

Town of River Bend

North Carolina



ACFR

Annual
Comprehensive
Financial
Report

Fiscal Year Ended June 30, 2025

TOWN OF RIVER BEND, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED

JUNE 30, 2025

PREPARED BY
FINANCE DEPARTMENT

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FINANCE OFFICER

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FINANCE ASSISTANT

COVER DESIGNED BY:
JENNIFER BARROW, DEPUTY TOWN CLERK



**THE TOWN OF RIVER BEND, NORTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year ended June 30, 2025**

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TOWN OF RIVER BEND

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River Bend, NC 28562

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December 10, 2025

The Honorable Mayor Mark Bledsoe,
Members of the Town Council, and
Citizens of the Town of River Bend, NC

State Law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted auditing principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the Annual Comprehensive Financial Report of the Town of River Bend, North Carolina for the fiscal year ended June 30, 2025 is presented herewith for your review.

This report is presented by the management of the Town of River Bend, which is responsible for the completeness and reliability of the information included in this report. To provide reasonable assurance that the information contained in the financial statements is complete and accurate, the Town has developed an internal control framework that is designed to protect the government's assets from loss, theft, or misuse and maintain reliable records for compilation and presentation. The Town has a small administrative staff but employees are cross-trained and checks and balances have been included in financial procedures. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. After a significant investment in accounting software and utilization of the controls and safeguards afforded by this system, we believe the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The Town's financial statements and supplemental schedules in the Financial Section have been audited by the independent, certified public accounting firm of Thompson, Price, Scott, Adams & Co., P.A. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town, for the fiscal year ended June 30, 2025 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditors concluded, based on the audit, that there was reasonable basis for rendering an unmodified opinion that the Town's basic financial statements for the year ended June 30, 2025 were presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A).

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town's MD&A can be found immediately following the report of the independent auditors.

Community Profile

Founded as the City of River Bend Plantation, it was renamed the Town of River Bend in 1981 when it was incorporated. Located in Craven County a few miles south of historic New Bern, River Bend, North Carolina encompasses three square miles of wooded area, bordered by the Trent River on the south and a navigable canal system on the east. The Town of River Bend is primarily a residential community. A privately owned 18-hole golf course winds throughout the town and a privately owned marina serves the needs of recreational boaters along with a public kayak launch on the Trent River.

Town Government

The Governing Body of the Town of River Bend is composed of a Mayor and five Council members. All five members of the Town Council (Council) are elected at-large to serve four-year terms. Terms of office are staggered so an election for at least a portion of the Council is held every two years.

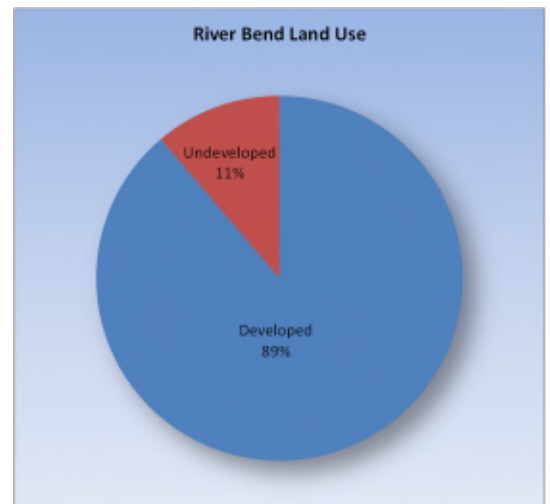
The Mayor is elected directly by the voters to serve a four-year term and presides at all meetings of the Council and represents the Town at official functions. The Mayor, and each member of the Council, serves as liaisons to Advisory Boards, or in other administrative capacities in support of the function of the Town. The Mayor Pro-Tem is a member of the Council, selected by the Council to assume the duties of the Mayor in the Mayor's absence.

The North Carolina General Assembly amended the Charter of the Town of River Bend with the passage of North Carolina Session Law 2021-39. This amendment changed the voting schedule for the office of Mayor and Council members to coincide with State and Federal elections, which occur in even-numbered years. Historically, municipal elections in North Carolina were held in odd-numbered years.

The Town of River Bend operates under the Council-Manager form of government. The Council appoints the Town Manager to handle the administrative affairs of the Town. The Manager is the supervisor of Town staff and, by law, the Town's budget officer. The Manager provides the Council with weekly and monthly reports regarding the operational and financial condition of the Town and works with the Council to establish and implement long range plans. The Council also appoints volunteer boards to serve in advisory, planning and quasi-judicial capacities in accordance with their charge.

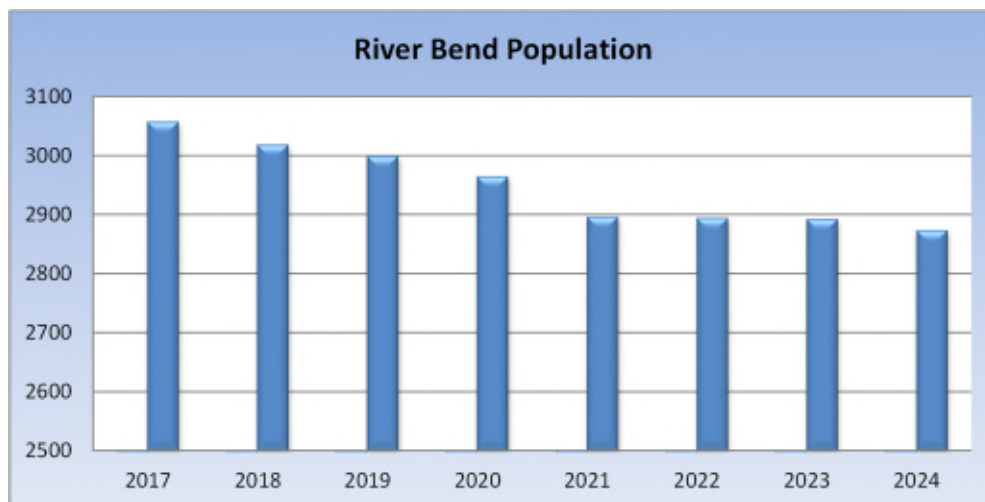
Land Use

According to the US Census Bureau, the town has a total area of 2.8 square miles, of which 2.6 square miles is land and 0.2 square mile is water. The latest Craven County Geographic Information System data indicates land is divided into 1,756 parcels, of which 1,568 are developed and 188 undeveloped. The Town owns 103 acres that are currently designated as a Wildlife Preserve and are thus not available for development. The chart to the right shows that nearly 90% of our lots are developed.



Population

The 2020 Census report for the population of River Bend provided an accurate count of 2,902 residents, which is a 7.0% decrease from the 2010 Census count of 3,119. According to data available from the North Carolina Local Government Commission, the July 1, 2024 population of River Bend is 2,874. The chart below shows the change in population since 2017.

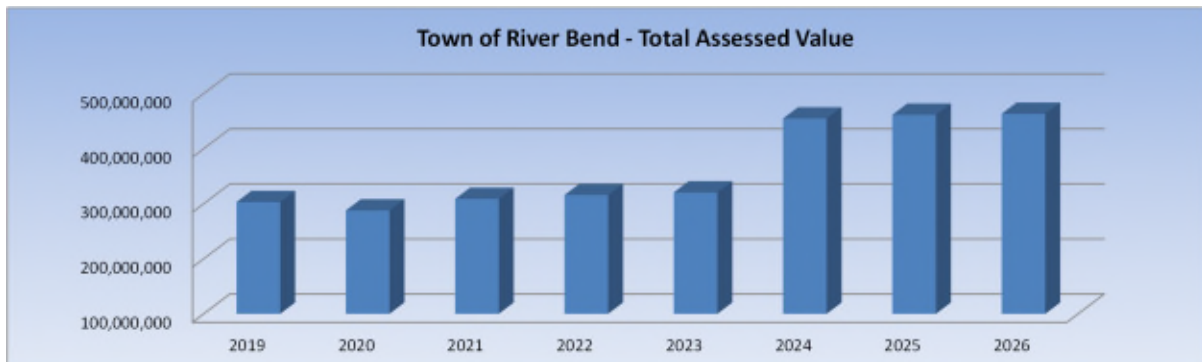


According to the North Carolina Office of Budget and Management (OBM), there are 551 municipalities in North Carolina and the Town of River Bend is the 214th largest by population. The (2023) median age in River Bend is 52.5 years old while the median age for North Carolina is 39.4 years old. According to the 2023 United States Census Bureau, veterans make up 14.3% of our population, compared to a national percentage of 6.5%.

Housing

River Bend's occupancy rate, as reported in the 2020 Census, was 82.6% of the Town's housing units. Of these occupied units, 58.6% are owner-occupied, and 41.4% of the units are renter-occupied.

Assessed values in River Bend increased 1.5% for 2025. The most recent valuation by Craven County was in 2024 (effective January 1, 2023) and the assessed values totaled \$454,847,917. Craven County is scheduled to perform another revaluation in 2028. The chart below shows the Town's total assessed value since FY 2019 and estimated values for FY 2026. Property values in River Bend decreased in 2019 after Hurricane Florence and values are now higher than pre-hurricane values.

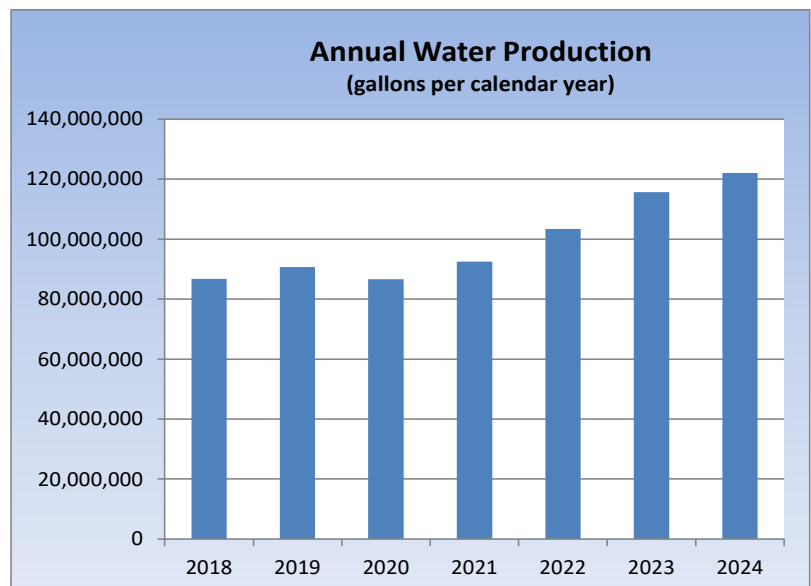


Water and Wastewater

The Town of River Bend operates two enterprises: the water system, and the sewer system. River Bend purchased these two businesses from a private company, Carolina Water Service, in 1995. The enterprises are operated as businesses - all revenues and expenditures accounted for separately from other functions of the Town, and rates are established that cover all expenditures and debt service of the enterprise.

Water

Our water system withdraws from the Castle Hayne aquifer through three wells with a combined capacity of 925,000 gallons per day. Two elevated storage tanks with a total capacity of 400,000 gallons ensure a consistent supply and adequate pressure throughout the system. In 2024 (calendar year), we treated 122,058,000 gallons with a daily average of 333,526 gallons. In 2023, we treated 115,732,000 gallons of water, an average of 317,034 per day.



The water in the Castle Hayne aquifer, while plentiful, requires treatment to remove iron and manganese. Using pH adjustment, pressure filters and adding chlorine, our operators ensure that safe water is ready for our customers to use.

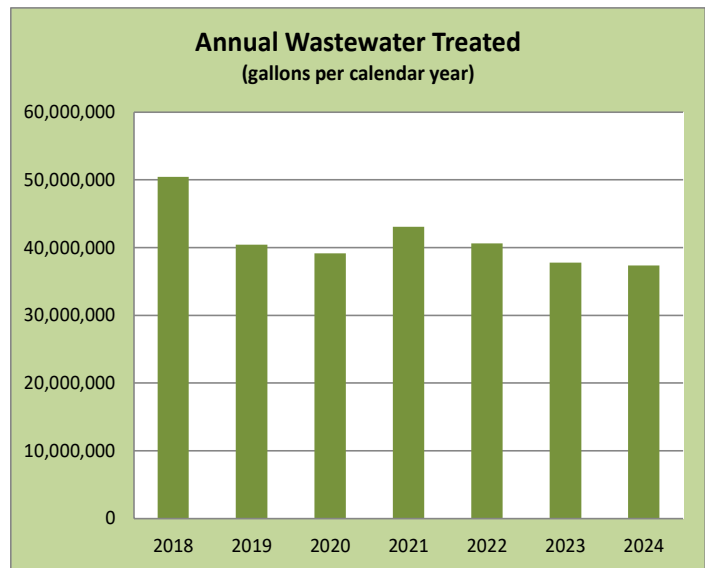
Water is available to approximately 1,580 households and businesses through 19 miles of pipe ranging in size from two to eight inches in diameter. In addition to providing water for consumption, our system also stands ready in the event of fire. There are 112 hydrants located throughout the system to give the fire department ample access to water for their work.

Our water system is monitored, regulated and permitted to operate by the State of North Carolina. In accordance with State standards, water samples are tested at an independent laboratory for bacteria and other harmful contaminants. Each customer receives a copy of our annual report showing the results of our testing.

Wastewater

The Town of River Bend owns and operates a wastewater treatment and collection system that currently serves approximately 975 households and businesses. Wastewater is collected from our customers and transmitted via 11 miles of gravity and force main pipes. Eleven lift stations pressurize portions of the system, so the waste is efficiently moved to our treatment facility on Gull Pointe Drive. Seven of these lift stations, and the treatment plant itself, have backup power supplied by fixed location generators. The other four lift stations can be powered by one of our mobile generators.

In calendar year 2024, we treated 37.3 million gallons of wastewater compared to 37.7 million gallons in 2023. The daily average treatment rate was 101,933 gallons in 2024 and 103,596 gallons in 2023. The State standard for waste treatment capacity is 360 gallons per day per household, which in our case translates to 351,000 gallons per day. This standard shows that we should be using all our permitted capacity. On average, in 2024, we used 31% of our permitted capacity.



The North Carolina Department of Water Quality (DWQ) administers federal and state regulations designed to protect the quality of the receiving waters. Part of this administration is the issuance of permits for treatment facilities like the one we operate in River Bend. Our treatment plant has a permitted capacity of 330,000 gallons per day and discharges treated effluent to the Trent River. We take weekly samples of our effluent to test for chemical and nutrient content to ensure our plant is operating effectively and we are within the limits established by DWQ. In the summer months, we also sample river water up and downstream from our discharge point to determine what, if any, affect we are having upon the Trent River.

The Town holds three discharge permits, one for the main wastewater plant, and the other two to allow us to discharge backwash from our water treatment filters. These backwash discharge permits allow us to discharge up to 7,000 gallons per day at each site.

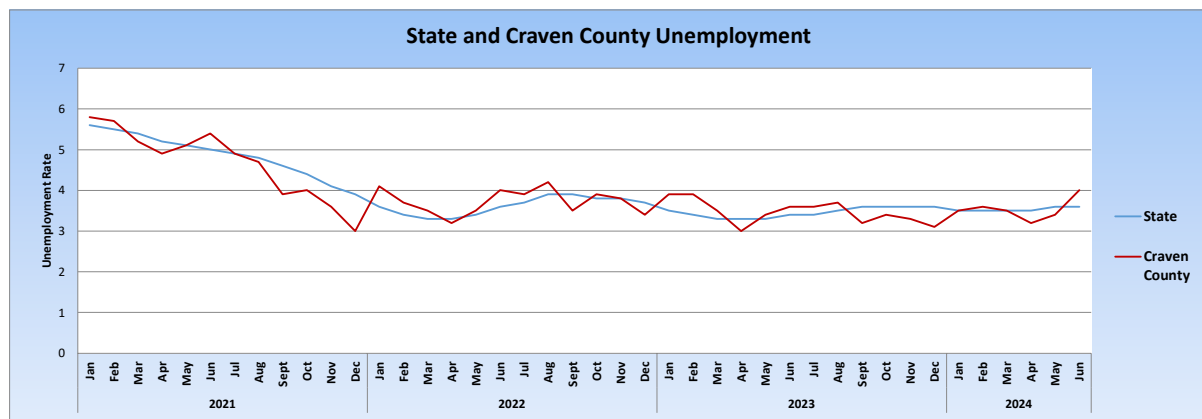
Economy

The 2020 Census reported that the majority of River Bend’s workers were employed in the educational, health and social services (28.3%), and the manufacturing (18.1%) industries. Of our population over 16 years old, 60.7% were listed as “not in the labor force” in 2020. This reflects the level of retirees in the Town. Table 13 on page 126 of this report provides the top ten employers in Craven County. The predominant employers within the Town’s corporate limits are the RHA Howell Care Center, the River Bend Golf and Country Club (Trent River Adventures LLC) and Riverstone Health Management.

- RHA Howell Center serves children and adults with developmental disabilities on a 16-acre campus and has a 125-bed capacity.
- The River Bend Golf and Country Club is an eighteen-hole facility that includes a 6,000 square foot clubhouse with a banquet facility and a large swimming pool.
- Riverstone is a 40-bed licensed assisted living facility and offers a complex of one and two bedroom apartments with a total of thirty-two apartments available. Services offered in this complex depend upon the amenities requested from tenants.

River Bend is conveniently located to all of the major employers within Craven, Jones, and Onslow Counties.

The chart below tracks unemployment over the past three full years comparing the State and County rates. Craven County and North Carolina had experienced a downward trend of rates until the effects of the COVID-19 virus pandemic, starting in March 2020. The local area economy has rebounded from the pandemic and unemployment rates are back to pre-pandemic levels. At the end of June 2025, the Craven County and State seasonally adjusted unemployment rates were 4.0% compared to the national rate of 4.3%.



The median household income recorded in the 2020 Census was \$72,102 compared to a national median household income of \$70,784. Only 8.4% of our population has an income below the poverty level, compared to a national poverty rate of 11.6%. For residents 25 years of age and older, 93.6% have a high school or higher education; 37.4% have a bachelor's degree or higher, and 15% have a graduate or professional degree.

Initiatives

The Town of River Bend utilizes a well-planned and reasoned approach to major initiatives through the use of a capital improvement plan (CIP), which is addressed in the Town's Financial and Budgetary Policies. The purpose of the CIP is to forecast and match projected revenues and major capital needs over a five-year period. Capital planning is an important management tool that strengthens the linkage between community infrastructure needs and the financial capacity of the Town. The River Bend CIP achieves five major objectives as a component of the Town's budget and financial planning process:

1. Helps the Town rationally and intelligently plan for the repair, replacement, and acquisition of capital items that are necessary in providing high quality services to the citizens of River Bend.
2. Assists in fiscal planning by forecasting capital demands together with future revenues and expenditures.
3. Ensures better coordination, evaluation, and planning of projects to serve the community and its needs.
4. Serves together with the annual budget and other financial plans as a guide to decision-making for the Town Council, Town Manager, and staff.
5. Serves as a systematic and comprehensive analysis of capital needs increasing the probability of making rational budgetary judgments since improvements are identified, prioritized, and matched to the projected fiscal resources of the Town.

Generally defined, CIP expenditures are those of major value that recur irregularly, result in the acquisition (or significant modification) of a capital asset, and have a useful life greater than one year. The CIP is updated annually as part of the Town's regular budget process. Projects are reviewed and evaluated based on the Mayor's and Council's priorities, other Town infrastructure needs, the financial capacity of the Town and the impact the projects will create on the Town's operating budget.

Once the projects are evaluated, a recommended CIP is developed that identifies the selection and timing of capital projects into future fiscal years. First-year projects are incorporated into the recommended annual operating budget. The Mayor and Council are presented the future planning years for their consideration, review, and endorsement so staff can proceed with planning and evaluation of potential capital projects.

Numerous economic uncertainties have presented challenges during the annual budget process over the past several years. We have recovered from Hurricane Florence (September 2018) where hundreds of homes were inundated with more than four feet of water and the Town incurred about \$1,000,000 in hurricane related expenses. We will likely continue to see effects from the COVID-19 pandemic, war in Ukraine and tariff related issues, which also has impacted economies and budgets at the national and state levels.

In planning for the 2025-26 fiscal year, the Town Council and staff were mindful of the need to control costs while continuing to provide necessary services and maintain our infrastructure. We plan to continue our efforts to be good custodians of our public facilities by making necessary repairs and improvements.

Each year our contracted engineer reviews the evaluation he performs on all our streets in order to determine the priority for our paving funds. We budget to follow the plan - paving and providing patching in miscellaneous areas, for a budgeted amount of \$236,850 this year, which includes engineering and project management fees. Paving funds provided by the State (Powell Bill by name) via a direct appropriation of state dollars are based upon our population and number of miles of roads. Powell Bill revenue was budgeted for \$109,000, so local revenue in the amount of \$127,850 was budgeted to complete this project.

In this budget, we have allocated \$32,000 for bulkhead replacement and other repairs as needed in the Town. All the work we do relative to managing storm water is aimed at not only providing relief for emergent drainage problems but also at being conscious of the environmental impact storm water can have on receiving streams. The Town, in many ways, serves as a model for good storm water management practices, using grassy swales rather than the traditional urban model of curbs and gutters. In June 2024, the Town accepted a \$225,000 Emergency Management Disaster Relief and Mitigation Grant from North Carolina Emergency Management which will aid in the development of a Stormwater Asset Inventory and Analysis Assessment. We anticipate this project will be completed in FY2025-26.

Our IT replacement plan, which is also funded through our Capital Improvement Plan reserves, provides for \$4,500 in hardware upgrades this fiscal year. We continue to replace certain pieces of hardware to keep our system viable. During FY2022-23 we finalized the conversion process to our new Enterprise Resources Planning (ERP) software, which has continued to aid in the efficiency and streamlined operations with accessibility to information.

Programs are being funded to support the Parks and Recreation Advisory Board which plans to continue its efforts to provide yoga, craft making, and special events throughout the year, the largest of which is the annual 4th of July parade and picnic.

For the enterprise funds, water and sewer, we utilize a professionally designed utility rate model so the impact of the proposed expenditures and desired level of reserves can be compared to revenue at various rate levels. The Town Council voted for no change in the rates for this budget.

Plans for the water utility include routine maintenance of buildings and replacement of equipment. All equipment maintenance contracts are funded. The Water Fund Capital Improvement Plan budgeted \$20,500 and these funds support the vehicle replacement plan, well pump replacements, and all other planned or emergency cash-funded capital expenditures. Capital expenditures planned for the Water Fund include a purchase of a dump trailer, \$5,100, which will be a shared purchase with the Sewer Fund as well as a water line extension on Old Pollocksville Road totaling \$25,000. It is projected that Water Fund cash reserves will be at 145% of expenditures at the end of FY 2028.

The state budget for FY2023-24 included \$1.9 billion of funding for water and wastewater infrastructure projects. The Town of River Bend was listed as the recipient of \$9,252,105 and a portion of this funding will be used toward the construction of a new water treatment facility.

The Town also has received the following preliminary notices of award subject to certain conditions:

- \$10,429,895 from North Carolina Department of Environmental Quality's Division of Water Infrastructure which consists of \$3,500,000 grant and a \$6,929,895 loan at 0% interest. The Town will use these funds toward the construction of a new water treatment facility and two new wells.
- \$6,274,250 from the North Carolina Department of Environmental Quality's Division of Water Infrastructure which consists of \$3,137,125 grant and a \$3,137,125 loan at 1% interest. The Town will use these funds toward the construction of a new water treatment facility.

The Sewer Fund budget provides \$5,100 for the purchase of a dump trailer which will be shared with the Water Fund and \$25,000 for lift station upgrades. As with the Water Fund, all equipment maintenance contracts are funded. Our permit renewal in 2024 for the wastewater treatment plant required no major changes from the application submitted. Sewer Fund cash reserves are projected to be at least 150% of expenditures for the next three years.

The Town received a grant totaling \$9,108,500 from the State of North Carolina to fund wastewater treatment plant enhancements. Specifically, these funds will be used to fund Phase I of a major upgrade and rehabilitation of the existing treatment plant.

In July 2022, the Town was awarded two Asset Inventory and Assessment (AIA) grants, \$150,000 each. The AIA grant received from the North Carolina Environmental Quality Drinking Water Reserve will be used to assess the condition of, produce a map of and inventory components of the water system. The AIA grant received from the North Carolina Environmental Quality Wastewater Reserve will be used to assess the condition of, produce a map of and inventory components of the sewer system. We anticipate both projects to be completed in FY2025-26.

One major consideration during the budget preparation this year was the tax rate. The Council approved a rate of \$0.28 per 100 dollars of valuation, which is a \$0.04 increase from last fiscal year. The Council chose to balance the General Fund budget by using \$201,350 from fund balance.

Financial Management

The Town of River Bend maintains comprehensive financial and budgetary policies covering a broad range of the elements of the Town's financial plans and financial systems that underlay the management of overall financial resources. These policies have major objectives to be achieved that include:

- To link long-term financial planning with short-term daily operations and decision-making.
- To maintain and improve the Town's financial position.
- To maintain and improve the Town's credit ratings by meeting or exceeding the requirements of rating agencies through sound financial policies.
- To maintain and increase investor confidence in the Town and to provide credibility to the citizens of the Town regarding financial operations.
- To comply with the North Carolina Budget and Fiscal Control Act and the policies of the North Carolina Local Government Commission (the "LGC").
- To effectively conduct asset-liability management of the Town's balance sheet.

The Town's Financial and Budgetary Policies states that the target goal for the General Fund's unrestricted and unassigned fund balance shall be no less than 50% of the actual expenditures of the then completed fiscal year, with the total amount of unassigned fund balance at \$2,000,000. The Town Council is committed to achieving and maintaining this level of fund balance.

Budgetary Control

In accordance with the North Carolina Local Government Budget and Fiscal Control Act, the Town adopts a budget ordinance containing balanced budgets for each of the three major funds for the fiscal year beginning on July 1 and ending on June 30. The budget ordinance also includes, as required by the Act, the property tax levy and rate. Budgeted expenditures are approved by the ordinance at the department level.

The Town of River Bend employs a progressive and transparent budget development process that allows for significant participation from elected officials, advisory boards, staff, and the public. The process formally begins with a kick-off meeting where the Council discusses its priorities for the coming fiscal year in terms of how they respond to the Town's Mission Statement, which is presented on the following page. The Budget Officer leads a general discussion concerning the current fiscal year and trends observed that might impact the budget planning process.



The Council also approves a schedule of budget workshops. At these workshops, the professional staff presents details of revenue and expenses in each fund. Through direct interaction with the Council in a less formal setting, the staff is able to get the consensus of the elected body in terms of the details contained in the budget. The Council is also able to hear from residents who attend these sessions in an informal setting. Following the last of these workshops, the professional staff prepares the Budget Message and the final budget document.

Independent Bond Rating

In FY 2013, we refinanced our general obligation bond debt for the Water and Sewer funds, saving nearly \$300,000 over the remaining life of the bonds, ending in FY 2027. In the process of refunding our bond debt, we obtained updated ratings from the agencies who analyze and rate our debt. The following summarizes their findings:

Standard and Poor's

In 2009, we received an upgrade from S&P from A to A+. Following their review in 2013, we received another upgrade from A+ to AA-. Here is an excerpt from their rating rationale:

"The upgrade reflects our assessment of, what we consider, the Town's historically strong financial performance due, in part, to, what we regard as, conservative budgeting practices that have helped the town historically maintain, in our view, extremely strong available general fund reserves."

Moody's

Following their review in 2023, we received confirmation of their Aa3 rating. Here is an excerpt from their rating rationale:

"The upgrade of the town's issuer rating to Aa3 is driven by its strong financial position with low long-term liabilities and fixed costs that are expected to remain manageable absent plans to issue additional debt in the medium term."

These favorable reviews are a testimony to the financial strength of this Town. Through good planning and making difficult decisions, River Bend will remain viable and strong for the future of this community.

Conclusion and Acknowledgements

Long-range planning and budgeting efforts focus on maintenance of current services, Town-owned property and infrastructure while attempting to keep rates and fees reasonable. Our Town Council members accept their responsibility with great conviction and sincerity, and remain well-informed and engaged in the operation of this government. These financial statements reflect the Council's commitment to maintaining and improving this community, and positioning it to be financially sound in the future.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of River Bend for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This was the fourteenth year the Town of River Bend received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report was made possible by the effort and dedication of the Finance Officer, Town's staff, and our independent auditors, Thompson, Price, Scott, Adams & Co., P.A., led by Austin Eubanks. Credit must also be given to the Mayor and Town Council for their ongoing support for maintaining the highest standards of professionalism in the management of the Town of River Bend's finances.

Respectfully Submitted,



Mandy B. Gilbert
Finance Officer



C. Delane Jackson
Town Manager





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of River Bend
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

OUR LOCATION

River Bend is located in Eastern North Carolina on the Atlantic Coast. We are located half way between Virginia and South Carolina. It is 110 miles to Raleigh, our State Capital. Myrtle Beach, SC, a national tourist destination, is only 162 miles away from River Bend.

RIVER BEND, NORTH CAROLINA



TOWN OF RIVER BEND NORTH CAROLINA

Appointed and Administrative Positions

as of June 30, 2025

MAYOR

Mark Bledsoe

TOWN COUNCIL

Lisa Benton

Brian Leonard

Kathryn Noonan

Morris “Buddy” Sheffield*

Jeff Weaver

*also serves as Mayor Pro Tem

ADMINISTRATIVE STAFF

Delane Jackson

Town Manager

Mandy Gilbert

Finance Director

Kristie Nobles

Town Clerk

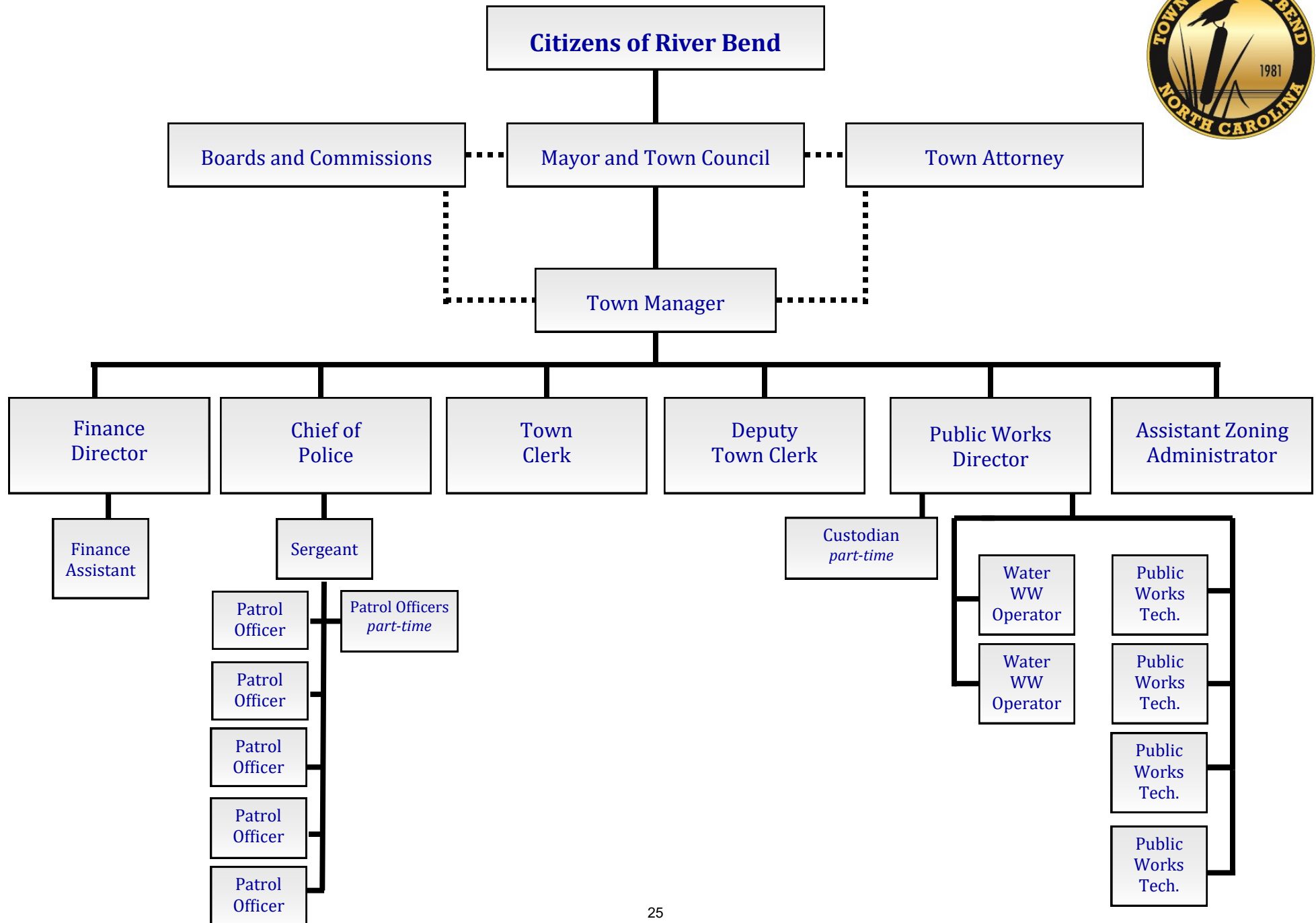
Sean Joll

Police Chief

Brandon Mills

Public Works Director

This Organizational Chart depicts the relationships between the Town staff, Town Manager, the Town Council, and Advisory Boards





FINANCIAL SECTION

- Report of Independent Certified Public Accountants
- Management's Discussion & Analysis
- Basic Financial Statements
- Notes to the Financial Statements
- Required Supplemental Information
- Other Supplemental Information



**REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS**





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 Mayor and Members of the Town Council
River Bend, 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 River Bend, North Carolina as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Town of River Bend's basic financial statements as listed in the table of contents.

In our opinion, based upon our audit, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of River Bend as of June 30, 2025, and the respective changes in financial position, and cash flows 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 River Bend 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 River Bend'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 responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of River Bend'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 River Bend's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and the Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contributions, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset (Liability) and contributions be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of River Bend's basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules 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. In our opinion, based on our audit, the procedures performed as described above, the combining and individual financial statements, budgetary schedules, other schedules 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 October 16, 2025, on our consideration of the Town of River Bend'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 Town of River Bend'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 Town of River Bend's internal control over financial reporting and compliance.

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

Wilmington, North Carolina

October 16, 2025



MANAGEMENT'S DISCUSSION & ANALYSIS



Management Discussion and Analysis Town of River Bend

Town of River Bend Management's Discussion and Analysis June 30, 2025

As management of the Town of River Bend, we offer readers of the Town of River Bend's financial statements this narrative overview and analysis of the financial activities of the Town of River Bend (the Town), for the fiscal year ended June 30, 2025. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources by \$10,980,236 (*net position*) at the close of the fiscal year.
- For governmental type activities, the Town's net position reflects a decrease of 1.0% at the close of the fiscal year at \$7,312,464. Net position for business-type activities, which exclusively include the Water and Sewer Enterprise Funds, were \$1,859,689 and \$1,808,083, respectively, for a total of \$3,667,772. This represents an increase of \$419,659 in the value of net position in the Water Fund, and an increase of \$301,581 in the value of net position in the Sewer Fund. On-going depreciation of the infrastructure, a total of \$153,288, continues to be a significant expense. The government's total net position increased by \$645,158.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$1,626,110, which was an increase of \$22,256. Approximately 11.9% of this amount, or \$192,964 is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,027,098 or 46.7% of total General Fund expenditures for the fiscal year. The Town Council's policy is that this ratio should be no less than 50% of the completed fiscal year's actual expenditures. For the year ending June 30, 2025, total General Fund expenditures amounted to \$2,201,149.
- The Town's total General Obligation bond debt decreased by \$230,000 (33%) during the current fiscal year. The key factor in this decrease is the timely payments of debt service expenditures.
- The Town holds an AA+ bond rating by Standard and Poor's Rating Services on its G.O. Series 2013 refunding bonds. The original bonds were used to purchase and upgrade the water and wastewater operations. Moody's Investor Service upgraded the Town of River Bend's bond rating to Aa3 from A1 in May 2023.

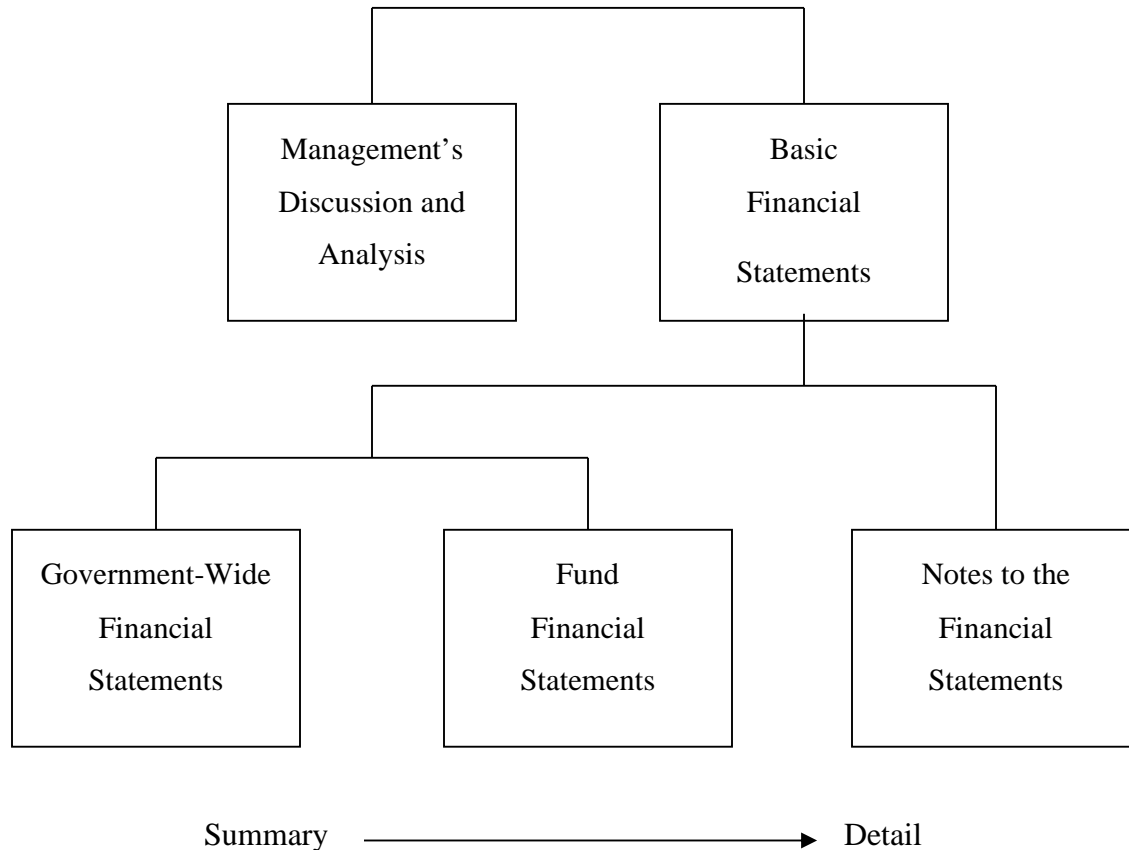
Overview of the Financial Statements

This discussion and analysis serves as an introduction to the Town'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 with 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 River Bend.

**Management Discussion and Analysis
Town of River Bend**

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are four parts to the fund financial statements: 1) the governmental funds statements, 2) the budgetary comparison statements for major governmental funds, 3) the proprietary fund statements, and 4) the fiduciary fund statements.

Management Discussion and Analysis

Town of River Bend

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 is the **Required Supplemental Information** containing funding information about the Town's pension benefits. **Supplemental Information** provides details about the Town's individual funds. Budgetary information required by the General Statutes is located in this part of the statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the 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 changes in the Town's net position. Net position is the difference between the Town's total assets and deferred outflows of resources and the 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, transportation, cultural and recreational, and general administration. Property taxes and State distributed sales tax, franchise revenues, and Powell Bill funds finance most of these activities. The business-type activities are those that the Town charges customers to provide services. These include the water and sewer services provided by the Town of River Bend.

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the 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 River Bend, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of the Town of River Bend can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds 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 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*. This method also has a current financial resources 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 are described in a reconciliation that is a part of the fund financial statements.

The Town of River Bend 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 Town Council 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

Management Discussion and Analysis

Town of River Bend

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 utilizes the same format, language, and classifications as the legal budget document.

The statement shows four columns: 1) the original budget as adopted by the Town Council, 2) the final budget as amended by the Town Council, 3) the actual resources, charges to appropriations, and ending balances in the General Fund, and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds. The Town of River Bend has one kind of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of River Bend uses two enterprise funds to account for its water and sewer operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Town of River Bend does not have any fiduciary funds.

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. The notes to the financial statements begin on page 67 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of River Bend's progress in funding its obligation to provide pension benefits to its employees. Required supplemental information can be found beginning on page 85 of this report.

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. It is also subject to changes in investment earnings and asset values associated with the U.S. Treasury Securities because of actions by foreign governments and other holders of publicly held U.S. Treasury Securities.

Government-Wide Financial Analysis. As noted earlier, net position may serve over time, as one useful indicator of a government's financial condition. The assets and deferred outflows of resources of the Town of River Bend exceeded liabilities and deferred inflows by \$10,980,236 as of June 30, 2025. The Town's net position increased \$645,158 over the prior fiscal year.

Management Discussion and Analysis

Town of River Bend

Town of River Bend's Net Position

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and other assets	\$ 1,716,743	\$ 1,660,049	\$ 1,633,011	\$ 1,441,350	\$ 3,349,754	\$ 3,101,399
Capital assets	6,356,588	6,357,425	2,974,278	2,514,617	9,330,866	8,872,042
Deferred outflows of resources	433,708	441,312	135,354	150,427	569,062	591,739
Total assets and deferred outflows of resources	<u>8,507,039</u>	<u>8,458,786</u>	<u>4,742,643</u>	<u>4,106,394</u>	<u>13,249,682</u>	<u>12,565,180</u>
Liabilities:						
Current liabilities	197,405	83,468	539,060	339,128	736,465	422,596
Long-term liabilities	861,854	800,399	525,922	803,297	1,387,776	1,603,696
Deferred inflows of resources	135,316	170,691	9,889	14,985	145,205	185,676
Total liabilities and deferred inflows of resources	<u>1,194,575</u>	<u>1,054,558</u>	<u>1,074,871</u>	<u>1,157,410</u>	<u>2,269,446</u>	<u>2,211,968</u>
Net Position:						
Net investment in capital assets	6,356,588	6,357,425	2,379,353	1,673,228	8,735,941	8,030,653
Restricted	192,964	168,343	-	-	192,964	168,343
Unrestricted	762,912	862,778	1,288,419	1,273,304	2,051,331	2,136,082
Total net position	<u>\$ 7,312,464</u>	<u>\$ 7,388,546</u>	<u>\$ 3,667,772</u>	<u>\$ 2,946,532</u>	<u>\$ 10,980,236</u>	<u>\$ 10,335,078</u>

Capital assets for business-type activities increased \$459,661 or 18.3%. This increase is attributable to completion of the purchase and installation of new radio-read water meters and associated equipment as well as five ongoing capital projects for the Water and Sewer Funds.

Current liabilities increased over the last fiscal year, \$313,869, primarily due to increases in accounts payable, \$174,578, and the current portion of pension liabilities for both Local Governmental Employees' Retirement System (LGERS) and Law Enforcement Officers (LEO), \$125,000.

A large portion of the Town's net position, 79.6%, reflects its net investment in capital assets (e.g. land, buildings, machinery, and equipment). The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the Town's net position, \$192,964, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$2,051,331 is unrestricted and available for future spending. These details are shown in the highlighted section of Figure 2 above.

Management Discussion and Analysis
Town of River Bend

Town of River Bend's Changes in Net Position

Figure 3

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues:						
Program revenues:						
Charges for services	\$ 52,590	\$ 58,029	\$ 1,205,324	\$ 1,234,347	\$ 1,257,914	\$ 1,292,376
Operating grants and contributions	116,391	102,760	-	-	116,391	102,760
Capital grants and contributions	60,000	-	669,208	470,200	729,208	470,200
General revenues:						
Property taxes	1,110,197	1,098,470	-	-	1,110,197	1,098,470
Other taxes	872,547	724,776	-	-	872,547	724,776
Investment earnings, unrestricted	60,584	84,391	53,571	58,823	114,155	143,214
Miscellaneous, unrestricted	11,597	46,091	803	-	12,400	46,091
Total revenues	<u>2,283,906</u>	<u>2,114,517</u>	<u>1,928,906</u>	<u>1,763,370</u>	<u>4,212,812</u>	<u>3,877,887</u>
Expenses:						
General government	820,182	848,744	-	-	820,182	848,744
Public safety	870,585	764,053	-	-	870,585	764,053
Transportation	107,586	69,214	-	-	107,586	69,214
Environmental protection	465,897	323,727	-	-	465,897	323,727
Cultural and recreational	95,738	106,434	-	-	95,738	106,434
Water	-	-	584,643	547,822	584,643	547,822
Sewer	-	-	623,023	590,434	623,023	590,434
Total expenses	<u>2,359,988</u>	<u>2,112,172</u>	<u>1,207,666</u>	<u>1,138,256</u>	<u>3,567,654</u>	<u>3,250,428</u>
Increase in net position before transfers	(76,082)	2,345	721,240	625,114	645,158	627,459
Transfers	-	(125,102)	-	125,102	-	-
Increase in net position:	(76,082)	(122,757)	721,240	750,216	645,158	627,459
Net position, beginning	7,404,228	7,526,985	2,948,984	2,198,768	10,353,212	9,725,753
Prior period restatement	(15,682)	-	(2,452)	-	(18,134)	-
Net position, beginning as restated	<u>7,388,546</u>	<u>7,526,985</u>	<u>2,946,532</u>	<u>2,198,768</u>	<u>10,335,078</u>	<u>9,725,753</u>
Net position, June 30	<u>\$ 7,312,464</u>	<u>\$ 7,404,228</u>	<u>\$ 3,667,772</u>	<u>\$ 2,948,984</u>	<u>\$ 10,980,236</u>	<u>\$ 10,353,212</u>

The Town's overall net position increased \$645,158 from the prior year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Management Discussion and Analysis

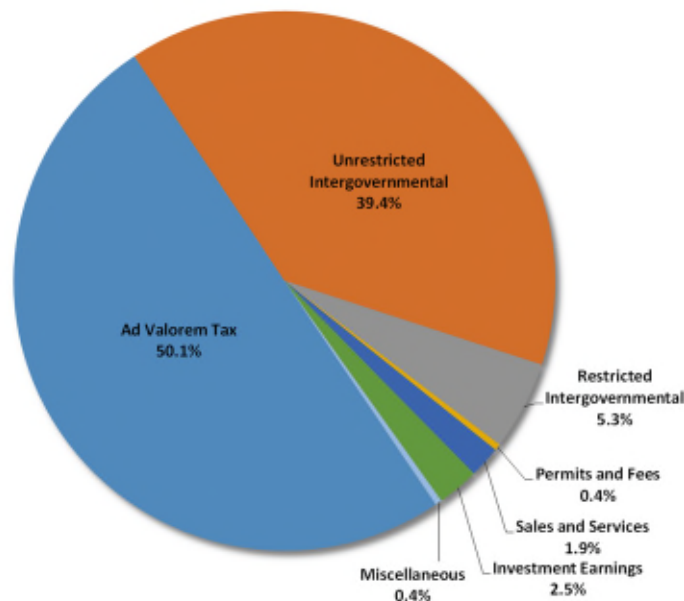
Town of River Bend

During the current fiscal year, the Town implemented Governmental Accounting Standards Board Statement No. 101, Compensated Absences. In addition to the value of unused vacation time owed to employees upon separation of employment, the Town also recognizes an estimated amount of sick leave earned as of fiscal year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of this change required a prior period restatement to reduce government-wide net position by \$18,134 to record the estimated liability for sick leave as of June 30, 2024.

Governmental Activities. The total net position of the Town increased by \$645,158; governmental activities reduced the increase of the Town's net position by \$76,082. Key elements that affected net position are as follows:

- Ad Valorem taxes make up 50% of the governmental activity revenue and increased \$11,727 over last fiscal year. This 1% increase is due to an increase in the tax base for the current fiscal year. The net taxable valuation of all property excluding registered motor vehicles within the Town increased \$2,782,921 from last fiscal year's valuation. This fiscal year the adopted tax rate was \$0.24, unchanged from last fiscal year, with a net property tax valuation of \$461,608,333. Craven County's collection rate was 99.67%.
- Capital grants and contributions increased \$60,000 from FY24 due to receiving funds from a \$225,000 grant awarded from North Carolina Emergency Management during the current fiscal year. The grant funds will be used to inventory and establish a Geographic Information System database and mapping system of the Town's stormwater infrastructure.
- Other taxes (local option sales tax revenue as well as other State-shared revenues) increased \$147,771 (20.3%) over last fiscal year. Most of this increase is attributable to local option sales tax which increased 28.4% from FY24 due to increased consumer spending.
- Exhibit 5 in the Basic Financial Statement outlines budget to actual performance in the General Fund for Town expenditures. Each functional area operated well within budgeted amounts, while still maintaining services. Capital outlays increased capital assets for a total of \$286,059, of which the General Fund Capital Improvement Plan contributed \$86,757 from Capital Reserves.

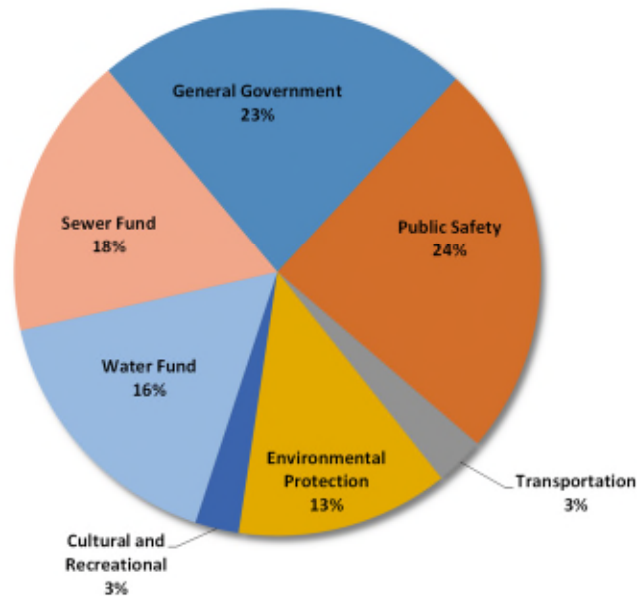
Town of River Bend
Figure 4. Revenue Sources - Governmental Activities - Fiscal Year 2025



Management Discussion and Analysis

Town of River Bend

Town of River Bend
Figure 5. Functional Expenses - Fiscal Year 2025



Business-Type Activities. Business-type activities increased the Town's net position by \$721,240. Business-type activities reported for the Town are exclusively the Town's Water and Sewer Fund. The operations are self-supported by their respective user fees, which are determined using guidance from a professionally designed rate model.

- An annual comprehensive study of the operations and capital needs of the Water and Sewer systems, using a professionally designed rate model, determines whether our utility rates will enable the enterprise funds to cover operating costs and maintain cash each fiscal year as budgeted. Water and sewer utility rates did not change during the fiscal year.
- Operating revenues from water services did not adequately cover the operating expenses, which resulted in an operating loss of \$4,643. This is due to the purchase of replacement media for the Town's water treatment system to improve water quality for our customers. Net position increased \$419,659 due to the capital contributions received during the fiscal year for grants the Town has been awarded.
- Operating revenues from sewer services adequately covered the operating expenses, which resulted in operating income of \$23,301, and an increase in net position of \$301,581. Net position increased due to the operating income as well as \$255,559 in capital contributions received during the fiscal year for grants the Town has been awarded.
- Capital grants and contributions increased \$199,008 over the prior fiscal year which is primarily due to the grant funds received during the fiscal year for the Water Treatment Plant capital project.

Exhibits 6 and 7 provide this information in more detail. Both enterprise operations experienced operating efficiencies through the diligent management of staff, which was evidenced by the increased operating revenues for both funds.

Management Discussion and Analysis

Town of River Bend

Water Fund:

- Overall the Water Fund increased net position by \$419,659 for a total of \$1,859,689 at year-end.
- Operating loss was \$4,643, which decreased \$54,318 over last year's operating income of \$49,675. This decrease is due to decreased charges for service (usage component of services provided) as well as increased administration and operation expenses during the fiscal year.
- Capital assets of \$57,932 were acquired in the current year, which included media replacement (\$54,432) in the Town's water treatment system to improve water quality for our customers. The cash-funded capital improvement plan provided for an annual appropriation of \$20,000.
- Construction in progress for the Water Fund experienced increases from new project expenditures, \$295,118, and decreases resulting from project completion and transfer to fixed assets, \$717,498. The new project expenditures relate to three ongoing capital projects – Asset Inventory and Assessment of the Town's water system, a water treatment improvement study which will provide for the development of a Pre-Construction Analysis of Water Supply Report and the construction of a new Water Treatment Plant. The completed project refers to the purchase and installation of new radio-read water meters and associated equipment.
- Depreciation expense reduced net position in the amount of \$96,505, compared to \$79,762 last year.

Sewer Fund:

- The Sewer Fund increased net position by \$301,581 from last year to \$1,808,083 at year-end.
- Operating income was \$23,301, which decreased \$51,165 over last year's operating income of \$74,466. This decrease is due to decreased charges for service (usage component of services provided) as well as increased administration and operations expenses during the fiscal year.
- Capital assets of \$3,499 were acquired in the current year. The cash-funded capital improvement plan provided for an annual appropriation of \$25,000.
- Construction in progress for the Sewer Fund increased \$256,400 due to the continued work on the Wastewater Treatment Plant Capital Project which will allow for a major upgrade and rehabilitation of our existing treatment plant as well as the Asset Inventory and Assessment of the Town's sewer system.
- Depreciation expense reduced net position by \$56,783, compared to \$60,183 last year.

The enterprise funds are self-supporting and user fees are adjusted, taking guidance from the aforementioned rate model to address the cost of operations and capital expenditures identified in the Capital Improvement Plans.

Financial Analysis of the Town's Funds

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

Governmental Funds. The focus of the Town of River Bend'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'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.

Total governmental fund balances were \$1,626,110, an increase of \$22,256 over the prior year. Included in this change is an increase of \$49,460 in fund balance in the Capital Reserve Funds. The General Fund's fund balance decreased \$27,204 primarily due to a transfer to the Capital Reserve Fund to support future capital projects.

Management Discussion and Analysis

Town of River Bend

The General Fund is the chief operating fund of the Town of River Bend. For the fiscal year ended June 30, 2025, the Town's fund balance available in the General Fund was \$1,282,481 and unassigned fund balance of the General Fund was \$1,027,098, a 6.9% increase from the prior year. Total fund balance is \$1,475,445. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures.

At year-end, unassigned General Fund balance represents 46.7% of total General Fund expenditures. The Town's policy states this ratio should be no less than 50% of the completed fiscal year's actual General Fund expenditures. Total fund balance represents 67% of total General Fund expenditures and available fund balance represents 58% of total General Fund expenditures.

The Department of State Treasurer reported the average fund balance of 101.42% for the group of non-electric cities with annual general fund expenditures between \$1,000,000 and \$9,999,999 for the year ended June 30, 2024.

General Fund Budgetary Highlights. During the fiscal year, the Town amended the budget on three 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.

The budget was amended for:

- Fund balance of \$3,631 appropriated for various incomplete projects rolled over from FY23-24 and recognize grant funding received for the Police department, \$23,364, to offset expenditures for the Police department.
- Recognize anticipated sales tax revenues above original budget and recognize resignation of contractor performing the Town's mowing and landscaping services. This will allow the funding needed to change a part-time position to full-time for Public Works department to handle the mowing and landscaping in-house.
- Interdepartmental transfers of \$20,850 to allow for funding of salaries and benefits for various departments as well as allow for an increase in leaf and limb fees for the fiscal year.

Excluding restricted intergovernmental revenues (federal and state grants, solid waste disposal tax and Powell Bill allocation), General Fund revenues finished with a positive budget variance of \$165,064. The main component of this positive variance was \$131,801 in unrestricted intergovernmental revenues (local options sales tax, hold harmless tax, telecommunications sales tax and utility franchise tax), which continued to rise during the fiscal year. Other unrestricted intergovernmental revenues (video programming and beer and wine tax) continue to decline; despite conservative budgeting, ending in negative variances. Ad Valorem tax collections were above budget by \$25,131.

Departmental expenditures were less than the final budgeted amounts by \$167,401. Each functional area contributed to this total amount, with the most significant of \$44,541, coming from Police due to changes in staff as well as reduced spending. Details of the budget and actual amounts for revenues and expenditures of the General Fund are presented in the Supplemental Information, Schedule 1, beginning on page 91. The Town complied with its budgetary requirements.

Management Discussion and Analysis

Town of River Bend

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. These funds, which exclusively include the Town's Water and Sewer Funds, reported a net position of \$1,859,689 and \$1,808,083, respectively, for a total of \$3,667,772. This represents an increase of \$721,240 from last fiscal year. As previously stated, a key element each year is depreciation. For this year in the Water Fund, it was \$96,505. In the Sewer Fund it was \$56,783. Unrestricted net position of the Water Fund and Sewer Fund at the end of the fiscal year amounted to \$1,288,419.

Other factors concerning the finances of these funds are addressed in the discussion of the Town's business-type activities. The enterprise funds' users' fees are adjusted as needed to address the cost of operations, minor capital expenditures, and maintain a cash reserve for capital needs.

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2025 totaled \$9,330,866 (net of accumulated depreciation). These assets include buildings, land, improvements, equipment, vehicles, infrastructure, water and wastewater facilities, and construction in progress. The Town maintains a \$5,000 capitalization threshold. Capital asset transactions during the year include the following additions (there were no significant demolitions or disposals.):

General Fund:

- \$1,846,111, completion of the new Public Works Administration Building
- \$160,525, 2025 Street Paving Program
- \$94,869, two 2025 Ford Interceptors for the Police department
- \$15,121, InstAlert messaging trailer
- \$9,653, 14' panel Christmas tree with lights
- \$5,890, 10x16 gazebo for dog park

Water Fund:

- \$717,498, completion of installation of new radio-read water meters and associated equipment
- \$54,432, purchase of new media for Town's water treatment system
- \$3,500, vehicle post lift, shared cost

Sewer Fund:

- \$3,499, vehicle post lift, shared cost

The Town of River Bend utilizes a well-planned and reasoned approach to major initiatives with a Capital Improvement Plan (CIP), as outlined in the Town's Financial and Budgetary Policies, Section VII, Capital Improvements Policy:

- a. The Town will update and readopt annually a five-year capital improvement plan (CIP) which projects capital needs and details the estimated costs, description and anticipated funding sources for capital projects. A separate CIP will be developed for the General Fund, Water Fund, and Sewer Fund.
- b. The annual update of the CIP will be conducted in conjunction with the annual operating budget process.

Management Discussion and Analysis

Town of River Bend

- c. The first year of the five-year CIP will be the basis of formal fiscal year appropriations during the annual budget process.
- d. A programming or cost estimation study is eligible for inclusion in the CIP for a project for which a future request is being considered. Such a study is encouraged to generate reliable cost estimates for the CIP.
- e. The Town expects to see new capital items generally first appear in the last year of the CIP.
- f. The Town acknowledges pay-as-you-go financing as a significant capital-financing source, but will ultimately determine the most appropriate financing structure for each capital project both on an individual basis after examining all relevant factors of the project and in conjunction with the funding of the entire CIP.

Town of River Bend's Capital Assets

Figure 6

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Land	\$ 989,320	\$ 989,320	\$ 183,357	\$ 183,357	\$ 1,172,677	\$ 1,172,677
Construction in progress	60,000	1,846,111	1,377,256	1,543,236	1,437,256	3,389,347
Plant and distribution system	-	-	6,590,378	5,818,448	6,590,378	5,818,448
Furniture and equipment	-	-	507,254	500,255	507,254	500,255
Building and improvements	4,845,489	2,849,412	8,960	8,960	4,854,449	2,858,372
Equipment and vehicles	707,409	587,766	-	-	707,409	587,766
Infrastructure	<u>3,175,443</u>	<u>3,158,994</u>	<u>-</u>	<u>-</u>	<u>3,175,443</u>	<u>3,158,994</u>
Subtotal	<u>9,777,661</u>	<u>9,431,603</u>	<u>8,667,205</u>	<u>8,054,256</u>	<u>18,444,866</u>	<u>17,485,859</u>
Less accumulated depreciation	<u>(3,421,073)</u>	<u>(3,074,178)</u>	<u>(5,692,927)</u>	<u>(5,539,639)</u>	<u>(9,114,000)</u>	<u>(8,613,817)</u>
Capital assets, net	<u>\$ 6,356,588</u>	<u>\$ 6,357,425</u>	<u>\$ 2,974,278</u>	<u>\$ 2,514,617</u>	<u>\$ 9,330,866</u>	<u>\$ 8,872,042</u>

Additional information on the Town's capital assets is found in Note III to the basic financial statements.

Long-Term Debt. As of June 30, 2025, the Town had total bonded debt outstanding of \$470,000, all of which is backed by the full faith and credit of the Town. A \$114,998 revolving loan note at 0% interest was issued to the Town during the FY23-24 fiscal year. The revolving loan note debt totaled \$103,498 at June 30, 2025. This debt is serviced by the water department.

Management Discussion and Analysis

Town of River Bend

Town of River Bend's Long-Term Debt

Figure 7

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
General obligation bonds	\$ -	\$ -	\$ 470,000	\$ 700,000	\$ 470,000	\$ 700,000
Installment purchase	\$ -	\$ -	\$ 103,498	\$ 109,248	\$ 103,498	\$ 109,248
Unamortized premium on bonds	-	-	21,427	32,141	21,427	32,141
Compensated absences						
Vacation leave	65,143	58,757	27,302	24,783	92,445	83,540
Sick leave	18,620	15,682	3,032	2,452	21,652	18,134
Total pension liability (LGERS)	723,860	651,649	215,159	193,589	939,019	845,238
Total pension liability (LEO)	164,231	119,993	-	-	164,231	119,993
Total debt	<u>\$ 971,854</u>	<u>\$ 846,081</u>	<u>\$ 840,418</u>	<u>\$ 1,062,213</u>	<u>\$ 1,812,272</u>	<u>\$ 1,908,294</u>

In the process of restructuring the Series 2004 General Obligation bonds in 2013, the Town of River Bend received an upgrade in our Standard and Poor's rating to AA- and a stable A1 rating with Moody's Investor Service. In November of 2013, Standard and Poor's performed a routine evaluation of many of their ratings. Because of this evaluation, the Town of River Bend received our third rating upgrade in four years, moving from AA- to AA+. In May 2023, Moody's Investor Service upgraded the Town's bond rating to Aa3 from A1 stating the upgrade was driven by its strong financial position with low long-term liabilities. These bond ratings are a clear indication of consistently sound financial operations with ample reserves.

Additional information on the Town's long-term debt is found starting on page 80 in the notes to the basic financial statements. The Town's legal debt margin at June 30, 2025 was \$36,825,169.

Economic Factors

The Town of River Bend is a small residential community in Craven County, home to approximately 3,000 residents. Located a few miles south of the City of New Bern on Highway 17, residents are employed by industry and government within a wide radius of the Town, while a high percentage are retirees. The local area economy has rebounded from the COVID-19 pandemic and unemployment rates are back to pre-pandemic levels. Craven County's unemployment rate at the end of June 2025 was reported at 4.0% which is slightly higher than the State seasonally adjusted rate of 3.7%, while the national rate was a bit higher at 4.1%.

Budget Highlights and Rates for the Fiscal Year Ending June 30, 2026

Governmental Activities. The budget represents the commitment of the Town Council to the mission statement established in the Town's Comprehensive Plan, and responds to the goals the Council established at their Work Session in January 2025. These goals are the foundation upon which the budget is built. We invite you to review the annual budget message on our website www.riverbendnc.org/finance.

The General Fund budget is formulated in compliance with the Financial and Budgetary Policies, which stipulate a minimum contingency level of 1% of budgeted General Fund expenditures and a goal to maintain a fund balance of no less than 50%, with the total amount of unassigned fund balance at \$2,000,000. General

Management Discussion and Analysis

Town of River Bend

Fund revenues and other financing sources are budgeted at \$2,692,000, which is a 9.6% increase from the 2025 fiscal year-end budgeted revenues and a 21.5% increase in 2025 fiscal year-end actual revenues.

The Council adopted a tax rate of \$0.28, which is a \$0.04 increase from the prior year of \$0.24. The increase in the property tax rate was intended to lessen the Town's dependency on fund balance appropriations for ongoing operations. Appropriated fund balance was used to balance the budget in the amount of \$201,350.

Diligent management of all Town resources, which includes a qualified professional staff, is critical in providing services to maintain the quality of life expected by the residents of our Town. The Town of River Bend budget supports twenty-one full-time, four part-time employees and a recreation instructor. Personnel costs, including benefits, represent 47% of the total combined operating budget. Following the guidance of the Council, the budget reflects a 2.8% cost-of-living increase and 1% for longevity increases. An additional 2% merit pool is available to recognize outstanding performance of individual employees.

The budget does not include funding to the Law Enforcement Officers' Separation Allowance and the Town does not have a financial obligation this year.

Each year our contracted engineer reviews an evaluation he performed on all our streets to determine the priority for our paving funds. We budget to follow the plan, which includes paving some streets and providing patching on several other streets. The estimated cost is well above what we receive from the State through the Powell Bill appropriation, as a result local revenue of \$120,345 will be budgeted to complete this project.

Capital Improvement Plans (CIP) are used to plan for capital needs in each major fund area to sustain and improve infrastructure and operations within the financial capacity of the Town. \$151,344 is budgeted to set aside in the General Capital Reserve Fund for this year.

CIP budgeted expenditures this year are \$4,500 for the replacement of information technology hardware, \$32,000 for stormwater management, \$46,000 for a pickup truck for public works department and \$48,000 for a vehicle for the police department.

Included in the governmental CIP is a detailed plan for keeping our information technology equipment up to date. We are operating in a cloud environment which means our servers are maintained at a remote site by our IT contractor, who also provides continually updated firewall protection against cyber-attacks. This cost-effective approach enables us to reduce the amount of CIP funding for IT hardware while providing us with the necessary disaster recovery capability and efficient public e-mail retention. Due to reductions in the costs of our remaining hardware, particularly for mobile data terminals used by the police department, we can keep our CIP funding to approximately \$5,000 per year.

Business-Type Activities. The adopted rate schedule reflects no rate changes in both the Water Fund and the Sewer Fund. Using the professionally designed utility rate model, revenues are projected and the expenditures needed to maintain the infrastructure, pay debt service, and attain the appropriate level of cash reserves to sustain the quality of services provided by our community water and wastewater systems are identified. Debt service accounts for 19% and 15% of the total expenditures for the Water Fund and the Sewer Fund, respectively. Based upon the proposed expenditures and revenue projections, the cash balance in this utility is reasonably sufficient to respond to unknown conditions. At the end of the next three years, it is projected that Water Fund cash reserves will be more than 100% of expenditures. At the end of the next three years, it is projected that the Sewer Fund cash reserves also will be at more than 100% of expenditures.

Management Discussion and Analysis

Town of River Bend

Water Capital Improvement Plan (CIP) budgeted funds of \$20,500 in this fiscal year. These funds support the vehicle replacement plan, well pump replacements, and all other planned or emergency cash-funded capital expenditures. The Water Fund also maintains cash reserves to address these needs. Capital expenditures planned for the Water Fund this fiscal year include \$25,000 for a line extension on Old Pollocksville Road and shared cost of a dump trailer, \$5,100.

In November 2023, the Town was awarded a \$100,000 grant from the North Carolina Department of Environmental Quality. This grant will provide for the development of a Pre-Construction Analysis of Water Supply Report and was completed during FY24-25. The Town received final payment from the grant in August 2025.

In July 2022, the Town was awarded two Asset Inventory and Assessment (AIA) grants, \$150,000 each. The AIA grant received from the North Carolina Environmental Quality Drinking Water Reserve will be used to assess the condition of, produce a map of and inventory components of the water system. The AIA grant received from the North Carolina Environmental Quality Wastewater Reserve will be used to assess the condition of, produce a map of and inventory components of the sewer system. Both projects should be completed during FY25-26.

Sewer Capital Improvement Plan (CIP) budgeted funds of \$25,000 in this fiscal year to support the vehicle replacement plan, lift station upgrades and all other planned or emergency cash-funded capital expenditures. Capital expenditures planned for the Sewer Fund this fiscal year include the cost-shared dump trailer, \$5,100, and lift station rehabilitation, \$25,000.

Over the next few years, it is anticipated that capital expenditures for the Water Fund will include construction of a new Water Treatment Plant and two new wells. And the Sewer Fund will include major upgrades and rehabilitation of our existing Wastewater Treatment Plant.

The Town has received the following funding and/or potential funding over the last couple of years:

- \$9,108,500 grant from the State of North Carolina to fund the wastewater treatment plant enhancements which will essentially result in a new treatment plant.
- \$9,252,105 direct appropriation from the FY23-24 state budget. A portion of this funding, \$5,112,650, will be used toward enhancements of our existing Wastewater Treatment Plant and a portion, \$4,139,455 will be used toward the construction of a new water treatment facility.
- Preliminary notice of award subject to certain conditions for the following:
 - \$10,429,895 from the North Carolina Department of Environmental Quality's Division of Water Infrastructure which consists of a \$3,500,000 grant and a \$6,929,895 loan at 0% interest. The Town will use these funds toward the construction of a new water treatment facility and two new wells.
 - \$6,274,250 from the North Carolina Department of Environmental Quality's Division of Water Infrastructure which consists of a \$3,137,125 grant and a \$3,137,125 loan at 1% interest. The Town will use these funds toward the construction of a new water treatment facility.

Management Discussion and Analysis

Town of River Bend

This budget reflects the Council's commitment to maintaining and improving this community and positioning it to be financially sound in the future.

Requests for Information

This report is designed to provide an overview of the Town'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 Mandy Gilbert, Finance Director, 45 Shoreline Drive, River Bend, North Carolina 28562-8970 or finance@riverbendnc.org. Get to know us on the Town of River Bend's web site: www.riverbendnc.org.

BASIC FINANCIAL STATEMENTS



Town of River Bend
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,314,363	\$ 1,392,730	\$ 2,707,093
Restricted cash and cash equivalents	206,188	27,085	233,273
Taxes receivables (net)	3,228	-	3,228
Accounts receivable (net)	2,458	213,196	215,654
Due from other governments	190,506	-	190,506
Total current assets	1,716,743	1,633,011	3,349,754
Noncurrent asset:			
Capital assets:			
Land and construction in progress	1,049,320	1,560,613	2,609,933
Other capital assets, net of depreciation	5,307,268	1,413,665	6,720,933
Total capital assets (net)	6,356,588	2,974,278	9,330,866
Total noncurrent assets	6,356,588	2,974,278	9,330,866
Total assets	8,073,331	4,607,289	12,680,620
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals - LGERS	375,363	113,927	489,290
Pension deferrals - LEO	58,345	-	58,345
Deferred charge on refunding	-	21,427	21,427
Total deferred outflows of resources	433,708	135,354	569,062
LIABILITIES			
Current liabilities:			
Accounts payable	85,915	197,479	283,394
Liabilities payable from restricted assets	1,490	27,085	28,575
Current portion of compensated absences	35,000	13,032	48,032
Current portion of long-term debt	-	251,464	251,464
Current portion of pension liability - LGERS	50,000	50,000	100,000
Current portion of pension liability - LEO	25,000	-	25,000
Total current liabilities	197,405	539,060	736,465
Non-current liabilities:			
Non-current portion of compensated absences	48,763	17,302	66,065
Pension liability - LGERS	673,860	165,159	839,019
Pension liability - LEO	139,231	-	139,231
Non-current portion of long-term debt	-	343,461	343,461
Total long-term liabilities	861,854	525,922	1,387,776
Total liabilities	1,059,259	1,064,982	2,124,241
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals - LGERS	26,989	9,889	36,878
Pension deferrals - LEO	108,327	-	108,327
Total deferred inflows of resources	135,316	9,889	145,205
NET POSITION			
Net investment in capital assets	6,356,588	2,379,353	8,735,941
Restricted for:			
Stabilization by State Statute	192,964	-	192,964
Unrestricted	762,912	1,288,419	2,051,331
Total net position	\$ 7,312,464	\$ 3,667,772	\$ 10,980,236

**Town of River Bend
Statement of Activities
For the Year Ended June 30, 2025**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 820,182	\$ 5,616	\$ -	\$ -	\$ (814,566)	\$ -	\$ (814,566)
Public safety	870,585	2,781	7,294	-	(860,510)	-	(860,510)
Transportation	107,586	-	109,097	-	1,511	-	1,511
Environmental protection	465,897	2,228	-	60,000	(403,669)	-	(403,669)
Cultural and recreational	95,738	41,965	-	-	(53,773)	-	(53,773)
Total governmental activities	2,359,988	52,590	116,391	60,000	(2,131,007)	-	(2,131,007)
Business-type activities:							
Water fund	584,643	568,731	-	413,649	-	397,737	397,737
Sewer fund	623,023	636,593	-	255,559	-	269,129	269,129
Total business-type activities	1,207,666	1,205,324	-	669,208	-	666,866	666,866
Total primary government	\$ 3,567,654	\$ 1,257,914	\$ 116,391	\$ 729,208	(2,131,007)	666,866	(1,464,141)
General revenues:							
Ad valorem taxes					1,110,197	-	1,110,197
Local option sales taxes					540,040	-	540,040
Other taxes					332,507	-	332,507
Interest earned on investments, unrestricted					60,584	53,571	114,155
Miscellaneous, unrestricted					11,597	803	12,400
Transfers					-	-	-
Total general revenues					2,054,925	54,374	2,109,299
Change in net position					(76,082)	721,240	645,158
Net position, beginning, as previously reported					7,404,228	2,948,984	10,353,212
Prior period restatement					(15,682)	(2,452)	(18,134)
Net position, beginning as restated					7,388,546	2,946,532	10,335,078
Net position, ending					\$ 7,312,464	\$ 3,667,772	\$ 10,980,236

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

**Town of River Bend
Balance Sheet
Governmental Funds
June 30, 2025**

	<u>Major Funds</u>		<u>Non-Major Funds</u>	
	<u>General Fund</u>	<u>Stormwater AIA Grant</u>	<u>Capital Reserve</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 1,314,363	\$ -	\$ -	\$ 1,314,363
Restricted cash	55,523	-	150,665	206,188
Receivables, net:				
Taxes	3,228	-	-	3,228
Accounts	2,458	-	-	2,458
Due from other governments	190,506	-	-	190,506
Total assets	<u>\$ 1,566,078</u>	<u>\$ -</u>	<u>\$ 150,665</u>	<u>\$ 1,716,743</u>
LIABILITIES				
Accounts payable	\$ 85,915	\$ -	\$ -	\$ 85,915
Customer deposits	1,490	-	-	1,490
Total liabilities	<u>87,405</u>	<u>-</u>	<u>-</u>	<u>87,405</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes receivable	3,228	-	-	3,228
Total deferred inflows of resources	<u>3,228</u>	<u>-</u>	<u>-</u>	<u>3,228</u>
FUND BALANCES				
Restricted				
Stabilization by state statute	192,964	-	-	192,964
Committed:				
General government capital outlay	-	-	150,665	150,665
Assigned:				
Law enforcement separation allowance	54,033	-	-	54,033
Subsequent year's expenditures	201,350	-	-	201,350
Unassigned	1,027,098	-	-	1,027,098
Total fund balances	<u>1,475,445</u>	<u>-</u>	<u>150,665</u>	<u>1,626,110</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,566,078</u>	<u>\$ -</u>	<u>\$ 150,665</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	6,356,588
Deferred outflows of resources related to pension are not reported in the funds.	
LGERS	375,363
LEO	58,345
Earned revenues considered deferred inflows of resources in fund statements.	3,228
Net pension liability	(723,860)
Total pension liability	(164,231)
Deferred inflows of resources related to pension are not reported in the funds.	
LGERS	(26,989)
LEO	(108,327)
Other long-term liabilities (compensated absences) are not due and payable in the current period and therefore are not reported in the funds.	
	(83,763)
Net position of governmental activities	<u>\$ 7,312,464</u>

Town of River Bend
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	Major Funds		Non-major Funds	
	General Fund	Stormwater AIA Grant	Capital Reserve	Total Governmental Funds
REVENUES				
Ad valorem taxes	\$ 1,109,696	\$ -	\$ -	\$ 1,109,696
Unrestricted intergovernmental	872,547	-	-	872,547
Restricted intergovernmental	118,619	60,000	-	178,619
Permits and fees	8,397	-	-	8,397
Sales and services	41,965	-	-	41,965
Investment earnings	55,231	-	5,353	60,584
Miscellaneous	8,681	-	-	8,681
Total revenues	<u>2,215,136</u>	<u>60,000</u>	<u>5,353</u>	<u>2,280,489</u>
EXPENDITURES				
Current:				
General government	698,808	-	-	698,808
Public safety	848,531	-	-	848,531
Transportation	237,132	-	-	237,132
Environmental protection	362,472	60,000	-	422,472
Cultural and recreational	54,206	-	-	54,206
Total expenditures	<u>2,201,149</u>	<u>60,000</u>	<u>-</u>	<u>2,261,149</u>
Excess (deficiency) of revenues over expenditures	<u>13,987</u>	<u>-</u>	<u>5,353</u>	<u>19,340</u>
Revenues over (under) expenditures	13,987	-	5,353	19,340
Other financing sources:				
Transfer (to) from other funds	(44,107)	-	44,107	-
Insurance settlement	2,916	-	-	2,916
Total other financing sources	<u>(41,191)</u>	<u>-</u>	<u>44,107</u>	<u>2,916</u>
Revenues and other sources over expenditures and other sources	(27,204)	-	49,460	22,256
Fund balances, beginning	<u>1,502,649</u>	<u>-</u>	<u>101,205</u>	<u>1,603,854</u>
Fund balances, ending	<u>\$ 1,475,445</u>	<u>\$ -</u>	<u>\$ 150,665</u>	<u>\$ 1,626,110</u>

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

**Town of River Bend
Reconciliation of the
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025**

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

Net changes in fund balances - total governmental funds	\$ 22,256
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 exceeded depreciation in the current period.	
Capital outlay expenditures which were capitalized	\$ 346,058
Depreciation expense for governmental assets	<u>(346,895)</u>
	(837)
Contributions to the pension plan in the current fiscal year are not included on the statement of activities	135,969
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Change in unavailable revenue for tax revenues	501
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	(9,324)
Pension expense	<u>(224,647)</u>
Total changes in net position of governmental activities	<u>\$ (76,082)</u>

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

Town of River Bend
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	General Fund			
	Original	Final	Actual Amounts	Final Budget - Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 1,084,565	\$ 1,084,565	\$ 1,109,696	\$ 25,131
Unrestricted intergovernmental	726,434	740,746	872,547	131,801
Restricted intergovernmental	103,200	126,564	118,619	(7,945)
Permits and fees	9,000	9,000	8,397	(603)
Sales and services	37,044	37,044	41,965	4,921
Investment earnings	45,098	45,098	55,231	10,133
Miscellaneous	15,000	15,000	8,681	(6,319)
Total revenues	2,020,341	2,058,017	2,215,136	157,119
Expenditures:				
General government	812,543	771,940	698,808	73,132
Public safety	864,600	897,100	848,531	48,569
Transportation	235,000	248,760	237,132	11,628
Environmental protection	344,600	371,994	362,472	9,522
Cultural and recreational	70,500	78,756	54,206	24,550
Total expenditures	2,327,243	2,368,550	2,201,149	167,401
Revenues over (under) expenditures	(306,902)	(310,533)	13,987	324,520
Other financing sources (uses):				
Transfers from other funds	72,650	72,650	42,650	(30,000)
Transfers to other funds	(86,757)	(86,757)	(86,757)	-
Insurance settlement	-	-	2,916	2,916
Appropriated fund balance	321,009	324,640	-	(324,640)
Total other financing sources (uses)	306,902	310,533	(41,191)	(351,724)
Revenues and other sources over (under) expenditures and other uses	\$ -	\$ -	(27,204)	\$ (27,204)
Fund balances, beginning			1,502,649	
Fund balances, ending			<u>\$ 1,475,445</u>	

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

**Town of River Bend
Statement of Net Position
Proprietary Fund
June 30, 2025**

	Major Enterprise Funds		
	Water Fund	Sewer Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 564,484	\$ 828,246	\$ 1,392,730
Restricted cash and cash equivalents	10,731	16,354	27,085
Accounts receivable, net	110,981	102,215	213,196
Due from (to) other funds	(7,077)	7,077	-
Total current assets	679,119	953,892	1,633,011
Noncurrent assets:			
Capital assets:			
Land and construction in progress	705,055	855,558	1,560,613
Other capital assets, net of depreciation	1,024,349	389,316	1,413,665
Capital assets (net)	1,729,404	1,244,874	2,974,278
Total noncurrent assets	1,729,404	1,244,874	2,974,278
Total assets	2,408,523	2,198,766	4,607,289
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals	54,039	59,888	113,927
Deferred charge on refunding	11,499	9,928	21,427
Total deferred outflows of resources	65,538	69,816	135,354
LIABILITIES			
Current liabilities:			
Accounts payable	115,369	82,110	197,479
Liabilities payable from restricted assets	10,731	16,354	27,085
Compensated absences - current	6,478	6,554	13,032
Current portion of long-term debt	137,604	113,860	251,464
Current portion of net pension liability - LGERS	25,000	25,000	50,000
Total current liabilities	295,182	243,878	539,060
Non-current liabilities:			
Other noncurrent liabilities:			
Compensated absences	7,722	9,580	17,302
Net pension liability - LGERS	77,646	87,513	165,159
Long-term debt	229,555	113,906	343,461
Total noncurrent liabilities	314,923	210,999	525,922
Total liabilities	610,105	454,877	1,064,982
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	4,267	5,622	9,889
Total deferred inflows of resources	4,267	5,622	9,889
NET POSITION			
Net investment in capital assets	1,362,245	1,017,108	2,379,353
Unrestricted	497,444	790,975	1,288,419
Total net position	\$ 1,859,689	\$ 1,808,083	\$ 3,667,772

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

Town of River Bend
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2025

	Major Enterprise Funds		
	Water Fund	Sewer Fund	Total
OPERATING REVENUES			
Charges for services	\$ 538,924	\$ 627,017	\$ 1,165,941
Water and sewer taps	4,070	-	4,070
Other operating revenues	25,737	9,576	35,313
Total operating revenues	568,731	636,593	1,205,324
OPERATING EXPENSES			
Administration	377,799	395,308	773,107
Operations	99,070	161,201	260,271
Depreciation and amortization	96,505	56,783	153,288
Total operating expenses	573,374	613,292	1,186,666
Operating income (loss)	(4,643)	23,301	18,658
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	21,567	32,004	53,571
Sales tax revenue	355	448	803
Interest and other charges	(11,269)	(9,731)	(21,000)
Total nonoperating revenue (expenses)	10,653	22,721	33,374
Income (loss) before contributions and transfers	6,010	46,022	52,032
Capital contributions	413,649	255,559	669,208
Total income (loss) after contributions and transfers	419,659	301,581	721,240
Change in net position	419,659	301,581	721,240
Net position, beginning, as previously reported	1,441,221	1,507,763	2,948,984
Prior period restatement	(1,191)	(1,261)	(2,452)
Net position, beginning as restated	1,440,030	1,506,502	2,946,532
Net position, ending	\$ 1,859,689	\$ 1,808,083	\$ 3,667,772

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

**Town of River Bend
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2025**

	Major Enterprise Funds		
	Water Fund	Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 575,555	\$ 642,040	\$ 1,217,595
Cash paid for goods and services	(189,838)	(306,737)	(496,575)
Cash paid to or on behalf of employees for services	(172,123)	(190,278)	(362,401)
Net cash provided (used) by operating activities	213,594	145,025	358,619
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales tax revenue	355	448	803
Net cash provided (used) by noncapital financing activities	355	448	803
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(353,050)	(259,899)	(612,949)
Principal paid on long-term debt	(134,921)	(106,578)	(241,499)
Capital contributions	413,649	255,559	669,208
Interest and other costs paid on long-term debt	(11,269)	(9,731)	(21,000)
Net cash provided (used) by capital and related financing activities	(85,591)	(120,649)	(206,240)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	21,567	32,004	53,571
Net cash provided (used) by investing activities	21,567	32,004	53,571
Net increase (decrease) in cash and cash equivalents	149,925	56,828	206,753
Balances, beginning	425,290	787,772	1,213,062
Balances, ending	\$ 575,215	\$ 844,600	\$ 1,419,815
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ (4,643)	\$ 23,301	\$ 18,658
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	96,505	56,783	153,288
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	6,323	5,289	11,612
(Increase) decrease in due from other fund	5,906	(5,906)	-
(Increase) decrease in deferred outflows - pension	2,085	2,085	4,170
(Increase) decrease in deferred outflows - refunding	5,749	4,965	10,714
Increase (decrease) in net pension liability	10,316	10,316	20,632
Increase (decrease) in deferred inflows	(2,437)	(2,437)	(4,874)
Increase (decrease) in accounts payable	92,111	49,130	141,241
Increase (decrease) in customer deposits	501	158	659
Increase (decrease) in compensated absences	1,178	1,341	2,519
Total adjustments	218,237	121,724	339,961
Net cash provided by operating activities	\$ 213,594	\$ 145,025	\$ 358,619

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



NOTES TO THE FINANCIAL STATEMENTS

These notes are intended to communicate information necessary for a fair presentation of financial position and results of operations that are not readily apparent from or cannot be included in the financial statements themselves. The notes supplement the financial statements, are an integral part thereof, and are intended to be read in conjunction with the financial statements.



Town of River Bend, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2025

I. Summary of Significant Accounting Policies

The accounting policies of the Town of River Bend, North Carolina (the Town) 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 is a municipal corporation governed by an elected Mayor and five-members of the Town Council with a Manager-Council form of government. As required by generally accepted accounting principles, these financial statements present 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 specific 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 specific 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 emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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

The 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 grants, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance and construction, and sanitation services.

Stormwater Asset Inventory and Assessment Grant Project Fund. This grant project fund accounts for grant funds received to inventory and establish a Geographic Information System (GIS) database and mapping of the Town's stormwater infrastructure.

The Town reports the following major enterprise fund:

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

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

C. Measurement Focus and Basis of Accounting

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

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the 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 non-operating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance 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 taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the beer and wine 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 River Bend because the tax is levied by Craven 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 then by 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. An annual budget is also adopted for the Special Revenue Funds. Project ordinances are adopted for the Stormwater Asset Inventory and Assessment Grant, Water Asset Inventory and Assessment Capital Project Fund, Water Treatment Improvement Study Grant Capital Project Fund, Water Treatment Plant Capital Project Fund, Wastewater Treatment Plan Capital Project Fund and Sewer Asset Inventory and Assessment Capital Project Fund. 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 the multi-year funds. The Budget Officer is authorized to reallocate any appropriations within departments, to execute interfund and interdepartmental transfers in emergency situations, and to execute interdepartmental transfers in the same fund, including contingency appropriations, not to exceed \$5,000. Notification of such transfers shall be made to the Town Council at its next meeting following the transfer. Any revisions that alter total expenditures of fund must be approved by the governing body. During the year, several amendments to the original budget were necessary, the effects of which were not material. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim that covers that time until the annual ordinance can be adopted.

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

1. Deposits and Investments

All deposits of the Town 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.

NC 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, bankers' acceptances, and mutual fund shares when the mutual fund is certified by the Local Government Commission. The Town's investments are generally reported at fair value.

The North Carolina Capital Management Trust (NCCMT), Government Portfolio is a SEC-registered money market mutual fund that is certified by the Local Government Commission under the provisions of G.S. 159-30(c)(8) and the North Carolina Administrative Code. The Government Portfolio, is a 2a7 fund that invests in treasuries, government agencies, and repurchase agreements collateralized by treasuries. It is rated AAAM by S&P and AAA-mf by Moody's Investor Services and reported at fair value.

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. Only investments with maturities of three months or less at the time of purchase may be classified as cash equivalents.

3. Restricted Assets

Customer deposits held by the Town before any services are supplied are restricted to the service for which the deposit was collected. Restricted cash and cash equivalents at June 30, 2025 for customer deposits were \$27,085.

Restricted cash and cash equivalents at June 30, 2025 for the General Fund was \$54,033 for the Law Officers Separation Allowance and \$150,665 in reserve funds for the Capital Reserve Fund and customer deposits of \$1,490.

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, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2024.

5. Allowances for Doubtful Accounts

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

6. Prepaid Items

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

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization cost for the Town's assets are \$5,000. Donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. 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 are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Buildings and systems	30
Maintenance and construction equipment	5
Furniture and office equipment	5
Medium and heavy motor vehicles	5
Automobiles and light trucks	5
Computer software and equipment	5

8. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net assets 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 meets this criterion, pension deferrals and deferred charge on refunding bonds for the 2025 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The Town has only two items that meet the criterion for this category - property taxes receivable and pension 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.

In fund financial statements for governmental fund types, the face amount of debt issued is reported as other financing sources.

10. Compensated Absences

The vacation policy of the Town provides for two weeks' vacation leave per year. The vacation policy provides for a maximum of 240 hours to be carried from one year to the next. Any employee with more than 240 hours of accumulated leave during the last pay period of each calendar year shall have the excess accumulation removed so that only 240 hours are carried forward to the first pay period of the next calendar year. All excess vacation hours over 240 will be converted to the employee's sick leave account. 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 an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. In accordance with GASB Statement No. 101 for the Town's government-wide funds, an expense and liability for sick leave is recognized using the "practical expedient approach" allowed by the Standard for the portion of sick leave expected to be used and paid by the Town.

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 represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

Prepaid Items - portion of fund balance that is not an available resource, because it represents the year-end balance of prepaid items, which are not spendable resources. Amount prepaid at June 30, 2025 was \$0.

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.

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of Town of River Bend's governing body (highest level of decision-making authority). Any changes or removal of specific purpose requires majority action by the governing body. 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.

General government capital outlay - Funds committed for future purchases of governmental assets.

Assigned Fund Balance – portion of fund balance that Town of River Bend intends to use for specific purposes.

Subsequent year's expenditures – A portion of fund balance is appropriated in the FY 2025-26 budget to balance the budget, \$201,350.

Law Enforcement Separation Allowance - portion of fund balance that is appropriated for the cash that was previously held in the Law Enforcement Separation Allowance Fund. At June 30, 2025, assigned fund balance for this purpose was \$54,033.

The Town's governing body has the authority to assign fund balance pursuant to the Town's Financial and Budgetary Policies.

Unassigned Fund Balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only fund that reports a positive unassigned fund balance.

The Town of River Bend has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-town funds, 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.

The Town has adopted a formal fund balance policy that states the Town's target goal for the General Fund unassigned fund balance shall be no less than 50% of the actual expenditures of the then completed fiscal year with a total amount of \$2,000,000. These funds will be utilized to avoid cash flow interruptions, generate interest income, eliminate the need for short-term borrowing, and maintain the Town's credit ratings. The fund balance may be purposefully drawn down below the target percentage for emergencies, economic influences, non-recurring expenditures, or major capital projects. If the fund balance falls below the target percentage for two consecutive years, the Town Council shall adopt a plan of specific actions to be taken to restore available fund balance to the level set forth in the policy in the following fiscal year, if feasible, but within three fiscal years at most.

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 (LERS) and additions to/deductions from LERS' fiduciary net position have been determined on the same basis as they are reported by LERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Town's employer contributions are recognized when due and the Town has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LERS. Investments are reported at fair value.

13. Accounting for Changes

The Town implemented GASB Statement No. 101, Compensated Absences in the current fiscal year. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The implementation of this Statement required a prior period restatement to reduce government-wide net position by \$18,134 to record the estimated liability for sick leave at June 30, 2024.

The Town implemented GASB Statement No. 102, Certain Risk Disclosures. The disclosures provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

14. Recent Accounting Pronouncements

GASB Statement No. 103, Financial Reporting Model Improvements

In April 2024, the GASB issued GASB Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

This Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows. This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers.

This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. The Town is currently reviewing this statement to determine the effect on the financial statements.

GASB Statement No. 104, Disclosure of Certain Capital Assets

In September 2024, the GASB issued GASB Statement No. 104, Disclosure of Certain Capital Assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

II. Stewardship, Compliance, and Accountability

The Town has a deficit fund balance in the Water Treatment Plant, Water Treatment Improvement Study Grant and Wastewater Treatment Plant due to grant timing issues.

III. Detail Notes on All Funds

A. Assets

1. Deposits

All the deposits of the Town are either insured or collateralized by using the Pooling Method. 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 the entities 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 the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Pooling Method, the potential exists for 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, 2025, the Town's deposits had a carrying amount of \$390,315 and a bank balance of \$435,528. Of which \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. At June 30, 2025, the Town's petty cash fund totaled \$1,100.

2. Investments

At June 30, 2025, the Town had \$2,548,951 invested with the North Carolina Capital Management Trust's Government Portfolio, which carried a credit rating of AAAM by Standard and Poor's. The Town has no policy regarding credit risk.

3. Receivables

Receivable at the government-wide level at June 30, 2025, were as follows:

	Accounts	Taxes	Total
Governmental Activities:			
General	\$ -	\$ 6,776	\$ 6,776
Other receivables	2,463	-	2,463
Wildwood rents	7,198		
Due from other governments	190,506	-	190,506
Allowance for doubtful accounts	(7,203)	(3,538)	(10,741)
Total governmental activities	<u>\$ 192,964</u>	<u>\$ 3,238</u>	<u>\$ 196,202</u>
	Water	Sewer	Total
Business-type Activities			
Accounts	\$ 86,973	\$ 63,644	\$ 150,617
Unbilled receivables	86,848	102,881	189,729
Allowance for doubtful accountants	(62,840)	(64,310)	(127,150)
Total business-type activities	<u>\$ 110,981</u>	<u>\$ 102,215</u>	<u>\$ 213,196</u>

4. Capital Assets

Primary Government

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 989,320	\$ -	\$ -	\$ 989,320
Construction in progress	1,846,111	60,000	1,846,111	60,000
Total capital assets not being depreciated	<u>2,835,431</u>	<u>60,000</u>	<u>1,846,111</u>	<u>1,049,320</u>
Capital assets being depreciated:				
Buildings & improvement	2,993,488	1,852,001	-	4,845,489
Equipment and Vehicles	587,766	119,643	-	707,409
Infrastructure	3,014,918	160,525	-	3,175,443
Total capital assets being depreciated	<u>6,596,172</u>	<u>2,132,169</u>	<u>-</u>	<u>8,728,341</u>
Less accumulated depreciation for:				
Buildings & improvement	1,362,856	140,786	-	1,503,642
Equipment and Vehicles	481,417	51,110	-	532,527
Infrastructure	1,229,905	154,999	-	1,384,904
Total accumulated depreciation	<u>3,074,178</u>	<u>\$ 346,895</u>	<u>\$ -</u>	<u>3,421,073</u>
Total capital assets being depreciated, net	<u>3,521,994</u>			<u>5,307,268</u>
Governmental activity capital assets, net	<u><u>\$ 6,357,425</u></u>			<u><u>\$ 6,356,588</u></u>

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

General Government	\$ 126,646
Public Safety	55,542
Transportation	22,221
Environmental Protection	99,529
Cultural & Recreation	42,957
Total Depreciation Expense	<u><u>\$ 346,895</u></u>

Business-Type Activities:

	Beginning Balances	Increases	Decreases	Ending Balances
Water Fund				
Capital assets not being depreciated:				
Land	\$ 118,171	\$ -	\$ -	\$ 118,171
Construction in progress	1,009,264	295,118	717,498	586,884
Total capital assets not being depreciated	1,127,435	295,118	717,498	705,055
Capital assets being depreciated:				
Plant and Distribution Systems	3,169,790	771,930	-	3,941,720
Buildings and Improvements	4,480	-	-	4,480
Furniture and Equipment	232,341	3,500	-	235,841
Total capital assets being depreciated	3,406,611	775,430	-	4,182,041
Less accumulated depreciation for:				
Plant and Distribution Systems	2,883,778	84,928	-	2,968,706
Buildings and Improvements	1,568	112	-	1,680
Furniture and Equipment	175,841	11,465	-	187,306
Total accumulated depreciation	3,061,187	\$ 96,505	\$ -	3,157,692
Total capital assets being depreciated, net	345,424			1,024,349
Water Fund type capital assets, net	\$ 1,472,859			\$ 1,729,404
	Beginning Balances	Increases	Decreases	Ending Balances
Sewer Fund				
Capital assets not being depreciated:				
Land	\$ 65,186	\$ -	\$ -	\$ 65,186
Construction in progress	533,972	256,400	-	790,372
Total capital assets not being depreciated	599,158	256,400	-	855,558
Capital assets being depreciated:				
Plant and Distribution Systems	2,648,658	-	-	2,648,658
Buildings and Improvements	4,480	-	-	4,480
Furniture and Equipment	267,914	3,499	-	271,413
Total capital assets being depreciated	2,921,052	3,499	-	2,924,551
Less accumulated depreciation for:				
Plant and Distribution Systems	2,301,942	39,549	-	2,341,491
Buildings and Improvements	1,568	112	-	1,680
Furniture and Equipment	174,942	17,122	-	192,064
Total accumulated depreciation	2,478,452	\$ 56,783	\$ -	2,535,235
Total capital assets being depreciated, net	442,600			389,316
Sewer Fund type capital assets, net	\$ 1,041,758			\$ 1,244,874
Business Fund type capital assets, net	\$ 2,514,617			\$ 2,974,278

B. Liabilities**1. Pension Plan and Postemployment Obligations****a. Local Governmental Employees' Retirement System**

Plan Description. The Town is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (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 or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible 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. The Town 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, 2025, was 15.04% of compensation for law enforcement officers and 13.60% for general employees, 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 \$176,584 for the year ended June 30, 2025.

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, 2025, the Town reported a liability of \$939,019 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024 utilizing update procedures incorporating the actuarial assumptions. The 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, 2024 (measurement date), the Town's proportion was 0.01393%, which was an increase of 0.00117% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Town recognized pension expense of \$267,161. At June 30, 2025, 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	\$ 164,552	\$ 1,106
Change of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	127,659	-
Change in proportion and differences between Town contributions and proportionate share of contributions	20,495	35,772
Town contributions subsequent to the measurement date	176,584	-
Total	<u>\$ 489,290</u>	<u>\$ 36,878</u>

\$176,584 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2026	\$ 76,501
2027	176,625
2028	37,136
2029	(14,434)
2030	-
Thereafter	-
	<u>\$ 275,828</u>

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

Inflation	2.5 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, 2023 valuation were based on the results of an actuarial experience review for the period January 1, 2015 through December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	33%	2.4%
Global Equity	38%	6.9%
Real Estate	8%	6.0%
Alternatives	8%	8.6%
Opportunistic Fixed Income	7%	5.3%
Inflation Sensitive	6%	4.3%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2023 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return 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 one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	<u>1% Decrease (5.50%)</u>	<u>Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
Town's proportionate share of net pension liability (asset)	\$ 1,663,969	\$ 939,019	\$ 342,648

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

b. Law Enforcement Officers Special Separation Allowance

1. Plan Description

The Town of River Bend 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. The Town has made no contributions to this plan.

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

Retirees receiving benefits	-
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	8
Total	8

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

Inflation	2.5 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.28 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, 2024.

Mortality rates are projected from 2010 using generational improvement with Scale MP-2019.

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. There were no contributions made by employee. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The Town paid \$0 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, 2025, the Town reported a total pension liability of \$164,231. The total pension liability was measured as of December 31, 2024 based on a December 31, 2023 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2024 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2025, the Town recognized pension expense of \$18,934.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 38,562	\$ 69,093
Changes of assumptions	19,783	39,234
Town benefit payments and plan administrative expenses subsequent to the measurement date	-	-
Total	\$ 58,345	\$ 108,327

\$0 paid as benefits came due subsequent to the measurement date are 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	
2026	\$ (4,429)
2027	(9,236)
2028	(16,439)
2029	(10,255)
2030	(8,897)
Thereafter	(726)
	\$ (49,982)

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 4.28 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 (3.28 percent) or 1-percentage-point higher (5.28 percent) than the current rate:

	1 % Decrease (3.28%)	Current Discount Rate (4.28%)	1% Increase (5.28%)
Town's pension liability (asset)	\$ 181,651	\$ 164,231	\$ 148,492

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

	2025
Beginning balance	\$ 119,993
Service Cost	11,779
Interest on the total pension liability	4,800
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	32,363
Changes of assumptions or other inputs	(4,704)
Benefit payments	-
Other changes	-
Ending balance of the total pension liability	<u>\$ 164,231</u>

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

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five-year period ending December 31, 2019.

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

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

	LGERS	LEOSSA	Total
Pension Expense	\$ 267,161	\$ 18,934	\$ 286,095
Pension Liability	939,019	164,231	1,103,250
Proportionate share of the net pension liability	0.01393%	N/A	
Deferred of Outflows of Resources			
Differences between expected and actual experience	164,552	38,562	203,114
Changes of assumptions	-	19,783	19,783
Net difference between projected and actual earnings on plan investments	127,659	-	127,659
Changes in proportion and differences between contributions and proportionate share of contributions	20,495	-	20,495
Benefit payments and administrative costs paid subsequent to the measurement	176,584	-	176,584
Totals	<u>489,290</u>	<u>58,345</u>	<u>547,635</u>
Deferred of Inflows of Resources			
Differences between expected and actual experience	1,106	69,093	70,199
Changes of assumptions	-	39,234	39,234
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	35,772	-	35,772
Totals	<u>36,878</u>	<u>108,327</u>	<u>145,205</u>

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 in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. The report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the Town to contribute each month an amount equal to five percent (5%) of each officer's salary, and all amounts contributed are vested immediately. The law enforcement officers may also make voluntary contributions to the plan.

The Town made contributions of \$20,895 for the reporting year. No amounts were forfeited.

d. Supplemental Retirement Income Plan for Non-law Enforcement Employees

Plan Description. The Town contributes to the Supplemental Retirement Income Plan, a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to all full-time employees of the Town. Authority to establish and amend benefit provisions is assigned to the Town Council.

Funding Policy. The adopted plan requires the Town to contribute each pay period an amount equal to five percent (5%) of each non-law enforcement employee's salary. The Town's contributions for each employee (and interest allocated to the employee's account) are fully vested immediately. All covered employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2025 were \$41,813 from the Town and \$37,820 from the non-law enforcement employees.

2. Other Employment Benefits

The Town has elected to provide death benefits to law enforcement employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. All death benefit payments are made from the Death Benefit Plan. 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. The Town considers these contributions to be immaterial.

3. Deferred Outflows and Inflows of Resources

Deferred outflows of resources reported on the Statement of Net Position is comprised of the following:

Source	Amount
Differences between expected and actual experience	\$ 203,114
Change of assumptions	19,783
Net difference between projected and actual earnings on pension plan investments	127,659
Change in proportion and differences between Town contributions and proportionate share of contributions	20,495
Town contributions subsequent to the measurement date	176,584
Deferred charge on refunding	21,427
Total	<u>\$ 569,062</u>

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

	Statement of Net Position	General Fund Balance Sheet
Taxes receivable (General Fund) less penalties	\$ -	\$ 3,228
Prepaid taxes (General Fund)	-	-
Differences between expected and actual experience	70,199	
Changes in assumptions	39,234	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	35,772	-
Total	<u>\$ 145,205</u>	<u>\$ 3,228</u>

4. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town purchases commercial coverage from a private insurer. Through this coverage, the Town obtains general liability of \$3 million, excess liability coverage of \$2 million, auto liability of \$1 million per occurrence, and a blanket property damage coverage for replacement cost up to \$13.2 million per year. Worker's compensation coverage up to the statutory limits is provided by a private insurer.

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

The Town carries flood insurance through the National Flood Insurance Plan (NFIP). Because the Town is in an area of the State that has been mapped and designated as A, B, C, and X zones by the Federal Emergency management Agency, the Town is eligible to purchase coverage of \$500,000 per structure through the NFIP. The Town also is eligible to and has purchased commercial flood insurance to cover its buildings and structures in the A, B, C, and X zones in the event of flood damage.

In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The finance officer is individually bonded at \$450,000. The remaining employees that have access to funds are bonded under a blanket bond for \$100,000.

5. Claims, Judgments and Contingent Liabilities

At June 30, 2025, the Town has no pending claims or judgments.

6. Long Term Obligations

a. Installment Purchases:

Business-Type Activities

Direct placement installments:

\$114,998 direct placement installment debt, serviced by the water fund, payment of \$5,750 due on May 1 in yearly installments beginning May 1, 2025 through May 1, 2043: interest of 0%. Outstanding balance as of June 30, 2025 was \$103,498.

Service by the Water Fund	
	Principal
2026	\$ 5,750
2027	5,750
2028	5,750
2029	5,750
2030	5,750
2031-2035	28,750
2036-2040	28,750
2041-2043	17,248
	<u>\$ 103,498</u>

General Obligation Bonds:

The Town's Water Fund and Sewer Fund issued general obligation bonds in 1995 to provide funds for the purchase of the water and sewer systems from a private company, Carolina Water Service. The remainder of the bond amount was used in 1999 for sewer upgrades and to extend water lines and install hydrants to afford fire protection throughout the Town. The 2004 bond refunding resulted in a savings of \$2,484,429 and shortened the length of the original general obligation debt by twelve years. The bonds were refunded once again in 2013, which resulted in another savings of \$274,678. The terms of the new debt remains unchanged from the 2004 Series, with maturity in 2027. These bonds, which are recorded in the Water and Sewer Funds, are collateralized by the full faith, credit, and taxing power of the Town. Principal and interest payments are appropriated when due.

The Town's general obligation bonds payable at June 30, 2025 are comprised of the following:

Serviced by the Water Fund:

\$1,588,336 General Obligation Refunding Bonds-Series 2013, due on June 1 in installments beginning June 1, 2014 through June 1, 2027: interest varying from 2% to 3%. Outstanding balance as of June 30, 2025 was \$252,162.

Service by the Sewer Fund:

\$1,371,664 General Obligation Refunding Bonds-Series 2013, due on June 1 in installments beginning June 1, 2014 through June 1, 2027: interest varying from 2% to 3%. Outstanding balance as of June 30, 2025 was \$217,838.

Annual debt service payments of all installment notes as of June 30, 2025, including \$21,150 of interest, are as follows:

Year Ending June 30	Serviced by the Water Fund		Serviced by the Sewer Fund	
	Principal	Interest	Principal	Interest
2026	\$ 126,105	\$ 7,566	\$ 108,895	\$ 6,534
2027	126,057	3,783	108,943	3,267
Total	<u>\$ 252,162</u>	<u>\$ 11,349</u>	<u>\$ 217,838</u>	<u>\$ 9,801</u>

b. Changes in General Long-Term Liabilities

At June 30 2025, the Town of River Bend had a legal debt margin of \$36,825,169.

	Balance 07/01/24	Increases	Decreases	Balance 06/30/25	Current Portion
Governmental activities:					
Compensated absences					
Vacation leave	\$ 58,757	\$ 6,386	\$ -	\$ 65,143	\$ 30,000
Sick leave	15,682	2,938	-	18,620	5,000
Net pension liability (LGERS)	651,649	72,211	-	723,860	50,000
Total pension liability (LEOSSA)	119,993	44,238	-	164,231	25,000
Governmental activity long-term liabilities	<u>\$ 846,081</u>	<u>\$ 125,773</u>	<u>\$ -</u>	<u>\$ 971,854</u>	<u>\$ 110,000</u>
Business-type activities:					
Water Fund					
Direct placement installment purchase	\$ 109,248	\$ -	\$ 5,750	\$ 103,498	\$ 5,750
Direct Placement general obligation bonds	375,584	-	123,422	252,162	126,105
Unamortized premium on bonds	17,248	-	5,749	11,499	5,749
Compensated absences					
Vacation leave	11,544	1,178	-	12,722	5,000
Sick leave	1,191	287	-	1,478	1,478
Net pension liability (LGERS)	92,330	10,316	-	102,646	25,000
Total Water Fund	<u>607,145</u>	<u>11,781</u>	<u>134,921</u>	<u>484,005</u>	<u>169,082</u>
Sewer Fund					
Direct Placement general obligation bonds	\$ 324,416	\$ -	\$ 106,578	\$ 217,838	\$ 108,895
Unamortized premium on bonds	14,893	-	4,965	9,928	4,965
Compensated absences					
Vacation leave	13,239	1,341	-	14,580	5,000
Sick leave	1,261	293	-	1,554	1,554
Net pension liability (LGERS)	101,259	11,254	-	112,513	25,000
Total Sewer Fund	<u>455,068</u>	<u>12,888</u>	<u>111,543</u>	<u>356,413</u>	<u>145,414</u>
Business-type activity long-term liabilities	<u>\$ 1,062,213</u>	<u>\$ 24,669</u>	<u>\$ 246,464</u>	<u>\$ 840,418</u>	<u>\$ 314,496</u>

*The change in the compensated absences liability is presented as a net change.

c. Interfund Balances and Activity

Transfers to/from other funds at June 30, 2025, consist of the following:

Descriptions	Transfer In	Transfer Out	Due From	Due To
Sewer Asset Inventory and Assessment fund	\$ 5,000	\$ -	\$ -	\$ -
Water Fund	-	-	-	7,077
Sewer Fund	-	(5,000)	7,077	-
	<u>\$ 5,000</u>	<u>\$ (5,000)</u>	<u>\$ 7,077</u>	<u>\$ -</u>
General Fund	\$ -	\$ (44,107)		
Capital Reserve Fund	44,107	-		
	<u>\$ 44,107</u>	<u>\$ (44,107)</u>		
	<u>\$ 49,107</u>	<u>\$ (49,107)</u>		

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

d. Net Investment in Capital Assets

	Governmental	Business-type
Capital assets	\$ 6,356,588	\$ 2,974,278
Less: Long-term debt	-	594,925
Net investment in capital assets	<u>\$ 6,356,588</u>	<u>\$ 2,379,353</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	\$ 1,475,445
Less:	
Stabilization by State Statute	192,964
Law enforcement separation allowance	54,033
Subsequent year's expenditures	201,350
Remaining Fund Balance	<u>\$ 1,027,098</u>

IV. 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.

V. Significant Effects of Subsequent Events

There are no subsequent events that would have a material effect on the financial statements. Subsequent events have been analyzed through the date that the financial statements were available to be issued.

VI. Change in Accounting Principle

The Town implemented Government Accounting Standards Board (GASB) Statement No. 101, Compensated Absences, July 1, 2024. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. As a result, the Town recognized an additional \$18,134 in compensated absences for sick leave as of June 30, 2024, resulting in a decrease in beginning net position of the same amount.

REQUIRED SUPPLEMENTAL INFORMATION

This section contains additional information required by generally accepted accounting principles. Presentation conforms to requirements of Local Government Commission in North Carolina.

Schedule of Proportionate Share of Net Pension Liability
(Asset) for Local Government Employees' Retirement
System

Schedule of Contributions to Local Government
Employees' Retirement System

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

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



Town of River Bend
Town of River Bend's Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information
Last Ten Fiscal Years*
Local Government Employees' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
River Bend's proportion of the net pension liability (asset) (%)	0.01393%	0.01276%	0.01449%	0.01462%	0.01462%	0.01374%	0.01246%	0.01447%	0.01430%	0.01268%
River Bend's proportion of the net pension liability (asset) (\$)	\$ 939,019	\$ 845,238	\$ 817,433	\$ 224,365	\$ 522,435	\$ 375,229	\$ 295,594	\$ 221,062	\$ 303,494	\$ 56,906
River Bend's covered payroll	\$1,146,742	\$1,016,166	\$ 934,043	\$1,029,271	\$ 970,111	\$ 908,407	\$ 783,565	\$ 798,855	\$ 810,291	\$803,165
River Bend's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	81.89%	83.18%	87.52%	21.80%	53.85%	41.31%	37.72%	27.67%	37.45%	7.09%
Plan fiduciary net position as a percentage of the total pension liability **	83.30%	82.49%	84.14%	95.51%	88.61%	90.86%	92.00%	64.18%	91.47%	98.09%

*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.

Notes to schedule:

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

<u>Fiscal Year</u>	<u>Rate</u>
2025	6.50%
2024	6.50%
2023	6.50%
2022	7.00%
2021	7.00%
2020	7.00%
2019	7.00%
2018	7.20%
2017	7.25%
2016	7.25%

**Town of River Bend
Town of River Bend's Contributions
Required Supplementary Information
Last Ten Fiscal Years
Local Government Employees' Retirement System**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 176,584	\$ 151,918	\$ 126,042	\$ 108,117	\$ 106,650	\$ 89,082	\$ 72,671	\$ 60,527	\$ 59,842	\$ 55,392
Contributions in relation to the contractually required contribution	176,584	151,918	126,042	108,117	106,650	89,082	72,671	60,527	59,842	55,392
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
River Bend's covered payroll	\$1,254,165	\$1,146,742	\$1,016,166	\$ 934,043	\$1,029,271	\$ 970,111	\$908,407	\$ 783,565	\$ 798,855	\$810,291
Contributions as a percentage of covered payroll	14.08%	13.25%	12.40%	11.58%	10.36%	9.18%	8.00%	7.72%	7.49%	6.84%

Town of River Bend
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 119,993	\$ 167,413	\$ 185,532	\$ 226,362	\$ 141,438	\$ 64,083	\$ 111,227	\$143,109	\$161,530
Service cost	11,779	7,445	14,573	14,074	8,497	6,956	3,821	5,367	5,907
Interest on the total pension liability	4,800	7,216	4,174	4,320	4,491	1,912	3,044	4,934	5,269
Changes on benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	32,363	(65,822)	13,337	(46,853)	8,987	86,633	(21,674)	(19,705)	-
Changes of assumptions or other inputs	(4,704)	3,741	(50,203)	(7,299)	70,276	4,946	(2,521)	8,086	(1,730)
Benefit payments	-	-	-	(5,072)	(7,327)	(23,092)	(29,814)	(30,564)	(27,867)
Ending balance of the total pension liability	<u>\$ 164,231</u>	<u>\$ 119,993</u>	<u>\$ 167,413</u>	<u>\$ 185,532</u>	<u>\$ 226,362</u>	<u>\$ 141,438</u>	<u>\$ 64,083</u>	<u>\$111,227</u>	<u>\$143,109</u>

Notes to schedule:

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

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

The Town of River Bend has no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits.

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

<u>Fiscal Year</u>	<u>Rate</u>
2025	4.28%
2024	4.00%
2023	4.31%
2022	3.26%
2021	3.26%
2020	3.26%
2019	3.64%
2018	3.16%
2017	3.86%

Town of River Bend
Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll
Law Enforcement Officers' Special Separation Allowance
June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 164,231	\$ 119,993	\$ 167,413	\$ 185,532	\$ 226,362	\$ 141,438	\$ 64,083	\$111,227	\$143,109
Covered employee payroll	435,523	272,332	320,431	316,312	313,756	298,463	189,509	293,489	306,026
Total pension liability as a percentage of covered payroll	37.71%	44.06%	52.25%	58.65%	72.15%	47.39%	33.82%	37.90%	46.76%

Notes to schedule:

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

The Town of River Bend has no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits.

GENERAL FUND

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



**Town of River Bend
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2025**

	2025		
	Final Budget	Actual	Variance Over/Under
Revenues:			
Ad valorem taxes:			
Taxes	\$ 1,084,565	\$ 1,109,696	\$ 25,131
Unrestricted intergovernmental:			
Local option sales tax	445,312	540,040	94,728
Hold harmless tax	112,233	128,659	16,426
Telecommunications sales tax	6,779	7,248	469
Utility franchise tax	116,156	140,969	24,813
Video programming	47,041	44,169	(2,872)
Beer and wine tax	13,225	11,462	(1,763)
Total unrestricted intergovernmental	740,746	872,547	131,801
Restricted intergovernmental:			
Federal and state grants	23,364	7,294	(16,070)
Solid waste disposal tax	2,200	2,228	28
Powell bill allocation	101,000	109,097	8,097
Total restricted intergovernmental	126,564	118,619	(7,945)
Permits and fees:			
Zoning permits	7,000	5,616	(1,384)
Animal licenses	1,500	2,370	870
Court cost fees	500	411	(89)
Total permits and fees	9,000	8,397	(603)
Sales and services:			
Rents and concessions	36,144	41,297	5,153
Contributions and refunds	900	668	(232)
Total sales and services	37,044	41,965	4,921
Investment earnings	45,098	55,231	10,133
Miscellaneous:			
Miscellaneous revenue	15,000	8,681	(6,319)
Total miscellaneous	15,000	8,681	(6,319)
Total revenues	2,058,017	2,215,136	157,119

**Town of River Bend
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2025**

	2025		
	Final Budget	Actual	Variance Over/Under
Expenditures:			
General Government:			
Governing Body			
Salaries and benefits	30,060	23,829	6,231
Other operating expenditures	17,470	17,215	255
Capital outlay	32,500	30,664	1,836
Salaries allocated to Water and Sewer	(10,530)	(10,530)	-
Total governing body	69,500	61,178	8,322
Administration:			
Salaries and benefits	336,441	336,273	168
Other operating expenditures	83,995	82,080	1,915
Salaries allocated to Water and Sewer	(87,236)	(87,236)	-
Total administration	333,200	331,117	2,083
Finance:			
Salaries and benefits	121,979	121,954	25
Other operating expenditures	110,148	80,266	29,882
Capital outlay	-	-	-
Salaries allocated to Water and Sewer	(58,312)	(58,312)	-
Total finance	173,815	143,908	29,907
Tax listing:			
Contracted services	14,700	12,830	1,870
Legal:			
Professional services	36,225	22,755	13,470
Public Buildings:			
Salaries and benefits	19,321	18,619	702
Other operating expenditures	65,179	51,874	13,305
Total public buildings	84,500	70,493	14,007
Central services - planning:			
Salaries and benefits	88,972	86,390	2,582
Other operating expenditures	6,003	5,112	891
Salaries allocated to Water and Sewer	(34,975)	(34,975)	-
Total central services - planning	60,000	56,527	3,473
Total general government	771,940	698,808	73,132

**Town of River Bend
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2025**

	2025		
	Final Budget	Actual	Variance Over/Under
Public safety:			
Police:			
Salaries and benefits	644,569	623,209	21,360
Other operating expenditures	128,226	105,176	23,050
Capital outlay	95,000	94,869	131
Total police	867,795	823,254	44,541
Emergency management			
Other operating expenditures	5,800	5,368	432
Total emergency management	5,800	5,368	432
Animal control:			
Salaries and benefits	28,323	24,950	3,373
Other operating expenditures	324	101	223
Salaries allocated to Water and Sewer	(5,142)	(5,142)	-
Total animal control	23,505	19,909	3,596
Total public safety	897,100	848,531	48,569
Transportation:			
Salaries and benefits	70,169	62,377	7,792
Other operating expenditures	17,337	14,229	3,108
Capital outlay	161,254	160,526	728
Total transportation	248,760	237,132	11,628
Environmental protection:			
Salaries and benefits	136,974	128,100	8,874
Other operating expenditures	235,020	234,372	648
Capital outlay	-	-	-
Total environmental protection	371,994	362,472	9,522
Cultural and recreational:			
Salaries and benefits	45,836	39,858	5,978
Other operating expenditures	32,920	14,348	18,572
Total cultural and recreational	78,756	54,206	24,550
Total expenditures	2,368,550	2,201,149	167,401

**Town of River Bend
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2025**

	2025		
	Final Budget	Actual	Variance Over/Under
Revenues over (under) expenditures	<u>(310,533)</u>	<u>13,987</u>	<u>324,520</u>
Other financing sources (uses):			
Transfers from other funds:	72,650	42,650	(30,000)
Transfers to other funds:	(86,757)	(86,757)	-
Insurance settlement	-	2,916	2,916
Sale of assets	4,600	-	(4,600)
Appropriated fund balance	320,040	-	(320,040)
Total other financing sources (uses)	<u>310,533</u>	<u>(41,191)</u>	<u>(351,724)</u>
Net change in fund balance	<u>\$ -</u>	<u>(27,204)</u>	<u>\$ (27,204)</u>
Fund balances, beginning		1,502,649	
Fund balances, ending		<u>\$ 1,475,445</u>	

Town of River Bend
Stormwater Asset Inventory and Assessment Grant Project - Major Grant Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2025

		Actual			
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ 225,000	\$ -	\$ 60,000	\$ 60,000	\$ (165,000)
Total revenue	<u>225,000</u>	<u>-</u>	<u>60,000</u>	<u>60,000</u>	<u>(165,000)</u>
Expenditures:					
Administration and engineering, construction and capital spending	225,000	-	60,000	60,000	165,000
Total Expenditures	<u>225,000</u>	<u>-</u>	<u>60,000</u>	<u>60,000</u>	<u>165,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			-		
Fund balance, ending			<u>\$ -</u>		

Town of River Bend
Nonmajor - Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2025

	2025		
	Budget	Actual	Variance Over/Under
Revenues			
Investment earnings	\$ 2,250	\$ 5,353	\$ 3,103
Other financing sources (uses):			
Transfers out	(72,650)	(42,650)	30,000
Transfers in	86,757	86,757	-
Appropriated fund balance	(16,357)	-	16,357
Total other financing sources (uses)	(2,250)	44,107	46,357
Net change in fund balance	\$ -	49,460	\$ 49,460
Fund Balance:			
Fund balance, beginning		101,205	
Fund balance, ending		\$ 150,665	

ENTERPRISE FUNDS

Enterprise Funds 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.

The Town's Enterprise Funds are comprised of the Water and Sewer Funds which account for the operation of water and wastewater services provided throughout the Town.



**Town of River Bend
Water Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2025**

	2025	
	Final Budget	Variance Over/Under
Revenues:		
Operating revenues:		
Charges for services	\$ 538,924	
Water taps	4,070	
Other operating revenues	25,737	
Total operating revenues	<u>\$ 559,807</u>	<u>\$ 8,924</u>
Non-operating revenues:		
Interest earnings	21,567	
Sales tax revenue	355	
Total non-operating revenues	<u>17,005</u>	<u>4,917</u>
Total revenues	<u>576,812</u>	<u>13,841</u>
Expenditures:		
Water administration:		
Salaries and benefits	183,265	
Allocated costs reimbursed by General Fund	(45,711)	
Operating expenses	228,585	
Repairs and maintenance	519	
Total administration	<u>375,795</u>	<u>9,137</u>
Water operations:		
Operating expenses	95,869	
Repairs and maintenance	3,200	
Capital outlay	57,932	
Total operations	<u>189,500</u>	<u>32,499</u>
Debt services:		
Principal repayment	134,921	
Interest	11,269	
Total debt service	<u>146,441</u>	<u>251</u>
Total expenditures	<u>711,736</u>	<u>41,887</u>
Revenues over (under) expenditures	<u>(134,924)</u>	<u>55,728</u>
Other financing sources (uses):		
Appropriated fund balance	134,924	(134,924)
Total other financing sources (uses)	<u>134,924</u>	<u>(134,924)</u>
Revenue and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (79,196)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:		
Reconciling items:		
Depreciation	(96,505)	
Capital outlay	57,932	
Capital contributions	413,649	
Principal payments	134,921	
Increase (decrease) in deferred outflows of resources - pensions	(2,085)	
(Increase) decrease in net pension liability	(10,316)	
(Increase) decrease in deferred inflows of resources - pensions	2,437	
(Increase) decrease in compensated absences	(1,178)	
Change in net position	<u>\$ 419,659</u>	

Town of River Bend
Water Asset Inventory and Assessment - Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2025

		Actual			
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ 150,000	\$ 88,200	\$ 54,300	\$ 142,500	\$ (7,500)
Total revenue	<u>150,000</u>	<u>88,200</u>	<u>54,300</u>	<u>142,500</u>	<u>(7,500)</u>
Expenditures:					
Administration and engineering, construction and capital spending	<u>150,000</u>	<u>88,200</u>	<u>54,300</u>	<u>142,500</u>	<u>7,500</u>
Total Expenditures	<u>150,000</u>	<u>88,200</u>	<u>54,300</u>	<u>142,500</u>	<u>7,500</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ -</u>		

Town of River Bend
Water Treatment Improvement Study Grant - Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2025

	Actual				
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ 100,000	\$ 26,000	\$ 69,000	\$ 95,000	\$ (5,000)
Total revenue	<u>100,000</u>	<u>26,000</u>	<u>69,000</u>	<u>95,000</u>	<u>(5,000)</u>
Expenditures:					
Administration and engineering, construction and capital spending	<u>100,000</u>	<u>32,000</u>	<u>68,000</u>	<u>100,000</u>	<u>-</u>
Total expenditures	<u>100,000</u>	<u>32,000</u>	<u>68,000</u>	<u>100,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (6,000)</u>	1,000	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>
Fund balance, beginning			<u>(6,000)</u>		
Fund balance, ending			<u>\$ (5,000)</u>		

Town of River Bend
Water Treatment Plant - Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2025

		Actual			
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ 7,639,455	\$ -	\$ 290,349	\$ 290,349	\$ (7,349,106)
Total revenue	<u>7,639,455</u>	<u>-</u>	<u>290,349</u>	<u>290,349</u>	<u>(7,349,106)</u>
Expenditures:					
Administration and engineering, construction and capital spending	14,569,350	171,566	172,818	344,384	14,224,966
Total Expenditures	<u>14,569,350</u>	<u>171,566</u>	<u>172,818</u>	<u>344,384</u>	<u>14,224,966</u>
Revenues over (under) expenditures	<u>(6,929,895)</u>	<u>(171,566)</u>	<u>117,531</u>	<u>(54,035)</u>	<u>6,875,860</u>
Other financing sources (uses):					
Long-term debt issued	6,929,895	-	-	-	(6,929,895)
Total other financing sources (uses)	<u>6,929,895</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,929,895)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (171,566)</u>	117,531	<u>\$ (54,035)</u>	<u>\$ (54,035)</u>
Fund balance, beginning			<u>(171,566)</u>		
Fund balance, ending			<u>\$ (54,035)</u>		

**Town of River Bend
Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2025**

	2024		
	Final Budget	Actual	Variance Over/Under
Revenues:			
Operating revenues:			
Charges for services		\$ 627,017	
Sewer taps		-	
Other operating revenues		9,576	
Total operating revenues	\$ 644,205	636,593	\$ (7,612)
Non-operating revenues:			
Interest earnings		32,004	
Sales tax revenue		448	
Total non-operating revenues	22,240	32,452	10,212
Total revenues	666,445	669,045	2,600
Expenditures:			
Sewer administration:			
Salaries and benefits		202,488	
Allocated costs reimbursed by General Fund		(45,712)	
Operating expenses		226,422	
Repairs and maintenance		519	
Capital outlay		-	
Total administration	387,539	383,717	3,822
Sewer operations:			
Operating expenses		140,816	
Repairs and maintenance		20,384	
Capital outlay		3,499	
Total operations	185,788	164,699	21,089
Debt services:			
Principal repayment		106,578	
Interest		9,731	
Total debt service	121,309	116,309	5,000
Total expenditures	694,636	664,725	29,911
Revenues over (under) expenditures	(28,191)	4,320	32,511
Other financing sources (uses):			
Transfers from (to) other funds:	(5,000)	(5,000)	-
Appropriated fund balance	33,191	-	(33,191)
Total other financing sources (uses)	28,191	(5,000)	(33,191)
Revenue and other financing sources over (under) expenditures and other financing uses	\$ -	(680)	\$ (680)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Depreciation		(56,783)	
Capital outlay		3,499	
Repayment of long-term debt principal		106,578	
Capital contributions		255,559	
Transfers (to) from other funds		5,000	
Increase (decrease) in deferred outflows of resources - pensions		(2,085)	
(Increase) decrease in net pension liability		(10,316)	
(Increase) decrease in deferred inflows of resources - pensions		2,437	
(Increase) decrease in compensated absences		(1,341)	
(Increase) decrease in sick leave liability		(287)	
Change in net position		\$ 301,581	

Town of River Bend
Wastewater Treatment Plant - Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2025

		Actual			
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ 14,221,150	\$ 214,152	190,859	\$ 405,011	\$(13,816,139)
Total revenue	<u>14,221,150</u>	<u>214,152</u>	<u>190,859</u>	<u>405,011</u>	<u>(13,816,139)</u>
Expenditures:					
Administration and engineering, construction and capital spending	<u>14,221,150</u>	<u>236,102</u>	<u>186,950</u>	<u>423,052</u>	<u>13,798,098</u>
Total expenditures	<u>14,221,150</u>	<u>236,102</u>	<u>186,950</u>	<u>423,052</u>	<u>13,798,098</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (21,950)</u>	3,909	<u>\$ (18,041)</u>	<u>\$ (18,041)</u>
Fund balance, beginning			<u>(21,950)</u>		
Fund balance, ending			<u>\$ (18,041)</u>		

Town of River Bend
Sewer Asset Inventory and Assessment - Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2025

		Actual			
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ 150,000	\$ 77,800	\$ 64,700	\$ 142,500	\$ (7,500)
Total revenue	150,000	77,800	64,700	142,500	(7,500)
Expenditures:					
Admin and engineering, construction and capital spending	155,000	77,800	69,450	147,250	7,750
Total Expenditures	155,000	77,800	69,450	147,250	7,750
Revenues over (under) expenditures	(5,000)	-	(4,750)	(4,750)	250
Other financing sources (uses):					
Transfers (to) from other funds	5,000	-	5,000	5,000	-
Total other financing sources (uses)	5,000	-	5,000	5,000	-
Net change in fund balance	\$ -	\$ -	250	\$ 250	\$ 250
Fund balance, beginning			-		
Fund balance, ending			\$ 250		



OTHER SUPPLEMENTAL INFORMATION

Other financial information includes additional detailed analysis of particular aspects of the Town's financial position and results of operations.

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



Town of River Bend, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2025

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2024</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2025</u>
2024-2025	\$ -	\$ 1,107,860	\$ 1,104,632	\$ 3,228
2023-2024	2,715	-	1,516	1,199
2022-2023	1,823	-	885	938
2021-2022	1,544	-	393	1,151
2020-2021	214	-	105	109
2019-2020	26	-	24	2
2018-2019	19	-	3	16
2017-2018	28	-	-	28
2016-2017	58	-	-	58
2015-2016	37	-	-	37
2014-2015	35	-	35	-
	<u>\$ 6,499</u>	<u>\$ 1,107,860</u>	<u>\$ 1,107,593</u>	<u>\$ 6,766</u>
Less: allowance for uncollectible accounts:				
General Fund				(3,538)
Ad valorem taxes receivable - net				<u>3,228</u>
Reconcilement with revenues:				
Ad valorem taxes - General Fund				\$ 1,109,696
Reconciling items:				
Taxes written off				428
Miscellaneous adjustments				(2,531)
Total ad valorem collections				<u>\$ 1,107,593</u>

Town of River Bend, North Carolina
Analysis of Current Tax Levy
Town - Wide Levy
For the Year Ended June 30, 2025

	Town - Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 460,370,000	0.24	\$ 1,104,888	\$ 982,997	\$ 121,891
	<u>460,370,000</u>		<u>1,104,888</u>	<u>982,997</u>	<u>121,891</u>
Discoveries	<u>2,512,083</u>	0.24	6,029	6,029	-
Abatements	<u>(1,273,750)</u>	0.24	(3,057)	(3,057)	-
Total	<u>\$ 461,608,333</u>				
Net levy			<u>1,107,860</u>	<u>985,969</u>	<u>121,891</u>
Uncollected taxes at June 30, 2025			<u>(3,228)</u>	<u>(3,228)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 1,104,632</u>	<u>\$ 982,741</u>	<u>\$ 121,891</u>
Current levy collection percentage			<u>99.71%</u>	<u>99.67%</u>	<u>100.00%</u>

STATISTICAL SECTION

(UNAUDITED)

This part of the Town of River Bend's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

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

Revenue Capacity

These tables contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the financial statements for the relevant year.



TABLE 1
TOWN OF RIVER BEND, NORTH CAROLINA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024 ⁽¹⁾	2025
Governmental Activities										
Net Investment in Capital Assets	2,568,370	2,612,284	2,644,862	2,719,369	3,569,556	4,327,268	4,341,031	5,403,510	6,357,425	6,356,588
Restricted	138,198	129,245	146,368	162,507	148,249	156,054	163,479	174,010	168,343	192,964
Unrestricted	1,991,502	2,115,580	2,361,134	1,913,668	1,874,638	867,224	1,418,669	1,949,465	878,460	762,912
Total Governmental Activities Net Position	4,698,070	4,857,109	5,152,364	4,795,544	5,592,443	5,350,546	5,923,179	7,526,985	7,404,228	7,312,464
Business-Type Activities										
Net Investment in Capital Assets	(245,853)	(197,227)	(159,089)	(112,135)	(50,432)	15,687	258,511	1,162,280	1,673,228	2,379,353
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,510,835	1,705,299	1,948,738	1,997,113	2,251,168	2,271,596	2,218,848	1,036,547	1,275,756	1,288,419
Total Business-type Activities Net Position	1,264,982	1,508,072	1,789,649	1,884,978	2,200,736	2,287,283	2,477,359	2,198,827	2,948,984	3,667,772
Primary Government										
Net Investment in Capital Assets	2,322,517	2,415,057	2,485,773	2,607,234	3,519,124	4,342,955	4,599,542	6,565,790	8,030,653	8,735,941
Restricted	138,198	129,245	146,368	162,507	148,249	156,054	163,479	174,010	168,343	192,964
Unrestricted	3,502,337	3,820,879	4,309,872	3,910,781	4,125,806	3,138,820	3,637,517	2,986,012	2,154,216	2,051,331
Total Primary Government Net Position	5,963,052	6,365,181	6,942,013	6,680,522	7,793,179	7,637,829	8,400,538	9,725,812	10,353,212	10,980,236

Notes:

⁽¹⁾ Restated due to implementation of GASB Statement No. 101 during fiscal year 2025.

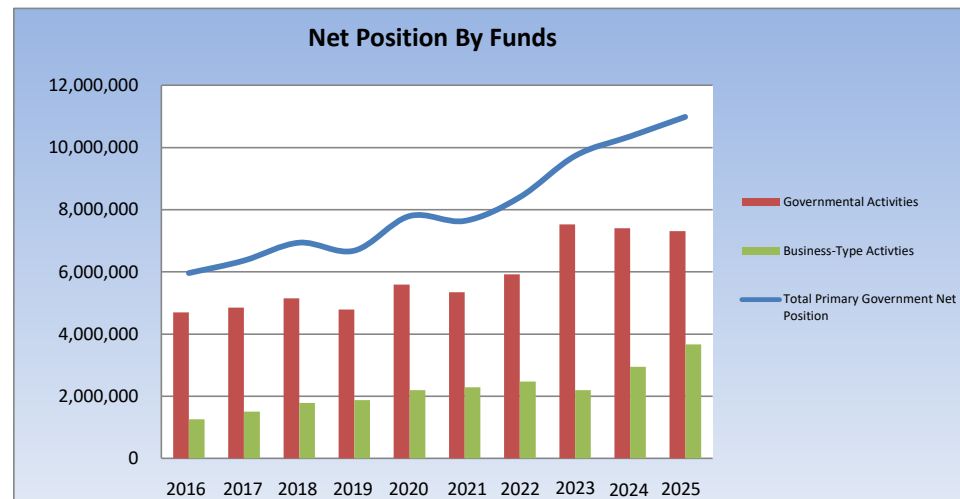


TABLE 2
TOWN OF RIVER BEND, NORTH CAROLINA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024 ⁽¹⁾	2025
Expenses										
Governmental Activities:										
General Government	\$ 567,114	\$ 615,785	\$ 687,079	\$ 695,858	\$ 781,056	\$ 902,802	\$ 655,539	\$ 776,534	\$ 848,744	\$ 820,182
Public Safety	496,151	459,255	426,631	1,329,186	636,538	639,067	677,492	773,933	764,053	870,585
Transportation	211,497	214,804	190,723	208,321	230,521	232,384	153,537	68,144	69,214	107,586
Environmental Protection	65,071	79,573	59,221	59,928	62,457	72,241	46,673	301,918	323,727	465,897
Cultural and Recreational	45,448	45,638	51,850	49,621	41,473	113,659	322,549	97,632	106,434	95,738
Interest on Long-Term Debt	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	1,385,281	1,415,055	1,415,504	2,342,914	1,752,045	1,960,153	1,855,790	2,018,161	2,112,172	2,359,988
Business-Type Activities:										
Water	431,291	452,844	446,522	470,606	491,059	499,321	457,702	522,501	547,822	584,643
Sewer	483,761	498,011	478,317	514,709	528,940	547,167	501,346	542,874	590,434	623,023
Total Business-Type Activities	915,052	950,855	924,839	985,315	1,019,999	1,046,488	959,048	1,065,375	1,138,256	1,207,666
Total Primary Government Expenses	\$ 2,300,333	\$ 2,365,910	\$ 2,340,343	\$ 3,328,229	\$ 2,772,044	\$ 3,006,641	\$ 2,814,838	\$ 3,083,536	\$ 3,250,428	\$ 3,567,654
Program Revenue										
Governmental Activities:										
Charges for Services										
General Government	71,544	79,198	63,302	44,020	33,399	38,858	41,521	9,126	12,522	5,616
Public Safety	3,586	3,733	3,706	310	383	310	180	3,438	2,225	2,781
Environmental protection	1,964	2,061	2,089	16,080	7,984	8,250	15,287	2,259	2,292	2,228
Cultural and recreational	-	-	-	-	-	-	-	40,614	40,990	41,965
Operating Grants and Contributions										
General Government	-	-	-	-	-	-	-	482,189	-	-
Public Safety	-	17,636	-	356,983	1,042,743	93,763	38,611	275,221	525	7,294
Environmental protection	-	-	-	-	-	62,590	687,410	-	-	-
Transportation	90,502	88,873	89,226	86,045	87,033	80,899	94,631	93,732	102,235	109,097
Cultural and Recreational	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions										
Cultural and Recreational	-	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-	60,000
Total Governmental Activities Program Revenue	167,596	191,501	158,323	503,438	1,171,542	284,670	877,640	906,579	160,789	228,981
Business-Type Activities:										
Charges for Services - Water	534,842	545,246	541,022	428,400	589,963	509,158	520,283	577,529	582,445	568,731
Charges for Services - Sewer	624,112	636,054	642,705	589,105	721,420	618,512	625,989	659,043	651,902	636,593
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions - Water	-	-	-	-	-	-	-	538,452	178,248	413,649
Capital Grants and Contributions - Sewer	-	-	-	-	-	-	-	-	291,952	255,559
Total Business-Type Activities Program Revenue	1,158,954	1,181,300	1,183,727	1,017,505	1,311,383	1,127,670	1,146,272	1,775,024	1,704,547	1,874,532
Total Primary Government Revenues	\$ 1,326,550	\$ 1,372,801	\$ 1,342,050	\$ 1,520,943	\$ 2,482,925	\$ 1,412,340	\$ 2,023,912	\$ 2,681,603	\$ 1,865,336	\$ 2,103,513
Net (Expense) Revenue										
Governmental Activities	(1,217,685)	(1,223,554)	(1,257,181)	(1,839,476)	(580,503)	(1,675,483)	(978,150)	(1,111,582)	(1,951,383)	(2,131,007)
Business-Type Activities	243,902	230,445	258,888	32,190	291,384	81,182	187,224	709,649	566,291	666,866
Total Primary Government Net Expense	\$ (973,783)	\$ (993,109)	\$ (998,293)	\$ (1,807,286)	\$ (289,119)	\$ (1,594,301)	\$ (790,926)	\$ (401,933)	\$ (1,385,092)	\$ (1,464,141)

⁽¹⁾ - Restated due to implementation of GASB Statement No. 101 during fiscal year 2025.

TABLE 2 continued
TOWN OF RIVER BEND, NORTH CAROLINA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes, levied for general purpose	892,127	926,553	870,529	725,978	747,969	800,636	827,716	831,484	1,098,470	1,110,197
Local Option Sales Tax	411,712	417,859	451,350	359,236	296,758	346,546	385,517	414,007	420,523	540,040
Other Taxes and Licenses	211,163	208,107	204,013	300,336	273,021	272,077	288,142	299,737	304,253	332,507
Grants and Contributions not Restricted to Specific Programs										
Investment Earnings, unrestricted	3,689	9,012	26,544	50,173	37,711	367	2,570	95,744	84,391	60,584
Miscellaneous, unrestricted	8,331	12,490	-	46,933	21,943	13,960	46,838	42,658	46,091	11,597
Transfers	-	-	-	-	-	-	-	1,031,758	(125,102)	-
Total Governmental Activities	1,527,022	1,574,021	1,552,436	1,482,656	1,377,402	1,433,586	1,550,783	2,715,388	1,828,626	2,054,925
Business-Type Activities:										
Investment Earnings, unrestricted	2,377	6,739	19,889	37,921	24,374	443	2,852	43,577	58,823	53,571
Miscellaneous, unrestricted	55	5,906	2,800	25,218	-	4,922	-	-	-	803
Transfers	-	-	-	-	-	-	-	(1,031,758)	125,102	-
Total Business Type Revenues	2,432	12,645	22,689	63,139	24,374	5,365	2,852	(988,181)	183,925	54,374
Total Primary Government	\$ 1,529,454	\$ 1,586,666	\$ 1,575,125	\$ 1,545,795	\$ 1,401,776	\$ 1,438,951	\$ 1,553,635	\$ 1,727,207	\$ 2,012,551	\$ 2,109,299
Change in Net Position										
Governmental Activities	309,337	350,467	295,255	(356,820)	796,899	(241,897)	572,633	1,603,806	(122,757)	(76,082)
Business-Type Activities	246,334	243,090	281,577	95,329	315,758	86,547	190,076	(278,532)	750,216	721,240
Total Primary Government Change in Net Position	\$ 555,671	\$ 593,557	\$ 576,832	\$ (261,491)	\$ 1,112,657	\$ (155,350)	\$ 762,709	\$ 1,325,274	\$ 627,459	\$ 645,158

⁽¹⁾ - Restated due to implementation of GASB Statement No. 101 during fiscal year 2025.

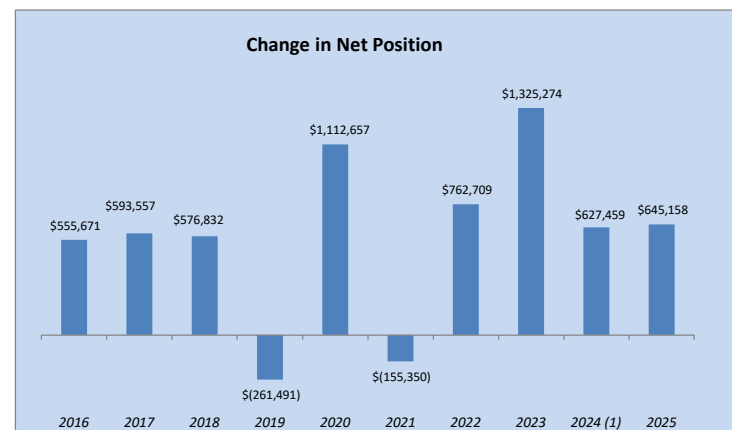
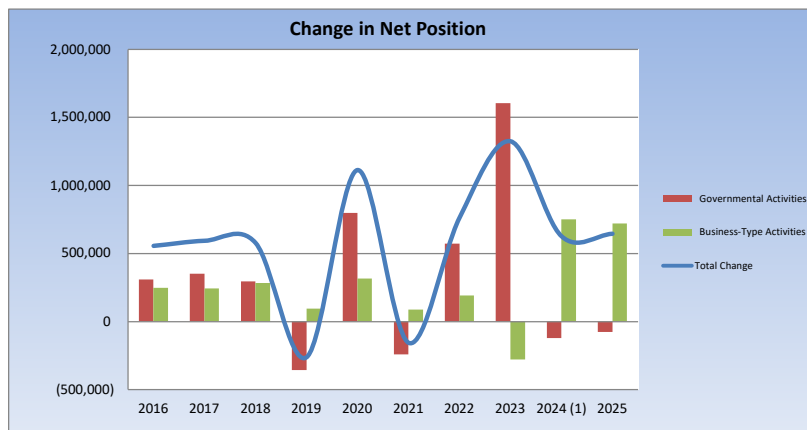


TABLE 3
TOWN OF RIVER BEND, NORTH CAROLINA
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Non-Spendable:										
Prepaid Items	-	-	-	-	199	-	-	-	-	-
Restricted:										
Streets	-	-	-	-	-	-	-	-	-	-
Stabilization by State Statute	138,198	129,245	146,368	162,507	148,249	156,054	163,479	174,010	168,343	192,964
Assigned:										
Subsequent years' expenditures	-	-	147,270	173,970	224,262	244,602	200,813	198,597	321,524	201,350
Law Enforcement Separation Allowance Fund	46,729	36,064	26,582	13,207	11,799	9,971	21,990	36,812	51,626	54,033
Unassigned	1,678,409	1,941,209	1,974,278	2,437,822	1,265,401	895,501	979,555	919,547	961,156	1,027,098
Total General Fund	1,863,336	2,106,518	2,294,498	2,787,506	1,649,910	1,306,128	1,365,837	1,328,966	1,502,649	1,475,445
Other Governmental Funds										
Committed										
General Government Capital Outlay	278,654	356,534	415,228	432,035	135,087	30,455	500,316	1,266,718	101,205	150,665
Unassigned	-	-	-	-	-	(1,005)	107	-	-	-
Total Other Governmental Funds	278,654	356,534	415,228	432,035	135,087	29,450	500,423	1,266,718	101,205	150,665
Total Governmental Funds	\$ 2,141,990	\$ 2,463,052	\$ 2,709,726	\$ 3,219,541	\$ 1,784,997	\$ 1,335,578	\$ 1,866,260	\$ 2,595,684	\$ 1,603,854	\$ 1,626,110

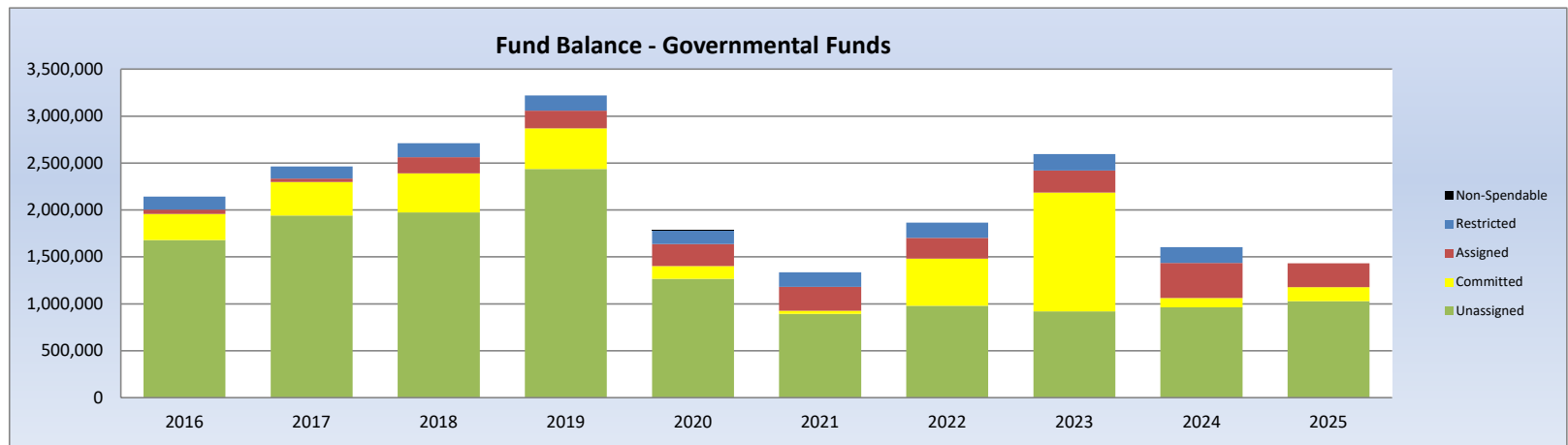


TABLE 4
TOWN OF RIVER BEND, NORTH CAROLINA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Ad Valorem Taxes	\$ 891,338	\$ 926,035	\$ 870,529	\$ 728,213	\$ 740,181	\$ 809,357	\$ 824,190	\$ 833,878	\$ 1,100,557	\$ 1,109,696
Other Taxes and Licenses	427,023	433,766	464,930	468,267	387,149	445,035	505,168	-	-	-
Unrestricted Intergovernmental	195,852	192,200	190,433	189,185	180,343	173,587	177,408	713,744	724,776	872,547
Restricted Intergovernmental	92,466	108,569	91,315	445,147	1,132,063	237,252	1,302,840	853,401	105,052	178,619
Permits and Fees	7,227	8,674	7,587	16,390	8,366	10,990	17,787	12,564	14,747	8,397
Sales and Services	67,903	74,257	59,421	79,278	41,806	50,388	52,428	40,614	40,990	41,965
Investment Earnings	3,689	9,012	26,544	50,173	37,711	367	2,570	95,744	84,391	60,584
Miscellaneous	2,381	5,589	-	8,526	8,351	-	-	40,301	41,091	8,681
Total Revenues	1,687,879	1,758,102	1,710,759	1,985,179	2,535,970	1,726,976	2,882,391	2,590,246	2,111,604	2,280,489
Expenditures										
Current										
General Government	477,398	479,688	561,307	556,085	574,852	665,813	611,693	611,398	681,589	668,144
Public Safety	500,640	475,333	456,309	1,366,425	666,530	641,000	584,649	601,330	683,434	753,662
Transportation	190,469	191,305	166,859	184,803	203,988	196,859	153,537	42,367	47,165	76,606
Environmental Protection	66,053	80,579	60,300	61,131	63,820	73,767	46,673	1,069,581	285,760	362,472
Cultural and Recreational	40,371	39,988	45,886	43,740	34,857	104,778	731,320	53,208	60,316	54,206
Capital Projects	255,541	177,051	173,424	216,176	1,011,070	965,869	257,448	517,053	1,225,068	346,059
Debt Service										
Principal	-	-	-	50,154	949,846	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total Expenditures	1,530,472	1,443,944	1,464,085	2,478,514	3,504,963	2,648,086	2,385,320	2,894,937	2,983,332	2,261,149
Revenues Over (Under) Expenditures	\$ 157,407	\$ 314,158	\$ 246,674	\$ (493,335)	\$ (968,993)	\$ (921,110)	\$ 497,071	\$ (304,691)	\$ (871,728)	\$ 19,340
Other Financing Sources (Uses)										
Transfers to Other Funds	(461,553)	(274,052)	(199,803)	(241,470)	(1,305,900)	(104,663)	(545,339)	(495,087)	(250,022)	(129,407)
Transfers from Other Funds	461,553	274,052	199,803	241,470	1,305,900	104,663	545,339	1,526,845	124,920	129,407
NCORR zero-interest Loan Proceeds	-	-	-	1,000,000	-	-	-	-	-	-
Insurance Settlement	-	-	-	-	1,090	-	2,603	2,357	399	2,916
Sale of Capital Assets	5,950	6,901	-	3,150	5,050	-	31,008	-	4,601	-
Total Other Financing Sources (Uses)	\$ 5,950	\$ 6,901	\$ -	\$ 1,003,150	\$ 6,140	\$ -	\$ 33,611	\$ 1,034,115	\$ (120,102)	\$ 2,916
Net Change in Fund Balance	\$ 163,357	\$ 321,059	\$ 246,674	\$ 509,815	\$ (962,853)	\$ (921,110)	\$ 530,682	\$ 729,424	\$ (991,830)	\$ 22,256
Debt Service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	2.27%	40.25%	0.00%	0.00%	0.00%	0.00%	0.00%

TABLE 5
TOWN OF RIVER BEND, NORTH CAROLINA
ASSESSED VALUE OF TAXABLE PROPERTY
Last Ten Years

Fiscal Year	Assessed Value ⁽¹⁾				Property Tax Rate ⁽³⁾	Percent Increase in Value ⁽⁴⁾
	Real Property	Personal Property ⁽²⁾	Public Service Companies	Total		
2016	301,092,296	33,931,156	1,551,397	336,574,849	0.2650	0.52%
2017	262,250,563	34,319,949	1,837,069	298,407,581	0.3105	-11.34%
2018	262,618,507	34,969,204	1,918,924	299,506,635	0.2900	0.37%
2019	266,236,252	34,874,890	1,914,600	303,025,742	0.2400	1.17%
2020	249,513,907	36,141,067	2,042,981	287,697,954	0.2600	-5.06%
2021	265,631,470	40,627,802	2,482,351	308,741,623	0.2600	7.31%
2022	272,010,285	41,534,281	2,234,560	315,779,126	0.2600	2.28%
2023	272,431,260	45,796,726	2,283,937	320,511,923	0.2600	1.50%
2024	397,755,595	53,697,786	3,394,536	454,847,917	0.2400	41.91%
2025	398,916,984	57,994,788	4,696,561	461,608,333	0.2400	1.49%

Notes:

⁽¹⁾ Assessed Value is established by Craven County Tax Department.

⁽²⁾ Includes motor vehicles.

⁽³⁾ All tax rates are expressed in dollars of tax per \$100 of assessed valuation.

⁽⁴⁾ A revaluation of all property is required at least every eight years by North Carolina General Statutes. The most recent revaluation was on January 1, 2023 and was the basis for fiscal year 2024 taxes. The next reassessment will occur on January 1, 2028.

TABLE 6
TOWN OF RIVER BEND, NORTH CAROLINA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENT
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Town of River Bend</u>	<u>County of Craven</u>	<u>West New Bern II (Rhems) Fire District</u>
2016	2015	0.2650	0.4675	0.0389
2017 ⁽¹⁾	2016	0.3105	0.5394	0.0457
2018	2017	0.2900	0.5394	0.0457
2019	2018	0.2400	0.5394	0.0400
2020	2019	0.2600	0.5494	0.0400
2021	2020	0.2600	0.5494	0.0400
2022	2021	0.2600	0.5600	0.0350
2023	2022	0.2600	0.5600	0.0350
2024 ⁽²⁾	2023	0.2400	0.4448	0.0250
2025	2024	0.2400	0.4448	0.0250

Notes:

⁽¹⁾ Real property was revalued on January 1, 2016.

⁽²⁾ Real property was revalued on January 1, 2023.

All tax rates are expressed in dollars of tax per \$100 of assessed valuation.

A revaluation of all property is required every eight years by state statute.

The eight-year revaluation of real property became effective with the 2010-11 tax levy. Craven County adopted a six-year revaluation schedule in 2016 and then a four-year revaluation thereafter, which would have been 2021. Instead, a special seven-year revaluation (resulting from Hurricane Florence) was adopted, which is 2023, effective with fiscal year 2023-24 tax levy.

TABLE 7
TOWN OF RIVER BEND, NORTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

Taxpayer	Type of Business	Fiscal Year 2025			Fiscal Year 2016		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
NC Pace RE LLC	Disabled Child & Adult Care Facility	\$ 6,704,290	1	1.45%	(1)		
Segal Revocable Trust	Residence	3,466,527	2	0.75%	2,433,860	2	0.72%
Riverstone Assisted Living LLC	Assisted Living Facility	2,754,700	3	0.60%	2,017,800	3	0.60%
Degraw, Martin C & Denise N	Residence	1,984,327	4	0.43%	(1)		
River Bend Golf and Country Club LLC ⁽²⁾	Country Club and Golf Course	1,869,660	5	0.41%	2,653,380	1	0.79%
Efird, J Frank & Margaret M	Land Development	1,516,390	6	0.33%	967,990	7	0.29%
MDC NC1 LP	Retail	1,513,890	7	0.33%	(1)		
MJA Investments LLC ⁽³⁾	Commercial	1,404,660	8	0.30%	1,630,970	4	0.48%
Pridgen, Roland S & Susan M	Real Estate	1,401,280	9	0.30%	935,950	8	0.28%
SCF RC Funding IV LLC	Child Care Facility	1,099,800	10	0.24%	(1)		
Duke Energy Progress, Inc.	Electricity	(1)			1,333,733	5	0.40%
Taybro LLC	Real Estate	(1)			930,910	9	0.28%
Grant, Lee & Sommer ⁽⁴⁾	Commercial	(1)			901,600	10	0.27%
Pedulla, Vincent F & Susan C ⁽⁵⁾	Residence	(1)			1,160,490	6	0.34%
		<u>\$23,715,524</u>		<u>5.14%</u>	<u>\$14,966,683</u>		<u>4.45%</u>

Notes:

Source: Craven County Tax Administration

⁽¹⁾ Not within top ten ranking

⁽²⁾ Formerly known as Conjer Green LLC

⁽³⁾ Formerly known as Berit Peck

⁽⁴⁾ Formerly known as RACS Development LLC

⁽⁵⁾ Formerly known as Camille Hoffman

TABLE 8
TOWN OF RIVER BEND, NORTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year	Tax Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Total Collections to Date		
			Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2016	2015	891,938	889,917	99.77%	1,984	891,901	100.00%
2017 ⁽¹⁾	2016	926,556	923,576	99.68%	2,922	926,498	99.99%
2018	2017	779,753	775,369	99.44%	4,356	779,725	100.00%
2019	2018	647,342	644,788	99.61%	2,243	647,031	99.95%
2020	2019	666,977	656,238	98.39%	4,232	660,470	99.02%
2021	2020	712,299	709,963	99.67%	1,312	711,275	99.86%
2022	2021	726,352	719,985	99.12%	3,825	723,810	99.65%
2023	2022	727,541	723,017	99.38%	2,701	725,718	99.75%
2024 ⁽²⁾	2023	979,440	976,725	99.72%	1,360	978,085	99.86%
2025	2024	985,969	982,741	99.67%	⁽³⁾	982,741	99.67%

Notes:

Source: Craven County Tax Office

⁽¹⁾ The last revaluation was on January 1, 2016 and was the basis for fiscal 2017 taxes.

A special seven-year revaluation (resulting from Hurricane Florence) was adopted, which will be 2023, effective with fiscal year 2023-24 tax levy.

⁽²⁾ Real property was revalued as of January 1, 2023 and was the basis for fiscal year 2024 taxes. The next reassessment will occur on January 1, 2028.

⁽³⁾ Information not yet available.

A revaluation of all property is required at least every eight years by North Carolina General Statutes.

The eight-year revaluation of real property became effective with the 2010-11 tax levy. Craven County adopted a six-year revaluation schedule and then a four-year revaluation thereafter.

TABLE 9
TOWN OF RIVER BEND, NORTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE ⁽¹⁾
Last Ten Years

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Population ⁽⁴⁾	Per Capita	Median Household Income (MHI) ⁽⁵⁾	Percentage of MHI
	General Obligation Bonds	Installment Financing	Capital Leases	NCORR Loan	General Obligation Bonds ⁽²⁾	Installment Financing ⁽³⁾	Capital Leases					
2016	-	-	-	-	2,647,590	-	-	2,647,590	3063	864	53,562	2.02%
2017	-	-	-	-	2,421,446	-	-	2,421,446	3058	792	54,548	2.25%
2018	-	-	-	-	2,195,302	-	-	2,195,302	3019	727	55,382	2.52%
2019	-	-	-	949,846 ⁽⁶⁾	1,964,158	-	-	2,914,004	3000	971	56,557	1.94%
2020	-	-	-	-	1,728,014	-	-	1,728,014	3119	554	74,375	4.30%
2021	-	-	-	-	1,481,870	-	-	1,481,870	2897	512	79,879	5.39%
2022	-	-	-	-	1,228,569	-	-	1,228,569	2895	424	85,470	6.96%
2023	-	-	-	-	977,855	-	-	977,855	2902	337	88,633	9.06%
2024	-	-	-	-	732,141	109,248	-	841,389	2893	291	91,114	10.83%
2025	-	-	-	-	491,427	103,498	-	594,925	2874	207	⁽⁷⁾	⁽⁷⁾

Notes: Debt amounts shown include deferred premiums on debt but do not include pension obligations, OPEB, or compensated absences.

Details regarding the Town's outstanding debt can be found in Note 3 to the financial statements.

⁽¹⁾ The Town does not have any long-term debt that is backed by pledged revenues. The State granted a zero-interest loan which was repaid when the Town received the public assistance funds from various submitted Categories.

⁽²⁾ General Obligation Bonds were refunded in 2004. Proceeds were used to pay off the bonds in December 2004. New General Obligation Debt of \$4,900,000 was issued.

⁽³⁾ Direct placement installment debt was issued totaling \$114,998, 0% interest from the State of North Carolina Department of Environmental Quality. This debt is serviced by the water fund.

⁽⁴⁾ N.C. State Demographer, Office of State Budget and Management.

⁽⁵⁾ Median household income is adjusted annually after the Decennial Census calendar year by the annual Consumer Price Index - Southern urban consumers.

⁽⁶⁾ The North Carolina Office of Recovery and Resiliency (NCORR) provided the town with a zero-interest, one-million-dollar loan. The loan was paid back in full at 06/30/20 with receipts from Hurricane Florence federal and state public assistance funds.

⁽⁷⁾ Information not yet available.

TABLE 10
TOWN OF RIVER BEND, NORTH CAROLINA
COMPUTATION OF LEGAL DEBT MARGIN
Last Ten Fiscal Years

Fiscal Year	Assessed Value	Debt Limit: 8% of Total Assessed Value	Total Net Debt Applicable to Limit	Legal Debt Margin
2016	336,574,849	26,925,988	1,170,091	\$ 25,755,897
2017	298,407,581	23,872,606	1,070,463	\$ 22,802,143
2018	299,506,635	23,960,531	970,835	\$ 22,989,696
2019	303,025,742	24,242,059	868,891	\$ 23,373,168
2020	287,697,954	23,015,836	764,630	\$ 22,251,206
2021	308,741,623	24,699,330	655,735	\$ 24,043,595
2022	315,779,126	25,262,330	544,523	\$ 24,717,807
2023	320,511,923	25,640,954	935,000	\$ 26,575,954
2024	454,847,917	36,387,833	109,248	\$ 36,278,585
2025	461,608,333	36,928,667	103,498	\$ 36,825,169

Gross debt:

Installment financing	\$ 103,498
Water & Sewer General Obligation Bonds	470,000
Total gross debt	573,498

Less: Statutory Deductions

Water & Sewer GO Bonds	470,000
------------------------	---------

Amount of debt applicable to limit - net debt	<u>\$ 103,498</u>
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Note: NC Statute GS 159-55 limits the Town's outstanding debt to 8% of the appraised value of property subject to taxation. The legal debt margin is the difference between the debt limit and the Town's net debt outstanding applicable to the limit, and it represents the Town's legal borrowing authority.

TABLE 11
TOWN OF RIVER BEND, NORTH CAROLINA
COMPUTATION OF OVERLAPPING BONDED DEBT
Last Ten Fiscal Years

Fiscal Year	Craven County		River Bend Assessed Valuation ⁽¹⁾	Percentage Applicable to Town ⁽²⁾	Bonded Debt Applicable to River Bend	Population	Per Capita
	General Obligation Bonds Outstanding ⁽¹⁾	Assessed Valuation ⁽¹⁾					
2016	16,448,638	10,023,728,864	336,574,849	3.36%	552,309	3063	180
2017	13,808,847	9,205,214,703	298,407,581	3.24%	447,645	3058	146
2018	11,109,056	9,320,966,276	299,506,635	3.21%	356,963	3019	118
2019	8,614,265	9,540,578,084	303,025,742	3.18%	273,604	3000	91
2020	6,146,474	9,596,740,032	287,697,954	3.00%	184,263	3119	59
2021	3,729,683	9,993,634,286	308,741,623	3.09%	115,224	2897	40
2022	1,365,892	10,244,131,256	315,779,126	3.08%	42,104	2895	15
2023	-	10,505,930,386	320,511,923	3.05%	-	2902	-
2024	-	14,163,951,932	454,847,917	3.21%	-	2893	-
2025	*	*	461,608,333	*	*	2874	*

Notes:

⁽¹⁾ Provided by Craven County Finance Department.

⁽²⁾ Determined by the ratio of assessed value of property subject to taxation in Craven County.

* Information not yet available.

TABLE 12
TOWN OF RIVER BEND, NORTH CAROLINA
DEMOGRAPHIC STATISTICS
Last Ten Years

Fiscal Year	Population ⁽¹⁾	Personal Income (in thousands) ⁽²⁾	Per Capita Personal Income ⁽²⁾	Public School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
2016	101,875	4,178,133	40,702	14,120	6.12%
2017	101,863	4,224,542	41,265	14,002	5.26%
2018	101,809	4,269,091	41,748	13,778	4.73%
2019	101,167	4,437,303	43,458	13,584	4.19%
2020	101,181	4,677,441	46,130	13,113	4.08%
2021	102,568	4,979,472	49,475	12,542	6.66%
2022	103,193	5,414,079	53,991	12,353	4.68%
2023	104,372	5,480,226	54,327	12,490	3.70%
2024	102,391	5,951,003	58,120	12,285	3.50%
2025	*	*	*	12,117	3.70%

Notes: Information not available for Town of River Bend. Craven County data presented.

⁽¹⁾ N.C. State Data Center. Estimates are as of the beginning of the fiscal year (July 1).

⁽²⁾ U.S. Department of Commerce, Bureau of Economic Analysis.

Figures are as of the end of the calendar year ended during the fiscal year.

⁽³⁾ N.C. Department of Public Instruction, First Month Average Daily Membership.

⁽⁴⁾ N.C. Employment Security Commission, Annual Average as of the end of the calendar year ended during the fiscal year.

* Information not yet available.

Source: Craven County Finance Department

TABLE 13
TOWN OF RIVER BEND, NORTH CAROLINA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Employer ⁽¹⁾	2025			2016		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Department of Defense	5,976	1	15.03%	5,173	1	13.34%
CarolinaEast Health Systems	3,270	2	8.22%	2,200	2	5.67%
Craven County Schools	1,585	3	3.99%	1,820	3	4.69%
BSH Home Appliances	1,498	4	3.77%	1,300	4	3.35%
State of North Carolina	820	5	2.06%	773	6	1.99%
Craven County	732	6	1.84%	601	8	1.55%
Wal-Mart	696	7	1.75%	703	7	1.81%
Moen Incorporated	658	8	1.65%	1,000	5	2.58%
City of New Bern	521	9	1.31%	453	10	1.17%
Craven Community College	521	10	1.31%	562	9	1.45%
	<u>16,277</u>		<u>40.93%</u>	<u>14,585</u>		<u>37.60%</u>

Notes: Information not available for Town of River Bend. Craven County data presented.

⁽¹⁾ County data is from NC Employment Security Commission and Craven County Economic

TABLE 14
TOWN OF RIVER BEND, NORTH CAROLINA
EMPLOYEE POSITION AUTHORIZATION BY DEPARTMENT
Last Ten Fiscal Years

<u>Department</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General government:										
Administration	3	3	3	3	3	3	3	3	3	3
Finance	1	1	1	1	1	1	1	1	1	1
Zoning	1	1	1	2	1	1	1	1	1	1
Public Works	3.5	3.5	3.5	4.5	5.5	4.5	3.5	3.5	4	5.5
Public safety- Police	6.48	6.48	6.48	6.68	6.45	6.27	6.39	5.12	6.14	7.54
Water/Sewer:										
Finance	1	1	1	1	1	1	1	1	1	1
Utility Operators	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
Total	<u>18.98</u>	<u>18.98</u>	<u>18.98</u>	<u>21.18</u>	<u>20.95</u>	<u>19.77</u>	<u>18.89</u>	<u>17.62</u>	<u>19.14</u>	<u>22.04</u>

Source: Town of River Bend Finance Department

TABLE 15
TOWN OF RIVER BEND, NORTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Years

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Public Safety - Police										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	4	4	4	5	5	5	6	6	5	7
Cultural and Recreational										
Recreation and Parks										
Number of Parks	5	5	5	5	5	5	5	5	5	5
Number of Picnic Shelters	2	2	2	2	2	2	2	2	2	2
Public Works and Utilities										
Miles of Paved Streets	16.48	16.48	16.48	16.48	17.13	17.13	17.13	17.13	17.13	17.13
Water										
Number of Hydrants	112	112	112	112	112	112	112	112	112	112
Water Mains (miles)	18.86	18.86	18.86	18.86	18.86	18.86	18.86	18.86	18.86	18.86
Number of Wells	3	3	3	3	3	3	3	3	3	3
Number of Water Towers	2	2	2	2	2	2	2	2	2	2
Sewer										
Sewer Lines (miles)	11	11	11	11	11	11	11	11	11	11
Number of Lift Stations	9	9	9	9	9	9	9	9	9	9
Number of Treatment Plants	2	2	2	2	2	2	2	2	2	2

Source: Town of River Bend Department Heads

TABLE 16
TOWN OF RIVER BEND, NORTH CAROLINA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Police Activity</u>									
Violent Crime	44	9	11	-	2	2	3	1	1
Property Crime	54	65	28	18	15	12	13	20	27
Arrests	225	45	49	17	43	29	19	30	30
Motor Vehicle	1,127	1,115	486	304	1,013	529	409	1,270	590
Agency Assist	647	33	26	13	16	15	15	13	36
Quality of Life	308	2,124	1,419	790	2,184	1,844	1,407	2,778	1,893
Community Policing	14,873	10,753	17,826	10,540	18,857	14,120	11,027	25,120	25,827
Total Activity	17,278	14,144	19,845	11,682	22,130	16,551	12,893	29,232	28,404
<u>Roadway Maintenance</u>									
Miles of Paved Road	16.48	16.48	16.48	16.48	17.13	17.13	17.13	17.13	17.13
Miles of Road Resurfaced	0.43	0.40	0.54	0.54	0.22	0.64	0.20	0.20	0.70
<u>Zoning</u>									
Permits Issued	26	72	84	464 ⁽²⁾	87	113	137	84	87
New Residences	2	1	1	2	4	6	6	3	5
<u>Water</u>									
Treatment Capacity	337,625,000	337,625,000	337,625,000	337,625,000	337,625,000	337,625,000	337,625,000	337,625,000	337,625,000
Water Treated	85,674,000	78,935,000	76,884,000	93,350,000	85,141,000	90,507,000	99,059,000	107,181,000	122,955,000
Residential Water Customers	1,418	1,431	1,438	1,438	1,429	1,442	1,453	1,457	1,467
<u>Wastewater</u>									
Treatment Capacity	120,450,000	120,450,000	120,450,000	120,450,000	120,450,000	120,450,000	120,450,000	120,450,000	120,450,000
Wastewater Treated	38,079,000	43,672,000	49,700,000	46,870,500	40,829,000	41,902,000	40,121,000	38,638,000	37,370,000
Residential Sewer Customers	948	954	958	958	949	949	952	955	962
<u>Leaf and Limb</u>									
Total Tons Collected ⁽¹⁾	317.69	279.90	266.26	279.83	246.98	219.72	290.36	365.91	486.70

Notes:

Source: Town of River Bend Department Heads

⁽¹⁾ Does not include tonnage picked up after a storm event in which the Town received disaster assistance funds.

⁽²⁾ Includes permits issued related to Hurricane Florence remediation.

TABLE 17
TOWN OF RIVER BEND, NORTH CAROLINA
INSURANCE IN FORCE
July 1, 2024 - June 30, 2025

Type of Coverage	Details of Coverage
Workers' Compensation	1,000,000 Bodily Injury by Accident - Each Accident 1,000,000 Bodily Injury by Disease - Each Employee 1,000,000 Bodily Injury by Disease - Policy Limit
General Liability	1,000,000 Each Occurance 3,000,000 General Aggregate 1,000 Deductible
Umbrella Liability	2,000,000 Liability Limit Each Occurance
Law Enforcement Liability	1,000,000 Each Occurance 3,000,000 General Aggregate 1,000 Deductible
Public Officials Liability	1,000,000 Each Occurance 3,000,000 General Aggregate 0 Deductible
Public Employee Blanket Bond	100,000 Each Occurance 250 Deductible
Public Official Bond Finance Officer	450,000 Liability 0 Deductible
Real and Personal Property	13,244,553 Covered Cause of Loss 2,500 Deductible per Occurance Includes Boiler & Machinery
Computer Equipment/Media	500,000 Limits of Coverage 1,000 Deductible
Scheduled Equipment	263,069 Scheduled Equipment 500 Deductible
Automobile Liability	1,000,000 Per Occurance 1,000 Deductible
Automobile Comprehensive	N/A Actual Cash Value Valuation 500 Deductible
Automobile Collision	N/A Actual Cash Value Valuation 500 Deductible

Source: Town of River Bend Finance Department

TABLE 18
TOWN OF RIVER BEND, NORTH CAROLINA
UTILITY RATE INFORMATION
Fiscal Year 2025 Approved Operating Budget Ordinance

WATER RATES

	METER SIZE			
	3/4"	1"	2"	4"
Customer Base Charge per month	\$ 15.24	\$ 30.90	\$ 88.32	\$ 276.24
Initial Connection (Tap Fee) ⁽¹⁾	1,250	1,500	3,500	5,000
Non-payment Fee	70	100	100	200
Usage Charge per 1,000 gallons		4.22	4.22	4.22
Usage 0 - 4,000 gallons	4.22			
Usage 4,001 - 20,000 gallons	4.50			
Usage 20,001 + gallons	4.55			
Fire Hydrant Availability Annual Charge	183			

SEWER RATES

	METER SIZE			
	3/4"	1"	2"	4"
Customer Base Charge per month	\$ 24.18	\$ 49.43	\$ 141.99	\$ 444.93
Initial Connection (Tap Fee) ⁽¹⁾	1,250	1,250	1,250	1,250
Usage Charge per 1,000 gallons	9.30			

⁽¹⁾ Minimum charge; applicant shall pay the actual cost if it exceeds the published fee.



COMPLIANCE SECTION





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

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of River Bend, North Carolina, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprises the Town of River Bend's basic financial statements, and have issued our report thereon dated October 16, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of River Bend'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 River Bend'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 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 the Town of River Bend's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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 16, 2025

Town of River Bend, North Carolina
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2025

Section I.	Summary of Auditor's Results
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Financial Statements

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

Internal control over financial reporting:

- Material weakness(es) identified? ___yes X_no
- Significant Deficiency(s) identified? ___yes X_none reported

Noncompliance material to financial
statements noted? ___yes X_no

Town of River Bend, North Carolina
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2025

Section II – Financial Statement Findings

None.