

# ***CITY OF WILSON***

*North Carolina*

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**



**Fiscal Year Ending  
June 30, 2019**

[www.wilsonnc.org](http://www.wilsonnc.org)

**CITY OF WILSON  
NORTH CAROLINA**

**COMPREHENSIVE  
ANNUAL FINANCIAL  
REPORT**

**FISCAL YEAR ENDED  
JUNE 30, 2019**

**FINANCIAL SERVICES  
KIM A. HANDS  
CHIEF FINANCIAL OFFICER**

# CITY OF WILSON, NORTH CAROLINA

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# CITY OF WILSON

*North Carolina*

INCORPORATED 1849

27894-0010

October 3, 2019

The Honorable Mayor,  
Members of City Council, and Citizens of the  
City of Wilson, North Carolina

The Comprehensive Annual Financial Report (CAFR) of the City of Wilson, North Carolina (“the City”) for the fiscal year ended June 30, 2019 is hereby submitted for your review. This report was prepared by the City’s Financial Services Department and it is the inclusive publication of the City’s financial position and operational results as of and for the fiscal year ended June 30, 2019. The City of Wilson, like all other units of local government in the state of North Carolina is required by state law to publish a complete set of financial statements within four months of the close of each fiscal year. The City is also required by the OMB Uniform Guidance and the State Single Audit Implementation Act to have a compliance audit on federal and state financial assistance programs. This report meets these requirements.

Management assumes full responsibility for the accuracy, completeness, and reliability of the data presented in the report. To provide a reasonable basis for making these representations, management of the City has designed and implemented a comprehensive internal control framework to safeguard the City’s assets from loss, theft, or misuse and to compile reliable information for the preparation of the City of Wilson’s financial statements in conformity with generally accepted accounting principles (GAAP). The cost of internal controls should not outweigh their benefits. For this reason, the City’s internal controls framework is designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we believe the information contained in this financial report is accurate and complete in all material respects.

The City’s financial statements have been audited by Martin Starnes and Associates, CPAs, P.A., a firm of certified public accountants. It is the responsibility of the independent auditors to issue a report expressing their opinion on the basic financial statements of the City based on their audit. The independent auditors’ report is presented in the financial section of this report. The audit was designed to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2019 are free of material misstatement. The auditors examined, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessed the accounting principles used and significant estimates made by management; and evaluated the overall basic financial statement presentation. The independent auditors concluded, based upon their audit, the City of Wilson’s financial statements for the fiscal year ended June 30, 2019 are presented fairly in conformity with GAAP.

In addition, the auditors’ reports required as a part of the single audit are found in the Single Audit Section of this report. These reports focus not only on the fair presentation of the financial statements, but also on the City’s internal controls and compliance with legal requirements involving the administration of state and federal financial awards.

The management’s discussion and analysis (MD&A) required by GAAP and included in the Financial Section of the report is a narrative introduction, overview, and analysis provided by management to accompany the basic financial statements. The letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Wilson’s MD&A can be found immediately following the independent auditors’ report.

## Profile of the City

The City of Wilson, incorporated in 1849, and located on the eastern seaboard along Interstate 95, is the largest municipality in Wilson County and serves as the county seat. The City has a population of almost 50,000 and covers a land area of nearly 30 square miles.

The City levies a property tax on the appraised value of real property and certain tangible personal property located within its boundaries as authorized by state statute. The County also levies a property tax on property within the City's corporate limits and is the only other entity empowered to do so. The City is permitted by state statute to broaden its corporate boundaries by annexation.



The City of Wilson operates under the Council-Manager form of government. The Council is the policy-making and legislative body of City government and consists of a Mayor and seven Council members. City Council members are elected from districts while the Mayor is elected at-large.

The Mayor and Council members serve four-year staggered terms. The Mayor is the presiding officer of the Council and votes only in case of a tie. A Mayor Pro-Tempore is selected by the Council from its members.

The City Manager and the City Attorney are appointed by the Council.

The City Manager is the Chief Executive Officer of the City and is accountable for carrying out the policies and ordinances of the Council and for administering the day-to-day operations of the City through appointed department directors and staff members.

The City provides a full range of services to its citizens including police and fire protection, transportation, sanitation, cultural and recreational activities, housing and community development programs, water, wastewater, and storm water utilities, and land use and development services. In addition, the City owns and operates electric and natural gas distribution systems and broadband services.

### *Excellence in Action*

Wilson continues to benefit from the \$1.2 billion sale of minority interest in several power plants that reduced NCEMPA's debt by more than 70 percent in FY16. This debt reduction resulted in the City Council passing the largest electric rate decrease in Wilson's history, decreasing residential rates by 17.6 percent, commercial rates by 15.4 percent, industrial rates by an average of 7.2 percent and wholesale rates by 12.3 percent. Wilson remains competitive with their electric rates and the City continues to expand efficiencies to keep lower rates in effect.

Greenlight is the City's state-of-the-art, fiber-to-the-premise system providing customers with data, voice, and video services. Since its inception in 2008, Greenlight has steadily grown enrollment and the momentum continues to this day. Greenlight was the first service provider in the state to offer Gigabit Fiber-to-the-Home service making Wilson a North Carolina Gigabit City. Greenlight was recognized by President Obama as one of the nation's fastest broadband networks and Wilson was credited as having "inspired leadership and community mobilization." A recent survey by BroadbandNow, credits Greenlight's 1,000 megabits per second as the fastest broadband speed in the area, while the second fastest was only 300 mbps. In FY2019, Greenlight celebrated a momentous triumph by surpassing 10,000 customers.

Wilson continues to expand its focus on innovation and economic development following a two-year participation in InnovateNC. The outcome of this workgroup is a concentration on developing an inclusive entrepreneurial economy, while at the same time, retaining a rich community character and building on local assets, inclusive of Wilson's community owned Greenlight gigabit network. A direct result of Wilson's participation in InnovateNC, is a plan to establish an innovation hub in the City. The Gig East Exchange will offer flexible and affordable co-working spaces with programs geared toward helping entrepreneurs establish a viable business. Renovations for the facility will be funded by a \$1.1 million grant from the Golden Leaf Foundation and \$1.25 million from the City. Rural Innovation Strategies will support Wilson's Gig East hub with on-site and videoconference support and will offer templates and written materials to support the hub culture.

A recent assessment of Wilson Fire/Rescue Service by the State Fire Marshall has led to the designation of a Class 1 insurance rating for the department. The improved rating, uncommon in smaller communities, will help lower insurance rates for both commercial and industrial customers.

## **Choosing Wilson**

### *Location*

The City is strategically situated with access to all major regional, national, as well as, international markets. It is conveniently located along Interstate 95; halfway between New York and Florida; approximately 475 miles from New York City and 240 miles from Washington, D.C. Wilson is served by U.S. highways 264 and 301 and North Carolina highways 42 and 58. Interstate 795 connects Wilson to the City of Goldsboro and on to I-40 south, enhancing access to the seaports at Wilmington and Morehead City, North Carolina. U.S. 264 provides the City with an interstate grade highway connecting Greenville and the Research Triangle Park.

### *Education*

Wilson students are served by Wilson County Schools, a public school district that encompasses fourteen elementary schools, six middle schools, three traditional high schools, a learning center and WAAT, the Wilson Academy of Applied Technology, an early college program affiliated with Wilson Community College. Students are enrolled in a five-year program that culminates with both high school diplomas and associate degrees. The district is part of a countywide system that is a shared responsibility between the County and the State; therefore, the City has no financial responsibility for the public education system. There are several private schools in the area providing basic education similar to the public school system. The City of Wilson has two charter schools funded by the County and State; the Sallie B. Howard School for the Arts is approved to serve K-8 and Wilson Preparatory Academy is approved as a K-12 school. Work has begun to add a high school to the Sallie B. Howard facility. The \$5 million, 27,000-square foot facility plans to open in the fall of 2020.

The City is home to two colleges serving thousands of students of all ages and stages of their careers. Chartered in 1958, Wilson Community College is part of the North Carolina Community College System and is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools. The College offers more than 20 Associate Degrees, 8 diploma and 34 certificate curricula, Adult High School Diploma, NC High School Equivalency Diploma Programs and a wide variety of continuing education classes. Enrollment for the 2017-2018 academic year was nearly 9200 full and part-time students. Wilson Community College also operates a state-funded technical assistance program known as the Small Business Center. The Center offers potential small business owners free counseling and seminars. Access to resources, such as the Small Business Center, a good business environment and low business cost were three components that led Waltheub, an internet research company that provides information on and reviews of financial companies, products and services, to name Wilson as one of the top twelve small cities in the U.S. for businesses.

Work continues on the expansion of the Lee Technology Center campus, the former site of Lee Motor Company, which donated the land. This campus adds 10 acres of land and 58,000 square feet of existing facilities to Wilson Community College. The Lee campus is the new home of the Automotive Systems Technologies and Applied Engineering Technology programs. The site will eventually house the HVAC, electrical and Advanced Manufacturing programs. Future expansion on the campus could include new facilities for the Wilson Academy of Applied Technology and the Construction Technology program. In addition to the \$2 million renovation budget already set aside by Wilson County and the federal government, the college has also been awarded \$95 thousand from the Cannon Foundation and \$6.5 million from the state as part of the Connect NC bond. Perkins Corps Indicators of Performance Report has ranked Wilson Community College as having the highest percentage of career and technical education graduates to enter the work force upon completion of their classes.



Founded in 1902 as Atlantic Christian College, Barton College is a four-year, private, liberal arts college that is fully accredited by the Southern Association of Colleges and Schools. Barton offers 32 undergraduate majors leading to six different baccalaureate degrees, six pre-professional programs for undergraduates and four graduate Master degree programs. Barton College's Elementary Education Lateral-Entry Program was developed with input from curriculum experts and provides lateral-entry teachers with the skills to become operational as soon as possible. The total program is designed to address the North Carolina Professional Teaching Standards and the North Carolina Teacher Education Specialty Area Standards in Elementary Education. The academic community includes 887 undergraduate and 73 graduate students and more than 177 faculty and staff. Barton continues to be ranked by U.S. News & World Report as one of the top ten Best Regional Colleges in the South, Best Colleges for Veterans and Best Value Schools. Barton currently supports 22 athletic teams in NCAA Division II and is part of the Conference Carolinas. In January 2018, the school announced plans to add a football program and has added a synthetic turf field for use by the lacrosse, soccer and football programs, as well as other campus functions.

Also located in Wilson is the Eastern North Carolina School for the Deaf (ENCSD), which provides specialized instruction to students ages 5-21 who are deaf, hard of hearing and deaf-blind. ENCSD, established in 1964 to serve students from North Carolina's 53 eastern counties, now operates on a 54-acre campus. The school is a day/residential facility operated by the Office of Educational Services in the N.C. Department of Health and Human Services, and all services provided are free of charge to students and their families. The high school has an emphasis on independent living skills, career awareness and preparedness training, but many students follow college prep and tech prep tracks. ENCSD is dually accredited by the Conference of Educational Administrators Serving the Deaf and by the Southern Association of Colleges and Schools.

As part of the school's 50<sup>th</sup> anniversary, students, community members and leaders banded together to revitalize the school's 10-acre low ropes course and biking trails. State budget cuts over the last few years had left the school with no way to maintain the once renowned course. Thanks to a \$16,000 donation from BB&T to renovate the course, it is now the largest of its kind in the state with 22 initiatives and obstacles. The course is designed to be used for team building and personal growth. Ropes courses also help individuals in leadership, group dynamics, bonding, problem solving and self-esteem. Those utilizing the course must be guided by one of the 10 certified and trained course facilitators. There are also two miles of tight and challenging biking trails that encircle the property. The bike trails are open to the public.

### *Health Care*

Extensive medical services are available throughout the City. The City and County residents are served by several health care providers including DLP Wilson Medical Center, the Wilson County Health Department, the Wilson Community Health Center, Eastpointe, and the Longleaf Neuro-Medical Treatment Center. In addition, numerous physicians, dentists and other professional practitioners have offices in Wilson.

Established in 1964, DLP Wilson Medical Center, a private, not-for-profit organization, serves a five-county region with over 125,000 people. Driven with organizational values including respect, integrity, great teamwork, honesty, and trust, DLP Wilson Medical Center offers a continuum of services through a 294 licensed-bed hospital, a 90-bed nursing care and rehabilitation center, home care and hospice care company, childcare center and healthcare foundation. The hospital has also earned The Joint Commission's Gold Seal of Approval and the American Heart Association/American Stroke Association's Heart-Check mark for advanced certification for primary stroke centers.





An \$82-million-dollar renovation project is underway that will reduce the number of beds to 178 to make way for larger patient rooms, larger and more accessible bathrooms and areas near patient rooms for staff to sit and work closer with the patients. These plans include an upgrade of the labor and delivery area and the nursery as well as the reinstatement of an inpatient behavioral or mental health unit with at least 24 beds. With an average patient population of 85 to 100, administrators forecast the 154 medical/surgical rooms will be more than enough to support the area needs. More than 100 active physicians serve on the hospital's medical staff and over 95 percent are board-certified, representing 28 specialties. The medical center employs nearly 1000 full time, part-time and contract staff members.

The Wilson County Health Department and Eastpointe provide service to those who struggle with substance abuse, mental health and intellectual and developmental disabilities with a full range of health and mental health services. These include a comprehensive home health nursing program and specialized clinical services offered through the County health department. Eastpointe, a local management entity, works with people needing services and their families, as well as other healthcare professionals to find solutions for the prevention and treatment of behavioral health disorders. Eastpointe staff links individuals and families to services and supports helping them to live successfully in their communities through a provider network offering a full range of counseling, education, diagnosis and treatment services.

The Wilson Community Health Center is operated by Carolina Family Health Centers, Inc. of Wilson. Services are open to all Wilson County residents and include Internal Medicine, Pediatrics, Family Practice, Oral Health, and Behavioral Health care and treatment. Wilson Community Health Center also operates a dispensing Pharmacy, available to all registered patients. The Center accepts Medicaid, Medicare and most Commercial Insurance Plans. Charges are income-based for those who are uninsured. Carolina Family Health Centers, Inc. also operates CFHC Dental Center and Harvest Family Health Center in nearby Elm City, both of which serve Wilson residents.

The Longleaf Neuro-Medical Treatment Center (formerly the North Carolina Special Care Center) is a State-owned multi-purpose facility situated on 40 acres within the City. The center is a 233-bed long-term care facility that includes a 40-bed unit for the treatment of individuals with Alzheimer's. The center employs more than 250 staff that provides both intermediate and skilled level of care to patients who cannot be placed in traditional nursing care facilities due to psychiatric diagnosis and/or atypical physical circumstances.

Healthcare services are also available through Vidant Healthplex-Wilson, which opened a \$14 million, 30,000-square-foot facility that employs about 60 people, including 15 doctors. The facility offers primary, specialty and after-hours immediate care as well as onsite laboratory, diagnostic, imaging and pharmacy services.

### *Transportation*

The City, along with other area local governments, is a co-owner of the Rocky Mount-Wilson Airport, a regional airport centrally located between the two cities. The airport has a 7,100-foot-long runway and serves thousands of general aviation aircraft operations each year. The airport received more than \$13.3 million in state and federal grants and \$1.48 million in local funds from Wilson, Nash and Edgecombe Counties as well as the cities of Wilson and Rocky Mount for improvements to the runway and taxiway. The airport was also awarded nearly \$500 thousand from the N.C. Board of Transportation that will be used to close and remove an old fuel farm and begin preliminary engineering on a new taxiway and hangers.

Additionally, the City owns and operates the Wilson Industrial Air Center located within the City's boundaries. Constructed as a World War II training facility, this airport provides all services usually associated with a general aviation airport. It has three 4,500-foot runways used extensively by industrial, commercial, governmental, medical, law enforcement, military and recreational aircraft. The airport often serves blimps enroute to or from major sporting events on the East Coast. The airport provides a courtesy vehicle to enable those flying into the airport easy access in carrying out their business needs.

Wilson has easy access to Raleigh-Durham International Airport (RDU), a major commercial airport, sits on 5,000 acres of land in Wake County, approximately 55 miles west of the City. RDU is home to eleven major air carriers and their regional partners. Combined, they fly customers to 66 destinations on an average of 400 flights daily, including direct flights to more than 30 cities, including London, Toronto, and Paris. The airport served 12.8 million people and moved more than 100,000 tons of cargo in 2018.

The CSX Railroad and Carolina Coastal Railway provide rail freight service for the City and surrounding area. Wilson is located along CSX's main north-south corridor on the East Coast; as many as 40 trains pass through the city on a daily basis. Passenger service for Wilson is provided by Amtrak's Carolinian and Palmetto lines. During the calendar year that ended December 31, 2018, Amtrak reported annual revenue of more than \$3.2 million dollars with an annual ridership just under 54,000.

A comprehensive network of local public transportation is provided by a City-owned and operated bus system, subsidized by the North Carolina Department of Transportation. The City is also served by the Greyhound bus company and a cab company operating about 20 taxis.

### *Economic Evolution*

Once widely known as the World's Greatest Tobacco Market, Wilson enjoys a diverse economy today, including a healthy mix of agriculture, manufacturing, commercial, and service businesses.



Wilson is the birthplace of Branch Banking and Trust Corporation (BB&T), which is among the nation's top financial-holding companies. BB&T recently announced plans to merge with Atlanta-based Sun Trust. The merger will bring a new name for the combined companies as well as a new headquarters to be located in Charlotte. With combined assets of \$442 billion, the new company will become the sixth-largest bank in the U.S. The bank continues to be Wilson County's largest employer with approximately 2,200 people working in various areas of the financial service industry. Work has begun to replace the 1970's era downtown towers with a new \$35 million, 95,000-square-foot facility to be located on the block behind the current site. Once the new facility is completed in early 2020, the tower will be demolished and the property will be developed as a greenspace.

Bridgestone Americas operates a plant in Wilson that employs around 2,100 people making more than 32,000 radial tires for cars and light trucks each day. It is the largest passenger tire facility in the Americas. The Wilson plant is a recipient of a 2015 Project of the Year award from the "Environmental Leader," a publication that informs business leaders about environmental and sustainability news. The award was given to the plant for developing a comprehensive program to achieve zero waste to the landfill. It is the first plant in the world to be recognized by Underwriters Laboratories for its Zero Waste to Landfill validation. It is also the first tire plant and the first plant in North Carolina to be awarded an ISO 50001 certification. The site has also received the Rising Star safety award from the NC Department of Labor.



The 2016 announcement of a five-year, \$164 million investment in the Wilson facility, which was subsequently increased to a 10-year, \$344 million investment. The continued expansion will allow Bridgestone to meet market demands and invest in newer technology that is more efficient. In addition to the 167,000 square feet of manufacturing space and new tire assembly machines, material handling systems, curing presses and other equipment already announced, this latest expansion would also add an additional 50,000 square-feet and a new rubber mixer to the facility. Total tire production is expected to grow to 35,000 per day and sixteen new jobs will be added once the expansion is completed.

The Novartis (formerly Sandoz) plant in Wilson was awarded the Carolina Star, the highest safety award given by the NC Department of Labor. Novartis, which manufactures generic drugs and employs more than 460 workers, is only one of 103 sites in the state to receive the award and the first site in Wilson County. Carolina Star work-sites are recognized for being self-sufficient in their ability to control hazards on the job. The Star program is an ongoing partnership between a company's managers and employees and the state Occupational Safety and Health division.

Novartis received the Rising Star award in 2013 for having good safety and health programs. Novartis will continue to be audited each year to confirm it continues the high safety standard required to maintain the certification needed for the Carolina Star distinction.

Other large employers include Wilson County, City of Wilson, Smithfield Packing Co. (pork products), UTC Aerospace Systems (aircraft fire protection systems), Merck Manufacturing Division (pharmaceutical drugs), and Wilson Community College.

### *Industrial Growth and Development*

The county unemployment rate for 2018 averaged 6.88%. As with seasonal employment, unemployment percentages typically increase during the summer and then fall at the year end.

Neopac, a Swiss-based pharmaceutical and cosmetic packaging producer, has broken ground on a 37,000 square foot facility, its first US manufacturing plant. Wilson will also be the site of their North American headquarters. The \$30.8 million investment will bring 44 new jobs with an annual payroll of \$2.8 million.

Fresenius Kabi has announced plans for an expansion to its current facility as well as the construction of another facility in Wilson. The five-year, \$150 million investment is expected to bring 445 new jobs with an average salary of \$60,000. The company, which specializes in medicines and technologies for infusion, transfusions and clinical nutrition, currently employs more than 100 people in its existing facility.

Criticality, LLC, an industrial hemp processor, has announced plans to open a facility in Wilson. The \$17.2 million investment brings 88 jobs to the area with an average salary of \$44,000.

Wind River Tobacco Company has announced plans to open a manufacturing facility in Wilson. The company has purchased an existing facility and will invest \$18.5 million in equipment and upgrades to the property. The company is expected to employ 53 people with an average salary of more than \$35,000.

United Tobacco Company continues to grow and has added 10 full-time jobs to its permanent work force.

Ontario-based Linamar Corporation, a leading supplier of engine, transmission, driveline and mobile aerial work programs announced plans to invest \$40 million as it creates 125 new jobs and expands its current facility by 2019.

Peak Demand, a manufacturer of transmission and distribution electrical products, has opened a new factory in the downtown district that will make products for distribution throughout the Americas. The 50,000 square foot facility is a renovated tobacco process warehouse and is expected to employ 37 people within three years.

Available industrial space in Wilson County will soon be increased due to a private initiative to construct several shell buildings in the Hackney Industrial Park. The buildings will be marketed to small and medium-sized industries that will be able to utilize sites from 20,000 to 50,000 square feet. A new 100,000-square-foot shell building in the Wilson Corporate Park, the seventh, is complete and was recently sold by the Wilson Economic Development Council. Infrastructure in the Wilson Corporate Park is complete. Water, Sewer, Natural Gas, Electric, Fiber and Storm water Management Systems are available to all sites in the Park. Where practical, all systems have been looped, making it one of the more attractive parks in North Carolina. As a result, ElectriCities of North Carolina has designated the park as a Smart Site for being shovel-ready for new development. ElectriCities will market the location internationally at trade shows and industry events.

The City's various investments in infrastructure have made the community very competitive on a national scale. The industrial park was recently chosen by the North Carolina Railroad as one of the best industrial sites in the state in terms of rail access. The Wilson Economic Development Council, with considerable input from the City and County, continues to actively market Wilson throughout North and South America and Europe.

The City and County participated in the development of the 830-acre campus of 587 Corporate Park, which is located adjacent to the interchange of U.S. 264 (future I-587) and N.C. 58. Additional funding for the park was provided by the Golden Leaf Foundation and the NC Commerce Industrial Development Fund-Utility Account. The Wilson Economic Development Council is actively marketing the property to potential clients.

There are eight solar farms located throughout the City and County. These farms are part of a growing trend toward renewable energy that will reduce our dependence on petroleum and coal reserves. They generate income for landowners from properties that had previously been underdeveloped. Wilson Energy will benefit from this new technology. GCL New Energy, the builder of the solar sites, paid for \$1.4 million in upgrades to the electric grid. Six of the solar farms are designed to produce up to 10 megawatts of power and the remaining two will produce up to 5 megawatts of power. The farms are expected to generate an estimated \$400,000 in revenue for Wilson energy.

Wilson County was included in the expansion of Foreign Trade Zone 214. This will provide money saving benefits for companies in the county that import and export goods to and from other countries. Inclusion in a foreign trade zone means that companies are not required to pay customs duties until the product leaves the zone; increasing their cash flow.

#### *Retail/Restaurant Growth and Development*

Heritage Crossing Shopping Center, a 100-acre shopping hub is the largest active retail development within the City. It includes major tenants such as Target, Belk, Marshalls, Ross, Bed Bath and Beyond, PetSmart, Best Buy, Five Below, Harris Teeter Grocery, Olive Garden, Sleepy's and Panera Bread.

In 2019, a long-time Wilson landmark, Bill's Barbecue announced it would be closing. Bill has had been in business for nearly 56 years and employed 28 full-time and 27 part-time employees. The location hit the market earlier this year and is currently under contract to an undisclosed buyer. Furniture Liquidators, in business since 2002, also announced the closing of its store. Ashley Homestore purchased this building and will open in August. Other new businesses to Wilson include Southern Paws, 7C's Xotic Designs Events and Rentals, Rainbow Shop, Power Plex Athletic Center, Middle Eastern Grocery, and OMGoodness Pimento Cheese.

Construction has been completed on a new senior living apartment complex. The Ravenswood Reserve offers 60 one-and two-bedroom units for those 55-and-older.

The Wilson Downtown Development Corporation (WDDC), funded by a tax district, works to promote the City's core as a walkable district with scenic and historic buildings, state-of-the-art businesses, and in close proximity to a top-notch educational area.



Downtown revitalization now includes an 1888 era Victorian house that serves as the City's administrative offices. WDDC offers a Downtown Alive concert series, which attracts thousands of people to enjoy a variety of bands on Thursday evenings throughout the summer. WDDC supports a downtown farmers' market, which attracts hundreds of shoppers every Wednesday and Saturday mornings throughout the late spring and summer months. The holiday season continues to draw visitors to the downtown area to see the new LED lighting in the trees that line the streets. Christmas season visits to Santa's village, carriage rides, and ice-skating have also proven to be popular downtown attractions.

A \$12 million redevelopment project of the Hi Dollar warehouse into Whirligig Station is complete. Waukeshaw Development of Petersburg, Virginia has completed the transformation of the 64,000-square-foot former tobacco warehouse, the largest redevelopment project in downtown history. The finished site provides a combination of 94 loft apartments, retail and office space, a Whirligig Park welcome center and future plans for a Grill & Cafe. The renovations included adding an upper level to the interior of the warehouse, which has expanded the property to 85,000-square feet. The developer sited the City's progressive Whirligig Park project and the Innovation Zone, which is currently being developed, as a major factor in their decision to redevelop the property.

An \$18.5 million plan to renovate the former Cherry Hotel has been approved. Once completed, the hotel will offer 100 hotel rooms, a reception area, bar, ballroom and other amenities to downtown Wilson. The hotel expects to employ about 19 people when staffed.

Wilson is one of several NC cities that received a \$96,107 state grant geared toward downtown revitalization. The city plans to use the grant to support existing projects such as the conversion of the Hi Dollar warehouse and the Vollis Simpson Whirligig Park, as well as supporting other private investments in the area.

Four electric vehicle-charging stations were added to parking lots in the downtown area. Duke Energy provided the stations and the City has provided the parking spaces and offers free use of the machines as an incentive for electric vehicle drivers to come to the downtown area.

North State Consulting, a Raleigh-based technology company, announced plans to locate a second office in downtown Wilson. The software company does consulting, sales and recruiting, is expected to hire 50 people by the time it opens at the end of the year. Other downtown businesses include Tig's Courtyard Restaurant, Schmidt Law, Tate Design Group, Krueger's Candies, Da Bayou, Dior's House of Weave, Downtown Public House, Haley's Boutique, Ina's Garden & Pottery Shop, and DiFrent Levels Barber Studio.

#### *Planning / Business Development*

The City is home to the Upper Coastal Plains Council of Governments (UCPCOG), housed in the downtown business district. The UCPCOG is one of seventeen multi-county planning and development regions in the State. The UCPCOG includes a small business incubator, which targets the counties within the UCPCOG.

The City has been a major participant in a countywide strategic planning process known as Wilson 20/20 Vision. As the year 2020 is fast approaching, the project has undergone a name change to Wilson Forward. The original commitment that brought together local leaders in government, business, industry, education, and health care, as well as citizens to assist in projecting where the City and Wilson County will be in the year 2020, remains the same. The purpose of this process was to develop a plan and set goals with clear approaches to achieving those goals. The key, as with all strategic plans will be in implementing the strategies outlined in the plan.

The Wilson 20/20 work helped shape the City's creation of "Wilson Growing Together: The 2030 Comprehensive Plan." City staff worked with hundreds of citizens, business and educational leaders, and others from November 2008 through April 2010 to develop ideas for how the Wilson community should develop over the next 20 years. The comprehensive plan sets out 51 goals for Wilson, including a revitalized downtown; stronger neighborhoods; an enhanced transportation system; and improved partnerships between the City and Wilson County, Barton College, Wilson Community College and Wilson 20/20. The City Council unanimously approved the 2030 Comprehensive Plan in April 2010. Discussions during the 2030 plan's development directly led to the development of the Vollis Simpson Whirligig Park, the City's brownfields program, traffic improvements around Barton College and other initiatives.

Wilson 20/20 has received multiple grants from its corporate sponsors such as: Bridgestone Americas, Merck and DLP Wilson Medical Center. Recent grants include \$200,000 from the Healthcare Foundation of Wilson to address adolescent pregnancy, alcohol and drug abuse, obesity and STDs. The sponsorship, as well as continued leadership and participation of these corporations are important as Wilson Forward looks to expand upon their three initiatives: the Youth Master Plan, Beyond 21 and the Impact initiative. The Youth Master Plan is a partnership with Wilson County Schools that seeks to improve the future of our youth as they address safety, wellness, workforce development, K-12 education and out-of-school time. Beyond 21 will address the needs of adults. Groups have been formed to study unemployment and underemployment, talent retention and attraction, community leadership and civic engagement, health and wellness, elderly and aging population and entrepreneurship in the Wilson area. The Impact Initiative is a collaborative effort with the Wilson Chamber of Commerce and Wilson Economic Development Council to offer leadership training and is designed to identify, train and deploy people with an interest in area leadership roles, including political office and service on boards or committees.

The EPA Brownfields Program, which aids in the redevelopment of property that is abandoned, idle, or underused with actual or perceived environmental contamination, awarded Wilson and its coalition partner, Greenville, an additional \$1,000,000 in revolving loan fund grants. \$600,000 will go toward hazardous substances and \$400,000 for petroleum cleanup. The grants will be used to fund loans and sub grants to support cleanup activities, market the revolving loan fund, conduct cleanup planning and oversight, and perform community outreach activities.

Work is nearing completion on the plan to revive the US 301 corridor with improvements to intersections, landscaping, crosswalks, sidewalks, drainage and walking paths. The improvements will be paid for by a \$10 million Federal Transportation Investment Generation Economic Recovery or TIGER grant that has been awarded to the City. The NC Department of Transportation allocated \$6.5 million, to go along with an additional \$3 million provided by the City, and an agreement for the City to perform some of the work, which will provide for transportation-related needs, environmental, quality-of-life and economic improvements for the area to encourage new investment and development. The planned improvements will stretch along US 301 from Lipscomb Road to Black Creek Road and has an expected completion date of January 2020. The bulk of the money will be used on roadway, shoulder and curb and gutter infrastructure improvements.

### *Recreation and Tourism*



The City offers various recreational and cultural opportunities for its citizens. Two large community centers and two smaller neighborhood centers are owned and operated by the City. These centers target recreation for all ages and feature both outdoor and indoor athletic areas as well as areas for social events, fitness programs and instructional and various arts and crafts activities. The two larger centers have swimming facilities including one pool that can be covered and enjoyed year-round.

The J. Burt Gillette Athletic Complex regularly attracts regional, state and even national sports events to the City. The complex includes eight lighted, regulation soccer fields, six with natural grass and two artificial turf fields. A pavilion area with a shade structure, improved drainage and irrigation systems, sponsorship signage and new lighting have also been added to the soccer complex which plays host to several large events each year, bringing in nearly 500 teams, 8,000 players and 15,000 spectators. In addition to soccer, the complex is also home to a Little League facility that has gained the standing as a superior, well-run facility for hosting various tournaments. It has four lighted fields, including a showcase field that features a stadium that seats over 450 people. Funding for these upgrades was made possible by an increased occupancy tax of rental accommodations approved for Wilson County. The City will receive 1% of the quarterly proceeds from the tax increase to continue these improvements.

The complex is also home to the BB&T Noah's Arc All Children's Playground, which is one of the few playgrounds in eastern North Carolina that is designed to be used by children of all abilities, including those who use wheelchairs or other aids. Tourism plays a fundamental role in economic growth. Wilson County consistently experiences significant growth in travel and tourism as the City's recreation sports programs, Whirligig Festival and events such as Eyes on Main Street continue to bring people to the area. Wilson not only garners visitors from North Carolina, but also from other states in the US as well as from other countries.

The City owns and operates 29 various park and picnic areas. Other facilities include four lakes and reservoirs, a rose garden, tennis courts, an 18-hole golf course, and nine miles of walking/nature trails. It features a long-time favorite; the miniature train at the Recreation Center now draws riders as the Christmas Train of Lights. Decorations, music, Christmas cookies and hot chocolate promote the holiday spirit. The nonprofit program is funded by donations from the community and area businesses.

The City Parks and Recreation Department finalized a park project, with a grant award of \$374,170 from the NC Parks & Recreation Trust Fund, which added to City funds and other contributions, including \$100,000 from the Wilson Rotary Club to upgrade Cavalier Terrace Park. In appreciation of the generous contribution, the park was renamed Rotary Park at Cavalier Terrace. The revitalized park includes an upgrade to the walking trail, playground and parking lot as well as a picnic shelter and a pickle ball court. A grand opening celebration was held in late April 2019.

Work is scheduled to begin on the Hominy Creek Greenway. Flooding from Hurricane Matthew required the redesign of the pump station and the relocation of a recreation area, a boat ramp and docks, a shelter, walking trail, fishing dock and parking lot at Wiggins Mill.



A new 2-mile walking trail around Lake Wilson has been completed with the opening of a bridge to connect the two sides. The trail and bridge, which cost \$250,000, was funded in part by a \$50,000 grant from the Merck Foundation. Merck employees are also volunteering their time to the project to help with some of the park upgrades.

The City of Wilson's Human Relations department hosts 1st Fridays on the Lawn through the months of July-October. The first Friday of each month consists of a free community concert, family entertainment, and educational opportunities using music and festivities to bring a diverse community together on the beautiful library lawn.

Fleming Stadium, a historic baseball stadium, which once hosted baseball greats such as Ted Williams, Richie Ashburn, and Karl Yastremski, now serves as the home of the Wilson Tobs, a member of a summer college baseball league. The North Carolina Baseball Museum operates year-round at Fleming Stadium. The museum includes memorabilia from many of North Carolina's minor league baseball teams, both past and present, plus items from native North Carolinians who have been inducted into the Baseball Hall of Fame.

The Arts Council of Wilson will soon have a new home. The City has purchased a 20,000 square-foot space that will be renovated to house art galleries, performing arts studios and other programs. Wilson City Council has matched a \$500,000 BB&T pledge to go along with \$300,000 that had already been set aside for the Arts Council. The Arts Council also leases the Boykin Center for Performing Arts from the City. The facility is a restored Vaudeville theater, which seats 650 and is the site of numerous plays and concerts each year.



International photographer, Jerome Perlinghi of Wilson, annually presents Eyes on Main Street, a photo festival that reflects "main streets" from around the world. It features 100 large-scale photographs displayed along Nash Street from BB&T to Pender Street. Several of the exhibiting photographers attend the festival and offer workshops. There is live music and free workshops for children. The festival runs from early May to Labor Day. For their work, Jerome and Rosa De Perlinghi received a Gertrud S. Caraway Award of Merit from Preservation of North Carolina. The award is given in recognition to individuals or organizations that have demonstrated a commitment to historic preservation.

Imagination Station is a non-profit children's interactive science museum located in the downtown area. The mission of the museum is to create, develop, and operate an exciting and fun science-learning center for eastern North Carolina. The museum is housed in the historic Wilson Federal Courthouse and U.S. Post Office building that was constructed in 1928. It provides visitors with a quality science experience and offers over 200 hands-on exhibits. One floor of the museum houses the N.C. Museum of the Coastal Plain.

The Oliver Nestus Freeman Round House Museum features artifacts that depict the culture and contributions of African-Americans in the Wilson community. Freeman, a stonemason, built the house in 1946. The house was restored and relocated to its current location in 2001. A \$100,000 allocation from the City was added to \$239,000 that had already been raised by museum volunteers for a 2,000 square-foot expansion of exhibit space. The new space allows for exhibits on education, medicine, athletics, government, arts and an area dedicated to local organizations and churches.



The North Carolina Whirligig Festival is Wilson's award winning tribute to the work of local folk artist Vollis Simpson and his whirligigs, the State's official folk art. The festival, which began in 2004, is held in the downtown area adjacent to the Vollis Simpson Whirligig Park and displays 30 of the artist's colossal, wind-powered, kinetic creations. The Whirligig Festival is a two-day event that attracts an average of 35,000 people to the downtown area. It features music, dance, contests, a Whirli-Kidz Zone, the 5K Whirli-Run, and vendor spaces for local artists, food vendors and non-profit organizations. It also supports arts and culture in the Wilson area and provides scholarships for children to attend the Wilson Whirligig Festival Summer Camp.

The whirligigs were already considered the region's top tourist attraction when they were on display in a farm field outside the city limits; now the park is expected to become an important cultural attraction for visitors on both a statewide and national level. Whirligigs have been placed at the Welcome Centers of both the north and southbound entrances of North Carolina along Interstate 95. Signage at the structures advises travelers of the Wilson connection.

The revitalization of the downtown area along with the restoration of the whirligigs and the 25 jobs created by the work, were included as a case study in a book by the National Endowment for the Arts, "How to Do Creative Placemaking."

The City of Wilson has a dynamic group of future leaders that are a part of the Wilson Youth Council (WYC), one of 30 youth councils in the state that focuses on leadership development through community service. This group of more than 150 teens learns decision-making skills and teamwork as they volunteer in their communities. Teen members represent almost every high school in Wilson including public, private and home schooled. Over the past several years, WYC has received a state level award every year, including the "NC Most Outstanding Youth Council of the Year" for 2015, 2014, 2012 and 2008, the "NC Member of the Year" for 2015 and 2012 and the "Most Diverse Council" for 2012. In 2015, they were also recognized with the "Service Project of the Year" for their work with the Young Athletes program at Special Olympics.

### ***Long-Term Financial Planning and Major Initiatives***

The potential for future residential and commercial development in and around the City has increased in recent years, particularly with the increased accessibility to Raleigh and the Research Triangle Park. Long-term strategic planning has been a key focus of the City's leaders, resulting in the City's insightful involvement in providing a state-of-the-art infrastructure and utility services, which are essential for long-term growth.

A significant element in the planning process is the preparation of a five-year Capital Improvement Plan (CIP), which is reviewed and updated annually.

Water supply, as well as wastewater treatment capabilities, is essential for a growing community. The City completed the expansion of its main reservoir in 1999, positioning Wilson to have an adequate supply of raw water for at least the next 40 years. A substantial investment has also been made in the wastewater treatment and discharge facilities over the last several years, including the initial stages of a reclaimed water system. All told, the City has invested more than \$125,637,434 in its water resources infrastructure over the past 22 years and additional investments are projected for the future. The current CIP for FY 2020-2024 includes approximately \$41 million for water and wastewater improvements during the five-year period. The timing of these expansions will change annually during the planning process, and are dependent upon economic factors, such as the degree of growth in the City, throughout this period. Most of the projects, once approved, are expected to be funded by debt issuances.

In addition to water resources, the City owns and operates an electric and gas distribution system serving not only the City, but also Wilson County. The system reaches into five other surrounding counties as well. The City



continues to review efficiencies presented by the broadband infrastructure and is strategically replacing end-of-life electric, gas, and water meters with advanced metering infrastructure (AMI) compatible meters. AMI is an architecture allowing for automated, two-way communication between a smart utility meter with an IP address and a utility billing software. The goal of an AMI is to provide these utility systems with real-time data about utility consumption and allow customers to make informed choices about energy usage. This is another continuous improvement toward service excellence the City is committed in providing our customers.

In addition to the aforementioned utility enterprise funds initiatives, the City's Parks and Recreation is working to finalize an update to their Master Plan. While there is nothing slated for development for this area, the update to the Master Plan will provide decision makers with prospective areas for development including quality-of-life amenities.

The City received the results of an actuarial study on the City's retiree health care obligations. Last year, the City implemented Governmental Accounting Standards Board (GASB) No. Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The implementation of the statement required the City to record total OPEB liability and the effects on net position of benefit payments and administrative expenses paid by the City related to OPEB during the measurement period. While GASB 75 does not require any change in the way OPEB are funded, the City annually reviews the options available in dealing with this unfunded liability. Our fiscal perspective is to contribute at a level that the City will be able to sustain consistently. To reduce the impact from this unfunded liability, the City took action several years ago that proactively eliminated retiree health care benefits for employees hired July 1, 1993, and thereafter.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wilson for its CAFR for the fiscal year ended June 30, 2018. This was the thirty-second consecutive year that the City received this prestigious award. The award recognizes conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded the Certificate of Achievement, the City had to publish an easily readable and efficient CAFR that satisfied both GAAP and applicable legal requirements. The award is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City has also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the FY 2018-19. To receive this award, the City's budget document was judged proficient as a policy document, a financial plan, an operations guide, and a communications device. This is the twenty-ninth consecutive year the City has received this award.

The preparation of this report would not have been possible without the support and dedication of the staff of the Accounting Division of the Financial Services Department. We would like to convey our appreciation to all personnel who contributed to, and assisted with, the preparation of this report.

In conclusion, we would like to convey our thanks to the Mayor and City Council for their continued interest and support in planning and conducting the financial activities for the City in a responsible and professional manner. We wish to thank the citizens of the City of Wilson for providing the opportunity to continue to improve the professionalism of financial reporting for the City of Wilson.



Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Grant W. Goings".

Grant W. Goings  
City Manager

A handwritten signature in black ink, appearing to read "Kim A. Hands".

Kim A. Hands  
Chief Financial Officer



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Wilson  
North Carolina**

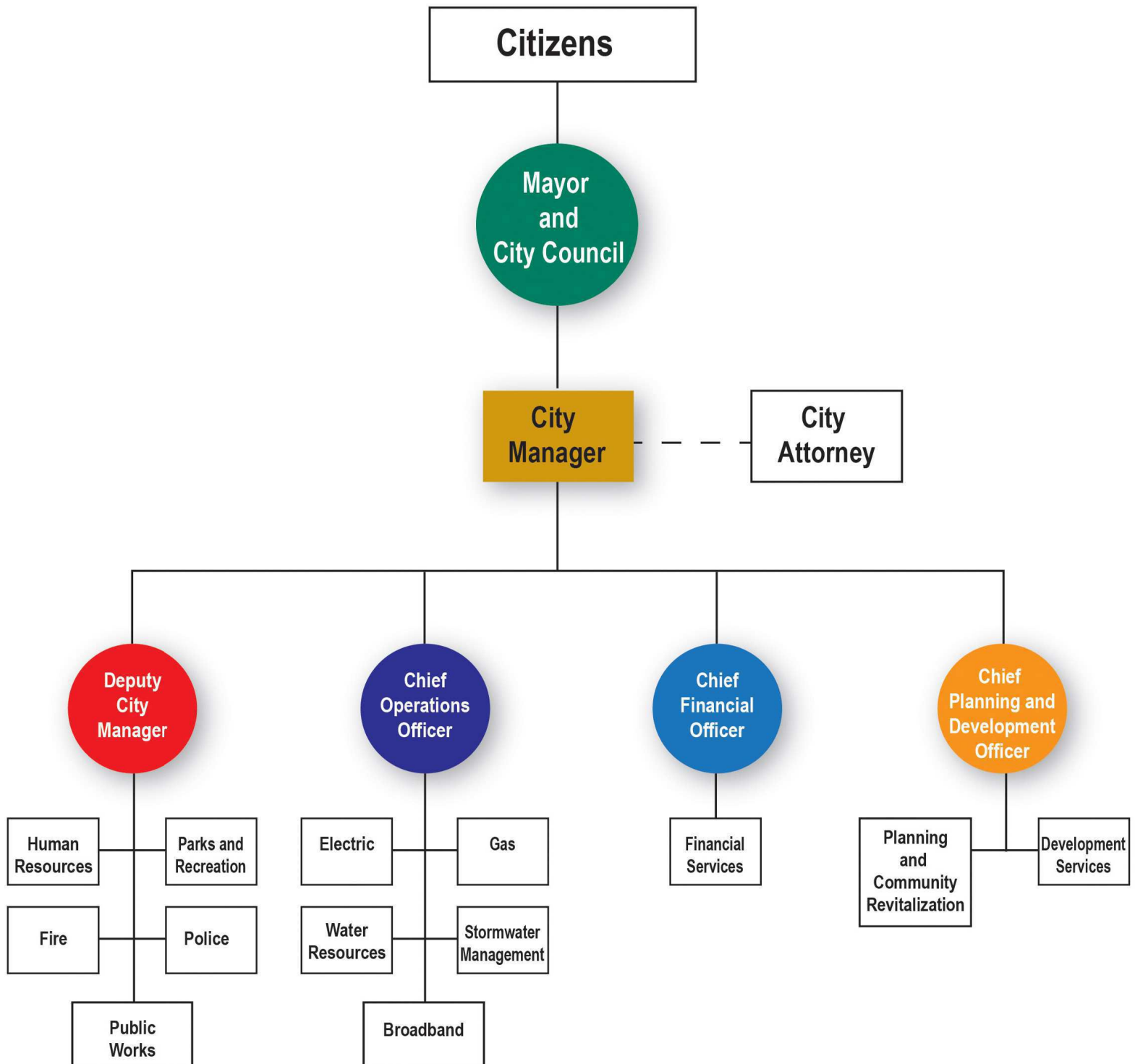
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morrell*

Executive Director/CEO

# City of Wilson



# **CITY OF WILSON, NORTH CAROLINA**

## **CITY COUNCIL**

**MAYOR  
C. BRUCE ROSE**

**MAYOR PRO TEM  
JAMES M. JOHNSON, III  
District 4**

**(Vacant)  
District 1**

**MICHAEL S. BELL  
District 2**

**WILLIAM T. FYLE  
District 3**

**DONALD I. EVANS  
District 5**

**LOGAN T. LILES  
District 6**

**DERRICK D. CREECH  
District 7**

**CITY MANAGER  
GRANT W. GOINGS**

**CHIEF FINANCIAL OFFICER  
KIM A. HANDS**

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## **Independent Auditor's Report**

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

### **Report On the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wilson, North Carolina, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wilson, North Carolina, as of June 30, 2019, and the respective changes in financial position and, where applicable, 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.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wilson's basic financial statements. The introductory section, combining and individual fund financial statements, budgetary schedules, other schedules, and statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion,

the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2019 on our consideration of the City of Wilson's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Wilson's internal control over financial reporting and compliance.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
October 3, 2019



# CITY OF WILSON, NORTH CAROLINA

## Management's Discussion and Analysis

As management of the City of Wilson (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2019. We encourage readers to read the information presented here in conjunction with the transmittal letter located at the front of this report, and the City's financial statements which follow this narrative that provide more specific detail.

### Financial Highlights

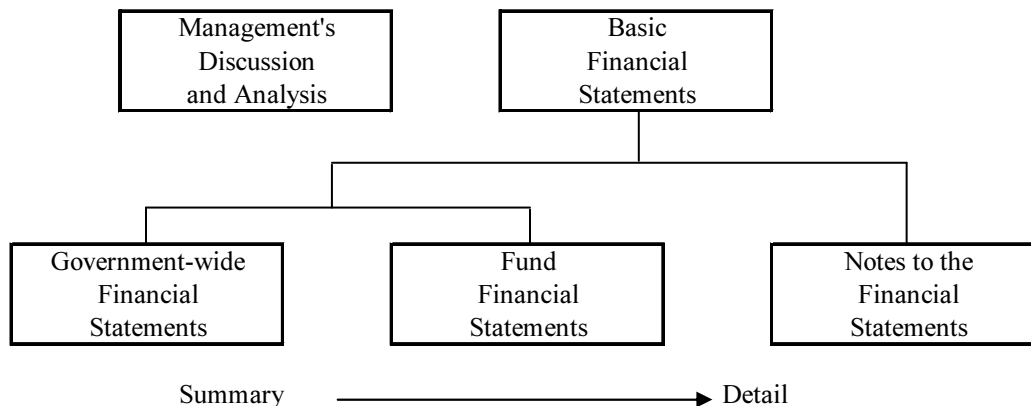
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$352,868,176 (*net position*). Of this amount, \$52,998,656 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$22,776,729, consisting of a \$5,377,806 increase in net position of governmental activities and a \$17,398,923 increase in net position of business-type activities. The governmental increase is due to a number of factors: increases in property and sales taxes during the current year, increase in investment income, and contributions for parks capital projects. The increase in business-type activities was driven by operations of four of the City's utilities; electric, gas, water resources, and broadband.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$28,694,358, an increase of \$1,141,683 in comparison with the prior year. Approximately 24.7 percent of this total amount, or \$7,100,432, is non-spendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,758,850, or 22.8 percent of total general fund expenditures for the fiscal year.
- The City's total debt decreased by \$6,202,658 (4.2 percent) during the current fiscal year. The key factors in this decrease is \$8,650,997 in reductions related to regularly scheduled principal payments on existing outstanding debt, a \$2,788,232 decrease in other post employment benefits (OPEB), and a \$5,099,614 increase in the net pension liability for the LGERS plan.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. These 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 City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City.

Required Components of Annual Financial Report

Figure 1



# CITY OF WILSON, NORTH CAROLINA

## Basic Financial Statements

The first two statements in the basic financial statements are the government-wide financial statements. They provide both short and long-term information about the City's financial status.

The next statements are fund financial statements. These statements focus on the activities of the various funds and provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. In addition, supplemental information is provided to show details about the City's individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements. Also, following the notes is the required supplementary information. This section contains funding information about the City's pension plans and other post employment benefits (OPEB).

## Government-wide Financial Statements

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

The statement of net position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave) or for which cash flows have already occurred.

Both of the government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the City's basic services such as general administration, public safety, parks and recreation, and sanitation services. Property taxes, sales taxes, state-collected revenues and charges for services finance most of these activities. The business-type activities are those that the City charges a fee for the service provided. These include electric, gas, water and wastewater, mass transit, industrial air center, broadband, and stormwater management. The final category consists of the component units, whose financial information is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 15 and 16 of this report.

## Fund Financial Statements

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

**Governmental funds.** Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what

# CITY OF WILSON, NORTH CAROLINA

monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison to governmental activities in the government-wide financial statements.

The City maintains thirty-three individual governmental funds (30 of these are capital or grant project related). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City 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, management, and the City Council of the City about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the City complied with the budget ordinance. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns related to the General Fund: 1) the original budget as adopted by the City Council; 2) the final budget as amended by the City Council; 3) the actual resources, charges to appropriations, and ending balances; and 4) the difference or variance between the final budget and the actual resources and charges.

The basic governmental fund financial statements can be found on pages 17-22 of this report.

**Proprietary funds.** The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater utilities, stormwater activities and its electric, gas, mass transit, broadband, and municipal airport operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for risk management activities, group insurance benefits, and costs of the City's operations center. The services of the Risk Management and Group Insurance Benefits Funds predominately benefit governmental rather than business-type activities, and have been included with governmental activities in the government-wide financial statements. The services of the Operations Center Fund predominately benefits business-type activities and has been included with business-type activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 23-28 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 29-30 of this report.

**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 are on pages 31-66 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees and other post employment benefits. Required supplementary information can be found on pages 67-71.

# CITY OF WILSON, NORTH CAROLINA

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and other post employment benefits (OPEB). Combining and individual fund statements and schedules can be found on pages 72-219 of this report.

**Interdependence with Other Entities:** The City depends on financial resources flowing from, or associated with, both the federal government and the State of North Carolina. Because of this dependency, the City is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with 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 a useful indicator of a government's financial condition. The assets and deferred outflows of the City exceeded liabilities and deferred inflows by \$352,868,176 as of June 30, 2019.

By far the largest portion of the City's net position (83.1 percent) reflects its net investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Table # 1**  
**Statement of Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 55,880,063	\$ 53,043,182	\$ 98,405,630	\$ 94,980,759	\$ 154,285,693	\$ 148,023,941
Capital assets	62,564,527	61,513,397	287,420,013	281,542,009	349,984,540	343,055,406
Total assets	118,444,590	114,556,579	385,825,643	376,522,768	504,270,233	491,079,347
Deferred outflows of resources	10,807,914	7,671,295	5,161,740	3,794,830	15,969,654	11,466,125
Current and other liabilities	9,502,380	8,967,821	26,307,472	25,245,169	35,809,852	34,212,990
Long-term liabilities outstanding	61,839,994	60,737,838	68,427,603	76,107,421	130,267,597	136,845,259
Total liabilities	71,342,374	69,705,659	94,735,075	101,352,590	166,077,449	171,058,249
Deferred inflows of resources	581,047	570,938	713,215	824,838	1,294,262	1,395,776
Net position:						
Net investment in capital assets	61,601,610	60,967,475	231,553,184	217,310,729	293,154,794	278,278,204
Restricted	6,714,726	5,496,754			6,714,726	5,496,754
Unrestricted	(10,987,253)	(14,512,952)	63,985,909	60,829,441	52,998,656	46,316,489
Total net position	\$ 57,329,083	\$ 51,951,277	\$ 295,539,093	\$ 278,140,170	\$ 352,868,176	\$ 330,091,447

A portion of the City's net position (1.90 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$52,998,656 may be used to meet the government's ongoing obligations to citizens and creditors.

# CITY OF WILSON, NORTH CAROLINA

There was a net increase of \$1,217,972 in restricted net position reported. The amount for governmental-type activities increased primarily due to changes in the stabilization reserve of \$1,260,683.

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 7,588,542	\$ 7,489,676	\$ 193,068,940	\$ 191,456,234	\$ 200,657,482	\$ 198,945,910
Operating grants and contributions	3,275,404	2,469,319	2,010,413	1,039,949	5,285,817	3,509,268
Capital grants and contributions	800,759	280,143	115,201	2,487,366	915,960	2,767,509
General revenues:						
Property taxes	25,138,117	23,522,710			25,138,117	23,522,710
Other taxes	14,921,207	14,310,862			14,921,207	14,310,862
Grants and contributions not restricted to specific programs	477,669	217,176		19,900	477,669	237,076
Investment income	749,893	75,557	1,229,103	89,929	1,978,996	165,486
Other general revenues	1,176,445	1,125,609	622,394	747,988	1,798,839	1,873,597
Total revenues	<u>54,128,036</u>	<u>49,491,052</u>	<u>197,046,051</u>	<u>195,841,366</u>	<u>251,174,087</u>	<u>245,332,418</u>
Expenses						
Program Activities						
Governmental Activities:						
General government	5,790,860	4,702,497			5,790,860	4,702,497
Public safety	23,880,498	22,614,881			23,880,498	22,614,881
Public services	5,734,201	6,049,078			5,734,201	6,049,078
Environmental services	5,824,279	5,386,525			5,824,279	5,386,525
Planning and development	4,986,383	3,256,759			4,986,383	3,256,759
Human services	251,877	220,468			251,877	220,468
Culture and recreation	5,919,161	7,101,965			5,919,161	7,101,965
Interest on long-term debt	38,101	29,708			38,101	29,708
Business-type Activities:						
Electric			119,702,736	117,967,225	119,702,736	117,967,225
Gas			15,274,141	15,324,883	15,274,141	15,324,883
Water Resources			21,662,381	21,462,054	21,662,381	21,462,054
Mass Transit			1,516,438	1,485,812	1,516,438	1,485,812
Industrial Air Center			160,584	157,915	160,584	157,915
Broadband			14,570,477	14,068,151	14,570,477	14,068,151
Stormwater Management			3,085,241	2,805,860	3,085,241	2,805,860
Total expenses	<u>52,425,360</u>	<u>49,361,881</u>	<u>175,971,998</u>	<u>173,271,900</u>	<u>228,397,358</u>	<u>222,633,781</u>
Increase (Decrease) in Net Position before transfers	1,702,676	129,171	21,074,053	22,569,466	22,776,729	22,698,637
Transfers	<u>3,675,130</u>	<u>4,000,980</u>	<u>(3,675,130)</u>	<u>(4,000,980)</u>		
Increase (Decrease) in Net Position	5,377,806	4,130,151	17,398,923	18,568,486	22,776,729	22,698,637
Net Position-Beginning	51,951,277	47,821,126	278,140,170	259,571,684	330,091,447	307,392,810
Net Position-Ending	<u>\$ 57,329,083</u>	<u>\$ 51,951,277</u>	<u>\$ 295,539,093</u>	<u>\$ 278,140,170</u>	<u>\$ 352,868,176</u>	<u>\$ 330,091,447</u>

Overall, the City's net position increased by \$22,776,729 during the current fiscal year. There are various factors that influenced this increase, both positively and negatively. A significant component of the increase in governmental activities was increased tax related revenues of \$2,225,752 and increased contributions received from other agencies of \$1,587,194. Our utilities are sensitive to several factors, with weather conditions being a significant influence. We experienced a hotter summer period coupled with milder winter conditions this year compared to the prior year. There was a decrease in gas sales volume of 3.4 percent, an increase in water sales volume of 4.5 percent, while electric sales volume remained steady compared to the prior year. Adjustments were made to increase base rates for Water Resources services (water and sewer) and to increase the stormwater fee.

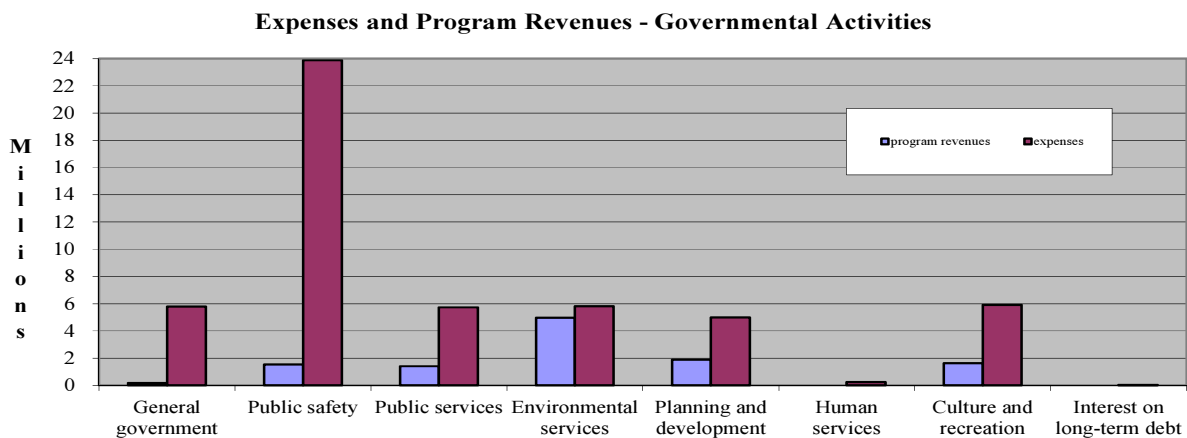
# CITY OF WILSON, NORTH CAROLINA

Broadband subscribers increased during the year by 7.07 percent. The overall effect was an increase in net position for electric of \$5,558,562, gas of \$1,992,491, water resources of \$5,817,777, stormwater of \$923,567 and broadband of \$2,582,431.

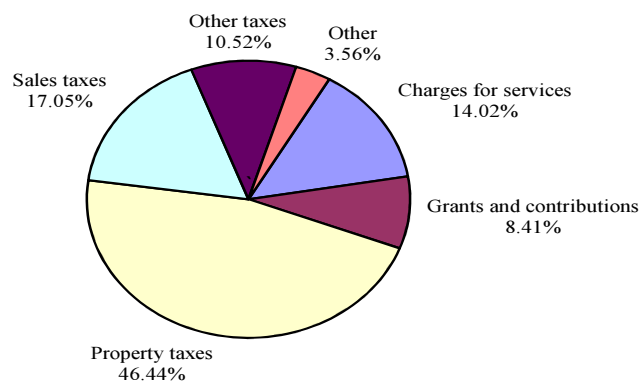
**Governmental Activities.** Governmental activities increased the City's net position by \$5,377,806 due to a number of factors, both positive and negative, during the current fiscal year. Key elements of this increase are as follows:

- Property tax revenues increased by \$1,615,407 (6.87 percent) over the prior year as a result of a 2 cent increase in the rate.
- Investment earnings increased by \$ 674,336 for governmental activities.
- Capital grants and contributions increased \$520,616 compared to the prior year, while operating grant and contributions increased by \$806,085.
- The City recognized a liability increase of \$1,465,417 related to governmental activities; consisting of a \$2,063,291 reduction for other post employment benefits (OPEB) during the year and a \$3,528,708 increase for the LGERS and LEOSSA.

Figure 2



**Revenues by Source - Governmental Activities**



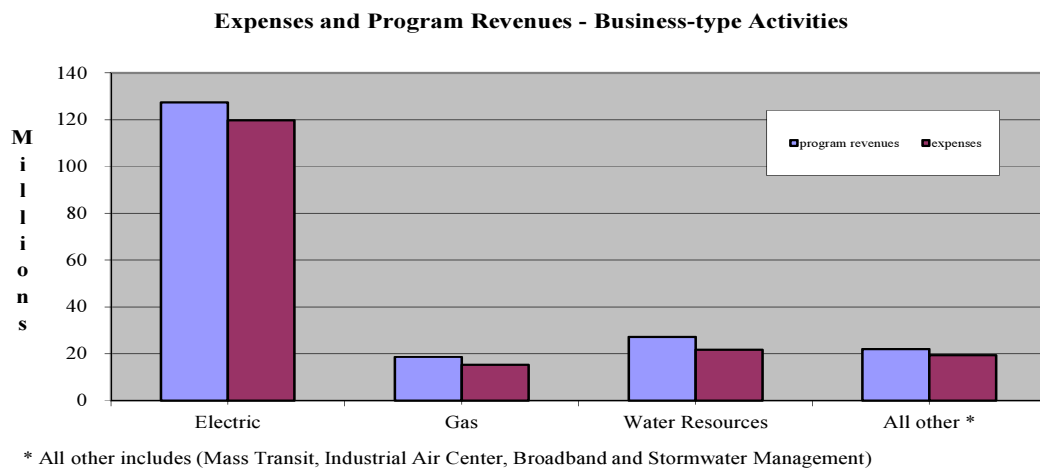
**Business-type Activities.** Business-type activities increased the City's net position by \$17,398,923. Key elements of this increase are as follows:

- The City recognized a liability increase of \$912,502 related to business-type activities; consisting of a \$724,941 reduction for other post employment benefits (OPEB) during the year and a \$1,637,443 increase for the LGERS.

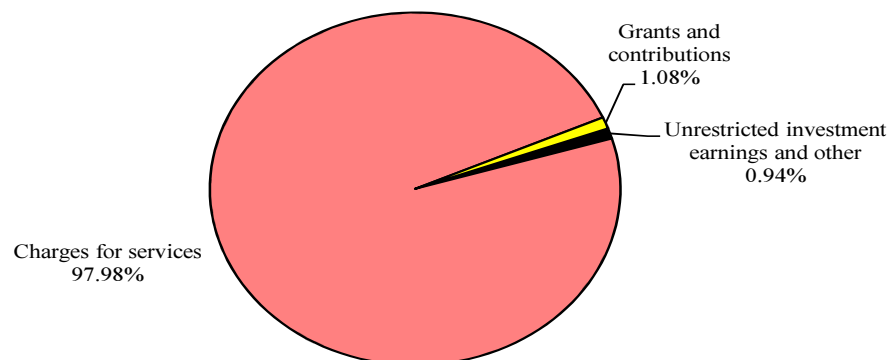
# CITY OF WILSON, NORTH CAROLINA

- Investment earnings increased \$1,139,174 for business-type activities.
- Electric sales volume remained comparable to last year, and operating revenue increased by \$573,869 or 0.45 percent. Other operating cost were up \$2,803,096 or 9.0 percent over the prior year as we continue to move toward installation of advanced metering infrastructure and better load management. Electric power purchase costs decreased by \$836,170 or 1.0 percent compared to the previous year.
- Operating revenues for gas decreased \$152,433 or 0.81 percent, driven by a 3.4 percent volume sales decrease. The winter season compared to the prior year was milder with average temperatures 3.0 percent warmer. Gas purchase costs decreased by \$341,382 or 3.7 percent below the prior year.
- For Water Resources, metered water sales to consumer and sewer services revenues increased \$1,234,059 or 5.0 percent, spurred partly by a 4.5 percent increase in volume sales and base rate increases for both water and sewer. This increase is partially offset as operating expenditures were also higher by \$441,655 or 2.1 percent compared to the prior year.
- During 2019, operating revenues for Broadband increased \$707,386, or 4.4 percent over the prior year offset with an increase in operating costs of \$642,180 or 4.8 percent increase over the prior year. Internet service revenue has increased \$357,935, or 7.9 percent in the past year through subscriber growth. The aforementioned increases were also spurred by contractual work and services provided to other units.

Figure 3



## Revenues by Source - Business-type Activities



# CITY OF WILSON, NORTH CAROLINA

## Financial Analysis of the City's Funds

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

**Governmental Funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

The General Fund is one of the major operating funds of the City. At the end of the current fiscal year, available fund balance in the General Fund was \$18,238,486, while total fund balance was \$23,455,082. Wilson's City Council has determined that the City should maintain an available fund balance of 25% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the City. The City currently has an available fund balance of 35.4 percent of general fund expenditures, while total fund balance represents 45.5 percent of the same amount. Due to uncertainties in the fluctuations of the economy from year to year, Council and management recognize that sustaining this level during uncertain times may be difficult. Steps have been taken to mitigate the draw on this resource and future corrective actions are anticipated should the economy worsen.

At June 30, 2019 the governmental funds of the City reported a combined fund balance of \$28,694,358, a 4.14 percent increase over last year. Included in this change in fund balances is a decrease in the General Fund and increases in both the Special Revenue Funds and Capital Project Funds.

The net change in fund balance of the General Fund was a decrease of \$1,157,393 due to a number of factors, some of which have been previously discussed. Fluctuations in the economy can affect the City's revenue from year to year and such occurrences can be found in privilege licenses, investment income and sales tax revenues. Property taxes increased by \$1,540,909, or 6.84 percent over the prior year, because of the 2 cent tax increase effective from July 1, 2018. Sales and occupancy tax revenues increased by \$500,973, or 6.04 percent, as taxable sales in Wilson County increased by 5.15 percent. Total expenditures and other uses overall for the year were up by \$4,177,159 or 8.1 percent compared to the prior year.

The increase in fund balance for the capital project funds is due to the receipt of contributions from the General Fund to fund improvements to multiple parks, public street maintenance and construction, a parking lot redesign and economic community investment projects, while the increase in special revenue funds is due to matching contributions transferred into the fund yet to be expended for program expenditures.

**General Fund Budgetary Highlights:** During the year, the city revised 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.

Amendments were made to increase appropriations for equipment purchases and replacement, maintenance of vehicles, maintenance of buildings and land purchases. Also, appropriations using forfeiture proceeds, grants and transfers to fund capital projects were made. The above changes accounted for \$5,220,665 of the \$5,502,265 added to the General Fund budget. Encumbrances totaling \$716,649 were automatically added at the outset of the fiscal year as authorized in the original budget ordinance.

Of the aforementioned items, appropriations increased in relation to: general government expenditures for video system equipment upgrade (\$103,530), land and property purchases (\$759,110) and contribution to local airport (\$105,730); police grant expenditures for camera equipment (\$209,280), vehicle replacement (\$41,030), and forfeiture funded purchase of police vehicles and equipment (\$130,670); parks and recreation expenditures for maintenance of buildings, vehicles, grounds, and parking lot (\$50,760), parks equipment (\$111,040), and expanded programs and events (\$165,000); public services and engineering expenditures for paving and street repair (\$73,450), maintenance of vehicles (\$165,000), and transfers to GIG East Exchange Building Renovation Project



# CITY OF WILSON, NORTH CAROLINA

(\$100,000), Arts Council Relocation Project (\$635,000), Cherry Hotel Remediation and Infrastructure Improvement Project (\$930,000), Centre Brick Parking Lot Re-design project (\$500,000), Wayfinding Signage Project (\$337,570), Rotary Park Project (formerly Cavalier Terrace Park) (\$56,460), City-wide Greenway-System Project (\$100,000), Toisnot Park Improvements Projects (\$479,850), Lake Wilson Park Improvement Projects (\$157,185), and 2018 Urgent Repair Program Project (\$10,000).

Overall, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates. Some of the more significant variances between budget and actual results were the following:

- Sales tax revenue is highly sensitive to fluctuations in the economy and taxable sales increased 5.15 percent over 2018; and sales tax revenues were above the budget estimate for 2019 by approximately \$2,712,875.
- Intergovernmental revenues are well beyond the budget projection estimates overall by \$857,090 due to utility sales taxes exceeding budget expectations for 2019.
- Police department experienced significant savings overall of \$715,524, compared to the budget due to lapse salaries and benefits for vacancies the past year, (\$767,000).

**Proprietary Funds.** The City's proprietary fund statements provide the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of each fund is as follows: Electric at \$34,700,810; Gas at \$8,805,123; Water Resources at \$13,769,137; Mass Transit at \$82,218; Industrial Air Center at \$76,235; Broadband at \$2,418,417 and Stormwater Management at \$3,148,328. The total increase or decrease in net position for each fund was as follows: Electric increased \$5,558,562; Gas increased \$1,992,491; Water Resources increased \$5,817,777; Mass Transit increased \$56,726; Industrial Air Center decreased \$72,643; Broadband increased \$2,582,431 and Stormwater Management increased \$923,567. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

## Capital Asset and Debt Administration

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities as of June 30, 2019, totals \$349,984,540 (net of accumulated depreciation). These assets include buildings, streets and sidewalks, land, machinery and equipment, and vehicles. The total increase in the City's investment in capital assets for the current fiscal year was 2.02 percent (a 1.71 percent increase for governmental activities and a 2.09 percent increase for business-type activities).

Major capital asset transactions during the year include the following additions:

- Various electric distribution system improvements were made during the year at a cost of \$4,059,078 and improvements of \$1,296,346 were also made to the gas distribution system.
- Another phase has been completed in the Electric, Gas, and Water utilities as they upgrade to more advanced metering infrastructure technology. Current year costs total \$1,009,672.
- Construction continues on the fiber to the premise system which provides broadband services for residents, business, governmental and other institutions. Costs for the current year total \$1,015,420.
- Rotary Park (formerly Cavalier Terrace Park) had major improvements and upgrades in 2019 in the amount of \$703,387.
- Construction began on the 12" Water Main Extension Project in the amount of \$315,265.
- Longview Pump Station upgrades continued in the amount of \$374,681. The Blower and Aeration project construction was completed with an additional cost of \$153,047 in 2019. The Wiggins Mill Dam Restoration project was also completed in 2019 with an additional cost of \$133,514.
- Environmental Services purchased two side loaders and one rear loader for a combined cost of \$616,140 for all three garbage trucks.
- The Police Lab Renovation took place in 2019 with construction and engineering costs totaling \$111,035.
- A Sewer Cleaner Vacuum Truck was purchased by Stormwater for \$423,818.

# CITY OF WILSON, NORTH CAROLINA

**Table 3**  
**Capital Assets at Year-end**  
**(Net of Depreciation)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Land	\$ 20,885,225	\$ 20,512,033	\$ 27,585,908	\$ 27,585,908	\$ 48,471,133	\$ 48,097,941
Land improvements	6,162,155	5,327,206	3,544,091	3,686,481	9,706,246	9,013,687
Buildings	12,802,042	13,265,113	13,771,030	14,201,468	26,573,072	27,466,581
Distribution system			212,004,962	212,925,920	212,004,962	212,925,920
Rolling stock	6,138,686	5,487,095	8,026,471	7,350,741	14,165,157	12,837,836
Furniture, Fixtures, and equipment	4,050,523	3,993,416	21,525,524	15,791,491	25,576,047	19,784,907
Infrastructure	12,061,769	12,909,854			12,061,769	12,909,854
Construction in progress	464,127	18,680	962,027		1,426,154	18,680
Total	<u>\$ 62,564,527</u>	<u>\$ 61,513,397</u>	<u>\$ 287,420,013</u>	<u>\$ 281,542,009</u>	<u>\$ 349,984,540</u>	<u>\$ 343,055,406</u>

Additional information on the City's capital assets can be found in Note 5 on pages 44-46 of the Basic Financial Statements.

**Long-term Debt.** As of June 30, 2019 the City had total debt outstanding of \$141,627,000. Of this amount, \$46,014,000 represents bonded debt, comprised of the following: the City has \$3,710,000 in debt backed by the full faith and credit of the City and \$9,040,000 in bonds secured solely by revenues of the Combined Enterprise System (water, wastewater, and natural gas) and, the City has \$33,264,000 of certificates of participation outstanding. The remainder of the City's long-term obligations comprises pension related debt, OPEB and compensated absences.

**Table 4**  
**Outstanding Liabilities**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$	\$	\$ 3,710,000	\$ 4,915,000	\$ 3,710,000	\$ 4,915,000
Revenue bonds			9,040,000	9,794,000	9,040,000	9,794,000
Certificates of participation			33,264,000	37,507,000	33,264,000	37,507,000
Notes from direct borrowings			8,532,983	10,206,558	8,532,983	10,206,558
Notes from direct placements	962,917	1,285,927	1,166,686	1,619,098	2,129,603	2,905,025
Compensated absences	2,672,790	2,637,951	1,255,108	1,219,527	3,927,898	3,857,478
OPEB	44,842,623	46,905,914	15,755,516	16,480,457	60,598,139	63,386,371
Pension related debt (LGERS)	10,421,394	6,959,223	4,872,594	3,235,151	15,293,988	10,194,374
Pension related debt (LEOSSA)	5,130,389	5,063,852			5,130,389	5,063,852
Total	<u>\$ 64,030,113</u>	<u>\$ 62,852,867</u>	<u>\$ 77,596,887</u>	<u>\$ 84,976,791</u>	<u>\$ 141,627,000</u>	<u>\$ 147,829,658</u>

The City of Wilson's total debt decreased by \$6,202,658, or (4.2 percent). The key factors in this decrease is \$8,650,997 in reductions related to regularly scheduled principal payments on existing outstanding debt, a \$2,788,232 decrease in OPEB, and a \$5,099,614 increase in the net pension liability for the LGERS plan.

The City maintains, an "Aa2" rating from Moody's Investor Services, an "AA" rating from Standard and Poor's Rating Service, and an "AA+" rating from Fitch Ratings on its general obligation debt (*current long term debt rating*).

# CITY OF WILSON, NORTH CAROLINA

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The City is currently at 1.05 percent. The legal debt margin for the City is \$290,704,018.

Additional information regarding the City's long-term debt can be found in note 7 on pages 46-52 of this report.

## **Economic Factors**

The average unemployment rate for Wilson County is currently 5.98 percent. The statewide and the national average unemployment rates for fiscal year 2019 are 3.94 percent and 3.77 percent respectively. Taxable sales within Wilson County increased by 5.15 percent from \$999,411,501 in 2018 to \$1,050,905,659 in 2019.

## **Budget Highlights for the Fiscal Year Ending June 30, 2020**

For the City as a whole, the adopted budget for FY 2020 is 4.5 percent higher than the FY 2019 budget. The budget also includes the net addition of one position. The costs of health care benefits for employees increased 3.75 percent and will be absorbed by the City. Also, the City's required contribution to the North Carolina Local Government Retirement System has increased from 7.8 to 9.0 percent, impacting the budget by an estimated \$514,000.

**Governmental Activities:** During the current fiscal year, unassigned fund balance in the General Fund decreased to \$11,758,850. The City has appropriated \$6,115,660 for spending in the 2020 fiscal year budget. Sales tax revenues are projected to increase 19.5 percent over the 2019 budget but are still lower than the 2018 levels. Permitting fees were also adjusted by 3 percent to help support growing operating and capital needs surrounding technology in this area.

**Business-type Activities:** For the City's utilities, weather conditions are expected in FY 2020 to be similar to FY 2019. Thus, water and sewer volume is projected to remain relatively steady for FY 2020, along with electric and gas volume expected to have a similar demand pattern with more traditional winter weather conditions. The City will implement a two percent volume rate increase along with base rate increases for both water and sewer on July 1, 2019. Similarly, electric rates for our residential customers will increase by 1.8 percent along with proportionate adjustments to other rate classes effective July 1. This rate increase will pass on a wholesale rate increase from the City's electricity supplier. Also, effective for 2020, the stormwater fee will increase from \$4.50 to \$5.00 per equivalent unit to support infrastructure improvements.

## **Requests for Information**

This report is designed to provide an overview of the City's finances. Questions concerning any of the information found in this report or requests for additional financial information should be directed to the Chief Financial Officer, City of Wilson, P.O. Box 10, Wilson, NC 27894, [khands@wilsonnc.org](mailto:khands@wilsonnc.org).

# CITY OF WILSON, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2019

	Governmental Activities	Business Type Activities	Total Primary Government	Component Units		Total Reporting Unit
				Downtown Development	Cemetery Commission	
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents/investments	\$ 44,103,949	\$ 69,517,084	\$ 113,621,033	\$ 171,386	\$ 329,080	\$ 114,121,499
Receivables (net of allowance for uncollectibles):						
Property taxes	771,472		771,472	3,946		775,418
Motor vehicle licenses taxes	8,240		8,240			8,240
Sales tax distribution	1,660,632		1,660,632			1,660,632
Video programming tax	85,000		85,000			85,000
Utility sales tax	1,033,000		1,033,000			1,033,000
PEG channel tax	20,000		20,000			20,000
Telecommunications tax	75,000		75,000			75,000
Customer accounts		19,705,403	19,705,403			19,705,403
Assessments:						
Paving and clearance of property	835,905		835,905			835,905
Water and sewer		320	320			320
Accrued interest	60,932	100,297	161,229	235	454	161,918
Refundable sales and use tax		1,947,734	1,947,734			1,947,734
Other receivables	913,569	807,129	1,720,698	350		1,721,048
Notes receivable	54,164	230,000	284,164			284,164
Internal balances	1,128,464	(1,128,464)				
Due from other agencies and other governments	1,617,964	837,865	2,455,829	8,674		2,464,503
Inventories	385,706	3,813,532	4,199,238			4,199,238
Prepaid expenses	23,656	45,143	68,799	433	1,793	71,025
Restricted cash and cash equivalents	700,695	2,529,587	3,230,282			3,230,282
<b>Total current assets</b>	<b>53,478,348</b>	<b>98,405,630</b>	<b>151,883,978</b>	<b>185,024</b>	<b>331,327</b>	<b>152,400,329</b>
Non-current assets:						
Investment in joint venture - RMT/Wilson Airport	2,401,715		2,401,715			2,401,715
Capital assets (net of accumulated depreciation):						
Land	20,885,225	27,585,908	48,471,133		25,754	48,496,887
Land improvements	6,162,155	3,544,091	9,706,246		344,104	10,050,350
Buildings	12,802,042	13,771,030	26,573,072		4,445	26,577,517
Distribution system		212,004,962	212,004,962			212,004,962
Rolling stock	6,138,686	8,026,471	14,165,157		137	14,165,294
Furniture, fixtures, and equipment	4,050,523	21,525,524	25,576,047		139,088	25,715,135
Infrastructure	12,061,769		12,061,769			12,061,769
Construction in progress	464,127	962,027	1,426,154			1,426,154
<b>Total capital assets</b>	<b>62,564,527</b>	<b>287,420,013</b>	<b>349,984,540</b>		<b>513,528</b>	<b>350,498,068</b>
<b>Total assets</b>	<b>118,444,590</b>	<b>385,825,643</b>	<b>504,270,233</b>	<b>185,024</b>	<b>844,855</b>	<b>505,300,112</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>						
Deferred outflow of resources on refunding		482,548	482,548			482,548
Pension deferrals - LGERS	5,786,533	2,736,758	8,523,291	29,078	44,681	8,597,050
Contributions subsequent to measurement - LGERS	2,292,518	1,127,129	3,419,647	20,247	15,214	3,455,108
Pension deferrals - LEOSSA	287,463		287,463			287,463
Benefit payments subsequent to measurement - LEOSSA	120,917		120,917			120,917
OPEB deferrals	2,320,483	815,305	3,135,788			3,135,788
<b>Total deferred outflows of resources</b>	<b>10,807,914</b>	<b>5,161,740</b>	<b>15,969,654</b>	<b>49,325</b>	<b>59,895</b>	<b>16,078,874</b>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts payable	1,987,655	13,327,476	15,315,131	3,258	8,227	15,326,616
Insurance claims payable	2,882,946		2,882,946			2,882,946
Accrued wages and amounts withheld	1,480,563	766,773	2,247,336	12,695	11,252	2,271,283
Other liabilities	205,794		205,794			205,794
Accrued interest	4,608	269,424	274,032			274,032
Payable from restricted assets	700,695	2,529,587	3,230,282			3,230,282
Compensated absences - current	1,865,109	857,225	2,722,334	7,356		2,729,690
Notes payable - current	325,010	2,125,987	2,450,997			2,450,997
Certificate of participation - current		4,361,000	4,361,000			4,361,000
General obligation bonds - current		1,180,000	1,180,000			1,180,000
Revenue bonds - current		890,000	890,000			890,000
Advanced grant funds	50,000		50,000			50,000
<b>Total current liabilities</b>	<b>9,502,380</b>	<b>26,307,472</b>	<b>35,809,852</b>	<b>23,309</b>	<b>19,479</b>	<b>35,852,640</b>
Long-term liabilities:						
Compensated absences	807,681	397,883	1,205,564	24,732	9,141	1,239,437
Total OPEB liability	44,842,623	15,755,516	60,598,139			60,598,139
Net pension liability - LGERS	10,421,394	4,872,594	15,293,988	62,893	79,236	15,436,117
Total pension liability - LEOSSA	5,130,389		5,130,389			5,130,389
Notes payable	637,907	7,573,682	8,211,589			8,211,589
Certificate of participation - payable		28,903,000	28,903,000			28,903,000
General obligation bonds payable		2,767,458	2,767,458			2,767,458
Revenue bonds payable		8,157,470	8,157,470			8,157,470
<b>Total long-term liabilities</b>	<b>61,839,994</b>	<b>68,427,603</b>	<b>130,267,597</b>	<b>87,625</b>	<b>88,377</b>	<b>130,443,599</b>
<b>Total liabilities</b>	<b>71,342,374</b>	<b>94,735,075</b>	<b>166,077,449</b>	<b>110,934</b>	<b>107,856</b>	<b>166,296,239</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Retiree insurance premium prepayments	49		49			49
Pension deferrals - LGERS	354,464	322,435	676,899	8,074	6,032	691,005
Pension deferrals - LEOSSA	226,534		226,534			226,534
Deferred inflow of resources on refunding		390,780	390,780			390,780
<b>Total deferred inflows of resources</b>	<b>581,047</b>	<b>713,215</b>	<b>1,294,262</b>	<b>8,074</b>	<b>6,032</b>	<b>1,308,368</b>
<b>NET POSITION</b>						
Net investment in capital assets	61,601,610	231,553,184	293,154,794		513,528	293,668,322
Restricted for:						
Stabilization by State Statute	6,369,654		6,369,654	8,909		6,378,563
Public safety	276,811		276,811			276,811
General government	68,261		68,261			68,261
Unrestricted	(10,987,253)	63,985,909	52,998,656	106,432	277,334	53,382,422
<b>Total net position</b>	<b>\$ 57,329,083</b>	<b>\$ 295,539,093</b>	<b>\$ 352,868,176</b>	<b>\$ 115,341</b>	<b>\$ 790,862</b>	<b>\$ 353,774,379</b>

**CITY OF WILSON, NORTH CAROLINA**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		Total Reporting Unit
					Governmental Activities	Business-type Activities	Total	Downtown Development	Cemetery Commission	
Primary government:										
Governmental activities:										
General government	\$ 5,790,860	\$	\$	\$ 192,421	\$ (5,598,439)	\$	\$ (5,598,439)	\$	\$	\$ (5,598,439)
Public safety	23,880,498	1,366,987	171,909		(22,341,602)		(22,341,602)			(22,341,602)
Public services	5,734,201	80,011	1,332,204	7,560	(4,314,426)		(4,314,426)			(4,314,426)
Environmental services	5,824,279	4,947,892	34,014		(842,373)		(842,373)			(842,373)
Planning and development	4,986,383	67,933	1,737,277	97,353	(3,083,820)		(3,083,820)			(3,083,820)
Human services	251,877				(251,877)		(251,877)			(251,877)
Culture and recreation	5,919,161	1,125,719		503,425	(4,290,017)		(4,290,017)			(4,290,017)
Interest on long-term debt	38,101				(38,101)		(38,101)			(38,101)
Total governmental activities	<u>52,425,360</u>	<u>7,588,542</u>	<u>3,275,404</u>	<u>800,759</u>	<u>(40,760,655)</u>		<u>(40,760,655)</u>			<u>(40,760,655)</u>
Business-type activities:										
Electric	119,702,736	126,910,289	455,508			7,663,061	7,663,061			7,663,061
Gas	15,274,141	18,576,754				3,302,613	3,302,613			3,302,613
Water and Sewer	21,662,381	26,775,009	371,464	101,335		5,585,427	5,585,427			5,585,427
Mass Transit	1,516,438	75,502	1,017,651			(423,285)	(423,285)			(423,285)
Industrial Air Center	160,584	30,741				(129,843)	(129,843)			(129,843)
Broadband	14,570,477	16,827,728	79,202			2,336,453	2,336,453			2,336,453
Stormwater Management	3,085,241	3,872,917	86,588	13,866		888,130	888,130			888,130
Total business-type activities	<u>175,971,998</u>	<u>193,068,940</u>	<u>2,010,413</u>	<u>115,201</u>		<u>19,222,556</u>	<u>19,222,556</u>			<u>19,222,556</u>
Total primary government	<u>\$ 228,397,358</u>	<u>\$ 200,657,482</u>	<u>\$ 5,285,817</u>	<u>\$ 915,960</u>	<u>(40,760,655)</u>	<u>19,222,556</u>	<u>(21,538,099)</u>			<u>(21,538,099)</u>
Component units:										
Downtown Development	\$ 439,166	\$ 64,172	\$ 15,750	\$				(359,244)		(359,244)
Cemetery Commission	516,362	522,149							5,787	5,787
Total component units	<u>\$ 955,528</u>	<u>\$ 586,321</u>	<u>\$ 15,750</u>	<u>\$</u>				<u>(359,244)</u>	<u>5,787</u>	<u>(353,457)</u>
General revenues:										
Property taxes					25,138,117		25,138,117	67,191		25,205,308
Sales taxes					9,228,875		9,228,875			9,228,875
Occupancy tax					448,016		448,016			448,016
Utility sales taxes					5,244,316		5,244,316			5,244,316
Grants and contributions not restricted to specific programs					477,669		477,669			477,669
Privilege License Tax					2,904		2,904			2,904
Miscellaneous					914,396	410,625	1,325,021	280,500	131,900	1,737,421
Alcoholic beverage taxes					87,500		87,500			87,500
Gain on sale of capital assets					171,645	211,769	383,414		17,465	400,879
Unrestricted investment earnings					749,893	1,229,103	1,978,996	2,925	4,715	1,986,636
Total general revenues not including transfers					<u>42,463,331</u>	<u>1,851,497</u>	<u>44,314,828</u>	<u>350,616</u>	<u>154,080</u>	<u>44,819,524</u>
Transfers					3,675,130	(3,675,130)				
Total general revenues and transfers					<u>46,138,461</u>	<u>(1,823,633)</u>	<u>44,314,828</u>	<u>350,616</u>	<u>154,080</u>	<u>44,819,524</u>
Change in net position					5,377,806	17,398,923	22,776,729	(8,628)	159,867	22,927,968
Net Position - beginning					51,951,277	278,140,170	330,091,447	123,969	630,995	330,846,411
Net position - ending					<u>\$ 57,329,083</u>	<u>\$ 295,539,093</u>	<u>\$ 352,868,176</u>	<u>\$ 115,341</u>	<u>\$ 790,862</u>	<u>\$ 353,774,379</u>

# CITY OF WILSON, NORTH CAROLINA

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2019

	General	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents/investments	\$ 22,472,263	\$ 5,219,085	\$ 27,691,348
Receivables (net of allowance for uncollectibles):			
Property taxes	771,472		771,472
Motor vehicle license taxes	8,240		8,240
Sales tax distribution	1,660,632		1,660,632
Video programming	85,000		85,000
Utility sales tax	1,033,000		1,033,000
PEG Channel tax	20,000		20,000
Telecommunications tax	75,000		75,000
Assessments - paving/clearing	835,905		835,905
Accrued interest	36,783	592	37,375
Other receivables	600,573		600,573
Notes receivable		54,164	54,164
Interfund receivables	411,965		411,965
Due from other agencies and governments	737,252	880,712	1,617,964
Inventories	385,706		385,706
Restricted cash and cash equivalents	693,945	6,750	700,695
Total assets	<u>\$ 29,827,736</u>	<u>\$ 6,161,303</u>	<u>\$ 35,989,039</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,781,708	\$ 205,947	\$ 1,987,655
Interfund payable		659,330	659,330
Advanced grant funds		50,000	50,000
Accrued wages and amounts withheld	1,475,017		1,475,017
Payable from restricted assets	693,945	6,750	700,695
Other liabilities	205,794		205,794
Total liabilities	<u>4,156,464</u>	<u>922,027</u>	<u>5,078,491</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Uncollected property taxes, assessments and miscellaneous receivables	2,216,190		2,216,190
Total deferred inflows of resources	<u>2,216,190</u>		<u>2,216,190</u>
<b>FUND BALANCES</b>			
Non Spendable			
Inventories	385,706		385,706
Restricted			
Stabilization by State Statute	4,830,890	1,538,764	6,369,654
General government	68,261		68,261
Public safety	276,811		276,811
Committed			
General government		3,530	3,530
Public services	12,600	957,166	969,766
Planning and development		2,162,019	2,162,019
Culture and recreation	4,900	1,119,731	1,124,631
Assigned			
Subsequent year's expenditures	6,115,660	120,290	6,235,950
Planning and development	1,404	64,035	65,439
Unassigned	11,758,850	(726,259)	11,032,591
Total fund balances	<u>23,455,082</u>	<u>5,239,276</u>	<u>28,694,358</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 29,827,736</u>	<u>\$ 6,161,303</u>	<u>\$ 35,989,039</u>

# CITY OF WILSON, NORTH CAROLINA

## RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS JUNE 30, 2019

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Fund Balance Governmental Funds	\$	28,694,358
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental capital assets	\$ 124,837,610		
Internal Service Fund capital assets	359,768		
Less accumulated depreciation	(62,375,615)		
Less accumulated depreciation - Internal Service Fund	<u>(257,236)</u>		62,564,527

The City has an equity interest in a joint venture. This investment is not a current financial resource and therefore is not reported in the funds.			2,401,715
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Deferred outflows of resources related to pensions are not reported in the funds			8,487,431
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Deferred outflows of resources related to OPEB are not reported in the funds			2,320,483
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Deferred revenue in governmental funds is susceptible to full accrual on the government-wide statements.

Uncollected property taxes, assessments, and miscellaneous receivables	2,216,190		
Other receivables - Refuse unbilled accounts receivable	<u>276,199</u>		2,492,389

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Total OPEB Liability	(44,842,623)		
Net Pension Liability - LGERS	(10,421,394)		
Total Net Pension Liability - LEOSSA	(5,130,389)		
Notes payable	(962,917)		
Compensated absences	(2,656,643)		
Compensated absences - Internal Service Fund	(16,147)		
Accrued interest payable	<u>(4,608)</u>		(64,034,721)

Deferred inflows of resources related to pensions are not reported in the funds.			(580,998)
--	--	--	-----------

Internal service funds are used by management to charge the costs of risk management and group insurance benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

			<u>14,983,899</u>
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Net position of governmental activities	\$	<u>57,329,083</u>
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The notes to the financial statements are an integral part of this statement.

# CITY OF WILSON, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019

	General	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
Taxes:			
Property	\$ 21,752,913	\$	\$ 21,752,913
Motor vehicle property	2,302,577		2,302,577
Motor vehicle license	911,154		911,154
Vehicle rental	60,426		60,426
Sales	9,228,875		9,228,875
Occupancy	448,016		448,016
Privilege license	2,904		2,904
Licenses and permits	814,646		814,646
Intergovernmental revenues	7,379,935	1,439,860	8,819,795
Assessments	92,325		92,325
Charges for services	6,674,491		6,674,491
Investment income	436,669	31,665	468,334
Loan repayments and related interest		674,373	674,373
Contributions		167,353	167,353
Other	764,454	102,900	867,354
Total revenues	<u>50,869,385</u>	<u>2,416,151</u>	<u>53,285,536</u>
<b>EXPENDITURES</b>			
Current:			
General government	7,315,212	731,880	8,047,092
Public safety	24,543,503		24,543,503
Public services	5,433,369		5,433,369
Environmental services	5,939,821		5,939,821
Planning and development	1,830,282	2,580,268	4,410,550
Human services	267,391		267,391
Culture and recreation	5,826,983	1,162,188	6,989,171
Debt service:			
Principal	323,010		323,010
Interest	36,721		36,721
Total expenditures	<u>51,516,292</u>	<u>4,474,336</u>	<u>55,990,628</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(646,907)</u>	<u>(2,058,185)</u>	<u>(2,705,092)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	3,538,814	4,605,647	8,144,461
Transfers out	(4,220,945)	(248,386)	(4,469,331)
Sales of capital assets	171,645		171,645
Total other financing sources (uses)	<u>(510,486)</u>	<u>4,357,261</u>	<u>3,846,775</u>
Net change in fund balances	<u>(1,157,393)</u>	<u>2,299,076</u>	<u>1,141,683</u>
Fund balance - beginning	<u>24,612,475</u>	<u>2,940,200</u>	<u>27,552,675</u>
Fund balance - ending	<u>\$ 23,455,082</u>	<u>\$ 5,239,276</u>	<u>\$ 28,694,358</u>



# CITY OF WILSON, NORTH CAROLINA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

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

Net change in fund balances - total governmental funds	\$	1,141,683
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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.

Expenditures for capital assets	\$	4,526,244	
Expenditures for capital assets - Internal Service Fund			
Less current year depreciation		(3,392,769)	
Less current year depreciation - Internal Service Fund		<u>(46,224)</u>	1,087,251

The net effect of various miscellaneous transactions involving capital assets is to increase net position.

Donated capital from governments	199,981	
Gain/(Loss) on Sales of Capital Assets	<u>(236,101)</u>	(36,120)

OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities	2,320,483
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Benefit payments paid and administrative expenses for the LEOSSA are not included on the Statement of Activities	120,917
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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 miscellaneous revenue and assessments	81,788	
Unbilled accounts receivable	(3,518)	
Change in equity interest of joint venture	342,923	
Change in unavailable revenue for tax revenues	<u>111,047</u>	532,240

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments	323,010	
Accrued interest	<u>(1,380)</u>	321,630

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.

Change in long-term compensated absences	(34,177)	
Change in long-term compensated absences - Internal Service Fund	(662)	
Pension expense	(652,893)	
OPEB plan expense	<u>(128,425)</u>	(816,157)

The net revenue of certain activities of the internal service fund is reported with governmental activities.	<u>705,879</u>
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Change in net position of governmental activities	\$	<u><u>5,377,806</u></u>
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The notes to the financial statements are an integral part of this statement.

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES				
Taxes:				
Property	\$ 20,752,600	\$ 20,752,600	\$ 21,752,913	\$ 1,000,313
Motor vehicle property	2,113,290	2,113,290	2,302,577	189,287
Motor vehicle license	715,000	715,000	911,154	196,154
Vehicle rental	31,780	31,780	60,426	28,646
Sales	6,516,000	6,516,000	9,228,875	2,712,875
Occupancy	250,000	250,000	448,016	198,016
Privilege licenses	400	400	2,904	2,504
Licenses and permits	382,820	382,820	814,646	431,826
Intergovernmental revenues	6,004,190	6,522,845	7,379,935	857,090
Assessments	21,000	21,000	92,325	71,325
Charges for services	6,123,160	6,161,160	6,674,491	513,331
Investment income	125,000	125,000	436,669	311,669
Other	50,670	181,120	764,454	583,334
Fund balance appropriated	5,857,910	11,299,719		(11,299,719)
Total revenues	48,943,820	55,072,734	50,869,385	(4,203,349)
EXPENDITURES				
Current:				
General government:				
Mayor and council	74,860	75,210	63,700	11,510
City Manager	367,110	368,257	327,695	40,562
City Attorney	115,870	185,870	217,231	(31,361)
Human Resources	373,690	373,690	337,617	36,073
Financial Services	1,268,060	1,310,190	1,222,993	87,197
Information Technology Services	317,830	317,830	317,828	2
General insurance and utilities	3,507,460	3,866,952	3,464,979	401,973
Other general government services & unclassified	1,179,880	1,498,529	1,363,169	135,360
Total general government	7,204,760	7,996,528	7,315,212	681,316
Public safety				
Police	14,839,330	15,438,688	14,723,164	715,524
Fire	8,894,080	8,903,580	8,709,529	194,051
Construction standards	832,760	908,926	745,328	163,598
Neighborhood improvements	389,700	393,316	365,482	27,834
Total public safety	24,955,870	25,644,510	24,543,503	1,101,007
Public services				
Public services administration	1,365,100	1,261,100	1,195,254	65,846
Engineering	485,530	621,242	555,380	65,862
Parking and traffic	450,520	604,363	486,322	118,041
Street maintenance	3,229,400	3,428,206	3,196,413	231,793
Total public services	5,530,550	5,914,911	5,433,369	481,542
Environmental services	5,633,950	6,103,617	5,939,821	163,796
Planning and development	1,766,630	1,975,846	1,830,282	145,564
Human services	265,780	265,780	267,391	(1,611)
Culture and recreation	5,771,740	6,140,937	5,826,983	313,954

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Debt service:				
Principal	\$ 323,290	\$ 323,290	\$ 323,010	\$ 280
Interest	39,380	39,380	36,721	2,659
Debt service costs	2,000	2,000		2,000
Total debt service	364,670	364,670	359,731	4,939
Total expenditures	51,493,950	54,406,799	51,516,292	2,890,507
Excess (deficiency) of revenues over (under) expenditures	(2,550,130)	665,935	(646,907)	(1,312,842)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,465,010	3,465,010	3,538,814	73,804
Transfers out	(914,880)	(4,220,945)	(4,220,945)	
Sales of capital assets		90,000	171,645	81,645
Total other financing sources (uses)	2,550,130	(665,935)	(510,486)	155,449
Net change in fund balances	\$	\$	(1,157,393)	\$ (1,157,393)
Fund balances - beginning			24,612,475	
Fund balances - ending			\$ 23,455,082	

# CITY OF WILSON, NORTH CAROLINA

## STATEMENT OF FUND NET POSITION

### PROPRIETARY FUNDS

JUNE 30, 2019

	Business-type Activities-Enterprise Funds								Internal Service Funds
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Totals Current Year	
<b>ASSETS</b>									
Current assets:									
Cash and cash equivalents/investments	\$ 35,511,610	\$ 7,894,304	\$ 18,595,178	\$ 376,210	\$ 74,181	\$ 1,996,281	\$ 2,939,234	\$ 67,386,998	\$ 18,542,687
Receivables (net of allowances for uncollectibles):									
Customer accounts	13,736,766	914,350	3,229,699			1,824,588		19,705,403	
Assessments - water and sewer			320					320	
Accrued interest	52,155	11,273	26,748	494	102	2,847	3,654	97,273	26,581
Refundable sales and use tax	1,947,734							1,947,734	
Other receivables	192,984	2,355	3,503	110	3,648	270,988	333,541	807,129	36,797
Notes receivable						230,000		230,000	
Interfund receivables									247,365
Due from other agencies and governments	207,650	495	9,832	451,272		85,553	83,063	837,865	
Inventories	1,927,722	165,319	193,652			1,526,839		3,813,532	
Prepaid expenses									23,656
Prepaid insurance cost on debt issuance			45,143					45,143	
Total current assets	53,576,621	8,988,096	22,104,075	828,086	77,931	5,937,096	3,359,492	94,871,397	18,877,086
Noncurrent assets:									
Restricted cash - Deposits	1,833,948	192,044	357,979	168		145,448		2,529,587	
Advances to other funds		2,345,455						2,345,455	
Capital assets:									
Land	5,712,240	234,948	20,400,159	77,981	314,867		381,715	27,121,910	463,998
Land improvements	10,651		5,368,385		540,527			5,919,563	1,957,306
Buildings	394,071	20,749	11,335,426	1,116,290	525,474	254,280	94,834	13,741,124	10,226,797
Distribution system	134,033,117	30,031,025	190,025,831			26,293,995	13,688,283	394,072,251	
Rolling stock	13,258,482	1,595,026	4,759,050	1,329,274	26,187	413,148	1,451,476	22,832,643	20,643
Furniture, fixtures and equipment	27,235,875	1,106,465	5,274,929	14,299	20,832	16,655,714	41,181	50,349,295	1,184,368
Construction-in-progress			962,027					962,027	
Less accumulated depreciation	(93,100,431)	(12,253,225)	(96,698,127)	(1,901,414)	(692,818)	(24,618,907)	(5,583,274)	(234,848,196)	(6,481,184)
Total capital assets:	87,544,005	20,734,988	141,427,680	636,430	735,069	18,998,230	10,074,215	280,150,617	7,371,928
Total noncurrent assets:	89,377,953	23,272,487	141,785,659	636,598	735,069	19,143,678	10,074,215	285,025,659	7,371,928
Total assets	\$ 142,954,574	\$ 32,260,583	\$ 163,889,734	\$ 1,464,684	\$ 813,000	\$ 25,080,774	\$ 13,433,707	\$ 379,897,056	\$ 26,249,014
<b>DEFERRED OUTFLOWS OF RESOURCES</b>									
Deferred outflow of resources on refunding	151,698		40,789			290,061		482,548	
Pension deferrals - LGERS	940,760	256,571	1,111,809	85,524		171,047	171,047	2,736,758	
Contributions subsequent to measurement - LGERS	378,391	103,197	473,548	34,399		68,797	68,797	1,127,129	
OPEB deferrals	344,937	94,073	344,937	31,358				815,305	
Total deferred outflows of resources	1,815,786	453,841	1,971,083	151,281		529,905	239,844	5,161,740	

# CITY OF WILSON, NORTH CAROLINA

## STATEMENT OF FUND NET POSITION

### PROPRIETARY FUNDS

JUNE 30, 2019

	Business-type Activities-Enterprise Funds								Internal Service Funds
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Totals Current Year	
LIABILITIES									
Current liabilities:									
Accounts payable	\$ 11,305,851	\$ 496,498	\$ 736,255	\$ 66,701	\$ 1,696	\$ 625,480	\$ 85,540	\$ 13,318,021	\$ 9,455
Accrued wages and amounts withheld	266,592	80,272	248,550	21,935		133,420	16,004	766,773	5,546
Accrued interest	96,981	8,874	83,768			70,251		259,874	9,550
Payable from restricted assets	1,833,948	192,044	357,979	168		145,448		2,529,587	
Insurance claims payable									2,882,946
General obligation bonds - current			1,180,000					1,180,000	
Revenue bonds - current		200,250	689,750					890,000	
Notes payable - current	261,756	190,656	1,673,575					2,125,987	
Certificates of participation - current	959,000					3,071,865		4,030,865	330,135
Compensated absences - current	308,243	95,767	276,860	13,160		149,156	14,039	857,225	9,083
Total current liabilities	15,032,371	1,264,361	5,246,737	101,964	1,696	4,195,620	115,583	25,958,332	3,246,715
Noncurrent liabilities:									
General obligation bonds payable			2,767,458					2,767,458	
Revenue bonds payable		1,835,463	6,322,007					8,157,470	
Notes payable	523,513	190,761	6,859,408					7,573,682	
Certificates of participation payable	17,032,000					11,159,305		28,191,305	711,695
Compensated absences - noncurrent	131,835	1,662	106,920	28,954		113,924	14,588	397,883	7,064
Total OPEB liability	6,665,795	1,817,944	6,665,795	605,982				15,755,516	
Net pension liability - LGERS	1,689,257	460,705	1,954,790	153,568		307,137	307,137	4,872,594	
Advances from other funds						2,345,455		2,345,455	
Total noncurrent liabilities	26,042,400	4,306,535	24,676,378	788,504		13,925,821	321,725	70,061,363	718,759
Total liabilities	41,074,771	5,570,896	29,923,115	890,468	1,696	18,121,441	437,308	96,019,695	3,965,474
DEFERRED INFLOWS OF RESOURCES									
Retiree insurance premium prepayments									49
Pension deferrals - LGERS	75,345	20,547	192,294	6,849		13,700	13,700	322,435	
Deferred inflow of resources on refunding	326,736					53,621		380,357	10,423
Total deferred inflows of resources	402,081	20,547	192,294	6,849		67,321	13,700	702,792	10,472
NET POSITION									
Net investment in capital assets	68,592,698	18,317,858	121,976,271	636,430	735,069	5,003,500	10,074,215	225,336,041	6,319,675
Unrestricted	34,700,810	8,805,123	13,769,137	82,218	76,235	2,418,417	3,148,328	63,000,268	15,953,393
Total net position	\$ 103,293,508	\$ 27,122,981	\$ 135,745,408	\$ 718,648	\$ 811,304	\$ 7,421,917	\$ 13,222,543	288,336,309	\$ 22,273,068
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.								7,202,784	
Net position of business-type activities								\$ 295,539,093	

# CITY OF WILSON, NORTH CAROLINA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

### PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

	Business-type Activities-Enterprise Funds							Totals	Internal
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Current Year	Service Funds
Operating revenues:									
Metered general consumers	\$ 118,674,687	\$ 18,351,674	\$ 12,339,486	\$	\$	\$	\$	\$ 149,365,847	\$
Sales to other distributors	2,145,525							2,145,525	
Sales to other utilities	1,970,500	202,286	118,616					2,291,402	
Municipal street lights	350,000							350,000	
Rental of area lights	2,000,433							2,000,433	
Municipal hydrants			23,814					23,814	
Sewer services			13,651,802					13,651,802	
Bus fares				70,663				70,663	
Airport rental income					30,741			30,741	
Broadband services						15,472,863		15,472,863	
Stormwater management fee							3,843,912	3,843,912	
Contributions from various funds									15,918,047
Contributions from employees									1,322,154
Contributions from retirees									223,626
Other	1,769,144	22,794	641,291	185,364		1,354,865	29,005	4,002,463	71,276
Total operating revenues	126,910,289	18,576,754	26,775,009	256,027	30,741	16,827,728	3,872,917	193,249,465	17,535,103
Operating expenses:									
Cost of purchased electricity	83,861,713							83,861,713	
Cost of purchased gas		8,896,934						8,896,934	
Production and distribution	11,947,431	2,835,696	6,643,080					21,426,207	
Broadband inside plant						1,220,643		1,220,643	
General and administrative	10,838,207	2,652,166	3,458,389	546,418	124,053	1,115,585		18,734,818	
Engineering	2,066,470							2,066,470	
Maintenance				966,843	22,884			989,727	329,729
Marketing & public relations	339,357							339,357	
System control and communications	2,823,718							2,823,718	
Water reclamation			4,653,951					4,653,951	
Wastewater collection			2,102,306					2,102,306	
Stormwater management							2,796,448	2,796,448	
Broadband programming fees						7,682,535		7,682,535	
Technical support services						132,969		132,969	
Unified Communications Center						107,032		107,032	
Administrative fees									1,075,996
Insurance claims									2,587,286
Benefits claim payments									12,250,319
Broadband operations						2,006,600		2,006,600	
Special projects				6,443				6,443	
Depreciation	5,922,948	840,332	4,393,687	19,546	14,926	1,791,467	301,456	13,284,362	349,805
Total operating expenses	117,799,844	15,225,128	21,251,413	1,539,250	161,863	14,056,831	3,097,904	173,132,233	16,593,135
Operating income (loss)	9,110,445	3,351,626	5,523,596	(1,283,223)	(131,122)	2,770,897	775,013	20,117,232	941,968

# CITY OF WILSON, NORTH CAROLINA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

### PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

	Business-type Activities-Enterprise Funds							Totals	Internal
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management	Current Year	Service Funds
Nonoperating revenue (expense):									
Investment income	\$ 654,657	\$ 118,264	\$ 320,559	\$ 9,798	\$ 2,629	\$ 41,761	\$ 44,425	\$ 1,192,093	\$ 318,569
Other income	137,687		69,136		970	230,401	3,675	441,869	887
Intergovernmental	455,508		371,464	1,017,651		79,202	86,588	2,010,413	
Other expenses						(33,278)		(33,278)	
Prop Nonoper Exp									
Interest expense	(590,507)	(79,373)	(552,943)			(506,552)		(1,729,375)	(62,418)
Contributions to other agencies	(1,532,808)	(30,720)						(1,563,528)	
Prepaid insurance cost on bond issuance		(1,216)	(15,370)					(16,586)	
Total nonoperating revenue (expense)	<u>(875,463)</u>	<u>6,955</u>	<u>192,846</u>	<u>1,027,449</u>	<u>3,599</u>	<u>(188,466)</u>	<u>134,688</u>	<u>301,608</u>	<u>257,038</u>
Income (loss) before contributions and transfers	8,234,982	3,358,581	5,716,442	(255,774)	(127,523)	2,582,431	909,701	20,418,840	1,199,006
Transfers in				312,500	54,880			367,380	
Transfers out	(2,676,420)	(1,366,090)						(4,042,510)	
Capital contributions			101,335				13,866	115,201	
Change in net position	5,558,562	1,992,491	5,817,777	56,726	(72,643)	2,582,431	923,567	16,858,911	1,199,006
Total net position - beginning	<u>97,734,946</u>	<u>25,130,490</u>	<u>129,927,631</u>	<u>661,922</u>	<u>883,947</u>	<u>4,839,486</u>	<u>12,298,976</u>		<u>21,074,062</u>
Total net position - ending	<u>\$ 103,293,508</u>	<u>\$ 27,122,981</u>	<u>\$ 135,745,408</u>	<u>\$ 718,648</u>	<u>\$ 811,304</u>	<u>\$ 7,421,917</u>	<u>\$ 13,222,543</u>		<u>\$ 22,273,068</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds								540,012	
Change in net position of business-type activities								<u>\$ 17,398,923</u>	

# CITY OF WILSON, NORTH CAROLINA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2019

	Business-type Activities-Enterprise Funds							Totals Current Year	Internal Service Funds
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management		
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash received from customers and users	\$ 127,629,609	\$ 18,642,419	\$ 26,608,692	\$ 256,027	\$ 28,439	\$ 16,734,637	\$ 3,859,195	\$ 193,759,018	\$
Cash received from interfund services provided									17,215,465
Insurance claim reimbursements									62,015
Cash paid to suppliers	(102,507,430)	(11,991,464)	(10,697,198)	(853,348)	(125,347)	(9,456,164)	(2,131,131)	(137,762,082)	(16,063,899)
Cash paid to employees	(8,113,344)	(2,388,275)	(6,999,548)	(650,314)	(23,607)	(2,745,800)	(639,260)	(21,560,148)	(242,695)
Net cash provided by (used in) operating activities	17,008,835	4,262,680	8,911,946	(1,247,635)	(120,515)	4,532,673	1,088,804	34,436,788	970,886
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Transfer from other funds				312,500	54,880			367,380	
Transfer to other funds	(2,676,420)	(1,366,090)						(4,042,510)	
Grant funds received	287,274		589,629	618,399			3,525	1,498,827	
Contributions to other agencies	(1,532,808)	(30,720)						(1,563,528)	
Interfund payable to other funds						(234,545)		(234,545)	
Interfund receivable from other funds		234,545						234,545	
Contributions					100			100	
Net cash provided (used) by noncapital financing activities	(3,921,954)	(1,162,265)	589,629	930,899	54,980	(234,545)	3,525	(3,739,731)	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Acquisition and construction of capital assets	(12,406,556)	(1,399,801)	(3,539,590)		(127,900)	(1,037,067)	(926,921)	(19,437,835)	(26,879)
Principal paid on capital debt	(1,206,757)	(360,306)	(3,462,925)			(2,980,206)		(8,010,194)	(317,794)
Interest paid on capital debt	(581,311)	(80,381)	(620,394)			(466,471)		(1,748,557)	(64,803)
Proceeds from sales of capital assets	168,377		69,137		870	50,404	3,675	292,463	
Net cash provided (used) by capital and related financing activities	(14,026,247)	(1,840,488)	(7,553,772)		(127,030)	(4,433,340)	(923,246)	(28,904,123)	(409,476)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest and dividends received	649,047	115,285	314,919	10,116	2,849	41,578	43,509	1,177,303	314,344
Net cash provided (used) in investing activities	649,047	115,285	314,919	10,116	2,849	41,578	43,509	1,177,303	314,344
Net increase (decrease) in cash and cash equivalents/investments	(290,319)	1,375,212	2,262,722	(306,620)	(189,716)	(93,634)	212,592	2,970,237	875,754
Cash and cash equivalents/investments, (including restricted cash) - July 1	37,635,877	6,711,136	16,690,435	682,998	263,897	2,235,363	2,726,642	66,946,348	17,666,933
Cash and cash equivalents/investments, (including restricted cash) - June 30	\$ 37,345,558	\$ 8,086,348	\$ 18,953,157	\$ 376,378	\$ 74,181	\$ 2,141,729	\$ 2,939,234	\$ 69,916,585	\$ 18,542,687



# CITY OF WILSON, NORTH CAROLINA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2019

	Business-type Activities-Enterprise Funds							Totals Current Year	Internal Service Funds
	Electric	Gas	Water Resources	Mass Transit	Industrial Air Center	Broadband	Stormwater Management		
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities									
Operating income (loss)	\$ 9,110,445	\$ 3,351,626	\$ 5,523,596	\$ (1,283,223)	\$ (131,122)	\$ 2,770,897	\$ 775,013	\$ 20,117,232	\$ 941,968
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:									
Depreciation expense	5,922,948	840,332	4,393,687	19,546	14,926	1,791,467	301,456	13,284,362	349,805
Insurance refunds									887
Change in assets and liabilities									
(Increase) decrease in accounts receivable	654,544	65,665	(161,703)	(110)	(2,302)	(101,623)	(13,722)	440,749	(9,247)
(Increase) decrease in inventory	(30,198)	(4,942)	(268)			113,836		78,428	
(Increase) decrease in prepaid items									(2,647)
(Increase) decrease in interfund receivables									(247,365)
Increase (decrease) in OPEB liability	(306,706)	(83,647)	(306,706)	(27,882)				(724,941)	
(Increase) decrease in deferred outflows of resources - OPEB	(19,141)	(5,220)	(19,141)	(1,740)				(45,242)	
Increase (decrease) in retiree insurance premium prepayments									(1,011)
Increase (decrease) in insurance claims payable									200,148
Increase (decrease) in customer deposits	64,776	(3,309)	(4,614)			8,532		65,385	
Increase (decrease) in accounts payable	1,532,081	63,703	(567,818)	38,788	(2,017)	(100,365)	15,931	980,303	(262,514)
Increase (decrease) in accrued wages and amounts withheld	18,067	21,557	(18,383)	1,348		38,652	(1,151)	60,090	862
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(478,459)	(130,488)	(565,453)	(43,496)		(86,992)	(86,992)	(1,391,880)	
Increase (decrease) in net pension liability	562,871	153,510	665,212	51,170		102,340	102,340	1,637,443	
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(22,393)	(6,107)	(26,463)	(2,036)		(4,071)	(4,071)	(65,141)	
Total adjustments	7,898,390	911,054	3,388,350	35,588	10,607	1,761,776	313,791	14,319,556	28,918
Net cash provided by (used in) operating activities	\$ 17,008,835	\$ 4,262,680	\$ 8,911,946	\$ (1,247,635)	\$ (120,515)	\$ 4,532,673	\$ 1,088,804	\$ 34,436,788	\$ 970,886
Noncash investing, capital, and financing activities:									
Capital assets contributed (to)/from other funds/customers	\$	\$	\$ 101,335	\$	\$	\$	\$ 13,866	\$ 115,201	\$
Capital assets acquired to be paid for in subsequent years	\$ 2,571,173	\$ 21,877	\$ 304,344	\$	\$	\$	\$	\$ 2,897,394	\$
Increase (decrease) in fair value of investments	\$ 367,082	\$ 71,636	\$ 176,205	\$ 5,099	\$ 1,724	\$ 20,576	\$ 23,439	\$ 665,761	\$ 181,134

# CITY OF WILSON, NORTH CAROLINA

## STATEMENT OF FIDUCIARY NET POSITION

### FIDUCIARY FUNDS

JUNE 30, 2019

	Private-purpose Trust
	John Glover Fire Education
ASSETS	
Cash and cash equivalents	\$ 2,591
Accrued interest	9
Investments, at fair value:	
U.S. Government agencies	1,753
Money Market	1,104
Certificate of Deposit	79
North Carolina Cash Management Trust	824
Total investments	3,760
Total assets	\$ 6,360
NET POSITION	
Restricted for other purposes	6,360
Total net position	\$ 6,360

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

# CITY OF WILSON, NORTH CAROLINA

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

### FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

	Private-purpose Trust John Glover Fire Education
ADDITIONS	
Contributions:	
Private donations	\$
Total contributions	
Investment earnings:	
Interest	63
Net increase (decrease) in the fair value of investments	82
Total investment earnings	145
Total additions	\$ 145
DEDUCTIONS	
Benefits	\$
Scholarships	4,000
Total deductions	4,000
Change in net position	(3,855)
Net position - beginning	10,215
Net position - ending	\$ 6,360

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

# **CITY OF WILSON, NORTH CAROLINA**

## **Notes to Basic Financial Statements For the Year Ended June 30, 2019**

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### **Note 1. Summary of Significant Accounting Policies**

The City of Wilson, North Carolina, (“the City”) was incorporated in 1849 and operates under a Council-Manager form of government. The City provides the following services: public safety (police and fire), streets, environmental services, water and sewer, stormwater, planning, inspections and zoning, parks and recreation, electric, gas, broadband, and general administration services.

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City’s significant accounting policies are described below.

#### **A - Reporting Entity**

The City of Wilson is a municipal corporation that is governed by an elected mayor and a seven-member council. The City’s basic financial statements include all funds over which the City has accountability. As required by generally accepted accounting principles, these financial statements present the financial position and results of the operations of the City and its component units, legally separate entities for which the City is financially accountable. Blended component units are in substance part of the City’s operations and are combined with amounts of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Included within the reporting entity -

#### **City of Wilson Financing Assistance Corporation**

The City of Wilson Financing Assistance Corporation (COWFAC) assists the City in acquiring, constructing, financing, selling and/or leasing of real property, improvements, facilities, equipment and other tangible and intangible personal property. The sole purpose of the COWFAC is to provide a funding source for City assets and enter into lease or financing arrangements with the City to repay the debt. The COWFAC governing board is appointed by City Council. The City is required to make payments to the COWFAC in an amount sufficient to pay the scheduled debt service on COWFAC debt. As a blended component unit, with a June 30 year end, the assets and liabilities of the corporation are combined with the assets and liabilities of the primary government.

#### **Downtown Development Corporation**

Downtown Development Corporation is a not-for-profit corporation, established to promote economic development in a municipal service district created by the act of City Council. A municipal service district tax is levied under the taxing authority of the City and remitted to the Downtown Development Corporation for use in the downtown district. The Downtown Development Corporation’s budget is subject to the approval of City Council. The Downtown Development Corporation, which has a June 30 year end, is a discretely presented component unit presented in a separate column in the City’s financial statements in order to emphasize that it is legally separate from the city.

#### **Wilson Cemetery Commission**

Wilson Cemetery Commission is responsible for maintaining and operating the municipal cemeteries. A five-member board appointed by City Council manages it. The Wilson Cemetery Commission’s operating budget is subject to the approval of the City Council. The City Council sets charges for cemetery services. The City is required to provide sufficient appropriation in the annual budget for the care and maintenance of municipal cemeteries. The Wilson Cemetery Commission, which has a June 30 year end, is a discretely presented component unit presented in a separate column in the City’s financial statements in order to emphasize that it is legally separate from the city.

There are no significant disclosures related to the above entities, which are not already included herein; therefore, no

# CITY OF WILSON, NORTH CAROLINA

separate financial statements have been issued for these entities.

## B – Basis of Presentation

**Government-wide Statements:** The entity-wide financial statements (i.e., the statement of net position and the statement of activities) include the financial activities of the overall government (Primary Government and its Component Units). Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between governmental and business-type activities of the City. Governmental activities, defined as activities supported through taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on customer demand-based fees and charges for support services. Inter-fund transactions are eliminated for the most part. Net position may serve over time as a useful indicator of a government's financial condition. The government-wide Statement of Net Position shows all assets and liabilities of the City and the net position, which is the difference between assets and liabilities.

The Statement of Activities presents a comparison between direct expenses (gross and net) and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include: (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are reported as general revenues.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include certain services provided between funds at market or near market rates, which are treated as revenues and expenses, and net residual amounts due between governmental and business-like activities, which are presented as internal balances. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

The City does not currently employ an indirect cost allocation system. An administrative service fee is charged by the General Fund to the other operating funds to address General Fund services provided (e.g., general administration, financial administration, personnel, legal, etc.).

**Fund Financial Statements:** The fund financial statements provide information about the City's funds. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – 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 funds distinguish *operating* revenues and expenses from the *non-operating* items. *Operating* revenues and expenses generally result from charges for providing service and producing and delivering goods in relation with a proprietary fund's principal operations. The principal operating revenues of the enterprise funds, charges for services, results 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 and investment earnings, result from non-exchange transactions or ancillary activities.

The City reports the following major governmental funds:

*General Fund.* The General Fund is the general operating fund of the City. The General Fund accounts for all financial resources with the exception of those funds that are required by law 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 environmental services.

The City reports the following major enterprise funds:

*Electric Fund.* The Electric Fund accounts for the operation of the City's electric power distribution system.

# CITY OF WILSON, NORTH CAROLINA

*Gas Fund.* The Gas Fund accounts for the operation of the City's gas distribution system.

*Water Resources Fund.* The Water Resources Fund accounts for the operation of the City's water and sewer system.

*Broadband Fund.* The Broadband Fund accounts for the operation of the City's broadband services providing video, voice, and data services.

*Mass Transit Fund.* The Mass Transit Fund accounts for the operation of the City's mass transit system.

*Industrial Air Center Fund.* The Industrial Air Center Fund accounts for the operation of the City's municipal airport.

*Stormwater Management Fund.* The Stormwater Management Fund accounts for activities of the stormwater management system of the City.

Additionally, the government reports the following fund types:

*Internal Service Funds.* Internal Service Funds account for a risk management (insurance) program, limited risk self-insurance health program, and operation center facility operations and maintenance program.

*Private Purpose Trust Fund* accounts for monies held in trust for a private individual that provides financial assistance to private individuals for their education in fire fighting.

## C – Measurement Focus and Basis of Accounting

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

**Government-wide, Proprietary, and Fiduciary Fund Financial Statements.** The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Economic resources measurement focus requires all assets and liabilities are included on the statement of net position or balance sheet. Accrual basis accounting requires revenues to be recognized when earned and expenses to be recognized when a liability is incurred, regardless of the timing of related cash flow. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized as revenues in the fiscal year in which they are levied. Revenue from grants and donations is recognized in the fiscal year for which all eligibility requirements imposed by the provider 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 program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses separately from non-operating transactions. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City enterprise funds are charges to customers for sales and services related to electric, gas, water, sanitary sewer, storm water management services and broadband services. The City also recognizes restoration of services, service taps, bus fares, and airport rentals as operating revenues. Operating expenses for enterprise funds include cost of sales and services, production and distribution, administration, and depreciation on capital assets. All revenues and expenses not meeting these criteria (such as investment earnings) are reported as non-operating revenues and expenses.

**Governmental Fund Financial Statements.** Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized in

## **CITY OF WILSON, NORTH CAROLINA**

the accounting period in which the related fund liability is incurred, if measurable, except for un-matured principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The City recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Non-exchange transactions occur when one government provides (or receives) value to (or from) another party without receiving (or giving) equal value in return. The City regards all revenues as 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 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 City are recognized as revenue. Sales taxes are considered a shared revenue for the City because the tax is levied by Wilson 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 City funds certain programs by a combination of specific cost reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

The City reports deferred inflows of resources on its Governmental Funds Balance Sheet. Deferred inflows arise when potential revenue does not meet the "available" criteria for recognition in the current period. Deferred inflows also arise when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred inflows is removed from the governmental funds balance sheet and revenue is recognized.

### **D - Budgetary Data**

The City's budget is adopted as required by the North Carolina General Statutes. The annual budgetary process entails the preparation of budgetary documents within an established timetable. The timetable is designed to incorporate the amount of time necessary to produce a draft budget document prior to June 1<sup>st</sup>, when the City Manager submits a proposed operating budget of estimated revenues and expenditures to the City Council for the fiscal year commencing July 1. Public hearings are conducted to obtain taxpayer comments. Prior to July 1<sup>st</sup>, the budget is legally enacted through passage of an ordinance. Annual appropriated budgets are adopted for the General Fund, Community Development Fund, Economic Development Reserve Fund and Enterprise 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 includes all funds with the exception of Trust Funds and the Internal Service Funds.

All annual appropriations lapse at the fiscal year end. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Project ordinances are adopted for Special Revenue Grant Projects, Capital Projects and Enterprise Fund Capital Projects, which are consolidated with the operating funds for reporting purposes.

The City Manager is authorized to transfer budgeted amounts between objects of expenditures within any department without limitation. The City Manager is also authorized to transfer up to \$50,000 in budgeted expenditures between

## CITY OF WILSON, NORTH CAROLINA

departments within each fund. All amendments must be approved by resolution of the City Council. The financial statement budget columns reflect all budget amendments adopted by the City Council through June 30.

During the year, several supplementary appropriations were necessary; however, individual amendments were not material in relation to the original appropriations.

Also as required by State law, the City's internal service funds (Risk Management, Group Insurance Benefit, and Operation's Center) operate under financial plans that were adopted by the governing board at the time the City's budget ordinance was approved. The financial plans were also entered into the minutes of the governing board.

### **E – Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity**

#### **1. Deposits and Investments**

The deposits of the City of Wilson and each of its component units are secured as required by North Carolina General Statute ("G.S.") 159-31. Each of these units may establish official depositories with any bank or savings and loan association whose principal office is located in North Carolina. G.S. 159-30(c) authorizes each of these units to invest in obligations of the U.S. Treasury; obligations of any agency of the United States of America, provided the payment of interest and principal of such obligations is fully guaranteed 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 banker's acceptances; and the North Carolina Capital Management Trust (NCCMT), an SEC registered external investment pool dedicated to serving North Carolina public units.

The City's investments with a maturity of more than one year at acquisition and non-money market investments are reported at fair value as determined by quoted market prices and in accordance with GASB Statement 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools. The securities of the NCCMT Government Portfolio, an SEC-registered (2a-7) government money market fund, are measured at fair value. For the majority of investments, the City has the ability to hold all securities to maturity. However, due to economic conditions and when it is beneficial to the City, the City may elect to sell investments prior to their maturity on the secondary market. In accordance with State law, the City has invested in securities which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

Each of these units may also establish time deposits in the form of NOW, Super NOW and money market accounts, and certificates of deposit. Depositories must collateralize public deposits in excess of federal depository insurance coverage by using one of two methods. Under the *dedicated method*, each depository in the name of each local unit establishes a separate escrow account, and the responsibility of monitoring collateralization rests with the local unit. Under the *pooling method*, which is a collateral pool, each depository establishes an escrow account in the name of the State Treasurer to secure all its public deposits. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agent in its name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the pooling method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City or its component units or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the City or its component units under the pooling method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the pooling method depository. The City has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance.

#### **2. Cash and Cash Equivalents**

The City of Wilson and its component units pool money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. It is the City's policy to use unrestricted resources first, and then restricted resources as needed.



## CITY OF WILSON, NORTH CAROLINA

### 3. Restricted Assets

Customer deposits held by the City before any services are supplied are restricted to the service for which the deposit was collected.

#### City of Wilson Restricted Cash

##### Governmental Activities

###### General Fund

Deposits	\$ 693,945
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###### Community Development Fund

Deposits	6,750
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##### Total Governmental Activities

\$ 700,695
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##### Business-type Activities

###### Electric Fund

Customer Deposits	\$ 1,833,948
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###### Gas Fund

Customer Deposits	192,044
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###### Water Resources Fund

Customer Deposits	357,979
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###### Mass Transit Fund

Customer Deposits	168
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###### Broadband Fund

Customer Deposits	145,448
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##### Total Business-type Activities

\$ 2,529,587
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##### Total Restricted Cash

\$ 3,230,282
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### 4. Ad Valorem Taxes Receivable

In accordance with North Carolina General Statutes (GS 105-347 and G.S. 159-13(a)), all ad valorem taxes are levied by the City of Wilson on property other than motor vehicles on July 1<sup>st</sup>, the beginning of the fiscal year. The Wilson County Tax Administrator acts as agent for the City in listing, assessing and collecting all taxes related to real and personal property located in the City. The taxes are due on September 1<sup>st</sup> (lien date); however, interest does not accrue until the following January 6<sup>th</sup>. These taxes are based on the assessed values as of January 1, 2018.

By the following June 30, taxes receivable are delinquent and are not considered a resource to finance current year operations. A lien attaches to real property as of the listing date (January 2) and to personal property when the levy or garnishment attachment is made.

### 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. Internal Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

### 7. Inventory and Prepaid Items

The inventories of the City are recorded as an expenditure/expense when consumed rather than when purchased. Inventory is determined by physical count and valued at cost using the average cost method. These inventories are accounted for in the central warehouse, which is managed by the Purchasing Division in the Financial Services Department.

# CITY OF WILSON, NORTH CAROLINA

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

## 8. Long Term Receivables

Assessments that can be paid over a ten-year period which only require an annual payment amount that equals 10% of the original amount are considered long-term receivables. Notes receivable for Community Development loans that were incurred to improve substandard properties for rent to low-income people are financed for periods of 10 to 20 years. All of these receivables have a lien against real property for collateral.

## 9. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the entity-wide financial statements. Fund financial statements of governmental funds do not include capital assets since they are on the current financial measurement focus and the modified accrual accounting basis. Capital assets include individual assets that have a life of longer than one year and a value of \$5,000 or greater, except for infrastructure assets, which must have a value of at least \$50,000.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair market value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Any interest incurred during the construction phase of proprietary capital assets is reflected in the capitalized value of the asset constructed. 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.

Depreciation has been provided over the estimated useful lives of the capital assets using the straight-line method. The estimated useful lives are as follows:

<u>Capital asset</u>	<u>Useful Life</u>
Equipment	5 - 30 years
Land improvements	25 - 30 years
Buildings	30 - 50 years
Distribution systems	30 - 50 years
Infrastructure	30 - 50 years

## 10. Long-Term Obligations

Long-term liabilities are reported as liabilities in the government-wide statements and the proprietary fund financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs on debt issuance are expensed over the life of the debt. Governmental fund types do not show long-term liabilities in the fund financial statements since their measurement focus is on current financial resources and the modified accrual basis of accounting.

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

## 11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net

## CITY OF WILSON, NORTH CAROLINA

position that applies to a future period and so will not be recognized as an expense or expenditure until that time. The City has a few items that meet this criterion: pension deferrals for LGERS, contributions made to pension plan in the 2019 fiscal year, benefit payments and administrative expenses for LEOSSA, OPEB deferrals, and the difference between the reacquisition price and the net carrying amount of revenue bonds and certificates of participation refunded. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The City has a few items that meet this criterion: unearned revenue related to taxes receivable, assessments, and miscellaneous receivables, insurance premium prepayment, pension deferrals, and the difference between the reacquisition price and the net carrying amount of revenue bonds and certificates of participation refunded. Fund statement receivables recorded in the governmental funds that have been assessed for improvements are recognized as a receivable on the assessment date and have been reduced by an allowance for doubtful accounts. The receivables are recognized as revenue when collected during the year. Government-wide and proprietary fund statements record revenue from receivables when the transaction occurs and have also been reduced by an allowance for doubtful accounts.

### 12. Compensated Absences

The vacation policy of the City provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the City, the current portion of the accumulated vacation pay is not considered to be material; therefore no expenditure or liability has been reported in the fund financial statements. The City also has a compensatory time policy that allows employees to accrue leave in lieu of payment for overtime worked. The City's liability for accumulated compensatory time, earned vacation and salary related payments as of June 30, 2019 are not recorded in the fund financial statements for governmental funds financial statements and are a reconciling item to government-wide financials. For the City's proprietary funds financial statements and government-wide financials, an expense and a liability for compensated absences, and the salary related payments, are accrued within those funds when incurred. Vacation leave accrued over the 30 day limit is converted to sick leave annually. The City's liability for compensated absences at June 30, 2019 is \$3,927,898. The City has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The sick leave policy of the City 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 City does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

### 13. 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.

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

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

Restricted for Stabilization by State statute – portion of fund balance that is restricted by State Statute [G.S. 159-8],

## CITY OF WILSON, NORTH CAROLINA

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

Restricted for general government – portion of fund balance restricted by revenue source to be utilized by the public affairs division of the administrative services department for cable television channels maintained by the City for public, educational or governmental use; such as adding additional programming or upgrading equipment.

Restricted for public safety – Police distributed share of Federal DEA, IRS/Customs Border Protection and Judicial forfeitures; State Controlled Substance Tax Assessment restricted by revenue sources to be used for law enforcement to purchase vehicles, equipment, and other approved items.

Committed Fund Balance – portion of fund balance that can only be used for specific purposes by majority vote by quorum of Wilson's City Council (highest level of decision-making authority). Any changes or removal of specific purpose requires majority action by the governing board. The City Council can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Committed for general government – portion of fund balance committed by City Council for the GIG East Exchange building renovation and for the relocation of Arts Council.

Committed for public services – portion of fund balance committed by City Council for the public services department for public street maintenance (paving and resurfacing of streets), for redesign of the Centre Brick parking lot, for repairs to Rail Station canopy, and for portion received for payment in-lieu of sidewalks.

Committed for planning and development – portion of fund balance committed by City Council for the planning and development services department for the purchase and/or construction of buildings for economic purposes; matching funds for a Wayfinding Signage grant that will provide guidance and direction for all modes of travel; matching funds for an urgent repair grant; matching funds for Brownfields Cleanup Revolving Loan fund program, and remediation and infrastructure improvement to the Cherry Hotel.

Committed for culture and recreation – portion of fund balance committed by City Council for site improvements to the City of Wilson's main park facility, trail and bridge improvements at one of the lake parks, construction of a dog park along with flood zone improvements, improvements at Wiggins Mill; and portion received for park space dedication.

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

Subsequent year's expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The City Council approves the appropriation; however the budget ordinance authorizes the manager to modify the appropriations within funds up to \$50,000.

Assigned for planning and development – portion of fund balance assigned by City Council for community development administration and loan program management and a Downtown Redevelopment Incentive Grant.

Unassigned Fund balance – the portion of fund balance that has not been restricted, committed, or assigned to specific

## CITY OF WILSON, NORTH CAROLINA

purposes or other funds. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The City of Wilson follows the guidelines as set forth by the GASB Statement 54, that in the use of unrestricted fund balance amounts, committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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

It is the City's policy to maintain an amount of fund balance available for appropriation in the General Fund no less than twenty-five percent of annual expenditures.

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	\$ 23,455,082
Less Inventories	385,706
Less Stabilization by State Statute	4,830,890
Available Fund Balance	<u>\$ 18,238,486</u>

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Encumbrances	General Fund	Non-Major funds
	\$ 771,258	\$ 603,296

The Downtown Development Corporation has zero encumbrances at year-end.

### 14. 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 City's employer contributions are recognized when due and the City has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LERS. Investments are reported at fair value.

### 15. Other Resources

The General Fund provides the basis of local resources for other governmental funds. These transactions are recorded as "Transfers to other funds" in the General Fund and "Transfers from other funds" in the receiving fund in the fund financial statements.

# CITY OF WILSON, NORTH CAROLINA

## 16. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

## 17. Comparative Data/Reclassifications

Comparative data for the prior year has been presented on certain supplemental financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

### Note 2. Detail Notes on All Funds

#### A. Assets

##### 1. Deposits

At June 30, 2019, the carrying amount of the City's deposits, including restricted deposits, was \$48,670,778. The carrying amounts of the Downtown Development Corporation and the Wilson Cemetery Commission deposits were \$70,096 and \$136,107 respectively. The City has balances totaling \$1,454,519 invested in certificates of deposit, of which, \$2,106 and \$10,643 are presented in the Downtown Development Corporation and Wilson Cemetery Commission, respectively. The City has investments in Money Market accounts of \$20,356,832, of which, \$29,617 and \$55,151 are presented in the Downtown Development Corporation and Wilson Cemetery Commission, respectively. The bank balances for the above deposits were \$71,548,392, including all certificates of deposit and Money Market accounts, which consist of \$71,334,332 for the City, \$70,096 for the Downtown Development Corporation and \$143,964 for the Wilson Cemetery Commission. At June 30, 2019, the City's petty cash fund totaled \$8,035. The Downtown Development Commission and the Wilson Cemetery petty cash funds totaled \$1,000 and \$50, respectively. All deposits were maintained with financial institutions which collateralize deposits in excess of FDIC by the pooling method. Of the bank balance above, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method.

##### 2. Investments

Pooled cash and investments are maintained and used by all funds.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

As of June 30, 2019, the City had the following investments and maturities:

Investment Type	Valuation Measurement Method	Investment Maturity (in Years)		
		Fair Value	Less Than 1	1-5
Government Agencies:				
Federal Home Loan Bank	Fair Value Level 1	\$ 3,895,995		\$ 3,895,995
Federal Home Loan Mortgage Corporation	Fair Value Level 1	8,479,816	2,930,713	5,549,103
Federal National Mortgage Association	Fair Value Level 1	18,971,096	2,951,766	16,019,330
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	15,118,112	15,118,112	
		<u>\$ 46,465,019</u>	<u>\$ 21,000,591</u>	<u>\$ 25,464,428</u>

# CITY OF WILSON, NORTH CAROLINA

As of June 30, 2019, the Wilson Cemetery Commission had the following investments and maturities:

<u>Investment Type</u>	<u>Valuation Measurement Method</u>	<u>Investment Maturity (in Years)</u>		
		<u>Fair Value</u>	<u>Less Than 1</u>	<u>1-5</u>
Government Agencies:				
Federal Home Loan Bank	Fair Value Level 1	\$ 10,689		\$ 10,689
Federal Home Loan Mortgage Corporation	Fair Value Level 1	23,264	8,040	15,224
Federal National Mortgage Association	Fair Value Level 1	52,047	8,098	43,949
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	41,129	41,129	
		<u>\$ 127,129</u>	<u>\$ 57,267</u>	<u>\$ 69,862</u>

As of June 30, 2019, the Downtown Development had the following investments and maturities:

<u>Investment Type</u>	<u>Valuation Measurement Method</u>	<u>Investment Maturity (in Years)</u>		
		<u>Fair Value</u>	<u>Less Than 1</u>	<u>1-5</u>
Government Agencies:				
Federal Home Loan Bank	Fair Value Level 1	\$ 5,777		\$ 5,777
Federal Home Loan Mortgage Corporation	Fair Value Level 1	12,573	4,345	8,228
Federal National Mortgage Association	Fair Value Level 1	28,129	4,377	23,752
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	22,088	22,088	
		<u>\$ 68,567</u>	<u>\$ 30,810</u>	<u>\$ 37,757</u>

Interest rate risk is not managed by a formal investment policy to limit exposure to fair value losses arising from rising interest rates.

The City has no policy on managing credit risk. General Statute 159-30(c) authorizes the City and its component units to invest in obligations of the U.S. Treasury; obligations of any agency of the United States of America, provided the payment of interest and principal of such obligations is fully guaranteed by the United States; certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust, an SEC registered external investment pool. The City complies with these provisions.

The credit risk for the City and its component units are as follows:

<u>Investment Type</u>	<u>Credit Rating</u>
Federal Home Loan Bank	Aaa
Federal Home Loan Mortgage Corporation	Aaa
Federal National Mortgage Association	Aaa
NC Capital Management Trust – Government Portfolio	AAAm

Concentration of credit risk is not managed by a formal investment policy limiting the amount that may be invested in any one issuer.

The concentration of credit risk for the City and its component units are as follows:

<u>Investment Type</u>	<u>% of Total Investments</u>
Federal Home Loan Bank	8%
Federal Home Loan Mortgage Corporation	18%
Federal National Mortgage Association	41%
NC Capital Management Trust – Government Portfolio	33%

Investment income is allocated to the various funds based on their equity in a pooled account. Each fund's equity in pooled cash and investments is set forth in the accompanying financial statements. As required for periods beginning after June 15, 1997 by Statement 31 of the Governmental Accounting Standards Board, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," the City and its component units are reported at fair value as determined by quoted market prices. The NCCMT Government Portfolio's securities are measured at amortized cost, which is the NCCMT's share price.

## CITY OF WILSON, NORTH CAROLINA

During fiscal year ended June 30, 2019, the City, Downtown Development Corporation, and the Wilson Cemetery Commission have realized a net gain/(loss) of (\$194,677), (\$366), and (\$463), respectively from the sale of investments. The calculation of realized loss is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses in investments that had been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of the investments reported in the prior year. The net increase/(decrease) in the fair value of the City's, Downtown Development Corporation's and the Wilson Cemetery Commission's investments during fiscal year ended June 30, 2019 were \$1,101,571, \$1,653, and \$2,549 respectively. These amounts take into account all changes in fair value (including purchases and sales) that occurred during the year. The City's, Downtown Development Corporation's, and the Wilson Cemetery Commission's unrealized gain / (loss) on investments held at June 30, 2019 were \$934,431, \$1,408, and \$2,628 respectively.

### 3. Receivables - Allowance for Uncollectibles

The receivables shown for Governmental and Business-type activities are presented net of the following allowances for doubtful accounts as of June 30, 2019:

<u>Funds</u>	
Governmental	\$ 3,615,313
Business-type	872,000
Total	<u>\$ 4,487,313</u>

Accounts receivable for the Downtown Development Corporation are presented net of a \$769 allowance for doubtful accounts.

### 4. Due from Other Agencies and Governments

The following summarizes amounts due from other agencies and governments by source as of June 30, 2019.

<u>Funds</u>	<u>Local</u>	<u>State</u>	<u>Federal</u>	<u>Total</u>
Governmental	\$ 412,013	\$ 650,611	\$ 555,340	\$ 1,617,964
Business-type		351,175	486,690	837,865
Total	<u>\$ 412,013</u>	<u>\$ 1,001,786</u>	<u>\$ 1,042,030</u>	<u>\$ 2,455,829</u>

The Downtown Development Corporation has a local due from other governments in the amount of \$8,674.



# CITY OF WILSON, NORTH CAROLINA

## 5. Capital Assets

The following summarizes the changes in capital assets for the governmental activities:

### Primary Government

	Beginning Balances	Additions	Transfers In/out	Retirements	Ending Balances
<b>Governmental Activities</b>					
Capital Assets, not being depreciated					
Land	20,512,033	373,192			20,885,225
Construction in progress	18,680	463,147	(17,700)		464,127
	<u>20,530,713</u>	<u>836,339</u>	<u>(17,700)</u>		<u>21,349,352</u>
 Capital assets, being depreciated:					
Land Improvements	10,205,734	944,462	224,254		11,374,450
Buildings	21,375,559	170,968	(206,554)		21,339,973
Rolling Stock	17,979,276	1,908,486		(1,138,275)	18,749,487
General Equipment	7,945,889	628,438			8,574,327
Furniture, Fixtures, and equipment	4,467,164	63,627			4,530,791
Infrastructure	37,543,500	102,852			37,646,352
Sidewalks	1,561,593	71,053			1,632,646
	<u>101,078,715</u>	<u>3,889,886</u>	<u>17,700</u>	<u>(1,138,275)</u>	<u>103,848,026</u>
 Total capital assets, being depreciated					
 Less accumulated depreciation for:					
Land Improvements	(4,878,528)	(333,767)			(5,212,295)
Buildings	(8,110,446)	(427,485)			(8,537,931)
Rolling Stock	(12,492,181)	(1,020,793)		902,173	(12,610,801)
General Equipment	(4,276,938)	(544,078)			(4,821,016)
Furniture, Fixtures, and equipment	(4,142,699)	(90,880)			(4,233,579)
Infrastructure	(25,952,470)	(971,042)			(26,923,512)
Sidewalks	(242,769)	(50,948)			(293,717)
	<u>(60,096,031)</u>	<u>(3,438,993)</u>		<u>902,173</u>	<u>(62,632,851)</u>
 Total Accumulated Depreciation					
 Total capital assets, being depreciated, net	<u>40,982,684</u>	<u>450,893</u>	<u>17,700</u>	<u>(236,102)</u>	<u>41,215,175</u>
 Governmental activities capital assets, net	<u>\$ 61,513,397</u>	<u>\$ 1,287,232</u>	<u>\$</u>	<u>\$ (236,102)</u>	<u>\$ 62,564,527</u>

# CITY OF WILSON, NORTH CAROLINA

The following summarizes the changes in capital assets for the business-type activities:

	Beginning Balances	Additions	Transfers In (out)	Retirements	Ending Balances
<b>Business-type activities</b>					
Capital Assets, not being depreciated					
Land	\$ 27,585,908	\$		\$	\$ 27,585,908
Construction in progress		962,027			962,027
Total capital assets, not being depreciated	27,585,908	962,027			\$ 28,547,935
 Capital assets, being depreciated:					
Land Improvements	7,861,456	15,413			7,876,869
Buildings	23,940,635	161,014	(133,728)		23,967,921
Utility distribution System	352,319,479	7,969,557			360,289,036
Tanks Reservoirs dams Waterways	33,515,973	133,514	133,728		33,783,215
Rolling Stock and other vehicles	21,439,567	2,227,369		(834,293)	22,832,643
Furniture, fixtures, and equipment	43,218,063	8,111,022		(134,547)	51,194,538
Total capital assets, being depreciated	482,295,173	18,617,889		(968,840)	499,944,222
 Less accumulated depreciation for:					
Land Improvements	(4,174,975)	(157,803)			(4,332,778)
Buildings	(9,739,167)	(457,724)			(10,196,891)
Utility distribution System	(159,765,336)	(8,501,366)			(168,266,702)
Tanks, reservoirs, dams, waterways	(13,144,196)	(656,391)			(13,800,587)
Rolling Stock and other vehicles	(14,088,826)	(1,521,786)		804,440	(14,806,172)
Furniture, fixtures, and equipment	(27,426,572)	(2,292,873)		50,431	(29,669,014)
Total Accumulated depreciation	(228,339,072)	(13,587,943)		854,871	(241,072,144)
Total capital assets, being depreciated, net	253,956,101	5,029,942		(113,969)	258,872,078
 Business-type activities capital assets, net	\$ 281,542,009	\$ 5,991,969	\$	\$ (113,969)	\$ 287,420,013

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

<b>Governmental activities:</b>	
General government	\$ 490,027
Public Safety	908,075
Highways and streets, including depreciation of general infrastructure assets	1,121,930
Environmental services	420,924
Culture and recreation	487,493
Planning and development	10,545
Human Services	
Total depreciation expense - governmental activities	<u>\$ 3,438,993</u>
 <b>Business-type activities:</b>	
Electric	\$ 5,922,948
Gas	840,332
Water	4,393,687
Mass Transit	19,546
Industrial Air Center	14,926
Broadband	1,791,467
Stormwater	301,456
Operations Center	303,581
Total depreciation expense - business-type activities	<u>\$ 13,587,943</u>

# CITY OF WILSON, NORTH CAROLINA

A summary of Wilson Cemetery Commission capital assets activity by type at June 30, 2019:

	Beginning Balance June 30, 2018	Additions	Transfers In (Out)	Retirements	Ending Balance June 30, 2019
Capital assets, not being depreciated:					
Land	\$ 25,754	\$	\$	\$	\$ 25,754
Total capital assets, not being depreciated	25,754				25,754
Capital assets, being depreciated:					
Land Improvements	851,073				851,073
Buildings	76,609				76,609
Rolling Stock	139,194			(44,269)	94,925
Furniture, fixtures and equipment	134,172	97,900		(6,614)	225,458
Total capital assets, being depreciated	1,201,048	97,900		(50,883)	1,248,065
Less accumulated depreciation:					
Land improvements	(488,701)	(18,268)			(506,969)
Buildings	(71,386)	(778)			(72,164)
Rolling stock	(137,350)	(1,706)		44,268	(94,788)
Furniture, fixtures and equipment	(72,493)	(17,956)		4,079	(86,370)
Total accumulated depreciation	(769,930)	(38,708)		48,347	(760,291)
Total capital assets, being depreciated net	431,118	59,192		(2,536)	487,774
Total capital assets, net	\$ 456,872	\$ 59,192	\$	\$ (2,536)	\$ 513,528

## 6. Operating Leases

The City has committed to various operating leases. Lease expenditures for the year ended June 30, 2019 amounted to \$1,151,470.

Future minimum lease payments for these leases are as follows:

Year Ending	Amount
2020	\$ 1,170,953
2021	914,719
2022	794,159
2023	495,317
2024	151,474
2025-2029	
	\$ 3,526,622

## 7. Long-Term Debt

The City is subject to the Local Government Bond Act of North Carolina, which limits the amount of net bonded debt the City may have outstanding to eight percent (8%) of the appraised value of property subject to taxation. At June 30, 2019, the statutory legal debt margin for the City was \$290,704,018.

Principal and interest requirements for Governmental Activities debt will be provided by appropriation in the General Fund in the year in which they become due. Principal and interest requirements for Business-type Activities debt will be provided through operating revenues in the respective Business-type Activities Funds and appropriated in the year in which they become due.

Revenue Bonds issued in fiscal year 2003 pledge the income derived from the Combined Utility System for payment of the debt. These Series 2002 Revenue Bonds were subsequently refunded in fiscal years 2012 and 2014. Currently the Combined Utility System is composed of the Water System, Wastewater System and Gas System. Certain financial covenants are contained in the revenue bond order, among the most restrictive of which provide that the City maintain a long-term revenue bonded debt service coverage ratio of not less than 120%. The overall Combined Utility System debt

## CITY OF WILSON, NORTH CAROLINA

service coverage ratio must be maintained at a ratio of 100%. The coverage ratio as of June 30, 2019 for revenue bonded debt service is 1,408.49% and 322.02% for all debt. The City is in compliance with the covenants as to rates, fees, rentals and charges as presented in the Report of Independent Auditors on Revenue Bond Covenant Compliance letter that is included in the Other Financial Information tab later in this report.

A summary of changes in long-term liabilities is as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within 1 year
<b>Governmental Activities</b>					
Notes from direct placements	\$ 1,285,927	\$	\$ (323,010)	\$ 962,917	\$ 325,010
Total OPEB Liability	46,905,914		(2,063,291)	44,842,623	
Net pension Liability (LGRS)	6,959,223	3,462,171		10,421,394	
Total pension Liability (LEOSSA)	5,063,852	66,537		5,130,389	
Accrued compensated balances	2,637,951	1,766,850	(1,732,011)	2,672,790	1,865,109
	<u>62,852,867</u>	<u>5,295,558</u>	<u>(4,118,312)</u>	<u>64,030,113</u>	<u>2,190,119</u>

The Downtown Development Corporation had accrued compensated absences balance of \$32,088 as of June 30, 2019.

For the governmental funds, accrued compensated absences, pensions, and post-employment benefits are generally liquidated in the General Fund.

<b>Business Type Activities</b>	Beginning Balance	Additions	Retirements	Ending Balance	Due Within 1 year
<b>Electric Fund</b>					
Notes from direct placements	\$ 1,047,025	\$	\$ (261,756)	\$ 785,269	\$ 261,756
Electric COPS Payable	18,936,000		(945,000)	17,991,000	959,000
Total OPEB Liability	6,972,501		(306,706)	6,665,795	
Net pension liability (LGRS)	1,126,386	562,871		1,689,257	
Accrued Compensated Absences	430,503	311,768	(302,193)	440,078	308,243
Electric Fund long term liabilities	<u>28,512,415</u>	<u>874,639</u>	<u>(1,815,655)</u>	<u>27,571,399</u>	<u>1,528,999</u>
<b>Gas Fund</b>					
Notes from direct placements	572,073		(190,656)	381,417	190,656
Gas Revenue Bonds	2,203,650		(169,650)	2,034,000	200,250
Gas Deferred Revenue Bonds Premium	1,903		(190)	1,713	
Total OPEB Liability	1,901,591		(83,647)	1,817,944	
Net pension liability (LGRS)	307,195	153,510		460,705	
Accrued Compensated Absences	85,776	93,685	(82,032)	97,429	95,767
Gas Fund long term liabilities	<u>5,072,188</u>	<u>247,195</u>	<u>(526,175)</u>	<u>4,793,208</u>	<u>486,673</u>
<b>Water Resources Fund</b>					
Notes from direct borrowings	10,206,558		(1,673,575)	8,532,983	1,673,575
Water & Sewer GO Bonds	4,915,000		(1,205,000)	3,710,000	1,180,000
Water and Sewer GO Bond Premium	296,823		(59,365)	237,458	
Water & Sewer Revenue Bonds	7,590,350		(584,350)	7,006,000	689,750
Water & Sewer Deferred Revenue Bond Premium	6,396		(639)	5,757	
Total OPEB Liability	6,972,501		(306,706)	6,665,795	
Net pension liability (LGRS)	1,289,578	665,212		1,954,790	
Accrued Compensated Absences	409,438	237,684	(263,342)	383,780	276,860
Water Resources Fund long term liabilities	<u>31,686,644</u>	<u>902,896</u>	<u>(4,092,977)</u>	<u>28,496,563</u>	<u>3,820,185</u>

# CITY OF WILSON, NORTH CAROLINA

<b>Business Type Activities</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Retirements</b>	<b>Ending Balance</b>	<b>Due Within 1 year</b>
<b>Broadband Fund</b>					
Broadband COPS Payable	17,211,376		(2,980,206)	14,231,170	3,071,865
Net pension liability (LGERS)	204,797	102,340		307,137	
Accrued Compensated Absences	225,138	178,415	(140,473)	263,080	149,156
Broadband Fund long term liabilities	<u>17,641,311</u>	<u>280,755</u>	<u>(3,120,679)</u>	<u>14,801,387</u>	<u>3,221,021</u>
<b>Mass Transit Fund</b>					
Total OPEB Liability	633,864		(27,882)	605,982	
Net pension liability (LGERS)	102,398	51,170		153,568	
Accrued Compensated Absences	40,226	15,122	(13,234)	42,114	13,160
Mass Transit Fund long term liabilities	<u>776,488</u>	<u>66,292</u>	<u>(41,116)</u>	<u>801,664</u>	<u>13,160</u>
<b>Stormwater Management Fund</b>					
Net pension liability (LGERS)	204,797	102,340		307,137	
Accrued Compensated Absences	28,446	12,396	(12,215)	28,627	14,039
Stormwater Fund long term liabilities	<u>233,243</u>	<u>114,736</u>	<u>(12,215)</u>	<u>335,764</u>	<u>14,039</u>
<b>Operation Center Fund</b>					
Operation Center COPS Payable	<u>1,359,624</u>		(317,794)	<u>1,041,830</u>	<u>330,135</u>
Operation Center Fund long term liabilities	<u>1,359,624</u>		<u>(317,794)</u>	<u>1,041,830</u>	<u>330,135</u>
Business activity long-term liabilities	<u>\$ 85,281,913</u>	<u>\$ 2,486,513</u>	<u>\$ (9,926,611)</u>	<u>\$ 77,841,815</u>	<u>\$ 9,414,212</u>

At June 30, 2019 long-term debt, excluding accrued compensated absences, consists of the following:

## **Governmental Activities:**

### **General Fund**

#### **Notes from Direct Placements:**

Carter National Bank Land and Building purchase due in annual principal installment of \$182,010 through June 2021, interest at 3.09% \$ 363,917

Aerial Ladder Fire Truck; note due in annual principal installments of \$141,000 to \$156,000 through May 2023, interest at 2.99% 599,000

Total Governmental Activities Long-Term Debt \$ 962,917

## **Business-Type Activities**

### **Electric Fund:**

#### **Notes from Direct Placements:**

Industrial Development- Land note due in annual principal installments of \$261,756 through June 2022, interest rate at 3.09% 785,269

## CITY OF WILSON, NORTH CAROLINA

### Certificate of Participation Payable:

\$19,761,000 – 2018 Refunded certificates due in annual principal installments of \$ 945,000 to \$ 2,094,000 through May 2032, interest at 4.00% to 5.00% 17,991,000

Total Electric fund 18,776,269

### Gas Fund:

#### Notes from Direct Placements:

MGP Site Cleanup, note due in annual principal installments of \$190,656 through June, 2021, interest at 3.09% 381,417

#### Revenue Bonds:

\$ 2,155,500 – 2011 Revenue Bonds due in annual principal installments of \$15,750 to \$254,250 through June 2028, including interest at 2.99% 2,034,000

Total Gas fund 2,415,417

### Water Resources Fund:

#### Notes from Direct Borrowings:

Wastewater Facility upgrades to 14MGD; note due in annual principal installments of \$654,601 through May 1, 2021; interest at 2.91% 1,309,202

Happy Valley Water Reuse and Sewer Rehabilitation; note due in annual principal installments of \$22,468 beginning after the completion of the capital project and continuing through May 2025, interest at 2.205%. 134,811

Wastewater Facility Phase III Upgrade; note due in annual principal installments of \$968,147, beginning after completion of the project and continuing through May 2026, interest at 2.205%. 6,777,033

Contentnea Interceptor Line; note due in annual principal installments of \$28,358 through May 2030; interest rate at 0.00%. 311,937  
8,532,983

#### General Obligation Bonds:

\$15,280,000 – 2009 Water serial bonds due in annual principal installments of \$225,000 to \$1,345,000 through June 1, 2023: interest at 2.00% to 5.00%. 3,710,000

#### Revenue Bonds:

\$4,237,162 – 2011 Sewer Revenue Bonds due in annual principal installments of \$30,960 to \$499,790 through June 2028; interest at 2.99% 3,998,324

\$3,187,338 – 2011 Water Revenue Bonds due in annual principal installments of \$23,290 to \$375,959 through June 2028; interest rate at 2.99% 3,007,676  
7,006,000

Total Water Resources fund 19,248,983

### Broadband Fund:

#### Certificates of Participation Payable:

\$20,085,008 – 2018 Refunded certificates due in annual principal installments of \$ 779,000 to \$ 4,112,925 through May 2025, interest at 4.00% to 5.00% 14,231,170

# CITY OF WILSON, NORTH CAROLINA

## Operation Center Fund:

### Certificates of Participation Payable:

\$ 1,661,992 – 2018 Refunded certificates due in annual principal installments of \$ 317,794 to \$ 364,076 through May 2022, interest at 4.00% to 5.00%

1,041,830

Total Business Activities Long-Term Debt

\$ 55,713,669

Total Primary Government Long-Term Debt

\$ 56,676,586

The annual requirements to amortize all long-term debt (except accrued compensated absences) outstanding as of June 30, 2019, including interest payments, are as follows:

Year Ending	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 325,010	\$ 29,155	\$ 8,556,986	\$ 1,570,138	\$ 8,881,996	\$ 1,599,293
2021	329,907	19,253	8,696,092	1,321,117	9,025,999	1,340,370
2022	152,000	9,209	7,992,732	1,066,713	8,144,732	1,075,922
2023	156,000	4,664	5,103,974	833,348	5,259,974	838,012
2024			3,698,974	689,615	3,698,974	689,615
2025-2029			15,522,553	1,991,903	15,522,553	1,991,903
2030-2033			6,142,358	351,721	6,142,358	351,721
	<u>\$ 962,917</u>	<u>\$ 62,281</u>	<u>\$ 55,713,669</u>	<u>\$ 7,824,555</u>	<u>\$ 56,676,586</u>	<u>\$ 7,886,836</u>

The annual requirements to amortize general obligation bonded debt outstanding as of June 30, 2019 including interest payments are as follows:

Year Ending	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$	\$	\$ 1,180,000	\$ 133,856	\$ 1,180,000	\$ 133,856
2021			1,160,000	92,556	1,160,000	92,556
2022			1,145,000	50,506	1,145,000	50,506
2023			225,000	9,000	225,000	9,000
	<u>\$</u>	<u>\$</u>	<u>\$ 3,710,000</u>	<u>\$ 285,918</u>	<u>\$ 3,710,000</u>	<u>\$ 285,918</u>

The annual requirements to amortize revenue obligation bonded debt outstanding as of June 30, 2019 including interest payments are as follows:

Year Ending	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$	\$	\$ 890,000	\$ 256,991	\$ 890,000	\$ 256,991
2021			915,000	230,005	915,000	230,005
2022			945,000	202,199	945,000	202,199
2023			970,000	173,569	970,000	173,569
2024			1,005,000	144,044	1,005,000	144,044
2025-2029			4,315,000	263,045	4,315,000	263,045
	<u>\$</u>	<u>\$</u>	<u>\$ 9,040,000</u>	<u>\$ 1,269,853</u>	<u>\$ 9,040,000</u>	<u>\$ 1,269,853</u>

## CITY OF WILSON, NORTH CAROLINA

The annual requirements to amortize certificates of participation obligation bonded debt outstanding as of June 30, 2019 including interest payments are as follows:

Year Ending	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$	\$	\$ 4,360,999	\$ 948,025	\$ 4,360,999	\$ 948,025
2021			4,495,000	823,735	4,495,000	823,735
2022			4,622,001	695,629	4,622,001	695,629
2023			2,890,000	563,902	2,890,000	563,902
2024			1,675,000	480,537	1,675,000	480,537
2025-2029			9,107,000	1,664,317	9,107,000	1,664,317
2030-2033			6,114,000	351,721	6,114,000	351,721
	<u>\$</u>	<u>\$</u>	<u>\$ 33,264,000</u>	<u>\$ 5,527,866</u>	<u>\$ 33,264,000</u>	<u>\$ 5,527,866</u>

The annual requirements to amortize notes payable for certain equipment, facilities and real property outstanding as of June 30, 2019, including interest payments are as follows:

Year Ending	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 325,010	\$ 29,155	\$ 2,125,987	\$ 231,266	\$ 2,450,997	\$ 260,421
2021	329,907	19,253	2,126,092	174,821	2,455,999	194,074
2022	152,000	9,209	1,280,731	118,379	1,432,731	127,588
2023	156,000	4,664	1,018,974	86,877	1,174,974	91,541
2024			1,018,974	65,034	1,018,974	65,034
2025-2029			2,100,553	64,541	2,100,553	64,541
2030-2033			28,358		28,358	
	<u>\$ 962,917</u>	<u>\$ 62,281</u>	<u>\$ 9,699,669</u>	<u>\$ 740,918</u>	<u>\$ 10,662,586</u>	<u>\$ 803,199</u>

Notes from direct placements are collateralized by capital assets with a carrying value of \$6,164,135 a lien on property sold to a third party and pledges of water resources revenues.

The City's outstanding note from direct placements related to governmental activities of \$363,917 (Carter National Bank Land and Building Purchase) is secured with collateral of the building and property. The note contains provision that an event of default would result in: (1) the timing of repayment of outstanding amounts become immediately due, (2) enforce the City's performance of the applicable covenants of the agreement or recover for the breach thereof, (3) pay over any balance remaining in the Project Fund to be applied against outstanding required payments in any manner the bank may reasonably deem appropriate, and (4) avail itself of all available remedies under the agreement, including execution and foreclosure under execution on personal property or foreclosure and recovery of attorney's fees and other expenses.

The City's outstanding note from direct placements related to governmental activities of \$599,000 (Aerial Ladder Fire Truck) is secured with the equipment. The note contains provisions that an event of default would result in; (1) the timing of repayment of outstanding amounts become immediately due, (2) enforce the City's performance of the applicable covenants of the agreement or recover for the breach thereof, (3) pay over any balance remaining in the Project Fund to be applied against outstanding required payments in any manner the bank may reasonable deem appropriate, and (4) avail itself of all available remedies under the agreement, including execution on personal property and recovery of attorneys' fees and other expenses.

The City's outstanding note from direct placements related to business-type activities of \$785,269 (Industrial Development Land) is secured with property. The interlocal agreement contains provisions that an event of default would result in (1) County shall have the right and option after subsequent failure to pay any amount of the City Share that is due and owing and then execute promissory note payable in the principal amount that the County paid in excess of the County Share and bearing interest at the rate of one and one-half percent per annum.



## CITY OF WILSON, NORTH CAROLINA

The City's outstanding note from direct placements related to business-type activities of \$381,417 (MGP Site Cleanup) is secured with utility equipment and property. The note contains provision that an event of default would result in: (1) the timing of repayment of outstanding amounts become immediately due, (2) enforce the City's performance of the applicable covenants of the agreement or recover for the breach thereof, (3) pay over any balance remaining in the Project Fund to be applied against outstanding required payments in any manner the bank may reasonably deem appropriate, and (4) avail itself of all available remedies under the agreement, including execution and foreclosure under execution on personal property or foreclosure and recovery of attorney's fees and other expenses.

The City's outstanding note from direct borrowings related to business-type activities of \$1,309,202 (Wastewater Facility Upgrades to 14MGD) is payable from the revenues of the wastewater system. The note contains provisions that an event of default would result in (1) any other monies due to the City from the State may be withheld by the State and applied to the payment of this obligation.

The City's outstanding note from direct borrowings related to business-type activities of \$134,811 (Happy Valley Water Reuse and Sewer Rehabilitation) is payable from the revenues of the wastewater system. The note contains provisions that an event of default would result in (1) any other monies due to the City from the State may be withheld by the State and applied to the payment of this obligation.

The City's outstanding note from direct borrowings related to business-type activities of \$6,777,033 (Wastewater Facility Phase III Upgrade) is payable from the revenues of the wastewater system. The note contains provisions that an event of default would result in (1) any other monies due to the City from the State may be withheld by the State and applied to the payment of this obligation.

The City's outstanding note from direct borrowings related to business-type activities of \$311,937 (Contentnea Interceptor Line) is payable from the revenues of the wastewater system. The note contains provisions that an event of default would result in (1) any other monies due to the City from the State may be withheld by the State and applied to the payment of this obligation.

### **8. Pension Plan Obligations**

#### **Local Governmental Employees' Retirement System**

*Plan Description.* The City of Wilson, and its component units, are participating employers in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR 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](http://www.osc.nc.gov).

*Benefits Provided.* LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate

## **CITY OF WILSON, NORTH CAROLINA**

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. City of Wilson employees and its component unit employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City and its component units' contractually required contribution rate for the year ended June 30, 2019, was 8.50% of compensation for law enforcement officers and 7.80% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City were \$3,439,894 for the year ended June 30, 2019. Of this amount, \$3,419,647 represents the City's contribution and \$20,247 represents the City's component unit, the Downtown Development Corporation because of its inclusion in the City's Agency account for LGERS.

Contributions to the pension plan from the City's component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, were \$15,214 for the year ended June 30, 2019.

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

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

At June 30, 2019, the City reported a liability of \$15,356,881 for its proportionate share of the net pension liability, which includes the City's share of \$15,293,988, and the City's component unit, the Downtown Development Corporation, with a share of \$62,893 because of its inclusion in the City's Agency account for LGERS. The City's other component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, reported liabilities of \$79,236 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2018, the City's proportion was 0.64733%, which was a decrease of 0.02294% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the City recognized pension expense of \$4,003,716 for the City's share and the City's component unit, the Downtown Development Corporation which is included in the City's Agency account for LGERS. The City's other component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, recognized pension expense of \$22,444. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,369,202	\$ 79,499
Changes of assumptions	4,075,124	
Net difference between projected and actual earnings on pension plan investments	2,108,043	
Changes in proportion and differences between City contributions and proportionate share of contributions		605,474
City contributions subsequent to the measurement date	3,439,894	
Total	<u>\$ 11,992,263</u>	<u>\$ 684,973</u>

\$3,439,894 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2020. Of this amount, \$3,419,647 represents the City's contribution and \$20,247 represents the City's component unit, the Downtown Development Corporation because of its inclusion in the City's Agency account for LGERS. The City's other component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, contributed \$15,214. \$684,973 is reported as deferred inflows of resources, and of this amount \$676,899 is for the City and \$8,074 is for the City's component unit, the Downtown Development Corporation. The City's other component unit, the Wilson Cemetery Commission, which has a separate Agency account in LGERS, had \$6,032 reported as deferred inflows of resources. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2020	\$ 3,852,004
2021	2,487,967
2022	364,305
2023	1,163,120
2024	
Thereafter	

*Actuarial Assumptions.* The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 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, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

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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, 2018 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 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 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate.* The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
City's proportionate share of the net pension liability (asset)	\$ 36,888,560	\$ 15,356,881	\$ (2,635,326)

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

### Law Enforcement Officers Special Separation Allowance ("Plan")

*Plan Description.* The City of Wilson administers a public employee retirement system (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the City's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85

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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. A separate report was not issued for the plan.

All full-time City law enforcement officers are covered by the Separation Allowance. At December 31, 2017, the Separation Allowance's membership consisted of:

Inactive Members Currently Receiving Benefits	13
Active plan members	<u>103</u>
Total	<u>116</u>

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

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

*Actuarial Assumptions.* The entry age actuarial cost method was used in the December 31, 2017 valuation. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount rate	3.64 percent

The discount rate used to measure the TPL is the S&P Municipal Bond 20 Year High Grade Rate Index.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five year period ending December 31, 2014.

DEATHS AFTER RETIREMENT (HEALTHY): RP-2014 Healthy Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 104% for males and 100% for females.

DEATHS BEFORE RETIREMENT: RP-2014 Employee base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015.

DEATHS AFTER RETIREMENT (BENEFICIARY): RP-2014 Healthy Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 123% for males and females.

DEATHS AFTER RETIREMENT (DISABLED): RP-2014 Disabled Retiree base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 103% for males and 99% for females.

*Contributions.* The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are paid in the General Fund. The City paid \$211,137 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, 2019, the City reported a total pension liability of \$5,130,389. The total pension liability was measured as of December 31, 2018 based on a December 31, 2017 actuarial valuation. The total pension liability was then rolled forward

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to the measurement date of December 31, 2018 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2019, the City recognized pension expense of \$388,633.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 92,885	\$
Changes of assumptions and other inputs	194,578	226,534
Benefit payments and administrative expenses subsequent to the measurement date	120,917	
Total	<u>\$ 408,380</u>	<u>\$ 226,534</u>

\$120,917 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2020	14,785
2021	14,785
2022	14,785
2023	30,997
2024	(14,423)
Thereafter	0

*Sensitivity of the City's total pension liability to changes in the discount rate.* The following presents the City's total pension liability calculated using the discount rate of 3.64 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.64 percent) or 1-percentage-point higher (4.64 percent) than the current rate:

	<b>1% Decrease (2.64%)</b>	<b>Current Discount Rate (3.64%)</b>	<b>1% Increase (4.64%)</b>
Total Pension Liability	\$ 5,562,342	\$ 5,130,389	\$ 4,736,822

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

	<b>2019</b>
Total Pension Liability as of December 31, 2017	\$ 5,063,852
Service Cost	216,435
Interest on the total pension liability	156,682
Changes of benefit terms	
Differences between expected and actual experience in the measurement of the total pension liability	106,951
Changes of assumptions or other inputs	(202,394)
Benefit payments	(211,137)
Other changes	
Total Pension Liability as of December 31, 2018	<u>\$ 5,130,389</u>

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

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The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study completed by the Actuary for the Local Government Employees' Retirement System for the five year period ending December 31, 2014.

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

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

	<b>LGERS</b>	<b>LEOSSA</b>	<b>Total</b>
Pension Expense	\$ 4,003,716	\$ 388,633	\$ 4,392,349
Pension Liability	15,356,881	5,130,389	20,487,270
Proportionate share of the net pension liability	0.64733%	n/a	
Deferred Outflows of Resources			
Difference between expected and actual experience	2,369,202	92,885	2,462,087
Change of assumptions	4,075,124	194,578	4,269,702
Net difference between projected and actual earnings on plan investments	2,108,043		2,108,043
Changes in proportion and differences between contributions and proportionate share of contributions			
City contributions subsequent to the measurement date	3,439,894		3,439,894
Benefit payments and administrative costs paid subsequent to the measurement date		120,917	120,917
Deferred Inflows of Resources			
Difference between expected and actual experience	79,499		79,499
Changes of assumptions		226,534	226,534
Net difference between projected and actual earnings on plan investments			
Changes in proportion and differences between contributions and proportionate share of contributions	605,474		605,474

### Retirement Income Plan

*Plan Description.* The City and the Downtown Development Corporation provide retirement benefits for all of its law enforcement officers and other full-time employees through a defined contribution plan administered by the North Carolina Department of the State Treasurer and a Board of Trustees. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Participation begins at the date of employment. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. The Wilson Cemetery Commission does not provide these benefits. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, NC 27699-1410, or by calling (919) 981-5454.

*Funding Policy.* Article 12E of G.S. Chapter 143 requires that the City contribute an amount equal to 5% of each law enforcement officer's salary each month. The City also makes a contribution of 5% for all other full-time and certain part-time employees. All covered employees may make voluntary contributions to the Plan. All contributed amounts plus investment earnings allocated to the employee accounts are fully vested immediately. Total contributions for the year ended June 30, 2019 were \$3,009,605 which consisted of \$2,073,486 from the City and \$936,119 from employees. No amounts were forfeited.

### 9. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

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## 10. Other Post-Employment Benefits (OPEB)

*Plan Description.* Under the terms of a City resolution, the City administers a single-employer defined benefit Healthcare Benefits Plan ("HCB Plan"). The City Council may amend the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

*Benefits Provided.* The City pays the full cost of coverage for employees' benefits through private insurers and employees have the option of purchasing dependent coverage at the City's group rates. The City pays the full cost of coverage for employees (excluding a maximum \$15 contribution by the retiree) hired prior to July 1, 1991. The City will pay a graduated amount of the cost of coverage for employees hired between July 1, 1991 and June 30, 1993 ranging from \$0 for employees with 10 years or less of service with the City to a maximum of the full premium less a \$15 contribution by the retiree for employees with 21 or more years of service with the City. No post-employment health benefits will be provided to employees hired after July 1, 1993. The plan provides lifetime healthcare benefits for eligible retirees until they become ineligible for coverage or eligible for Medicare at their cost. Benefit provisions are established by the City and funded through the annual budget process adopted by City Council. Also, the City's retirees can purchase coverage for their dependents at the City's group rates. The City Council may amend the benefit provisions.

Retired Employees' Years Of Creditable Service	Date Hired	
	Pre-July 1, 1993	On or after July 1, 1993
Less than 10 years	Not eligible for coverage	Not eligible for coverage
10-20 years	Graduated amount paid by City	Not eligible for coverage
20+ years	Full coverage paid by City	Not eligible for coverage

*Funding Policy.* The City pays part of the coverage cost for the healthcare benefits paid to qualified retirees under a City resolution that can be amended by City Council. The City's members pay \$15 per month for individual coverage, \$73 per month for parent/child coverage, \$168 per month for employee/spouse coverage and \$257 per month for family coverage to age 65. Medicare coverage contribution amount for the retiree is \$6.36 per month after age 65. The City has chosen to fund the healthcare benefits on a pay as you go basis.

Membership of the HCB Plan consisted of the following at June 30, 2017, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees receiving benefits	255	53
Active plan members	57	7
Total	312	60

### Total OPEB Liability

The City's total OPEB liability of \$60,598,139 was measured as of June 30, 2018 and was determined by an actuarial valuation as of June 30, 2017.

*Actuarial assumptions and other inputs.* The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Real wage growth	1.00 percent
Wage inflation	3.50 percent



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### Salary increases, including wage inflation

General Employees	3.50 percent to 7.75 percent
Firefighters	3.50 percent to 7.75 percent
Law Enforcement Officers	3.50 percent to 7.35 percent

Discount rate 3.89 percent

### Healthcare cost trend rates

Pre-Medicare	7.50 percent for 2017 decreasing to an ultimate rate of 5.00 percent by 2023
Medicare	5.50 percent for 2017 decreasing to an ultimate rate of 5.00 percent by 2020

The discount rate used to measure the TOL was based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the The Bond Buyer.

Changes in assumptions and other inputs reflect a change in the discount rate from 3.56% (prior measurement date) to 3.89% at the measurement date.

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2017 valuation were based on a review of recent plan experience done concurrently with the June 30, 2017 valuation.

### Changes in the Total OPEB Liability

#### Schedule of Changes in Total OPEB Liability

<b>Total OPEB Liability as of June 30, 2018</b>	\$ 63,386,371
Changes for the year:	
Service Cost at the end of the year	410,606
Interest on TOL and Cash Flows	2,204,296
Changes of benefit terms	
Differences between expected and actual experience	34,375
Changes in assumptions or other inputs	(2,475,730)
Benefit payments	(2,961,779)
Net changes:	\$ (2,788,232)
<b>Total OPEB Liability as of June 30, 2019</b>	<b>\$ 60,598,139</b>

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.89 percent) or 1-percentage-point higher (4.89 percent) than the current discount rate of 3.89 percent:

	<b>1% Decrease (2.89%)</b>	<b>Current Discount Rate (3.89%)</b>	<b>1% Increase (4.89%)</b>
Total OPEB Liability	\$ 68,661,941	\$ 60,598,139	\$ 54,027,939

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

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 53,440,645	\$ 60,598,139	\$ 69,274,124

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

For the year ended June 30, 2019, the City recognized OPEB expense of \$173,547. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$
Changes of assumptions and other inputs		
Benefit payments and administrative expenses subsequent to the measurement date	3,135,788	
Total	<u>\$ 3,135,788</u>	<u>\$</u>

\$3,135,788 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

#### Measurement Period ended June 30:

2020	\$ 0
2021	0
2022	0
2023	0
2024	0
Thereafter	0

### 11. Other Benefits

The City has elected to provide death benefits to employees through the Death Benefit Plan for Members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State administered, cost-sharing plan funded on a one-year term cost basis. Lump-sum death benefits are provided to the beneficiaries of those employees 1) who die in active service after one year of contributing membership in the System, or 2) 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. This payment is 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 be less than \$25,000 and no more than \$50,000. Because all death benefit payments are made from the Death Benefit Plan and not by the City, the City does not determine the number of eligible employees. The City has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percent of monthly payroll based on rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The City considers these contributions immaterial.

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## 12. Deferred Outflows and Inflows of Resources

The City has several deferred outflows of resources at June 30, 2019. Deferred outflows of resources are comprised of the following:

Source	Amount
Deferred outflow of resources on refunding	\$ 482,548
Pension deferrals - LGERS	8,523,291
Contributions subsequent to measurement - LGERS	3,419,647
Pension deferrals - LEOSSA	287,463
Benefit payments subsequent to measurement - LEOSSA	120,917
OPEB deferrals	3,135,788
	<u>\$ 15,969,654</u>

The City's component unit, the Downtown Development Corporation, had pension deferrals of \$29,078 and contributions subsequent to measurement of \$20,247, which are not in the table above, but are included in the table under Note 8 for Deferred Outflows of Resources because of the inclusion in the City's Agency account for LGERS.

The City has several deferred inflows of resources at June 30, 2019. Deferred inflows of resources at year-end are comprised of the following:

Source	Statement of Net Position	General Fund Balance Sheet
Retiree insurance premium prepayments	\$ 49	
Uncollected property taxes, assessments, and miscellaneous receivables (General Fund)		2,216,190
Pension deferrals - LGERS	676,899	
Pension deferrals - LEOSSA	226,534	
Deferred inflow of resources on refunding	390,780	
	<u>\$ 1,294,262</u>	<u>\$ 2,216,190</u>

The City's component unit, the Downtown Development Corporation, has pension deferrals of \$8,074 not reflected in the table above, but are included in the table under Note 8 for Deferred Inflows of Resources because of its inclusion in the City's Agency account for LGERS.

## 13. Other Resources

During the year, the General, Electric, and Gas Funds provided substantial support to various other funds in the form of transfers. Transfers are used to move unrestricted revenues to fund various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as matching funds for various grant programs. The computation of the transfers is consistent with the method allowed by the General Assembly and within the City's established policy, and includes a portion to cover payment in lieu of taxes. Transfers from the Electric, Gas, and General Fund to the Mass Transit and Industrial Air Center Funds are to support operations within the specific fund. Transfers from the General Fund to Community Development are to support operations. Transfers to other Special Revenue Fund(s) are to support operations pertaining to those specific purposes. Transfers to Capital Projects are to fund capital needs.

Specific to fiscal year 2019 transfers, the General Fund made transfers of \$337,570 to the Wayfinding Signage – USDA Grant Project and \$10,000 to the 2018 Urgent Repair Program Grant Project to provide matching funds for the grants. Also transfers from the General Fund were made to the following capital projects: Risk Mitigation – Toisnot Bank and Flood

## CITY OF WILSON, NORTH CAROLINA

Zone capital project \$350,000, City-Wide Greenway System capital project \$100,000, Lake Wilson Walking Trail & Bridge – Phase I capital project \$11,305, Public Street Maintenance & Construction capital project \$575,000, Centre Brick Parking Lot Re-design capital project \$500,000, Wiggins Mill Park Improvements capital project \$100,000, Lake Wilson Park Improvements – Phase II capital project \$295,880, Cavalier Terrace Renovations capital project \$56,460, Toisnot Dog Park capital project \$129,850, Gig East Exchange Building Renovation capital project \$100,000, Arts Council Relocation and Renovation capital project \$635,000, and Cherry Hotel Remediation and Infrastructure Improvement capital project \$930,000. The Electric Fund made transfers for Economic Community Investment for the following project: Downtown Building Revitalization project \$250,000.

A summary of the City's transfers is listed below:

<b>Transfers In</b>						
<b>Transfers Out</b>	<b>General</b>	<b>Mass Transit</b>	<b>Industrial Air Center</b>	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total</b>
General	\$	\$ 35,000	\$ 54,880	\$ 347,570	\$ 3,783,495	\$ 4,220,945
Electric	2,259,920	166,500			250,000	2,676,420
Gas	1,255,090	111,000				1,366,090
Special Revenue	2,527			46		2,573
Capital Projects	21,277				224,536	245,813
<b>Total Transfers In</b>	<b>\$ 3,538,814</b>	<b>\$ 312,500</b>	<b>\$ 54,880</b>	<b>\$ 347,616</b>	<b>\$ 4,258,031</b>	<b>\$ 8,511,841</b>

### 14. Inter-fund Receivables/Payables

Balances due to/from other funds at June 30, 2019 consist of the following:

Due to General Fund for temporary coverage of grant eligible expenditures yet to be reimbursed by the grant agency.

Non-major Governmental	\$ 411,965
Total	\$ 411,965

Due to Risk Management Fund for temporary coverage of grant eligible expenditures yet to be reimbursed by the grant agency for Hazardous Mitigation Hurricane Matthew Buyout.

Non-major Governmental	\$ 247,365
Total	\$ 247,365

Advance Loans between funds:

In fiscal years 2008 and 2009, funds were loaned in the amount of \$1,980,000 and \$1,250,000, respectively, to the Broadband Fund from the Gas Fund to help fund expenditures in the initial startup years of this enterprise. The term over which the loan is scheduled to be re-paid is 15 years, commencing FY 2014 and ending FY 2029.

The amount Due to Gas Fund for Advance Loans between funds at June 30, 2019 is \$2,345,455 due from the Broadband fund.

### 15. Commitments and Contingencies

The City is involved in litigation for several general liability claims. The City intends to defend the cases vigorously. The City also believes the ultimate resolution of the proceedings is not likely to have a material adverse impact on its financial position.

# **CITY OF WILSON, NORTH CAROLINA**

## **North Carolina Eastern Municipal Power Agency**

On July 13, 1981 the City entered into a fifty-year contract with the North Carolina Eastern Municipal Power Agency (the Power Agency) to purchase electric power. The Power Agency is organized as a public body under the laws of the State of North Carolina. The Power Agency is authorized to study, plan, finance, construct, reconstruct, acquire, improve, enlarge, extend, better, own, operate, and maintain systems or facilities or any interest therein for the generation, transmission and/or transformation, of electric power and energy and is authorized to sell for resale electric power and energy.

The City has agreed to purchase its share (15.5%) of the Power Agency output and to charge rates for electric power and energy sold sufficient to provide revenues adequate to meet its obligation to the Power Agency.

The obligation of the City to purchase electric power is an operating expense of the Electric Fund and is payable solely from the revenues of the Electric Fund.

## **Construction Projects**

At June 30, 2019, the City is obligated for \$2,794,719 in commitments for construction project contracts. The commitments are fully budgeted.

## **Federal and State Assisted Programs**

The City has received proceeds from several Federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies 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 monies.

## **16. Risk Management**

The City 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. Losses from asserted claims and from unasserted claims identified under the City's incident reporting system are accrued based on estimates that incorporate the City's past experience, as well as other considerations including the nature of each claim and relevant trend factors.

The City has established the following funds to account for and finance its uninsured risks of loss.

### **Group Insurance Benefits Fund**

The City has established a limited risk management program (an internal service fund) for employees' health, dental, vision, and life insurance benefits. Premiums are paid into the Group Insurance Benefits Internal Service Fund by all other funds and are available to pay claims and administrative costs of the program. During fiscal year 2019, a total of \$11,410,106 (cash basis) was incurred for medical benefits and administrative costs.

An excess coverage health insurance policy covers individual medical claims in excess of \$160,000 per employee. Incurred but not reported claims of \$1,511,265 and reported claims of \$237,162 have been accrued as liabilities at June 30, 2019. Inter-fund premiums are based primarily upon the insured fund's claims experience and are reported as inter-fund services provided and used.

During the year there was no significant decrease in insurance coverage, nor have there been any settlements in excess of insurance coverage for the past three years.

### **Risk Management Fund**

The City has established a Risk Management Fund (an internal service fund) to account for and finance its uninsured risk of loss. In fiscal year 2018-2019 the Risk Management Fund provided coverage for up to a maximum of \$500,000 for each worker's compensation claim, a maximum of \$500,000 for automobile and general liability claims, a \$500,000 maximum for property and casualty claims and police officer and public official liability claims, a \$25,000 maximum for property loss coverage, and a \$5,000 maximum for flood insurance claims. City employees are covered under a blanket dishonesty bond

## CITY OF WILSON, NORTH CAROLINA

through our employee dishonesty coverage. The deductible for this \$500,000 coverage is \$5,000. Additionally, the Chief Financial Officer is bonded for \$250,000. The \$5,000 deductible for flood insurance applies to those properties insured through the National Flood Insurance Plan (NFIP). Because the City has been designated to be in an "A" area (close to a river, lake or stream) by the Federal Emergency Management Agency, the City is eligible to purchase coverage up to \$500,000 per structure through the NFIP. Comprehensive and collision losses for most vehicles are self-insured. The City purchases commercial insurance for claims in excess of coverage provided by the Risk Management Fund. Settled claims have not exceeded insurance coverage in the last three years.

All funds participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to maintain an adequate reserve for catastrophic losses. Accrued liabilities as of June 30, 2019 included \$1,000,351 for incurred but not reported claims and \$134,168 for reported claims. The reserve as of June 30, 2019 was \$6,353,354 as reported as total net position of the Risk Management Fund.

The claims liability reported at June 30, 2019 for each fund, if any, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in Risk Management Claims Liability amounts for the years ended June 30, 2019 and 2018 were as follows:

<u>Fiscal Year</u>	<u>Group Insurance Benefits Fund</u>	<u>Risk Management Fund</u>
<b>June 30, 2019</b>		
Insurance claims payable, Beginning of year	\$ 1,444,307	\$ 1,238,491
Claims and changes in estimates	11,289,616	(826,610)
Claim payments	<u>(10,985,496)</u>	<u>722,638</u>
Insurance claims payable, end of year	<u>\$ 1,748,427</u>	<u>\$ 1,134,519</u>
<b>June 30, 2018</b>		
Insurance claims payable, Beginning of year	\$ 1,450,275	\$ 655,157
Claims and changes in estimates	9,871,488	1,032,541
Claim payments	<u>(9,877,456)</u>	<u>(449,207)</u>
Insurance claims payable, end of year	<u>\$ 1,444,307</u>	<u>\$ 1,238,491</u>

### 17. Related Organizations

#### Wilson Housing Authority

The City Council appoints the five-member board of the Wilson Housing Authority. The City's accountability does not extend beyond making these appointments. The Wilson Housing Authority makes payments in lieu of property taxes to the City. The City recorded revenue of \$3,745 for the year ended June 30, 2019. Complete financial statements for the Housing Authority can be obtained from the Authority's office at 301 East Nash Street, Wilson, North Carolina 27893.

### 18. Joint Ventures

#### Wilson Economic Development Council

The City is a participant with the County of Wilson (County) in a joint venture, the Wilson Economic Development Council (the Council), to promote industrial and commercial development of the City and the County of Wilson. A nine-member board composed of four appointees from the City, four appointees from the County, and a chairman from either the City or

## **CITY OF WILSON, NORTH CAROLINA**

County, based on election by the board, manages the Council. The by-laws of the Council state that the City and County are to provide funding for the financial requirements and operations of the Council. In accordance with the joint venture agreement, the City contributed \$350,795 to the Council for the year ended June 30, 2019. The participating governments do not have any equity interest in the joint venture. Accordingly, no equity interest has been reflected in the financial statements at June 30, 2019. Complete financial statements for the Council can be obtained from the Council's administrative office at 219 Barnes Street, Wilson, North Carolina 27894-0728.

### **Rocky Mount - Wilson Airport Authority**

The City is a participant with the County of Wilson, City of Rocky Mount, County of Edgecombe and County of Nash in a joint venture to operate the Rocky Mount - Wilson Airport Authority (the Authority) for the joint benefit of all co-sponsors. Upon dissolution of the Authority, the assets would be shared in proportion to each sponsor's original contribution. The city's initial contribution totaled \$200,000, which represents two-sevenths of the total contribution. A seven-member board governs the Authority, two from each City and one from each County. All co-sponsors are obligated by contract to contribute funds on an annual basis, as needed, to enable the Authority to operate the airport. The City contributed \$259,320 to the Authority during the year ended June 30, 2019. The participating governments have an equity interest in the joint venture. The City has a share of 29% in the joint venture, and accordingly, an equity interest has been reflected in the City's financial statements in the Statement of Net Position as a non-current asset in the amount of \$2,401,715 at June 30, 2019. This amount represents 29% of the net position of the Authority shown in their draft audited financial statement report dated June 30, 2018. Complete financial statements for the Authority can be obtained from the Authority's administrative office at 250 Airport Drive, Elm City, North Carolina 27822.

### **19. Jointly Governed Organizations**

#### **North Carolina Eastern Municipal Power Agency**

The City, in conjunction with 32 other local governments, is a member of the North Carolina Eastern Municipal Power Agency (the Agency). The Agency was formed to enable municipalities that own electric distribution systems to finance, construct, own, operate, and maintain generation and transmission facilities. Each participating government appoints one commissioner to the Agency's governing board. The 32 members, who receive power from the Agency, have signed power sales agreements to purchase a specified share of the power generated by the Agency. Except for the power sales purchase requirements, no local government participant has any obligation, entitlement or residual interest. The City's purchases of power for the year ended June 30, 2019 were \$83,642,397.

#### **Upper Coastal Plain Council of Governments**

The City, in conjunction with five counties and 35 other municipalities established the Upper Coastal Plain Council of Governments (the Council). The participating governments established the Council to coordinate various funding received from Federal and State agencies. Each participating government appoints one member to the Council's governing board. The City received \$10,000 in grants from the Council and expenditures to the Council for dues and professional services totaled \$22,480 during the fiscal year ended June 30, 2019.

#### **Electricities of North Carolina, Inc.**

Electricities of North Carolina, Inc. is a nonprofit organization which provides support to 64 municipally owned electric utilities, and represents member interest in legislative and regulatory matters. The City paid dues and training costs of \$21,348 to Electricities of North Carolina, Inc. during the fiscal year ended June 30, 2019.

## CITY OF WILSON, NORTH CAROLINA

### LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY LAST THREE FISCAL YEARS

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	<b>2019</b>	<b>2018</b>	<b>2017</b>
Beginning balance	\$ 5,063,852	\$ 4,612,672	\$ 4,608,320
Service Cost	216,435	186,362	197,759
Interest on the total pension liability	156,682	174,030	160,275
Changes of benefit terms			
Differences between expected and actual experience in the measurement of the total pension liability	106,951	6,158	
Changes of assumptions or other inputs	(202,394)	292,850	(116,042)
Benefit payments	(211,137)	(208,220)	(237,640)
Other changes			
Ending balance of the total pension liability	<u>\$ 5,130,389</u>	<u>\$ 5,063,852</u>	<u>\$ 4,612,672</u>

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

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



## CITY OF WILSON, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL  
LAST THREE FISCAL YEARS

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	2019	2018	2017
Total pension liability	\$ 5,130,389	\$ 5,063,852	\$ 4,612,672
Covered payroll	\$ 6,667,449	\$ 6,672,592	\$ 6,799,646
Total pension liability as a percentage of covered payroll	76.95%	75.89%	67.84%

Notes to the schedules:

The City of Wilson 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.

# CITY OF WILSON, NORTH CAROLINA

OTHER POST EMPLOYMENT BENEFITS - RETIREE HEALTH PLAN  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY & RELATED RATIOS  
FOR YEAR ENDING JUNE 30, 2019

	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>		
Service Cost at end of year	\$ 410,606	\$ 466,749
Interest	2,204,296	2,017,488
Changes of benefit terms		
Differences between expected and actual experience	34,375	(179,360)
Changes of assumptions or other inputs	(2,475,730)	(4,655,372)
Benefit payments	(2,961,779)	(2,559,677)
Other		
Net change in Total OPEB Liability	(2,788,232)	(4,910,172)
Total OPEB Liability - beginning	<u>\$ 63,386,371</u>	<u>\$ 68,296,543</u>
<b>Total OPEB Liability - ending</b>	<u><b>\$ 60,598,139</b></u>	<u><b>\$ 63,386,371</b></u>
Covered-employee payroll	<u>\$ 3,966,027</u>	<u>\$ 3,966,027</u>
Total OPEB Liability as a percentage of covered-employee payroll	1527.93%	1598.23%

**Notes to Schedule**

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

<u>Fiscal Year</u>	<u>Rate</u>
2018	3.56
2019	3.89

## CITY OF WILSON, NORTH CAROLINA

PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST SIX FISCAL YEARS\*

Local Government Employees' Retirement System

	2019	2018	2017	2016	2015	2014
Wilson's proportion of the net pension liability (asset) (%)	0.64733%	0.67027%	0.68415%	0.69580%	0.70547%	0.70640%
Wilson's proportion of the net pension liability (asset) (\$)	\$15,356,881	\$10,239,869	\$14,519,955	\$ 3,122,709	\$ (4,160,484)	\$ 8,514,833
Wilson's covered payroll	\$40,403,396	\$39,285,918	\$38,140,818	\$36,984,060	\$36,113,259	\$33,433,176
Wilson's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	38.01%	26.06%	38.07%	8.44%	-11.52%	25.47%
Plan fiduciary net pension as a percentage of the total pension liability**	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

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

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

The City's proportion includes the amount for the City's component unit, the Downtown Development Corporation because it shares the same ORBIT account number in LGERS.

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

## CITY OF WILSON, NORTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION  
 LAST SIX FISCAL YEARS  
 SCHEDULE OF CONTRIBUTIONS (UNAUDITED)

Local Government Employees' Retirement System

	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 3,439,894	\$ 3,104,079	\$ 2,917,355	\$ 2,592,195	\$ 2,636,097	\$ 2,566,344
Contributions in relation to the contractually required contribution	3,439,894	3,104,079	2,917,355	2,592,195	2,636,097	2,566,344
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Wilson's covered payroll	\$ 41,468,295	\$ 40,403,396	\$ 39,285,918	\$ 38,140,818	\$ 36,984,060	\$ 36,113,259
Contributions as a percentage of covered payroll	8.30%	7.68%	7.43%	6.80%	7.13%	7.11%

The City's contribution includes the amount for the City's component unit, the Downtown Development Corporation because it shares the same ORBIT account number in LGERS.

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

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

SUPPLEMENTAL BALANCE SHEETS- GENERAL FUND  
JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
Cash and cash equivalents/investments	\$ 22,472,263	\$ 23,649,094
Receivables (net of allowance for uncollectibles):		
Property taxes	771,472	659,809
Motor vehicle license taxes	8,240	8,855
Sales tax distribution	1,660,632	1,469,609
Video programming	85,000	92,000
Utility sales tax	1,033,000	1,010,000
PEG Channel tax	20,000	20,000
Telecommunications tax	75,000	84,000
Assessments - paving/clearing	835,905	916,027
Accrued interest	36,783	30,593
Other receivables	600,573	438,665
Interfund receivables	411,965	57,748
Due from other agencies and governments	737,252	499,618
Inventories	385,706	355,839
Restricted cash and cash equivalents	693,945	1,347,627
TOTAL ASSETS	<u>\$ 29,827,736</u>	<u>\$ 30,639,484</u>
LIABILITIES		
Accounts payable	\$ 1,781,708	\$ 1,755,858
Accrued wages and amounts withheld	1,475,017	1,408,509
Payable from restricted assets	693,945	607,622
Other liabilities	205,794	231,664
TOTAL LIABILITIES	<u>4,156,464</u>	<u>4,003,653</u>
DEFERRED INFLOWS OF RESOURCES		
Uncollected property taxes, assessments and miscellaneous receivables	<u>2,216,190</u>	<u>2,023,356</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,216,190</u>	<u>2,023,356</u>
FUND BALANCES		
Non Spendable		
Inventories	385,706	355,839
Restricted		
Stabilization by State Statute	4,830,890	3,976,946
General government	68,261	154,645
Public safety	276,811	962,971
Committed		
Public services	12,600	12,600
Culture and recreation	4,900	4,900
Assigned		
Subsequent year's expenditures	6,115,660	5,857,910
Planning and development	1,404	157,702
Unassigned	11,758,850	13,128,962
Total fund balances	<u>23,455,082</u>	<u>24,612,475</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 29,827,736</u>	<u>\$ 30,639,484</u>

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2019  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018)

	2019			
	Budget	Actual	Variance Positive (Negative)	2018
REVENUES:				
Property taxes	\$ 20,752,600	\$ 21,752,913	\$ 1,000,313	\$ 20,421,830
Motor vehicle property taxes	2,113,290	2,302,577	189,287	2,092,751
Motor vehicle license taxes	715,000	911,154	196,154	877,251
Vehicle rental tax	31,780	60,426	28,646	52,269
Privilege license taxes	400	2,904	2,504	2,905
Licenses and permits	382,820	814,646	431,826	653,446
Intergovernmental revenues	6,522,845	7,379,935	857,090	7,186,757
Assessments	21,000	92,325	71,325	58,833
Charges for services	6,161,160	6,674,491	513,331	6,595,617
Investment income	125,000	436,669	311,669	42,619
Sales tax	6,516,000	9,228,875	2,712,875	8,728,492
Occupancy tax	250,000	448,016	198,016	397,426
Other	181,120	764,454	583,334	822,541
Total revenues	43,773,015	50,869,385	7,096,370	47,932,737
FUND BALANCE APPROPRIATED	11,299,719		(11,299,719)	
Total revenues and fund balance appropriations	55,072,734	50,869,385	(4,203,349)	47,932,737
EXPENDITURES:				
Current operating:				
Administrative services	5,871,439	5,467,609	403,830	4,665,442
Financial services	1,310,190	1,222,993	87,197	1,215,309
Information technology services	317,830	317,828	2	317,828
Human Resources	373,690	337,617	36,073	375,042
Police	15,438,688	14,723,164	715,524	13,588,999
Fire	8,903,580	8,709,529	194,051	9,518,463
Planning & development services	3,278,088	2,941,092	336,996	2,651,897
Parks and recreation	6,140,937	5,826,983	313,954	5,710,972
Public services	12,407,687	11,609,746	797,941	11,217,252
Debt service:				
Installment purchase contract payment	364,670	359,731	4,939	749,084
Total expenditures	54,406,799	51,516,292	2,890,507	50,010,288
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	665,935	(646,907)	(1,312,842)	(2,077,551)
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	3,465,010	3,538,814	73,804	3,473,660
Transfers to other funds	(4,220,945)	(4,220,945)		(1,549,790)
Note Payable / Installment contracts issued				740,000
Sale of capital assets	90,000	171,645	81,645	460,697
Total other financing sources (uses)	(665,935)	(510,486)	155,449	3,124,567
NET CHANGE IN FUND BALANCES		(1,157,393)	(1,157,393)	1,047,016
FUND BALANCE, BEGINNING OF YEAR		24,612,475	24,612,475	23,565,459
FUND BALANCE, END OF YEAR	\$	\$ 23,455,082	\$ 23,455,082	\$ 24,612,475

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -

BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018) (CONTINUED)

	2019			
	Budget	Actual	Variance Positive (Negative)	2018
REVENUES:				
Property taxes:				
Current year	\$ 20,472,600	\$ 21,421,717	\$ 949,117	\$ 20,142,216
Previous years	200,000	244,157	44,157	214,371
Penalties and interest on taxes	80,000	87,039	7,039	65,243
Total	20,752,600	21,752,913	1,000,313	20,421,830
Motor vehicle property taxes:				
Current year	2,106,290	2,288,448	182,158	2,080,233
Penalties and interest on taxes	7,000	14,129	7,129	12,518
Total	2,113,290	2,302,577	189,287	2,092,751
Motor vehicle license taxes:				
Current year	715,000	911,154	196,154	877,251
Total	715,000	911,154	196,154	877,251
Vehicle rental tax	31,780	60,426	28,646	52,269
Privilege license taxes	400	2,904	2,504	2,905
Licenses and permits:				
Building permits and inspection fees	375,370	794,089	418,719	639,851
Street cuts	7,450	20,557	13,107	13,595
Total	382,820	814,646	431,826	653,446
Intergovernmental revenues:				
State of North Carolina:				
Alcoholic beverage tax	195,000	212,455	17,455	213,991
Utility sales tax	3,755,530	4,509,360	753,830	4,404,511
Telecommunications	264,100	312,944	48,844	335,582
Video programming	470,760	422,012	(48,748)	444,851
Powell Bill allocation-restricted for street improvements	1,300,500	1,332,204	31,704	1,356,307
Controlled substance tax	26,950	1,583	(25,367)	2,768
Solid waste tax distribution	26,010	34,014	8,004	34,050
Forfeitures	128,720	90,365	(38,355)	94,160
Payment in lieu of taxes		3,745	3,745	3,185
Wilson County ABC distribution	70,820	87,500	16,680	87,500
Grant	284,455	373,753	89,298	209,852
Total	6,522,845	7,379,935	857,090	7,186,757
Assessments-paving and clearance of property	21,000	92,325	71,325	58,833
Charges for services:				
Wedgewood Facility	620,850	658,386	37,536	659,121
Recreation	416,870	467,333	50,463	489,113
Solid waste collection fee	4,615,600	4,939,062	323,462	4,846,783
Police	380,580	441,899	61,319	426,655
Fire	98,200	119,370	21,170	133,240
Engineering		11,100	11,100	6,371
Parking	29,060	37,341	8,281	34,334
Total	6,161,160	6,674,491	513,331	6,595,617
Investment income	125,000	436,669	311,669	42,619

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -

BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018) (CONCLUDED)

	2019		Variance Positive (Negative)	2018
	Budget	Actual		
Sales tax	\$ 6,516,000	\$ 9,228,875	\$ 2,712,875	\$ 8,728,492
Occupancy tax	250,000	448,016	198,016	397,426
Other:				
Rental	10,120	10,257	137	12,080
Miscellaneous	171,000	754,197	583,197	810,461
Total other	181,120	764,454	583,334	822,541
Total revenues	43,773,015	50,869,385	7,096,370	47,932,737
OTHER FINANCING SOURCES:				
Transfers in:				
Electric Fund	1,675,000	1,675,000		1,675,000
Gas Fund	1,052,920	1,102,920	50,000	1,102,920
Electric / Gas (Payment in lieu of taxes)	737,090	737,090		695,740
Capital Project Funds		23,804	23,804	
Total transfers in	3,465,010	3,538,814	73,804	3,473,660
Sale of capital assets	90,000	171,645	81,645	460,697
Note payable / Installment contracts issued				740,000
Total other financing sources	3,555,010	3,710,459	155,449	4,674,357
TOTAL REVENUES AND OTHER FINANCING SOURCES	47,328,025	54,579,844	7,251,819	52,607,094
FUND BALANCE APPROPRIATED	11,299,719		(11,299,719)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	\$ 58,627,744	\$ 54,579,844	\$ (4,047,900)	\$ 52,607,094



# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

### SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -

#### BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018) (CONTINUED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
DEPARTMENT OF ADMINISTRATIVE SERVICES:				
Division of mayor and council:				
Personnel Services	\$ 73,140	\$ 74,280	\$ (1,140)	\$ 73,137
Operating Expenditures	76,940	53,120	23,820	56,501
Recovered Costs	(74,870)	(63,700)	(11,170)	(64,819)
Total	75,210	63,700	11,510	64,819
Division of administration:				
Personnel Services	633,400	578,322	55,078	509,463
Operating Expenditures	101,967	77,067	24,900	77,868
Recovered Costs	(367,110)	(327,694)	(39,416)	(293,665)
Total	368,257	327,695	40,562	293,666
Division of law:				
Litigation and legal fees	371,750	434,461	(62,711)	268,619
Cost redistribution	(185,880)	(217,230)	31,350	(137,525)
Total	185,870	217,231	(31,361)	131,094
Division of public relations:				
Personnel Services	309,450	317,403	(7,953)	306,947
Operating Expenditures	86,950	139,064	(52,114)	111,315
Recovered Costs	(292,360)	(314,279)	21,919	(283,913)
Capital Outlay	103,530	103,524	6	57,365
Total	207,570	245,712	(38,142)	191,714
Division of public service:				
Operating Expenditures	4,247,221	4,122,588	124,633	3,331,018
Recovered Costs	(1,402,250)	(1,142,167)	(260,083)	(1,017,554)
Capital Outlay	833,041	295,618	537,423	660,078
Total	3,678,012	3,276,039	401,973	2,973,542
Division of facility services:				
Personnel Services	844,730	697,235	147,495	746,385
Operating Expenditures	259,950	347,858	(87,908)	238,136
Recovered Costs	(670,660)	(571,730)	(98,930)	(582,332)
Capital Outlay	28,000	16,900	11,100	
Total	462,020	490,263	(28,243)	402,189
Division of governmental community projects:				
Downtown Development Corporation	280,500	280,500		255,000
Wilson Cemetery Commission	131,900	131,900		20,000
Patriotism Committee	3,000	2,323	677	2,812
Area airport	153,590	105,730	47,860	47,860
Upper Coastal Plain C.O.G.	22,480	22,480		22,461
Total	591,470	542,933	48,537	348,133

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -

BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018) (CONTINUED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
DEPARTMENT OF ADMINISTRATIVE SERVICES				
(continued):				
Division of human relations:				
Personnel Services	\$ 284,350	\$ 292,003	\$ (7,653)	\$ 280,538
Operating Expenditures	70,020	64,517	5,503	66,508
Recovered Costs	(88,590)	(89,129)	539	(86,761)
Total	265,780	267,391	(1,611)	260,285
Division of GIG East Hub:				
Personnel Services	43,650	43,457	193	
Operating Expenditures	30,850	29,832	1,018	
Recovered Costs	(37,250)	(36,644)	(606)	
Total	37,250	36,645	605	
Total administrative services	5,871,439	5,467,609	403,830	4,665,442
DEPARTMENT OF FINANCIAL SERVICES:				
Division of accounting:				
Personnel Services	1,336,190	1,366,482	(30,292)	1,256,173
Operating Expenditures	232,862	194,987	37,875	208,153
Recovered Costs	(926,320)	(936,881)	10,561	(878,596)
Total	642,732	624,588	18,144	585,730
Division of purchasing and warehousing:				
Personnel Services	655,990	628,195	27,795	649,620
Operating Expenditures	208,850	206,407	2,443	221,651
Recovered Costs	(518,910)	(500,763)	(18,147)	(522,762)
Capital Outlay	6,000		6,000	
Total	351,930	333,839	18,091	348,509
Division of billing, collection, and customer service:				
Personnel Services	2,877,990	2,561,124	316,866	2,717,617
Operating Expenditures	1,427,118	1,414,510	12,608	1,526,972
Recovered Costs	(4,164,300)	(3,840,630)	(323,670)	(4,097,504)
Capital Outlay	86,000	67,135	18,865	68,572
Total	226,808	202,139	24,669	215,657
Division of print services:				
Personnel Services	144,450	123,327	21,123	120,162
Operating Expenditures	78,000	68,722	9,278	81,451
Recovered Costs	(133,730)	(129,622)	(4,108)	(136,200)
Total	88,720	62,427	26,293	65,413
Total financial services	1,310,190	1,222,993	87,197	1,215,309

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -

BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018) (CONTINUED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES:				
Operating Expenditures	\$ 2,520,860	\$ 2,455,263	\$ 65,597	\$ 2,455,263
Recovered Costs	(2,203,030)	(2,137,435)	(65,595)	(2,137,435)
Total information technology services	317,830	317,828	2	317,828
DEPARTMENT OF HUMAN RESOURCES:				
Personnel Services	517,180	487,135	30,045	476,198
Operating Expenditures	105,630	75,561	30,069	148,871
Recovered Costs	(249,120)	(225,079)	(24,041)	(250,027)
Total human resources	373,690	337,617	36,073	375,042
DEPARTMENT OF POLICE:				
Personnel Services	12,627,060	11,859,866	767,194	11,234,262
Operating Expenditures	2,044,361	2,284,840	(240,479)	2,214,333
Recovered Costs	(252,540)	(237,197)	(15,343)	(261,844)
Capital Outlay	1,019,807	815,655	204,152	402,248
Total police	15,438,688	14,723,164	715,524	13,588,999
DEPARTMENT OF FIRE:				
Personnel Services	8,231,680	8,065,368	166,312	7,717,475
Operating Expenditures	867,370	849,642	17,728	836,725
Recovered Costs	(411,580)	(403,268)	(8,312)	(385,874)
Capital Outlay	216,110	197,787	18,323	1,350,137
Total fire	8,903,580	8,709,529	194,051	9,518,463
DEPARTMENT OF PLANNING & DEVELOPMENT SERVICES:				
Division of planning and community revitalization:				
Personnel Services	1,182,570	1,137,295	45,275	1,022,707
Operating Expenditures	329,230	300,867	28,363	140,408
Recovered Costs		(49,623)	49,623	(25,432)
Capital Outlay		658	(658)	21,947
Total	1,511,800	1,389,197	122,603	1,159,630
Division of construction standards:				
Personnel Services	833,270	791,588	41,682	726,015
Operating Expenditures	228,981	103,366	125,615	147,413
Recovered Costs	(176,940)	(173,949)	(2,991)	(154,612)
Capital Outlay	23,615	24,323	(708)	
Total	908,926	745,328	163,598	718,816

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -

BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018) (CONTINUED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
DEPARTMENT OF PLANNING & DEVELOPMENT SERVICES:				
(continued):				
Division of land development:				
Personnel Services	\$ 330,840	\$ 307,073	\$ 23,767	\$ 325,621
Operating Expenditures	19,140	13,213	5,927	14,060
Capital Outlay	42,046	42,643	(597)	
Total	392,026	362,929	29,097	339,681
Division of neighborhood improvement:				
Personnel Services	251,030	241,927	9,103	273,596
Operating Expenditures	142,286	123,555	18,731	114,010
Recovered Costs				(30,900)
Total	393,316	365,482	27,834	356,706
Division of geographic information services:				
Personnel Services	283,600	294,591	(10,991)	281,213
Operating Expenditures	76,500	95,533	(19,033)	62,877
Recovered Costs	(288,080)	(312,626)	24,546	(308,253)
Capital Outlay		658	(658)	41,227
Total	72,020	78,156	(6,136)	77,064
Total planning and development services	3,278,088	2,941,092	336,996	2,651,897
DEPARTMENT OF PARKS AND RECREATION:				
Division of parks:				
Personnel Services	1,501,390	1,513,232	(11,842)	1,507,150
Operating Expenditures	847,190	825,530	21,660	879,329
Recovered Costs	(12,000)	(31,723)	19,723	(13,726)
Capital Outlay	403,800	257,874	145,926	119,936
Total	2,740,380	2,564,913	175,467	2,492,689
Division of recreation:				
Personnel Services	1,733,500	1,661,401	72,099	1,761,947
Operating Expenditures	681,823	670,440	11,383	672,663
Capital Outlay	102,115	71,001	31,114	
Total	2,517,438	2,402,842	114,596	2,434,610
Division of reservoirs:				
Personnel Services	11,200	8,827	2,373	11,196
Operating Expenditures	10,000	6,833	3,167	8,445
Total	21,200	15,660	5,540	19,641
Division of Wedgewood facilities:				
Personnel Services	392,780	392,216	564	376,636
Operating Expenditures	469,139	451,352	17,787	387,396
Total	861,919	843,568	18,351	764,032
Total parks and recreation	6,140,937	5,826,983	313,954	5,710,972

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

### SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -

#### BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018) (CONTINUED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
DEPARTMENT OF PUBLIC SERVICES				
Division of administration				
Personnel Services	\$ 691,030	\$ 638,443	\$ 52,587	\$ 560,305
Operating Expenditures	1,105,280	1,041,878	63,402	1,003,625
Recovered Costs	(535,210)	(485,067)	(50,143)	(450,571)
Total	1,261,100	1,195,254	65,846	1,113,359
Division of street construction and maintenance:				
Personnel Services	1,721,690	1,658,222	63,468	1,579,870
Operating Expenditures	1,765,473	1,694,539	70,934	1,954,447
Recovered Costs	(730,000)	(726,749)	(3,251)	(633,446)
Capital Outlay	671,043	570,401	100,642	13,670
Total	3,428,206	3,196,413	231,793	2,914,541
Division of environmental services:				
Personnel Services	2,610,730	2,432,183	178,547	2,334,373
Operating Expenditures	3,019,550	3,035,455	(15,905)	3,211,541
Recovered Costs	(168,500)	(168,500)		(168,486)
Capital Outlay	641,000	640,683	317	436,083
Total	6,102,780	5,939,821	162,959	5,813,511
Division of engineering:				
Personnel Services	309,930	298,385	11,545	315,604
Operating Expenditures	202,133	170,948	31,185	89,664
Capital Outlay	109,179	86,047	23,132	222,954
Total	621,242	555,380	65,862	628,222
Division of fleet maintenance:				
Personnel Services	1,347,910	1,308,397	39,513	1,272,889
Operating Expenditures	558,089	363,780	194,309	417,620
Recovered Costs	(1,585,680)	(1,511,417)	(74,263)	(1,481,966)
Capital Outlay	68,840	75,796	(6,956)	18,819
Total	389,159	236,556	152,603	227,362
Division of stormwater compliance:				
Personnel Services	353,130	347,825	5,305	333,665
Operating Expenditures	49,757	31,729	18,028	14,983
Recovered Costs	(402,050)	(379,554)	(22,496)	(348,648)
Total	837		837	
Division of parking and traffic:				
Personnel Services	228,850	169,778	59,072	300,038
Operating Expenditures	375,513	316,544	58,969	172,136
Recovered Costs				(527)
Capital Outlay				48,610
Total	604,363	486,322	118,041	520,257
Total public services	12,407,687	11,609,746	797,941	11,217,252

# CITY OF WILSON, NORTH CAROLINA

## GENERAL FUND

SUPPLEMENTAL SCHEDULE OF EXPENDITURES AND OTHER USES -

BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018) (CONCLUDED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
DEBT SERVICE:				
Installment purchase contract -				
principal payment	\$ 323,290	\$ 323,010	\$ 280	\$ 718,525
Installment purchase contract -				
interest payment	39,380	36,721	2,659	30,559
Debt service fees	2,000		2,000	
Total debt service	<u>364,670</u>	<u>359,731</u>	<u>4,939</u>	<u>749,084</u>
TOTAL EXPENDITURES	<u>54,406,799</u>	<u>51,516,292</u>	<u>2,890,507</u>	<u>50,010,288</u>
OTHER EXPENDITURES AND USES:				
Transfers to other funds	<u>4,220,945</u>	<u>4,220,945</u>		<u>1,549,790</u>
Total other expenditures and uses	<u>4,220,945</u>	<u>4,220,945</u>		<u>1,549,790</u>
TOTAL EXPENDITURES AND OTHER USES	<u>\$ 58,627,744</u>	<u>\$ 55,737,237</u>	<u>\$ 2,890,507</u>	<u>\$ 51,560,078</u>

**CITY OF WILSON, NORTH CAROLINA**  
**NONMAJOR GOVERNMENTAL FUNDS (continued)**

**SPECIAL REVENUE FUNDS**

Community Development – Accounts for community development programs and housing rehabilitation loans made to qualified property owners.

Neighborhood Revitalization (Whitfield Homes Flood Recovery) CDBG Grant – Accounts for Rural Economic Development Division grant funds to support the Wilson Housing Authority efforts to re-build the flooded Whitfield Homes.

New Homes Loan Pool and System Vision Program Grant - Accounts for grant funds from NCHFA, which provides interest-free loans for new homebuyers. Additional funds are available for homes meeting System Vision standards.

2018 Urgent Repair Program – Accounts for the 2018 Urgent Repair Program Grant from the North Carolina Housing Finance Agency to address urgent repairs on owner-occupied homes; budgeted on a grant project basis.

2017 Urgent Repair Program – Accounts for the 2017 Urgent Repair Program Grant from the North Carolina Housing Finance Agency to address urgent repairs on owner-occupied homes; budgeted on a grant project basis.

Brownfields Cleanup Revolving Loan Fund Grant – Accounts for low costs or no interest loans or subgrants for environmental cleanups at Brownfields' properties contaminated with hazardous substances and petroleum products.

2017 Brownfields Assessment and Clean-up Hazardous & Petroleum Grant - Accounts for EPA grant funds which address Brownfields' properties in the City of Wilson, potentially contaminated with hazardous substances and/or petroleum products.

2016 Essential Single-Family Rehabilitation Loan Pool Grant - Accounts for NC Housing Authority grant funds, which address comprehensive rehabilitation of existing moderately deteriorated single-family housing units occupied by lower income households.

Essential Single-Family Rehabilitation Loan Pool – Disaster Recovery Grant - Accounts for NC Housing Authority grant funds, which directly benefits persons and families affected by certain natural disasters.

Rural Economic Development (Building Reuse Program “217 Brew Works”) Grant – Accounts for Rural Economic Development grant funds to support the building reuse of 217 South Street.

Wayfinding Signage – USDA Grant – Accounts for USDA – Rural Development grant funds to install a citywide wayfinding system, including welcome signs, major attraction signs, district signs, and pedestrian signs.

Hazardous Mitigation (Matthew Buyout) Grant – Accounts for FEMA/NCEM grant funds to acquire and demolish four residential structures located within the boundaries of the special flood hazard zone area.

NOTE: The schedules for Special Revenue Funds, which have a project ordinance for the life of the project, disclose project authorization, current, as well as prior years' revenue and expenditures to date, and respective variances. The schedules for Special Revenue Funds, which are budgeted on an annual basis, disclose current year budget, current year actual and respective variances.

**CITY OF WILSON, NORTH CAROLINA**  
**NONMAJOR GOVERNMENTAL FUNDS (continued)**

**CAPITAL PROJECTS FUNDS**

Whirligig South & Douglas Streets Infrastructure – Accounts for the replacement of old infrastructure on South & Douglas Streets adjacent to the Vollis Simpson Whirligig Park.

Rail Station Canopy Replacement – Accounts for the cost of replacing the canopy at the rail station.

J. Burt Gillette Athletic Complex/Soccer Fields/Site Improvement – Accounts for the addition of two artificial soccer fields, a pavilion built between them, replacement of baseball stadium grass with artificial turf and site improvements.

Recreation Revitalization – Accounts for a feasibility study of City of Wilson Parks and Recreation facilities.

Economic Community Investment Downtown Building Revitalization – Accounts for the continuation of projects and efforts to redevelop and rehabilitate structures in the downtown area.

Economic Community Investment - TIGER – Accounts for the City of Wilson’s matching contribution for the USDOT’s Transportation Investment Generating Economic Recovery (TIGER) grant entitled “US 301 Road to Opportunity” awarded to the City in the amount of \$10 million dollars.

Lake Wilson Park Improvements Phase II – Accounts for parking, gates, and landscaping renovations at Lake Wilson.

Lake Wilson Walking Trail and Bridge Phase I – Accounts for constructing a walking trail and bridge at Lake Wilson.

Public Street Maintenance and Construction – Accounts for maintaining, repairing, constructing, reconstructing, widening and improving public streets in the City of Wilson that do not form a part of the State highway system.

2019 Public Street Maintenance and Construction – Accounts for maintaining, repairing, constructing, reconstructing, widening and improving public streets in the City of Wilson that do not form a part of the State highway system.

City-Wide Greenway System – Accounts for the continuation of projects and efforts to plan and design greenways throughout the City of Wilson.

Cavalier Terrace Park Renovations – Accounts for site preparation, walking trail, playground, picnic shelter, parking lot, pickle ball courts, utilities, and planning costs for Cavalier Terrace Park.

Wiggins Mill Park Improvements – Accounts for a boat ramp, floating docks, area lighting, and parking lot renovations to improve and update Wiggins Mill Park.

Toisnot Dog Park – Accounts for the design and construction of the Toisnot Dog Park.

Risk Mitigation - Toisnot Bank and Flood Zone – Accounts for the risk mitigation on the outer fringe of Toisnot Park near Ward Boulevard by leveling the bank and building up the site.

Centre Brick Parking Lot Re-Design – Accounts for the re-design of a parking lot with 131 spaces near Whirligig Park.

Cherry Hotel Remediation and Infrastructure Improvement – Accounts for the loan repayment, parking lot improvements, and infrastructure improvements for the Cherry Hotel.

GIG East Exchange Building Renovation – Accounts for the renovation of the building for the GIG East Exchange, which is located in Historic Downtown Wilson.

Arts Council Relocation and Renovation – Accounts for the funding to the Arts Council of Wilson, Inc. for the acquisition, renovation, and future maintenance of the new Arts Council property.

Economic Development Shell Building Project – Accounts for expenditures for the purchase and/or construction of buildings for economic development purposes.

NOTE: The schedules for capital projects, which have a capital project ordinance for the life of the project, disclose project authorization, current as well as prior years’ revenues and expenditures to date and respective variances.



# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2019

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents/investments	\$ 1,174,041	\$ 4,045,044	\$ 5,219,085
Accrued interest		592	592
Notes receivable	54,164		54,164
Due from other agencies and governments	309,184	571,528	880,712
Restricted cash and cash equivalents	6,750		6,750
	<u>6,750</u>	<u>571,528</u>	<u>880,712</u>
Total assets	<u>\$ 1,544,139</u>	<u>\$ 4,617,164</u>	<u>\$ 6,161,303</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 123,539	\$ 82,408	\$ 205,947
Interfund payable	285,184	374,146	659,330
Advanced grant funds	50,000		50,000
Payable from restricted assets	6,750		6,750
	<u>6,750</u>	<u>374,146</u>	<u>659,330</u>
Total liabilities	<u>465,473</u>	<u>456,554</u>	<u>922,027</u>
<b>Fund balances:</b>			
<b>Restricted</b>			
Stabilization by State Statute	363,348	1,175,416	1,538,764
<b>Committed</b>			
General government		3,530	3,530
Public services		957,166	957,166
Planning and development	816,177	1,345,842	2,162,019
Culture and recreation		1,119,731	1,119,731
<b>Assigned</b>			
Subsequent year's expenditures	120,290		120,290
Planning and development	64,035		64,035
<b>Unassigned</b>			
	<u>(285,184)</u>	<u>(441,075)</u>	<u>(726,259)</u>
Total fund balances	<u>1,078,666</u>	<u>4,160,610</u>	<u>5,239,276</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,544,139</u>	<u>\$ 4,617,164</u>	<u>\$ 6,161,303</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2019

	Community Development	Community Development Block Grants	New Homes Loan Pool and System Vision Grant	Urgent Repair Program Grant	Brownfields Assessment and Cleanup Grants	Single Family Rehabilitation Loan Pool Grants	Rural Economic Development Grant	Wayfinding Signage USDA Grant	Hazardous Mitigation Matthew Buyout Grant	Total Nonmajor Special Revenue Funds
ASSETS										
Cash and cash equivalents/investments	\$ 187,518	\$	\$	\$ 59,900	\$ 538,228	\$	\$	\$ 388,395	\$	\$ 1,174,041
Notes receivable	54,164									54,164
Due from other agencies and governments						37,819		24,000	247,365	309,184
Restricted cash and cash equivalents	6,750									6,750
TOTAL ASSETS	<u>\$ 248,432</u>	<u>\$</u>	<u>\$</u>	<u>\$ 59,900</u>	<u>\$ 538,228</u>	<u>\$ 37,819</u>	<u>\$</u>	<u>\$ 412,395</u>	<u>\$ 247,365</u>	<u>\$ 1,544,139</u>
LIABILITIES AND FUND BALANCE										
LIABILITIES:										
Accounts payable	\$ 3,193	\$	\$	\$	\$ 96,346	\$	\$	\$ 24,000	\$	\$ 123,539
Interfund payable						37,819			247,365	285,184
Advanced grant funds				50,000						50,000
Payable from restricted assets	6,750									6,750
Total liabilities	<u>9,943</u>			<u>50,000</u>	<u>96,346</u>	<u>37,819</u>		<u>24,000</u>	<u>247,365</u>	<u>465,473</u>
FUND BALANCES:										
Restricted:										
Stabilization by State Statute	\$ 54,164	\$	\$	\$	\$	\$ 37,819	\$	\$ 24,000	\$ 247,365	\$ 363,348
Planning and development										
Committed:										
Planning and development				9,900	441,882			364,395		816,177
Assigned:										
Subsequent year's expenditures	120,290									120,290
Planning and development	64,035									64,035
Unassigned						(37,819)			(247,365)	(285,184)
Total fund balances	<u>238,489</u>			<u>9,900</u>	<u>441,882</u>			<u>388,395</u>		<u>1,078,666</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 248,432</u>	<u>\$</u>	<u>\$</u>	<u>\$ 59,900</u>	<u>\$ 538,228</u>	<u>\$ 37,819</u>	<u>\$</u>	<u>\$ 412,395</u>	<u>\$ 247,365</u>	<u>\$ 1,544,139</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2019

	Whirligig Park	Rail Station Canopy Replacement	J. Burt Gillette Athletic Complex	Recreation Revitalization	Economic Community Investment Downtown Building Revitalization	Economic Community Investment TIGER	Lake Wilson Park	Public Street Maintenance and Construction	City-Wide Greenway System	Cavalier Terrace Park Renovations	Wiggins Mill Park Improvements	Toisnot Dog Park	Risk Mitigation Toisnot Bank and Flood Zone	Centre Brick Parking Lot Re-design	Cherry Hotel Remediation and Infrastructure Improvement	GIG East Exchange Building Renovation	Arts Council Relocation and Renovation	Economic Development Shell Building Project	Total Nonmajor Capital Project Funds
ASSETS																			
Cash and cash equivalents/investments	\$	\$ 156,044	\$ 271,544	\$	\$ 623,033	\$ 51,458	\$ 389,554	\$ 719,967	\$ 68,229	\$	\$ 187,236	\$ 211,891	\$ 128,902	\$ 500,469	\$ 269,422	\$ 5,597	\$ 811	\$ 460,887	\$ 4,045,044
Accrued interest Due from other agencies and governments																		592	592
TOTAL ASSETS	<u>\$</u>	<u>\$ 156,044</u>	<u>\$ 271,544</u>	<u>\$</u>	<u>\$ 623,033</u>	<u>\$ 51,458</u>	<u>\$ 389,554</u>	<u>\$ 719,967</u>	<u>\$ 168,229</u>	<u>\$ 374,175</u>	<u>\$ 187,236</u>	<u>\$ 211,891</u>	<u>\$ 128,902</u>	<u>\$ 500,469</u>	<u>\$ 269,422</u>	<u>\$ 102,950</u>	<u>\$ 811</u>	<u>\$ 461,479</u>	<u>\$ 4,617,164</u>
LIABILITIES AND FUND BALANCES																			
LIABILITIES:																			
Accounts payable	\$	\$	\$ 8,825	\$	\$ 58,958	\$	\$ 3,035	\$	\$ 2,096	\$	\$	\$	\$ 6,616	\$	\$	\$ 2,878	\$	\$	\$ 82,408
Interfund payable										374,146									374,146
Total liabilities			8,825		58,958		3,035		2,096	374,146			6,616			2,878			456,554
FUND BALANCES:																			
Restricted:																			
Stabilization by State Statute	\$	\$	\$	\$	\$	\$	\$	\$ 419,314	\$ 233,062	\$ 374,175	\$	\$ 50,920	\$	\$	\$	\$ 97,353	\$	\$ 592	\$ 1,175,416
Committed:																			
General government																			3,530
Public services		156,044						300,653						500,469		2,719	811		957,166
Planning and development					564,075	51,458													
Culture and recreation			262,719				386,519				187,236	160,971	122,286		269,422			460,887	1,345,842
Unassigned									(66,929)	(374,146)									1,119,731
Total fund balances		156,044	262,719		564,075	51,458	386,519	719,967	166,133	29	187,236	211,891	122,286	500,469	269,422	100,072	811	461,479	4,160,610
TOTAL LIABILITIES AND FUND BALANCES	<u>\$</u>	<u>\$ 156,044</u>	<u>\$ 271,544</u>	<u>\$</u>	<u>\$ 623,033</u>	<u>\$ 51,458</u>	<u>\$ 389,554</u>	<u>\$ 719,967</u>	<u>\$ 168,229</u>	<u>\$ 374,175</u>	<u>\$ 187,236</u>	<u>\$ 211,891</u>	<u>\$ 128,902</u>	<u>\$ 500,469</u>	<u>\$ 269,422</u>	<u>\$ 102,950</u>	<u>\$ 811</u>	<u>\$ 461,479</u>	<u>\$ 4,617,164</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental revenues	\$ 965,685	\$ 474,175	\$ 1,439,860
Investment income	6,459	25,206	31,665
Loan repayments and related interest	674,373		674,373
Contributions	50,000	117,353	167,353
Other	150	102,750	102,900
	<hr/>	<hr/>	<hr/>
Total revenues	1,696,667	719,484	2,416,151
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current:			
General government		731,880	731,880
Planning and development	1,525,906	1,054,362	2,580,268
Culture and recreation		1,162,188	1,162,188
	<hr/>	<hr/>	<hr/>
Total expenditures	1,525,906	2,948,430	4,474,336
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	170,761	(2,228,946)	(2,058,185)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	347,616	4,258,031	4,605,647
Transfers out	(2,573)	(245,813)	(248,386)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	345,043	4,012,218	4,357,261
	<hr/>	<hr/>	<hr/>
Net change in fund balances	515,804	1,783,272	2,299,076
	<hr/>	<hr/>	<hr/>
Fund balances - beginning	562,862	2,377,338	2,940,200
	<hr/>	<hr/>	<hr/>
Fund balances - ending	\$ 1,078,666	\$ 4,160,610	\$ 5,239,276
	<hr/>	<hr/>	<hr/>

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

### NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

	Community Development	Community Development Block Grants	New Homes Loan Pool and System Vision Grant	Urgent Repair Program Grant	Brownfields Assessment and Cleanup Grants	Single Family Rehabilitation Loan Pool Grants	Rural Economic Development Grant	Wayfinding Signage USDA Grant	Hazardous Mitigation Matthew Buyout Grant	Total
REVENUES:										
Intergovernmental revenues	\$	\$	\$	\$ 91,800	\$ 502,676	\$ 99,844	\$	\$ 24,000	\$ 247,365	\$ 965,685
Investment income		3,572		171	1,881		10	825		6,459
Loan repayments and related interest		2,031			672,342					674,373
Contributions								50,000		50,000
Other	150									150
Total revenues	5,753			91,971	1,176,899	99,844	10	74,825	247,365	1,696,667
EXPENDITURES:										
Administration	32,016			257	218,335					250,608
Special programs	83,073			101,986		99,844		24,000	247,365	556,268
Loan expenditures					719,030					719,030
Total expenditures	115,089			102,243	937,365	99,844		24,000	247,365	1,525,906
Excess (deficiency) of revenues over expenditures	(109,336)			(10,272)	239,534		10	50,825		170,761
OTHER FINANCING SOURCES (USES):										
Transfers in	46			10,000				337,570		347,616
Transfers out			(46)				(2,527)			(2,573)
Total other financing sources and uses	46		(46)	10,000			(2,527)	337,570		345,043
Net change in fund balances	(109,290)		(46)	(272)	239,534		(2,517)	388,395		515,804
Fund balances - beginning	347,779		46	10,172	202,348		2,517			562,862
Fund balances - ending	\$ 238,489	\$	\$	\$ 9,900	\$ 441,882	\$	\$	\$ 388,395	\$	\$ 1,078,666

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2019

	Whirligig Park	Rail Station Canopy Replacement	J. Burt Gillette Athletic Complex	Recreation Revitalization	Economic Community Investment Downtown Building Revitalization	Economic Community Investment TIGER	Lake Wilson Park	Public Street Maintenance and Construction	City-Wide Greenway System	Cavalier Terrace Park Renovations	Wiggins Mill Park Improvement	Toisnot Dog Park	Risk Mitigation Toisnot Bank and Flood Zone	Centre Brick Parking Lot Re-design	Cherry Hotel Remediation and Infrastructure Improvement	GIG East Exchange Building Renovation	Arts Council Relocation and Renovation	Economic Development Shell Building Project	Total
REVENUES:																			
Intergovernmental revenues	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Investment income	101	986	1,996	301	4,249	392	1,780	3,662	100,000 236	374,175 491	1,077	391	174	469	1,460	72	338	7,031	474,175 25,206
Contributions										20,000						97,353			117,353
Other												750						102,000	102,750
Total revenues	101	986	1,996	301	4,249	392	1,780	3,662	100,236	394,666	1,077	1,141	174	469	1,460	97,425	338	109,031	719,484
EXPENDITURES																			
Engineering						118,886	4,615		16,078	21,555	9,450		28,295						198,879
Building and Structures										39,735									1,433,653
Construction			11,118		42,390		85,242		45,716	543,801	3,555	1,750			662,038	97,353	634,527		733,572
Land			52,939							70,389									322,921
Equipment/Furnishings			450							27,907			199,593						28,357
Special programs					225,908													5,140	231,048
Total expenditures			64,507		268,298	118,886	89,857		61,794	703,387	13,005	1,750	227,888		662,038	97,353	634,527	5,140	2,948,430
Excess (deficiency) of revenues over expenditures	101	986	(62,511)	301	(264,049)	(118,494)	(88,077)	3,662	38,442	(308,721)	(11,928)	(609)	(227,714)	469	(660,578)	72	(634,189)	103,891	(2,228,946)
OTHER FINANCING SOURCES AND USES:																			
Transfers in					250,000		307,185	716,886	100,000	56,460	100,000	212,500	350,000	500,000	930,000	100,000	635,000		4,258,031
Transfers out	(21,277)			(82,650)				(141,886)											(245,813)
Total other financing sources (uses)	(21,277)			(82,650)	250,000		307,185	575,000	100,000	56,460	100,000	212,500	350,000	500,000	930,000	100,000	635,000		4,012,218
Net change in fund balances	(21,176)	986	(62,511)	(82,349)	(14,049)	(118,494)	219,108	578,662	138,442	(252,261)	88,072	211,891	122,286	500,469	269,422	100,072	811	103,891	1,783,272
Fund balances - beginning	21,176	155,058	325,230	82,349	578,124	169,952	167,411	141,305	27,691	252,290	99,164							357,588	2,377,338
Fund balances - ending	\$	\$ 156,044	\$ 262,719	\$	\$ 564,075	\$ 51,458	\$ 386,519	\$ 719,967	\$ 166,133	\$ 29	\$ 187,236	\$ 211,891	\$ 122,286	\$ 500,469	\$ 269,422	\$ 100,072	\$ 811	\$ 461,479	\$ 4,160,610

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
COMMUNITY DEVELOPMENT  
FOR THE YEAR ENDED JUNE 30, 2019 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	2019			
	Budget	Actual	Variance Positive (Negative)	2018 Actual
REVENUES:				
Investment income	\$	\$ 3,572	\$ 3,572	\$ 589
Loan repayments and related interest	9,000	2,031	(6,969)	3,094
Other		150	150	
Total revenues	9,000	5,753	(3,247)	3,683
Fund balance appropriated	193,060		(193,060)	
Total revenues and fund balance appropriations	202,060	5,753	(196,307)	3,683
EXPENDITURES:				
Administration	54,420	32,016	22,404	5,473
Special programs	147,640	83,073	64,567	38,318
Total expenditures	202,060	115,089	86,971	43,791
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(109,336)	(109,336)	(40,108)
OTHER FINANCING SOURCES/(USES):				
Transfers from other funds		46	46	
Total other financing sources/(uses)		46	46	
NET CHANGE IN FUND BALANCES	\$	(109,290)	\$ (109,290)	(40,108)
FUND BALANCE, BEGINNING OF YEAR		347,779		387,887
FUND BALANCE, END OF YEAR		\$ 238,489		\$ 347,779

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL

NEIGHBORHOOD REVITALIZATION (WHITFIELD HOMES FLOOD RECOVERY) - CDBG GRANT PROJECT (Project CD0060)  
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
CDBG - Neighborhood Revitalization	\$ 750,000	\$	\$	\$	\$ (750,000)
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 750,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (750,000)</u>
EXPENDITURES:					
Neighborhood Facilities - Whitfield Homes	\$ 750,000	\$	\$	\$	\$ 750,000
TOTAL EXPENDITURES	<u>\$ 750,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 750,000</u>



## CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 NEW HOMES LOAN POOL AND SYSTEM VISION GRANT (Project CD0041)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
System Vision Grant	\$ 163,290	\$ 163,290	\$	\$ 163,290	\$
Investment income	46	46		46	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 163,336</u>	<u>\$ 163,336</u>	<u>\$</u>	<u>\$ 163,336</u>	<u>\$</u>
EXPENDITURES:					
Energy Efficiency Construction	\$ 163,290	\$ 163,290	\$	\$ 163,290	\$
Transfer to Community Development Fund	46		46	46	
TOTAL EXPENDITURES	<u>\$ 163,336</u>	<u>\$ 163,290</u>	<u>\$ 46</u>	<u>\$ 163,336</u>	<u>\$</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS  
URGENT REPAIR PROGRAM GRANT PROJECTS  
JUNE 30, 2019 AND 2018

	2018 Urgent Repair Grant	2017 Urgent Repair Grant	Total	
			2019	2018
ASSETS				
Cash and cash equivalents/investments	\$ 59,900	\$	\$ 59,900	\$ 51,972
TOTAL ASSETS	<u>\$ 59,900</u>	<u>\$</u>	<u>\$ 59,900</u>	<u>\$ 51,972</u>
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Advanced grant funds	\$ 50,000	\$	\$ 50,000	\$ 41,800
Total liabilities	<u>50,000</u>		<u>50,000</u>	<u>41,800</u>
FUND BALANCE:				
Restricted:				
Planning and development	\$	\$	\$	\$ 10,172
Committed:				
Planning and development	<u>9,900</u>		<u>9,900</u>	
Total fund balances	<u>9,900</u>		<u>9,900</u>	<u>10,172</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 59,900</u>	<u>\$</u>	<u>\$ 59,900</u>	<u>\$ 51,972</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
URGENT REPAIR PROGRAM GRANT PROJECTS  
FOR THE YEAR ENDED JUNE 30, 2019 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	2018 Urgent Repair Grant	2017 Urgent Repair Grant	Total	
			2019	2018
REVENUES				
Intergovernmental revenues	\$	\$ 91,800	\$ 91,800	\$ 58,200
Investment income	69	102	171	206
Total revenues	69	91,902	91,971	58,406
EXPENDITURES:				
Administration	169	88	257	4,082
Special programs		101,986	101,986	110,466
Total expenditures	169	102,074	102,243	114,548
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(100)	(10,172)	(10,272)	(56,142)
OTHER FINANCING SOURCES/(USES)				
Transfers from other funds	10,000		10,000	15,730
Total other financing sources and uses	10,000		10,000	15,730
NET CHANGE IN FUND BALANCES	9,900	(10,172)	(272)	(40,412)
FUND BALANCE, BEGINNING OF YEAR		10,172	10,172	50,584
FUND BALANCE, END OF YEAR	\$ 9,900	\$	\$ 9,900	\$ 10,172

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

2018 URGENT REPAIR PROGRAM GRANT (Project CD0061)

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project	Actual			Variance
	Authorization	Prior	Current	Total	Positive
		Years	Year	to date	(Negative)
REVENUES AND OTHER SOURCES:					
2018 Urgent Repair Program Grant	\$ 100,000	\$	\$	\$	\$ (100,000)
Investment income			69	69	69
Transfer from General Fund	10,000		10,000	10,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 110,000</u>	<u>\$</u>	<u>\$ 10,069</u>	<u>\$ 10,069</u>	<u>\$ (99,931)</u>
EXPENDITURES:					
Administration	\$ 11,000	\$	\$ 169	\$ 169	\$ 10,831
Rehabilitation	99,000				99,000
TOTAL EXPENDITURES	<u>\$ 110,000</u>	<u>\$</u>	<u>\$ 169</u>	<u>\$ 169</u>	<u>\$ 109,831</u>

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

2017 URGENT REPAIR PROGRAM GRANT (Project CD0059)

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project	Actual			Variance
	Authorization	Prior	Current	Total	Positive
		Years	Year	to date	(Negative)
REVENUES AND OTHER SOURCES:					
2017 Urgent Repair Program Grant	\$ 100,000	\$ 8,200	\$ 91,800	\$ 100,000	\$
Investment income	274	172	102	274	
Transfer from General Fund	10,000	10,000		10,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 110,274</u>	<u>\$ 18,372</u>	<u>\$ 91,902</u>	<u>\$ 110,274</u>	<u>\$</u>
EXPENDITURES:					
Administration	\$ 88	\$	\$ 88	\$ 88	\$
Rehabilitation	110,186	8,200	101,986	110,186	
TOTAL EXPENDITURES	<u>\$ 110,274</u>	<u>\$ 8,200</u>	<u>\$ 102,074</u>	<u>\$ 110,274</u>	<u>\$</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS  
BROWNFIELDS ASSESSMENT AND CLEANUP GRANT PROJECTS  
JUNE 30, 2019 AND 2018

	Brownfields Cleanup Revolving Loan Fund Grant	2017 Brownfields Assessment and Cleanup Hazardous & Petroleum	Total	
			2019	2018
ASSETS				
Cash and cash equivalents/investments	\$ 538,228	\$	\$ 538,228	\$ 202,093
Due from other agencies and governments				37,560
TOTAL ASSETS	<u>\$ 538,228</u>	<u>\$</u>	<u>\$ 538,228</u>	<u>\$ 239,653</u>
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts payable	\$ 96,346	\$	\$ 96,346	\$ 37,305
Total liabilities	<u>96,346</u>	<u>\$</u>	<u>96,346</u>	<u>37,305</u>
FUND BALANCE:				
Reserved for:				
Stabilization by State Statute	\$	\$	\$	\$ 37,560
Committed				
Planning and development	441,882		441,882	199,816
Unassigned				(35,028)
Total fund balances	<u>441,882</u>	<u>\$</u>	<u>441,882</u>	<u>202,348</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 538,228</u>	<u>\$</u>	<u>\$ 538,228</u>	<u>\$ 239,653</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BROWNFIELDS ASSESSMENT AND CLEANUP GRANT PROJECTS  
FOR THE YEAR ENDED JUNE 30, 2019 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	Brownfields Cleanup Revolving Loan Fund Grant	2017 Brownfields Assessment and Cleanup Hazardous & Petroleum	Total	
			2019	2018
REVENUES				
Intergovernmental revenues	\$ 345,835	\$ 156,841	\$ 502,676	\$ 155,033
Loan repayments	672,342		672,342	
Investment income	1,881		1,881	1,003
Total revenues	1,020,058	156,841	1,176,899	156,036
EXPENDITURES:				
Administration	61,494	156,841	218,335	155,033
Loans	481,948		481,948	
Use of loans	237,082		237,082	
Total expenditures	780,524	156,841	937,365	155,033
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	239,534		239,534	1,003
OTHER FINANCING SOURCES/(USES)				
Transfers from other funds				
Total other financing sources and uses				
NET CHANGE IN FUND BALANCES	239,534		239,534	1,003
FUND BALANCE, BEGINNING OF YEAR	202,348		202,348	201,345
FUND BALANCE, END OF YEAR	\$ 441,882	\$	\$ 441,882	\$ 202,348

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 BROWNFIELDS CLEANUP REVOLVING LOAN FUND GRANT PROJECT (Project PL0020)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project	Actual			Variance
	Authorization	Prior	Current	Total	Positive
		Years	Year	to date	(Negative)
REVENUES AND OTHER SOURCES:					
Grant - U.S. Environmental Protection Agency	\$ 1,000,000	\$ 317,468	\$ 345,835	\$ 663,303	\$ (336,697)
Loan repayments	790,310		672,342	672,342	(117,968)
Investment income		2,348	1,881	4,229	4,229
Transfer from General Fund	200,000	200,000		200,000	
 TOTAL REVENUES AND OTHER SOURCES	 \$ 1,990,310	 \$ 519,816	 \$ 1,020,058	 \$ 1,539,874	 \$ (450,436)
EXPENDITURES:					
Administration	\$ 200,000	\$ 136,004	\$ 61,494	\$ 197,498	\$ 2,502
Loans	1,000,000	181,464	481,948	663,412	336,588
Use of loans	790,310		237,082	237,082	553,228
TOTAL EXPENDITURES	\$ 1,990,310	\$ 317,468	\$ 780,524	\$ 1,097,992	\$ 892,318



# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -

### BUDGET AND ACTUAL

2017 BROWNFIELDS ASSESSMENT AND CLEANUP - HAZARDOUS & PETROLEUM GRANT PROJECT (Project PL0034)

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
Grant - U.S. Environmental Protection Agency	\$ 300,000	\$ 127,555	\$ 156,841	\$ 284,396	\$ (15,604)
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 300,000</u>	<u>\$ 127,555</u>	<u>\$ 156,841</u>	<u>\$ 284,396</u>	<u>\$ (15,604)</u>
EXPENDITURES:					
Administration - Hazardous	\$ 200,000	\$ 60,390	\$ 124,006	\$ 184,396	\$ 15,604
Administration - Petroleum	<u>100,000</u>	<u>67,165</u>	<u>32,835</u>	<u>100,000</u>	
TOTAL EXPENDITURES	<u>\$ 300,000</u>	<u>\$ 127,555</u>	<u>\$ 156,841</u>	<u>\$ 284,396</u>	<u>\$ 15,604</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS  
SINGLE FAMILY REHABILITATION LOAN POOL GRANT PROJECTS  
JUNE 30, 2019 AND 2018

	Essential Single-Family Rehabilitation Loan Pool Grant	Essential Single-Family Rehabilitation Loan Pool- Disaster Recovery Grant	Total	
			2019	2018
ASSETS				
Due from other agencies and governments	\$ 37,819	\$	\$ 37,819	\$ 57,748
TOTAL ASSETS	<u>\$ 37,819</u>	<u>\$</u>	<u>\$ 37,819</u>	<u>\$ 57,748</u>
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Interfund payable	\$ 37,819	\$	\$ 37,819	\$ 57,748
Total liabilities	<u>37,819</u>	<u>\$</u>	<u>37,819</u>	<u>57,748</u>
FUND BALANCE:				
Reserved for:				
Stabilization by State Statute	\$ 37,819	\$	\$ 37,819	\$ 57,748
Unassigned	<u>(37,819)</u>	<u>\$</u>	<u>(37,819)</u>	<u>(57,748)</u>
Total fund balances	<u></u>	<u>\$</u>	<u></u>	<u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 37,819</u>	<u>\$</u>	<u>\$ 37,819</u>	<u>\$ 57,748</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
SINGLE FAMILY REHABILITATION LOAN POOL GRANT PROJECTS  
FOR THE YEAR ENDED JUNE 30, 2019 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	Essential Single-Family Rehabilitation Loan Pool Grant	Essential Single-Family Rehabilitation Loan Pool- Disaster Recovery Grant	Total	
			2019	2018
REVENUES				
Intergovernmental revenues	\$ 99,844	\$	\$ 99,844	\$ 226,654
Total revenues	99,844		99,844	226,654
EXPENDITURES:				
Administration				40,297
Special programs	99,844		99,844	186,357
Total expenditures	99,844		99,844	226,654
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
NET CHANGE IN FUND BALANCES				
FUND BALANCE, BEGINNING OF YEAR				
FUND BALANCE, END OF YEAR	\$	\$	\$	\$

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 ESSENTIAL SINGLE-FAMILY REHABILITATION LOAN POOL GRANT PROJECT (Project CD0057)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
Essential Single-Family Rehabilitation Loan Pool	\$ 175,000	\$ 2,250	\$ 99,844	\$ 102,094	\$ (72,906)
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 175,000</u>	<u>\$ 2,250</u>	<u>\$ 99,844</u>	<u>\$ 102,094</u>	<u>\$ (72,906)</u>
EXPENDITURES:					
Administration	\$ 18,000	\$ 2,250	\$	\$ 2,250	\$ 15,750
Rehabilitation	<u>157,000</u>		<u>99,844</u>	<u>99,844</u>	<u>57,156</u>
TOTAL EXPENDITURES	<u>\$ 175,000</u>	<u>\$ 2,250</u>	<u>\$ 99,844</u>	<u>\$ 102,094</u>	<u>\$ 72,906</u>

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -

### BUDGET AND ACTUAL

#### ESSENTIAL SINGLE-FAMILY REHABILITATION LOAN POOL - DISASTER RECOVERY GRANT PROJECT (Project CD0058)

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
NCHFA - Essential Single-Family Rehabilitation					
Loan Pool - Disaster Recovery	\$ 224,404	\$ 224,404	\$	\$ 224,404	\$
 TOTAL REVENUES AND OTHER SOURCES	 \$ 224,404	 \$ 224,404	 \$	 \$ 224,404	 \$
EXPENDITURES:					
Administration	\$ 38,047	\$ 38,047	\$	\$ 38,047	\$
Rehabilitation	186,357	186,357		186,357	
 TOTAL EXPENDITURES	 \$ 224,404	 \$ 224,404	 \$	 \$ 224,404	 \$

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

RURAL ECONOMIC DEVELOPMENT (BUILDING REUSE PROGRAM "217 BREW WORKS") GRANT PROJECT (Project DTR002)  
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
NC Department of Commerce	\$ 20,000	\$ 20,000	\$	\$ 20,000	\$
Investment Income		17	10	27	27
Transfer from General Fund	2,500	2,500		2,500	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 22,500</u>	<u>\$ 22,517</u>	<u>\$ 10</u>	<u>\$ 22,527</u>	<u>\$ 27</u>
EXPENDITURES AND OTHER (USES):					
Construction	\$ 20,000	\$ 20,000	\$	\$ 20,000	\$
Transfer to General Fund	2,500		2,527	2,527	(27)
TOTAL EXPENDITURES AND OTHER USES	<u>\$ 22,500</u>	<u>\$ 20,000</u>	<u>\$ 2,527</u>	<u>\$ 22,527</u>	<u>\$ (27)</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 WAYFINDING SIGNAGE - USDA GRANT PROJECT (Project DD0007)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project		Actual		Variance
	Authorization	Prior	Current	Total	Positive
		Years	Year	to date	(Negative)
REVENUES AND OTHER SOURCES:					
USDA Rural - Business Financial Agreement Grant	\$ 199,660	\$	\$ 24,000	\$ 24,000	\$ (175,660)
Contributions - Wilson County Tourism Authority	50,000		50,000	50,000	
Investment Income			825	825	825
Transfer from General Fund	337,570		337,570	337,570	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 587,230</u>	<u>\$</u>	<u>\$ 412,395</u>	<u>\$ 412,395</u>	<u>\$ (174,835)</u>
EXPENDITURES:					
Engineering	\$ 130,000	\$	\$	\$	\$ 130,000
Architectural	37,500		24,000	24,000	13,500
Construction	419,730				419,730
TOTAL EXPENDITURES	<u>\$ 587,230</u>	<u>\$</u>	<u>\$ 24,000</u>	<u>\$ 24,000</u>	<u>\$ 563,230</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 HAZARDOUS MITIGATION (MATTHEW BUYOUT) GRANT PROJECT (Project HM0012)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to date	Variance Positive (Negative)
REVENUES AND OTHER SOURCES:					
Hazard Mitigation Grant - FEMA	\$ 592,950	\$	\$ 185,524	\$ 185,524	\$ (407,426)
Hazard Mitigation Grant - NCEM	197,650		61,841	61,841	(135,809)
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 790,600</u>	<u>\$</u>	<u>\$ 247,365</u>	<u>\$ 247,365</u>	<u>\$ (543,235)</u>
EXPENDITURES:					
Administration	\$ 63,650	\$	\$	\$	\$ 63,650
Asbestos Removal	10,000				10,000
Acquisition	628,690		241,465	241,465	387,225
Demolition	69,460				69,460
Professional Services	18,800		5,900	5,900	12,900
TOTAL EXPENDITURES	<u>\$ 790,600</u>	<u>\$</u>	<u>\$ 247,365</u>	<u>\$ 247,365</u>	<u>\$ 543,235</u>



# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL

WHIRLIGIG SOUTH & DOUGLAS STREETS INFRASTRUCTURE CAPITAL PROJECT FUND (Project DDWG18)  
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Infrastructure	\$ 329,059	\$ 329,059	\$	\$ 329,059	\$
Transfer to General Fund	21,277		21,277	21,277	
TOTAL EXPENDITURES	<u>\$ 350,336</u>	<u>\$ 329,059</u>	<u>\$ 21,277</u>	<u>\$ 350,336</u>	<u>\$</u>
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	\$ 336	\$ 235	\$ 101	\$ 336	\$
Transfer from General Fund	350,000	350,000		350,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 350,336</u>	<u>\$ 350,235</u>	<u>\$ 101</u>	<u>\$ 350,336</u>	<u>\$</u>

## CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 RAIL STATION CANOPY REPLACEMENT CAPITAL PROJECT FUND (Project PS0006)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES - CAPITAL OUTLAY:					
Engineering	\$ 20,000	\$	\$	\$	\$ 20,000
Construction	134,970				134,970
TOTAL EXPENDITURES	<u>\$ 154,970</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 154,970</u>
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	\$ 7,470	\$ 7,558	\$ 986	\$ 8,544	\$ 1,074
Transfer from other funds	147,500	147,500		147,500	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 154,970</u>	<u>\$ 155,058</u>	<u>\$ 986</u>	<u>\$ 156,044</u>	<u>\$ 1,074</u>

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -

### BUDGET AND ACTUAL

J. BURT GILLETTE ATHLETIC COMPLEX STADIUM/SOCCER FIELDS/SITE IMPROVEMENTS CAPITAL PROJECT FUND (Project RE0033)  
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 130,600	\$ 123,084	\$	\$ 123,084	\$ 7,516
Land	55,000		52,939	52,939	2,061
Construction	2,858,430	2,608,944	11,118	2,620,062	238,368
Equipment	53,500	50,984	450	51,434	2,066
Administration	118,540	118,531		118,531	9
TOTAL EXPENDITURES	<u>\$ 3,216,070</u>	<u>\$ 2,901,543</u>	<u>\$ 64,507</u>	<u>\$ 2,966,050</u>	<u>\$ 250,020</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Investment income	\$	\$ 10,703	\$ 1,996	\$ 12,699	\$ 12,699
Transfer from General Government					
Capital Project Fund	1,200,000	1,200,000		1,200,000	
Transfer from General Fund	2,016,070	2,016,070		2,016,070	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 3,216,070</u>	<u>\$ 3,226,773</u>	<u>\$ 1,996</u>	<u>\$ 3,228,769</u>	<u>\$ 12,699</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 RECREATION REVITALIZATION CAPITAL PROJECT FUND (Project RE0035)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 17,700	\$ 17,700	\$	\$ 17,700	\$
Transfer to Toisnot Dog Park Capital Project Fund	82,650		82,650	82,650	
TOTAL EXPENDITURES	<u>\$ 100,350</u>	<u>\$ 17,700</u>	<u>\$ 82,650</u>	<u>\$ 100,350</u>	<u>\$</u>
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	\$ 350	\$ 49	\$ 301	\$ 350	\$
Transfer from General Fund	100,000	100,000		100,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 100,350</u>	<u>\$ 100,049</u>	<u>\$ 301</u>	<u>\$ 100,350</u>	<u>\$</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL

ECONOMIC COMMUNITY INVESTMENT DOWNTOWN BUILDING REVITALIZATION CAPITAL PROJECT FUND (Project DD0025)  
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES					
Construction	\$ 200,000	\$ 57,329	\$ 42,390	\$ 99,719	\$ 100,281
Administration/Operating	40,000				40,000
Project incentives	460,000	217,449	111,065	328,514	131,486
Structure renovation and rehabilitation	400,000		112,034	112,034	287,966
Downtown Redevelopment Incentive Grant (DRIG)	9,000	2,809	2,809	5,618	3,382
TOTAL EXPENDITURES	<u>\$ 1,109,000</u>	<u>\$ 277,587</u>	<u>\$ 268,298</u>	<u>\$ 545,885</u>	<u>\$ 563,115</u>
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	\$ 9,000	\$ 5,711	\$ 4,249	\$ 9,960	\$ 960
Transfer from Electric Fund	1,100,000	850,000	250,000	1,100,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 1,109,000</u>	<u>\$ 855,711</u>	<u>\$ 254,249</u>	<u>\$ 1,109,960</u>	<u>\$ 960</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 ECONOMIC COMMUNITY INVESTMENT - TIGER CAPITAL PROJECT FUND (Project PL0023)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Economic Community Investment - TIGER	\$ 2,000,000	\$ 1,836,278	\$ 118,886	\$ 1,955,164	\$ 44,836
TOTAL EXPENDITURES	<u>\$ 2,000,000</u>	<u>\$ 1,836,278</u>	<u>\$ 118,886</u>	<u>\$ 1,955,164</u>	<u>\$ 44,836</u>
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	\$	\$ 6,230	\$ 392	\$ 6,622	\$ 6,622
Transfer from Electric Fund	<u>2,000,000</u>	<u>2,000,000</u>		<u>2,000,000</u>	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 2,000,000</u>	<u>\$ 2,006,230</u>	<u>\$ 392</u>	<u>\$ 2,006,622</u>	<u>\$ 6,622</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS  
LAKE WILSON PARK CAPITAL PROJECTS  
JUNE 30, 2019 AND 2018

	Lake Wilson Park Improvements - Phase II	Lake Wilson Walking Trail and Bridge - Phase I	Total	
			2019	2018
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents/investments	\$ 389,554	\$	\$ 389,554	\$ 168,276
TOTAL ASSETS	<u>\$ 389,554</u>	<u>\$</u>	<u>\$ 389,554</u>	<u>\$ 168,276</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 3,035	\$	\$ 3,035	\$ 865
Total liabilities	<u>3,035</u>	<u>\$</u>	<u>3,035</u>	<u>865</u>
FUND BALANCE:				
Restricted:				
Stabilization by State Statute	\$	\$	\$	\$ 15,200
Committed:				
Culture and recreation	386,519		386,519	152,211
Total fund balances	<u>386,519</u>	<u></u>	<u>386,519</u>	<u>167,411</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 389,554</u>	<u>\$</u>	<u>\$ 389,554</u>	<u>\$ 168,276</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
LAKE WILSON PARK CAPITAL PROJECTS  
FOR THE YEAR ENDED JUNE 30, 2019 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	Lake Wilson Park Improvements - Phase II	Lake Wilson Walking Trail and Bridge - Phase I	Total	
			2019	2018
REVENUES				
Contributions	\$	\$	\$	\$
Investment income	1,780		1,780	1,087
Total revenues	1,780		1,780	1,087
EXPENDITURES:				
Land improvements				8,365
General equipment				18,950
Engineering	4,615		4,615	
Construction	56,742	28,500	85,242	200,670
Total expenditures	61,357	28,500	89,857	227,985
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(59,577)	(28,500)	(88,077)	(226,898)
OTHER FINANCING SOURCES/(USES)				
Transfers from other funds	295,880	11,305	307,185	150,000
Total other financing sources and uses	295,880	11,305	307,185	150,000
NET CHANGE IN FUND BALANCES	236,303	(17,195)	219,108	(76,898)
FUND BALANCE, BEGINNING OF YEAR	150,216	17,195	167,411	244,309
FUND BALANCE, END OF YEAR	\$ 386,519	\$	\$ 386,519	\$ 167,411



# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 LAKE WILSON PARK IMPROVEMENTS - PHASE II CAPITAL PROJECT FUND (Project PK0073)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 30,000	\$	\$ 4,615	\$ 4,615	\$ 25,385
Construction	861,750		56,742	56,742	805,008
TOTAL EXPENDITURES	<u>\$ 891,750</u>	<u>\$</u>	<u>\$ 61,357</u>	<u>\$ 61,357</u>	<u>\$ 830,393</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Investment income	\$	\$ 216	\$ 1,780	\$ 1,996	\$ 1,996
Transfer from General Fund	891,750	150,000	295,880	445,880	(445,870)
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 891,750</u>	<u>\$ 150,216</u>	<u>\$ 297,660</u>	<u>\$ 447,876</u>	<u>\$ (443,874)</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL

LAKE WILSON WALKING TRAIL AND BRIDGE - PHASE I CAPITAL PROJECT FUND (Project PK0062)

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Land improvements	\$ 8,365	\$ 8,365	\$	\$ 8,365	\$
Construction	235,670	207,170	28,500	235,670	
General equipment	18,950	18,950		18,950	
TOTAL EXPENDITURES	<u>\$ 262,985</u>	<u>\$ 234,485</u>	<u>\$ 28,500</u>	<u>\$ 262,985</u>	<u>\$</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Contributions	\$ 50,000	\$ 50,000	\$	\$ 50,000	\$
Investment income	1,680	1,680		1,680	
Transfer from General Fund	211,305	200,000	11,305	211,305	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 262,985</u>	<u>\$ 251,680</u>	<u>\$ 11,305</u>	<u>\$ 262,985</u>	<u>\$</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING BALANCE SHEETS  
PUBLIC STREET MAINTENANCE AND  
CONSTRUCTION CAPITAL PROJECTS  
JUNE 30, 2019 AND 2018

	2019 Public Street Maintenance & Construction	Public Street Maintenance & Construction	Total	
			2019	2018
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents/investments	\$ 719,967	\$	\$ 719,967	\$ 141,305
TOTAL ASSETS	<u>\$ 719,967</u>	<u>\$</u>	<u>\$ 719,967</u>	<u>\$ 141,305</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$	\$	\$	\$
Total liabilities				
FUND BALANCE:				
Restricted:				
Stabilization by State Statute	\$ 419,314	\$	\$ 419,314	\$ 6,665
Committed:				
Public services	300,653		300,653	134,640
Total fund balances	<u>719,967</u>	<u></u>	<u>719,967</u>	<u>141,305</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 719,967</u>	<u>\$</u>	<u>\$ 719,967</u>	<u>\$ 141,305</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
PUBLIC STREET MAINTENANCE AND CONSTRUCTION CAPITAL PROJECTS  
FOR THE YEAR ENDED JUNE 30, 2019 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	2019 Public Street Maintenance & Construction	Public Street Maintenance & Construction	Total	
			2019	2018
REVENUES				
Investment income	\$ 3,081	\$ 581	\$ 3,662	\$ 1,062
Total revenues	3,081	581	3,662	1,062
EXPENDITURES:				
Special programs				491,016
Total expenditures				491,016
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,081	581	3,662	(489,954)
OTHER FINANCING SOURCES/(USES)				
Transfers from other funds	716,886		716,886	550,000
Transfers to other funds		(141,886)	(141,886)	
Total other financing sources and uses	716,886	(141,886)	575,000	550,000
NET CHANGE IN FUND BALANCES	719,967	(141,305)	578,662	60,046
FUND BALANCE, BEGINNING OF YEAR		141,305	141,305	81,259
FUND BALANCE, END OF YEAR	\$ 719,967	\$	\$ 719,967	\$ 141,305

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 PUBLIC STREET MAINTENANCE AND CONSTRUCTION CAPITAL PROJECT FUND (Project PS0023)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Infrastructure improvement/maintenance	\$ 1,137,291	\$ 1,137,290	\$	\$ 1,137,290	\$ 1
Transfer to 2019 Public Street Maintenance and Construction Capital Project	141,885		141,886	141,886	(1)
TOTAL EXPENDITURES	<u>\$ 1,279,176</u>	<u>\$ 1,137,290</u>	<u>\$ 141,886</u>	<u>\$ 1,279,176</u>	<u>\$</u>
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	\$ 4,176	\$ 3,595	\$ 581	\$ 4,176	\$
Transfer from General Fund	1,275,000	1,275,000		1,275,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 1,279,176</u>	<u>\$ 1,278,595</u>	<u>\$ 581</u>	<u>\$ 1,279,176</u>	<u>\$</u>

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -

### BUDGET AND ACTUAL

2019 PUBLIC STREET MAINTENANCE AND CONSTRUCTION CAPITAL PROJECT FUND (Project PS0026)

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
Infrastructure improvement/maintenance	\$ 716,885	\$	\$	\$	\$ 716,885
TOTAL EXPENDITURES	<u>\$ 716,885</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 716,885</u>
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	\$	\$	\$ 3,081	\$ 3,081	\$ 3,081
Transfer from General Fund	575,000		575,000	575,000	
Transfer from Public Street Maintenance and Construction Capital Project Fund	<u>141,885</u>	<u></u>	<u>141,886</u>	<u>141,886</u>	<u>1</u>
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 716,885</u>	<u>\$</u>	<u>\$ 719,967</u>	<u>\$ 719,967</u>	<u>\$ 3,082</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 CITY-WIDE GREENWAY SYSTEM CAPITAL PROJECT FUND (Project PK0069)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 65,000	\$ 47,418	\$ 16,078	\$ 63,496	\$ 1,504
Construction	210,000		45,716	45,716	164,284
TOTAL EXPENDITURES	<u>\$ 275,000</u>	<u>\$ 47,418</u>	<u>\$ 61,794</u>	<u>\$ 109,212</u>	<u>\$ 165,788</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Grant proceeds	\$ 100,000	\$	\$ 100,000	\$ 100,000	\$
Contributions	25,000	25,000		25,000	
Investment income		109	236	345	345
Transfer from General Fund	150,000	50,000	100,000	150,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 275,000</u>	<u>\$ 75,109</u>	<u>\$ 200,236</u>	<u>\$ 275,345</u>	<u>\$ 345</u>

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -

### BUDGET AND ACTUAL

CAVALIER TERRACE PARK RENOVATIONS CAPITAL PROJECT FUND (Project PK0072)

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 64,180	\$ 42,619	\$ 21,555	\$ 64,174	\$ 6
Land improvements	70,390		70,389	70,389	1
Buildings and structures	39,740		39,735	39,735	5
Construction	543,810		543,801	543,801	9
General equipment	27,910		27,907	27,907	3
TOTAL EXPENDITURES	<u>\$ 746,030</u>	<u>\$ 42,619</u>	<u>\$ 703,387</u>	<u>\$ 746,006</u>	<u>\$ 24</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
NC Parks & Recreation Trust Fund (PARTF) Grant	\$ 374,170	\$	\$ 374,175	\$ 374,175	\$ 5
Contributions	40,000	20,000	20,000	40,000	
Investment income	1,220	729	491	1,220	
Transfer from General Fund	330,640	274,180	56,460	330,640	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 746,030</u>	<u>\$ 294,909</u>	<u>\$ 451,126</u>	<u>\$ 746,035</u>	<u>\$ 5</u>



# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 WIGGINS MILL PARK IMPROVEMENTS CAPITAL PROJECT FUND (Project PK0074)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 10,000	\$	\$ 9,450	\$ 9,450	\$ 550
Construction	190,000	980	3,555	4,535	185,465
TOTAL EXPENDITURES	<u>\$ 200,000</u>	<u>\$ 980</u>	<u>\$ 13,005</u>	<u>\$ 13,985</u>	<u>\$ 186,015</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Investment income	\$	\$ 144	\$ 1,077	\$ 1,221	\$ 1,221
Transfer from General Fund	200,000	100,000	100,000	200,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 200,000</u>	<u>\$ 100,144</u>	<u>\$ 101,077</u>	<u>\$ 201,221</u>	<u>\$ 1,221</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 TOISNOT DOG PARK CAPITAL PROJECT FUND (Project PK0085)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES - CAPITAL OUTLAY:					
Construction	\$ 212,500	\$	\$ 1,750	\$ 1,750	\$ 210,750
TOTAL EXPENDITURES	<u>\$ 212,500</u>	<u>\$</u>	<u>\$ 1,750</u>	<u>\$ 1,750</u>	<u>\$ 210,750</u>
REVENUES AND OTHER FINANCING SOURCES:					
Investment income	\$	\$	\$ 391	\$ 391	\$ 391
Miscellaneous income			750	750	750
Transfer from General Fund	129,850		129,850	129,850	
Transfer from Recreation Revitalization Capital Project Fund	<u>82,650</u>		<u>82,650</u>	<u>82,650</u>	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 212,500</u>	<u>\$</u>	<u>\$ 213,641</u>	<u>\$ 213,641</u>	<u>\$ 1,141</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL

RISK MITIGATION - TOISNOT BANK AND FLOOD ZONE CAPITAL PROJECT FUND (Project PK0087)  
FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 40,500	\$	\$ 28,295	\$ 28,295	\$ 12,205
Risk Mitigation	309,500		199,593	199,593	109,907
TOTAL EXPENDITURES	<u>\$ 350,000</u>	<u>\$</u>	<u>\$ 227,888</u>	<u>\$ 227,888</u>	<u>\$ 122,112</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Investment income	\$	\$	\$ 174	\$ 174	\$ 174
Transfer from General Fund	350,000		350,000	350,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 350,000</u>	<u>\$</u>	<u>\$ 350,174</u>	<u>\$ 350,174</u>	<u>\$ 174</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 CENTRE BRICK PARKING LOT RE-DESIGN CAPITAL PROJECT FUND (Project PT0008)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 10,000	\$	\$	\$	\$ 10,000
Parking lot re-design	490,000				490,000
TOTAL EXPENDITURES	<u>\$ 500,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 500,000</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Investment income	\$	\$	\$ 469	\$ 469	\$ 469
Transfer from General Fund	500,000		500,000	500,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 500,000</u>	<u>\$</u>	<u>\$ 500,469</u>	<u>\$ 500,469</u>	<u>\$ 469</u>

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -

### BUDGET AND ACTUAL

#### CHERRY HOTEL REMEDIATION AND INFRASTRUCTURE IMPROVEMENT CAPITAL PROJECT FUND (Project GG1033)

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Remediation and Cleanup	\$ 780,000	\$	\$ 662,038	\$ 662,038	\$ 117,962
Parking lot improvements	150,000				150,000
TOTAL EXPENDITURES	<u>\$ 930,000</u>	<u>\$</u>	<u>\$ 662,038</u>	<u>\$ 662,038</u>	<u>\$ 267,962</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Investment income	\$	\$	\$ 1,460	\$ 1,460	\$ 1,460
Transfer from General Fund	930,000		930,000	930,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 930,000</u>	<u>\$</u>	<u>\$ 931,460</u>	<u>\$ 931,460</u>	<u>\$ 1,460</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 GIG EAST EXCHANGE BUILDING RENOVATION CAPITAL PROJECT FUND (Project GG1022)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Renovation of building	\$ 1,200,000	\$	\$ 97,353	\$ 97,353	\$ 1,102,647
TOTAL EXPENDITURES	<u>\$ 1,200,000</u>	<u>\$</u>	<u>\$ 97,353</u>	<u>\$ 97,353</u>	<u>\$ 1,102,647</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Golden Leaf Foundation Proceeds	\$ 1,100,000	\$	\$ 97,353	\$ 97,353	\$ (1,002,647)
Investment income			72	72	72
Transfer from General Fund	<u>100,000</u>	<u></u>	<u>100,000</u>	<u>100,000</u>	<u></u>
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 1,200,000</u>	<u>\$</u>	<u>\$ 197,425</u>	<u>\$ 197,425</u>	<u>\$ (1,002,575)</u>

# CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 ARTS COUNCIL RELOCATION AND RENOVATION CAPITAL PROJECT FUND (Project GG1028)  
 FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
EXPENDITURES -					
CAPITAL OUTLAY:					
Relocation and structure renovation	\$ 1,185,000	\$	\$ 634,527	\$ 634,527	\$ 550,473
TOTAL EXPENDITURES	<u>\$ 1,185,000</u>	<u>\$</u>	<u>\$ 634,527</u>	<u>\$ 634,527</u>	<u>\$ 550,473</u>
REVENUES AND OTHER FINANCING					
SOURCES:					
Investment income	\$	\$	\$ 338	\$ 338	\$ 338
Transfer from General Fund	<u>1,185,000</u>	<u>\$</u>	<u>635,000</u>	<u>635,000</u>	<u>(550,000)</u>
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 1,185,000</u>	<u>\$</u>	<u>\$ 635,338</u>	<u>\$ 635,338</u>	<u>\$ (549,662)</u>

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

### ECONOMIC DEVELOPMENT SHELL BUILDING PROJECT

FOR THE YEAR ENDED JUNE 30, 2019 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	2019		
	Budget	Actual	Variance Positive (Negative)
			2018 Actual
REVENUES:			
Investment income	\$	\$ 7,031	\$ 7,031
Other	5,140	102,000	96,860
Total revenues	5,140	109,031	103,891
EXPENDITURES:			
Special programs	5,140	5,140	3,669
Total expenditures	5,140	5,140	3,669
OTHER FINANCING SOURCES/(USES):			
Transfers from (to) other funds			
Total other financing sources/(uses)			
NET CHANGE IN FUND BALANCES	\$	103,891	\$ 103,891
FUND BALANCE, BEGINNING OF YEAR		357,588	343,769
FUND BALANCE, END OF YEAR	\$	461,479	\$ 357,588



# CITY OF WILSON, NORTH CAROLINA

## ENTERPRISE FUNDS

Electric Fund – Accounts for the operation of the City's electric power distribution system. The financial statements that follow present the main activities of this fund - operations, a rate stabilization reserve, and capital construction projects - separately in detailed schedules. The comparative financial statements for the fund as well as the columns in the combining statements reflect the three activities together as one fund.

Gas Fund – Accounts for the operation of the City's natural gas distribution system.

Water Resources Fund – Accounts for the operation of the City's water and sewer system. The financial statements that follow present the main activities of this fund - operations, a revolving loan program, a capital reserve, and capital construction projects - separately in detailed schedules. The comparative financial statements for the fund as well as the columns in the combining statements reflect the four activities together as one fund.

Mass Transit Fund – Accounts for the operation of the City's transit system.

Industrial Air Center Fund – Accounts for the operations of the City's municipal airport.

Broadband Fund – Accounts for the operation of the City's broadband services providing video, voice and data services.

Stormwater Management Fund – Accounts for the operations of the City's stormwater run-off system.

NOTE: The schedules for enterprise capital projects funds, which have a capital project ordinance for the life of the project, disclosed project authorization, current, as well as prior years' revenues and expenditures to date, and respective variances. The schedules for capital projects, which are budgeted on an annual basis, disclose current year budget, actual and respective variances.

# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

### SUPPLEMENTAL STATEMENT OF FUND NET POSITION - ENTERPRISE FUNDS - ELECTRIC

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 35,511,610	\$ 35,866,705
Receivables (net of allowances for uncollectibles):		
Customer accounts	13,736,766	14,214,073
Accrued interest	52,155	46,545
Refundable sales and use tax	1,947,734	1,642,612
Other receivables	192,984	675,343
Due from other agencies and governments	207,650	39,416
Inventories	1,927,722	1,897,524
Total current assets	53,576,621	54,382,218
NONCURRENT ASSETS:		
Restricted cash - Deposits	1,833,948	1,769,172
Capital assets:		
Land	5,712,240	5,712,240
Land improvements	10,651	10,651
Buildings	394,071	394,071
Distribution system	134,033,117	129,974,040
Rolling stock	13,258,482	12,365,617
Furniture, fixtures and equipment	27,235,875	20,343,711
Total capital assets	180,644,436	168,800,330
Less accumulated depreciation	(93,100,431)	(87,709,245)
Capital assets, net	87,544,005	81,091,085
Total noncurrent assets	89,377,953	82,860,257
TOTAL ASSETS	142,954,574	137,242,475
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow of resources on refunding	151,698	163,368
Pension deferrals - LGERS	940,760	499,242
Contributions subsequent to measurement - LGERS	378,391	341,450
OPEB deferrals	344,937	325,796
Total deferred outflows of resources	1,815,786	1,329,856

# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

### SUPPLEMENTAL STATEMENT OF FUND NET POSITION - ENTERPRISE FUNDS - ELECTRIC

JUNE 30, 2019 AND 2018

	2019	2018
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	11,305,851	9,773,770
Accrued wages and amounts withheld	266,592	258,100
Accrued interest	96,981	74,321
Payable from restricted assets	1,833,948	1,769,172
Notes payable - current	261,756	261,756
Certificates of participation - current	959,000	945,000
Compensated absences - current	308,243	307,408
Total current liabilities	<u>15,032,371</u>	<u>13,389,527</u>
NONCURRENT LIABILITIES:		
Notes payable	523,513	785,269
Certificates of participation payable	17,032,000	17,991,000
Compensated absences - noncurrent	131,835	123,095
Total OPEB liability	6,665,795	6,972,501
Net pension liability - LGERS	1,689,257	1,126,386
Total noncurrent liabilities	<u>26,042,400</u>	<u>26,998,251</u>
Total liabilities	<u>41,074,771</u>	<u>40,387,778</u>
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	75,345	97,738
Deferred inflow of resources on refunding	326,736	351,869
Total deferred inflows of resources	<u>402,081</u>	<u>449,607</u>
NET POSITION		
Net investment in capital assets	68,592,698	60,919,559
Unrestricted	<u>34,700,810</u>	<u>36,815,387</u>
TOTAL NET POSITION	<u>\$ 103,293,508</u>	<u>\$ 97,734,946</u>

# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

### SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

### CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - ELECTRIC

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Metered general consumers	\$ 118,674,687	\$ 117,952,171
Sales to other distributors	2,145,525	2,089,987
Sales to other utilities	1,970,500	1,996,350
Municipal street lights	350,000	350,000
Rental of area lights	2,000,433	1,957,017
Other	1,769,144	1,990,895
Total operating revenues	<u>126,910,289</u>	<u>126,336,420</u>
OPERATING EXPENSES:		
Cost of purchased electricity	83,861,713	84,697,883
Production and distribution	11,947,431	10,312,682
General and administrative	10,838,207	9,843,275
Engineering	2,066,470	2,418,224
Marketing & public relations	339,357	311,467
System control and communications	2,823,718	2,907,637
Depreciation	5,922,948	5,341,750
Total operating expenses	<u>117,799,844</u>	<u>115,832,918</u>
OPERATING INCOME (LOSS)	<u>9,110,445</u>	<u>10,503,502</u>
NONOPERATING REVENUES (EXPENSES):		
Investment income	654,657	53,368
Other income	137,687	118,794
Intergovernmental	455,508	
Interest expense	(590,507)	(762,483)
Contributions to other agencies	(1,532,808)	(1,492,673)
Total nonoperating revenue (expense)	<u>(875,463)</u>	<u>(2,082,994)</u>
INCOME (LOSS) BEFORE TRANSFERS	8,234,982	8,420,508
Transfers out	<u>(2,676,420)</u>	<u>(3,129,200)</u>
CHANGE IN NET POSITION	5,558,562	5,291,308
NET POSITION - BEGINNING	<u>97,734,946</u>	<u>92,443,638</u>
NET POSITION - ENDING	<u><u>\$ 103,293,508</u></u>	<u><u>\$ 97,734,946</u></u>

# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

### SUPPLEMENTAL STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS - ELECTRIC

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

(CONTINUED)

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers and users	\$ 127,629,609	\$ 125,209,979
Cash paid to suppliers	(102,507,430)	(101,561,945)
Cash paid to employees	(8,113,344)	(8,122,392)
	<u>17,008,835</u>	<u>15,525,642</u>
Net cash provided by operating activities		
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Transfer to other funds	(2,676,420)	(3,129,200)
Grant funds received	287,274	118,247
Contributions to other agencies	(1,532,808)	(1,492,673)
	<u>(3,921,954)</u>	<u>(4,503,626)</u>
Net cash used for nonoperating activities		
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds from debt refunding		19,761,000
Acquisition and construction of capital assets	(12,406,556)	(8,445,057)
Principal paid on capital debt	(1,206,757)	(1,086,756)
Interest paid on capital debt	(581,311)	(900,529)
Proceeds from sales of capital assets	168,377	122,778
Payment to refunding agent		(21,646,196)
	<u>(14,026,247)</u>	<u>(12,194,760)</u>
Net cash used for capital and related financing activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest and dividends received	649,047	46,229
	<u>649,047</u>	<u>46,229</u>
Net cash provided (used) in investing activities		
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/ INVESTMENTS</b>	<u>(290,319)</u>	<u>(1,126,515)</u>
<b>CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR</b>	<u>37,635,877</u>	<u>38,762,392</u>
<b>CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR</b>	<u><u>\$ 37,345,558</u></u>	<u><u>\$ 37,635,877</u></u>

# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

SUPPLEMENTAL STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS - ELECTRIC  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

(CONCLUDED)

	2019	2018
Reconciliation of operating income to net cash provided (used) by operating activities		
Operating income (loss)	\$ 9,110,445	\$ 10,503,502
Adjustments to reconcile operating income (loss) to net cash provided (used in) operating activities		
Depreciation expense	5,922,948	5,341,750
Change in assets and liabilities		
(Increase) decrease in accounts receivable	654,544	(1,219,370)
(Increase) decrease in inventory	(30,198)	147,393
Increase (decrease) in OPEB liability	(306,706)	(258,554)
(Increase) decrease in deferred outflows of resources - OPEB	(19,141)	(325,796)
Increase (decrease) in customer deposits	64,776	92,929
Increase (decrease) in accounts payable	1,532,081	1,206,249
Increase (decrease) in accrued wages and amounts withheld	18,067	21,830
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(478,459)	502,668
Increase (decrease) in net pension liability	562,871	(470,809)
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(22,393)	(16,150)
Total adjustments	7,898,390	5,022,140
Net cash provided by (used in) operating activities	\$ 17,008,835	\$ 15,525,642
Noncash investing, capital, and financing activities:		
Capital assets contributed (to)/from other funds/customers	\$	\$ (229,591)
Capital assets acquired to be paid for in subsequent years	\$ 2,571,173	\$ (247,211)
Increase (decrease) in fair value of investments	\$ 367,082	\$ (150,660)

# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - ELECTRIC OPERATING FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018) (CONTINUED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
OPERATING REVENUES:				
Electric services:				
Metered general consumer sales	\$ 116,413,960	\$ 118,674,687	\$ 2,260,727	\$ 117,952,171
Sales to other distributors	2,139,300	2,145,525	6,225	2,089,987
Sales to other utilities	1,984,000	1,970,500	(13,500)	1,996,350
Municipal street lighting	350,000	350,000		350,000
Rental of area lights	1,940,000	2,000,433	60,433	1,957,017
Other	1,278,000	1,769,144	491,144	1,990,895
Total operating revenues	124,105,260	126,910,289	2,805,029	126,336,420
NONOPERATING REVENUES:				
Investment income	145,000	589,194	444,194	38,497
Grants		455,508	455,508	
Other income		137,687	137,687	118,794
Certificates of Participation proceeds				19,761,000
Total nonoperating revenues	145,000	1,182,389	1,037,389	19,918,291
TOTAL REVENUES	124,250,260	128,092,678	3,842,418	146,254,711
TRANSFERS FROM OTHER FUNDS				1,024,302
FUND BALANCE APPROPRIATED	13,059,542		(13,059,542)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	\$ 137,309,802	\$ 128,092,678	\$ (9,217,124)	\$ 147,279,013

# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

### SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -

### BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - ELECTRIC OPERATING FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018) (CONCLUDED)

	2019		
	Budget	Actual	Variance Positive (Negative)
			2018 Actual
OPERATING EXPENDITURES:			
Electric power purchased	\$ 85,880,540	\$ 83,861,713	\$ 2,018,827
Production and distribution:			
City and County:			
Personnel Services	5,024,190	4,990,916	33,274
Operating Expenditures	7,173,736	6,956,515	217,221
Recovered Costs	(130,000)		(130,000)
Capital outlay	7,990,834	6,070,166	1,920,668
Total	20,058,760	18,017,597	2,041,163
System control and communications:			
Personnel Services	1,252,780	1,253,948	(1,168)
Operating Expenditures	1,635,613	1,569,770	65,843
Capital outlay	6,301,271	5,961,302	339,969
Total	9,189,664	8,785,020	404,644
General and administrative:			
Personnel Services	625,200	521,698	103,502
Operating Expenditures	11,270,216	10,570,762	699,454
Total	11,895,416	11,092,460	802,956
Engineering:			
Personnel Services	1,290,310	1,258,780	31,530
Operating Expenditures	1,157,550	807,690	349,860
Capital outlay	634,812	375,088	259,724
Total	3,082,672	2,441,558	641,114
Key Accounts & Marketing:			
Personnel Services	96,450	96,494	(44)
Operating Expenditures	267,900	242,863	25,037
Total	364,350	339,357	24,993
Total operating expenditures	130,471,402	124,537,705	5,933,697
INTEREST EXPENSE	581,320	603,971	(22,651)
OTHER EXPENDITURES AND USES:			
Contributions to other agencies	1,842,900	1,532,808	310,092
Transfers to other funds	2,707,420	2,707,420	
Certificates of participation principal repayments	945,000	945,000	
Debt refunding - Certificates of participation			19,646,196
Lease purchase principal repayments	261,760	261,757	3
Contingency	500,000		500,000
Total other expenditures and uses	6,257,080	5,446,985	810,095
TOTAL EXPENDITURES AND OTHER USES	\$ 137,309,802	\$ 130,588,661	\$ 6,721,141
			\$ 145,653,176



# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)

ELECTRIC RATE STABILIZATION FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income	\$	\$ 64,804	\$ 64,804	\$ 5,931
TOTAL REVENUES AND OTHER SOURCES	\$	\$ 64,804	\$ 64,804	\$ 5,931

# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -  
 301 INFRASTRUCTURE/CORRIDOR IMPROVEMENTS CAPITAL PROJECT FUND (Project ED0371)  
 FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Project Development	\$ 93,000	\$	\$	\$	\$ 93,000
TOTAL EXPENDITURES -					
CAPITAL OUTLAY	<u>\$ 93,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 93,000</u>
NONOPERATING REVENUES					
AND OTHER SOURCES:					
Transfer from other funds	\$ 93,000	\$ 62,000	\$ 31,000	\$ 93,000	\$
Investment income		420	659	1,079	1,079
TOTAL REVENUES AND					
OTHER SOURCES	<u>\$ 93,000</u>	<u>\$ 62,420</u>	<u>\$ 31,659</u>	<u>\$ 94,079</u>	<u>\$ 1,079</u>

# CITY OF WILSON, NORTH CAROLINA

## ELECTRIC FUND

### SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS - ENTERPRISE FUNDS - ELECTRIC FOR THE YEAR ENDED JUNE 30, 2019

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#### TOTAL REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:

Operating Fund	\$ 128,092,678
Electric Rate Stabilization Fund	64,804
301 Infrastructure/Corridor Improvements Capital Project Fund	<u>31,659</u>
	<u>128,189,141</u>

#### TOTAL EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS:

Operating Fund	<u>130,588,661</u>
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#### EXCESS OF REVENUES & OTHER SOURCES OVER EXPENDITURES AND OTHER USES

(2,399,520)

#### ADJUSTMENTS TO FULL ACCRUAL BASIS:

Depreciation	(5,922,948)
Capital outlay	12,406,556
Notes payable principal retirements	1,206,757
(Increase) decrease in accrued vacation	(9,575)
Increase (decrease) in deferred outflows of resources - OPEB	19,141
(Increase) decrease in total OPEB liability	306,706
Amortization of refunding bond reacquisition price difference	13,464
Increase (decrease) in deferred outflows of resources - LGERS pensions	478,459
(Increase) decrease in deferred inflows of resources - LGERS pensions	22,393
(Increase) decrease in net pension liability - LGERS pensions	<u>(562,871)</u>

#### CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

\$ 5,558,562

# CITY OF WILSON, NORTH CAROLINA

## GAS FUND

### SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - GAS

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 7,894,304	\$ 6,515,783
Customer accounts	914,350	981,437
Accrued interest	11,273	8,294
Other receivables	2,355	933
Due from other agencies and governments	495	495
Inventories	165,319	160,377
Prepaid insurance cost on debt issuance		1,216
Total current assets	8,988,096	7,668,535
NONCURRENT ASSETS:		
Restricted cash - Deposits	192,044	195,353
Advances to other funds	2,345,455	2,580,000
Capital Assets:		
Land	234,948	234,948
Buildings	20,749	20,749
Distribution system	30,031,025	28,734,679
Rolling stock	1,595,026	1,491,571
Furniture, fixtures and equipment	1,106,465	1,106,465
Total capital assets	32,988,213	31,588,412
Less accumulated depreciation	(12,253,225)	(11,412,893)
Capital assets, net	20,734,988	20,175,519
Total noncurrent assets	23,272,487	22,950,872
TOTAL ASSETS	32,260,583	30,619,407
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals - LGERS	256,571	136,157
Contributions subsequent to measurement - LGERS	103,197	93,123
OPEB deferrals	94,073	88,853
Total deferred outflows of resources	453,841	318,133

# CITY OF WILSON, NORTH CAROLINA

## GAS FUND

### SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - GAS

JUNE 30, 2019 AND 2018

	2019	2018
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	496,498	432,795
Accrued wages and amounts withheld	80,272	70,368
Accrued interest	8,874	9,692
Payable from restricted assets	192,044	195,353
Revenue bonds - current	200,250	169,650
Notes payable - current	190,656	190,656
Compensated absences - current	95,767	85,776
Total current liabilities	<u>1,264,361</u>	<u>1,154,290</u>
NONCURRENT LIABILITIES:		
Revenue bonds payable	1,835,463	2,035,903
Notes payable	190,761	381,417
Compensated absences - noncurrent	1,662	
Total OPEB liability	1,817,944	1,901,591
Net pension liability - LGERS	460,705	307,195
Total noncurrent liabilities	<u>4,306,535</u>	<u>4,626,106</u>
Total liabilities	<u>5,570,896</u>	<u>5,780,396</u>
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	20,547	26,654
Total deferred inflows of resources	<u>20,547</u>	<u>26,654</u>
NET POSITION		
Net investment in capital assets	18,317,858	17,397,893
Unrestricted	<u>8,805,123</u>	<u>7,732,597</u>
TOTAL NET POSITION	<u>\$ 27,122,981</u>	<u>\$ 25,130,490</u>

# CITY OF WILSON, NORTH CAROLINA

## GAS FUND

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - GAS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Metered general consumers	\$ 18,351,674	\$ 18,462,522
Sales to other utilities	202,286	190,386
Other	22,794	76,279
Total operating revenues	<u>18,576,754</u>	<u>18,729,187</u>
OPERATING EXPENSES:		
Cost of purchased gas	8,896,934	9,238,316
Production and distribution	2,835,696	2,760,590
General and administrative	2,652,166	2,463,867
Depreciation	840,332	810,015
Total operating expenses	<u>15,225,128</u>	<u>15,272,788</u>
OPERATING INCOME (LOSS)	<u>3,351,626</u>	<u>3,456,399</u>
NONOPERATING REVENUES (EXPENSES):		
Investment income	118,264	(2,330)
Interest expense	(79,373)	(88,499)
Contributions to other agencies	(30,720)	(9,570)
Prepaid insurance cost on bond issuance	(1,216)	(1,216)
Total nonoperating revenue (expense)	<u>6,955</u>	<u>(101,615)</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	3,358,581	3,354,784
Transfers out	<u>(1,366,090)</u>	<u>(1,359,160)</u>
CHANGE IN NET POSITION	1,992,491	1,995,624
NET POSITION - BEGINNING	<u>25,130,490</u>	<u>23,134,866</u>
NET POSITION - ENDING	<u><u>\$ 27,122,981</u></u>	<u><u>\$ 25,130,490</u></u>

# CITY OF WILSON, NORTH CAROLINA

## GAS FUND

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - GAS

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	\$ 18,642,419	\$ 18,716,321
Cash paid to suppliers	(11,991,464)	(12,397,161)
Cash paid to employees	(2,388,275)	(2,306,843)
Net cash provided by operating activities	4,262,680	4,012,317
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer to other funds	(1,366,090)	(1,359,160)
Grant funds received		1,486
Contributions to other agencies	(30,720)	(9,570)
Interfund receivable from other funds	234,545	200,000
Net cash used for noncapital financing activities	(1,162,265)	(1,167,244)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(1,399,801)	(1,119,804)
Principal paid on capital debt	(360,306)	(356,931)
Interest paid on capital debt	(80,381)	(89,453)
Net cash used for capital and related financing activities	(1,840,488)	(1,566,188)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	115,285	(5,291)
Net cash provided (used) in investing activities	115,285	(5,291)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	1,375,212	1,273,594
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR	6,711,136	5,437,542
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR	\$ 8,086,348	\$ 6,711,136
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 3,351,626	\$ 3,456,399
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	840,332	810,015
Change in assets and liabilities		
(Increase) decrease in accounts receivable	65,665	(12,866)
(Increase) decrease in inventory	(4,942)	16,929
Increase (decrease) in OPEB liability	(83,647)	(70,515)
(Increase) decrease in deferred outflows of resources - OPEB	(5,220)	(88,853)
Increase (decrease) in customer deposits	(3,309)	(1,584)
Increase (decrease) in accounts payable	63,703	(82,690)
Increase (decrease) in accrued wages and amounts withheld	21,557	(18,801)
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(130,488)	137,091
Increase (decrease) in net pension liability	153,510	(128,403)
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(6,107)	(4,405)
Total adjustments	911,054	555,918
Net cash provided by (used in) operating activities	\$ 4,262,680	\$ 4,012,317
Noncash investing, capital, and financing activities:		
Capital assets contributed (to)/from other funds/customers	\$	\$ 9,188
Capital assets acquired to be paid for in subsequent years	\$ 21,877	\$ (8,305)
Increase (decrease) in fair value of investments	\$ 71,636	\$ (29,089)

# CITY OF WILSON, NORTH CAROLINA

## GAS FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - GAS  
FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
OPERATING REVENUES:				
Gas services:				
Metered general consumer sales	\$ 17,538,920	\$ 18,351,674	\$ 812,754	\$ 18,462,522
Sales to other utilities	174,000	202,286	28,286	190,386
Other income	9,000	22,794	13,794	76,279
Total operating revenues	17,721,920	18,576,754	854,834	18,729,187
NONOPERATING REVENUES:				
Investment income		118,264	118,264	(3,372)
Total nonoperating revenues		118,264	118,264	(3,372)
TOTAL REVENUES	17,721,920	18,695,018	973,098	18,725,815
TRANSFERS FROM OTHER FUNDS				271,450
REPAYMENT OF ADVANCES FROM OTHER FUNDS		234,545	234,545	200,000
FUND BALANCE APPROPRIATED	698,711		(698,711)	
TOTAL REVENUES AND OTHER SOURCES				
FUND BALANCE APPROPRIATIONS	\$ 18,420,631	\$ 18,929,563	\$ 508,932	\$ 19,197,265
OPERATING EXPENDITURES:				
Cost of purchased gas	\$ 9,050,000	\$ 8,896,934	\$ 153,066	\$ 9,238,316
Production and distribution:				
Personnel Services	2,372,990	2,242,250	130,740	2,159,926
Operating Expenditures	709,170	627,636	81,534	636,120
Recovered Costs	(227,010)	(34,190)	(192,820)	(35,456)
Capital outlay	1,631,661	1,399,801	231,860	1,119,804
Total	4,486,811	4,235,497	251,314	3,880,394
General and administrative:				
Personnel Services	185,730	155,929	29,801	145,826
Operating Expenditures	2,708,650	2,556,536	152,114	2,490,836
Total	2,894,380	2,712,465	181,915	2,636,662
Total operating expenditures	16,431,191	15,844,896	586,295	15,755,372
INTEREST EXPENSE	82,320	79,563	2,757	88,689
OTHER EXPENDITURES AND USES:				
Contributions to other agencies	30,720	30,720		9,570
Transfers to other funds	1,366,090	1,366,090		1,359,160
Bond retirements	169,650	169,650		166,275
Lease purchase principal repayments	190,660	190,656	4	190,656
Contingency	150,000		150,000	
Total other expenditures and uses	1,907,120	1,757,116	150,004	1,725,661
TOTAL EXPENDITURES AND OTHER USES	\$ 18,420,631	\$ 17,681,575	\$ 739,056	\$ 17,569,722



# CITY OF WILSON, NORTH CAROLINA

## GAS FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -  
ENTERPRISE FUNDS - GAS  
FOR THE YEAR ENDED JUNE 30, 2019

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### TOTAL REVENUES - MODIFIED ACCRUAL BASIS

Operating Fund	\$ 18,929,563
	<u>18,929,563</u>

### TOTAL EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS

Operating Fund	17,681,575
	<u>17,681,575</u>

EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USES	1,247,988
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### ADJUSTMENTS TO FULL ACCRUAL BASIS:

Depreciation	(840,332)
Capital outlay	1,399,801
Bond retirements	169,650
Notes payable payments	190,656
Repayment of advance to other funds	(234,545)
Amortization of bond premium	190
(Increase) decrease in accrued vacation	(11,653)
Increase (decrease) in deferred outflows of resources - OPEB	5,220
(Increase) decrease in total OPEB liability	83,647
Increase (decrease) in deferred outflows of resources - LGERS pensions	130,488
(Increase) decrease in deferred inflows of resources - LGERS pensions	6,107
(Increase) decrease in net pension liability - LGERS pensions	(153,510)
Amortization of prepaid insurance costs on bonds	<u>(1,216)</u>

### CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

\$ 1,992,491
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# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - WATER RESOURCES (CONTINUED)

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 18,595,178	\$ 16,327,842
Receivables (net of allowances for uncollectibles):		
Customer accounts	3,229,699	3,064,667
Assessments - water and sewer	320	498
Accrued interest	26,748	21,108
Other receivables	3,503	6,654
Due from other agencies and governments	9,832	227,997
Inventories	193,652	193,384
Prepaid insurance cost on debt issuance	45,143	60,513
Total current assets	22,104,075	19,902,663
NONCURRENT ASSETS:		
Restricted cash - Deposits	357,979	362,593
Capital Assets:		
Land	20,400,159	20,400,159
Land improvements	5,368,385	5,368,385
Buildings	11,335,426	11,469,153
Distribution system	190,025,831	187,661,424
Rolling stock	4,759,050	4,746,677
Furniture, fixtures and equipment	5,274,929	5,103,367
Construction-in-progress	962,027	
Total capital assets	238,125,807	234,749,165
Less accumulated depreciation	(96,698,127)	(92,568,723)
Capital assets, net	141,427,680	142,180,442
Total noncurrent assets	141,785,659	142,543,035
TOTAL ASSETS	163,889,734	162,445,698
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow of resources on refunding	40,789	50,987
Pension deferrals - LGERS	1,111,809	590,012
Contributions subsequent to measurement - LGERS	473,548	429,892
OPEB deferrals	344,937	325,796
Total deferred outflows of resources	1,971,083	1,396,687
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	736,255	1,304,073
Accrued wages and amounts withheld	248,550	241,275
Accrued interest	83,768	101,412
Payable from restricted assets	357,979	362,593
General obligation bonds - current	1,180,000	1,205,000
Revenue bonds - current	689,750	584,350
Notes payable - current	1,673,575	1,673,575
Compensated absences - current	276,860	285,433
Total current liabilities	5,246,737	5,757,711

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - WATER RESOURCES (CONCLUDED)

JUNE 30, 2019 AND 2018

	2019	2018
NONCURRENT LIABILITIES:		
General obligation bonds payable	\$ 2,767,458	\$ 4,006,823
Revenue bonds payable	6,322,007	7,012,396
Notes payable	6,859,408	8,532,983
Compensated absences - noncurrent	106,920	124,005
Total OPEB liability	6,665,795	6,972,501
Net pension liability - LGERS	1,954,790	1,289,578
Total noncurrent liabilities	<u>24,676,378</u>	<u>27,938,286</u>
Total liabilities	<u>29,923,115</u>	<u>33,695,997</u>
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	192,294	218,757
Total deferred inflows of resources	<u>192,294</u>	<u>218,757</u>
NET POSITION		
Net investment in capital assets	121,976,271	119,216,302
Unrestricted	13,769,137	10,711,329
Total net position	<u>\$ 135,745,408</u>	<u>\$ 129,927,631</u>

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

### SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

### CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - WATER RESOURCES

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Metered general consumers	\$ 12,339,486	\$ 11,680,964
Sales to other utilities	118,616	120,281
Municipal hydrants	23,814	23,814
Sewer services	13,651,802	13,076,265
Other	641,291	1,665,494
	<u>26,775,009</u>	<u>26,566,818</u>
Total operating revenues	<u>26,775,009</u>	<u>26,566,818</u>
OPERATING EXPENSES:		
Production and distribution	6,643,080	6,609,063
General and administrative	3,458,389	3,043,743
Water reclamation	4,653,951	4,880,324
Wastewater collection	2,102,306	2,066,996
Depreciation	4,393,687	4,209,632
	<u>21,251,413</u>	<u>20,809,758</u>
Total operating expenses	<u>21,251,413</u>	<u>20,809,758</u>
OPERATING INCOME (LOSS)	<u>5,523,596</u>	<u>5,757,060</u>
NONOPERATING REVENUE (EXPENSES):		
Investment income	320,559	25,782
Other income	69,136	428,088
Intergovernmental	371,464	62,894
Other expenses		(43,511)
Interest expense	(552,943)	(675,876)
Prepaid insurance cost on bond issuance	(15,370)	(15,370)
	<u>192,846</u>	<u>(217,993)</u>
Total nonoperating revenue (expense)	<u>192,846</u>	<u>(217,993)</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	5,716,442	5,539,067
Capital contributions	101,335	2,440,076
	<u>101,335</u>	<u>2,440,076</u>
CHANGE IN NET POSITION	5,817,777	7,979,143
NET POSITION - BEGINNING	<u>129,927,631</u>	<u>121,948,488</u>
NET POSITION - ENDING	<u>\$ 135,745,408</u>	<u>\$ 129,927,631</u>

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - WATER RESOURCES

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

(CONTINUED)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	\$ 26,608,692	\$ 26,374,587
Cash paid to suppliers	(10,697,198)	(9,411,120)
Cash paid to employees	(6,999,548)	(6,920,607)
Net cash provided by (used for) operating activities	8,911,946	10,042,860
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Grant funds received	589,629	12,560
Insurance refund		189,581
Net cash provided (used) by noncapital financing activities	589,629	202,141
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(3,539,590)	(4,970,685)
Principal paid on capital debt	(3,462,925)	(3,451,300)
Interest paid on capital debt	(620,394)	(732,488)
Proceeds from sales of capital assets	69,137	238,509
Net cash provided by (used for) capital and related financing activities	(7,553,772)	(8,915,964)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	314,919	20,542
Net cash provided (used) in investing activities	314,919	20,542
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/ INVESTMENTS	2,262,722	1,349,579
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDED RESTRICTED CASH) - BEGINNING OF YEAR	16,690,435	15,340,856
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR	\$ 18,953,157	\$ 16,690,435

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - WATER RESOURCES

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

(CONCLUDED)

	2019	2018
Reconciliation of operating income (loss) to net cash provided by (used in)		
operating activities		
Operating income (loss)	\$ 5,523,596	\$ 5,757,060
Adjustments to reconcile operating income (loss) to net cash provided by (used in)		
operating activities:		
Depreciation expense	4,393,687	4,209,632
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(161,703)	(205,475)
(Increase) decrease in inventory	(268)	(11,954)
Increase (decrease) in OPEB liability	(306,706)	(258,554)
(Increase) decrease in deferred outflows of resources - OPEB	(19,141)	(325,796)
Increase (decrease) in customer deposits	(4,614)	13,244
Increase (decrease) in accounts payable	(567,818)	832,201
Increase (decrease) in accrued wages and amounts withheld	(18,383)	13,936
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(565,453)	594,063
Increase (decrease) in net pension liability	665,212	(556,411)
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(26,463)	(19,086)
Total adjustments	3,388,350	4,285,800
Net cash provided by (used in) operating activities	\$ 8,911,946	\$ 10,042,860
Noncash investing, capital, and financing activities:		
Capital assets contributed (to)/from other funds/customers	\$ 101,335	\$ 2,424,923
Capital assets acquired to be paid for in subsequent years	\$ 304,344	\$ (798,428)
Increase (decrease) in fair value of investments	\$ 176,205	\$ (70,978)

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

ENTERPRISE FUNDS - WATER RESOURCES OPERATING FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018) (CONTINUED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
OPERATING REVENUES:				
Water services:				
Metered general consumer charges	\$ 11,750,000	\$ 12,339,486	\$ 589,486	\$ 11,680,964
Sales to other utilities	100,000	118,616	18,616	120,281
Municipal hydrants	24,000	23,814	(186)	23,814
Sewer services	13,000,000	13,651,802	651,802	13,076,265
Other	472,500	641,291	168,791	1,665,494
Total operating revenues	25,346,500	26,775,009	1,428,509	26,566,818
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income		248,726	248,726	(9,662)
Other		69,136	69,136	325,939
Grants		135,800	135,800	31,316
Total nonoperating revenues and other sources		453,662	453,662	347,593
TOTAL REVENUES AND OTHER SOURCES	25,346,500	27,228,671	1,882,171	26,914,411
TRANSFERS FROM OTHER FUNDS		140,245	140,245	
FUND BALANCE APPROPRIATED	6,013,578		(6,013,578)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	\$ 31,360,078	\$ 27,368,916	\$ (3,991,162)	\$ 26,914,411

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

ENTERPRISE FUNDS - WATER RESOURCES OPERATING FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018) (CONCLUDED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
OPERATING EXPENDITURES:				
Water production:				
Personnel Services	\$ 1,557,480	\$ 1,201,314	\$ 356,166	\$ 1,439,199
Operating Expenditures	3,339,532	2,553,953	785,579	2,398,354
Capital outlay	1,086,408	198,774	887,634	493,212
Total	5,983,420	3,954,041	2,029,379	4,330,765
Water distribution:				
Personnel Services	1,546,720	1,479,998	66,722	1,401,727
Operating Expenditures	1,484,884	1,407,815	77,069	1,370,187
Recovered Costs	(100,000)		(100,000)	(404)
Capital outlay	1,216,500	1,259,977	(43,477)	1,010,515
Total	4,148,104	4,147,790	314	3,782,025
Total production and distribution	10,131,524	8,101,831	2,029,693	8,112,790
General and administrative:				
Personnel Services	283,870	272,785	11,085	165,469
Operating Expenditures	3,855,964	3,463,813	392,151	3,431,572
Total	4,139,834	3,736,598	403,236	3,597,041
Water reclamation:				
Personnel Services	2,321,800	2,109,852	211,948	2,128,909
Operating Expenditures	3,000,842	2,544,099	456,743	2,751,415
Capital outlay	383,500	372,670	10,830	333,616
Total	5,706,142	5,026,621	679,521	5,213,940
Wastewater collection:				
Personnel Services	1,972,930	1,942,874	30,056	1,786,753
Operating Expenditures	1,176,963	1,025,870	151,093	1,020,364
Recovered Costs	(650,000)	(866,438)	216,438	(740,121)
Capital outlay	586,845	459,582	127,263	869,611
Total	3,086,738	2,561,888	524,850	2,936,607
Total operating expenditures	23,064,238	19,426,938	3,637,300	19,860,378
INTEREST EXPENSE	621,460	602,750	18,710	725,683
OTHER EXPENDITURES AND USES:				
Bond retirements	1,789,350	1,789,350		1,777,725
Lease purchase principal repayments	1,673,580	1,673,575	5	1,673,575
Transfer to other funds	4,011,450	4,011,450		886,780
Contingency	200,000		200,000	
Total other expenditures and uses	7,674,380	7,474,375	200,005	4,338,080
TOTAL EXPENDITURES AND OTHER USES	\$ 31,360,078	\$ 27,504,063	\$ 3,856,015	\$ 24,924,141



## CITY OF WILSON, NORTH CAROLINA

### WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

ENTERPRISE FUNDS - WATER RESOURCES REVOLVING LOAN FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income	\$	\$ 3,972	\$ 3,972	\$ 363

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -  
 ENTERPRISE FUNDS - WATER RESOURCES CAPITAL RESERVE FUND  
 FOR THE YEAR ENDED JUNE 30, 2019  
 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	2019			
	Budget	Actual	Variance Positive (Negative)	2018 Actual
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income	\$	\$ 14,752	\$ 14,752	\$ 2,109
Transfer from other funds		636,870	636,870	369,007
Total nonoperating revenues and other sources		651,622	651,622	371,116
TOTAL REVENUES AND OTHER SOURCES	<u>\$</u>	<u>\$ 651,622</u>	<u>\$ 651,622</u>	<u>\$ 371,116</u>
EXPENDITURES AND OTHER USES:				
Transfers to other funds	\$	\$	\$	\$ 1,500,000
TOTAL EXPENDITURES AND OTHER USES	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,500,000</u>

## CITY OF WILSON, NORTH CAROLINA

### WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -  
ENTERPRISE FUNDS - BUCKHORN RESERVOIR WETLANDS FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2018)

	2019		Variance Positive (Negative)	2018 Actual
	Budget	Actual		
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income	\$	\$ 18,209	\$ 18,209	\$ 13,274
TOTAL REVENUES AND OTHER SOURCES	\$	\$ 18,209	\$ 18,209	\$ 13,274

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -  
 LONGVIEW AND STANTONSBURG PUMP STATION UPGRADES CAPITAL PROJECT FUND (Project WM0144)  
 FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Construction	\$ 2,969,000	\$ 107,700	\$ 374,680	\$ 482,380	\$ 2,486,620
TOTAL EXPENDITURES AND					
OTHER USES	<u>\$ 2,969,000</u>	<u>\$ 107,700</u>	<u>\$ 374,680</u>	<u>\$ 482,380</u>	<u>\$ 2,486,620</u>
NONOPERATING REVENUES					
AND OTHER SOURCES:					
Investment income	\$	\$ 11,415	\$ 13,704	\$ 25,119	\$ 25,119
Transfer from Water Resources Fund	1,469,000	669,000		669,000	(800,000)
Transfer from Water Resources Capital Reserve Fund	<u>1,500,000</u>	<u>1,500,000</u>		<u>1,500,000</u>	
TOTAL REVENUES AND					
OTHER SOURCES	<u>\$ 2,969,000</u>	<u>\$ 2,180,415</u>	<u>\$ 13,704</u>	<u>\$ 2,194,119</u>	<u>\$ (774,881)</u>

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -  
 NEW BLOWER AND AERATION CONTROLS CAPITAL PROJECT FUND (Project WM0146)  
 FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 29,933	\$ 13,117	\$ 16,816	\$ 29,933	\$
Construction	1,276,743	1,140,512	136,230	1,276,742	1
TOTAL EXPENDITURES -					
CAPITAL OUTLAY	<u>\$ 1,306,676</u>	<u>\$ 1,153,629</u>	<u>\$ 153,046</u>	<u>\$ 1,306,675</u>	<u>\$ 1</u>
NONOPERATING EXPENDITURES AND					
OTHER USES:					
Transfer to other funds	144,420		144,420	144,420	
TOTAL EXPENDITURES AND					
OTHER USES	<u>\$ 1,451,096</u>	<u>\$ 1,153,629</u>	<u>\$ 297,466</u>	<u>\$ 1,451,095</u>	<u>\$ 1</u>
NONOPERATING REVENUES					
AND OTHER SOURCES:					
Investment income	\$ 7,096	\$ 6,229	\$ 866	\$ 7,095	\$ (1)
Transfer from Water Resources Fund	1,444,000	1,444,000		1,444,000	
TOTAL REVENUES AND					
OTHER SOURCES	<u>\$ 1,451,096</u>	<u>\$ 1,450,229</u>	<u>\$ 866</u>	<u>\$ 1,451,095</u>	<u>\$ (1)</u>

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

WOODARD PARKWAY INFRASTRUCTURE CAPITAL PROJECT FUND (Project WD0095)

FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Construction	\$ 1,697,960	\$ 1,661,310	\$	\$ 1,661,310	\$ 36,650
TOTAL EXPENDITURES -					
CAPITAL OUTLAY	\$ 1,697,960	\$ 1,661,310	\$	\$ 1,661,310	\$ 36,650
NONOPERATING EXPENDITURES AND					
OTHER USES:					
Transfer to other funds	37,890		37,886	37,886	4
TOTAL NONOPERATING EXPENDITURES	37,890		37,886	37,886	4
AND OTHER USES					
TOTAL EXPENDITURES AND					
OTHER USES	\$ 1,735,850	\$ 1,661,310	\$ 37,886	\$ 1,699,196	\$ 36,654
NONOPERATING REVENUES					
AND OTHER SOURCES:					
NC Rural Center Industrial Development Fund Grant	\$ 1,377,760	\$ 1,377,759	\$	\$ 1,377,759	\$ (1)
Investment income	37,890	1,181	56	1,237	(36,653)
Transfer from Water Resources Fund	300,000	300,000		300,000	
Transfer from Stormwater Management Fund	20,200	20,200		20,200	
TOTAL REVENUES AND					
OTHER SOURCES	\$ 1,735,850	\$ 1,699,140	\$ 56	\$ 1,699,196	\$ (36,654)

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -  
 BASIN RENOVATION, FILTER REBUILD WIGGINS MILL AND TOISNOT CAPITAL PROJECT FUND (Project WP0090)  
 FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Construction	\$ 2,280,000	\$ 947,221	\$ 219,298	\$ 1,166,519	\$ 1,113,481
TOTAL EXPENDITURES AND					
OTHER USES	<u>\$ 2,280,000</u>	<u>\$ 947,221</u>	<u>\$ 219,298</u>	<u>\$ 1,166,519</u>	<u>\$ 1,113,481</u>
NONOPERATING REVENUES					
AND OTHER SOURCES:					
Investment income	\$	\$ 6,618	\$ 7,187	\$ 13,805	\$ 13,805
Transfer from Water Resources Fund	<u>2,280,000</u>	<u>1,080,000</u>	<u>1,200,000</u>	<u>2,280,000</u>	
TOTAL REVENUES AND					
OTHER SOURCES	<u>\$ 2,280,000</u>	<u>\$ 1,086,618</u>	<u>\$ 1,207,187</u>	<u>\$ 2,293,805</u>	<u>\$ 13,805</u>

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

WIGGINS MILL DAM AND PUMP STATION RESTORATION CAPITAL PROJECT FUND (Project WP9997)

FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 203,490	\$ 198,472	\$ 5,012	\$ 203,484	\$ 6
Construction	1,096,570	968,060	128,502	1,096,562	8
TOTAL EXPENDITURES -					
CAPITAL OUTLAY	\$ 1,300,060	\$ 1,166,532	\$ 133,514	\$ 1,300,046	\$ 14
NONOPERATING EXPENDITURES AND					
OTHER USES:					
Transfer to other funds	102,360		102,359	102,359	1
TOTAL EXPENDITURES AND					
OTHER USES	<u>\$ 1,402,420</u>	<u>\$ 1,166,532</u>	<u>\$ 235,873</u>	<u>\$ 1,402,405</u>	<u>\$ 15</u>
NONOPERATING REVENUES					
AND OTHER SOURCES:					
Federal Grant Proceeds - FEMA	\$ 975,040	\$ 798,287	\$ 176,748	\$ 975,035	\$ (5)
State Grant Proceeds - FEMA	325,020	266,096	58,916	325,012	(8)
Insurance Claim Proceeds	102,150	102,149		102,149	(1)
Investment income	210		209	209	(1)
TOTAL REVENUES AND					
OTHER SOURCES	<u>\$ 1,402,420</u>	<u>\$ 1,166,532</u>	<u>\$ 235,873</u>	<u>\$ 1,402,405</u>	<u>\$ (15)</u>



## CITY OF WILSON, NORTH CAROLINA

### WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

WIGGINS MILL EXPANSION FROM 12 TO 16 MGD AND 480 VOLT ELECTRICAL CONVERSION CAPITAL PROJECT FUND (Project WP0099)  
FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 300,000	\$	\$	\$	\$ 300,000
Construction	9,600,000				9,600,000
TOTAL EXPENDITURES AND OTHER USES	<u>\$ 9,900,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 9,900,000</u>
NONOPERATING REVENUES AND OTHER SOURCES:					
Investment income	\$	\$	\$ 3,141	\$ 3,141	\$ 3,141
Transfer from Water Resources Fund	9,900,000		300,000	300,000	(9,600,000)
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 9,900,000</u>	<u>\$</u>	<u>\$ 303,141</u>	<u>\$ 303,141</u>	<u>\$ (9,596,859)</u>

## CITY OF WILSON, NORTH CAROLINA

### WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

WIGGINS MILL DAM & PUMP STATION MITIGATION CAPITAL PROJECT FUND (Project WP9996)

FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES -					
CAPITAL OUTLAY:					
Engineering	\$ 300,000	\$	\$ 52,784	\$ 52,784	\$ 247,216
Construction	1,100,000				1,100,000
TOTAL EXPENDITURES AND OTHER USES	<u>\$ 1,400,000</u>	<u>\$</u>	<u>\$ 52,784</u>	<u>\$ 52,784</u>	<u>\$ 1,347,216</u>
NONOPERATING REVENUES AND OTHER SOURCES:					
Investment income	\$	\$	\$ 7,766	\$ 7,766	\$ 7,766
Transfer from Water Resources Fund	1,400,000		1,400,000	1,400,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 1,400,000</u>	<u>\$</u>	<u>\$ 1,407,766</u>	<u>\$ 1,407,766</u>	<u>\$ 7,766</u>

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -  
 12" WATER MAIN EXTENSION HWY 42 WEST (AIRPORT ROAD TO LAMM ROAD) CAPITAL PROJECT FUND (Project WD0100)  
 FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Engineering	\$ 39,000	\$	\$ 7,030	\$ 7,030	\$ 31,970
Construction	380,000		308,235	308,235	71,765
TOTAL EXPENDITURES AND OTHER USES	<u>\$ 419,000</u>	<u>\$</u>	<u>\$ 315,265</u>	<u>\$ 315,265</u>	<u>\$ 103,735</u>
NONOPERATING REVENUES AND OTHER SOURCES:					
Investment income	\$	\$	\$ 1,767	\$ 1,767	\$ 1,767
Transfer from Water Resources Fund	419,000		419,000	419,000	
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 419,000</u>	<u>\$</u>	<u>\$ 420,767</u>	<u>\$ 420,767</u>	<u>\$ 1,767</u>

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

HOMINY CREEK TURBOBLOWER 3 AND 4 CAPITAL PROJECT FUND (Project WM0158)

FROM PROJECT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
OPERATING EXPENDITURES - CAPITAL OUTLAY:					
Engineering	\$ 200,000	\$	\$	\$	\$ 200,000
Construction	1,200,000				1,200,000
TOTAL EXPENDITURES AND OTHER USES	<u>\$ 1,400,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,400,000</u>
NONOPERATING REVENUES AND OTHER SOURCES:					
Investment income	\$	\$	\$ 204	\$ 204	\$ 204
Transfer from Water Resources Fund	1,400,000		200,000	200,000	(1,200,000)
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 1,400,000</u>	<u>\$</u>	<u>\$ 200,204</u>	<u>\$ 200,204</u>	<u>\$ (1,199,796)</u>

# CITY OF WILSON, NORTH CAROLINA

## WATER RESOURCES FUND

### SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS - ENTERPRISE FUNDS - WATER RESOURCES FOR THE YEAR ENDED JUNE 30, 2019

#### REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:

Operating Fund	\$ 27,368,916
Revolving Loan Fund	3,972
Water Resources Capital Reserve Fund	651,622
Buckhorn Reservoir Wetlands Fund	18,209
Longview and Stantonsburg Pump Station Upgrades Capital Project Fund	13,704
New Blower and Aeration Controls Capital Project Fund	866
Woodard Parkway Infrastructure Capital Project Fund	56
Basin Renovation, Filter Rebuild Wiggins Mill and Toisnot Capital Project Fund	1,207,187
Wiggins Mill Dam and Pump Station Restoration Capital Project Fund	235,873
Wiggins Mill Expansion from 12 to 16 MGD and 480 Volt Electrical Conversion Capital Project Fund	303,141
Wiggins Mill Dam and Pump Station Mitigation Capital Project Fund	1,407,766
12" Water Main Extension Hwy 42 West (Airport Road to Lamm Road) Capital Project Fund	420,767
Hominy Creek Turboblower 3 and 4 Capital Project Fund	200,204
	31,832,283

#### EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS:

Operating Fund	27,504,063
Longview and Stantonsburg Pump Station Upgrades Capital Project Fund	374,680
New Blower and Aeration Controls Capital Project Fund	297,466
Woodard Parkway Infrastructure Capital Project Fund	37,886
Basin Renovation, Filter Rebuild Wiggins Mill and Toisnot Capital Project Fund	219,298
Wiggins Mill Dam and Pump Station Restoration Capital Project Fund	235,873
Wiggins Mill Dam and Pump Station Mitigation Capital Project Fund	52,784
12" Water Main Extension Hwy 42 West (Airport Road to Lamm Road) Capital Project Fund	315,265
	29,037,315

#### EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES

\$ 2,794,968

#### ADJUSTMENTS TO FULL ACCRUAL BASIS:

Bond retirements	1,789,350
Depreciation	(4,393,687)
Capital outlay	3,539,590
Notes payable payments	1,673,575
(Increase) decrease in accrued vacation	25,658
Increase (decrease) in deferred outflows of resources - OPEB	19,141
(Increase) decrease in total OPEB liability	306,706
Increase (decrease) in deferred outflows of resources - LGERS pensions	565,453
(Increase) decrease in deferred inflows of resources - LGERS pensions	26,463
(Increase) decrease in net pension liability - LGERS pensions	(665,212)
Amortization of bond premium	60,004
Amortization of refunding bond reacquisition price difference	(10,197)
Amortization of prepaid insurance costs on bonds	(15,370)
Contributed capital	101,335

#### CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

\$ 5,817,777

# CITY OF WILSON, NORTH CAROLINA

## MASS TRANSIT FUND

### SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - MASS TRANSIT

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 376,210	\$ 682,830
Receivables (net of allowances for uncollectibles):		
Accrued interest	494	812
Other receivables	110	
Due from other agencies and governments	451,272	52,020
Total current assets	828,086	735,662
NONCURRENT ASSETS:		
Restricted cash - Deposits	168	168
CAPITAL ASSETS:		
Land	77,981	77,981
Buildings	1,116,290	1,116,290
Rolling stock	1,329,274	1,329,274
Furniture, fixtures and equipment	14,299	14,299
Total capital assets	2,537,844	2,537,844
Less accumulated depreciation	(1,901,414)	(1,881,868)
Capital assets, net	636,430	655,976
TOTAL ASSETS	1,464,684	1,391,806
DEFERRED OUTFLOW OF RESOURCES		
Pension deferrals - LGERS	85,524	45,386
Contributions subsequent to measurement - LGERS	34,399	31,041
OPEB deferrals	31,358	29,618
Total deferred outflows of resources	151,281	106,045
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	66,701	27,913
Accrued wages and amounts withheld	21,935	22,475
Payable from restricted assets	168	168
Compensated absences - current	13,160	13,530
Total current liabilities	101,964	64,086
NONCURRENT LIABILITIES:		
Compensated absences - noncurrent	28,954	26,696
Total OPEB liability	605,982	633,864
Net pension liability - LGERS	153,568	102,398
Total noncurrent liabilities	788,504	762,958
Total liabilities	890,468	827,044
DEFERRED INFLOW OF RESOURCES		
Pension deferrals - LGERS	6,849	8,885
Total deferred inflows of resources	6,849	8,885
NET POSITION		
Net investment in capital assets	636,430	655,976
Unrestricted	82,218	5,946
TOTAL NET POSITION	\$ 718,648	\$ 661,922

# CITY OF WILSON, NORTH CAROLINA

## MASS TRANSIT FUND

### SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

### CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - MASS TRANSIT

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Bus fares	\$ 70,663	\$ 68,601
Other	185,364	181,211
Total operating revenues	256,027	249,812
OPERATING EXPENSES:		
General and administrative	546,418	507,827
Maintenance	966,843	968,525
Special projects	6,443	6,516
Depreciation	19,546	29,658
Total operating expenses	1,539,250	1,512,526
OPERATING INCOME (LOSS)	(1,283,223)	(1,262,714)
NONOPERATING REVENUES (EXPENSES):		
Investment income	9,798	177
Intergovernmental	1,017,651	1,020,549
Total nonoperating revenue (expense)	1,027,449	1,020,726
INCOME (LOSS) BEFORE TRANSFERS	(255,774)	(241,988)
Transfers in	312,500	312,500
CHANGE IN NET POSITION	56,726	70,512
NET POSITION - BEGINNING	661,922	591,410
NET POSITION - ENDING	\$ 718,648	\$ 661,922

# CITY OF WILSON, NORTH CAROLINA

## MASS TRANSIT FUND

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - MASS TRANSIT

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers and users	\$ 256,027	\$ 249,846
Cash paid to suppliers	(853,348)	(885,122)
Cash paid to employees	(650,314)	(640,762)
Net cash provided by (used in) operating activities	(1,247,635)	(1,276,038)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Transfer from other funds	312,500	312,500
Grant funds received	618,399	1,039,136
Net cash provided (used) by noncapital financing activities	930,899	1,351,636
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Contributed capital		
Net cash provided (used) by capital and related financing activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest and dividends received	10,116	(48)
Net cash provided (used) in investing activities	10,116	(48)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS</b>	(306,620)	75,550
<b>CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR</b>	682,998	607,448
<b>CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR</b>	<u>\$ 376,378</u>	<u>\$ 682,998</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ (1,283,223)	\$ (1,262,714)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	19,546	29,658
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(110)	
Increase (decrease) in OPEB liability	(27,882)	(23,505)
(Increase) decrease in deferred outflows of resources - OPEB	(1,740)	(29,618)
Increase (decrease) in customer deposits		34
Increase (decrease) in accounts payable	38,788	(74)
Increase (decrease) in accrued wages and amounts withheld	1,348	8,753
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(43,496)	45,697
Increase (decrease) in net pension liability	51,170	(42,801)
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(2,036)	(1,468)
Total adjustments	35,588	(13,324)
Net cash provided by (used in) operating activities	<u>\$ (1,247,635)</u>	<u>\$ (1,276,038)</u>
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	<u>\$ 5,099</u>	<u>\$ (2,764)</u>



# CITY OF WILSON, NORTH CAROLINA

## MASS TRANSIT FUND

### SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -

### BUDGET AND ACTUAL (NON-GAAP) - ENTERPRISE FUNDS - MASS TRANSIT

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
OPERATING REVENUES:				
Mass transit services:				
Bus fares	\$ 73,000	\$ 70,663	\$ (2,337)	\$ 68,601
Other	156,000	185,364	29,364	181,211
Total operating revenues	229,000	256,027	27,027	249,812
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income		9,798	9,798	177
Grants	1,515,240	1,017,651	(497,589)	1,020,549
Total nonoperating revenues and other sources	1,515,240	1,027,449	(487,791)	1,020,726
TRANSFERS FROM OTHER FUNDS:				
Transfer from General Fund	35,000	35,000		35,000
Transfer from Electric Fund	166,500	166,500		166,500
Transfer from Gas Fund	111,000	111,000		111,000
Total transfers from other funds	312,500	312,500		312,500
TOTAL REVENUES AND OTHER SOURCES	2,056,740	1,595,976	(460,764)	1,583,038
FUND BALANCE APPROPRIATED	328,916		(328,916)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	<u>\$ 2,385,656</u>	<u>\$ 1,595,976</u>	<u>\$ (789,680)</u>	<u>\$ 1,583,038</u>
OPERATING EXPENDITURES:				
General and administrative:				
Personnel Services	\$ 263,800	\$ 215,526	\$ 48,274	\$ 206,593
Operating Expenditures	427,956	352,989	74,967	346,731
Total	691,756	568,515	123,241	553,324
Maintenance:				
Personnel Services	473,710	434,249	39,461	436,724
Operating Expenditures	592,960	532,594	60,366	531,801
Total	1,066,670	966,843	99,827	968,525
Special projects:				
Operating Expenditures	21,230	6,443	14,787	6,516
Capital outlay	606,000		606,000	
Total	627,230	6,443	620,787	6,516
Total operating expenditures	2,385,656	1,541,801	843,855	1,528,365
TOTAL EXPENDITURES	<u>\$ 2,385,656</u>	<u>\$ 1,541,801</u>	<u>\$ 843,855</u>	<u>\$ 1,528,365</u>

# CITY OF WILSON, NORTH CAROLINA

## MASS TRANSIT FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS-  
ENTERPRISE FUNDS - MASS TRANSIT  
FOR THE YEAR ENDED JUNE 30, 2019

TOTAL REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS	\$ 1,595,976
TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS	<u>1,541,801</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	54,175
ADJUSTMENTS TO FULL ACCRUAL BASIS:	
Depreciation	(19,546)
(Increase) decrease in accrued vacation	(1,887)
Increase (decrease) in deferred outflows of resources - OPEB	1,740
(Increase) decrease in total OPEB liability	27,882
Increase (decrease) in deferred outflows of resources - LGERS pensions	43,496
(Increase) decrease in deferred inflows of resources - LGERS pensions	2,036
(Increase) decrease in net pension liability - LGERS pensions	<u>(51,170)</u>
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	<u>\$ 56,726</u>

# CITY OF WILSON, NORTH CAROLINA

## INDUSTRIAL AIR CENTER FUND

### SUPPLEMENTAL STATEMENT OF NET POSITION - ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 74,181	\$ 263,897
Receivables (net of allowances for uncollectibles):		
Accrued interest	102	322
Other receivables	3,648	1,346
Total current assets	77,931	265,565
CAPITAL ASSETS:		
Land	314,867	314,867
Land improvements	540,527	540,527
Buildings	525,474	397,574
Rolling stock	26,187	46,141
Furniture, fixtures and equipment	20,832	20,832
Total capital assets	1,427,887	1,319,941
Less accumulated depreciation	(692,818)	(697,846)
Capital assets, net	735,069	622,095
TOTAL ASSETS	813,000	887,660
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	1,696	3,713
Total liabilities	1,696	3,713
NET POSITION		
Net investment in capital assets	735,069	622,095
Unrestricted	76,235	261,852
TOTAL NET POSITION	\$ 811,304	\$ 883,947

# CITY OF WILSON, NORTH CAROLINA

## INDUSTRIAL AIR CENTER FUND

### SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

### CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Airport rental income	\$ 30,741	\$ 25,258
Total operating revenues	<u>30,741</u>	<u>25,258</u>
OPERATING EXPENSES:		
General and administrative	124,053	118,495
Maintenance	22,884	28,717
Depreciation	<u>14,926</u>	<u>10,659</u>
Total operating expenses	<u>161,863</u>	<u>157,871</u>
OPERATING INCOME (LOSS)	<u>(131,122)</u>	<u>(132,613)</u>
NONOPERATING REVENUES (EXPENSES):		
Investment income	2,629	576
Other income	<u>970</u>	<u>5,484</u>
Total nonoperating revenue (expense)	<u>3,599</u>	<u>6,060</u>
INCOME (LOSS) BEFORE TRANSFERS	(127,523)	(126,553)
Transfers in	<u>54,880</u>	<u>174,880</u>
CHANGE IN NET POSITION	(72,643)	48,327
NET POSITION - BEGINNING	<u>883,947</u>	<u>835,620</u>
NET POSITION - ENDING	<u><u>\$ 811,304</u></u>	<u><u>\$ 883,947</u></u>

# CITY OF WILSON, NORTH CAROLINA

## INDUSTRIAL AIR CENTER FUND

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	\$ 28,439	\$ 26,262
Cash paid to suppliers	(125,347)	(114,414)
Cash paid to employees	(23,607)	(29,085)
Net cash provided by (used in) operating activities	(120,515)	(117,237)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer from other funds	54,880	174,880
Contributions	100	101
Net cash provided (used) by noncapital financing activities	54,980	174,981
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(127,900)	(92,082)
Proceeds from sales of capital assets	870	5,384
Net cash provided (used) by capital and related financing activities	(127,030)	(86,698)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	2,849	549
Net cash provided (used) in investing activities	2,849	549
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	(189,716)	(28,405)
CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR	263,897	292,302
CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR	\$ 74,181	\$ 263,897
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ (131,122)	\$ (132,613)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	14,926	10,659
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(2,302)	1,004
Increase (decrease) in accounts payable	(2,017)	3,713
Total adjustments	10,607	15,376
Net cash provided by (used in) operating activities	\$ (120,515)	\$ (117,237)
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	\$ 1,724	\$ (1,010)

# CITY OF WILSON, NORTH CAROLINA

## INDUSTRIAL AIR CENTER FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
OPERATING REVENUES:				
Airport rental income	\$ 33,360	\$ 30,741	\$ (2,619)	\$ 25,258
Total operating revenues	33,360	30,741	(2,619)	25,258
NONOPERATING REVENUES:				
Investment income		2,629	2,629	576
Miscellaneous income		970	970	5,484
Total nonoperating revenues		3,599	3,599	6,060
TRANSFER FROM OTHER FUNDS:				
Transfer from General Fund	54,880	54,880		174,880
TOTAL REVENUES AND OTHER SOURCES	88,240	89,220	980	206,198
FUND BALANCE APPROPRIATED	254,989		(254,989)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	<u>\$ 343,229</u>	<u>\$ 89,220</u>	<u>\$ (254,009)</u>	<u>\$ 206,198</u>
OPERATING EXPENDITURES:				
Personnel Services	\$ 21,440	\$ 23,607	\$ (2,167)	\$ 29,085
Operating Expenditures	193,883	123,330	70,553	118,127
Capital outlay	127,906	127,900	6	92,082
TOTAL EXPENDITURES (USES)	<u>\$ 343,229</u>	<u>\$ 274,837</u>	<u>\$ 68,392</u>	<u>\$ 239,294</u>

# CITY OF WILSON, NORTH CAROLINA

## INDUSTRIAL AIR CENTER FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -  
ENTERPRISE FUNDS - INDUSTRIAL AIR CENTER  
FOR THE YEAR ENDED JUNE 30, 2019

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REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:

Operating Fund	\$	89,220
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TOTAL EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS

Operating fund		<u>274,837</u>
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EXCESS OF REVENUES AND OTHER SOURCES OVER  
EXPENDITURES

(185,617)

ADJUSTMENTS TO FULL ACCRUAL BASIS:

Depreciation		(14,926)
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Capital outlay		<u>127,900</u>
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CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION

\$	<u><u>(72,643)</u></u>
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# CITY OF WILSON, NORTH CAROLINA

## BROADBAND FUND

### SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - BROADBAND

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 1,996,281	\$ 2,098,447
Receivables (net of allowances for uncollectibles):		
Customer accounts	1,824,588	1,712,340
Accrued interest	2,847	2,664
Other receivables	270,988	281,613
Notes receivable	230,000	
Due from other agencies and governments	85,553	6,351
Inventories	1,526,839	1,640,675
Total current assets	5,937,096	5,742,090
NONCURRENT ASSETS:		
Restricted cash - Deposits	145,448	136,916
Capital assets:		
Buildings	254,280	232,634
Distribution system	26,293,995	26,293,995
Rolling stock	413,148	413,148
Furniture, fixtures and equipment	16,655,714	15,742,966
Total capital assets	43,617,137	42,682,743
Less accumulated depreciation	(24,618,907)	(22,846,833)
Capital assets, net	18,998,230	19,835,910
Total noncurrent assets	19,143,678	19,972,826
TOTAL ASSETS	25,080,774	25,714,916
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow of resources on refunding	290,061	338,405
Pension deferrals - LGERS	171,047	90,771
Contributions subsequent to measurement - LGERS	68,797	62,081
Total deferred outflows of resources	529,905	491,257



# CITY OF WILSON, NORTH CAROLINA

## BROADBAND FUND

### SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - BROADBAND

JUNE 30, 2019 AND 2018

	2019	2018
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	625,480	725,845
Accrued wages and amounts withheld	133,420	132,710
Accrued interest	70,251	60,639
Payable from restricted assets	145,448	136,916
Certificates of participation - current	3,071,865	2,980,206
Compensated absences - current	149,156	140,350
	<u>4,195,620</u>	<u>4,176,666</u>
Total current liabilities		
NONCURRENT LIABILITIES:		
Certificates of participation payable	11,159,305	14,231,170
Compensated absences - noncurrent	113,924	84,788
Net pension liability - LGERS	307,137	204,797
Advances from other funds	2,345,455	2,580,000
Total noncurrent liabilities	<u>13,925,821</u>	<u>17,100,755</u>
Total liabilities	<u>18,121,441</u>	<u>21,277,421</u>
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	13,700	17,771
Deferred inflow of resources on refunding	53,621	71,495
Total deferred inflows of resources	<u>67,321</u>	<u>89,266</u>
NET POSITION		
Net investment in capital assets	5,003,500	2,891,444
Unrestricted	<u>2,418,417</u>	<u>1,948,042</u>
TOTAL NET POSITION	<u>\$ 7,421,917</u>	<u>\$ 4,839,486</u>

# CITY OF WILSON, NORTH CAROLINA

## BROADBAND FUND

### SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

### CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - BROADBAND

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Broadband services	\$ 15,472,863	\$ 14,916,119
Other	1,354,865	1,204,223
Total operating revenues	<u>16,827,728</u>	<u>16,120,342</u>
OPERATING EXPENSES:		
Broadband inside plant	1,220,643	1,094,734
General and administrative	1,115,585	1,076,098
Broadband programming fees	7,682,535	7,142,233
Technical support services	132,969	(44,577)
Unified Communications Center	107,032	99,691
Broadband operations	2,006,600	2,325,985
Depreciation	<u>1,791,467</u>	<u>1,720,487</u>
Total operating expenses	<u>14,056,831</u>	<u>13,414,651</u>
OPERATING INCOME (LOSS)	<u>2,770,897</u>	<u>2,705,691</u>
NONOPERATING REVENUES (EXPENSES):		
Investment income	41,761	6,917
Other income	230,401	16,684
Intergovernmental	79,202	19,900
Other expenses	(33,278)	
Interest expense	<u>(506,552)</u>	<u>(693,100)</u>
Total nonoperating revenue (expense)	<u>(188,466)</u>	<u>(649,599)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>2,582,431</u>	<u>2,056,092</u>
CHANGE IN NET POSITION	2,582,431	2,056,092
NET POSITION - BEGINNING	<u>4,839,486</u>	<u>2,783,394</u>
NET POSITION - ENDING	<u><u>\$ 7,421,917</u></u>	<u><u>\$ 4,839,486</u></u>

# CITY OF WILSON, NORTH CAROLINA

## BROADBAND FUND

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - BROADBAND

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	\$ 16,734,637	\$ 15,897,182
Cash paid to suppliers	(9,456,164)	(8,653,157)
Cash paid to employees	(2,745,800)	(2,700,736)
Net cash provided by (used in) operating activities	4,532,673	4,543,289
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Grant funds received		84,488
Interfund payable to other funds	(234,545)	(200,000)
Net cash provided (used) by noncapital financing activities	(234,545)	(115,512)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from debt refunding		20,085,008
Acquisition and construction of capital assets	(1,037,067)	(747,253)
Principal paid on capital debt	(2,980,206)	(2,873,633)
Interest paid on capital debt	(466,471)	(760,948)
Proceeds from sales of capital assets	50,404	18,877
Payment to refunding agent		(19,982,522)
Net cash provided (used) by capital and related financing activities	(4,433,340)	(4,260,471)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	41,578	6,461
Net cash provided (used) in investing activities	41,578	6,461
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	(93,634)	173,767
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR	2,235,363	2,061,596
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR	\$ 2,141,729	\$ 2,235,363
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ 2,770,897	\$ 2,705,691
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	1,791,467	1,720,487
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(101,623)	(216,577)
(Increase) decrease in inventory	113,836	195,473
Increase (decrease) in customer deposits	8,532	(6,583)
Increase (decrease) in accounts payable	(100,365)	115,605
Increase (decrease) in accrued wages and amounts withheld	38,652	26,336
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(86,992)	91,395
Increase (decrease) in net pension liability	102,340	(85,602)
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(4,071)	(2,936)
Total adjustments	1,761,776	1,837,598
Net cash provided by (used in) operating activities	\$ 4,532,673	\$ 4,543,289
Capital assets acquired to be paid for in subsequent years	\$	\$ (737,019)
Increase (decrease) in fair value of investments	\$ 20,576	\$ (8,686)

# CITY OF WILSON, NORTH CAROLINA

## BROADBAND FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

ENTERPRISE FUNDS - BROADBAND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

(CONTINUED)

	2019			
	Budget	Actual	Variance Positive (Negative)	2018 Actual
OPERATING REVENUES:				
Broadband services:				
Telephone service	\$ 2,715,000	\$ 2,699,054	\$ (15,946)	\$ 2,689,763
Internet service	4,945,000	4,892,970	(52,030)	4,535,035
Video service	5,585,000	5,582,050	(2,950)	5,379,415
Metronet service/infrastructure	2,311,360	2,298,789	(12,571)	2,311,906
Other	1,383,540	1,354,865	(28,675)	1,204,223
Total operating revenues	16,939,900	16,827,728	(112,172)	16,120,342
NONOPERATING REVENUES:				
Investment income	9,500	41,761	32,261	6,917
Grants	75,000	79,202	4,202	19,900
Miscellaneous income	50,400	401	(49,999)	16,684
Certificates of Participation refunding				20,085,008
Total nonoperating revenues	134,900	121,364	(13,536)	20,128,509
TOTAL REVENUES AND OTHER SOURCES	17,074,800	16,949,092	(125,708)	36,248,851
FUND BALANCE APPROPRIATED	215,748		(215,748)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	\$ 17,290,548	\$ 16,949,092	\$ (341,456)	\$ 36,248,851
OPERATING EXPENDITURES:				
General and administrative:				
Personnel Services	\$ 394,120	\$ 413,907	\$ (19,787)	\$ 394,272
Operating Expenditures	676,848	652,459	24,389	653,543
Total	1,070,968	1,066,366	4,602	1,047,815
Operations				
Personnel Services	1,006,320	961,615	44,705	946,856
Operating Expenditures	2,401,370	1,044,985	1,356,385	1,379,129
Capital outlay		1,015,420	(1,015,420)	737,019
Total	3,407,690	3,022,020	385,670	3,063,004
Inside Plant				
Personnel Services	471,080	521,180	(50,100)	458,100
Operating Expenditures	694,380	699,463	(5,083)	636,634
Total	1,165,460	1,220,643	(55,183)	1,094,734
Broadband Services				
Operating Expenditures	7,511,000	7,682,535	(171,535)	7,142,233
Total	7,511,000	7,682,535	(171,535)	7,142,233
Technical Support Services				
Personnel Services	863,730	760,809	102,921	815,571
Operating Expenditures	1,988,200	1,906,947	81,253	1,620,282
Recovered Costs	(2,723,350)	(2,534,787)	(188,563)	(2,480,430)
Capital outlay	219,530	21,647	197,883	10,234
Total	348,110	154,616	193,494	(34,343)
Unified Communications Center				
Personnel Services	91,430	88,999	2,431	86,847
Operating Expenditures	183,310	225,424	(42,114)	161,546
Recovered Costs	(168,650)	(207,391)	38,741	(148,702)
Total	106,090	107,032	(942)	99,691
Total operating expenditures	13,609,318	13,253,212	356,106	12,413,134

# CITY OF WILSON, NORTH CAROLINA

## BROADBAND FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

ENTERPRISE FUNDS - BROADBAND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018) (CONCLUDED)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
INTEREST EXPENSE	466,470	476,083	(9,613)	662,631
OTHER EXPENDITURE AND USES:				
Debt service costs	\$	\$	\$	\$
Certificates of participation principal repayments	2,980,210	2,980,206	4	2,873,633
Debt refunding - Certificates of participation				19,982,522
Advances from other funds repayment	234,550	234,545	5	200,000
Total other expenditures (uses)	3,214,760	3,214,751	9	23,056,155
TOTAL EXPENDITURES AND OTHER USES	\$ 17,290,548	\$ 16,944,046	\$ 346,502	\$ 36,131,920

# CITY OF WILSON, NORTH CAROLINA

## BROADBAND FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -  
ENTERPRISE FUNDS - BROADBAND  
FOR THE YEAR ENDED JUNE 30, 2019

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### REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:

Operating Fund	\$ 16,949,092
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### TOTAL EXPENDITURES AND OTHER USES - MODIFIED ACCRUAL BASIS

Operating Fund	<u>16,944,046</u>
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### EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES

5,046

### ADJUSTMENTS TO FULL ACCRUAL BASIS:

Depreciation	(1,791,467)
Capital outlay	1,037,067
Loss on disposal of capital assets	(33,278)
Notes payable principal retirements	2,980,206
(Increase) decrease in accrued vacation	(37,942)
Increase (decrease) in deferred outflows of resources - LGERS pensions	86,992
(Increase) decrease in deferred inflows of resources - LGERS pensions	4,071
(Increase) decrease in net pension liability - LGERS pensions	(102,340)
Notes receivable principal	230,000
Advances from other funds repayment	234,545
Amortization of refunding bond reacquisition price difference	<u>(30,469)</u>

### CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

\$ <u>2,582,431</u>
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**CITY OF WILSON, NORTH CAROLINA**  
**STORMWATER MANAGEMENT FUND**

SUPPLEMENTAL STATEMENT OF NET FUND POSITION - ENTERPRISE FUNDS - STORMWATER MANAGEMENT  
JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 2,939,234	\$ 2,726,642
Receivables (net of allowances for uncollectibles):		
Accrued interest	3,654	2,738
Other receivables	333,541	319,819
Due from other agencies and governments	83,063	
Total current assets	3,359,492	3,049,199
NONCURRENT ASSETS:		
CAPITAL ASSETS:		
Land	381,715	381,715
Buildings	94,834	94,834
Distribution system	13,688,283	13,171,313
Rolling stock	1,451,476	1,047,141
Furniture, fixtures and equipment	41,181	41,181
Total capital assets	15,657,489	14,736,184
Less accumulated depreciation	(5,583,274)	(5,301,300)
Capital assets, net	10,074,215	9,434,884
TOTAL ASSETS	13,433,707	12,484,083
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals - LGERS	171,047	90,771
Contributions subsequent to measurement - LGERS	68,797	62,081
Total deferred outflows of resources	239,844	152,852
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	85,540	69,609
Accrued wages and amounts withheld	16,004	17,336
Compensated absences - current	14,039	14,008
Total current liabilities	115,583	100,953
NONCURRENT LIABILITIES:		
Compensated absences - noncurrent	14,588	14,438
Net pension liability - LGERS	307,137	204,797
Total noncurrent liabilities	321,725	219,235
Total liabilities	437,308	320,188
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	13,700	17,771
Total deferred inflows of resources	13,700	17,771
NET POSITION		
Net investment in capital assets	10,074,215	9,434,884
Unrestricted	3,148,328	2,864,092
TOTAL NET POSITION	\$ 13,222,543	\$ 12,298,976

# CITY OF WILSON, NORTH CAROLINA

## STORMWATER MANAGEMENT FUND

### SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

### CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS - STORMWATER MANAGEMENT

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Stormwater management fee	\$ 3,843,912	\$ 3,561,890
Other	29,005	41,460
Total operating revenues	3,872,917	3,603,350
OPERATING EXPENSES:		
Stormwater management	2,796,448	2,531,880
Depreciation	301,456	284,586
Total operating expenses	3,097,904	2,816,466
OPERATING INCOME (LOSS)	775,013	786,884
NONOPERATING REVENUES (EXPENSES):		
Investment income	44,425	1,495
Other income	3,675	3,985
Intergovernmental	86,588	
Total nonoperating revenue (expense)	134,688	5,480
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	909,701	792,364
Capital contributions	13,866	3,796
CHANGE IN NET POSITION	923,567	796,160
NET POSITION - BEGINNING	12,298,976	11,502,816
NET POSITION - ENDING	\$ 13,222,543	\$ 12,298,976



# CITY OF WILSON, NORTH CAROLINA

## STORMWATER MANAGEMENT FUND

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - ENTERPRISE FUNDS - STORMWATER MANAGEMENT

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and users	\$ 3,859,195	\$ 3,573,294
Cash paid to suppliers	(2,131,131)	(2,248,580)
Cash paid to employees	(639,260)	(586,739)
Net cash provided by (used in) operating activities	<u>1,088,804</u>	<u>737,975</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Grant funds received	<u>3,525</u>	
Net cash provided (used) by noncapital financing activities	<u>3,525</u>	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(926,921)	(421,562)
Proceeds from sales of capital assets	<u>3,675</u>	<u>3,985</u>
Net cash provided (used) by capital and related financing activities	<u>(923,246)</u>	<u>(417,577)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	<u>43,509</u>	<u>870</u>
Net cash provided (used) in investing activities	<u>43,509</u>	<u>870</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/ INVESTMENTS	<u>212,592</u>	<u>321,268</u>
CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR	<u>2,726,642</u>	<u>2,405,374</u>
CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR	<u><u>\$ 2,939,234</u></u>	<u><u>\$ 2,726,642</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ 775,013	\$ 786,884
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	301,456	284,586
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(13,722)	(30,056)
Increase (decrease) in accounts payable	15,931	(300,904)
Increase (decrease) in accrued wages and amounts withheld	(1,151)	(5,392)
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(86,992)	91,395
Increase (decrease) in net pension liability	102,340	(85,602)
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(4,071)	(2,936)
Total adjustments	<u>313,791</u>	<u>(48,909)</u>
Net cash provided by (used in) operating activities	<u><u>\$ 1,088,804</u></u>	<u><u>\$ 737,975</u></u>
Noncash investing, capital, and financing activities:		
Capital assets contributed (to)/from other funds/customers	<u>\$ 13,866</u>	<u>\$ 3,796</u>
Capital assets acquired to be paid for in subsequent years	<u>\$</u>	<u>\$ (54,960)</u>
Increase (decrease) in fair value of investments	<u><u>\$ 23,439</u></u>	<u><u>\$ (9,137)</u></u>

# CITY OF WILSON, NORTH CAROLINA

## STORMWATER MANAGEMENT FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

ENTERPRISE FUNDS - STORMWATER MANAGEMENT

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
OPERATING REVENUES:				
Stormwater Management fee	\$ 3,730,000	\$ 3,843,912	\$ 113,912	\$ 3,561,890
Other	16,000	29,005	13,005	41,460
Total operating revenues	3,746,000	3,872,917	126,917	3,603,350
NONOPERATING REVENUES:				
Investment income		44,425	44,425	1,495
Grants	67,750	86,588	18,838	
Miscellaneous income		3,675	3,675	3,985
Total nonoperating revenues	67,750	134,688	66,938	5,480
TOTAL REVENUES	3,813,750	4,007,605	193,855	3,608,830
TRANSFER FROM OTHER FUNDS				209,983
FUND BALANCE APPROPRIATED	461,730		(461,730)	
TOTAL REVENUES, OTHER SOURCES AND FUND BALANCE APPROPRIATIONS	\$ 4,275,480	\$ 4,007,605	\$ (267,875)	\$ 3,818,813
OPERATING EXPENDITURES:				
Personnel Services	\$ 721,810	\$ 637,928	\$ 83,882	\$ 584,437
Operating Expenditures	2,522,653	2,147,062	375,591	1,947,676
Capital outlay	1,031,017	926,921	104,096	315,509
TOTAL EXPENDITURES (USES)	\$ 4,275,480	\$ 3,711,911	\$ 563,569	\$ 2,847,622

# CITY OF WILSON, NORTH CAROLINA

## STORMWATER MANAGEMENT FUND

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -  
ENTERPRISE FUNDS - STORMWATER MANAGEMENT  
FOR THE YEAR ENDED JUNE 30, 2019

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### REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS:

Operating Fund	\$ 4,007,605
	<u>4,007,605</u>

### TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS

Operating fund	3,711,911
	<u>3,711,911</u>

### EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES

295,694

### ADJUSTMENTS TO FULL ACCRUAL BASIS:

Depreciation	(301,456)
Capital outlay	926,921
(Increase) decrease in accrued vacation	(181)
Increase (decrease) in deferred outflows of resources - LGERS pensions	86,992
(Increase) decrease in deferred inflows of resources - LGERS pensions	4,071
(Increase) decrease in net pension liability - LGERS pensions	(102,340)
Contributed Capital	<u>13,866</u>

### CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

\$ 923,567
<u><u>923,567</u></u>

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

Risk Management – A separate fund to supplement the \$15 million excess liability insurance policy for general liability, automotive and public official insurance coverage. The fund was established by a 1980 City Council ordinance and was accounted for as an Expendable Trust Fund until implementation of GASB No. 10 in 1995. With the City's move to self-insurance in 1997, the workers compensation fund was incorporated into the Risk Management Fund to account for all City self-insurance risk except health, dental and vision benefits.

Group Insurance Benefits – Accounts for the City's limited risk self-insurance for health, dental and vision benefits for City employees and their dependents, along with life insurance benefits for employees.

Operations Center – Accounts for costs of operating and maintaining the Operations Center, which is used by departments of several funds.

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICES FUNDS

### SUPPLEMENTAL COMBINING STATEMENT OF FUND NET POSITION - INTERNAL SERVICE FUNDS

JUNE 30, 2019

	Risk Management	Group Insurance Benefits	Operations Center	Total
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents/investments	\$ 7,104,581	\$ 9,308,020	\$ 2,130,086	\$ 18,542,687
Accrued interest	10,714	12,843	3,024	26,581
Other receivables	20,718	16,079		36,797
Interfund receivables	247,365			247,365
Prepaid expenses	23,656			23,656
<b>Total current assets</b>	<b>7,407,034</b>	<b>9,336,942</b>	<b>2,133,110</b>	<b>18,877,086</b>
<b>NONCURRENT ASSETS:</b>				
Capital assets:				
Land			463,998	463,998
Land improvements			1,957,306	1,957,306
Buildings			10,226,797	10,226,797
Rolling stock	20,643			20,643
Furniture, fixtures and equipment	339,125		845,243	1,184,368
<b>Total capital assets</b>	<b>359,768</b>		<b>13,493,344</b>	<b>13,853,112</b>
Less accumulated depreciation	(257,236)		(6,223,948)	(6,481,184)
<b>Capital assets, net</b>	<b>102,532</b>		<b>7,269,396</b>	<b>7,371,928</b>
<b>Total noncurrent assets</b>	<b>102,532</b>		<b>7,269,396</b>	<b>7,371,928</b>
<b>TOTAL ASSETS</b>	<b>7,509,566</b>	<b>9,336,942</b>	<b>9,402,506</b>	<b>26,249,014</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable			9,455	9,455
Accrued wages and amounts withheld	5,546			5,546
Accrued interest			9,550	9,550
Insurance claims payable	1,134,519	1,748,427		2,882,946
Certificates of participation - current			330,135	330,135
Compensated absences - current	9,083			9,083
<b>Total current liabilities</b>	<b>1,149,148</b>	<b>1,748,427</b>	<b>349,140</b>	<b>3,246,715</b>
<b>NONCURRENT LIABILITIES:</b>				
Certificates of participation payable			711,695	711,695
Compensated absences - noncurrent	7,064			7,064
<b>Total noncurrent liabilities</b>	<b>7,064</b>		<b>711,695</b>	<b>718,759</b>
<b>Total liabilities</b>	<b>1,156,212</b>	<b>1,748,427</b>	<b>1,060,835</b>	<b>3,965,474</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Retiree insurance premium prepayments		49		49
Deferred inflow of resources on refunding			10,423	10,423
<b>Total deferred inflows of resources</b>		<b>49</b>	<b>10,423</b>	<b>10,472</b>
<b>NET POSITION</b>				
Net investment in capital assets	102,532		6,217,143	6,319,675
Unrestricted	6,250,822	7,588,466	2,114,105	15,953,393
<b>TOTAL NET POSITION</b>	<b>\$ 6,353,354</b>	<b>\$ 7,588,466</b>	<b>\$ 8,331,248</b>	<b>\$ 22,273,068</b>

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICES FUNDS

### SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENSES AND

### CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS

YEAR ENDED JUNE 30, 2019

	Risk Management	Group Insurance Benefits	Operations Center	Total
OPERATING REVENUES:				
Contributions from various funds	\$ 3,167,060	\$ 11,627,582	\$ 1,123,405	\$ 15,918,047
Contributions from employees		1,322,154		1,322,154
Contributions from retirees		223,626		223,626
Other	71,262		14	71,276
Total operating revenues	3,238,322	13,173,362	1,123,419	17,535,103
OPERATING EXPENSES:				
Maintenance			329,729	329,729
Administrative fees	572,744	503,252		1,075,996
Insurance claims	769,167	1,707,589	110,530	2,587,286
Benefits claim payments	1,119,113	11,131,206		12,250,319
Depreciation	46,224		303,581	349,805
Total operating expenses	2,507,248	13,342,047	743,840	16,593,135
OPERATING INCOME (LOSS)	731,074	(168,685)	379,579	941,968
NONOPERATING REVENUES (EXPENSES):				
Investment income	123,330	158,229	37,010	318,569
Other income		887		887
Interest expense			(62,418)	(62,418)
Total nonoperating revenue (expense)	123,330	159,116	(25,408)	257,038
CHANGE IN NET POSITION	854,404	(9,569)	354,171	1,199,006
NET POSITION - BEGINNING	5,498,950	7,598,035	7,977,077	21,074,062
NET POSITION - ENDING	\$ 6,353,354	\$ 7,588,466	\$ 8,331,248	\$ 22,273,068

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS

#### INTERNAL SERVICE FUNDS

YEAR ENDED JUNE 30, 2019

	Risk Management	Group Insurance Benefits	Operations Center	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from interfund services provided	\$ 2,919,695	\$ 13,172,351	\$ 1,123,419	\$ 17,215,465
Insurance claim reimbursements	62,015			62,015
Cash paid to suppliers	(2,324,086)	(13,037,040)	(702,773)	(16,063,899)
Cash paid to employees	(242,695)			(242,695)
Net cash provided by (used in) operating activities	<u>414,929</u>	<u>135,311</u>	<u>420,646</u>	<u>970,886</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Proceeds from debt refunding				
Acquisition and construction of capital assets			(26,879)	(26,879)
Principal paid on capital debt			(317,794)	(317,794)
Interest paid on capital debt			(64,803)	(64,803)
Net cash provided (used) by capital and related financing activities			<u>(409,476)</u>	<u>(409,476)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends received	121,324	156,370	36,650	314,344
Net cash provided (used) in investing activities	<u>121,324</u>	<u>156,370</u>	<u>36,650</u>	<u>314,344</u>
Net increase (decrease) in cash and cash equivalents/investments	<u>536,253</u>	<u>291,681</u>	<u>47,820</u>	<u>875,754</u>
Cash and cash equivalents/investments, (Including restricted cash) - beginning of year	<u>6,568,328</u>	<u>9,016,339</u>	<u>2,082,266</u>	<u>17,666,933</u>
Cash and cash equivalents/investments, (Including restricted cash) - end of year	<u>\$ 7,104,581</u>	<u>\$ 9,308,020</u>	<u>\$ 2,130,086</u>	<u>\$ 18,542,687</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 731,074	\$ (168,685)	\$ 379,579	\$ 941,968
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	46,224		303,581	349,805
Insurance refunds		887		887
Change in assets and liabilities				
(Increase) decrease in accounts receivable	(9,247)			(9,247)
(Increase) decrease in prepaid items	(2,647)			(2,647)
(Increase) decrease in interfund receivables	(247,365)			(247,365)
Increase (decrease) in retiree insurance premium prepayments		(1,011)		(1,011)
Increase (decrease) in insurance claims payable	(103,972)	304,120		200,148
Increase (decrease) in accounts payable			(262,514)	(262,514)
Increase (decrease) in accrued wages and amounts withheld	862			862
Total adjustments	<u>(316,145)</u>	<u>303,996</u>	<u>41,067</u>	<u>28,918</u>
Net cash provided by (used in) operating activities	<u>\$ 414,929</u>	<u>\$ 135,311</u>	<u>\$ 420,646</u>	<u>\$ 970,886</u>
Noncash investing, capital, and financing activities:				
Increase (decrease) in fair value of investments	<u>\$ 71,688</u>	<u>\$ 88,313</u>	<u>\$ 21,133</u>	<u>\$ 181,134</u>

**CITY OF WILSON, NORTH CAROLINA**  
**INTERNAL SERVICE FUNDS**

SUPPLEMENTAL STATEMENT OF FUND NET POSITION - INTERNAL SERVICE FUNDS

RISK MANAGEMENT FUND

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 7,104,581	\$ 6,568,328
Accrued interest	10,714	8,708
Other receivables	20,718	11,471
Interfund receivables	247,365	
Prepaid expenses	23,656	21,009
Total current assets	7,407,034	6,609,516
CAPITAL ASSETS:		
Rolling stock	20,643	20,643
Furniture, fixtures and equipment	339,125	339,125
Total capital assets	359,768	359,768
Less accumulated depreciation	(257,236)	(211,012)
Capital assets, net	102,532	148,756
TOTAL ASSETS	7,509,566	6,758,272
LIABILITIES:		
Accrued wages and amounts withheld	5,546	5,346
Insurance claims payable	1,134,519	1,238,491
Compensated absences - current	9,083	8,346
Total current liabilities	1,149,148	1,252,183
Compensated absences - noncurrent	7,064	7,139
Total noncurrent liabilities	7,064	7,139
Total liabilities	1,156,212	1,259,322
NET POSITION		
Net investment in capital assets	102,532	148,756
Unrestricted	6,250,822	5,350,194
TOTAL NET POSITION	\$ 6,353,354	\$ 5,498,950



# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS

#### RISK MANAGEMENT FUND

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Contributions from various funds	\$ 3,167,060	\$ 3,074,470
Other	71,262	247,218
Total operating revenues	<u>3,238,322</u>	<u>3,321,688</u>
OPERATING EXPENSES:		
Administrative fees	572,744	566,600
Insurance claims	769,167	722,384
Benefits claim payments	1,119,113	2,229,650
Depreciation	<u>46,224</u>	<u>40,151</u>
Total operating expenses	<u>2,507,248</u>	<u>3,558,785</u>
OPERATING INCOME (LOSS)	<u>731,074</u>	<u>(237,097)</u>
NONOPERATING REVENUES (EXPENSES):		
Investment income	<u>123,330</u>	<u>5,090</u>
Total nonoperating revenue (expense)	<u>123,330</u>	<u>5,090</u>
CHANGE IN NET POSITION	854,404	(232,007)
NET POSITION - BEGINNING	<u>5,498,950</u>	<u>5,730,957</u>
NET POSITION - ENDING	<u><u>\$ 6,353,354</u></u>	<u><u>\$ 5,498,950</u></u>

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - INTERNAL SERVICE FUND - RISK MANAGEMENT FUND

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from interfund services provided	\$ 2,919,695	\$ 3,074,470
Insurance claim reimbursements	62,015	247,218
Cash paid to suppliers	(2,324,086)	(2,704,188)
Cash paid to employees	(242,695)	(232,565)
Net cash provided by (used in) operating activities	414,929	384,935
CASH FLOWS FROM CAPITAL FINANCING AND RELATED ACTIVITIES:		
Acquisition and construction of capital assets		(84,807)
Net cash provided (used) by capital financing activities		(84,807)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends received	121,324	2,736
Net cash provided (used) in investing activities	121,324	2,736
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	536,253	302,864
CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR	6,568,328	6,265,464
CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR	<u>\$ 7,104,581</u>	<u>\$ 6,568,328</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ 731,074	\$ (237,097)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	46,224	40,151
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(9,247)	
(Increase) decrease in prepaid items	(2,647)	(2,208)
(Increase) decrease in interfund receivables	(247,365)	
Increase (decrease) in insurance claims payable	(103,972)	583,334
Increase (decrease) in accrued wages and amounts withheld	862	755
Total adjustments	(316,145)	622,032
Net cash provided by (used in) operating activities	<u>\$ 414,929</u>	<u>\$ 384,935</u>
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	<u>\$ 71,688</u>	<u>\$ (29,542)</u>

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES

#### FINANCIAL PLAN AND ACTUAL (NON-GAAP) INTERNAL SERVICE FUNDS - RISK MANAGEMENT FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

	2019		Variance	2018
	Financial Plan	Actual	Positive (Negative)	Actual
OPERATING REVENUES:				
Contributions from various funds	\$ 3,167,060	\$ 3,167,060	\$	\$ 3,074,470
Other		71,262	71,262	247,218
Total operating revenues	3,167,060	3,238,322	71,262	3,321,688
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income		123,330	123,330	5,090
Total nonoperating revenues and other sources		123,330	123,330	5,090
TOTAL REVENUES	3,167,060	3,361,652	194,592	3,326,778
FUND BALANCE APPROPRIATED	4,745		(4,745)	
TOTAL REVENUES AND FUND BALANCE APPROPRIATIONS	\$ 3,171,805	\$ 3,361,652	\$ 189,847	\$ 3,326,778
OPERATING EXPENDITURES:				
Administrative fees	\$ 720,300	\$ 572,082	\$ 148,218	\$ 565,994
Insurance	889,930	769,167	120,763	722,384
Benefit claim payments	1,521,830	1,119,113	402,717	2,229,650
Total operating expenditures	3,132,060	2,460,362	671,698	3,518,028
OTHER EXPENDITURES AND USES:				
Capital outlay	39,745		39,745	84,807
TOTAL EXPENDITURES (USES)	\$ 3,171,805	\$ 2,460,362	\$ 711,443	\$ 3,602,835

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS-  
INTERNAL SERVICE FUNDS - RISK MANAGEMENT FUND  
FOR THE YEAR ENDED JUNE 30, 2019

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TOTAL REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS	\$	3,361,652
TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS		<u>2,460,362</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES		<u>901,290</u>
ADJUSTMENTS TO FULL ACCRUAL BASIS:		
Depreciation		(46,224)
(Increase) decrease in accrued vacation		<u>(662)</u>
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	\$	<u><u>854,404</u></u>

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS

#### GROUP INSURANCE BENEFITS FUND

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
Current assets:		
Cash and cash equivalents/investments	\$ 9,308,020	\$ 9,016,339
Receivables (net of allowances for uncollectibles):		
Accrued interest	12,843	10,984
Other receivables	16,079	16,079
Total current assets	9,336,942	9,043,402
TOTAL ASSETS	9,336,942	9,043,402
LIABILITIES		
Insurance claims payable	1,748,427	1,444,307
Total liabilities	1,748,427	1,444,307
DEFERRED INFLOWS OF RESOURCES		
Retiree insurance premium prepayments	49	1,060
Total deferred inflows of resources	49	1,060
NET POSITION		
Unrestricted	7,588,466	7,598,035
TOTAL NET POSITION	\$ 7,588,466	\$ 7,598,035

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

### CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS

### GROUP INSURANCE BENEFITS FUND

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Contributions from various funds	\$ 11,627,582	\$ 11,445,049
Contributions from employees	1,322,154	1,286,206
Contributions from retirees	223,626	212,038
	<hr/>	<hr/>
Total operating revenues	13,173,362	12,943,293
	<hr/>	<hr/>
OPERATING EXPENSES:		
Administrative fees	503,252	499,775
Insurance claims	1,707,589	1,610,403
Benefits claim payments	11,131,206	10,016,183
	<hr/>	<hr/>
Total operating expenses	13,342,047	12,126,361
	<hr/>	<hr/>
OPERATING INCOME (LOSS)	(168,685)	816,932
	<hr/>	<hr/>
NONOPERATING REVENUES (EXPENSES):		
Investment income	158,229	12,615
Other income	887	325
	<hr/>	<hr/>
Total nonoperating revenue (expense)	159,116	12,940
	<hr/>	<hr/>
CHANGE IN NET POSITION	(9,569)	829,872
	<hr/>	<hr/>
NET POSITION - BEGINNING	7,598,035	6,768,163
	<hr/>	<hr/>
NET POSITION - ENDING	\$ 7,588,466	\$ 7,598,035
	<hr/> <hr/>	<hr/> <hr/>

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - INTERNAL SERVICE FUNDS - GROUP INSURANCE BENEFITS FUND

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from interfund services provided	\$ 13,172,351	\$ 12,941,164
Cash paid to suppliers	<u>(13,037,040)</u>	<u>(12,132,004)</u>
Net cash provided by (used in) operating activities	<u>135,311</u>	<u>809,160</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received	<u>156,370</u>	<u>9,876</u>
Net cash provided (used) in investing activities	<u>156,370</u>	<u>9,876</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS	<u>291,681</u>	<u>819,036</u>
CASH AND CASH EQUIVALENTS/INVESTMENTS, BEGINNING OF YEAR	<u>9,016,339</u>	<u>8,197,303</u>
CASH AND CASH EQUIVALENTS/INVESTMENTS, END OF YEAR	<u><u>\$ 9,308,020</u></u>	<u><u>\$ 9,016,339</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ (168,685)	\$ 816,932
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Insurance refunds	887	325
Change in assets and liabilities		
(Increase) decrease in accounts receivable		
Increase (decrease) in retiree insurance premium prepayments	(1,011)	(2,129)
Increase (decrease) in insurance claims payable	<u>304,120</u>	<u>(5,968)</u>
Total adjustments	<u>303,996</u>	<u>(7,772)</u>
Net cash provided by (used in) operating activities	<u><u>\$ 135,311</u></u>	<u><u>\$ 809,160</u></u>
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	<u><u>\$ 88,313</u></u>	<u><u>\$ (36,955)</u></u>

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES

#### FINANCIAL PLAN AND ACTUAL (NON-GAAP) INTERNAL SERVICE FUNDS - GROUP INSURANCE BENEFITS FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

	2019			
	Financial Plan	Actual	Variance Positive (Negative)	2018 Actual
OPERATING REVENUES:				
Contributions from various funds	\$ 12,479,210	\$ 11,627,582	\$ (851,628)	\$ 11,445,049
Contributions from employees	1,242,160	1,322,154	79,994	1,286,206
Contributions from retirees	224,630	223,626	(1,004)	212,038
Total operating revenues	13,946,000	13,173,362	(772,638)	12,943,293
NONOPERATING REVENUES				
Investment income		158,229	158,229	12,615
Other income		887	887	325
Total nonoperating revenues		159,116	159,116	12,940
TOTAL REVENUES	<u>\$ 13,946,000</u>	<u>\$ 13,332,478</u>	<u>\$ (613,522)</u>	<u>\$ 12,956,233</u>
OPERATING EXPENDITURES:				
Administrative fees	\$ 511,500	\$ 503,252	\$ 8,248	\$ 499,775
Insurance	2,498,070	1,707,589	790,481	1,610,403
Benefit claim payments	10,936,430	11,131,206	(194,776)	10,016,183
TOTAL EXPENDITURES	<u>\$ 13,946,000</u>	<u>\$ 13,342,047</u>	<u>\$ 603,953</u>	<u>\$ 12,126,361</u>



# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL STATEMENT OF NET FUND POSITION - INTERNAL SERVICE FUNDS

#### OPERATIONS CENTER FUND

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 2,130,086	\$ 2,082,266
Receivables (net of allowances for uncollectibles):		
Accrued interest	3,024	2,664
Total current assets	2,133,110	2,084,930
NONCURRENT ASSETS:		
Capital Assets:		
Land	463,998	463,998
Land improvements	1,957,306	1,941,894
Buildings	10,226,797	10,215,330
Furniture, fixtures and equipment	845,243	845,243
Total capital assets	13,493,344	13,466,465
Less accumulated depreciation	(6,223,948)	(5,920,367)
Capital assets, net	7,269,396	7,546,098
Total noncurrent assets	7,269,396	7,546,098
TOTAL ASSETS	9,402,506	9,631,028
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	9,455	271,969
Accrued interest	9,550	8,460
Certificates of participation - current	330,135	317,794
Total current liabilities	349,140	598,223
NONCURRENT LIABILITIES:		
Certificates of participation payable	711,695	1,041,830
Total noncurrent liabilities	711,695	1,041,830
Total liabilities	1,060,835	1,640,053
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow of resources on refunding	10,423	13,898
Total deferred inflows of resources	10,423	13,898
NET POSITION		
Net investment in capital assets	6,217,143	6,172,576
Unrestricted	2,114,105	1,804,501
TOTAL NET POSITION	\$ 8,331,248	\$ 7,977,077

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND

### CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS

#### OPERATIONS CENTER FUND

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Contributions from various funds	\$ 1,123,405	\$ 1,151,439
Other	14	
Total operating revenues	<u>1,123,419</u>	<u>1,151,439</u>
OPERATING EXPENSES:		
Maintenance	329,729	376,895
Insurance claims	110,530	104,530
Depreciation	<u>303,581</u>	<u>288,310</u>
Total operating expenses	<u>743,840</u>	<u>769,735</u>
OPERATING INCOME (LOSS)	<u>379,579</u>	<u>381,704</u>
NONOPERATING REVENUES (EXPENSES):		
Investment income	37,010	3,943
Interest expense	<u>(62,418)</u>	<u>(78,168)</u>
Total nonoperating revenue (expense)	<u>(25,408)</u>	<u>(74,225)</u>
CHANGE IN NET POSITION	354,171	307,479
NET POSITION - BEGINNING	<u>7,977,077</u>	<u>7,669,598</u>
NET POSITION - ENDING	<u><u>\$ 8,331,248</u></u>	<u><u>\$ 7,977,077</u></u>

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - INTERNAL SERVICE FUNDS - OPERATIONS CENTER FUND

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from interfund services provided	\$ 1,123,419	\$ 1,151,439
Cash paid to suppliers	<u>(702,773)</u>	<u>(232,796)</u>
Net cash provided by (used in) operating activities	<u>420,646</u>	<u>918,643</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from debt refunding		1,661,992
Acquisition and construction of capital assets	(26,879)	(537,737)
Principal paid on capital debt	(317,794)	(311,077)
Interest paid on capital debt	(64,803)	(78,460)
Payment to refunding agent	<u></u>	<u>(1,653,328)</u>
Net cash provided (used) by capital and related financing activities	<u>(409,476)</u>	<u>(918,610)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received	<u>36,650</u>	<u>3,524</u>
Net cash provided (used) in investing activities	<u>36,650</u>	<u>3,524</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS/INVESTMENTS	<u>47,820</u>	<u>3,557</u>
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR	<u>2,082,266</u>	<u>2,078,709</u>
CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR	<u><u>\$ 2,130,086</u></u>	<u><u>\$ 2,082,266</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ 379,579	\$ 381,704
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	303,581	288,310
Change in assets and liabilities		
Increase (decrease) in accounts payable	(262,514)	248,629
Total adjustments	<u>41,067</u>	<u>536,939</u>
Net cash provided by (used in) operating activities	<u><u>\$ 420,646</u></u>	<u><u>\$ 918,643</u></u>
Noncash investing, capital, and financing activities:		
Capital assets acquired to be paid for in subsequent years	<u>\$</u>	<u>\$</u>
Increase (decrease) in fair value of investments	<u><u>\$ 21,133</u></u>	<u><u>\$ (8,637)</u></u>

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

### SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES

#### FINANCIAL PLAN AND ACTUAL (NON-GAAP) INTERNAL SERVICE FUNDS - OPERATIONS CENTER FUND

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

	2019			2018
	Financial Plan	Actual	Variance Positive (Negative)	Actual
OPERATING REVENUES:				
Operations Center Use Charge	\$ 1,178,120	\$ 1,123,405	\$ (54,715)	\$ 1,151,439
Other		14	14	
Total operating revenues	1,178,120	1,123,419	(54,701)	1,151,439
NONOPERATING REVENUES AND OTHER SOURCES:				
Investment income		37,010	37,010	3,943
Proceeds from debt issuance				1,661,992
Fund balance appropriated	367,822		(367,822)	
Total nonoperating revenues	367,822	37,010	(330,812)	1,665,935
TOTAL REVENUES	\$ 1,545,942	\$ 1,160,429	\$ (385,513)	\$ 2,817,374
OPERATING EXPENDITURES:				
Insurance	\$ 110,530	\$ 110,530	\$	\$ 104,530
Building Maintenance	340,690	329,729	10,961	376,895
Capital outlay	712,132	26,879	685,253	537,737
Total operating expenditures	1,163,352	467,138	696,214	1,019,162
INTEREST EXPENSE	64,800	65,893	(1,093)	81,643
OTHER EXPENDITURES AND USES:				
Lease purchase principal repayments	317,790	317,794	(4)	302,367
Debt refunding - Certificates of participation				1,653,328
Total other expenditures (uses)	317,790	317,794	(4)	1,955,695
TOTAL EXPENDITURES AND USES	\$ 1,545,942	\$ 850,825	\$ 695,117	\$ 3,056,500

# CITY OF WILSON, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS-  
INTERNAL SERVICE FUNDS - OPERATIONS CENTER FUND  
FOR THE YEAR ENDED JUNE 30, 2019

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### TOTAL REVENUES AND OTHER SOURCES - MODIFIED ACCRUAL BASIS

Operating Fund	\$ 1,160,429
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### TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS

Operating Fund	850,825
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### EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES

309,604

### ADJUSTMENTS TO FULL ACCRUAL BASIS:

Depreciation	(303,581)
Notes payable principal retirements	317,794
Amortization of refunding bond reacquisition price difference	3,475
Capital outlay	26,879

### CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

\$ 354,171
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## CITY OF WILSON, NORTH CAROLINA

### COMPONENT UNITS

Downtown Development Corporation – This discretely presented governmental fund type component unit accounts for economic development activities in a municipal service district created by an act of Council.

Wilson Cemetery Commission – This discretely presented enterprise fund type component unit accounts for operations and maintenance of municipal cemeteries.

# CITY OF WILSON, NORTH CAROLINA

## DOWNTOWN DEVELOPMENT CORPORATION

SUPPLEMENTAL BALANCE SHEETS - DISCRETELY PRESENTED COMPONENT UNIT -

DOWNTOWN DEVELOPMENT CORPORATION

JUNE 30, 2019 AND 2018

ASSETS	2019	2018
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 171,386	\$ 173,020
Receivables (net of allowance for uncollectibles):		
Property taxes	3,946	4,938
Accrued interest	235	210
Miscellaneous	350	350
Due from other agencies and governments	8,674	8,331
TOTAL ASSETS	<u>\$ 184,591</u>	<u>\$ 186,849</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	\$ 3,258	\$ 10,467
Accrued wages and amounts withheld	12,695	11,621
Total liabilities	15,953	22,088
DEFERRED INFLOWS OF RESOURCES		
Uncollected property taxes and miscellaneous receivables	4,297	5,287
Total deferred inflows of resources	4,297	5,287
FUND BALANCE:		
Restricted		
Stabilization by State Statute	8,909	23,541
Assigned		
Subsequent year's expenditures	54,290	178,670
Unassigned	101,142	(42,737)
Total fund balance	164,341	159,474
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 184,591</u>	<u>\$ 186,849</u>

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

# CITY OF WILSON, NORTH CAROLINA

## DOWNTOWN DEVELOPMENT CORPORATION

### RECONCILIATION OF BALANCE SHEET TO THE STATEMENT OF NET POSITION

#### DISCRETELY PRESENTED COMPONENT UNIT - DOWNTOWN DEVELOPMENT CORPORATION

JUNE 30, 2019

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Fund Balance - Downtown Development Corporation	\$ 164,341
Amounts reported for Downtown Development component unit in the statement of net position are different because:	
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds.	433
Net pension liability - LGERS	(62,893)
Deferred outflows of resources related to pensions are not reported in the funds	49,325
Pension related deferrals	(8,074)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	(32,088)
Deferred revenue in governmental funds is susceptible to full accrual on the government-wide statements.	<u>4,297</u>
Net position of Downtown Development Corporation	<u>\$ 115,341</u>



# CITY OF WILSON, NORTH CAROLINA

## DOWNTOWN DEVELOPMENT CORPORATION

### SUPPLEMENTAL STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -

### DISCRETELY PRESENTED COMPONENT UNIT - DOWNTOWN DEVELOPMENT CORPORATION

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
REVENUES:		
Ad valorem property taxes	\$ 65,597	\$ 64,628
Motor vehicle property taxes	2,585	2,169
Intergovernmental revenues	15,750	15,750
Investment income	2,925	525
Miscellaneous income	64,172	60,825
Contribution from City of Wilson	280,500	255,000
	<u>431,529</u>	<u>398,897</u>
Total revenues		
EXPENDITURES:		
Administration	258,467	210,671
Program activities	168,195	119,804
	<u>426,662</u>	<u>330,475</u>
Total expenditures		
NET CHANGE IN FUND BALANCES	4,867	68,422
FUND BALANCE, BEGINNING OF YEAR	159,474	91,052
FUND BALANCE, END OF YEAR	<u>\$ 164,341</u>	<u>\$ 159,474</u>

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

## CITY OF WILSON, NORTH CAROLINA

### DOWNTOWN DEVELOPMENT CORPORATION

#### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

#### IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

#### DISCRETELY PRESENTED COMPONENT UNIT - DOWNTOWN DEVELOPMENT CORPORATION

FOR THE YEAR ENDED JUNE 30, 2019

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

Net change in fund balance - Downtown Development Corporation	\$ 4,867
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds.	(10,587)
Pension expense	(1,917)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	<u>(991)</u>
Changes in net position of Downtown Development Corporation	<u><u>\$ (8,628)</u></u>

# CITY OF WILSON, NORTH CAROLINA

## DOWNTOWN DEVELOPMENT CORPORATION

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -

BUDGET AND ACTUAL - DISCRETELY PRESENTED COMPONENT UNIT

DOWNTOWN DEVELOPMENT CORPORATION

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2018)

	2019			
	Budget	Actual	Variance Positive (Negative)	2018 Actual
REVENUES:				
Ad valorem property taxes	\$ 61,410	\$ 65,597	\$ 4,187	\$ 64,628
Motor vehicle property taxes	2,000	2,585	585	2,169
Intergovernmental revenues	15,750	15,750		15,750
Investment income		2,925	2,925	525
Miscellaneous income	40,790	64,172	23,382	60,825
Contribution from City of Wilson	280,500	280,500		255,000
Total revenues	400,450	431,529	31,079	398,897
Fund balance appropriated	148,670		(148,670)	
Total revenues and fund balance appropriations	549,120	431,529	(117,591)	398,897
EXPENDITURES:				
Administration	400,220	258,467	141,753	210,671
Program activities	148,900	168,195	(19,295)	119,804
Total expenditures	549,120	426,662	122,458	330,475
NET CHANGE IN FUND BALANCES	\$	4,867	\$ 4,867	68,422
FUND BALANCE, BEGINNING OF YEAR		159,474		91,052
FUND BALANCE, END OF YEAR		\$ 164,341		\$ 159,474

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

# CITY OF WILSON, NORTH CAROLINA

## CEMETERY COMMISSION

### SUPPLEMENTAL STATEMENT OF NET FUND POSITION - DISCRETELY PRESENTED COMPONENT UNIT -

#### CEMETERY COMMISSION

JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents/investments	\$ 329,080	\$ 211,216
Receivables (net of allowances for uncollectibles):		
Accrued interest	454	257
Prepaid expenses	1,793	1,474
Total current assets	331,327	212,947
CAPITAL ASSETS:		
Land	25,754	25,754
Land improvements	851,073	851,073
Buildings	76,609	76,609
Rolling stock	94,925	139,194
Furniture, fixtures and equipment	225,458	134,172
Total capital assets	1,273,819	1,226,802
Less accumulated depreciation	(760,291)	(769,930)
Capital assets, net	513,528	456,872
TOTAL ASSETS	844,855	669,819
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals - LGERS	44,681	24,451
Contributions subsequent to measurement - LGERS	15,214	13,463
Total deferred outflows of resources	59,895	37,914
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	8,227	5,489
Accrued wages and amounts withheld	11,252	5,092
Total current liabilities	19,479	10,581
NONCURRENT LIABILITIES:		
Compensated absences - noncurrent	9,141	10,100
Net pension liability - LGERS	79,236	48,276
Total noncurrent liabilities	88,377	58,376
Total liabilities	107,856	68,957
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals - LGERS	6,032	7,781
Total deferred inflows of resources	6,032	7,781
NET POSITION		
Net investment in capital assets	513,528	456,872
Unrestricted	277,334	174,123
Total net position	\$ 790,862	\$ 630,995

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

**CITY OF WILSON, NORTH CAROLINA**  
**CEMETERY COMMISSION**

SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES, AND  
 CHANGES IN FUND NET POSITION - DISCRETELY PRESENTED COMPONENT UNIT  
 CEMETERY COMMISSION  
 FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUES:		
Sales of lots	\$ 186,168	\$ 180,464
Grave receipts	326,731	299,250
Other	9,250	17,928
	<u>522,149</u>	<u>497,642</u>
Total operating revenues	522,149	497,642
OPERATING EXPENSES:		
General and administrative	393,175	375,315
Maintenance	84,479	93,083
Depreciation	38,708	34,225
	<u>516,362</u>	<u>502,623</u>
Total operating expenses	516,362	502,623
OPERATING INCOME (LOSS)	<u>5,787</u>	<u>(4,981)</u>
NONOPERATING REVENUES (EXPENSES):		
Investment income	4,715	134
Other income	17,465	
Contribution from City of Wilson	131,900	20,000
	<u>154,080</u>	<u>20,134</u>
Total nonoperating revenue (expense)	154,080	20,134
CHANGE IN NET POSITION	159,867	15,153
NET POSITION - BEGINNING	<u>630,995</u>	<u>615,842</u>
NET POSITION - ENDING	<u>\$ 790,862</u>	<u>\$ 630,995</u>

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

# CITY OF WILSON, NORTH CAROLINA

## CEMETERY COMMISSION

### SUPPLEMENTAL STATEMENTS OF CASH FLOWS - DISCRETELY PRESENTED COMPONENT UNIT

#### CEMETERY COMMISSION

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers and users	\$ 522,149	\$ 497,642
Cash paid to suppliers	(141,565)	(193,711)
Cash paid to employees	(321,239)	(264,121)
Net cash provided by (used in) operating activities	<u>59,345</u>	<u>39,810</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Contribution from City of Wilson	131,900	20,000
Net cash provided (used) by noncapital financing activities	<u>131,900</u>	<u>20,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition and construction of capital assets	(97,900)	
Proceeds from sales of capital assets	20,000	
Net cash provided (used) by capital and related financing activities	<u>(77,900)</u>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest on investments	4,519	29
Net cash provided (used) in investing activities	<u>4,519</u>	<u>29</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS/INVESTMENTS</b>	<u>117,864</u>	<u>59,839</u>
<b>CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - BEGINNING OF YEAR</b>	<u>211,216</u>	<u>151,377</u>
<b>CASH AND CASH EQUIVALENTS/INVESTMENTS, (INCLUDING RESTRICTED CASH) - END OF YEAR</b>	<u><u>\$ 329,080</u></u>	<u><u>\$ 211,216</u></u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss)	\$ 5,787	\$ (4,981)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	38,708	34,225
Change in assets and liabilities		
(Increase) decrease in prepaid expenses	(319)	90
Increase (decrease) in accounts payable	2,738	984
Increase (decrease) in accrued wages and amounts withheld	5,201	5,971
(Increase) decrease in deferred outflows of resources for pensions - LGERS	(21,981)	33,269
Increase (decrease) in net pension liability - LGERS	30,960	(31,736)
Increase (decrease) in deferred inflows of resources for pensions - LGERS	(1,749)	1,988
Total adjustments	<u>53,558</u>	<u>44,791</u>
Net cash provided by (used in) operating activities	<u><u>\$ 59,345</u></u>	<u><u>\$ 39,810</u></u>
<b>Noncash investing, capital, and financing activities:</b>		
Increase in fair value of investments	<u>\$ 2,549</u>	<u>\$ (920)</u>
Capital asset trade-ins	<u><u>\$ 2,500</u></u>	

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

# CITY OF WILSON, NORTH CAROLINA

## CEMETERY COMMISSION

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) -

DISCRETELY PRESENTED COMPONENT UNIT - CEMETERY COMMISSION

FOR THE YEAR ENDED JUNE 30, 2019

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018)

	2019			
	Budget	Actual	Variance Positive (Negative)	2018 Actual
OPERATING REVENUES:				
Sales of lots	\$ 171,000	\$ 186,168	\$ 15,168	\$ 180,464
Grave receipts	276,000	326,731	50,731	299,250
Other	10,000	9,250	(750)	17,928
Total operating revenues	457,000	522,149	65,149	497,642
NONOPERATING REVENUES:				
Investment income	1,200	4,715	3,515	134
Contribution from City of Wilson	131,900	131,900		20,000
Other		17,465	17,465	
Total nonoperating revenues	133,100	154,080	20,980	20,134
TOTAL REVENUES	590,100	676,229	86,129	517,776
FUND BALANCE APPROPRIATED	7,000		(7,000)	
TOTAL REVENUES AND FUND BALANCE APPROPRIATIONS	<u>\$ 597,100</u>	<u>\$ 676,229</u>	<u>\$ 79,129</u>	<u>\$ 517,776</u>
OPERATING EXPENDITURES:				
Personnel Services	\$ 347,400	\$ 327,399	\$ 20,001	\$ 263,787
Operating Expenditures	147,700	143,984	3,716	194,785
Total operating expenditures	495,100	471,383	23,717	458,572
OTHER EXPENDITURES:				
Capital outlay	102,000	97,900	4,100	
TOTAL EXPENDITURES	<u>\$ 597,100</u>	<u>\$ 569,283</u>	<u>\$ 27,817</u>	<u>\$ 458,572</u>

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.

## CITY OF WILSON, NORTH CAROLINA

### CEMETERY COMMISSION

SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES -  
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL BASIS -  
DISCRETELY PRESENTED COMPONENT UNIT - CEMETERY COMMISSION  
FOR THE YEAR ENDED JUNE 30, 2019

TOTAL REVENUES - MODIFIED ACCRUAL BASIS	\$ 676,229
TOTAL EXPENDITURES - MODIFIED ACCRUAL BASIS	<u>569,283</u>
EXCESS OF REVENUES OVER EXPENDITURES	106,946
ADJUSTMENTS TO FULL ACCRUAL BASIS:	
Depreciation	(38,708)
Capital outlay	97,900
(Increase) decrease in Vacation accrual	959
Increase (decrease) in deferred outflows of resources - LGERS pensions	21,981
(Increase) decrease in deferred inflows of resources - LGERS pensions	1,749
(Increase) decrease in net pension liability - LGERS pensions	<u>(30,960)</u>
CHANGES IN NET POSITION PER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION	<u><u>\$ 159,867</u></u>

NOTE: This is a discretely presented component unit which does not prepare separate financial statements.



# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULES OF ANALYSIS OF CURRENT TAX LEVY

### CITY-WIDE LEVY

YEAR ENDED JUNE 30, 2019

	City-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	\$ 4,098,874,669	\$ 0.575	\$ 23,567,204	\$ 21,270,792	\$ 2,296,412
Penalties	N/A		32,430	32,430	
Total	<u>4,098,874,669</u>		<u>23,599,634</u>	<u>21,303,222</u>	<u>2,296,412</u>
Discoveries:					
Current year taxes	40,628,364	0.575	234,802	234,802	
Prior year taxes	28,155,774	0.555	168,245	168,245	
Prior year taxes	<u>25,262,055</u>	0.515	<u>194,454</u>	<u>194,454</u>	
Total	<u>94,046,193</u>		<u>597,501</u>	<u>597,501</u>	
Abatements					
Current year taxes	(3,753,172)	0.575	(22,028)	(22,028)	
Prior year taxes	(4,191,268)	0.555	(23,342)	(23,342)	
Prior year taxes	<u>(2,093,868)</u>	0.515	<u>(23,586)</u>	<u>(23,586)</u>	
Total	<u>(10,038,308)</u>		<u>(68,956)</u>	<u>(68,956)</u>	
Total property valuation	<u>\$ 4,182,882,554</u>				
Net levy			24,128,179	21,831,767	2,296,412
Uncollected taxes at June 30, 2019			<u>418,014</u>	<u>410,050</u>	<u>7,964</u>
Current year's taxes collected			<u>\$ 23,710,165</u>	<u>\$ 21,421,717</u>	<u>\$ 2,288,448</u>
Current levy collection percentage			<u>98.27%</u>	<u>98.12%</u>	<u>99.65%</u>

(1) Gross levy includes taxes levied on discovered properties of prior periods at tax rates applicable to those periods.

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF TAXES RECEIVABLE JUNE 30, 2019

Fiscal Year Ended June 30	Uncollected Balance June 30, 2018	Net Levy	Collections and Other Reductions	Uncollected Balance June 30, 2019
2015 & prior	\$ 511,341	\$	\$ 64,304	\$ 447,037
2016	109,966		12,859	97,107
2017	155,065		34,331	120,734
2018	371,305		189,638	181,667
2019		24,128,179	23,710,165	418,014
Total	<u>\$ 1,147,677</u>	<u>\$ 24,128,179</u>	<u>\$ 24,011,297</u>	<u>\$ 1,264,559</u>
Less allowance for uncollected taxes	<u>487,868</u>			<u>493,087</u>
Taxes receivable, net	<u>\$ 659,809</u>			<u>\$ 771,472</u>

(1) Reconciliation to property tax revenue:

Collections per above	\$ 24,011,297
Penalties and interest	101,168
Tax refunds and prior year releases	<u>(56,975)</u>
	<u>\$ 24,055,490</u>

# CITY OF WILSON, NORTH CAROLINA

## SUPPLEMENTAL SCHEDULE OF ANNUAL REQUIREMENTS TO AMORTIZE LONG-TERM DEBT BY FUND

	Fiscal Year Ended June 30	General Fund		Electric Fund		Gas Fund		Water Resources Fund		Broadband Fund		Operations Center Fund		Total	
		Principal & Interest		Principal & Interest		Principal & Interest		Principal & Interest		Principal & Interest		Principal & Interest		Principal & Interest	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
<b>General</b>															
<b>Obligation</b>	2020	\$	\$	\$	\$	\$	\$	\$ 1,180,000	\$ 1,313,856	\$	\$	\$	\$	\$ 1,180,000	\$ 1,313,856
<b>Bonded debt</b>	2021							1,160,000	1,252,556					1,160,000	1,252,556
	2022							1,145,000	1,195,506					1,145,000	1,195,506
	2023							225,000	234,000					225,000	234,000
<b>Total general obligation bonds</b>								3,710,000	3,995,918					3,710,000	3,995,918
<b>Revenue</b>															
<b>Bonded debt</b>	2020					200,250	258,073	689,750	888,918					890,000	1,146,991
	2021					205,875	257,626	709,125	887,379					915,000	1,145,005
	2022					212,625	258,120	732,375	889,079					945,000	1,147,199
	2023					218,250	257,303	751,750	886,266					970,000	1,143,569
	2024					226,125	258,535	778,875	890,509					1,005,000	1,149,044
	2025					231,750	257,315	798,250	886,306					1,030,000	1,143,621
	2026					238,500	257,034	821,500	885,340					1,060,000	1,142,374
	2027					246,375	257,660	848,625	887,497					1,095,000	1,145,157
	2028					254,250	258,051	875,750	888,842					1,130,000	1,146,893
<b>Total revenue bonds</b>						2,034,000	2,319,717	7,006,000	7,990,136					9,040,000	10,309,853
<b>Certificates of Participation</b>															
<b>Debt</b>	2020			959,000	1,471,744					3,071,864	3,455,053	330,135	382,227	4,360,999	5,309,024
	2021			809,000	1,294,412					3,338,380	3,641,118	347,620	383,205	4,495,000	5,318,735
	2022			145,000	607,356					4,112,925	4,327,995	364,076	382,279	4,622,001	5,317,630
	2023			826,000	1,284,224					2,064,000	2,169,678			2,890,000	3,453,902
	2024			810,000	1,244,683					865,000	910,854			1,675,000	2,155,537
	2025			942,000	1,353,598					779,000	801,202			1,721,000	2,154,800
	2026			1,769,000	2,153,750									1,769,000	2,153,750
	2027			1,821,000	2,155,334									1,821,000	2,155,334
	2028			1,875,000	2,157,435									1,875,000	2,157,435
	2029			1,921,000	2,149,998									1,921,000	2,149,998
	2030			1,981,000	2,155,250									1,981,000	2,155,250
	2031			2,039,000	2,156,791									2,039,000	2,156,791
	2032			2,094,000	2,153,680									2,094,000	2,153,680
<b>Total Certificates of Participation</b>				17,991,000	22,338,255					14,231,169	15,305,900	1,041,831	1,147,711	33,264,000	38,791,866
<b>Notes Payable</b>															
	2020	325,010	354,165	261,756	290,732	190,656	202,442	1,673,575	1,864,079					2,450,997	2,711,418
	2021	329,907	349,160	261,756	281,075	190,761	196,651	1,673,575	1,823,187					2,455,999	2,650,073
	2022	152,000	161,209	261,757	271,416			1,018,974	1,127,694					1,432,731	1,560,319
	2023	156,000	160,664					1,018,974	1,105,851					1,174,974	1,266,515
	2024							1,018,974	1,084,008					1,018,974	1,084,008
	2025							1,018,974	1,062,165					1,018,974	1,062,165
	2026							996,505	1,017,855					996,505	1,017,855
	2027							28,358	28,358					28,358	28,358
	2028							28,358	28,358					28,358	28,358
	2029							28,358	28,358					28,358	28,358
	2030							28,358	28,358					28,358	28,358
<b>Total Notes payable</b>		962,917	1,025,198	785,269	843,223	381,417	399,093	8,532,983	9,198,271					10,662,586	11,465,785
<b>Total</b>		\$ 962,917	\$ 1,025,198	\$ 18,776,269	\$ 23,181,478	\$ 2,415,417	\$ 2,718,810	\$ 19,248,983	\$ 21,184,325	\$ 14,231,169	\$ 15,305,900	\$ 1,041,831	\$ 1,147,711	\$ 56,676,586	\$ 64,563,422

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS  
JUNE 30, 2019 (CONTINUED)

	<b>Balance June 30, 2018</b>	<b>Additions</b>	<b>Transfers In/Out</b>	<b>Retirements</b>	<b>Balance June 30, 2019</b>
<b>Enterprise Funds</b>					
Electric:					
Land	\$ 5,712,240	\$	\$	\$	\$ 5,712,240
Land Improvements	10,651				10,651
Buildings and other structures	394,071				394,071
Utility Distribution System:					
Substations	37,128,289	691,915			37,820,204
Lines, Transformers, and devices	85,701,193	3,367,162			89,068,355
Consumer meters	7,144,558				7,144,558
Rolling Stock and other vehicles	12,365,617	1,423,440		(530,575)	13,258,482
Furniture, fixtures, and equipment	20,343,711	6,924,039		(31,875)	27,235,875
	168,800,330	12,406,556		(562,450)	180,644,436
Accumulated Depreciation	(87,709,245)	(5,922,948)		531,762	(93,100,431)
	<u>\$ 81,091,085</u>	<u>\$ 6,483,608</u>	<u>\$</u>	<u>\$ (30,688)</u>	<u>\$ 87,544,005</u>
Gas:					
Land	\$ 234,948	\$	\$	\$	\$ 234,948
Buildings	20,749				20,749
Utility Distribution System					
Mains	18,990,197	904,075			19,894,272
Gas Service	5,210,422	114,150			5,324,572
Consumer Meters	4,534,060	278,121			4,812,181
Rolling Stock and other vehicles	1,491,571	103,455			1,595,026
Furniture, fixtures, and equipment	1,106,465				1,106,465
	31,588,412	1,399,801			32,988,213
Accumulated Depreciation	(11,412,893)	(840,332)			(12,253,225)
	<u>\$ 20,175,519</u>	<u>\$ 559,469</u>	<u>\$</u>	<u>\$</u>	<u>\$ 20,734,988</u>

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS  
JUNE 30, 2019 (CONTINUED)

	<b>Balance June 30, 2018</b>	<b>Additions</b>	<b>Transfers In/Out</b>	<b>Retirements</b>	<b>Balance June 30, 2019</b>
Water and Sewer:					
Water:					
Land	\$ 18,354,912	\$	\$	\$	\$ 18,354,912
Land Improvements	1,678,340				1,678,340
Building	5,967,878		(133,727)		5,834,151
Utility distribution system:					
Tanks, reservoirs, dams, and waterways	33,515,974	133,514	133,727		33,783,215
Pumping stations and underground mains	32,510,787	95,672			32,606,459
Services	2,517,687	20,323			2,538,010
Pumping equipment	2,482,468				2,482,468
Purification equipment	11,411,046	134,458			11,545,504
Consumer meters	4,547,772	946,533			5,494,305
Meter installations	498,862				498,862
Hydrants	1,910,292	22,138			1,932,430
Rolling Stock and other vehicles	1,536,299	247,550		(114,933)	1,668,916
Furniture, fixtures, and equipment	2,182,335	64,316			2,246,651
Construction in progress		587,347			587,347
	<u>\$ 119,114,652</u>	<u>\$ 2,251,851</u>	<u>\$</u>	<u>\$ (114,933)</u>	<u>\$ 121,251,570</u>

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS  
JUNE 30, 2019 (CONTINUED)

	<u>Balance June 30, 2018</u>	<u>Additions</u>	<u>Transfers In/Out</u>	<u>Retirements</u>	<u>Balance June 30, 2019</u>
Sewer:					
Land	\$ 2,045,247	\$			\$ 2,045,247
Land Improvements	3,690,045				3,690,045
Buildings	5,501,275				5,501,275
Utility distribution system:					
Pumping stations and underground mains	53,284,428	488,676			53,773,104
Purification equipment	44,982,108	389,366			45,371,474
Rolling Stock and other vehicles	3,210,378	29,106		(149,350)	3,090,134
Furniture, fixtures, and equipment	2,921,032	107,246			3,028,278
Construction in progress		374,680			374,680
	<u>115,634,513</u>	<u>1,389,074</u>		<u>(149,350)</u>	<u>116,874,237</u>
Total water and sewer	234,749,165	3,640,925		(264,283)	238,125,807
Accumulated Depreciation	<u>(92,568,723)</u>	<u>(4,393,687)</u>		<u>264,283</u>	<u>(96,698,127)</u>
	<u>\$ 142,180,442</u>	<u>\$ (752,762)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 141,427,680</u>

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS  
JUNE 30, 2019 (CONTINUED)

	<b>Balance June 30, 2018</b>	<b>Additions</b>	<b>Transfers In/Out</b>	<b>Retirements</b>	<b>Balance June 30, 2019</b>
Broadband:					
Buildings	\$ 232,634	\$ 21,646	\$		\$ 254,280
Furniture, fixtures and equipment	15,742,966	1,015,421		(102,673)	16,655,714
Distribution System	26,293,995				26,293,995
Rolling Stock	413,148				413,148
	42,682,743	1,037,067		(102,673)	43,617,137
Accumulated Depreciation	(22,846,833)	(1,791,467)		19,393	(24,618,907)
	<u>\$ 19,835,910</u>	<u>\$ (754,400)</u>	<u>\$</u>	<u>\$ (83,280)</u>	<u>\$ 18,998,230</u>
Stormwater:					
Land	\$ 381,715	\$	\$	\$	\$ 381,715
Buildings	94,834				94,834
Distribution System	13,171,313	516,970			13,688,283
Rolling Stock	1,047,141	423,817		(19,482)	1,451,476
Furniture, Fixtures, and equipment	41,181				41,181
	14,736,184	940,787		(19,482)	15,657,489
Accumulated Depreciation	(5,301,300)	(301,456)		19,482	(5,583,274)
	<u>\$ 9,434,884</u>	<u>\$ 639,331</u>	<u>\$</u>	<u>\$</u>	<u>\$ 10,074,215</u>

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS  
JUNE 30, 2019 (CONTINUED)

	<b>Balance June 30, 2018</b>	<b>Additions</b>	<b>Transfers In/Out</b>	<b>Retirements</b>	<b>Balance June 30, 2019</b>
Mass Transit:					
Land	\$ 77,981	\$	\$	\$	\$ 77,981
Buildings	1,116,290				1,116,290
Rolling stock and other vehicles	1,329,274				1,329,274
Furniture, fixtures, and equipment	14,299				14,299
	<u>2,537,844</u>				<u>2,537,844</u>
Accumulated Depreciation	<u>(1,881,868)</u>	<u>(19,546)</u>			<u>(1,901,414)</u>
	<u>\$ 655,976</u>	<u>\$ (19,546)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 636,430</u>
Industrial Air Center:					
Land	\$ 314,867	\$	\$	\$	\$ 314,867
Land Improvements	540,527				540,527
Buildings	397,574	127,900			525,474
Rolling stock and other vehicles	46,141			(19,954)	26,187
Furniture, fixtures, and equipment	20,832				20,832
	<u>1,319,941</u>	<u>127,900</u>		<u>(19,954)</u>	<u>1,427,887</u>
Accumulated Depreciation	<u>(697,846)</u>	<u>(14,926)</u>		<u>19,953</u>	<u>(692,818)</u>
	<u>\$ 622,095</u>	<u>\$ 112,974</u>	<u>\$</u>	<u>\$ (1)</u>	<u>\$ 735,069</u>
Wilson Cemetery Commission:					
Land	\$ 25,754	\$	\$	\$	\$ 25,754
Land Improvements	851,073				851,073
Buildings	76,609				76,609
Rolling Stock	139,194			(44,269)	94,925
Furniture, fixtures, and equipment	134,172	97,900		(6,614)	225,458
	<u>1,226,802</u>	<u>97,900</u>		<u>(50,883)</u>	<u>1,273,819</u>
Accumulated Depreciation	<u>(769,930)</u>	<u>(38,708)</u>		<u>48,347</u>	<u>(760,291)</u>
	<u>\$ 456,872</u>	<u>\$ 59,192</u>	<u>\$</u>	<u>\$ (2,536)</u>	<u>\$ 513,528</u>



SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS  
JUNE 30, 2019 (CONTINUED)

	<u>Balance June 30, 2018</u>	<u>Additions</u>	<u>Transfers In/Out</u>	<u>Retirements</u>	<u>Balance June 30, 2019</u>
Internal Service Funds					
Risk Management:					
Rolling stock and other vehicles	\$ 20,643	\$	\$	\$	\$ 20,643
Furniture, fixtures, and equipment	339,125				339,125
	359,768				359,768
Accumulated Depreciation	(211,012)	(46,224)			(257,236)
	<u>\$ 148,756</u>	<u>\$ (46,224)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 102,532</u>
Operations Center:					
Land	\$ 463,998	\$	\$	\$	\$ 463,998
Land Improvements	1,941,894	15,412			1,957,306
Buildings	10,215,330	11,467			10,226,797
Furniture, fixtures and equipment	845,243				845,243
	13,466,465	26,879			13,493,344
Accumulated Depreciation	(5,920,367)	(303,581)			(6,223,948)
	<u>\$ 7,546,098</u>	<u>\$ (276,702)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 7,269,396</u>

# MARTIN STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## REPORT OF INDEPENDENT AUDITORS ON REVENUE BOND COVENANT COMPLIANCE

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the City of Wilson North Carolina, for the year ended June 30, 2019, and have issued our report thereon dated October 3, 2019. We have also audited the Revenue Bond Statement of Revenues, Expenses, Debt Service, and Debt Coverage for the Combined Enterprise System as defined in the official statement for the Combined Enterprise System Revenue bonds, Refunding Series 2011 and Refunding Series 2013 (originally Bond Series 2002). These computations are the responsibility of the City's management. Our responsibility is to express an opinion on these computations based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the City's Revenue Bond Statement of Revenues, Expenses, Debt Service, and Debt Coverage for the Combined Enterprise System is free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of this information. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Revenue Bond Statement of Revenues, Expenses, Debt Service, and Debt Coverage for the Combined Enterprise System as presented on the following statement is presented fairly, in all material respects, for the year ended June 30, 2019, as described in the Bond Refunding Series 2011 and Refunding Series 2013 referred to in the first paragraph.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
October 3, 2019

# CITY OF WILSON, NORTH CAROLINA

## REVENUE BOND STATEMENT OF REVENUES, EXPENSES, DEBT SERVICE, AND DEBT SERVICE COVERAGE - **COMBINED ENTERPRISE SYSTEM** FOR THE YEAR ENDED JUNE 30, 2019

	<u>2019</u>
Operating revenues - gas	\$ 18,576,754
Operating revenues - water resources	<u>26,775,009</u>
Total operating revenues	45,351,763
Operating expenses - gas	15,225,128
Operating expenses - water resources	<u>21,251,413</u>
Total operating expenses	<u>36,476,541</u>
OPERATING INCOME (LOSS)	8,875,222
Nonoperating revenues (expenses) - gas	6,955
Nonoperating revenues (expenses) - water resources	<u>192,846</u>
Total nonoperating revenue (expense)	<u>199,801</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	9,075,023
Transfers and contributions - gas	(1,366,090)
Transfers and contributions - water resources	<u>101,335</u>
Transfers and contributions	<u>(1,264,755)</u>
NET INCOME	7,810,268
REVENUE BOND ADJUSTMENTS TO INCOME:	
Capital contributions - water resources	(101,335)
Intergovernmental - water resources	(371,464)
Sale of old equipment - water resources	(69,137)
Transfers out - gas	1,366,090
Interest expense - water resources	552,943
Interest expense - gas	79,373
Depreciation expense - water resources	4,393,687
Depreciation expense - gas	<u>840,332</u>
Total revenue bond adjustments to income <sup>(1)</sup>	<u>6,690,489</u>
INCOME AVAILABLE FOR DEBT SERVICE	<u><u>\$ 14,500,757</u></u>
PARITY INDEBTEDNESS COVERAGE RATIO:	
Series 2002 revenue bonds debt service (Refunded Series 2011 and Series 2013)	<u>\$ 1,029,528</u>
Total parity indebtedness debt service	<u><u>\$ 1,029,528</u></u>

## CITY OF WILSON, NORTH CAROLINA

### REVENUE BOND STATEMENT OF REVENUES, EXPENSES, DEBT SERVICE, AND DEBT SERVICE COVERAGE - **COMBINED ENTERPRISE SYSTEM** FOR THE YEAR ENDED JUNE 30, 2019

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Parity indebtedness coverage ratio	<u><u>1408.49%</u></u>
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#### ALL DEBT COVERAGE RATIO:

#### TOTAL PARITY INDEBTEDNESS DEBT SERVICE

Parity indebtedness debt service	\$ 1,029,528
Gas Notes Payable	207,662
Buckhorn general obligation bonds	1,373,713
Water & Sewer Notes Payable	<u>1,892,140</u>

Total all debt	<u><u>\$ 4,503,043</u></u>
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All debt coverage ratio	<u><u>322.02%</u></u>
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(1) Includes depreciation expense, interest expense, transfers, investment income on revenue bonds, sale of old equipment and capital contributions.

# CITY OF WILSON, NORTH CAROLINA

## STATISTICAL SECTION

Financial Trends – These schedules contain trend information to help the reader understand how the city’s financial performance has changed over time.

Table 1	Net Position By Component
Table 2	Changes In Net Position
Table 3	Fund Balance Governmental Funds
Table 4	Changes In Fund Balances, Governmental Funds.

Revenue Capacity – These schedules contain information to help the reader assess the city’s most significant local revenue sources.

Table 5	Electric Consumption
Table 6	Electric Rates Per KWH Sold
Table 7	Electric Sales By Customer Type
Table 8	Assessed and Estimated Actual Value of Taxable Property
Table 9	Direct and Overlapping Property Tax Rates
Table 10	Principal Taxpayers
Table 11	Property Tax Levies and Collections

Debt Capacity – These schedules present information to help the reader assess the affordability of the city’s current levels of outstanding debt and the city’s ability to issue additional debt in the future.

Table 12	Ratios of Outstanding Debt by Type
Table 13	Ratios of General Obligation Outstanding Debt
Table 14	Computation of Legal Debt Margin
Table 15	Computation of Direct and Overlapping Debt
Table 16	Pledge Revenue Coverage
Table 22	Revenue Bond Historical Operating Results
Table 23	2002 Revenue Continuing Disclosure Obligation

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the city’s financial activities take place.

Table 17	Demographic Statistics
Table 18	Principal Employers
Table 19	Full-time Government Employees By Function

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the city’s financial report relates to the services the city provides and the activities it performs.

Table 20	Operating Indicators By Function
Table 21	Capital Asset Statistics By Function

# CITY OF WILSON, NORTH CAROLINA

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 1

	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
Net investment in capital assets	\$ 61,601,610	\$ 60,967,475	\$ 58,052,520	\$ 56,372,034	\$ 56,439,156	\$ 56,742,487	\$ 56,017,584	\$ 57,163,884	\$ 58,497,174	\$ 59,343,916
Restricted	6,714,726	5,496,754	8,150,714	5,212,739	5,967,109	4,675,831	4,456,832	4,959,525	3,805,934	187,919
Unrestricted	(10,987,253)	(14,512,952)	20,287,141	29,116,195	23,080,138	22,794,161	20,975,023	18,996,561	21,141,091	20,059,101
Total governmental activities net position	\$ 57,329,083	\$ 51,951,277	\$ 86,490,375	\$ 90,700,968	\$ 85,486,403	\$ 84,212,479	\$ 81,449,439	\$ 81,119,970	\$ 83,444,199	\$ 79,590,936
Business type activities										
Net investment in capital assets	\$ 231,553,184	\$ 217,310,729	\$ 201,123,545	\$ 186,315,101	\$ 179,868,610	\$ 172,880,608	\$ 166,086,131	\$ 165,956,363	\$ 167,158,276	\$ 169,274,296
Restricted						163,214	1,091,579	670,815	443,842	655,415
Unrestricted	63,985,909	60,829,441	72,035,744	72,951,161	67,991,927	69,789,068	74,312,948	76,705,769	79,379,480	69,879,130
Total business-type activities net position	\$ 295,539,093	\$ 278,140,170	\$ 273,159,289	\$ 259,266,262	\$ 247,860,537	\$ 242,832,890	\$ 241,490,658	\$ 243,332,947	\$ 246,981,598	\$ 239,808,841
Primary government										
Net investment in capital assets	\$ 293,154,794	\$ 278,278,204	\$ 259,176,065	\$ 242,687,135	\$ 236,307,766	\$ 229,623,095	\$ 222,103,715	\$ 223,120,247	\$ 225,655,450	\$ 228,618,212
Restricted	6,714,726	5,496,754	8,150,714	5,212,739	5,967,109	4,839,045	5,548,411	5,630,340	4,249,776	843,334
Unrestricted	52,998,656	46,316,489	92,322,885	102,067,356	91,072,065	92,583,229	95,287,971	95,702,330	100,520,571	89,938,231
Total primary government net position	\$ 352,868,176	\$ 330,091,447	\$ 359,649,664	\$ 349,967,230	\$ 333,346,940	\$ 327,045,369	\$ 322,940,097	\$ 324,452,917	\$ 330,425,797	\$ 319,399,777

# CITY OF WILSON, NORTH CAROLINA

CHANGES IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 2

	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental activities										
General government	\$ 5,790,860	\$ 4,702,497	\$ 6,134,474	\$ 5,197,499	\$ 5,062,871	\$ 5,061,641	\$ 4,010,339	\$ 6,243,878	\$ 4,874,040	\$ 5,146,560
Public safety	23,880,498	22,614,881	23,222,455	22,361,129	21,116,594	21,543,253	22,371,882	22,893,131	21,423,942	22,083,111
Public services	5,734,201	6,049,078	6,167,534	6,163,279	5,625,618	5,707,583	5,918,176	6,099,998	6,161,404	6,343,699
Environmental Services	5,824,279	5,386,525	5,654,752	5,227,689	5,293,584	5,219,609	5,022,533	5,144,635	5,086,973	5,086,921
Planning and Development	4,986,383	3,256,759	3,678,604	2,076,702	3,347,620	2,038,222	1,902,213	2,258,752	2,563,458	2,042,872
Human services	251,877	220,468	250,003	235,644	221,227	233,650	219,636	222,521	211,638	228,209
Culture and recreation	5,919,161	7,101,965	6,195,136	6,245,259	5,713,613	5,545,663	5,689,301	5,851,203	4,998,113	5,616,793
Interest on long-term debt	38,101	29,708	38,942	43,643	54,465	59,487	75,619	103,418	143,241	113,546
Total governmental activities expenses	52,425,360	49,361,881	51,341,900	47,550,844	46,435,592	45,409,108	45,209,699	48,817,536	45,462,809	46,661,711
Business type activities										
Electric	119,702,736	117,967,225	116,998,496	117,526,795	143,452,155	147,053,162	145,845,173	144,384,949	145,570,285	144,118,121
Gas	15,274,141	15,324,883	14,264,237	14,391,883	16,595,376	16,985,237	16,396,078	14,033,114	16,159,169	16,408,008
Water and sewer	21,662,381	21,462,054	21,585,549	20,385,571	19,830,523	20,507,551	19,604,806	20,808,964	19,404,769	20,635,099
Mass transit	1,516,438	1,485,812	1,304,691	1,295,941	1,303,030	1,325,989	1,313,438	1,327,276	1,309,988	1,315,752
Industrial Air Center	160,584	157,915	148,704	164,866	132,786	117,762	89,752	62,629	110,616	98,553
Broadband	14,570,477	14,068,151	13,901,264	12,431,507	12,082,196	13,152,799	12,587,763	12,138,268	11,216,019	10,036,624
Stormwater Management	3,085,241	2,805,860	2,754,466	2,893,274	2,705,592	2,712,411	2,363,862	2,278,832	2,234,012	2,294,841
Total business-type activities expenses	175,971,998	173,271,900	170,957,407	169,089,837	196,101,658	201,854,911	198,200,872	195,034,032	196,004,858	194,906,998
Total primary government expenses	228,397,358	222,633,781	222,299,307	216,640,681	242,537,250	247,264,019	243,410,571	243,851,568	241,467,667	241,568,709

# CITY OF WILSON, NORTH CAROLINA

CHANGES IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 2 (continued)

	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Program Revenues										
Governmental activities										
Charges for services										
Public safety	\$ 1,366,987	\$ 1,185,056	\$ 1,094,361	\$ 897,012	\$ 839,278	\$ 903,117	\$ 763,543	\$ 764,557	\$ 687,412	\$ 738,053
Public services	80,011	224,268	138,669	106,162	112,233	78,066	71,509	67,954	70,505	76,380
Environmental Services	4,947,892	4,867,174	4,824,599	4,749,086	4,455,265	4,398,384	4,101,008	3,823,049	3,478,299	3,227,378
Planning and Development	67,933	64,944	87,019	56,890	51,190	45,075	54,922	55,640	56,049	59,018
Culture and recreation	1,125,719	1,148,234	1,217,289	1,175,016	1,065,641	977,013	856,167	885,946	972,771	1,004,043
Operating grants and contributions	3,275,404	2,469,319	1,719,861	2,715,218	2,728,396	2,665,004	2,189,726	2,850,048	2,909,539	2,040,927
Capital grants and contributions	800,759	280,143	777,396	807,973	827,554	1,091,940	477,077	1,528,566	786,972	459,387
Total governmental activities program revenues	11,664,705	10,239,138	9,859,194	10,507,357	10,079,557	10,158,599	8,513,952	9,975,760	8,961,547	7,605,186
Business-type activities										
Charges for services										
Electric	126,910,289	126,336,420	125,560,188	128,277,071	147,011,111	145,108,575	145,002,495	142,252,431	149,809,795	150,298,820
Gas	18,576,754	18,729,187	14,874,458	14,852,270	18,993,553	18,231,201	17,273,224	15,433,023	18,608,797	20,322,067
Water and sewer	26,775,009	26,566,818	25,063,489	23,938,874	23,303,431	25,294,052	21,028,689	21,283,755	21,678,819	19,852,945
Mass transit	75,502	74,859	79,438	98,910	79,096	116,739	102,755	134,505	139,326	145,317
Industrial air center	30,741	25,258	26,206	25,889	25,811	25,714	23,000	19,912	20,459	25,726
Broadband	16,827,728	16,120,342	15,506,242	14,111,553	13,378,975	12,723,223	13,245,179	10,668,692	10,114,304	8,650,848
Stormwater management	3,872,917	3,603,350	3,221,936	2,782,673	2,699,603	2,742,212	2,472,551	2,434,693	2,432,437	2,416,712
Operating grants and contributions	2,010,413	1,039,949	978,982	701,032	659,067	646,269	1,106,620	708,035	668,045	926,151
Capital grants and contributions	115,201	2,487,366	3,659,901	727,732	184,881	1,186,315	377,529	137,085	248,338	2,284,646
Total Business-type activities program revenues	195,194,554	194,983,549	188,970,840	185,516,004	206,335,528	206,074,300	200,632,042	193,072,131	203,720,320	204,923,232
Total primary government program revenue	206,859,259	205,222,687	198,830,034	196,023,361	216,415,085	216,232,899	209,145,994	203,047,891	212,681,867	212,528,418
Net (Expenditures)/Revenues										
Governmental activities	(40,760,655)	(39,122,743)	(41,482,706)	(37,043,487)	(36,356,035)	(35,250,509)	(36,695,747)	(38,841,776)	(36,501,262)	(39,056,525)
Business-type activities	19,222,556	21,711,649	18,013,433	16,426,167	10,233,870	4,219,389	2,431,170	(1,961,901)	7,715,462	10,016,234
Total primary government net expense	\$ (21,538,099)	\$ (17,411,094)	\$ (23,469,273)	\$ (20,617,320)	\$ (26,122,165)	\$ (31,031,120)	\$ (34,264,577)	\$ (40,803,677)	\$ (28,785,800)	\$ (29,040,291)



# CITY OF WILSON, NORTH CAROLINA

## CHANGES IN NET POSITION (CONCLUDED) LAST TEN FISCAL YEARS (UNAUDITED)

**TABLE 2 (concluded)**

	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities										
Taxes										
Property taxes	\$ 25,138,117	\$ 23,522,710	\$ 22,949,347	\$ 22,389,796	\$ 22,055,959	\$ 22,191,654	\$ 20,988,086	\$ 20,594,811	\$ 20,565,644	\$ 20,213,173
Sales taxes	9,228,875	8,728,492	8,260,412	7,139,870	7,163,927	6,656,683	6,790,146	6,377,375	5,776,019	5,824,550
Occupancy tax	448,016	397,426	268,229							
Utility Sales tax	5,244,316	5,184,944	5,087,010	5,246,131	5,166,152	4,258,193	4,291,647	4,371,499	4,399,425	4,377,927
Privilege license tax	2,904	2,905	3,183	2,909	616,706	677,838	613,177	461,933	459,820	495,919
Alcoholic beverage taxes	87,500	87,500	84,375	81,250	81,250	81,250	81,250	78,125	74,976	62,229
Unrestricted grants and contributions	477,669	217,176	770,014	222,745	240,190	247,809	428,408	1,042,377	464,507	85,930
Unrestricted investment earnings	749,893	75,557	28,886	279,245	173,518	179,423	15,650	349,554	279,881	543,970
Gain/(Loss) on sale of capital assets	171,645	460,697	8,531	35,426	101,496	8,438	26,487	4,337	8,140	105,233
Miscellaneous	914,396	574,507	175,698	161,457	315,780	361,841	426,355	24,116	306,131	437,913
Transfers	3,675,130	4,000,980	4,693,999	5,610,220	3,657,790	3,350,420	3,364,010	3,213,420	3,439,940	3,270,530
Total governmental activities	46,138,461	43,252,894	42,329,684	41,169,049	39,572,768	38,013,549	37,025,216	36,517,547	35,774,483	35,417,374
Business-type activities:										
Unrestricted grants and contributions		19,900	285,375			(12,995)	314,536	414,637	331,627	
Unrestricted investment earnings	1,229,103	89,929	14,332	517,623	307,659	420,133	78,903	1,039,146	885,133	1,541,142
Gain/(Loss) on sale of capital assets	211,769	383,355	134,950	70,455	106,719	43,425	43,475	72,887	21,796	128,594
Miscellaneous	410,625	364,633	138,936	1,700	190	22,700	16,529		46,709	1,484
Transfers	(3,675,130)	(4,000,980)	(4,693,999)	(5,610,220)	(3,657,790)	(3,350,420)	(3,364,010)	(3,213,420)	(3,439,940)	(3,270,530)
Total business-type activities	(1,823,633)	(3,143,163)	(4,120,406)	(5,020,442)	(3,243,222)	(2,877,157)	(2,910,567)	(1,686,750)	(2,154,675)	(1,599,310)
Total primary government	44,314,828	40,109,731	38,209,278	36,148,607	36,329,546	35,136,392	34,114,649	34,830,797	33,619,808	33,818,064
<b>Changes in Net Position</b>										
Governmental activities	5,377,806	4,130,151	846,978	4,125,562	3,216,733	2,763,040	329,469	(2,324,229)	(726,779)	(3,639,151)
Business-type activities	17,398,923	18,568,486	13,893,027	11,405,725	6,990,648	1,342,232	(479,397)	(3,648,651)	5,560,787	8,416,924
Total Primary government	<u>\$ 22,776,729</u>	<u>\$ 22,698,637</u>	<u>\$ 14,740,005</u>	<u>\$ 15,531,287</u>	<u>\$ 10,207,381</u>	<u>\$ 4,105,272</u>	<u>\$ (149,928)</u>	<u>\$ (5,972,880)</u>	<u>\$ 4,834,008</u>	<u>\$ 4,777,773</u>

# CITY OF WILSON, NORTH CAROLINA

## FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (UNAUDITED)

**TABLE 3**

	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 4,794,760
Unreserved										10,681,475
Nonspendable	385,706	355,839	400,300	367,721	380,495	353,487	489,045	434,619	402,167	
Restricted	5,175,962	5,094,562	4,990,515	4,638,844	5,399,938	4,184,708	3,923,400	3,809,721	3,598,776	
Committed	17,500	17,500		223,752				27,997	385,728	
Assigned	6,117,064	6,015,612	4,404,100	3,968,730	3,456,910	2,669,460	1,537,900	1,691,940	2,033,660	
Unassigned	11,758,850	13,128,962	13,770,544	15,739,384	14,722,527	13,411,271	12,472,598	10,922,540	9,657,066	
Total General Fund	<u>\$ 23,455,082</u>	<u>\$ 24,612,475</u>	<u>\$ 23,565,459</u>	<u>\$ 24,938,431</u>	<u>\$ 23,959,870</u>	<u>\$ 20,618,926</u>	<u>\$ 18,422,943</u>	<u>\$ 16,886,817</u>	<u>\$ 16,077,397</u>	<u>\$ 15,476,235</u>
All Other Governmental Funds										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 63,207
Unreserved, reported in:										
Special revenue funds										1,220,934
Capital projects funds										244,447
Nonspendable				95,656	100,425					
Restricted	1,538,764	1,142,197	3,160,199.00	478,239	466,746	491,681	500,195	1,149,804	207,158	
Committed	4,242,446	2,091,492	2,672,480	3,930,067	1,089,822	1,689,598	1,634,153	1,493,634	1,550,467	
Assigned	184,325	215,628	312,303	229,023	159,164	123,361	101,325	124,948	131,734	
Unassigned	(726,259)	(509,117)	(139,235)	(434,386)	(570,393)	(523,903)	(333,339)	(474,152)	(204,914)	
Total all other governmental funds	<u>\$ 5,239,276</u>	<u>\$ 2,940,200</u>	<u>\$ 6,005,747</u>	<u>\$ 4,298,599</u>	<u>\$ 1,245,764</u>	<u>\$ 1,780,737</u>	<u>\$ 1,902,334</u>	<u>\$ 2,294,234</u>	<u>\$ 1,684,445</u>	<u>\$ 1,528,588</u>

\*Note: Data beginning FY2011, GASB Statement 54 was implemented for fund balance categories.

# CITY OF WILSON, NORTH CAROLINA

## CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

**TABLE 4 (continued)**

	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Revenues</b>										
Taxes	\$ 34,706,865	\$ 32,572,924	\$ 31,530,463	\$ 29,543,692	\$ 30,063,583	\$ 29,803,155	\$ 28,270,043	\$ 27,364,554	\$ 26,823,665	\$ 26,601,715
Licenses and permits	814,646	653,446	658,149	418,982	417,044	406,997	437,072	383,633	391,841	386,044
Intergovernmental	8,819,795	8,146,644	8,149,322	8,409,799	8,240,401	7,185,743	7,333,476	8,485,180	7,942,962	6,542,154
Assessments	92,325	58,833	52,822	29,955	28,515	38,068	63,295	66,383	34,106	35,168
Charges for services	6,674,491	6,595,617	6,585,200	6,460,112	5,997,221	5,863,415	5,301,722	5,106,504	4,798,793	4,659,731
Investment income	468,334	57,852	23,527	186,700	117,435	121,482	10,494	236,645	191,724	355,770
Loan repayments and related interest	674,373	3,094	(10,973)	11,968	115,062	16,450	19,602	25,846	34,053	48,359
Contributions	167,353	95,000	(34,500)	302,952	367,345	474,598	(34,882)	1,335,370		10,000
Other	867,354	839,541	409,004	588,818	575,245	282,478	452,106	191,276	322,995	149,148
Total revenues	53,285,536	49,022,951	47,363,014	45,952,978	45,921,851	44,192,386	41,852,928	43,195,391	40,540,139	38,788,089
<b>Expenditures</b>										
General government	8,047,092	6,540,698	6,530,592	5,743,641	5,338,385	5,338,112	3,908,680	4,365,033	4,346,257	4,128,260
Public safety	24,543,503	24,182,984	23,706,842	22,404,798	21,350,746	21,860,724	21,694,109	22,166,287	20,395,491	21,370,134
Public services	5,433,369	5,667,395	5,060,868	5,489,026	4,974,730	4,656,398	4,657,052	4,677,970	5,104,900	6,422,483
Environmental Services	5,939,821	5,813,511	5,663,595	5,722,452	5,664,982	5,199,870	5,164,187	4,865,693	4,880,163	4,748,681
Planning and Development	4,410,550	3,422,381	3,674,803	2,082,384	3,346,499	2,038,937	2,011,890	2,221,455	2,476,431	1,953,945
Human Services	267,391	260,285	242,351	242,349	234,320	229,903	219,247	213,179	207,285	208,550
Culture and recreation	6,989,171	9,606,821	6,549,990	5,976,969	5,704,758	6,167,747	5,383,416	5,409,574	4,715,394	5,413,111
Debt service:										
Principal	323,010	718,525	361,095	359,076	307,346	939,514	982,497	965,248	956,907	719,505
Interest	36,721	30,559	38,402	46,046	53,400	56,820	78,121	105,622	144,725	117,156
Total expenditures	55,990,628	56,243,159	51,828,538	48,066,741	46,975,166	46,488,025	44,099,199	44,990,061	43,227,553	45,081,825
Excess of revenues over (under) expenditures	(2,705,092)	(7,220,208)	(4,465,524)	(2,113,763)	(1,053,315)	(2,295,639)	(2,246,271)	(1,794,670)	(2,687,414)	(6,293,736)

# CITY OF WILSON, NORTH CAROLINA

## CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONCLUDED) LAST TEN FISCAL YEARS (UNAUDITED)

**TABLE 4 (concluded)**

	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Other Financing Sources (Uses)</b>										
Sales of capital assets	\$ 171,645	\$ 460,697	\$ 105,150	\$ 48,520	\$ 101,496	\$ 101,605	\$ 26,487	\$ 459	\$ 4,493	\$ 188,333
Transfers in	8,144,461	5,550,770	9,447,301	6,667,912	4,195,665	3,998,990	3,939,681	3,969,150	4,264,388	4,417,189
Transfers out	(4,469,331)	(1,549,790)	(4,752,751)	(1,057,692)	(537,875)	(648,570)	(575,671)	(755,730)	(824,448)	(1,146,659)
Note payable issued		740,000			100,000	918,000				2,801,400
Total other financing sources (uses)	3,846,775	5,201,677	4,799,700	5,658,740	3,859,286	4,370,025	3,390,497	3,213,879	3,444,433	6,260,263
Net change in fund balances	\$ 1,141,683	\$ (2,018,531)	\$ 334,176	\$ 3,544,977	\$ 2,805,971	\$ 2,074,386	\$ 1,144,226	\$ 1,419,209	\$ 757,019	\$ (33,473)
Debt service as a percentage of noncapital expenditures	0.70%	1.50%	0.84%	0.88%	0.80%	2.30%	2.45%	2.44%	2.61%	2.06%

## CITY OF WILSON, NORTH CAROLINA

### ELECTRIC CONSUMPTION PER KWH SOLD LAST TEN FISCAL YEARS (UNAUDITED)

**TABLE 5**

Customer type	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Electric Customers - Inside City										
Residential	265,782,798	258,037,041	250,897,074	238,246,520	243,812,532	241,279,577	244,319,242	236,315,020	261,112,842	247,854,580
Commercial	244,507,792	257,248,778	269,966,685	250,248,039	241,653,963	236,905,874	234,997,187	234,890,956	244,467,017	244,587,410
Industrial	152,396,246	162,978,901	165,280,726	175,216,533	173,359,006	173,642,174	175,570,772	174,943,273	159,661,640	147,263,822
Total Electric Customers - Inside City	662,686,835	678,264,720	686,144,486	663,711,092	658,825,501	651,827,625	654,887,201	646,149,249	665,241,499	639,705,812
Electric Customers - Outside City										
Residential	156,854,848	154,858,953	147,528,079	140,591,819	146,166,012	144,672,133	144,142,265	137,830,206	153,252,218	147,364,370
Commercial	45,743,405	49,644,275	58,945,279	47,155,397	46,479,334	41,601,536	42,553,701	39,962,123	39,453,834	39,412,657
Industrial	363,609,702	324,462,050	350,003,732	382,348,384	372,751,277	362,690,124	364,821,066	367,160,841	363,162,852	353,423,343
Total Electric Customers - Outside City	566,207,956	528,965,278	556,477,090	570,095,600	565,396,623	548,963,793	551,517,032	544,953,170	555,868,904	540,200,370
Total Consumption General Customers	1,228,894,791	1,207,229,998	1,242,621,576	1,233,806,692	1,224,222,124	1,200,791,418	1,206,404,233	1,191,102,419	1,221,110,403	1,179,906,182
Other Utilities	20,286,498	20,258,082	19,644,062	19,802,188	20,336,647	19,969,212	19,936,814	19,437,836	20,716,595	20,082,329
Other Distributors	26,458,360	26,447,325	26,254,044	26,000,223	27,937,635	27,324,603	26,886,237	26,939,581	27,952,553	26,718,560
Total Electric Consumption	1,275,639,649	1,253,935,405	1,288,519,682	1,279,609,103	1,272,496,406	1,248,085,232	1,253,227,284	1,237,479,836	1,269,779,551	1,226,707,071

## CITY OF WILSON, NORTH CAROLINA

ELECTRIC RATES PER KWH SOLD  
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 6

Rate Type	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Electric Customers - Inside City										
Residential	\$ 0.1124	\$ 0.1128	\$ 0.1168	\$ 0.1241	\$ 0.1413	\$ 0.1414	\$ 0.1412	\$ 0.1441	\$ 0.1448	\$ 0.1524
Commercial	0.1096	0.1080	0.1076	0.1171	0.1339	0.1308	0.1304	0.1301	0.1313	0.1347
Industrial	0.0843	0.0826	0.0844	0.0840	0.0933	0.0919	0.0915	0.0930	0.0954	0.09610
Electric Customers - Outside City										
Residential	0.1096	0.1098	0.1140	0.1208	0.1391	0.1391	0.1391	0.1421	0.1430	0.1508
Commercial	0.1271	0.1231	0.1060	0.1347	0.1521	0.1488	0.1503	0.1521	0.1538	0.1592
Industrial	0.0726	0.0719	0.0668	0.0683	0.0751	0.0778	0.0775	0.0775	0.0796	0.0789
Other Utilities	0.0974	0.0988	0.1026	0.1026	0.1127	0.1118	0.1133	0.1124	0.1171	0.1214
Other Distributors	0.0811	0.0790	0.0825	0.0906	0.1087	0.1122	0.1101	0.1110	0.1103	0.1081

## CITY OF WILSON, NORTH CAROLINA

ELECTRIC SALES BY CUSTOMER TYPE  
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

TABLE 7

	2019		2010	
	Sales Revenue	Percentage of Total Sales Revenue	Sales Revenue	Percentage of Total Sales Revenue
<b>Consumer</b>				
Electric Customers - Inside City				
Residential	29,817,192	24.28%	\$ 37,757,279	25.78%
Commercial	26,743,757	21.78%	32,915,878	22.47%
Industrial	12,820,569	10.44%	14,114,871	9.64%
Total Electric Customers - Inside City	69,381,518	56.50%	84,788,028	57.89%
Electric Customers - Outside City				
Residential	17,152,517	13.97%	22,216,806	15.17%
Commercial	5,798,647	4.72%	6,281,117	4.29%
Industrial	26,346,824	21.46%	27,862,754	19.02%
Total Electric Customers - Outside City	49,297,988	40.15%	56,360,677	38.48%
Other Utilities	1,970,393	1.60%	2,432,286	1.66%
Other Distributors	2,140,813	1.74%	2,886,940	1.97%
Total Sales	\$ 122,790,712	100.00%	\$ 146,467,931	100.00%

Note: Prohibited by law to disclose sales by principal consumer.

## CITY OF WILSON, NORTH CAROLINA

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 8

<b>Fiscal Years Ended June 30</b>	<b>Real Property Value</b>	<b>Personal Property Assessed Value</b>	<b>Corporate Excess Assessed Value</b>	<b>Total Assessed Value</b>	<b>Rate Per \$100</b>	<b>Total Tax Levy</b>
2010	3,028,641,619	795,166,674	31,954,267	3,855,762,560	0.515	20,080,494
2011	3,072,620,714	794,937,669	30,337,610	3,897,895,993	0.515	20,334,173
2012	3,074,096,373	850,159,372	28,358,638	3,952,614,383	0.515	20,567,816
2013	3,088,045,401	899,143,234	29,039,973	4,016,228,608	0.515	20,698,772
2014	3,109,136,148	857,140,487	29,933,361	3,996,209,996	0.515	21,768,423
2015	3,229,799,675	881,447,869	29,221,389	4,140,468,933	0.515	21,353,227
2016	3,242,715,469	1,011,969,959	32,691,490	4,287,376,918	0.515	22,106,660
2017	2,970,562,177	1,057,598,291	38,491,406	4,066,651,874	0.555	22,609,918
2018	2,991,214,018	1,040,091,802	36,166,143	4,067,471,963	0.555	22,593,754
2019	3,023,719,629	1,124,391,783	34,771,142	4,182,882,554	0.575	24,128,179

- NOTE: (a) The city's property tax is levied each July 1 on the assessed value of the listed property as of the prior January 1 for all taxable real and personal property within the City. Assessed valuations are determined by Wilson County at 100% of the estimated market value for real property and 100% of the actual value for personal property. The assessment ratio is 100% of the estimated value. Public service company (corporate excess) property is certified by the State of North Carolina at 100% of actual value with no distinction between real and personal property. The City implemented a staggered motor vehicle property tax billing system during 1993-1994 as required by the State. 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, 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.
- (b) A revaluation of real property is required by North Carolina General Statutes at least every eight years. The last revaluation was completed in FY 2015 with assessed values becoming effective January 1, 2016 for fiscal year ending June 30, 2017.



# CITY OF WILSON, NORTH CAROLINA

## DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS (UNAUDITED)

**TABLE 9**

Fiscal Years Ended  June 30	City Direct Rate		Overlapping Rates		Total Direct and Overlapping Rates
	Basic Rate	Total Direct	Wilson County	Downtown Development Rate	
2010	0.515	0.515	0.730	0.170	1.415
2011	0.515	0.515	0.730	0.170	1.415
2012	0.515	0.515	0.730	0.170	1.415
2013	0.515	0.515	0.730	0.170	1.415
2014	0.515	0.515	0.730	0.170	1.415
2015	0.515	0.515	0.730	0.170	1.415
2016	0.515	0.515	0.730	0.170	1.415
2017	0.555	0.555	0.730	0.180	1.465
2018	0.555	0.555	0.730	0.180	1.465
2019	0.575	0.575	0.730	0.180	1.485

NOTE: There are no limits on property taxes levied to meet debt service payments, fund unforeseen revenue deficits, suppress civil disorders, or for property tax rate levies approved by a vote of the people. All other rate levies are limited to \$1.50 per \$100 valuation.

# CITY OF WILSON, NORTH CAROLINA

## PRINCIPAL TAXPAYERS CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

**TABLE 10**

Taxpayer	Nature of Business	2019			2010			Rank	Percentage of Total Assessed Value
		Tax Levy	Assessed Value	Rank	Tax Levy	Assessed Value	Rank		
Branch Banking & Trust	Banking	1,080,494	187,911,991	1	4.49%	819,055	159,039,752	1	4.12%
Sandoz, Inc.	Pharmaceutical	580,166	100,898,420	2	2.41%	211,755	41,117,395	3	1.07%
DLP Wilson Medical Center, Inc.	Health Care	527,444	91,729,407	3	2.19%				0.00%
Fresenius Kabi USA, LLC	Pharmaceutical	388,026	67,482,868	4	1.61%				0.00%
Purdue Pharmaceuticals	Pharmaceutical	383,045	66,616,467	5	1.59%	264,166	51,294,371	2	1.33%
Alliance One	Tobacco Processor	376,804	65,531,052	6	1.57%	132,626	25,752,681	7	0.67%
Linamar Forgings, Inc.	Manufacturing	240,012	41,741,222	7	1.00%				0.00%
IREIT Wilson Marketplace LLC	Retail Management	170,700	29,686,939	8	0.71%				0.00%
Sleepy Hollow Development Co.	Development	141,862	24,671,691	9	0.59%				0.00%
Absolute Plastics, LLC	Plastic Packaging	108,912	18,941,164	10	0.45%				0.00%
Livedo USA Inc.	Manufacturing								0.00%
Carolina Forge Company, LLC	Manufacturing					198,415	38,711,845	4	1.00%
Herritage Crossing	Shopping Center					172,393	33,474,462	5	0.87%
Hull-Story-Wilson LLC	Shopping Center					137,080	26,617,385	6	0.69%
EON Pharma, LLC	Pharmaceutical					114,243	22,183,119	8	0.58%
Standard Commercial	Tobacco Processor					109,759	21,312,363	9	0.55%
Livedo USA Inc.	Paper Products					109,563	21,351,211	10	0.55%
Total of Principal Taxpayers		3,997,465	695,211,221		16.62%	2,269,055	440,854,584		11.43%
Balance		20,130,714	3,487,671,333		83.38%	17,811,439	3,414,907,976		88.57%
Total		\$ 24,128,179	\$ 4,182,882,554		100.00%	\$ 20,080,494	\$ 3,855,762,560		100.00%

SOURCE: Wilson County Tax Office

# CITY OF WILSON, NORTH CAROLINA

## PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS (UNAUDITED)

Table 11

Fiscal Years Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	20,080,494	19,476,396	97.0%	464,446	19,940,842	99.3%
2011	20,334,173	19,678,806	96.8%	525,960	20,204,766	99.4%
2012	20,567,815	19,860,046	96.6%	572,789	20,432,835	99.3%
2013	20,698,772	19,993,633	96.6%	603,230	20,596,863	99.5%
2014	21,768,423	21,266,798	97.7%	406,730	21,673,527	99.6%
2015	21,353,227	20,970,965	98.2%	57,305	21,028,270	98.5%
2016	22,106,660	21,766,834	98.5%	3,488	21,770,322	98.5%
2017	22,609,918	22,278,764	98.5%	181,763	22,460,527	99.3%
2018	22,593,754	22,222,449	98.4%	183,071	22,405,520	99.2%
2019	24,128,179	23,710,165	98.3%	-	23,710,165	98.3%

## CITY OF WILSON, NORTH CAROLINA

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS (UNAUDITED)

Table 12

Fiscal Years Ended June 30	Business Type Activities General Bonded Debt			Governmental Activities Notes Payable	Business Type Activities			Total Primary Government	Percentage Actual Property Values	Per Capita	Population	Percentage Personal Income
	General Obligation Bonds	Percentage of Actual Property Values	Per Capita		Revenue Bonds	Certificates of Participation	Notes Payable					
2010	15,766,741	0.4089%	307.50	5,118,135	14,829,937	66,036,268	32,513,176	134,264,257	3.4822%	2,619	51,274	7.9854%
2011	14,362,376	0.3685%	290.61	4,161,228	14,269,106	63,199,607	30,156,265	126,148,582	3.2363%	2,553	49,421	NA
2012	12,988,012	0.3286%	264.16	3,195,980	14,323,277	60,242,943	29,475,334	120,225,546	3.0417%	2,445	49,167	NA
2013	11,643,647	0.2899%	237.05	2,213,483	13,657,447	57,161,091	25,882,714	110,558,382	2.7528%	2,251	49,119	NA
2014	10,319,282	0.2582%	207.93	2,191,969	12,705,618	53,968,674	22,297,574	101,483,117	2.5395%	2,045	49,628	NA
2015	9,019,918	0.2179%	181.02	1,984,624	11,994,788	50,636,257	18,203,620	91,839,207	2.2181%	1,843	49,828	NA
2016	7,740,553	0.1805%	155.92	1,625,548	11,276,958	47,138,841	16,077,630	83,859,530	1.9560%	1,689	49,643	NA
2017	6,476,188	0.1593%	130.52	1,264,452	10,542,129	43,476,425	13,951,644	75,710,838	1.8618%	1,526	49,620	NA
2018	5,211,823	0.1281%	105.61	1,285,927	9,802,299	37,507,000	11,825,656	65,632,705	1.6136%	1,330	49,348	NA
2019	3,947,458	0.0944%	80.02	962,917	9,047,470	33,264,000	9,699,669	56,921,514	1.3608%	1,154	49,329	NA

# CITY OF WILSON, NORTH CAROLINA

## RATIOS OF GENERAL OBLIGATION OUTSTANDING DEBT LAST TEN FISCAL YEARS (UNAUDITED)

**Table 13**

<b>Fiscal Years Ended June 30</b>	<b>General Obligation Bonds</b>	<b>Assessed Value</b>	<b>Percentage of Actual Property Values</b>	<b>Population</b>	<b>Per Capita</b>
2010	15,766,741	3,855,762,560	0.4089%	51,274	307.50
2011	14,362,376	3,897,895,993	0.3685%	49,421	290.61
2012	12,988,012	3,952,614,383	0.3286%	49,167	264.16
2013	11,643,647	4,016,228,608	0.2899%	49,119	237.05
2014	10,319,282	3,996,209,996	0.2582%	49,628	207.93
2015	9,019,918	4,140,468,933	0.2179%	49,828	181.02
2016	7,740,553	4,287,376,918	0.1805%	49,643	155.92
2017	6,476,188	4,066,651,874	0.1593%	49,620	130.52
2018	5,211,823	4,067,471,963	0.1281%	49,348	105.61
2019	3,947,458	4,182,882,554	0.0944%	49,329	80.02

# CITY OF WILSON, NORTH CAROLINA

## COMPUTATION OF LEGAL DEBT MARGIN JUNE 30, 2019 (UNAUDITED)

**Table 14**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Appraised Valuation	<u>\$ 4,182,882,554</u>	<u>\$ 4,067,471,963</u>	<u>\$ 4,066,651,874</u>	<u>\$ 4,287,376,918</u>	<u>\$ 4,140,468,933</u>	<u>\$ 3,996,209,996</u>	<u>\$ 4,016,228,608</u>	<u>\$ 3,952,614,383</u>	<u>\$ 3,897,895,993</u>	<u>\$ 3,855,762,560</u>
Debt Limit: (8% of Appraised Valuation)	\$ 334,630,604	\$ 325,397,757	\$ 325,332,150	\$ 342,990,153	\$ 331,237,515	\$ 319,696,800	\$ 321,298,289	\$ 316,209,151	\$ 311,831,679	\$ 308,461,005
Gross Debt:										
Outstanding general obligation bonded debt:										
Water fund	3,710,000	4,915,000	6,120,000	7,325,000	8,545,000	9,785,000	11,050,000	12,335,000	13,650,000	14,995,000
Certificates of Participation	33,264,000	37,507,000	42,820,000	46,405,000	49,825,000	53,080,000	56,195,000	59,200,000	62,080,000	64,840,000
Notes Payable	<u>10,662,586</u>	<u>13,111,583</u>	<u>15,216,096</u>	<u>17,703,178</u>	<u>20,188,242</u>	<u>24,489,544</u>	<u>28,097,614</u>	<u>30,053,753</u>	<u>34,317,493</u>	<u>37,631,311</u>
Total	<u>47,636,586</u>	<u>55,533,583</u>	<u>64,156,096</u>	<u>71,433,178</u>	<u>78,558,242</u>	<u>87,354,544</u>	<u>95,342,614</u>	<u>101,588,753</u>	<u>110,047,493</u>	<u>117,466,311</u>
Statutory Deductions:										
Outstanding general obligation bonded debt:										
Water fund	3,710,000	4,915,000	6,120,000	7,325,000	8,545,000	9,785,000	11,050,000	12,335,000	13,650,000	14,995,000
Total	<u>3,710,000</u>	<u>4,915,000</u>	<u>6,120,000</u>	<u>7,325,000</u>	<u>8,545,000</u>	<u>9,785,000</u>	<u>11,050,000</u>	<u>12,335,000</u>	<u>13,650,000</u>	<u>14,995,000</u>
Net Debt	<u>43,926,586</u>	<u>50,618,583</u>	<u>58,036,096</u>	<u>64,108,178</u>	<u>70,013,242</u>	<u>77,569,544</u>	<u>84,292,614</u>	<u>89,253,753</u>	<u>96,397,493</u>	<u>102,471,311</u>
Legal Debt Margin	<u>\$ 290,704,018</u>	<u>\$ 274,779,174</u>	<u>\$ 267,296,054</u>	<u>\$ 278,881,975</u>	<u>\$ 261,224,273</u>	<u>\$ 242,127,256</u>	<u>\$ 237,005,675</u>	<u>\$ 226,955,398</u>	<u>\$ 215,434,186</u>	<u>\$ 205,989,694</u>
Total net debt applicable to the limit as a percentage of debt limit	15.11%	18.42%	21.71%	22.99%	26.80%	32.04%	35.57%	39.33%	44.75%	49.75%

# CITY OF WILSON, NORTH CAROLINA

## COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT JUNE 30, 2019 (UNAUDITED)

**TABLE 15**

<u><b>Governmental Unit</b></u>	<u><b>Total General Obligation Bonded Debt Outstanding</b></u>	<u><b>Percentage Applicable to City of Wilson</b></u>	<u><b>City of Wilson's Share of Debt</b></u>
Direct Debt - City of Wilson	\$ 962,917	100.00%	\$ 962,917
Overlapping Debt - Wilson County	<u>7,650,000</u>	(1) 60.06%	(2) <u>4,594,517</u>
Total direct and overlapping debt	<u><u>\$ 8,612,917</u></u>		<u><u>\$ 5,557,434</u></u>

(1) Determined by ratio of assessed valuation of property subject to taxation in Wilson County (\$6,964,616,915) to valuation of property subject to taxation in City of Wilson (\$4,182,882,554).

(2) Amount in debt outstanding column multiplied by percentage applicable.

# CITY OF WILSON, NORTH CAROLINA

## PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS (UNAUDITED)

Table 16

Fiscal Years Ended June 30	Adjusted Gross Revenue	Adjusted Total Expenses	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
Gas Revenue Bonds						
2010	20,541,662	15,654,067	4,887,595	121,500	149,633	18.03
2011	18,732,732	15,381,669	3,351,063	126,000	148,355	12.21
2012	15,578,576	13,037,349	2,541,227	129,375	144,040	9.29
2013	17,282,533	15,801,979	1,480,554	133,875	43,516	8.35
2014	18,283,158	16,292,621	1,990,537	156,375	69,236	8.82
2015	19,034,067	15,888,473	3,145,594	159,750	71,758	13.59
2016	14,902,760	13,946,832	955,928	161,325	73,916	4.06
2017	14,867,043	13,538,659	1,328,384	165,150	69,703	5.66
2018	18,726,857	14,473,559	4,253,298	166,275	64,633	18.42
2019	18,695,018	14,416,732	4,278,286	169,650	61,994	18.47
Water Revenue Bonds						
2010	20,208,879	14,329,053	5,879,826	418,500	527,690	6.21
2011	21,882,337	13,991,965	7,890,372	434,000	514,235	8.32
2012	21,561,784	14,783,079	6,778,705	445,625	501,835	7.15
2013	21,192,349	15,057,791	6,134,558	461,125	149,887	10.04
2014	25,376,939	15,671,290	9,705,649	538,625	352,430	10.89
2015	23,371,293	15,106,339	8,264,954	550,250	242,903	10.42
2016	24,047,502	15,697,285	8,350,217	555,675	239,306	10.50
2017	25,077,662	17,048,616	8,029,046	568,850	240,089	9.93
2018	26,592,600	16,615,496	9,977,104	572,725	222,623	12.54
2019	27,095,568	16,873,096	10,222,472	584,350	213,534	12.81
Water Resources Federal Revolving Loan Notes Payable						
2010	20,058,160	16,720,158	3,338,002	1,738,439	612,798	1.42
2011	21,843,583	15,581,427	6,262,156	1,766,777	569,231	2.68
2012	21,481,216	16,855,140	4,626,076	1,766,777	525,664	2.02
2013	21,053,979	16,885,337	4,168,642	1,766,777	482,098	1.85
2014	25,383,839	16,846,343	8,537,496	1,766,777	438,531	3.87
2015	23,388,437	16,067,230	7,321,207	1,673,575	388,451	3.55
2016	24,053,919	16,581,417	7,472,502	1,673,575	354,071	3.69
2017	25,159,431	17,902,949	7,256,482	1,673,575	306,060	3.67
2018	27,020,688	17,291,372	9,729,316	1,673,575	267,928	5.01
2019	27,164,704	17,426,039	9,738,665	1,673,575	218,565	5.15

**Note:** Revenue Bond adjusted gross revenues does not include other income, investment income on revenue bond proceeds, intergovernmental revenues nor capital contributions. Revenue bond total expenses does not include depreciation expense, interest expense nor transfers out. Water resources federal revolving loan notes payable adjusted gross revenues does not include intergovernmental revenues nor capital contributions. Water resources federal revolving loan notes payable adjusted total expenses does not include depreciation expense.



# CITY OF WILSON, NORTH CAROLINA

## DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS (UNAUDITED)

Table 17

### POPULATION (1) (City)

<u>Year</u>	<u>Number</u>
2019	49,329
2018	49,348
2017	49,620
2016	49,643
2015	49,828
2014	49,628
2013	49,119
2012	49,167
2011	49,421
2010	51,274

### TAXABLE SALES (2)

<u>Year</u>	<u>County</u>
2019	1,050,905,659
2018	999,411,501
2017	995,644,509
2016	909,128,062
2015	829,972,195
2014	793,246,943
2013	797,301,828
2012	769,341,633
2011	737,674,146
2010	724,690,344

### UNEMPLOYMENT RATE (3) (County)

<u>Year</u>	<u>Rate</u>
2019	5.98%
2018	6.88%
2017	7.91%
2016	8.98%
2015	8.93%
2014	11.20%
2013	13.00%
2012	13.15%
2011	12.32%
2010	12.32%

### INCOME (4) (County)

<u>Year</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>
2019	N/A	N/A
2018	N/A	N/A
2017	3,209,755	39,301
2016	3,125,365	38,272
2015	3,073,841	37,617
2014	2,933,982	36,044
2013	2,937,718	35,972
2012	2,910,323	35,598
2011	2,757,412	33,854
2010	2,672,816	32,880

#### SOURCES:

- (1) Population data provided by: a) NC Office of State Budget 2003-2011; b) NC Dept of Commerce 2015; c)US Census Bureau 2016 forward
- (2) NC Department of Revenue, Sales and Use Tax Division, Tax Research Division; FY19 reported as Taxable Sales and Purchases
- (3) NC Employment Security Commission
- (4) U.S. Bureau of Economic Analysis (data not available past 2017)

## CITY OF WILSON, NORTH CAROLINA

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
JUNE 30, 2019 (UNAUDITED)

Table 18

Employer	Nature of Business	2019		Percentage of Total City Employment	2010		Percentage of Total City Employment
		Employees	Rank		Employees	Rank	
BRANCH BANK & TRUST	Banking	2,200	1	6.41%	1,892	2	8.99%
WILSON COUNTY SCHOOLS	Education	1,500	2	4.37%	1,800	3	8.56%
WILSON MEDICAL CENTER	Health Care	982	3	2.86%	1,149	5	5.46%
UTC AEROSPACE SYSTEMS-FORMELY KIDDE	Manufacturing	900	4	2.62%	600	9	2.85%
CITY OF WILSON	Public Administration	763	5	2.22%	683	7	3.25%
COUNTY OF WILSON	Public Administration	724	6	2.11%	681	8	3.24%
SMITHFIELD PACKING COMPANY	Manufacturing	666	7	1.94%	700	6	3.33%
NC DEPARTMENT OF HEALTH & HUMAN SERVICES	Public Administration	520	8	1.52%			
NOVARTIS -FORMERLY SANDOZ	Manufacturing	462	9	1.35%			0.00%
LINAMAR CORPORATION	Manufacturing	216	10	0.63%			
BRIDGESTONE AMERICAS-FORMELY FIRESTONE*	Manufacturing			0.00%	2,250	1	10.70%
S T WOOTEN CORPORATION**	Construction			0.00%	1,180	4	5.61%
Principal Employees Total Employment		8,933		26.03%	10,935		51.98%
Balance of employment		25,389		73.97%	10,100		48.02%
Total employment		34,322		100.00%	21,035		100.00%
<b><u>Top Five Wilson County Employers</u></b>							
BRANCH BANK & TRUST	Banking	2,200					
BRIDGESTONE AMERICAS-FORMELY FIRESTONE	Manufacturing	2,100					
WILSON COUNTY SCHOOLS	Education	1,500					
WILSON MEDICAL CENTER	Health Care	982					
UTC AEROSPACE SYSTEMS-FORMELY KIDDE	Manufacturing	900					

Source: Employers' Data, Wilson Economic Development, Wilson Chamber of Commerce

# CITY OF WILSON, NORTH CAROLINA

## Full-time City Government Employees by Function LAST TEN FISCAL YEARS (UNAUDITED)

Table 19

Function	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government	107	109	132	132	123	123	125	126	114	118
Public Safety	254	250	238	238	236	235	242	242	239	240
Public Services	42	40	47	47	46	46	39	39	39	39
Environmental Services	40	40	40	40	40	40	40	40	40	40
Planning and Development	18	16	12	11	10	11	10	15	15	14
Human Services	3	3	3	3	3	3	3	3	3	3
Culture and Recreation	31	31	34	34	34	34	34	34	34	34
Electric	76	76	80	82	80	81	81	79	82	82
Gas	25	25	21	21	21	21	21	21	22	22
Water and Sewer	102	102	99	98	100	100	100	100	104	105
Mass Transit	10	10	10	10	10	10	10	10	10	10
Stormwater Management	11	11	12	13	13	13	13	13	13	13
Broadband	41	41	19	18	18	18	18	16	20	19
	760	754	747	747	747	734	736	738	735	739

Source: City of Wilson Financial Services Department

## CITY OF WILSON, NORTH CAROLINA

OPERATING INDICATORS BY FUNCTION (CONTINUED)  
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 20 (continued)

Function	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General government										
Fleet Management										
Rolling stock maintained	846	838	832	806	789	775	772	795	755	735
Work orders completed	6,945	7,263	6,379	6,984	6,987	6,638	6,730	6,285	5,348	5,332
Human Resources										
Employment applications processed	5,600	2,644	1,906	2,395	1,759	2,056	1,922	525	2,509	2,875
Turnover	93	76	79	61	65	68	65	16	57	44
Public Safety										
Police										
Violent Crimes Reported	209	276	262	259	257	228	240	251	265	269
Violent Crimes Cleared	106	139	148	153	174	134	163	152	168	160
Property Crimes Reported	1,579	1,759	1,875	1,967	2,006	2,104	2,232	2,463	2,300	2,535
Property Crimes Cleared	466	538	594	579	673	811	830	778	750	866
Traffic Accidents	2,789	2,528	2,665	2,612	2,461	2,198	2,253	2,265	2,328	2,324
Fire										
Fire responses	188	206	236	254	205	228	225	237	274	253
Medical responses	2,759	2,579	2,553	2,298	2,211	2,328	2,338	2,226	2,183	2,813
Inspections	4,086	3,941	4,649	6,975	7,530	6,699	5,016	5,087	4,830	5,175
Building Inspections										
Number of inspections	8,936	8,656	7,643	7,081	7,351	6,051	6,576	6,429	6,503	6,368
Public Works										
Street resurfacing (lane miles)	10.75	11.2	7.8	4.2	0	5.76	11.88	0	10.32	7.83
Preservation treatment (lane miles)	0	0	18.2	19.8	0	5.31	1	0	0	0
Potholes repaired	2,774	1,968	516	1,498	119	891	886	561	714	658

## CITY OF WILSON, NORTH CAROLINA

OPERATING INDICATORS BY FUNCTION (CONCLUDED)  
LAST TEN FISCAL YEARS (UNAUDITED)

Table 20 (concluded)

Function	For the Fiscal Year Ended June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Environmental Services										
Refuse collected (tons per year)	25,137	24,127	22,730	22,613	22,246	22,825	22,793	22,634	22,546	23,523
Recyclables collected (tons per year)	1,645	1,952	1,680	1,586	1,509	1,440	1,485	1,546	1,468	1,344
Yard waste/leaf collection (tons per year)	9,022	8,822	8,612	8,426	8,102	7,110	7,740	7,408	6,954	6,826
Electric										
Average daily sales (KWH)	3,494,903	3,435,439	3,530,191	3,505,778	3,486,292	3,419,412	3,433,499	3,390,356	3,478,848	3,360,841
Number of customers	35,806	35,602	35,112	35,718	35,020	34,765	34,831	34,810	34,781	34,748
Gas										
Average daily sales (cubic feet)	3,906,477	4,063,048	3,360,723	3,420,070	3,274,000	4,234,000	4,079,761	3,380,403	4,020,980	3,919,871
Number of customers	13,719	13,770	13,763	13,753	13,762	13,704	13,671	13,651	13,765	13,732
Water and sewer										
Average daily water usage (million gallons)	9.14	8.88	8.68	8.69	8.61	8.79	8.53	9.04	9.11	8.82
Average daily sewer flow (million gallons)	9.98	8.36	9.03	9.46	9.86	9.61	8.54	7.81	6.48	8.22
Number of customers	22,659	22,545	22,387	22,339	22,337	22,179	22,185	22,086	22,072	21,969
Mass Transit										
Annual ridership	78,780	79,737	108,728	99,444	91,429	129,047	127,769	160,871	159,860	161,883
Average passengers per hour	7.84	6.75	8.69	5.32	5.81	10.30	10.20	10.00	10.00	10.00
Stormwater management										
Number of billable control structure inspections	97	98	96	87	85	84	72	85	116	119
Miles of drainage cleaned, open ditches maintained and line replaced	6.24	7.53	7.96	7.45	7.26	9.41	4	8	8	7

Source: Various City of Wilson Departments

# CITY OF WILSON, NORTH CAROLINA

## CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS (UNAUDITED)

TABLE 21

[illegible]

## CITY OF WILSON, NORTH CAROLINA

### REVENUE BOND HISTORICAL OPERATING RESULTS (NON-GAAP) LAST TEN FISCAL YEARS FOR FISCAL YEAR ENDED JUNE 30 (UNAUDITED)

**TABLE 22**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Operating Revenues	\$ 45,351,763	\$ 45,296,005	\$ 39,937,947	\$ 38,791,144	\$ 42,296,984	\$ 43,525,253	\$ 38,301,913	\$ 36,716,778	\$ 40,287,616	\$ 40,175,012
Total Operating Expenses	(36,476,541)	(36,082,546)	(35,376,749)	(34,254,955)	(35,437,129)	(36,325,206)	(35,182,381)	(32,081,079)	(33,642,456)	(34,152,972)
Total Non-Operating Revenues (Expenses)	199,801	(319,608)	(436,437)	(834,867)	(973,154)	(1,192,463)	(697,511)	(2,159,243)	(1,525,533)	(2,429,699)
Net Income Before Transfers	9,075,023	8,893,851	4,124,761	3,701,322	5,886,701	6,007,584	2,422,021	2,476,456	5,119,627	3,592,341
Capital Contributions	101,335	2,440,076	2,900,792	7,375	123,405	195,479	150,578	98,148	38,754	2,127,035
Transfers In										93,250
Transfers Out	(1,366,090)	(1,359,160)	(1,343,020)	(1,337,520)	(1,333,100)	(1,367,850)	(2,868,230)	(1,455,020)	(1,339,910)	(1,319,140)
Net Income	7,810,268	9,974,767	5,682,533	2,371,177	4,677,006	4,835,213	(295,631)	1,119,584	3,818,471	4,493,486
Adjustments to Net Income <sup>(1)</sup>	6,690,489	4,401,704	4,082,238	6,934,968	6,733,542	6,881,273	7,766,670	8,110,990	7,437,190	6,376,173
Income Available for Debt Service	<u>\$ 14,500,757</u>	<u>\$ 14,376,471</u>	<u>\$ 9,764,771</u>	<u>\$ 9,306,145</u>	<u>\$ 11,410,548</u>	<u>\$ 11,716,486</u>	<u>\$ 7,471,039</u>	<u>\$ 9,230,574</u>	<u>\$ 11,255,661</u>	<u>\$ 10,869,659</u>

(1) Includes among other things, depreciation and amortization and interest expense.

# CITY OF WILSON, NORTH CAROLINA

2002 REVENUE BOND CONTINUING DISCLOSURE OBLIGATION -  
COMBINED ENTERPRISE SYSTEM  
JUNE 30, 2019 (UNAUDITED)

TABLE 23

(CONTINUED)

## WATER RATES (as of July 1, 2019)

### Base Charge:

<u>Meter Size</u>			Special Customers
	Inside City Limit Charge Per Month	Outside City Limit Charge Per Month	Outside City Limit Charge Per Month
Inside City Limit:			
5/8, 3/4 or 1"	\$ 11.00	\$ 22.00	\$ 24.75
1-1/2"	20.24	40.48	45.54
2"	31.34	62.68	70.52
3"	57.19	114.38	128.68
4"	94.15	188.30	211.84
6"	186.54	373.08	419.72
8"	297.41	594.82	669.17
10"	463.72	927.44	1,043.37

### Volume Charges:

<u>Volume Range</u>			Special Customers
	Inside City Limit Charge Per 100 Cu. Ft.	Outside City Limit Charge Per 100 Cu. Ft.	Outside City Limit Charge Per 100 Cu. Ft.
0 - 5,000 cu. ft.	\$ 3.91	\$ 7.82	\$ 8.80
5001- 999,999 cu. ft.	3.50	7.00	7.88
Over 999,999 cu. ft.	2.82	5.64	6.35



# CITY OF WILSON, NORTH CAROLINA

2002 REVENUE BOND CONTINUING DISCLOSURE OBLIGATION -  
COMBINED ENTERPRISE SYSTEM  
JUNE 30, 2019 (UNAUDITED)

TABLE 23

(CONTINUED)

## WASTEWATER RATES (as of July 1, 2019)

### Base Charge:

<u>Meter Size</u>	<u>Inside City Limit Charge Per Month</u>	<u>Outside City Limit Charge Per Month</u>
Inside City Limit:		
5/8 or 3/4"	\$ 12.00	\$ 24.00
1"	12.00	24.00
1-1/2"	22.15	44.30
2"	34.31	68.62
3"	62.71	125.42
4"	103.27	206.54
6"	204.68	409.36
8"	326.37	652.74
10"	508.91	1,017.82

### Volume Charges:

<u>Volume Range</u>	<u>Inside City Limit Charge Per 100 Cu. Ft.</u>	<u>Outside City Limit Charge Per 100 Cu. Ft.</u>
90% of water volume	\$ 5.40	\$ 10.80

## NUMBER OF WATER AND WASTEWATER ACCOUNTS - LAST FIVE FISCAL YEARS

<u>Fiscal Year Ended June 30</u>	<u>Water</u>		<u>Wastewater</u>	
	<u>Number of Customers</u>	<u>Percent of Growth</u>	<u>Number of Customers</u>	<u>Percent of Growth</u>
2015	22,337	0.7%	20,314	0.4%
2016	22,339	0.0%	20,378	0.3%
2017	22,387	0.2%	20,442	0.3%
2018	22,545	0.7%	20,568	0.6%
2019	22,659	0.5%	20,641	0.4%

# CITY OF WILSON, NORTH CAROLINA

2002 REVENUE BOND CONTINUING DISCLOSURE OBLIGATION -  
COMBINED ENTERPRISE SYSTEM  
JUNE 30, 2019 (UNAUDITED)

TABLE 23

(CONTINUED)

## TEN LARGEST WATER CUSTOMERS-FISCAL YEAR ENDED JUNE 30, 2019

<u>Customer</u>	<u>Industry</u>	<u>Total Sales Revenue</u>	<u>% of Total Sales Revenue</u>
Ardagh Group	Glass Containers	654,535	5.28%
Johnson Co Pump Station	County	455,382	3.67%
Bridgestone	Tires	448,674	3.62%
Refresco	Private Label Bottler	333,576	2.69%
Merck Sharp & Dohme Corp	Pharmaceuticals	233,657	1.88%
Wilson Housing Authority	Low Income Housing	185,548	1.50%
Smithfield Packing - Farmland	Meat Packing	128,976	1.04%
(Duke Life Point) Wilson Medical	Healthcare	121,753	0.98%
EON Labs	Pharmaceuticals	121,040	0.98%
Purdue Pharmaceutical	Pharmaceuticals	83,115	0.67%

## TEN LARGEST WASTEWATER CUSTOMERS-FISCAL YEAR ENDED JUNE 30, 2019

<u>Customer</u>	<u>Industry</u>	<u>Total Sales Revenue</u>	<u>% of Total Sales Revenue</u>
Town of Black Creek	Municipality	\$ 545,086	4.00%
Refresco	Private Label Bottler	222,573	1.63%
Wilson Housing Authority	Low Income Housing	222,037	1.63%
Merck Sharp & Dohme Corp	Pharmaceuticals	125,554	0.92%
(Duke Life Point) Wilson Medical	Healthcare	113,360	0.83%
Wilson County Schools	School system	73,688	0.54%
Longleaf Neuro-Medical Center	Nursing Home	65,087	0.48%
Barton College	College	60,832	0.45%
Branch Banking & Trust	Banking	33,835	0.25%
Thornberry Park	Apartments	33,755	0.25%

# CITY OF WILSON, NORTH CAROLINA

2002 REVENUE BOND CONTINUING DISCLOSURE OBLIGATION -  
COMBINED ENTERPRISE SYSTEM  
JUNE 30, 2019 (UNAUDITED)

TABLE 23

(CONCLUDED)

## NUMBER OF GAS ACCOUNTS - LAST FIVE FISCAL YEARS

<b>Fiscal Year</b>					
<b>Ended June 30</b>	<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Interruptible</b>	<b>Total</b>
2015	12,662	1,079	14	6	13,761
2016	12,679	1,054	14	6	13,753
2017	12,674	1,067	16	6	13,763
2018	12,673	1,075	16	6	13,770
2019	12,630	1,067	16	6	13,719

## GAS CONSUMPTION - LAST FIVE FISCAL YEARS (Per CCF)

<b>Fiscal Year</b>					
<b>Ended June 30</b>	<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Interruptible</b>	<b>Total</b>
2015	7,119,241	3,382,548	1,166,440	3,662,145	15,330,374
2016	5,238,023	2,671,019	886,111	3,688,103	12,483,256
2017	5,120,334	2,662,259	934,712	3,549,334	12,266,639
2018	6,590,425	3,138,334	1,156,785	3,944,581	14,830,125
2019	5,998,459	3,023,413	1,447,307	3,789,461	14,258,640

## TEN LARGEST GAS CUSTOMERS-FISCAL YEAR ENDED JUNE 30, 2019

<b>Customer</b>	<b>Industry</b>	<b>Total Sales Revenue</b>	<b>% of Total Sales Revenue</b>
Merck Sharp & Dohme Corp	Pharmaceuticals	\$ 965,440	5.19%
EON Labs	Pharmaceuticals	602,910	3.24%
Fresenius Kabi USA)	Medical Supplies	474,622	2.55%
Wilson Housing Authority	Low Income Housing	467,956	2.51%
Southeastern Grain Co.	Agriculture Products	456,854	2.45%
(Duke Life Point) Wilson Medical	Healthcare	417,191	2.24%
ST Wooten	Construction	339,539	1.82%
Purdue Pharmaceuticals	Pharmaceuticals	315,281	1.69%
Longleaf Neuro-Medical Center	Nursing Home	253,893	1.36%
Refresco	Bottling Co	234,162	1.26%

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## **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 City Council  
City of Wilson  
Wilson, 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 accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wilson, North Carolina, as of and for the year ended June 30, 2019, and the related Notes to the Financial Statements, which collectively comprise the City of Wilson's basic financial statements, and have issued our report thereon dated October 3, 2019.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Wilson's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Wilson's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Wilson'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.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
October 3, 2019

# MARTIN STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## **Report On Compliance For Each Major Federal Program and Report On Internal Control Over Compliance Required by the Uniform Guidance And The State Single Audit Implementation Act**

### **Independent Auditor's Report**

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

### **Report On Compliance for Each Major Federal Program**

We have audited the City of Wilson, North Carolina's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Wilson's major federal programs for the year ended June 30, 2019. The City of Wilson's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

### ***Management's Responsibility***

Management is responsible for compliance with the federal and state statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City of Wilson's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Wilson's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Wilson's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City of Wilson complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### **Report On Internal Control Over Compliance**

Management of the City of Wilson is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Wilson's internal control over compliance with the requirements that could have a direct and material effect on each major federal program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Wilson's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
October 3, 2019

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## **Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; Required by Uniform Guidance And The State Single Audit Implementation Act**

### **Independent Auditor's Report**

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

### **Report On Compliance for Each Major State Program**

We have audited the City of Wilson, North Carolina's compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Wilson's major state programs for the year ended June 30, 2019. The City of Wilson's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

### ***Management's Responsibility***

Management is responsible for compliance with state statutes, regulations and the terms and conditions of its state awards applicable to its major state programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City of Wilson's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; applicable sections of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina* and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the City of Wilson's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the City of Wilson's compliance.



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

In our opinion, the City of Wilson complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2019.

### **Report On Internal Control Over Compliance**

Management of the City of Wilson is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Wilson's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Wilson's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
October 3, 2019

**CITY OF WILSON, NORTH CAROLINA**

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS**

**FOR THE YEAR ENDED JUNE 30, 2019**

**1. Summary of Auditor's Results**

**Financial Statements**

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

Internal control over financial reporting:

- |  |               |
|--|---------------|
| • Material weakness(es) identified?                      | No            |
| • Significant deficiency(s) identified?                  | None reported |
| • Non-compliance material to financial statements noted? | No            |

**Federal Awards**

Internal control over major federal programs:

- |   |    |
|---|----|
| • Material weakness(es) identified?     | No |
| • Significant deficiency(s) identified? | No |

Type of auditor's report issued on compliance for major federal programs	Unmodified
--	------------

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
--	----

Identification of major federal programs:

<b><u>Program Name</u></b>	<b><u>CFDA#</u></b>
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$750,000</u>
Auditee qualified as low-risk auditee?	Yes

**CITY OF WILSON, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**1. Summary of Auditor's Results (continued)**

**State Awards**

Internal control over major state programs:

- |   |               |
|---|---------------|
| • Material weakness (es) identified?    | No            |
| • Significant deficiency(s) identified? | None reported |

Type of auditor's report issued on compliance for major state programs	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?	No
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Identification of major state programs:

**Program Name**

Powell Bill

## **CITY OF WILSON, NORTH CAROLINA**

### **SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2019**

#### **2. Financial Statements Findings**

None reported.

#### **3. Federal Awards Findings and Questioned Costs**

None reported.

#### **4. State Awards Findings and Questioned Costs**

None reported.

**CITY OF WILSON, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

None Reported.

**CITY OF WILSON, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the Year Ended June 30, 2019**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct &amp; Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
<b>Federal Grants:</b>						
<b>Cash Programs:</b>						
<b><u>U.S. Dept. of Housing and Urban Development</u></b>						
Office of Community Planning & Development:						
Passed-through N.C. Housing Finance Agency:						
HOME Investment Partnerships Program						
Essential Single Family Rehabilitation Loan Pool 2016	14.239		99,844			
NCHFA: ESFRLP1633						
<b><u>TOTAL U.S. Dept. of Housing and Urban Development</u></b>			<u>99,844</u>			
<b><u>U.S. Dept. of Transportation</u></b>						
<u>Formula Grants for Rural Areas:</u>						
Federal Transit Administration (FTA)						
Passed-through the N.C. Department of Transportation:						
PTNA administrative assistance	20.509		347,064	21,690		65,079
36233.26.20.1						
PTNA operating assistance	20.509			350,000		350,000
36223.83.3.2						
PTNA capital assistance	20.509		98,018	12,251		12,251
36233.26.20.3						
Total Formula Grants for Rural Areas			<u>445,082</u>	<u>383,941</u>		<u>427,330</u>
<u>Highway Planning &amp; Construction Cluster:</u>						
Federal Highway Administration (FHWA)						
Passed-through the N.C. Department of Transportation:						
Bicycle/Pedestrian Transportation Division	20.205		42,000			18,000
Comprehensive Pedestrian Plan						
NCDOT TIP M -0492AJ						
Federal Highway Administration (FHWA)						
Recreational Trails Program						
Passed-through the N.C. Department of Natural & Cultural Resources:						
Hominy Creek Greenway	20.219		100,000			(38,206)
RTP2018-48P001						
Total Highway Planning & Construction			<u>142,000</u>			<u>(20,206)</u>
<u>Highway Safety Cluster:</u>						
National Highway Traffic Safety Administration (NHTSA)						
State & Community Highway Safety	20.600		872			
Passed-through the N.C. Department of Transportation:						
GHSP: Traffic Safety Project						
BikeSafe NC Eastern Region Coordinator						
MC-19-03-11						
Total Highway Safety			<u>872</u>			
<b><u>TOTAL U.S. Dept. of Transportation</u></b>			<u>587,954</u>	<u>383,941</u>		<u>407,124</u>

**CITY OF WILSON, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the Year Ended June 30, 2019**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct &amp; Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
<b><u>U.S. Department of Justice</u></b>						
Bureau of Justice Assistance (BVP) FY17 Bulletproof Vest Partnership Program	16.607		636			636
Bureau of Justice Assistance (BVP) FY18 Bulletproof Vest Partnership Program	16.607		11,275			11,275
2017 JAG Riot & Surveillance Equipment 2017-DJ-BX-0074	16.738		25,300			8,399
2018 JAG Camera Technology 2018-DJ-BX-0074	16.738		24,951			
Equitable Sharing Program -Forfeiture Program	16.922		35,515			
<b><u>TOTAL U. S. Department of Justice</u></b>			<u>97,677</u>			<u>20,310</u>
<b><u>U.S. Environmental Protection Agency</u></b>						
Office of Solid Waste & Emergency Response: Brownfields Assessment and Cleanup Cooperative Agreements BF-00D61417-0	66.818		156,841			
Brownfields Assessment and Cleanup Cooperative Agreements (Revolving Loan Fund) BF-00D26215-0	66.818		345,835			434,689
<b><u>TOTAL U. S. Environmental Protection Agency</u></b>			<u>502,676</u>			<u>434,689</u>
<b><u>U.S. Dept. of Agriculture</u></b>						
Rural Business Development Grant Program Federal Grant Award Pass Through: State Office and Cooperative Programs Community Wayfinding Signs Case No. 847590921	10.351		24,000			
Forest Service Office Urban & Community Forestry Program (UCF) Passed-through N.C. Dept. of Agriculture & Consumer Services (NC Forest Service) Wilson Historic District Trees 18-119-4015	10.675		7,250			60,098
<b><u>TOTAL U.S. Dept. of Agriculture</u></b>			<u>31,250</u>			<u>60,098</u>
<b><u>US Dept. of Health &amp; Human Services</u></b>						
Administration for Community Living Passed-through Upper Coastal Plains Council of Governments Special Programs for the Aging Cluster Title III, Part B, Grants for Supportive Services and Senior Centers ZGA370	93.044		10,000			
<b><u>TOTAL U.S. Dept. of Health &amp; Human Services</u></b>			<u>10,000</u>			

**CITY OF WILSON, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the Year Ended June 30, 2019**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct &amp; Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
<b><u>U.S. Dept. of Homeland Security</u></b>						
Federal Emergency Management Agency (FEMA):						
Passed-through the N.C. Emergency Management (NCEM)						
Disaster Grants - Public Assistance	97.036		214,633	71,544		
(Presidentially Declared Disasters)						
Federal 75% State 75%						
Passed-through the N.C. Emergency Management (NCEM)						
Disaster Grants - Public Assistance	97.036					
(Presidentially Declared Disasters)						
Wiggins Mill Dam & Pump Station Restoration			176,748	58,916		
FEMA 4285-DR-NC Hurricane Matthew 2016 - PW 1677						
Federal 75% State 75%						
Passed-through the N.C. Emergency Management (NCEM)						
Disaster Grants - Public Assistance	97.036		90,270	30,090		
(Presidentially Declared Disasters)						
FEMA 4285-DR-NC Hurricane Matthew 2016						
Federal 75% State 75%						
PW1615, CAT E (Chem.Building, Pump Station, Generator)						
Hazard Mitigation Grant Buyout Program	97.039		185,524	61,841		
FEMA 4285-051-R						
Hurricane Matthew						
Federal 75% State 75%						
<b><u>TOTAL U.S. Dept. of Homeland Security</u></b>			<u>667,175</u>	<u>222,391</u>		
<b><u>U. S. Dept. of Treasury</u></b>						
Equitable Sharing Program -Treasury Forfeiture Fund	21.000		<u>71,829</u>			
<b>Total Assistance - Federal Programs</b>			<u><b>\$ 2,068,405</b></u>	<u><b>\$ 606,332</b></u>		<u><b>\$ 922,221</b></u>
<b>State Grants:</b>						
<b>Cash Assistance:</b>						
<b><u>N.C. Housing Finance Agency:</u></b>						
Urgent Repair Program 17	n/a	URP1735		91,800		10,274
Urgent Repair Program 18	n/a	URP1832				169
<b><u>TOTAL N.C. Housing Finance Agency</u></b>				<u>91,800</u>		<u>10,443</u>
<b><u>N.C. Dept. of Natural &amp; Cultural Resources:</u></b>						
N.C. Arts Council Division						
The Arts Council Wilson, Inc. Grass Roots Grant				2,026		2,462
N.C. Parks & Recreation Trust Fund (PARTF)						
Cavalier Terrace Project				374,175		329,211
<b><u>TOTAL N.C. Department of Natural &amp; Cultural Resources</u></b>				<u>376,201</u>		<u>331,673</u>



**CITY OF WILSON, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the Year Ended June 30, 2019**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct &amp; Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
<b><u>N.C. Dept. of Commerce:</u></b>						
<b>Rural Economic Development Division:</b>						
Building Reuse Program	n/a	2018-126-3201-2587		280,000		14,000
<b><u>TOTAL N.C. Department of Commerce</u></b>				<u>280,000</u>		<u>14,000</u>
<b><u>N.C. Department of Agricultural &amp; Consumer Services</u></b>						
Division of Soil & Water Conservation:						
Stream Debris Removal Project	n/a	Contract #17-175-4073		67,750		15,008
<b><u>TOTAL N.C. Department of Agricultural &amp; Consumer Services</u></b>				<u>67,750</u>		<u>15,008</u>
<b><u>N.C. Department of Transportation:</u></b>						
Powell Bill	n/a	2000006522		1,332,204		759
State Maintenance Assistance Program	n/a			173,628		
<b><u>TOTAL N.C. Department of Transportation</u></b>				<u>1,505,832</u>		<u>759</u>
<b>Total Assistance - State Programs</b>				<u><b>\$ 2,321,583</b></u>		<u><b>\$ 371,883</b></u>
<b>TOTAL ASSISTANCE - FEDERAL &amp; STATE</b>				<u><b>\$ 2,068,405</b></u>		<u><b>\$ 1,294,104</b></u>

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

**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the City of Wilson under the programs of the federal government and the State of North Carolina for the year ended June 30, 2019. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of the City of Wilson, it is not intended to and does not present the financial position, changes in net position or cash flows of the City of Wilson.

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

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

**Note 3: Indirect Cost Rate**

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