

TOWN OF RIVER BEND

NORTH CAROLINA



ACFR

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2023

TOWN OF RIVER BEND, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED

JUNE 30, 2023

PREPARED BY
FINANCE DEPARTMENT

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JENNIFER BARROW, DEPUTY TOWN CLERK



**THE TOWN OF RIVER BEND, NORTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year ended June 30, 2023**

TABLE OF CONTENTS

<u>EXHIBIT</u>		<u>PAGE</u>
INTRODUCTORY SECTION		
	Letter of Transmittal	9
	Certificate of Achievement In Financial Reporting	22
	Map of River Bend, North Carolina	23
	List of Principal Officials.....	24
	Organization Chart.....	25
FINANCIAL SECTION		
	Independent Auditors' Report.....	31
	Management's Discussion and Analysis.....	37
Basic Financial Statements:		
Government-wide Financial Statements:		
1	Statement of Net Position	55
2	Statement of Activities.....	56
Fund Financial Statements:		
3	Balance Sheet - Governmental Funds.....	57
4	Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	58
4	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities	59
5	Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	60
6	Statement of Net Position – Proprietary Funds.....	61
7	Statement of Revenues, Expenditures and Changes in Fund Net Position – Proprietary Funds.....	62

**THE TOWN OF RIVER BEND, NORTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year ended June 30, 2023**

TABLE OF CONTENTS

**FINANCIAL SECTION
(Continued)**

8	Statement of Cash Flows - Proprietary Funds	63
	Notes to Financial Statements	67

SCHEDULE

Required Supplemental Financial Data:

A-1	Schedule of the Proportionate Share of the Net Pension Liability (Asset) - Local Government Employees' Retirement System	83
A-2	Schedule of Contributions – Local Government Employees' Retirement System	84
A-3	Schedule of Changes in Total Pension Liability for Law Enforcement Officers' Special Separation Allowance	85
A-4	Schedule of Total Pension Liability as a Percentage of Covered Payroll for Law Enforcement Officers' Special Separation Allowance	86

Individual Fund Schedules:

General Fund:

1	Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	89
2	Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Reserve Fund	93
3	Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Public Works Capital Project – Major Capital Project Fund.....	94
4	Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – ARP Project Fund – Capital Project Fund	95

**THE TOWN OF RIVER BEND, NORTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year ended June 30, 2023**

TABLE OF CONTENTS

**FINANCIAL SECTION
(Continued)**

Enterprise Funds:

5	Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP) – Water Fund	99
6	Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – ASADRA – Capital Project Fund.....	100
7	Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Water Asset Inventory and Assessment – Capital Project Fund	101
8	Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP) – Sewer Fund	102
9	Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Wastewater Capital Project – Capital Project Fund	103

Supplementary Financial Data:

10	Schedule of Ad Valorem Taxes Receivable	107
11	Analysis of Current Year Levy – General Fund Property Tax	108

TABLE

STATISTICAL SECTION

Financial Trends Information:

1	Net Position by Component.....	111
2	Changes in Net Position.....	112
3	Fund Balances, Governmental Funds	114
4	Changes in Fund Balances, Governmental Funds	115

Revenue Capacity Information:

5	Assessed Value of Taxable Property	116
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**THE TOWN OF RIVER BEND, NORTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year ended June 30, 2023**

TABLE OF CONTENTS

**STATISTICAL SECTION
(Continued)**

6	Property Tax Rates – Direct and Overlapping Government	117
7	Principal Property Taxpayers.....	118
8	Property Tax Levies and Collections	119
Debt Capacity Information:		
9	Ratios of Outstanding Debt by Type	120
10	Computation of Legal Debt Margin.....	121
11	Direct and Overlapping Debt	122
Demographic and Economic Information:		
12	Demographic Statistics	123
13	Principal Employers.....	124
Operating Information:		
14	Employee Position Authorization by Department	125
15	Capital Asset Statistics by Function/Program.....	126
16	Operating Indicators by Function/Program.....	127
17	Insurance in Force.....	128
18	Utility Rate Information.....	129

COMPLIANCE SECTION

Report on Internal Control Over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>	133
Schedule of Findings and Responses	135

INTRODUCTORY SECTION

- Letter of Transmittal
- Certificate of Achievement In Financial Reporting
- Map of River Bend
- List of Principal Officials
- Organizational Chart





TOWN OF RIVER BEND

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December 20, 2023

The Honorable Mayor John Kirkland,
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, 2023 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, 2023 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, 2023 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.

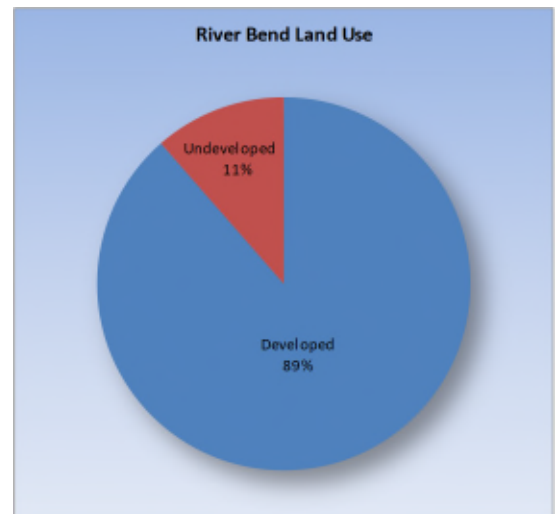
The Mayor is elected directly by the voters to serve a four-year term and presides at all meetings of the Council and represents the Town at official functions. The Mayor, and each member of the Council, serves as liaisons to Advisory Boards, or in other administrative capacities in support of the function 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 recently 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. Therefore, the General Assembly extended the terms of the current Mayor and each current member of the Council by one year.

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.

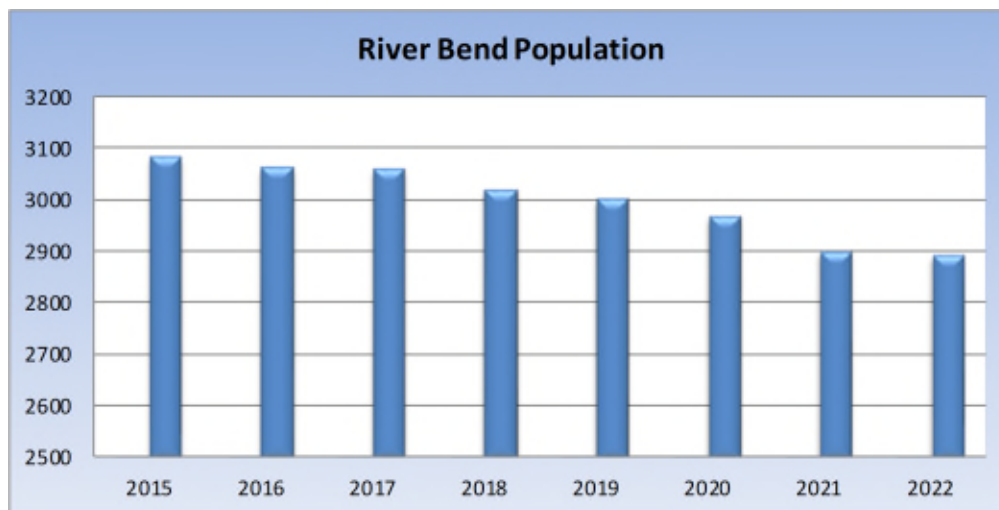
Land Use

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 GIS data indicates land is divided into 1,758 parcels, of which 1,557 are developed and 201 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 Office of State Budget and Management (OSBM), the July 1, 2022 certified population estimate of River Bend is 2,893. The chart below shows the change in population since 2015.



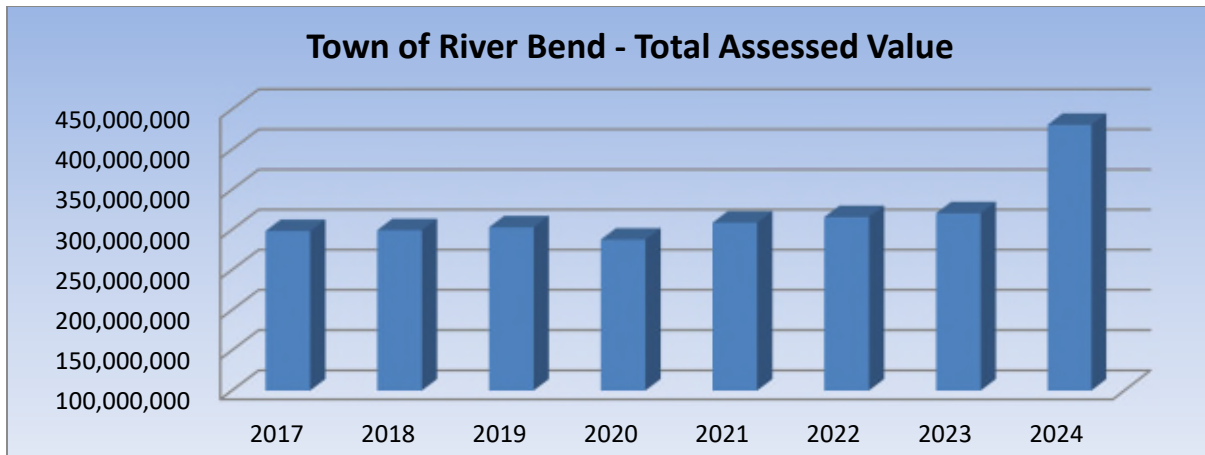
According to the North Carolina Office of Budget and Management (OBM), there are 551 municipalities in North Carolina and the Town of River Bend is the 194th largest by population. The (2020) median age in River Bend is 56.7 years old. According to the 2020 Census, veterans make up 15.4% of our population, compared to a national percentage of 6.4%.

Housing

River Bend's occupancy rate, as reported in the 2020 Census, was 86.4% of the Town's housing units. Of these occupied units, 61.2% are owner-occupied, and 38.8% of the units are renter-occupied.

Assessed values, particularly home values in River Bend, decreased in 2019 after Hurricane Florence. They have, for most, recovered and are higher now than pre-hurricane values.

The chart below shows the Town's total assessed value since FY 2017. Craven County's four-year revaluation, slated for FY2020-21, was postponed again until January 1, 2023, which affects FY2023-24. Based on estimates by the Craven County Tax Department, the value of real property will increase \$115,000,000 (42.5%) over the values from the prior year.

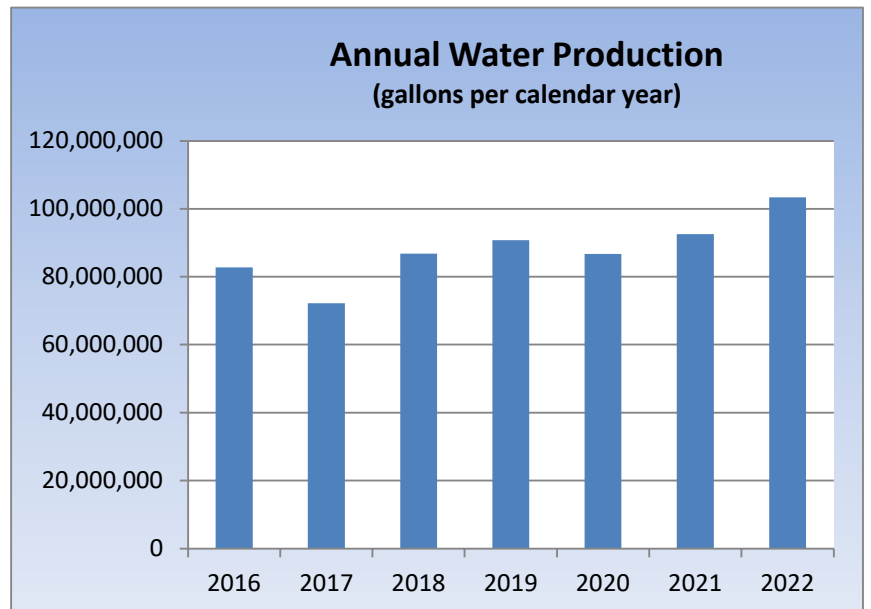


Water and Wastewater

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 2022 (calendar year), we treated 103,369,000 gallons with a daily average of 283,123 gallons. In 2021, we treated 92,512,000 gallons of water, an average of 253,418 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 clean water is ready for our customers to use.

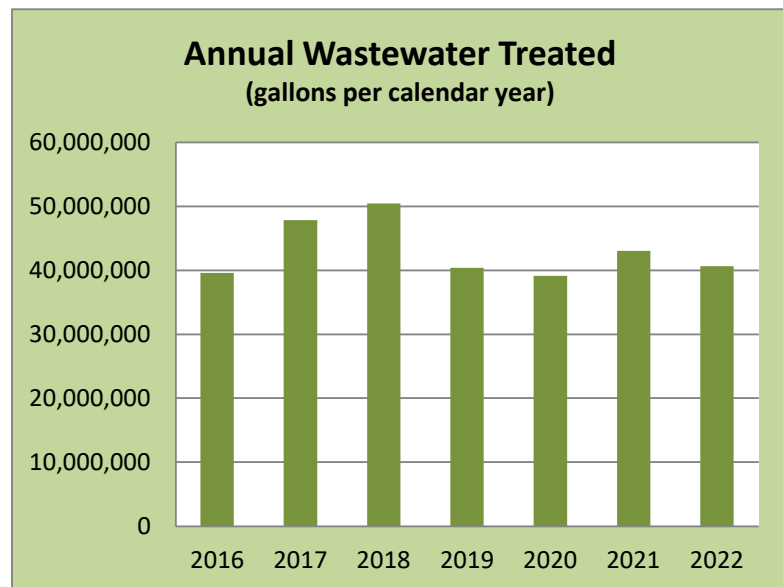
Water is available to approximately 1,560 households and businesses through 19 miles of pipe ranging in size from two to eight inches in diameter. In addition to providing water for consumption, our system also stands ready in the event of fire. There are 112 hydrants located throughout the system to 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 960 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 2022, we treated 40.6 million gallons of wastewater compared to 43.0 million gallons in 2021. The daily average treatment rate was 111,315 gallons in 2022 and 118,170 gallons in 2021. The State standard for waste treatment capacity is 330 gallons per day per household, which in our case translates to 318,780 gallons per day. This standard shows that we should be using 97% of our permitted capacity. On average, in 2022, we used 34% 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.

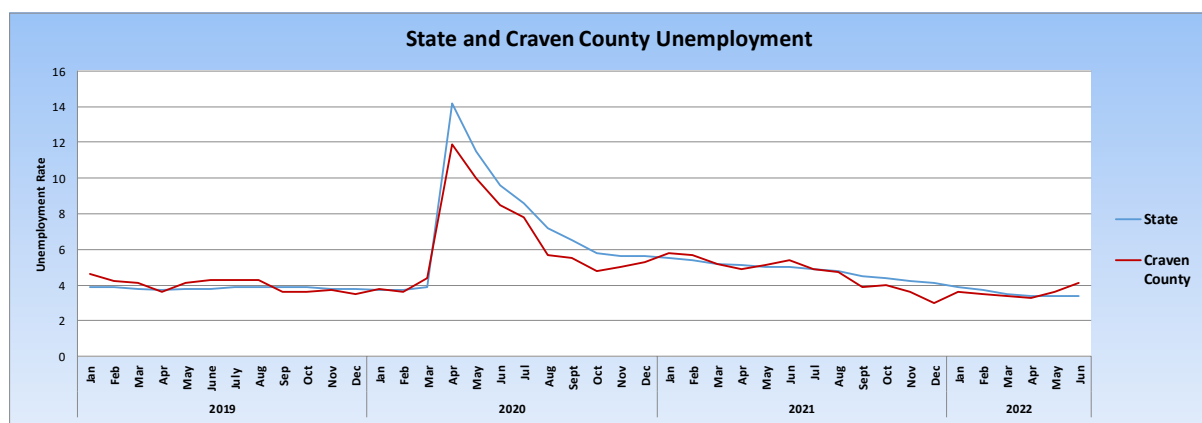
Economy

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 124 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. At the end of June 2023, the Craven County and State seasonally adjusted unemployment rates were 3.3% compared to the national rate of 3.6%.



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 virus pandemic, which also has impacted economies and budgets at the national and state levels.

In planning for the 2023-24 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 \$179,700 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 \$91,000, so local revenue in the amount of \$88,700 was budgeted to complete this project.

In this budget, we have allocated \$7,500 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. During FY2022-23, the Town completed a \$278,295 drainage project in the Channel Run area. The project consisted of re-grading and re-sloping the natural drainage infrastructure throughout the area to promote efficient and effective water flow out of the area. The project was mostly funded by a \$250,000 grant the Town received from the Golden LEAF Foundation.

Our IT replacement plan, which is also funded through our Capital Improvement Plan reserves, provides for \$3,504 in hardware upgrades this fiscal year. In fiscal year 2012, we migrated away from maintaining our IT infrastructure on-site to “the cloud” model, thereby eliminating the more expensive components of our infrastructure. We continue to replace certain pieces of hardware to keep our system viable, but have reduced our IT hardware inventory by 40%. Our estimate of cost savings show that we will save nearly \$31,000 over the first eight years of using this approach to IT. During FY2022-23 we finalized the conversion process to our new Enterprise Resources Planning (ERP) software, which has aided 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 \$23,500 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 replacement of a pump at Well #1, \$23,000. During FY2022-23 the Town nearly completed the project to purchase and install new radio-read water meters and associated equipment. This project was partially funded by a \$602,500 grant the Town received from the State of North Carolina and will be completed in FY2023-2024. It is projected that Water Fund cash reserves will be at 30% of expenditures at the end of FY 2026.

The state budget for FY2023-24 includes \$1.9 billion of funding for water and wastewater infrastructure projects. The Town of River Bend is listed as the recipient of \$9,393,000 and this funding will be used to construct a new water treatment facility.

The Sewer Fund budget provides for the purchase of a utility trailer, \$11,000. As with the Water Fund, all equipment preventative maintenance contracts are funded. Our permit renewal in 2018 for the wastewater treatment plant required no major changes from the application submitted. Sewer Fund cash reserves are projected to be at least 59% 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 plan enhancements. Specifically, these funds will be used to fund a major upgrade and rehabilitation of the existing treatment plan, which will essentially result in a new 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.

One major consideration during the budget preparation this year was the tax rate. The Council approved a rate of \$0.24 per 100 dollars of valuation, which is a 7.7% decrease from last fiscal year. The decreased tax rate is due to the 2023 reappraisal of real property and resulting increase in property tax values. The Council chose to balance the General Fund budget by using \$198,597 from fund balance; this will enable the Town Council to meet the policy establishing an unassigned fund balance amount of no less than 50% of expenditures for the then completed fiscal year.

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 recently amended 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 below. 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, 2022. This was the twelfth 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.

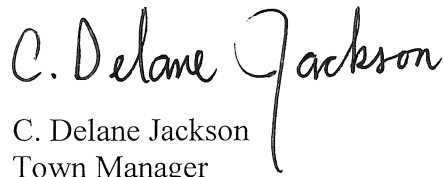
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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, 2022

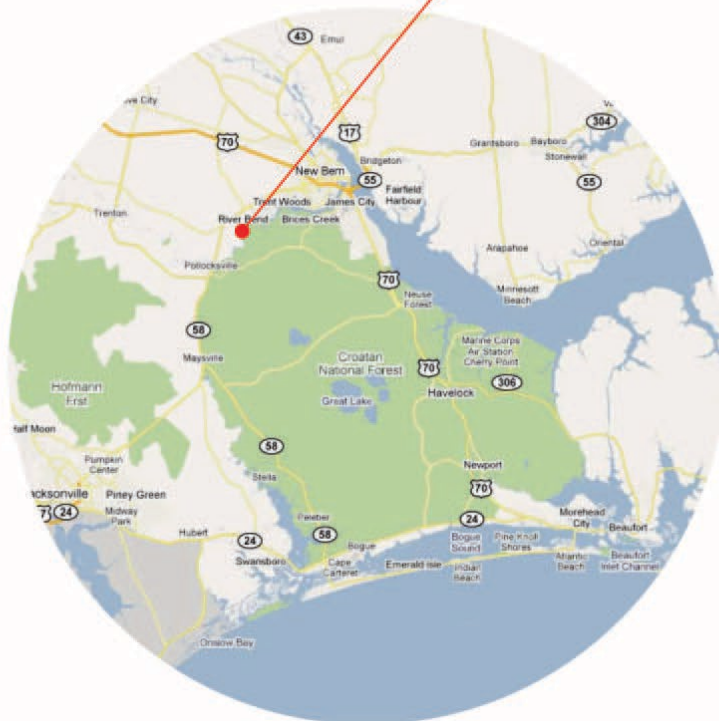
Christopher P. Morill

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, 2023

MAYOR

John Kirkland

TOWN COUNCIL

James Castranova

Brian Leonard

Barbara Maurer

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

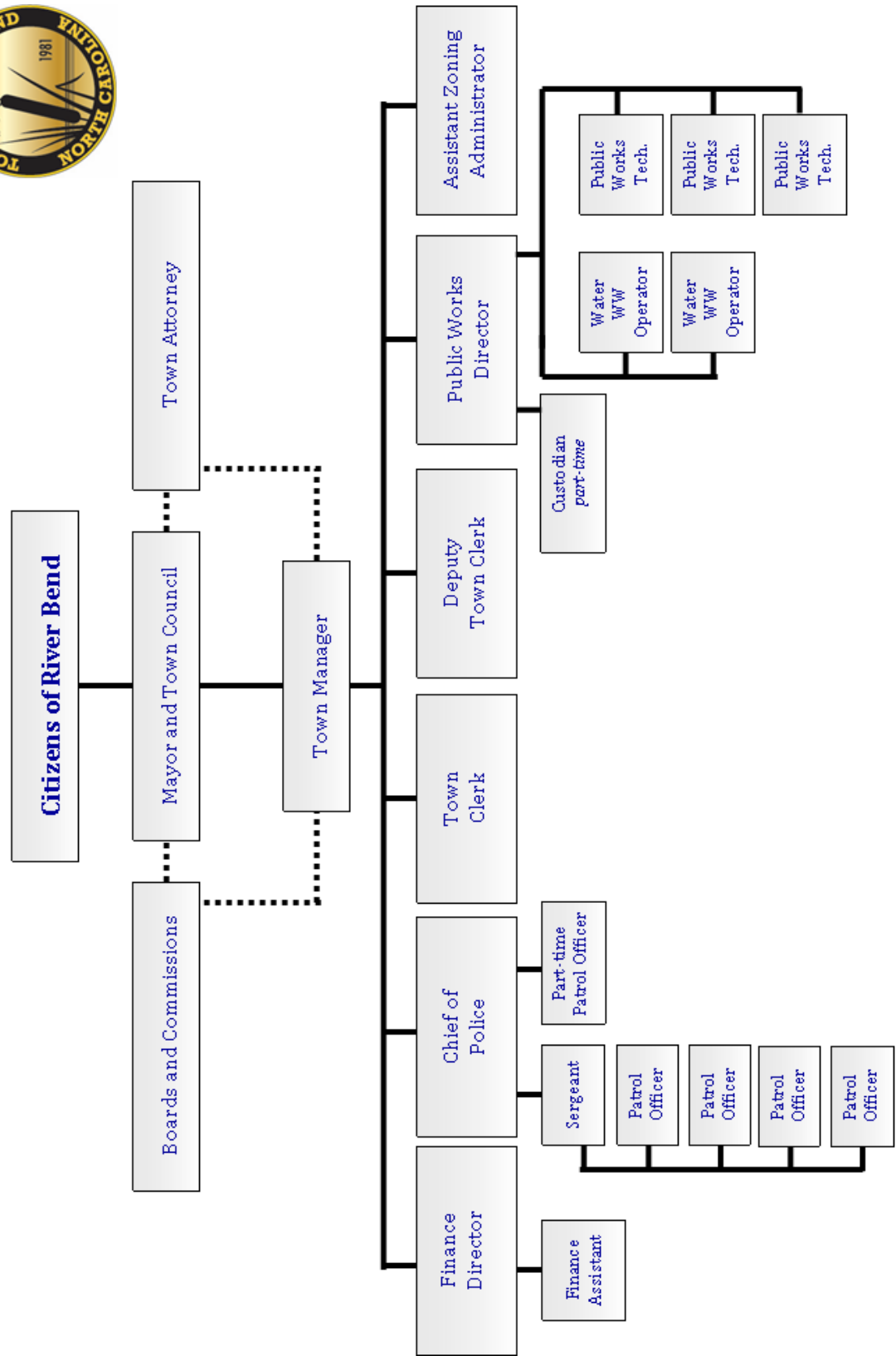
Sean Joll

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, 2023, 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, 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, 2023, 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 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 the combining and individual fund 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 September 7, 2023, 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.

Other Information

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

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

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

Wilmington, North Carolina

September 7, 2023

MANAGEMENT'S DISCUSSION & ANALYSIS



Management Discussion and Analysis Town of River Bend

Town of River Bend Management's Discussion and Analysis June 30, 2023

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, 2023. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources by \$9,725,812 (*net position*) at the close of the fiscal year.
- For governmental type activities, the Town's net position showed an increase of 27.1% at the close of the fiscal year at \$7,526,985. Net position for business-type activities, which exclusively include the Water and Sewer Enterprise Funds, were \$1,141,151 and \$1,057,676, respectively, for a total of \$2,198,827. This represents an increase of \$96,657 in the value of net position in the Water Fund, and a decrease of \$375,189 in the value of net position in the Sewer Fund. On-going depreciation of the infrastructure, a total of \$137,770, continues to be a significant expense. The government's total net position increased by \$1,325,274.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$2,595,684, which was an increase of \$729,424. Approximately 6.7% of this amount, or \$174,010 is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$919,547 or 44% 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, 2023, total General Fund expenditures amounted to \$2,102,201.
- The Town's total General Obligation bond debt decreased by \$240,000 (20%) 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 recently upgraded the Town of River Bend's bond rating to Aa3 from A1.

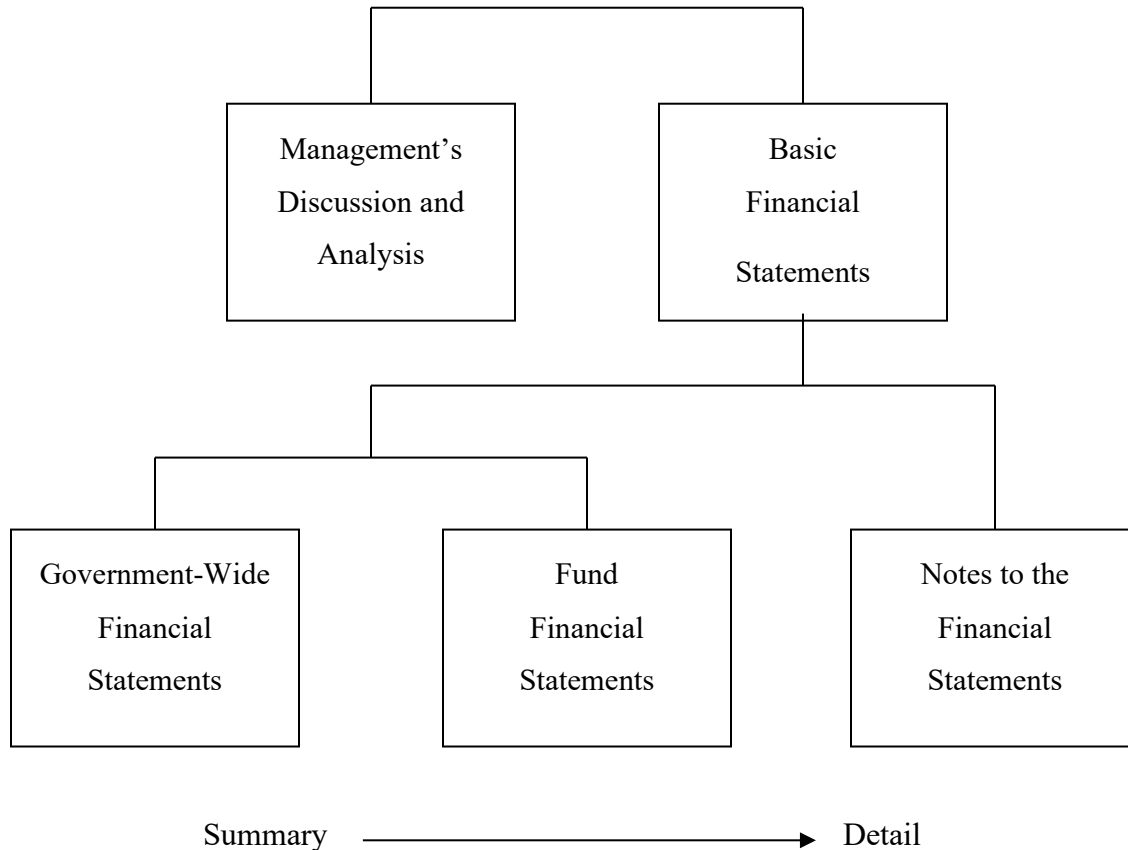
Overview of the Financial Statements

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, 3) the proprietary fund statements, and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **Notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes is the **Required Supplemental Information** containing funding information about the Town's pension benefits. **Supplemental Information** provides detail about the Town's individual funds. Budgetary information required by the General Statutes is located in this part of the statements.

Management Discussion and Analysis

Town of River Bend

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 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.

Management Discussion and Analysis

Town of River Bend

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 83 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 \$9,725,812 as of June 30, 2023. The Town's net position increased by \$1,325,274 for the fiscal year ended June 30, 2023. A large portion (31%) of total net position is the Town's unrestricted net position, \$2,986,012 that is available for future spending. The Town reports net investments in capital assets (e.g. land, buildings, machinery, and equipment) as 68% of the total net position. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The remaining balance of \$174,010 represents resources that are subject to external restrictions on how they may be used. These details are shown in the highlighted section of Figure 2 on the next page.

Management Discussion and Analysis

Town of River Bend

Town of River Bend's Net Position

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and other assets	\$ 2,651,417	\$ 1,906,718	\$ 1,379,453	\$ 2,333,798	\$ 4,030,870	\$ 4,240,516
Net pension asset - Separation Allowance	-	-	-	-	-	-
Net pension asset - LGERS	-	-	-	-	-	-
Capital assets, net	5,403,510	4,341,031	2,097,280	1,433,511	7,500,790	5,774,542
Total assets	8,054,927	6,247,749	3,476,733	3,767,309	11,531,660	10,015,058
Deferred Outflows of Resources:						
Contributions to pension plan, current year - LGERS	-	46,181	-	25,251	-	71,432
Contributions to pension plan, current year - LEO	-	51,925	-	-	-	51,925
Pension deferrals	476,796	304,086	120,718	52,520	597,514	356,606
Deferred charges on refunding	-	-	42,855	53,569	42,855	53,569
Total deferred outflows of resources	476,796	402,192	163,573	131,340	640,369	533,532
Liabilities:						
Current liabilities	60,919	65,757	500,358	309,829	561,277	375,586
Long-term liabilities	845,557	364,845	934,790	1,035,093	1,780,347	1,399,938
Total liabilities	906,476	430,602	1,435,148	1,344,922	2,341,624	1,775,524
Deferred Inflows of Resources:						
Pension deferrals	98,262	296,160	6,331	76,368	104,593	372,528
Net Position:						
Net investment in capital assets	5,403,510	4,341,031	1,162,280	258,511	6,565,790	4,599,542
Restricted	174,010	163,479	-	-	174,010	163,479
Unrestricted	1,949,465	1,418,669	1,036,547	2,218,848	2,986,012	3,637,517
Total net position	\$ 7,526,985	\$ 5,923,179	\$ 2,198,827	\$ 2,477,359	\$ 9,725,812	\$ 8,400,538

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

- Federal disaster assistance and grant funds received included COVID-19 public assistance of \$5,092 and the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund (ARP/CSLFRF), of \$482,189.
- The Town Council adopted a tax rate of \$0.26 per hundred dollars of valuation, which was no change from last fiscal year. Property tax revenue, including motor vehicles, reported a positive budget variance of \$19,868, and was \$9,688 over FY22 and a net tax levy increase of 1.50%. Fund balance in the amount of \$200,813 was originally budgeted to balance the FY23 budget.
- 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 usage rates were increased effective September 15, 2022 to include a tiered rate structure for the usage per thousand gallons. Sewer rates did not change during the fiscal year.

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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues:						
Program revenues:						
Charges for services	\$ 55,437	\$ 56,988	\$ 1,236,572	\$ 1,146,272	\$ 1,292,009	\$ 1,203,260
Operating grants and contributions	851,142	820,652	-	-	851,142	820,652
Capital grants and contributions	-	-	538,452	-	538,452	-
General revenues:						
Property taxes	831,484	827,716	-	-	831,484	827,716
Other taxes	713,744	673,659	-	-	713,744	673,659
Investment earnings, unrestricted	95,744	2,570	43,577	2,852	139,321	5,422
Miscellaneous, unrestricted	42,658	46,838	-	-	42,658	46,838
Transfers	<u>1,031,758</u>	<u>-</u>	<u>(1,031,758)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>3,621,967</u>	<u>2,428,423</u>	<u>786,843</u>	<u>1,149,124</u>	<u>4,408,810</u>	<u>3,577,547</u>
Expenses:						
General government	776,534	655,539	-	-	776,534	655,539
Public safety	773,933	677,492	-	-	773,933	677,492
Transportation	68,144	153,537	-	-	68,144	153,537
Environmental protection	301,918	46,673	-	-	301,918	46,673
Cultural and recreational	97,632	322,549	-	-	97,632	322,549
Water	-	-	522,501	457,702	522,501	457,702
Sewer	<u>-</u>	<u>-</u>	<u>542,874</u>	<u>501,346</u>	<u>542,874</u>	<u>501,346</u>
Total expenses	<u>2,018,161</u>	<u>1,855,790</u>	<u>1,065,375</u>	<u>959,048</u>	<u>3,083,536</u>	<u>2,814,838</u>
Increase in net position before special items	1,603,806	572,633	(278,532)	190,076	1,325,274	762,709
Special item - gain on sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase in net position:	1,603,806	572,633	(278,532)	190,076	1,325,274	762,709
Beginning of year - July 1	<u>5,923,179</u>	<u>5,350,546</u>	<u>2,477,359</u>	<u>2,287,283</u>	<u>8,400,538</u>	<u>7,637,829</u>
End of year - June 30	<u>\$ 7,526,985</u>	<u>\$ 5,923,179</u>	<u>\$ 2,198,827</u>	<u>\$ 2,477,359</u>	<u>\$ 9,725,812</u>	<u>\$ 8,400,538</u>

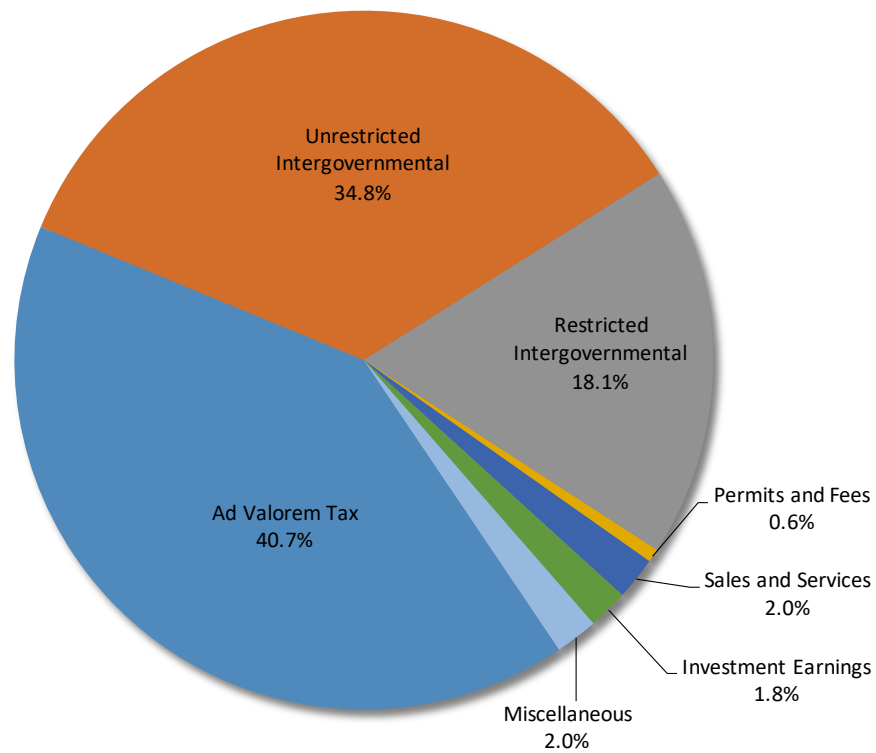
Governmental Activities. The total net position of the Town increased by \$1,325,274; governmental activities accounted for \$1,603,806 of the increase to the Town's net position. Key elements that affected net position are as follows:

Management Discussion and Analysis

Town of River Bend

- Funds totaling \$482,189 were received from the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund (ARP/CSLFRF). These funds were used to reimburse the Town for salaries and benefits paid to employees during the period March 7, 2021 through June 30, 2022.
- Sales tax exceeded budget by \$48,854 as the Town continues to take a more conservative approach when budgeting for this revenue source.
- The abovementioned revenue sources, combined with the Town's vigilant monitoring of expenditures, contributed to this year's positive affect on net position.
- Fund balance of \$200,813 was originally budgeted to balance the General Fund budget. Budget amendment details are covered under **General Fund Budgetary Highlights**.
- Ad Valorem taxes make up 41% of the governmental activity revenue. Craven County's four-year revaluation, slated for FY 2020-21, was postponed again until January 1, 2023, which affects FY 2023-24. One aspect of this timing is due to the area devastation and property loss caused by Hurricane Florence in September 2018. This fiscal year the adopted tax rate was \$0.26 with a net property tax valuation of \$320,511,923. Craven County's collection rate was 99.46%.
- 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, which contributed to the Town's net position for the fiscal year. Capital outlays increased capital assets for a total of \$517,053, of which the General Fund Capital Improvement Plan contributed \$72,787 from Capital Reserves.

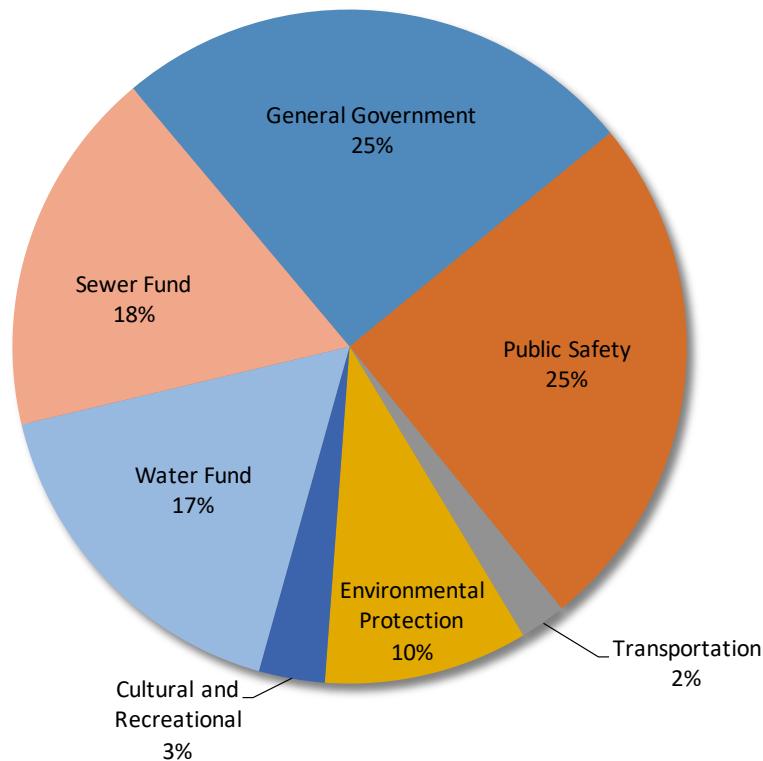
Town of River Bend
Figure 4. Revenue Sources - Governmental Activities - Fiscal Year 2023



Management Discussion and Analysis

Town of River Bend

Town of River Bend
Figure 5. Functional Expenses - Fiscal Year 2023



Business-Type Activities. Business-type activities decreased the Town's net position by \$278,532. 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.

- The sewer utility rates did not change during the fiscal year.
- The water utility usage rate for residential customers changed effective September 15, 2022 to include a tiered rate structure for the usage per thousand gallons. This tiered structure was approved by Council to receive additional points on a grant the Town applied for to rehabilitate the Water Treatment Plant. This increase will also help maintain a cash balance projected to be at least 32% of expenditures at the end of the next three years.
- Operating revenues from water services adequately covered the operating expenses, which resulted in operating income and an increase in net position of \$96,657. Sewer Fund net position decreased by \$375,189.
- Both Water and Sewer Funds decreased its cash and cash equivalents balances, \$234,534 and \$470,332 respectively. This reduction was purposefully done to assist in funding the construction of the new Public Works Administration Building. A portion of this building will provide support for our water and sewer operations and functions.

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 \$96,657 for a total of \$1,141,151 at year-end.
- Operating income was \$71,501, which decreased \$11,374 over last year's operating income of \$82,785. This decrease is mainly due to increased administration expenses during the fiscal year.
- Capital assets of \$3,356 were acquired in the current year. The cash-funded capital improvement plan provided for an annual appropriation of \$3,500.
- Construction in progress for the Water Fund increased \$723,647 due to the nearly completed project to purchase and install new radio-read water meters and associated equipment. This project will be complete in FY23-24.
- Depreciation expense reduced net position in the amount of \$79,979, compared to \$78,185 last year.

Sewer Fund:

- The Sewer Fund decreased net position by \$375,189 from last year to \$1,057,676 at year-end. This decrease is due to the transfer of \$515,879 to the Capital Project Fund for the Public Works Administration Building.
- Operating income was \$130,389, which decreased \$11,700 over last year's operating income of \$142,089. This decrease is mainly due to increased administration expenses during the fiscal year.
- Capital assets of \$23,299 were acquired in the current year. The cash-funded capital improvement plan provided for an annual appropriation of \$3,500.
- Construction in progress for the Sewer Fund increased \$51,237 due to beginning the Wastewater Treatment Plant Capital Project which will be funded by a grant received from the State of North Carolina. This grant will allow for a major upgrade and rehabilitation of our existing treatment plant.
- Depreciation expense reduced net position by \$57,791, compared to \$62,222 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 \$2,595,684, an increase of \$729,424 over the prior year. Included in this change is a decrease of \$9,186 in fund balance in the Capital Reserve Funds.

The General Fund is the chief operating fund of the Town of River Bend. For the fiscal year ended June 30, 2023, the Town's fund balance available in the General Fund was \$1,154,956 and unassigned fund balance of the General Fund was \$919,547, a 6% decrease from the prior year. Total fund balance is \$1,328,966. 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.

Management Discussion and Analysis

Town of River Bend

At year-end, unassigned General Fund balance represents 43.7% 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 63.2% of total General Fund expenditures and available fund balance represents 54.9% of total General Fund expenditures.

The Department of State Treasurer reported the average fund balance of 91.97% 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, 2021.

General Fund Budgetary Highlights. During the fiscal year, the Town amended the budget on four 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 \$38,681 appropriated for various incomplete projects rolled over from FY21-22 and a transfer from Capital Reserve Fund (\$39,787) to complete funding for a police vehicle as well as providing project oversight on a drainage improvement project.
- Fund balance of \$21,500 appropriated for additional funding to replace the fishing dock at Town Hall.
- Fund balance of \$30,400 appropriated to fund the Council's approval of an additional Cost of Living Allowance (5%) to eligible employees and to fund the position of a part-time Project Manager to assist with the new financial software.
- Federal disaster assistance (\$5,092) funds were received from eligible COVID-19 expenditures and offset the Leaf & Limb and Solid Waste department. Interdepartmental transfers of \$8,350 allowed for an increase in legal fees during the fiscal year.

Excluding restricted intergovernmental revenues, General Fund revenues finished with a positive budget variance of \$149,920. The main component of this positive variance was \$48,854 in Sales Tax revenues, which continued to rise during the fiscal year. Other intergovernmental revenues continue to decline; despite conservative budgeting, with most ending in negative variances. Ad Valorem tax collections were above budget by \$19,868.

Departmental expenditures were less than the final budgeted amounts by \$102,860. Each functional area contributed to this total amount, with the most significant of \$24,015, coming from Finance 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 89. The Town complied with its budgetary requirements.

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 \$1,141,151 and \$1,057,676, respectively, for a total of \$2,198,827. This represents a decrease of \$278,532 from last fiscal year. As previously stated, a key element each year is depreciation. For this year in the Water Fund, it was \$79,979. In the Sewer Fund it was \$57,791. Unrestricted net position of the Water Fund and Sewer Fund at the end of the fiscal year amounted to \$1,036,547.

Management Discussion and Analysis

Town of River Bend

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, 2023 totaled \$7,500,790 (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:

- \$48,392, 2022 Ford Interceptor
- \$46,066, wooden fishing dock at Town Hall
- \$144,075, 2023 Street Paving Program
- \$8,567, vinyl seawall at 206 Channel Run
- \$248,478, drainage improvements on Channel Run
- \$4,475, Edmunds GovTech financial software, shared cost

Water Fund:

- \$3,356 Edmunds GovTech financial software, shared cost

Sewer Fund:

- \$13,870, sewer camera
- \$6,073, sewer drain cleaning machine
- \$3,356, Edmunds GovTech financial software, 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.
- 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 in order to generate reliable cost estimates for the CIP.

Management Discussion and Analysis

Town of River Bend

- 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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 989,320	\$ 989,320	\$ 183,357	\$ 183,357	\$ 1,172,677	\$ 1,172,677
Construction in progress	825,934	16,198	994,954	220,070	1,820,888	236,268
Plant and distribution system	-	-	5,818,448	5,818,448	5,818,448	5,818,448
Furniture and equipment	-	-	491,255	464,600	491,255	464,600
Building and improvements	2,849,412	2,803,346	8,960	8,960	2,858,372	2,812,306
Equipment and vehicles	587,766	534,899	-	-	587,766	534,899
Infrastructure	2,954,103	2,552,983	-	-	2,954,103	2,552,983
Subtotal	8,206,535	6,896,746	7,496,974	6,695,435	15,703,509	13,592,181
Less accumulated depreciation	(2,803,025)	(2,555,715)	(5,399,694)	(5,261,924)	(8,202,719)	(7,817,639)
Capital assets, net	\$ 5,403,510	\$ 4,341,031	\$ 2,097,280	\$ 1,433,511	\$ 7,500,790	\$ 5,774,542

Additional information on the Town's capital assets is found in Note 3 to the basic financial statements.

Long-Term Debt. As of June 30, 2023, the Town had total bonded debt outstanding of \$935,000, all of which is backed by the full faith and credit of the Town.

Town of River Bend's Long-Term Debt

Figure 7

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ -	\$ -	\$ 935,000	\$ 1,175,000	\$ 935,000	\$ 1,175,000
Unamortized premium on bonds	-	-	42,855	53,569	42,855	53,569
Compensated absences	57,898	38,244	25,452	18,898	83,350	57,142
Net pension liability (LGERS)	630,246	173,576	187,197	50,788	817,443	224,364
Total pension liability (LEO)	167,413	185,532	-	-	167,413	185,532
Total debt	\$ 855,557	\$ 397,352	\$ 1,190,504	\$ 1,298,255	\$ 2,046,061	\$ 1,695,607

Management Discussion and Analysis

Town of River Bend

In the process to restructure 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 69 in the notes to the basic financial statements. The Town's legal debt margin at June 30, 2023 was \$26,575,954.

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 seems to have 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 2023 was reported at 3.3%, compared to the State seasonally adjusted rate of 3.3%, and a national rate of 3.6%.

Budget Highlights and Rates for the Fiscal Year Ending June 30, 2024

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 2023. 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 Fund revenues and other financing sources are budgeted at \$2,156,391, which is a 5.4% decrease from the 2023 fiscal year-end budgeted revenues.

The Council adopted a tax rate of \$0.24, which is a 7.7% decrease from the prior year. The decreased tax rate is due to the 2023 reappraisal of real property and resulting increase in property tax values. The 2023 reappraised property values are estimated to be 40.5% higher than the 2022 property values. The last reappraisal of real property was conducted in 2016. Appropriated fund balance was used to balance the budget in the amount of \$198,597.

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 eighteen full-time, three part-time employees and several recreation instructors. Personnel costs, including benefits, represent 48% of the total combined operating budget. Following the guidance of the Council, the budget reflects a 4.4% cost-of-living increase and 1% for longevity increases. An additional 2% merit pool is available to recognize outstanding performance of individual employees.

Included in the budget is an allocation for \$12,200 to fund the Law Enforcement Officers' Separation Allowance. The Town does not have a financial obligation this year.

Management Discussion and Analysis

Town of River Bend

Each year our contracted engineer reviews an evaluation he performed on all our streets in order 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 \$81,950 will be budgeted to complete this project.

Capital Improvement Plans (CIP) are used to plan for capital needs in each major fund area in order to sustain and improve infrastructure and operations within the financial capacity of the Town. \$55,000 is budgeted to set aside in the General Capital Reserve Fund for this year.

CIP budgeted expenditures this year are \$3,000 for the replacement of information technology hardware, and \$40,000 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 are able to keep our CIP funding to approximately \$3,000 per year.

The Town will complete the construction of the Public Works Administration building during this fiscal year. The Town elected to take the standard allowance and expend all of its American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds (ARP/CSLFRF), \$964,378, to reimburse for salaries and benefits paid to general administration, finance, law enforcement and planning and zoning departments for the period March 7, 2021 through June 30, 2022. This allowed the Town to use non-grant revenues to construct a building to support the needs of our public works departments.

Business-Type Activities. The adopted rate schedule reflects the increases which were effective September 15, 2022 and included a tiered rate structure for the usage per thousand gallons in the Water 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 22% and 18% 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 32% of expenditures. At the end of the next three years, it is projected that the Sewer Fund cash reserves will be at 58% of expenditures.

Water Capital Improvement Plan (CIP) annually budgeted funds of \$23,500 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 maintains cash reserves to address these needs. Capital expenditures planned for the Water Fund this fiscal year include \$23,000 for pump replacement at Well #1.

Sewer Capital Improvement Plan (CIP) budgeted funds of \$3,500 support the vehicle replacement plan and all other planned or emergency cash-funded capital expenditures. In fiscal year 2024, capital expenditures include major upgrades and rehabilitation of our existing Wastewater Treatment Plant. The Town was awarded a grant totaling \$9,108,500 from the State of North Carolina to fund these enhancements which will essentially result in a new treatment plant.

Management Discussion and Analysis

Town of River Bend

The state budget for FY23-24 includes \$1.9 billion of funding for water and wastewater infrastructure projects. The Town of River Bend is listed as the recipient of \$9,393,000 and this funding will be used to construct a new water treatment facility.

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, 2023

	Primary Government		
	Governmental	Business-type	Total
	Activities	Activities	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,165,473	\$ 1,129,582	\$ 2,295,055
Restricted cash and cash equivalents	1,307,120	22,860	1,329,980
Taxes receivables (net)	4,814	-	4,814
Accounts receivable (net)	2,339	227,011	229,350
Due from other governments	171,671	-	171,671
Total current assets	2,651,417	1,379,453	4,030,870
Noncurrent asset:			
Capital assets:			
Land and construction in progress	1,815,254	1,178,311	2,993,565
Other capital assets, net of depreciation	3,588,256	918,969	4,507,225
Total capital assets (net)	5,403,510	2,097,280	7,500,790
Total noncurrent assets	5,403,510	2,097,280	7,500,790
Total assets	8,054,927	3,476,733	11,531,660
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals - LGERS	398,100	120,718	518,818
Pension deferrals - LEO	78,696	-	78,696
Deferred charge on refunding	-	42,855	42,855
Total deferred outflows of resources	476,796	163,573	640,369
LIABILITIES			
Current liabilities:			
Accounts payable	47,329	221,784	269,113
Liabilities payable from restricted assets	3,590	22,860	26,450
Current portion of compensated absences	10,000	10,000	20,000
Current portion of long-term debt	-	245,714	245,714
Total current liabilities	60,919	500,358	561,277
Non-current liabilities:			
Non-current portion of compensated absences	47,898	15,452	63,350
Net pension liability - LGERS	630,246	187,197	817,443
Total pension liability - LEO	167,413	-	167,413
Non-current portion of long-term debt	-	732,141	732,141
Total long-term liabilities	845,557	934,790	1,780,347
Total liabilities	906,476	1,435,148	2,341,624
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals - LGERS	15,076	6,331	21,407
Pension deferrals - LEO	83,186	-	83,186
Total deferred inflows of resources	98,262	6,331	104,593
NET POSITION			
Net investment in capital assets	5,403,510	1,162,280	6,565,790
Restricted for:			
Stabilization by State Statute	174,010	-	174,010
Unrestricted	1,949,465	1,036,547	2,986,012
Total net position	\$ 7,526,985	\$ 2,198,827	\$ 9,725,812

Town of River Bend
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Net (Expense) Revenue and Changes in Net Position					
	Program Revenues			Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Primary government:						
Governmental Activities:						
General government	\$ 776,534	\$ 9,126	\$ 482,189	\$ -	\$ (285,219)	\$ -
Public safety	773,933	3,438	275,221	-	(495,274)	-
Transportation	68,144	-	93,732	-	25,588	-
Environmental protection	301,918	2,259	-	-	(299,659)	-
Cultural and recreational	97,632	40,614	-	-	(57,018)	-
Total governmental activities	2,018,161	55,437	851,142	-	(1,111,582)	-
Business-type activities:						
Water fund	522,501	577,529	-	538,452	-	593,480
Sewer fund	542,874	659,043	-	-	-	116,169
Total business-type activities	1,065,375	1,236,572	-	538,452	-	709,649
Total primary government	\$ 3,083,536	\$ 1,292,009	\$ 851,142	\$ 538,452	(1,111,582)	(401,933)
General revenues:						
Ad valorem taxes					831,484	-
Local option sales taxes					414,007	-
Other taxes					299,737	-
Interest earned on investments, unrestricted					95,744	43,577
Miscellaneous, unrestricted					42,658	-
Transfers					1,031,758	(1,031,758)
Total general revenues					2,715,388	(988,181)
Change in net position					1,603,806	(278,532)
Net position, beginning					5,923,179	2,477,359
Net position, ending					\$ 7,526,985	\$ 2,198,827
						\$ 9,725,812

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

**Town of River Bend
Balance Sheet
Governmental Funds
June 30, 2023**

	Major Funds			Non-Major Funds	
	General Fund	American Rescue Plan Fund	Public Works Capital Project	Capital Reserve	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,165,473	\$ -	\$ -	\$ -	\$ 1,165,473
Restricted cash	40,402	-	1,182,149	84,569	1,307,120
Receivables, net:		-	-	-	-
Taxes	4,814	-	-	-	4,814
Accounts	2,339	-	-	-	2,339
Due from other governments	171,671	-	-	-	171,671
Total assets	<u>\$ 1,384,699</u>	<u>\$ -</u>	<u>\$ 1,182,149</u>	<u>\$ 84,569</u>	<u>\$ 2,651,417</u>
LIABILITIES					
Accounts payable	\$ 47,329	\$ -	\$ -	\$ -	\$ 47,329
Customer deposits	3,590	-	-	-	3,590
Total liabilities	<u>50,919</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,919</u>
DEFERRED INFLOWS OF RESOURCES					
Property taxes receivable	4,814	-	-	-	4,814
Total deferred inflows of resources	<u>4,814</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,814</u>
FUND BALANCES					
Restricted					
Stabilization by State Statute	174,010	-	-	-	174,010
Committed:					
General Government capital outlay	-	-	1,182,149	84,569	1,266,718
Assigned:					
Law enforcement seperation allowance	36,812	-	-	-	36,812
Subsequent Year's Expenditures	198,597	-	-	-	198,597
Unassigned	919,547	-	-	-	919,547
Total fund balances	<u>1,328,966</u>	<u>-</u>	<u>1,182,149</u>	<u>84,569</u>	<u>2,595,684</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,384,699</u>	<u>\$ -</u>	<u>\$ 1,182,149</u>	<u>\$ 84,569</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.

5,403,510

Deferred outflows of resources related to pension are not reported in the funds.

LGERS

398,100

LEO

78,696

Earned revenues considered deferred inflows of resources in fund statements.

4,814

Net pension liability

(630,246)

Total pension liability

(167,413)

Deferred infows of resources related to pension are not reported in the funds.

LGERS

(15,076)

LEO

(83,186)

Other long-term liabilities (compensated absences) are not due and payable in the current period and therefore are not reported in the funds.

(57,898)

Net position of governmental activities

\$ 7,526,985

Town of River Bend
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	Major Funds			Non-major Funds	
	General Fund	American Rescue Plan Fund	Public Works Capital Project	Capital Reserve	Total Governmental Funds
REVENUES					
Ad valorem taxes	\$ 833,878	\$ -	\$ -	\$ -	\$ 833,878
Unrestricted intergovernmental	713,744	-	-	-	713,744
Restricted intergovernmental	371,212	482,189	-	-	853,401
Permits and fees	12,564	-	-	-	12,564
Sales and services	40,614	-	-	-	40,614
Investment earnings	37,762	4	54,377	3,601	95,744
Miscellaneous	40,301	-	-	-	40,301
Total revenues	<u>2,050,075</u>	<u>482,193</u>	<u>54,377</u>	<u>3,601</u>	<u>2,590,246</u>
EXPENDITURES					
Current:					
General government	615,873	-	-	-	615,873
Public safety	666,722	-	-	-	666,722
Transportation	186,442	-	-	-	186,442
Environmental protection	533,890	-	792,736	-	1,326,626
Cultural and recreational	99,274	-	-	-	99,274
Total expenditures	<u>2,102,201</u>	<u>-</u>	<u>792,736</u>	<u>-</u>	<u>2,894,937</u>
Excess (deficiency) of revenues over expenditures	<u>(52,126)</u>	<u>482,193</u>	<u>(738,359)</u>	<u>3,601</u>	<u>(304,691)</u>
Revenues over (under) expenditures	(52,126)	482,193	(738,359)	3,601	(304,691)
Other financing sources:					
Transfer (to) from other funds	12,898	(482,300)	1,513,947	(12,787)	1,031,758
Insurance settlement	2,357	-	-	-	2,357
Total other financing sources	<u>15,255</u>	<u>(482,300)</u>	<u>1,513,947</u>	<u>(12,787)</u>	<u>1,034,115</u>
Revenues and other sources over expenditures and other sources	(36,871)	(107)	775,588	(9,186)	729,424
Fund balances, beginning	<u>1,365,837</u>	<u>107</u>	<u>406,561</u>	<u>93,755</u>	<u>1,866,260</u>
Fund balances, ending	<u>\$ 1,328,966</u>	<u>\$ -</u>	<u>\$ 1,182,149</u>	<u>\$ 84,569</u>	<u>\$ 2,595,684</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, 2023**

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

Net changes in fund balances - total governmental funds	\$ 729,424
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	\$ 1,309,789
Depreciation expense for governmental assets	<u>(247,310)</u>
	1,062,479
Contributions to the pension plan in the current fiscal year are not included on the statement of activities	97,050
Benefit payments for LEOSA included in Statement of Activities	-
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	(2,394)
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	(19,654)
Pension expense	<u>(263,099)</u>
Total changes in net position of governmental activities	<u>\$ 1,603,806</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, 2023

	General Fund			
	Original	Final	Actual Amounts	Final Budget - Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 814,010	\$ 814,010	\$ 833,878	\$ 19,868
Unrestricted intergovernmental	660,293	660,293	713,744	53,451
Restricted intergovernmental	93,200	370,462	371,212	750
Permits and fees	7,500	7,500	12,564	5,064
Sales and services	36,565	36,565	40,614	4,049
Investment earnings	575	575	37,762	37,187
Miscellaneous	10,000	10,000	40,301	30,301
Total revenues	1,622,143	1,899,405	2,050,075	150,670
Expenditures:				
General government	637,131	672,631	615,873	56,758
Public safety	605,500	682,743	666,722	16,021
Transportation	193,000	193,000	186,442	6,558
Environmental protection	274,500	547,887	533,890	13,997
Cultural and recreational	87,300	108,800	99,274	9,526
Total expenditures	1,797,431	2,205,061	2,102,201	102,860
Revenues over (under) expenditures	(175,288)	(305,656)	(52,126)	253,530
Other financing sources (uses):				
Transfers from other funds	46,500	86,287	568,587	482,300
Transfers to other funds	(73,500)	(73,500)	(555,689)	(482,189)
Insurance settlement	-	-	2,357	2,357
Sale of fixed assets	15,000	15,000	-	(15,000)
Appropriated fund balance	187,288	277,869	-	(277,869)
Total other financing sources (uses)	175,288	305,656	15,255	(290,401)
Revenues and other sources over (under) expenditures and other uses	\$ -	\$ -	(36,871)	\$ (36,871)
Fund balances, beginning			1,365,837	
Fund balances, ending			\$ 1,328,966	

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, 2023**

	Major Enterprise Funds		
	Water Fund	Sewer Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 506,365	\$ 623,217	\$ 1,129,582
Restricted cash and cash equivalents	8,890	13,970	22,860
Accounts receivable, net	115,538	111,473	227,011
Due from (to) other funds	2,719	(2,719)	-
Total current assets	633,512	745,941	1,379,453
Noncurrent assets:			
Capital assets:			
Land and construction in progress	841,818	336,493	1,178,311
Other capital assets, net of depreciation	425,186	493,783	918,969
Capital assets (net)	1,267,004	830,276	2,097,280
Total noncurrent assets	1,267,004	830,276	2,097,280
Total assets	1,900,516	1,576,217	3,476,733
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals	57,287	63,431	120,718
Deferred charge on refunding	22,997	19,858	42,855
Total deferred outflows of resources	80,284	83,289	163,573
LIABILITIES			
Current liabilities:			
Accounts payable	202,403	19,381	221,784
Liabilities payable from restricted assets	8,890	13,970	22,860
Compensated absences - current	5,000	5,000	10,000
Current portion of long-term debt	131,854	113,860	245,714
Total current liabilities	348,147	152,211	500,358
Non-current liabilities:			
Other noncurrent liabilities:			
Compensated absences	6,832	8,620	15,452
Net pension liability	89,273	97,924	187,197
Long-term debt	392,832	339,309	732,141
Total noncurrent liabilities	488,937	445,853	934,790
Total liabilities	837,084	598,064	1,435,148
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	2,565	3,766	6,331
Total deferred inflows of resources	2,565	3,766	6,331
NET POSITION			
Net investment in capital assets	765,315	396,965	1,162,280
Unrestricted	375,836	660,711	1,036,547
Total net position	\$ 1,141,151	\$ 1,057,676	\$ 2,198,827

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, 2023

	Major Enterprise Funds		
	Water Fund	Sewer Fund	Total
OPERATING REVENUES			
Charges for services	\$ 557,677	\$ 649,401	\$ 1,207,078
Water and sewer taps	1,967	1,250	3,217
Other operating revenues	17,885	8,392	26,277
Total operating revenues	577,529	659,043	1,236,572
OPERATING EXPENSES			
Administration	331,849	343,120	674,969
Operations	94,200	127,743	221,943
Depreciation and amortization	79,979	57,791	137,770
Total operating expenses	506,028	528,654	1,034,682
Operating income (loss)	71,501	130,389	201,890
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	19,056	24,521	43,577
Interest and other charges	(16,473)	(14,220)	(30,693)
Total nonoperating revenue (expenses)	2,583	10,301	12,884
Income (loss) before contributions and transfers	74,084	140,690	214,774
Capital contributions	538,452	-	538,452
Transfers to other funds	(515,879)	(515,879)	(1,031,758)
Total income (loss) after contributions and transfers	96,657	(375,189)	(278,532)
Change in net position	96,657	(375,189)	(278,532)
Total net position, beginning	1,044,494	1,432,865	2,477,359
Total net position, ending	\$ 1,141,151	\$ 1,057,676	\$ 2,198,827

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, 2023**

	Major Enterprise Funds		
	Water Fund	Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 571,192	\$ 657,197	\$ 1,228,389
Cash paid for goods and services	(104,775)	(320,505)	(425,280)
Cash paid to or on behalf of employees for services	(109,485)	(121,754)	(231,239)
Net cash provided (used) by operating activities	356,932	214,938	571,870
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund activity	(515,879)	(515,879)	(1,031,758)
Net cash provided (used) by noncapital financing activities	(515,879)	(515,879)	(1,031,758)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(727,003)	(74,536)	(801,539)
Principal paid on long-term debt	(134,537)	(116,177)	(250,714)
Capital contributions	538,452	-	538,452
Interest and other costs paid on long-term debt	(16,473)	(14,220)	(30,693)
Net cash provided (used) by capital and related financing activities	(339,561)	(204,933)	(544,494)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	19,056	24,521	43,577
Net cash provided (used) by investing activities	19,056	24,521	43,577
Net increase (decrease) in cash and cash equivalents	(479,452)	(481,353)	(960,805)
Balances, beginning	994,707	1,118,540	2,113,247
Balances, ending	\$ 515,255	\$ 637,187	\$ 1,152,442
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 71,501	\$ 130,389	\$ 201,890
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	79,979	57,791	137,770
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(6,507)	(2,109)	(8,616)
(Increase) decrease in deferred outflows - pension	(20,540)	(22,407)	(42,947)
(Increase) decrease in deferred outflows - refunding	5,749	4,965	10,714
Increase (decrease) in net pension liability	65,239	71,169	136,408
Increase (decrease) in deferred inflows	(33,496)	(36,541)	(70,037)
Increase (decrease) in accounts payable	192,207	7,494	199,701
Increase (decrease) in customer deposits	170	263	433
Increase (decrease) in compensated absences	2,630	3,924	6,554
Total adjustments	285,431	84,549	369,980
Net cash provided by operating activities	\$ 356,932	\$ 214,938	\$ 571,870

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, 2023

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.

Public Works Capital Projects Fund. The Public Works Capital Projects Fund is used to account for the construction of a public works building.

American Rescue Plan Fund - This fund is a special revenue fund to help with Covid 19 relief.

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. 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.

State law [G.S. 159-30(c)] authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina, bonds and notes of any North Carolina local government or public authority, obligations of certain non-guaranteed federal agencies, certain high quality issues of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust (NCCMT). The Town's investments are generally reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) money market fund - external investment pool, is measured at amortized cost, which approximates fair value, and is the NCCMT's share price. The NCCMT Term Portfolio is bond fund, has no rating and is measured at fair value. As of June 30, 2020, the Term portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

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, 2023 for customer deposits and the Water and Sewer reserve funds were \$22,860.

Restricted cash and cash equivalents at June 30, 2023 for the General Fund was \$36,812 for the Law Officers Separation Allowance and \$84,569 in reserve funds for the Capital Reserve Fund and customer deposits of \$3,590.

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, 2022.

5. Allowances for Doubtful Accounts

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

6. 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 2023 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net 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 policies of the Town provides for the accumulation of up to 30 days of earned vacation leave, with such leave being fully vested when earned. For the Town's government-wide presentation, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

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. Since the Town does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

11. Net Position/Fund Balances

Net Position

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position 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, 2023 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.

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 2023-24 budget to balance the budget, \$198,597.

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, 2023, assigned fund balance for this purpose was \$36,812.

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. Effective May 20, 2021, the Financial and Budgetary Policy was amended to state 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 will replenish funds by direct appropriation in the next budget developed for the fiscal year after the occurrence is known. In that instance, the Town will annually appropriate 25% of the difference between the target percentage level and the actual balance until the target level is met. In the event appropriating 25% is not feasible, the Town will appropriate a lesser amount and shall reaffirm by Council resolution its commitment to fully replenish the fund balance over a longer period of time.

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.

II. Stewardship, Compliance, and Accountability

There were no issues relating to stewardship, compliance and accountability for the Town.

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 collateral pool, 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, 2023, the Town's deposits had a carrying amount of \$3,633,942 and a bank balance of \$3,684,592. All of which was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. At June 30, 2023, the Town's petty cash fund totaled \$1,100.

2. Investments

At June 30, 2023, the Town had \$3,464,200 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, 2023, were as follows:

	Accounts	Taxes	Total
Governmental Activities:			
General	\$ -	\$ 10,261	\$ 10,261
Wildwood storage receivables	7,078	-	7,078
Other receivables	2,463	-	2,463
Due from other governments	171,671	-	171,671
Allowance for doubtful accounts	(7,202)	(5,447)	(12,649)
Total governmental activities	<u>\$ 174,010</u>	<u>\$ 4,814</u>	<u>\$ 178,824</u>
	Water	Sewer	Total
Business-type Activities			
Accounts	\$ 81,454	\$ 61,127	\$ 142,581
Unbilled receivables	90,562	109,951	200,513
Allowance for doubtful accountants	(56,478)	(59,605)	(116,083)
Total business-type activities	<u>\$ 115,538</u>	<u>\$ 111,473</u>	<u>\$ 227,011</u>

4. Capital Assets

Primary Government

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 989,320	\$ -	\$ -	\$ 989,320
Construction in progress	16,198	809,736	-	825,934
Total capital assets not being depreciated	<u>1,005,518</u>	<u>809,736</u>	<u>-</u>	<u>1,815,254</u>
Capital assets being depreciated:				
Buildings & improvement	2,803,346	46,066	-	2,849,412
Equipment and Vehicles	534,899	52,867	-	587,766
Infrastructure	2,552,983	401,120	-	2,954,103
Total capital assets being depreciated	<u>5,891,228</u>	<u>500,053</u>	<u>-</u>	<u>6,391,281</u>
Less accumulated depreciation for:				
Buildings & improvement	1,209,647	73,164	-	1,282,811
Equipment and Vehicles	393,842	44,919	-	438,761
Infrastructure	952,226	129,227	-	1,081,453
Total accumulated depreciation	<u>2,555,715</u>	<u>\$ 247,310</u>	<u>\$ -</u>	<u>2,803,025</u>
Total capital assets being depreciated, net	<u>3,335,513</u>			<u>3,588,256</u>
Governmental activity capital assets, net	<u>\$ 4,341,031</u>			<u>\$ 5,403,510</u>

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

General Government	\$ 128,002
Public Safety	39,803
Transportation	18,416
Environmental Protection	18,131
Cultural & Recreation	42,958
Total Depreciation Expense	<u>\$ 247,310</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	-	723,647	-	723,647
Total capital assets not being depreciated	118,171	723,647	-	841,818
Capital assets being depreciated:				
Plant and Distribution Systems	3,169,790	-	-	3,169,790
Buildings and Improvements	4,480	-	-	4,480
Furniture and Equipment	228,985	3,356	-	232,341
Total capital assets being depreciated	3,403,255	3,356	-	3,406,611
Less accumulated depreciation for:				
Plant and Distribution Systems	2,747,058	68,362	-	2,815,420
Buildings and Improvements	1,344	112	-	1,456
Furniture and Equipment	153,044	11,505	-	164,549
Total accumulated depreciation	2,901,446	\$ 79,979	\$ -	2,981,425
Total capital assets being depreciated, net	501,809			425,186
Water Fund type capital assets, net	\$ 619,980			\$ 1,267,004

	Beginning Balances	Increases	Decreases	Ending Balances
Sewer Fund				
Capital assets not being depreciated:				
Land	\$ 65,186	\$ -	\$ -	\$ 65,186
Construction in progress	220,070	51,237	-	271,307
Total capital assets not being depreciated	285,256	51,237	-	336,493
Capital assets being depreciated:				
Plant and Distribution Systems	2,648,658	-	-	2,648,658
Buildings and Improvements	4,480	-	-	4,480
Furniture and Equipment	235,615	23,299	-	258,914
Total capital assets being depreciated	2,888,753	23,299	-	2,912,052
Less accumulated depreciation for:				
Plant and Distribution Systems	2,216,643	42,650	-	2,259,293
Buildings and Improvements	1,344	112	-	1,456
Furniture and Equipment	142,491	15,029	-	157,520
Total accumulated depreciation	2,360,478	\$ 57,791	\$ -	2,418,269
Total capital assets being depreciated, net	528,275			493,783
Sewer Fund type capital assets, net	\$ 813,531			\$ 830,276
Business Fund type capital assets, net				
	\$ 1,433,511			\$ 2,097,280

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, 2023, was 13.04% of compensation for law enforcement officers and 12.10% 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 \$126,042 for the year ended June 30, 2023.

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

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

At June 30, 2023, the Town reported a liability of \$817,443 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2022 (measurement date), the Town's proportion was 0.01449%, which was a decrease of 0.00014% from its proportion measured as of June 30, 2021

For the year ended June 30, 2023, the Town recognized pension expense of \$227,880. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 35,223	\$ 3,453
Change of assumptions	81,562	-
Net difference between projected and actual earnings on pension plan investments	270,173	-
Change in proportion and differences between Town contributions and proportionate share of contributions	5,818	17,953
Town contributions subsequent to the measurement date	126,042	-
Total	<u>\$ 518,818</u>	<u>\$ 21,406</u>

\$518,818 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, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2024	\$ 120,549
2025	97,320
2026	24,786
2027	128,715
2028	-
Thereafter	-
	<u>\$ 371,370</u>

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

Inflation	2.5 percent
Salary Increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 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, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	33%	0.9%
Global Equity	38%	6.5%
Real Estate	8%	5.9%
Alternatives	8%	8.2%
Credit	7%	5.0%
Inflation Protection	6%	2.7%
Total	<u>100%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from 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)	\$ 1,475,379	\$ 817,443	\$ 275,265

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, 2021, the Separation Allowance's membership consisted of:

Retirees receiving benefits	-
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>6</u>
Total	<u>6</u>

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, 2021 valuation. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.31 percent

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2021.

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

4. Contributions

The Town is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. 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 \$50,808 as benefits came due for the reporting period.

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

At June 30, 2023, the Town reported a total pension liability of \$167,413. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the Town recognized pension expense of \$35,706.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 39,082	\$ 33,804
Changes of assumptions	39,614	49,383
Town benefit payments and plan administrative expenses subsequent to the measurement date	-	-
Total	\$ 78,696	\$ 83,187

\$0.00 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	
2024	\$ 16,959
2025	6,784
2026	-
2027	(4,807)
2028	(12,010)
Thereafter	(11,417)
	\$ (4,491)

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

	1 % Decrease (3.31%)	Current Discount Rate (4.31%)	1% Increase (5.31%)
Town's pension liability (asset)	\$ 190,386	\$ 167,413	\$ 146,905

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

	2023
Beginning balance	\$ 185,532
Service Cost	14,573
Interest on the total pension liability	4,174
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	13,337
Changes of assumptions or other inputs	(50,203)
Benefit payments	-
Other changes	-
Ending balance of the total pension liability	<u>\$ 167,413</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, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through 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	\$ 227,880	\$ 35,706	\$ 263,586
Pension Liability	817,443	167,413	984,856
Proportionate share of the net pension liability	0.01449%	N/A	
Deferred of Outflows of Resources			
Differences between expected and actual experience	35,223	39,082	74,305
Changes of assumptions	81,562	39,614	121,176
Net difference between projected and actual earnings on plan investments	270,173	-	270,173
Changes in proportion and differences between contributions and proportionate share of contributions	5,818	-	5,818
Benefit payments and administrative costs paid subsequent to the measurement	126,042	-	126,042
Totals	<u>518,818</u>	<u>78,696</u>	<u>597,514</u>
Deferred of Inflows of Resources			
Differences between expected and actual experience	3,453	33,803	37,256
Changes of assumptions	-	49,383	49,383
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	17,953	-	17,953

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 \$16,417 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, 2023 were \$34,391 from the Town and \$33,000 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	\$ 74,305
Change of assumptions	121,176
Net difference between projected and actual earnings on pension plan investments	270,173
Change in proportion and differences between Town contributions and proportionate share of contributions	5,818
Town contributions subsequent to the measurement date	126,042
Deferred charge on refunding	42,855
Total	<u>\$ 640,369</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	\$ -	\$ 4,814
Prepaid taxes (General Fund)	-	-
Differences between expected and actual experience	37,257	
Changes in assumptions	49,383	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	17,953	-
Total	<u>\$ 104,593</u>	<u>\$ 4,814</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 \$10.4 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 \$400,000. 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, 2023, the Town has no pending claims or judgments.

6. Long Term Obligations

a. Installment Purchases:

Business-Type Activities

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, 2023 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, 2023 was \$501,689.

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, 2023 was \$433,311.

Annual debt service payments of all installment notes as of June 30, 2023, including \$30,693 of interest, are as follows:

Year Ending June 30	Serviced by the Water Fund		Serviced by the Sewer Fund	
	Principal	Interest	Principal	Interest
2024	\$ 126,105	\$ 15,052	\$ 108,895	\$ 12,998
2025	123,422	11,269	106,578	9,731
2026	126,105	7,566	108,895	6,534
2027	126,057	3,783	108,943	3,267
Total	\$ 501,689	\$ 37,670	\$ 433,311	\$ 32,530

b. Changes in General Long-Term Liabilities

At June 30 2023, the Town of River Bend had a legal debt margin of \$26,575,954.

	Balance 07/01/22	Increases	Decreases	Balance 06/30/23	Current Portion
Governmental activities:					
Compensated absences	38,244	26,005	6,351	57,898	10,000
Net pension liability (LGRS)	173,576	456,670	-	630,246	-
Net pension liability (LEOSSA)	185,532	-	18,119	167,413	-
Governmental activity long-term liabilities	<u>\$ 397,352</u>	<u>\$ 482,675</u>	<u>\$ 24,470</u>	<u>\$ 855,557</u>	<u>\$ 10,000</u>
Business-type activities:					
Water Fund					
Direct Placement general obligation bonds	\$ 630,477	\$ -	\$ 128,788	\$ 501,689	\$ 126,105
Unamortized premium on bonds	28,746	-	5,749	22,997	5,749
Compensated absences	9,202	8,847	6,217	11,832	5,000
Net pension liability (LGRS)	24,034	65,239	-	89,273	-
Total Water Fund	<u>692,459</u>	<u>74,086</u>	<u>140,754</u>	<u>625,791</u>	<u>136,854</u>
Sewer Fund					
Direct Placement general obligation bonds	\$ 544,523	\$ -	\$ 111,212	\$ 433,311	\$ 108,895
Unamortized premium on bonds	24,823	-	4,965	19,858	4,965
Compensated absences	9,696	7,954	4,030	13,620	5,000
Net pension liability (LGRS)	26,754	71,170	-	97,924	-
Total Sewer Fund	<u>605,796</u>	<u>79,124</u>	<u>120,207</u>	<u>564,713</u>	<u>118,860</u>
Business-type activity long-term liabilities	<u>\$ 1,298,255</u>	<u>\$ 153,210</u>	<u>\$ 260,961</u>	<u>\$ 1,190,504</u>	<u>\$ 255,714</u>

c. Interfund Balances and Activity

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

<u>Descriptions</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Public Works Capital Project	\$ 1,031,758	\$ -
Public Utilities Fund	-	1,031,758
	<u>\$ 1,031,758</u>	<u>\$ 1,031,758</u>
General Fund	\$ 482,300	\$ -
ARPA Fund	-	482,300
	<u>\$ 482,300</u>	<u>\$ 482,300</u>
General Fund	\$ -	\$ 482,189
Public Works Capital Project	482,189	-
	<u>\$ 482,189</u>	<u>\$ 482,189</u>
	<u>\$ 1,996,247</u>	<u>\$ 1,996,247</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

	<u>Governmental</u>	<u>Business-type</u>
Capital assets	\$ 5,403,510	\$ 2,097,280
Less: Long-term debt	-	935,000
Net investment in capital assets	<u>\$ 5,403,510</u>	<u>\$ 1,162,280</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	\$ 1,328,966
Less:	
Stabilization by State Statute	174,010
Law enforcement seperation allowance	36,812
Subsequent year's expenditures	198,597
Remaining Fund Balance	<u>\$ 919,547</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.

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
River Bend's proportion of the net pension liability (asset) (%)	0.01449%	0.01462%	0.01462%	0.01374%	0.01246%	0.01447%	0.01430%	0.01268%	0.01409%	0.01280%
River Bend's proportion of the net pension liability (asset) (\$)	\$ 817,433	\$ 224,365	\$ 522,435	\$ 375,229	\$ 295,594	\$ 221,062	\$ 303,494	\$ 56,906	\$ (83,096)	\$ 154,289
River Bend's covered payroll	\$ 934,043	\$ 1,029,271	\$ 970,111	\$ 908,407	\$ 783,565	\$ 798,855	\$ 810,291	\$ 803,165	\$ 777,738	\$ 742,978
River Bend's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	87.52%	21.80%	53.85%	41.31%	37.72%	27.67%	37.45%	7.09%	(10.68%)	20.77%
Plan fiduciary net position as a percentage of the total pension liability	84.14%	95.51%	88.61%	90.86%	92.00%	64.18%	91.47%	98.09%	102.64%	96.45%

*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:

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

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:

Fiscal Year	Rate
2023	6.50%
2022	7.00%
2021	7.00%
2020	7.00%
2019	7.00%
2018	7.20%
2017	7.25%
2016	7.25%
2015	7.25%

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 126,042	\$ 108,117	\$ 106,650	\$ 89,082	\$ 72,671	\$ 60,527	\$ 59,842	\$ 55,392	\$ 57,802	\$ 55,585
Contributions in relation to the contractually required contribution	126,042	108,117	106,650	89,082	72,671	60,527	59,842	55,392	57,802	55,585
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
River Bend's covered payroll	\$1,016,166	\$ 934,043	\$1,029,271	\$ 970,111	\$ 908,407	\$783,565	\$ 798,855	\$ 810,291	\$803,165	\$777,738
Contributions as a percentage of covered payroll	12.40%	11.58%	10.36%	9.18%	8.00%	7.72%	7.49%	6.84%	7.20%	7.15%

Notes to schedule:

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

Town of River Bend
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016
Beginning balance	\$ 185,532	\$ 226,362	\$ 141,438	\$ 64,083	\$ 111,227	\$ 143,109	\$ 161,530	\$ 180,260
Service cost	14,573	14,074	8,497	6,956	3,821	5,367	5,907	3,959
Interest on the total pension liability	4,174	4,320	4,491	1,912	3,044	4,934	5,269	5,178
Changes on benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	13,337	(46,853)	8,987	86,633	(21,674)	(19,705)	-	-
Changes of assumptions or other inputs	(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)	(27,867)
Other changes	-	-	-	-	-	-	-	-
Ending balance of the total pension liability	\$ 167,413	\$ 185,532	\$ 226,362	\$ 141,438	\$ 64,083	\$ 111,227	\$ 143,109	\$ 161,530

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.

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:

Fiscal Year	Rate
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 Payroll
Law Enforcement Officers' Special Separation Allowance
June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability	\$ 167,413	\$ 185,532	\$ 226,362	\$ 141,438	\$ 64,083	\$ 111,227	\$ 143,109	\$ 161,530
Covered payroll	320,431	316,312	313,756	298,463	189,509	293,489	306,026	269,860
Total pension liability as a percentage of covered payroll	52.25%	58.65%	72.15%	47.39%	33.82%	37.90%	46.76%	59.86%

Notes to schedule:

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

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

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, 2023**

	2023		
	Final Budget	Actual	Variance Over/Under
Revenues:			
Ad valorem taxes:			
Taxes	\$ 814,010	\$ 833,878	\$ 19,868
Unrestricted intergovernmental:			
Local option sales tax	380,222	414,007	33,785
Hold harmless tax	99,000	114,069	15,069
Telecommunications sales tax	8,140	7,863	(277)
Utility franchise tax	108,963	115,375	6,412
Video programming	50,743	49,309	(1,434)
Beer and wine tax	13,225	13,121	(104)
Total unrestricted intergovernmental	660,293	713,744	53,451
Restricted intergovernmental:			
Federal and State grants	277,262	275,221	(2,041)
Solid waste disposal tax	2,200	2,259	59
Powell Bill allocation	91,000	93,732	2,732
Total restricted intergovernmental	370,462	371,212	750
Permits and fees:			
Zoning permits	5,000	9,126	4,126
Animal licenses	2,000	2,937	937
Court cost fees	500	501	1
Total permits and fees	7,500	12,564	5,064
Sales and services:			
Rents and concessions	36,144	39,571	3,427
Contributions and refunds	421	1,043	622
Total sales and services	36,565	40,614	4,049
Investment earnings	575	37,762	37,187
Miscellaneous:			
Miscellaneous revenue	10,000	40,301	30,301
Total miscellaneous	10,000	40,301	30,301
Total revenues	1,899,405	2,050,075	150,670

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, 2023

	2023		
	Final Budget	Actual	Variance Over/Under
Expenditures:			
General Government:			
Governing Body			
Salaries and benefits	25,527	25,277	250
Other operating expenditures	11,356	10,143	1,213
Salaries allocated to Water and Sewer	(9,883)	(9,883)	-
Total governing body	27,000	25,537	1,463
Administration:			
Salaries and benefits	288,288	284,499	3,789
Other operating expenditures	79,429	75,068	4,361
Salaries allocated to Water and Sewer	(70,917)	(70,918)	1
Total administration	296,800	288,649	8,151
Finance:			
Salaries and benefits	106,795	104,535	2,260
Other operating expenditures	88,066	66,936	21,130
Capital outlay	5,100	4,475	625
Salaries allocated to Water and Sewer	(47,680)	(47,680)	-
Total finance	152,281	128,266	24,015
Tax Listing:			
Contracted services	11,600	10,823	777
Legal:			
Professional services	32,350	30,286	2,064
Public Buildings:			
Salaries and benefits	16,775	15,537	1,238
Other operating expenditures	81,025	63,829	17,196
Total public buildings	97,800	79,366	18,434
Central Services - Planning:			
Salaries and benefits	79,639	79,651	(12)
Other operating expenditures	5,111	3,245	1,866
Capital outlay	-	-	-
Salaries allocated to Water and Sewer	(29,950)	(29,950)	-
Total central services - planning	54,800	52,946	1,854
Total general government	672,631	615,873	56,758

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, 2023

	2023		
	Final Budget	Actual	Variance Over/Under
Public Safety:			
Police:			
Salaries and benefits	514,514	490,067	24,447
Other operating expenditures	99,494	95,463	4,031
Capital outlay	50,435	65,392	(14,957)
Total police	664,443	650,922	13,521
Emergency Management			
Other operating expenditures	3,700	2,768	932
Total emergency management	3,700	2,768	932
Animal Control:			
Salaries and benefits	17,488	16,358	1,130
Salaries allocated to Water and Sewer	(2,888)	(3,326)	438
Total animal control	14,600	13,032	1,568
Total public safety	682,743	666,722	16,021
Transportation:			
Salaries and benefits	43,141	41,454	1,687
Other operating expenditures	9,859	913	8,946
Capital outlay	140,000	144,075	(4,075)
Total transportation	193,000	186,442	6,558
Environmental Protection:			
Salaries and benefits	87,412	81,375	6,037
Other operating expenditures	452,975	195,470	257,505
Capital outlay	7,500	257,045	(249,545)
Total environmental protection	547,887	533,890	13,997
Cultural and recreational:			
Salaries and benefits	39,651	33,897	5,754
Other operating expenditures	69,149	19,311	49,838
Capital outlay	-	46,066	(46,066)
Total cultural and recreational	108,800	99,274	9,526
Total expenditures	2,205,061	2,102,201	102,860

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, 2023

	2023		
	Final Budget	Actual	Variance Over/Under
Revenues over (under) expenditures	<u>(305,656)</u>	<u>(52,126)</u>	<u>253,530</u>
Other financing sources (uses):			
Transfers from other funds:	86,287	568,587	482,300
Transfers to other funds:	(73,500)	(555,689)	(482,189)
Insurance Settlement	-	2,357	2,357
Appropriated fund balance	292,869	-	(292,869)
Total other financing sources (uses)	<u>305,656</u>	<u>15,255</u>	<u>(290,401)</u>
Net change in fund balance	<u>\$ -</u>	<u>(36,871)</u>	<u>\$ (36,871)</u>
Fund balances, beginning		1,365,837	
Fund balances, ending		<u>\$ 1,328,966</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, 2023

	2023		
	Budget	Actual	Variance Over/Under
Revenues			
Investment earnings	60	\$ 3,601	\$ 3,541
Other financing sources (uses):			
Transfers out	(72,787)	(72,787)	-
Transfers in	60,000	60,000	-
Future procurement	(27,060)	-	27,060
Appropriated fund balance	39,787	-	(39,787)
Total other financing sources (uses)	(60)	(12,787)	(12,727)
Net change in fund balance	\$ -	(9,186)	\$ (9,186)
Fund Balance:			
Beginning of year - July 1		93,755	
End of year - June 30		\$ 84,569	

Town of River Bend
Public Works Capital Project - Major 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, 2023

		Actual			
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	-	-	-
Investment income	-	569	54,377	54,946	54,946
Miscellaneous revenue	-	-	-	-	-
Total revenue	-	569	54,377	54,946	54,946
Expenditures:					
Admin and engineering, construction and capital spending	964,378	76,197	792,736	868,933	(95,445)
Total Expenditures	964,378	76,197	792,736	868,933	(95,445)
Revenues over (under) expenditures	(964,378)	(75,628)	(738,359)	(813,987)	150,391
Other financing sources (uses):					
Long-term debt issued	-	-	-	-	-
Transfers (to) from other funds	964,378	482,189	1,513,947	1,996,136	1,031,758
Contingency	-	-	-	-	-
Total other financing sources (uses)	964,378	482,189	1,513,947	1,996,136	1,031,758
Net change in fund balance	\$ -	\$ 406,561	775,588	\$ 1,182,149	\$ 1,182,149
Fund balance, beginning			406,561		
Fund balance, ending			\$ 1,182,149		

Town of River Bend
ARP Project Fund - 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, 2023

		Actual			
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ 964,378	\$ 482,189	\$ 482,189	\$964,378	\$ -
Investment income	-	107	4	111	111
Total revenue	<u>964,378</u>	<u>482,296</u>	<u>482,193</u>	<u>964,489</u>	<u>111</u>
Expenditures:					
Admin and engineering	-	-	-	-	-
Construction	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>964,378</u>	<u>482,296</u>	<u>482,193</u>	<u>964,489</u>	<u>111</u>
Other financing sources (uses):					
Transfers (to) from other funds	<u>(964,378)</u>	<u>(482,189)</u>	<u>(482,300)</u>	<u>(964,489)</u>	<u>(111)</u>
Total other financing sources (uses)	<u>(964,378)</u>	<u>(482,189)</u>	<u>(482,300)</u>	<u>(964,489)</u>	<u>(111)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 107</u>	<u>(107)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>107</u>		
Fund balance, ending			<u>\$ -</u>		



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, 2023**

	2023	
	Final Budget	Variance Over/Under
Revenues:		
Operating Revenues:		
Charges for services	\$ 557,677	
Water taps	1,967	
Other operating revenues	17,885	
Total operating revenues	<u>553,400</u>	<u>24,129</u>
Non-Operating Revenues:		
Interest earnings	19,056	
Total non-operating revenues	<u>435</u>	<u>18,621</u>
Total revenues	<u>553,835</u>	<u>42,750</u>
Expenditures:		
Water Administration:		
Salaries and benefits	161,621	
Allocated costs reimbursed by General Fund	(38,303)	
Operating expenses	199,366	
Repairs and maintenance	592	
Total administration	<u>331,484</u>	<u>8,208</u>
Water Operations:		
Operating expenses	92,703	
Repairs and maintenance	1,497	
Capital outlay	3,356	
Total operations	<u>125,325</u>	<u>27,769</u>
Debt Services:		
Principal repayment	134,537	
Interest	16,473	
Total debt service	<u>152,932</u>	<u>1,922</u>
Total expenditures	<u>609,741</u>	<u>37,899</u>
Revenues over (under) expenditures	<u>(55,906)</u>	<u>80,649</u>
Other financing sources (uses):		
Transfers to other funds	(270,791)	(245,088)
Appropriated fund balance	326,697	(326,697)
Total other financing sources (uses)	<u>55,906</u>	<u>(571,785)</u>
Revenue and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (491,136)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:		
Reconciling items:		
Depreciation	(79,979)	
Capital outlay	3,356	
Capital contributions	538,452	
Principal payments	134,537	
Increase (decrease) in deferred outflows of resources - pensions	20,540	
(Increase) decrease in net pension liability	(65,239)	
(Increase) decrease in deferred inflows of resources - pensions	33,496	
(Increase) decrease in compensated absences	2,630	
Change in net position	<u>\$ 96,657</u>	

Town of River Bend
ASADRA - 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, 2023

	Project Authorization	Actual		Total Project To Date	Variance Over (Under)
		Prior Years	Current Year		
Revenues:					
Restricted intergovernmental	\$ 732,811	\$ -	\$ 538,452	\$ 538,452	\$ (194,359)
Total revenue	<u>732,811</u>	<u>-</u>	<u>538,452</u>	<u>538,452</u>	<u>(194,359)</u>
Expenditures:					
Admin and engineering,					
construction and capital spending	<u>732,811</u>	<u>-</u>	<u>701,397</u>	<u>701,397</u>	<u>(31,414)</u>
Total Expenditures	<u>732,811</u>	<u>-</u>	<u>701,397</u>	<u>701,397</u>	<u>(31,414)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(162,945)</u>	<u>(162,945)</u>	<u>(162,945)</u>
Other financing sources (uses):					
Long-term debt issued	-	-	-	-	-
Transfers (to) from other funds	-	-	-	-	-
Contingency	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(162,945)</u>	<u>\$ (162,945)</u>	<u>\$ (162,945)</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ (162,945)</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, 2023

		Actual			
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ 150,000	\$ -	\$ -	\$ -	\$ (150,000)
Total revenue	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>
Expenditures:					
Admin and engineering, construction and capital spending	150,000	-	22,250	22,250	(127,750)
Total Expenditures	<u>150,000</u>	<u>-</u>	<u>22,250</u>	<u>22,250</u>	<u>(127,750)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(22,250)</u>	<u>(22,250)</u>	<u>(22,250)</u>
Other financing sources (uses):					
Long-term debt issued	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(22,250)</u>	<u>\$ (22,250)</u>	<u>\$ (22,250)</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ (22,250)</u>		

**Town of River Bend
Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023**

	2023		
	Final Budget	Actual	Variance Over/Under
Revenues:			
Operating Revenues:			
Charges for services		\$ 649,401	
Sewer taps		1,250	
Other operating revenues		8,392	
Total operating revenues	\$ 620,609	659,043	\$ 38,434
Non-Operating Revenues:			
Interest earnings		24,521	
Total non-operating revenues	711	24,521	23,810
Total revenues	621,320	683,564	62,244
Expenditures:			
Sewer Administration:			
Salaries and benefits		176,202	
Allocated costs reimbursed by General Fund		(38,303)	
Operating expenses		188,485	
Repairs and maintenance		592	
Total administration	337,766	326,976	10,790
Sewer Operations:			
Operating expenses		110,940	
Repairs and maintenance		16,802	
Capital outlay		23,299	
Total operations	209,825	151,041	58,784
Debt Services:			
Principal repayment		116,177	
Interest		14,220	
Total debt service	131,434	130,397	1,037
Total expenditures	679,025	608,414	70,611
Revenues over (under) expenditures	(57,705)	75,150	132,855
Other financing sources (uses):			
Transfers to other funds:	(504,614)	(515,879)	(11,265)
Appropriated fund balance	562,319	-	(562,319)
Total other financing sources (uses)	57,705	(515,879)	(573,584)
Revenue and other financing sources over (under) expenditures and other financing uses	\$ -	(440,729)	\$ (440,729)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Depreciation		(57,791)	
Capital outlay		23,299	
Repayment of long-term debt principal		116,177	
Increase (decrease) in deferred outflows of resources - pensions		22,407	
(Increase) decrease in net pension liability		(71,169)	
(Increase) decrease in deferred inflows of resources - pensions		36,541	
(Increase) decrease in compensated absences		(3,924)	
Change in net position		<u>\$ (375,189)</u>	

Town of River Bend
Wastewater Capital Project - 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, 2023

		Actual			
	Project Authorization	Prior Years	Current Year	Total Project To Date	Variance Over (Under)
Revenues:					
Restricted intergovernmental	\$ 9,108,500	\$ -	\$ -	\$ -	\$ (9,108,500)
Total revenue	<u>9,108,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,108,500)</u>
Expenditures:					
Admin and engineering, construction and capital spending	9,108,500	-	51,237	51,237	(9,057,263)
Total Expenditures	<u>9,108,500</u>	<u>-</u>	<u>51,237</u>	<u>51,237</u>	<u>(9,057,263)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(51,237)</u>	<u>(51,237)</u>	<u>(51,237)</u>
Other financing sources (uses):					
Long-term debt issued	-	-	-	-	-
Transfers (to) from other funds	-	-	-	-	-
Contingency	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(51,237)</u>	<u>\$ (51,237)</u>	<u>\$ (51,237)</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ (51,237)</u>		



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, 2023

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2022</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2023</u>
2022-2023	\$ -	\$ 833,331	\$ 828,807	\$ 4,524
2021-2022	7,058	-	4,515	2,543
2020-2021	1,024	-	205	819
2019-2020	214	-	(388)	602
2018-2019	133	-	(1)	134
2017-2018	673	-	-	673
2016-2017	211	-	-	211
2015-2016	164	-	-	164
2014-2015	163	-	-	163
2013-2014	428	-	-	428
2012-2013	718	-	718	-
	<u>\$ 10,786</u>	<u>\$ 833,331</u>	<u>\$ 833,856</u>	<u>\$ 10,261</u>
Less: allowance for uncollectible accounts:				
General Fund				(5,447)
Ad valorem taxes receivable - net				<u>4,814</u>
Reconcilement with revenues:				
Ad valorem taxes - General Fund				\$ 833,878
Reconciling items:				
Taxes written off				718
Miscellaneous adjustments				(740)
Total ad valorem collections				<u>\$ 833,856</u>

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

	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	\$ 319,631,154	0.26	\$ 831,041	\$ 725,252	\$ 105,789
	<u>319,631,154</u>		<u>831,041</u>	<u>725,252</u>	<u>105,789</u>
Discoveries	<u>1,025,000</u>	0.26	2,665	2,665	-
Abatements	<u>(144,231)</u>	0.26	(375)	(375)	-
Total	<u>\$ 320,511,923</u>				
Net levy			<u>833,331</u>	<u>727,542</u>	<u>105,789</u>
Uncollected taxes at June 30, 2023			<u>(4,524)</u>	<u>(4,524)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 828,807</u>	<u>\$ 723,018</u>	<u>\$ 105,789</u>
Current levy collection percentage			<u>99.46%</u>	<u>99.38%</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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net Investment in Capital Assets	2,327,727	2,434,124	2,568,370	2,612,284	2,644,862	2,719,369	3,569,556	4,327,268	4,341,031	5,403,510
Restricted	139,611	144,785	138,198	129,245	146,368	162,507	148,249	156,054	163,479	174,010
Unrestricted	1,627,704	1,743,224	1,991,502	2,115,580	2,361,134	1,913,668	1,874,638	867,224	1,418,669	1,949,465
Total Governmental Activities Net Position	4,095,042	4,322,133	4,698,070	4,857,109	5,152,364	4,795,544	5,592,443	5,350,546	5,923,179	7,526,985
Business-Type Activities										
Net Investment in Capital Assets	(687,217)	(417,397)	(245,853)	(197,227)	(159,089)	(112,135)	(50,432)	15,687	258,511	1,162,280
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,460,573	1,436,045	1,510,835	1,705,299	1,948,738	1,997,113	2,251,168	2,271,596	2,218,848	1,036,547
Total Business-type Activities Net Position	773,356	1,018,648	1,264,982	1,508,072	1,789,649	1,884,978	2,200,736	2,287,283	2,477,359	2,198,827
Primary Government										
Net Investment in Capital Assets	1,640,510	2,016,727	2,322,517	2,415,057	2,485,773	2,607,234	3,519,124	4,342,955	4,599,542	6,565,790
Restricted	139,611	144,785	138,198	129,245	146,368	162,507	148,249	156,054	163,479	174,010
Unrestricted	3,088,277	3,179,269	3,502,337	3,820,879	4,309,872	3,910,781	4,125,806	3,138,820	3,637,517	2,986,012
Total Primary Government Net Position	4,868,398	5,340,781	5,963,052	6,365,181	6,942,013	6,680,522	7,793,179	7,637,829	8,400,538	9,725,812

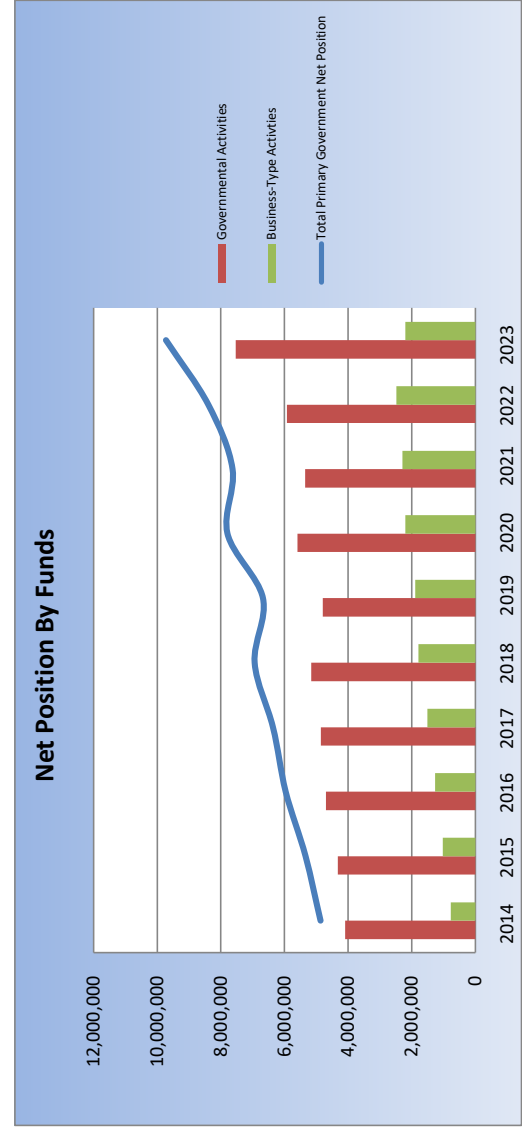


TABLE 2
TOWN OF RIVER BEND, NORTH CAROLINA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities:										
General Government	\$ 617,455	\$ 531,640	\$ 567,114	\$ 615,785	\$ 687,079	\$ 695,858	\$ 781,056	\$ 902,802	\$ 655,539	\$ 776,534
Public Safety	522,568	494,107	496,151	459,255	426,631	1,329,186	636,538	639,067	677,492	773,933
Transportation	206,270	210,594	211,497	214,804	190,723	208,321	230,521	232,384	153,537	68,144
Environmental Protection	51,960	84,328	65,071	79,573	59,221	59,928	62,457	72,241	46,673	301,918
Cultural and Recreational	49,876	52,512	45,448	45,638	51,850	49,621	41,473	113,659	322,549	97,632
Interest on Long-Term Debt	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	1,448,129	1,373,181	1,385,281	1,415,055	1,415,504	2,342,914	1,752,045	1,960,153	1,855,790	2,018,161
Business-Type Activities:										
Water	439,060	426,220	431,291	452,844	446,522	470,606	491,059	499,321	457,702	522,501
Sewer	477,208	461,629	483,761	498,011	478,317	514,709	528,940	547,167	501,346	542,874
Total Business-Type Activities	916,268	887,849	915,052	950,855	924,839	985,315	1,019,999	1,046,488	959,048	1,065,375
Total Primary Government Expenses	\$ 2,364,397	\$ 2,261,030	\$ 2,300,333	\$ 2,365,910	\$ 2,340,343	\$ 3,328,229	\$ 2,772,044	\$ 3,006,641	\$ 2,814,838	\$ 3,083,536
Program Revenue										
Governmental Activities:										
Charges for Services										
General Government	86,957	80,935	71,544	79,198	63,302	44,020	33,399	38,858	41,521	9,126
Public Safety	1,266	3,615	3,586	3,733	3,706	310	383	310	180	3,438
Environmental protection	1,755	1,980	1,964	2,061	2,089	16,080	7,984	8,250	15,287	2,259
Cultural and recreational	-	-	-	-	-	-	-	-	-	40,614
Operating Grants and Contributions										
General Government	-	-	-	-	-	-	-	-	-	482,189
Public Safety	367	338	-	17,636	-	356,983	1,042,743	93,763	38,611	275,221
Environmental protection	-	-	-	-	-	-	-	62,590	687,410	-
Transportation	-	-	-	-	-	-	-	80,899	94,631	93,732
Cultural and Recreational	93,909	92,300	90,502	88,873	89,226	86,045	87,033	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Cultural and Recreational	-	-	-	-	-	-	-	-	-	-
Public Safety	13,272	140	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenue	197,526	179,308	167,596	191,501	158,323	503,438	1,171,542	284,670	877,640	906,579
Business-Type Activities:										
Charges for Services - Water	591,985	531,268	534,842	545,246	541,022	428,400	589,963	509,158	520,283	577,529
Charges for Services - Sewer	597,489	623,644	624,112	636,054	642,705	589,105	721,420	618,512	625,989	659,043
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	538,452
Total Business-Type Activities Program Revenue	1,189,474	1,154,912	1,158,954	1,181,300	1,183,727	1,017,505	1,311,383	1,127,670	1,146,272	1,775,024
Total Primary Government Revenues	\$ 1,387,000	\$ 1,334,220	\$ 1,326,550	\$ 1,372,801	\$ 1,342,050	\$ 1,520,943	\$ 2,482,925	\$ 1,412,340	\$ 2,023,912	\$ 2,681,603
Net (Expense) Revenue										
Governmental Activities	(1,250,603)	(1,193,873)	(1,217,685)	(1,223,554)	(1,257,181)	(1,839,476)	(580,503)	(1,675,483)	(978,150)	(1,111,582)
Business-Type Activities	273,206	267,063	243,902	230,445	258,888	32,190	291,384	81,182	187,224	709,649
Total Primary Government Net Expense	\$ (977,397)	\$ (926,810)	\$ (973,783)	\$ (993,109)	\$ (998,293)	\$ (1,807,286)	\$ (289,119)	\$ (1,594,301)	\$ (790,926)	\$ (401,933)

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes, levied for general purpose	907,885	889,746	892,127	926,553	870,529	725,978	747,969	800,636	827,716	831,484
Local Option Sales Tax	371,846	394,208	411,712	417,859	451,350	359,236	296,758	346,546	385,517	414,007
Other Taxes and Licenses	176,176	212,617	211,163	208,107	204,013	300,336	273,021	272,077	288,142	299,737
Grants and Contributions not Restricted to Specific Programs										
Investment Earnings, unrestricted	243	394	3,689	9,012	26,544	50,173	37,711	367	2,570	95,744
Miscellaneous, unrestricted	-	-	8,331	12,490	-	46,933	21,943	13,960	46,838	42,658
Transfers	-	-	-	-	-	-	-	-	-	1,031,758
Total Governmental Activities	1,456,150	1,496,965	1,527,022	1,574,021	1,552,436	1,482,656	1,377,402	1,433,586	1,550,783	2,715,388
Business-Type Activities:										
Investment Earnings, unrestricted	98	190	2,377	6,739	19,889	37,921	24,374	443	2,852	43,577
Miscellaneous, unrestricted	4,180	742	55	5,906	2,800	25,218	-	4,922	-	-
Transfers	-	-	-	-	-	-	-	-	-	(1,031,758)
Total Business Type Revenues	4,278	932	2,432	12,645	22,689	63,139	24,374	5,365	2,852	(988,181)
Total Primary Government	\$ 1,460,428	\$ 1,497,897	\$ 1,529,454	\$ 1,586,666	\$ 1,575,125	\$ 1,545,795	\$ 1,401,776	\$ 1,438,951	\$ 1,553,635	\$ 1,727,207
Change in Net Position										
Governmental Activities	205,547	303,092	309,337	350,467	295,255	(356,820)	796,899	(241,897)	572,633	1,603,806
Business-Type Activities	277,484	267,995	246,334	243,090	281,577	95,329	315,758	86,547	190,076	(278,532)
Total Primary Government Change in Net Position	\$ 483,031	\$ 571,087	\$ 555,671	\$ 593,557	\$ 576,832	\$ (261,491)	\$ 1,112,657	\$ (155,350)	\$ 762,709	\$ 1,325,274

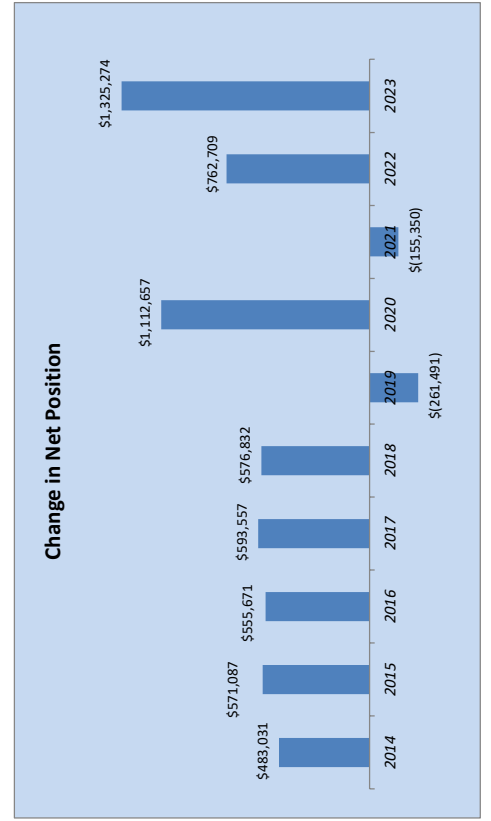
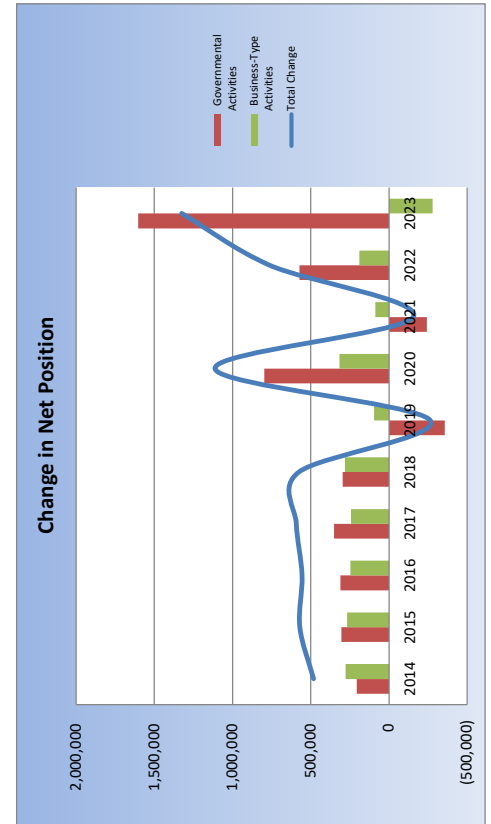


TABLE 3

TOWN OF RIVER BEND, NORTH CAROLINA
FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Non-Spendable:										
Prepaid Items	3,619	-	-	-	-	-	199	-	-	-
Restricted:										
Streets	-	-	-	-	-	-	-	-	-	-
Stabilization by State Statute	139,611	144,785	138,198	129,245	146,368	162,507	148,249	156,054	163,479	174,010
Assigned:										
Subsequent years' expenditures	97,322	77,029	46,729	-	147,270	173,970	224,262	244,602	200,813	198,597
Law Enforcement Separation Allowance Fund				36,064	26,582	13,207	11,799	9,971	21,990	36,812
Unassigned	1,287,611	1,432,625	1,678,409	1,941,209	1,974,278	2,437,822	1,265,401	895,501	979,555	919,547
Total General Fund	1,528,163	1,654,439	1,863,336	2,106,518	2,294,498	2,787,506	1,649,910	1,306,128	1,365,837	1,328,966
Other Governmental Funds										
Committed										
General Government Capital Outlay	228,892	257,594	278,654	356,534	415,228	432,035	135,087	30,455	500,316	1,266,718
Unassigned	-	-	-	-	-	-	-	(1,005)	107	-
Total Other Governmental Funds	228,892	257,594	278,654	356,534	415,228	432,035	135,087	29,450	500,423	1,266,718
Total Governmental Funds	\$ 1,757,055	\$ 1,912,033	\$ 2,141,990	\$ 2,463,052	\$ 2,709,726	\$ 3,219,541	\$ 1,784,997	\$ 1,335,578	\$ 1,866,260	\$ 2,595,684

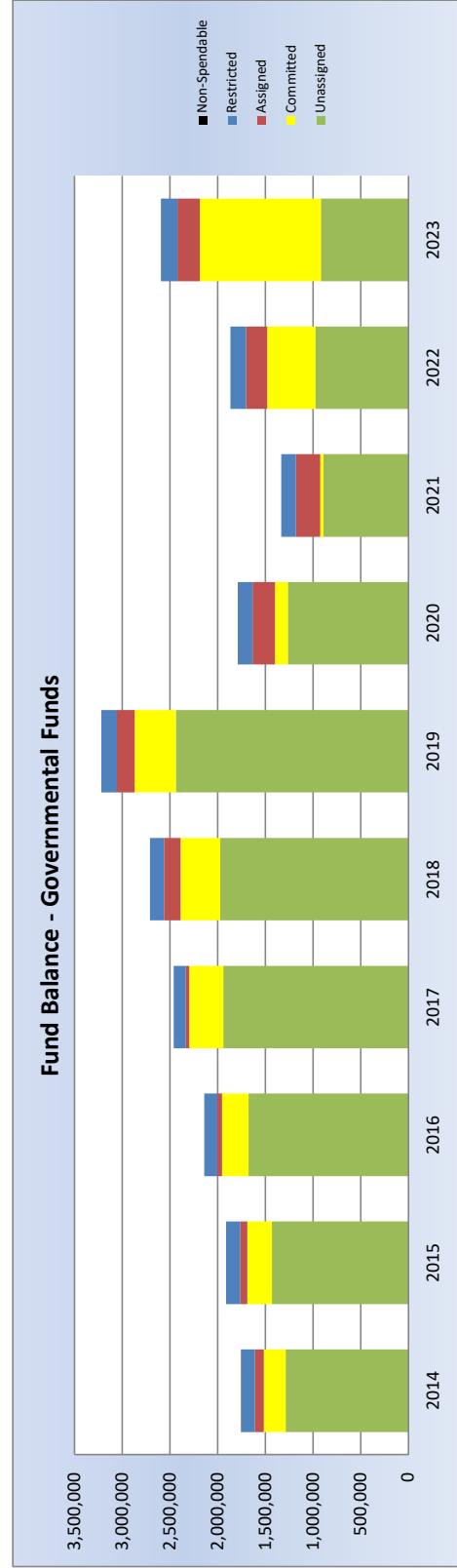


TABLE 4
TOWN OF RIVER BEND, NORTH CAROLINA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Ad Valorem Taxes	\$ 918,326	\$ 891,577	\$ 891,338	\$ 926,035	\$ 870,529	\$ 728,213	\$ 740,181	\$ 809,357	\$ 824,190	\$ 833,878
Other Taxes and Licenses	387,091	413,408	427,023	433,766	464,930	468,267	387,149	445,035	505,168	-
Unrestricted Intergovernmental	160,931	193,417	195,852	192,200	190,433	189,185	180,343	173,587	177,408	713,744
Restricted Intergovernmental	109,303	94,758	92,466	108,569	91,315	445,147	1,132,063	237,252	1,302,840	853,401
Permits and Fees	7,189	6,311	7,227	8,674	7,587	16,390	8,366	10,990	17,787	12,564
Sales and Services	81,034	78,240	67,903	74,257	59,421	79,278	41,806	50,388	52,428	40,614
Investment Earnings	243	394	3,689	9,012	26,544	50,173	37,711	367	2,570	95,744
Miscellaneous	-	-	2,381	5,589	-	8,526	8,351	-	-	40,301
Total Revenues	1,664,117	1,678,105	1,687,879	1,758,102	1,710,759	1,985,179	2,535,970	1,726,976	2,882,391	2,590,246
Expenditures										
Current										
General Government	527,309	473,932	477,398	479,688	561,307	556,085	574,852	665,813	611,693	611,398
Public Safety	509,449	506,223	500,640	475,333	456,309	1,366,425	666,530	641,000	584,649	601,330
Transportation	178,698	191,944	190,469	191,305	166,859	184,803	203,988	196,859	153,537	42,367
Environmental Protection	51,960	85,353	66,053	80,579	60,300	61,131	63,820	73,767	46,673	1,069,581
Cultural and Recreational	42,983	47,972	40,371	39,988	45,886	43,740	34,857	104,778	731,320	53,208
Capital Projects	273,378	217,703	255,541	177,051	173,424	216,176	1,011,070	965,869	257,448	517,053
Debt Service	-	-	-	-	-	50,154	949,846	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total Expenditures	1,583,777	1,523,127	1,530,472	1,443,944	1,464,085	2,478,514	3,504,963	2,648,086	2,385,320	2,894,937
Revenues Over (Under) Expenditures	\$ 80,340	\$ 154,978	\$ 157,407	\$ 314,158	\$ 246,674	\$ (493,335)	\$ (968,993)	\$ (921,110)	\$ 497,071	\$ (304,691)
Other Financing Sources (Uses)										
Transfers to Other Funds	(105,000)	(105,000)	(461,553)	(274,052)	(199,803)	(241,470)	(1,305,900)	(104,663)	(545,339)	(495,087)
Transfers from Other Funds	105,000	105,000	461,553	274,052	199,803	241,470	1,305,900	104,663	545,339	1,526,845
NCORR zero-interest Loan Proceeds	-	-	-	-	-	1,000,000	-	-	-	-
Insurance Settlement	-	-	-	-	-	-	1,090	-	2,603	2,357
Sale of Capital Assets	-	-	5,950	6,901	-	3,150	5,050	-	31,008	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ 5,950	\$ 6,901	\$ -	\$ 1,003,150	\$ 6,140	\$ -	\$ 33,611	\$ 1,034,115
Net Change in Fund Balance	\$ 80,340	\$ 154,978	\$ 163,357	\$ 321,059	\$ 246,674	\$ 509,815	\$ (962,853)	\$ (921,110)	\$ 530,682	\$ 729,424
Debt Service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	2.27%	40.25%	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⁾			Total	Property Tax Rate ⁽³⁾	Percent Increase in Value ⁽⁴⁾
	Real Property	Personal Property ⁽²⁾	Public Service Companies			
2014	299,442,588	40,404,718	1,578,248	341,425,554	0.2650	3.02%
2015	300,275,280	33,006,898	1,561,531	334,843,709	0.2650	-1.93%
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%

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 last revaluation was on January 1, 2016 and was the basis for fiscal 2017 taxes. The calculated tax revenue neutral rate was \$.3105.

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

Fiscal Year	Tax Year	Town of River Bend	County of Craven	West New Bern II (Rhems) Fire District
2014	2013	0.2650	0.4675	0.0389
2015	2014	0.2650	0.4675	0.0389
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	0.04
2020	2019	0.2600	0.5494	0.04
2021	2020	0.2600	0.5494	0.04
2022	2021	0.2600	0.5600	0.035
2023	2022	0.2400	0.4448	0.025

Notes:

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

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 2023			Fiscal Year 2014		
		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	\$ 5,477,690	1	1.71%	(1)		
Riverstone Assisted Living LLC ⁽²⁾	Assisted Living Facility	2,317,100	2	0.72%	2,017,800	2	0.59%
Segal Revocable Trust	Residence	1,882,840	3	0.59%	(1)		
River Bend Golf and Country Club ⁽³⁾	Country Club and Golf Course	1,835,510	4	0.57%	2,667,340	1	0.78%
Degraw, Martin C & Denise N	Residence	1,645,455	5	0.51%	(1)		
MJA Investments LLC ⁽⁴⁾	Commercial	1,312,100	6	0.41%	1,641,000	3	0.48%
Efird, J Frank & Margaret M	Land Development	1,103,990	7	0.34%	967,990	6	0.28%
Pridgen, Roland S & Susan M	Real Estate	1,005,500	8	0.31%	935,950	7	0.27%
Grant, Lee & Grant, Sommer ⁽⁵⁾	Caro-San Maintenance Supplies Store	846,800	9	0.26%	901,600	9	0.26%
Pedulla, Vincent F & Susan C ⁽⁶⁾	Residence	785,848	10	0.25%	1,210,923	5	0.35%
Duke Energy Progress, Inc. ⁽⁷⁾	Electricity	(1)			1,305,531	4	0.38%
Taybro LLC	Real Estate	(1)			930,910	8	0.27%
Mattocks Family Properties LLC	Land Development	(1)			864,790	10	0.25%
		<u>\$18,212,833</u>		<u>5.68%</u>	<u>\$13,443,834</u>		<u>3.94%</u>

Notes:

Source: Craven County Tax Administration

⁽¹⁾ Not within top ten ranking

⁽²⁾ Formerly known as Pierce Properties #1 LLC

⁽³⁾ Formerly known as Conjer Green LLC

⁽⁴⁾ Formerly known as Berit Peck

⁽⁵⁾ Formerly known as RACS Development LLC

⁽⁶⁾ Formerly known as Camille Hoffman

⁽⁷⁾ Formerly known as Progress Energy Carolinas, Carolina Power & Light Company

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
2014	2013	904,777	900,702	99.55%	3,672	904,374	99.96%
2015	2014	887,336	886,433	99.90%	740	887,173	99.98%
2016	2015	891,938	889,917	99.77%	1,857	891,774	99.98%
(1) 2017	2016	926,556	923,576	99.68%	2,770	926,346	99.98%
2018	2017	779,753	775,369	99.44%	3,710	779,079	99.91%
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)	723,017	99.38%

Notes:

Source: Craven County Tax Office

(1) The last revaluation was on January 1, 2016 and was the basis for fiscal 2017 taxes. The calculated tax revenue neutral rate was \$.3105. A special seven-year revaluation (resulting from Hurricane Florence) was adopted, which will be 2023, effective with fiscal year 2023-24 tax levy.

(2) 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 ⁽³⁾	Per Capita	Median Household Income (MHI) ⁽⁴⁾	Percentage of MHI
	General Obligation Bonds	Installment Financing	Capital Leases	NCORR Loan	General Obligation Bonds ⁽²⁾	Installment Financing	Capital Leases						
2014	-	-	-	-	3,079,878	-	-	3,079,878	3119	987	52,251	1.70%	
2015	-	-	-	-	2,863,734	-	-	2,863,734	3084	929	52,507	1.83%	
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	57,348	3.32%	
2021	-	-	-	-	1,481,870	-	-	1,481,870	2897	512	61,592	4.16%	
2022	-	-	-	-	1,228,569	-	-	1,228,569	2895	424	65,904	5.36%	
2023	-	-	-	-	977,855	-	-	977,855	2902	337	⁽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 is repaid when the Town receives 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⁾ N.C. State Demographer, Office of State Budget and Management.
- ⁽⁴⁾ Median household income is adjusted annually after the Decennial Census calendar year by the annual Consumer Price Index - Southern urban consumers.
- ⁽⁵⁾ Series 2004 G.O. bonds were advance refunded in 2013. Proceeds were placed in escrow to pay off the bonds in June 2014.
- ⁽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:		Legal Debt Margin
		8% of Total Assessed Value	Total Net Debt Applicable to Limit	
2014	341,425,554	27,314,044	1,360,079	\$ 25,953,965
2015	332,276,611	26,582,129	1,265,085	\$ 25,317,044
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

Gross debt:	
Installment financing	\$ -
Water & Sewer General Obligation Bonds	935,000
Total gross debt	935,000
Less: Statutory Deductions	
Water & Sewer GO Bonds	-
Amount of debt applicable to limit - net debt	<u>\$ 935,000</u>

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

Craven County								
Fiscal Year	General Obligation Bonds		Assessed Valuation ⁽¹⁾	River Bend Assessed Valuation ⁽¹⁾	Percentage Applicable to Town ⁽²⁾	Bonded Debt Applicable to River Bend	Population	Per Capita
	Outstanding ⁽¹⁾							
2014	21,736,331	10,005,692,123	341,425,554	3.41%	741,712	3119	238	
2015	19,064,987	9,904,145,988	334,843,709	3.38%	644,557	3084	209	
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	*	*	320,511,923	*	*	2902	*	

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 ⁽³⁾	Public School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2014	103,219	4,100,424	39,243	14,472	9.00%
2015	102,048	4,121,440	39,436	14,297	6.80%
2016	101,875	4,195,496	40,555	14,120	6.12%
2017	101,863	4,340,800	41,962	14,002	5.26%
2018	101,809	4,345,888	42,367	13,778	4.73%
2019	101,167	4,493,680	43,665	13,584	4.19%
2020	100,534	4,743,930	46,446	13,113	4.08%
2021	100,128	4,943,453	48,832	12,542	6.66%
2022	99,851	*	*	12,353	4.68%
2023	*	*	*	*	*

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⁾ Information is not available for Town of River Bend. County data is from the

U.S. Department of Commerce, Bureau of Economic Analysis.

⁽⁴⁾ N.C. Department of Public Instruction, First Month Average Daily Membership.

⁽⁵⁾ 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⁾	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Department of Defense	*	*	*	5,194	1	13.63%
CarolinaEast Health Systems	*	*	*	2,180	2	5.72%
BSH Home Appliances	*	*	*	950	4	2.49%
Craven County Schools	*	*	*	1,961	3	5.14%
Moen Incorporated	*	*	*	665	7	1.74%
State of North Carolina	*	*	*	923	5	2.42%
Craven County	*	*	*	607	8	1.59%
Wal-Mart	*	*	*	830	6	2.18%
Craven Community College	*	*	*	420	10	1.10%
City of New Bern	*	*	*	475	9	1.25%
	*		*	14,205		37.26%

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

⁽¹⁾ County data is from the Craven County Economic Development Commission,

N.C. Department of Commerce - NCWorks

* Information not yet available.

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

<u>Department</u>	<u>2014</u>	<u>2015</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>
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	1	1	2	1	1	1	1
Public Works	3.5	3.5	3.5	3.5	3.5	4.5	5.5	4.5	3.5	3.5
Public safety- Police	6.48	6.48	6.48	6.48	6.48	6.68	6.45	6.27	6.39	5.12
Water/Sewer:										
Finance	1	1	1	1	1	1	1	1	1	1
Utility Operators	3	3	3	3	3	3	3	3	3	3
Total	18.98	18.98	18.98	18.98	18.98	21.18	20.95	19.77	18.89	17.62

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>2014</u>	<u>2015</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>
Public Safety - Police										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	3	3	4	4	4	5	5	5	6	6
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	16.48	16.48	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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Police Activity</u>										
Violent Crime	58	97	44	9	11	-	2	2	3	1
Property Crime	83	109	54	65	28	18	15	12	13	20
Arrests	252	178	225	45	49	17	43	29	19	30
Motor Vehicle	1,400	1,112	1,127	1,115	486	304	1,013	529	409	1,270
Agency Assist	691	903	647	33	26	13	16	15	15	13
Quality of Life	297	362	308	2,124	1,419	790	2,184	1,844	1,407	2,778
Community Policing	15,079	15,126	14,873	10,753	17,826	10,540	18,857	14,120	11,027	25,120
Total Activity	17,860	17,887	17,278	14,144	19,845	11,682	22,130	16,551	12,893	29,232
<u>Roadway Maintenance</u>										
Miles of Paved Road	16.48	16.48	16.48	16.48	16.48	16.48	17.13	17.13	17.13	17.13
Miles of Road Resurfaced	0.53	0.25	0.43	0.40	0.54	0.54	0.22	0.20	0.20	0.70
<u>Zoning</u>										
Permits Issued	54	42	26	72	84	464 ⁽²⁾	87	113	137	84
New Residences	1	1	2	1	1	2	4	6	6	3
<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	337,625,000
Water Treated	90,976,000	87,865,000	85,674,000	78,935,000	76,884,000	93,350,000	85,141,000	90,507,000	99,059,000	107,181,000
Residential Water Customers	1,412	1,417	1,418	1,431	1,438	1,438	1,429	1,442	1,453	1,457
<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	120,450,000
Wastewater Treated	35,094,000	36,655,000	38,079,000	43,672,000	49,700,000	46,870,500	40,829,000	41,902,000	40,121,000	38,638,000
Residential Sewer Customers	952	951	948	954	958	958	949	949	952	955
<u>Leaf and Limb</u>										
Total Tons Collected ⁽¹⁾	222.93	343.63	317.69	279.90	266.26	279.83	246.98	219.72	290.36	365.91

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, 2022 - June 30, 2023

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 2,500 Deductible
Public Employee Blanket Bond	100,000 Each Occurance 250 Deductible
Public Official Bond Finance Officer	400,000 Liability 0 Deductible
Real and Personal Property	10,450,464 Covered Cause of Loss 1,000 Deductible per Occurance Includes Boiler & Machinery
Computer Equipment/Media	500,000 Limits of Coverage 1,000 Deductible
Scheduled Equipment	260,769 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 2023 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			
Fire Hydrant Availability Annual Charge	\$ 183.00			

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





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

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

Independent Auditor's Report

To the Honorable Mayor and
Members of the Town Council
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, 2023, 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 September 7, 2023.

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

September 7, 2023

Town of River Bend, North Carolina
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2023

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 Xno
- Significant Deficiency(s) identified? ___yes Xno

Noncompliance material to financial
statements noted? ___yes Xno

Town of River Bend, North Carolina
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2023

Section II – Financial Statement Findings

None.