
Interest on Investments	135,145	27,300
Other Revenues	4,135	
Interest Expense	(49,319)	
Total Non-Operating Revenue (Expense)	89,961	27,300
Income (Loss) Before Contributions and Transfers	(768,506)	479,318
<b>Capital Contributions/Grants</b>		
NC Connect Bond	2,455,841	
Drinking Water Reserve Grant	72,437	
Transfer from ARPA Fund	501,107	
	3,029,385	
Change in Net Position	2,260,879	479,318
Total Net Position, Previously Reported	60,799,407	958,115
Net Position - End of Year	63,060,286	1,437,433

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

City of Eden  
Proprietary Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2023

Exhibit 8

	<b>Enterprise Fund</b>	<b>Internal Service Fund</b>
	Water and Sewer Fund	Self Insured Insurance Fund
Cash Flows from Operating Activities:		
Cash Received from Customers	7,448,854	3,351,686
Cash Paid for Goods and Services	(4,775,291)	(2,794,283)
Cash Paid to Employees	(2,066,661)	
Customer Deposits Received	123,737	
Customer Deposits Returned	(121,437)	
	609,202	557,403
Net Cash Provided by Operating Activities		
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Capital Assets	(7,083,434)	
Principal Paid on Bond and Installment Purchases	(763,778)	
Interest Paid on Bond and Installment Purchases	(49,319)	
Insurance Proceeds	654	
Proceeds from Sale of Capital Assets	3,450	
Proceeds from Sale of Surplus Property	31	
Proceeds from NC Connect Bond Grant	2,455,841	
Proceeds from Drinking Water Reserve Grant	72,437	
Transfer from ARPA Fund	490,565	
Proceeds from Installment Loan	2,673,153	
	(2,200,400)	-
Cash Flows from Non-Capital (Use of Funds)		
Due to/from Other Funds	215,517	
Due to Customers	24,002	
	239,519	-
Cash Flows from Investing Activities:		
Interest on Investments	135,145	27,300
	135,145	27,300
Net Increase (Decrease) in Cash and Cash Equivalents	(1,216,534)	584,703
Cash and Cash Equivalents:		
Beginning of Year, July 1	4,426,946	1,079,148
	3,210,412	1,663,851
End of Year, June 30	3,210,412	1,663,851

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



City of Eden  
Proprietary Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2023

Exhibit 8

	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
	Water and Sewer Fund	Self Insured Insurance Fund
Cash Flows from Operating Activities:		
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	(858,467)	452,018
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	2,333,619	
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(372,766)	
(Increase) Decrease in Unbilled Water Receivables and Assessments Receivable	103,600	
(Increase) Decrease in Other Receivables	(2,383,514)	(4,094)
(Increase) Decrease in Prepaid Expenses	(1,215)	
(Increase) Decrease in Inventories	85,782	
(Increase) Decrease in Deferred Outflows of Resources	(116,246)	
Increase (Decrease) in Accounts Payable, Retainage Payable, and Accrued Liabilities	1,643,944	109,479
Increase (Decrease) in Due to Grantor's Agency	(230,397)	
Increase (Decrease) in Customer Deposits	2,300	
Increase (Decrease) in Accrued Vacation Pay	8,396	
Increase (Decrease) in Compensated Absences	2,954	
Increase (Decrease) in Net Pension Liability	1,114,190	
Increase (Decrease) in Deferred Inflows of Resources	(361,017)	
Increase (Decrease) in Post Employment Benefits	(361,961)	
Net Cash Provided by Operating Activities	609,202	557,403

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

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

I. Summary of Significant Accounting Policies

The accounting policies of the City of Eden and its discretely presented component unit, the Eden ABC Board, 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 Eden is a municipal corporation which is governed by an elected mayor and a seven-member council. As required by generally accepted accounting principles, these financial statements present the City and its component unit, a legally-separate entity for which the City is financially accountable. The discretely presented component unit presented below is reported in a separate column in the City's financial statements in order to emphasize that it is legally separate from the City.

City of Eden ABC Board

The members of the ABC Board's governing board are appointed by the City. In addition, the ABC Board is required by State statute to distribute its surpluses to the General Fund of the City. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund (discrete presentation). Complete financial statements for the ABC Board may be obtained from the entity's administrative offices at City of Eden ABC Board, 319 N. Pierce St., Eden, NC 27288.

B. Basis of Presentation

*Government-wide Statements:* The statement of net position and the statement of activities display information about the primary government and its component unit. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities.

Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the



City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

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, including its fiduciary funds. Separate statements for each fund category – Governmental and Proprietary - are presented. The City has no fiduciary funds to report. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

The City reports the following major governmental funds:

**General Fund.** The General Fund is the general operating fund of the City. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, transportation, environmental protection, and general government.

**Capital Reserve Fund** – The City reports the Capital Reserve Fund as a non-major governmental fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The city had three Special Revenues Funds. The Municipal Service District Tax Fund and CDBG Draper Housing are considered as non-major governmental funds. The ARPA Funds is considered a major governmental fund.

The City reports the following major enterprise fund:

**Water and Sewer Fund.** This fund is used to account for the City's water and sewer operation. Five water and sewer capital projects funds, Mega Park Water Line, EPA/AOC Sewer Project, Metro Pump Station, North Basin WWTP Project Fund, and W & S Capital Reserve Fund have been consolidated into the Water and Sewer Fund for financial reporting purposes. The budgetary comparisons for the water and sewer capital projects funds have been included in the supplemental information.

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

The City reports the following fund type:

**Internal Service Fund** - Internal Service Funds account for the financing of goods or services provided by one department to other departments of the governmental unit, on a cost-reimbursement basis. The City of Eden has one Internal Service Fund, the Self Insured Insurance Fund which provides hospital and disability insurance coverage to city employees.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the City are maintained during the year using the modified accrual basis of accounting.

*Government-wide and Proprietary Financial Statements.* The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on



City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and IT subscriptions acquisitions under capital leases are reported as other financing sources.

The City considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenues because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the City are recognized as revenue. Sales taxes are considered a shared revenue for the City of Eden because the tax is levied by Rockingham 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. 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 are both restricted and unrestricted net position available to finance the program.

It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary Data

The City's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Funds. All annual appropriations lapse at the fiscal-year end. Project ordinances are adopted for Special Revenue Funds and Capital Projects Funds. The enterprise fund projects are consolidated with their respective operating fund for reporting purposes. The City's Self Insured Insurance Fund, an internal service fund, operates under a financial plan that was adopted by the governing board at the time the City's budget ordinance was approved, as is required by the General Statutes. All budgets are prepared using the modified accrual basis of accounting.

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the object level for the multi-year funds.

The budget ordinance states that the City Manager, by authority of this ordinance, may transfer/reallocate between departments up to a maximum of ten percent (10%) of the moneys appropriated within any of the above stated funds, including any transfers/or reallocations between funds.

Appropriations are amended as necessary by the governing board. The amended budget ordinance as of June 30, 2023 is included in the financial statements but has been restructured to conform with the actual data. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity

1. Deposits and Investments

All deposits of the City and the ABC Board are made in board-designated official depositories and are secured as required by State law [G.S. 159-31]. The City and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the City and the ABC Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the City and the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain nonguaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT). The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured a fair value. Because the NCCMT Government has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

2. Cash and Cash Equivalents

The City pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The ABC Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents.



City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

3. Restricted Assets

Customer deposits held by the City before any services are supplied are restricted to the service for which the deposit was collected. Powell Bill funds are also classified as restricted cash because they can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through 136-41.4. Unexpected loan proceeds for vehicles and information technologies are

City of Eden Restricted Cash

Governmental Activities

General Fund

Streets	420,875
Police Protection	<u>18,193</u>
	<u>439,068</u>

ARPA Fund 3,120,181

Total Governmental Activities 3,559,249

Business-type Activities

Water and Sewer Fund

Customer Deposits 368,345

Total Business-type Activities 368,345

Total Restricted Cash 3,927,594

4. Ad Valorem Taxes Receivable

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

5. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

6. Leases Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

There were no lease receivables at June 30, 2023 which are material to the financial statements of the City.

#### 7. Inventory and Prepaid Items

The inventories of the City and the ABC Board are valued at cost (first-in, first-out), which approximates market. The City's General Fund inventory consists of expendable supplies that are recognized as expenditures when purchased. If significant, the amount of inventory on hand at year end is reported on the balance sheet in the governmental funds. However, in the Government-wide Statement of Activities the cost of these inventories is expensed as the items are used.

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. The ABC Board inventory consists of alcoholic beverages for resale and is recorded as cost of sales when sold.

Certain payments to vendors reflect cost 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.

#### 8. 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. The City's capital assets are recorded at original cost. Donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the time of donation. Donated capital assets received after June 15, 2015 is recorded at acquisition value. General infrastructure assets acquired prior to July 1, 2002, consist of the road network that were acquired or that received substantial improvements subsequent to July 1, 1980 and are reported at historical cost less accumulated depreciation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

The City's capital assets also include certain right to use assets. These right to use assets arise in association with agreements where the City reports a lease (only applies when the City is

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

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 life of the related lease.

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

There was no right to use lease assets at June 30, 2023 that were material to the financial statements.

Other assets of the City are depreciated on a class life basis at the following rates:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Infrastructure	50 years
Buildings	50 years
Improvements	50 years
Furniture and office equipment	10 years
Maintenance and construction equipment	8 years
Motor vehicles	6 years

Property, plant, and equipment of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

	<u>Useful Life</u>
Buildings	31 1/2 years
Furniture/equipment	10 years
Computers	5 years



City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

During the year 2022-2023 the City of Eden continued the policy to capitalize capital assets costing \$5,000 or more. Purchases of capital assets costing between \$1,000 - \$4,999 are expensed and inventoried. Capital assets costing less than \$1,000 are expensed.

9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The City has three items that meet this criterion, contributions made to the pension plans and Other Post Employment Benefit Plan (OPEB), and prepaid revenues in the 2023 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The City has several items that meet the criterion for this category – prepaid taxes, property taxes receivable unavailable revenues (reported only on the Balance Sheet of the Governmental Funds), leases, and deferrals of pension expense and OPEB.

10. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Compensated Absences

The vacation policy of the City of Eden provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the City's



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government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded within the funds as the leave is earned.

Vacation time for the employees of the Eden ABC Board runs by the calendar year, beginning January 1 and ending December 10 each year. Since vacation earned during the calendar year must be taken before December 10 each year, and any vacation not so taken will be canceled, the current portion of accumulated vacation is not considered to be material.

Both the City and the ABC Board's sick leave policies provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither the City nor the ABC Board has any obligation for the accumulated sick leave until it is actually taken, no accrual for the sick leave has been made.

## 12. Net Position/Fund Balances

### Net Position

Net positions 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 externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

### Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

**Nonspendable Fund Balance** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

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

**Restricted Fund Balance** – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

**Restricted for Stabilization by State statute** – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of

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several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

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

Restricted for Public Safety – portion of fund balance that is restricted by revenue source for certain police expenditures and equipment cost.

Restricted for Historic Preservation – portion of fund balance that is restricted by revenue source for historic preservation.

Restricted for Economic Development – portion of fund balance that is restricted by revenue source for economic development.

Restricted for Cultural & Recreational – portion of fund balance that is restricted by revenue source (public donation) for cultural and recreational.

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of City of Eden'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.

Assigned Fund Balance – portion of fund balance that the City of Eden intends to use for specific purposes.

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



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approves the appropriation; however, the budget ordinance authorizes the manager to transfer or reallocate between and within departments up to a maximum of 10% of the moneys appropriated, not including any transfers between funds.

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

The City of Eden has also adopted a Cash Management Policy for the general fund which instructs management to conduct the business of the City in such a manner that the available fund balance is equal to at least three months of operating expenses.

### 13. Defined Benefit Cost-Sharing Plans

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The City of Eden's employer contributions are recognized when due and the City of Eden has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

For purposes of measuring the net pension expense, information about the fiduciary net position of the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF) and additions to/deductions from FRSWPF's fiduciary net position have been determined on the same basis as they are reported by FRSWPF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## II. Detail Notes on All Funds

### A. Assets

#### 1. Deposits

All the deposits of the City and the ABC Board are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the City's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City and the ABC Board, these deposits are considered to be held by the

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City's and the ABC Board's agents in their names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City, the ABC Board, or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the City or the ABC Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The City has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2023, the City's deposits had a carrying amount of \$6,996,141 and a bank balance of \$6,829,373. Of the bank balance, \$250,000 was covered by federal insurance and the remainder covered by collateral held under the pooling method. At June 30, 2023, the City's petty cash fund totaled \$5,910. The carrying amount of deposits for the ABC Board was \$445,474 and the bank balance was \$507,819. The ABC Boards deposits above the amount covered by the federal depository insurance coverage are collateralized by the pooling method.

## 2. Investments

At June 30, 2023 the City of Eden had \$15,161,213 (Amortized Cost) invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAM by Standard and Poor's. The City does not have a formal investment policy or credit risk policy.



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**3. Receivables - Allowances for Doubtful Accounts**

The amounts presented in Exhibit 1, the Combined Balance Sheet and the Statement of Net Position for the year ended June 30, 2023 are net of the following allowances for doubtful accounts:

Fund	6/30/2023
General Funds - Taxes Receivable	160,881
Accounts Receivable	551,557
Enterprise Fund - Water & Sewer Fund	
Customers	840,075
Miscellaneous Accounts Receivable	1,246
	<u>1,553,759</u>

**4. Capital Assets**

**Primary Government**

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

	Balance June 30, 2022	Additions Year Ending 6/30/2023	Reductions Year Ending 6/30/2023	Transfers Year Ending 6/30/2023	Balance June 30, 2023
Governmental Activities					
Capital Assets Not Being Depreciated:					
Land	1,308,686		(9,075)		1,299,611
Construction in Progress*	172,819	270,970			443,789
	<u>1,481,505</u>	<u>270,970</u>	<u>(9,075)</u>	-	<u>1,743,400</u>
Capital Assets Being Depreciated:					
Municipal Park	3,282,252	48,457			3,330,709
Land Improvements	3,810,237				3,810,237
Buildings	3,047,746				3,047,746
Building Improvements	5,134,670	144,842			5,279,512
Vehicles	9,588,220	482,419	(32,161)		10,038,478
Furniture	39,303				39,303
Off Road Equipment	690,919				690,919
Other Equipment	3,859,233	68,731			3,927,964
Infrastructure	18,211,006	212,145			18,423,151
Radios	656,291	292,723			949,014
	<u>48,319,877</u>	<u>1,249,317</u>	<u>(32,161)</u>	-	<u>49,537,033</u>
Total Capital Assets Being Depreciated					
Less: Accumulated Depreciation For:					
Municipal Park	727,227	65,645			792,872
Land Improvements	1,391,888	76,112			1,468,000
Buildings	2,176,324	28,700			2,205,024
Building Improvements	2,060,422	99,755			2,160,177
Vehicles	7,594,912	719,128	(32,161)		8,281,879
Furniture	39,303				39,303
Off Road Equipment	601,046	46,397			647,443
Other Equipment	2,834,198	185,894			3,020,092
Infrastructure	5,651,410	364,220			6,015,630
Radios	656,290	9,148			665,438
	<u>23,733,020</u>	<u>1,594,999</u>	<u>(32,161)</u>	-	<u>25,295,858</u>
Total Accumulated Depreciation					
Total Capital Assets Being Depreciated Net	<u>24,586,857</u>				<u>24,241,175</u>
Governmental Activities Capital Assets Net	<u>26,068,362</u>				<u>25,984,575</u>
*Construction in Progress					
Stadium Drive Sidewalk	187,045				
Fuel Tank System	256,744				
	<u>443,789</u>				

The net book value of assets sold was \$0.

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

General Government	215,086
Public Safety	542,146
Transportation	534,323
Environmental Protection	184,296
Cultural and Recreational	119,148
	<u>1,594,999</u>

	Beginning Balances	Increases	Increases (Decreases)	Transfers	Ending Balances
<b>Business-type activities:</b>					
<b>Water and Sewer Fund</b>					1,826,960
<b>Capital assets not being depreciated:</b>					18,820,377
Land	1,826,960		(8,152,684)		
Construction in process	21,452,254	5,520,807			20,647,337
<b>Total capital assets not being depreciated</b>	23,279,214	5,520,807	(8,152,684)	-	20,647,337
<b>Capital assets being depreciated:</b>					100,680,003
Plant and distribution systems	91,422,743	1,104,576	8,152,684		16,123,143
Furniture and maintenance equipment	15,665,094	458,049		(39,267)	1,377,966
Vehicles	1,417,233				118,181,112
<b>Total capital assets being depreciated</b>	108,505,070	1,562,625	8,152,684	(39,267)	118,181,112
<b>Less accumulated depreciation for:</b>					44,298,898
Plant and distribution systems	42,573,854	1,725,044			14,506,736
Furniture and maintenance equipment	13,983,812	522,924		(39,267)	1,187,278
Vehicles	1,140,894	85,651			59,992,912
<b>Total accumulated depreciation</b>	57,698,560	2,333,619	-	(39,267)	59,992,912
<b>Total capital assets being depreciated, net</b>	50,806,510				58,188,200
<b>Water and Sewer Fund capital assets, net</b>	74,085,724				78,835,537

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**Discretely presented component unit**

Activity for the ABC Board for the year ended June 30, 2023, was as follows:

	Balance June 30, 2022	Increases Year Ending 6/30/23	Reductions Year Ending 6/30/2023	Balance June 30, 2023
Capital assets not being depreciated:				
Land	95,335			95,335
Capital assets being depreciated:				
Building	230,130			230,130
Parking lot improvements	41,685			41,685
Furniture/equipment	61,916			61,916
Total capital assets being depreciated	333,731	-	-	333,731
Less accumulated depreciation for:				
Building	223,400	6,731		230,131
Parking lot improvements	8,539	4,169		12,708
Furniture/equipment	55,008	1,844		56,852
Total accumulated depreciation	286,947	12,744	-	299,691
Capital assets being depreciated, net	46,784			34,040
ABC capital assets, net	142,119			129,375

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**Construction Commitments**

The City of Eden has active construction projects as of June 30, 2023.

Note	Project	Estimated Date of Completion	Total for Project Ordinance	Spent To Date	Remaining Commitment
1	Mega Park Water Improvements	Pending Final Reimbursement	7,956,500 *	7,955,792	708
2	Remediation Plan Expenditures EPAAOC	December 2024	35,725,600	22,555,947	13,169,653
3	North Basin WWTP		10,648,000	262,010	10,385,990
4	Metro Pump Station		1,321,100	1,140,979	180,121
	* Project Ordinance to be Amended		<u>55,651,200</u>	<u>31,914,728</u>	<u>23,736,472</u>

Note

- 1 The following revenues are anticipated to complete this Mega Park Project:
- |   | Original<br>Budget | Amended<br>Budget |
|---|--------------------|-------------------|
| Drinking Water Reserve Grant (NCDEQ)      | 1,886,700          | 1,018,225         |
| Loan Proceeds 0% Interest                 | 3,000,000          | 3,000,000         |
| Loan Proceeds                             | 12,002,900         | 54,675            |
| Water & Sewer Fund                        | 1,600,000          | 66,000            |
| Economic Development Administration Grant |                    | 2,000,000         |
| N.C. General Assembly Legislative Grant   |                    | 1,000,000         |
|   | <u>18,489,600</u>  | <u>7,138,900</u>  |
- 2 Remediation Plan Expenditures have the following anticipated revenues:
- |                                |                   |
|--------------------------------|-------------------|
| Connect NC Grant               | 16,666,000        |
| DENR Loan 0% Interest          | 15,000,000        |
| Water and Sewer Fund           | 2,059,600         |
| Loan from Water and Sewer Fund | 2,000,000         |
|                                | <u>35,725,600</u> |
- 3 The following revenues are anticipated to complete this North Basin WWTP:
- |  |                   |
|--|-------------------|
| Division of Water Infrastructure - Green Funding | 9,148,000         |
| NC Dept of Commerce - EDA Grant                  | 1,500,000         |
|  | <u>10,648,000</u> |
- 4 The following revenues are anticipated to complete this Metro Pump Station:
- |   |                  |
|---|------------------|
| NC Dept of Commerce - Rural Development Grant | 997,000          |
| Water & Sewer Fund                            | 324,100          |
|   | <u>1,321,100</u> |



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B. Liabilities

1. Pension Plan Obligations

a. Local Governmental Employees' Retirement System

Plan Description. The City of Eden and the ABC Board are participating employers in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible

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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 5 years of creditable service as a LEO and have reached the age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. City of Eden employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City of Eden's contractually required contribution rate for the year ended June 30, 2023 was 13.04% of compensation for law enforcement officers and 12.10% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City of Eden were \$1,104,589 for the year ended June 30, 2023.

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

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

At June 30, 2023, the City reported a liability of \$6,388,918 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2022, the City's proportion was 0.11325%, which was a decrease of 0.00063% from its proportion measured as of June 30, 2021.



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For the year ended June 30, 2023, the City recognized pension expense of \$1,846,382. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual Experience	\$ 275,293	\$ 26,991
Changes of assumptions	637,471	
Net difference between projected and actual earnings on pension plan investments	2,111,604	
Changes in proportion and difference between City contributions and proportionate share of contributions	68,646	
City contributions subsequent to the measurement date	<u>1,104,589</u>	
Total	<u>\$ 4,197,603</u>	<u>\$26,991</u>

\$1,104,589 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year Ended June 30:**

2024	978,285
2025	832,360
2026	249,370
2027	1,006,008
Thereafter	<u>-</u>
	<u>3,066,023</u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2011 through December 31, 2015.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	<u>100%</u>	

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



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nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. 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 present 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 one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
City's proportionate share of net pension liability (asset)	\$11,531,173	\$6,388,918	\$2,151,400

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

b. Law Enforcement Officers' Special Separation Allowance

1. Plan Description.

The City of Eden administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the City's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly.

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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 law enforcement officers of the City are covered by the Separation Allowance. At December 31, 2021 (Valuation Date), the Separation Allowance's membership consisted of:

Retirees receiving benefits	14
Active plan members	<u>47</u>
Total	<u>61</u>

A separate report was not issued for the plan.

## 2. Summary of Significant Accounting Policies:

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

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

## 3. Actuarial Assumptions

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

Inflation	2.5 percent
Salary Increases	3.25 to 7.75 percent, including inflation at 2.5 percent
Discount Rate	4.31 percent

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2022.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five year period ending December 31, 2019.

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4. Contributions.

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made from the General Fund operating budget. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

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

At June 30, 2023, the City reported a total pension liability of \$2,524,444. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the City recognized pension expense of \$246,845.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 153,455	\$ 23,384
Changes of assumptions and other inputs	320,398	334,699
Benefit payments and administrative expenses subsequent to the measurement date	111,978	
Total	\$ 585,831	\$ 358,083

\$111,978 paid as benefits came due subsequent to the measurement date has been reported as deferred outflows of resources. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year Ended June 30:**

2024	\$ 114,251
2025	84,274
2026	12,819
2027	(70,282)
2028	(25,292)
Thereafter	-



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

	1% Decrease (3.31%)	Current Discount Rate (4.31 %)	1% Increase (5.31%)
Total Pension Liability	\$2,692,019	\$2,524,444	\$2,370,233

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

Beginning balance as of December 31, 2021	\$2,967,042
Service Cost	103,747
Interest on the total pension liability	64,239
Change in benefit terms	0
Difference between expected and actuarial experience	(25,935)
Changes of assumptions and other inputs	(360,692)
Benefit payments	(223,957)
Other	<u>0</u>
Net Changes	<u>(442,598)</u>
Total Pension Liability as of December 31, 2022	<u>\$2,524,444</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.



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

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

	LGERs	LEOSSA	Total
Pension Expense	\$1,846,382	\$ 246,845	\$2,093,227
Pension Liability	6,388,918	2,524,444	8,913,362
Proportionate share of the net pension liability	0.11325%		
 <u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	275,293	153,455	428,748
Changes of assumptions	637,471	320,398	957,869
Net difference between projected and actual earnings on plan investments	2,111,604		2,111,604
Changes in proportion and differences between contributions and proportionate share of contributions	68,646		68,646
Benefit payments and administrative costs paid subsequent to the measurement date	1,104,589	111,978	1,216,567
 <u>Deferred of Inflows of Resources</u>			
Differences between expected and actual experience	26,991	23,384	50,375
Changes of assumptions		334,699	334,699
Net difference between projected and actual earnings on plan investments			
Changes in proportion and differences between contributions and proportionate share of contributions			

**c. Supplemental Retirement Income Plan for Law Enforcement Officers and All Other Full-Time Employees**

Plan Description. The City contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the City and all other full-time employees if the City contributes for those employees. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

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The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report 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. That report may be obtained by writing 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 full-time employees, and all amounts contributed are vested immediately. Also, the law enforcement officers and full-time employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2023 were \$610,690 which consisted of \$449,786 from the City and \$160,904 from the employees.

d. Firefighter's and Rescue Squad Workers' Pension Fund

Plan Description. The State of North Carolina contributes, on behalf of the City of Eden, to the Firefighter's and Rescue Squad Workers' Pension Fund (FRSWPF), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the State of North Carolina. The Fund provides pension benefits for eligible fire and rescue squad workers who have elected to become members of the fund. Article 86 of G.S. Chapter 58 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 Firefighters' and Rescue Squad Workers' Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454 or at [www.osc.nc.gov](http://www.osc.nc.gov).

Benefits Provided. FRSWPF provides retirement and survivor benefits. The present retirement benefit is \$170 per month. Plan members are eligible to receive the monthly benefit at age 55 with 20 years of creditable service as a firefighter or rescue squad worker, and have terminated duties as a firefighter or rescue squad worker. Eligible beneficiaries of members who die before beginning to receive the benefit will receive the amount paid by the member and contributions paid on the member's behalf into the plan. Eligible beneficiaries of members who die after beginning to receive benefits will be paid the amount the member contributed minus the benefits collected.



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Contributions. Plan members are required to contribute \$10 per month to the plan. The State, a non-employer contributor, funds the plan through appropriations. The City does not contribute to the plan. Contribution provisions are established by General Statute 58-86 and may be amended only by the North Carolina General Assembly. For the fiscal year ending June 30, 2023, the State contributed \$19,352,000 to the plan.

Refund of Contributions. Plan members who are no longer eligible or choose not to participate in the plan may file an application for a refund of their contributions. Refunds include the member's contributions and contributions paid by others on the member's behalf. No interest will be paid on the amount of the refund. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by FRSWPF.

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

At June 30, 2023 the city reported no liability for its proportionate share of the net pension liability, as the State provides 100% pension support to the City through its appropriations to the FRSWPF. The total portion of the net pension liability that was associated with the City and supported by the State was \$18,725. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions.

The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. As the City is not projected to make any future contributions to the plan, its proportionate share at June 30, 2023 and at June 30, 2022 was 0%.

For the year ended June 30, 2023, the City recognized pension expense of \$4,911 and revenue of \$4,911 for support provided by the State. At June 30, 2023, the City reported no deferred outflows of resources and no deferred inflows of resources related to pensions.

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

Inflation	3.0 percent
Salary increases	Not applicable
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

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For more information regarding actuarial assumptions, including mortality tables, the actuarial experience study, the consideration of future ad hoc COLA amounts, the development of the projected long-term investment returns, and the asset allocation policy, refer to the discussion of actuarial assumptions for the LGERS plan in Section a. of this note.

**Discount rate.** The discount rate used to measure the total pension liability was 7.00%. 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.

**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.

e. Other Postemployment Benefits

1. Postemployment Health Care Benefits

**Plan Description** On July 1, 1995, the City began a self-insured insurance coverage. The City pays the total cost up to a maximum of \$550 per month of health and dental insurance up to age 65 for employees with 30 or more years of service, 15 of which must have been with the City of Eden. The City also pays 75% of health and dental insurance up to a maximum of \$412.50 per month up to age 65 for employees with 25 to 29 years of service, 12.5 of which must have been with the City of Eden. The City also pays 50% of health and dental insurance up to a maximum of \$275 per month up to age 65 for employees with 20 to 25 years of service, 10 of which must have been with the City of Eden. Also, the City's retirees can purchase coverage for their dependents at the City's group rates as long as their dependents were already on the City's plan at least 12 months prior to the employee's retirement date. Retiree's not eligible for City subsidized premium payments are not eligible to stay on the plan.

Health care, prescription drug, and dental coverage are provided by the City. In addition a \$5,000 retiree life insurance benefit is provided by the City.



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Membership of the HCB Plan consisted of the following at June 30, 2022, the date of the latest actuarial valuation:

	<u>General Employees</u>
Retirees and dependents receiving benefits	142
Active plan members	<u>135</u>
Total	<u>277</u>

**Total OPEB Liability**

The City's OPEB liability of \$11,679,713 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability in the June 30, 2022 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% - 8.41%
Firefighters	3.25% - 8.15%
Law Enforcement Officers	3.25% - 7.90%
Municipal Bond Index Rate	
Prior Measurement Date	2.16%
Measurement Date	3.54%
Healthcare Cost Trends	
Pre-Medicare and Medical And Prescription Drug	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031
Dental	3.50%

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. The discount rate used to measure TOL is the Municipal Bond Index Rate as of the measurement date.

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***Changes in the Total OPEB Liability***

	Total OPEB Liability
Balance at June 30, 2022	<u>\$ 13,584,772</u>
Changes for the year	
Service Cost	602,687
Interest	303,713
Changes of benefit terms	(755,105)
Differences between expected and actual experience	(214,874)
Changes in assumptions or other inputs	(1,586,771)
Net Benefits payments	<u>(254,709)</u>
Net Changes	<u>(1,905,059)</u>
Balance at June 30, 2023	<u>\$ 11,679,713</u>

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

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

The actuarial assumptions used in the June 30, 2021 valuation were based on a review of recent plan experience done concurrently with the June 30, 2021 valuation.

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

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$12,803,594	\$11,679,713	\$10,679,600

*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-lower or 1-percentage-higher than the current healthcare cost trend rates:

	(Pre-Medicare 6.00%)	(Pre-Medicare 7.00%)	(Pre-Medicare 8.00%)
Total OPEB Liability	\$10,507,269	\$11,679,713	\$13,047,452

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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, 2023, the City recognized OPEB expense of \$702,803. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$1,430,542	\$ 216,527
Changes of assumptions or other inputs	1,544,764	1,316,591
Benefit payments and administrative costs made subsequent to the measurement date	<u>354,046</u>	<u>-</u>
Total	<u>\$3,329,352</u>	<u>\$1,533,118</u>

\$354,046 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2024	\$551,508
2025	\$573,227
2026	\$317,453
2027	-
2028	-
Thereafter	-

*Funding Policy* The City has chosen to fund the healthcare benefits on a pay as you go basis. Current retirees that retired prior to November 20, 2001 may continue their coverage by paying 100% of the premium. The City pay the premium for current retirees that retired after

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November 20, 2001 and prior to August 29, 2009 based on the following schedule:

Years of Service at Retirement	City Contribution	Maximum Monthly City Contribution
30 or more	100%	\$550.00
25 - 29	50%	\$275.00
Less than 25	N/A	Not Eligible

The City will pay the premium for employees that retire on or after August 29, 2009 based on the following schedule:

Years of Service at Retirement	City Contribution	Maximum Monthly City Contribution
30 or more	100%	\$550.00
25 - 29	75%	\$412.50
20 - 24	50%	\$275.00
Less than 20	N/A	Not Eligible

\*Also requires at least half of the years of service are with the City of Eden.

Retirees contribute the difference of the premium coverage and the coverage cap. Coverage will continue until retiree becomes Medicare eligible at which time the City's subsidized retiree health care benefits will end.

Any employee hired after April 17, 2018 shall not qualify for payment of all or part of the health care and dental care insurance premium upon retirement and shall not qualify for participation in the City's health and dental insurance policy.



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The city's payment of premiums for group health and dental coverage for retirees will be discontinued in accordance with City of Eden Ordinance 10-6.3 (Retiree Life, Health and Dental Insurance) when:

1. The retiree begins to draw social security benefits and becomes eligible for Medicare; or
2. The retiree becomes eligible for 100% of social security benefits; whichever event occurs first between items 1 and 2; or
3. The retiree becomes eligible for social security disability.

2. Other Employment Benefits

The City has elected not to provide death benefits to employees other than those engaged in law enforcement 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 engaged in law enforcement who die in active service after one year of contributing membership to 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 may not be less than \$25,000 and more than \$50,000. All death benefit payments are made from the Death Benefit Plan. 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. The City considers these contributions to be immaterial.

Also the City of Eden provides additional group-term life insurance to all full-time employees through Lincoln Financial. The benefits paid are equal to twice the employee's yearly salary. The benefits in excess of \$50,000 are considered taxable to the employee as a fringe benefit.

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3. Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources at year end are compromised of the following:

	Statement of Net Position		General Fund Balance Sheet
	Outflows of Resources	Inflows of Resources	
Contribution to Pension plan subsequent to measurement date	\$ 1,216,567		
Contribution to OPEB plan Subsequent to measurement date	354,046		
Taxes Receivable			116,348
Prepaid privilege licenses		330	330
Prepaid property and motor vehicle taxes		3,447	3,447
Prepaid SCIF Grant		627,769	627,769
Other Deferrals	7,989		
Difference between expected and actual experience	1,859,290	266,902	
Change in assumption	2,502,633	1,650,290	
Net difference between projected and actual earnings on pension plan investments	2,111,604		
Changes in proportion and differences between employer contributions and proportionate share of contribution	68,646		
Total	<u>\$ 8,120,775</u>	<u>\$ 2,548,738</u>	<u>\$ 747,894</u>

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4. Risk Management

The City exposed to various risk of loss related to torts; thefts of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in two self-funded financing pools, the City obtains public officials liability and employment practices liability coverage of \$5 million per claim and police professional liability coverage of \$5 million per occurrence, employee benefit liability coverage of \$5,000,000 per claim, property coverage up to the total insurance values and workers' compensation coverage up to the statutory limits. The pools are reinsured through commercial companies for single occurrence claims against general liability and auto liability, police professional liability and public official liability in excess of \$1,000,000, property in excess of \$500,000 and \$1,000,000 up to the statutory limits for workers' compensation.

The City of Eden, since it is located in Flood Zone C, has limited flood coverage through its property insurance administrated by the North Carolina League of Municipalities. The flood limit of insurance is \$5,000,000 for single occurrence with an annual aggregate limit of \$5,000,000. The policy has a \$50,000 deductible. There is no flood coverage outside zones B, C, or X either wholly or partially.

On July 1, 1995 the City began a self-insured insurance coverage. The City carries a reinsurance policy for payment of all specific claims above \$55,000 (effective May 1, 2016) and for aggregate claims above a minimum attachment point. The excess above \$55,000 in claims on any one individual is reimbursed by the reinsurance carrier once the aggregate specific corridor has been met annually. The aggregate specific corridor is as follows: \$241,000 for the period May 1, 2023 until April 30, 2024. The lifetime maximum per covered individual is currently unlimited. The maximum reimbursement for the aggregate coverage is \$1,000,000 annually. There is a combined additional liability of \$165,000 for claims that might, or might not, be incurred in addition to the \$55,000 specific deductible.

In accordance with GS 159-29, the City's employees that have access to \$100 or more at any given time of the City's funds are fidelity bonded through the Interlocal Risk Financing Fund of North Carolina. The finance officer and tax collector are each individually bonded for \$100,000 and \$50,000 respectively. The remaining employees that have access to funds are bonded for \$50,000 per occurrence. There have been no significant reductions in insurance coverage in the prior years and settled claims have not exceeded coverage in any of the past three fiscal years.

The Eden ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The ABC Board has property, general liability, auto liability, workmen's compensation, and employee health coverages. The Board also has liquor legal liability. There have been no significant reductions in insurance coverage from coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years. In accordance with G.S. 18B-



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700(i), each board member and employer designated as the general manager and finance officer are bonded in the amount of \$50,000 secured by a corporate surety.

5. Long Term Obligations

a. Installment Purchases

Governmental Activities

General Fund

On April 5, 2017 the City of Eden entered into a direct borrowing installment purchase contract to finance the purchase of a 2016 Sutphen Aerial Ladder Truck in the amount of \$690,000 for the use of the Fire department. The financing contract requires principal payments beginning in the fiscal year 2017-2018 with interest rate of 2.28%. The fire truck is pledged as collateral for the debt.

The future minimum payments of the installment purchase as of June 30, 2023 including \$51,813 of interest are as follows:

Year Ending <u>June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$44,766	\$10,065
2025	45,787	9,044
2026	46,831	8,000
2027	47,899	6,931
2028	48,991	5,840
2028-2032	<u>207,151</u>	<u>11,933</u>
Present Value of Installment Purchase Payments	<u>\$441,425</u>	
Total Interest Payments		<u>\$51,813</u>

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On October 19, 2017 the City of Eden entered into a direct borrowing installment purchase contract to finance Street Improvements in the amount of \$1,100,000. The financing contract requires principal payments beginning in the fiscal year 2018-2019 with an interest rate of 2.63%. The streets are pledged as collateral for the debt.

The future minimum payments of the installment purchase as of June 30, 2023 including \$117,198 of interest are as follows:

Year Ending <u>June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$69,365	\$20,571
2025	71,189	18,746
2026	73,061	16,874
2027	74,983	14,953
2028	76,955	12,980
2028-2033	416,604	33,074
Present Value of Installment Purchase Payments	\$782,157	
Total Interest Payments		\$117,198

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On March 15, 2019 the City of Eden entered into a direct borrowing installment purchase contract to finance the purchase of Recreation and Street Improvements in the amount of \$945,700. The financing contract requires principal payments beginning in the fiscal year 2019-2020 with interest rate of 3.63%. The splash pad, tennis court, Matrimony Creek Phase II, and the Klyce Street and Draper Landings are pledged as collateral for the debt.

The future minimum payments of the installment purchase as of June 30, 2023 including \$112,026 of interest are as follows:

Year Ending <u>June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$60,805	\$22,066
2025	63,012	19,859
2026	65,300	17,572
2027	67,670	15,201
2028	70,127	12,745
2028-2032	<u>280,972</u>	<u>24,583</u>
Present Value of Installment Purchase Payments	<u>\$607,886</u>	
Total Interest Payments		<u>\$112,026</u>

On May 8, 2020 the City of Eden entered into a direct borrowing installment purchase contract to finance the construction of a fire training facility in the amount of \$466,400. The financing contract requires principal payments beginning in the fiscal year 2020-2021 with interest rate of 1.69%. The fire training facility is pledged as collateral for the debt.

The future minimum payments of the installment purchase as of June 30, 2023 including \$4,504 of interest are as follows:

Year Ending <u>June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$87,840	\$2,994
2025	<u>89,325</u>	<u>1,510</u>
Present Value of Installment Purchase Payments	<u>\$177,165</u>	
Total Interest Payments		<u>\$4,504</u>



City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

On May 20, 2021 the City of Eden entered into a direct borrowing installment purchase contract to finance the purchase of a 2020 Sutphen Ladder truck and a 2022 Sutphen Pumper truck in the amount of \$1,354,000 for the use of the Fire department. The financing contract requires principal payments beginning in the fiscal year 2021-2022 with interest rate of 2.47%

The future minimum payments of the installment purchase as of June 30, 2023 including \$217,730 of interest are as follows:

Year Ending <u>June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$79,457	\$29,659
2025	81,420	27,697
2026	83,431	25,686
2027	85,492	23,625
2028	87,603	21,513
2028-2033	471,561	74,021
2033-2036	<u>311,821</u>	<u>15,529</u>
Present Value of Installment Purchase Payments	<u>\$1,200,785</u>	
Total Interest Payments		<u>\$217,730</u>

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

Proprietary Funds

On May 26, 2009 the City of Eden accepted an offer for a State Loan for a Wastewater Treatment works project under the North Carolina Clean Water Revolving Loan and Grant Act of 1987, the Federal Clean Water Act Amendments of 1987 and American Recovery and Reinvestment Act of 2009. The total ARRA assistance offered was \$714,303 to be used for Sewer Rehabilitation (Dry Creek and Smith River Phase I). The total loan to be repaid shall be one-half of the total project costs reimbursed. Principal forgiveness shall be one-half of the total project costs reimbursed. At June 30, 2011, the total loan/grant received by the City was \$569,704. According to the agreement one-half of the amount will be forgiven and one-half will be repaid. The maximum term of this loan shall not exceed 20 years at an interest rate of zero percent (0%) per annum. This note is payable solely from the revenues of the Project or benefited systems, or other available funds.

	<u>Water and Sewer Fund</u>	
Year Ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>
2024	\$15,507	
2025	15,507	
2026	15,507	
2027	15,507	
2028	15,507	
2028-2031	<u>31,013</u>	
Present Value of Installment Purchase Payments	<u>\$108,548</u>	
Total Interest Payments		<u>\$0</u>

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

At June 30, 2013, the City of Eden had received \$2,154,934 from the Clean Water State Revolving Fund, of which \$1,154,934 was a loan and \$1,000,000 was loan forgiveness. The maximum term of the loan shall not exceed 20 years at an interest rate of 2.445%. The first interest payment will be due beginning November 1, 2013 and the first principal payment due beginning May 1, 2014. The note is payable solely from the revenues of the Project or benefited systems, or other available funds.

The future minimum payments of the installment purchase as of June 30, 2023 including \$77,654 of interest are as follows:

Year Ending <u>June 30</u>	<u>Water and Sewer Fund</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$57,747	\$14,119
2025	57,747	12,707
2026	57,747	11,295
2027	57,747	9,883
2028	57,747	8,471
2028-2033	<u>288,732</u>	<u>21,179</u>
Present Value of Installment Purchase Payments	<u>\$577,467</u>	
Total Interest Payments		<u>\$77,654</u>



City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

At June 30, 2015, the City of Eden had received \$2,969,397 from the Clean Water State Revolving Fund, of which \$1,969,397 was a loan and \$1,000,000 was loan forgiveness. The maximum term of the loan shall not exceed 20 years at an interest rate of 0.00%. The first principal payment due beginning May 1, 2015. The note is payable solely from the revenues of the Project or benefited systems, or other available funds.

<u>Water and Sewer Fund</u>		
Year Ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>
2024	\$98,470	
2025	98,470	
2026	98,470	
2027	98,470	
2028	98,470	
2028-2033	492,349	
2033-2034	<u>98,469</u>	
Present Value of Installment Purchase Payments	<u>\$1,083,168</u>	
Total Interest Payments		<u>\$0</u>

At June 30, 2016, the City of Eden had received \$4,229,128 from the Clean Water State Revolving Fund, of which \$3,229,128 was a loan and \$1,000,000 was loan forgiveness. The maximum term of the loan shall not exceed 20 years at an interest rate of 0.00%. The first principal payment due beginning May 1, 2016. The note is payable solely from the revenues of the Project or benefited systems, or other available funds.

<u>Water and Sewer Fund</u>		
Year Ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>
2024	\$161,457	
2025	161,457	
2026	161,457	
2027	161,457	
2028	161,457	
2028-2033	807,281	
2033-2035	<u>322,912</u>	
Present Value of Installment Purchase Payments	<u>\$1,937,478</u>	
Total Interest Payments		<u>\$0</u>

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

At June 30, 2016, the City of Eden had received \$3,967,483 from the Clean Water State Revolving Fund, of which \$2,967,483 was a loan and \$1,000,000 was loan forgiveness. The maximum term of the loan shall not exceed 20 years at an interest rate of 0.00%. The first principal payment due beginning May 1, 2017. This note is payable solely from the revenues of the Project or benefited systems, or other available funds.

Year Ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>
2024	\$148,374	
2025	148,374	
2026	148,374	
2027	148,374	
2028	148,374	
2028-2033	741,871	
2033-2036	<u>445,122</u>	
Present Value of Installment Purchase Payments	<u>\$1,928,863</u>	
Total Interest Payments		<u>\$0</u>

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

On May 19, 2016 the City of Eden entered into a direct borrowing installment purchase contract to finance various Water/Sewer improvement projects in the amount of \$1,500,000. The financing contract requires principal payments beginning in the fiscal year 2016-2017 with an interest rate of 2.49%. Any pipes, valves, fittings and any other utility-type property are pledged as collateral for the debt.

The future minimum payments of the installment purchase as of June 30, 2023 including \$96,548 of interest are as follows:

Year Ending <u>June 30</u>	<u>Water and Sewer Fund</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$99,260	\$21,163
2025	101,731	18,692
2026	104,265	16,159
2027	106,861	13,563
2028	109,522	10,902
2028-3032	328,297	16,069
Present Value of Installment Purchase Payments	\$849,936	
Total Interest Payments		\$96,548



City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

At June 30, 2023, the City of Eden had received \$16,866,729 from the Department of Environmental Quality – Division of Water Infrastructure, of which \$8,433,363 was a loan and \$8,433,366 was loan forgiveness. The maximum term of the loan shall not exceed 20 years at an interest rate of 0.00%. The first principal payment due not earlier than six months nor later than twelve months after the estimated date of completion of the project which is February 28, 2024. The note is payable solely from the revenues of the Project or benefited systems, or other available funds.

Year Ending <u>June 30</u>	<u>Water and Sewer Fund</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 0	
2025	421,668	
2026	421,668	
2027	421,668	
2028	421,668	
2028-2033	2,108,341	
2033-2038	2,108,341	
2038-2043	2,108,341	
2043	421,668	
Present Value of Installment Purchase Payments	<u>\$8,433,363</u>	

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

At June 30, 2023, the City of Eden had received \$2,994,123 from the Department of Environmental Quality – Division of Water Infrastructure. The maximum term of the loan shall not exceed 20 years at an interest rate of 0.29% for 18 years. The first principal payment due not earlier than six months nor later than twelve months after the estimated date of completion of the first phase of the project which is November 30, 2022. The note is payable solely from the revenues of the Project or benefited systems, or other available funds.

The future minimum payments of the installment purchase as of June 30, 2023 including \$82,488 of interest are as follows:

Year Ending <u>June 30</u>	<u>Water and Sewer Fund</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$166,340	\$ 8,683
2025	166,340	8,201
2026	166,340	7,718
2027	166,340	7,236
2028	166,340	6,753
2028-2033	831,701	26,531
2033-2038	831,701	14,472
2038-2041	<u>499,021</u>	<u>2,894</u>
Present Value of Installment Purchase Payments	<u>\$2,994,123</u>	
Total Interest Payments		<u>\$82,488</u>

b. General Obligation Indebtedness

The City of Eden has no general obligation bonds serviced by the governmental funds.

At June 30, 2023 the City of Eden had a legal debt margin of \$75,356,266.

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

c. The following table summarizes the City's annual requirements to repay all long-term debts outstanding (excluding vacation pay and claims and judgments):

	Installment Purchases		Total Due
	Principal	Interest	Principal and Interest
<u>Governmental Activities</u>			
2023-2024	342,233	85,355	427,588
2024-2025	350,733	76,856	427,589
2025-2026	268,623	68,132	336,755
2026-2027	276,044	60,710	336,754
2027-2028	283,676	53,078	336,754
2028-2033	1,376,288	143,611	1,519,899
2033-2038	311,821	15,529	327,350
	<u>3,209,418</u>	<u>503,271</u>	<u>3,712,689</u>
<u>Water and Sewer</u>			
2023-2024	747,154	43,965	791,119
2024-2025	1,171,294	39,599	1,210,893
2025-2026	1,173,827	35,172	1,208,999
2026-2027	1,176,423	30,682	1,207,105
2027-2028	1,179,084	26,127	1,205,211
2028-2033	5,629,588	63,779	5,693,367
2033-2038	3,806,547	14,472	3,821,019
2038-2043	2,607,361	2,894	2,610,255
2043-2048	421,668	-	421,668
	<u>17,912,946</u>	<u>256,690</u>	<u>18,169,636</u>

City of Eden  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

d. Changes in Long-Term Liabilities

	General Long Term Debt June 30, 2022	Additions	Retirement	General Long Term Debt June 30, 2023	Current Portion of Balance
Governmental Activities					
By type of debt;					
Direct Placement					
Installment purchases	3,543,371		333,953	3,209,418	342,233
Compensated absences	880,408	96,650		977,058	
Other Post Employment Benefits	<u>11,003,665</u>		<u>1,543,098</u>	<u>9,460,567</u>	
Governmental Activities Long-Term Liabilities	<u>15,427,444</u>	<u>96,650</u>	<u>1,877,051</u>	<u>13,647,043</u>	<u>342,233</u>
Business-type Activities					
Direct Placement					
Installment Purchases	16,003,574	2,673,153	763,779	17,912,948	747,154
Compensated absences	170,862	11,349		182,211	
Other Post Employment Benefits	<u>2,581,107</u>		<u>361,961</u>	<u>2,219,146</u>	
	<u>18,755,543</u>	<u>2,684,502</u>	<u>1,125,740</u>	<u>20,314,305</u>	<u>747,154</u>



City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

C. Interfund Balances and Activity

Balance due to/from other funds:

Balance due to/from other funds at June 30, 2023, consists of the following:

Due to the General Fund from the Water and Sewer Fund	<u>\$209,482</u>
Due to General Fund from Component Unit – Eden ABC Board	<u>\$ 53,491</u>

The interfund balances resulted from the time lag between the dates that (1) transactions are recorded in the accounting system and (2) payments between funds are made.

D. Revenues, Expenditures, and Expenses

On-Behalf Payments for Fringe Benefits and Salaries

For the fiscal year ended June 30, 2023, the City of Eden has recognized on-behalf payments for pension contributions made by the State as a revenue and an expenditure of \$4,911 for the 24 volunteer firemen and 17 employed firemen who perform firefighting duties for the City's fire department. The volunteers and employees elected to be members of the Firefighters' and Rescue Squad Workers' Pension Fund, a cost-sharing, multiple-employer public employee retirement system established and administered by the State of North Carolina. The plan is funded by a \$10.00 monthly contribution paid by each member, investment income, and State appropriation.

E. Fund Balance

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation:

<u>Total fund balance-General Fund</u>	<u>\$15,419,522</u>
Less:	
Inventories	276,236
Prepaid Expenses	103,560
Stabilization by State Statute	2,259,170
Streets – Powell Bill	420,875
Public Safety	30,039
Historic Preservation	7,825
Economic Development	120,409
Working Capital/Fund Policy (3 months operating expenditures)	<u>4,120,710</u>
Remaining Fund Balance	<u>\$8,080,698</u>

City of Eden, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2023

III. Summary Disclosure of Significant Contingencies  
Federal and State Assisted Programs

The City has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be covered by security interests held by the City of Eden. No provisions have been made in the accompanying financial statements for the refund of grant moneys.

IV. EPA Administrative Order of Consent

On April 22, 2017, the Environmental Protection Agency (EPA) issued an Administrative Order of Consent to the City related to sewer overflows based on requirements of the Clean Water Act. The EPA mandated that the City had five years to remediate the sewer overflows to satisfy the administrative order, ending February 28, 2023. If the city does not meet the deadline then the City would have daily civil penalties as high as \$37,500 per day for each violation and also could potentially face additional criminal penalties. It is not anticipated, as of the date of this report, that any penalties or charges will be levied against the City, as the City has been active in remediating the sewer overflows and satisfying the administrative order. When it became apparent by city administration that the mandate could not be complied with by the expected date, a request for a time extension on the EPA-AOC was filed with the EPA in Atlanta, Georgia. The extension was approved and the anticipated date of completion has now been moved to December, 2024.

V. Subsequent Events

Management has evaluated subsequent events through November 9, 2023, the date on which these financial statements were available to be issued.

**Required Supplemental  
Financial Data**

City of Eden, North Carolina  
City of Eden's Proportionate Share of Net Pension Liability (Asset)  
Required Supplementary Information  
Last Ten Fiscal Years

Exhibit A-1

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Eden's proportion of the net pension liability (asset) (%)	0.1133%	0.1139%	0.1128%	0.1175%	0.1183%	0.1244%	0.1250%	0.1284%	0.1284%	0.1333%
Eden's proportion of the net pension liability (asset) (\$)	\$ 6,388,917	\$ 1,746,460	\$ 4,032,255	\$ 3,207,741	\$ 2,805,532	\$ 1,900,640	\$ 2,652,282	\$ 576,341	\$ (756,998)	\$ 1,606,777
Eden's covered-employee payroll	\$ 8,950,956	\$ 9,166,017	\$ 8,441,585	\$ 8,755,727	\$ 8,514,649	\$ 8,276,740	\$ 8,070,074	\$ 7,527,490	\$ 7,444,410	\$ 7,169,405
Eden's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	71.38%	19.05%	47.77%	36.64%	32.95%	22.96%	32.86%	7.66%	(10.17)%	22.41%
Plan fiduciary net position as a percentage of the total pension liability	84.14%	95.51%	91.63%	94.18%	91.47%	98.09%	99.07%	102.64%	94.35%	96.45%



City of Eden, North Carolina  
City of Eden's Contributions  
Required Supplementary Information  
Last Ten Fiscal Years  
Local Government Employees' Retirement System

Exhibit A-2

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,104,589	\$ 1,057,121	\$ 871,761	\$ 800,319	\$ 676,131	\$ 637,051	\$ 601,752	\$ 548,531	\$ 539,473	\$ 530,626
Contributions in relation to the contractually required contribution	1,104,589	1,057,121	871,761	800,319	676,131	637,051	601,752	548,531	539,473	530,626
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Eden's covered-employee payroll	\$ 8,950,956	\$ 9,166,017	\$ 8,441,585	\$ 8,755,727	\$ 8,514,649	\$ 8,276,740	\$ 8,070,074	\$ 8,048,476	\$ 7,527,490	\$ 7,444,410
Contributions as a percentage of covered-employee payroll	12.34%	11.53%	10.33%	9.14%	7.94%	7.70%	7.46%	6.82%	7.17%	7.13%

City of Eden, North Carolina  
City of Eden's Proportionate Share of Net Pension Liability  
Required Supplementary Information  
Last Nine Fiscal Years  
Firefighters' and Rescue Squad Workers' Pension

Exhibit A-3

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Eden's proportion of the net pension liability (%)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Eden's proportion of the net pension liability (\$)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with City of Eden	4,911	(31,246)	35,088	35,132	54,974	51,432	40,756	42,989	38,291
	<u>\$ -</u>	<u>\$ (31,246)</u>	<u>\$ 35,088</u>	<u>\$ 35,132</u>	<u>\$ 54,974</u>	<u>\$ 51,432</u>	<u>\$ 40,756</u>	<u>\$ 42,989</u>	<u>\$ 38,291</u>
Eden's covered-employee payroll	\$ 966,147	\$ 946,366	\$ 815,832	\$ 905,992	\$ 871,961	\$ 860,761	\$ 837,751	\$ 797,284	\$ 819,370
Eden's proportionate share of the net pension liability as a percentage of its covered-employee payroll	5.08%	-3.30%	4.30%	3.88%	6.30%	5.98%	4.86%	5.39%	4.67%
Plan fiduciary net position as a percentage of the total pension liability	89.69%	89.35%	84.94%	91.40%	93.42%	92.76%	91.45%	91.45%	91.45%

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

Exhibit A-4

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning Balance	\$ 2,967,042	\$ 2,968,659	\$ 2,213,696	\$ 2,042,190	\$ 2,258,738	\$ 1,902,543	\$ 1,895,625
Service Cost	103,747	106,190	59,607	56,126	67,933	63,496	64,111
Interest on the total pension liability	64,239	55,434	69,285	71,404	69,205	71,371	66,226
Change in benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(25,935)	93,910	132,828	149,282	(145,747)	214,317	-
Changes of assumptions or other inputs	(360,692)	(64,315)	670,046	55,775	(70,549)	114,093	(42,308)
Benefit payments	(223,957)	(192,836)	(176,803)	(161,081)	(137,390)	(107,082)	(81,111)
Other changes	-	-	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 2,524,444</u>	<u>\$ 2,967,042</u>	<u>\$ 2,968,659</u>	<u>\$ 2,213,696</u>	<u>\$ 2,042,190</u>	<u>\$ 2,258,738</u>	<u>\$ 1,902,543</u>

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

Exhibit A-5

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 2,524,444	\$ 2,967,042	\$ 2,968,659	\$ 2,213,696	\$ 2,042,190	\$ 2,258,738	\$ 1,902,543
Covered payroll	\$ 2,441,490	\$ 2,331,953	\$ 2,248,833	\$ 2,267,666	\$ 2,268,621	\$ 2,426,635	\$ 2,312,713
Total pension liability as a percentage of covered payroll	103.40%	127.23%	132.01%	97.62%	90.02%	93.08%	82.26%

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



City of Eden, North Carolina  
Schedule of Changes in Total OPEB Liability and Related Ratios  
Last Six Fiscal Years

Exhibit A-6

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability						
Service Cost	\$ 602,687	\$ 426,623	\$ 311,188	\$ 415,829	\$ 426,793	\$ 455,720
Interest	303,713	215,869	290,089	272,158	240,721	203,624
Change in benefit terms	(755,105)	-	-	673,359	-	-
Differences between expected and actual experience	(214,874)	2,212,522	174,518	(242,200)	132,702	70,534
Changes of assumptions	(1,586,771)	1,697,801	1,146,972	253,701	(213,216)	(354,556)
Benefit payments	<u>(254,709)</u>	<u>(615,148)</u>	<u>(501,164)</u>	<u>(284,656)</u>	<u>(419,344)</u>	<u>(338,627)</u>
Net change in total OPEB liability	(1,905,059)	3,937,667	1,421,603	1,088,191	167,656	36,695
Total OPEB liability - beginning	<u>13,584,772</u>	<u>9,647,105</u>	<u>8,225,502</u>	<u>7,137,311</u>	<u>6,969,655</u>	<u>6,932,960</u>
Total OPEB liability - ending	<u>\$ 11,679,713</u>	<u>\$ 13,584,772</u>	<u>\$ 9,647,105</u>	<u>\$ 8,225,502</u>	<u>\$ 7,137,311</u>	<u>\$ 6,969,655</u>
Covered payroll	\$ 6,953,897	\$ 8,140,926	\$ 8,033,806	\$ 8,033,806	\$ 7,708,822	\$ 7,708,822
Total OPEB Liability as a percentage of covered payroll	167.96%	166.87%	120.08%	102.39%	92.59%	90.41%

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

<u>Fiscal Year</u>	<u>Rate</u>
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

**Individual Fund  
Statements & Schedules**

City of Eden, North Carolina  
General Fund  
Comparative Balance Sheets  
As of June 30, 2023 and June 30, 2022

Exhibit B-1

	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
<b>Assets:</b>		
Cash and Cash Equivalents	13,393,540	10,661,659
Cash and Cash Equivalents - Restricted Deposits	439,068	120,618
Receivables (net):		
Taxes	116,348	121,336
Accounts Receivable	429,909	577,046
Due from Other Governmental Units	1,553,842	1,444,845
Due from Component Unit	53,491	50,491
Due from Other Funds	221,928	4,506
Inventories	276,236	308,796
Prepaid Expenses	103,560	38,315
	<u>16,587,922</u>	<u>13,327,612</u>
<b>Total Assets</b>		
<b>Liabilities and Fund Balances:</b>		
<b>Liabilities:</b>		
Accounts Payable and Accrued Liabilities	404,816	255,788
Client Deposits	15,690	15,024
Due to Other Funds		53,643
Deferred Inflows of Resources	747,894	625,053
	<u>1,168,400</u>	<u>949,508</u>
<b>Total Liabilities</b>		
<b>Fund Balances:</b>		
<b>Non Spendable</b>		
Inventories	276,236	308,796
Prepaid Expenses	103,560	38,315
<b>Restricted</b>		
Stabilization by State Statute	2,259,170	2,076,888
Streets - Powell Bill	420,875	104,894
Police Protection	30,039	24,304
Economic Development	120,409	97,000
Historic Preservation	7,825	7,825
Cultural & Recreational	-	-
<b>Assigned</b>		
Subsequent Year Expenditures	1,160,000	1,000,000
Unassigned	11,041,408	8,720,082
	<u>15,419,522</u>	<u>12,378,104</u>
<b>Total Fund Balances</b>		
<b>Total Liabilities and Fund Balances</b>	<u><u>16,587,922</u></u>	<u><u>13,327,612</u></u>

City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance – Budget and Actual  
 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023		2022	
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Current Year	6,334,000	103,671	6,437,671	6,335,432
Prior Years	149,000	(52,341)	96,659	83,172
Penalties and Interest on Taxes	41,600	3,446	45,046	41,408
Rockingham County Collection Fee - Vehicle Tax	(29,100)	(2,101)	(31,201)	(30,921)
Short-Term Rental Vehicle Tax	3,300	(346)	2,954	2,831
	<u>6,498,800</u>	<u>52,329</u>	<u>6,551,129</u>	<u>6,431,922</u>
<b>Other Taxes &amp; Licenses:</b>				
Payments in Lieu of Taxes	265,500	229,586	495,086	255,631
Dog Taxes	900	(222)	678	692
Municipal Vehicle Tax	198,000	(5,265)	192,735	188,900
Franchise Fees	102,300	(5,199)	97,101	106,393
Privilege Licenses	700	15	715	715
Penalties on Privilege Licenses	-	9	9	5
Draper Rural Fire Tax	4,100	21,694	25,794	4,161
Occupancy Tax	78,400	49,484	127,884	107,741
	<u>649,900</u>	<u>290,102</u>	<u>940,002</u>	<u>664,238</u>
<b>Unrestricted Intergovernmental Revenues:</b>				
Wine and Beer Tax	62,600	7,103	69,703	61,249
Utilities Sales Tax	870,400	33,907	904,307	873,863
Solid Waste Disposal Tax	11,700	698	12,398	11,636
State Hold Harmless Payment	1,053,600	261,886	1,315,486	1,229,043
Local Options Sales Tax	1,480,000	319,385	1,799,385	1,619,870
Local Options Sales Tax-1/2 Cent	2,053,000	387,031	2,440,031	2,215,801
ABC Profit Distribution	205,900	19,826	225,726	214,987
	<u>5,737,200</u>	<u>1,029,836</u>	<u>6,767,036</u>	<u>6,226,449</u>
<b>Restricted Intergovernmental Revenues:</b>				
Powell Bill	440,000	69,924	509,924	516,659
Rockingham County	2,400	-	2,400	2,400
Controlled Substance Tax	16,900	1,428	18,328	13,907
On-Behalf of Payments - Fire and Rescue	14,100	(9,189)	4,911	(3,441)
Federal Drug Forfeiture	-	2,145	2,145	5,646
School Resource Officers: Rockingham County	173,600	(27)	173,573	167,809
Governor's Crime Commission Grant	-	-	-	26,972
Project Safe Rockingham County	20,500	(477)	20,023	20,024
COPS Grant	-	-	-	72,018
Bulletproof Vest Grant	-	3,600	3,600	-
PEG Channel Grant	26,000	(359)	25,641	25,808
HCCBG Grant - Senior Center	30,000	3,500	33,500	30,000
Senior Center General Purpose Grant	7,400	(3)	7,397	7,128
Senior Center Tech Training Grant	-	-	-	5,113
State Grant	860,000	(127,769)	732,231	-
EV Charging Station Grant	13,300	(13,300)	-	-
NC DOT Sidewalk Grant	-	14,226	14,226	11,256
ABC Revenue for Law Enforcement	9,200	(574)	8,626	9,777
	<u>1,613,400</u>	<u>(56,875)</u>	<u>1,556,525</u>	<u>911,076</u>
<b>Total</b>				



City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance -- Budget and Actual  
 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
<b>Permits and Fees:</b>				
Building Permits	41,000	6,374	47,374	31,551
Plumbing Permits	8,700	322	9,022	8,235
Mechanical Permits	17,700	1,210	18,910	19,625
Sign Permits	400	25	425	400
Planning Department Applications	700	2,250	2,950	500
Electrical Permits	27,500	(2,485)	25,015	28,720
Planning Department Permits	1,100	(1,020)	80	906
Building Fees	200	(100)	100	-
Nuisance Fees	54,000	(4,560)	49,440	32,206
Fire Department Permits	1,600	190	1,790	2,080
<b>Total</b>	<u>152,900</u>	<u>2,206</u>	<u>155,106</u>	<u>124,223</u>
<b>Sales and Services:</b>				
Concessions	30,200	15,849	46,049	43,020
Court Costs	5,000	(343)	4,657	5,539
Parking Violations	400	(376)	24	70
Fire Protection Charges	6,300	35	6,335	6,277
League Entrance Fees	1,400	575	1,975	2,773
County User Fees	500	(500)	-	575
Pool Admissions	22,000	9,537	31,537	26,532
Splash Pad Admissions	25,000	(7,409)	17,591	22,207
Prowler Sports	15,800	461	16,261	-
<b>Recreation Revenues:</b>				
Lessons	400	250	650	409
Dixie Youth Tournament	10,000	(10,000)	-	18,608
Building Use	25,000	33,874	58,874	40,305
Field Use & Lights	1,000	3,570	4,570	6,150
Miscellaneous	38,500	3,963	42,463	25,182
Police Security	55,000	14,571	69,571	69,381
Police Security - Fringe Benefits	14,600	2,052	16,652	13,144
Restitution	7,800	(3,904)	3,896	6,411
Dog Fines	2,700	355	3,055	3,516
Police Revenues	8,000	(4,045)	3,955	6,737
Historic Preservation Book Sales	500	160	660	490
Pottery Festival Fees	4,800	1,915	6,715	3,640
Riverfest	50,000	(6,450)	43,550	40,840
Oink & Ale Festival	12,500	5,140	17,640	11,323
Shaggin' on Fieldcrest	13,000	(1,050)	11,950	9,850
Touch-A-Truck	3,000	(850)	2,150	345
Grown & Gathered	12,000	(1,990)	10,010	10,520
Heritage & Heroes	-	-	-	5,837
Winterfest	3,000	3,257	6,257	970
Youth Native American PowWow	15,800	4,993	20,793	-
Vending Machine Proceeds	10,000	(998)	9,002	5,956
Eden Merchandise Sales	-	40	40	420
Street Mowing and Cleaning	9,200	314	9,514	9,244
Driveway Cuts	4,400	(478)	3,922	2,750
Solid Waste Fees - Residential	1,500,900	29,572	1,530,472	1,457,968
Solid Waste Fees - Commercial	530,700	80,227	610,927	527,595
Dumpster Late Fees	-	-	-	10
Solid Waste Demolition & Abatement	3,500	(3,500)	-	402
Fuel Purchases/County Agencies	5,800	10,647	16,447	6,357
Fire Dept Rental - Draper Rural	200	40	240	240
Police - Fingerprinting Fee	500	(205)	295	595
<b>Total</b>	<u>2,449,400</u>	<u>179,299</u>	<u>2,628,699</u>	<u>2,392,188</u>
<b>Investment Earnings:</b>				
Investment Earnings	46,400	403,498	449,898	34,722
<b>Miscellaneous Revenue:</b>				
Miscellaneous Revenue	10,700	1,940	12,640	29,901
Cash Discounts Earned	-	-	-	2
Sale of Materials	5,000	13,520	18,520	12,605
Insurance Proceeds and Refunds	-	97,795	97,795	19,707
Donations	-	500	500	-
Donations to Recreation	4,400	1,139	5,539	5,000
Hurricane Reimbursement - Michael	-	1,847	1,847	5,540
Sale of Surplus Property	-	-	-	2,583
Sale of Fixed Assets	-	14,768	14,768	7,199
<b>Total</b>	<u>20,100</u>	<u>131,509</u>	<u>151,609</u>	<u>82,537</u>
<b>Total Revenues</b>	<u>17,168,100</u>	<u>2,031,904</u>	<u>19,200,004</u>	<u>16,867,355</u>

City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance -- Budget and Actual  
 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023		2022	
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Board:</b>				
Salaries & Wages:				
Regular Salaries	45,200	5,930	39,270	42,870
FICA	3,500	496	3,004	3,280
Insurance & Bonds/WC	800	245	555	601
Office Supplies	800	394	406	150
Departmental Supplies	500	500	-	902
Commissions/Boards Appreciations	500	500	-	-
Citizens Academy	500	368	132	64
Youth Council	4,200	2,494	1,706	1,183
Miscellaneous Expense	800	(1,662)	2,462	1,401
Travel	5,000	589	4,411	4,083
Advertising	1,200	1,112	88	-
Contracted Services	1,000	1,000	-	-
Training	500	500	-	2,240
Insurance and Bonds	3,900	82	3,818	3,295
Dues & Subscriptions	24,800	4,252	20,548	23,756
Reimbursement - Proprietary Fund	(47,400)	(6,304)	(41,096)	(46,090)
<b>Total</b>	<b>45,800</b>	<b>10,496</b>	<b>35,304</b>	<b>37,735</b>
<b>Administration:</b>				
Salaries & Wages:				
Regular Salaries	445,300	1,032	444,268	411,706
Part-Time	29,300	2,203	27,097	68,675
<b>Total Salaries &amp; Wages</b>	<b>474,600</b>	<b>3,235</b>	<b>471,365</b>	<b>480,381</b>
FICA	36,300	612	35,688	36,225
Retirement Expense	54,200	671	53,529	51,800
Group Insurance	84,900	-	84,900	98,500
Life/AD&D/Disability Insurance	5,000	26	4,974	4,487
Insurance & Bonds/WC	800	245	555	2,624
Employee Incentives	200	150	50	75
401(k) Contributions	22,400	187	22,213	20,585
Professional Services	10,000	2,487	7,513	17,077
Uniforms/Laundry	500	30	470	208
Safety Equipment	200	200	-	-
Gas	2,500	324	2,176	1,396
Tires	500	240	260	-
<b>Maintenance &amp; Repair:</b>				
Vehicles	1,000	575	425	786
Office Supplies	3,500	481	3,019	3,570
Departmental Supplies	1,500	1,080	420	1,176
Miscellaneous	6,000	343	5,657	827
Travel	5,800	(1,062)	6,862	3,360
Advertising	1,000	244	756	1,409
Contracted Services	2,000	2,000	-	12,300
Training	6,000	2,207	3,793	1,681
Insurance & Bonds	14,900	828	14,072	12,212
Dues & Subscriptions	11,000	303	10,697	6,083
Reimbursement - Proprietary Fund	(292,200)	(3,481)	(288,719)	(300,410)
<b>Total</b>	<b>452,600</b>	<b>11,925</b>	<b>440,675</b>	<b>456,352</b>

City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance -- Budget and Actual  
 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	<u>Budget</u>	Variance Favorable (Unfavorable)	<u>Actual</u>	<u>Actual</u>
<b>Finance/Human Resources:</b>				
Salaries & Wages:				
Regular Salaries	345,800	4,585	341,215	303,712
Overtime	500	500	-	-
	<u>346,300</u>	<u>5,085</u>	<u>341,215</u>	<u>303,712</u>
Total Salaries & Wages				22,289
FICA	28,100	2,942	25,158	34,618
Retirement Expense	44,400	3,079	41,321	54,500
Group Insurance	68,100	-	68,100	2,946
Life/AD&D/Disability Insurance	4,000	824	3,176	-
Unemployment Insurance	6,100	82	6,018	2,004
Insurance & Bonds/WC	2,500	596	1,904	100
Employee Incentive	500	400	100	15,185
401(k) Contributions	18,400	1,339	17,061	49,948
Professional Services	58,600	2,943	55,657	7,358
Bank Service Charge	11,600	612	10,988	10,153
HR Special Incentive	10,000	2,670	7,330	7,979
Office Supplies	12,700	690	12,010	2,456
Departmental Supplies	3,000	1,658	1,342	5,240
Wellness Program	3,000	2,413	587	2,747
COVID Expenditures	-	-	-	3,640
Miscellaneous	1,500	601	899	1,036
Travel	3,000	2,073	927	7,361
Postage	8,000	1,213	6,787	3,181
Printing	2,000	2,000	-	798
Advertising	2,000	110	1,890	59,117
Contracted Services	64,000	(6,654)	70,654	1,729
Training	2,100	946	1,154	1,271
Equipment Rental	1,300	25	1,275	2,714
Insurance & Bonds	3,200	37	3,163	490
Dues & Subscriptions	600	50	550	2,315
Purchases for Inventory	5,000	1,045	3,955	(1,986)
Issues from Inventory	(5,700)	(2,918)	(2,782)	(328,840)
Reimbursement - Proprietary Fund	(386,900)	(19,627)	(367,273)	-
	<u>317,400</u>	<u>4,234</u>	<u>313,166</u>	<u>274,061</u>
<b>Total</b>				

City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance -- Budget and Actual  
 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
<b>Planning &amp; Economic Development:</b>				
Salaries & Wages:				
Regular Salaries	385,600	7,877	377,723	399,832
Part-Time	10,000	621	9,379	6,153
Total Salaries & Wages	395,600	8,498	387,102	405,985
FICA	32,500	3,308	29,192	30,271
Retirement Expense	50,300	4,565	45,735	45,537
Group Insurance	102,200	-	102,200	85,200
Life/AD&D/Disability Insurance	5,300	1,141	4,159	4,008
Insurance & Bonds/WC	5,000	1,301	3,699	4,008
Employee Incentive	700	634	66	48
401(k) Contributions	20,800	1,914	18,886	19,992
Professional Services	2,500	2,332	168	55,900
Consultant Fees	500	500	-	488
Eden Downtown Development	3,300	5	3,295	3,000
Laundry/Uniforms	200	200	-	-
Safety Equipment	300	300	-	110
Gas	2,500	279	2,221	2,083
Tires	800	800	-	-
Maintenance & Repair:				
Copier	3,000	1,208	1,792	2,710
Vehicles	2,000	(7)	2,007	1,063
Office Supplies	2,500	1,477	1,023	4,305
Departmental Supplies	4,100	935	3,165	2,896
Small Tools	300	300	-	-
Miscellaneous	2,500	1,365	1,135	328
Zoning Board Expense	1,000	1,000	-	-
Historic Preservation Expense	2,000	1,000	1,000	-
Community Appearance Expense	-	-	-	699
Tree Board Expense	500	375	125	5,000
Travel	4,000	2,241	1,759	405
Advertising	9,000	654	8,346	11,204
Professional Services/Programming	1,500	229	1,271	1,250
Contracted Services	190,000	47,729	142,271	44,596
Training	3,400	1,692	1,708	1,968
Insurance & Bonds	4,600	128	4,472	3,877
Dues & Subscriptions	7,000	62	6,938	9,821
Façade Improvements	25,000	8,793	16,207	25,000
C/O Equipment - Non - Depreciable	13,300	14	13,286	-
Reimbursement-Proprietary Fund	(163,100)	(5,447)	(157,653)	(154,261)
<b>Total</b>	<b>735,100</b>	<b>89,525</b>	<b>645,575</b>	<b>617,491</b>





City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance -- Budget and Actual  
 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	<u>Budget</u>	Variance Favorable (Unfavorable)	<u>Actual</u>	<u>Actual</u>
Division of Design & Construction:				
Salaries & Wages:				
Regular Salaries	203,400	20,807	182,593	218,396
Overtime	3,000	3,000	-	709
Total Salaries & Wages	206,400	23,807	182,593	219,105
FICA	15,800	2,531	13,269	16,123
Retirement Expense	25,000	2,890	22,110	24,963
Group Insurance	62,900	-	62,900	46,900
Life/AD&D/Disability Insurance	2,500	413	2,087	2,031
Insurance & Bonds/WC	5,100	1,401	3,699	4,008
Employee Incentive	300	300	-	-
401(k) Contributions	10,400	1,270	9,130	10,939
Professional Services	20,000	19,952	48	1,374
Laundry/Uniforms	300	113	187	148
Safety Equipment	600	224	376	89
Mapping Supplies	300	192	108	20
Gas	2,000	180	1,820	1,229
Tires	1,200	1,200	-	-
Maintenance & Repair:				
Equipment	1,500	901	599	-
Vehicles	2,000	1,746	254	1,344
Office Supplies	400	151	249	723
Departmental Supplies	2,200	1,873	327	1,927
Small Tools & Equipment	100	100	-	24
Miscellaneous	400	352	48	257
Advertising	200	99	101	724
Professional Services/Programming	700	700	-	-
Contracted Services	26,900	4,978	21,922	6,885
Training	500	500	-	-
Insurance & Bonds	3,200	36	3,164	2,714
Dues & Subscriptions	200	200	-	-
Easements	1,500	1,500	-	-
Drainage Assistance Grants	500	500	-	-
C/O Equipment - Depreciable	16,000	16,000	-	-
Reimbursement - Proprietary Fund	(368,100)	(78,061)	(290,039)	(310,018)
<b>Total</b>	<b>41,000</b>	<b>6,048</b>	<b>34,952</b>	<b>31,509</b>

City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
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 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
Information Technology:				
Salaries & Wages:				
Regular Salaries	181,300	1,345	179,955	170,577
Total Salaries & Wages	181,300	1,345	179,955	170,577
FICA	13,300	557	12,743	12,104
Retirement Expense	22,700	910	21,790	19,443
Group Insurance	40,900	-	40,900	40,900
Life/AD&D/Disability Insurance	2,000	11	1,989	1,813
Insurance & Bonds/WC	600	230	370	401
Employee Incentives	300	275	25	79
401(k) Contributions	9,200	202	8,998	8,529
Professional Services	100	64	36	36
Uniforms/Laundry	100	100	-	-
Gas	200	200	-	-
Tires	500	500	-	-
Maintenance & Repair:				
Equipment	1,500	576	924	200
Vehicles	500	484	16	64
Office Supplies	500	202	298	534
Departmental Supplies	6,000	1,357	4,643	7,983
Other Department Supplies	20,000	1,688	18,312	25,202
Miscellaneous	200	200	-	209
Travel	3,600	2,347	1,253	2,047
Telephone	91,000	4,498	86,502	66,661
Data Transmission/WAN	50,000	4,535	45,465	46,642
Professional Services/Programming	48,000	992	47,008	1,910
Contracted Services	106,800	3,514	103,286	130,959
Training	3,000	23	2,977	758
Insurance & Bonds	1,000	18	982	775
Dues/Subscriptions	200	200	-	150
Software License Fees	63,100	18,961	44,139	22,671
C/O Building Improvements - Depreciable	83,000	2,200	80,800	-
C/O Equipment - Depreciable	21,000	245	20,755	34,571
C/O Equipment - Nondepreciable	52,000	221	51,779	41,826
Reimbursement - Proprietary Fund	(254,100)	(12,468)	(241,632)	(279,639)
<b>Total</b>	<b>568,500</b>	<b>34,187</b>	<b>534,313</b>	<b>357,405</b>
<b>Total General Government</b>	<b>2,584,100</b>	<b>187,498</b>	<b>2,396,602</b>	<b>2,117,515</b>

City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
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 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
Public Safety:				
Police Department:				
Salaries & Wages:				
Regular Salaries	2,402,100	(1,705)	2,403,805	2,374,574
Overtime	35,000	2,153	32,847	15,147
Uniforms	7,000	-	7,000	6,500
Police Security	72,000	1,898	70,102	71,212
Specialist Pay	37,700	6,653	31,047	49,063
Part-Time & Temporary	81,700	29,169	52,531	48,904
Police Pension	231,500	7,543	223,957	208,647
	<u>2,867,000</u>	<u>45,711</u>	<u>2,821,289</u>	<u>2,774,047</u>
Total Salaries & Wages				14,960
State Retirement Expense	-	-	-	196,676
FICA	222,000	21,287	200,713	283,399
Retirement Expense	333,000	4,089	328,911	817,500
Group Insurance	814,700	-	814,700	28,245
Life/AD&D/Disability Insurance	31,000	1,009	29,991	56,741
Insurance & Bonds/WC	65,100	10,674	54,426	1,152
Employee Incentive	3,600	62	3,538	126,369
401(k) Contributions	128,900	805	128,095	5,540
Professional Services	5,000	(2,617)	7,617	12,637
Informants Fees	10,000	5,470	4,530	290
Laundry & Dry Cleaning	1,000	1,000	-	57,907
Safety Equipment	50,000	21,665	28,335	80,666
Gas	115,800	2,807	112,993	15,913
Tires	15,000	2,127	12,873	
Maintenance & Repair:				
Equipment	2,500	910	1,590	1,792
Vehicles	71,000	(6,554)	77,554	50,808
Radios	15,000	3,536	11,464	11,340
Other Supplies - Vehicles	200	200	-	-
Office Supplies	4,700	2,278	2,422	2,415
Departmental Supplies	56,900	4,079	52,821	79,434
Firing Range Supplies	1,700	246	1,454	95
K-9	13,500	568	12,932	10,474
Humane Officer Supplies	35,000	6,028	28,972	37,493
DARE Program Supplies	10,000	851	9,149	4,937
Small Tools	200	200	-	-
Miscellaneous	2,000	(1,549)	3,549	1,315
Travel	22,500	7,496	15,004	19,173
Tow Charges	9,000	3,415	5,585	4,235
Printing	1,000	907	93	115
Advertising	200	(654)	854	124
Professional Services/Programming	200	200	-	53
Contracted Services	192,400	37,334	155,066	168,883
Contracted Serv - Project Safe Rock. Co.	24,400	3,290	21,110	20,292
Training	23,100	129	22,971	9,432
Insurance & Bonds	54,200	80	54,120	46,714
Dues & Subscriptions	3,200	2,290	910	1,500



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 General Fund  
 Schedule of Revenues, Expenditures, and  
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 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	<u>Budget</u>	Variance Favorable (Unfavorable)	<u>Actual</u>	<u>Actual</u>
Public Safety: (Continued)				
Police Department : (Continued)				
Capital Outlay:				
Bldg Imprv - Drug Forf - Depreciable	-	-	-	27,930
Vehicles - Depreciable	269,500	40	269,460	52,250
Equipment - Depreciable	294,000	1,277	292,723	-
<u>Total Police Department</u>	<u>5,768,500</u>	<u>180,686</u>	<u>5,587,814</u>	<u>5,022,846</u>
Fire Department:				
Salaries & Wages:				
Regular Salaries	837,100	3,226	833,874	822,471
Specialist Pay	4,800	1,153	3,647	4,578
Part-Time	130,000	1,374	128,626	118,659
Volunteers	-	-	-	658
<u>Total Salaries &amp; Wages</u>	<u>971,900</u>	<u>5,753</u>	<u>966,147</u>	<u>946,366</u>
Firemen & Rescue Squad Workers				
Pension Fund	14,100	9,190	4,910	(3,441)
FICA	72,000	763	71,237	69,957
Retirement Expense	101,900	957	100,943	94,067
Group Insurance	261,600	-	261,600	252,415
Life/AD&D/Disability Insurance	28,200	28	28,172	9,528
Insurance & Bonds/WC	47,600	2,565	45,035	64,382
Employee Incentives	1,200	97	1,103	300
401 (k) Contributions	42,900	541	42,359	42,134
Professional Services	15,000	1,963	13,037	24,522
Uniforms	15,600	561	15,039	10,570
Safety Equipment	27,200	12,779	14,421	461
Gas	26,000	1,880	24,120	14,657
Tires	7,100	3,575	3,525	1,131
Maintenance & Repair:				
Radios	1,700	978	722	1,387
Building	21,000	963	20,037	6,783
Equipment	12,000	1,003	10,997	5,681
Vehicles	26,600	54	26,546	12,732
Office Supplies	4,500	322	4,178	573
Departmental Supplies	8,700	1,009	7,691	16,894
Fire Prevention Program	800	140	660	157
Miscellaneous	1,400	147	1,253	215
Travel	3,300	123	3,177	-
Utilities - Gas	10,000	618	9,382	9,378
- Power	20,000	1,206	18,794	18,740
Printing	400	304	96	552
Advertising	200	(733)	933	781
Contracted Services	15,800	1,507	14,293	16,371
Training	6,200	3,769	2,431	-
Insurance & Bonds	31,300	(979)	32,279	25,956
Dues & Subscriptions	7,500	4,528	2,972	3,066
Capital Outlay:				
Building Improvement	53,500	93	53,407	-
Vehicles	141,500	41,920	99,580	-
Equipment Depreciable	325,000	313,049	11,951	5,395
Equipment Non-Depreciable	28,900	28,900	-	16,431
<u>Total Fire Department</u>	<u>2,352,600</u>	<u>439,573</u>	<u>1,913,027</u>	<u>1,668,141</u>
<u>Total Public Safety</u>	<u>8,121,100</u>	<u>620,259</u>	<u>7,500,841</u>	<u>6,690,987</u>

City of Eden, North Carolina  
 General Fund  
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 Changes in Fund Balance -- Budget and Actual  
 For Fiscal Year Ended June 30, 2023  
 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	<u>Budget</u>	Variance Favorable (Unfavorable)	<u>Actual</u>	<u>Actual</u>
Transportation:				
Street Department:				
Regular Salaries	683,400	3,079	680,321	644,785
Overtime	10,000	(26)	10,026	7,258
Temporary Salaries	44,500	422	44,078	24,353
Total Salaries & Wages	737,900	3,475	734,425	676,396
FICA	55,000	733	54,267	49,781
Retirement Expense	84,100	463	83,637	74,333
Group Insurance	204,300	-	204,300	204,300
Life/AD&D/Disability Insurance	7,400	81	7,319	6,556
Insurance & Bonds/WC	18,000	447	17,553	18,536
Employee Incentives	1,500	1,425	75	410
401 (k) Contributions	34,600	353	34,247	32,596
Professional Services	3,000	(65)	3,065	2,306
Laundry & Dry Cleaning	4,500	449	4,051	1,835
Safety Equipment	5,000	1,063	3,937	6,361
Landscaping Supplies	9,500	59	9,441	9,591
Gas	75,000	15,471	59,529	30,878
Tires	10,000	2,528	7,472	9,966
Maintenance & Repair:				
Building	5,000	1,236	3,764	5,806
Equipment	2,500	2,145	355	400
Vehicles	70,000	5,069	64,931	84,402
Driveway Pipe	5,000	2,345	2,655	3,609
Patching	30,000	569	29,431	32,931
Sidewalks	25,000	9,120	15,880	24,224
Signs	27,000	4,730	22,270	12,809
Storm Drains	36,000	(1,509)	37,509	43,235
Curb and Gutter	19,500	252	19,248	11,299
Office Supplies	1,000	550	450	310
Departmental Supplies	22,500	2,518	19,982	3,162
Small Tools & Equipment	4,000	1,421	2,579	577
Miscellaneous	14,000	277	13,723	12,307
Travel	1,600	1,560	40	-
Utilities - Gas	1,100	159	941	499
- Power	13,000	1,220	11,780	13,208
Street Lights	290,000	(13,520)	303,520	254,592
Advertising	-	-	-	1,998
Contracted Services	90,000	(7,029)	97,029	95,323
Training	1,500	405	1,095	1,063
Equipment Rental	-	-	-	7,899
Other Supplies	-	-	-	2,124
Insurance & Bonds	27,100	122	26,978	23,926
Dues & Subscriptions	500	266	234	228
Easements	4,200	75	4,125	3,400
C/O Improvements Stadium Dr Sidewalk	14,300	74	14,226	11,516
C/O Vehicles	113,400	22	113,378	-
C/O Equipment - Depreciable	14,000	670	13,330	99,900
C/O Equipment - Non-Depreciable	5,500	269	5,231	-
Purchases for Inventory - Snow Removal	8,000	16	7,984	1,120
Reimbursement - Proprietary Fund	(261,700)	39,140	(300,840)	(348,110)
<b>Total</b>	<b>1,833,800</b>	<b>78,654</b>	<b>1,755,146</b>	<b>1,527,602</b>
Street Department				
Powell Bill - Contracted Services	450,000	237,855	212,145	442,221
<b>Total Transportation</b>	<b>2,283,800</b>	<b>316,509</b>	<b>1,967,291</b>	<b>1,969,823</b>

City of Eden, North Carolina  
 General Fund  
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 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	<u>Budget</u>	Variance Favorable (Unfavorable)	<u>Actual</u>	<u>Actual</u>
City Garage:				
Salaries & Wages:				
Regular Salaries	273,700	13,722	259,978	270,780
Overtime	500	500	-	-
Total Salaries & Wages	274,200	14,222	259,978	270,780
FICA	21,000	1,926	19,074	19,665
Retirement Expense	33,200	1,707	31,493	30,876
Group Insurance	91,800	-	91,800	91,800
Life/AD&D/Disability Insurance	3,100	404	2,696	2,935
Insurance & Bonds/WC	5,100	1,281	3,819	4,182
Employee Incentives	6,000	4,237	1,763	1,909
401 (k) Contributions	13,800	801	12,999	13,539
Professional Services	800	505	295	3,376
Shop Supplies	500	483	17	-
Uniforms/Laundry	500	159	341	690
Safety Equipment	3,000	1,702	1,298	1,786
Gas	2,000	492	1,508	1,278
Tires	500	500	-	-
Maintenance & Repair:				
Building	3,000	1,632	1,368	906
Body - Building	800	800	-	-
Gate	2,500	734	1,766	986
Equipment	12,500	4,911	7,589	8,506
Vehicles	1,300	439	861	1,748
Office Supplies	700	227	473	363
Departmental Supplies	4,500	2,943	1,557	545
Vending Supplies - PW	8,000	2,994	5,006	4,423
Small Tools	1,000	237	763	705
Miscellaneous	1,000	156	844	330
Travel	1,800	1,800	-	-
Utilities:				
Electric	3,500	479	3,021	3,563
Body Utilities	2,500	966	1,534	1,348
Gas	5,000	2,517	2,483	1,617
Printing	300	300	-	280
Hazardous Disposal	1,000	121	879	574
Advertising	1,300	1,300	-	-
Contracted Services	8,000	3,283	4,717	2,612
Training	2,500	2,419	81	639
Insurance & Bonds	5,300	23	5,277	3,974
Dues & Subscriptions	1,800	512	1,288	228
C/O Building Improvements	15,000	4,365	10,635	-
C/O Equipment - Depreciable	782,300	525,556	256,744	5,831
Inventory Purchases - Fuel	450,000	(40,003)	490,003	409,085
Issues Fuel Inventory	(400,000)	(50,449)	(349,551)	(250,530)
Inventory Purchases - Tires	75,000	11,863	63,137	64,323
Issues Tire Inventory	(75,000)	(28,633)	(46,367)	(52,480)
Inventory Purchases - Parts	300,000	54,411	245,589	339,772
Issues Parts Inventory	(300,000)	(28,324)	(271,676)	(310,004)
Reimbursement - Proprietary Fund	(252,700)	(44,885)	(207,815)	(184,388)
<b>Total</b>	<b>1,118,400</b>	<b>461,113</b>	<b>657,287</b>	<b>497,772</b>

City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance -- Budget and Actual  
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 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	<u>Budget</u>	Variance Favorable (Unfavorable)	<u>Actual</u>	<u>Actual</u>
Facilities & Grounds:				
Facilities & Grounds:				
Regular Salaries	360,800	(1,410)	362,210	350,037
Overtime	5,000	3,477	1,523	2,149
Temporary/Part-Time	35,000	8,531	26,469	24,361
	<u>400,800</u>	<u>10,598</u>	<u>390,202</u>	<u>376,547</u>
Total Salaries & Wages				
FICA	29,900	993	28,907	29,127
Retirement Expense	43,900	(143)	44,043	42,494
Group Insurance	122,600	-	122,600	122,600
Life/AD&D/Disability Insurance	4,900	245	4,655	4,171
Insurance & Bonds/WC	6,100	1,265	4,835	6,027
Employee Incentives	1,500	1,400	100	1,521
401 (k) Contributions	18,300	120	18,180	18,582
Professional Services	1,000	573	427	48
Laundry & Dry Cleaning	3,400	896	2,504	3,691
Safety Equipment	1,000	632	368	585
Landscaping Supplies	40,000	3,155	36,845	25,392
Gas	19,000	268	18,732	13,518
Tires	2,000	644	1,356	598
Maintenance & Repair:				
Vehicles	7,500	2,029	5,471	5,180
Equipment	9,000	3,603	5,397	10,756
Buildings	173,000	19,215	153,785	127,025
Parking Lots	9,000	5,286	3,714	-
Greenways	5,000	256	4,744	93,860
Office Supplies	500	308	192	847
Departmental Supplies	25,500	918	24,582	24,564
Vending Supplies	3,500	1,285	2,215	2,208
Small Tools & Equipment	4,000	723	3,277	1,303
Miscellaneous	1,100	226	874	494
Utilities - Gas	23,500	2,199	21,301	19,543
- Electric	58,000	7,097	50,903	47,270
Advertising	-	(711)	711	-
Contracted Services	37,000	2,764	34,236	41,997
Training	1,000	650	350	533
Insurance & Bonds	9,000	55	8,945	7,754
C/O Equipment - Depreciable	18,000	3,898	14,102	-
Reimbursement - Proprietary Fund	(389,500)	3,217	(392,717)	(545,014)
	<u>689,500</u>	<u>73,664</u>	<u>615,836</u>	<u>483,221</u>
<b>Total</b>				



City of Eden, North Carolina  
 General Fund  
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Exhibit B-2

	2023			2022
	<u>Budget</u>	Variance Favorable (Unfavorable)	<u>Actual</u>	<u>Actual</u>
Environmental Protection:				
Solid Waste:				
Regular Salaries	341,200	2,736	338,464	364,559
Overtime	10,000	654	9,346	9,921
Temporary/Part-Time	42,000	557	41,443	27,511
Total Salaries & Wages	393,200	3,947	389,253	401,991
FICA	31,200	2,685	28,515	29,300
Retirement Expense	44,700	2,562	42,138	42,692
Group Insurance	122,600	-	122,600	129,300
Life/AD&D/Disability Insurance	4,900	622	4,278	4,640
Insurance & Bonds/WC	14,100	1,153	12,947	15,201
Employee Incentives	500	400	100	290
401 (k) Contributions	18,500	1,109	17,391	18,724
Professional Services	1,200	142	1,058	1,105
Laundry & Dry Cleaning	2,500	401	2,099	765
Safety Equipment	2,500	581	1,919	2,362
Refuse Collection Supplies	16,000	1,989	14,011	29,862
Gas	78,500	3,370	75,130	51,322
Tires	21,000	4,319	16,681	19,718
Maintenance & Repair:				
Vehicles	77,000	(9,147)	86,147	92,012
Equipment	-	(3,175)	3,175	59
Building	5,000	1,998	3,002	1,285
Office Supplies	500	436	64	16
Departmental Supplies	2,800	316	2,484	536
Small Tools & Equipment	600	424	176	228
Miscellaneous	5,000	965	4,035	2,729
Travel	2,100	1,748	352	-
Utilities:				
Gas	1,200	293	907	499
Power	7,500	1,422	6,078	6,220
Printing	800	740	60	-
Advertising	5,000	1,390	3,610	3,204
Contracted Services	325,000	(14,266)	339,266	340,768
Training	2,100	1,501	599	-
Containers - Commercial	587,800	585	587,215	500,068
Insurance & Bonds	26,600	311	26,289	23,597
Dues/ Subscriptions	2,200	1,746	454	648
Capital Outlay:				
Vehicles	198,200	198,200	-	-
<b>Total</b>	<u>2,000,800</u>	<u>208,767</u>	<u>1,792,033</u>	<u>1,719,141</u>

City of Eden, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
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 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
Cultural and Recreational:				
Recreation Department:				
Salaries - Regular	294,300	11,133	283,167	265,116
Overtime	4,500	365	4,135	1,786
Part-Time	55,000	6,664	48,336	20,941
Temporary	115,000	16,022	98,978	79,586
Total Salaries & Wages	468,800	34,184	434,616	367,429
FICA	33,900	1,421	32,479	27,187
Retirement Expense	36,400	1,414	34,986	30,489
Group Insurance	91,800	-	91,800	78,200
Life/AD&D/Disability Insurance	2,800	247	2,553	2,337
Insurance & Bonds/WC	6,100	850	5,250	5,010
Employee Incentives	800	700	100	100
401 (k) Contributions	15,100	507	14,593	13,368
Professional Services - Medical	1,500	513	987	2,709
Laundry & Dry Cleaning	500	500	-	-
Safety Equipment	500	500	-	-
Gas	5,000	1,892	3,108	2,254
Tires	500	219	281	-
Maintenance & Repair:				
Building	7,500	2,925	4,575	245
Pool	5,500	5,500	-	103,359
Equipment	1,000	1,000	-	9
Vehicles	5,000	2,725	2,275	3,067
Office Supplies	3,500	19	3,481	1,910
Departmental Supplies	7,000	85	6,915	13,058
Pool Supplies	7,500	4,627	2,873	4,110
Dixie Youth Tournament	7,500	7,500	-	20,042
Program Activities	68,200	1,300	66,900	56,475
Senior Citizens	48,000	3,158	44,842	40,695
Small Tools & Equipment	200	200	-	-
Miscellaneous	1,000	212	788	3,249
Utilities:				
Gas	17,000	1,656	15,344	12,967
Power	66,000	1,523	64,477	60,104
Pool	5,000	1,563	3,437	2,346
Dumpster	6,400	93	6,307	5,835
Printing	500	500	-	-
Advertising	3,500	130	3,370	3,898
Contracted Services	10,500	7,290	3,210	961
Training	700	70	630	-
Rents	3,000	1,050	1,950	1,950
Insurance & Bonds	11,700	28	11,672	10,177
Dues & Subscriptions	1,700	152	1,548	531
Fourth of July Celebration	10,000	-	10,000	5,000
C/O Equipment - Nondepreciable	1,200	84	1,116	-
Purchases for Inventory:				
Splash Pad	6,000	990	5,010	4,869
Bridge Street	1,500	819	681	855
Draper Center	1,500	1,328	172	1,248
Mill Avenue Pool	8,000	(79)	8,079	2,790
Freedom Park	12,000	1,864	10,136	11,706
Total Operating Expenses	991,800	91,259	900,541	900,539
Capital Outlay:				
Off Road Equipment	9,000	406	8,594	56,160
Land	55,500	7,043	48,457	-
Capital Outlay	64,500	7,449	57,051	56,160
Total Cultural & Recreation	1,056,300	98,708	957,592	956,699

City of Eden, North Carolina  
 General Fund  
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 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit B-2

	2023			2022
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
Special Appropriations:				
Contributions to Library	2,600	-	2,600	2,600
Contributions to Chamber of Commerce	20,000	-	20,000	20,000
Contributions to Rescue Squad	12,000	-	12,000	12,000
Contributions to Board of Elections	-	-	-	14,867
Contributions to Rockingham County Arts Council	2,000	-	2,000	2,000
Contribution to Eden Historical Museum	3,600	-	3,600	3,600
Contribution to Eden Preservation Society	1,000	-	1,000	1,000
Contribution to Get Fit Eden Strategic Plan	-	-	-	7,260
Performance/Incentive Agreements	15,000	14,214	786	13,692
Community Redevelopment	137,900	22	137,878	19,846
Salary Adjustments	36,600	36,600	-	-
Contingency Appropriation	40,000	40,000	-	-
	87,500	87,500	-	-
<b>Total Special Appropriations</b>	<b>358,200</b>	<b>178,336</b>	<b>179,864</b>	<b>96,865</b>
Debt Service				
Principal Retirement - Info Technology	-	-	-	166,348
Interest	-	-	-	6,327
Principal Retirement - Street	-	-	-	445,735
Interest	-	-	-	24,040
Principal Retirement - Powell Bill	67,600	13	67,587	65,854
Interest	22,400	52	22,348	24,081
Principal Retirement - Police	-	-	-	549,439
Interest	-	-	-	8,720
Principal Retirement - Fire	207,800	109	207,691	203,409
Interest	47,200	109	47,091	51,330
Principal Retirement - Facilities & Grnds	-	-	-	332,958
Interest	-	-	-	13,343
Principal Retirement - Solid Waste	-	-	-	537,826
Interest	-	-	-	18,472
Principal Retirement - Recreation	-	-	-	43,758
Interest	-	-	-	2,730
Principal Retirement - 2008/2016 Loans	58,700	25	58,675	149,004
Interest	24,200	4	24,196	28,552
	<b>427,900</b>	<b>312</b>	<b>427,588</b>	<b>2,671,926</b>
Non Departmental				
Bad Debt Expense	-	12,093	(12,093)	144,420
	-	12,093	(12,093)	144,420
<b>Total Expenditures</b>	<b>18,640,100</b>	<b>2,157,259</b>	<b>16,482,841</b>	<b>17,348,368</b>
Revenues Over (Under) Expenditures	(1,472,000)	4,189,163	2,717,163	(481,012)
Other Financing Sources (Uses):				
Operating Transfers to Other Funds: GF Capital Reserve Fund	(300,000)	-	(300,000)	-
Operating Transfers from Other Funds: ARPA Fund	769,000	(144,745)	624,255	456,961
<b>Total</b>	<b>469,000</b>	<b>(144,745)</b>	<b>324,255</b>	<b>456,961</b>
Fund Balance Appropriated	1,003,000	(1,003,000)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>1,472,000</b>	<b>(1,147,745)</b>	<b>324,255</b>	<b>456,961</b>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	3,041,418	3,041,418	(24,051)
Fund Balances:				
Beginning of Year, July 1			12,378,104	12,402,155
End of Year, June 30			15,419,522	12,378,104

City of Eden, North Carolina  
 ARPA Fund  
 Comparative Balance Sheets  
 Major Governmental Funds  
 June 30, 2023 and 2022

Exhibit B-3

	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
Assets:		
Cash and Cash Equivalents	3,120,181	1,745,780
Due from Other Funds	<u>1,905</u>	<u>53,643</u>
<b>Total Assets</b>	<b><u><u>3,122,086</u></u></b>	<b><u><u>1,799,423</u></u></b>
Liabilities and Fund Balance:		
Liabilities		
Due to Other Funds	3,809	-
Unearned Revenue	<u>3,046,127</u>	<u>1,791,275</u>
<b>Total Liabilities</b>	<b><u><u>3,049,936</u></u></b>	<b><u><u>1,791,275</u></u></b>
Fund Balances:		
Restricted	<u>72,150</u>	<u>8,148</u>
<b>Total Liabilities and Fund Balances</b>	<b><u><u>3,122,086</u></u></b>	<b><u><u>1,799,423</u></u></b>



City of Eden, North Carolina  
 ARPA Fund  
 Schedule of Revenues and Expenditures  
 Budget and Actual (NON GAAP)  
 From Inception and For Fiscal Year Ended June 30, 2023

Exhibit B-4

	<u>Project Authorization</u>	<u>Total Inception to June 30, 2022</u>	<u>Year Ended June 30, 2023</u>	<u>Total Inception to June 30, 2023</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>					
Restricted Intergovernmental Revenues					
American Rescue Plan Act	4,360,000	580,790	1,125,362	1,706,152	(2,653,848)
Interest Income	-	8,148	64,002	72,150	72,150
<b>Total Revenues</b>	<u>4,360,000</u>	<u>588,938</u>	<u>1,189,364</u>	<u>1,778,302</u>	<u>(2,581,698)</u>
<b>Expenditures:</b>					
ARPA Allowable Expenditures	3,663,100	-	-	-	3,663,100
<b>Total Expenditures</b>	<u>3,663,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,663,100</u>
<b>Revenues Over (Under) Expenditures</b>	<u>696,900</u>	<u>588,938</u>	<u>1,189,364</u>	<u>1,778,302</u>	<u>1,081,402</u>
<b>Other Financing Sources/(Uses):</b>					
Transfer to General Fund	(567,800)	(456,961)	(624,255)	(1,081,216)	(513,416)
Transfer to Water & Sewer Fund	(129,100)	(123,829)	(501,107)	(624,936)	(495,836)
	<u>(696,900)</u>	<u>(580,790)</u>	<u>(1,125,362)</u>	<u>(1,706,152)</u>	<u>(1,009,252)</u>
<b>Net Change in fund balance</b>	<u>-</u>	<u>8,148</u>	64,002	<u>72,150</u>	<u>72,150</u>
<b>Fund Balance</b>					
Beginning of Year, July 1			<u>8,148</u>		
End of Year, June 30			<u>72,150</u>		

City of Eden, North Carolina  
Combining Balance Sheets  
Non-Major Governmental Funds  
For the Fiscal Year Ended June 30, 2023  
(With Comparative Total Amounts as of June 30, 2022)

Exhibit B-5

	Special Revenue Fund		Total Non-Major Special Revenue Funds	Non-major Capital Reserve	Total Non-Major Governmental Funds	
	CDBG Housing	Municipal Service District Tax			June 30 2023	June 30 2022
<b>Assets</b>						
Current Assets:						
Cash and Cash Equivalents	(1,352)	37,563	36,211	300,000	336,211	39,024
Accounts Receivable	19,800	-	19,800	-	19,800	-
Deferred Outflows	-	-	-	-	-	-
<b>Total Assets</b>	<b>18,448</b>	<b>37,563</b>	<b>56,011</b>	<b>300,000</b>	<b>356,011</b>	<b>39,024</b>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts Payable	19,800	-	19,800	-	19,800	-
Due to Other Funds	-	-	-	-	-	-
	<u>19,800</u>	<u>-</u>	<u>19,800</u>	<u>-</u>	<u>19,800</u>	<u>-</u>
Fund Balances:						
Restricted -						
Economic Development	(1,352)	37,563	36,211	-	36,211	39,024
Assigned -						
Fire Truck Replacement	-	-	-	300,000	300,000	-
Police Vehicle Replacement	-	-	-	-	-	-
	<u>(1,352)</u>	<u>37,563</u>	<u>36,211</u>	<u>300,000</u>	<u>336,211</u>	<u>39,024</u>
<b>Total Liabilities and Fund Balances</b>	<b>18,448</b>	<b>37,563</b>	<b>56,011</b>	<b>300,000</b>	<b>356,011</b>	<b>39,024</b>

City of Eden, North Carolina  
Combining Schedule of Revenues, Expenditures  
and Changes in Fund Balances  
Non-Major Governmental Funds  
For the Fiscal Year Ended June 30, 2023  
(With Comparative Total Amounts as of June 30, 2022)

Exhibit B-6

	Special Revenue Fund		Total Non-Major Special Revenue Funds	Non-major Capital Reserve	Total Non-Major Governmental Funds	
	CDBG Draper Housing	Municipal Service District Tax			June 30 2023	June 30 2022
	Revenues:					
Ad Valorem Taxes	-	13,532	13,532	-	13,532	11,665
Grants	89,618	-	89,618	-	89,618	66,928
Investment Earnings	-	990	990	-	990	148
<b>Total Revenues</b>	<b>89,618</b>	<b>14,522</b>	<b>104,140</b>	<b>-</b>	<b>104,140</b>	<b>78,741</b>
Expenditures:						
Economic & Physical Development	79,818	27,135	106,953	-	106,953	84,080
<b>Total Expenditures</b>	<b>79,818</b>	<b>27,135</b>	<b>106,953</b>	<b>-</b>	<b>106,953</b>	<b>84,080</b>
Revenues and other Sources Over (Under) Expenditures	9,800	(12,613)	(2,813)	-	(2,813)	(5,339)
Other Financing Sources (Uses):						
Transfer from General Fund	-	-	-	300,000	300,000	-
Transfer to General Fund	-	-	-	-	-	-
<b>Net change in fund balance</b>	<b>9,800</b>	<b>(12,613)</b>	<b>(2,813)</b>	<b>300,000</b>	<b>297,187</b>	<b>(5,339)</b>
Fund Balances:						
Beginning of Year, July 1	(11,152)	50,176	39,024	-	39,024	44,363
<b>End of Year, June 30</b>	<b>(1,352)</b>	<b>37,563</b>	<b>36,211</b>	<b>300,000</b>	<b>336,211</b>	<b>39,024</b>

City of Eden, North Carolina  
 CDBG - Draper Housing  
 Comparative Balance Sheets  
 Governmental Funds  
 June 30, 2023 and 2022

Exhibit C-1

	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
Assets:		
Cash and Cash Equivalents	(1,352)	(11,152)
Accounts Receivable	<u>19,800</u>	<u>-</u>
Total Assets	<u><u>18,448</u></u>	<u><u>(11,152)</u></u>
Liabilities and Fund Balance:		
Liabilities		
Accounts Payable	19,800	-
Due to Other Funds	<u>-</u>	<u>-</u>
	<u>19,800</u>	<u>-</u>
Fund Balances:		
Restricted - Economic Development	<u>(1,352)</u>	<u>(11,152)</u>
Total Liabilities and Fund Balances	<u><u>18,448</u></u>	<u><u>(11,152)</u></u>



City of Eden, North Carolina  
 CDBG - Draper Housing  
 Schedule of Revenues and Expenditures  
 Budget and Actual (NON GAAP)  
 From Inception and For Fiscal Year Ended June 30, 2023

Exhibit C-2

	Project Authorization	Total Inception to June 30, 2022	Year Ended June 30, 2023	Total Inception to June 30, 2023	Variance Favorable (Unfavorable)
<b>Revenues:</b>					
CDBG - Draper Housing	750,000	22,860	67,816	90,676	(659,324)
CDBG - COVID	900,000	44,068	21,802	65,870	(834,130)
<b>Total Revenues</b>	<b>1,650,000</b>	<b>66,928</b>	<b>89,618</b>	<b>156,546</b>	<b>(1,493,454)</b>
<b>Expenditures:</b>					
CDBG - Draper Housing	750,000	22,933	67,743	90,676	659,324
CDBG - COVID	900,000	55,147	12,075	67,222	832,778
<b>Total Expenditures</b>	<b>1,650,000</b>	<b>78,080</b>	<b>79,818</b>	<b>157,898</b>	<b>1,492,102</b>
<b>Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>(11,152)</b>	<b>9,800</b>	<b>(1,352)</b>	<b>(1,352)</b>

City of Eden, North Carolina  
Municipal Service District Tax  
Comparative Balance Sheets  
As of June 30, 2023 and 2022

Exhibit C-3

	June 30, 2023	June 30, 2022
Assets:		
Cash and Investments	37,563	50,176
Total Assets	37,563	50,176
Liabilities and Fund Balance:		
Liabilities:		
Accounts Payable and Retainage Payable	-	-
Fund Balance:		
Restricted for Municipal Services	37,563	50,176
Total Liabilities and Fund Equity	37,563	50,176

City of Eden, North Carolina  
Special Revenue Fund - Municipal Service District Tax  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -- Budget and Actual  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit C-4

	2022			2021
	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Actual</u>	<u>Actual</u>
Revenues:				
Ad Valorem Taxes:				
Current Year - Leaksville	8,600	1,505	10,105	9,124
Current Year - Draper	2,000	(95)	1,905	1,888
Current Year - Boulevard	1,200	(50)	1,150	-
Prior Year - Leaksville	-	180	180	431
Prior Year - Draper	-	45	45	101
Interest Income from Tax Collections:				
Current Year - Leaksville	-	76	76	31
Current Year - Draper	-	27	27	15
Current Year - Boulevard	-	12	12	-
Prior Year - Leaksville	-	12	12	50
Prior Year - Draper	-	20	20	25
Interest Income	-	990	990	148
Total Revenues	<u>11,800</u>	<u>2,722</u>	<u>14,522</u>	<u>11,813</u>
Expenditures:				
Economic & Physical Development:				
Leaksville	24,000	(2,358)	26,358	3,500
Draper	2,000	1,223	777	2,500
Boulevard	1,200	1,200	-	-
Total Expenditures	<u>27,200</u>	<u>65</u>	<u>27,135</u>	<u>6,000</u>
Revenues Over (Under) Expenditures	(15,400)	2,787	(12,613)	5,813
Other Financing Sources (Uses):				
Fund Balance Appropriated	15,400	(15,400)	-	-
Excess of Revenues and Other Sources Over/(Under) Expenditures	<u>-</u>	<u>(12,613)</u>	<u>(12,613)</u>	<u>5,813</u>
Fund Balance				
Beginning of Year, July 1			<u>50,176</u>	<u>44,363</u>
End of Year, June 30			<u>37,563</u>	<u>50,176</u>

City of Eden, North Carolina  
 General Fund Capital Reserve Fund  
 Comparative Balance Sheets  
 Governmental Funds  
 June 30, 2023 and 2022

Exhibit C-5

	June 30, 2023	June 30, 2022
Assets:		
Cash and Cash Equivalents	300,000	-
Due from Other Funds	-	-
Total Assets	300,000	-
Liabilities and Fund Balance:		
Liabilities		
Unearned Revenue	-	-
Fund Balances:		
Assigned -		
Fire Truck Replacement	300,000	-
Police Vehicle Replacement	-	-
	300,000	-
Total Liabilities and Fund Balances	300,000	-



City of Eden, North Carolina  
 General Fund Capital Reserve Fund  
 Schedule of Revenues and Expenditures  
 Budget and Actual (NON GAAP)  
 From Inception and For Fiscal Year Ended June 30, 2023

Exhibit C-6

	<u>Project Authorization</u>	<u>Year Ended June 30, 2023</u>	<u>Total Inception to June 30, 2023</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Interest Income	-	-	-	-
Total Revenues	-	-	-	-
Expenditures:				
Total Expenditures	-	-	-	-
Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources/(Uses):				
Transfer from General Fund	1,514,100	300,000	300,000	(1,214,100)
Transfer to General Fund	(1,514,100)	-	-	1,514,100
	-	300,000	300,000	300,000
Net Change in fund balance	-	300,000	300,000	300,000
Fund Balance				
Beginning of Year, July 1		-		
End of Year, June 30		300,000		

City of Eden, North Carolina  
Water and Sewer Fund  
Comparative Balance Sheets  
As of June 30, 2023 and 2022

Exhibit D-1

	June 30, 2023	June 30, 2022
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and Investments	2,842,067	4,060,901
Cash - Restricted Deposits	368,345	366,045
Accounts Receivable (net of estimated uncollectible accounts in the amount of \$840,075 and \$841,908 respectively)	768,919	396,153
Other Receivables	2,615,968	232,454
Inventory	300,164	385,946
Unbilled Water Receivables	886,185	989,785
Prepaid Expenses	9,499	8,284
<b>Total Current Assets</b>	<b>7,791,147</b>	<b>6,439,568</b>
<b>Non Current Assets:</b>		
Capital Assets Net of Accumulated Depreciation	78,835,537	74,085,724
<b>Total Assets</b>	<b>86,626,684</b>	<b>80,525,292</b>
Deferred Outflows of Resources - Contribution to Pension Plan	993,071	649,278
Deferred Outflows of Resources - OPEB	632,578	868,110
Other Deferred Outflows of Resource	7,985	-
<b>Total Deferred Outflows of Resources</b>	<b>1,633,634</b>	<b>1,517,388</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>88,260,318</b>	<b>82,042,680</b>
<b>Liabilities and Net Position:</b>		
<b>Current Liabilities:</b>		
Accounts Payable and Retainage Payable	2,453,792	809,848
Due to grantor's agency	-	230,397
Bonds and Installment Purchases Payable - Current Maturities	747,154	734,307
Due to Other Funds	209,480	4,505
Due to Customers	24,003	-
Customer Deposits	368,345	366,045
<b>Total Current Liabilities</b>	<b>3,802,774</b>	<b>2,145,102</b>
<b>Other Liabilities:</b>		
Accrued Vacation Pay	155,715	147,319
Compensated Absences	26,496	23,542
Total OPEB Liability	2,219,146	2,581,107
Net Pension Liability	1,533,340	419,150
Bonds and Installment Purchases Payable - Long-Term Portion	17,165,792	15,269,267
<b>Total Other Liabilities</b>	<b>21,100,489</b>	<b>18,440,385</b>
<b>Total Liabilities</b>	<b>24,903,263</b>	<b>20,585,487</b>
<b>Deferred Inflows of Resources:</b>		
Other Deferred Inflows of Resources	-	-
OPEB Deferrals	290,293	58,942
Pension Deferrals	6,476	598,844
<b>Total Deferred Inflows of Resources</b>	<b>296,769</b>	<b>657,786</b>
<b>Net Position in Water &amp; Sewer Fund</b>	<b>63,060,286</b>	<b>60,799,407</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>88,260,318</b>	<b>82,042,680</b>

City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues, Expenses, and Changes in Net Position  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-2

	2023	2022
Operating Revenue:		
Water Sales	4,795,199	4,387,428
Sewer Charges	4,847,725	4,681,541
Water Tap Fees	10,828	29,553
Reconnection Fees	318,091	292,310
Sewer Tap Fees	4,509	3,760
Pretreatment Sewer Charges	49,960	51,880
Other Operating Income	79,092	64,165
Application Fees	17,880	16,890
	10,123,284	9,527,527
Less: Discounts and Leak Adjustments	(13,766)	(105,337)
Total Operating Revenue	10,109,518	9,422,190
Operating Expenses		
Billing and Collections	447,794	373,891
Water Filtration	1,361,620	1,190,598
Maintenance	2,054,925	1,683,751
Waste Treatment	1,387,673	1,283,514
Water and Sewer Resources	670,919	640,686
Depreciation Expense	2,333,619	2,323,325
Pension Expense	178,029	(65,611)
Non-Departmental	2,356,239	2,556,538
OPEB Expense	104,922	358,932
Bad Debt Expense	(855)	42,146
Sewer Construction Maintenance	73,100	-
Total Operating Expenses	10,967,985	10,387,770
Net Operating Income (Loss)	(858,467)	(965,580)
Non-Operating Income:		
Interest Income:		
Water and Sewer Operating Fund	135,145	23,510
Class Action - Liquid Sulfate	-	1,480
Sale of Capital Assets	3,450	1,475
Sale of Surplus Property	31	127
Insurance Proceeds	654	6,437
	139,280	33,029
Non-Operating Deductions:		
Interest Expense	49,319	118,122
Capital Contributions:		
NC Connect Bond Grant	2,455,841	532,762
Drinking Water Reserve Grant	72,437	350,894
Special Appropriation Grant	-	289,376
Transfer from ARPA Fund	501,107	134,371
	3,029,385	1,307,403
Change in Net Position	2,260,879	256,730
Total Net Position in Water and Sewer, Beginning of Year	60,799,407	60,542,677
Net Position in Water and Sewer, End of Year	63,060,286	60,799,407

City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Cash Flows  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-3

	2023	2022
Cash Flows from Operating Activities:		
Cash Received from Customers	7,448,854	12,989,747
Cash Paid for Goods and Services	(4,775,291)	(6,712,918)
Cash Paid to Employees	(2,066,661)	(2,015,153)
Customer Deposits Received	123,737	83,275
Customer Deposits Returned	(121,437)	(82,650)
	609,202	4,262,301
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Capital Assets	(7,083,434)	(4,327,334)
Principal Paid on Bond and Installment Purchases	(763,778)	(2,512,149)
Interest Paid on Bond and Installment Purchases	(49,319)	(118,122)
Insurance Proceeds	654	6,437
Proceeds from Sale of Capital Assets	3,450	1,475
Proceeds from Sale of Surplus Property	31	127
Proceeds from NC Connect Bond Grant	2,455,841	532,762
Proceeds from Drinking Water Reserve Grant	72,437	350,894
Proceeds from General Assembly Appropriation	-	289,376
Proceeds from Class Action - Liquid Sulfate	-	1,480
Transfer from ARPA Fund	490,565	134,371
Proceeds from Installment Loan	2,673,153	1,585,443
	(2,200,400)	(4,055,240)
Cash Flows from Non-Capital (Use of Funds)		
Due to/from Other Funds	215,517	(6,901)
Due to Customers	24,002	-
	239,519	(6,901)
Cash Flows from Investing Activities:		
Interest on Investments	135,145	23,510
Net Increase (Decrease) in Cash and Cash Equivalents	(1,216,534)	223,670
Cash and Cash Equivalents:		
Beginning of Year, July 1	4,426,946	4,203,276
End of Year, June 30	3,210,412	4,426,946



City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Cash Flows  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-3

	2023	2022
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	(858,467)	(965,580)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	2,333,619	2,323,325
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(372,766)	69,283
(Increase) Decrease in Unbilled Water Receivables and Assessments Receivable	103,600	110,440
(Increase) Decrease in Other Receivables	(2,383,514)	3,387,833
(Increase) Decrease in Inventories	85,782	(85,417)
(Increase) Decrease in Prepaid Expense	(1,215)	(3,720)
(Increase) Decrease in Deferred Outflows of Resources	(116,246)	(480,666)
Increase (Decrease) in Net Pension Liability	1,114,190	(548,591)
Increase (Decrease) in Accounts Payable, Retainage Payable, Accrued Liabilities	1,643,944	(885,120)
Increase (Decrease) in Due to grantor's agency	(230,397)	-
Increase (Decrease) in Customer Deposits	2,300	625
Increase (Decrease) in Accrued Vacation Pay	8,396	(6,230)
Increase (Decrease) in Compensated Absences	2,954	23,541
Increase (Decrease) in Post Employment Benefits	(361,961)	748,157
Increase (Decrease) in Deferred Inflows of Resources	(361,017)	574,421
	<u>609,202</u>	<u>4,262,301</u>
Net Cash Provided by Operating Activities	<u>609,202</u>	<u>4,262,301</u>

City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-4

	2023			2022
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
<b>Revenues:</b>				
<b>Charges for Services:</b>				
Water Sales	4,931,400	(136,201)	4,795,199	4,387,428
Sewer Charges	5,346,700	(498,975)	4,847,725	4,681,541
Water Tap Fees	10,000	828	10,828	29,553
Reconnection Fees	257,600	60,491	318,091	292,310
Sewer Tap Fees	4,000	509	4,509	3,760
Pretreatment Sewer Charges	46,400	3,560	49,960	51,880
Water Service Application Fees	20,000	(2,120)	17,880	16,890
Total Charges for Services	10,616,100	(571,908)	10,044,192	9,463,362
<b>Other Operating Revenues:</b>				
Sale of Materials	700	1,030	1,730	850
Miscellaneous Revenue	1,600	14,462	16,062	8,019
Miscellaneous Returned Check Fees	2,000	1,089	3,089	1,725
Equipment Rental	51,200	7,011	58,211	55,069
One-Time Pool Adjustments	(2,200)	2,127	(73)	(1,498)
Total Other Operating Revenues	53,300	25,719	79,019	64,165
Total Operating Revenues before Leak Adjustments	10,669,400	(546,189)	10,123,211	9,527,527
Less: Leak Adjustments	93,300	79,608	13,692	105,337
Total Operating Revenues	10,576,100	(466,581)	10,109,519	9,422,190
<b>Non-Operating Revenues:</b>				
Class Action - Liquid Sulfate	-	-	-	1,480
Interest Earned on Investments	11,100	124,045	135,145	23,510
Sales of Capital Assets	-	3,450	3,450	1,475
Sales of Surplus Property	-	31	31	127
Insurance Proceeds	-	654	654	6,437
Total Non-Operating Revenues	11,100	128,180	139,280	33,029
Total Revenue	10,587,200	(338,401)	10,248,799	9,455,219

City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-4

	2023			2022
	<u>Budget</u>	Variance Favorable (Unfavorable)	<u>Actual</u>	<u>Actual</u>
<b>Water and Sewer Resources:</b>				
<b>Salaries &amp; Wages:</b>				
Regular Salaries	403,700	8,521	395,179	391,142
Overtime	10,000	1,033	8,967	5,336
Special Pay	100	60	40	-
<b>Total Salaries &amp; Wages</b>	<b>413,800</b>	<b>9,614</b>	<b>404,186</b>	<b>396,478</b>
FICA	30,700	222	30,478	28,687
Retirement Expense	50,200	706	49,494	44,619
Group Insurance	119,000	-	119,000	105,400
Life/AD&D/Disability Insurance	4,200	280	3,920	3,092
Insurance & Bonds W/C	2,500	68	2,432	2,023
Employee Incentives	500	425	75	75
401(k) Contribution	20,700	273	20,427	19,570
Professional Services	2,100	719	1,381	3,595
Laundry & Dry Cleaning	2,000	1,510	490	862
Safety Equipment	2,000	672	1,328	1,892
Gas	8,500	1,021	7,479	6,055
Tires	3,000	3,000	-	-
<b>Maintenance and Repair:</b>				
Vehicles	2,500	706	1,794	3,816
Equipment	300	300	-	66
Building	4,000	360	3,640	700
Office Supplies	300	300	-	226
Departmental Supplies	3,900	262	3,638	3,720
Small Tools and Equipment	1,200	242	958	965
Travel	3,000	10	2,990	3,056
Utilities - Electric	4,500	475	4,025	3,298
Utilities - Gas	2,500	320	2,180	2,632
Training	2,500	992	1,508	920
Advertising	500	59	441	765
Insurance & Bonds	9,000	55	8,945	7,754
Dues & Subscriptions	700	590	110	420
<b>Total</b>	<b>694,100</b>	<b>23,181</b>	<b>670,919</b>	<b>640,686</b>

City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-4

	2023			2022
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
<b>Billing and Collections:</b>				
<b>Salaries &amp; Wages:</b>				
Regular Salaries	165,900	(305)	166,205	156,271
Overtime	500	500	-	-
Part-Time	38,300	1,349	36,951	37,367
<hr/>				
Total Salaries & Wages	204,700	1,544	203,156	193,638
FICA	15,900	577	15,323	14,016
Retirement Expense	20,400	284	20,116	17,252
Group Insurance	59,500	-	59,500	72,900
Life/AD&D/Disability Insurance	2,300	11	2,289	2,130
Unemployment Insurance	2,300	399	1,901	-
Insurance & Bonds W/C	2,500	558	1,942	2,004
Employee Incentives	500	500	-	-
401(k) Contributions	8,600	293	8,307	7,566
Professional Services	300	210	90	132
Bank Service Charges	13,100	2,171	10,929	7,304
Uniforms/Laundry	600	600	-	599
Safety Equipment	500	336	164	173
Gas	7,600	1,563	6,037	4,692
Tires	500	500	-	286
Maintenance & Repair:				
Vehicles	1,000	(163)	1,163	2,290
Office Supplies	6,500	834	5,666	3,637
Departmental Supplies	37,200	17,426	19,774	37,657
Small Tools and Equipment	600	102	498	291
Miscellaneous	1,500	442	1,058	17
Travel	600	600	-	-
Postage	57,000	1,426	55,574	42,149
Printing	11,500	585	10,915	6,039
Dan River Water - Annexation	17,600	2,935	14,665	10,770
Training	400	135	265	-
Contracted Services	4,500	299	4,201	1,375
Equipment Rental	2,400	102	2,298	2,360
Insurance & Bonds	2,800	837	1,963	1,648
Dues and Subscriptions	100	100	-	-
C/O Equipment - Non-Depreciable	8,800	8,800	-	4,489
Warehouse Inventory	-	-	-	20,272
Issues from Inventory	-	-	-	(81,795)
<hr/>				
Total	491,800	44,006	447,794	373,891



City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-4

	2023			2022
	<u>Budget</u>	Variance Favorable <u>(Unfavorable)</u>	<u>Actual</u>	<u>Actual</u>
Water Filtration:				
Salaries & Wages:				
Regular Salaries	401,000	17,707	383,293	403,374
Overtime	45,000	3,252	41,748	13,101
Specialist	1,000	1,000	-	-
Total Salaries & Wages	447,000	21,959	425,041	416,475
FICA	34,200	3,033	31,167	29,719
Retirement Expense	54,000	2,423	51,577	46,011
Group Insurance	125,100	-	125,100	131,000
Life/AD&D/Disability Insurance	5,100	874	4,226	4,388
Insurance & Bonds W/C	12,300	3,052	9,248	10,020
Employee Incentives	700	650	50	50
401(k) Contribution	22,300	1,351	20,949	20,346
Professional Services	34,000	1,445	32,555	21,711
Laundry & Dry Cleaning	1,800	1,477	323	1,103
Safety Equipment	2,000	1,246	754	2,207
Gas	1,200	489	711	990
Tires	700	700	-	-
Maintenance & Repair:				
Building	62,400	36,740	25,660	3,516
Equipment	75,000	16,269	58,731	58,084
Vehicles	1,000	666	334	249
Office Supplies	900	400	500	126
Departmental Supplies	52,000	12,901	39,099	46,855
Chemicals	298,000	(5,881)	303,881	211,824
Small Tools and Equipment	200	121	79	28
Miscellaneous	100	100	-	-
Travel	3,300	1,861	1,439	1,318
Utilities:				
Electric	200,000	1,686	198,314	159,526
Advertising	4,600	50	4,550	-
Contracted Services	500	170	330	460
Employee Training	2,900	212	2,688	3,428
Insurance & Bonds	20,000	38	19,962	17,349
Dues & Subscriptions	5,100	748	4,352	3,815
<b>Total</b>	<b>1,466,400</b>	<b>104,780</b>	<b>1,361,620</b>	<b>1,190,598</b>

City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-4

	2023			2022
	<u>Budget</u>	Variance Favorable (Unfavorable)	<u>Actual</u>	<u>Actual</u>
Maintenance:				
Salaries & Wages:				
Regular Salaries	598,800	3,317	595,483	590,802
Overtime	30,000	5,655	24,345	17,401
Specialist	1,000	1,000	-	-
Total Salaries & Wages	629,800	9,972	619,828	608,203
FICA	52,800	6,965	45,835	46,178
Retirement Expense	82,300	8,957	73,343	71,040
Group Insurance	200,700	-	200,700	177,100
Life/AD&D/Disability Insurance	7,300	899	6,401	5,697
Insurance & Bonds W/C	14,700	3,602	11,098	12,524
Employee Incentive	1,400	1,400	-	-
401(k) Contribution	34,000	3,165	30,835	32,134
Professional Services	5,000	3,356	1,644	2,357
Laundry & Dry Cleaning	2,600	307	2,293	2,081
Safety Equipment	10,000	4,159	5,841	6,175
Maintenance & Repair:				
Collection	215,000	20,029	194,971	82,482
Equipment	20,000	19,417	583	566
System	1,200	1,200	-	2,908
Building	16,500	15,395	1,105	7,269
Vehicles	48,000	2,456	45,544	57,047
Hydrants	27,500	2,352	25,148	2,059
Distribution System	80,000	7,730	72,270	87,862
Metering	11,000	10,693	307	3,250
Outfalls	18,000	9,914	8,086	3,790
Taps	47,000	7,494	39,506	58,804
Gas	50,000	2,941	47,059	38,293
Tires	8,000	4,290	3,710	4,921
Off-Road Tires	1,400	1,400	-	-
Office Supplies	9,000	1,407	7,593	933
Departmental Supplies	7,000	1,333	5,667	1,714
Chemicals	115,000	19,436	95,564	77,813
Small Tools & Equipment	12,100	3,479	8,621	8,336
Miscellaneous	10,000	1,984	8,016	638
Travel	5,000	2,579	2,421	20
Utilities	125,000	1,894	123,106	108,015
Gas	1,000	76	924	501
Printing	2,000	247	1,753	50
Advertising	1,100	20	1,080	-
Contracted Services	205,000	19,791	185,209	108,291
Employee Training	7,000	5,280	1,720	1,708
Equipment Rental	20,000	19,775	225	531
Insurance & Bonds	31,400	(678)	32,078	27,041
Dues and Subscriptions	2,000	144	1,856	3,488
C/O Equipment - Non-Depreciable	35,000	35,000	-	31,932
Warehouse Inventory	139,200	(87,215)	226,415	-
Issues from Inventory	(79,000)	4,430	(83,430)	-
Mission Telemetry	29,000	29,000	-	-
Rock/Sand	5,000	5,000	-	-
<b>Total</b>	<b>2,266,000</b>	<b>211,075</b>	<b>2,054,925</b>	<b>1,683,751</b>

City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-4

	2023			2022
	<u>Budget</u>	Variance Favorable <u>(Unfavorable)</u>	<u>Actual</u>	<u>Actual</u>
Wastewater Treatment:				
Salaries & Wages:				
Regular Salaries	416,800	2,474	414,326	411,188
Overtime	23,000	517	22,483	18,441
Specialist	400	360	40	-
Total Salaries & Wages	440,200	3,351	436,849	429,629
FICA	32,600	896	31,704	30,726
Retirement Expense	53,000	310	52,690	47,947
Group Insurance	122,600	-	122,600	122,600
Life/AD&D/Disability Insurance	4,900	250	4,650	4,130
Insurance & Bonds/WC	14,700	3,602	11,098	12,024
Employee Incentives	300	250	50	99
401(k) Contributions	22,300	661	21,639	20,898
Professional Services	20,000	3,029	16,971	18,008
Laundry & Dry Cleaning	3,000	599	2,401	2,063
Safety Equipment	3,600	1,017	2,583	3,202
Gas	3,000	516	2,484	1,188
Tires	600	381	219	-
Maintenance & Repair:				
Building	15,000	2,977	12,023	2,132
Equipment	90,000	3,757	86,243	35,185
Vehicles	2,000	1,350	650	961
Office Supplies	500	432	68	368
Departmental Supplies	15,000	600	14,400	14,722
Chemicals	114,000	12,571	101,429	39,305
Civil Penalties	500	500	-	-
Small Tools & Equipment	2,200	1,472	728	462
Miscellaneous	100	95	5	-
Travel	2,500	34	2,466	3,183
Utilities	176,000	24,268	151,732	124,712
Printing	200	200	-	-
Advertising	3,000	1,445	1,555	1,281
Contracted Services	292,100	17,430	274,670	324,163
Employee Training	6,700	2,111	4,589	18,074
Insurance & Bonds	21,500	229	21,271	18,512
Dues & Subscriptions	8,500	647	7,853	7,940
C/O Equipment - Non-Depreciable	3,100	1,047	2,053	-
Total	1,473,700	86,027	1,387,673	1,283,514

City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-4

	2023			2022
	Budget	Variance Favorable (Unfavorable)	Actual	Actual
Sewer Construction:				
Sewer Fix It Program	157,000	83,900	73,100	-
Non-Departmental:				
Utility Service Fee - General Fund	2,520,000	163,761	2,356,239	2,556,538
Future Salary Adjustments	25,000	25,000	-	-
Bad Debt Expense	-	855	(855)	42,146
Contingency	54,500	54,500	-	-
	<u>2,599,500</u>	<u>244,116</u>	<u>2,355,384</u>	<u>2,598,684</u>
Total Operating Expenses	<u>9,148,500</u>	<u>797,085</u>	<u>8,351,415</u>	<u>7,771,124</u>
Capital Outlay:				
Water Resources:				
Vehicles	76,700	76,700	-	-
Water Filtration:				
Equipment	235,000	104,809	130,191	90,843
Maintenance:				
Building	6,000	500	5,500	-
Vehicles	173,200	173,200	-	-
Equipment	145,000	65,540	79,460	-
Wastewater Treatment:				
Equipment	264,000	15,601	248,399	7,229
Water Construction:				
Bridge St WL Upgrade	-	-	-	8,333
Maple Ln WL Upgrade	2,000	2,000	-	11,330
Glovenia St WL Upgrade	-	-	-	14,232
Circle Dr Phase 2 WL Repl	2,500	2,500	-	17,753
Circle Dr WL Replacement	2,500	2,500	-	17,753
NC DOT B-5737 Related WL Replacement	50,000	50,000	-	-
Riverview St WL Replacement	15,000	15,000	-	-
Briarwood WL Replacement	7,000	7,000	-	-
Ray St WL Replacement	25,000	25,000	-	-
Short St WL Replacement	14,000	14,000	-	-
Water Valve Replacement	35,000	35,000	-	-
Street TBD WL Replacement	12,000	12,000	-	-
E. Stadium Dr Sidewalk	55,000	55,000	-	-
Sewer Construction:				
WWTP North Basin	-	-	-	81,200
Total Capital Outlay	<u>1,119,900</u>	<u>656,350</u>	<u>463,550</u>	<u>248,673</u>



City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-4

	2023			2022
	<u>Budget</u>	Variance Favorable <u>(Unfavorable)</u>	<u>Actual</u>	<u>Actual</u>
<b>Debt Service:</b>				
Principal Retirement - Billing & Collections	-	-	-	15,975
Interest - Billing & Collections	-	-	-	1,143
Principal Retirement - Maintenance	-	-	-	623,855
Interest - Maintenance	-	-	-	36,889
Principal - 2007 Loan	-	-	-	644,997
Interest - 2007 Loan	-	-	-	18,781
Principal - 2008 Loan	-	-	-	465,898
Interest - 2008 Loan	-	-	-	11,575
Principal - Clean Water Loan	15,600	93	15,507	15,507
Principal - CWSRF Dry Creek	57,800	53	57,747	57,747
Interest - CWSRF Dry Creek	15,600	69	15,531	16,943
Principal - CWSRF Kuder Street	98,500	30	98,470	98,470
Principal - CWSRF Tanyard Branch	161,500	44	161,456	161,456
Principal - CWSRF Matrimony Creek	148,400	26	148,374	148,374
Principal - EPA/AOC	557,900	557,900	-	-
Principal - Mega Park WL	185,400	24	185,376	185,374
Interest - Mega Park WL	10,300	86	10,214	6,863
Principal - 2016 Loan	96,900	52	96,848	94,496
Interest - 2016 Loan	23,600	25	23,575	25,928
	<u>1,371,500</u>	<u>558,402</u>	<u>813,098</u>	<u>2,630,271</u>
<b>Total Expenditures</b>	<u>11,639,900</u>	<u>2,011,837</u>	<u>9,628,063</u>	<u>10,650,068</u>
<b>Revenues Over (Under) Expenditures</b>	<u>(1,052,700)</u>	<u>1,673,436</u>	<u>620,736</u>	<u>(1,194,849)</u>
<b>Other Financing Sources (Uses)</b>				
Transfer from (to) ARPA Fund	961,700	(471,135)	490,565	134,371
Transfer from (to) W/S Capital Reserve Fund	(100,000)	-	(100,000)	-
Transfer from (to) Metro Pump Station	(209,000)	-	(209,000)	-
	<u>652,700</u>	<u>(471,135)</u>	<u>181,565</u>	<u>134,371</u>
<b>Fund Balance Appropriated</b>	<u>400,000</u>	<u>(400,000)</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>1,052,700</u>	<u>(871,135)</u>	<u>181,565</u>	<u>134,371</u>
<b>Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<u>-</u>	<u>802,301</u>	<u>802,301</u>	<u>(1,060,478)</u>

City of Eden, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
For the Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit D-4

	Actual	Actual Prior Year
Reconciliation from financial plan basis (modified accrual) to full accrual		
Expenditures Over Revenues and Other Financing Sources	620,736	(1,194,849)
Reconciling Items:		
Debt Principal	763,778	2,512,149
Capital Outlay	463,550	248,673
NC Connect Bond Grant - EPA/AOC	2,455,841	532,762
Drinking Water Reserve Grant	72,437	350,894
General Assembly Appropriations	-	289,376
Transfer from ARPA Fund	490,565	134,371
Depreciation	(2,333,619)	(2,323,325)
Pension Expense	(178,029)	65,611
Other Post Employment Benefits	(104,922)	(358,932)
Total Reconciling Items	1,629,601	1,451,579
Change in Net Assets	2,250,337	256,730

City of Eden, North Carolina  
Mega Park Waterline Project Fund  
Comparative Balance Sheets  
As of June 30, 2023 and 2022

Exhibit D-5

	June 30, 2023	June 30, 2022
Assets:		
Cash and Cash Equivalents	27,156	354,135
Other Receivables	-	135,351
Total Assets	27,156	489,486
Liabilities and Fund Equities:		
Current Liabilities		
Accounts Payable	-	112,016
Other Liabilities	-	230,397
Total Liabilities	-	342,413
Fund Equities	27,156	147,073
Total Liabilities and Fund Equities	27,156	489,486

City of Eden, North Carolina  
 Capital Projects Fund - Mega Park Water Line  
 Schedule of Revenues and Expenditures  
 Budget and Actual (NON GAAP)  
 From Inception and For Fiscal Year Ended June 30, 2023

Exhibit D-6

	Project Authorization	Total Inception to June 30, 2022	Year Ended June 30, 2023	Total Inception to June 30, 2023	Variance Favorable (Unfavorable)
<b>Revenues:</b>					
Drinking Water Reserve Grant	1,018,225	1,049,189	72,437	1,121,626	103,401
EDA Grant	2,000,000	1,996,446	-	1,996,446	(3,554)
General Assembly Appropriation	1,000,000	1,000,000	-	1,000,000	-
Loan Proceeds - 0% Interest	3,000,000	3,147,563	217,313	3,364,876	364,876
Loan Proceeds	54,675	-	-	-	(54,675)
<b>Total Revenues</b>	<b>7,072,900</b>	<b>7,193,198</b>	<b>289,750</b>	<b>7,482,948</b>	<b>410,048</b>
<b>Expenditures:</b>					
Mega Park Water Line - Inside City	66,000	65,308	-	65,308	692
Mega Park Water Line - Outside City	7,072,900	7,480,817	409,667	7,890,484	(817,584)
<b>Total Expenditures</b>	<b>7,138,900</b>	<b>7,546,125</b>	<b>409,667</b>	<b>7,955,792</b>	<b>(816,892)</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(66,000)</b>	<b>(352,927)</b>	<b>(119,917)</b>	<b>(472,844)</b>	<b>(406,844)</b>
<b>Other Financing Sources:</b>					
Contribution for W/S Fund	66,000	500,000	-	500,000	434,000
<b>Net Change in fund balance</b>	<b>-</b>	<b>147,073</b>	<b>(119,917)</b>	<b>27,156</b>	<b>27,156</b>
<b>Fund Balance</b>					
Beginning of Year, July 1			147,073		
End of Year, June 30			27,156		



City of Eden, North Carolina  
 EPA/AOC Sewer Project Fund  
 Comparative Balance Sheets  
 As of June 30, 2023 and 2022

Exhibit D-7

	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
<b>Assets:</b>		
Cash and Cash Equivalents	(2,126,580)	(953,128)
Other Receivables	<u>2,571,058</u>	<u>-</u>
<b>Total Assets</b>	<u><u>444,478</u></u>	<u><u>(953,128)</u></u>
<b>Liabilities and Fund Equities:</b>		
<b>Current Liabilities</b>		
Accounts Payable and Retainage Payable	2,063,220	318,497
Fund Equities	<u>(1,618,742)</u>	<u>(1,271,625)</u>
<b>Total Liabilities and Fund Equities</b>	<u><u>444,478</u></u>	<u><u>(953,128)</u></u>

City of Eden, North Carolina  
 Capital Projects Fund - EPA AOC Sewer Project  
 Schedule of Revenues and Expenditures  
 Budget and Actual (NON GAAP)  
 From Inception and For Fiscal Year Ended June 30, 2023

Exhibit D-8

	<u>Project Authorization</u>	<u>Total Inception to June 30, 2022</u>	<u>Year Ended June 30, 2023</u>	<u>Total Inception to June 30, 2023</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>					
NC Connect Bond Grant	16,666,000	5,977,525	2,455,841	8,433,366	(8,232,634)
NC Connect Bond Loan	15,000,000	5,977,523	2,455,840	8,433,363	(6,566,637)
Miscellaneous Revenue	-	10,876	-	10,876	10,876
<b>Total Revenues</b>	<u>31,666,000</u>	<u>11,965,924</u>	<u>4,911,681</u>	<u>16,877,605</u>	<u>(14,788,395)</u>
<b>Expenditures:</b>					
Temp Rainfall/Flow Monitoring	15,000	-	-	-	15,000
Professional Services	1,500,000	4,154,638	655,103	4,809,741	(3,309,741)
Post Construction Rainfall/Flow Monitoring	35,000	-	-	-	35,000
Junction/Bridge St Pump Station Rehab	3,708,600	438,433	628,430	1,066,863	2,641,737
I/I Reductions	2,246,900	2,130,037	-	2,130,037	116,863
Bridge St Basin Rehab	9,355,600	368,331	4,050,382	4,418,713	4,936,887
Junction Basin Rehab	4,425,700	75,117	(75,117)	-	4,425,700
Kuder St Basin Rehab	4,027,200	3,038,364	-	3,038,364	988,836
Dry Creek Basin Rehab	2,507,000	2,128,187	-	2,128,187	378,813
Dogwood/Fourth St Pump Station Rehab	300,000	843,284	-	843,284	(543,284)
Bear Slide/Indian Hills Pump Station	150,000	57,321	-	57,321	92,679
Mebane Bridge WWTP Improvements	3,625,600	4,063,437	-	4,063,437	(437,837)
Contingency	1,829,000	-	-	-	1,829,000
W/S Loan Repayment	2,000,000	-	-	-	2,000,000
<b>Total Expenditures</b>	<u>35,725,600</u>	<u>17,297,149</u>	<u>5,258,798</u>	<u>22,555,947</u>	<u>13,169,653</u>
<b>Revenues Over (Under) Expenditures</b>	<u>(4,059,600)</u>	<u>(5,331,225)</u>	<u>(347,117)</u>	<u>(5,678,342)</u>	<u>(1,618,742)</u>
<b>Other Financing Sources:</b>					
Contribution for W/S Fund	2,059,600	2,059,600	-	2,059,600	-
Loan from W/S Fund	2,000,000	2,000,000	-	2,000,000	-
	<u>4,059,600</u>	<u>4,059,600</u>	<u>-</u>	<u>4,059,600</u>	<u>-</u>
<b>Net Change in fund balance</b>	<u>-</u>	<u>(1,271,625)</u>	<u>(347,117)</u>	<u>(1,618,742)</u>	<u>(1,618,742)</u>
<b>Fund Balance</b>					
Beginning of Year, July 1			<u>(1,271,625)</u>		
End of Year, June 30			<u>(1,618,742)</u>		

City of Eden, North Carolina  
Metro Pump Station Project Fund  
Comparative Balance Sheets  
As of June 30, 2023 and 2022

Exhibit D-9

	June 30, 2023	June 30, 2022
Assets:		
Cash and Cash Equivalents	(795,073)	(163,201)
Other Receivables	-	-
	(795,073)	(163,201)
Total Assets	(795,073)	(163,201)
Liabilities and Fund Equities:		
Current Liabilities		
Accounts Payable	136,906	288,369
Fund Equities	(931,979)	(451,570)
Total Liabilities and Fund Equities	(795,073)	(163,201)

City of Eden, North Carolina  
 Capital Projects Fund - Metro Pump Station  
 Schedule of Revenues and Expenditures  
 Budget and Actual (NON GAAP)  
 From Inception and For Fiscal Year Ended June 30, 2023

Exhibit D-10

	Project Authorization	Total Inception to June 30, 2022	Year Ended June 30, 2023	Total Inception to June 30, 2023	Variance Favorable (Unfavorable)
<b>Revenues:</b>					
NC Dept of Commerce Rural Dev Grant	997,000	-	-	-	(997,000)
<b>Total Revenues</b>	<b>997,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(997,000)</b>
<b>Expenditures:</b>					
Engineering/Design/Surveying	152,000	68,755	67,512	136,267	15,733
Construction	911,600	382,815	483,178	865,993	45,607
Electric Service	146,000	-	138,719	138,719	7,281
Contingency	111,500	-	-	-	111,500
<b>Total Expenditures</b>	<b>1,321,100</b>	<b>451,570</b>	<b>689,409</b>	<b>1,140,979</b>	<b>180,121</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(324,100)</b>	<b>(451,570)</b>	<b>(689,409)</b>	<b>(1,140,979)</b>	<b>(816,879)</b>
<b>Other Financing Sources:</b>					
Contribution for W/S Fund	324,100	-	209,000	209,000	(115,100)
	324,100	-	209,000	209,000	(115,100)
<b>Net Change in fund balance</b>	<b>-</b>	<b>(451,570)</b>	<b>(480,409)</b>	<b>(931,979)</b>	<b>(931,979)</b>
<b>Fund Balance</b>					
Beginning of Year, July 1			(451,570)		
End of Year, June 30			(931,979)		



City of Eden, North Carolina  
 Water & Sewer Capital Reserve Fund  
 Comparative Balance Sheets  
 As of June 30, 2023 and 2022

Exhibit D-11

	June 30, 2023	June 30, 2022
Assets:		
Cash and Cash Equivalents	100,000	-
Total Assets	100,000	-
Liabilities and Fund Equities:		
Current Liabilities		
Accounts Payable	-	-
Fund Equities	100,000	-
Total Liabilities and Fund Equities	100,000	-

City of Eden, North Carolina  
Water & Sewer Fund Capital Reserve Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (NON GAAP)  
From Inception and For Fiscal Year Ended June 30, 2023

Exhibit D-12

	<u>Project Authorization</u>	<u>Year Ended June 30, 2023</u>	<u>Total Inception to June 30, 2023</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Interest Income	-	-	-	-
Total Revenues	-	-	-	-
Expenditures:				
Total Expenditures	-	-	-	-
Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources/(Uses):				
Transfer from Water & Sewer Fund	2,000,000	100,000	100,000	(1,900,000)
Transfer to Water & Sewer Fund	(2,000,000)	-	-	2,000,000
	-	100,000	100,000	100,000
Net Change in fund balance	-	100,000	100,000	100,000
Fund Balance				
Beginning of Year, July 1		-		
End of Year, June 30		100,000		

City of Eden, North Carolina  
 North Basin WWTP Project Fund  
 Comparative Balance Sheets  
 As of June 30, 2023 and 2022

Exhibit D-13

	June 30, 2023	June 30, 2022
Assets:		
Cash and Cash Equivalents	(232,585)	-
Total Assets	(232,585)	-
Liabilities and Fund Equities:		
Current Liabilities		
Accounts Payable	29,425	-
Fund Equities	(262,010)	-
Total Liabilities and Fund Equities	(232,585)	-

City of Eden, North Carolina  
 Capital Projects Fund - North Basin WWTP  
 Schedule of Revenues and Expenditures  
 Budget and Actual (NON GAAP)  
 From Inception and For Fiscal Year Ended June 30, 2023

Exhibit D-14

	Project Authorization	Total Inception to June 30, 2022	Year Ended June 30, 2023	Total Inception to June 30, 2023	Variance Favorable (Unfavorable)
<b>Revenues:</b>					
Div of Water Infrastructure - Green Funding	9,148,000	-	-	-	(9,148,000)
NC Dept of Commerce - EDA Grant	1,500,000	-	-	-	(1,500,000)
<b>Total Revenues</b>	<b>10,648,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,648,000)</b>
<b>Expenditures:</b>					
Engineering/Design/Surveying	780,000	-	209,110	209,110	570,890
Construction	8,678,000	-	-	-	8,678,000
Inspection	185,000	-	-	-	185,000
Geotechnical Investigation	22,000	-	48,400	48,400	(26,400)
Legal Fees	5,000	-	-	-	5,000
Administration	110,000	-	4,500	4,500	105,500
Contingency	868,000	-	-	-	868,000
<b>Total Expenditures</b>	<b>10,648,000</b>	<b>-</b>	<b>262,010</b>	<b>262,010</b>	<b>10,385,990</b>
<b>Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>(262,010)</b>	<b>(262,010)</b>	<b>(262,010)</b>
<b>Other Financing Sources:</b>					
Contribution for W/S Fund	-	-	-	-	-
	-	-	-	-	-
<b>Net Change in fund balance</b>	<b>-</b>	<b>-</b>	<b>(262,010)</b>	<b>(262,010)</b>	<b>(262,010)</b>
<b>Fund Balance</b>					
Beginning of Year, July 1			-		
End of Year, June 30			<u>(262,010)</u>		



City of Eden, North Carolina  
 Self Insured Insurance  
 Comparative Balance Sheets  
 As of June 30, 2023 and 2022

Exhibit E-1

	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
Assets:		
Cash and Cash Equivalents	1,663,851	1,079,148
Due from Other Agencies	<u>48,384</u>	<u>44,290</u>
<b>Total Assets</b>	<b><u><u>1,712,235</u></u></b>	<b><u><u>1,123,438</u></u></b>
Liabilities and Fund Equities:		
Current Liabilities		
Claims Payable	274,802	165,323
Fund Equities	<u>1,437,433</u>	<u>958,115</u>
<b>Total Liabilities and Fund Equities</b>	<b><u><u>1,712,235</u></u></b>	<b><u><u>1,123,438</u></u></b>

City of Eden, North Carolina  
Self Insured Insurance  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -- Budget and Actual  
For Fiscal Year Ended June 30, 2023 and 2022

Exhibit E-2

	Budget	Variance Favorable (Unfavorable)	June 30, 2023	June 30, 2022
Revenues:				
Charges for Services:				
General Fund	2,538,900	(83,914)	2,454,986	2,420,140
Water & Sewer Fund	713,400	(36,548)	676,852	679,201
Refunds	<u>195,000</u>	<u>28,942</u>	<u>223,942</u>	<u>196,132</u>
 Total Revenues	 <u>3,447,300</u>	 <u>(91,520)</u>	 <u>3,355,780</u>	 <u>3,295,473</u>
Expenditures:				
Group Insurance Fixed Costs	1,055,500	54,377	1,001,123	967,541
Additional Costs	-	(35,828)	35,828	-
Insurance Claims	<u>2,687,000</u>	<u>820,189</u>	<u>1,866,811</u>	<u>2,182,113</u>
 Total Expenditures	 <u>3,742,500</u>	 <u>838,738</u>	 <u>2,903,762</u>	 <u>3,149,654</u>
 Operating Income (Loss)	 <u>(295,200)</u>	 <u>747,218</u>	 <u>452,018</u>	 <u>145,819</u>
Non-Operating Revenue:				
Investment Earnings	<u>700</u>	<u>26,600</u>	<u>27,300</u>	<u>3,445</u>
Other Financing Sources (Uses):				
Fund Balance Appropriated	<u>294,500</u>	<u>(294,500)</u>	<u>-</u>	<u>-</u>
 Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	 <u>-</u>	 <u>479,318</u>	 479,318	 149,264
Fund Balance				
Beginning of Year, July 1			<u>958,115</u>	<u>808,851</u>
End of Year, June 30			<u>1,437,433</u>	<u>958,115</u>

City of Eden, North Carolina  
Self Insured Insurance  
Comparative Schedule of Cash Flows  
For Fiscal Year Ended June 30, 2023  
(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

Exhibit E-3

	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
Cash Flows from Operating Activities:		
Cash Received from Users	3,351,686	3,297,220
Cash Paid for Insurance Claims	(1,757,332)	(2,236,833)
Cash Paid for Fixed Costs	(1,036,951)	(967,541)
Net Cash Provided by Operating Activities	<u>557,403</u>	<u>92,846</u>
 Cash Flows from Investing Activities	 <u>27,300</u>	 <u>3,445</u>
 Net (Decrease) Increase in Cash and Cash Equivalents	 584,703	 96,291
Cash and Cash equivalents, Beginning of Year	<u>1,079,148</u>	<u>982,857</u>
Cash and Cash equivalents, End of Year	<u><u>1,663,851</u></u>	<u><u>1,079,148</u></u>
 Reconciliation of Operating Incomes to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	<u>452,018</u>	<u>145,819</u>
 Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Changes in Assets and Liabilities:		
(Increase) Decrease in Due from Other Agencies	(4,094)	1,747
Increase (Decrease) in Accounts Payable	<u>109,479</u>	<u>(54,720)</u>
Total Adjustments	<u>105,385</u>	<u>(52,973)</u>
Net Cash Provided by Operating Activities	<u><u>557,403</u></u>	<u><u>92,846</u></u>

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

Exhibit F-1

Fiscal Year	Uncollected Balance June 30, 2022	Additions	Collections and Credits	Uncollected Balance June 30, 2023
2022-2023		6,705,497	6,610,723	94,774
2021-2022	86,832		39,362	47,470
2020-2021	66,448		26,847	39,601
2019-2020	23,349		5,589	17,760
2018-2019	22,066		3,815	18,251
2017-2018	22,530		5,909	16,621
2016-2017	15,373		3,176	12,197
2015-2016	12,903		2,736	10,167
2014-2015	9,996		1,356	8,640
2013-2014	12,364		616	11,748
2012-2013	11,490		11,490	-
2011-2012	-		-	-
2010-2011	-		-	-
	283,351	6,705,497	6,711,619	277,229
Less Allowance for Uncollectible Taxes				160,881
Ad Valorem Taxes Receivable - Net				116,348
Reconciliation with Revenues:				
Ad Valorem Taxes - General Fund				6,551,130
Reconciling Items:				
Rockingham County Collection Fee - Vehicle Tax				31,201
Short-Term Vehicle Tax				2,954
Interest Collected				(45,191)
Releases and Other Adjustments				(34,594)
Municipal Vehicle Tax				192,735
Municipal Service District Tax				13,384
				6,711,619

City of Eden, North Carolina  
 Analysis of Current Tax Levy  
 City-Wide Levy  
 For Fiscal Year Ended June 30, 2023

Exhibit F-2

	<u>City-Wide</u>		<u>Total Levy</u>		
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property Taxed at Current Year's Rate	942,488,532	\$ 0.609	5,739,757	5,739,757	
Motor Vehicles Taxes Collected by DMV			956,611		956,611
	<u>942,488,532</u>		<u>6,696,368</u>	<u>5,739,757</u>	<u>956,611</u>
Discoveries:					
Current Year Taxes	3,516,070		21,413	21,413	
Prior Year Taxes			2,578	2,578	
Penalties			5,734	5,734	
	<u>3,516,070</u>		<u>29,725</u>	<u>29,725</u>	<u>-</u>
Municipal Service District Tax			13,729	13,729	
Other Adjustments	<u>(4,051,282)</u>		<u>(34,325)</u>	<u>(34,325)</u>	<u>-</u>
Total Property Valuation	<u>941,953,320</u>				
Net Levy			6,705,497	5,748,886	956,611
Uncollected Taxes at June 30, 2023			94,774	94,774	-
Current Year's Taxes Collected			<u>6,610,723</u>	<u>5,654,112</u>	<u>956,611</u>
Current Levy Collections Percentage			<u>98.59%</u>	<u>98.35%</u>	<u>100.00%</u>



City of Eden, North Carolina  
 Schedule of Transfers  
 For the Fiscal Year Ended June 30, 2023

Exhibit F-3

	Transfers	
	From	To
Operating Transfers From/To Component Units		
City of Eden General Fund		234,353
Eden ABC Board General Fund	234,353	
Total operating transfers - component units	234,353	234,353

## **Compliance Section**

# Rouse, Rouse, Rouse & Gardner, L.L.P.

Certified Public Accountants



R. Rex Rouse, Jr., CPA  
Judy G. Rouse, CPA  
Victor B. Rouse, CPA/PFS  
Trevor C. Gardner, CPA

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## Independent Auditor's 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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Eden, North Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Eden, North Carolina's basic financial statements, and have issued our report thereon dated November 9, 2023. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *General Auditing Standards* issued by the Comptroller General of the United States. The financial statements of the Eden ABC Board were not audited in accordance with the *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Eden ABC Board.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Eden, North Carolina's internal control over financial reporting (internal control) to determine the 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 of Eden, North Carolina's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Eden, North Carolina'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 material weakness. However, material weaknesses may exist that have not been identified.

#### **Report on Compliance and Other Matters**

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

#### **Purpose of this Report**

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

Rouse, Rouse, Rouse & Gardner, LLP  
Rouse, Rouse, Rouse & Gardner, LLP  
November 9, 2023



# Rouse, Rouse, Rouse & Gardner, L.L.P.

Certified Public Accountants



R. Rex Rouse, Jr., CPA  
Judy G. Rouse, CPA  
Victor B. Rouse, CPA/PFS  
Trevor C. Gardner, CPA

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## Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; In accordance with OMB Uniform Guidance; and the State Single Audit Implementation Act

### Independent Auditor's Report

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

#### Report on Compliance for Each Major State Program

##### *Opinion on Each Major State Program*

We have audited the City of Eden, North Carolina, 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 each of the City of Eden's major State programs for the year ended June 30, 2023. The City of Eden's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

##### *Basis for Opinion on Each Major State Program*

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

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

##### *Auditor's Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Eden's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and



the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Eden's compliance with the requirements of each major State program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Eden's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of City of Eden's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Eden's internal control over compliance. Accordingly, no such opinion is expressed.

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

#### **Report on Internal Control Over Compliance**

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

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

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

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

Rouse, Rouse, Rouse & Gardner, LLP  
Rouse, Rouse, Rouse & Gardner, LLP  
Eden, North Carolina  
November 9, 2023

City of Eden, North Carolina  
Schedule of Expenditures of Federal and State Awards  
For the Fiscal Year Ended June 30, 2023

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct and Pass Through Expenditures)	State Expenditures
<b>Federal Grants:</b>				
<b>Cash Programs:</b>				
<u>Department of the Treasury</u>				
Coronavirus State and Local Fiscal Recovery Funds	21.027	NC0132	1,125,362 *	
<u>US Department of Transportation</u>				
NC Department of Transportation Transportation Improvement Program - Stadium Drive Sidewalk	20.205	TAP-1747 (002)	14,226	
<u>US Department of Commerce</u>				
NC Department of Commerce Community Development Block Grant - Neighborhood Revitalization	14.228	B-18-DC-37-0001	67,743	
NC Department of Commerce Community Development Block Grant - Neighborhood Revitalization	14.228	B-20-DWI-0001	12,075	
			79,818	
NC Department of Commerce Public Works Program - Aeration Basin Upgrade	11.300		262,010	
<u>US Treasury - Internal Revenue Service</u>				
Federal VITA				
RPTAC - North Carolina VITA	21.000		5,539	
<u>US Department of Justice</u>				
Bullet proof Vest Partnership	16.607		3,600	
<u>US Department of Health &amp; Human Services</u>				
Division of Aging and Adult Services				
Council Area Agency on Aging				
Piedmont Triad Regional Area				
HCCBG-Grant for Older Adults	93.044		33,500	
Senior Center General Purpose			7,397	
			40,897	
			1,531,452	
Total Assistance - Federal Programs				
<b>State Grants:</b>				
<u>NC Department of Environmental Quality</u>				
Connect NC Bond Grant - Collection System Project		E-SRP-W-17-0026		2,629,399
Connect NC Bond Loan - Collection System Project		E-SRP-W-17-0026		2,629,399
				5,258,798
<u>NC Water Infrastructure Environment Quality</u>				
Berry Hill Regional Mega Park - Grant		H-SRP-D-17-0015		102,417
Berry Hill Regional Mega Park - Loan		H-SRP-D-17-0015		307,250
				409,667
<u>N.C. Department of Transportation</u>				
Powell Bill		3570		212,145
				212,145
<u>N.C. Department of Commerce</u>				
Rural Economic Grant				689,409
New Street Sewer Project		U-497		689,409
				689,409
<u>Office of the Governor</u>				
State Capital and Infrastructure Grant - 5 police vehicles with viper systems		22-SCIF-10101-01		500,000
DG Grant- Fuel Tank System		23-DG-10102-01		232,231
				732,231
				7,302,250
Total Assistance - State Programs				
Total Assistance				
			1,531,452	7,302,250

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

**Note 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 Eden under the programs of the federal government and the State of North Carolina for the year ended June 30, 2023. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the SEFSA presents only a select portion of the operations of the City of Eden, it is not intended to and does not present the financial position, changes in net positions or cash flows of the City of Eden.

**Note 2: Summary of Significant Accounting Policies**

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

**Note 3: Loans Outstanding**

City of Eden had the following loan balances outstanding at June 30, 2023 for loans that the grantor/pass-through grantor has still imposed continuing compliance requirements. Loans made during the year are included in the SEFSA. The balance of the loans outstanding at June 30, 2023 consist of:

Program Title:

Connect NC Bond Loan - Collection System Project		
NC Water Infrastructure Water Quality -	E-SRP-W-17-0026	\$ 8,433,363
Regional Mega Park Water Expansion	H-SRP-D-17-0015	\$ 2,994,123

**\* Note 4: Alternative Compliance Examination Engagement**

An alternative compliance examination engagement was performed on the Coronavirus State and Local Fiscal Recovery Funds as allowed per the 2023 OMB Compliance Supplement. A separate accountant's report was issued in reference to this engagement.

**Note 5: De Minimis Cost**

Under 2 CFR 200.410(b)(6) the auditee selected to use the 10% de minimis cost rate as covered in §200.414 indirect (F&A) costs.

CITY OF EDEN, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2023

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**Section I. Summary of Auditor's Results**

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Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance to GAAP: unmodified.

Internal control over financial reporting:

- Material weakness identified?      \_\_\_ yes      X no
- Significant deficiencies                    \_\_\_ yes      X none reported
- Noncompliance material to financial statement noted      \_\_\_ yes      X no

State Awards

Internal control over major State programs:

- Material weakness identified?      \_\_\_ yes      X no
- Significant deficiencies                    \_\_\_ yes      X none reported

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

Any audit findings disclosed that are required to be reported in accordance with the State

Single Audit Implementation Act      \_\_\_ yes      X no

Identification of major State programs:

Program Names

Connect NC Bond Grant – Collections System Project  
Connect NC Bond Loan – Collections System Project

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**Section II. Financial Statement Findings**

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None

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**Section III. State Award Findings and Questioned Costs**

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None