



Edenton Town Council
Regular Meeting
Tuesday, November 14th, 2023
6:00 p.m.

*Meeting will be held in the Council Chambers, 504 S. Broad Street. Remote Video Access Available via
<https://us02web.zoom.us/j/2524822155?pwd=T0NFUEJ0MXlnV3B2UFA1S0R0ajgzUT09>*

Meeting ID: 252 482 2155

Passcode: 458434

Dial in Option: 301-715-8592 (Meeting ID & Password same)

AGENDA

- I. **Call Meeting to Order:** Mayor Jimmy Stallings
- II. **Pledge of Allegiance**
- III. **Invocation:** Councilman Bond
- IV. **Approval of Minutes:** Special Meeting October 23rd, 2023; the Regular Meeting October 10th, 2023 Minutes; and the Closed Session Minutes from October 23rd, 2023.
- V. **Public Comment:** Public Comments are limited to 3 minutes per speaker
- VI. **Special Presentation:** FY22/23 Financial Audit – Greg Adams
- VII. **Presentation:** Tree Committee Update – Dewayne Whealton
- VIII. **Committee Reports:**
 - A. **Administrative Committee**
 - 1. Memorandum of Understanding – Habitat for Humanity
 - 2. Mayor's Harbor Advisory Committee
 - B. **Public Works Committee**
 - 1. Memorial Bench Request – 200 Block South Broad
 - 2. Trash Receptacle Request - 100 Block East Queen

IX. New Business:

- A. Budget Amendment – USDA Funding for Improvements to the Wastewater Treatment Plant – Corey Gooden
- B. Resolution – Water Distribution System (Phase II) AIA-D-ARP-0003 – Corey Gooden
- C. Resolution – Lead Service Line (LSL) Find and Replace – Corey Gooden
- D. Resolution – Major League Fishing Host City Event – Corey Gooden

X. Items Considered Timely and Important

XI. Closed Session Per NCGS 143-318-11 (a)(6) to discuss personnel matter

XII. Adjournment

Edenton Town Council Minutes
Special Meeting
October 23, 2023

The Edenton Town Council met in special session on Monday, October 23, 2023 at 6:00 p.m. in the Council Chambers. The following members were present: Mayor Jimmy Stallings, Councilman Elton Bond, Councilman Roger Coleman, Councilman Aaron Coston, Councilman Samuel Dixon, Councilman Hackney High and Councilman Craig Miller.

Mayor Jimmy Stallings called the meeting to order.

Presentation-Daughters of the American Revolution Marker

Sandy Sperry, representative of the Daughters of the American Revolution was present and made a presentation and request to the Town Council for the placement of a historical marker to acknowledge the Revolutionary War Patriots at the Town of Edenton's Elizabeth Vann Moore Park.

Councilman High made a motion to approve the historical marker request. Councilman Bond seconded the motion. The motion carried unanimously.

Presentation-Town Harbor Advocates

Joe Wach made a presentation to the Town Council to share their concerns and efforts to assist the Town of Edenton with making improvements to the Town of Edenton's Harbor. Also present were Bud Powell, Jim Frens, and Mark Theiser. The group requested that the Mayor appoint a group of citizens- The Mayor's Harbor Advisory Committee.

Mr. Wach shared the mission and the review efforts the group will take to help bring solutions back to Town staff to help accomplish future improvements to the Town's Harbor. He noted that with the increase in transient boat traffic and the Town's participation in the Harbortowns project, this type of review is needed to help identify any gaps or improvements we need to make due to the increased demand.

No action was needed on this agenda item.

Resolution-Special Recognition

Mayor Stallings presented a resolution of appreciation to Councilman Roger Coleman thanking him for serving on the Edenton Town Council.

Council Computer – Approval of Private Sale of Town Equipment

Corey Gooden, Town Manager requested that the Town Council authorize the sale of the Town's Surface Pro Computer assigned to Councilman Coleman. He noted that previously the Town Council had allowed out-going elected officials to purchase their iPads for \$50. The Town has since purchased computers for the Town Council members and staff has reviewed pricing and recommends a sale price of \$150.

Councilman Miller made a motion to approve the sale of the computer to Councilman Coleman for \$150.00. Councilman Dixon seconded the motion. The motion carried unanimously.

Tenth Amendment and Restated Full Requirements Power Purchase Agreement

Corey Gooden, Town Manager stated that he received the updated version of the 10th Amendment and Restated Full Requirements Power Purchase Agreement (RFRPPA) from the legal counsel offices (Representative Sydney P Davis of the Law Offices of Poyner & Spruill) for the North Carolina Eastern Municipal Power Association (NCEMPA). He explained that this 10th Amendment and RFRPPA documentation would allow the Town of Edenton to continue to have a purchase power agreement between the Town of Edenton (via NCEMPA) and Duke Energy Progress, LLC.

Corey Gooden, Town Manager stated that Town Council approval of these documents is needed to complete all of the required documentation on behalf of the Town. Below is a general overview of any key changes from the 2015 agreement and the amended 2023 agreement. He also noted that the Town Attorney was reviewing the documents.

Excerpt from NCEMPA - For additional information please see below.

- The WHEREAS section of the FRPSA has been revised to reflect certain defined terms in the FRPPA.
- Definitions have been added and updated to define and include Energy Injection Devices (battery storage) under the Qualified Generation Cap (subject to the minimum size threshold of 95 kW), now called Qualified Resources (QR).
- The Guidelines Concerning Load Side Generation were updated to conform to the FRPPA and are now called the Guidelines Concerning Distributed Resources approved by the NCEMPA Board of Commissioners and ElectriCities Board of Directors in July 2023.

Some highlights of the changes to include the following:

- Maintain the cap at 1.75% of DEP system capacity, but increase the cap by 25 MW.
- Grandfather existing battery installations (5 MW excluded from the cap).
- Remove limits on location, allowing all QR to be located either behind the 1st or 2nd meters (i.e., retail customer and/or delivery point).
- Remove limits on ownership, allowing NCEMPA, Members, or their customers to own QR and shortened notice periods for new QR.
- New definition to address large interruptible loads (e.g., Cryptocurrency miners): Applies to new C&I customers (or new load of existing C&I customers) with interruptible load in excess of 1 MW

Councilman Coston made a motion to approve the purchase power agreement as reviewed. Councilman Miller seconded the motion. The motion carried unanimously.

There being no further items on the special meeting agenda, the meeting was adjourned.

Edenton Town Council Minutes
October 10, 2023

The Edenton Town Council met in regular session on Tuesday, October 10, 2023 at 6:00 p.m. in the Council Chambers. The following members were present: Mayor Jimmy Stallings, Councilman Elton Bond, Councilman Roger Coleman, Councilman Aaron Coston, Councilman Samuel Dixon, Councilman Hackney High and Councilman Craig Miller.

All present stood and recited the Pledge of Allegiance. Councilman Coleman gave the invocation.

Approval of Minutes

The minutes from the regular meeting of September 12, 2023 and special meeting of September 25, 2023 were presented for approval.

Councilman Bond made a motion to approve the minutes as presented. Councilman Miller seconded the motion. The motion carried unanimously.

Public Comment

John Powell: Spoke about drinking water aquifers and the demands that will be placed on the current system with new developments being planned.

John Grant: Asked if a fire suppression system was installed at the Hotel Hinton and asked if there was update on the public meeting that was being planned.

Lorrie Dablow: Shared Councilman Dixon's quote from a recent Daily Advance story where candidates were interviewed regarding the Hotel Hinton. She asked when the Demolition by Neglect ordinance will be acted upon for the Hotel Hinton building.

Special Presentation-Wendy McGrath

Wendy McGrath from the St. Vincent De Paul organization was present and gave a presentation to the Town Council about the organization and an overview of what outreach services the organization provides to local residents within Edenton and Chowan County region. The organization is a non-profit organization that works with individuals and families that are experiencing financial or emotional hardships and has experience in a wide range of situations and options to help those in need.

Special Presentation - Mayors Task Force Update

David Herlong, Co-Chair of the Mayor's Task Force on Litter Presentation, Recycling, and the Environment gave an update from the group on four key items the group has focused on over the last year. These updates included the community pickup events, the recycling program, the litter patrol, and the coastal resiliency program the group will participate in.

Committee Reports

Administrative Committee-Employee Certification Tables

Councilman High stated that the Administrative Committee previously reviewed the draft of the updated Employee Certification Requirements (Levels 1, 2, & 3) and the updated department certification tables. He stated that the updates are needed because of the evolving training opportunities employees have (i.e., additional online opportunities & an increase in classes offered). It was noted that the Public Works certification table was inadvertently omitted from the September packet and it was included in the packet for review and consideration by the Mayor and Council.

Councilman High made a motion to approve the certification tables as presented. Councilman Miller seconded the motion. The motion carried unanimously.

Administrative Committee-Social Media and News Media Policy

Councilman High stated that Tyler Newman, Public Information Officer prepared a social media and news media policy for consideration and approval by the Town Council. He noted that this policy would give staff and employees guidance on social media pages and the use of personal social media.

Councilman High made a motion to approve the updated policy as presented. Councilman Coston seconded the motion. The motion carried unanimously.

Finance Committee-Electric Department Backyard Machine Finance Proposal

Councilman Dixon stated that Virginia Smith, Finance Director presented two (2) finance proposals to the Mayor and Town Council at the September meeting. Truist Bank was the lowest proposal with the terms of loan being a 5.38% interest rate for a period of 5 years.

Councilman Dixon made a motion to approve the financing and resolution for Truist Bank. Councilman High seconded the motion. The motion carried unanimously.

New Business-Resolution Electric Department Backyard Machine Financing

Corey Gooden, Town Manager stated that the resolution presented would allow the Town of Edenton to accept the terms from Truist for the funding of the Electric Department Altec Digger Derrick.

Councilman High made a motion to approve the resolution. Councilman Coston seconded the motion. The motion carried unanimously.

New Business-Special Events Ordinance Update-Parades and Pickets

Corey Gooden, Town Manager stated that Dewayne Whealton, Assistant Town Manager reviewed the Parades and Picketing ordinance and forms and requested that the language be updated to be more consistent with other town policies. These updates are requested to provide sufficient time for town staff to prepare for these events and to plan for such events that take place. The updated language will include the requirement of a written application for a permit, signed by the applicant, to be filed not less than 30 days , (currently 24 hours) in advance for a parade and 72 hours (currently 24 hours) for group demonstrations.

Councilman High made a motion to approve the updates to the parades and picketing ordinance as presented. Councilman Bond seconded the motion. The motion carried unanimously.

New Business-NIBIN Contract Agreement-Edenton Police Department

Corey Gooden, Town Manager stated that the Police Chief is requesting approval to enter into a contractual agreement with the Rocky Mount Police Department to continue providing our citizens outstanding customer service related to solving gun crimes in Edenton. The National Integrated Ballistic Information Network (NIBIN) allows law enforcement to search against evidence from their jurisdiction, neighboring ones, and others across the country. The NIBIN program is the primary investigative tool accessed by law enforcement that allows us to share information and cooperate quickly, making all of us more effective in closing cases. NIBIN allows investigators to match previously unlinked crime scenes, find evidence for weapons trafficking, and solve cold cases. It helps identify and convict criminals who use firearms during their crimes, especially when they do so repetitively. NIBIN is vital to any violent crime reduction strategy because it allows investigators to compare their ballistics evidence against evidence from other violent crimes on a national, regional, and local level, thus generating investigative links that would rarely be revealed absent the technology.

It was noted that the Edenton Police Department and community has already benefited by using NIBIN with the help of the Rocky Mount Police Department since the Police Chief's arrival in 2018. We have solved several cases and continue to solve more cases. This agreement would not affect the Police Department's current budget, so there is no need for additional funds to support this agreement. It was also noted that the document was reviewed by the Town Attorney.

Councilman High made a motion to approve the NIBIN contract agreement. Councilman Coleman seconded the motion. The motion carried unanimously.

New Business-TFC Recycling Contract

Corey Gooden, Town Manager stated that the Town Council needed to approve the contract between TFC Recycling and the Town of Edenton for the recycling program. It was noted that the recycling schedule would be every other week on Wednesdays. The price per ton for recycling with glass is \$120 per ton and \$115 per ton without glass. Contamination for Town loads up to 10% allowed is \$125 per ton.

Corey Gooden, Town Manager noted that the Public Works Department would not be accepting glass as recycle materials. He noted that either party should have the right to terminate this contract immediately, upon written notice to the other party.

Corey Gooden, Town Manager stated that 100 new recycle cans have been issued and 50 more are waiting to be delivered with an estimate of 800 cans already in the system. He noted that the Town Attorney has reviewed the contract with TFC Recycling.

Councilman Coleman made a motion to approve the recycling contract. Councilman Dixon seconded the motion. The motion carried unanimously.

Items Considered Timely and Important

Councilman Miller requested an update on the Hotel Hinton.

Corey Gooden, Town Manager stated that he spoke with SAGA and they have reported to him that they have found a security system with a local vendor that can be installed in the building for security and reporting services.

Councilman Miller asked for an update on the Harbor Town Ferry.

Corey Gooden, Town Manager stated that they are looking at a Spring 2024 launch for the program.

Councilman Bond requested for an update on the shopping center in north Edenton.

Corey Gooden, Town Manager stated that the bank that purchased the property have been doing updates to the buildings and are in the process of having conversations with retailers to lease space.

Councilman Miller asked about street paving for Broad Street and Granville Street.

Corey Gooden, Town Manager stated those are state maintained roads and that work should be completed within the next 10 – 12 months.

Councilman Coleman requested update on the Beechwood Apartment project.

Corey Gooden, Town Manager stated that staff is working on setting up a public meeting to hear public comments on the project so that concerns can be addressed before the special use permit process is brought before the Town Council again.

Councilman Coston asked if there was an update on the RFP for the park updates.

Corey Gooden, Town Manager stated that proposals will be received until October 19.

There being no further items on the agenda, the meeting was adjourned.

Edenton Town Council Minutes
Closed Session
October 23rd 2023

The Edenton Town Council met in closed session on Monday, October 23, 2023 in the Town Council Chambers. The following members were present: Mayor Jimmy Stallings, Councilman Elton Bond, Councilman Roger Coleman, Councilman Aaron Coston, Councilman Samuel Dixon, Councilman Hackney High and Councilman Craig Miller.

A motion was made to go into closed session, by Councilman Coston and seconded by Councilman Miller, per NCGS 143-318-11(a)(5) for negotiations on behalf of the Public Body for the acquisition of real property.

During the closed session Council discussed the property of interest and the terms in which the Council was comfortable with for the owners.

A motion was made to go out of closed session, by Councilman High and seconded by Councilman Miller, the motion carried unanimously.

Thereafter the closed session was adjourned.

**TOWN OF EDENTON,
NORTH CAROLINA**

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

MAYOR

Jimmy Stalling

COMMISSIONERS

Elton Bond, Jr (Mayor Pro-Tem)

Roger Coleman

Aaron Coston

Sambo Dixon

Hackney High, Jr

Craig Miller

TOWN MANAGER

Corey Gooden

FINANCE OFFICER

Virginia Smith

Town of Edenton
TABLE OF CONTENTS
For Year Ended June 30, 2023

Exhibit

Financial Section

Independent Auditor's Report	1-4
-------------------------------------	-----

Management's Discussion and Analysis	5-10
---------------------------------------------	------

Basic Financial Statements:

Government-Wide Financial Statements:

1	Statement of Net Position	11
---	---------------------------	----

2	Statement of Activities	12
---	-------------------------	----

Fund Financial Statements:

3	Balance Sheet-Governmental Funds	13
	Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	
4	Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental funds	14-15
	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	
5	Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	16
6	Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Governmental Special Project	17
7	Statement of Net Position - Proprietary Funds	18
8	Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	19
9	Statement of Cash Flows - Proprietary Funds	20

Notes to the Financial Statements	21-45
------------------------------------------	-------

Required Supplemental Financial Data:

Schedule of the Proportionate Share of the Net Pension Liability – Local Government Employees’ Retirement System	46
Schedule of Town Contributions – Local Government Employees’ Retirement System	47
Schedule of Changes in Total Pension Liability - Law Enforcement Officers' Special Separation Allowance	48
Schedule of Total Pension Liability as a Percentage of Covered Payroll	49
Schedule of Changes in Net OPEB Liability and Related Ratios	50

Individual Fund Statements and Schedules:

Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund - Budget and Actual	51-53
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual: Governmental Special Projects Fund	54
Combining Balance Sheet - Non-major Governmental Funds	55
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-major Governmental Funds	56
Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
North Carolina Housing Finance Grant Fund	57
Coronavirus Relief Fund	58
FEMA Proceeds Fund	59
ARPA Fund	60
Harbor Town Ferry Project Fund	61
Enterprise Funds: Schedules of Revenues and Expenditures - Budget and Actual (NON-GAAP)	
Electric Fund	62-63
Electric Fund Small Capital Projects	64
Water and Sewer Fund	65-66
Waste Water Treatment Plant Capital Project Fund	67

Waste Water Abatement Capital Project Fund	68
Water Treatment Plants Capital Project Fund	69
Water Supply Well Rehab Fund	70
NCDEQ Grant Project Fund	71
Airport Fund	72-73
Parallel Taxiway Project	74

Other Schedules:

Schedule of Ad Valorem Taxes Receivable	75
Analysis of Current Tax Levy Town-Wide Levy	76

Compliance Section:

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements performed in Accordance With <i>Government Auditing Standards</i>	77-78
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; With OMB Uniform Guidance and the State Single Audit Implementation Act	79-81
Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; With OMB Uniform Guidance and the State Single Audit Implementation Act	82-84
Schedule of Findings and Questioned Costs	85-87
Corrective Action Plan	88
Schedule of Expenditures of Federal and State Awards	89-90

FINANCIAL SECTION



Thompson, Price, Scott, Adams & Co., P.A.
4024 Oleander Drive Suite 103
Wilmington, North Carolina 28403
Telephone (910) 791-4872
Fax (910) 239-8294

Independent Auditor's Report

To the Honorable Mayor and
Members of the Town Council
Edenton, 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, each major fund, and the aggregate remaining fund information of the Town of Edenton, North Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Town of Edenton'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, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Edenton 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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Town of Edenton 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.

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 Town of Edenton'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 Town of Edenton'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 Town of Edenton'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 Management's Discussion and Analysis, the Other Postemployment Benefits and Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contribution, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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 Town of Edenton'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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2023, on our consideration of the Town of Edenton'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 the Town of Edenton'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 the Town of Edenton's internal control over financial reporting and compliance.

Thompson, Price, Scott, Adams & Co., PA

Wilmington, North Carolina

October 26, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

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

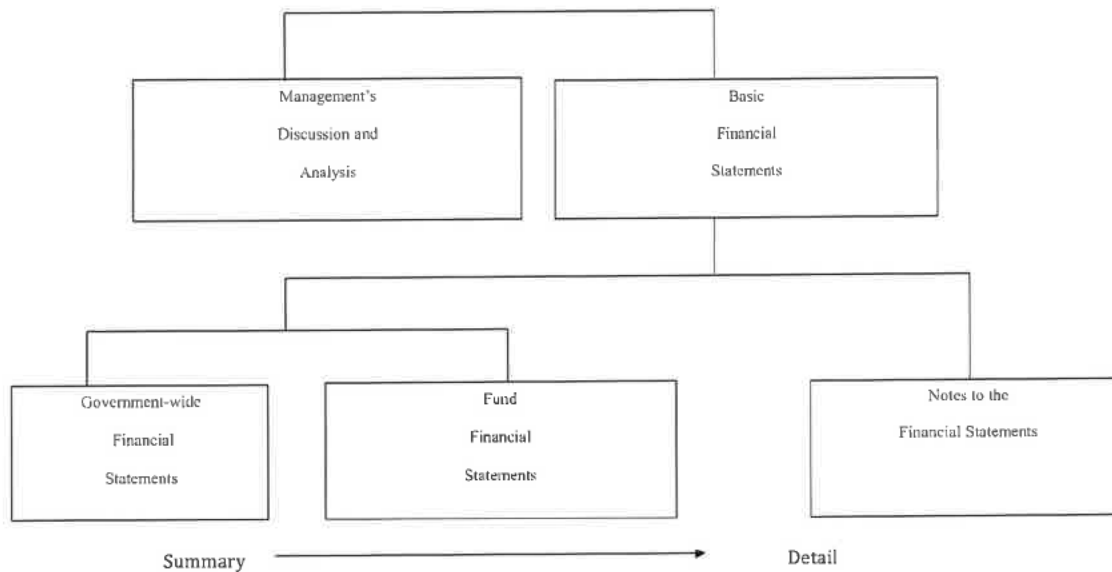
Financial Highlights

- The assets and deferred outflows of resources of the Town of Edenton exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$22,542,050 (net position).
- The government's total net position increased by \$1,159,131 primarily due to increased net position in governmental type activities.
- As of the close of the current fiscal year, the Town of Edenton's governmental funds reported combined ending fund balances of \$4,338,164, after a net increase in fund balance of \$104,313. Approximately 23% of this total amount, or \$1,012,970, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,310,296 or 31% of total General Fund expenditures.
- The Town of Edenton's total debt increased by \$662,651 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Town of Edenton's basic financial statements. The Town's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Town through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town of Edenton.

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

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

The next statements (Exhibits 3-9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the government fund statements; 2) the budgetary comparison statements for major governmental funds; and 3) the proprietary governmental funds statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Town's major and non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the Town's pension and benefit plans.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town'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 Town's financial status as a whole.

The two government-wide statements report the Town's net position and how it has changed. Net position is the difference between the Town's total assets and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the Town's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include most of the Town'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 where services are provided and customers are charged for those services. The business-type activities are those that the Town charges customers to provide. These include the water and sewer, electric, and airport services offered by the Town.

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

Fund Financial Statements

The Fund Financial Statements (see Figure 1) provide a more detailed look at the Town'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 Town of Edenton, 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 North Carolina General Statutes or the Town's budget ordinance. All of the funds of the Town 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 Town's basic services are accounted for in the 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 current financial 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 Town'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 Town of Edenton 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 Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds - The Town has three kind of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer activity, its electric operations, and its airport services. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

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

Other Information - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Edenton's progress in funding its obligation to provide pension and OPEB benefits to its employees.

Interdependence with Other Entities - The Town depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the Town is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

Government-Wide Financial Analysis

The Town of Edenton's Net Position
Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 4,834,075	\$ 5,264,546	\$ 3,010,638	\$ 3,717,288	\$ 7,844,713	\$ 8,981,834
Capital assets	9,462,527	7,539,067	20,016,419	18,973,436	29,478,946	26,512,503
Total assets	14,296,602	12,803,613	23,027,057	22,690,724	37,323,659	35,494,337
Deferred outflows of resources	1,896,310	1,520,762	845,414	642,082	2,741,724	2,162,844
Current liabilities	964,140	1,559,896	1,498,515	1,272,988	2,462,655	2,832,884
Long-term liabilities	7,477,045	6,289,432	7,001,490	5,773,512	14,478,535	12,062,944
Total liabilities	8,441,185	7,849,328	8,500,005	7,046,500	16,941,190	14,895,828
Deferred inflows of resources	431,671	944,828	150,472	433,606	582,143	1,378,434
Net Position:						
Net investment in capital assets	5,552,986	3,563,642	14,414,806	14,100,358	19,967,792	17,664,000
Transportation	93,792	57,314	-	-	93,792	57,314
Stabilization by State Statute	883,185	739,249	-	-	883,185	739,249
Unrestricted	790,093	1,170,014	807,188	1,752,342	1,597,281	2,922,356
Total net position	\$ 7,320,056	\$ 5,530,219	\$ 15,221,994	\$ 15,852,700	\$ 22,542,050	\$ 21,382,919

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The assets and deferred outflows of the Town of Edenton exceeded liabilities and deferred inflows by \$22,542,050 as of June 30, 2023. Current and other assets decreased by \$1,137,121 from the prior year. A significant contributing factor to the decrease was the purchasing of new fixed assets. The Town's net position increased by \$1,159,131 in the same period. One of the largest portions \$19,967,792 (89%) reflects the Town's net investment in capital assets (e.g., land, buildings, machinery, and equipment). The Town of Edenton uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Edenton's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Current liabilities decreased by \$370,229 from the prior year. The main factor causing the decrease was the decrease in liabilities to be paid from restricted assets.

Long-term liabilities which include bonds, notes, compensated absences, pension, and postemployment obligations of the primary governments increased by \$2,415,591. The main cause of the increase was the issuance of a \$1,013,258 installment purchase obligation, and an increase of a \$2,175,540 for the Town's net pension liability for the Local Government Employees' Retirement System. The overall increase in long-term liabilities were partially offset by the reduction of bonds payable based on the debt service principal payments made during the current year.

An additional portion of the Town of Edenton's net position \$976,977 (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,597,281 (7%) is unrestricted.

Several aspects of the Town's financial operations positively influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes by maintaining a tax collection percentage of 98.18%.

**The Town of Edenton
Changes in Net Position
Figure 3**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues						
Charges for Services	\$ 1,840,327	\$ 1,220,655	\$ 15,273,792	\$ 15,527,716	\$ 17,114,119	\$ 16,748,371
Operating grants and contributions	813,359	1,016,977	306,033	495,338	1,119,392	1,512,315
Capital grants and contributions	1,884,922	224,000	-	-	1,884,922	224,000
General revenues:						
Property taxes	2,879,551	2,181,788	-	-	2,879,551	2,181,788
Other taxes	1,824,058	1,729,286	-	-	1,824,058	1,729,286
Other	196,574	33,853	134,046	278,373	330,620	312,226
Total revenues	9,438,791	6,406,559	15,713,871	16,301,427	25,152,662	22,707,986
Expenses:						
General government	901,990	872,562	-	-	901,990	872,562
Public Safety	1,332,340	2,601,726	-	-	1,332,340	2,601,726
Transportation	1,612,627	966,244	-	-	1,612,627	966,244
Environmental protection	1,450,773	1,020,055	-	-	1,450,773	1,020,055
Economic and physical development	2,320,904	891,881	-	-	2,320,904	891,881
Cultural and recreation	-	53,545	-	-	-	53,545
Interest on long-term debt	80,273	59,362	-	-	80,273	59,362
Airport	-	-	522,512	507,529	522,512	507,529
Water and sewer	-	-	3,089,398	2,645,300	3,089,398	2,645,300
Electric	-	-	12,682,714	12,227,963	12,682,714	12,227,963
Total expenses	7,698,907	6,465,375	16,294,624	15,380,792	23,993,531	21,846,167
Increase (decrease) in net position before transfers and special items	1,739,884	(58,816)	(580,753)	920,635	1,159,131	861,819
Transfers	49,953	332,293	(49,953)	(332,293)	-	-
Increase (decrease) in net position	1,789,837	273,477	(630,706)	588,342	1,159,131	861,819
Net position, beginning	5,530,219	5,256,742	15,852,700	15,264,358	21,382,919	20,521,100
Net position, ending	\$ 7,320,056	\$ 5,530,219	\$ 15,221,994	\$ 15,852,700	\$ 22,542,050	\$ 21,382,919

Governmental activities: Governmental activities increased the Town's net position by \$1,789,837.

Business-type activities: Business-type activities decreased the Town's net position by \$630,706.

Financial Analysis of the Town's Funds

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

Governmental Funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town of Edenton's financing requirements. Specifically, fund balance available for appropriation 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 Town. At the end of the current fiscal year, the Town's fund balance available in the General Fund was \$2,310,296 while total fund balance reached \$3,314,557. The Town currently has an unassigned fund balance of 31% of General Fund expenditures while total fund balance represents 44% of the same amount.

At June 30, 2023, the governmental funds of the Town reported a combined fund balance of \$4,338,164, a \$104,313 increase over last year.

Like governmental activities, the General Fund also had increased property tax revenues because of the increased property valuation used for the calculation of the current year tax levy. During the current year the Town of Edenton enhanced its tax collection policies and procedures. The effort focused on the collection of prior year unpaid taxes. On the accrual basis used for government-wide financial statements the taxes were previously recognized as revenue in the period they were intended to finance. However, on the modified accrual basis used for governmental fund financial statements property tax revenues must be available to be recognized as revenue. The unpaid taxes of prior year only become available when they are actually collected. The enhanced collection efforts in the current year resulted in the collection and recognition of revenue of approximately \$22,578.

General Fund Budgetary Highlights:

During the fiscal year, the Town 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.

Proprietary Funds: The Town's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Electric Fund at the end of the fiscal year amounted to \$505,117, the Water and Sewer Fund amounted to \$666,030, and those for the Airport Fund amounted to (\$363,959).

Capital Asset and Debt Administration

Capital assets. The Town of Edenton's net investment in capital assets for its governmental and business-type activities as of June 30, 2023, totals \$29,478,946 (net of accumulated depreciation). These assets include land, buildings, improvements, machinery and equipment, and vehicles.

Major capital assets transactions during the year include:

- New Pierce pumper truck in Fire Department
- Several new equipments in general, water and sewer, and electric funds
- Construction in progress - general fund, airport fund, and water fund projects

**The Town of Edenton's Capital Assets
(net of depreciation)
Figure 4**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 1,403,409	\$ 1,403,409	\$ 105,758	\$ 105,758	\$ 1,509,167	\$ 1,509,167
Infrastructure	2,026,237	2,103,001	-	-	2,026,237	2,103,001
Runways	-	-	892,165	1,053,095	892,165	1,053,095
Buildings	2,452,207	2,518,146	489,861	406,495	2,942,068	2,924,641
Plant distribution and system	-	-	10,253,916	6,718,391	10,253,916	6,718,391
Neighborhood redevelopment program	-	-	10,049	10,677	10,049	10,677
Equipment	283,892	327,166	708,739	553,364	992,631	880,530
Vehicles	1,378,946	566,037	449,181	911,912	1,828,127	1,477,949
Construction in progress	1,917,836	621,308	7,106,750	9,213,744	9,024,586	9,835,052
Total	\$ 9,462,527	\$ 7,539,067	\$ 20,016,419	\$ 18,973,436	\$ 29,478,946	\$ 26,512,503

Additional information on the Town of Edenton's capital assets can be found in the notes to the financial statements.

Long-Term Debt. As of June 30, 2023, the Town of Edenton had total debt outstanding of \$3,909,541 in the Governmental Funds and \$5,601,613 in the Enterprise Funds.

The Town of Edenton's Outstanding Debt
Figure 5

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Installment purchases	\$ 3,909,541	\$ 3,975,425	\$ 1,950,712	\$ 1,111,061	\$ 5,860,253	\$ 5,086,486
Sewer Revolving Loan	-	-	935,000	990,000	935,000	990,000
Water Tank Rehabilitation Loan	-	-	269,901	276,017	269,901	276,017
Water Treatment Plant Bond	-	-	2,446,000	2,496,000	2,446,000	2,496,000
Total	\$ 3,909,541	\$ 3,975,425	\$ 5,601,613	\$ 4,873,078	\$ 9,511,154	\$ 8,848,503

The Town of Edenton's total debt increased by \$662,651 during the past fiscal year. More detailed information on the Town of Edenton's long-term debt and capital asset activity can be found in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

- The Town continues to support the Chowan County Tourism Development Authority and the efforts to promote Edenton as a travel destination and a community of value to retirees. The ECP continues to work with consultants trying to attract investment in a care retirement community. Such a facility would increase Edenton's appeal as a retirement destination.
- The Town is making great progress implementing the goals and objects of the Moseley Street and North Oakum Street neighborhood redevelopment plans in distressed neighborhoods to combat blight that exists due to vacant and abandoned housing.
- The local economy appears to be stable, but like most rural towns in North Carolina, the economy is growing at an extremely slow rate. The business climate is improving for our local manufacturers.

Budget Highlights for the Fiscal Year Ending June 30, 2024

Governmental Activities

Property taxes are expected to remain the same as the current tax rate. The Town will use increases in revenues to finance programs currently in place. No new revenues are anticipated and other current sources remain constant. Management continually seeks grants and funding from outside sources to supplement the Town's revenue streams.

Business-type Activities

The water and sewer rates in the Town were left unchanged for the coming year.

Requests for Information

This report is designed to provide an overview of the Town of Edenton'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 Finance Director, Town of Edenton, Post Office Box 300, Edenton, North Carolina 27932 or by email via virginia.smith@edenton.nc.gov.

BASIC FINANCIAL STATEMENTS

Town of Edenton, North Carolina
Statement of Net Position
June 30, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,708,954	\$ 1,459,419	\$ 5,168,373
Taxes receivable, net	96,718	-	96,718
Accrued interest receivable on taxes	15,433	-	15,433
Accounts receivable, net	510,814	427,209	938,023
Internal balances	372,371	(372,371)	-
Inventories	35,993	1,198,075	1,234,068
Restricted cash and cash equivalents	93,792	298,306	392,098
Total current assets	<u>4,834,075</u>	<u>3,010,638</u>	<u>7,844,713</u>
Non-current assets:			
Capital assets:			
Land and construction in progress	3,321,245	7,212,508	10,533,753
Other capital assets, net of depreciation	<u>6,141,282</u>	<u>12,803,911</u>	<u>18,945,193</u>
Total capital assets	<u>9,462,527</u>	<u>20,016,419</u>	<u>29,478,946</u>
Total assets	<u>14,296,602</u>	<u>23,027,057</u>	<u>37,323,659</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals	1,456,748	628,912	2,085,660
OPEB deferrals	<u>439,562</u>	<u>216,502</u>	<u>656,064</u>
Total deferrals outflows of resources	<u>1,896,310</u>	<u>845,414</u>	<u>2,741,724</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued expenses	379,509	885,030	1,264,539
Unearned revenue	4,250	-	4,250
Accrued interest payable	80,158	6,011	86,169
Customer deposits	-	298,306	298,306
Compensated absences, current	45,150	23,065	68,215
Installment notes payable, current	<u>455,073</u>	<u>286,103</u>	<u>741,176</u>
Total current liabilities	<u>964,140</u>	<u>1,498,515</u>	<u>2,462,655</u>
Long term Liabilities:			
Installment notes payable	3,454,468	5,315,510	8,769,978
Compensated absences	180,598	92,255	272,853
Net pension liability	2,038,542	959,313	2,997,855
Total pension liability (LEO)	515,388	-	515,388
Total OPEB liability	<u>1,288,049</u>	<u>634,412</u>	<u>1,922,461</u>
Total long-term liabilities	<u>7,477,045</u>	<u>7,001,490</u>	<u>14,478,535</u>
Total liabilities	<u>8,441,185</u>	<u>8,500,005</u>	<u>16,941,190</u>
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	171,551	22,353	193,904
OPEB deferrals	<u>260,120</u>	<u>128,119</u>	<u>388,239</u>
Total deferrals inflows of resources	<u>431,671</u>	<u>150,472</u>	<u>582,143</u>
NET POSITION			
Net investment in capital assets	5,552,986	14,414,806	19,967,792
Restricted:			
Transportation	93,792	-	93,792
Stabilization by State Statue	883,185	-	883,185
Unrestricted	<u>790,093</u>	<u>807,188</u>	<u>1,597,281</u>
Total net position	<u>\$ 7,320,056</u>	<u>\$ 15,221,994</u>	<u>\$ 22,542,050</u>

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

Town of Edenton, North Carolina
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Primary Government		
									Total
Primary government:									
Governmental activities:									
General government	\$ 901,990	\$ 1,701,890	\$ 599,724	\$ 1,769,545	\$ 3,169,169	\$ -		\$	3,169,169
Public safety	1,332,340	-	-	-	(1,332,340)	-			(1,332,340)
Transportation	1,612,627	138,437	35,000	115,377	(1,323,813)	-			(1,323,813)
Environmental protection	1,450,773	-	178,635	-	(1,272,138)	-			(1,272,138)
Economic and physical development	2,320,904	-	-	-	(2,320,904)	-			(2,320,904)
Interest on long-term debt	80,273	-	-	-	(80,273)	-			(80,273)
Total governmental activities	7,698,907	1,840,327	813,359	1,884,922	(3,160,299)	-			(3,160,299)
Business-type activities:									
Airport	522,512	317,040	306,033	-	-	100,561			100,561
Electric	12,682,714	12,066,992	-	-	-	(615,722)			(615,722)
Water and Sewer	3,089,398	2,889,760	-	-	-	(199,638)			(199,638)
Total business-type activities	16,294,624	15,273,792	306,033	-	-	(714,799)			(714,799)
	\$ 23,993,531	\$ 17,114,119	\$ 1,119,392	\$ 1,884,922	(3,160,299)	(714,799)			(3,875,098)
General revenues:									
Taxes:									
Property taxes, levied for general purpose					2,879,551	-			2,879,551
Local option sales tax					1,632,130	-			1,632,130
Other taxes and licenses					191,928	-			191,928
Investment earnings, unrestricted					178,708	4,235			182,943
Miscellaneous					-	129,811			129,811
Sale of capital assets					17,866	-			17,866
Transfers					49,953	(49,953)			-
Total general revenues					4,950,136	84,093			5,034,229
Change in net position					1,789,837	(630,706)			1,159,131
Net position, beginning					5,530,219	15,852,700			21,382,919
Net position, ending					\$ 7,320,056	\$ 15,221,994		\$	22,542,050

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

Town of Edenton, North Carolina
Balance Sheet
Governmental Funds
June 30, 2023

	Major		NonMajor	
	General Fund	Governmental Special Project	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,585,263	1,119,473	\$ 4,217	\$ 3,708,953
Restricted cash	93,792	-	-	93,792
Taxes receivable, net	96,718	-	-	96,718
Inventories	35,993	-	-	35,993
Due from other funds	372,371	-	-	372,371
Accounts receivable, net	502,105	8,618	91	510,814
Total assets	<u>3,686,242</u>	<u>1,128,091</u>	<u>4,308</u>	<u>4,818,641</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	274,967	-	104,542	379,509
Unearned revenue	-	-	4,250	4,250
Total liabilities	<u>274,967</u>	<u>-</u>	<u>108,792</u>	<u>383,759</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes receivable	96,718	-	-	96,718
Total deferred inflows of resources	<u>96,718</u>	<u>-</u>	<u>-</u>	<u>96,718</u>
Fund balances:				
Nonspendable				
Inventories	35,993	-	-	35,993
Restricted				
Stabilization by State Statue	874,476	8,618	91	883,185
Transportation	93,792	-	-	93,792
Unassigned	2,310,296	1,119,473	(104,575)	3,325,194
Total fund balances	<u>3,314,557</u>	<u>1,128,091</u>	<u>(104,484)</u>	<u>4,338,164</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,686,242</u>	<u>\$ 1,128,091</u>	<u>\$ 4,308</u>	

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Deferred outflows of resources related to pensions and OPEB are not reported in the funds	1,896,310
Liabilities for earned revenues considered deferred inflows of resources in fund statements.	96,718
Other long- term assets (accrued interest receivable from taxes) are not available to pay for current-period expenditures and therefore are not accrued as income in the funds.	15,433
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	9,462,527
Deferred inflows of resources related to pensions and OPEB are not reported in the funds	(431,671)
Long-term debt included as net position below (includes the addition of long-term debt and principal payments during the year.)	(4,135,288)
Other long-term liabilities (accrued interest) are not due and payable in the current period and therefore are not reported in the funds.	(80,158)
Net OPEB liability.	(1,288,049)
Net pension liability - LEOSSA.	(515,388)
Net pension liability - LGERS.	(2,039,542)
Net position of governmental activities	<u>\$ 7,320,056</u>

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

Town of Edenton, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2023

	Major		Non-Major	
	General Fund	Governmental Special Project	Other Governmental Funds	Total Governmental Funds
REVENUES				
Ad valorem taxes	\$ 2,852,351	\$ -	\$ -	\$ 2,852,351
Other taxes and licenses	191,928	-	-	191,928
Restricted intergovernmental	738,161	454,893	1,643,664	2,836,718
Unrestricted intergovernmental	1,632,130	-	-	1,632,130
Permits and fees	80,701	-	-	80,701
Sales and services	1,621,189	-	-	1,621,189
Investment earnings	178,642	-	-	178,642
Total revenues	<u>7,295,102</u>	<u>454,893</u>	<u>1,643,664</u>	<u>9,393,659</u>
EXPENDITURES				
Current:				
General government	927,962	-	-	927,962
Public safety	3,117,471	-	-	3,117,471
Transportation and utilities	1,477,279	-	-	1,477,279
Environmental protection	1,360,770	-	-	1,360,770
Economic and physical development	75,617	2,013,114	232,173	2,320,904
Debt service:				
Principal	428,797	-	-	428,797
Interest	86,961	-	-	86,961
Total expenditures	<u>7,474,857</u>	<u>2,013,114</u>	<u>232,173</u>	<u>9,720,144</u>
Excess (deficiency) of revenues over expenditures	<u>(179,755)</u>	<u>(1,558,221)</u>	<u>1,411,491</u>	<u>(326,485)</u>
OTHER FINANCING SOURCES				
Sale of capital assets	17,866	-	-	17,866
Installment purchase obligations	184,076	178,837	-	362,913
Interest income	-	66	-	66
Transfer from other funds	704,188	1,664,735	-	2,368,923
Transfer to other funds	<u>(969,500)</u>	<u>-</u>	<u>(1,349,470)</u>	<u>(2,318,970)</u>
Total other financing sources and uses	<u>(63,370)</u>	<u>1,843,638</u>	<u>(1,349,470)</u>	<u>430,798</u>
Net change in fund balance	(243,125)	285,417	62,021	104,313
Fund balances-beginning	3,557,682	842,674	(166,505)	4,233,851
Fund balances-ending	<u>\$ 3,314,557</u>	<u>\$ 1,128,091</u>	<u>\$ (104,484)</u>	<u>\$ 4,338,164</u>

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

Town of Edenton, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2023

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

Net changes in fund balance - total government funds		\$ 104,313
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays increases exceeded the book value of capital outlay decreases in fiscal year.		
Capital outlay expenditures which were capitalized	2,480,331	
Depreciation expense for governmental assets	<u>(556,871)</u>	1,923,460
Benefits payments paid and administrative expense for the LEOSSA are not included on the Statement of Activities		
		43,165
OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities		
		52,364
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		
		360,097
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
		27,200
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
New long-term debt issued	(362,913)	
Principal payments on long-term debt	428,797	
(Increase)/decrease in accrued interest payable	<u>6,688</u>	72,572
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.		
Compensated absences	(23,596)	
Pension expenses	(631,304)	
OPEB expense	<u>(138,434)</u>	(793,334)
Total changes in net position of governmental activities		<u><u>\$ 1,789,837</u></u>

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

Town of Edenton, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2023

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 2,555,273	\$ 2,555,273	\$ 2,852,351	\$ 297,078
Other taxes and licenses	150,000	150,000	191,928	41,928
Restricted intergovernmental revenues	726,797	726,797	738,161	11,364
Unrestricted intergovernmental revenues	1,402,077	1,485,077	1,632,130	147,053
Permits and fees	44,700	57,065	80,701	23,636
Sales and services	1,573,569	1,573,569	1,621,189	47,620
Investment earnings	1,408	100,509	178,642	78,133
Total revenues	<u>6,453,824</u>	<u>6,648,290</u>	<u>7,295,102</u>	<u>646,812</u>
Expenditures				
Current:				
General government	907,167	941,581	927,962	13,619
Public safety	2,889,993	3,218,244	3,117,471	100,773
Transportation and utilities	1,191,871	1,492,529	1,477,279	15,250
Environmental protection	1,250,700	1,370,871	1,360,770	10,101
Economic and physical development	64,000	83,990	75,617	8,373
Debt service:				
Principal retirement	841,378	435,654	428,797	6,857
Interest and other charges	-	105,411	86,961	18,450
Total expenditures	<u>7,145,109</u>	<u>7,648,280</u>	<u>7,474,857</u>	<u>173,423</u>
Revenues over (under) expenditures	(691,285)	(999,990)	(179,755)	820,235
Other financing sources (Uses)				
Sale of capital assets	61,000	11,413	17,866	6,453
Loan proceed	-	184,076	184,076	-
Transfer from other funds	-	(265,312)	(265,312)	-
Total other financing sources (uses)	<u>691,285</u>	<u>999,990</u>	<u>(63,370)</u>	<u>(1,063,360)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(243,125)	<u>\$ (243,125)</u>
Fund balances - Beginning			3,557,682	
Fund balances - Ending			<u>\$ 3,314,557</u>	

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

Town of Edenton, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - Governmental Special Project
For the Fiscal Year Ended June 30, 2023

	Governmental Special Project			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Restricted intergovernmental revenues	\$ 473,050	\$ 473,050	\$ 454,893	\$ (18,157)
Total revenues	<u>473,050</u>	<u>473,050</u>	<u>454,893</u>	<u>(18,157)</u>
Expenditures				
Current:				
General government	2,317,873	2,317,873	2,013,114	304,759
Total expenditures	<u>2,317,873</u>	<u>2,317,873</u>	<u>2,013,114</u>	<u>304,759</u>
Revenues over (under) expenditures	(1,844,823)	(1,844,823)	(1,558,221)	286,602
Other financing sources (Uses)				
Interest income	-	-	66	66
Loan proceed	178,838	178,838	178,837	(1)
Contribution	1,250	1,250	-	(1,250)
Transfer from other funds	1,664,735	1,664,735	1,664,735	-
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	<u>1,844,823</u>	<u>1,844,823</u>	<u>1,843,638</u>	<u>(1,185)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	285,417	<u>\$ 285,417</u>
Fund balances - Beginning			842,674	
Fund balances - Ending			<u>\$ 1,128,091</u>	

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

Town of Edenton, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2023

	Electric Fund	Water and Sewer Fund	Airport Fund	Total
Assets				
Current Assets:				
Cash and cash equivalents	\$ 745,050	\$ 714,268	\$ 100	\$ 1,459,418
Accounts receivable, net	128,912	285,204	13,093	427,209
Inventories	1,008,327	163,850	25,898	1,198,075
Total current assets	<u>1,882,289</u>	<u>1,163,322</u>	<u>39,091</u>	<u>3,084,702</u>
Noncurrent assets:				
Restricted cash and cash equivalents	279,530	18,776	-	298,306
Capital assets:				
Land and construction in progress	84,147	4,767,772	2,360,589	7,212,508
Other capital assets, net of depreciation	3,265,771	8,140,925	1,397,215	12,803,911
Capital assets (net)	<u>3,349,918</u>	<u>12,908,697</u>	<u>3,757,804</u>	<u>20,016,419</u>
Total noncurrent assets	<u>3,629,448</u>	<u>12,927,473</u>	<u>3,757,804</u>	<u>20,314,725</u>
Total assets	<u>5,511,737</u>	<u>14,090,795</u>	<u>3,796,895</u>	<u>23,399,427</u>
Deferred outflows of resources	<u>445,641</u>	<u>393,212</u>	<u>6,561</u>	<u>845,414</u>
Liabilities				
Current liabilities:				
Accounts payable & accrued expenses	856,838	14,059	14,133	885,030
Due to other funds	-	-	372,371	372,371
Customer deposits	279,530	18,776	-	298,306
Accrued interest payable	-	6,011	-	6,011
Compensated absences, current	10,330	12,735	-	23,065
Installment notes payable, current	42,639	243,464	-	286,103
Total current liabilities	<u>1,189,337</u>	<u>295,045</u>	<u>386,504</u>	<u>1,870,886</u>
Noncurrent liabilities:				
Total OPEB liability	326,818	288,369	19,225	634,412
Compensated absences	41,317	50,938	-	92,255
Net pension liability	509,635	449,678	-	959,313
Installment notes payable	42,639	5,272,871	-	5,315,510
Total noncurrent liabilities	<u>920,409</u>	<u>6,061,856</u>	<u>19,225</u>	<u>7,001,490</u>
Total liabilities	<u>2,109,746</u>	<u>6,356,901</u>	<u>405,729</u>	<u>8,872,376</u>
Deferred inflows of resources	<u>77,875</u>	<u>68,714</u>	<u>3,882</u>	<u>150,471</u>
Net position				
Net investment in capital assets	3,264,640	7,392,362	3,757,804	14,414,806
Unrestricted	<u>505,117</u>	<u>666,030</u>	<u>(363,959)</u>	<u>807,188</u>
Total net position	<u>\$ 3,769,757</u>	<u>\$ 8,058,392</u>	<u>\$ 3,393,845</u>	<u>\$ 15,221,994</u>

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

Town of Edenton, North Carolina
Statement of Revenues and Expenditures and
Changes in Fund Net Position
Proprietary Funds
For The Year Ended June 30, 2023

	Electric Fund	Water and Sewer Fund	Airport Fund	Total
Operating revenues:				
Charges for services	\$ 12,066,992	\$ 2,872,710	\$ 208,930	\$ 15,148,632
Other operating revenues	-	17,050	108,110	125,160
Total operating revenues	<u>12,066,992</u>	<u>2,889,760</u>	<u>317,040</u>	<u>15,273,792</u>
Operating expenses:				
Electric operations	1,860,245	-	-	1,860,245
Electric power purchases	8,567,119	-	-	8,567,119
Administrative services	1,953,134	-	-	1,953,134
Water operations	-	888,488	-	888,488
Sewer operations	-	834,367	-	834,367
Water and sewer line maintenance	-	935,576	-	935,576
Airport operations	-	-	326,712	326,712
Depreciation	298,801	352,426	195,800	847,027
Total operating expenses	<u>12,679,299</u>	<u>3,010,857</u>	<u>522,512</u>	<u>16,212,668</u>
Total operating income (loss)	<u>(612,307)</u>	<u>(121,097)</u>	<u>(205,472)</u>	<u>(938,876)</u>
Nonoperating revenues(expenses):				
Miscellaneous revenue	-	3,545	-	3,545
Investment earnings	4,235	-	-	4,235
Rental income	-	100,443	-	100,443
Interest expense	(3,415)	(78,541)	-	(81,956)
Sale of merchandise and scrap	-	15,823	10,000	25,823
Total nonoperating revenues (expenses)	<u>820</u>	<u>41,270</u>	<u>10,000</u>	<u>52,090</u>
Net income (loss) before contributions and transfers	<u>(611,487)</u>	<u>(79,827)</u>	<u>(195,472)</u>	<u>(886,786)</u>
Capital contributions	-	-	306,033	306,033
Transfer from other funds	-	300,000	-	300,000
Transfer to other funds	<u>(349,953)</u>	<u>-</u>	<u>-</u>	<u>(349,953)</u>
Total other financing sources and uses	<u>(349,953)</u>	<u>300,000</u>	<u>306,033</u>	<u>256,080</u>
Changes in net position	<u>(961,440)</u>	<u>220,173</u>	<u>110,561</u>	<u>(630,706)</u>
Total net position, beginning	<u>4,731,197</u>	<u>7,838,219</u>	<u>3,283,284</u>	<u>15,852,700</u>
Total net position, Ending	<u>\$ 3,769,757</u>	<u>\$ 8,058,392</u>	<u>\$ 3,393,845</u>	<u>\$ 15,221,994</u>

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

Town of Edenton, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Year Ended June 30, 2023

	Electric Fund	Water and Sewer Fund	Airport Fund	Total
Cash flows from operating activities:				
Cash received from customers/others	\$ 12,078,791	\$ 2,873,788	\$ 305,949	\$ 15,258,528
Cash paid to suppliers for goods and services	(11,534,831)	(1,517,460)	(359,876)	(13,412,167)
Cash paid to employees for services	(1,103,501)	(1,083,845)	-	(2,187,346)
Customer deposit	9,816	5,408	-	15,224
Net cash provided by (used for) operating activities	<u>(549,725)</u>	<u>277,891</u>	<u>(53,927)</u>	<u>(325,761)</u>
Cash flows from (use by) capital and related financing activities:				
Capital contributions	-	-	306,033	306,033
Proceeds from financing	-	1,013,258	-	1,013,258
Loan repayment	-	-	-	-
Principal repayments on long-term debt	(42,639)	(242,084)	-	(284,723)
Sale of merchandise and scrap	-	-	10,000	10,000
Acquisition of capital assets	(368,225)	(1,259,680)	(262,106)	(1,890,011)
Interest income	4,235	-	-	4,235
Other income	-	119,811	-	119,811
Interest expense	(3,415)	(78,541)	-	(81,956)
Net cash flows provided (used) by capital financing activities	<u>(410,044)</u>	<u>(447,236)</u>	<u>53,927</u>	<u>(803,353)</u>
Cash flows from (used for) noncapital financing activities:				
Transfers from/to other funds	(349,953)	300,000	-	(49,953)
Net cash flows provided (used) by noncapital financing activities	<u>(349,953)</u>	<u>300,000</u>	<u>-</u>	<u>(49,953)</u>
 Net increase (decrease) in cash and cash equivalents	 (1,309,722)	 130,655	 -	 (1,179,067)
Cash and cash equivalents, beginning of year	2,334,302	602,389	100	2,936,791
Cash and cash equivalents, end of year	<u>\$ 1,024,580</u>	<u>\$ 733,044</u>	<u>\$ 100</u>	<u>\$ 1,757,724</u>
 Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (612,307)	\$ (121,097)	\$ (205,472)	\$ (938,876)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	298,801	352,426	195,800	847,027
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	11,799	(15,972)	(11,091)	(15,264)
Increase (decrease) in accounts payable and accrued liabilities	59,691	13,730	(32,747)	40,674
(Increase) decrease in inventory	(382,691)	(28,165)	(1,701)	(412,557)
Increase (decrease) in net pension liability	369,842	326,331	-	696,173
Increase (decrease) in customer deposits	9,816	5,408	-	15,224
Increase (decrease) in OPEB liability	(34,567)	(30,500)	(2,033)	(67,100)
(Increase) decrease in deferred outflows of resources for pensions	(108,456)	(95,695)	819	(203,332)
Increase (decrease) in deferred inflows of resources for pensions	(151,743)	(133,890)	2,498	(283,135)
Increase (decrease) in accrued vacation pay	(9,910)	5,315	-	(4,595)
Net cash provided (used) by operating activities	<u>\$ (549,725)</u>	<u>\$ 277,891</u>	<u>\$ (53,927)</u>	<u>\$ (325,761)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

TOWN OF EDENTON, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

I. Summary of Significant Accounting Policies

The accounting policies of Town of Edenton and its component units 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 Town of Edenton (the "Town") is a municipal corporation that is governed by an elected mayor and a six-member council. As required by generally accepted accounting principles, these financial statements include all funds and account groups, which are controlled by or are financially dependent upon the Town.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government. 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 Town. 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 Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Town's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The Town 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 nonmajor 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 items such as investment earnings are ancillary activities.

The Town reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Town. 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 grant, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance and construction, and sanitation services.

Governmental Special Projects Fund - This fund is used to account for capital projects related to governmental activities.

The Town reports the following non-major governmental fund:

NC Housing Finance Grant Fund - This fund is used to account for revenues and expenses related to the N.C. Housing Agency grant.

Coronavirus Relief Fund - This fund is used to account for revenues and expenses related to Covid-19 grant.

FEMA Proceeds Fund - This fund is used to account for revenues and expenses related to FEMA.

ARP Fund - This fund is used in the recovery of the coronavirus.

Capital Project Fund - Harbor Town Ferry Project Fund - This fund is used to for the Harbor Town Ferry construction.

Harbor Town Ferry Project Fund - This fund is used for the Harbor Town Ferry construction.

The Town reports the following major enterprise funds:

Electric Fund - This fund is used to account for the Town's electric operations.

Water and Sewer Fund - This fund is used to account for the Town's water and sewer operations.

Airport Fund - This fund is used to account for the Town's airport operations.

C. Measurement Focus Basis of Accounting

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

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

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

Proprietary funds distinguish operating revenues and expenses from 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 Town enterprise funds are charges to customers for sales and services. The Town also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. 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 franchise tax, collected and held by the State at year-end on behalf of The Town, are recognized as revenue. Sales taxes are considered a shared revenue for the Town of Edenton because the tax is levied by Chowan County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and the general revenues.

D. Budgetary Data

The Town'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. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for multi-year funds. Amendments are required for revisions that alter total expenditures of any fund or that change functional appropriations by more than \$2,500. All amendments must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, Deferred Outflow/Inflows of Resources and Fund Equity**1. Deposits and Investments**

All deposits of the Town of Edenton are made in board-designated official depositories and are secured as required by State Law [G.S. 159-31]. The Town may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Town 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 Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States, obligations of the State of North Carolina, bonds and notes of any North Carolina local government or public authority, obligations of certain non-guaranteed federal agencies, certain high quality issues of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust (NCCMT). The Town's investments are generally reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) external investment pool, is measured at amortized cost, which approximates fair value, and is the NCCMT's share price. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

In accordance with State law, the Town has invested in securities which are callable and which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

2. Cash and Cash Equivalents

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income and considers all cash and investments to be cash and cash equivalents.

3. Restricted Assets

Powel Bill funds are also classified as restricted cash because they can be expended only for the purposes outlined in G.S. 136-41.1 through 136-41.4. Customer deposits held by the Town before any services are supplied are restricted to the service for which the deposit was collected.

Town of Edenton Restricted Cash**Governmental Activities:****General Fund**

Streets	\$ 93,792
	<u>\$ 93,792</u>

Total governmental activities**Business-Type Activities:****Electric Fund**

Customer deposits	279,530
-------------------	---------

Water and Sewer Fund

Customer deposits	<u>18,776</u>
-------------------	---------------

Total business-type activities

\$ 298,306

Total restricted cash

\$ 392,098

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, penalties and interest do not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2022. As allowed by State law, the Town has established a schedule of discounts that apply to taxes, which are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Allowance for Doubtful Accounts

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

6. Inventories and Prepaid Items

The inventories of the Town are valued at cost (first-in, first-out), which approximates market. The Town's General Fund inventory consists of expendable fuel that is recognized as an expenditure 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 Activities the cost of these inventories is expensed as the items are used.

The inventories of the Town's enterprise funds consist of materials and supplies held for subsequent use. The cost of these inventories is expensed when consumed rather than when purchased.

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

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization costs are as follow: land, \$10,000; buildings, improvements, substations, lines, and other plant and distribution systems, \$15,000; infrastructure, \$20,000; equipment and furniture \$5,000; and vehicles and motorized equipment, \$5,000. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. General infrastructure assets acquired prior to July 1, 2003, consist of the road network and water and sewer system assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

<u>Asset Class</u>	<u>Years</u>
Buildings	20 to 40 years
Infrastructure	20 to 40 years
Substations	33 years
Vehicles	5 years
Furniture and equipment	7 years
Computer equipment	5 years

8. Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflow 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 Town has two items that meet this criterion, pension and OPEB deferrals for the 2023 fiscal year. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town has several items that meet this criterion for this category – prepaid taxes, property taxes receivable unavailable revenues (reported only on the Balance Sheet of the Governmental Funds), pension, and OPEB deferrals.

9. 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 premium and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

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

10. Compensated Absences

The vacation policy of the Town provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the Town's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The Town has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The Town's sick leave policy provides for unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Town does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

11. Net Position/Fund Balances

Net Position

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

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

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of Town of Edenton'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 Town 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 approves the appropriation.

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

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

12. Defined Benefit Cost-Sharing Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and addition 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 Town of Edenton's employer contributions are recognized when due and the Town of Edenton 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.

II. Stewardship, Compliance, and Accountability

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

None.

B. Deficit Fund Balance or Net Position of Individual Funds

North Carolina Housing Finance Grant Fund, FEMA Proceeds Fund, Waste Water Treatment Plant Fund, Waste Water Abatement Fund, and Water Supply Well Rehab Fund had deficit fund balance at June 30, 2023 related to grant timing issues.

C. Excess of Expenditures over Appropriations

None.

III. Detail Notes on All FundsA. Assets1. Deposits

All the deposits of the Town are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by The Town'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 Town, these deposits are considered to be held by the Town'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 Town or escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Town under the Pooling Method, the potential exists for the under collateralization. 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 Town 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 Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2023, the Town's deposits had a carrying amount of \$1,567,019 and a bank balance of \$1,397,451. All of which was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. At June 30, 2023, the Town's petty cash fund totaled \$1,451.

2. Investments

As of June 30, 2023, the Town's investments consisted of \$3,992,001 in the North Carolina Capital Management Trust's Cash Portfolio which carried a credit rating of AAAM by Standard and Poor's. The Town has no formal policy on credit risk.

Valuation Measurement Method	Fair Value	Less than 6 Months	6-12 Months	1- 3 Years
Ginnie Mae Pool Fair Value - Level 1	\$ 3,992,001	\$ -	\$ -	\$ -

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets of identical assets. Level 2: Debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted process.

Credit Risk. The Town limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. The Town's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2023. The Town's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the US government and agencies, and in high grade money market instruments as permitted under North Carolina General Statute 159-30 as amended. The Town's investment in US Agencies (US Government Bonds) are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town's investment policy limits at least half of the County's investment portfolio to maturities of less than 12 months. Also, the Town's investment policy requires purchases of securities to be tiered with staggered maturity dates and limits all securities to a final maturity of no more than three years.

3. Receivables

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

General Fund:	
Taxes receivables	\$ 96,718
Accrued interest receivable on taxes	\$ 15,433
Accounts receivable	510,814
Total General Fund	622,965
Enterprise Funds:	
Electric Fund - accounts receivable	128,912
Airport Fund - accounts receivable	13,093
Water and Sewer Fund - accounts receivable	285,204
Total Enterprise Fund	427,209
Total	\$ 1,050,174

4. Capital Assets**Primary Government**

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

	Beginning Balances July 1, 2022	Increases	Decreases	Ending Balances June 30, 2023
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,403,409	\$ -	\$ -	\$ 1,403,409
Construction in Progress	621,308	1,296,528	-	1,917,836
Total capital assets not being depreciated	2,024,717	1,296,528	-	3,321,245
Capital assets being depreciated:				
Infrastructure	2,391,106	-	-	2,391,106
Buildings	4,704,755	-	-	4,704,755
Equipment	1,217,326	29,517	-	1,246,843
Vehicles	1,990,422	1,154,286	(82,507)	3,062,201
Total capital assets being depreciated	10,303,609	1,183,803	(82,507)	11,404,905
Less accumulated depreciation for:				
Infrastructure	288,105	76,764	-	364,869
Buildings	2,186,609	65,939	-	2,252,548
Equipment	890,160	72,791	-	962,951
Vehicles	1,424,385	341,377	(82,507)	1,683,255
Total accumulated depreciation	4,789,259	\$ 556,871	\$ (82,507)	5,263,623
Total capital assets being depreciated, net	5,514,350			6,141,282
Governmental activity capital assets, net	\$ 7,539,067			\$ 9,462,527

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

General government	\$ 56,011
Public Safety	336,423
Transportation	102,586
Cultural and Recreational	37,372
Environmental protection	24,479
Total Depreciation Expense	\$ 556,871

	Beginning Balances July 1, 2022	Increases	Decreases	Ending Balances June 30, 2023
Business-type Activities				
Electric Fund				
Capital assets not being depreciated:				
Land	\$ 45,142	\$ -	\$ -	\$ 45,142
Construction in progress	39,005	-	-	39,005
Total capital assets not being depreciated	84,147	-	-	84,147
Capital assets being depreciated:				
Plant and systems	8,994,973	-	-	8,994,973
PDS-Solar farm	439,453	-	-	439,453
Neighborhood redevelopment program	12,561	-	-	12,561
Furniture and equipment	1,167,825	244,225	-	1,412,050
Vehicles	1,159,530	124,000	(32,646)	1,250,884
Total capital assets being depreciated	11,774,342	368,225	(32,646)	12,109,921
Less accumulated depreciation for:				
Plant and systems	6,818,721	133,446	-	6,952,167
PDS-Solar farm	32,958	10,986	-	43,944
Neighborhood redevelopment program	1,884	628	-	2,512
Furniture and equipment	855,068	86,258	-	941,326
Vehicles	869,364	67,483	(32,646)	904,201
Total accumulated depreciation	8,577,995	\$ 298,801	\$ (32,646)	8,844,150
Total capital assets being depreciated, net	3,196,347			3,265,771
Electric Fund capital assets, net	\$ 3,280,494			\$ 3,349,918

	Beginning Balances July 1, 2022	Increases	Decreases	Ending Balances June 30, 2023
Business-type Activities				
Water and Sewer Fund				
Capital assets not being depreciated:				
Land	\$ 45,216	\$ -	\$ -	\$ 45,216
Construction in progress	7,091,656	959,316	(3,328,416)	4,722,556
Total capital assets not being depreciated	7,136,872	959,316	(3,328,416)	4,767,772
Capital assets being depreciated:				
Plant and distribution systems	14,944,366	3,556,765	-	18,501,131
Furniture and equipment	664,060	32,904	-	696,964
Vehicles	351,193	39,111	-	390,304
Total capital assets being depreciated	15,959,619	3,628,780	-	19,588,399
Less accumulated depreciation for:				
Plant and distribution systems	10,402,229	283,301	-	10,685,530
Furniture and equipment	441,921	32,217	-	474,138
Vehicles	250,898	36,908	-	287,806
Total accumulated depreciation	11,095,048	\$ 352,426	\$ -	\$ 11,447,474
Total capital assets being depreciated, net	4,864,572			8,140,925
Water and Sewer Fund capital assets, net	\$ 12,001,444			\$ 12,908,697

	Beginning Balances July 1, 2022	Increases	Decreases	Ending Balances June 30, 2023
Business-type Activities				
Airport Fund				
Capital assets not being depreciated:				
Land	\$ 15,400	\$ -	\$ -	\$ 15,400
Construction in progress	2,083,083	262,106	-	2,345,189
Total capital assets not being depreciated	2,098,483	262,106	-	2,360,589
Capital assets being depreciated:				
Runways	3,470,612	-	-	3,470,612
Equipments	87,631	-	-	87,631
Hangars and terminal buildings	1,263,601	-	-	1,263,601
Total capital assets being depreciated	4,821,844	-	-	4,821,844
Less accumulated depreciation for:				
Runways	2,417,517	160,930	-	2,578,447
Equipments	69,162	3,280	-	72,442
Hangars and terminal buildings	742,150	31,590	-	773,740
Total accumulated depreciation	3,228,829	\$ 195,800	\$ -	\$ 3,424,629
Total capital assets being depreciated, net	1,593,015			1,397,215
Airport Fund capital assets, net	\$ 3,691,498			\$ 3,757,804
Total Business-Type	\$ 18,973,436			\$ 20,016,419

B. Liabilities**1. Payables**

Payables at the government-wide level at June 30, 2023, were as follows:

	Vendors	Other	Total
Governmental Activities:			
General	\$ 75,261	\$ -	\$ 75,261
Other governmental	-	-	-
Total governmental activities	\$ 75,261	\$ -	\$ 75,261
Business-Type Activities:			
Electric	\$ 856,838	\$ -	\$ 856,838
Water and Sewer	14,059	-	14,059
Airport	14,133	-	14,133
Total business-type activities	\$ 885,030	\$ -	\$ 885,030

2. Pension Plan and Other Post Employment Obligations**a. Local Governmental Employees' Retirement System**

Plan Description. The Town of Edenton is a 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, by calling (919) 981-5454, or at www.osc.nc.gov.

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

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town's contractually required contribution rate for the year ended June 30, 2023, was 12.15% of compensation for law enforcement officers and 13.04% 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 Town were \$529,554 for the year ended June 30, 2023.

Refunds of Contributions – Town 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 Town reported a liability of \$2,997,855 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 Town's proportion of the net pension liability was based on a projection of the Town'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 Town's proportion was 0.05314%, which was an decrease of 0.00048% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, The Town recognized pension expense of \$842,726. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 129,175	\$ 12,665
Changes of assumptions	299,119	-
Net difference between projected and actual earnings on pension plan investments	990,822	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	16,680	57,187
Town contributions subsequent to the measurement date	529,554	-
Total	\$ 1,965,350	\$ 69,852

\$529,554 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as an increase of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2024	433,656
2025	360,230
2026	100,012
2027	472,046
2028	-
Thereafter	-
Total	<u>\$ 1,365,944</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	2.5 percent
Salary Increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of
		Return
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	6.0%	2.7%
Total	<u>100%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2022 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

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

Sensitivity of the Town's proportionate share of the net pension asset to changes in the discount rate. The following presents the Town's proportionate share of the net pension asset calculated using the discount rate of 6.50 percent, as well as what the Town's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1 % Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Town's proportionate share of the net pension liability (asset)	\$ 5,410,742	\$ 2,997,855	\$ 1,009,496

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

b. Law Enforcement Officers Special Separation Allowance

(1) Plan Description

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

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

Retirees Receiving Benefits	3
Terminated Plan Members Entitled to, But Not Yet Receiving Benefits	-
Active Plan Members	15
Total	18

(2) Summary of Significant Accounting Policies

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

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

(3) Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2020 valuation. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity
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, 2021.

Mortality rates are based on the RP-2000 Mortality tables with adjustments for mortality improvements based on Scale AA.

(4) Contributions

The Town is required by article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The Town paid \$43,165 as benefits came due for the reporting period.

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

At June 30, 2023, The Town reported a total pension liability of \$515,388. 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 Town recognized pension expense of \$71,759.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 47,930	\$ 36,921
Changes of assumptions and other inputs	72,380	87,131
Benefit payments and administrative expenses subsequent to the measurement date.	-	-
	<u>\$ 120,310</u>	<u>\$ 124,052</u>

\$0.00 paid as benefits came due subsequent to the measurement date have 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	\$ 21,194
2025	8,708
2026	(6,822)
2027	(21,822)
2028	(5,000)
Thereafter	-
	<u>\$ (3,742)</u>

Sensitivity of the Town's total pension liability to changes in the discount rate. The following presents the Town's total pension liability calculated using the discount rate of 4.31 percent, as well as what the Town'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%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total pension liability	\$ 557,813	\$ 515,388	\$ 477,187

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

	2023
Beginning balance	\$ 642,197
Service Cost	32,382
Interest on the total pension liability	13,964
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(37,566)
Changes of assumptions or other inputs	(92,424)
Benefit payments	(43,165)
Other changes	-
Ending balance of the total pension liability	<u>\$ 515,388</u>

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

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

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

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

	LGERS	LEOSSA	Total
Pension expense	\$ 842,726	\$ 71,759	\$ 914,485
Pension liability	2,997,855	515,388	3,513,243
Proportionate share of the net pension liability	0.05314%	n/a	
Deferred Outflows of Resources			
Differences between expected and actual experience	129,175	47,930	177,105
Changes of assumption	299,119	72,380	371,499
Net difference between projected and actual earnings on plan investments	990,822	-	990,822
Changes in proportion and differences between contributions and proportionate share of contributions	16,680	-	16,680
Contributions/Benefit payments and administrative costs paid subsequent to the measurement date	529,554	-	529,554
Deferred Inflows of Resources			
Difference between expected and actual experience	12,665	36,921	49,586
Changes of assumptions	-	87,131	87,131
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	57,187	-	57,187

c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The Town 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 Town. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included on 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 to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454.

Funding Policy: Article 12E of G.S. Chapter 143 requires the Town to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. The law enforcement officers may make voluntary contributions to the plan. The Town elects to contribute each month an amount equal to one percent of each general employee's salary, and all amounts contributed are vested immediately. The employees may also make voluntary contributions to the plan.

The Town made contributions of \$77,500 for the reporting year. No amounts were forfeited.

d. Other Post Employment Benefits

Healthcare Benefits

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

Benefits provided. As of July 1, 2007, this plan provides postemployment healthcare benefits to retirees of the Town, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least 20 years of creditable service with the Town. Prior to July 1, 2007, employees qualified for similar level benefits after a minimum of five years of creditable service with the Town. The Town pays the full cost of coverage for employees' benefits through private insurers and employees have the option of purchasing dependent coverage at the Town's group rates. The Town Council may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at December 31, 2022, the date of latest actuarial valuation:

	Employees
Retirees and dependents receiving benefits	4
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	73
Total	<u>77</u>

Total OPEB Liability

The Town's total OPEB liability of \$1,922,461 was measured as of December 31, 2022 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 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 percent
Salary increases	3.25 percent, average, including inflation
Discount rate	3.54 percent
Healthcare cost trend rates	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of the measurement date.

Changes in the Total OPEB Liability

Balance at July 1, 2022	\$ 2,125,794
Changes for the year	
Service cost	121,987
Interest	47,713
Changes of benefit terms	-
Differences between expected and actual experience	11,685
Changes in assumptions or other inputs	(306,563)
Benefit payments	(78,155)
Net changes	<u>(203,333)</u>
Balance at June 30, 2023	<u>\$ 1,922,461</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 RP-2014 Total Data Set for Healthy Annuitants Mortality Table.

The actuarial assumptions used in the December 31, 2022, valuation were based on the results of an actuarial experience study for the period January 2011 through December 2015.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Town, as well as what the Town'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	\$ 2,138,855	\$ 1,922,461	\$ 1,733,507

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
Total OPEB liability	\$ 1,682,366	\$ 1,922,461	\$ 2,214,824

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

For the year ended June 30, 2023, the Town recognized OPEB expense of \$206,618. At June 30, 2023, the Town 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	\$ 274,936	\$ 69,042
Changes of assumptions	381,128	319,197
Town contributions subsequent to the measurement date	-	-
Total	\$ 656,064	\$ 388,239

\$0.00 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2024	\$ 36,918
2025	36,918
2026	36,918
2027	39,219
2028	42,972
Thereafter	74,880
Total	\$ 267,825

3. Other Employment Benefits

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

4. Deferred Outflows and Inflows of Resources

The Town has several deferred outflows of resources. Deferred outflows of resources is comprised of the following:

Source	Amount
Contributions to pension plan in current fiscal year	\$ 529,554
Benefit payments and administrative expenses for LEOSSA made subsequent to the measurement date	-
Benefit payments and administrative expenses for OPEB made subsequent to the measurement date	-
Differences between expected and actual experience	452,041
Changes of assumptions	752,627
Net difference between projected and actual earnings on plan investments	990,822
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,680
	<u>\$ 2,741,724</u>

Deferred inflows of resources at year-end is comprised of the following:

	Statement of Net Position	General Fund Balance Sheet
Taxes receivable, less penalties (General Fund)	\$ -	\$ 96,718
Changes of assumptions	406,328	-
Net different between projected and actual earnings on pension plan investments	-	-
Differences between expected and actual experience	118,628	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	57,187	-
	<u>\$ 582,143</u>	<u>\$ 96,718</u>

5. Risk Management

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town participates in three self-funded risk financing pool administered by the North Carolina League of Municipalities. Through these pools, the Town obtains general liability and auto liability coverage of \$1 million per occurrence, property coverage up to the total insured values of the property policy, workers' compensation coverage up to the statutory limits and employee health coverage. The liability and property exposures are reinsured through commercial carriers for claims in excess of retentions as selected by the Board of Trustees to protect against large workers' compensation claims that exceed certain dollar cost levels. Medical stop loss insurance is purchased by the Board of Trustees to protect against large medical claims that exceed certain dollar cost levels. Specific information on the limits of the reinsurance, excess and stop loss policies purchased by the Board of Trustees can be obtained by contacting the Risk management Services Department of the NC League of Municipalities. The pools are audited annually by certified public accountants, and the audited financial statements are available to the Town upon request.

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

The Town carries flood insurance through the League of Municipalities. Because the Town is in an area of the State that has been mapped and designated an "A" area (an area close to a river, lake or stream) by the Federal Emergency Management Agency, the Town is eligible to purchase coverage of \$500,000 per structure through the League of Municipalities. The Town only has coverage for one building, which is considered to be in the flood zone.

In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more of the Town's funds at any given time are performance bonded through a commercial surety bond. The Finance Officer is bonded for \$50,000. The remaining employees that have access to funds are bonded under a blanket policy for \$25,000.

6. Claims, Judgments and Contingent Liabilities

At June 30, 2023, the Town had no threatened pending litigations.

7. Long-Term Obligationsa. Installment PurchasesGovernmental Activities

In July 2006, the Town entered into a \$230,000 direct placement contract to finance the purchase of a new fire truck. The contract requires twenty annual payments with an interest rate of 4.25%. The annual payments as of June 30, 2023 for the fire truck, including \$6,769 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 14,648	\$ 2,653
2025	15,260	2,041
2026	11,253	2,075
Total payments	<u>\$ 41,161</u>	<u>\$ 6,769</u>

In 2016, the Town entered into a \$2,480,000 direct placement contract to finance the construction of a new police station. The contract requires fifteen annual payments with an interest rate of \$2.98%. The annual payments as of June 30, 2023 for the police station, including \$221,028 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 165,333	\$ 44,342
2025	165,333	39,410
2026	165,333	34,489
2027	165,333	29,562
2028	165,333	24,635
2029-2032	661,335	48,590
Total payments	<u>\$ 1,488,000</u>	<u>\$ 221,028</u>

In February 2017, the Town entered into a \$242,000 direct placement contract to finance flood and erosion control improvements to the bulkhead. The contract require ten annual payments with an interest rate of 3.09%. The annual payments as of June 30, 2023 for the bulkhead improvements, including \$7,478 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 24,200	\$ 2,991
2025	24,200	4,487
2026	24,200	-
2027	24,200	-
Total payments	<u>\$ 96,800</u>	<u>\$ 7,478</u>

In September 2017, the Town entered into a \$75,500 direct placement contract to finance the purchase of a sanitation truck. The contract require twenty annual payments with an interest rate of 3.25%. The annual payments as of June 30, 2023 for the sanitation truck, including \$17,026 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 3,113	\$ 1,979
2025	3,313	1,880
2026	3,426	1,767
2027	3,538	1,655
2028	3,653	1,540
2029-2033	20,115	5,850
2034-2038	23,610	2,355
2039-2041	116	-
Total payments	<u>\$ 60,884</u>	<u>\$ 17,026</u>

In November 2018, the Town entered into a \$57,743 direct placement contract to finance the purchase of police vehicles. The contract require five annual payments with an interest rate of 2.61%. The annual payments as of June 30, 2023 for the police vehicles, including \$302 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 11,549	\$ 302
Total payments	<u>\$ 11,549</u>	<u>\$ 302</u>

In November 2018, the Town entered into a \$230,000 direct placement contract to finance the purchase of a street sweeper. The contract require six annual payments with an interest rate of 3.05%. The annual payments as of June 30, 2023 for the police vehicles, including \$3,510 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 38,333	\$ 2,338
2025	38,333	1,172
Total payments	<u>\$ 76,666</u>	<u>\$ 3,510</u>

In July 2020, the Town entered into a \$70,000 direct placement contract to finance the purchase of police and fire vehicles. The contract require seven annual payments with an interest rate of 2.25%. The annual payments as of June 30, 2023 for the police and fire vehicles, including \$3,502 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 9,771	\$ 1,150
2025	9,989	932
2026	10,216	705
2027	10,446	475
2028	10,676	240
Total payments	<u>\$ 51,098</u>	<u>\$ 3,502</u>

In August 2020, the Town entered into a \$78,000 direct placement contract to finance the purchase of 2012 Supreme Trolley. The contract require seven annual payments with an interest rate of 2.14%. The annual payments as of June 30, 2023 for the police and fire vehicles, including \$3,700 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 10,900	\$ 1,214
2025	11,133	984
2026	11,371	746
2027	11,614	502
2028	12,730	254
Total payments	<u>\$ 57,748</u>	<u>\$ 3,700</u>

In November 2020, the Town entered into a \$907,900 direct placement contract to finance the street repairing and repaving. The contract require twelve annual payments with an interest rate of 2.16%. The annual payments as of June 30, 2023 for the street repairing and repaving, including \$115,604 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 68,861	\$ 20,238
2025	70,659	18,440
2026	72,503	16,596
2027	74,395	14,704
2028	76,337	12,762
2029-2033	412,632	32,864
Total payments	<u>\$ 775,387</u>	<u>\$ 115,604</u>

In August 2021, the Town entered into a \$870,000 direct placement contract to finance the new Pierce pumper truck. The contract require twenty annual payments with an interest rate of 2.26%. The annual payments as of June 30, 2023 for the new Pierce pumper truck, including \$145,819 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 50,486	\$ 18,546
2025	51,627	17,405
2026	52,794	16,238
2027	53,987	15,045
2028	55,207	13,825
2029-2033	295,324	49,837
2034-2036	261,206	14,923
Total payments	<u>\$ 820,631</u>	<u>\$ 145,819</u>

In February 2022, the Town entered into a \$83,382 direct placement contract to finance the radios system. The contract require five annual payments with an interest rate of 1.10%. The annual payments as of June 30, 2023 for the radios system, including \$1,836 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 16,676	\$ 736
2025	16,676	550
2026	16,676	367
2027	16,676	183
Total payments	<u>\$ 66,704</u>	<u>\$ 1,836</u>

In March 2023, the Town entered into a \$178,837 direct placement contract to finance the radios system for fire department. The contract require seven annual payments with an interest rate of 3.49%. The annual payments as of June 30, 2023 for the radios system, including \$24,991 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 25,548	\$ 6,259
2025	25,548	5,350
2026	25,548	4,458
2027	25,548	3,567
2028	25,548	2,682
2029-2030	51,097	2,675
Total payments	<u>\$ 178,837</u>	<u>\$ 24,991</u>

In October 2022, the Town entered into a \$184,076 direct placement contract to finance the sanitation vacuum truck. The contract require ten annual payments with an interest rate of 3.55%. The annual payments as of June 30, 2023 for the radios system, including \$37,818 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 15,655	\$ 6,535
2025	16,210	5,979
2026	16,786	5,403
2027	17,382	4,808
2028	17,999	4,191
2029-2032	100,044	10,902
Total payments	<u>\$ 184,076</u>	<u>\$ 37,818</u>

Business-Type Activities

The Town entered into an agreement with the United States Department of Agriculture's Rural Development Division to finance the water tank rehabilitation project. Funds available to the Town total \$335,000. The contract requires 39 annual payments with an interest rate of 3.17%. The annual payments as of June 30, 2023 for the water tank rehabilitation, including \$136,233 of interest, are as follows:

Year ending June 30	<u>Business Activities</u>	
	Principal	Interest
2024	\$ 6,496	\$ 8,590
2025	6,705	8,436
2026	6,779	8,307
2027	6,977	8,109
2028	7,256	7,860
2029-2033	39,786	35,644
2034-2038	46,690	28,740
2039-2043	54,779	20,651
2044-2048	64,298	9,896
2049-2051	30,135	-
Total payments	<u>\$ 269,901</u>	<u>\$ 136,233</u>

The Town entered into an agreement with the United States Department of State Agriculture to finance the capital improvements to the Town's Freemason and Beaver Hill water treatment plant. The contract requires 40 annual payments with an interest rate of 1.625%. The future minimum payments as of June 30, 2023 for the capital improvements, including \$804,311 of interest, are as follows:

Year ending June 30	<u>Business Activities</u>	
	Principal	Interest
2024	\$ 51,000	\$ 39,748
2025	51,000	38,919
2026	52,000	38,090
2027	53,000	37,245
2028	54,000	36,384
2029-2033	284,000	168,431
2034-2038	305,000	144,706
2039-2043	332,000	119,096
2044-2048	360,000	91,163
2049-2053	391,000	60,938
2054-2058	424,000	28,145
2059-2060	89,000	1,446
Total payments	<u>\$ 2,446,000</u>	<u>\$ 804,311</u>

The Town entered into an agreement with the Department of Environmental Quality for a Sanitary Sewer Project. Funds available to the Town total \$1,100,000. At June 30, 2021, the total amount drawn by the Town was \$1,099,992. The revolving loan is to be repaid in twenty annual principal payments of \$55,000. Interest is calculated at 0.00%. Principal payments are due on May 1 of each year. The first payment will be on May 1, 2021. At June 30, 2023, the outstanding balance was \$935,000.

Year ending June 30	<u>Business Activities</u>	
	Principal	Interest
2024	\$ 55,000	\$ -
2025	55,000	-
2026	55,000	-
2027	55,000	-
2028	55,000	-
2029-2033	275,000	-
2034-2038	275,000	-
2039-2042	110,000	-
Total payments	<u>\$ 935,000</u>	<u>\$ -</u>

The Town entered into an agreement with the Department of Environmental Quality for a Water Supply Well Project. Funds available to the Town total \$1,818,364. At June 30, 2023, the total amount drawn by the Town was \$1,505,434. At June 30, 2023, the outstanding balance was \$1,505,343.

Year ending June 30	<u>Business Activities</u>	
	Principal	Interest
2024	\$ 90,968	\$ 19,531
2025	90,968	18,503
2026	90,968	17,475
2027	90,968	16,447
2028	90,968	15,419
2029-2032	325,697	56,536
2033-2037	454,840	35,978
2038-2040	270,057	10,279
Total payments	<u>\$ 1,505,434</u>	<u>\$ 190,168</u>

In February 2021, the Town entered into a \$213,195 direct placement contract to finance to purchase Bucket Truck. The contract require four annual payments with an interest rate of 2.65%. The annual payments as of June 30, 2023 for the street repairing and repaving, including \$3,393 of interest, are as follows:

Year ending June 30	<u>Governmental Activities</u>	
	Principal	Interest
2024	\$ 42,639	\$ 2,260
2025	42,639	1,133
Total payments	<u>\$ 85,278</u>	<u>\$ 3,393</u>

In October 2021, the Town entered into a \$400,000 direct placement contract to finance to purchase water meters and computer software. The contract require ten annual payments with an interest rate of 1.85%. The annual payments as of June 30, 2023 for the street repairing and repaving, including \$33,316 of interest, are as follows:

Year ending June 30	<u>Business Activities</u>	
	Principal	Interest
2024	\$ 40,000	\$ 6,660
2025	40,000	5,936
2026	40,000	5,180
2027	40,000	4,440
2028	40,000	3,700
2029-2032	160,000	7,400
Total payments	<u>\$ 360,000</u>	<u>\$ 33,316</u>

b. Changes in Long-Term Debt

The following is a summary of changes in the Town's long-term obligations for the fiscal year ended June 30, 2023:

	Balance 7/1/2022	Increases	Decreases	Balance 6/30/2023	Current Portion
Governmental Activities:					
Direct placement installment purchases	\$ 3,975,425	\$ 362,913	\$ (428,797)	\$ 3,909,541	\$ 455,073
Net pension liability (LGRS)	559,174	1,479,368	-	2,038,542	-
Total pension liability (LEO)	642,197	-	(126,809)	515,388	-
Total OPEB liability	1,424,282	-	(136,233)	1,288,049	-
Compensated absences	202,152	80,936	(57,340)	225,748	45,150
Total	<u>\$ 6,803,230</u>	<u>\$ 1,923,217</u>	<u>\$ (749,179)</u>	<u>\$ 7,977,268</u>	<u>\$ 500,223</u>

	Balance 7/1/2022	Increases	Decreases	Balance 6/30/2023	Current Portion
Business-type Activities:					
Direct placement installment purchases	\$ 1,111,061	\$ 1,013,258	\$ (173,607)	\$ 1,950,712	\$ 173,607
Sewer revolving Loan	990,000	-	(55,000)	935,000	55,000
Water Tank Rehabilitation Loan	276,017	-	(6,116)	269,901	6,496
Water Treatment Plant Bond	2,496,000	-	(50,000)	2,446,000	51,000
Net pension liability (LGRS)	263,140	696,173	-	959,313	-
Total OPEB liability	701,512	-	(67,100)	634,412	-
Compensated absences	119,916	39,162	(43,758)	115,320	23,065
Total	<u>\$ 5,957,646</u>	<u>\$ 1,748,593</u>	<u>\$ (395,581)</u>	<u>\$ 7,310,658</u>	<u>\$ 309,168</u>

Compensated absences for governmental activities have typically been liquidated in the General Fund.

C. Interfund Balances and Activity

Balances due to/from other funds at June 30, 2023, consist of the following:

	Amount
From Electric Fund to General Fund - operating transfer	\$ 49,953
	<u>\$ 49,953</u>

Transfers are used to move unrestricted revenues from one fund to another. The transfer from the electric fund to the general fund was to pay back the general fund for expenses related to the electric fund and for payment in lieu of taxes.

D. Net Investment in Capital Assets

The Town's net investment in capital assets as of June 30, 2023, is as follows:

	<u>Governmental</u>	<u>Business-type</u>
Capital assets	\$ 9,462,527	\$ 20,016,419
Less: Long-term debt	(3,909,541)	(5,601,613)
Net investment in capital assets	<u>\$ 5,552,986</u>	<u>\$ 14,414,806</u>

E. Fund Balance

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

Total fund balance - General Fund	\$ 3,314,557
Less:	
Stabilization by State Statute	874,476
Streets - Powell Bill	93,792
Inventories	35,993
Remaining Fund Balance	\$ 2,310,296

IV. Jointly Governed Organization

The Town in conjunction with thirty-one other local governments, is a member of the North Carolina Eastern Municipal Power Agency (NCEMPA). NCEMPA was formed to enable municipalities that own and operate their own electric distributions to collectively purchase wholesale power. Each participating government appoints one commissioner to NCEMPA's governing board. The 32 members who receive power from NCEMPA have signed power sales agreements to purchase a specified share of the wholesale power purchased by NCEMPA. Except for the power sales purchase requirements, no local government participant has any obligation, entitlement, or residual interest. The Town's purchases of power for the fiscal year ended June 30, 2023 were \$8,567,119.

V. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The Town has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

VI. Significant Effects of Subsequent Events

The Town has evaluated events and transactions that occurred between June 30, 2023 and October 26, 2023 which is the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. No such items were noted.

REQUIRED
SUPPLEMENTAL FINANCIAL DATA

This section contains additional information required by generally
accounting principals.

Schedule of the Proportionate Share of the Net Pension
Liability – Local Government Employees' Retirement System

Schedule of Contributions – Local Government Employees'
Retirement System

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

Schedule of Total Pension Liability as a Percentage of Covered Payroll
- Law Enforcement Officers' Special Separation Allowance

Schedule of Changes in the Total OPEB Liability and Related Ratios

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Board's proportion of the net pension liability (asset) (%)	0.05314%	0.05362%	0.05414%	0.04921%	0.05200%	0.05000%	0.05000%	0.05300%	0.05100%	0.05200%
Board's proportion of the net pension liability (asset) (\$)	\$ 2,997,855	\$ 822,314	\$ 1,934,653	\$ 1,343,887	\$ 1,238,600	\$ 770,889	\$ 1,061,380	\$ 239,298	\$ (307,435)	\$ 609,924
Board's covered-employee payroll	\$ 3,757,676	\$ 3,692,938	\$ 3,512,948	\$ 3,250,734	\$ 3,159,091	\$ 3,123,019	\$ 3,013,958	\$ 3,034,304	\$ 2,940,730	\$ 2,695,027
Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	79.78%	22.27%	55.07%	41.34%	39.21%	24.68%	35.22%	7.89%	-10.45%	22.63%
Plan fiduciary net position as a percentage of the total pension liability**	84.41%	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

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

** This will be the same percentage for all participant employers in the LGERS plan.

Town of Edenton, North Carolina
Town of Edenton's Contributions
Required Supplementary Information
Last Ten Fiscal Years

Local Government Employees' Retirement System

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 529,554	\$ 433,517	\$ 382,184	\$ 322,431	\$ 256,618	\$ 242,234	\$ 230,899	\$ 210,038	\$ 217,206	\$ 209,466
Contributions in relation to the contractually required contribution	529,554	433,517	382,184	322,431	256,618	242,234	230,899	210,038	217,206	209,466
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 4,293,372	\$ 3,757,676	\$ 3,692,938	\$ 3,512,948	\$ 3,250,734	\$ 3,159,091	\$ 3,123,019	\$ 3,013,958	\$ 3,034,304	\$ 2,940,730
Contributions as a percentage of covered-employee payroll	12.33%	11.54%	10.35%	9.18%	7.89%	7.67%	7.39%	6.97%	7.16%	7.14%

Town of Edenton, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Last Five Fiscal Years *

	2023	2022	2021	2020	2019
Beginning balance	\$ 642,197	\$ 595,064	\$ 466,502	\$ 420,679	\$ 426,912
Service cost	32,382	39,139	20,734	17,348	22,169
Interest on the total pension liability	13,964	11,068	14,409	14,463	12,753
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(37,566)	57,114	(14,769)	48,586	20,340
Changes of assumptions or other inputs	(92,424)	(17,023)	157,177	12,098	(14,823)
Benefit payments	(43,165)	(43,165)	(48,989)	(46,672)	(46,672)
Other changes	-	-	-	-	-
Ending balance of the total pension liability	\$ 515,388	\$ 642,197	\$ 595,064	\$ 466,502	\$ 420,679

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

Town of Edenton, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
Last Five Fiscal Years

	2023	2022	2021	2020	2019
Total pension liability	\$ 515,388	\$ 642,197	\$ 595,064	\$ 466,502	\$ 420,679
Covered payroll	786,943	908,103	846,027	741,688	882,153
Total pension liability as a percentage of covered payroll	65.49%	70.72%	70.34%	62.90%	47.69%

Notes to the schedules:

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

Town of Edenton, North Carolina
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Five Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability					
Service cost	\$ 121,987	\$ 77,944	\$ 55,692	\$ 51,908	\$ 53,993
Interest	47,713	32,879	43,913	48,925	45,079
Changes of benefit items	-	-	-	-	-
Differences between expected and actual experience	11,685	314,389	1,985	(116,330)	14,075
Changes of assumptions	(306,563)	319,738	165,876	25,389	(41,456)
Benefit payments	<u>(78,155)</u>	<u>(57,550)</u>	<u>(55,651)</u>	<u>(81,264)</u>	<u>(79,323)</u>
Net change in total OPEB liability	<u>(203,333)</u>	<u>687,400</u>	<u>211,815</u>	<u>(71,372)</u>	<u>\$ (7,632)</u>
Total OPEB liability - beginning	<u>2,125,794</u>	<u>1,438,394</u>	<u>1,226,579</u>	<u>1,297,951</u>	<u>1,305,583</u>
Total OPEB liability - ending	<u><u>\$ 1,922,461</u></u>	<u><u>\$ 2,125,794</u></u>	<u><u>\$ 1,438,394</u></u>	<u><u>\$ 1,226,579</u></u>	<u><u>\$ 1,297,951</u></u>
 Covered payroll	 3,378,024	 2,944,699	 2,944,699	 2,836,544	 2,836,544
Total OPEB liability as a percentage of covered payroll	56.91%	72.19%	48.85%	43.24%	46.03%

Notes to Schedule

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

Fiscal year	Rate
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%

GENERAL FUND

The General Fund accounts for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.

Town of Edenton, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Taxes		\$ 2,842,134	
Penalties and interest		10,217	
Total	<u>\$ 2,555,273</u>	<u>2,852,351</u>	<u>\$ 297,078</u>
Other taxes and licenses:			
Land transfer tax		191,928	
Total	<u>150,000</u>	<u>191,928</u>	<u>41,928</u>
Unrestricted intergovernmental revenues:			
Utility franchise tax		409,460	
Local option sales taxes		1,127,589	
Payments in lieu of taxes		74,794	
Beer and wine tax		20,287	
Total	<u>1,485,077</u>	<u>1,632,130</u>	<u>147,053</u>
Restricted intergovernmental:			
Powell Bill revenue		138,437	
Chowan County - Fire protection		596,236	
Solid Waste disposal tax		3,488	
Total	<u>726,797</u>	<u>738,161</u>	<u>11,364</u>
Permits and fees:			
Video programming fees		17,701	
Officer fees		1,867	
Police revenue		16,760	
Nuisance fees		44,373	
Total	<u>57,065</u>	<u>80,701</u>	<u>23,636</u>
Sales and services:			
Refuse collections		303,835	
Cemetery lot sales		50,370	
Rents		17,223	
Garage		396,648	
Trolley ticket sales		67,250	
Administrative fees from other funds		761,687	
Miscellaneous		24,176	
Total	<u>1,573,569</u>	<u>1,621,189</u>	<u>47,620</u>
Investment earnings: interest			
General fund - unrestricted		177,133	
General fund - restricted		1,509	
Total	<u>100,509</u>	<u>178,642</u>	<u>78,133</u>
Total revenues	<u>6,648,290</u>	<u>7,295,102</u>	<u>646,812</u>

Town of Edenton, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Final Budget	Actual	Variance Positive (Negative)
Expenditures:			
General Government:			
Elected officials			
Salaries and employee benefits		38,754	
Training and travel		11,845	
Total	56,254	50,599	5,655
Administration			
Salaries and employee benefits		361,412	
Other operating expenses		353,205	
Total	718,679	714,617	4,062
Inspections:			
Salaries and employee benefits		120,677	
Other operating expenses		42,069	
Total	166,648	162,746	3,902
Total general government	941,581	927,962	13,619
Public Safety:			
Police:			
Salaries and employee benefits		1,575,531	
Other operating expenses		266,427	
Capital outlay		115,566	
Total	1,960,071	1,957,524	2,547
Fire:			
Salaries and employee benefits		935,215	
Other operating expenses		212,533	
Capital outlay		12,199	
Total	1,258,173	1,159,947	98,226
Total public safety	3,218,244	3,117,471	100,773
Transportation and utilities			
Street:			
Salaries and employee benefits		296,258	
Other operating expenses		545,131	
Capital outlay		184,076	
Total	1,038,038	1,025,465	12,573
Garage:			
Salaries and employee benefits		166,831	
Other operating expenses		284,983	
Total	454,491	451,814	2,677
Total transportation and utilities	1,492,529	1,477,279	15,250

**Town of Edenton, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Environmental protection:			
Sanitation			
Salaries and employee benefits		439,592	
Other operating expenses		197,692	
Total	<u>639,672</u>	<u>637,284</u>	<u>2,388</u>
Mosquito control			
Salaries and employee benefits		1,915	
Other operating expenses		1,265	
Total	<u>4,015</u>	<u>3,180</u>	<u>835</u>
Cemetery:			
Salaries and employee benefits		414,096	
Other operating expenses		266,210	
Capital outlay		40,000	
Total	<u>727,184</u>	<u>720,306</u>	<u>6,878</u>
Total environmental protection	<u>1,370,871</u>	<u>1,360,770</u>	<u>10,101</u>
Economic and physical development:			
Main Street Program			
Other operating expenses		75,617	
Total economic and physical development	<u>83,990</u>	<u>75,617</u>	<u>8,373</u>
Debt Service:			
Principal retirement		428,797	
Interest expense		86,961	
Total	<u>541,065</u>	<u>515,758</u>	<u>25,307</u>
Total expenditures	<u>7,648,280</u>	<u>7,474,857</u>	<u>173,423</u>
Revenues over (under) expenditures	<u>(999,990)</u>	<u>(179,755)</u>	<u>820,235</u>
Other financing sources (uses):			
Sale of capital assets		17,866	
Loan proceed		184,076	
Transfers out		(969,500)	
Transfers in		704,188	
Total other financing sources (uses)	<u>999,990</u>	<u>(63,370)</u>	<u>(1,063,360)</u>
Net change in fund balance	<u>\$ -</u>	<u>(243,125)</u>	<u>\$ (243,125)</u>
Fund balances:			
Beginning of year, July 1		<u>3,557,682</u>	
End of year, June 30		<u>\$ 3,314,557</u>	

OTHER MAJOR GOVERNMENTAL FUNDS

Major Governmental Funds -Governmental Special Projects Fund

Town of Edenton, North Carolina
Governmental Special Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Favorable (Unfavorable)
Revenues			
Restricted intergovernmental			
Grants		\$ 454,893	
Total restricted intergovernmental	\$ 473,050	454,893	\$ (18,157)
Expenditures:			
Construction		1,181,151	
Total Contengencies	1,399,300	1,181,151	218,149
Capital outlay:			
Pierce pumper truck		831,963	
Total capital outlay	918,573	831,963	86,610
Total expenditures	2,317,873	2,013,114	304,759
Revenues over (under) expenditures	(1,844,823)	(1,558,221)	286,602
Other financing sources (uses):			
Interest income		66	
Loan proceeds		178,837	
Transfer in (out)		1,664,735	
Total other financing sources (uses)	1,844,823	1,843,638	1,185
Net change in fund balance	-	285,417	285,417
Net change in fund balance	\$ -	285,417	\$ 285,417
Fund balance:			
Beginning of year, July 1		842,674	
End of year, June 30		\$ 1,128,091	

Town of Edenton, North Carolina
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2023

	NC Housing Finance Grant Fund	Coronavirus Relief Fund	FEMA Proceeds Fund	ARPA Fund	Total Nonmajor Special Revenue Funds	Harbor Town Ferry Project	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Assets:								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 4,217	\$ 4,217	\$ -	\$ -	\$ 4,217
Accounts receivable, net	-	-	-	33	33	58	58	91
Total assets	-	-	-	4,250	4,250	58	58	4,308
Liabilities and fund balances:								
Current liabilities:								
Accounts payable	-	-	39,483	-	39,483	58	58	39,541
Unearned revenue	-	-	-	4,250	4,250	-	-	4,250
Due to other funds	65,001	-	-	-	65,001	-	-	65,001
Total liabilities	65,001	-	39,483	4,250	108,734	58	58	108,792
Deferred inflows of resources								
Property taxes receivable	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
Fund balances:								
Restricted	-	-	-	-	-	-	-	-
Stabilization by State Statue	-	-	-	33	33	58	58	91
Unrestricted	(65,001)	-	(39,483)	(33)	(104,517)	(58)	(58)	(104,575)
Total fund balances	(65,001)	-	(39,483)	-	(104,484)	-	-	(104,484)
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ -	\$ -	\$ 4,250	\$ 4,250	\$ 58	\$ 58	\$ 4,308

Town of Edenton, North Carolina
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Fiscal Year Ended June 30, 2023

	NC Housing Finance Grant	Coronavirus Relief Fund	FEMA Proceeds Fund	ARPA Fund	Total Nonmajor Special Revenue Funds	Harbor Town Ferry Project	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:								
Restricted intergovernmental	\$ -	\$ -	\$ 178,635	\$ 1,349,652	\$ 1,528,287	\$ 115,377	\$ 115,377	\$ 1,643,664
Total revenues	-	-	178,635	1,349,652	1,528,287	115,377	115,377	1,643,664
Expenditures:								
Economic and physical development	51,906	6,752	57,956	182	116,796	115,377	115,377	232,173
Total expenditures	51,906	6,752	57,956	182	116,796	115,377	115,377	232,173
Excess (deficiency) of revenues over expenditures	(51,906)	(6,752)	120,679	1,349,470	1,411,491	-	-	1,411,491
Other financing sources (uses):								
Transfers in (out)	-	-	-	(1,349,470)	(1,349,470)	-	-	(1,349,470)
Total other financing sources (uses)	-	-	-	(1,349,470)	(1,349,470)	-	-	(1,349,470)
Net change in fund balance	(51,906)	(6,752)	120,679	-	62,021	-	-	62,021
Fund balances:								
Beginning of year, July 1	(13,095)	6,752	(160,162)	-	(166,505)	-	-	(166,505)
End of year, June 30	\$ (65,001)	\$ -	\$ (39,483)	\$ -	\$ (104,484)	\$ -	\$ -	\$ (104,484)

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Town of Edenton, North Carolina
North Carolina Housing Finance Grant Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental revenues:					
Federal grant no. SFRLP 2014		\$ 273,044	\$ -	\$ 273,044	
Total restricted intergovernmental	\$ 750,000	273,044	-	273,044	\$ (476,956)
Expenditures:					
Current:					
Economic and physical development:					
Administration		68,181	51,906	120,087	
Rehabilitation		217,958	-	217,958	
Total economic and physical development	750,000	286,139	51,906	338,045	411,955
Revenues over expenditures	-	(13,095)	(51,906)	(65,001)	(65,001)
Net change in fund balance	\$ -	\$ -	(51,906)	\$ (65,001)	\$ (65,001)
Fund balance:			(13,095)		
Beginning of year, July 1					
End of year, June 30			\$ (65,001)		

Town of Edenton, North Carolina
Coronavirus Relief Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Favorable (Unfavorable)
Revenues			
Restricted intergovernmental			
NC Pandemic Recovery Grant	\$ 186,866	\$ -	\$ 186,866
Total restricted intergovernmental	<u>186,866</u>	<u>-</u>	<u>(186,866)</u>
Expenditures:			
Public health			
Administration	186,866	6,752	180,114
Total expenditures	<u>186,866</u>	<u>6,752</u>	<u>(6,752)</u>
Revenues over (under) expenditures	<u>-</u>	<u>(6,752)</u>	<u>(6,752)</u>
Net change in fund balance	<u>\$ -</u>	<u>(6,752)</u>	<u>\$ (6,752)</u>
Fund balance:			
Beginning of year, July 1		6,752	
End of year, June 30		<u>\$ -</u>	

Town of Edenton, North Carolina
FEMA Proceeds Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Favorable (Unfavorable)
Revenues			
Restricted intergovernmental			
FEMA Proceeds	\$ 618,807	\$ 178,635	\$ (440,172)
Total restricted intergovernmental	618,807	178,635	(440,172)
Expenditures:			
Economic and physical development:			
Repairs and maintenance		57,956	
Total expenditures	618,807	57,956	560,851
Revenues over (under) expenditures	-	120,679	120,679
Other financing sources (uses):			
Transfer in (out)		-	
Total other financing sources (uses)	-	-	-
Net change in fund balance	-	120,679	120,679
Fund balance appropriated	-	-	-
Net change in fund balance	\$ -	120,679	\$ 120,679
Fund balance:			
Beginning of year, July 1		(160,162)	
End of year, June 30		\$ (39,483)	

Town of Edenton, North Carolina
ARPA Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Favorable (Unfavorable)
Revenues			
Restricted intergovernmental		\$ 1,349,652	
Interest		-	
Total revenues	<u>\$ 1,349,470</u>	<u>1,349,652</u>	<u>\$ 182</u>
Expenditures:			
Operating expenditures		182	
Total expenditures	<u>-</u>	<u>182</u>	<u>(182)</u>
Revenues over (under) expenditures	<u>1,349,470</u>	<u>1,349,470</u>	<u>-</u>
Other financing sources (uses):			
Transfer in (out)		(1,349,470)	
Total other financing sources (uses)	<u>(1,349,470)</u>	<u>(1,349,470)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance:			
Beginning of year, July 1		-	
End of year, June 30		<u>\$ -</u>	

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds

Town of Edenton, North Carolina
Harbor Town Ferry Project Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Favorable (Unfavorable)
Revenues			
Restricted intergovernmental		\$ 115,377	
Total revenues	\$ 500,000	115,377	\$ (384,623)
Expenditures:			
Operating expenditures		115,377	
Total expenditures	500,000	115,377	384,623
Revenues over (under) expenditures	-	-	-
Net change in fund balance	\$ -	-	\$ -
Fund balance:			
Beginning of year, July 1		-	
End of year, June 30		\$ -	

PROPRIETARY FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Town of Edenton, North Carolina
Electric Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Positive (Negative)
Revenues:			
Operating revenues			
Charges for services:			
Electricity sales		\$ 11,766,228	
Penalties		60,826	
Pole rent		29,717	
Sale of merchandise and scrap		20,469	
Connection fees and services		64,247	
Miscellaneous		125,505	
Total operating revenues	\$ 13,180,012	12,066,992	\$ (1,113,020)
Nonoperating Revenues			
Investment earnings		4,235	
Total non-operating revenues	100	4,235	4,135
Total revenues	13,180,112	12,071,227	(1,108,885)
Expenditures:			
Electric administration:			
Salaries and employee benefits		388,851	
Contracted services		4,408	
Services		611,188	
Industrial development		40,000	
Maintenance and repair		22,035	
Other operating expenses		886,652	
Total electric administration	2,044,388	1,953,134	91,254
Billing and collection:			
Salaries and employee benefits		272,504	
Other operating expenses		137,558	
Total billing and collection	410,099	410,062	37
Electric power			
Salaries and employee benefits		442,146	
Electricity purchases		8,567,119	
Other operating expenses		942,871	
Total electric power	9,959,593	9,952,136	7,457

Town of Edenton, North Carolina
Electric Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Positive (Negative)
Debt service:			
Debt principal		42,639	
Interst and fees		3,415	
Total debt service	46,079	46,054	25
Capital outlay			
Equipments		244,225	
Vehicles		124,000	
Total capital outlay	370,000	368,225	1,775
Total expenditures	12,830,159	12,729,611	100,548
Revenues over (under) expenditures	349,953	(658,384)	(1,008,337)
Other financing sources and (uses):			
Transfer out		(349,953)	
Total other financing sources (uses)	(349,953)	(349,953)	-
Revenues and other sources over (Under) expenses and other uses	-	(1,008,337)	(1,008,337)
Expenditures and other uses	\$ -	\$ (1,008,337)	\$ 1,008,337

Reconciliation from budgetary basis (modified accrual) to full accrual:

Revenues, other sources and appropriated	
Fund balance over (under)	
Expenditures and other uses	\$ (1,008,337)
Reconciling items:	
Depreciation	(298,801)
Capital outlay	368,225
Principal payments	42,639
Change in accrued vacation pay	9,910
(Increase) decrease in net pension liability	(369,842)
Increase (decrease) in deferred outflows of resources for pensions	108,456
(Increase) decrease in deferred inflows of resources for pensions	151,743
Change in accrued OPEB	34,567
Total reconciling items	46,897
Change in net position	\$ (961,440)

Town of Edenton, North Carolina
Electric Fund Small Capital Projects
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Non-operating revenue					
Investment earnings		\$ 146	\$ -	\$ 146	\$
Total non-operating revenue		146	-	146	146
Expenditures:					
Capital outlay		-	-	-	-
Total		-	-	-	-
Revenues over (under) expenditures	-	146	-	146	146
Other financing sources (uses):					
Long-term debt issued				-	-
Total	-	-	-	-	-
Revenues and other financing sources over (under) expenditures	\$ -	\$ 146	\$ -	\$ 146	\$ 146
Beginning of year, July 1			146		
End of year, June 30			\$ 146		

Town of Edenton, North Carolina
Airport Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Positive (Negative)
Revenues:			
Operating revenues			
Charges for services:			
Hangar rentals		\$ 39,302	
Sale of fuel		208,930	
Other operating revenue		68,808	
Total operating revenues	<u>\$ 418,188</u>	<u>317,040</u>	<u>\$(101,148)</u>
Total revenues	<u>418,188</u>	<u>317,040</u>	<u>(101,148)</u>
Expenditures:			
Administration			
Salaries and employee benefits		54,012	
Insurance		8,541	
Fuel purchases		175,665	
Repairs & maintenance		31,274	
Other operating expenses		55,936	
Total administration	<u>428,188</u>	<u>325,428</u>	<u>102,760</u>
Total expenditures	<u>428,188</u>	<u>325,428</u>	<u>102,760</u>
Revenues over (under) expenditures	<u>(10,000)</u>	<u>(8,388)</u>	<u>1,612</u>
Other financing sources and (uses):			
Sale of merchandise and scrap		10,000	
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Revenues, Other Sources and Appropriated			
Fund balance over (under)			
Expenditures and other uses	<u>\$ -</u>	<u>1,612</u>	<u>\$ 1,612</u>

Town of Edenton, North Carolina
Airport Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Positive (Negative)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Revenues, other sources and appropriated			
Fund balance over (under)			
Expenditures and other uses		\$ 1,612	
Reconciling items:			
Capital outlay		-	
Other revenues from capital projects		306,033	
Increase (decrease) in deferred outflows of resources for pensions		(819)	
(Increase) decrease in deferred inflows of resources for pensions		(2,498)	
Change in accrued OPEB		2,033	
Depreciation		(195,800)	
Total reconciling items		108,949	
Change in net position		\$ 110,561	

Town of Edenton, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	2023		Variance
	Final Budget	Actual	Positive (Negative)
Revenues:			
Operating revenues			
Charges for services:			
Charges for water and sewer		\$ 2,872,710	
Other operating revenues		17,050	
Total operating revenues	<u>\$ 3,137,842</u>	<u>2,889,760</u>	<u>\$ (248,082)</u>
Non-operating revenues			
Sale of merchandise and scrap		15,823	
Miscellaneous		3,545	
Rents		100,443	
Total non-operating revenues	<u>112,497</u>	<u>119,811</u>	<u>7,314</u>
Total revenues	<u>3,250,339</u>	<u>3,009,571</u>	<u>(240,768)</u>
Expenditures:			
Water operations:			
Salaries and employee benefits		193,645	
Services		150,499	
Utilities		70,220	
Repairs & maintenance		202,865	
Other operating expenses		271,259	
Total water operations	<u>918,177</u>	<u>888,488</u>	<u>29,689</u>
Sewage collections			
Salaries and employee benefits		507,507	
Utilities		80,171	
Repairs & maintenance		56,868	
Other operating expenses		189,821	
Total sewage collections	<u>856,277</u>	<u>834,367</u>	<u>21,910</u>
Water and sewer line maintenance			
Salaries and employee benefits		382,693	
Repairs & maintenance		89,661	
Other operating expenses		364,818	
Total water and sewer line maintenance	<u>1,108,151</u>	<u>837,172</u>	<u>270,979</u>
Debt service			
Debt principal		242,084	
Interest and fees		78,541	
Total debt service	<u>339,788</u>	<u>320,625</u>	<u>19,163</u>
Capital outlay			
Vehicles		39,111	
Plant and distribution systems		228,349	
Tools & equipment		32,904	
Total capital outlay	<u>358,520</u>	<u>300,364</u>	<u>58,156</u>
Total expenditures	<u>3,580,913</u>	<u>3,181,016</u>	<u>399,897</u>
Revenues over (under) expenditures	<u>(330,574)</u>	<u>(171,445)</u>	<u>159,129</u>
Other financing sources and (uses):			
Transfers in (out)		300,000	-
Total other financing sources (uses)	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Revenues and other sources over (Under) expenses and other uses	<u>(30,574)</u>	<u>128,555</u>	<u>159,129</u>
Appropriated Fund Balance	<u>30,574</u>	<u>-</u>	<u>(30,574)</u>
Revenues, Other Sources and Appropriated Fund Balance Over (Under)	<u>\$ -</u>	<u>\$ 128,555</u>	<u>\$ 128,555</u>
Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 128,555</u>	<u>\$ 128,555</u>

Town of Edenton, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	2023		Variance Positive (Negative)
	Final Budget	Actual	
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Revenues, other sources and appropriated			
Fund balance over (under)			
Expenditures and other uses		128,555	
Reconciling items:			
Capital outlay		300,364	
Principal payments		242,084	
Change in accrued vacation pay		(5,315)	
(Increase) decrease in net pension liability		(326,331)	
Increase (decrease) in deferred outflows of resources for pensions		95,695	
Other expenses from Water and Sewer Capital Projects		(26,843)	
(Increase) decrease in deferred inflows of resources for pensions		133,890	
Change in accrued OPEB		30,500	
Depreciation		(352,426)	
Total reconciling items		91,618	
Change in net position		\$ 220,173	

Town of Edenton, North Carolina
Waste Water Treatment Plant Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Non-operating revenue					
Investment earnings	\$ 5,994,000	\$ -	\$ -	\$ -	\$ 5,994,000
Total non-operating revenue	<u>5,994,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,994,000)</u>
Expenditures:					
Capital outlay	4,521,250	306,382	-	306,382	4,214,868
Operating expenses	1,229,900	207,017	26,843	233,860	996,040
Total	<u>5,751,150</u>	<u>513,399</u>	<u>26,843</u>	<u>540,242</u>	<u>5,210,908</u>
Revenues over (under) expenditures	<u>242,850</u>	<u>(513,399)</u>	<u>(26,843)</u>	<u>(540,242)</u>	<u>(783,092)</u>
Other financing sources (uses):					
Long-term debt issued	242,850	-	-	-	(242,850)
Total	<u>242,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(242,850)</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$(513,399)</u>	<u>(26,843)</u>	<u>\$ (540,242)</u>	<u>\$ (1,025,942)</u>
Beginning of year, July 1			<u>(513,399)</u>		
End of year, June 30			<u>\$ (540,242)</u>		

Town of Edenton, North Carolina
Waste Water Abatement Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental					
N.C. Department of Commerce Grant	\$ 2,352,935	\$ 182,981	\$ -	\$ 182,981	\$ (2,169,954)
Local Funds	-	40,008	-	40,008	40,008
Total non-operating revenue	<u>2,352,935</u>	<u>222,989</u>	<u>-</u>	<u>222,989</u>	<u>(2,129,946)</u>
Expenditures:					
Loan fee	42,500	22,000	-	22,000	20,500
Construction	2,310,435	1,415,524	33,226	1,448,750	861,685
Total	<u>2,352,935</u>	<u>1,437,524</u>	<u>33,226</u>	<u>1,470,750</u>	<u>882,185</u>
Revenues over (under) expenditures	<u>-</u>	<u>(1,214,535)</u>	<u>(33,226)</u>	<u>(1,247,761)</u>	<u>(1,247,761)</u>
Other financing sources (uses):					
Transfers In	-	106,611	-	106,611	106,611
Long-term debt issued	-	1,099,992	-	1,099,992	1,099,992
Total	<u>-</u>	<u>1,206,603</u>	<u>-</u>	<u>1,206,603</u>	<u>1,206,603</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ (7,932)</u>	<u>(33,226)</u>	<u>\$ (41,158)</u>	<u>\$ (41,158)</u>
Beginning of year, July 1			<u>(7,932)</u>		
End of year, June 30			<u>\$ (41,158)</u>		

Town of Edenton, North Carolina
Water Treatment Plants Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental					
U.S.D.A. Grant	\$ 1,115,149	\$ 1,115,000	\$ -	\$ 1,115,000	
Total non-operating revenue	1,115,149	1,115,000	-	1,115,000	(149)
Expenditures:					
Professional services	503,500	10,565	-	10,565	
Interest	135,556	135,555	-	135,555	
Capital outlay	3,117,093	3,609,879	-	3,609,879	
Total	3,756,149	3,755,999	-	3,755,999	150
Revenues over (under) expenditures	(2,641,000)	(2,640,999)	-	(2,640,999)	1
Other financing sources (uses):					
Long-term debt issued	2,641,000	2,641,000	-	2,641,000	-
Total	2,641,000	2,641,000	-	2,641,000	-
Revenues and other financing sources over (under) expenditures	\$ -	\$ 1	-	\$ 1	\$ 1
Beginning of year, July 1			1		
End of year, June 30			\$ 1		

Town of Edenton, North Carolina
Water Supply Well Rehab Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental					
NC Department of Commerce	\$ 1,855,751	\$ -	\$ -	\$ -	\$ (1,855,751)
Total non-operating revenue	<u>1,855,751</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,855,751)</u>
Expenditures:					
Construction	1,855,751	985,747	882,847	1,868,594	(12,843)
Total	<u>1,855,751</u>	<u>985,747</u>	<u>882,847</u>	<u>1,868,594</u>	<u>(12,843)</u>
Revenues over (under) expenditures	<u>-</u>	<u>(985,747)</u>	<u>(882,847)</u>	<u>(1,868,594)</u>	<u>(1,868,594)</u>
Other financing sources (uses):					
Transfer in (out)	-	36,387	-	36,387	36,387
Long-term debt issued	-	652,644	1,013,258	1,665,902	1,665,902
Total	<u>-</u>	<u>689,031</u>	<u>1,013,258</u>	<u>1,702,289</u>	<u>1,702,289</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ (296,716)</u>	<u>130,411</u>	<u>\$ (166,305)</u>	<u>\$ (166,305)</u>
Beginning of year, July 1			<u>(296,716)</u>		
End of year, June 30			<u>\$ (166,305)</u>		

Town of Edenton, North Carolina
NCDEQ Grant and Small Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
NCDEQ proceeds	\$ 1,038,250	\$ 16,850	\$ -	\$ 16,850	\$ (1,021,400)
Interest	-	66	-	66	66
Grants	-	480,407	-	480,407	480,407
Total revenue	<u>1,038,250</u>	<u>497,323</u>	<u>-</u>	<u>497,323</u>	<u>(540,927)</u>
Expenditures:					
Construction	840,250	729,599	43,243	772,842	67,408
Capital outlay	394,644	274,995	-	274,995	119,649
Total	<u>1,234,894</u>	<u>1,004,594</u>	<u>43,243</u>	<u>1,047,837</u>	<u>187,057</u>
Revenues over (under) expenditures	<u>(196,644)</u>	<u>(507,271)</u>	<u>(43,243)</u>	<u>(550,514)</u>	<u>(353,870)</u>
Other financing sources (uses):					
Long-term debt issued	-	400,000	-	400,000	400,000
Transfers in	196,644	195,694	-	195,694	(950)
Total	<u>196,644</u>	<u>595,694</u>	<u>-</u>	<u>595,694</u>	<u>399,050</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 88,423</u>	<u>(43,243)</u>	<u>\$ 45,180</u>	<u>\$ 45,180</u>
Beginning of year, July 1			88,423		
End of year, June 30			<u>\$ 45,180</u>		

Town of Edenton, North Carolina
Parallel Taxiway Project
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental					
Grant proceeds	\$ 1,190,508	\$ 801,489	\$ 306,033	\$ 1,107,522	\$ (82,986)
Total non-operating revenue	<u>1,190,508</u>	<u>801,489</u>	<u>306,033</u>	<u>1,107,522</u>	<u>(82,986)</u>
Expenditures:					
Capital outlay	1,190,508	883,168	262,106	1,145,274	45,234
Total	<u>1,190,508</u>	<u>883,168</u>	<u>262,106</u>	<u>1,145,274</u>	<u>45,234</u>
Revenues over (under) expenditures	-	(81,679)	43,927	(37,752)	(37,752)
Revenues and other financing sources					
over (under) expenditures	<u>\$ -</u>	<u>\$ (81,679)</u>	<u>43,927</u>	<u>\$ (37,752)</u>	<u>\$ (37,752)</u>
Fund balance:					
Beginning of year, July 1			<u>(81,679)</u>		
End of year, June 30			<u>\$ (37,752)</u>		

OTHER SCHEDULES

This section includes additional information on property taxes.

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

Town of Edenton, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2023

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2022</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2023</u>
2022-2023	\$	\$ 2,876,651	\$ 2,824,342	\$ 52,309
2021-2022	29,347	-	17,666	11,681
2020-2021	7466	-	1,561	5,905
2019-2020	7,665	-	888	6,777
2018-2019	6,310	-	896	5,414
2017-2018	3,690	-	649	3,041
2016-2017	2,851	-	325	2,526
2015-2016	2,527	-	376	2,151
2014-2015	3,217	-	310	2,907
2013-2014	4,167	-	160	4,007
2012-2013	3,541	-	3,541	-
TOTALS	\$ 70,781	\$ 2,876,651	\$ 2,850,714	\$ 96,718

Less: Allowance for uncollectable taxes

-

Ad valorem taxes - General Fund

\$ 96,718

Reconcilement with revenues:

Ad valorem taxes - General Fund

\$ 2,852,351

Reconciling items:

Penalties and Interest

(10,217)

Releases

8,580

Total Reconciling Items

(1,637)

Total Collections and Credits

\$ 2,850,714

Town of Edenton, North Carolina
Analysis of Current Tax Levy
Town - Wide Levy
For the Fiscal Year Ended June 30, 2023

	Town - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property Taxes at Current Year Rate	\$ 668,988,605	0.43%	\$ 2,876,651	\$ 2,553,877	\$ 322,774
Total Original Levy	<u>668,988,605</u>		<u>2,876,651</u>	<u>2,553,877</u>	<u>322,774</u>
 Total for Year	 \$ <u>668,988,605</u>		 2,876,651	 2,553,877	 322,774
 Uncollected taxes at June 30, 2023			 (52,309)	 (52,309)	 -
 Current year's taxes collected			 \$ <u>2,824,342</u>	 \$ <u>2,501,568</u>	 \$ <u>322,774</u>
 Current levy collection percentage			 <u>98.18%</u>	 <u>97.95%</u>	 <u>100.00%</u>

COMPLIANCE SECTION



Thompson, Price, Scott, Adams & Co., P.A.
4024 Oleander Drive Suite 103
Wilmington, North Carolina 28403
Telephone (910) 791-4872
Fax (910) 239-8294

**Report On Internal Control Over Financial Reporting And On Compliance and
Other Matters Based On An Audit Of Financial Statements Performed In
Accordance With *Government Auditing Standards***

Independent Auditor's Report

To the Honorable Mayor and
Members of the Town Council
Edenton, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Edenton, North Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprises the Town of Edenton's basic financial statements, and have issued our report thereon dated October 26, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Edenton's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Edenton's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Edenton's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., PA

Wilmington, North Carolina

October 26, 2023



Thompson, Price, Scott, Adams & Co., P.A.
4024 Oleander Drive Suite 103
Wilmington, North Carolina 28403
Telephone (910) 791-4872
Fax (910) 239-8294

**Report on Compliance for Each Major Federal Program; Report on Internal
Control Over Compliance; 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
Town of Edenton, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Edenton, North Carolina, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Town of Edenton's major federal programs for the year ended June 30, 2023. The Town of Edenton's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Edenton 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 federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal 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 the Town of Edenton and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town of Edenton'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 Town of Edenton federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Town of Edenton'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 Town of Edenton's compliance with the requirements of each major federal 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 Town of Edenton compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Town of Edenton'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 Town of Edenton's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Thompson, Price, Scott, Adams & Co., PA
Wilmington, North Carolina
October 26, 2023



Thompson, Price, Scott, Adams & Co., P.A.
4024 Oleander Drive Suite 103
Wilmington, North Carolina 28403
Telephone (910) 791-4872
Fax (910) 239-8294

**Report on Compliance for Each Major State Program; Report on Internal Control
Over Compliance; With OMB Uniform Guidance and the State Single Audit
Implementation Act**

Independent Auditor's Report

To the Honorable Mayor and
Members of the Town Council
Edenton, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Town of Edenton, North Carolina, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Town of Edenton's major State programs for the year ended June 30, 2023. The Town of Edenton'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 Town of Edenton 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 the Town of Edenton 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 Town of Edenton'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 Town of Edenton 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 Town of Edenton'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 Town of Edenton'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 Town of Edenton'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 Town of Edenton'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 Town of Edenton's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Thompson, Price, Scott, Adams & Co., PA

Wilmington, North Carolina

October 26, 2023

Town of Edenton, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section I. Summary of Auditor's Results

Financial Statements

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

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant Deficiency(s) identified ☐ yes ☒ none reported

Noncompliance material to financial statements noted ☐ yes ☒ no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant Deficiency(s) identified? ☐ yes ☒ None Reported

Type of report the auditor issued on compliance for major Federal programs:
Unmodified.

Any audit findings disclosed that are required to be reported in accordance with the 2 CFR 200.516(a)? ☐ yes ☒ no

Identification of major Federal programs:

<u>Assistance Listing No ()</u>	<u>Names of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? ☐ yes ☒ no

State Awards

Internal control over major State programs:

- Material weakness(es) identified? ☐ yes ☒ no

Town of Edenton, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

- Significant Deficiency(s) identified
that are not considered to be
material weaknesses ___ 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 name

N.C. Department of Commerce:

Rural Infrastructure Program

COM-9

Golden Leaf Foundation

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

Auditee qualified as State as low-risk auditee? ___yes X no

Town of Edenton, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

Section IV – State Award Findings and Questioned Costs

None reported.



EDENTON
North Carolina

Town of Edenton, North Carolina
Corrective Action Plan
For the Fiscal Year Ended June 30, 2023

Section II – Financial Statement Findings

None reported.

TOWN OF EDENTON, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's No.</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to subrecipients</u>
Federal Grants:					
Cash Programs:					
<u>U.S. Dept. of Agriculture</u>					
Community Facilities Loans and Grants (Note 4)	10.766		\$ 26,843	\$ -	\$ -
<u>U.S. Department of Transportation</u>					
Passed-through the N.C. Division of Aviation:					
Airport Improvement Program	20.106	36237.15.17.1	91,070	-	-
<u>U. S. Department of Treasury</u>					
Coronavirus State and Local Fiscal Recovery Funds	21.027		1,349,652	-	-
<u>U. S. Department of Homeland Security</u>					
Passed-through N.C. Department of Public Safety					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		42,114	-	-
Total assistance - federal programs			<u>1,509,679</u>	<u>-</u>	<u>-</u>
State Grants:					
Cash Assistance:					
<u>N.C. Department of Commerce:</u>					
Rural Infrastructure Program		COM-9	-	225,000	225,000
Housing Repairs		20-C3630	-	51,066	-
Golden Leaf Grant			-	216,909	-
<u>N.C. Office of State Budget and Management:</u>					
Harbor Town Ferry Project			-	115,377	-
<u>N.C. Department of Transportation:</u>					
Powell Bill		32570	-	246,814	-
Division of Aviation:					
Airport Improvement Program		36244.22.8.1	-	76,963	-
Airport Improvement Program		36237.15.14.1	-	1,000	-
Airport Improvement Program		36237.15.16.1	-	56,312	-
Airport Improvement Program		36237.15.17.1	-	10,120	-
Total assistance - State programs			-	999,561	225,000
Total assistance			<u>\$ 1,509,679</u>	<u>\$ 999,561</u>	<u>\$ 225,000</u>

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 Town of Edenton 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 Schedule presents only a selected portion of the operations of the Town of Edenton, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Edenton.

Note 2: Summary of Significant Accounting Policies

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

Note 3: Indirect Cost Rate

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

Note 4: Loans Outstanding

The Town of Edenton 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 outstanding at the beginning of the year and loans made during the year are included in the SEFSA. The balance of loans outstanding at June 30, 2023 consist of:

<u>Program Title</u>	<u>Assistance Listing No.</u>	<u>Pass-through Grantor's Number</u>	<u>Amount Outstanding</u>
Community Facilities Loans and Grants	10.766	38-021-566001216	\$ 5,955,000
NCDEQ Loan		H-LRX-F-19-1944	\$ 1,505,434

TOWN OF EDENTON CAPITAL PROJECT ORDINANCE

AMENDMENT # 7

Date: November 14, 2023
 To: Town Council
 From: Virginia Smith, *Finance Officer*
 Fund: Wastewater Treatment Plant
 Project: Improvements to the Wastewater Treatment Plant

Adopted Fiscal Year 2017-2018
 Amendment #1 March 12, 2019
 Amendment #2 October 28, 2019
 Amendment #3 November 10, 2020
 Amendment #4 March 9, 2021
 Amendment #5 August 23, 2021
 Amendment #6 September 27, 2021

Account #	Account Description	Expense (Inc+/Dec-)	Revenue (Inc+/Dec-)
69-270-000	PROCEEDS FROM USDA GRANT		\$ 5,188,000.00
69-270-001	PROCEEDS FROM USDA LOAN		\$ 5,955,000.00
69-270-002	CONTRIBUTION TOWN OF EDENTON		\$ 47,650.00
	ENGINEERING/LEGAL/OTHER FEES 719,900		
69-170-000	AERIAL SURVEY, SOIL SCIENTIST EVALUATION, HYDROGEOLOGICAL EVALUATION & AGRONOMIC EVALUATION	\$ 157,320.94	
69-171-000	PRELIMINARY ENGINEERING DESIGN	\$ 16,151.88	
69-172-000	ENVIRONMENTAL STUDY & REPORT	\$ 50,639.06	
69-173-000	PRELIMINARY ENGINEERING DESIGN	\$ 125,820.41	
69-174-000	FINAL DESIGN PHASE	\$ 121,362.00	
69-175-000	ADDITIONAL ADMINISTRATIVE SERVICES	\$ 22,092.00	
69-175-001	LEGAL SERVICES	\$ 1,849.50	
69-176-000	WELANDS DELINIATION	\$ 10,000.00	
69-177-000	ADVERTISEMENT/BIDDING/CONTRACT AWARD	\$ 14,815.95	
69-178-000	CONSTRUCTION ADMINISTRATION	\$ 17,216.75	
69-180-006	FINAL ENGINEERING SERVICES	\$ 182,631.51	
	CONSTRUCTION 9,068,438		
69-178-001	CONSTRUCTION	\$ 9,068,438.00	
	MISCELLANEOUS 1,402,312		
69-179-000	RESIDENT PROJECT REPRESENTATIVE SERVICES	\$ 452.54	
69-180-000	WWTP START UP ASSISTANCE	\$ -	
69-180-001	CONTINGENCIES	\$ 906,844.00	
69-180-002	SOC APPLICATION ASSISTANCE	\$ 45.26	
69-180-003	USDA RD APPLICATION ASSISTANCE	\$ -	
69-180-004	FUNDING ADMINISTRATION/BOND COUNSEL/OTHER	\$ 45,502.20	
69-180-005	INTERIM FINANCING INTEREST	\$ 449,468.00	
	Balanced	\$ 11,190,650.00	\$ 11,190,650.00
	Checkpoint	\$ (0.00)	

BUDGET TRANSFER

Account #	Account Description	Expense (Inc+/Dec-)	Revenue (Inc+/Dec-)
30-399-000	Transfer from Water/Sewer Fund: Fund Balance		\$ 47,650.00
30-660-949	Transfer To Capital Project Fund	\$ 47,650.00	
	Balanced	\$ 47,650.00	\$ 47,650.00
	Checkpoint	\$ -	

Council Approval Date _____
 Finance Officer _____
 Entry # _____
 Date _____

DEPARTMENT OF THE TREASURER
LOCAL GOVERNMENT COMMISSION
3200 Atlantic Avenue, Raleigh, North Carolina 27604

FINAL CAPITAL BUDGET

Unit Town of Edenton, North Carolina

Date June 21, 2023

Note: A separate FINAL CAPITAL BUDGET is required for each bond purpose for which notes are to be sold.

1. Bond purpose: Phase 1 -Wastewater System Improvements Amount of Notes \$5,955,000
2. Describe in general terms nature of project/capital outlay if different from original application.
Project is to provide mechanical, operational, and sprayfield improvements to the Town's non-discharge spray irrigation wastewater treatment and disposal facility.
3. Consulting Engineer or Architect: The Wooten Company
4. Final Capital budget — based on actual costs (i.e. construction bids received as of January 31, 2023.)

Include bid tabulations for construction cost (Note: Bid tabulations should equal construction cost in the following table).

Actual Cost		Funding Sources	
Construction Cost	\$ <u>9,068,438</u>	Bonds.....	\$ <u>5,955,000</u>
Eng. or Arch. Fees.....	<u>719,900</u>	Grants (USDA RD).....	<u>5,188,000</u>
Land and Rt.-of-way	<u>0</u>	Town of Edenton	<u>47,650</u>
Bond Counsel Legal Fees	<u>23,000</u>	.....	.....
Other Legal and Fiscal	<u>10,000</u>	.....	.....
Administrative	<u>13,000</u>	.....	.....
Capitalized Interest	<u>449,468</u>	.....	.....
Contingency	<u>906,844</u>	Available Cash.....	.....
.....	.....	Other .....	.....
Total	\$ <u>11,190,650</u>	Total	\$ <u>11,190,650</u>

5. Have all required permits and/or approvals by State or Federal regulatory agencies been received? Yes

Signature of Authorized Representative of Unit

Date 7/6/2023

Concurrence of State USDA Representative

Date

RESOLUTION BY THE TOWN OF EDENTON TOWN COUNCIL

WHEREAS, the American Rescue Plan (ARP) funded from the State Fiscal Recovery Fund was established in S.L. 2021-180 to assist eligible units of government with meeting their water/wastewater infrastructure needs, and

WHEREAS, the North Carolina Department of Environmental Quality has offered American Rescue Plan (ARP) funding in the amount of \$175,000 to perform an Asset Inventory and Assessment study detailed in the submitted application, and

WHEREAS, the Town of Edenton intends to perform said project in accordance with the agreed scope of work,

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF EDENTON:

That Town of Edenton does hereby accept the American Rescue Plan (ARP) offer of \$175,000.

That the Town of Edenton does hereby give assurance to the North Carolina Department of Environmental Quality that any Conditions or Assurances contained in the Award Offer will be adhered to.

That I, Jimmy E. Stallings, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required by the Division of Water Infrastructure.

Adopted this the 14th Day of November 2023, at the Full Council Meeting in Edenton, North Carolina.

Jimmy E. Stallings
Mayor

Corey Gooden
Town Clerk

ROY COOPER

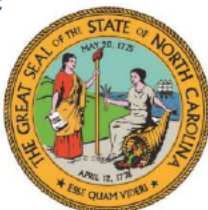
Governor

ELIZABETH S. BISER

Secretary

SHADI ESKAF

Director



NORTH CAROLINA
Environmental Quality

November 6, 2023

Mr. Corey Gooden, Town Manager
Town of Edenton
P.O. Box 300
Edenton, NC 27932

SUBJECT: Offer & Acceptance for American Rescue
Plan Funding
Town of Edenton
AIA – Water Phase 2
Project No. AIA-D-ARP-0003
UEID No. ENMLW8QCGCA3

Dear Mr. Gooden:

The Town of Edenton has been approved for American Rescue Plan (ARP) funding from the State Fiscal Recovery Fund in the amount of **\$175,000** for an Asset Inventory and Assessment (AIA) study. Projects funded from the State Fiscal Recovery Funds established in S.L. 2021-180/S.L. 2022-74 must meet applicable federal law and guidance for the ARP funds.

Enclosed are two (2) copies of an offer-and-acceptance document, extending ARP funding in the amount of \$175,000. This offer is made by the Division of Water Infrastructure (DWI), subject to the assurances and conditions set forth in the enclosed offer-and-acceptance document. Funds will not be disbursed unless this offer is accepted.

Upon your acceptance, please submit the following items to Pam Whitley, via email at Pam.Whitley@deq.nc.gov, or via mail at Division of Water Infrastructure (DWI), 1633 Mail Service Center, Raleigh, North Carolina 27699-1633:

1. One (1) copy of the original offer-and-acceptance document, executed by the Authorized Representative for the project, along with the signed "Standard Conditions and Assurances" for ARP Projects. **Please retain the second copy for your files.**
2. A resolution (sample copy attached), adopted by the governing body, accepting the offer, and making the applicable assurances contained therein.
3. Sales Tax Certification, if applicable (attached).
4. ARPA Engineering Services Procurement Certification (attached).



North Carolina Department of Environmental Quality | Division of Water Infrastructure
512 N. Salisbury Street | 1633 Mail Service Center | Raleigh, North Carolina 27699-1633
919.707.9160

5. One (1) copy of all executed service agreements and/or contracts.

All work associated with this project must be completed within 24 months of the date of this letter.

Once the subject project has commenced, the enclosed "reimbursement request form" must be completed and submitted with all reimbursement requests. You are free to reproduce this form should additional copies be needed. Additional information and template forms can be found on DWT's website under the "I Have Funding – Construction and Reimbursement" page. Reimbursement requests should be sent to Bob Taylor, your Viable Utility Unit Project Manager, at the address noted.

As a reminder, a memorandum requesting your federal identification number was included with the Letter of Intent to Fund. You must complete and submit this no later than the time when you choose to submit your first request for reimbursement.

On behalf of the Department of Environmental Quality, I am pleased to extend this offer of ARP funds, made available by the North Carolina Fiscal Recovery Fund. Should you have any questions concerning this offer of funding, or any of the stipulations outlined in this offer package, please contact Bob Taylor at bob.taylor@deq.nc.gov or 919-707-3713.

Sincerely,



52CD62E9DA6B44F...
Victor A. D'Amato, PE
Division of Water Infrastructure, NCDEQ

Enclosures: Offer-and-Acceptance Document (2 copies)
Resolution by Applicant's Governing Body to Accept an Offer of Funding
Sales-Tax Certification Form
ARPA Engineering Services Procurement Certification
Reimbursement Request Form

CC: Corey Gooden, Town Manager corey.gooden@edenton.nc.gov
David Tuten, Stroud Engineering dtuten@stroudengineer.com
Jennifer House (via email)
DWI Administrative Unit (via email)
Bob Taylor (via email)
Matthew Rushing, EI (via email)
FILE: ARPA (Agreement Number 2000063130)



**STATE OF NORTH CAROLINA
DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER INFRASTRUCTURE**

Funding Offer and Acceptance

Legal Name and Address of Award Recipient

Town of Edenton
P.O. Box 300
Edenton, NC 27932

Project Number: AIA-D-ARP-0003

Recipient's UEID#: ENMLW8QCGCA3

Drinking Water <input checked="" type="checkbox"/>	Wastewater <input type="checkbox"/>	Both <input type="checkbox"/>	Total Grant Offered
Distressed <input checked="" type="checkbox"/>	Not Distressed <input type="checkbox"/>		
ARPA Training Grant	<input type="checkbox"/>		
ARPA Asset Inventory & Assessment Grant (AIA)	<input checked="" type="checkbox"/>		\$ 175,000
ARPA Merger/Regionalization Feasibility Grant (MRF)	<input type="checkbox"/>		

Project Description:

Total Financial Assistance Offer: **\$ 175,000**

AIA – Water Phase 2


**ARP-funded projects are exempt from both the grant fee and match requirements.*

Pursuant to North Carolina General Statute 159G:

- The applicant is eligible under Federal and State law,
- The project is eligible under Federal and State law, and
- The project has been approved by the Department of Environmental Quality as having sufficient priority to receive financial assistance,

The Department of Environmental Quality, acting on behalf of the State of North Carolina, hereby offers the financial assistance described in this document.

For The State of North Carolina: **Shadi Eskaf, Director, Division of Water Infrastructure
North Carolina Department of Environmental Quality**

	Signed on behalf of Shadi Eskaf	11/6/2023
Signature		Date

On Behalf of (Applicant): Town of Edenton
Name of Representative in Resolution: Corey Gooden
Title (Type or Print): Town Manager

I, the undersigned, being duly authorized to take such action, as evidenced by the attached CERTIFIED COPY OF AUTHORIZATION BY THE APPLICANT'S GOVERNING BODY, do hereby accept this Financial Award Offer and will comply with the Assurances and the Standard Conditions.

Signature	Date
-----------	------

STANDARD CONDITIONS FOR ARP GRANTS

1. Acceptance of this Funding Offer does not exempt the Recipient from complying with requirements stated in the U.S. Treasury's [Final Rule](#) for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and the [SLFRF Compliance and Reporting Guidance](#) not explicitly referred to in this document and any future requirements implemented by the U.S Treasury.
2. Acquisition of Real Property must comply with all applicable provisions of the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (PL 92-646), as amended. The Recipient shall certify that it has or will have a fee simple or such other estate or interest in the site of the project, including necessary easements and rights-of-way, to assure undisturbed use and possession for the purpose of construction and operation for the estimated life of the project using a certification form provided by DEQ.
3. Specific MBE/WBE (DBE) forms and instructions are provided that are to be included in the contract specifications. These forms will assist with documenting positive efforts made by recipients, their consultants, and contractors to utilize disadvantaged businesses enterprises. Such efforts should allow DBEs the maximum feasible opportunity to compete for subagreements and subcontracts to be performed. Documentation of efforts made to utilize DBE firms must be maintained by all recipients, and construction contractors, and made available upon request.
4. Subrecipients shall fully comply with Subpart C of 2 CFR Part 180 entitled, "Responsibilities of Participants Regarding Transactions Doing Business with Other Persons," as implemented and supplemented by 2 CFR Part 1532. Recipient is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of 2 CFR Part 180, entitled "Covered Transactions," includes a term or condition requiring compliance with Subpart C. Recipient is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. Subrecipients may access suspension and debarment information at: <http://www.sam.gov>. This system allows subrecipients to perform searches determining whether an entity or individual is excluded from receiving Federal assistance.
5. Projects with a total cost of \$10,000,000 or more must meet U.S. Treasury requirements for prevailing wage rates, project labor agreements, and related requirements. Recipients can either certify meeting the requirements or provide plans and reports as the [SLFRF Compliance and Reporting Guidance](#) specifies.
6. The Uniform Guidance 2 CFR 200.317 through 2 CFR 200.327 gives minimum requirements for procurement, with 2 CFR 200.319(b) addressing engineering services procurement guidelines. ARP-funded projects must also adhere to North Carolina State law, specifically NC General Statute 143-64.31, Article 3D Procurement of Architectural, Engineering, and Surveying (A/E) Services. NCGS 143-64.32 cannot be used to exempt Recipients from a qualification-based selection for A/E. The State provides applicable certification forms that must be completed prior to receiving funds for any engineering services covered under this funding offer.
7. Local government units designated as distressed must complete associated requirements of statute §159G-45(b).
8. Funds made available by the ARP that are not disbursed to the entity accepting the funds in this document by December 31st, 2026, will no longer be available for the project. Unused Federal funds will revert from the State of North Carolina to the U.S. Treasury.

STANDARD ASSURANCES FOR AIA GRANTS

1. The Recipient acknowledges that no disbursements will be made until applicable service agreements or contracts are submitted. The description of work listed on invoices must be included in the scope of work shown on the agreements or contracts.
2. The Recipient is responsible for paying for ineligible project costs as determined by the Division.
3. The Recipient agrees to establish and maintain a financial management system that adequately accounts for revenues and expenditures. Adequate accounting and fiscal records will be maintained during the construction of the project and these records will be retained and made available for a period of at least three (3) years following completion of the project.
4. All ARP funds shall be expended solely for carrying out the approved project, and an audit shall be performed in accordance with G.S. 159-34. Partial disbursements will be made promptly upon request, subject to adequate documentation of incurred eligible costs, and subject to the Recipient's compliance with the Standard Conditions and Assurances of this Award. The Recipient agrees to make prompt payment to its contractor, and to retain only such amount as allowed by North Carolina General Statute. Requests for reimbursement must be made using the Division's reimbursement form.
5. All funds provided pursuant to North Carolina General Statute 159G must be expended solely for carrying out the approved project, and an audit shall be performed in accordance with G.S. 159-34, as amended. **The Recipient must expend all of the requisitioned funds for the purpose of paying the costs of the project within three (3) banking days following the receipt of the funds from the State.** Please note that the State is not a party to any contract(s) and the Recipient is expected to uphold its contract obligations regarding timely payment.
6. The Recipient must provide summaries of project progress every other month during the project or as otherwise directed by the Division.
7. The Recipient must provide a digital copy of the final report in a universally readable format. If a project includes updating or developing a GIS database or shapefiles, at a minimum the current utility service boundaries must be provided as a polygon shapefile, including any service gaps within the boundary.
8. The Recipient must provide an executive level summary of the work performed, any conclusions made, and the next steps to be taken as a result of this work.
9. The Recipient must provide approved minutes or a resolution confirming the final report has been presented to the recipient's governing board.
10. A maximum of 95% of the grant will be paid prior to receipt of the documentation described in Standard Assurance Nos. 7, 8, and 9. After receipt of this documentation, the final reimbursement request will be processed.

Acknowledgement of Standard Conditions and Assurances

The Recipient hereby gives assurance to the Department of Environmental Quality that the declarations, assurances, representations, and statements made by the Applicant in the Application; and all documents, amendments, and communications filed with the Department of Environmental Quality by the Applicant in support of its request for financial assistance will be fulfilled.

.....
Signature

.....
Date

(Suggested Format)

RESOLUTION BY GOVERNING BODY OF RECIPIENT

WHEREAS, the American Rescue Plan (ARP) funded from the State Fiscal Recovery Fund was established in S.L. 2021-180 to assist eligible units of government with meeting their water/wastewater infrastructure needs, and

WHEREAS, the North Carolina Department of Environmental Quality has offered American Rescue Plan (ARP) funding in the amount of \$ _____ to perform an Asset Inventory and Assessment study detailed in the submitted application, and

WHEREAS, the (unit of government) intends to perform said project in accordance with the agreed scope of work,

NOW, THEREFORE, BE IT RESOLVED BY THE (GOVERNING BODY) OF THE (UNIT OF GOVERNMENT):

That (unit of government) does hereby accept the American Rescue Plan (ARP) offer of \$ _____.

That the (unit of government) does hereby give assurance to the North Carolina Department of Environmental Quality that any Conditions or Assurances contained in the Award Offer will be adhered to.

That (name and title of authorized representative), and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required by the Division of Water Infrastructure.

Adopted this the (date adopted) at (place), North Carolina.

(Signature of Chief Executive Officer)

Date

SALES-TAX REIMBURSEMENT CERTIFICATION FORM
(FOR FUNDING PROGRAMS IN THE DIVISION OF WATER INFRASTRUCTURE)

Applicant: _____

Project Number: _____

☐ Check If Applicant is not a unit of government under North Carolina law

If Applicant noted above is a Unit of Government in North Carolina, check the applicable box below.

Sales Tax **IS** deducted in this scenario. Please show this on the disbursement requests.

☐ The project includes sales taxes related to the purchase of equipment or the provision of applicable services, and the unit of government will request reimbursement from the DOR.

Sales Tax **IS NOT** deducted in either of these scenarios.

☐ The project includes sales taxes related to the purchase of equipment or the provision of applicable services, and the unit of government will not request reimbursement from the DOR.

☐ The project will not include sales taxes.

(Printed Name and Title of Authorized Representative)

(Signature of Authorized Representative)

(Date)

Submit to: NC Dept. of Environment & Natural Resources
Division of Water Infrastructure
Pam Whitley, Project Management Branch
1633 Mail Service Center
Raleigh, NC 27699-1633

NC DEQ Division of Water Infrastructure Professional Engineering Services Procurement

Section 602(b)(14) of the Clean Water Act requires projects receiving Clean Water State Revolving Fund funding to comply with engineering procurement guidelines. North Carolina Session Law 2021-180 authorizes the Division of Water Infrastructure (Division) to award grant funds from the American Rescue Plan Act (ARPA) State Fiscal Recovery Fund for drinking water, wastewater, and stormwater infrastructure projects. The Uniform Guidance 2 CFR 200.317 through 2 CFR 200.327 gives minimum requirements for procurement, with 2 CFR 200.319(b) addressing engineering services procurement guidelines.

To comply, you must follow North Carolina General Statute 143-64.31, Article 3D Procurement of Architectural, Engineering, and Surveying Services. You cannot exempt yourself using NCGS 143-64.32. Complete and sign this form and provide the information indicated to ensure that engineering services for your project are eligible for reimbursement.

Applicant: [Click or tap here to enter text.](#)

Project Name: [Click or tap here to enter text.](#)

Division Funding Number: [Click or tap here to enter text.](#)

- 1) List the basic services being provided: (i.e., planning, design, inspection etc.)
[Click or tap here to enter text.](#)
- 2) Describe the method of announcement for the project.
[Click or tap here to enter text.](#)
- 3) List the firms the announcement was discussed with or that proposals were received from in order of quality.
[Click or tap here to enter text.](#)
- 4) Was a contract negotiated with the best qualified firm? ☐ Yes ☐ No (Check one)
If no, explain why.
[Click or tap here to enter text.](#)

NOTE: Documentation of Qualification-Based-Selection of Engineering Services shall be provided to the Division upon request (to include announcement and qualifications requested).

By signing below, I [Click or tap here to enter text.](#), the Authorized Representative designated for this project in the project application, attest that the contract pricing, as seen in the attached contract(s), contains pricing that is fair and reasonable based on scope, complexity, professional nature, and the estimated value of the services being provided and the firm selected, was selected based on their qualifications.

(signed name, title and date)

(DWI staff use only – Check and initial here if debarment status checked and firm is NOT debarred ☐ _____)

Clean Water Act, Section 602(b)(14)	<p>(14) a contract to be carried out using funds directly made available by a capitalization grant under this title for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services <u>shall be negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement (as determined by the Governor of the State).</u></p> <p>From: water resources reform and development act guidance.pdf (epa.gov) <i>The requirements of 40 U.S.C. 1101 et seq. are:</i></p> <ul style="list-style-type: none"> • <i>Public announcement of the solicitation (e.g., a Request for Qualifications);</i> • <i>Evaluation and ranking of the submitted qualifications statements based on established, publicly available criteria (e.g., identified in the solicitation); o Evaluation criteria should be based on demonstrated competence and qualification for the type of professional services required (e.g., past performance, specialized experience, and technical competence in the type of work required);</i> • <i>Discussion with at least three firms to consider anticipated concepts and compare alternative methods for furnishing services;</i> • <i>Selection of at least three firms considered to be the most highly qualified to provide the services required; and</i> • <i>Contract negotiation with the most highly qualified firm to determine compensation that is fair and reasonable based on a clear understanding of the project scope, complexity, professional nature, and the estimated value of the services to be rendered;</i> <ul style="list-style-type: none"> ▪ <i>In the event that a contract cannot be negotiated with the most highly qualified firm, negotiation continues in order of qualification.</i>
Uniform Guidance 2 CFR 200.319(b)	<p>Competition.</p> <p>The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.</p>
NC General Statute 143-64.31	<p>Procurement of Architectural, Engineering, and Surveying Services (NC “Mini-Brooks”)</p> <p>...It is the public policy of this State... and Local Governmental Units..., to announce all requirements for architectural, engineering, surveying, construction management at risk services, design-build services,..., to select firms qualified to provide such services on the basis of demonstrated competence and qualification for the type of professional services required without regard to fee other than unit price information at this stage, and thereafter to negotiate a contract for those services at a fair and reasonable fee with the best qualified firm. If a contract cannot be negotiated with the best qualified firm, negotiations with that firm shall be terminated and initiated with the next best qualified firm. ...</p>

NC General Statute 143-64.32	<p><u>NOTE: CWSRF and ARPA funding: NCGS 143-64.32 cannot be used to exempt a local government unit from abiding by NCGS 143-63.31. This is because there is no minimum dollar exemption allowed in the Federal Brooks Act, the Clean Water Act Section 602(b)(14), or 2 CFR 200.319.</u></p> <p>Written exemption of particular contracts.</p> <p>Units of local government or the North Carolina Department of Transportation may in writing exempt particular projects from the provisions of this Article in the case of proposed projects where an estimated professional fee is in an amount less than fifty thousand dollars (\$50,000). (1987, c. 102, s. 2; 2013-401, s. 2.)</p>
21 NCAC 56.0701(f)	<p>SECTION .0700 – RULES OF PROFESSIONAL CONDUCT, adopted in accordance with NC General Statute 89C-20 (Board Rules for Professional Engineers, etc.)</p> <p>(f) A licensee shall solicit or accept work only on the basis of qualifications and:</p> <ol style="list-style-type: none"> (1) Shall not offer to pay, either directly or indirectly, any commission, political contribution, gift, or other consideration in order to secure work, exclusive of securing salaried positions through employment agencies; (2) Shall compete for employment on the basis of professional qualification and competence to perform the work. The licensee shall not solicit or submit proposals for professional services containing a false, fraudulent, misleading, deceptive or unfair statement or claim regarding the cost, quality or extent of services to be rendered; (3) Shall, with regard to fee bidding on public projects, comply with the provisions of G.S. 143-64.31 et seq., (or for federal projects, the Brooks Act, 40 U.S. Code 541 et seq.) and shall not knowingly cooperate in a violation of any provision of G.S. 143-64.31 et seq. (or of 40 U.S. Code 541 et seq.); <p>...</p>

ARPA AIA/MRF REIMBURSEMENT REQUEST FORM

Division of Water Infrastructure Project No. _____
Period Covered by this Report: From _____ To _____

Grant Amount =		Match % Required =	
		Match amount =	\$ -

Match and Grant Fee are N/A for ARPA funded projects

Recipient Organization
Name: Town, City or County etc. Payment No. _____
Address: Page No. _____
City, State & Zip: _____

Use additional sheets if needed. Use a "Misc." column if needed.	Consultant Name	Consultant Name	Consultant Name	Constultant Deductions towards Match, if In-Kind or Grant Fee see below	
Classification of	A	B	C	D	Total
Cumulative Totals					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
Total Cumulative to date	\$ -	\$ -	\$ -	\$ -	\$ -
Previously Received					\$ -
Amount Requested	\$ -	\$ -	\$ -	\$ -	\$ -
No Match					
In-Kind Contribution	In Ki C nt b t G a t e Mat h are N/A or ARPA unded pro e ts				
Grant Fee					
Total Match *				\$ -	
Percent Complete					

Certification
I certify that to the best of my knowledge and belief the billed costs or disbursements are in accordance with terms of the project and that this request represents the monies due which have not been previously received and that an inspection has been performed and all work is in accordance with the terms and conditions of the award.

You must check ONE of the boxes below or your payment will not be processed:

The funds requested above have already been paid to the respective vendors, consultants & contractors by the award recipient. ☐

OR

The funds requested above have not been paid to the respective vendors, consultants & contractors. Funds received from the State will be disbursed to these entities within three (3) banking days. ☐

Recipient Signature of Authorized Representative Date

Type or Print Name and Title

DWI comments

**RESOLUTION BY THE TOWN COUNCIL OF
THE TOWN OF EDENTON**

WHEREAS, The Town of Edenton has need for and intends to inventory and replace or remove lead service lines and,

WHEREAS, The Town of Edenton intends to request State loan and/or grant assistance for the project,

NOW THEREFORE BE IT RESOLVED, BY THE TOWN COUNCIL OF THE TOWN OF EDENTON:

That Town of Edenton, the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State loan and/or grant award.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That the **Applicant** will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the **Applicant** agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the Town of Edenton to make a scheduled repayment of the loan, to withhold from the Town of Edenton any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That Corey Gooden, Town Manager, the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a loan and/or grant to aid in the study of or construction of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the 14th day of November, 2023 at Edenton, North Carolina.

(Signature of Chief Executive Officer)

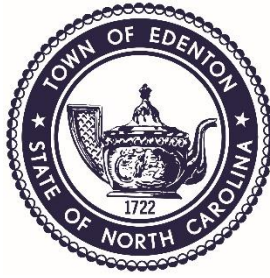
(Title)

CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting Town Clerk of the Town of Edenton does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the Town Council duly held on the 14th day of November, 2023; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of November, 2023.

(Signature of Recording Officer)

(Title of Recording Officer)



Resolution in Support of Major League Fishing Tournament

Whereas, the Town of Edenton, the Chowan County Tourism Development Authority and Harbor Towns Cruises share a joint interest in recreational activity located on the Chowan River that flows into the Albemarle Sound which supports this area as a tourist destination; And

Whereas, the economy of the Town of Edenton and Chowan County is impacted by business and tourism related activities; And

Whereas, the Town of Edenton, Chowan County Tourism Development Authority and Harbor Towns Cruises has received a proposal from the Stage Five Major League Fishing Tournament to sponsor Stage Five at the Chowan River June 4th through June 9th, 2024; And

NOW, THEREFORE, BE IT RESOLVED THAT: The Town of Edenton supports the hosting of the Stage Five at the Chowan River Major League Fishing Tournament; And

Be It Further Resolved that: The Town agrees to commit \$10,000 towards this event.

Adopted this 14th day of November 2023.

Jimmy E. Stallings
Mayor

Corey Gooden
Town Clerk



EDENTON

North Carolina

Date: October 26, 2023

To: Corey Gooden, Town Manager
Town Council

From: Virginia Smith, Finance Officer

Reference: Debt Calculation // General Fund Balance
Fiscal Year 2023-2024

General Debt Obligation Calculation

Taxable Property: \$591,548,669
NC Statutes: 8%

Max Obligation: \$47,323,894

Current Obligation: \$4,308,315

General Debt Service Payment Calculation

General Fund Budget \$8,015,511 (budget minus Fund Balance Appropriate)
NC Statutes 15%

Max Annual Debt Service Payments \$1,202,327

Current Obligation: \$553,825

Fund Balance Calculation NOTE: THIS IS ONLY A PROJECTION. THE ACTUAL FUND BALANCE WILL NOT BE AVAILABLE UNTIL THE FYE2023 JOURNAL ENTRIES ARE RECEIVED FROM AUDITOR

General Fund Budget (Prior Year): \$6,585,617
NC Statutes: 8% or \$526,849

Town Council Policy: 20% or \$1,317,123

Current Fund Balance: \$3,489,228

Non Spendable	\$ 600,159 (Inventory; Accounts Receivable, Airport Receivable)
Restricted	\$ 230,408 (Powell Bill Fund)
Committed	\$ 363,213 (Debt Service Payments 123,224; Encumbrances 239,989)
Assigned	\$ 302,000 (Sale of Conger Building)
Unassigned:	\$ 1,993,448

TOWN OF EDENTON SEPTEMBER 2023

GENERAL FUND REVENUE

Town of Edenton
YTD Revenue and Expenditures
Report dates 07/01/2023 - thru - 09/30/2023

Account Number	Description	Monthly Actuals 09/01/2023 09/30/2023	Actual YTD 07/01/2023 to 09/30/2023	Encumbered Requested	Adjusted Budget	Available Budget	% Used	T Y P E
Total -301	TAXES: AD VALOREM	318,308.18	680,039.00	0.00	2,565,671.00	1,885,632.00	26.51	-
Total -302	TAXES: PRIOR YEARS	3,726.18	10,445.08	0.00	20,000.00	9,554.92	52.23	
Total -303	TAXES: LAND SALES	0.00	60,431.00	0.00	175,000.00	114,569.00	34.53	
Total -309	PAYMENT IN LIEU OF TAXES	4,249.25	12,747.75	0.00	80,491.00	67,743.25	15.84	
Total -317	INTEREST ON DELINQUENT TAX	466.33	1,254.44	0.00	10,000.00	8,745.56	12.54	
Total -319	AUTO/DMV REVENUE	1,780.00	5,280.00	0.00	20,000.00	14,720.00	26.40	
Total -329	INTEREST ON INVESTMENTS	10,044.55	39,064.35	0.00	113,500.00	74,435.65	34.42	
Total -331	RENT REVENUE	0.00	400.00	0.00	750.00	350.00	53.33	
Total -335	MISCELLANEOUS	343.50	873.50	0.00	6,500.00	5,626.50	13.44	
Total -337	UTILITIES FRANCHISE TAX	89,314.30	89,314.30	0.00	410,000.00	320,685.70	21.78	
Total -338	VIDEO PROGRAMMING FEES	4,310.30	4,310.30	0.00	18,000.00	13,689.70	23.95	
Total -341	BEER & WINE TAX	0.00	0.00	0.00	20,000.00	20,000.00	0.00	
Total -345	LOCAL GOVERNMENT SALES TAX	116,786.80	319,010.09	0.00	986,600.00	667,589.91	32.33	
Total -348	STATE GOVERNMENT GRANTS	36,000.00	36,000.00	0.00	80,000.00	44,000.00	45.00	
Total -351	OFFICERS FEES	189.00	510.93	0.00	1,000.00	489.07	51.09	
Total -352	POLICE REVENUE	84.00	893.59	0.00	304,500.00	303,606.41	0.29	
Total -353	CHOWAN COUNT FIRE PROTECTION	0.00	148,451.90	0.00	694,854.00	546,402.10	21.36	
Total -354	NC FIRE PROTECTION	0.00	0.00	0.00	3,400.00	3,400.00	0.00	
Total -355	NUISANCE REVENUE	520.00	1,830.00	0.00	50,000.00	48,170.00	3.66	
Total -359	STREET DEPARTMENT REVENUE	35,232.22	100,490.58	0.00	397,000.00	296,509.42	25.31	
Total -360	DUMPSTER RENTAL	2,959.05	10,463.14	0.00	27,792.00	17,328.86	37.65	
Total -361	CEMETERY REVENUE	598.00	5,226.00	0.00	45,000.00	39,774.00	11.61	
Total -364	CHOWAN COUNTY SOLID WASTE	0.00	7,500.00	0.00	30,000.00	22,500.00	25.00	
Total -383	SURPLUS SALES	217.60	217.60	0.00	10,000.00	9,782.40	2.18	
Total -391	GARAGE REVENUE	33,475.04	80,548.56	0.00	434,462.00	353,913.44	18.54	
Total -396	CHARGES FROM ELECTRICAL FUND	64,504.83	193,514.49	0.00	774,058.00	580,543.51	25.00	
Total -397	TRANSER FROM ELECTRIC FUND	29,646.25	88,938.75	0.00	355,755.00	266,816.25	25.00	
Total -398	TRANSFER FROM WATER/SEWER	16,577.86	270,521.78	0.00	421,178.00	150,656.22	64.23	
Total -399	FUND BALANCE APPROPRIATED	0.00	0.00	0.00	393,810.00	393,810.00	0.00	
=====		=	=	=	=	=	=	
TOTAL FUND GENERAL FUND		769,333.24	2,168,277.13	0.00	8,449,321.00	6,281,043.87	25.66	
=====		=	=	=	=	=	=	

TOWN OF EDENTON SEPTEMBER 2023

GENERAL FUND EXPENSES

Town of Edenton
YTD Revenue and Expenditures
Report dates 07/01/2023 - thru - 09/30/2023

[illegible]

TOWN OF EDENTON SEPTEMBER 2023

ELECTRIC FUND REVENUE

Town of Edenton
YTD Revenue and Expenditures
Report dates 07/01/2023 - thru - 09/30/2023

		Monthly						T
		Actuals		Actual YTD				Y
Account		09/01/2023		07/01/2023 to				P
Number	Description	09/30/2023		09/30/2023	Encumbered Requested	Adjusted Budget	Available Budget	% Used
Total -329	INTEREST/CONVENIENCE FEES	784.84		2,403.37	0.00	95,000.00	92,596.63	2.53
Total -335	CONNECTION FEES	9,881.83		16,457.63	0.00	65,000.00	48,542.37	25.32
Total -337	MISCELLANEOUS	190.00		530.00	0.00	5,000.00	4,470.00	10.60
Total -371	CHARGES FOR ELECTRICITY	1,355,283.05		3,549,839.61	0.00	12,891,049.00	9,341,209.39	27.54
Total -372	BAD DEBT RECOVERIES	0.00		1,716.44	0.00	7,500.00	5,783.56	22.89
Total -377	ELECTRIC POLE RENTS	0.00		0.00	0.00	45,000.00	45,000.00	0.00
Total -379	PENALTIES	6,341.92		13,552.96	0.00	65,000.00	51,447.04	20.85
Total -381	SALE OF MERCHANDISE	-724.67		13,337.65	0.00	20,000.00	6,662.35	66.69
Total -382	SALE OF SCRAP	0.00		38.75	0.00	2,500.00	2,461.25	1.55
Total -384	PROGRAM INCOME	1,800.00		6,481.85	0.00	150,000.00	143,518.15	4.32
Total -386	SALE OF ASSETS	0.00		0.00	0.00	50,000.00	50,000.00	0.00
Total -391	SALES TAX BILLED	74,537.00		192,718.82	0.00	650,000.00	457,281.18	29.65
		=====	=	=====	=	=====	=	=====
TOTAL FUND	ELECTRIC FUND	1,448,093.97		3,797,077.08	0.00	14,046,049.00	10,248,971.92	27.03
		=====	=	=====	=	=====	=	=====

ELECTRIC FUND EXPENSES

Total -660 PROGRAMS & CAPITAL PROJEC	66,086.45	324,958.57	74,246.64	1,345,046.00	945,840.79	29.68
Total -720 ELECTRIC ADMINISTRATION	94,458.84	396,310.02	0.00	1,441,328.00	1,045,017.98	27.50
Total -724 BILLING & COLLECTIONS	27,348.84	97,608.34	8,472.50	434,372.00	328,291.16	24.42
Total -830 ELECTRIC POWER	1,093,101.35	3,031,938.07	77,466.93	10,825,303.00	7,715,898.00	28.72
	=====	=====	=====	=====	=====	=====
TOTAL FUND ELECTRIC FUND	1,280,995.48	3,850,815.00	160,186.07	14,046,049.00	10,035,047.93	28.56
	=====	=====	=====	=====	=====	=====

TOWN OF EDENTON SEPTEMBER 2023

WATER/SEWER FUND REVENUE

Town of Edenton
YTD Revenue and Expenditures
Report dates 07/01/2023 - thru - 09/30/2023

		Monthly Actuals	Actual YTD				T Y P E
Account Number	Description	09/01/2023 09/30/2023	07/01/2023 to 09/30/2023	Encumbered Requested	Adjusted Budget	Available Budget	% Used
Total -329	INTEREST ON INVESTMENTS	261.61	801.12	0.00	900.00	98.88	89.01
Total -332	RENT REVENUE	2,167.33	6,501.99	0.00	25,848.00	19,346.01	25.15
Total -333	RENT REVENUE	3,236.89	9,710.67	0.00	39,231.00	29,520.33	24.75
Total -334	RENT REVENUE	230.00	690.00	0.00	2,872.00	2,182.00	24.03
Total -356	RENT REVENUE	2,851.52	8,554.56	0.00	34,560.00	26,005.44	24.75
Total -357	DEBT PROCEEDS	0.00	0.00	0.00	580,000.00	580,000.00	0.00
Total -371	CHARGES FOR WATER/SEWER	264,660.02	806,886.80	0.00	3,122,000.00	2,315,113.20	25.85
Total -379	PENALTIES	1,584.94	4,028.07	0.00	20,000.00	15,971.93	20.14
Total -381	SALE OF MERCHANDISE	0.00	0.00	0.00	10,000.00	10,000.00	0.00
Total -382	SALE OF SCRAP	4,225.00	10,616.00	0.00	2,500.00	-8,116.00	424.64
		===== =	===== =	=====	===== =	===== =	=====
TOTAL FUND	WATER & SEWER	279,217.31	847,789.21	0.00	3,837,911.00	2,990,121.79	22.09
		===== =	=====	=====	===== =	===== =	=====

WATER/SEWER FUND EXPENSES

Total -660 PROGRAMS & CAPITAL PROJEC	5,456.47	55,466.44	132,062.00	412,000.00	224,471.56	45.52
Total -810 WATER OPERATIONS	55,565.30	289,366.76	23,614.40	1,114,297.00	801,315.84	28.09
Total -820 SEWAGE COLLECTIONS	80,526.53	240,901.25	20,496.89	972,991.00	711,592.86	26.87
Total -828 WATER/SEWER LINE MAINTENA	106,209.96	212,794.65	600,456.50	1,338,623.00	525,371.85	60.75
	=====	=====	=====	=====	=====	=====
TOTAL FUND WATER & SEWER	247,758.26	798,529.10	776,629.79	3,837,911.00	2,262,752.11	41.04
	=====	=====	=====	=====	=====	=====

TOWN OF EDENTON SEPTEMBER 2023

AIRPORT FUND REVENUE

Town of Edenton
YTD Revenue and Expenditures
Report dates 07/01/2023 - thru - 09/30/2023

Account Number	Description	Monthly Actuals	Actual YTD	Encumbered Requested	Adjusted Budget	Available Budget	% Used	T Y P E
		09/01/2023 09/30/2023	07/01/2023 to 09/30/2023					
Total -659 AIRPORT REVENUE		30,206.38	96,571.04	0.00	329,361.00	232,789.96	29.32	
TOTAL FUND AIRPORT FUND		30,206.38	96,571.04	0.00	329,361.00	232,789.96	29.32	

AIRPORT FUND EXPENSES

Total -650 AIRPORT ADMINISTRATION	5,745.64	26,800.46	0.00	90,111.00	63,310.54	29.74
Total -651 AIRPORT OPERATIONS	42,537.02	76,203.56	0.00	239,250.00	163,046.44	31.85
	=====	=====	=====	=====	=====	=====
TOTAL FUND AIRPORT FUND	48,282.66	103,004.02	0.00	329,361.00	226,356.98	31.27
	=====	=====	=====	=====	=====	=====

[illegible]

EDENTON POLICE DEPARTMENT

MONTHLY REPORT

October 2023

<u>Warrants</u>	2022	2023	% Change
Warrants/Subpoenas Received	52	104	100.00%
Warrants/Subpoenas Served	46	98	113.04%
Town Tickets Issued	5	4	0.00%
Total Town Ticket Revenue	95	150	0.00%
Warning Tickets	139	40	-71.22%

Calls Answered and/or Investigated

	2022	2023	%Change		2022	2023	%Change
Alarms	42	37	-11.90%	Buisness Opened	0	0	0.00%
Escorts	9	9	0.00%	Homes Checked	0	1	0.00%
Fire Assist	7	4	-42.86%	Assist Motorist	46	28	-39.13%
Rescue Assist	0	0	0.00%	Public Drunks	0	0	0.00%
Misc Calls	447	419	-6.26%	Auto Accidents	13	12	-7.69%
Domestic Calls	21	17	-19.05%	Appx Damage Acc	93100	51300	-44.90%
Cases Open <i>see below</i>	31	37	19.35%	Personal Injuries	10	5	0.00%
Total Calls	535	564	5.42%				

Breakdown of Cases Opened for Investigation

	2022	2023	%Change		2022	2023	%Change
B/E or B/E/L	1	5	400.00%	Larceny from M/V	0	0	0.00%
Drug Cases	3	2	-33.33%	Domestic Assaults	0	0	0.00%
Larceny	6	4	-33.33%	Motor Vehic Theft	0	0	0.00%
Unauthorized Use MV	1	0	0.00%	Injury to Prop	3	2	-33.33%
Misc Cases	7	5	-28.57%	Other Weapon Violation	2	3	0.00%
Assaults	1	2	100.00%	Assault with Gun	2	1	0.00%
Vandalism	0	0	0.00%	Concealed Weapon	1	3	0.00%
Arson	0	0	0.00%	Murder/Attempt	0	0	0.00%
Trespassing	0	0	0.00%	Robbery	0	0	0.00%
Shoplifting	0	2	0.00%	Resist Arrest	0	2	0.00%
Fraud/Counterfiet	4	2	-50.00%	Sex Offenses	0	0	0.00%
Embezzlement	0	0	0.00%	Forgery/Uttering	0	0	0.00%
Total Cases Assinged	31	33	6.45%	Open Cases to date	24	12	-50.00%
Total Cases Cleared	20	30	50.00%				

Arrests

	2022	2023	%Change		2022	2023	%Change
Arrests	6	13	116.67%	Traffic Citations	77	42	-45.45%

Narrative

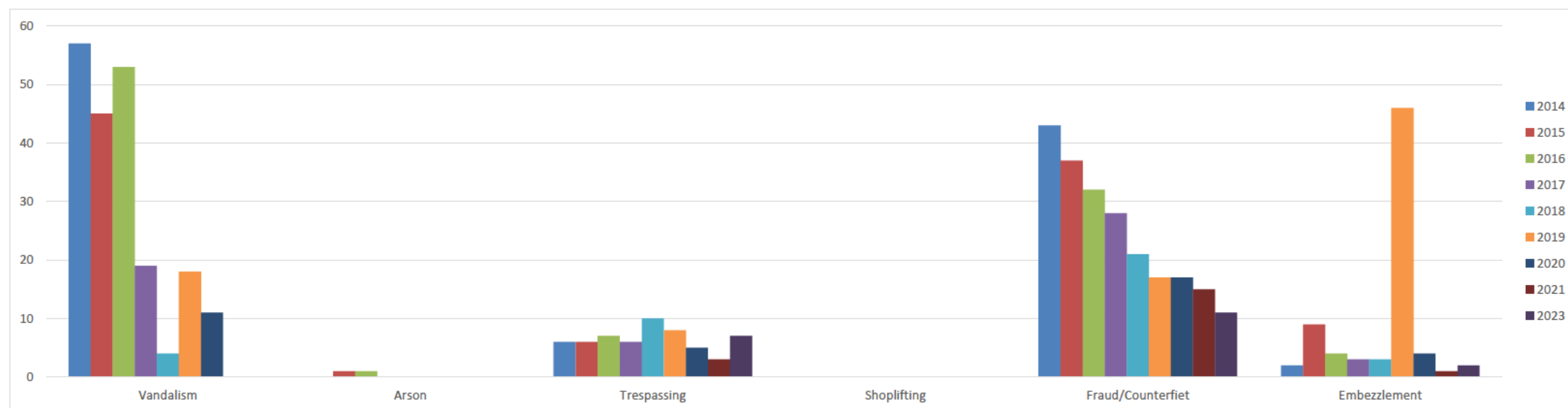
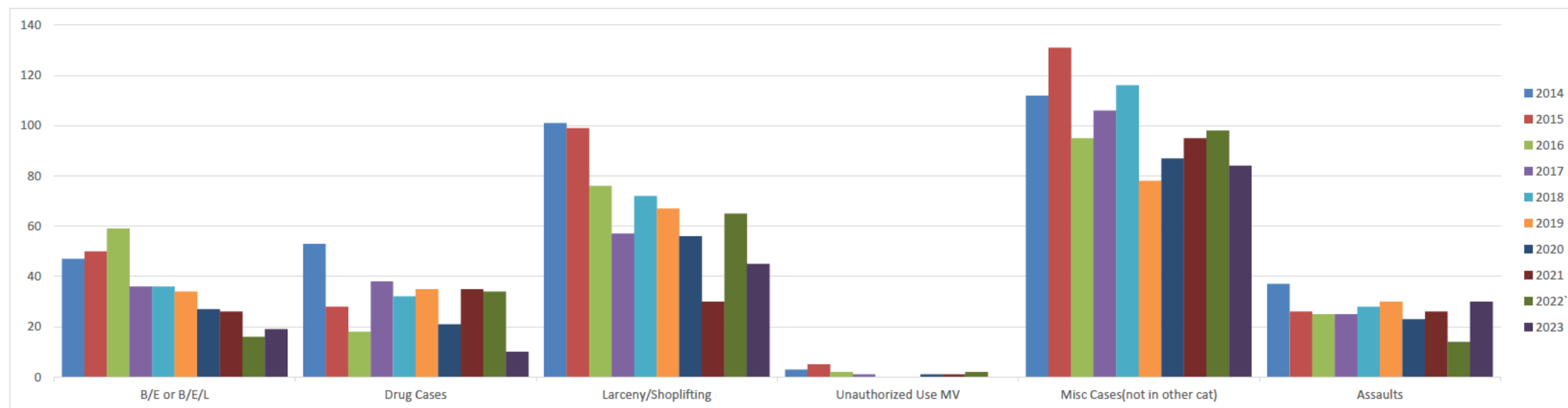
The Edenton Police Department started the month with an officer providing security at the Shrimp by the Bay Event held on October 13, 2013. The Edenton Police Department ended the month by working the Halloween Event held downtown and throughout the neighborhoods on October 31, 2023.

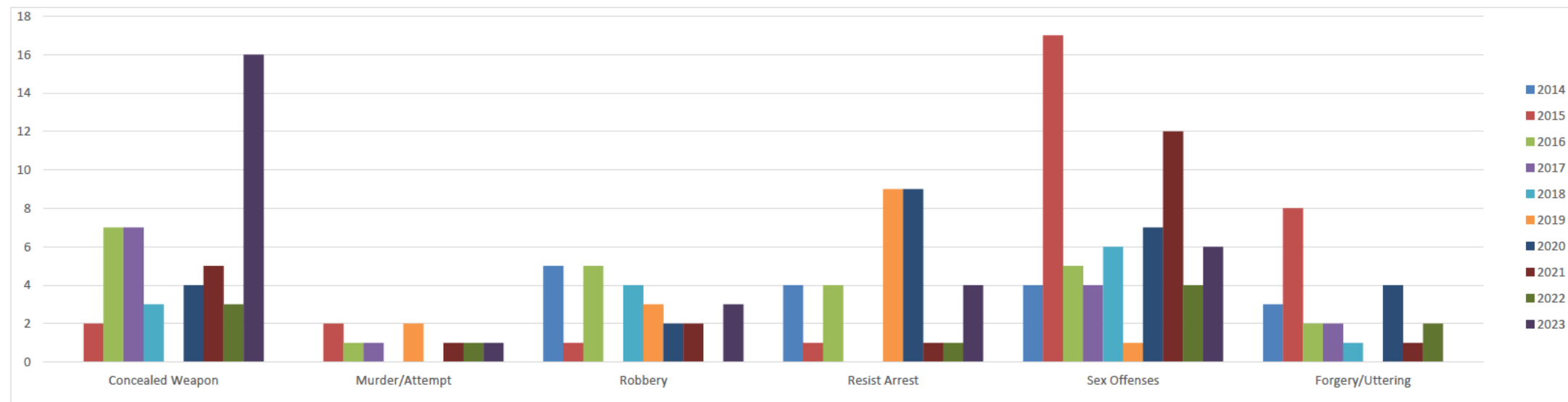
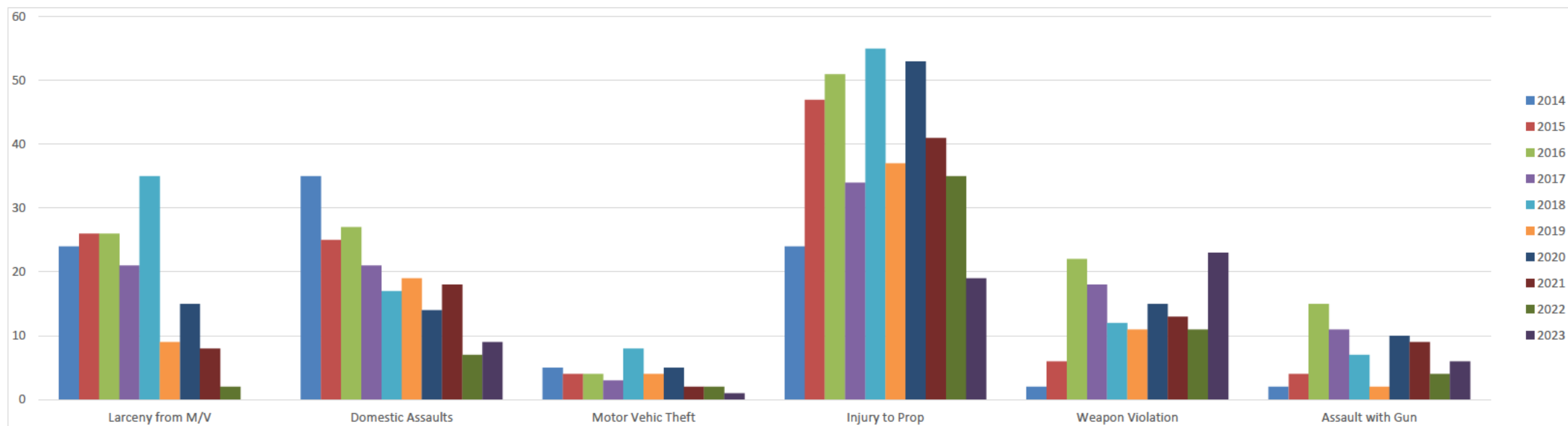
Submitted by Daroyll Brown- Police Captain

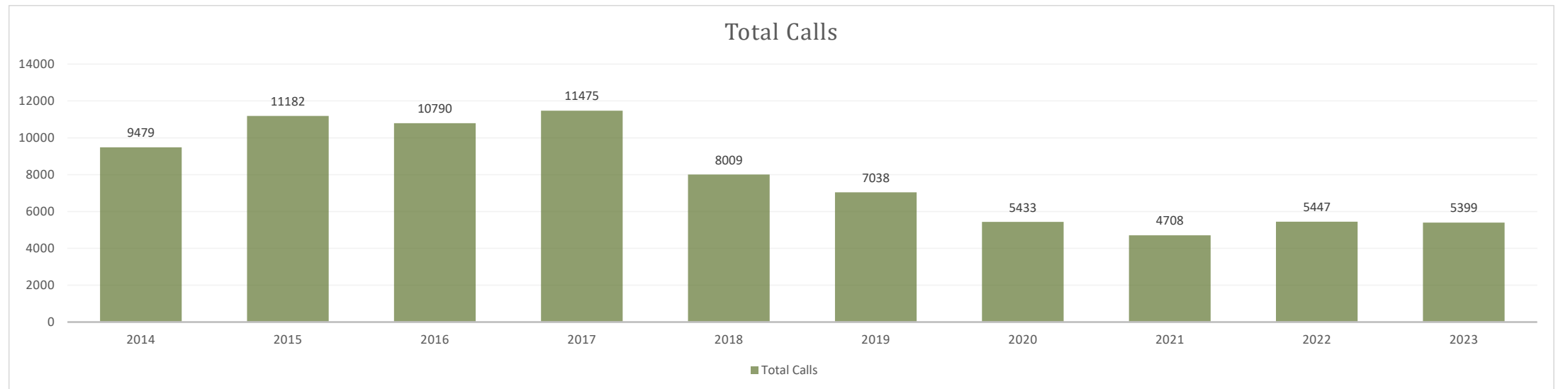
EDENTON POLICE DEPARTMENT
YEARLY REPORT 2014 to date

Year to Date Totals

<u>Warrants</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023											
Warrants/Subpoenas Received	759	866	863	784	795	548	629	858	551	719											
Warrants/Subpoenas Served	644	698	768	687	756	752	558	739774	517	679											
Town Tickets Issued	469	698	311	152	53	103	16	27	94	67											
Total Town Ticket Revenue	#####	\$25,160	\$11,585	\$3,870	\$1,910	\$3,435	\$530	\$1,190	\$1,750	\$1,230											
Warning Tickets	368	451	414	522	462	553	247	386	695	746											
											<u>Calls Answered and/or Investigated</u>										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Alarms	446	418	448	472	445	464	404	406	387	343	Buisness Opened	41	48	46	26	25	23	11	26	9	0
Escorts	831	973	1184	1305	712	920	319	440	154	157	Homes Checked	2063	2646	2698	3273	1150	225	36	16	7	8
Fire Assist	93	106	93	110	231	84	92	73	140	67	Assist Motorist	543	656	733	627	686	570	537	629	458	405
Rescue Assist	638	713	671	688	937	618	243	142	82	0	Public Drunks	24	26	25	36	27	11	12	16	7	0
Misc Calls	4340	5062	4387	4490	3332	3770	3321	2739	3609	4343	Auto Accidents	186	196	179	175	191	151	135	156	167	151
Domestic Calls	274	338	326	273	273	202	211	260	427	233	Appx Damage Acc	399980	417762	698169	456445	485440	262950	241083	489030	426580	384211
Cases Open <i>see below</i>	569	580	541	448	429	400	397	347	280	256	Personal Injuries	26	36	32	40	33	18	61	23	36	41
Total Calls	9479	11182	10790	11475	8009	7038	5433	4708	5447	5399											
											<u>Breakdown of Cases Opened for Investigation</u>										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
B/E or B/E/L	47	50	59	36	36	34	27	26	16	19	Larceny from M/V	24	26	26	21	35	9	15	8	2	0
Drug Cases	53	28	18	38	32	35	21	35	34	10	Domestic Assaults	35	25	27	21	17	19	14	18	7	9
Larceny/Shoplifting	101	99	76	57	72	67	56	30	65	45	Motor Vehic Theft	5	4	4	3	8	4	5	2	2	1
Unauthorized Use MV	3	5	2	1	0	0	1	1	2	0	Injury to Prop	24	47	51	34	55	37	53	41	35	19
Misc Cases(not in other cat)	112	131	95	106	116	78	87	95	98	84	Weapon Violation	2	6	22	18	12	11	15	13	11	23
Assaults	37	26	25	25	28	30	23	26	14	30	Assault with Gun	2	4	15	11	7	2	10	9	4	6
Vandalism	57	45	53	19	4	18	11	0	3	0	Concealed Weapon	0	2	7	7	3	0	4	5	3	16
Arson	0	1	1	0	0	0	0	0	0	0	Murder/Attempt	0	2	1	1	0	2	0	1	1	1
Trespassing	6	6	7	6	10	8	5	3	4	7	Robbery	5	1	5	0	4	3	2	2	0	3
Shoplifting	0	0	0	0	0	0	0	0	1	0	Resist Arrest	4	1	4	0	0	9	9	1	1	4
Fraud/Counterfiet	43	37	32	28	21	17	17	15	10	11	Sex Offenses	4	17	5	4	6	1	7	12	4	6
Embezzlement	2	9	4	3	3	46	4	1	8	2	Forgery/Uttering	3	8	2	2	1	0	4	1	2	0
Total Cases Assinged	569	580	541	#REF!	470	430	390	345	327	315	Open Cases										
Total Cases Cleared	174	244	257	197	206	196	214	173	223	277											
											<u>Arrests</u>										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Arrests	291	299	300	310	273	220	173	240	115	122	Traffic Citations	356	543	263	336	320	538	338	291	414	561







Edenton Fire Department Monthly Report

October 1 – October 31, 2023

Town Calls – 14

County Calls – 28

Commercial Alarms – 5

Residential Alarms – 7

CO Calls – 1

Auto Accidents – 15

Structure Fires – 4

Vehicle Fire – 0

Gas Leak – 2

Good Intent Call – 3

Smoke Scare – 0

Brush Fire/Trash Fire – 0

Powerline / Transformer – 1

Rescue – 1

Public Service – 1

Unauthorized Burning – 0

Electrical Problems – 0

Boat – 0

Smoke Detector & Battery Change Install – 1

EMS Assist – 1

Haz-Mat – 0

Police Dept. Assist – 0

Storm Calls – 0

Training

October 4 – NC OSFM Firefighter Certification – FF Fireground Ops 4 – 3 Members (Currituck)

October 5 – NC OSFM Firefighter Certification – FF Fireground Ops 4 – 3 Members (Currituck)

October 5 – NC OSFM Firefighter Certification – FF Fireground Ops 3 – 2 Members (Dare)

October 7 – NC OSFM Firefighter Certification – FF Fireground Ops 3 – 2 Members (Dare)

October 10 – NC OSFM Firefighter Certification – FF Fireground Ops 4 – 3 Members (Currituck)

October 11 – NC OSFM Firefighter Certification – FF Fireground Ops 4 – 3 Members (Currituck)

October 11 – NC OSFM Firefighter Certification – FF Fireground Ops 3 – 2 Members (Dare)

October 12 – NC OSFM Firefighter Certification – FF Fireground Ops 4 – 3 Members (Currituck)

October 12 – NC OSFM Firefighter Certification – FF Fireground Ops 3 – 2 Members (Dare)

October 12 – NC OSFM Firefighter Certification – FF Fireground Ops 5 – 4 Members (Currituck)

October 16 – NC Dept of Insurance – Fire Inspector 2 Certification Class – 1 Member

October 17 – NC Dept of Insurance – Fire Inspector 2 Certification Class – 1 Member

October 17 – NC OSFM Firefighter Certification – FF Fireground Ops 5 – 4 Members (Currituck)

October 18 – NC OSFM Firefighter Certification – FF Fireground Ops 3 – 2 Members (Dare)

October 18 – NC OSFM Firefighter Certification – FF Fireground Ops 5 – 4 Members (Currituck)
October 18 – Monthly Department Training – Hose Testing of 5” Supply – 13 Members
October 19 – NC OSFM Firefighter Certification – FF Fireground Ops 3 – 2 Members (Dare)
October 19 – NC Dept of Insurance – Fire Inspector 2 Certification Class – 1 Member
October 19 – NC OSFM Firefighter Certification – FF Fireground Ops 5 – 4 Members (Currituck)
October 20 – NC Dept of Insurance – Fire Inspector 2 Certification Class – 1 Member
October 21 – NC OSFM Firefighter Certification – FF Fireground Ops 3 – 2 Members (Dare)
October 24 – NC OSFM Firefighter Certification – FF Fireground Ops 5 – 4 Members (Currituck)
October 24 – NC OSFM Firefighter Certification – FF Fireground Ops 4 – 2 Members (Dare)
October 25 – NC OSFM Firefighter Certification – FF Fireground Ops 6 – 2 Members (Currituck)
October 26 – NC OSFM Firefighter Certification – FF Fireground Ops 6 – 2 Members (Currituck)
October 26 – NC OSFM Fire Instructor Certification – Fire Instructor 2 – 1 Member
October 26 – NC OSFM Firefighter Certification – FF Fireground Ops 4 – 2 Members (Dare)
October 27 – NC OSFM Fire Instructor Certification – Fire Instructor 2 – 1 Member
October 28 – NC OSFM Fire Instructor Certification – Fire Instructor 2 – 1 Member
October 28 – Live Burn Training at Harvey Point – 12 Members
October 29 – NC OSFM Fire Instructor Certification – Fire Instructor 2 – 1 Member
October 30 – NC OSFM Fire Instructor Certification – Fire Instructor 2 – 1 Member

Mutual Aid: Received: 8 Given: 3

**Town of Edenton
Department of Public Works**

**Monthly Report
OCTOBER 2023**

To: Honorable Mayor and Council Members

The landscaping department completed routine cutting and trimming right-of-way's, ditches and downtown areas. Cut pistol range, cut and trimmed the wetlands. Cut and trimmed the police dept., all the parks, Eden St. parking lot and walking trail and beach area at Hayes. Routine mowing, trimming and edging of all the parks, the downtown area, right-of-way's and ditches. Picked up trash on all the on/of ramps coming into Edenton. Blew off sidewalks downtown, on N. Oakum, around the police station, parking lot at EVM Park, and both parking lots on Eden St. Worked on key pad locks at Colonial Park bathrooms. Planted flowers in the pots at the Barker House. Sprayed a solution on the sidewalks in front of Town Hall, across the street, in front of the Style Palette, in front of Southern Bank, in front of Creswell Furniture and in front of Jeane's Cafe to kill the moss, lichen etc. on the bricks so they aren't slippery when wet. Edged the cutout parking spaces on N. Oakum. Cut back Jasmine vine in the Barker House garden and trimmed the Lady Banks roses. Cut the grass at Twiddy Ave. Water Tower, trimmed and cleaned up garden area. Cut back the hydrangeas and deadheaded the roses in the Barker House Garden. Sprayed weed killer on the sidewalks downtown and around the Barker House. Took a load of crush and run to the cemetery and then power raked it in. Trimmed and cut back bushes and then put down fresh pine straw in the Barker House garden. Went to Greenville to pick up trees to put in front of the Treatment Plant and behind the lift station at Westover. Took flowers out of the boxes downtown and prepped them for the fall planting and pulled up flowers at the U-Turn for prepping for Fall plantings. Took trash cans and canoe to Courthouse Green for the Shrimp by the Bay event. Emptied trash cans in Beaver Hill Cemetery. Cut back bushes for sight clearance coming out of Walgreens onto Virginia. Rd. Put up new basketball nets at MLK Park. Weeded the flower beds at the Police Dept. Watered new trees and potted plants at the garden. Planted 10 trees in front of the new addition to the treatment plant for screening and fertilized, watered and put a mulch bed around them. Sprayed a wetting agent in all of the flower boxes and then watered them. Planted 16 flower boxes with pansies, fertilized, mulched and watered. Watered the newly planted flowers in the boxes downtown and the potted flowers in the garden. Put up 250th anniversary flags downtown. Trimmed trees on MLK for police camera clearance and for sight clearance for the trash trucks. Trimmed trees on the NW corner of Oakum and Freemason St., the SE corner of Granville and Carteret St. and Johnston St. Planted 3 trees behind the lift station at Westover to screen the building, mulched and watered them. Sprayed weed killer around the U-Turn, the chamber building, the last block downtown and in the garden. Watered newly planted trees at the Treatment Plant and trees on Carteret St.

The water department performed daily water plant checks, system chlorine checks weekly, collected upstream and downstream PH samples, collected PH and chlorine samples collected twice a month. Completed the end of the month sampling, and DMR reports. Flushed hydrants. Installed meters, located meters, read and reread meters. Cleaned water plants. Mowed and weed eaten Beaver Hill, Twiddy Ave, and Boswell St. Checked plants and wells. Re-register meters to connect on town frequency. Worked with master meter on getting "ghost meters" out of our system. Worked on 1" meters not received list. Hung door hangers for leak alarms that we couldn't contact by phone. Worked on meters that are not reading. Dug up old meter boxes and replaced meter boxes. Reprogramed water meters not responding. Worked on cleaning up Harmony meters. Spoke with engineers about Virginia Rd. Well rehab and what it consisted of. Completed September's Operating report and sent it in to the state. We lead a service line inventory workshop. Moore and Associates completed the yearly inspection of the altitude valve at Twiddy Tower. Moore and Associates repaired a leaky piston on the altitude valve at Twiddy Tower. Met with local geologists about future well sites. Completed daily plant checks for hardness. Winterized SCADA panels. Fixed Cl2 analyzer. Attended permit meeting in Washington, NC.

In the sewage treatment plant took monthly effluent samples. Fixed and replaced spray heads. Took daily PH samples. Pulled and burned influent basket. Mowed grass on the tower side of and office side of WWTP. Installed new spray heads on broken ones by logging crew., Attended the WWTP first monthly construction meeting to go over the EWWTP progress. Removed fallen trees from spray rows, cut around valves and around the fence lines at WWTP. Repaired a busted pipe in field #14, busted pipe in field #12, busted pipe in zone #25, busted pipe twice in zone 10, busted pipe in zone 26, busted pipe twice in zone 3 and busted pipe in zone 9. Closed the main valve from the lagoon going into the vault to the pump and pulled up a broken basket cable with the line truck. Replaced the line and pulling on the influent basket. Changed chlorine tanks out at the sprayfield. Located 3 main valves controlling certain zones at the WWTP for the Wooten Company to replace nonfunctioning valves. Changed out chlorine tanks that go out into the lagoon and off the aerator's lines.

The water/sewer department checked lift stations. Cleaned floats. Completed various locates throughout town. Changed out meters and completed re-reads. Completed various cut off/on water requests. Sprayed and weed eat lift stations. Repaired 8" water main beside the ABC store. Repaired a leaking 2" main at W. Carteret St. Serviced the bypass pump/cleaned it. Changed out meter boxes. Pumped out Peanut Dr. lift station. Weed eat manholes and hydrants on Old Hertford Rd. Replaced broken manhole on Old Hertford Rd. Changed broken meter at 113 W Water St. Shut off water at 106 Granby St. Responded to a sewer backup at 1309 Paradise Rd. (on customer). Responded to a water leak at 203 Boswell St. (on customer). Cleaned floats and basket at the Main lift station. Fixed a water leak at the Barker House. Checked the meter at 212 Tyler Ln. Responded to a sewer back up at 102 Carteret St. Replaced the water service at 102 W Second St. Cleaned and rodded the sewer on W. Carteret St. Repaired water service leaks at 406 and 402 Robin Ln. Repaired water service leak at 508 Coke Ave. Pumped out peanut drive with the contractor. Blew off the air relief valves. Responded to customer calls, rodded and cleaned the sewer main on E. Freemason St. Repaired the water line at 505 Kimberly Dr. Replaced water service at 215 E. Queen St. Pumped down and cleaned Morgan Park and Valentine lift stations. Dug a trench at town hall for gas service. Fixed water leak on Iredell Dr. Cleaned and cut around manholes E Church St. Rodded and cleaned the stormwater pipe on Oakum St. for ditch fill in. Raised the manhole on Pembroke Circle. Checked manholes on the main trunk line. Met with Ben McPherson on the Granville rehab. Called in a locate for 102 W Second St. Replaced the broken meter at 508 Coke Ave. Installed the new HOMA pump in Tyler Ln. pump station. Changed out meter at 208 Granville St. Pumped out lift station at the county building to aid Nixon's Plumbing for repairs. Rodded sewer at 516 W Queen St. Changed meter 109 E. Church St. Tested backflows with Avery Jarman.

The street department swept daily zones. Swept daily zones. Cleaned and fixed storm drain boxes. Put new lids on storm drain boxes. Weedeat around signs. Filled potholes with cold patch. Cleaned, fixed and put up new signs around town. Cut tree limbs. Cut ditches. Asphalted multiple utility cuts. Concreted curb and gutters and sidewalk. Pressure washed brick downtown. Fixed the steps at the chamber building. Closed the ditch in on Oakum St. Painted Handicap spaces downtown. Mowed at the airport.

The sanitation department continues to work hard in keeping the town clean and looking beautiful. Solid waste route pickup East and West (Mon, Fri). Emptied dumpsters for contract customers (Tues, Thurs). Multiple backhoe piles were collected. We delivered several trash carts and recycle carts to customers throughout the town. Picked up yard waste (Thurs & Fri.). Ran the leaf machine. Washed and mowed around the transfer station. Checked dumpsters for any repair work. Pushed up leaves and yard debris at the landfill. Debris piles at the landfill were pushed up multiple times. Completed temperature readings at the yard waste site for grass piles. Cherry welding completed a repair to another damaged dumpster. Prepared work site for repair to the transfer station. Removed yard debris from the back yard at 132 E. Gale St. Cleaned up yard debris for the Peanut Festival on Saturday, October 6, 2023.

Garage Report 09/2023

45 cars/trucks/tractors/generators/other equipment had annual service work performed that includes if applicable, oil and filter change, rotate and balance tires, check all belts, hoses, brakes, air filters, air pressure, steering linkages, state inspection.

Major Repairs included

Major Repairs included					
Asset ID	Asset Description	Notes	Notes2	Labor	Parts\$
Airport-E.69	John Deere 6603 Tractor	transport back to Airport and hitch to batwing	transport to airport, hitch to batwing, replaced hose on tractor, function test found bush hog blades hitting deck. returned next day heated side skirts and pulled back into shape	9.5	\$50.00
Street-135	97 Ford E-350 Bus	Road call, stalled will not start	charged battery in field, diag found alternator failed, replaced alternator and topped off A/C systems	9	\$774.00
Street-134	2012 Supreme Trolley	Coolant leak	diag found radiator failed, replaced radiator	13.5	\$1,199.96
Street-131	1998 Chevrolet	Replace dump kit	replaced dump kit, hoses, 2 tires and battery, transported to and from body shop for door repair	12	\$2,080.00
Solid Waste-106	2017 Freightliner/Heil trash truck	PM needed, hydro leak	PM completed, replaced interior parts, replaced hydro hose,	7.3	\$954.00
Solid Waste-105B	MAC TRAILER 2017	replace landing gear, brakes will not apply	replaced landing gear, welded brackets in place, found air brake valve failed, replaced	17	\$2,100.00
Solid Waste-105	Freightliner 2007 Semi	Will not start	diag found shifter failed and TCM failing, robbed shifter from 102 for temp usage, replaced all parts when came in, and reinstalled borrowed parts	11	\$2,800.00
Police-50	2011 Chevy Impala	PM, NCSI	PM and NCSI completed, replaced tires, replaced brakes and turned rotors, replaced evap sensor,	6	\$674.70

			replaced wipers and clear codes, retest		
Police-45	2007 Ford Crown Victoria	Road call, stalled in road, PM needed	repaired damaged wires, replaced intake due to coolant leak, broken bolt removal, PM completed, replaced brakes	13	\$301.67
Landscape-E.201	Hustler rear Discharge 2019	wrecked hustler, repair and PM	Repaired damage, replaced wheel motor, brakes, hub, rim and tire, PM completed	3.5	\$1,645.75
General Garage Maint 2000	General Maint.	General duties	repair unlisted assets, assist other departments, clean up, CDL training	18	-

David Myers,
Director of Public Works