

City of Jacksonville
North Carolina

**Comprehensive Annual
Financial Report**

For The Fiscal Year Ended June 30, 2020

Prepared by
FINANCE DEPARTMENT

Finance Director
GAYLE MAIDES



**City of Jacksonville, North Carolina
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

Table of Contents

	<u>Exhibit Number</u>	<u>Page Number</u>
INTRODUCTORY SECTION (Unaudited)		
Letter of Transmittal		14
Certificate of Achievement for Excellence in Financial Reporting		20
Organizational Chart		21
List of Principal Officials		22
FINANCIAL SECTION		
Report of Independent Auditors		24
Management's Discussion and Analysis (Unaudited)		27
Basic Financial Statements:		
GOVERNMENT-WIDE FINANCIAL STATEMENTS:		
Statement of Net Position	A	44
Statement of Activities	B	45
FUND FINANCIAL STATEMENTS:		
Balance Sheet - Governmental Funds	C	47
Reconciliation of the Balance Sheet - Governmental Funds to the Government-wide Statement of Net Position	C	48
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	D	49
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Government-wide Statement of Activities	D	50
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	E	51
Statement of Net Position - Proprietary Funds	F	52
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	G	53
Statement of Cash Flows - Proprietary Funds	H	54

	<u>Exhibit Number</u>	<u>Page Number</u>
NOTES TO THE FINANCIAL STATEMENTS		57
Required Supplemental Financial Data:		
Law Enforcement Officers' Special Separation Allowance Schedule of Changes in Total Pension Liability	I	115
Law Enforcement Officers' Special Separation Allowance Schedule of Total Pension Liability as a Percentage of Covered Payroll	J	116
Other Postemployment Benefits Changes in Total Liability and Related Ratios	K	117
Local Government Employees' Retirement System Schedule of the Proportionate Share of Net Pension Liability (Asset)	L	118
Local Government Employees' Retirement System Schedule of Contributions	M	120
Firefighters' and Rescue Squad Workers' Pension Schedule of Proportionate Share of Net Pension Liability (Asset)	N	122
Other Supplemental Financial Data:	<u>Schedule Number</u>	<u>Page Number</u>
MAJOR FUNDS:		
GENERAL FUND:		
Comparative Balance Sheets	1	128
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	2	129
EMERGENCY RELIEF FUND:		
Comparative Balance Sheets	3	138
Schedule of Revenues and Expenditures - Budget and Actual	4	139
Combining Balance Sheet	5	140
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance:	6	141
Hurricane Florence Project	7	140
Shoreline Drive Project	8	143
Hurricane Dorian Project	9	144
COVID-19 Pandemic Project	10	145

CAPITAL PROJECTS FUND:	<u>Schedule Number</u>	<u>Page Number</u>
Comparative Balance Sheets	11	149
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	12	150
Combining Balance Sheet	13	151
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	14	158
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:		
Police/Fire Facility Capital Project	15	165
Freedom Fountain Capital Project	16	166
Richard Ray Park Garden Improvements Capital Project	17	167
Sturgeon City Environmental Education Center Capital Project	18	168
Jacksonville Landing Park Capital Project	19	169
Median Improvement Western Capital Project	20	170
Richard Ray Amphitheater Capital Project	21	171
Northeast Creek Restroom and Shelter Capital Project	22	172
Downtown Rails to Trails Extension Capital Project	23	173
Jacksonville Marina Capital Project	24	174
Northeast Creek Bulkhead and Boardwalk Capital Project	25	175
Beirut Memorial Grove Sign Capital Project	26	176
Sturgeon City Asbestos Capital Project	27	177
Kerr St Recreation Center Renovation Capital Project	28	178
Wayfinding Signs with TDA Capital Project	29	179
Barn St Recreation Center Capital Project	30	180
Gateway Signs Capital Project	31	181
Sturgeon City Boardwalk Rehabilitation Capital Project	32	182
Piney Green Landscaping Improvements Capital Project	33	183

CAPITAL PROJECTS FUND (continued):	<u>Schedule Number</u>	<u>Page Number</u>
Jack Amyette Center Repairs Capital Project	34	184
Train Depot Repairs Capital Project	35	185
Jacksonville YMCA Capital Project	36	186
City Hall HVAC System Capital Project	37	187
Fire Station #3 Remodel Capital Project	38	188
Vehicle Wash Facility Capital Project	39	189
ADA Phase I Implementation Capital Project	40	190
 WATER AND SEWER FUND:		
Comparative Statements of Net Position	41	192
Comparative Statements of Revenues, Expenses, and Changes in Net Position	42	193
Comparative Statements of Cash Flows	43	194
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP):		
Water and Sewer Fund	44	196
Water Capital Projects Fund	45	200
Sewer Capital Projects Fund	46	201
Water and Sewer Capital Reserve Fund	47	202
 SOLID WASTE FUND:		
Comparative Statements of Net Position	48	204
Comparative Statements of Revenues, Expenses, and Changes in Net Position	49	205
Comparative Statements of Cash Flows	50	206
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	51	208

	<u>Schedule Number</u>	<u>Page Number</u>
STORMWATER FUND:		
Comparative Statements of Net Position	52	212
Comparative Statements of Revenues, Expenses, and Changes in Net Position	53	213
Comparative Statements of Cash Flows	54	214
Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP):		
Stormwater Fund	55	215
Stormwater Capital Projects Fund	56	217
NON-MAJOR GOVERNMENTAL FUNDS:		
Combining Balance Sheet	57	224
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	58	233
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:		
COMMUNITY DEVELOPMENT FUND:		
Community Development Block Grant (CBDG)	59	243
NCHFA/HOME/Affordable Housing Construction Project	60	245
CDBG-CV CARES	61	246
LAW ENFORCEMENT GRANTS FUND:		
School Resource Officer Grant	62	247
School Resource Officer Grant – Elementary Schools	63	248
Bulletproof Vest Grant	64	249
Federal DEA Project	65	250
State DEA Project	66	251
COAP Opioid Grant	67	252
800 MHz Radio System Grant	68	253
Governor’s Highway Safety Program Grant - Bike Safety FY20	69	254
Governor’s Crime Commission Crisis Counselor FY18	70	255
Mental Health Grant	71	256
JAG Electronic Monitor System Grant	72	257

	<u>Schedule Number</u>	<u>Page Number</u>
GHSP – Traffic Enforce OT	73	258
JAG Grant 2020	74	259
FIRE FUND:		
Duke Energy Storm Resiliency Grant	75	260
E-911 FUND:		
Emergency Telephone System	76	261
TRANSPORTATION FUND:		
City Transportation Project	77	262
Transit Park and Ride	78	266
Transit Jacksonville Station	79	267
Transit Cares Project 2020	80	268
NON-CAPITALIZED PROJECTS FUND:		
Downtown Revitalization	81	269
Coastal Community Action Rehabilitation Project	82	270
STREET IMPROVEMENTS FUND:		
Streets Powell Bill Capital Project	83	271
Developer Contributed Sidewalks Project	84	272
FY18 Sidewalk Installation Project	85	273
FY17 Street Rehabilitation Project	86	274
FY18 Street Rehabilitation Project	87	275
FY19 Street Rehabilitation Project	88	276
FY20 Street Rehabilitation Project	89	277
NC DOT TIP Sidewalks - Piney Green Road Project	90	278
Carolina Forest Blvd Rehabilitation Project	91	279
Commerce Rd. Extension	92	280
FY 19 Pedestrian Improvement Project	93	281
FY 20 Pedestrian Improvement Project	94	282

	<u>Schedule Number</u>	<u>Page Number</u>
GENERAL CAPITAL RESERVE FUND:		
General Capital Reserve Fund	95	283
NON-MAJOR INTERNAL SERVICE FUNDS:		
Combining Statement of Net Position	96	286
Combining Statement of Revenues, Expenses, and Changes in Net Position	97	288
Combining Statement of Cash Flows	98	290
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP):		
Fleet Maintenance Fund	99	292
City Hall Maintenance Fund	100	293
Information Technology Services Fund	101	294
Information Technology Services Capital Project Fund	102	295
Video/Media Services Fund	103	296
Self Insurance Fund	104	297
GOVERNMENTAL FUNDS CAPITAL ASSETS:		
Capital Assets Used in the Operation of Governmental Funds - Comparative Schedules By Source	105	300
Capital Assets Used in the Operation of Governmental Funds - Schedule By Function and Activity	106	301
Capital Assets Used in the Operation of Governmental Funds - Schedule of Changes By Function and Activity	107	304
ADDITIONAL FINANCIAL DATA:		
Schedule of Ad Valorem Taxes Receivable	108	306
Analysis of Current Tax Levy	109	307
STATISTICAL SECTION (Unaudited)	<u>Table Number</u>	<u>Page Number</u>
Financial Trends:		
Net Position by Component	1	309
Changes in Net Position	2	311

STATISTICAL SECTION (Unaudited) (continued)	<u>Table Number</u>	<u>Page Number</u>
Fund Balances, Governmental Funds	3	315
Changes in Fund Balances, Governmental Funds	4	317
Revenue Capacity:		
Assessed Value of Taxable Property	5	319
Direct and Overlapping Property Tax Rates	6	320
Principal Property Tax Payers	7	321
Property Tax Levies and Collections	8	322
Sales Tax Rates	9	323
Debt Capacity:		
Ratios of Outstanding Debt by Type	10	324
Direct and Overlapping Governmental Activities Debt	11	325
Legal Debt Margin Information	12	326
Demographic and Economic Information:		
Demographic and Economic Statistics	13	328
Principal Employers	14	329
Operating Information:		
Full-Time City Government Employees by Function/Program	15	330
Operating Indicators by Function/Program	16	331
Capital Asset Statistics by Function/Program	17	333
COMPLIANCE SECTION		
Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		336
Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control Over Compliance in Accordance with the OMB Uniform Guidance and the State Single Audit Implementation Act		338
Report of Independent Auditor on Compliance with Requirements Applicable to Each Major State Program and on Internal Control Over Compliance in Accordance with the OMB Uniform Guidance and the State Single Audit Implementation Act		340

COMPLIANCE SECTION (continued)Page
Number

Schedule of Findings and Questioned Costs

342

Schedule of Expenditures of Federal and State Awards

346

Notes to the Schedule of Expenditures of Federal and State Awards

348



INTRODUCTORY SECTION

- * Letter of Transmittal
- * Certificate of Achievement for Excellence
in Financial Reporting
- * City of Jacksonville - Organizational Chart
- * City of Jacksonville - List of Principal Officials

City of Jacksonville



City Manager's Office

PO Box 128 • Jacksonville NC 28541-0128 • 910 938-5220

LETTER OF TRANSMITTAL

October 30, 2020

**Honorable Mayor and Members of the City Council
Jacksonville, North Carolina**

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Jacksonville for the fiscal year ended June 30, 2020. The basic financial statements contained herein have been audited by the independent certified public accounting firm of Cherry Bekaert LLP and their unmodified opinion is included in the financial section. This report has been prepared by the City, which is responsible for both the accuracy of the data and the completeness and fairness of the presentation including all disclosures. We believe the data is accurate in all material respects and is shown in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

The City is required to undergo an annual single audit in conformity with the audit requirements imposed by the Single Audit Act and Subpart F of Title 2 U.S. Code Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Programs* (Uniform Guidance), which supersedes OMB Circular A-133, and the State Single Audit Implementation Act was not superseded.

This report encompasses all funds of the City and its component unit. The City provides a full range of services: police and fire protection, construction and maintenance of streets, community development, planning and zoning, and parks and recreation. The City owns and operates a water and sewer system and also separately accounts for its solid waste and stormwater/water quality systems as business-type activities; therefore, these latter activities are included in the reporting entity.

PROFILE OF THE GOVERNMENT

The City of Jacksonville, incorporated in 1842, is located along the New River in Onslow County. It currently occupies 56.27 square miles and serves a population of 80,328 making Jacksonville the 14th largest city in North Carolina. Jacksonville is the county seat and is home to Marine Corps Base Camp Lejeune and Marine Corps Air Station New River. The City of Jacksonville is empowered to levy a property tax on both real and personal property located within the city limits.

The City has been governed by the Council-Manager form of government since 1953. Policy-making and legislative authority are vested in a governing council (Council) consisting of a Mayor and six Council members. Two Council members and the Mayor are elected-at-large, and four Council members are elected by district, all for staggered four-year terms. The Mayor and Council make appointments to various advisory boards and committees. The Council appoints the City Manager and City Attorney. The City

Manager serves as Chief Executive Officer and is responsible for enforcement of laws and ordinances, delivery of services, planning and budgetary management. The Council is required to adopt a budget no later than July 1 each year. The budget is prepared by fund and function (e.g., public safety). The City Manager is authorized by the budget ordinance to transfer appropriations up to \$5,000; however, any revisions that exceed \$5,000 at the functional level of the General Fund, Non-Major Governmental Funds, and Enterprise Funds, the fund level for the Capital Project Funds, or that alter total expenditures of any fund, must be approved by City Council.

LOCAL ECONOMY

The major industries located within the City's boundaries or in close proximity are government (military), retail, hotel/food services, education, and healthcare. The June 2020 unemployment rate was 7.2 percent (not seasonally adjusted - NSA), which was lower than both the statewide rate of 7.5 percent and national rate of 11.2 percent.¹

Since 1941, Camp Lejeune and Marine Corps Air Station New River with the Marine Corps are together the largest employer in the area. The bases are home to the many units including II Marine Expeditionary Force, 2nd Marine Division, 2nd Marine Logistics Group, and Marine Corps Forces Special Operations Command. Nearly 55,000 Marines are assigned to the bases, 3,477 Naval personnel, and about 265 members of other services. The Coast Guard has a training unit aboard Camp Lejeune. About 6,200 civilians are employed aboard the base with an economic impact of \$3.7 billion annually to the area.

The bases form important resources for the United States with forces from these commands regularly in the headlines in world news and deployed to many locations around the world. To help prepare service members for combat and humanitarian missions abroad, Camp Lejeune encompasses 156,000 acres, 12 miles of beach capable of supporting amphibious operations, 27 gun positions, 47 tactical landing zones, 98 live-fire ranges, 6 state-of-the-art training facilities for Military Operations on Urban Terrain, 4 forward operating bases and the Greater Sandy Run Training Area. Military forces from around the world train at Camp Lejeune on a regular basis.

MCAS New River was the first base with the MV-22 Osprey and has trained Marines and other services members on the tilt-rotor aircraft. It is the home to the largest military hangar in the US that houses two MV-22 squadrons. The airbase is home to more than half of all Marine aircraft on the East Coast.

¹ US Department of Labor, Bureau of Labor Statistics

LONG-TERM FINANCIAL PLANNING

The City's largest ongoing projects deal with infrastructure needs due to the City's current and anticipated growth and/or changes in state regulation:

- **Parkwood Regional Pump Station and Western Trunk Sewer** - This project consists of the construction of a regional pump station on the northwest side of the City and a force main that connects to the Land Treatment Site. It also includes the construction of a gravity sewer from the regional pump station to Western Boulevard. Design of the project was essentially complete as of the close of FY17. All necessary easements and most of the regulatory permits have also been acquired. Construction is expected to last more than 2½ years once initiated. It is currently projected that this project will be conducted in 4 or 5 phases with the first phase beginning in FY22.

MAJOR INITIATIVES

FOR THE YEAR. For FY20, the City had the following major initiatives. As you will note, several of these are updates to projects that began in earlier years.

- **Jacksonville Landing Welcome Center** – In FY19, the City Council considered a design for the construction of a welcome center but rejected it due to cost. During FY20, a parcel of property adjacent to Jacksonville Landing was purchased with the intention of building the welcome center. The City is currently considering various designs for this larger parcel with the anticipation of construction in FY22.
- **Jack Amyette Recreation Center Redesign** – During FY20, City Council reviewed 5 options for the redevelopment of Jack Amyette. From their analysis, a concept was selected for a full size gym and the rehabilitation of the current one story portion of the existing facility. Architectural work has begun with anticipation of awarding a bid in late 2020 or early 2021 with construction completed by late 2021.
- **Riverwalk Marina** – The City purchased this property in 2015. The site was cleared by City personnel and grants were received to match City funds for the development of a modern marina with a floating mooring system. During FY20, substantial work was completed by the contractor and it is anticipated that the marina will be open for public use by October of 2020.
- **Multimodal Transportation Center** – During FY20, bids were received for the development of this major transportation hub that will house the City Transit system, Greyhound Bus, Amtrak, OUTS and local taxi service. The lowest responsible bidder was awarded a contract of generally \$9 million for this project. Land clearing began in July of 2020 with the projected project completion by late 2021.
- **Construction of Oyster Highway** – Construction of this project began in 2018. During FY20, phases I and II were completed with a total of 12 reefs constructed. In FY21, the project will be monitored to determine the success of the overall goal of improving water quality and developing fish habitat within the New River.

- **Georgetown Restrooms** – Utilizing Community Development Block Grant funds, the City constructed new restrooms at the Georgetown Park. This is the fourth grant from CDBG the City has utilized for improvements to this park.
- **Henderson Drive** – Henderson Drive is an NCDOT arterial roadway and one of the major transportation corridors of the City. In order for the DOT to repave this roadway, they required the City to install new water and sewer lines within the road right of way. This project has been completed.
- **ADA compliance Plan** – Under the direction of the City Clerk, a team of City employees have prepared and begun implementation of the ADA Compliance Plan. This document is required for all entities that receive Federal Highway Administration funds and is designed to remove barriers that limit access to public buildings and public ways. This is a multi-year implementation plan.
- **Country Club Villas** – Country Club villas is a 129-unit town home development for lower income persons. The Community Engagement Department conducted an analysis of the development to identify activities the City could under take to improve the quality of life for the residents and address police issues. Through this analysis, the City has begun the process of purchasing units, rehabbing them and then selling them for home ownership under the City's public private partnership program.
- **New Bridge Street Redevelopment** – In 2019, the Mayor and Council adopted a master plan for New Bridge Street. This included new sidewalks, landscaping, drainage and lane reconfiguration. Design and engineering work was completed in FY20 with construction scheduled for FY21/22.
- **Master Plans for City Parks** In 2009, the City hired a consultant to create a parks master plan for the City. This plan was adopted, but did not create individual master plans for each park. During FY20, City staff began the process of preparing a master plan for each city park. These individual park plans will be presented to the Recreation and Parks Advisory Committee for their input and recommendations and then to the Mayor and Council for adoption in FY21.
- **Elimination of Slum and Blight** In 2011, the Mayor and Council adopted a program utilizing CDBG funds and City crews to demolish vacant and dilapidated homes within the City. During FY20, 9 additional homes were demolished bringing the total to 134 structures removed since the start of the program.

FINANCIAL INFORMATION

The financial statements and notes included in this report present the financial position and operations of governmental activities, and business-type activities of the City. The accompanying Management's Discussion and Analysis provides a narrative overview of the City's financial performance for the fiscal year ended June 30, 2020. During the year, the City continued its sound current and long-range policies for financial management.

Internal Control Structure. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for

the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal and state awards, the City is also responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control system is evaluated periodically by management and the Finance Department staff to achieve these objectives.

As part of the City's single audit, tests are conducted to determine the adequacy of internal control, including that portion related to federal and state award programs, as well as to determine that the government has complied with applicable laws and regulations. The results of the government's single audit for the fiscal year ended June 30, 2020, found no instances of material weakness in internal control and no material instances of noncompliance with applicable laws and regulations.

Independent Audit. General Statute 159-34 requires an annual audit by a certified public accountant. The independent certified public accounting firm of Cherry Baekert LLP was selected by the City Council to provide this service. In addition to meeting statutory requirements, the audit also complies with the Single Audit Act and Subpart F of Title 2 U.S. Code Federal Regulations (CFR) Part 200, which supersede OMB Circular A-133, and the State Single Audit Implementation Act. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the Financial Section of this report. The auditors' reports on internal controls and compliance with applicable laws and regulations are included in the Compliance Section.

Investment Management. Effective forecasting of cash requirements and investment of idle cash balances, including regular investment of bank balances, have allowed the maximum use of all available cash resources. The rate of return on the City's investment overperformed compared to the average yield rates of 1.15 percent for US Treasury bills in 2020. For the year ended June 30, 2020, the City realized investment earnings of \$1,245,742 for an average yield of 1.38 percent.

The City's investment policy, guided by General Statute 159-30, minimizes credit and market risks while maintaining a competitive yield on its portfolio. For additional information on cash and investments, see the notes to the financial statements.

Long-Term Financial Planning. The City seeks to consistently maintain a strong financial position as evidenced by maintaining its bond rating in the Aaa category. This objective requires regular long-term planning of operating and capital requirements for its major general government and enterprise programs. In doing so, the City relies on key financial policies and procedures for dealing with future events in financially responsible ways.

The City adopts a Capital Improvement Plan (CIP) that looks ahead to project and plan for capital needs addressing both project needs and financial strategy. Major areas covered by the CIP are water and sewer utilities, parks, stormwater utility, and general public improvements.

A key financial goal of the City for many years has been the maintenance of a 10.0% unassigned fund balance level in the general fund. In addition, the City can appropriate a consistent level of fund balance

each year resulting from positive budget variances. These goals are met in the fiscal year 2019-20 results that are built into the 2020-21 operating budgets. Financial models are also used in the budget process and provide a means of projecting long-term resource requirements. Other financial practices are designed to avoid using one-time revenues to meet recurring expenditure needs and to ensure an appropriate mix of pay-as-you-go funding and long-term debt for capital needs.

OTHER INFORMATION

Award. 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 Jacksonville for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2019. This was the twenty-ninth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Various department heads and employees assisted and contributed to its preparation, as did our independent auditors, Cherry Baekert LLP. Each of them has our sincere thanks.

In closing, without the resources and support furnished by the Mayor and City Council, preparation of this report would not have been possible.

Sincerely,

Richard L. Woodruff
City Manager

Gayle Maides
Finance Director



Government Finance Officers Association

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

Presented to

**City of Jacksonville
North Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

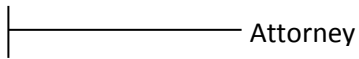
Christopher P. Morill

Executive Director/CEO

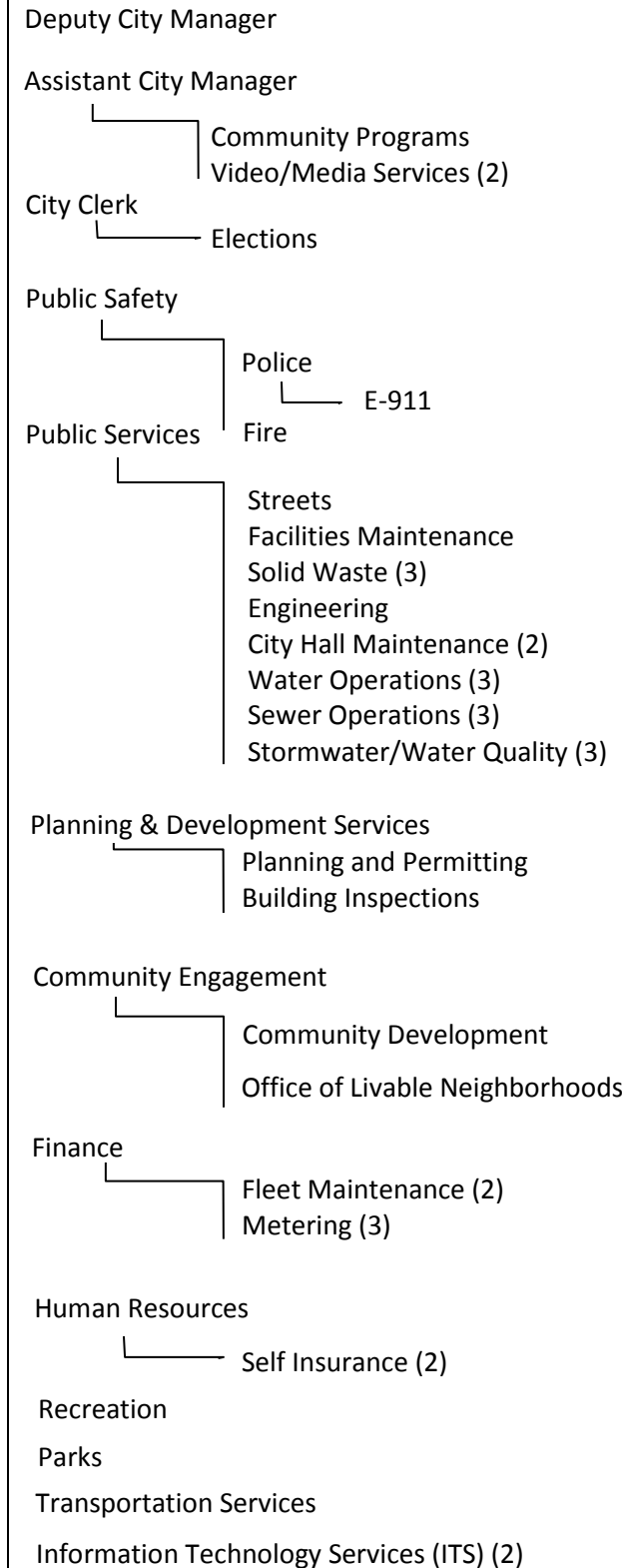
City of Jacksonville Organizational Chart

Citizens of Jacksonville

City Council (1)



City Manager



Legend:

- (1) Elected Officials
- (2) Internal Service Fund
- (3) Enterprise Fund

City of Jacksonville
List of Principal Officials
June 30, 2020

Title	Name
Mayor	Sammy Phillips
Mayor, Pro-tem	Michael Lazzara
Council Member	Jerry Bittner
Council Member	Randy Thomas
Council Member	Robert Warden
Council Member	Dr. Angelia Washington
Council Member	Brian H. Jackson
City Manager	Dr. Richard L. Woodruff
Deputy City Manager	Ronald F. Massey
Assistant City Manager	Glenn Hargett
Attorney	John T. Carter
City Clerk	Carmen K. Miracle
Finance Director	Gayle Maides
Chief Human Resources Officer	Kimberly Williams
Information Technology Services Director	Chad Hsu
Public Safety Director	Mike Yaniero
Public Services Director	Wally Hansen
Director of Recreation Services	Susan Baptist
Director of Park Facilities	Michael Liquori
Transportation Services Director	Anthony Prinz
Director of Planning and Inspections	Ryan King
Director of Community Engagement	Lillie Gray

FINANCIAL SECTION

- * Report of Independent Auditors
- * Management's Discussion and Analysis
- * Basic Financial Statements
- * Notes to the Financial Statements
- * Required Supplemental Financial Data
- * Combining and Individual Fund Statements and Schedules
- * Additional Financial Data

Report of Independent Auditor

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

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Jacksonville, North Carolina (the “City”), as of and for the year ended June 30, 2020, 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 the 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. The financial statements of the Jacksonville Development Authority were not audited in accordance with *Government Auditing Standards*.

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 City’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 City’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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position and cash flows, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplemental Financial Data as listed in the table of contents 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 Supplemental Financial Data in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the City. The introductory section, the financial sections, accompanying financial schedules and statistical section, as well as the schedule of expenditures of federal and state awards as required by 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 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 and 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, based on our audit and the procedures performed as described above, the combining and individual fund financial statements and 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 and statistical sections 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 30, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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's internal control over financial reporting and compliance.

Cheryl Bekaert LLP

Raleigh, North Carolina
October 30, 2020

City of Jacksonville, North Carolina
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

This section of the City of Jacksonville's (City) annual financial report presents a narrative overview and analysis of the City's financial performance for the fiscal year ended June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

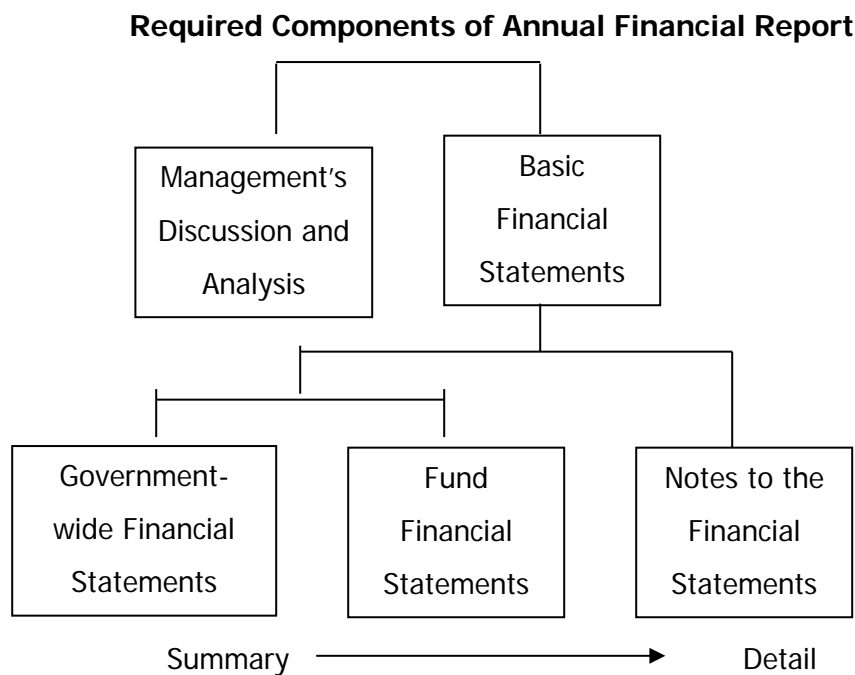
- The overall financial position of the City improved in 2020. Total net position increased by \$9.26 million. Sales tax collections saw a slight decrease in the current year, as did the charges for services and capital grants.
- Operating grant revenues decreased just over \$4 million, with the major decrease being the FEMA reimbursements received in prior year for Hurricane Florence recovery. Expenses decreased due to expenditures for recovery from Hurricane Florence in the prior year.
- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year by \$194.92 million (net position). Of this amount, \$74.70 million (unrestricted net position) can be used to meet the City's ongoing obligations to its citizens and creditors.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$51.47 million, an increase of \$7.73 million during the year. This increase is due actual expenses being less than anticipated. Approximately 54.36 percent of this total amount or \$27.98 million is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$26.76 million, or 49.87 percent of the budget for fiscal year 2021, as adopted. This exceeds the City Council's goal of 10 percent. The amount of fund balance used to balance the 2021 budget was decreased because of a small increase in the revenue forecast and nearly flat expenditures.
- The total fund balance amount for Capital Projects increased by \$0.28 million, due to new projects being added and the funds not being spent yet.
- The City experienced a major hurricane in September of 2018. The expenditures for response and repair are being recorded in a Major Fund for Emergency Relief. The fund balance in this fund is \$1.02 million, an increase of \$2.71 million from reimbursements received in the current year.

- The City's total long-term debt decreased by \$6.70 million (8.0%) during the current fiscal year. There were no significant new capital projects funded by debt in the current fiscal year allowing payments on outstanding debt to reduce the total debt burden.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

The diagram below shows how the required components of this annual report are arranged and relate to one another.



Basic Financial Statements

The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status. The remaining statements are fund financial statements that focus on the activities of the individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

- The governmental funds statements tell how general government services, i.e. public safety, were financed in the short term as well as what remains for future spending. A budgetary comparison statement has been provided for the General Fund to demonstrate budgetary compliance.

- Proprietary funds statements offer short and long-term financial information about the activities the City operates like businesses, such as the water and sewer system.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data, and are followed by the required supplemental financial data on the Law Enforcement Officers' Special Separation Allowance, Firefighters' and Rescue Squad Workers' Pension Fund, Other Post-Employment Benefits, and the proportionate share of the Net Pension Liability (Asset) for the Local Governmental Employees' Retirement System. In addition to these required elements, a section is included with combining statements that provide details about non-major governmental funds, and internal service funds, each of which are totaled and presented in a single column in the basic financial statements. This section also includes detailed budgetary information required by North Carolina General Statutes. The remainder of this overview section explains the structure and contents of the government-wide and fund financial statements.

Government-wide Financial Statements

The government-wide statements report short and long-term information about the City as a whole using accounting methods similar to those used by private-sector companies.

The Statement of Net Position includes all of the City's assets and liabilities. The Statement of Activities accounts for all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report the City's net position and how it has changed. Net position, the difference between assets and deferred outflows and the total of liabilities and deferred inflows, is one way to measure the City's financial health or position. Over time, increases or decreases in the City's net position are one indicator of whether financial health is improving or deteriorating. Other non-financial factors such as changes in the City's property tax base and the condition of the City's roads must be considered to assess the overall health of the City.

The City's government-wide financial statements are divided into three categories:

- Governmental activities - Most of the City's basic services are included here, such as public safety, community planning and development, recreation and parks, and streets. Property, sales, and other taxes, and grants and contributions finance most of these activities.
- Business-type activities - The City charges fees to customers to cover the costs of certain services provided. The City's water and sewer system, solid waste system, and stormwater/water quality system are included here.
- Component unit – Although the Jacksonville Tourism Development Authority (Authority) is a legally separate entity, it is important to the City. The City Council of Jacksonville appoints all of the members of the Board for the Authority.

The government-wide financial statements are included as Exhibits A and B of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's individual funds, not the City as a whole. Funds are accounting groups that the City uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State Statutes. Other funds are established to control and manage resources that are restricted or designated for specific purposes.

The City has two types of funds:

- **Governmental funds** - Most of the City's basic services are included in governmental funds, which focus on (1) the flow in and out of cash and other financial assets that can readily be converted to cash and (2) the balances left at year-end that are available for spending. These funds are reported using the modified accrual accounting basis and a current financial resources measurement focus. Consequently, the governmental funds statements provide a detailed short-term view that helps determine the financial resources available in the near future to finance the City's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements. Governmental funds financial statements are included as Exhibits C, D and E of this report.

The City adopts an annual budget for the General Fund, as required by State Statutes. A budgetary comparison statement is presented for the General Fund using the City's budgetary basis of accounting. This statement reflects the following: (a) the original budget, (b) the final budget as amended, (c) actual revenues/expenditures, and (d) the variance between the final budget and the actual. Because the City's budgetary basis of accounting does not differ from the modified accrual basis used in the funds statements, a reconciliation is not necessary at the end of the statement.

- **Proprietary funds** - Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information. The City has two types of proprietary funds. Enterprise Funds are the same as the business-type activities (shown in the Government-wide Statements), but provide more detail and additional information, such as cash flows. Internal Service Funds are used to report activities that provide supplies and services for the City's other programs and activities. These internal service activities predominately benefit governmental rather than business-type activities; therefore, they have been included with governmental activities in the government-wide financial statements. Proprietary funds financial statements are included as Exhibits F, G and H 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 begin on page 57 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, the Law Enforcement Officers' Special Separation Allowance, Firefighters' and Rescue Workers' Pension Benefits and Other Post-Employment Benefits. Required supplementary information can be found on Exhibits I-N.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City, assets exceeded liabilities by \$194.92 million at the close of the most recent fiscal year. A summary of the City's net position at June 30, 2020 and 2019 is presented below:

City of Jacksonville's Net Position (In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 60.30	\$ 53.20	\$ 46.43	\$ 42.47	\$ 106.73	\$ 95.67
Capital assets	87.78	90.42	98.85	105.16	186.63	195.58
Total assets	148.08	143.62	145.28	147.63	293.36	291.25
Deferred outflow s of resources	6.70	7.50	2.78	3.22	9.48	10.72
Total assets and deferred outflow s of resources	154.78	151.12	148.06	150.85	302.84	301.97
Current and other liabilities	2.62	4.72	2.24	2.39	4.86	7.11
Noncurrent liabilities	36.26	36.73	65.70	70.96	101.96	107.69
Total liabilities	38.88	41.45	67.94	73.35	106.82	114.80
Deferred inflow s of resources	0.97	1.27	0.11	0.24	1.08	1.51
Total liabilities and deferred inflow s of resources	39.85	42.72	68.05	73.59	107.90	116.31
Net position						
Net investment in capital assets	68.77	73.15	37.39	38.71	106.16	111.86
Restricted	13.75	9.53	0.31	0.39	14.06	9.92
Unrestricted	32.41	25.72	42.29	38.16	74.70	63.88
Total net position	\$ 114.93	\$ 108.40	\$ 79.99	\$ 77.26	\$ 194.92	\$ 185.66

Government-wide net position increased by \$9.26 million for the fiscal year ended June 30, 2020. The largest portion of net position (54.5%) reflects the City's net investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City's net position (7.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$74.70 million (38.3%) is unrestricted net position and may be used to support operations and provide for payment of long-term debt.

At the end of the 2020 fiscal year, the City was able to report positive balances for the City government as a whole. The governmental activities show a decrease in the net investment in capital assets. The restricted portion increased, as well as the unrestricted category. The business-type activities show an increase in the net position because of an overall gain from operations which increased the unrestricted balance.

Net position of the Governmental Activities increased \$6.53 million to \$114.93 million. You will find \$82.52 million of the net position is either restricted as to the purposes for which they can be used or are invested in capital assets (e.g. land, buildings, machinery, and equipment buildings, roads, etc.), which decreased from \$82.68 million or less than 1 percent. Unrestricted net position of \$32.41 million increased \$6.69 million from the previous year. The major changes are due to decreased departmental operations and less expenditures related to Hurricane preparation and recovery.

The net position of the Business-Type activities had an increase of \$2.73 million, or 3.5%, to \$79.99 million. Although revenue was down slightly and expenses were up the Business-Type Activities still showed an increase. The Unrestricted Net Position of \$42.29 million increased in relation to the previous year.

Changes in net position. The table on the following page presents the City's changes in net position for the fiscal years ended June 30, 2020 and 2019.

City of Jacksonville's Changes in Net Position
(In Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 1.71	\$ 2.07	\$ 32.07	\$ 32.32	\$ 33.78	\$ 34.39
Operating grants and contributions	6.73	11.10	0.21	0.36	6.94	11.46
Capital grants and contributions	1.87	2.03	-	-	1.87	2.03
General revenues:						
Property taxes	23.51	23.59	-	-	23.51	23.59
Other taxes	17.88	18.07	-	-	17.88	18.07
Other	3.67	0.65	1.29	1.56	4.96	2.21
Total revenues	55.37	57.51	33.57	34.24	88.94	91.75
Expenses:						
General government	6.39	9.05	-	-	6.39	9.05
Public works	7.28	5.46	-	-	7.28	5.46
Public safety	25.41	30.50	-	-	25.41	30.50
Economic and physical development	2.21	3.20	-	-	2.21	3.20
Culture and recreation	5.71	4.68	-	-	5.71	4.68
Interest on long-term debt	0.53	0.61	-	-	0.53	0.61
Water and sewer	-	-	22.98	22.77	22.98	22.77
Solid waste	-	-	6.06	5.79	6.06	5.79
Stormwater/Water Quality	-	-	3.11	2.70	3.11	2.70
Total expenses	47.53	53.50	32.15	31.26	79.68	84.76
Increase (decrease) in net position before transfers	7.84	4.01	1.42	2.98	9.26	6.99
Transfers	(1.31)	(1.01)	1.31	1.01	-	-
Increase (decrease) in net position	6.53	3.00	2.73	3.99	9.26	6.99
Net Position:						
Beginning of year, July 1, as previously reported	108.40	105.40	77.26	73.27	185.66	178.67
End of year, June 30	\$ 114.93	\$ 108.40	\$ 79.99	\$ 77.26	\$ 194.92	\$ 185.66

Total government-wide revenues of \$88.94 million were primarily derived from charges for services (38.0%), property taxes (26.4%), other taxes (20.1%) and operating grants and contributions (7.8%). Operating Grants decreased significantly due to Federal and State Emergency Management reimbursements from Hurricane Florence in the prior year.

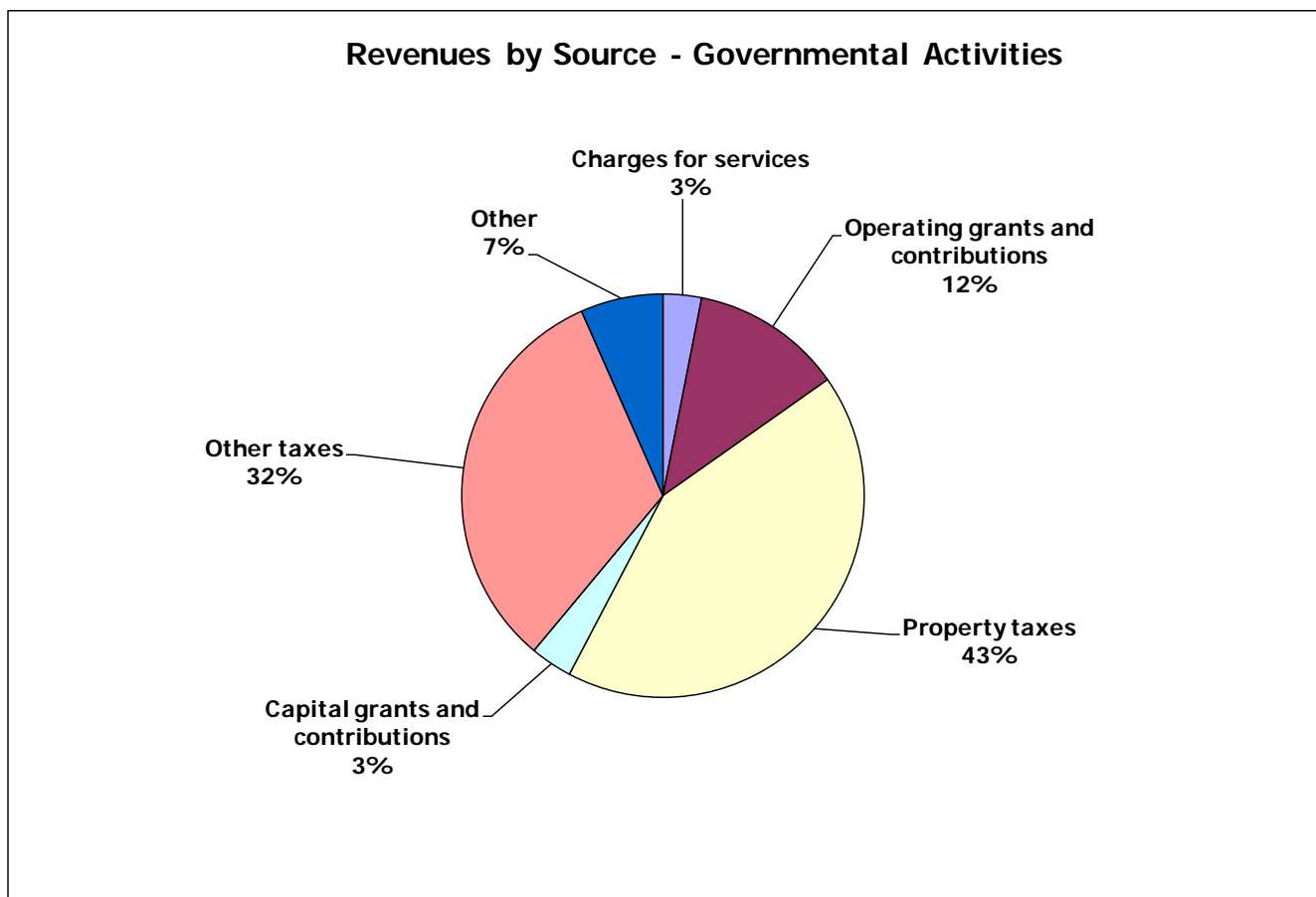
The total expenses of all programs were \$79.68 million. The expenses cover a range of services with the largest being Public Safety (hurricane recovery, fire and police), and Water and Sewer, which account for 31.9 percent, and 28.8 percent of total expenses, respectively. Water and Sewer expenses increased by \$0.21 million, and Public Safety decreased by \$5.09 million. The Public Safety decrease was primarily due to spending related to Hurricane Florence in the previous fiscal year.

Governmental Activities

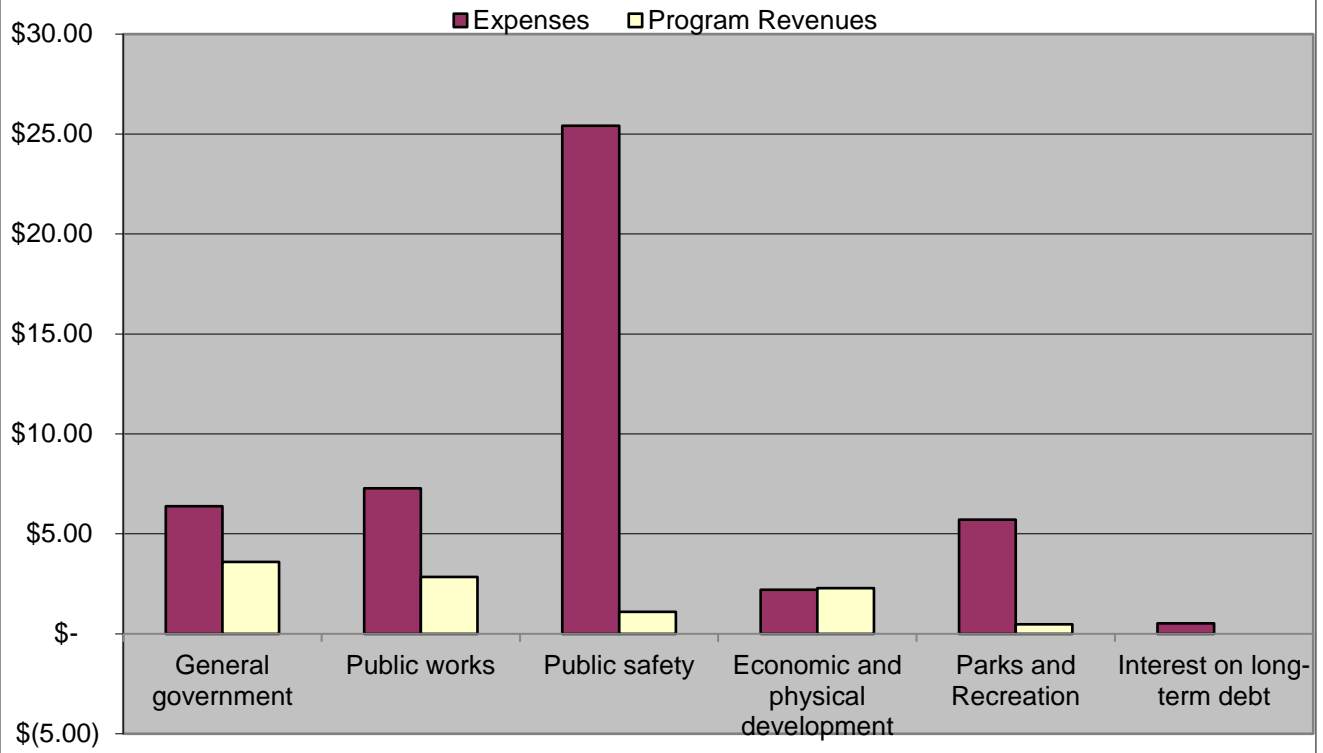
Public Safety accounts for 53.5 percent (\$25.41 million) of the total Governmental Activities expenses of \$47.53 million. Public Safety decreased because of the emergency response to Hurricane Florence in the prior year.

The chart on the following page highlights the net cost (total cost less fees generated by the activities and operating grants and contributions) of the City's governmental programs – the three largest being Public Safety, Parks and Recreation and General Government. The net cost shows the financial support provided by taxes and other general revenue sources not restricted to specific programs.

The total cost of governmental services of \$47.53 million was supported by \$1.71 million in fees, fines and charges from those who directly benefited from the programs. Another \$8.60 million was provided by other governments and organizations for specific programs.

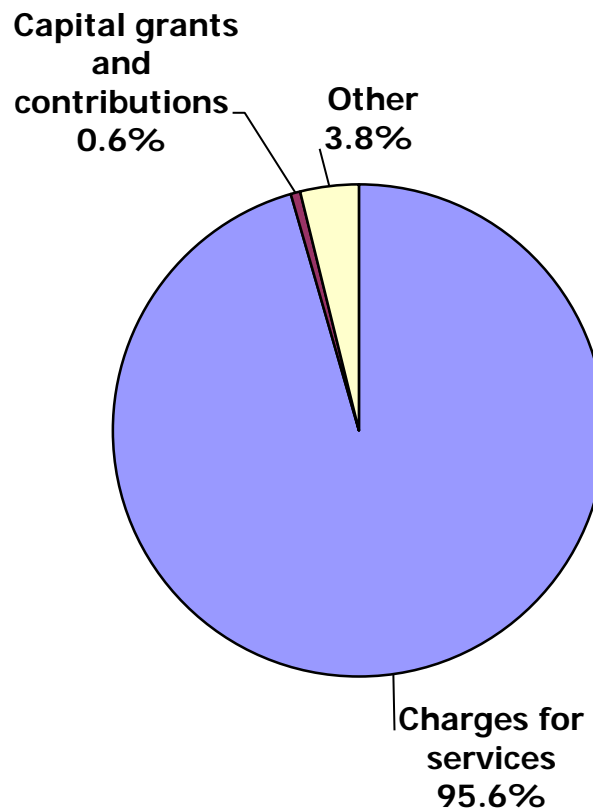


Expenses and Program Revenues - Governmental Activities (In Millions)



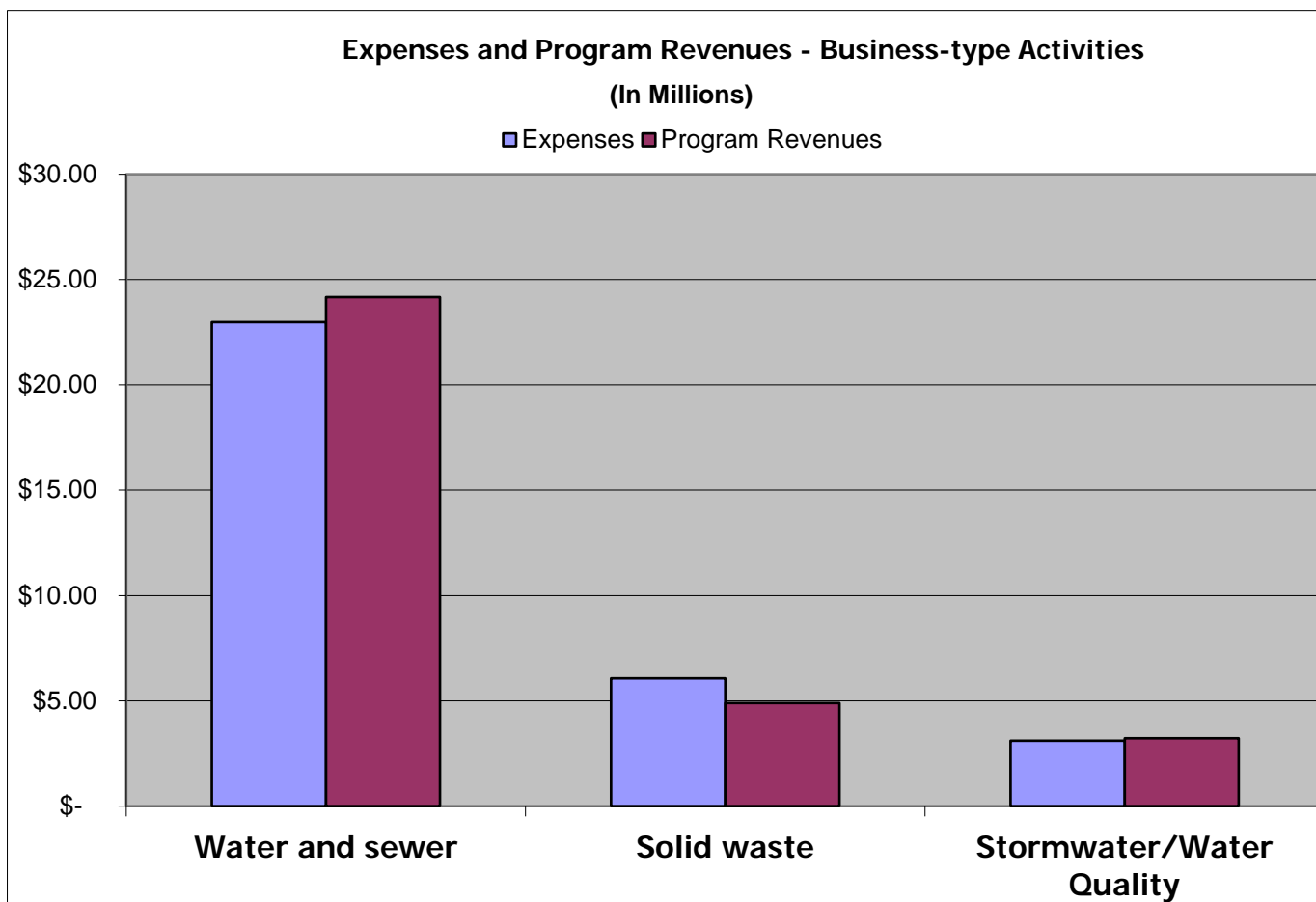
Business-type Activities

Revenues by Source - Business-type Activities



Revenues from the business-type activities were \$33.57 million, a decrease of 2.0% from the prior year. This was primarily due to a small decrease in all revenue sources.

The chart below highlights the net cost of the City's business-type programs.



Total expenses for Business-type Activities were \$32.15 million, an increase of \$0.89 million from the prior year. The Water and Sewer Fund experienced an increase in Net Position of \$1.96 million. Operating expenses for the Water and Sewer fund increased slightly to \$22.98 million.

The Solid Waste Fund ended 2020 with an increase in net position of \$0.56 million. Revenues increased slightly compared to the prior year, while expenses increased by \$0.27 million. This increase was primarily in landfill fees.

The Stormwater/Water Quality Fund had an increase in net position of \$0.21 million. Revenue and expenses increased slightly.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At June 30, 2020, the governmental funds reported a combined fund balance of \$51.47 million, an increase of \$7.73 million, up 17.7 percent from last year. This amount consists of the following:

Governmental Funds Fund Balance

(a) \$2.1 million in non-spendable:	
Inventories	\$ 90,151
Compensating Balance	2,000,000
Prepaid items	7,342
	<u>\$ 2,097,493</u>
(b) \$12.2 million restricted for specific purpose:	
Stabilization by State Statute	\$ 5,800,283
Restricted for Streets	3,431,949
Restricted for Public Safety	1,458,484
Restricted for Community Development	1,548,522
	<u>\$ 12,239,238</u>
(c) \$9.2 million committed by City Council	
LEO Special Separation Allowance	\$ 711,069
Public Safety	776,304
Economic Development	678,279
Capital projects	4,786,220
Assigned for Subsequent year's expenditures	2,201,186
	<u>\$ 9,153,058</u>
(d) \$28.0 million unassigned	
	<u>\$ 27,975,673</u>

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$26.76 million, while total fund balance reached \$38.99 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to budgeted total fund expenditures for the next fiscal year. Unassigned fund balance represents 49.9 percent of fiscal year 2021 budgeted total General Fund expenditures, while total fund balance represents 78.2 percent of that same amount.

The fund balance in the General Fund increased by \$3.24 million, or 9.1 percent, during the current fiscal year. The key factor in this increase is the decrease in hurricane related expenditures.

The Major Capital Projects Fund has a total fund balance of \$3.59 million. The net increase this year comes from new projects that were set aside in the current year for construction, where construction has not been completed. The bulk of expenditures were related to the work on the Sturgeon City Environmental Education Center, Jacksonville Landing Park, Jacksonville Marina, and other park improvements.

In the Emergency Relief Fund, there is a fund balance of \$1.02 million. This represents reimbursement of expenditures by Federal and State Emergency Management in the current year.

The non-major funds have a total fund balance of \$7.86 million, \$4.38 million of which is restricted and \$3.28 million is committed for specific programs and streets-related capital projects.

Proprietary funds. Proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position, at the end of the year, amounted to \$39.85 million in the Water and Sewer fund, \$0.63 million in the Solid Waste fund and \$1.81 million in the Stormwater/Water Quality fund. The changes in total net position for the funds were \$1.96 million, \$0.56 million and \$0.21 million, respectively. Other factors concerning the finances of these funds have previously been addressed in the discussion of the business-type activities.

General Fund Budgetary Highlights

During the fiscal year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: (1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; (2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and (3) increases in appropriations that become necessary to maintain services. The changes in the fiscal year 2020 were insignificant in total with the largest being an amendment to re-appropriate encumbered funds at the end of 2019 to the new fiscal year.

General Fund revenues came in over the amended budget amounts by 2.4% while the City's total expenditures in the General Fund for the year were 11.7% less than the final budget. General Fund revenues and other financing sources exceeded expenses and other financing uses by \$3.24 million. The Appropriated Fund Balance in the final amended budget was \$3.38 million, however, as previously noted, \$3.24 million was added to the fund balance due to the diligence in spending by the departments and better than anticipated revenues.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2020, the City had \$186.63 million (net of accumulated depreciation) in capital assets consisting primarily of buildings, improvements other than buildings, and infrastructure. This represents a net decrease of \$8.95 million, or 4.6% less than last year. The summary of capital assets at June 30, 2020 and 2019 is as follows:

City of Jacksonville's Capital Assets (net of depreciation) (in Millions)							
	Governmental Activities		Business-type Activities		Total Primary Government		
	2020	2019	2020	2019	2020	2019	
Land	\$ 12.21	\$ 12.14	\$ 5.29	\$ 5.26	\$ 17.50	\$ 17.40	
Land Rights	3.61	3.37	3.04	3.04	6.65	6.41	
Buildings	32.06	33.16	24.92	27.46	56.98	60.62	
Improvements other than buildings	11.59	11.61	51.78	56.79	63.37	68.40	
Equipment	1.59	1.73	0.37	0.47	1.96	2.20	
Software	0.03	0.09	0.01	-	0.04	0.09	
Heavy equipment	0.51	0.31	0.28	0.27	0.79	0.58	
Vehicles	2.58	3.13	2.69	2.51	5.27	5.64	
Infrastructure	21.90	22.43	4.00	3.14	25.90	25.57	
Construction in progress	1.70	2.45	6.47	6.22	8.17	8.67	
Total	\$ 87.78	\$ 90.42	\$ 98.85	\$ 105.16	\$ 186.63	\$ 195.58	

This year's major capital asset additions included:

- Stormwater infrastructure capital improvements \$ 1.34 million
- Street and sidewalk improvements \$ 1.59 million
- Parks and Recreation improvements \$ 0.98 million
- Buildings \$ 1.50 million

At June 30, 2020, authorized and unexpended capital projects totaled \$63.8 million. The City plans to issue debt to finance some of these projects in addition to using resources currently available. The authorized and unexpended capital projects are as follows:

- Governmental \$ 9.4 million
- Water and Sewer \$ 51.9 million
- Stormwater \$ 2.1 million
- Internal Service (ITS) \$ 0.4 million

More detailed information about the City's capital assets is presented in Note 4 to the financial statements.

Long-term Debt

At June 30, 2020, the City had \$76.32 million of debt outstanding in installment purchases, bonds, and revolving loans payable to the State of North Carolina. This was a decrease of \$6.7 million, or 8.0 percent less than last year. Details by type of debt are presented below.

City of Jacksonville Outstanding Debt (in Millions)						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Installment purchases	\$18.51	\$ 19.93	\$ 3.81	\$ 4.16	\$ 22.32	\$ 24.09
Loans	-	-	32.97	36.11	32.97	36.11
Bonds	-	-	21.03	22.82	21.03	22.82
Total	\$18.51	\$ 19.93	\$ 57.81	\$ 63.09	\$ 76.32	\$ 83.02

New debt for 2020 resulted from installment purchases and loans for:

	2020
Vehicles & Equipment:	
General Fund	\$ 1,267,631
Solid Waste	388,646
Water/Sewer	615,266
Stormwater	368,051
Fleet Maintenance	25,000
ITS	160,000
Video Media	46,635
City Hall Maintenance	96,000
	<u>\$ 2,967,229</u>

The City's sound financial condition is evidenced by the rating affirmed for the Revenue Bonds issued in May of 2016. The City also issued a refunding of the Limited Obligation Bonds outstanding in December of 2017 and received an upgrade on this issue to Aa3 from Moody's. This is a primary factor in keeping interest costs low on the City's outstanding debt.

North Carolina General Statutes limit the amount of general obligation debt that the City can issue to 8 percent of the total appraised value of taxable property. The legal debt limit for the City at June 30, 2020 was \$270.15 million. At June 30, 2020 the City's debt applicable to the limit was \$22.21 million, which is 7.6 percent of the City's legal debt limit (see table 12).

More detailed information about the City's long-term obligations is presented in Note 9 of the financial statements. The debt margin is shown in Table 12.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following economic indicators impact the City's budget outlook:

- The sales and use tax collections in the County increased to \$64.9 million in fiscal year 2020, up from \$62.0 million in 2019. The County levies an additional sales tax that is not shared with the municipalities. When the additional tax is removed from the calculation, the County as a whole still showed an increase of \$2.7 million in sales tax, with the City losing a little less than \$25,000.
- The June 2019 unemployment rate for Onslow County was 7.2 percent compared to 7.5 percent for the state and 11.2 percent for the nation. The rate for each increased significantly from the prior year in response to the COVID-19 pandemic.

The City continues a conservative attitude for budgeting in light of these uncertain times. Property taxes remain a fairly stable revenue source for the City, and almost all of the value lost due to Hurricane Florence has been restored.

As the City usually begins budget deliberations in April, the Coronavirus pandemic was just beginning to effect the economy, but the longer term effects were still unclear. The City Council determined that there were too many unknowns related to the pandemic to adopt a significantly different budget from prior years. The Council decided to adopt the proposed budget that was very similar to the prior year, in order to meet the statutory deadline. The management agreed to delay any new capital projects and vehicle and equipment purchases until the economic picture became more clear.

The City appropriated \$3.38 million of General Fund unassigned fund balance for spending in the 2020 fiscal year amended budget. A strong, concerted effort was made by management to limit expenditures to revenues actually received, and revenues received exceeded expectations. Due to these factors, \$3.24 million was actually added to the fund balance. For FY 2021, \$2.20 million has been assigned from the 2020 General Fund unassigned fund balance to balance revenues and expenditures anticipated for the budget year.

The following are highlights for the 2021 budgets:

- The city maintained its tax rate at 64.2 cents.
- Water and Sewer rates were increased by 2.25% in this budget.
- The FY2021 budget as adopted included maintenance of the public safety step plan and no increase for all other employees. A lump sum to address inequities in the current pay of other City employees was included.
- Health Insurance premiums, City contribution and the employee contribution increased 25% percent. This increase in premiums was necessary to restore the Health Insurance Fund balance.
- The budget includes several community improvement projects including several recreation enhancements, sidewalks and street improvements and continuing Water/Sewer infrastructure improvements.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning this report or requests for additional financial information should be directed to the City of Jacksonville's Finance Department, 815 New Bridge Street, P.O. Box 128, Jacksonville, NC 28541-0128.

BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide a summary overview of the financial position of the government as a whole as well as the operating results of all funds. They also serve as a condensed introduction to the more detailed statements and schedules that follow.

City of Jacksonville, North Carolina
Statement of Net Position
June 30, 2020

	Primary Government			Jacksonville Tourism Development Authority
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash, cash equivalents, and investments	\$ 42,209,762	\$ 40,877,222	\$ 83,086,984	\$ 3,161,176
Restricted cash, cash equivalents, and investments	8,225,807	1,833,121	10,058,928	-
Receivables:				
Taxes (net)	342,282	-	342,282	93,615
Accrued interest on taxes (net)	176,643	-	176,643	-
Accounts receivable (net)	7,843,059	3,394,297	11,237,356	-
Notes receivable (net)	1,295,477	-	1,295,477	-
Inventories	197,355	247,287	444,642	-
Prepaid items	84,005	3,465	87,470	1,250
Internal balances	(74,939)	74,939	-	-
Capital assets:				
Land	12,211,790	5,292,215	17,504,005	-
Land Rights	3,608,514	3,041,677	6,650,191	-
Buildings and other structures	60,048,066	114,932,941	174,981,007	-
Improvements other than buildings	21,201,320	133,266,094	154,467,414	-
Equipment	13,501,112	6,239,612	19,740,724	-
Software	1,751,077	120,140	1,871,217	-
Heavy equipment	1,016,882	1,369,314	2,386,196	-
Vehicles	13,651,400	10,678,574	24,329,974	-
Infrastructure	58,320,445	6,076,148	64,396,593	-
Construction in progress	1,703,765	6,466,711	8,170,476	-
Less accumulated depreciation	(99,232,688)	(188,637,534)	(287,870,222)	-
Total Assets	148,081,134	145,276,223	293,357,357	3,256,041
Deferred Outflows of Resources				
Deferred Charge related to Debt Refinancing	1,087,849	1,464,634	2,552,483	-
Pension deferrals	5,234,433	1,293,861	6,528,294	-
OPEB deferrals	381,387	16,796	398,183	-
Total deferred outflows of resources	6,703,669	2,775,291	9,478,960	-
Liabilities				
Accounts payable and accrued liabilities	2,366,669	1,187,937	3,554,606	25,658
Customer deposits	262,461	1,054,848	1,317,309	-
Noncurrent liabilities:				
Due within one year	4,140,007	6,949,412	11,089,419	-
Due in more than one year	32,116,742	58,750,067	90,866,809	-
Total Liabilities	38,885,879	67,942,264	106,828,143	25,658
Deferred Inflows of Resources				
Prepaid Taxes	53,030	24,000	77,030	-
OPEB Deferrals	428,469	25,508	453,977	-
Pension Deferrals	488,555	64,470	553,025	-
Total deferred inflows of resources	970,054	113,978	1,084,032	-
Net Position				
Net Investment in Capital Assets	68,765,359	37,390,027	106,155,386	-
Restricted:				
Stabilization by State Statute	8,377,471	-	8,377,471	93,615
Public Works	3,431,949	314,475	3,746,424	-
Public Safety	388,137	-	388,137	-
Economic Development	1,548,522	-	1,548,522	1,004,619
Unrestricted	32,417,432	42,290,770	74,708,202	2,132,149
Total Net Position	\$ 114,928,870	\$ 79,995,272	\$ 194,924,142	\$ 3,230,383

The accompanying notes are an integral part of the financial statements.

City of Jacksonville, North Carolina
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General government	\$ 6,389,563	\$ 529,207	\$ 2,917,239	\$ 150,000
Public works	7,278,696	551,687	582,734	1,719,466
Public safety	25,412,392	199,387	902,803	-
Economic and physical development	2,212,749	-	2,281,741	-
Cultural and recreational	5,711,717	434,027	45,082	-
Interest on long-term debt	531,585	-	-	-
Total governmental activities	47,536,702	1,714,308	6,729,599	1,869,466
Business-type Activities:				
Water and sewer	22,983,637	24,167,324	-	-
Solid waste	6,054,055	4,837,998	57,732	-
Stormwater/Water Quality	3,108,804	3,062,251	154,238	-
Total business-type activities	32,146,496	32,067,573	211,970	-
Total primary government	\$ 79,683,198	\$ 33,781,881	\$ 6,941,569	\$ 1,869,466
Component unit:				
Jacksonville Tourism Development Authority	\$ 652,883	\$ -	\$ -	\$ -
Total component unit	\$ 652,883	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.

continued

City of Jacksonville, North Carolina
Statement of Activities
For the Year Ended June 30, 2020

	Net (Expense) Revenue and Changes in Net Position			Jacksonville
	Primary Government			Tourism
Functions/Programs	Governmental	Business-type	Total	Development
Primary Government	Activities	Activities		Authority
Governmental Activities:				
General government	\$ (2,793,117)	\$ -	\$ (2,793,117)	\$ -
Public works	(4,424,809)	-	(4,424,809)	-
Public safety	(24,310,202)	-	(24,310,202)	-
Economic and physical development	68,992	-	68,992	-
Cultural and recreational	(5,232,608)	-	(5,232,608)	-
Interest on long-term debt	(531,585)	-	(531,585)	-
Total governmental activities	(37,223,329)	-	(37,223,329)	-
Business-type Activities:				
Water and sewer	-	1,183,687	1,183,687	-
Solid waste	-	(1,158,325)	(1,158,325)	-
Stormwater/Water Quality	-	107,685	107,685	-
Total business-type activities	-	133,047	133,047	-
Total primary government	(37,223,329)	133,047	(37,090,282)	-
Component unit:				
Jacksonville Tourism Development Authority	-	-	-	(652,883)
Total component unit	-	-	-	(652,883)
General revenues:				
Taxes:				
Property taxes, levied for general purpose	23,506,811	-	23,506,811	-
Other taxes:				
Sales tax	13,320,978	-	13,320,978	-
E-911 surcharge	480,254	-	480,254	-
Utility Franchise tax	3,510,016	-	3,510,016	-
Beer and Wine tax	323,913	-	323,913	-
Gross receipts tax on short term vehicle leases	241,196	-	241,196	-
Occupancy Tax	-	-	-	1,093,041
Unrestricted investment earnings	652,385	490,130	1,142,515	9,448
Proceeds from insurance	998,579	-	998,579	-
Donated land & infrastructure	1,585,825	-	1,585,825	-
Miscellaneous	436,954	798,880	1,235,834	-
Total general revenues	45,056,911	1,289,010	46,345,921	1,102,489
Transfers:	(1,309,596)	1,309,596	-	-
Total general revenues and transfers	43,747,315	2,598,606	46,345,921	1,102,489
Change in net position	6,523,986	2,731,653	9,255,639	449,606
Net Position:				
Beginning of year, July 1	108,404,884	77,263,619	185,668,503	2,780,777
End of year, June 30	\$ 114,928,870	\$ 79,995,272	\$ 194,924,142	\$ 3,230,383

The accompanying notes are an integral part of the financial statements.

City of Jacksonville, North Carolina
Balance Sheet - Governmental Funds
June 30, 2020

	Major			Total Non-Major Funds	Total
	General	Capital Projects	Emergency Relief		
Assets					
Cash and cash equivalents	\$ 29,479,471	\$ 3,185,775	\$ 235,777	\$ 3,289,092	\$ 36,190,115
Restricted cash and cash equivalents	4,370,762	487,885	-	3,101,716	7,960,363
Taxes receivable (net)	342,282	-	-	-	342,282
Accounts receivable (net)	5,340,695	-	2,009,595	446,011	7,796,301
Interfund receivable	1,211,131	-	-	-	1,211,131
Inventories	90,151	-	-	-	90,151
Prepaid items	7,342	-	-	-	7,342
Notes receivable (net)	-	-	-	1,295,477	1,295,477
Total assets	<u>\$ 40,841,834</u>	<u>\$ 3,673,660</u>	<u>\$ 2,245,372</u>	<u>\$ 8,132,296</u>	<u>\$ 54,893,162</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 1,275,255	\$ 35,989	\$ 14,008	\$ 192,800	\$ 1,518,052
Interfund payable	-	43,204	1,212,179	30,687	1,286,070
Customer deposits	262,461	-	-	-	262,461
Total liabilities	<u>1,537,716</u>	<u>79,193</u>	<u>1,226,187</u>	<u>223,487</u>	<u>3,066,583</u>
Deferred inflows of resources	<u>314,727</u>	<u>-</u>	<u>-</u>	<u>46,390</u>	<u>361,117</u>
Fund balances:					
Non Spendable:					
Inventories	90,151	-	-	-	90,151
Compensating Balance	2,000,000	-	-	-	2,000,000
Prepaid items	7,342	-	-	-	7,342
Restricted:					
Stabilization by State Statute	5,166,452	633,831	-	-	5,800,283
Streets - Powell Bill	984,875	-	-	2,447,074	3,431,949
Public Safety	1,070,347	-	-	388,137	1,458,484
Community Development - Grants	-	-	-	1,548,522	1,548,522
Committed:					
LEO Special Separation Allowance	711,069	-	-	-	711,069
Public Safety	-	-	-	776,304	776,304
Economic Development	-	-	-	678,279	678,279
Capital Projects	-	2,960,636	-	1,825,584	4,786,220
Assigned:					
Subsequent year's expenditures	2,201,186	-	-	-	2,201,186
Unassigned:	26,757,969	-	1,019,185	198,519	27,975,673
Total fund balances	<u>38,989,391</u>	<u>3,594,467</u>	<u>1,019,185</u>	<u>7,862,419</u>	<u>51,465,462</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 40,841,834</u>	<u>\$ 3,673,660</u>	<u>\$ 2,245,372</u>	<u>\$ 8,132,296</u>	<u>\$ 54,893,162</u>

The accompanying notes are an integral part of the financial statements.

continued

City of Jacksonville, North Carolina
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2020

Total fund balances for governmental funds	\$ 51,465,462
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	87,781,683
Adjustment for assets attributable to internal service funds	(791,153)
Other long-term assets are not available to pay for current-period expenditures and therefore are:	
Deferred Inflows of Resources	308,087
Accrued interest on Property Taxes - Statement of Net Position	176,643
Pension and OPEB related deferrals includes contributions to the pension and OPEB plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position	5,615,820
Internal service funds are used to charge the costs of Technology, Insurance, Janitorial and Fleet Maintenance costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	6,073,991
Deferred charges related to debt refinancing are not financial resources and therefore are not reported in the funds	1,087,849
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	(22,566,052)
Adjustment for internal service funds installment purchases and compensated absences	671,728
Net pension liability	(11,911,250)
OPEB liability	(1,779,450)
Pension related deferrals	(488,555)
OPEB related deferrals	(428,469)
Other long-term liabilities (accrued interest) are not due and payable in the current period and therefore not reported in the funds	(287,464)
Total net position of governmental activities	<u>\$ 114,928,870</u>

The accompanying notes are an integral part of the financial statements.

City of Jacksonville, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2020

	General	Major Capital Projects	Emergency Relief	Total Non-Major Funds	Total
Revenues:					
Ad valorem taxes	\$ 23,511,557	\$ -	\$ -	\$ -	\$ 23,511,557
Other taxes and licenses	13,568,093	-	-	-	13,568,093
Unrestricted intergovernmental revenues	3,921,185	-	-	-	3,921,185
Restricted intergovernmental revenues	2,449,208	35,082	2,868,534	3,365,224	8,718,048
Permits and fees	680,034	-	-	-	680,034
Sales and services	725,493	-	-	-	725,493
Investment earnings	670,195	-	-	27,487	697,682
Miscellaneous	332,796	999,268	16,899	452,273	1,801,236
Total revenues	45,858,561	1,034,350	2,885,433	3,844,984	53,623,328
Expenditures:					
Current:					
General Government	5,041,833	331,074	-	-	5,372,907
Public Works	4,614,994	64,418	-	-	4,679,412
Public Safety	20,694,615	92,510	372,713	1,332,334	22,492,172
Cultural and Recreational	4,567,419	982,926	-	-	5,550,345
Economic and Physical Development	304,578	-	-	1,835,741	2,140,319
Capital outlay	1,273,476	-	-	871,663	2,145,139
Debt service:					
Principal retirement	2,768,182	-	-	-	2,768,182
Interest and fees	833,779	-	-	-	833,779
Total expenditures	40,098,876	1,470,928	372,713	4,039,738	45,982,255
Revenues over (under) expenditures	5,759,685	(436,578)	2,512,720	(194,754)	7,641,073
Other financing sources (uses):					
Proceeds from debt issuance	1,267,631	-	-	-	1,267,631
Sales of capital assets	124,890	-	-	-	124,890
Transfers in	1,020,404	719,834	200,000	3,229,947	5,170,185
Transfers (out)	(4,927,853)	-	-	(1,545,739)	(6,473,592)
Total other financing sources (uses)	(2,514,928)	719,834	200,000	1,684,208	89,114
Net change in fund balances	3,244,757	283,256	2,712,720	1,489,454	7,730,187
Fund balances:					
Beginning of year, July 1	35,744,634	3,311,211	(1,693,535)	6,372,965	43,735,275
End of year, June 30	\$ 38,989,391	\$ 3,594,467	\$ 1,019,185	\$ 7,862,419	\$ 51,465,462

The accompanying notes are an integral part of the financial statements.

continued

City of Jacksonville, North Carolina
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2020

Net change in fund balances - total governmental funds \$ 7,730,187

The changes in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Increase in purchased Capital Assets net of decrease in construction in progress	4,128,600
Adjustment for increases attributable to Internal Service Funds	(429,299)
Depreciation Expense	(8,307,647)
Adjustment for expense attributable to Internal Service Funds	516,954

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net position:

(Loss) on the Sale of Capital Assets	(40,893)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.

(Decrease) in Beer & Wine Tax	(845)
(Decrease) in Deferred Property Tax Revenue	25,953
(Decrease) in Accrued Interest on Taxes	(30,699)
Increase in Investment Interest	(35,096)
Increase in Accrual of FTA Grant	46,390
Amount of donated assets	1,585,825

The issuance of long-term liabilities (e.g., installment purchases) provides current financial resources to governmental funds, while the repayment of the principal of long-term liabilities consumes the current financial resources of governmental funds. Neither transaction has any effect on net position in the government-wide statements. This amount is the net effect of these differences in the treatment of long-term liabilities:

Accrued Interest on Long-Term Debt	15,621
Additions to Long-Term Liabilities	(2,434,891)
Adjustment for additions attributable to Internal Service Funds	387,622
Retirements of Long-Term Liabilities	4,061,824
Adjustment for retirements attributable to Internal Service Funds	(310,322)

Expenses in the Statement of Activities that do not require the use of current financial resources are not reported as expenses in the funds.

Pension Expense	(1,645,189)
OPEB Expense	62,018
Claims and Judgements	(8)
Deferred charge related to debt refinancing	(92,745)

Internal service funds are used to charge the costs of technology, janitorial, and fleet maintenance costs to individual funds. The net revenue of certain activities of the internal service funds are reported with the governmental activities

1,290,626

Changes in net position of governmental activities	<u><u>\$ 6,523,986</u></u>
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The accompanying notes are an integral part of the financial statements.

City of Jacksonville, North Carolina
General Fund Annually Budgeted Major Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget - Original	Budget - Final	Actual	Variance Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 23,444,831	\$ 23,444,831	\$ 23,511,557	\$ 66,726
Other taxes and licenses	11,975,288	11,975,288	13,568,093	1,592,805
Unrestricted intergovernmental revenues	4,034,500	4,034,500	3,921,185	(113,315)
Restricted intergovernmental revenues	2,518,040	2,565,663	2,449,208	(116,455)
Permits and fees	707,100	707,100	680,034	(27,066)
Sales and services	1,055,550	1,060,550	725,493	(335,057)
Investment earnings	609,440	647,685	670,195	22,510
Miscellaneous	252,780	348,656	332,796	(15,860)
Total revenues	<u>44,597,529</u>	<u>44,784,273</u>	<u>45,858,561</u>	<u>1,074,288</u>
Expenditures:				
Current:				
General Government	6,555,763	6,523,033	5,063,704	1,459,329
Public Works	6,016,933	6,158,979	4,905,006	1,253,973
Public Safety	22,954,556	23,159,815	21,345,874	1,813,941
Cultural and Recreational	5,478,901	5,578,352	4,877,753	700,599
Economic and Physical Development	306,252	319,349	304,578	14,771
Debt service:				
Principal retirement	2,807,560	2,807,560	2,768,182	39,378
Interest and fees	853,534	853,534	833,779	19,755
Total expenditures	<u>46,624,673</u>	<u>45,400,622</u>	<u>40,098,876</u>	<u>5,301,746</u>
Revenues over (under) expenditures	<u>(2,027,144)</u>	<u>(616,349)</u>	<u>5,759,685</u>	<u>6,376,034</u>
Other financing sources (uses):				
Proceeds from debt issuance	1,267,631	1,267,631	1,267,631	-
Appropriated fund balance	2,766,645	3,375,258	-	(3,375,258)
Sales of general capital assets	80,000	108,713	94,690	(14,023)
Sales of capital assets - Powell Bill	-	30,200	30,200	-
Transfers in	864,850	1,020,405	1,020,404	(1)
Transfers (out)	(4,603,156)	(5,185,858)	(4,927,853)	258,005
Total other financing sources (uses)	<u>2,027,144</u>	<u>616,349</u>	<u>(2,514,928)</u>	<u>(3,131,277)</u>
Excess of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>3,244,757</u>	<u>\$ 3,244,757</u>
Fund balances:				
Beginning of year, July 1			<u>35,744,634</u>	
End of year, June 30			<u>\$ 38,989,391</u>	

The accompanying notes are an integral part of the financial statements.

City of Jacksonville, North Carolina
Proprietary Funds
Statement of Net Position
June 30, 2020

	Enterprise Funds				
	Water and Sewer Fund	Solid Waste Fund	Stormwater/ Water Quality Fund	Total	Internal Service Funds
Assets					
Current Assets:					
Cash and cash equivalents	\$ 37,727,514	\$ 895,160	\$ 2,254,548	\$ 40,877,222	\$ 6,019,648
Accounts receivable (net)	2,756,884	402,075	235,338	3,394,297	46,758
Interfund receivables	437,049	-	-	437,049	-
Inventories	247,287	-	-	247,287	107,203
Prepaid items	3,465	-	-	3,465	76,663
Total Current Assets	<u>41,172,199</u>	<u>1,297,235</u>	<u>2,489,886</u>	<u>44,959,320</u>	<u>6,250,272</u>
Noncurrent Assets:					
Restricted cash and cash equivalents	1,319,552	403,563	110,006	1,833,121	265,444
Land and other non-depreciable assets	11,669,613	-	3,130,990	14,800,603	-
Other capital assets, net of depreciation	77,959,196	1,450,047	4,636,046	84,045,289	791,153
Total Noncurrent Assets	<u>90,948,361</u>	<u>1,853,610</u>	<u>7,877,042</u>	<u>100,679,013</u>	<u>1,056,597</u>
Total Assets	<u>132,120,560</u>	<u>3,150,845</u>	<u>10,366,928</u>	<u>145,638,333</u>	<u>7,306,869</u>
Deferred Outflows of Resources					
Deferred Change related to Debt Refinancing	1,464,634	-	-	1,464,634	-
Contributions to pension plan	767,473	328,917	197,471	1,293,861	-
OPEB deferrals	1,277	15,519	-	16,796	-
Total Deferred Outflows of Resources	<u>2,233,384</u>	<u>344,436</u>	<u>197,471</u>	<u>2,775,291</u>	<u>-</u>
Liabilities					
Current Liabilities:					
Accounts payable and accrued liabilities	832,000	249,555	106,382	1,187,937	561,150
Compensated absences payable - current	119,502	63,235	47,954	230,691	-
Interfund payable	-	-	362,110	362,110	-
Installment purchases payable - current	816,920	492,364	428,305	1,737,589	230,817
Loans payable - current	3,112,441	-	13,691	3,126,132	-
Bonds payable - current	1,855,000	-	-	1,855,000	-
Total Current Liabilities	<u>6,735,863</u>	<u>805,154</u>	<u>958,442</u>	<u>8,499,459</u>	<u>791,967</u>
Noncurrent Liabilities:					
Compensated absences payable - noncurrent	109,487	36,040	9,868	155,395	121,309
Customer deposits	1,054,848	-	-	1,054,848	-
Total other postemployment benefits liability	53,611	58,507	-	112,118	-
Net Pension Liability	1,312,027	562,297	337,585	2,211,909	-
Installment purchases payable - noncurrent	6,001,788	825,744	424,362	7,251,894	319,602
Loans payable - noncurrent	29,532,978	-	310,773	29,843,751	-
Bonds payable - noncurrent	19,175,000	-	-	19,175,000	-
Total Noncurrent Liabilities	<u>57,239,739</u>	<u>1,482,588</u>	<u>1,082,588</u>	<u>59,804,915</u>	<u>440,911</u>
Total Liabilities	<u>63,975,602</u>	<u>2,287,742</u>	<u>2,041,030</u>	<u>68,304,374</u>	<u>1,232,878</u>
Deferred Inflows of Resources					
Unearned Revenue	24,000	-	-	24,000	-
OPEB deferrals	10,807	14,701	-	25,508	-
Pension deferrals	38,241	16,389	9,840	64,470	-
Total Deferred Inflows of Resources	<u>73,048</u>	<u>31,090</u>	<u>9,840</u>	<u>113,978</u>	<u>-</u>
Net Position					
Net investment in Capital Assets	30,139,759	550,357	6,699,911	37,390,027	506,178
Restricted Public Works	314,475	-	-	314,475	-
Unrestricted	39,851,060	626,092	1,813,618	42,290,770	5,567,813
Total Net Position	<u>\$ 70,305,294</u>	<u>\$ 1,176,449</u>	<u>\$ 8,513,529</u>	<u>\$ 79,995,272</u>	<u>\$ 6,073,991</u>

The accompanying notes are an integral part of the financial statements.

City of Jacksonville, North Carolina
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2020

	Enterprise Funds			Internal Service Funds
	Water and Sewer Fund	Solid Waste Fund	Stormwater/ Water Quality Fund	Total
Operating revenues:				
Charges for services	\$ 24,167,324	\$ 4,837,998	\$ 3,062,251	\$ 32,067,573
Other operating revenue	-	-	-	-
Total operating revenues	24,167,324	4,837,998	3,062,251	32,067,573
Operating expenses:				
Solid Waste Fund	-	5,518,074	-	5,518,074
Stormwater/Water Quality	-	-	2,350,881	2,350,881
Water/Sewer Operations	7,774,741	-	-	7,774,741
Water Supply	2,285,572	-	-	2,285,572
Wastewater Treatment	2,576,839	-	-	2,576,839
Fleet Maintenance Operations	-	-	-	-
City Hall Maintenance Operations	-	-	-	-
Information Technology Services	-	-	-	-
Video/Media Services	-	-	-	-
Self Insurance	-	-	-	-
Depreciation	8,507,088	505,903	473,273	9,486,264
Total operating expenses	21,144,240	6,023,977	2,824,154	29,992,371
Operating income (loss)	3,023,084	(1,185,979)	238,097	2,075,202
Nonoperating revenues (expenses):				
Investment earnings	445,992	9,835	34,303	490,130
Gain (loss) on sale of capital assets	23,840	67,950	23,075	114,865
Restricted revenue	-	57,732	154,238	211,970
Tax rebate - Build America Bond interest	-	-	3,718	3,718
Miscellaneous revenue	558,482	1,556	120,259	680,297
Interest and other charges	(1,760,384)	(30,078)	(30,584)	(1,821,046)
Non-capitalized expenses-projects	(79,013)	-	(254,066)	(333,079)
Total nonoperating revenues (expenses)	(811,083)	106,995	50,943	(653,145)
Income (loss) before transfers	2,212,001	(1,078,984)	289,040	1,422,057
Transfers:				
Transfers in	587	1,643,132	-	1,643,719
Transfers (out)	(253,038)	-	(81,085)	(334,123)
Total transfers	(252,451)	1,643,132	(81,085)	1,309,596
Change in Net Position	1,959,550	564,148	207,955	2,731,653
Net Position:				
Beginning of year, July 1	68,345,744	612,301	8,305,574	77,263,619
End of year, June 30	\$ 70,305,294	\$ 1,176,449	\$ 8,513,529	\$ 79,995,272

The accompanying notes are an integral part of the financial statements.

City of Jacksonville, North Carolina
Combined Statement of Cash Flows
All Proprietary Fund Types
For the Fiscal Year Ended June 30, 2020

	Enterprise Funds				Internal Service Funds
	Water and Sewer Fund	Solid Waste Fund	Stormwater/ Water Quality Fund	Total	
Cash flows from operating activities:					
Cash received from customers	\$24,847,380	\$ 4,841,912	\$ 3,158,844	\$ 32,848,136	\$ -
Cash receipts from interfund services provided (used)	-	-	-	-	13,722,064
Cash payments for interfund services provided (used)	-	-	-	-	(11,963,221)
Cash paid for goods and services	(6,206,918)	(2,925,599)	(797,547)	(9,930,064)	-
Cash paid to employees	(6,276,617)	(2,421,183)	(1,762,927)	(10,460,727)	-
Customer deposits	20,116	-	-	20,116	-
Miscellaneous revenue	537,342	1,556	274,497	813,395	-
Net cash provided by (used in) operating activities	12,921,303	(503,314)	872,867	13,290,856	1,758,843
Cash flows from noncapital financing activities:					
Transfers in	587	1,643,132	-	1,643,719	-
Transfers (out)	(253,038)	-	(81,085)	(334,123)	(6,188)
Advances from other funds	-	-	251,090	251,090	-
Advances (to) other funds	4,326,142	240,000	-	4,566,142	-
Restricted Intergovernmental	-	57,732	-	57,732	-
Net cash provided by (used in) noncapital related financing activities	4,073,691	1,940,864	170,005	6,184,560	(6,188)
Cash flows from capital and related financing activities:					
Proceeds from debt issuance	615,266	388,646	368,051	1,371,963	327,635
Principal paid on long-term debt	(5,446,827)	(537,676)	(662,908)	(6,647,411)	(254,861)
Interest paid on long-term debt	(1,844,833)	(30,078)	(30,957)	(1,905,868)	(10,975)
Tax rebate - Build America Bond interest	-	-	3,718	3,718	-
Acquisition and construction of capital assets	(1,080,731)	(772,742)	(1,380,467)	(3,233,940)	(429,299)
Proceeds from sale of capital assets	29,962	67,950	23,075	120,987	440
Net cash (used in) capital and related financing activities	(7,727,163)	(883,900)	(1,679,488)	(10,290,551)	(367,060)
Cash flows from investing activities:					
Investment earnings	432,178	9,835	34,219	476,232	48,482
Net cash provided by investing activities	432,178	9,835	34,219	476,232	48,482
Net increase (decrease) in cash and cash equivalents	9,700,009	563,485	(602,397)	9,661,097	1,434,077
Cash and cash equivalents, July 1	29,347,057	735,238	2,966,951	33,049,246	4,851,015
Cash and cash equivalents, June 30	\$39,047,066	\$ 1,298,723	\$ 2,364,554	\$ 42,710,343	\$ 6,285,092

Reconciliation to Exhibit F	Enterprise Funds	Internal Service Funds
Cash and cash equivalents	\$ 40,877,222	\$ 6,019,648
Restricted cash and cash equivalents	1,833,121	265,444
	<u>\$ 42,710,343</u>	<u>\$ 6,285,092</u>

The accompanying notes are an integral part of the financial statements.

continued

City of Jacksonville, North Carolina
Combined Statement of Cash Flows
All Proprietary Fund Types
For the Fiscal Year Ended June 30, 2020

	Enterprise Funds				Internal Service Funds
	Water and Sewer Fund	Solid Waste Fund	Stormwater/ Water Quality Fund	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Operating income (loss)	\$ 3,023,084	\$ (1,185,979)	\$ 238,097	\$ 2,075,202	\$ 1,258,867
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	8,507,088	505,903	473,273	9,486,264	516,954
Pension (income) expense	-	130,338	63,826	194,164	-
Miscellaneous revenue	537,342	1,556	274,497	813,395	-
Non-capitalized expenses-projects	-	-	(254,066)	(254,066)	-
Bad debt expense	53,674	8,316	4,173	66,163	-
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	746,210	3,914	96,593	846,717	115,589
(Increase) decrease in inventories	(14,815)	-	-	(14,815)	1,215
(Increase) decrease in prepaid items	(2,792)	-	-	(2,792)	(563)
(Increase) decrease in deferred outflows - pensions	173,838	(71,311)	-	102,527	-
(Increase) decrease in deferred outflows - OPEB	11,813	(2,429)	-	9,384	-
Increase (decrease) in accounts payable and accrued liabilities	(148,905)	35,849	(28,879)	(141,935)	(137,749)
Increase (decrease) in accrued compensated absences	23,931	(1,146)	5,353	28,138	4,530
(Increase) decrease in deferred inflows - pensions	(52,944)	10,279	-	(42,665)	-
(Increase) decrease in deferred inflows - OPEB	(5,802)	(1,907)	-	(7,709)	-
(Increase) decrease in deferred inflows - Unearned revenue	(66,154)	-	-	(66,154)	-
(Increase) decrease in OPEB liability	-	4,897	-	4,897	-
Increase (decrease) in net pension liability	115,619	58,406	-	174,025	-
Increase (decrease) in customer deposits	20,116	-	-	20,116	-
Total adjustments	9,898,219	682,665	634,770	11,215,654	499,976
Net cash provided by (used in) operating activities	<u>\$12,921,303</u>	<u>\$ (503,314)</u>	<u>\$ 872,867</u>	<u>\$ 13,290,856</u>	<u>\$ 1,758,843</u>
Noncash investing, capital, and financing activities:					
Gail (loss) on noncash disposal of capital assets	(6,122)	-	-	(6,122)	-
Amortization of deferral related to refunded debt	151,200	-	-	151,200	-
Amortization of debt premium	62,036	-	-	62,036	-
Capital contributed by developers	21,140	-	-	21,140	-
Donated/Transferred asset	-	-	-	-	-
Total noncash investing, capital, and financing activities	<u>\$ 228,254</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,254</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.



City of Jacksonville, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2020

Note 1. Summary of Significant Accounting Policies

The financial statements of the City of Jacksonville and its discretely presented component unit have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City of Jacksonville is a municipal corporation governed by an elected Mayor and a six-member Council. The accompanying financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. The discretely presented component unit presented below is reported in a separate column in the City's financial statements in order to emphasize that it is legally separate from the City.

Jacksonville Tourism Development Authority

The Jacksonville Tourism Development Authority's (Authority) governing board is appointed by the City Council of the City of Jacksonville. Each month, the City of Jacksonville collects the room occupancy tax on behalf of the Authority and remits the amounts collected to the Authority. The Authority, which has a June 30 year-end, is presented as if it was a governmental fund (discrete presentation). Complete financial statements for the Authority may be obtained from the offices of the Jacksonville Tourism Development Authority at 815 New Bridge Street, Jacksonville, North Carolina 28540.

B. Basis of Presentation

Government-wide and Fund Financial Statements

The Government-wide Financial Statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the proprietary functions and various other functions of the government. Governmental activities, which normally are supported by taxes, intergovernmental revenue and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or

privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly classified as program revenues are reported as general revenues.

Separate Fund Financial Statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported in separate columns in the Fund Financial Statements. All remaining governmental funds are aggregated and reported as non-major funds.

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

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements and summarized below by fund types: governmental and proprietary.

Governmental Funds are used to account for the City's general governmental activities. The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes and state-shared revenues. The primary expenditures are for public safety, parks and recreation, streets and highways, and general government services.

Emergency Relief Fund – The Emergency Relief Fund accounts for the emergency relief efforts of the City. The primary revenue source will come as reimbursements from Federal and State Emergency Management Agencies while the primary expenditures are for debris removal and cleanup within the City. The Emergency Relief Fund does not meet the criteria for a major fund, it is being treated as major this year to be consistent with prior years.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or fiduciary funds). The City has 26 Capital Projects within the Major Capital Projects Fund: Police/Fire Facility, Freedom Fountain, Richard Ray Park Garden Improvements, Sturgeon City Environmental Education Center, Jacksonville Landing Park, Median Improvement Western, Richard Ray Amphitheater, Northeast Creek Restroom and Shelter, Downtown Rails to Trails Extension, Jacksonville Marina, Northeast Creek Bulkhead and Boardwalk, Beirut Memorial Grove Sign, Sturgeon City Asbestos, Kerr St. Recreation Center Renovation, Wayfinding Signs with TDA, Barn Street Recreation Center, Gateway Signs, Sturgeon City Boardwalk Rehabilitation, Piney Green Landscaping Improvements, Jack Ameyette Recreation Center Repairs, Train Depot Repairs, Jacksonville YMCA, City Hall HVAC System Capital Project, Fire Station #3 Remodel, Vehicle Wash Facility, and ADA Phase I Implementation Capital Project. Although the Capital Projects Fund does not meet the criteria for a major fund this year, it is being treated as major to maintain consistency with prior years.

Proprietary Funds are used to account for the City's business-like activities. The City reports the following major funds:

Water and Sewer Fund - The Water and Sewer Fund accounts for the water and sewer activities of the City. The Water Capital Projects Fund, the Sewer Capital Projects Fund and the Water/Sewer Capital Reserve Fund are consolidated with the Water and Sewer Fund (the operating fund) for financial reporting purposes.

Solid Waste Fund - The Solid Waste Fund accounts for the solid waste collection activities of the City.

Stormwater/Water Quality Fund - The Stormwater/Water Quality Fund accounts for funds used in the construction of facilities to manage stormwater runoff and maintain stormwater drainage ditches. The Stormwater/Water Quality Capital Project Fund is consolidated with the Stormwater/Water Quality Fund (the operating fund) for financial reporting purposes. Although the Stormwater/Water Quality Fund does not meet the criteria for a major fund, it is being treated as major this year to be consistent with prior years.

Additionally, the government reports the following fund types:

Internal Service Funds - The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis. The City of Jacksonville has five Internal Service Funds: the Fleet Maintenance Fund, the City Hall Maintenance Fund, the Information Technology Services Fund, the Video/Media Services Fund, and the Self Insurance Fund. The Information Technology Services Capital Project Fund is consolidated with the Information Technology Services Fund for financial reporting purposes. The Internal Service Funds are accounted for in the governmental activities in the government-wide financial statements and individual fund data is provided in the Internal Service Funds Section of the report.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Fund and Fiduciary Fund Financial Statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. Property taxes are recognized as revenues in the year for which they are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

Governmental Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except property taxes for which a 60-day criteria is used. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Compensated absences and principal and interest on long-term debt are recorded as fund liabilities: 1) when due, and 2) for payments made early in the following year. General capital asset acquisitions are reported as expenditures in governmental funds. General long-term debt issues are reported as other financing sources. Depreciation of capital assets is not recognized as an expenditure.

Ad valorem property tax receivable is not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. 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 all 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.

Those revenues susceptible to accrual are sales taxes collected and held by the State at year-end on behalf of the City, utility sales and services and investment earnings. Sales taxes are considered a shared revenue for the City of Jacksonville because the tax is levied by Onslow County and then remitted to and distributed by the State. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied. Other intergovernmental revenues are not susceptible to accrual because generally they are not measurable and available until received in cash.

Grant revenues which are unearned at year-end are recorded as deferred inflows of resources. 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 in accordance with grant guidelines which vary by funding source, followed by categorical block grants, and then general revenues.

The City reports deferred inflows on its balance sheet for governmental funds. Deferred inflows arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows also arise when resources are received by the City 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 inflow is removed from the combined balance sheet and revenue is recognized.

D. Budgetary Data

The City and the Authority's budgets are adopted as required by North Carolina General Statutes. An annual budget ordinance is adopted for the General Fund and operating Enterprise Funds. All annual appropriations lapse at fiscal year-end. Grant project ordinances are adopted for the Non-Major Governmental Funds and project ordinances are adopted for the Capital Reserve Fund and Major Capital Project Funds. The City's Internal Service Funds operate under a Council-adopted financial plan and not a budget ordinance. All budgets are prepared using the modified accrual basis of accounting, which is consistent with the accounting method used to record transactions.

Expenditures may not legally exceed appropriations at the functional level for the General Fund, Non-Major Governmental Funds, Enterprise Funds, and at the fund level for the Capital Reserve Fund and Capital Project Funds. A function is a group of related activities aimed at accomplishing a major service, such as public safety. The balances in the Capital Reserve Capital Project Fund will be appropriated and transferred to another Capital Project Fund in accordance with the project ordinance adopted for the reserve fund. The City Manager is authorized by the budget ordinance to transfer appropriations up to \$5,000; however, any revisions that exceed \$5,000 at the functional level of the General Fund, Non-Major Governmental Fund, Enterprise Funds and the fund level for the Capital Project Funds or revisions that alter total expenditures of any fund must be approved by the City Council. During the year, several amendments to the original budget became necessary, the effects of which were not material.

A budget calendar is included in State law that prescribes the last day on which certain steps of the budget procedures are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed.

- | | |
|----------|---|
| April 30 | Each department head will transmit to the budget officer the departmental budget requests and revenue estimates for the budget year. |
| June 1 | The budget and the budget message shall be submitted to the governing board. The public hearing on the budget should be scheduled at this time. |
| July 1 | The budget ordinance shall be adopted by the governing board. |

As required by State law, the City's Internal Service Funds operate under a financial plan that was adopted by the governing board at the time the City's budget ordinance was approved. The financial plan also was entered into the minutes of the governing board.

E. Deposits and Investments

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

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

F. Cash and Cash Equivalents

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

G. Restricted Assets

The unexpended Powell Bill and E-911 revenue are classified as restricted assets in governmental funds because the use is restricted by State law. Also, State and Federal Drug Enforcement assets are recorded as restricted assets since their use is restricted by law.

The unexpended debt proceeds in any fund are classified as restricted assets because their use is completely restricted to the purpose for which the notes were originally issued.

Also included in restricted assets are a zero-interest Certificate of Deposit held, as a compensating balance in lieu of monthly fees, by the City's primary banking institution and sureties held for developers who have not completed infrastructure improvements in subdivisions that are under construction. In addition, there are restricted grant funds included.

The detail of these balances is as follows:

Governmental Activities:

General Fund	Powell Bill (Streets)	\$ 984,875
	Unexpended Debt Proceeds	1,119,711
	Compensating Balance	2,000,000
	Customer Deposits	262,461
	Other	3,715
Capital Project Fund		
	Unexpended Debt Proceeds	487,885
Non-Major Governmental Funds		
	Powell Bill (Streets)	2,451,949
	E-911	72,350
	Drug Enforcement Assets	281,307
	Economic Development	296,110
Non-Major Internal Service Funds		
	Unexpended Debt Proceeds	265,444
Total Governmental Activities		<u>\$ 8,225,807</u>
Business-Type Activities:		
Water/Sewer Fund		
	Unexpended Debt Proceeds	\$ 1,001,601
	Powell Bill (Streets)	317,951
Solid Waste Fund		
	Unexpended Debt Proceeds	403,563
Stormwater Fund		
	Unexpended Debt Proceeds	110,006
Total Business-type Activities		<u>\$ 1,833,121</u>
Total Restricted		<u><u>\$ 10,058,928</u></u>

H. Ad Valorem Taxes Receivable and Deferred Inflows

In accordance with State law [G.S. 105-347 and 159-13(a)], the City levies ad valorem taxes, except for ad valorem taxes on certain vehicles, on July 1, the beginning of the fiscal year. These taxes are due on September 1, the lien date; however, no interest or penalties are assessed until the following January 6. The current year's tax levy is based on the assessed values as of January 1, 2019.

Privilege licenses collected prior to the fiscal year to which they apply are recorded as deferred inflows.

I. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts at their net realizable value. This amount is estimated by analyzing the debtor's ability to pay and the percentage of receivables that were written off in prior years.

J. Inventory

The inventories of the City's General Fund are valued at cost, using the first-in, first-out (FIFO) method, which approximates market. The inventory of the General Fund consists of fuel held for consumption and repair parts. The cost is recorded as an expenditure when the inventory is consumed. The General Fund inventory reported on the Governmental Funds Balance Sheet is offset by a non-spendable fund balance that indicates it does not constitute a resource available for appropriation even though it is a component of net current assets.

The inventories of the Enterprise Funds and Internal Service Funds are valued at cost, using the first-in, first-out (FIFO) method, which approximates market. The inventory consists of materials and supplies held for subsequent use. The cost is recorded as an expense when the inventory is consumed, rather than when purchased.

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

K. Capital Assets

Capital assets, which include land, buildings, equipment, infrastructure assets (e.g., roads, bridges, traffic signals, and similar items), and intangibles (e.g., software and land rights), are reported in the applicable governmental or business-type activities columns in the Government-wide Financial Statements and in the proprietary fund types in the Fund Financial Statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (\$100,000 for infrastructure, land rights and easements) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received prior to June 30, 2015 are recorded at estimated fair market value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value.

General infrastructure assets acquired prior to July 1, 2003, consist of the road networks that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported at estimated historical cost using the deflated replacements method.

The cost of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's useful life are not capitalized.

Costs associated with construction in progress are recorded in their respective capital asset category upon approval by the City Council, which approximates the completion date.

Depreciation is charged to operations using the straight-line method based on the estimated useful life of an asset. The term depreciation includes amortization of intangible assets. The estimated useful lives of depreciable assets are as follows:

Buildings and Other Structures	20 years
Improvements Other Than Buildings	20 years
Equipment	3 to 5 years
Software	3 years
Heavy Equipment	5 years
Vehicles	3 to 5 years
Infrastructure	20 years

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The City has three items that meet this criterion – charges related to debt refinancing, contributions made to the pension plan and other post-employment benefits in the 2020 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as a revenue until then. The City has several items that met the criterion for this category – prepaid taxes, property taxes receivable, deferrals of pension and other post-employment benefits expense that result from the implementation of GASB Statement 68 and GASB Statement 75. Details of the City's Deferred Inflows and Deferred Outflows can be found in Note 11.

M. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (short-term interfund loans) or "advances to/from other funds" (long-term interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-wide Financial Statements as "internal balances."

Advances between funds, as reported in the Governmental Funds Fund Financial Statements, are offset by a restricted fund balance account in the applicable governmental fund to indicate that they are not available for appropriation and are not expendable available financial resources.

N. Interfund Transfers

The General Fund provides the basis of local resources for other governmental funds. These transactions are recorded as "Transfers (out)" in the General Fund and "Transfers in" in the receiving fund in the Fund Financial Statements.

O. Long-Term Obligations

In the Government-wide Financial Statements and proprietary fund types in the Fund Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method or the straight line 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 are expensed over the life of the debt.

In the Fund Financial Statements, governmental fund types recognize bond premiums, discounts, and 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.

P. 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's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The City has assumed a FIFO 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 City's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the City has no obligation for the accumulated sick leave until it is taken, no accrual for sick leave has been made.

Q. 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 Funds 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.

Prepaids and inventories - Portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories or prepaids, which are not spendable resources.

Compensating Balance - Portion of fund balance that is not an available resource as it is contractually required to remain intact as part of an agreement for banking services in lieu of fees.

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, in addition to reserves for encumbrances, which is not available for appropriation under State Statute [F.S. 159-8(a)]. This amount is usually comprised of accounts receivable and interfund receivables, which have not been offset by deferred inflows.

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

Restricted for Capital Projects - Portion of fund balance that is restricted by third party contractual arrangements and encumbrances for the construction of specific assets of the City.

Restricted for Public Safety - Portion of fund balance that is restricted by revenue source for public safety expenditures including drug enforcement, school patrols and other elements of public safety.

Restricted for Community Development - Portion of fund balance that is restricted by revenue source for community development activities of the City.

Committed Fund Balance - The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that 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 LEO pension obligation - Portion of fund balance that will be used for the Law Enforcement Officers' Special Separation Allowance obligations.

Committed for Public Safety – Portion of fund balance that will be used to fund various public safety projects, most of which are matching funds for grants.

Committed for Economic Development – Portion of fund balance that will be used as matching funds for various transit grant funded projects.

Committed for Capital Projects - Portion of fund balance committed by the City Council for the construction of specific assets held in the capital project funds and capital reserve fund.

Assigned Fund Balance - Portion of fund balance that the City intends to use for specific purposes.

Assigned for Subsequent year's expenditures - Portion of fund balance that is appropriated in the next year's budget, not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the manager to modify the appropriations by resource or appropriation in certain circumstances.

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

The City of Jacksonville has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy; bond proceeds, federal funds, State funds, local non-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 unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the City. The City has not adopted a minimum fund balance policy.

R. Pensions

The City participates in two cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LERS), and the Law Enforcement Officers' Special Separation Allowance (LEOSA). 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 of Jacksonville's employer contributions are recognized when due and the City of Jacksonville 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.

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

Note 2. Deposits and Investments

Deposits

All the City's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage are collateralized with securities held by the City's agents in the City's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agents in the City's name. The amount of the pledged collateral is based on an approved averaging method for noninterest-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 with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the City under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The City has no policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly collateralized.

At June 30, 2020, the city's deposits had a book balance of \$6,599,933, which includes a \$2,000,000 compensating balance, while the bank balance was \$7,057,205. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$6,554,447 in deposits was covered by collateral held under the Pooling Method (State Treasurer). The carrying

amount of deposits for the Tourism and Development Authority was \$4,150 and the bank balance was \$4,150. The entire bank balance was covered by federal depository insurance. At June 30, 2020, the City's petty cash fund totaled \$7,849.

Investments

At June 30, 2020, the City had the following investments:

Investment Type	Valuation Measurement Method	Fair Value	Less than 6 Months	6-12 Months
Commercial Paper	Fair Value Level 2	\$ 15,400,978	-	\$ 15,400,978
NCCMT- Government Portfolio	Amortized Cost	62,390,357	N/A	N/A
NCCMT- Term Portfolio	Fair Value Level 1	5,358,583	N/A	N/A
Other Investments in NCCMT - Government Portfolio	Fair Value Level 1	3,388,212	N/A	N/A
JTDA NCCMT - Government Portfolio	Amortized Cost	3,157,026	N/A	N/A
Total		<u>\$ 89,695,156</u>	<u>\$ -</u>	<u>\$ 15,400,978</u>

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. Fair Value Level 1 indicates that debt securities are valued by using directly observable, quoted prices (unadjusted) in active markets for identical assets.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the maturities of investments in Treasuries, Agencies and Instrumentalities not to exceed five years from settlement date. All other investments will have final maturities of no more than three years, except for specific reserves or projects approved by City Council.

Credit Risk. The City's investment policy follows State law (North Carolina General Statute 159-30) for allowable investment types. The City's investment in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2020. The City's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the U.S. Government and agencies, and in high grade money market instruments as permitted under North Carolina General Statute 159-30 as amended.

Concentration of Credit Risk. The City's investment policy limits that, with the exception of US Treasuries and the NC Capital Management Trust, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution. This year at June 30, the City's investments are made up of 18.52% Commercial Paper and 81.48% with the North Carolina Capital Management Trust.

At June 30, 2020, the Jacksonville Tourism Development Authority had \$3,157,026 invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAM by Standard and Poor's. The Authority has no policy regarding credit risk.

Note 3. Receivables

Receivables are presented net of allowance for uncollectibles in the accompanying financial statements. The receivables and applicable allowances for uncollectibles are as follows:

Activities	Gross Receivables	Allowance	Net Receivables
Governmental			
General			
Taxes receivable	\$ 964,043	\$ 621,761	\$ 342,282
Accrued interest on taxes	353,286	176,643	176,643
Accounts receivable	5,372,653	31,958	5,340,695
Major Funds			
Accounts receivable	2,009,595	-	2,009,595
Non-Major Funds			
Accounts receivable	446,011	-	446,011
Notes receivable	1,295,477	-	1,295,477
Internal Service Fund	46,758	-	46,758
Total Governmental Activities	<u>10,487,823</u>	<u>830,362</u>	<u>9,657,461</u>
Business-Type			
Water/Sewer	3,005,016	248,132	2,756,884
Solid Waste	431,775	29,700	402,075
Stormwater	253,511	18,173	235,338
Total Business-Type Activities	<u>3,690,302</u>	<u>296,005</u>	<u>3,394,297</u>
Discretely Presented			
Component Unit	<u>93,615</u>	<u>-</u>	<u>93,615</u>
Total Discrete Units	<u>93,615</u>	<u>-</u>	<u>93,615</u>
	<u>\$ 14,271,740</u>	<u>\$ 1,126,367</u>	<u>\$ 13,145,373</u>

The allowance for doubtful accounts in the General Fund accounts receivable decreased due to the write off of an uncollectable claim against a former employee. In May 2007, the City received payment of \$96,559 from the Execution Sale of property that the former employee was discovered to own in Gaston County; however, the probability of recovering any further funds was remote. After consultation with our Auditors, in March 2020, the debt of \$1,800,339 was deemed uncollectible and written off.

Gross notes receivable as of June 30, 2020, of \$1,295,477 consists of low interest or interest free loans to homeowners and others. These loans range from a five-year term to a thirty-year term with various loans being deferred, forgiven or repaid and were originally funded by Federal Grants.

Note 4. Capital assets

Capital asset activity for the year ended June 30, 2020, was as follows:

Primary Government

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 12,139,030	\$ 72,760	\$ -	\$ 12,211,790
Land Rights	3,370,644	237,870	-	3,608,514.08
Construction in progress	2,448,082	394,280	(1,138,597)	1,703,764.52
Total capital assets not being depreciated	17,957,756	704,910	(1,138,597)	17,524,069
Capital assets being depreciated:				
Buildings	58,597,977	1,467,266	(17,177)	60,048,066
Improvements other than buildings	20,208,704	992,616	-	21,201,320
Equipment	13,169,780	834,484	(503,152)	13,501,112
Software	1,757,081	18,476	(24,480)	1,751,077
Heavy equipment	867,837	345,554	(196,509)	1,016,882
Vehicles	13,501,618	668,717	(518,935)	13,651,400
Infrastructure	56,480,842	1,839,603	-	58,320,445
Total capital assets being depreciated	164,583,839	6,166,716	(1,260,253)	169,490,302
Less accumulated depreciation for:				
Buildings	(25,438,025)	(2,557,229)	4,724	(27,990,530)
Improvements other than buildings	(8,596,379)	(1,016,894)	-	(9,613,273)
Equipment	(11,438,180)	(962,407)	486,548	(11,914,039)
Software	(1,669,619)	(71,834)	24,480	(1,716,973)
Heavy equipment	(559,896)	(148,272)	196,509	(511,659)
Vehicles	(10,374,411)	(1,200,204)	507,099	(11,067,516)
Infrastructure	(34,049,287)	(2,369,411)	-	(36,418,698)
Total accumulated depreciation	(92,125,797)	\$ (8,326,251)	\$ 1,219,360	(99,232,688)
Total capital assets being depreciated, net	72,458,042			70,257,614
Governmental activity capital assets, net	\$ 90,415,798			\$ 87,781,683

Reconciliation of Governmental Activities Increases:

Total capital assets not being depreciated	\$ 704,910
Total capital assets being depreciated	6,166,716
	<u>\$ 6,871,626</u>
General Fund	\$ 1,273,476
Non-Major Governmental	871,663
Major Capital	2,609,524
Internal Service	429,299
Transfer from Water and Sewer	18,608
Major Emergency Relief Fund	83,233
Donated infrastructure & Trade In-Values	1,585,823
	<u>\$ 6,871,626</u>

Capital Assets (continued)

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Water/Sewer Fund				
Capital assets not being depreciated:				
Land	\$ 5,216,650	\$ -	\$ -	\$ 5,216,650
Land Rights	70,887	-	-	70,887
Construction in progress	6,100,065	404,470	(122,459)	6,382,076
Total capital assets not being depreciated	11,387,602	404,470	(122,459)	11,669,613
Capital assets being depreciated:				
Buildings	114,728,721	163,236	-	114,891,957
Improvements other than buildings	132,950,023	270,763	-	133,220,786
Equipment	5,766,676	70,746	(37,505)	5,799,917
Software	104,400	15,740	-	120,140
Heavy Equipment	990,098	93,700	(53,000)	1,030,798
Vehicles	2,933,731	126,661	(70,167)	2,990,225
Total capital assets being depreciated	257,473,649	740,846	(160,672)	258,053,823
Less accumulated depreciation for:				
Buildings	(87,271,232)	(2,701,562)	-	(89,972,794)
Improvements other than buildings	(76,175,518)	(5,279,768)	-	(81,455,286)
Equipment	(5,370,576)	(151,359)	36,033	(5,485,902)
Software	(104,400)	(2,623)	-	(107,023)
Heavy Equipment	(764,090)	(68,607)	53,000	(779,697)
Vehicles	(2,056,274)	(303,168)	65,517	(2,293,925)
Total accumulated depreciation	(171,742,090)	\$ (8,507,087)	\$ 154,550	(180,094,627)
Total capital assets being depreciated, net	85,731,559			77,959,196
Business-type activities capital assets, net	\$ 97,119,161			\$ 89,628,809

Reconciliation of Business-Type Activities Increases:

Total capital assets not being depreciated	\$ 404,470
Total capital assets being depreciated	740,846
	<u>\$ 1,145,316</u>
Water and Sewer Fund	\$ 424,943
Water Capital Projects	363,879
Sewer Capital Projects	356,494
Transfers from Primary Government	-
Transfer from Stormwater/Water Quality Fund	-
	<u>\$ 1,145,316</u>

Capital Assets (continued)

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Solid Waste Fund				
Capital assets being depreciated:				
Buildings	\$ 40,984	\$ -	\$ -	\$ 40,984
Equipment	\$ -	5,410	-	5,410
Vehicles	\$ 5,796,364	767,332	(563,374)	6,000,322
Total capital assets being depreciated	<u>5,837,348</u>	<u>772,742</u>	<u>(563,374)</u>	<u>6,046,716</u>
Less accumulated depreciation for:				
Buildings	(40,983.58)	-	-	(40,984)
Equipment	-	(541)	-	(541)
Vehicles	(4,613,155.92)	(505,362)	563,374	(4,555,144)
Total accumulated depreciation	<u>(4,654,140)</u>	<u>\$ (505,903)</u>	<u>\$ 563,374</u>	<u>(4,596,669)</u>
Total capital assets being depreciated, net	<u>1,183,209</u>			<u>1,450,047</u>
Business-type activities capital assets, net	<u>\$ 1,183,209</u>			<u>\$ 1,450,047</u>
Reconciliation of Business-Type Activities Increases:				
Total capital assets being depreciated	<u>\$ 772,742</u>			
	<u>\$ 772,742</u>			
Solid Waste Fund	<u>\$ 772,742</u>			
	<u>\$ 772,742</u>			

Capital Assets (continued)

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Stormwater/Water Quality Fund				
Capital assets not being depreciated:				
Land	\$ 47,582	\$ 27,983	\$ -	\$ 75,565
Land Rights	2,970,790	-	-	2,970,790
Construction in progress	120,820	84,635	(120,820)	84,635
Total capital assets not being depreciated	<u>3,139,192</u>	<u>112,618</u>	<u>(120,820)</u>	<u>3,130,990</u>
Capital assets being depreciated:				
Buildings	-	-	-	-
Infrastructure	4,945,525	1,130,623	-	6,076,148
Improvements other than buildings	45,308	-	-	45,308
Equipment	411,122	23,163	-	434,285
Heavy Equipment	375,969	-	(37,453)	338,516
Vehicles	1,598,878	244,106	(154,956)	1,688,028
Total capital assets being depreciated	<u>7,376,802</u>	<u>1,397,892</u>	<u>(192,409)</u>	<u>8,582,285</u>
Less accumulated depreciation for:				
Buildings	-	-	-	-
Infrastructure	(1,804,057)	(275,542)	-	(2,079,599)
Improvements other than buildings	(28,559)	(2,265)	-	(30,825)
Equipment	(339,951)	(46,246)	-	(386,197)
Heavy Equipment	(336,924)	(11,156)	37,453	(310,627)
Vehicles	(1,146,659)	(147,288)	154,956	(1,138,991)
Total accumulated depreciation	<u>(3,656,150)</u>	<u>\$ (482,497)</u>	<u>\$ 192,409</u>	<u>(3,946,239)</u>
Total capital assets being depreciated, net	<u>3,720,652</u>			<u>4,636,046</u>
Business-type activities capital assets, net	<u>\$ 6,859,844</u>			<u>\$ 7,767,036</u>

Reconciliation of Business-Type Activities Increases:

Total capital assets not being depreciated	\$ 112,618	
Total capital assets being depreciated	<u>\$ 1,397,892</u>	
	<u>\$ 1,510,510</u>	
Stormwater/Water Quality Fund	\$ 165,208	\$ -
Stormwater Capital Projects	\$ 1,336,078	
Transfers from Primary Government	<u>\$ 9,224</u>	
	<u>\$ 1,510,510</u>	

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

Governmental activities:	
General government	\$ 1,165,693
Public Works	2,642,128
Public Safety	2,806,663
Cultural and Recreational	1,105,870
Economic Development	70,336
Internal Service Funds	516,953
Total depreciation expense - governmental activities	<u>\$ 8,307,643</u>

Reconciliation of depreciation:	
Depreciation expense	\$ 8,307,643
Transfer of vehicles to General Fund	18,608
Total depreciation - governmental activities	<u>\$ 8,326,251</u>

Business-type activities:	
Water and Sewer Fund	\$ 8,507,088
Solid Waste Fund	505,903
Stormwater/Water Quality Fund	473,273
Total depreciation expense - business-type activities	<u>\$ 9,486,264</u>

Reconciliation of depreciation:	
Depreciation expense	\$ 9,486,264
Transfer of Equipment to Stormwater/Water Quality Fund	9,224
	<u>\$ 9,495,488</u>

Construction Commitments

As of June 30, 2020 the City has active construction projects. The City's commitments with contractors at June 30, 2020, are as follows:

Project	Spent to Date	Remaining Commitment
Water and Sewer	354,747	208,037
Street/Storm Water	-	94,749
Recreation & Parks	15,825	14,925
Transit	-	8,990,973
Capital Projects	1,041,819	138,463
Total	\$ 1,412,391	\$ 9,447,147

Note 5. Pension Plan Obligations

A. Local Governmental Employees' Retirement System

Plan Description. The City of Jacksonville is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the 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.

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

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible 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 Jacksonville employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City of Jacksonville's contractually required contribution rate for the year ended June 30, 2020 was 9.70% of compensation for law enforcement officers and 8.95% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits

earned by employees during the year. Contributions to the pension plan from the City of Jacksonville were \$2,343,965 for the year ended June 30, 2020.

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, 2020, the City reported a liability of \$10,355,383 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 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, 2019, the City's proportion was 0.37919%, which was a decrease of 0.01089% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized pension expense of \$4,429,988. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,773,104	\$ -
Changes of assumptions	1,687,756	-
Net difference between projected and actual earnings on pension plan investments	252,582	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	301,826
City contributions subsequent to the measurement date	2,343,965	-
	<u>\$ 6,057,407</u>	<u>\$ 301,826</u>

\$2,343,965 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, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:

2021	\$ 1,725,707
2022	464,045
2023	954,917
2024	266,947
Thereafter	-
	<u>\$ 3,411,616</u>

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 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, 2018 valuation were based on the results of an actuarial experience review 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 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, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	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%
	<u>100.0%</u>	

The information above is based on 30 year expectations developed with the consulting actuary and is part of the 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 3.05%. 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:

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
City's proportionate share of the net pension liability (asset)	\$ 23,684,655	\$ 10,355,383	\$ (723,942)

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.

B. Law Enforcement Officers' Special Separation Allowance

Plan Description.

The City of Jacksonville 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 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time City law enforcement officers are covered by the Separation Allowance. At December 31, 2018, the Separation Allowance's membership consisted of:

Retirees receiving benefits	18
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	123
Total	<u>141</u>

Summary of Significant Accounting Policies:

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

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

- Contributions to the pension plan and earnings on those contributions are irrevocable
- Pension plan assets are dedicated to providing benefits to plan members
- Pension plan assets are legally protected from the creditors or employers, non-employer contributing entities, the plan administrator, and plan members.

Actuarial Assumptions.

The entry age normal actuarial cost method was used in the December 31, 2018 valuation. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.26 percent
Salary increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount rate	2.5 percent

The discount rates are based on the weekly average of the Bond buyer General Obligation 20-year Municipal Bond Index determined at the end of each month.

Mortality rates are based on the RP-2014 Mortality tables projected to the valuation date using MP-2015

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. The administration costs of the Separation Allowance are financed through the General Fund appropriations. The city paid \$278,891 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, 2020 the City reported a total pension liability of \$3,767,776. The total pension liability was measured as of December 31, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the City recognized pension expense of \$290,115.

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 113,494	\$ 135,240
Changes in Assumptions	194,477	115,959
City benefit payments made subsequent to the measurement date of December 31, 2019	162,916	-
Total	<u>\$ 470,887</u>	<u>\$ 251,199</u>

\$162,916 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, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ended June 30:

2021	\$ (3,646)
2022	(3,646)
2023	7,013
2024	22,933
2025	34,118
Thereafter	-
	<u>\$ 56,772</u>

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 3.26 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 (2.26 percent) or 1-percentage-point higher (4.26 percent) than the current rate:

	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
Total pension liability	\$4,079,515	\$3,767,776	\$3,484,157

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

	2020
Beginning balance - December 31, 2018	\$ 3,522,688
Service Cost	170,611
Interest on total pension liability	123,150
Differences between expected and actual experience in the measurement of total pension liability	-
Changes of assumptions or other inputs	119,230
Benefit payments	110,988
Other charges	(278,891)
Ending balance of the total pension liability - December 31, 2019	<u>\$ 3,767,776</u>

The plan currently uses mortality tables that vary by age, and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements. The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2014.

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

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

	LGERS	LEOSSA	Total
Pension Expense	\$ 4,429,988	\$ 290,115	\$ 4,720,103
Pension Liability	10,355,383	3,767,776	14,123,159
Proportionate share of the net pension liability	0.37919%	N/A	
Deferred of Outflows of Resources			
Differences between expected and actual experience	1,773,104	113,494	1,886,598
Changes of assumptions	1,687,756	194,477	1,882,233
Net difference between projected and actual earnings on plan investments	252,582	-	252,582
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	-
Benefit payments and administrative costs paid subsequent to the measurement date	2,343,965	162,916	2,506,881
Total	<u>\$ 6,057,407</u>	<u>\$ 470,887</u>	<u>\$ 6,528,294</u>
Deferred of Inflows of Resources			
Differences between expected and actual experience	\$ -	\$ 135,240	\$ 135,240
Changes in assumptions	-	115,959	115,959
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	301,826	-	301,826
Total	<u>\$ 301,826</u>	<u>\$ 251,199</u>	<u>\$ 553,025</u>

C. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The City contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the City. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or on the Internet at www.osc.nc.gov.

Funding Policy. Article 12E of G.S. Chapter 143 requires the City to contribute each month an amount equal to five percent (5%) of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2020, were \$433,577, which consisted of \$317,210 from the City and \$116,367 from the law enforcement officers.

D. Firefighters' and Rescue Squad Workers' Pension Fund

Plan Description. The State of North Carolina contributes, on behalf of the City of Jacksonville, to the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the State of North Carolina. FRSWPF provides pension benefits for eligible fire and rescue squad workers who have elected to become members of the fund. Article 86 of G.S. Chapter 58 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Firefighters' and Rescue Squad Workers' Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Firefighters' and Rescue Squad Workers' Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

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

Contributions. Plan members are required to contribute \$10 per month to the plan. The State, a non-employer contributor, funds the plan through appropriations. The City does not contribute to the plan. Contribution provisions are established by General Statute 58-86 and may be amended only by the North Carolina General Assembly. For the fiscal year ending June 30, 2020, the State contributed \$18,302,000 to the plan. The City of Jacksonville's proportionate share of the State's contribution is \$31,245.

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

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

At June 30, 2020, the City reported no liability for its proportionate share of the net pension liability, as the State provides 100% pension support to the City through its appropriations to the FRSWPF.

The total portion of the net pension liability that was associated with the City and supported by the State was \$61,944. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. As the City is not projected to make any future contributions to the plan, its

proportionate share at June 30, 2019 and at June 30, 2018 was 0%.

For the year ended June 30, 2020, the City recognized pension expense of \$32,612 and revenue of \$32,612 for support provided by the State. At June 30, 2020, the City reported no deferred outflows of resources and no deferred inflows of resources related to pensions.

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Not applicable
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

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

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

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

E. Supplemental Retirement Income Plan for Non-Law Enforcement Employees

Plan Description. The City contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan with services provided by Prudential, administered by the Department of State Treasurer. The Plan provides retirement benefits to all full-time and qualified part-time non-law enforcement employees of the City. The City Council has the authority to establish and amend the plan's provisions.

Funding Policy. The adopted plan requires the City to contribute each pay period an amount equal to two percent (2%) of each non-law enforcement employee's salary. The City Council has the authority to establish or amend contribution requirements. The City's contributions for each

employee (and interest allocated to the employee's account) are fully vested immediately. All covered employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2020 were \$714,829, which consisted of \$386,457 from the City and \$328,372 from the employees.

F. Other Postemployment Benefits

Healthcare Benefits

Plan Description

Provided by a City Council Action, during a regular meeting on July 27, 1999, the City's Employee Health Benefit Plan (the Plan), was amended to allow eligible City retirees to stay on the City's health insurance plan, with the retiree paying the full actuarially determined premium cost. The Plan is a single-employer defined benefit plan. The Plan provides postemployment healthcare benefits to retirees of the City who qualify for retirement from the North Carolina Local Governmental Employees' Retirement System (NCLGERS) and have at least 10 years of continuous service with the City immediately preceding retirement. Additionally, employees who have worked with the City for 20 years (regardless of age) are eligible to continue coverage. Health care and prescription drug coverage insurance are offered within the City's health care plan until the retiree reaches age 65. Retirees may also elect dependent coverage, paying the full premium cost. Retirees who qualify for coverage receive the same benefits as active employees. During a meeting on May 25, 2010, the City Council placed a freeze on the retiree health insurance benefits for all employees hired as of July 1, 2010. The City Council may amend the benefit provisions. A separate report was not issued for the plan.

Membership in the plan included the following at June 30, 2018, the date of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	23
Inactive members entitled to but not yet receiving benefits	-
Active employees	274
Total	<u>297</u>

Total OPEB Liability

The City's total OPEB liability of \$1,891,568 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.5 percent
Real wage growth	1.00 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	
General employees	3.50% - 7.75%
Firefighters	3.50% - 7.75%
Law enforcement officers	3.50% - 7.35%
Municipal bond index rate	
Prior measurement	3.89 percent
Measurement date	3.50 percent
Health care cost trends	
Pre-Medicare	7.25% for 2018 decreasing to an ultimate rate of 4.75% by 2028

Changes in the Total OPEB Liability

Schedule of Changes in Total OPEB Liability Other Post Employment Benefits

Beginning balance - June 30, 2018	\$	1,769,155
Service Cost		67,805
Interest on total pension liability		65,556
Differences between expected and actual experience in the measurement of total pension liability		94,286
Changes of assumptions or other inputs		64,212
Benefit payments		(169,446)
Other charges		-
Ending balance of the total pension liability - June 30, 2019	\$	<u>1,891,568</u>

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 Bond Buyer. 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, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 - December 31, 2014, adopted by the LGERS. 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, 2018 valuation were based on a review of recent plan experience done concurrently with the June 30, 2018 valuation.

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 (2.5 percent) or 1-percentage-point higher (4.5 percent) than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB liability	\$2,068,230	\$1,891,568	\$1,731,961

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:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	\$1,676,495	\$1,891,568	\$2,145,202

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

For the year ended June 30, 2020, the City recognized OPEB expense of \$103,114. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 80,759	\$ 227,421
Changes in Assumptions	90,090	69,153
City benefit payments made subsequent to the measurement date of June 30, 2019	227,334	-
Retiree contributions made subsequent to the measurement date of June 30, 2019	-	157,403
Total	<u>\$ 398,183</u>	<u>\$ 453,977</u>

\$227,334 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, 2021. \$157,403 of the amount reported as deferred inflows of resources result from contributions from retirees made subsequent to the measurement date will be recognized as a reduction in OPEB expense in FY21. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:



Years ended June 30:	Deferred Inflows
2021	30,247
2022	30,247
2023	30,247
2024	26,795
Thereafter	(22,058)
	<u>\$ 95,478</u>

Note 6. Other Employment 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 multi-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to his/her death, but no less than \$25,000 and no more than \$50,000. All death benefit payments are made from the Death Benefit Plan. The City has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the City, the City does not determine the number of eligible participants.

The City also provides additional death benefit through a Group Term Life Insurance program, which is provided on a non-contributory basis to all members of the retirement system after 90 days of employment. The benefit pays the designated beneficiary an amount equal to one and a half times the employee's annual salary, but the benefit may not exceed \$100,000. Under the IRS regulations, the value of employer-paid Group Term Life Insurance coverage in excess of \$50,000 is considered taxable to the employee as a fringe benefit.

Note 7. Risk Management

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a participant in (e.g., transfers risk to) two insurance pools administered by the North Carolina League of Municipalities. One pool (IRFFNC) provides coverage for property damage and general liability (including auto and law enforcement officers). Major policies and their limits of coverage include: public officials (\$5 million) and law enforcement liability (\$5 million), vehicle liability (\$5 million), public employee scheduled and blanket bonds (\$600,000), general liability (\$5 million), municipal equipment (\$3.04 million), computer equipment (\$7.84 million), portable equipment (\$884,428) and property (\$154.4 million). The other pool (NCRIMA) provides workers' compensation coverage up to statutory limits. These pools are reinsured through commercial companies for single occurrence claims against general liability, auto liability, police professionals liability and public officials liability in excess of \$1,000,000; property in excess of \$1,000,000 and \$1,000,000 up to statutory limits for workers' compensations for the 7/1/2018-7/1/2019 policy period.

The City has established a risk management program to account for and finance its uninsured risks of loss for health insurance. Under this program, the risk management program provides coverage up to a maximum of \$100,000 for each individual claim.

The City purchases commercial insurance for individual claims in excess of \$100,000 and aggregate claims in excess of the greater of (a) the minimum annual aggregate deductible or (b) 90% of the first monthly aggregate deductible amount multiplied by twelve (12). Settled claims have not exceeded this commercial coverage in any of the last three fiscal years.

The City participates in the program and makes payments to the risk management program based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. Amounts withheld from employees and the City's general funds are available to pay claims, claim reserves and administrative costs for the program.

The claims liability of \$301,476 reported in the Self Insurance Fund at June 30, 2020, 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 loss can be reasonably estimated.

Changes in the reported liability since July 1, 2010 were as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2010-2011	748,839	2,552,373	2,988,879	312,333
2011-2012	312,333	3,350,959	3,331,339	331,953
2012-2013	331,953	3,314,858	3,329,464	317,347
2013-2014	317,347	2,863,383	2,985,381	195,349
2014-2015	195,349	3,653,639	3,549,927	299,061
2015-2016	299,061	3,733,564	3,705,532	327,093
2016-2017	327,093	3,188,164	3,286,761	228,496
2017-2018	228,496	3,836,897	3,758,560	306,833
2018-2019	306,833	4,118,522	3,999,138	426,217
2019-2020	426,217	4,622,766	4,747,507	301,476

The City carries commercial insurance for all other risks of loss. Settled claims resulting from risks have not exceeded commercial insurance coverage in any of the last three fiscal years.

The City carries flood insurance through the National Flood Insurance Plan (NFIP). Because some areas of the City are in an area of the State that has been mapped and designated an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, which includes the property adjacent to Old Fire Station 2 – Barn Street, the City is eligible for and has purchased coverage totaling \$500,000 through the NFIP.

In accordance with G.S. 159-29, the City's employees that have access to \$100 or more at any given time of the City's funds are performance bonded through a commercial surety bond. The Finance Director and Tax Collector are bonded for \$250,000 and \$50,000, respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$100,000 per occurrence.

The City carries CyberRisk liability insurance through Travelers Casualty and Surety Company of America. The policy's limit of liability coverage is \$2,000,000.

Note 8. Claims and Judgments

At June 30, 2020, the City was a party to various lawsuits. In the opinion of the City's management and City Attorney, the ultimate effect of these legal matters will not have a material adverse effect on the City's financial statements. In the event of an unfavorable outcome, the City could be liable up to its general liability insurance deductible.

Additionally, in August of 2016, the North Carolina Supreme Court overturned a lower court decision in the matter of *Quality Built Homes, Inc. vs. Town of Carthage* that had upheld the authority of the Town of Carthage to charge and collect impact fees. The Supreme Court reversed the lower court, holding that the imposition of the impact fees was invalid as it exceeded the powers delegated to the Town of Carthage under the public enterprise statute, the source of authority cited by the Town of Carthage. The Supreme Court remanded the case to the North Carolina Court of Appeals to determine, among other things, whether the Town of Carthage is required to refund the impact fees collected. The Court of Appeals ruled that there was a 10-year statute of limitations on the refund of these type impact fees. The Supreme Court then agreed once again to review this second Court of Appeals decision and the Supreme Court adopted the three year statute of limitations as set forth in House Bill 436 referenced below.

The City of Jacksonville charges certain user fees, facility fees, connections fees and development fees. In the judgment of the City's legal staff, the decision in the Quality Built Homes case will not have an effect on the City's ability to continue to levy and collect these fees, as the City does not charge the sort of fees invalidated by the court decision described above.

On June 29, 2017, the North Carolina General Assembly enacted House Bill 436 ("HB 436") relating to the authority of local government units to fix, charge and assess "system development fees" (as defined in HB 436). The Governor signed the bill on July 20, 2017, and HB 436 became Session Law 2017-138 with an effective date of October 1, 2017. HB 436 generally authorizes local government units to fix and charge system development fees solely for the purpose of paying the cost of system improvements and services imposed with respect to new development or to recoup the cost of existing facilities which serve new development. HB 436 requires the use of specific methodologies for calculating the amount of system development fees that can be charged to pay or recover such costs and requires that local government units follow certain procedural processes set forth in HB 436 for implementing such fees (including publication of a written analysis, solicitation of public comments and holding of a public hearing thereon). HB 436 provides that any system development fees currently being lawfully charged by a local government unit and in effect on October 1, 2017 must be conformed to the requirements of HB 436 no later than July 1, 2018. The City engaged a firm, Stantec, Inc., who brought our system development fees in compliance with HB 436 System Development Fees which was adopted by Council and became effective July 1, 2018. HB 436 also set forth a three-year statute of limitations on the recovery of any improperly assessed impact/facility fees (which said statute of limitations was adopted by Supreme Court as aforesaid). Two years have passed under this statute of limitations and no suits have been filed against the City to attempt to recover any "user fees, facility fees, connections fees or development fees" to date.

It should be noted that Section 159-93 of the General Statutes of North Carolina, as amended, generally prohibits the State from limiting or altering the rights vested in any municipality at the time of issuance of revenue bonds to establish, maintain, revise, charge and collect rates, fees, rentals, tolls and other charges where such revenues are required to pay when due the principal of and interest on such bonds or impair, in any way, the rights and remedies of bondholders.

Note 9. Long-Term Obligations

In the Government-wide Financial Statements, and proprietary fund types in the Fund Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

As of June 30, 2020, the City had a legal debt margin of \$270,152,055.

A. Installment Purchases

The City finances various property acquisitions under direct placement installment purchase agreements. Under these agreements, the assets acquired collateralize the debt. The financing contracts require principal payments with interest rates ranging from 1.28% to 2.65%.

The direct placement installment purchase contracts payable at June 30, 2020 are comprised of the following individual contracts:

Serviced by the General Fund:

	Principal Balance June 30, 2020
\$28,550,221 limited obligation bonds, Series 2012 - for construction of Public Safety Building, Fire Station #2, Sturgeon City Environmental Education Center, and to refund \$1,740,221 of outstanding 2007 installment agreement; principal payments due annually on April 1 in installments ranging from \$1,330,000 to \$1,544,231 through April 1, 2032; semiannual interest payments due April 1 and October 1 at rates from 2.50% - 5.00%	\$ 3,073,199
\$162,500 installment agreement - for vehicles and equipment with First Bank dated December 14, 2015; remaining balance payable in 4 monthly payments of \$2,754 not including interest at 1.38%	11,016
\$1,233,978 installment agreement - for vehicles and equipment with Bank of America dated December 9, 2016; remaining balance payable in 16 monthly payments of \$21,311 including interest at 1.57%	343,653
\$12,420,000 limited obligation bonds, Series 2017 - to advance refund a portion of the 2012 LOB at interest rates from 1.28% to 2.59% for various maturities	12,420,000
\$610,000 installment agreement - for vehicles and equipment with US Bancorp dated December 6, 2017; remaining balance payable in 5 monthly payments of \$16,944 not including interest at 1.71%	84,722
\$519,811 installment agreement - for vehicles and equipment with US Bancorp dated December 6, 2017; remaining balance payable in 28 monthly payments of \$8,810 not including interest at 1.911%	246,690
\$578,717 installment agreement - for vehicles and equipment with Bank of America dated February 1, 2019; remaining balance payable in 19 monthly payments of \$16,075 not including interest at 2.65%	305,431
\$561,538 installment agreement - for vehicles and equipment with Bank of America dated February 1, 2019; remaining balance payable in 42 monthly payments of \$9,518 not including interest at 2.65%	399,738
\$597,689 installment agreement - for vehicles and equipment with Regions Equipment Finance Corporation dated December 5, 2019; remaining balance payable in 29 monthly payments of \$16,603 not including interest at 1.76%	481,472
\$669,942 installment agreement - for vehicles and equipment with Regions Equipment Finance Corporation dated December 5, 2019; remaining balance payable in 52 monthly payments of \$11,355 not including interest at 1.77%	590,457
Total	\$ 17,956,378

The future minimum payments of the installment purchases payable as of June 30, 2020, including \$4,534,839 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 2,643,433	\$ 760,819	\$ 3,404,252
2022	2,285,437	664,321	2,949,758
2023	1,583,724	591,680	2,175,404
2024	1,398,364	525,302	1,923,666
2025	1,270,420	462,667	1,733,087
2026-2030	6,290,000	1,381,250	7,671,250
2031-2035	<u>2,485,000</u>	<u>148,800</u>	<u>2,633,800</u>
Total	<u>\$ 17,956,378</u>	<u>\$ 4,534,839</u>	<u>\$ 22,491,217</u>

Serviced by the Water and Sewer Fund:

	<u>Principal Balance June 30, 2020</u>
\$5,554,779 limited obligation bonds, Series 2012 - to refund \$950,000 of outstanding 1996 State Bond Fund Loan; \$2,840,000 of outstanding 1996 State Revolving Fund Loan; \$665,000 of outstanding 1997 Sanitary Sewer Revolving Loan; \$700,000 of outstanding 1997 Sanitary Sewer Revolving Loan; and \$399,779 of outstanding 2007 installment agreement, principal payments due annually on April 1 in installments ranging from \$43,901 to \$1,275,494 through April 1, 2022; semiannual interest payments due April 1 and October 1 at rates from 2.50% - 5.00%	\$ 95,100
\$103,500 installment agreement - for vehicles and equipment with First Bank dated December 14, 2015; remaining balance payable in 4 monthly payments of \$1,754 not including interest at 1.38%	7,017
\$655,278 installment agreement - for vehicles and equipment with Bank of America dated December 9, 2016; remaining balance payable in 16 monthly payments of \$11,533 including interest at 1.57%	182,490
\$447,999 installment agreement - for vehicles and equipment with US Bancorp dated December 6, 2017; remaining balance payable in 28 monthly payments of \$7,593 not including interest at 1.91%	212,607
\$837,822 installment agreement - for vehicles and equipment with Bank of America dated February 1, 2019; remaining balance payable in 42 monthly payments of \$14,200 not including interest at 2.65%	596,416
\$615,266 installment agreement - for vehicles and equipment with Regions Equipment Finance Corporation dated December 5, 2019; remaining balance payable in 52 monthly payments of \$10,428 not including interest at 1.77%	542,268
Total	<u>\$ 1,635,898</u>

The future minimum payments of the installment purchases payable as of June 30, 2020, including \$62,650 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 577,887	\$ 31,767	\$ 609,654
2022	480,043	19,156	499,199
2023	325,916	8,977	334,893
2024	210,342	2,596	212,938
2025	41,710	154	41,864
Total	<u>\$ 1,635,898</u>	<u>\$ 62,650</u>	<u>\$ 1,698,548</u>

Serviced by the Solid Waste Fund:

	<u>Principal Balance June 30, 2020</u>
\$320,000 installment agreement - for vehicles and equipment with First Bank dated December 14, 2015; remaining balance payable in 4 monthly payments of \$5,424 not including interest at 1.38%	\$ 21,695
\$231,330 installment agreement - for vehicle with First Bank dated March 14, 2016; remaining balance payable in 7 monthly payments of \$3,921 not including interest at 2.25%	27,446
\$392,732 installment agreement - for vehicles and equipment with Bank of America dated December 9, 2016; remaining balance payable in 16 monthly payments of \$6,912 including interest at 1.57%	109,373
\$721,518 installment agreement - for vehicles and equipment with US Bancorp dated December 6, 2017; remaining balance payable in 28 monthly payments of \$12,229 not including interest at 1.91%	342,415
\$666,762 installment agreement - for vehicles and equipment with Bank of America dated February 1, 2019; remaining balance payable in 42 monthly payments of \$11,301 not including interest at 2.65%	474,644
\$388,646 installment agreement - for vehicles and equipment with Regions Equipment Finance Corporation dated December 5, 2019; remaining balance payable in 52 monthly payments of \$6,587 not including interest at 1.77%	342,535
Total	<u>\$ 1,318,108</u>

The future minimum payments of the installment purchases payable as of June 30, 2020, including \$45,316 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 492,364	\$ 23,008	\$ 515,372
2022	388,967	13,902	402,869
2023	263,576	6,561	270,137
2024	146,853	1,748	148,601
2025	26,348	97	26,445
Total	<u>\$ 1,318,108</u>	<u>\$ 45,316</u>	<u>\$ 1,363,424</u>

Serviced by the Fleet Maintenance Fund:

	<u>Principal Balance June 30, 2020</u>
\$72,000 installment agreement - for vehicles and equipment with Bank of America dated December 9, 2016; remaining balance payable in 16 monthly payments of \$1,267 including interest at 1.57%	\$ 20,051
\$46,000 installment agreement - for vehicles and equipment with US Bancorp dated December 6, 2017; remaining balance payable in 28 monthly payments of \$780 not including interest at 1.911%	21,831
\$25,132 installment agreement - for vehicles and equipment with Bank of America dated February 1, 2019; remaining balance payable in 42 monthly payments of \$426 not including interest at 2.65%	17,891
\$25,000 installment agreement - for vehicles and equipment with Regions Equipment Finance Corporation dated December 5, 2019; remaining balance payable in 52 monthly payments of \$424 not including interest at 1.77%	22,033
Total	<u>\$ 81,806</u>

The future minimum payments of the installment purchases payable as of June 30, 2020, including \$2,438 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 34,551	\$ 1,303	\$ 35,854
2022	24,605	708	25,313
2023	13,315	322	13,637
2024	7,640	99	7,739
2025	1,695	6	1,701
Total	<u>\$ 81,806</u>	<u>\$ 2,438</u>	<u>\$ 84,244</u>

Serviced by the City Hall Maintenance Fund:

	<u>Principal Balance June 30, 2020</u>
\$90,000 installment agreement - for building equipment with Bank of America dated February 1, 2019; remaining balance payable in 42 monthly payments of \$1,525 including interest at 2.65%	\$ 64,068
\$96,000 installment agreement - for vehicles and equipment with Regions Equipment Finance Corporation dated December 5, 2019; remaining balance payable in 52 monthly payments of \$1,627 not including interest at 1.77%	84,610
Total	<u>\$ 148,678</u>

The future minimum payments of the installment purchases payable as of June 30, 2020, including \$6,349 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 37,830	\$ 2,814	\$ 40,644
2022	37,830	1,984	39,814
2023	37,830	1,153	38,983
2024	28,678	373	29,051
2025	6,510	25	6,535
Total	<u>\$ 148,678</u>	<u>\$ 6,349</u>	<u>\$ 155,027</u>

Serviced by the Information Technology Services Fund:

	<u>Principal Balance June 30, 2020</u>
\$47,846 installment agreement - for vehicles and equipment with Bank of America dated December 9, 2016; remaining balance payable in 16 monthly payments of \$842 including interest at 1.57%	\$ 13,325
\$160,000 installment agreement - for vehicles and equipment with US Bancorp dated December 6, 2017; remaining balance payable in 5 monthly payments of \$4,444 not including interest at 1.71%	22,222
\$160,000 installment agreement - for vehicles and equipment with Bank of America dated February 1, 2019; remaining balance payable in 19 monthly payments of \$4,444 not including interest at 2.65%	84,444
\$160,000 installment agreement - for vehicles and equipment with Regions Equipment Finance Corporation dated December 5, 2019; remaining balance payable in 29 monthly payments of \$4,444 not including interest at 1.76%	128,889
Total	<u>\$ 248,880</u>

The future minimum payments of the installment purchases payable as of June 30, 2020, including \$4,944 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 138,856	\$ 3,661	\$ 142,517
2022	87,802	1,185	88,987
2023	22,222	98	22,320
2024	-	-	-
2025	-	-	-
Total	<u>\$ 248,880</u>	<u>\$ 4,944</u>	<u>\$ 253,824</u>

Serviced by the Video/Media Fund:

	<u>Principal Balance June 30, 2020</u>
\$22,666 installment agreement - for vehicles and equipment with US Bancorp dated December 6, 2017; remaining balance payable in 28 monthly payments of \$384 not including interest at 1.71%	\$ 10,757
\$22,966 installment agreement - for vehicles and equipment with Bank of America dated February 1, 2019; remaining balance payable in 42 monthly payments of \$457 not including interest at 2.65%	19,196
\$46,635 installment agreement - for vehicles and equipment with Regions Equipment Finance Corporation dated December 5, 2019; remaining balance payable in 52 monthly payments of \$790 not including interest at 1.77%	41,102
Total	<u>\$ 71,055</u>

The future minimum payments of the installment purchases payable as of June 30, 2020, including \$2,765 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 19,580	\$ 1,258	\$ 20,838
2022	19,580	856	20,436
2023	16,506	472	16,978
2024	12,227	168	12,395
2025	3,162	11	3,173
Total	<u>\$ 71,055</u>	<u>\$ 2,765</u>	<u>\$ 73,820</u>

Serviced by the Stormwater Fund:

	Principal Balance June 30, 2020
\$4,100,000 installment agreement/Build America Bond - for stormwater improvements with PNC Bank dated December 16, 2010; remaining balance payable in 1 semi-annual payment of \$243,304 including interest at 3.38%. The City receives a subsidy of 35% of interest cost from the Federal Government reducing the effective interest rate to 2.20%.	\$ 239,261
\$93,000 installment agreement - for vehicles and equipment with First Bank dated December 14, 2015; remaining balance payable in 4 monthly payments of \$1,576 not including interest at 1.38%	6,305
\$98,886 installment agreement - for vehicles and equipment with Bank of America dated December 9, 2016; remaining balance payable in 16 monthly payments of \$1,740 including interest at 1.57%	27,539
\$221,006 installment agreement - for vehicles and equipment with US Bancorp dated December 6, 2017; remaining balance payable in 28 monthly payments of \$3,593 not including interest at 1.911%	100,613
\$217,128 installment agreement - for vehicles and equipment with Bank of America dated February 1, 2019; remaining balance payable in 42 monthly payments of \$3,680 not including interest at 2.65%	154,566
\$368,051 installment agreement - for vehicles and equipment with Regions Equipment Finance Corporation dated December 5, 2019; remaining balance payable in 52 monthly payments of \$6,238 not including interest at 1.77%	324,384
Total	<u>\$ 852,668</u>

The future minimum payments of the installment purchases payable as of June 30, 2020, including \$26,709 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 428,305	\$ 14,585	\$ 442,890
2022	169,078	6,942	176,020
2023	133,393	3,760	137,153
2024	96,938	1,330	98,268
2025	24,954	92	25,046
Total	<u>\$ 852,668</u>	<u>\$ 26,709</u>	<u>\$ 879,377</u>

B. Loans Payable

The City's direct placement loan payable services by the Water and Sewer Fund and the Stormwater Fund were issued to finance the construction of facilities utilized in the operations of water and sewer system and stormwater system and which are being retired by its resources are reported as long-term debt in the Water and Sewer Fund and Stormwater Fund. All loans payable are collateralized by the full faith, credit, and taxing powers of the City. In the event of a default, the City agrees to pay to the purchaser, on demand, interest on any and all amounts due and owing by the City under the related agreements. Principal and interest requirements are appropriated when due.

Water and Sewer Fund

	Principal Balance June 30, 2020
\$27,955,716 State Revolving Loan dated June 3, 2008 due in 11 annual installments of \$1,397,786 each; interest at 2.10%	\$ 14,676,751
\$10,535,297 State Revolving Loan dated June 3, 2008 due in 11 annual installments of \$601,977 each and one payment of \$79,370; interest at 2.01%	7,443,668
\$17,500,000 State Revolving Loan dated March 26, 2009 due in 11 annual installments of \$875,000 each; interest at 2.10%	9,625,000
\$1,500,000 State Revolving Loan dated July 7, 2009 due in 12 annual installments of \$75,000 each; interest at 0.0%	900,000
Total	<u>\$ 32,645,419</u>

The future minimum payments of the loans payable as of June 30, 2020, including \$3,875,941 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,112,440	\$ 659,954	\$ 3,772,394
2022	3,112,440	596,646	3,709,086
2023	3,112,440	533,339	3,645,779
2024	3,112,440	470,031	3,582,471
2025	3,112,440	406,724	3,519,164
2026-2030	13,931,453	1,084,002	15,015,455
2031-2035	3,151,766	125,245	3,277,011
Total	-	-	-
	<u>\$ 32,645,419</u>	<u>\$ 3,875,941</u>	<u>\$ 36,521,360</u>

Stormwater Fund

	<u>Principal Balance June 30, 2020</u>
\$477,988 State Revolving Loan dated October 6, 2015 due in 13 annual installments of \$23,899 each and one payment of \$13,780; interest at 0.0%	\$ 324,464
Total	<u><u>\$ 324,464</u></u>

The future minimum payments of the loans payable as of June 30, 2020, including \$0 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 13,692	\$ -	\$ 13,692
2022	22,198	-	22,198
2023	22,198	-	22,198
2024	22,198	-	22,198
2025	22,198	-	22,198
2026-2030	110,990	-	110,990
2031-2035	110,990	-	110,990
Total	<u><u>\$ 324,464</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 324,464</u></u>

C. Revenue Bonds Payable

Water and Sewer Fund

	<u>Principal Balance</u> <u>June 30, 2020</u>
\$24,145,000 direct placement Water and Sewer Revenue Bond Payable dated May 18, 2016 due in 11 annual installments with semi-annual interest payments at various interest rates	\$ 21,030,000
Total	<u>\$ 21,030,000</u>

The future minimum payments of the loans payable as of June 30, 2020, including \$5,876,348 of interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,855,000	\$ 997,487	\$ 2,852,487
2022	1,920,000	927,287	2,847,287
2023	1,995,000	855,487	2,850,487
2024	2,070,000	775,687	2,845,687
2025	2,180,000	674,688	2,854,688
2026-2030	10,625,000	1,625,500	12,250,500
2031-2035	385,000	20,212	405,212
Total	<u>\$ 21,030,000</u>	<u>\$ 5,876,348</u>	<u>\$ 26,906,348</u>

The City is in compliance with the rate covenants contained in the General Trust Indenture, Section 6, dated September 1, 2009 and adopted by the City Council on September 8, 2009 authorizing the issuance of the Water and Sewer Revenue Bonds, Series 2009. Section 6.6 of the General Indenture requires that the coverage ratios be no less than 120% of the debt service on the revenue bonds and 100% of the debt service on all other debt. The debt service coverage requirements for the year ended June 30, 2020, are as follows:

The City is in compliance with the rate covenants contained in the General Trust Indenture, Section 6, dated September 1, 2009 and adopted by the City Council on September 8, 2009 authorizing the issuance of the Water and Sewer Revenue Bonds, Series 2009. Section 6.6 of the General Indenture requires that the coverage ratios be no less than 120% of the debt service on the revenue bonds and 100% of the debt service on all other debt. The debt service coverage requirements for the year ended June 30, 2020, are as follows:

City of Jacksonville-Rate Covenant Test Section 6.6

For the Fiscal Year Ending June 30th

	2020	
Net Revenues	\$ 12,458,333	

20% of Surplus Account	<u>\$ 7,955,763</u>	
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Net Revenues <u>Plus</u> 20% of Surplus Account	\$ 20,414,096	
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Debt Service on Bonds	2,675,740	
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120% of Debt Service on Bonds	3,210,888	
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Debt Service on Subordinate and Other Indebtedness	4,298,958	
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Debt Service Coverage on Bonds Excluding 20% of Surplus Account

4.66

Debt Service Coverage on Bonds Including 20% of Surplus Account

7.63

Debt Service Coverage on 120% Debt Service on Bonds, Plus 100% Debt Service on Subordinated, and Other Indebtedness Including 20% of

2.72

Debt Service Coverage on 100% Debt Service on Bonds, Plus 100% Debt Service on Subordinated, and Other Indebtedness Excluding 20% of Surplus Account

1.79

D. Changes in General Long-Term Liabilities - Governmental Activities

Long-term liability activity for Governmental Activities for the year ended June 30, 2020, is as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion of Balance
Direct Placement Installment purchases	\$ 19,934,577	\$ 1,595,266	\$ 3,023,046	\$ 18,506,797	\$ 2,874,250
Unamortized premiums - I/P	2,761,748	-	379,318	2,382,430	470,541
Other postemployment benefits	1,661,934	117,516	-	1,779,450	-
Net pension liability (LGERS)	7,235,710	907,764	-	8,143,474	-
Total pension liability (LEO)	3,522,688	412,991	167,903	3,767,776	-
*Compensated absences	1,614,176	722,109	659,463	1,676,822	795,216
Total	\$ 36,730,833	\$ 3,755,646	\$ 4,229,730	\$ 36,256,749	\$ 4,140,007

	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion of Balance
By purpose					
General government	\$ 2,867,877	\$ 151,478	\$ 450,111	\$ 2,569,244	\$ 470,259
Fire equipment	2,382,103	33,481	382,915	2,032,669	350,378
Police equipment	15,319,238	597,689	1,896,297	14,020,630	1,849,164
Recreation	1,048,232	259,997	383,213	925,016	398,413
Streets	601,227	224,986	34,964	791,249	45,760
Fleet Maintenance	96,161	25,000	39,355	81,806	34,551
City Hall Maintenance	82,373	96,000	29,695	148,678	37,830
Information Technology Services	259,066	160,000	170,186	248,880	138,856
Video/Media Services	40,048	46,635	15,628	71,055	19,580
Other postemployment benefits	1,661,934	117,516	-	1,779,450	-
Net pension liability (LGERS)	7,235,710	907,764	-	8,143,474	-
Total pension liability (LEO)	3,522,688	412,991	167,903	3,767,776	-
*Compensated absences	1,614,176	722,109	659,463	1,676,822	795,216
Total	\$ 36,730,833	\$ 3,755,646	\$ 4,229,730	\$ 36,256,749	\$ 4,140,007

*The General Fund is used to liquidate the liability for compensated absences, other postemployment benefits, and net pension liability for governmental activities.

E. Changes in General Long-Term Liabilities - Business-Type Activities

Long-term liability activity for Business-Type Activities for the year ended June 30, 2020, is as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion of Balance
Direct Placement Loans	\$ 36,106,226	\$ -	\$ 3,136,343	\$ 32,969,883	\$ 3,126,132
Direct Placement Revenue Bonds	22,815,000	-	1,785,000	21,030,000	1,855,000
Direct Placement Installment purchases	4,160,782	1,371,963	1,726,071	3,806,674	1,498,556
Unamortized premiums	5,396,046	-	213,237	5,182,809	239,033
Other postemployment benefits	107,221	4,897	-	112,118	-
Net pension liability (LGRS)	2,018,322	193,587	-	2,211,909	-
*Compensated absences	357,948	216,714	188,576	386,086	230,691
Total	\$ 70,961,545	\$ 1,787,161	\$ 7,049,227	\$ 65,699,479	\$ 6,949,412

	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion of Balance
By purpose					
Water Supply	\$ 31,023,574	\$ 185,327	\$ 2,706,186	\$ 28,502,715	\$ 2,969,504
Metering	40,703	49,126	16,640	73,189	19,156
Utilities Maintenance	457,917	240,813	190,969	507,761	205,363
Sewer	34,016,734	140,000	2,746,272	31,410,462	2,590,338
Solid Waste/Sanitation	1,467,138	388,646	537,676	1,318,108	492,364
Stormwater/Water Quality	1,471,988	368,051	662,908	1,177,131	441,996
Other postemployment benefits	107,221	4,897	-	112,118	-
Net pension liability (LGRS)	2,018,322	193,587	-	2,211,909	-
*Compensated absences	357,948	216,714	188,576	386,086	230,691
Total	\$ 70,961,545	\$ 1,787,161	\$ 7,049,227	\$ 65,699,479	\$ 6,949,412

*The Water/Sewer, Solid Waste, and Stormwater/Water Quality Funds are used to liquidate the liability for compensated absences for business-type activities. The Water/Sewer and Solid Waste Funds are used to liquidate the liability for other postemployment benefits and net pension obligations for business-type activities.

The City has pledged future water and sewer customer revenues, net of specified operating expenses, to repay \$24,145,000 in water and sewer system direct placement revenue bonds issued in May 2016 to provide for an advance funding and a current refunding of revenue bonds of the Water and Sewer Fund. The bonds are payable solely from water and sewer customer net revenues and are payable through 2034. In the event of a default, the City agrees to pay the purchaser, on demand, interest on any and all amounts due and owing by the City under the related agreement. The total principal and interest remaining to be paid on the bonds is \$26,201,765. Principal and interest paid for the current year and total customer net revenues were \$2,675,740 and \$12,458,333, respectively.

Note 10. Interfund Receivables and Payables

Balances due to/from other funds at June 30, 2020, consist of the following:

Receivable Fund	Payable Fund	Amount	Reconciliation to Exhibit A	
			Governmental	Business-Type
Water / Sewer	Major Governmental	\$ 1,048	\$ (1,048)	\$ 1,048
Water / Sewer	Non-Major Governmental	30,687	(30,687)	30,687
Water / Sewer	Major Capital Projects	43,204	(43,204)	43,204
Water / Sewer	Stormwater Fund	362,110	-	-
General	Major Governmental	1,211,131	-	-
		<u>\$ 1,648,180</u>	<u>\$ (74,939)</u>	<u>\$ 74,939</u>
			<u>\$ (74,939)</u>	<u>\$ 74,939</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Note 11. Deferred Outflows and Inflows of Resources

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

	Governmental Activities	Business-type Activities
Harmony Grant	\$ 2,849	\$ -
Special Olympics	318	-
Recreation fees not yet earned	3,450	-
Recreation - Sponsorships	3,000	-
Recreation - Adult travel	180	-
Fire Department Materials	29	-
Tree fund donations not yet earned, included in restricted assets	1,046	-
Beirut Memorial donations not yet earned, included in restricted assets	2,669	-
Prepaid taxes not yet earned	38,544	-
Privilege licenses for next year	945	-
Taxes receivable	164,796	-
Beer and wine tax receivable	80,978	-
Investment interest receivable	15,923	-
FTA Grant receivable	46,390	-
Deferred Inflow (Exhibit C)	361,117	-
Taxes receivable	\$ (164,796)	\$ -
Beer and wine tax receivable	(80,978)	-
Investment interest receivable	(15,923)	-
FTA Grant receivable	(46,390)	-
Pension Deferrals	488,555	64,470
OPEB Deferrals	428,469	25,508
Scientific Study Deposit	-	24,000
Deferred Inflow (Exhibit A)	<u>\$ 970,054</u>	<u>\$ 113,978</u>

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

	Governmental Activities	Business-type Activities
Deferred Charge related to Debt Refinancing	\$ 1,087,849	\$ 1,464,634
Pension Deferrals	5,234,433	1,293,861
OPEB Deferrals	381,387	16,796
Deferred Outflow (Exhibit A)	<u>\$ 6,703,669</u>	<u>\$ 2,775,291</u>

Note 12. Intergovernmental Assistance Programs

The City of Jacksonville is an entitlement City for Community Development Block Grant funds. The City is required to administer the program and provide staff necessary to ensure compliance with Grant stipulations.

Note 13. Interfund Transfers

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as operating transfers, and are reported as other financing sources (uses) in the Governmental funds and non-operating revenues (expenses) in the Proprietary funds. Transfers within fund types have been eliminated.

Interfund transfers for the year ended June 30, 2020 are as follows:

Transfers in:								
Transfers out:	Major General	Non-Major Government	Major Capital Projects	Non-Major Internal Service Fund	Major Solid Waste	Major Water and Sewer	Major Emergency Fund	Total
Major General Fund	\$ -	\$ 3,157,308	\$ 2,414	\$ 25,000	\$ 1,643,132	\$ -	\$ 100,000	\$ 4,927,854
Non-Major Government	945,319	-	600,420	-	-	-	-	1,545,739
Major Stormwater	75,085	-	6,000	-	-	-	-	81,085
Internal Service Fund	-	395	96,000	-	-	587	-	96,982
Major Water and Sewer	-	72,244	15,000	65,794	-	-	100,000	253,038
	<u>\$ 1,020,404</u>	<u>\$ 3,229,947</u>	<u>\$ 719,834</u>	<u>\$ 90,794</u>	<u>\$ 1,643,132</u>	<u>\$ 587</u>	<u>\$ 200,000</u>	<u>\$ 6,904,698</u>

Transfers consist primarily of the following:

\$ 833,383	From General Fund to Non-Major Government funds to match grants
100,000	From General Fund to Major Emergency for hurricane expenditures
1,445,455	From General Fund to Non-Major Government to fund Council Initiatives
878,470	From General Fund to Non-Major Government (Powell Bill projects)
2,414	From General Fund to Major Capital Projects to fund new projects
25,000	From General Fund to Non-Major Internal Service Fund for capital project
1,643,132	From General Fund to Major Solid Waste to fund operations
793,774	From Non-Major Government to General Fund for debt retirement
151,545	From Non-Major to close projects and return funds to General Fund
600,420	From Non-Major Government to Major Capital Projects to fund capital projects
587	From Non-Major Government to Major Water Sewer to fund capital projects
75,085	From Major Stormwater fund to repay General Fund for start up costs
6,000	From Major Stormwater to General Fund to fund capital projects
100,000	From Major Water Sewer to Major Emergency for hurricane expenditures
395	From Internal Service Fund to contribute to grant funded equipment purchase

Note 14. Leases

The City has entered into various operating leases for property. The term of the leases run from 5 to 15 years, with renewal options.

The following is a schedule of future minimum rental income under the operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2020:

<u>Years Ending June 30,</u>	
2021	\$ 437,087
2022	454,276
2023	466,039
2024	478,117
2025	405,812
Thereafter	1,292,189
	<u>\$ 3,533,520</u>

Note 15 Encumbrances

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. Outstanding encumbrances in the Governmental fund types at June 30, 2020 are as follows:

General Fund	\$ 849,532
Capital Projects	633,831
Non-Major Funds	9,547,997
	<u>\$ 11,031,360</u>

Note 16. Jointly Governed Organizations

The City, in conjunction with Marine Corps Base Camp Lejeune, Onslow County, and the other five municipalities within the county, established the Onslow Water and Sewer Authority (ONWASA). The ONWASA mission is to provide sewer availability to Onslow County residents. The ONWASA's board is comprised of two members from the City, two members from the County and one member from each of the four other municipalities. The City has elected to be a wholesale member of ONWASA providing and obtaining services from ONWASA. The City has partnered with ONWASA to install three interconnections between the individual water systems. These connections will allow either system to supply water to the other in case of emergency. As of June 30, 2020, two of the three connections have been installed.

The City, in conjunction with Onslow County, established the Jacksonville-Onslow Sports Commission with the IRS designation for the good of government. The purpose of the Commission is to foster sports as an economic development activity. In fiscal year 2011, funding of the 501(c)3 nonprofit was assumed by the Jacksonville Tourism Development Authority (JTDA). The City and Onslow have appointment power for Directors of the nonprofit.

The City, in conjunction with Onslow County and Y.O.U. Inc., dba Committee of 100, established an Economic Development Program. The purpose of this organization is to guide the growth in all of Onslow County by encouraging the expansion of local industry and the development of new jobs. The City and County each fund a portion of the cost for this organization. The City's funding for fiscal year 2020 was \$30,000.

The City established the Wilson Bay Initiative in fiscal year 1998 to restore habitat in the New River. The program was overwhelmingly successful. It led to the creation of the Sturgeon City Project in fiscal year 2000 and the creation of a nonprofit with the IRS designation for the good of government. In fiscal year 2007 the Board of Directors and the nonprofit became free-standing as the Mayor and Council had served as the governing board for Sturgeon City of Jacksonville, Inc. previously. The Mayor and Council tasked the nonprofit to provide stormwater education for the City. In fiscal year 2011, funding support for the nonprofit was transferred from the general fund to the Jacksonville Tourism Development Authority (JTDA) with the exception of providing some administrative support from the City general fund. In May 2013, the City committed to long-term debt in order to build a \$4 million facility, the Sturgeon City Environmental Education Center. The JTDA will be contributing \$150,000 annually towards the long-term debt, while Sturgeon City of Jacksonville, Inc. will be contributing \$75,000 annually. The new Sturgeon City Environmental Education Center became operational June 26, 2019.

The City, in conjunction with local hospitals, Onslow, Craven, and Carteret Counties, and Trillium Health Resources established the Dix Crisis Intervention Center. The purpose of the Dix Center is to help adults with mental health or substance use disorders. In fiscal year 2017, a senate bill was passed that allocated up to \$2 million for renovating the facility owned by Onslow County to include the in-patient treatment center. The City has committed to \$100,000 per year for fiscal year 2018-2019, and 2019-2020 to fund the operations of the center as well as assigning one City Council member as a representative to serve on the Advisory Committee.

Note 17. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

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

As a result of the spread of COVID-19 in early 2020, economic uncertainties have arisen, which may negatively impact operating results of the City through the next fiscal year. These uncertainties include, but are not limited to, a decrease in sales tax revenue and a potential impact on collectability of charges for services and property taxes that are receivable at year end. Other financial impacts could occur, though such potential impact is unknown at this time. The City has been awarded a grant from the County under the CARES Act in the amount of \$884,507 to assist with expenditures incurred as a result of the spread of COVID-19 which include recovery efforts through December 30, 2020.

Note 18. Subsequent Events

The City has evaluated subsequent events through October 30, 2020, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Note 19. Pronouncements Issued Recently

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria is generally on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The requirements of this Statement are effective for reporting periods beginning after December 31, 2020.

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests*. The objectives of this statement are to improve consistency in the measurement and comparability of the financial statement presentation of majority equity interests in legally separate organizations and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 31, 2020.

The City has not yet evaluated the effect of implementation of the following GASB pronouncements.

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases. This Statement was originally effective for fiscal years beginning after December 15, 2019. In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, which postponed the effective date until fiscal years beginning after June 15, 2021.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effecting upon issuance. The remaining requirements are effective for fiscal years beginning after June 15, 2021.

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). The removal of LIBOR as an appropriate benchmark interest rate is effective for fiscal years ending after December 31, 2021. All other requirements of this Statement are effective for fiscal years beginning after June 15, 2021.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objectives of this statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains additional information required by generally accepted accounting principles.

Law Enforcement Officers' Special Separation Allowance:

Schedule of Changes in Total Pension Liability

Schedule of Total Pension Liability as a Percentage of Covered Payroll

Other Postemployment Benefits:

Schedule of Changes in Total OPEB Liability and Related Ratios

Local Governmental Employees' Retirement System:

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

Schedule of Contributions to Local Governmental Employees'
Retirement System

Firefighters' and Rescue Squad Workers' Pension:

Schedule of Proportionate Share of Net Pension Liability
(Asset) for Firefighters' and Rescue Squad Workers' Pension



City of Jacksonville, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Changes in Total Pension Liability
June 30, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 3,522,688	\$ 3,611,693	\$ 3,632,948	\$ 3,639,879
Service Cost	170,611	170,526	149,404	169,404
Interest on the total pension liability	123,150	110,027	135,602	125,990
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	119,230	22,110	(273,237)	(80,840)
Changes of assumptions or other inputs	110,988	(131,997)	206,884	-
Benefit payments	(278,891)	(259,671)	(239,908)	(221,485)
Other changes	-	-	-	-
Ending balance of the total pension liability	<u>\$ 3,767,776</u>	<u>\$ 3,522,688</u>	<u>\$ 3,611,693</u>	<u>\$ 3,632,948</u>

The amounts presented for each fiscal year were determined as of the prior year ended December 31. This schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

City of Jacksonville, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Total Pension Liability as a Percentage of Covered Payroll
June 30, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 3,767,776	\$ 3,522,688	\$ 3,611,693	\$ 3,632,948
Covered payroll	6,342,218	5,900,075	6,021,359	6,381,438
Total pension liability as a percentage of covered payroll	59.41%	59.71%	59.98%	56.93%

Notes to the schedules:

The City of Jacksonville 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.

Required Supplementary Information
Schedule of Changes in Total OPEB Liability and Related Ratios
June 30, 2020

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 1,769,155	\$ 2,198,905	\$ 2,260,765
Service Cost	67,805	87,677	94,216
Interest on the total pension liability	65,556	72,109	66,904
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	94,286	(288,926)	(34,586)
Changes of assumptions or other inputs	64,212	49,211	(111,750)
Benefit payments	(169,446)	(349,821)	(76,644)
Other changes	-	-	-
Ending balance of the total OPEB liability	<u>\$ 1,891,568</u>	<u>\$ 1,769,155</u>	<u>\$ 2,198,905</u>
Covered payroll	14,275,365	14,275,365	16,300,446
Total OPEB liability as a percentage of covered payroll	13.25%	12.39%	13.49%

Notes to Schedule

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

Fiscal year 2020	3.50%
Fiscal year 2019	3.89%
Fiscal year 2018	3.56%
Fiscal year 2017	3.01%

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

City of Jacksonville, North Carolina
Schedule of Proportionate Share of Net Pension Liability
(Asset) Required Supplementary Information
Last Seven Fiscal Years *

Exhibit L

Local Governmental Employees' Retirement System

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Jacksonville's proportion of the net pension liability (asset) (%)	0.37919%	0.39008%	0.40464%	0.44140%
Jacksonville's proportion of the net pension liability (asset) (\$)	\$ 10,355,383	\$ 9,254,032	\$ 6,181,779	\$ 9,367,988
Jacksonville's covered payroll	\$ 24,710,837	\$ 23,997,739	\$ 24,676,644	\$ 23,278,571
Jacksonville's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	41.91%	38.56%	25.05%	40.24%
Plan fiduciary net position as a percentage of the total pension liability **	90.68%	91.63%	94.18%	91.47%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30. This schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

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

continued

City of Jacksonville, North Carolina
Schedule of Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information
Last Seven Fiscal Years *

Local Governmental Employees' Retirement System

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Jacksonville's proportion of the net pension liability (asset) (%)	0.42460%	0.47368%	0.45270%
Jacksonville's proportion of the net pension liability (asset) (\$)	\$ 1,905,579	\$ (2,793,509)	\$ 5,456,773
Jacksonville's covered payroll	\$ 23,311,212	\$ 22,838,030	\$ 23,055,683
Jacksonville's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	8.17%	-11.87%	23.07%
Plan fiduciary net position as a percentage of the total pension liability **	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 schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

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

**City of Jacksonville, North Carolina
Schedule of Contributions
Required Supplementary Information
Last Seven Fiscal Years***

Local Governmental Employees' Retirement System

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 2,343,965	\$ 2,043,530	\$ 1,917,549	\$ 1,880,851
Contributions in relation to the contractually required contribution	2,343,965	2,043,530	1,917,549	1,880,851
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Jacksonville's covered payroll	\$24,321,933	\$24,710,837	\$23,997,739	\$24,676,644
Contributions as a percentage of covered payroll	9.64%	8.27%	7.99%	7.62%

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

continued

**City of Jacksonville, North Carolina
Schedule of Contributions
Required Supplementary Information
Last Seven Fiscal Years***

Local Governmental Employees' Retirement System

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,631,358	\$ 1,703,047	\$ 1,668,987
Contributions in relation to the contractually required contribution	1,631,358	1,703,047	1,668,987
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Jacksonville's covered payroll	\$23,278,571	\$23,311,212	\$22,838,030
Contributions as a percentage of covered payroll	7.01%	7.31%	7.31%

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

City of Jacksonville, North Carolina
Schedule of Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information
Last Six Fiscal Years *

Firefighters' and Rescue Squad Workers' Pension

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Jacksonville's proportion of the net pension liability (%)	0.00000%	0.00000%	0.00000%	0.00000%
Jacksonville's proportion of the net pension liability (\$)	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the City of Jacksonville	\$ 61,944	\$ 62,645	\$ 69,719	\$ 60,285
Jacksonville's covered payroll	\$ 4,381,385	\$ 3,977,202	\$ 3,892,896	\$ 3,880,889
Jacksonville's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1.41%	1.58%	1.79%	1.55%
Plan fiduciary net position as a percentage of the total pension liability **	92.43%	89.69%	89.35%	84.94%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30. This schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

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

continued

City of Jacksonville, North Carolina
Schedule of Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information
Last Six Fiscal Years *

Firefighters' and Rescue Squad Workers' Pension

	<u>2016</u>	<u>2015</u>
Jacksonville's proportion of the net pension liability (%)	0.00000%	0.00000%
Jacksonville's proportion of the net pension liability (\$)	\$ -	\$ -
State's proportionate share of the net pension liability associated with the City of Jacksonville	\$ 59,782	\$ 42,834
Jacksonville's covered payroll	\$ 3,775,152	\$ 3,811,912
Jacksonville's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1.58%	1.12%
Plan fiduciary net position as a percentage of the total pension liability **	91.40%	93.42%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30. This schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

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



MAJOR FUNDS

- General Fund
- Emergency Relief Fund
- Capital Projects Fund
- Water and Sewer Fund
- Solid Waste Fund
- Stormwater Fund



GENERAL FUND

The General Fund accounts for resources traditionally associated with government that are not required to be accounted for in other funds.

City of Jacksonville, North Carolina
General Fund
Comparative Balance Sheets
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 29,479,471	\$ 27,459,307
Restricted cash and cash equivalents	4,370,762	4,170,728
Taxes receivable (net)	342,282	323,277
Accounts receivable (net)	5,340,695	5,771,373
Interfund receivables	1,211,131	230,722
Inventories	90,151	102,871
Prepaid items	7,342	6,073
Total Assets	<u>\$ 40,841,834</u>	<u>\$ 38,064,351</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 1,275,255	\$ 1,703,612
Interfund payable	-	-
Total Current Liabilities	<u>1,275,255</u>	<u>1,703,612</u>
Noncurrent Liabilities:		
Customer deposits	262,461	262,461
Total Noncurrent Liabilities	<u>262,461</u>	<u>262,461</u>
Total Liabilities	<u>1,537,716</u>	<u>1,966,073</u>
Total Deferred Inflows of Resources	<u>314,727</u>	<u>353,644</u>
Fund Balances:		
Non Spendable:		
Inventories	90,151	102,871
Compensating balance	2,000,000	2,000,000
Prepaid items	7,342	6,073
Restricted:		
Stabilization by State Statute	5,166,452	4,478,336
Streets	984,875	506,221
Public Safety	1,070,347	1,398,631
Committed:		
LEO Special Separation Allowance	711,069	612,450
Assigned:		
Subsequent year's expenditures	2,201,186	1,488,977
Unassigned	26,757,969	25,151,075
Total Fund Balances	<u>38,989,391</u>	<u>35,744,634</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 40,841,834</u>	<u>\$ 38,064,351</u>

City of Jacksonville, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Ad valorem taxes:				
Current year (net of discounts)	\$ 22,908,431	\$ 23,305,663	\$ 397,232	\$ 23,477,025
Prior years	425,000	126,927	(298,073)	362,531
Penalties and interest	111,400	78,967	(32,433)	136,207
Total	23,444,831	23,511,557	66,726	23,975,763
Other taxes and licenses:				
Privilege licenses	6,600	5,919	(681)	7,693
Local option sales tax	4,036,925	4,801,338	764,413	4,789,130
One-half cent sales tax (2003)	3,082,203	3,075,624	(6,579)	3,119,892
One-half cent sales tax (1983)	2,688,847	2,936,975	248,128	2,944,943
One-half cent sales tax (1986)	1,979,213	2,507,041	527,828	2,490,579
Gross receipt on short term vehicle tax	181,500	241,196	59,696	245,311
Total	11,975,288	13,568,093	1,592,805	13,597,548
Unrestricted intergovernmental revenues:				
Utility franchise tax	3,635,000	3,510,016	(124,984)	3,691,487
Beer and wine tax	320,000	323,913	3,913	327,294
Payment in lieu of taxes (PILOT)	2,500	2,349	(151)	1,805
State Owned Buildings Fire Protection	2,000	2,167	167	2,251
ABC revenue	75,000	82,740	7,740	108,713
Total	4,034,500	3,921,185	(113,315)	4,131,550
Restricted intergovernmental revenues:				
Federal – 104F transportation grant	236,000	225,134	(10,866)	236,000
Federal – FTA Section 5303 grant	28,228	28,000	(228)	28,000
Federal – DEA Task Force	14,500	22,249	7,749	15,192
Federal – NCDOT Pass Thru	-	46,710	46,710	91,090
State – CAMA permits	95	-	(95)	95
State – Street-aid Allocation	1,719,466	1,719,466	-	1,730,845
State – 5305 State grant funds	3,528	3,499	(29)	3,499
State – Arts Council	1,000	-	(1,000)	1,000
State – Traffic	306,983	205,060	(101,923)	148,620
Local – Juvenile Transportation	328	469	141	218
Local - Coastal Carolina Community College	2,271	2,271	-	17,759
Local – Mutual Aide	-	-	-	2,194
Local – TDA Contribution for Sturgeon City	160,954	150,000	(10,954)	150,000
Local – NARTEST-Court Ordered Payment	-	540	540	2,700
Local – Metropolitan Planning Organization	29,650	29,650	-	23,750
Local – Signal Preemption Maintenance	40,160	1,160	(39,000)	1,910
Local – TASC Inc-Treatment Mapping	22,500	15,000	(7,500)	-
Total	2,565,663	2,449,208	(116,455)	2,452,872

continued

City of Jacksonville, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Permits and fees:				
Taxi permits	\$ 7,500	\$ 4,555	\$ (2,945)	\$ 6,762
Development review fees	73,000	80,775	7,775	26,260
Planning fees	30,000	9,500	(20,500)	19,000
Inspection fees	547,500	536,529	(10,971)	547,444
Erosion control fees	3,000	3,263	263	4,300
Fire protection permit	21,000	19,475	(1,525)	19,435
Nuisance abatement fees	25,000	25,837	837	21,946
Police Department	100	100	-	-
Total	707,100	680,034	(27,066)	645,147
Sales and services:				
Utility patching service	15,000	1,038	(13,962)	5,377
Recreation fees	611,450	413,481	(197,969)	590,796
Recreation concession	40,000	19,530	(20,470)	38,583
Photocopy and map sales	300	116	(184)	182
Credit reports	11,100	10,451	(649)	10,787
Powell Bill equipment use allowance	10,000	603	(9,397)	5,366
Property leases	90,000	77,500	(12,500)	75,000
Annexation/street closing petition	1,000	1,500	500	-
Funeral escorts	5,500	3,100	(2,400)	5,400
Wrecker rotation member	6,500	6,250	(250)	6,750
Traffic Signal	55,000	14,887	(40,113)	21,359
Passport Services	199,700	161,248	(38,452)	210,560
Fiber Repair	15,000	8,081	(6,919)	-
Maintenance/Repair Service	-	7,708	7,708	-
Total	1,060,550	725,493	(335,057)	970,160
Investment earnings:				
Investment earnings	623,955	659,994	36,039	701,534
Investment earnings - Powell Bill	23,730	10,201	(13,529)	19,989
Total	647,685	670,195	22,510	721,523
Miscellaneous:				
Police court fees	42,500	26,899	(15,601)	34,249
Program income - Powell Bill	-	-	-	-
Miscellaneous	264,424	261,899	(2,525)	464,349
Contributions	27,232	27,252	20	13,661
Refund	14,500	16,746	2,246	14,664
Total	348,656	332,796	(15,860)	526,923
Total revenues	44,784,273	45,858,561	1,074,288	47,021,486

continued

City of Jacksonville, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	2020		2019
	Budget	Actual	Variance Positive (Negative)
Expenditures:			
General government			
Mayor and Council			
Salaries and employee benefits		\$ 78,082	\$ 74,538
Operating expenses		123,148	122,774
Other departmental expenses		249,959	242,195
Overhead allocation from General Fund		(173,529)	(165,788)
Total		277,660	273,719
City Manager			
Salaries and employee benefits		474,066	451,145
Operating expenses		36,490	34,611
Contracted services		-	-
Other departmental expenses		88,477	103,709
Overhead allocation from General Fund		(276,920)	(287,355)
Total		322,113	302,110
Passport Operations			
Salaries and employee benefits		11,596	
Operating expenses		8,858	11,801
Other departmental expenses		-	-
Total		20,454	11,801
Human Resources			
Salaries and employee benefits		545,062	507,648
Operating expenses		140,793	168,865
Contracted services		14,862	14,061
Other departmental expenses		86,185	81,625
Capital outlay		8,350	-
Overhead allocation from General Fund		(201,524)	(192,189)
Total		593,728	580,010
City Clerk			
Salaries and employee benefits		166,771	154,681
Operating expenses		17,968	14,149
Other departmental expenses		20,503	24,305
Overhead allocation from General Fund		(48,256)	(49,360)
Total		156,986	143,775
Elections			
Contracted services		43,939	-
Total		43,939	-
Finance			
Salaries and employee benefits		1,582,176	1,468,080
Operating expenses		264,758	274,127
Contracted services		625,527	637,410
Other departmental expenses		169,472	199,764
Capital outlay		-	700
Overhead allocation from General Fund		(1,260,370)	(1,108,433)
Total		1,381,563	1,471,648

continued

City of Jacksonville, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	2020		2019
	Budget	Actual	Variance Positive (Negative)
			Actual
Community Programs			
Salaries and employee benefits		\$ 138,732	\$ 132,032
Operating expenses		4,227	7,498
Contracted services		24,706	24,787
Other departmental expenses		24,454	33,310
Overhead allocation from General Fund		(53,208)	(51,556)
Total		138,911	146,071
Legal			
Salaries and employee benefits		203,764	195,084
Operating expenses		15,527	15,554
Contracted services		4,524	1,958
Other departmental expenses		6,500	7,963
Overhead allocation from General Fund		(128,451)	(137,288)
Total		101,864	83,271
Planning			
Salaries and employee benefits		419,216	410,951
Operating expenses		57,854	41,797
Contracted services		19,500	24,500
Other departmental expenses		71,974	76,051
Capital outlay		10,692	850
Total		579,236	554,149
Transportation			
Salaries and employee benefits		273,616	273,147
Operating expenses		21,854	20,996
Contracted services		78,635	35,161
Other departmental expenses		46,061	57,022
Capital outlay		-	68,600
Total		420,166	454,926
Non-departmental			
Operating expenses		103,400	96,100
Utilities, maintenance and repairs		4,956	4,871
Contracted services		18,996	16,180
Other departmental expenses		3,178	-
Reserve for insurance deductible		94,339	141,180
Miscellaneous payments		798,846	190,096
Capital outlay		2,829	19,195
Bad debts		540	5,095
Total		1,027,084	472,717
Total general government	6,523,033	5,063,704	1,459,329

continued

City of Jacksonville, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	2020		2019
	Budget	Actual	Variance Positive (Negative)
Public works			Actual
Inspections			
Salaries and employee benefits		\$ 351,941	\$ 384,186
Operating expenses		44,946	59,346
Other departmental expenses		33,247	41,514
Total		430,134	485,046
Code Enforcement			
Salaries and employee benefits		216,287	219,264
Operating expenses		20,043	18,915
Contracted services		40,378	7,716
Other departmental expenses		23,860	23,906
Capital outlay		25,555	-
Total		326,123	269,801
Administration			
Salaries and employee benefits		82,260	112,852
Operating expenses		18,683	15,274
Other departmental expenses		9,480	10,000
Total		110,423	138,126
Engineering			
Salaries and employee benefits		33,066	103,783
Operating expenses		13,785	11,909
Contracted services		6,900	1,600
Other departmental expenses		30,296	28,762
Total		84,047	146,054
Maintenance			
Salaries and employee benefits		766,430	700,302
Operating expenses		91,212	82,169
Utilities		14,500	16,489
Maintenance and repairs		189,677	230,909
Contracted services		25,308	23,875
Other departmental expenses		46,425	55,370
Capital outlay		50,124	53,525
Overhead allocation from General Fund		(200,742)	(191,069)
Total		982,934	971,570

continued

City of Jacksonville, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	2020		2019
	Budget	Actual	Variance Positive (Negative)
Streets - Powell Bill			
Salaries and employee benefits		\$ 180,004	\$ 202,180
Operating expenses		148,518	321,625
Maintenance and repairs		1,366	2,487
Contracted services		65,165	68,888
Other departmental expenses		-	-
Total		395,053	595,180
Streets - Non-Powell Bill			
Salaries and employee benefits		625,569	671,121
Operating expenses		118,440	143,333
Utilities		587,168	587,855
Maintenance and repairs		587	1,362
Contracted services		1,250	200
Other departmental expenses		50,143	72,719
Mosquito control		20,797	42,466
Capital outlay		204,400	113,691
Overhead allocation from General Fund		(26,961)	(54,640)
Total		1,581,393	1,578,107
Streets - Traffic Signal Control			
Salaries and employee benefits		376,483	375,623
Operating expenses		119,390	134,296
Utilities		2,008	2,117
Maintenance and repairs		719	111
Street lighting		376,990	373,014
Contracted services		25,701	44,635
Other departmental expenses		83,675	32,534
Capital outlay		9,933	-
Total		994,899	962,330
Total public works	6,158,979	4,905,006	1,253,973
Public safety			
Police			
Salaries and employee benefits		10,185,656	9,983,018
Employer contribution to separation allowance trust fund		305,044	291,982
Operating expenses		1,492,462	1,570,961
Utilities		112,951	115,503
Maintenance and repairs		26,148	31,814
Contracted services		89,156	78,272
Other departmental expenses		1,721,868	1,493,638
Capital outlay		604,380	733,508
Total		14,537,665	14,298,696

continued

City of Jacksonville, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Fire				
Salaries and employee benefits		\$ 5,658,856		\$ 5,588,984
Operating expenses		499,327		564,787
Utilities		117,801		121,299
Maintenance and repairs		27,336		29,105
Contracted services		34,306		41,978
Other departmental expenses		423,704		433,926
Capital outlay		46,879		166,116
Total		6,808,209		6,946,195
Total public safety	23,159,815	21,345,874	1,813,941	21,244,891
Cultural and recreational				
Recreation				
Salaries and employee benefits		2,821,379		2,620,169
Operating expenses		719,276		761,474
Utilities		306,771		337,884
Maintenance and repairs		51,355		38,624
Contracted services		323,815		581,270
Other departmental expenses		344,823		317,133
Capital outlay		310,334		194,083
Total cultural and recreational	5,578,352	4,877,753	700,599	4,850,637
Economic and physical development				
Livable Neighborhoods				
Salaries and employee benefits		95,189		89,291
Operating expenses		5,467		8,372
Contracted services		6,303		7,895
Other departmental expenses		54,264		66,257
Total		161,223		171,815
Community Engagement				
Salaries and employee benefits		120,652		120,000
Operating expenses		4,831		4,014
Other departmental expenses		17,872		20,991
Total		143,355		145,005
Total economic and physical development	319,349	304,578	14,771	316,820
Debt service				
Principal retirements	2,807,560	2,768,182	39,378	3,100,575
Interest and fees	853,534	833,779	19,755	888,161
Debt issuance costs	-	-	-	-
Total debt service	3,661,094	3,601,961	59,133	3,988,736
Total expenditures	45,400,622	40,098,876	5,286,975	40,041,495
Revenues over (under) expenditures	(616,349)	5,759,685	6,376,034	6,979,991

continued

City of Jacksonville, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Other financing sources (uses):				
Debt issued	\$ 1,267,631	\$ 1,267,631	\$ -	\$ 1,140,255
Refunding Debt	-	-	-	-
Appropriated fund balance	3,375,258	-	(3,375,258)	-
Sales of general capital assets	108,713	94,690	(14,023)	167,081
Sales of capital assets - Powell Bill	30,200	30,200	-	52,985
Payment to refunded bond escrow agent	-	-	-	-
Transfers in -				
From Major Capital Project Fund	-	-	-	-
From Major Enterprise Fund	75,085	75,085	-	75,085
From Non-Major Governmental Fund	945,320	945,319	(1)	350,959
Transfers (out) -				
To Major Capital Project Fund	(2,414)	(2,414)	-	(118,000)
To Major Enterprise Fund	(1,643,132)	(1,643,132)	-	(753,413)
To Non-Major Governmental Fund	(3,257,312)	(3,257,307)	5	(4,255,893)
To Non-Major Enterprise Fund	-	-	-	-
To Internal Service Fund	(283,000)	(25,000)	258,000	(5,040)
Total other financing (uses)	616,349	(2,514,928)	(3,131,277)	(3,345,981)
Net change in fund balance	<u>\$ -</u>	<u>3,244,757</u>	<u>\$ 3,244,757</u>	<u>3,634,010</u>
Fund balance:				
Beginning of year, July 1		35,744,634		32,110,624
End of year, June 30		<u>\$ 38,989,391</u>		<u>\$ 35,744,634</u>

EMERGENCY RELIEF FUND

The Emergency Relief Fund is used to account for the emergency relief efforts in the City of Jacksonville.

City of Jacksonville, North Carolina
Major Emergency Relief Fund
Comparative Balance Sheets
June 30, 2020 and 2019

	2020	2019
Assets		
Cash and investments	\$ 235,777	\$ -
Restricted cash and investments	-	-
Accounts receivable (net)	2,009,595	1,834,888
Interfund receivable	-	-
Total Assets	<u>\$ 2,245,372</u>	<u>\$ 1,834,888</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 14,008	\$ 986,183
Interfund payable	1,212,179	2,542,240
Total Liabilities	<u>1,226,187</u>	<u>3,528,423</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>
Fund Balances:		
Unrestricted	<u>1,019,185</u>	<u>(1,693,535)</u>
Total Fund Balances	<u>1,019,185</u>	<u>(1,693,535)</u>
Total Liabilities and Fund Balances	<u>\$ 2,245,372</u>	<u>\$ 1,834,888</u>

City of Jacksonville, North Carolina
Major Emergency Relief Fund
Schedule of Revenues and Expenditures-
Budget and Actual (Non-GAAP)

From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental revenues:					
FEMA	\$ 8,347,164	\$ 4,174,210	\$ 2,012,474	\$ 6,186,684	\$ (2,160,480)
FEMA State Match	2,754,733	1,391,403	856,060	2,247,463	(507,270)
Total Restricted Intergovernmental Revenues	<u>11,101,897</u>	<u>5,565,613</u>	<u>2,868,534</u>	<u>8,434,147</u>	<u>(2,667,750)</u>
Insurance proceeds	-	-	16,899	16,899	16,899
Total revenues	<u>11,101,897</u>	<u>5,565,613</u>	<u>2,885,433</u>	<u>8,451,046</u>	<u>(2,650,851)</u>
Expenditures:					
Public Safety	-		217,148		-
Water and Sewer			155,565		
Total expenditures	<u>11,521,897</u>	<u>7,479,148</u>	<u>372,713</u>	<u>7,851,861</u>	<u>(3,670,036)</u>
Revenues (under) expenditures	<u>(420,000)</u>	<u>(1,913,535)</u>	<u>2,512,720</u>	<u>599,185</u>	<u>1,019,185</u>
Other financing sources (uses):					
Transfers in					
From General Fund	220,000	120,000	100,000	220,000	-
From Proprietary Fund	-	-	-	-	-
From Major Enterprise Fund	<u>200,000</u>	<u>100,000</u>	<u>100,000</u>	<u>200,000</u>	<u>-</u>
Total other financing sources	<u>420,000</u>	<u>220,000</u>	<u>200,000</u>	<u>420,000</u>	<u>-</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>\$ (1,693,535)</u>	<u>\$ 2,712,720</u>	<u>\$ 1,019,185</u>	<u>\$ 1,019,185</u>

City of Jacksonville, North Carolina
Major Emergency Relief Fund
Combining Balance Sheet
June 30, 2020

	Hurricane Florence	Shoreline Drive	Hurricane Dorian	COVID-19 Pandemic	Total
Assets					
Current Assets:					
Cash and cash equivalents	\$	\$	\$ 234,729	\$ 1,048	\$ 235,777
Restricted cash and cash equivalents	-	-	-	-	-
Accounts receivable	1,936,835	72,760	-	-	2,009,595
Interfund receivable	-	-	-	-	-
Total Current Assets	1,936,835	72,760	234,729	1,048	2,245,372
Total Assets	<u>\$ 1,936,835</u>	<u>\$ 72,760</u>	<u>\$ 234,729</u>	<u>\$ 1,048</u>	<u>\$ 2,245,372</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 3,360	\$ 9,600	\$ -	\$ 1,048	\$ 14,008
Interfund payable	1,163,643	43,160	-	5,376	1,212,179
Total Liabilities	1,167,003	52,760	-	6,424	1,226,187
Total Deferred Inflows of Resources	-	-	-	-	-
Fund Balances:					
Restricted					
Stabilization by State Statute	-	-	-	-	-
Capital Projects	-	-	-	-	-
Unrestricted	769,832	20,000	234,729	(5,376)	1,019,185
Emergency Relief Fund					
Unrestricted	-	-	-	-	-
Total Fund Balance	769,832	20,000	234,729	(5,376)	1,019,185
Total Liabilities and Fund Balances	<u>\$ 1,936,835</u>	<u>\$ 72,760</u>	<u>\$ 234,729</u>	<u>\$ 1,048</u>	<u>\$ 2,245,372</u>

City of Jacksonville, North Carolina
Major Emergency Relief Fund
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020

	Hurricane Florence	Shoreline Dr	Hurricane Dorian	COVID-19 Pandemic	Total
Revenues:					
FEMA	\$ 1,886,785	\$ 54,570	\$ 71,119	\$ -	\$ 2,012,474
FEMA State Match	815,645	18,190	22,225	-	856,060
Gain/Loss from Insurance	16,899	-	-	-	16,899
Miscellaneous	-	-	-	-	-
Total revenues	<u>2,719,329</u>	<u>72,760</u>	<u>93,344</u>	<u>-</u>	<u>2,885,433</u>
Expenditures:					
Public Safety	108,060	72,760	30,952	5,376	217,148
Public Works	-	-	-	-	-
Water and Sewer	<u>127,902</u>	<u>-</u>	<u>27,663</u>	<u>-</u>	<u>155,565</u>
Cultural and Recreation	-	-	-	-	-
Non-capitalized expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>235,962</u>	<u>72,760</u>	<u>58,615</u>	<u>5,376</u>	<u>372,713</u>
Revenues over (under) expenditures	<u>2,483,367</u>	<u>-</u>	<u>34,729</u>	<u>(5,376)</u>	<u>2,512,720</u>
Other financing sources (uses):					
Debt Issued	-	-	-	-	-
Transfers in	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Net change in fund balance	2,483,367	-	234,729	(5,376)	2,712,720
Fund balances:					
Beginning of year, July 1	<u>(1,713,535)</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>(1,693,535)</u>
End of year, June 30	<u>\$ 769,832</u>	<u>\$ 20,000</u>	<u>\$ 234,729</u>	<u>\$ (5,376)</u>	<u>\$ 1,019,185</u>

City of Jacksonville, North Carolina
Hurricane Florence Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
FEMA	\$ 6,750,000	\$ 4,174,210	\$ 1,886,785	\$ 6,060,995	\$ (689,005)
FEMA State Match	2,250,000	1,391,403	815,645	2,207,048	(42,952)
Insurance proceeds	-	-	16,899	16,899	16,899
Total revenues	9,000,000	5,565,613	2,719,329	8,284,942	(715,058)
Expenditures:					
Public Safety	8,102,000	6,646,679	108,060	6,754,739	1,347,261
Water and Sewer	1,098,000	832,469	127,902	960,371	137,629
Total expenditures	9,200,000	7,479,148	235,962	7,715,110	1,484,890
Revenues (under) expenditures	(200,000)	(1,913,535)	2,483,367	569,832	769,832
Other financing sources:					
Transfers in -					
From General Fund	100,000	100,000	-	100,000	-
From Capital Reserve Fund	100,000	100,000	-	100,000	-
Total other financing sources	200,000	200,000	-	200,000	-
Net change in fund balance	\$ -	\$ (1,713,535)	2,483,367	\$ 769,832	\$ 769,832
Fund Balance:					
Beginning of year, July 1			(1,713,535)		
End of year, June 30			\$ 769,832		

City of Jacksonville, North Carolina
Shoreline Drive Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
FEMA	\$ 1,522,164	\$ -	\$ 54,570	\$ 54,570	\$ (1,467,594)
FEMA State Match	479,733	-	18,190	18,190	(461,543)
Total revenues	<u>2,001,897</u>	<u>-</u>	<u>72,760</u>	<u>72,760</u>	<u>(1,929,137)</u>
Expenditures:					
Public Safety	2,021,897	-	72,760	72,760	1,949,137
Total expenditures	<u>2,021,897</u>	<u>-</u>	<u>72,760</u>	<u>72,760</u>	<u>1,949,137</u>
Revenues (under) expenditures	<u>(20,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
Other financing sources:					
Transfers in -					
From General Fund	20,000	20,000	-	20,000	-
Total other financing sources	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
Fund Balance:					
Beginning of year, July 1			<u>\$ 20,000</u>		
End of year, June 30			<u>\$ 20,000</u>		

City of Jacksonville, North Carolina
Hurricane Dorian Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year ended June 30, 2020

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
FEMA	\$ -	\$ -	\$ 71,119	\$ 71,119	\$ 71,119
FEMA State Match	-	-	22,225	22,225	22,225
Total revenues	-	-	93,344	93,344	93,344
Expenditures:					
Public Safety	100,000	-	30,952	30,952	69,048
Water and Sewer	100,000	-	27,663	27,663	72,337
Total expenditures	200,000	-	58,615	58,615	141,385
Revenues (under) expenditures	(200,000)	-	34,729	34,729	234,729
Other financing sources:					
Transfers in -					
From General Fund	100,000	-	100,000	100,000	-
From Capital Reserve Fund	100,000	-	100,000	100,000	-
Total other financing sources	200,000	-	200,000	200,000	-
Net change in fund balance	\$ -	\$ -	234,729	\$ 234,729	\$ 234,729
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 234,729		

City of Jacksonville, North Carolina
COVID-19 Pandemic Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
FEMA	\$ 75,000	\$ -	\$ -	\$ -	\$ (75,000)
FEMA State Match	25,000	-	-	-	(25,000)
Total revenues	100,000	-	-	-	(100,000)
Expenditures:					
Public Safety	67,500	-	5,376	5,376	62,124
Water and Sewer	32,500	-	-	-	32,500
Total expenditures	100,000	-	5,376	5,376	94,624
Revenues (under) expenditures	-	-	(5,376)	(5,376)	(5,376)
Other financing sources:					
Transfers in -					
Total other financing sources	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	(5,376)	\$ (5,376)	\$ (5,376)
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ (5,376)		



MAJOR CAPITAL PROJECTS FUND

The Major Capital Projects Fund is segregated into individual projects which account for funds to be used for the acquisition or construction of major capital facilities.

INDIVIDUAL PROJECT DESCRIPTIONS:

Police/Fire Facility Capital Project – accounts for funds used in the construction of the new Police/Fire Facility.

Freedom Fountain Capital Project – accounts for funds used in the design and initial construction of the Freedom Fountain.

Richard Ray Park Garden Improvements Capital Project – accounts for funds used for improvements to the garden area of Richard Ray All-American Park.

Sturgeon City Environmental Education Center Capital Project – accounts for funds used for construction of the Sturgeon City Environmental Education Center.

Jacksonville Landing Park Capital Project – accounts for funds used to construct a Welcome Center and Park.

Median Improvement Western Capital Project – accounts for funds used for median improvements on Western Blvd.

Richard Ray Amphitheater Capital Project – accounts for funds used for the construction of an amphitheater at Richard Ray Park.

Northeast Creek Restroom and Shelter Capital Project – accounts for funds used for the construction of a restroom and shelter at Northeast Creek Park.

Downtown Rails to Trails Extension Capital Project – accounts for funds used to extend the Downtown Rails to Trails path.

Jacksonville Marina Capital Project – accounts for funds used to renovate the Jacksonville Marina.

Northeast Creek Bulkhead and Boardwalk Capital Project – accounts for funds used for the bulkhead and boardwalk at Northeast Creek Park.

Beirut Memorial Grove Sign Capital Project – accounts for funds used for signage at the Beirut Memorial Grove.

MAJOR CAPITAL PROJECTS FUND

(Continued)

Sturgeon City Asbestos Capital Project – accounts for funds used for the removal of asbestos within the Sturgeon City Administration Building.

Kerr St. Recreation Center Renovation Capital Project – accounts for funds used for the renovation of Kerr Street Recreation Center.

Wayfinding Signs with TDA Capital Project – accounts for funds used for directional signage.

Barn St Recreation Center Capital Project – accounts for funds used for renovations for use as a recreation center.

Gateway Signs Capital Project – accounts for funds used for an LED digital sign on Gateway Dr.

Sturgeon City Boardwalk Rehabilitation Capital Project – accounts for funds for repairing the boardwalk.

Piney Green Landscaping Improvements Capital Project – accounts for funds used for landscaping improvements to Piney Green Road.

Jack Amyette Recreation Center Repairs Capital Project – accounts for funds used for repairs and renovations of the Jack Amyette Recreation Center.

Train Depot Repairs Capital Project – accounts for funds used for repairs and renovations of the train depot.

Jacksonville YMCA Capital Project – accounts for funds used to repurpose City building for use by the YMCA.

City Hall HVAC System Capital Project – accounts for funds used to upgrade the HVAC system in City Hall.

Fire Station #3 Remodel Capital Project – accounts for funds used to renovate and update Fire Station #3.

Vehicle Wash Facility Capital Project – accounts for funds used to construct a fully automated vehicle wash facility at the Public Services Complex.

ADA Phase I Implementation Capital Project – accounts for funds used to implement ADA recommendations associated within public facilities, parking lots and sidewalk connections outside of the right-of-way.

City of Jacksonville, North Carolina
Major Capital Projects Fund
Comparative Balance Sheets
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and investments	\$ 3,185,775	\$ 2,672,012
Restricted cash and investments	487,885	3,729,482
Accounts receivable (net)	-	169,918
Total Assets	<u>\$ 3,673,660</u>	<u>\$ 6,571,412</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 35,989	\$ 223,750
Interfund payable	43,204	3,036,451
Total Liabilities	<u>79,193</u>	<u>3,260,201</u>
Fund Balances:		
Restricted:		
Stabilization by State Statute	633,831	819,169
Comitted:		
Capital Projects	2,960,636	2,492,042
Total Fund Balances	<u>3,594,467</u>	<u>3,311,211</u>
Total Liabilities and Fund Balances	<u>\$ 3,673,660</u>	<u>\$ 6,571,412</u>

City of Jacksonville, North Carolina
Major Capital Projects Fund
Schedule of Revenues and Expenditures-
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental revenues:					
Federal	\$ 487,833	\$ -	\$ 20,000	\$ 20,000	\$ (467,833)
State	1,068,020	552,938	15,082	568,020	(500,000)
Local	450,000	450,000	-	450,000	-
Total Restricted Intergovernmental Revenues	2,005,853	1,002,938	35,082	1,038,020	(967,833)
Duke Energy Grant	100,000	100,000	-	100,000	-
Contributions - JTDA	150,000	-	-	-	(150,000)
Contributions	894,301	895,300	689	895,989	1,688
Insurance proceeds	998,580	-	998,579	998,579	(1)
Miscellaneous Revenues	5,700	5,700	-	5,700	-
Total revenues	4,154,434	2,003,938	1,034,350	3,038,288	(1,116,146)
Expenditures:					
General Government	6,014,785	3,620,745	331,074	3,951,819	(2,062,966)
Public Works	547,833	38,800	64,418	103,218	(444,615)
Public Safety	30,441,128	30,260,370	92,510	30,352,880	(88,248)
Cultural and Recreation	7,697,123	4,598,278	982,926	5,581,204	(2,115,919)
Total expenditures	44,700,869	38,518,193	1,470,928	39,989,121	(4,711,748)
Revenues (under) expenditures	(40,546,435)	(36,514,255)	(436,578)	(36,950,833)	3,595,602
Other financing sources (uses):					
Debt issued	26,301,455	26,301,000	-	26,301,000	(455)
Premium on debt issued	2,070,000	2,070,000	-	2,070,000	-
Transfers in					
From Capital Reserve Fund	4,236,098	3,885,260	350,420	4,235,680	(418)
From General Fund	9,544,860	9,292,184	252,414	9,544,598	(262)
From Proprietary Fund	21,000	-	21,000	21,000	-
From Internal Service Fund	219,629	123,629	96,000	219,629	-
Transfers (out)					
To Capital Reserve Fund	(47,000)	(47,000)	-	(47,000)	-
To General Fund	(1,799,607)	(1,799,607)	-	(1,799,607)	-
Total other financing sources	40,546,435	39,825,466	719,834	40,545,300	(1,135)
Net Change In Fund Balance	\$ -	\$ 3,311,211	\$ 283,256	\$ 3,594,467	\$ 3,594,467

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Balance Sheet
 June 30, 2020
 With Comparative Totals for June 30, 2019

	Police/Fire Facility	Freedom Fountain	Sturgeon City Environmental Education Center	Jacksonville Landing Park
Assets				
Current Assets:				
Cash and cash equivalents	\$ 958,763	\$ 37,441	\$ 117,704	\$ 27,775
Restricted cash and cash equivalents	-	-	487,885	-
Accounts receivable	-	-	-	-
Total Current Assets	958,763	37,441	605,589	27,775
Total Assets	<u>\$ 958,763</u>	<u>\$ 37,441</u>	<u>\$ 605,589</u>	<u>\$ 27,775</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Interfund payable	-	-	-	-
Total Liabilities	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted				
Stabilization by State Statute	-	-	7,920	-
Committed:				
Capital Projects	958,763	37,441	597,669	27,775
Total Fund Balance	958,763	37,441	605,589	27,775
Total Liabilities and Fund Balances	<u>\$ 958,763</u>	<u>\$ 37,441</u>	<u>\$ 605,589</u>	<u>\$ 27,775</u>

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Median Improvement Western	Richard Ray Amphitheater	Northeast Creek Restroom and Shelter	Downtown Rails to Trails Extension
Assets				
Current Assets:				
Cash and cash equivalents	\$ 11,724	\$ 13,249	\$ 74	\$ 117,000
Restricted cash and cash equivalents	-	-	-	-
Accounts receivable	-	-	-	-
Total Current Assets	11,724	13,249	74	117,000
Total Assets	\$ 11,724	\$ 13,249	\$ 74	\$ 117,000
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Interfund payable	-	-	-	-
Total Liabilities	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted				
Stabilization by State Statute	10,024	-	-	-
Committed:				
Capital Projects	1,700	13,249	74	117,000
Total Fund Balance	11,724	13,249	74	117,000
Total Liabilities and Fund Balances	\$ 11,724	\$ 13,249	\$ 74	\$ 117,000

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Jacksonville Marina	Northeast Creek Bulkhead and Boardwalk	Beruit Memorial Grove Sign	Sturgeon City Asbestos
Assets				
Current Assets:				
Cash and cash equivalents	\$ 341,790	\$ 36,421	\$ -	\$ 50,000
Restricted cash and cash equivalents	-	-	-	-
Accounts receivable	-	-	-	-
Total Current Assets	341,790	36,421	-	50,000
Total Assets	<u>\$ 341,790</u>	<u>\$ 36,421</u>	<u>\$ -</u>	<u>\$ 50,000</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 28,099	\$ -	\$ -	\$ -
Interfund payable	-	-	13,800	-
Total Liabilities	28,099	-	13,800	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted				
Stabilization by State Statute	134,312	-	-	-
Committed:				
Capital Projects	179,379	36,421	(13,800)	50,000
Total Fund Balance	313,691	36,421	(13,800)	50,000
Total Liabilities and Fund Balances	<u>\$ 341,790</u>	<u>\$ 36,421</u>	<u>\$ -</u>	<u>\$ 50,000</u>

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Kerr St Rec Center Renovation	Wayfinding Signs with TDA	Barn Street Rec Center	Gateway Signs
Assets				
Current Assets:				
Cash and cash equivalents	\$ 2,698	\$ -	\$ 197,265	\$ 87,380
Restricted cash and cash equivalents	-	-	-	-
Accounts receivable	-	-	-	-
Total Current Assets	2,698	-	197,265	87,380
Total Assets	<u>\$ 2,698</u>	<u>\$ -</u>	<u>\$ 197,265</u>	<u>\$ 87,380</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 4,880
Interfund payable	-	29,404	-	-
Total Liabilities	-	29,404	-	4,880
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted				
Stabilization by State Statute	-	-	1,265	5,300
Committed:				
Capital Projects	2,698	(29,404)	196,000	77,200
Total Fund Balance	2,698	(29,404)	197,265	82,500
Total Liabilities and Fund Balances	<u>\$ 2,698</u>	<u>\$ -</u>	<u>\$ 197,265</u>	<u>\$ 87,380</u>

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Sturgeon City Boardwalk Rehab	Jack Ameyette Rec Ctr Rep	Train Depot Repairs	City Hall HVAC System
Assets				
Current Assets:				
Cash and cash equivalents	\$ 30,000	\$ 795,245	\$ 101,436	\$ 45,452
Restricted cash and cash equivalents	-	-	-	-
Accounts receivable	-	-	-	-
Total Current Assets	30,000	795,245	101,436	45,452
Total Assets	<u>\$ 30,000</u>	<u>\$ 795,245</u>	<u>\$ 101,436</u>	<u>\$ 45,452</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Interfund payable	-	-	-	-
Total Liabilities	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted				
Stabilization by State Statute	-	413,500	3,900	-
Committed:				
Capital Projects	30,000	381,745	97,536	45,452
Total Fund Balance	30,000	795,245	101,436	45,452
Total Liabilities and Fund Balances	<u>\$ 30,000</u>	<u>\$ 795,245</u>	<u>\$ 101,436</u>	<u>\$ 45,452</u>

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Fire Station #3 Remodel	Vehicle Wash Facility	ADA Phase I Implementation
Assets			
Current Assets:			
Cash and cash equivalents	\$ 160,371	\$ 5,115	\$ 48,872
Restricted cash and cash equivalents	-	-	-
Accounts receivable	-	-	-
Total Current Assets	160,371	5,115	48,872
Total Assets	<u>\$ 160,371</u>	<u>\$ 5,115</u>	<u>\$ 48,872</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 2,881	\$ -	\$ 129
Interfund payable	-	-	-
Total Liabilities	2,881	-	129
Total Deferred Inflows of Resources	-	-	-
Fund Balances:			
Restricted			
Stabilization by State Statute	57,610	-	-
Committed:			
Capital Projects	99,880	5,115	48,743
Total Fund Balance	157,490	5,115	48,743
Total Liabilities and Fund Balances	<u>\$ 160,371</u>	<u>\$ 5,115</u>	<u>\$ 48,872</u>

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Totals	
	June 30, 2020	June 30, 2019
Assets		
Current Assets:		
Cash and cash equivalents	\$ 3,185,775	\$ 2,672,012
Restricted cash and cash equivalents	487,885	3,729,482
Accounts receivable	-	169,918
Total Current Assets	3,673,660	6,571,412
Total Assets	<u>\$ 3,673,660</u>	<u>\$ 6,571,412</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities:		
Accounts payable and accrued liabilities	\$ 35,989	\$ 223,750
Interfund payable	43,204	3,036,451
Total Liabilities	79,193	3,260,201
Total Deferred Inflows of Resources	-	-
Fund Balances:		
Restricted		
Stabilization by State Statute	633,831	819,169
Committed:		
Capital Projects	2,960,636	2,492,042
Total Fund Balance	3,594,467	3,311,211
Total Liabilities and Fund Balances	<u>\$ 3,673,660</u>	<u>\$ 6,571,412</u>

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2020
 With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Police/Fire Facility	Freedom Fountain	Richard Ray Park Garden Improvements	Sturgeon City Environmental Education Center
Revenues:				
Restricted intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Insurance proceeds	-	-	-	-
Contributions	-	689	-	-
Total revenues	-	689	-	-
Expenditures:				
Capital Outlay:				
General Government	-	254	-	128,816
Public Works	-	-	-	-
Public Safety	-	-	-	-
Cultural and Recreation	-	-	7,835	-
Other Improvements	-	-	-	-
Total expenditures	-	254	7,835	128,816
Revenues over (under) expenditures	-	435	(7,835)	(128,816)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	435	(7,835)	(128,816)
Fund balances:				
Beginning of year, July 1	958,763	37,006	7,835	734,405
End of year, June 30	\$ 958,763	\$ 37,441	\$ -	\$ 605,589

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Jacksonville Landing Park	Median Improvement Western	Richard Ray Amphitheater	Northeast Creek Restroom and Shelter
Revenues:				
Restricted intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Insurance proceeds	-	-	-	-
Contributions	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital Outlay:				
General Government	-	-	-	-
Public Works	-	38,276	-	-
Public Safety	-	-	-	-
Cultural and Recreation	468,009	-	-	262,424
Other Improvements	-	-	-	-
Total expenditures	468,009	38,276	-	262,424
Revenues over (under) expenditures	(468,009)	(38,276)	-	(262,424)
Other financing sources (uses):				
Transfers in	150,000	-	-	2,414
Transfers (out)	-	-	-	-
Total other financing sources (uses)	150,000	-	-	2,414
Net change in fund balance	(318,009)	(38,276)	-	(260,010)
Fund balances:				
Beginning of year, July 1	345,784	50,000	13,249	260,084
End of year, June 30	\$ 27,775	\$ 11,724	\$ 13,249	\$ 74

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Downtown Rails to Trails	Jacksonville Marina	Northeast Creek Bulkhead and Boardwalk	Beirut Memorial Grove Sign
Revenues:				
Restricted intergovernmental revenues	\$ -	\$ 35,082	\$ -	\$ -
Insurance proceeds	-	-	-	-
Contributions	-	-	-	-
Total revenues	-	35,082	-	-
Expenditures:				
Capital Outlay:				
General Government	-	-	-	-
Public Works	-	-	-	-
Public Safety	-	-	-	-
Cultural and Recreation	-	125,923	-	-
Other Improvements	-	-	-	-
Total expenditures	-	125,923	-	-
Revenues over (under) expenditures	-	(90,841)	-	-
Other financing sources (uses):				
Transfers in	100,000	-	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	100,000	-	-	-
Net change in fund balance	100,000	(90,841)	-	-
Fund balances:				
Beginning of year, July 1	17,000	404,532	36,421	(13,800)
End of year, June 30	\$ 117,000	\$ 313,691	\$ 36,421	\$ (13,800)

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Sturgeon City Asbestos	Kerr St Rec Center Renovation	Wayfindings Signs with TDA	Barn St Rec Center
Revenues:				
Restricted intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Insurance proceeds	-	-	-	-
Contributions	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital Outlay:				
General Government	-	-	21,204	-
Public Works	-	-	-	-
Public Safety	-	-	-	-
Cultural and Recreation	-	47,302	-	2,735
Other Improvements	-	-	-	-
Total expenditures	-	47,302	21,204	2,735
Revenues over (under) expenditures	-	(47,302)	(21,204)	(2,735)
Other financing sources (uses):				
Transfers in	-	-	-	23,000
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	23,000
Net change in fund balance	-	(47,302)	(21,204)	20,265
Fund balances:				
Beginning of year, July 1	50,000	50,000	(8,200)	177,000
End of year, June 30	\$ 50,000	\$ 2,698	\$ (29,404)	\$ 197,265

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Gateway Signs	Sturgeon City Boardwalk Rehab	Jack Ameyette Rec Ctr Repair	Train Depot Repair
Revenues:				
Restricted intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Insurance proceeds	-	-	851,743	146,836
Contributions	-	-	-	-
Total revenues	-	-	851,743	146,836
Expenditures:				
Capital Outlay:				
General Government	-	-	-	37,900
Public Works	-	-	-	-
Public Safety	-	-	-	-
Cultural and Recreation	12,200	-	56,498	-
Other Improvements	-	-	-	-
Total expenditures	12,200	-	56,498	37,900
Revenues over (under) expenditures	(12,200)	-	795,245	108,936
Other financing sources (uses):				
Transfers in	-	15,000	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	15,000	-	-
Net change in fund balance	(12,200)	15,000	795,245	108,936
Fund balances:				
Beginning of year, July 1	94,700	15,000	-	(7,500)
End of year, June 30	\$ 82,500	\$ 30,000	\$ 795,245	\$ 101,436

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Jacksonville YMCA	City Hall HVAC System	Fire Station #3 Remodel	Vehicle Wash Facility
Revenues:				
Restricted intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Insurance proceeds	-	-	-	-
Contributions	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital Outlay:				
General Government	13,723	129,177	-	-
Public Works	-	-	-	24,885
Public Safety	-	-	92,510	-
Cultural and Recreation	-	-	-	-
Other Improvements	-	-	-	-
Total expenditures	13,723	129,177	92,510	24,885
Revenues over (under) expenditures	(13,723)	(129,177)	(92,510)	(24,885)
Other financing sources (uses):				
Transfers in	3,420	96,000	250,000	30,000
Transfers (out)	-	-	-	-
Total other financing sources (uses)	3,420	96,000	250,000	30,000
Net change in fund balance	(10,303)	(33,177)	157,490	5,115
Fund balances:				
Beginning of year, July 1	10,303	78,629	-	-
End of year, June 30	\$ -	\$ 45,452	\$ 157,490	\$ 5,115

continued

City of Jacksonville, North Carolina
Major Capital Projects Fund
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

		Totals	
	ADA Phase I Implementation	June 30, 2020	June 30, 2019
Revenues:			
Restricted intergovernmental revenues	\$ -	\$ 35,082	\$ 339,867
Insurance proceeds	-	998,579	-
Contributions	-	689	109,397
Total revenues	-	1,034,350	449,264
Expenditures:			
Capital Outlay:			
General Government	-	331,074	2,251,644
Public Works	1,257	64,418	-
Public Safety	-	92,510	-
Cultural and Recreation	-	982,926	4,050
Other Improvements	-	-	1,070,890
Total expenditures	1,257	1,470,928	3,326,584
Revenues over (under) expenditures	(1,257)	(436,578)	(2,877,320)
Other financing sources (uses):			
Transfers in	50,000	719,834	1,045,629
Transfers (out)	-	-	(155,054)
Total other financing sources (uses)	50,000	719,834	890,575
Net change in fund balance	48,743	283,256	(1,986,745)
Fund balances:			
Beginning of year, July 1	-	3,311,211	5,297,956
End of year, June 30	\$ 48,743	\$ 3,594,467	\$ 3,311,211

City of Jacksonville, North Carolina
Police/Fire Facility Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
NCDENR	\$ 68,020	\$ 68,020	\$ -	\$ 68,020	\$ -
Total revenues	68,020	68,020	-	68,020	-
Expenditures:					
Capital outlay:					
Other improvements	30,191,128	29,231,910	-	29,231,910	959,218
Total expenditures	30,191,128	29,231,910	-	29,231,910	959,218
Revenues (under) expenditures	(30,123,108)	(29,163,890)	-	(29,163,890)	959,218
Other financing sources (uses):					
Debt issued	21,469,455	21,469,000	-	21,469,000	(455)
Premium on debt issued	1,755,000	1,755,000	-	1,755,000	-
Transfers in -					
From General Fund	8,698,260	8,698,260	-	8,698,260	-
Transfers (out) -					
To General Fund	(1,799,607)	(1,799,607)	-	(1,799,607)	-
Total other financing sources (uses)	30,123,108	30,122,653	-	30,122,653	(455)
Net change in fund balance	\$ -	\$ 958,763	-	\$ 958,763	\$ 958,763
Fund Balance:					
Beginning of year, July 1			958,763		
End of year, June 30			\$ 958,763		

City of Jacksonville, North Carolina
Freedom Fountain Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Contributions	\$ 651,289	\$ 652,288	\$ 689	\$ 652,977	\$ 1,688
Total revenues	651,289	652,288	689	652,977	1,688
Expenditures:					
Capital outlay:					
Other improvements		1,028,206	254	1,028,460	
Total expenditures	1,064,213	1,028,206	254	1,028,460	35,753
Revenues over (under) expenditures	(412,924)	(375,918)	435	(375,483)	(34,065)
Other financing sources:					
Transfers in -					
From General Fund	412,924	412,924	-	412,924	-
Total other financing sources	412,924	412,924	-	412,924	-
Net change in fund balance	\$ -	37,006	435	\$ 37,441	\$ 37,441
Fund Balance:					
Beginning of year, July 1			37,006		
End of year, June 30			\$ 37,441		

City of Jacksonville, North Carolina
Richard Ray Park Garden Improvements Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Contributions	\$ 20,000	\$ 20,000	\$ -	\$ 20,000	\$ -
Total revenues	20,000	20,000	-	20,000	-
Expenditures:					
Capital outlay:					
Other improvements		12,427	7,835	20,262	
Total expenditures	20,262	12,427	7,835	20,262	-
Revenues over (under) expenditures	(262)	7,573	(7,835)	(262)	-
Other financing sources:					
Transfers in -					
From General Fund	262	262	-	262	-
Total other financing sources	262	262	-	262	-
Net change in fund balance	\$ -	\$ 7,835	(7,835)	\$ -	\$ -
Fund Balance:					
Beginning of year, July 1			7,835		
End of year, June 30			\$ -		

City of Jacksonville, North Carolina
Sturgeon City Environmental Education Center Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
NCDOT Reimbursement	\$ 150,000	\$ 150,000	\$ -	\$ 150,000	\$ -
Sturgeon City Contribution	115,007	115,007	-	115,007	-
Total revenues	<u>265,007</u>	<u>265,007</u>	<u>-</u>	<u>265,007</u>	<u>-</u>
Expenditures:					
Capital outlay:					
Other improvements	4,310,007	3,575,602	128,816	3,704,418	605,589
Total expenditures	<u>4,310,007</u>	<u>3,575,602</u>	<u>128,816</u>	<u>3,704,418</u>	<u>605,589</u>
Revenues (under) expenditures	<u>(4,045,000)</u>	<u>(3,310,595)</u>	<u>(128,816)</u>	<u>(3,439,411)</u>	<u>605,589</u>
Other financing sources:					
Debt Issued	3,685,000	3,685,000	-	3,685,000	-
Premium on debt issued	315,000	315,000	-	315,000	-
Transfers in -					
From Internal Service Fund	45,000	45,000	-	45,000	-
Total other financing sources	<u>4,045,000</u>	<u>4,045,000</u>	<u>-</u>	<u>4,045,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 734,405</u>	<u>(128,816)</u>	<u>\$ 605,589</u>	<u>\$ 605,589</u>
Fund Balance:					
Beginning of year, July 1			<u>734,405</u>		
End of year, June 30			<u>\$ 605,589</u>		

City of Jacksonville, North Carolina
Jacksonville Landing Park Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Contributions - Onslow County	\$ 450,000	\$ 450,000	\$ -	\$ 450,000	\$ -
Miscellaneous Revenue	5,700	5,700	-	5,700	-
Total revenues	455,700	455,700	-	455,700	-
Expenditures:					
Capital outlay:					
Other improvements		1,764,916	468,009	2,232,925	
Total expenditures	2,260,700	1,764,916	468,009	2,232,925	27,775
Revenues over (under) expenditures	(1,805,000)	(1,309,216)	(468,009)	(1,777,225)	27,775
Other financing sources:					
Debt Issued	1,147,000	1,147,000	-	1,147,000	-
Transfers in -					
From General Fund	188,000	188,000	-	188,000	-
From Capital Reserve Fund	470,000	320,000	150,000	470,000	-
Total other financing sources	1,805,000	1,655,000	150,000	1,805,000	-
Net change in fund balance	\$ -	\$ 345,784	(318,009)	\$ 27,775	\$ 27,775
Fund Balance:					
Beginning of year, July 1			345,784		
End of year, June 30			\$ 27,775		

City of Jacksonville, North Carolina
Median Improvement Western Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
NCDOT Enhancement grant	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-
Expenditures:					
Capital outlay:					
Other improvements	75,000	25,000	38,276	63,276	11,724
Total expenditures	75,000	25,000	38,276	63,276	11,724
Revenues over (under) expenditures	(75,000)	(25,000)	(38,276)	(63,276)	11,724
Other financing sources (uses):					
Transfers in -					
From Capital Reserve	75,000	75,000	-	75,000	-
Total other financing sources	75,000	75,000	-	75,000	-
Net change in fund balance	\$ -	\$ 50,000	(38,276)	\$ 11,724	\$ 11,724
Fund Balance:					
Beginning of year, July 1			50,000		
End of year, June 30			\$ 11,724		

City of Jacksonville, North Carolina
Richard Ray Amphitheater Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	-	348,077	-	348,077	
Total expenditures	361,326	348,077	-	348,077	13,249
Revenues over (under) expenditures	(361,326)	(348,077)	-	(348,077)	13,249
Other financing sources (uses):					
Transfers in -					
From Capital Reserve	361,326	361,326	-	361,326	-
Total other financing sources	361,326	361,326	-	361,326	-
Net change in fund balance	\$ -	\$ 13,249	-	\$ 13,249	\$ 13,249
Fund Balance:					
Beginning of year, July 1			13,249		
End of year, June 30			\$ 13,249		

City of Jacksonville, North Carolina
Northeast Creek Restroom and Shelter Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Vendor Grant	\$ 108,005	\$ 108,005	\$ -	\$ 108,005	\$ -
Total revenues	108,005	108,005	-	108,005	-
Expenditures:					
Capital outlay:					
Other improvements	1,391,419	1,128,921	262,424	1,391,345	74
Total expenditures	1,391,419	1,128,921	262,424	1,391,345	74
Revenues over (under) expenditures	(1,283,414)	(1,020,916)	(262,424)	(1,283,340)	74
Other financing sources (uses):					
Transfers in -					
From General Fund	20,414	18,000	2,414	20,414	-
From Capital Reserve	1,263,000	1,263,000	-	1,263,000	-
Total other financing sources	1,283,414	1,281,000	2,414	1,283,414	-
Net change in fund balance	\$ -	\$ 260,084	(260,010)	\$ 74	\$ 74
Fund Balance:					
Beginning of year, July 1			260,084		
End of year, June 30			\$ 74		

City of Jacksonville, North Carolina
Downtown Rails to Trails Extension Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
NCDOT Partnership	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
Total revenues	500,000	-	-	-	500,000
Expenditures:					
Capital outlay:					
Other improvements	625,000	8,000	-	8,000	617,000
Total expenditures	625,000	8,000	-	8,000	617,000
Revenues over (under) expenditures	(125,000)	(8,000)	-	(8,000)	(117,000)
Other financing sources (uses):					
Transfers in -					
From General Fund	25,000	25,000	-	25,000	-
From Capital Reserve	100,000	-	100,000	100,000	-
Total other financing sources	125,000	25,000	100,000	125,000	-
Net change in fund balance	\$ -	\$ 17,000	100,000	\$ 117,000	\$ 117,000
Fund Balance:					
Beginning of year, July 1			17,000		
End of year, June 30			\$ 117,000		

City of Jacksonville, North Carolina
Jacksonville Marina Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Part F Grant	\$ 350,000	\$ 334,918	\$ 15,082	\$ 350,000	\$ -
NCDEQ Grant	20,000	-	20,000	20,000	-
Duke Energy Grant	100,000	100,000	-	100,000	-
Total revenues	470,000	434,918	35,082	470,000	-
Expenditures:					
Capital outlay:					
Other improvements	1,521,672	1,082,058	125,923	1,207,981	313,691
Total expenditures	1,521,672	1,082,058	125,923	1,207,981	313,691
Revenues over (under) expenditures	(1,051,672)	(647,140)	(90,841)	(737,981)	(313,691)
Other financing sources (uses):					
Transfers in -					
From Capital Reserve	1,051,672	1,051,672	-	1,051,672	-
Total other financing sources	1,051,672	1,051,672	-	1,051,672	-
Net change in fund balance	\$ -	\$ 404,532	(90,841)	\$ 313,691	\$ 313,691
Fund Balance:					
Beginning of year, July 1			404,532		
End of year, June 30			\$ 313,691		

City of Jacksonville, North Carolina
Northeast Creek Bulkhead and Boardwalk Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	285,000	248,579	-	248,579	(36,421)
Total expenditures	285,000	248,579	-	248,579	36,421
Revenues over (under) expenditures	(285,000)	(248,579)	-	(248,579)	36,421
Other financing sources (uses):					
Transfers in -					
From Capital Reserve	332,000	332,000	-	332,000	-
Transfers (out) -					
To Capital Reserve	(47,000)	(47,000)	-	(47,000)	-
Total other financing sources	285,000	285,000	-	285,000	-
Net change in fund balance	\$ -	\$ 36,421	-	\$ 36,421	\$ 36,421
Fund Balance:					
Beginning of year, July 1			36,421		
End of year, June 30			\$ 36,421		

City of Jacksonville, North Carolina
Beirut Memorial Grove Sign Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
JTDA Funding	\$ 100,000	\$ -	\$ -	\$ -	\$ (100,000)
Total revenues	100,000	-	-	-	(100,000)
Expenditures:					
Capital outlay:					
Other improvements	100,000	13,800	-	13,800	86,200
Total expenditures	100,000	13,800	-	13,800	86,200
Revenues over (under) expenditures	-	(13,800)	-	(13,800)	(13,800)
Net change in fund balance	\$ -	\$ (13,800)	-	\$ (13,800)	\$ (13,800)
Fund Balance:					
Beginning of year, July 1			(13,800)		
End of year, June 30			\$ (13,800)		

City of Jacksonville, North Carolina
Sturgeon City Asbestos Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	50,000	-	-	-	-
Total expenditures	50,000	-	-	-	50,000
Revenues over (under) expenditures	(50,000)	-	-	-	50,000
Other financing sources:					
Transfers in -					
From General Fund	50,000	50,000	-	50,000	-
Total other financing sources (uses)	50,000	50,000	-	50,000	-
Net change in fund balance	\$ -	\$ 50,000	-	\$ 50,000	\$ 50,000
Fund Balance:					
Beginning of year, July 1			50,000		
End of year, June 30			\$ 50,000		

City of Jacksonville, North Carolina
Kerr St Recreation Center Renovation Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	50,000	-	47,302	47,302	2,698
Total expenditures	50,000	-	47,302	47,302	2,698
Revenues over (under) expenditures	(50,000)	-	(47,302)	(47,302)	2,698
Other financing sources:					
Transfers in -					
From General Fund	50,000	50,000	-	50,000	-
Total other financing sources (uses)	50,000	50,000	-	50,000	-
Net change in fund balance	\$ -	\$ 50,000	(47,302)	\$ 2,698	\$ 2,698
Fund Balance:					
Beginning of year, July 1			50,000		
End of year, June 30			\$ 2,698		

City of Jacksonville, North Carolina
Wayfinding Signs with TDA Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
JTDA Funding	\$ 50,000	\$ -	\$ -	\$ -	\$ (50,000)
Total revenues	50,000	-	-	-	(50,000)
Expenditures:					
Capital outlay:					
Other improvements	50,000	8,200	21,204	29,404	20,596
Total expenditures	50,000	8,200	21,204	29,404	20,596
Revenues over (under) expenditures	-	(8,200)	(21,204)	(29,404)	(29,404)
Net change in fund balance	\$ -	\$ (8,200)	(21,204)	\$ (29,404)	\$ (29,404)
Fund Balance:					
Beginning of year, July 1			(8,200)		
End of year, June 30			\$ (29,404)		

City of Jacksonville, North Carolina
Barn Street Recreational Center Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	200,000	-	2,735	2,735	197,265
Total expenditures	200,000	-	2,735	2,735	197,265
Revenues over (under) expenditures	(200,000)	-	(2,735)	(2,735)	197,265
Other financing sources:					
Transfers in -					
From Capital Reserve Fund	200,000	177,000	23,000	200,000	-
Total other financing sources (uses)	200,000	177,000	23,000	200,000	-
Net change in fund balance	\$ -	\$ 177,000	20,265	\$ 197,265	\$ 197,265
Fund Balance:					
Beginning of year, July 1			177,000		
End of year, June 30			\$ 197,265		

City of Jacksonville, North Carolina
Gateway Signs Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	100,000	5,300	12,200	17,500	82,500
Total expenditures	100,000	5,300	12,200	17,500	82,500
Revenues over (under) expenditures	(100,000)	(5,300)	(12,200)	(17,500)	82,500
Other financing sources:					
Transfers in -					
From General Fund	100,000	100,000	-	100,000	-
Total other financing sources (uses)	100,000	100,000	-	100,000	-
Net change in fund balance	\$ -	\$ 94,700	(12,200)	\$ 82,500	\$ 82,500
Fund Balance:					
Beginning of year, July 1			94,700		
End of year, June 30			\$ 82,500		

City of Jacksonville, North Carolina
Sturgeon City Boardwalk Rehabilitation Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	30,000	-	-	-	30,000
Total expenditures	30,000	-	-	-	30,000
Revenues over (under) expenditures	(30,000)	-	-	-	30,000
Other financing sources:					
Transfers in -					
From Capital Reserve Fund	30,000	15,000	15,000	30,000	-
Total other financing sources (uses)	30,000	15,000	15,000	30,000	-
Net change in fund balance	\$ -	\$ 15,000	15,000	\$ 30,000	\$ 30,000
Fund Balance:					
Beginning of year, July 1			15,000		
End of year, June 30			\$ 30,000		

City of Jacksonville, North Carolina
Piney Green Landscaping Improvements Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
NCDOT Pass Thru	\$ 467,833	\$ -	\$ -	\$ -	467,833
Total revenues	467,833	-	-	-	467,833
Expenditures:					
Capital outlay:					
Other improvements	467,833	-	-	-	467,833
Total expenditures	467,833	-	-	-	467,833
Revenues over (under) expenditures	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ -		

City of Jacksonville, North Carolina
Jack Amyette Recreation Center Repairs Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Insurance proceeds	\$ 851,744	-	\$ 851,743	\$ 851,743	\$ 1
Total revenues	851,744	-	851,743	851,743	1
Expenditures:					
Capital outlay:					
Other improvements	851,744	-	56,498	56,498	795,246
Total expenditures	851,744	-	56,498	56,498	795,246
Revenues over (under) expenditures	-	-	795,245	795,245	(795,245)
Other financing sources:					
Transfers in -					
Net change in fund balance	\$ -	\$ -	795,245	\$ 795,245	\$ 795,245
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 795,245		

City of Jacksonville, North Carolina
Train Depot Repairs Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
FEMA	\$ -	\$ -	\$ -	\$ -	\$ -
NC State Match	-	-	-	-	-
Insurance proceeds	146,836	-	146,836	146,836	-
Total revenues	146,836	-	146,836	146,836	-
Expenditures:					
Capital outlay:					
Other improvements	146,836	7,500	37,900	45,400	101,436
Total expenditures	146,836	7,500	37,900	45,400	101,436
Revenues over (under) expenditures	-	(7,500)	108,936	101,436	(101,436)
Net change in fund balance	\$ -	\$ (7,500)	108,936	\$ 101,436	\$ 101,436
Fund Balance:					
Beginning of year, July 1			(7,500)		
End of year, June 30			\$ 101,436		

City of Jacksonville, North Carolina
Jacksonville YMCA Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	44,100	29,697	13,723	43,420	680
Total expenditures	44,100	29,697	13,723	43,420	680
Revenues over (under) expenditures	(44,100)	(29,697)	(13,723)	(43,420)	680
Other financing sources:					
Transfers in -					
From Capital Reserve	44,100	40,000	3,420	43,420	680
Total other financing sources (uses)	44,100	40,000	3,420	43,420	680
Net change in fund balance	\$ -	10,303	(10,303)	\$ -	\$ -
Fund Balance:					
Beginning of year, July 1			10,303		
End of year, June 30			\$ -		

City of Jacksonville, North Carolina
City Hall HVAC System Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Total expenditures	174,629	-	129,177	129,177	45,451.84
Revenues over (under) expenditures	(174,629)	-	(129,177)	(129,177)	45,452
Other financing sources:					
Transfers in -					
From Internal Service Fund	174,629	78,629	96,000	174,629	-
Total other financing sources (uses)	174,629	78,629	96,000	174,629	-
Net change in fund balance	\$ -	\$ 78,629	(33,177)	\$ 45,452	\$ 45,452
Fund Balance:					
Beginning of year, July 1			78,629		
End of year, June 30			\$ 45,452		

City of Jacksonville, North Carolina
Fire Station #3 Remodel
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Total expenditures	250,000	-	92,510	92,510	157,490
Revenues over (under) expenditures	(250,000)	-	(92,510)	(92,510)	157,490
Other financing sources:					
Transfers in -					
From Capital Reserve Fund	250,000	-	250,000	250,000	-
Transfers out -					
Total other financing sources (uses)	250,000	-	250,000	250,000	-
Net change in fund balance	\$ -	\$ -	157,490	\$ 157,490	\$ 157,490
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 157,490		

City of Jacksonville, North Carolina
Vehicle Wash Facility Improvements
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	30,000	-	24,885	24,885	5,115
Total expenditures	30,000	-	24,885	24,885	5,115
Revenues over (under) expenditures	(30,000)	-	(24,885)	(24,885)	5,115
Other financing sources:					
Transfers in -					
From Capital Reserve Fund	9,000	-	9,000	9,000	-
From Proprietary Fund	6,000	-	6,000	6,000	-
From Major Enterprise Fund	15,000	-	15,000	15,000	-
Total other financing sources (uses)	30,000	-	30,000	30,000	-
Net change in fund balance	\$ -	\$ -	5,115	\$ 5,115	\$ 5,115
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 5,115		

City of Jacksonville, North Carolina
ADA Phase I Implementation
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay:					
Other improvements	50,000	-	1,257	1,257	48,743
Total expenditures	50,000	-	1,257	1,257	48,743
Revenues over (under) expenditures	(50,000)	-	(1,257)	(1,257)	(48,743)
Other financing sources:					
Transfers in -					
From Capital Reserve Fund	50,000	-	50,000	50,000	-
Transfers out -					
Total other financing sources (uses)	50,000	-	50,000	50,000	-
Net change in fund balance	\$ -	\$ -	48,743	\$ 48,743	\$ 48,743
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 48,743		

WATER AND SEWER FUND

The Water and Sewer Fund is used to account for water and sewer operations in the City of Jacksonville that are financed through user charges.

City of Jacksonville, North Carolina
Water and Sewer Fund
Comparative Statements of Net Position
June 30, 2020 and 2019

	2020	2019
Assets		
Current Assets:		
Cash and cash equivalents	\$ 37,727,514	\$ 27,839,762
Accounts receivable (net)	2,756,884	3,542,954
Interfund receivables	437,049	4,763,191
Inventories	247,287	232,472
Prepaid items	3,465	673
Total Current Assets	41,172,199	36,379,052
Noncurrent Assets:		
Restricted cash and cash equivalents	1,319,552	1,507,295
Capital assets (net)	89,628,809	97,119,161
Total Noncurrent Assets	90,948,361	98,626,456
Total Assets	132,120,560	135,005,508
Deferred Outflows of Resources		
Deferred Charge related to Debt Refinancing	1,464,634	1,615,834
Contributions to pension plan in current fiscal year	767,473	941,311
Payments for OPEB in current fiscal year	1,277	13,090
Total Deferred Outflows of Resources	2,233,384	2,570,235
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities	832,000	1,003,315
Compensated absences payable-current	119,502	133,120
Installment purchases payable-current	816,920	554,563
Loans payable-current	3,112,441	3,112,441
Bonds payable-current	1,855,000	1,785,000
Total Current Liabilities	6,735,863	6,588,439
Noncurrent Liabilities:		
Compensated absences payable-noncurrent	109,487	71,938
Customer deposits	1,054,848	1,034,732
Total other postemployment benefits liability	53,611	53,611
Net pension liability	1,312,027	1,196,408
Installment purchases payable-noncurrent	6,001,788	6,411,504
Loans payable-noncurrent	29,532,978	32,645,419
Bonds payable-noncurrent	19,175,000	21,030,000
Total Noncurrent Liabilities	57,239,739	62,443,612
Total Liabilities	63,975,602	69,032,051
Deferred Inflows of Resources		
Unearned revenue	24,000	90,154
OPEB deferrals	10,807	16,609
Pension deferrals	38,241	91,185
Total Deferred Inflows of Resources	73,048	197,948
Net Position		
Net investment in capital assets	30,139,759	32,700,976
Restricted Public Works	314,475	386,553
Unrestricted	39,851,060	35,258,215
Total Net Position	\$ 70,305,294	\$ 68,345,744

City of Jacksonville, North Carolina
Water and Sewer Fund
Comparative Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended June 30, 2020 and 2019

	2020	2019
Operating revenues:		
Charges for services	\$ 24,167,324	\$ 24,481,121
Total operating revenues	<u>24,167,324</u>	<u>24,481,121</u>
Operating expenses:		
Water/Sewer Operations	7,774,741	7,390,161
Water Supply	2,285,572	2,247,713
Wastewater Treatment	2,576,839	2,616,920
Depreciation	<u>8,507,088</u>	<u>8,503,830</u>
Total operating expenses	<u>21,144,240</u>	<u>20,758,624</u>
Operating income	<u>3,023,084</u>	<u>3,722,497</u>
Nonoperating revenues (expenses):		
Investment earnings	445,992	613,773
Gain (loss) on sale of capital assets	23,840	35,785
Miscellaneous revenues	558,482	692,286
Interest on long-term debt	(1,760,384)	(2,013,025)
Non-capitalized expenses - projects	<u>(79,013)</u>	<u>-</u>
Total nonoperating (expenses)	<u>(811,083)</u>	<u>(671,181)</u>
Income (loss) before transfers	<u>2,212,001</u>	<u>3,051,316</u>
Transfers:		
Transfers in	587	1,031,220
Transfers (out)	<u>(253,038)</u>	<u>(150,000)</u>
Total transfers	<u>(252,451)</u>	<u>881,220</u>
Increase (Decrease) in Net Position	<u>1,959,550</u>	<u>3,932,536</u>
Change in Net Position		
Beginning of year, July 1	<u>68,345,744</u>	<u>64,413,208</u>
End of year, June 30	<u><u>\$ 70,305,294</u></u>	<u><u>\$ 68,345,744</u></u>

City of Jacksonville, North Carolina
Water and Sewer Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Cash received from customers	\$ 24,847,380	\$ 23,679,703
Cash paid for goods and services	(6,206,918)	(6,602,209)
Cash paid to employees	(6,276,617)	(5,888,213)
Customer deposits	20,116	(5,928)
Miscellaneous revenues	537,342	692,286
Net cash provided by operating activities	<u>12,921,303</u>	<u>11,875,639</u>
Cash flows from noncapital financing activities:		
Transfers in	587	1,031,220
Transfers (out)	(253,038)	(150,000)
Advances to other funds-repaid	4,326,142	(4,323,191)
Net cash provided (used) by noncapital financing activities	<u>4,073,691</u>	<u>(3,441,971)</u>
Cash flows from capital and related financing activities:		
Capital contributions	-	
Debt issued	615,266	837,822
Principal paid on long-term debt	(5,446,827)	(5,472,547)
Interest paid on long-term debt	(1,844,833)	(1,950,816)
Acquisition and construction of capital assets	(1,080,731)	(2,686,357)
Proceeds from sale of capital assets	29,962	35,785
Net cash provided (used) by capital and related financing activities	<u>(7,727,163)</u>	<u>(9,236,113)</u>
Cash flows from investing activities:		
Interest earned on investments	432,178	613,773
Net cash provided by investing activities	<u>432,178</u>	<u>613,773</u>
Net increase (decrease) in cash and cash equivalents	9,700,009	(188,672)
Cash and cash equivalents, July 1	29,347,057	29,535,729
Cash and cash equivalents, June 30	<u>\$ 39,047,066</u>	<u>\$ 29,347,057</u>

continued

City of Jacksonville, North Carolina
Water and Sewer Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income (loss)	\$ 3,023,084	\$ 3,722,497
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	8,507,088	8,503,830
Miscellaneous revenues	537,342	692,286
Bad debt expense	53,674	34,354
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	746,210	(801,418)
(Increase) decrease in inventories	(14,815)	45,458
(Increase) decrease in prepaid items	(2,792)	(443)
(Increase) decrease in deferred outflows - pensions	173,838	(304,538)
(Increase) decrease in deferred outflows - OPEB	11,813	3,439
Increase (decrease) in accounts payable and accrued liabilities	(148,905)	(335,984)
Increase (decrease) in compensated absences payable	23,931	(18,546)
Increase (decrease) in deferred inflows - pensions	(52,944)	(22,469)
Increase (decrease) in deferred inflows - OPEB	(5,802)	6,222
Increase (decrease) in deferred inflows - Unearned revenue	(66,154)	-
Increase (decrease) pension liability	115,619	369,899
Increase (decrease) OPEB liability	-	(13,022)
Increase (decrease) in customer deposits	20,116	(5,928)
Total adjustments	<u>9,898,219</u>	<u>8,153,140</u>
Net cash provided by operating activities	<u>\$ 12,921,303</u>	<u>\$ 11,875,637</u>
Noncash investing, capital, and financing activities:		
Gain (loss) on noncash disposal of capital assets	\$ (6,122)	\$ -
Amortization of deferral related to refunded debt	151,200	150,787
Amortization of debt premium	62,036	77,441
Capital contributed by developers	21,140	-
Total noncash investing, capital, and financing activities	<u>\$ 228,254</u>	<u>\$ 228,228</u>

City of Jacksonville, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

		2020		2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Operating revenues:				
Charges for sales and services:				
Water sales	\$ 8,702,000	\$ 8,654,485	\$ (47,515)	\$ 8,627,114
Water tap fees	2,000	4,250	2,250	9,200
Water system develop fees	-	174,692	174,692	374,226
Water Meter Purchases	5,500	9,918	4,418	23,261
Sewer sales	13,713,500	13,735,496	21,996	13,536,584
Sewer system develop fees	-	235,833	235,833	519,368
Sewer grease trap violations	10,000	1,978	(8,022)	14,090
Late penalty charges	265,000	221,765	(43,235)	246,401
New account service charges	220,000	211,710	(8,290)	217,200
Inflow and Infiltration Fee	892,880	907,584	14,704	896,198
Onslow County leachate	-	6,350	6,350	13,179
Other operating revenue	4,000	3,263	(737)	4,300
Total	23,814,880	24,167,324	352,444	24,481,121
Nonoperating revenues:				
Interest earned on investments	577,443	445,992	(131,451)	613,773
Sale of capital assets	10,000	23,840	13,840	35,785
Interlocal contributions	-	42,500	42,500	-
Miscellaneous revenue	521,018	515,982	(5,036)	692,286
Total	1,108,461	1,028,314	(80,147)	1,341,844
Total revenues	24,923,341	25,195,638	272,297	25,822,965
Expenditures:				
Water/Sewer operations				
Administration				
Salaries and employee benefits		229,897		202,318
Supplies		(17,113)		22,271
Insurance		2,158		2,199
Contracted services-info technology		34,797		30,514
Contracted services		141,724		28,895
Bad debt		53,674		34,354
Overhead allocation from General Fund		1,694,745		1,571,584
Other departmental expenditures		426,771		405,469
Total		2,566,653		2,297,604

continued

City of Jacksonville, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020		2019
	Budget	Actual	Variance Positive (Negative)
Engineering			
Salaries and employee benefits		\$ 693,708	\$ 535,004
Supplies		2,832	3,669
Insurance		3,073	2,935
Contracted services		299,748	309,605
Contracted services-info technology		54,801	65,299
Other departmental expenditures		49,474	43,401
Total		1,103,636	959,913
Metering distribution			
Salaries and employee benefits		267,480	239,694
Supplies		98,864	98,554
Insurance		2,772	2,699
Utilities		3,702	3,879
Maintenance and repair		1,596	3,404
Contracted services		8,385	7,533
Contracted services-info technology		19,244	23,890
Other departmental expenditures		40,072	33,527
Total		442,115	413,180
Utilities maintenance			
Salaries and employee benefits		1,736,975	1,566,618
Supplies		244,719	229,199
Insurance		33,760	32,177
Utilities		331,334	341,281
Maintenance and repair		458,627	935,872
Contracted services		468,451	260,714
Contracted services-info technology		74,045	79,632
Other departmental expenditures		314,426	273,971
Total		3,662,337	3,719,464
Total Water/Sewer operations	10,188,174	7,774,741	2,413,433
Water supply			
Salaries and employee benefits		905,418	865,451
Supplies		164,597	182,605
Insurance		72,599	67,059
Utilities		718,740	732,125
Maintenance and repair		182,251	149,997
Contracted services		98,169	99,034
Contracted services-info technology		71,377	54,150
Other departmental expenditures		72,421	97,292
Total water supply	3,040,048	2,285,572	754,476

continued

City of Jacksonville, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020		2019
	Budget	Actual	Variance Positive (Negative)
			Actual
Wastewater treatment			
Salaries and employee benefits		\$ 1,014,849	\$ 928,529
Supplies		180,622	203,587
Insurance		35,767	33,639
Utilities		676,854	765,779
Maintenance and repair		102,027	91,054
Contracted services		210,328	309,422
Contracted services-info technology		49,831	54,150
Other departmental expenditures		306,561	230,760
Total wastewater treatment	<u>3,203,516</u>	<u>2,576,839</u>	<u>626,677</u>
Total	<u>16,431,738</u>	<u>12,637,152</u>	<u>3,794,586</u>
Budgetary appropriations:			
Interest paid	1,841,889	1,760,384	81,505
Debt principal	5,461,922	5,446,827	15,095
Increase (decrease) in inventory	-	14,815	(14,815)
(Increase) decrease in compensated absences payable	-	(23,931)	23,931
Increase (decrease) in prepaid expenditures	-	2,792	(2,792)
Debt issued	(661,901)	(615,266)	(46,635)
Appropriated retained earnings	(2,723,848)	-	(2,723,848)
Transfers (in) -			
From General Fund	-	-	-
From Water/Sewer Capital Projects	(173,678)	(173,089)	(589)
From IT Capital Projects	-	(587)	587
From Water/Sewer Capital Reserve	(300,000)	(300,000)	-
From Stormwater	-	-	-
From Powell Bill	-	-	-
Transfers out -			
To Water/Sewer Capital Projects	4,815,425	4,815,425	-
To Special Revenue Fund	100,000	172,244	(72,244)
To Capital Projects	15,000	15,000	-
To Non-Major Internal Service Funds	116,794	65,794	51,000
Non-capitalized expenditures - projects	-	79,013	(79,013)
Capital outlay	-	403,804	(403,804)
Total budgetary appropriations	<u>8,491,603</u>	<u>11,663,225</u>	<u>(3,171,622)</u>
Total expenditures	<u>\$ 24,923,341</u>	<u>\$ 24,300,377</u>	<u>\$ 622,964</u>
Transfers in	\$ 473,676	Transfers out	\$ 5,068,463
Transfers within the Water/Sewer Fund	(473,089)	Transfers within the Water/Sewer Fund	(4,815,425)
Exhibit G	<u>\$ 587</u>	Exhibit G	<u>\$ 253,038</u>

continued

City of Jacksonville, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020		2019
	Budget	Actual	Actual
Reconciliation of modified accrual basis to full accrual basis:			
Total revenues		\$ 25,195,638	\$ 25,822,965
Total expenditures		24,300,377	21,916,266
Excess of revenues over (under) expenditures		895,261	3,906,699
Budgetary appropriations (above):			
Payment of debt principal		5,446,827	5,472,547
Debt issued		(615,266)	(837,822)
Increase (decrease) in inventory		14,815	(45,458)
(Increase) decrease in compensated absences payable		(23,931)	18,546
Increase (decrease) in prepaid expenditures		2,792	443
Capital outlay		403,804	569,997
Transfers		4,342,336	3,351,414
Total budgetary appropriations		9,571,377	8,529,667
Depreciation (Statement 42)		(8,507,088)	(8,503,830)
Increase (decrease) in net position (Statement 42)		\$ 1,959,550	\$ 3,932,536

Note: Prepared on the budgetary basis, which is modified accrual.

City of Jacksonville, North Carolina
Water Capital Projects Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Investment earnings	\$ 63,516	\$ 63,516	\$ -	\$ 63,516	\$ -
ONWASA	124,000	120,179	-	120,179	(3,821)
Water Interconnect - Camp Lejeune	250,000	-	-	-	(250,000)
NC Dept. of Commerce	125,000	125,000	-	125,000	-
NC Military Affairs	134,334	134,334	-	134,334	-
Water/Sewer Contributions	200,000	-	-	-	(200,000)
Contractor reimbursement	426,298	426,298	-	426,298	-
Total revenues	1,323,148	869,327	-	869,327	(453,821)
Expenditures:					
Water Treatment Plant	46,051,067	44,244,126	163,236	44,407,362	1,643,705
Water Interconnection MCBCL	321,250	-	-	-	321,250
Water Plant Maint Bridge	464,000	-	1,823	1,823	462,177
Piney Green & 17 Water Service Area	2,654,500	903,784	-	903,784	1,750,716
Black Creek Well Replacement	2,471,500	-	-	-	2,471,500
New Base Entry Utility Relocation	-	-	-	-	-
Commerce Grant - Test Well	517,000	371,777	-	371,777	145,223
Blue Creek School Road Improvement	340,000	41,400	-	41,400	298,600
Rehabilitation to Wells 1 & 5	88,000	71,010	-	71,010	16,990
Black Creek Water Wells	30,000	18,054	422	18,476	11,524
Marine Blvd Water	42,983	42,983	-	42,983	-
Indian Dr Booster Renovation	1,063,200	827,968	104,775	932,743	130,457
Isolation Valve NW & Ellis	84,300	82,381	-	82,381	1,919
Well & Wellhouse Upgrade	526,500	71,077	22,891	93,968	432,532
Water Plant Chem Tank	334,000	29,950	20,509	50,459	283,541
Jax Commons Water Line	50,000	43,446	1,225	44,671	5,329
Castle Hayne Monitor Well	483,000	-	5,552	5,552	477,448
Total expenditures	55,521,300	46,747,956	320,433	47,068,389	8,452,911
Revenues over (under) expenditures	(54,198,152)	(45,878,629)	(320,433)	(46,199,062)	7,999,090
Other financing sources (uses):					
Debt issued -					
Installment purchases	1,992,152	1,992,152	-	1,992,152	-
Loans payable - SRF	39,995,263	38,589,527	-	38,589,527	(1,405,736)
Revenue bonds	4,859,716	4,859,716	-	4,859,716	-
Transfers in -					
From Water/Sewer Fund	10,087,672	6,984,906	3,004,166	9,989,072	(98,600)
From Water/Sewer Capital Reserve	16,990	16,990	-	16,990	-
Transfers (out) -					
To Water/Sewer Fund	(2,753,641)	(2,620,924)	(132,717)	(2,753,641)	-
Total other financing sources	54,198,152	49,822,367	2,871,449	52,693,816	(1,504,336)
Excess of revenues and other sources over (under) expenditures	\$ -	\$ 3,943,738	2,551,016	\$ 6,494,754	\$ 6,494,754
Fund Balance					
Beginning of year, July 1			3,943,738		
End of year, June 30			\$ 6,494,754		

City of Jacksonville, North Carolina
Sewer Capital Projects Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Interest Powell Bill	\$ 3,244	\$ 3,244	\$ 3,476	\$ 6,720	\$ 3,476
NCDOT - Reimbursement	315,000	-	-	-	(315,000)
Total revenues	<u>318,244</u>	<u>3,244</u>	<u>3,476</u>	<u>6,720</u>	<u>(311,524)</u>
Expenditures:					
Public Service Complex Phase II	527,542	498,656	3,220	501,876	25,666
Western Trunk Sewer Lower	37,576,130	2,604,720	43,050	2,647,770	34,928,360
Piney Green Sewer w/ ONWASA	3,881,009	3,237,375	-	3,237,375	643,634
NCDOT Sewer Relocation PG Rd.	388,028	255,614	-	255,614	132,414
Automated Screen LTS	969,184	969,185	-	969,185	(1)
FY18 Inflow/Infiltration	724,032	489,261	28,109	517,370	206,662
Holiday City Lift Station	866,000	33,713	-	33,713	832,287
Henderson Dr Infrastructure Improvement	1,893,920	1,215,897	159,686	1,375,583	518,337
New Bridge Infrastructure	1,902,615	256,813	93,307	350,120	1,552,495
U 5736 Western Blvd Access	132,250	-	-	-	132,250
U 5716 US 258 at NC24	30,500	-	-	-	30,500
LTS South Lagoon Baffle	117,000	7,750	-	7,750	109,250
Woodlands RR W/S Service	74,000	-	-	-	74,000
Western & Gum Branch	78,607	8,355	-	8,355	70,252
Util Reloc NC53 & Jacksonville Pky	20,000	-	-	-	20,000
UT RL Gum Branch Rd Wide	329,000	-	-	-	329,000
UT RL US17B (Marine Blvd)	189,500	-	-	-	189,500
UT RL 258 to Burgaw Hwy	330,000	-	-	-	330,000
UT RL Commerce to PG Rd	371,700	-	-	-	371,700
Brynn Marr Force Main Rel	500,000	50,784	3,939	54,723	445,277
Inflow & Infiltration FY20	700,000	-	-	-	700,000
Decatur Lift Station Elim	896,000	4,150	25,183	29,333	866,667
Ellis Pump Station Upgrade	841,000	-	-	-	841,000
Communication Improvement SCADA	101,021	20,253	-	20,253	80,768
Total expenditures	<u>53,439,038</u>	<u>9,652,526</u>	<u>356,494</u>	<u>10,009,020</u>	<u>43,430,018</u>
Revenues (under) expenditures	<u>(53,120,794)</u>	<u>(9,649,282)</u>	<u>(353,018)</u>	<u>(10,002,300)</u>	<u>43,118,494</u>
Other financing sources (uses):					
Debt issued -					
Revenue bonds	34,415,580	345,579	-	345,579	(34,070,001)
Transfers in -					
From Water/Sewer Fund	17,926,013	16,049,755	1,811,259	17,861,014	(64,999)
From General Fund	171,060	171,060	-	171,060	-
From Capital Projects-Powell Bill	398,000	398,000	-	398,000	-
From Stormwater	591,000	591,000	-	591,000	-
From General Capital Reserve	936,701	936,700	-	936,700	(1)
Transfers (out) -					
To Water/Sewer Fund	(861,344)	(820,972)	(40,372)	(861,344)	-
From Capital Projects-Powell Bill	-	-	(72,244)	(72,244)	(72,244)
To General Capital Reserve	(456,216)	(383,972)	-	(383,972)	72,244
Total other financing sources	<u>53,120,794</u>	<u>17,287,150</u>	<u>1,698,643</u>	<u>18,985,793</u>	<u>34,135,001</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 7,637,868</u>	<u>1,345,625</u>	<u>\$ 8,983,493</u>	<u>\$ 8,983,493</u>
Fund Balance					
Beginning of year, July 1			<u>7,637,868</u>		
End of year, June 30			<u>\$ 8,983,493</u>		

City of Jacksonville, North Carolina
Water and Sewer Capital Reserve Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
Water System Development Fee	\$ 480,000	\$ 460,663	\$ 174,692	\$ 635,355	\$ 155,355
Sewer System Development Fee	800,000	665,765	235,833	901,598	101,598
Investment earnings	533,162	519,452	18,205	537,657	4,495
Total revenues	1,813,162	1,645,880	428,730	2,074,610	261,448
Expenditures:					
Water supply and distribution	1,018,561	-	-	-	1,018,561
Sewage collection and treatment	999,507	-	-	-	999,507
Total expenditures	2,018,068	-	-	-	2,018,068
Revenues over (under) expenditures	(204,906)	1,645,880	428,730	2,074,610	2,279,516
Other financing sources (uses):					
Transfers in -					
From Water/Sewer Fund	1,988,954	1,988,954	-	1,988,954	-
From Water/Sewer Capital Projects	2,062,326	2,062,326	-	2,062,326	-
Transfers (out) -					
To Water/Sewer Fund	(1,287,000)	(987,000)	(300,000)	(1,287,000)	-
To Water Capital Projects	(270,291)	(270,291)	-	(270,291)	-
To Sewer Capital Projects	(1,249,083)	(1,249,083)	-	(1,249,083)	-
To General Capital Reserve Fund	(1,040,000)	(1,040,000)	-	(1,040,000)	-
Total other financing sources (uses)	204,906	504,906	(300,000)	204,906	-
Excess of revenues and other sources over expenditures and other uses	\$ -	\$ 2,150,786	128,730	\$ 2,279,516	\$ 2,279,516
Fund Balance					
Beginning of year, July 1			2,150,786		
End of year, June 30			\$ 2,279,516		

SOLID WASTE FUND

The Solid Waste Fund is used to account for solid waste collection operations in the City of Jacksonville that are financed through user charges.

City of Jacksonville, North Carolina
Solid Waste Fund
Comparative Statements of Net Position
June 30, 2020 and 2019

	2020	2019
Assets		
Current Assets:		
Cash and cash equivalents	\$ 895,160	\$ 62,225
Accounts receivable (net)	402,075	414,305
Interfund receivables	-	240,000
Total Current Assets	<u>1,297,235</u>	<u>716,530</u>
Non-current Assets:		
Restricted cash and cash equivalents	403,563	673,013
Capital assets (net)	<u>1,450,047</u>	<u>1,183,208</u>
Total Noncurrent Assets	<u>1,853,610</u>	<u>1,856,221</u>
Total Assets	<u>3,150,845</u>	<u>2,572,751</u>
Deferred Outflows of Resources		
Contributions to pension plan in current fiscal year	328,917	387,944
OPEB Deferrals	<u>15,519</u>	<u>13,090</u>
Total deferred outflows of resources	<u>344,436</u>	<u>401,034</u>
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities	249,555	213,706
Compensated absences payable - current	63,235	61,584
Installment purchases payable - current	<u>492,364</u>	<u>491,565</u>
Total Current Liabilities	<u>805,154</u>	<u>766,855</u>
Noncurrent Liabilities:		
Compensated absences payable - noncurrent	36,040	38,837
Total OPEB liability	58,507	53,610
Net pension liability	562,297	503,891
Installment purchases payable - noncurrent	<u>825,744</u>	<u>975,573</u>
Total Noncurrent Liabilities	<u>1,482,588</u>	<u>1,571,911</u>
Total Liabilities	<u>2,287,742</u>	<u>2,338,766</u>
Deferred Inflows of Resources		
OPEB deferrals	14,701	16,608
Pension deferrals	<u>16,389</u>	<u>6,110</u>
Total deferred inflows of resources	<u>31,090</u>	<u>22,718</u>
Net Position		
Net investment in capital assets	550,357	403,938
Unrestricted	<u>626,092</u>	<u>208,363</u>
Total Net Position	<u>\$ 1,176,449</u>	<u>\$ 612,301</u>

City of Jacksonville, North Carolina
Solid Waste Fund
Comparative Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended June 30, 2020 and 2019

	2020	2019
Operating revenues:		
Charges for services	\$ 4,837,998	\$ 4,823,826
Total operating revenues	<u>4,837,998</u>	<u>4,823,826</u>
Operating expenses:		
Solid Waste Operations	5,518,074	5,232,190
Depreciation	<u>505,903</u>	<u>521,800</u>
Total operating expenses	<u>6,023,977</u>	<u>5,753,990</u>
Operating income (loss)	<u>(1,185,979)</u>	<u>(930,164)</u>
Nonoperating revenues (expenses):		
Investment earnings	9,835	8,086
Gain (loss) on sale of capital assets	67,950	38,100
Restricted revenue - State	57,732	54,047
Miscellaneous revenue	1,556	379
Interest on long-term debt	<u>(30,078)</u>	<u>(30,688)</u>
Total nonoperating revenues (expenses)	<u>106,995</u>	<u>69,924</u>
Income (loss) before contributions and transfers	<u>(1,078,984)</u>	<u>(860,240)</u>
Transfers:		
Transfers in	<u>1,643,132</u>	<u>753,413</u>
Total transfers	<u>1,643,132</u>	<u>753,413</u>
Change in Net Position	564,148	(106,827)
Net Position:		
Beginning of year, July 1	<u>612,301</u>	<u>719,128</u>
End of year, June 30	<u><u>\$ 1,176,449</u></u>	<u><u>\$ 612,301</u></u>

City of Jacksonville, North Carolina
Solid Waste Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Cash received from customers	\$ 4,841,912	\$ 4,808,538
Cash paid for goods and services	(2,925,599)	(3,004,167)
Cash paid to employees	(2,421,183)	(2,192,483)
Miscellaneous revenue	1,556	379
Net cash provided (used) by operating activities	<u>(503,314)</u>	<u>(387,733)</u>
Cash flows from noncapital financing activities:		
Transfers in	1,643,132	753,413
Advances from (to) other funds	240,000	(240,000)
Restricted Intergovernmental - State	57,732	54,047
Net cash provided by noncapital financing activities	<u>1,940,864</u>	<u>567,460</u>
Cash flows from capital and related financing activities:		
Debt issued	388,646	666,762
Principal paid on long-term debt	(537,676)	(575,121)
Interest paid on long-term debt	(30,078)	(31,650)
Purchase of capital assets	(772,742)	(284,756)
Proceeds from sale of assets	67,950	38,100
Net cash (used) by capital and related financing activities	<u>(883,900)</u>	<u>(186,665)</u>
Cash flows from investing activities:		
Interest earned on investments	9,835	8,086
Net cash provided by investing activities	<u>9,835</u>	<u>8,086</u>
Net increase (decrease) in cash and cash equivalents	563,485	1,148
Cash and cash equivalents, July 1	<u>735,238</u>	<u>734,090</u>
Cash and cash equivalents, June 30	<u><u>\$ 1,298,723</u></u>	<u><u>\$ 735,238</u></u>

continued

City of Jacksonville, North Carolina
Solid Waste Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating (loss)	<u>\$ (1,185,979)</u>	<u>\$ (930,164)</u>
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:		
Depreciation	505,903	521,800
Pension (income) expense	130,338	19,701
Miscellaneous revenue	1,556	379
Bad debt expense	8,316	4,530
Change in assets, deferred outflow of resources, liabilities, and deferred inflow of resources:		
(Increase) decrease in accounts receivable	3,914	(15,288)
(Increase) decrease in deferred outflows - pensions	(71,311)	(159,576)
(Increase) decrease in deferred outflows - OPEB	(2,429)	3,439
Increase (decrease) in net pension liability	58,406	169,896
Increase (decrease) in accounts payable and accrued liabilities	35,849	10,687
Increase (decrease) in compensated absences payable	(1,146)	3,985
Increase (decrease) in deferred inflows - pensions	10,279	(10,320)
Increase (decrease) in deferred inflows - OPEB	(1,907)	6,221
Increase (decrease) in OPEB liability	<u>4,897</u>	<u>(13,023)</u>
Total adjustments	<u>682,665</u>	<u>542,431</u>
Net cash provided (used) by operating activities	<u><u>\$ (503,314)</u></u>	<u><u>\$ (387,733)</u></u>

City of Jacksonville, North Carolina
Solid Waste Fund
Schedule of Revenues and Expenditures--
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020
 With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Operating revenues:				
Charges for sales and services:				
Commercial fees	\$ 1,500,000	\$ 1,491,647	\$ (8,353)	\$ 1,507,872
Residential fees	2,105,000	2,135,345	30,345	2,116,770
Recycling revenues	300	-	(300)	611
Other operating revenues	1,175,500	1,211,006	35,506	1,198,573
Total operating revenues	4,780,800	4,837,998	57,198	4,823,826
Nonoperating revenues:				
Restricted revenue - State	50,000	57,732	7,732	54,047
Gain (Loss) on sale of capital assets	18,000	67,950	49,950	38,100
Miscellaneous revenue	400	1,556	1,156	379
Interest earned on investments	1,962	9,835	7,873	8,086
Total nonoperating revenues	70,362	137,073	66,711	100,612
Total revenues	4,851,162	4,975,071	123,909	4,924,438
Expenditures:				
Solid Waste Disposal				
Salaries and employee benefits		1,839,421		1,551,638
Unleaded/on road diesel fuel		114,824		145,919
Supplies		58,819		81,788
Vehicle maintenance and repair		420,045		375,812
Contracted services - landfill		1,717,526		1,817,570
Contracted services - internal services		77,845		85,430
Bad debt		8,316		4,530
Overhead allocation from General Fund		371,291		346,265
Other expenditures		162,927		79,501
Total Solid Waste Disposal (Residential)	5,031,949	4,771,014	260,935	4,488,453
Commercial Dumpster Collection				
Salaries and employee benefits		337,598		314,903
Unleaded/on road diesel fuel		62,235		85,484
Vehicle maintenance and repair		280,921		272,419
Contracted services - internal services		6,436		15,927
Other expenditures		59,870		55,004
Total Commercial Dumpster Collection	838,614	747,060	91,554	743,737
Total	5,870,563	5,518,074	352,489	5,232,190

continued

City of Jacksonville, North Carolina
Solid Waste Fund
Schedule of Revenues and Expenses--
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	<u>2020</u>			<u>2019</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Budgetary appropriations:				
Interest paid	\$ 37,004	\$ 30,078	\$ 6,926	\$ 30,688
Debt principal	549,345	537,676	11,669	575,121
Decr. (Incr.) in compensated absences payable	-	1,146	(1,146)	(3,985)
Debt issued	(404,012)	(388,646)	(15,366)	(666,762)
Transfers (in) -				
From General Fund	(1,643,132)	(1,643,132)	-	(753,413)
Capital outlay	781,938	772,742	9,196	284,756
Appropriated retained earnings	(340,544)	-	(340,544)	-
	<u>(1,019,401)</u>	<u>(690,136)</u>	<u>(329,265)</u>	<u>(533,595)</u>
Total budgetary appropriations				
	<u>\$ 4,851,162</u>	<u>\$ 4,827,938</u>	<u>\$ 23,224</u>	<u>\$ 4,698,595</u>

Reconciliation of modified accrual basis to full accrual basis:

Total revenues	\$ 4,975,071	\$ 4,924,438
Total expenditures	<u>4,827,938</u>	<u>4,698,595</u>
Excess of revenues over (under) expenditures	<u>147,133</u>	<u>225,843</u>
Budgetary appropriations (above):		
Payment of debt principal	537,676	575,121
Debt issued	(388,646)	(666,762)
Decrease (Increase) in compensated absences payable	1,146	(3,985)
Capital outlay	<u>772,742</u>	<u>284,756</u>
Total budgetary appropriations	<u>922,918</u>	<u>189,130</u>
Depreciation (Statement 49)	<u>(505,903)</u>	<u>(521,800)</u>
Change in Net Position (Statement 49)	<u>\$ 564,148</u>	<u>\$ (106,827)</u>

Note: Prepared on the budgetary basis, which is modified accrual.



STORMWATER FUND

The Stormwater Fund is used to account for funds used in the construction of facilities to manage storm water runoff and maintain storm water ditches.

City of Jacksonville, North Carolina
Stormwater/Water Quality Fund
Comparative Statements of Net Position
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 2,254,548	\$ 2,747,787
Accounts receivable (net)	<u>235,338</u>	<u>336,019</u>
Total Current Assets	<u>2,489,886</u>	<u>3,083,806</u>
Noncurrent Assets:		
Restricted cash and cash equivalents	110,006	219,164
Capital assets (net)	<u>7,767,036</u>	<u>6,859,844</u>
Total Noncurrent Assets	<u>7,877,042</u>	<u>7,079,008</u>
Total Assets	<u>10,366,928</u>	<u>10,162,814</u>
Deferred Outflows of Resources		
Contributions to pension plan	<u>197,471</u>	<u>249,988</u>
Total Deferred Outflows of Resources	<u>197,471</u>	<u>249,988</u>
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities	106,382	135,634
Compensated absences - current	47,954	46,759
Interfund payable	362,110	111,020
Installment purchases payable-current	428,305	595,342
Loans payable-current	<u>13,691</u>	<u>23,899</u>
Total Current Liabilities	<u>958,442</u>	<u>912,654</u>
Noncurrent Liabilities:		
Compensated absences payable	9,868	5,710
Net Pension Liability	337,585	318,023
Installment purchases payable-noncurrent	424,362	528,284
Loans payable-noncurrent	<u>310,773</u>	<u>324,464</u>
Total Noncurrent Liabilities	<u>1,082,588</u>	<u>1,176,481</u>
Total Liabilities	<u>2,041,030</u>	<u>2,089,135</u>
Deferred Inflows of Resources		
Pension Deferral	<u>9,840</u>	<u>18,093</u>
Total deferred inflows of resources	<u>9,840</u>	<u>18,093</u>
Net Position		
Net investment in capital assets	6,699,911	5,607,019
Unrestricted	<u>1,813,618</u>	<u>2,698,555</u>
Total Net Position	<u>\$ 8,513,529</u>	<u>\$ 8,305,574</u>

City of Jacksonville, North Carolina
Stormwater/Water Quality Fund
Comparative Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Total operating revenues	\$ 3,062,251	\$ 3,020,849
Operating expenses:		
Stormwater/Water Quality Operations	2,350,881	2,236,169
Depreciation	473,273	424,733
Total operating expenses	2,824,154	2,660,902
Operating income	238,097	359,947
Nonoperating revenues (expenses):		
Investment earnings	34,303	62,081
Gain (loss) on sale of capital assets	23,075	45,056
Restricted - State	154,238	303,353
Tax rebate - Build America Bond interest	3,718	(304)
Miscellaneous	120,259	66,159
Interest on long-term debt	(30,584)	(41,634)
Non-capitalized expenses - projects	(254,066)	-
Total nonoperating revenues (expenses)	50,943	434,711
Income (loss) before contributions and transfers	289,040	794,658
Operating transfers		
Transfers (out)	(81,085)	(626,085)
Total transfers	(81,085)	(626,085)
Change in Net Position	207,955	168,573
Net position:		
Beginning of year, July 1	8,305,574	8,137,001
End of year, June 30	<u>\$ 8,513,529</u>	<u>\$ 8,305,574</u>

City of Jacksonville, North Carolina
Stormwater/Water Quality Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Cash received from customers	\$ 3,158,844	\$ 2,882,985
Cash paid for goods and services	(797,547)	(577,915)
Cash paid to employees	(1,762,927)	(1,569,032)
Miscellaneous revenue	274,497	369,512
Net cash provided by operating activities	<u>872,867</u>	<u>1,105,550</u>
Cash flows from noncapital financing activities:		
Advances from other funds	251,090	111,020
Transfers in (out)	(81,085)	(626,085)
Net cash (used) by noncapital financing activities	<u>170,005</u>	<u>(515,065)</u>
Cash flows from capital and related financing activities:		
Debt issued	368,051	217,128
Principal paid on long term debt	(662,908)	(589,193)
Interest paid on long term debt	(30,957)	(41,384)
Tax rebate - Build America Bond interest	3,718	(304)
Acquisition and construction of capital assets	(1,380,467)	(569,333)
Sale of capital assets	23,075	45,056
Net cash (used) by capital and related financing activities	<u>(1,679,488)</u>	<u>(938,030)</u>
Cash flows from investing activities:		
Interest earned on investments	34,219	62,081
Net cash provided by investing activities	<u>34,219</u>	<u>62,081</u>
Net increase (decrease) in cash and cash equivalents	(602,397)	(285,464)
Cash and cash equivalents, July 1	2,966,951	3,252,415
Cash and cash equivalents, June 30	<u>\$ 2,364,554</u>	<u>\$ 2,966,951</u>
Reconciliation to Statement 52:		
Cash and cash equivalents	\$ 2,254,548	\$ 2,747,787
Restricted cash and cash equivalents	110,006	219,164
	<u>\$ 2,364,554</u>	<u>\$ 2,966,951</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income	\$ 238,097	\$ 359,947
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	473,273	424,733
Pension (Income) Expense	63,826	12,540
Miscellaneous revenue	274,497	369,512
Non-capitalized expenses - projects	(254,066)	
Bad debt expense	4,173	3,639
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	96,593	(137,864)
Increase (decrease) in accounts payable	(28,879)	86,164
Increase (decrease) in compensated absences payable	5,353	(13,121)
Total adjustments	<u>634,770</u>	<u>745,603</u>
Net cash provided by operating activities	<u>\$ 872,867</u>	<u>\$ 1,105,550</u>

City of Jacksonville, North Carolina
Stormwater/Water Quality Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020		Variance	2019
	Budget	Actual	Positive (Negative)	Actual
Revenues:				
Operating revenues:				
Commercial fees	\$ 2,155,000	\$ 2,179,532	\$ 24,532	\$ 2,153,432
Residential fees	820,000	827,950	7,950	823,608
Permits and fees	39,000	54,769	15,769	43,809
Total operating revenues	3,014,000	3,062,251	48,251	3,020,849
Nonoperating revenues:				
Interest earned on investments	39,270	34,303	(4,967)	62,081
Restricted - State	-	154,238	154,238	303,353
Sale of capital assets	15,000	23,075	8,075	45,056
Tax rebate - Build America Bond interest	6,983	3,718	(3,265)	(304)
Miscellaneous revenue	20,200	120,259	100,059	66,159
Total nonoperating revenues	81,453	335,593	254,140	476,345
Total revenues	3,095,453	3,397,844	302,391	3,497,194
Expenditures:				
Stormwater/Water Quality				
Salaries and employee benefits		1,528,118		1,248,622
Supplies		44,233		47,637
Insurance		20,346		20,396
Maintenance and repair		12,922		4,655
Contracted services		15,782		225,173
Contracted services-internal service		88,278		94,557
Bad debt		4,173		3,639
Overhead allocation from General Fund		303,988		319,829
Other expenditures		333,041		271,661
Total	2,509,481	2,350,881	158,600	2,236,169
Budgetary appropriations:				
Interest paid	37,118	30,584	6,534	41,634
Debt principal	672,740	662,908	9,832	589,193
(Increase) decrease in compensated absences payable	-	(5,353)	5,353	13,121
Debt issued	(373,012)	(368,051)	(4,961)	(217,128)
Transfers (in) -				
From Stormwater Capital Projects	-	-	-	(56)
Transfers out -				
To General Fund	115,085	75,085	40,000	75,085
To Stormwater Capital Projects	1,611,600	1,611,600	-	42,540
To Capital Projects	6,000	6,000	-	551,000
Non-capitalized expenditures - projects	-	254,066	(254,066)	-
Capital outlay	400,995	286,028	114,967	471,397
Appropriated retained earnings	(1,884,554)	-	(1,884,554)	-
Total budgetary appropriations	585,972	2,552,867	(1,966,895)	1,566,786
Total expenditures	\$ 3,095,453	\$ 4,903,748	\$ (1,808,295)	\$ 3,802,955
Transfers in	\$ -	Transfers out		\$ 1,692,685
Transfers within the Stormwater Fund	-	Transfers within the Stormwater Fund		(1,611,600)
Exhibit G	\$ -	Exhibit G		\$ 81,085

continued

City of Jacksonville, North Carolina
Stormwater/Water Quality Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020		2019
	Budget	Actual	Variance Positive (Negative)
			Actual
Reconciliation of modified accrual basis to full accrual basis:			
Total revenues		\$ 3,397,844	\$ 3,497,194
Total expenditures		4,903,748	3,802,955
Excess of revenues over (under) expenditures		(1,505,904)	(305,761)
Budgetary appropriations (above):			
Payment of debt principal		662,908	589,193
Debt issued		(368,051)	(217,128)
(Increase) decrease in compensated absences payable		(5,353)	13,121
Transfers		1,611,600	42,484
Capital outlay		286,028	471,397
Total budgetary appropriations		2,187,132	899,067
Depreciation (Statement 53)		(473,273)	(424,733)
Change in Net Position (Statement 53)		\$ 207,955	\$ 168,573

Note: Prepared on the budgetary basis, which is modified accrual.

City of Jacksonville, North Carolina
Stormwater/Water Quality Capital Project Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental	\$ 1,240,594	\$ 303,353	\$ 154,238	457,591	(783,003)
Investment earnings	-	-	253	253	253
Miscellaneous revenue	351,000	251,000	100,000	351,000	-
Total revenues	1,591,594	554,353	254,491	808,844	(782,750)
Expenditures:					
Capital outlay:					
Center Street Area	305,033	148,055	-	148,055	156,978
New River Oyster Hwy	769,000	310,022	254,066	564,088	204,912
Wardola-Thompson Creek	994,600	120,820	765,587	886,407	108,193
Bayshore Rain Garden	25,000	-	-	-	25,000
Leonard St Culvert Repair	380,535	38,962	244,216	283,178	97,357
Asbestos Removal SC	88,000	-	8,134	8,134	79,866
Stormwater Drainage Remed	720,000	-	75,906	75,906	644,094
Watershed Restoration	774,779	-	596	596	774,183
Total expenditures	4,056,947	617,859	1,348,505	1,966,364	2,090,583
Revenues over (under) expenditures	(2,465,353)	(63,506)	(1,094,014)	(1,157,520)	1,307,833
Other financing sources (uses):					
Debt issued -					
Loans payable - SRF	480,200	-	-	-	(480,200)
Transfers in -					
From Proprietary Fund	2,430,610	819,010	1,611,600	2,430,610	-
Transfers (out) -					
To Proprietary Fund	(445,457)	(445,457)	-	(445,457)	-
Total other financing sources (uses)	2,465,353	373,553	1,611,600	1,985,153	(480,200)
Excess of revenues and other sources over expenditures and other uses	\$ -	\$ 310,047	517,586	\$ 827,633	\$ 827,633
Fund Balance:					
Beginning of year, July 1			310,047		
End of year, June 30			\$ 827,633		



NON-MAJOR FUNDS

- Non-Major Governmental Funds
- Internal Service Funds



NON-MAJOR GOVERNMENTAL FUNDS

The Non-Major Governmental Combining Statements show a combined total for all non-major governmental funds.

INDIVIDUAL FUND DESCRIPTIONS

Community Development Fund:

Community Development Block Grant (CDBG) – accounts for the revenues and expenditures of Community Development Block Grant programs.

NCHFA/HOME/Affordable Housing Construction Project – accounts for the revenues and expenditures of the Affordable Housing Construction Project.

CV Cares Grant (CDBG) – accounts for the revenues and expenditures of the CV Cares Grant.

Law Enforcement Grants Fund:

School Resource Officer Grant – accounts for the revenues and expenditures of the School Resource Officer Program.

School Resource Officer – Elementary School Grant – accounts for the revenues and expenditures of the School Resource Officer Program.

Bulletproof Vest Grant – accounts for the revenues and expenditures of the Bulletproof Vest Grant Program.

Federal DEA Project – accounts for the revenues and expenditures of the Federal Drug Enforcement Administration Project.

State DEA Project – accounts for the revenues and expenditures of the State Drug Enforcement Administration Project.

COAP Opioid Grant – accounts for the revenues and expenditures of the COAP Opioid Grant.

800 MHz Radio System Grant – accounts for the revenues and expenditures of the 800 MHz Radio System Grant Program.

Governor's Highway Safety Program Grant - Bike Safety – accounts for the revenues and expenditures of the Governor's Highway Safety Grant Bike Safety Program.

NON-MAJOR GOVERNMENTAL FUNDS

(Continued)

Law Enforcement Grants Fund continued:

Governor's Crime Commission Crisis Counselor FY18 – accounts for the revenues and expenditures of the Governor's Crime Commission Crisis Counselor for FY18.

Mental Health Grant – accounts for the revenues and expenditures of the Mental Health Grant.

JAG Electronic Monitor Equipment – accounts for the revenues and expenditures of the JAG Electronic Monitor Equipment Project.

Traffic Enforcement OT – accounts for the revenues and expenditures of the Traffic Enforcement OT

JAG 2020 Grant – accounts for the revenues and expenditures of the JAG Grant 2020.

Fire Fund:

Duke Energy Storm Resiliency Grant – accounts for the revenues and expenditures of the Duke Energy Storm Resiliency Grant.

E-911 Fund:

Emergency Telephone System – accounts for the revenues and expenditures of the Enhanced 911 Operation.

Transportation Fund:

City Transportation Project – accounts for the revenues and expenditures of the City Transportation Project.

Transit Park & Ride – accounts for the revenues and expenditures of the Transit Park & Ride Project.

Transit Jacksonville Station – accounts for the revenues and expenditures of the Jacksonville Station.

Transit Cares Project – accounts for the revenues and expenditures of the 2020 Transit Cares Project.

Non-Capitalized Projects Fund:

NCDOC Downtown Revitalization – accounts for the revenues and expenditures of the Downtown Revitalization Project.

NON-MAJOR GOVERNMENTAL FUNDS

(Continued)

Non-Capitalized Projects Fund Continued:

Coastal Community Action Rehabilitation Project – accounts for the revenues and expenditures of the Coastal Community Action Rehabilitation Project.

Street Improvements Fund:

Streets Powell Bill Capital Project – accounts for the funds used in the rehabilitation of streets primarily funded by Powell Bill revenues.

Developer Contributed Sidewalks Project – accounts for the revenues and expenditures of the Developer Contributed Sidewalks Project

FY18 Sidewalk Installation Project – accounts for the revenues and expenditures of the FY18 Sidewalk Installation Project.

FY17 Street Rehabilitation – accounts for the revenues and expenditures of the FY17 Street Rehabilitation.

FY18 Street Rehabilitation – accounts for the revenues and expenditures of the FY18 Street Rehabilitation.

FY19 Street Rehabilitation – accounts for the revenues and expenditures of the FY19 Street Rehabilitation.

FY20 Street Rehabilitation – accounts for the revenues and expenditures of the FY20 Street Rehabilitation.

NC DOT TIP Sidewalks – Piney Green Road Project – accounts for the revenues and expenditures of the NC DOT TIP Sidewalks – Piney Green Road Project.

Carolina Forest Blvd Rehab NPB Project – accounts for the revenues and expenditures of the Carolina Forest Blvd Rehab Non-Powell Bill Project.

Commerce Road Extension Project – accounts for the revenues and expenditures of the Commerce Road Extension Project.

FY19 Pedestrian Improvement – accounts for the revenues and expenditures of the FY19 Pedestrian Improvement Project.

FY20 Pedestrian Improvement – accounts for the revenues and expenditures of the FY20 Pedestrian Improvement Project.

General Capital Reserve Fund – accounts for funds reserved by City Council for future capital improvements.

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Community Development			Law Enforcement Grants Fund
	CDBG	NCHFA/HOME/ Affordable Housing Construction	CDBG - CV Cares	School Resource Officer
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ (18,415)	\$ 393,482
Restricted cash and cash equivalents	42,989	253,121	-	-
Accounts receivable	21,048	-	24,431	-
Interfund receivable	-	-	-	-
Prepaid Items	-	-	-	-
Notes receivable, net	1,191,404	104,073	-	-
	<u>1,191,404</u>	<u>104,073</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,255,441</u>	<u>\$ 357,194</u>	<u>\$ 6,016</u>	<u>\$ 393,482</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 64,037	\$ 76	\$ 6,016	\$ 8,653
Interfund payable	-	-	-	-
	<u>64,037</u>	<u>76</u>	<u>6,016</u>	<u>8,653</u>
Total Liabilities	<u>64,037</u>	<u>76</u>	<u>6,016</u>	<u>8,653</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:				
Non Spendable:				
Prepaid items	-	-	-	-
Restricted:				
Streets	-	-	-	-
Public Safety	-	-	-	-
Community Development	1,191,404	357,118	-	-
Committed:				
Public Safety	-	-	-	384,829
Community Development	-	-	-	-
Economic Development	-	-	-	-
Capital Projects	-	-	-	-
Unrestricted	-	-	-	-
	<u>1,191,404</u>	<u>357,118</u>	<u>-</u>	<u>384,829</u>
Total Fund Balance (deficit)	<u>1,191,404</u>	<u>357,118</u>	<u>-</u>	<u>384,829</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,255,441</u>	<u>\$ 357,194</u>	<u>\$ 6,016</u>	<u>\$ 393,482</u>

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Law Enforcement Grants Fund			
	School Resource Officer Elementary School	Bulletproof Vest	Federal DEA	State DEA
Assets				
Cash and cash equivalents	\$ 127,969	\$ 151,768	\$ -	\$ -
Restricted cash and cash equivalents	-	-	196,634	84,673
Accounts receivable	-	10,920	-	-
Interfund receivable	-	-	-	-
Prepaid Items	-	-	-	-
Notes receivable, net	-	-	-	-
Total Assets	<u>\$ 127,969</u>	<u>\$ 162,688</u>	<u>\$ 196,634</u>	<u>\$ 84,673</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 4,330	\$ -	\$ -	\$ -
Interfund payable	-	-	-	-
Total Liabilities	<u>4,330</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:				
Non Spendable:				
Prepaid items	-	-	-	-
Restricted:				
Streets	-	-	-	-
Public Safety	-	-	196,634	84,673
Community Development	-	-	-	-
Committed:				
Public Safety	123,639	162,688	-	-
Community Development	-	-	-	-
Economic Development	-	-	-	-
Capital Projects	-	-	-	-
Unrestricted	-	-	-	-
Total Fund Balance (deficit)	<u>123,639</u>	<u>162,688</u>	<u>196,634</u>	<u>84,673</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 127,969</u>	<u>\$ 162,688</u>	<u>\$ 196,634</u>	<u>\$ 84,673</u>

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Law Enforcement Grants Fund			
	COAP - Opioid Grant	800MHZ Radio System Upgrade	GHSP Bike Safety FY20	Mental Health Grant
Assets				
Cash and cash equivalents	\$ (17,000)	\$ 103,624	\$ (288)	\$ (24,121)
Restricted cash and cash equivalents	-	-	-	-
Accounts receivable	29,801	-	288	29,286
Interfund receivable	-	-	-	-
Prepaid Items	-	-	-	-
Notes receivable, net	-	-	-	-
Total Assets	\$ 12,801	\$ 103,624	\$ -	\$ 5,165
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 12,801	\$ -	\$ -	\$ 4,031
Interfund payable	-	-	-	-
Total Liabilities	12,801	-	-	4,031
Total Deferred Inflows of Resources	-	-	-	-
Fund Balance:				
Non Spendable:				
Prepaid items	-	-	-	-
Restricted:				
Streets	-	-	-	-
Public Safety	-	-	-	-
Community Development	-	-	-	-
Committed:				
Public Safety	-	103,624	-	1,134
Community Development	-	-	-	-
Economic Development	-	-	-	-
Capital Projects	-	-	-	-
Unrestricted	-	-	-	-
Total Fund Balance (deficit)	-	103,624	-	1,134
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,801	\$ 103,624	\$ -	\$ 5,165

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Law Enforcement Grants Fund		E-911 Fund	Transportation Fund
	GHSP - Traffic Enforce OT	JAG Grant 2020	Emergency Telephone System	City Transportation Project
Assets				
Cash and cash equivalents	\$ (5,285)	\$ 390	\$ -	\$ 546,239
Restricted cash and cash equivalents	-	-	72,350	-
Accounts receivable	5,285	-	40,021	243,905
Interfund receivable	-	-	-	-
Prepaid Items	-	-	-	-
Notes receivable, net	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 390</u>	<u>\$ 112,371</u>	<u>\$ 790,144</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 5,541	\$ 80,178
Interfund payable	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>5,541</u>	<u>80,178</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,390</u>
Fund Balance:				
Non Spendable:				
Prepaid items	-	-	-	-
Restricted:				
Streets	-	-	-	-
Public Safety	-	-	106,830	-
Community Development	-	-	-	-
Committed:				
Public Safety	-	390	-	-
Community Development	-	-	-	-
Economic Development	-	-	-	663,576
Capital Projects	-	-	-	-
Unrestricted	-	-	-	-
Total Fund Balance (deficit)	<u>-</u>	<u>390</u>	<u>106,830</u>	<u>663,576</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ -</u>	<u>\$ 390</u>	<u>\$ 112,371</u>	<u>\$ 790,144</u>

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Transportation Fund			Street Improvements Fund
	Transit Park & Ride	Transit Jacksonville Station	Transit Cares Act Funding	Streets Powell Bill
Assets				
Cash and cash equivalents	\$ 3,505	\$ 1,640	\$ -	\$ -
Restricted cash and cash equivalents	-	-	-	245,587
Accounts receivable	10,728	-	30,298	-
Interfund receivable	-	-	-	-
Prepaid Items	-	-	-	-
Notes receivable, net	-	-	-	-
Total Assets	<u>\$ 14,233</u>	<u>\$ 1,640</u>	<u>\$ 30,298</u>	<u>\$ 245,587</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,170	\$ -	\$ 1,092	\$ -
Interfund payable	-	-	30,687	-
Total Liabilities	<u>1,170</u>	<u>-</u>	<u>31,779</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:				
Non Spendable:				
Prepaid items	-	-	-	-
Restricted:				
Streets	-	-	-	245,587
Public Safety	-	-	-	-
Community Development	-	-	-	-
Committed:				
Public Safety	-	-	-	-
Community Development	-	-	-	-
Economic Development	13,063	1,640	-	-
Capital Projects	-	-	-	-
Unrestricted	-	-	(1,481)	-
Total Fund Balance (deficit)	<u>13,063</u>	<u>1,640</u>	<u>(1,481)</u>	<u>245,587</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 14,233</u>	<u>\$ 1,640</u>	<u>\$ 30,298</u>	<u>\$ 245,587</u>

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Street Improvements Fund			
	Developer Contributed Sidewalks	FY18 Sidewalk Installation	FY17 Street Rehabilitation	FY18 Street Rehabilitation
Assets				
Cash and cash equivalents	\$ 88,214	\$ -	\$ -	\$ -
Restricted cash and cash equivalents	-	22,059	69,511	70,162
Accounts receivable	-	-	-	-
Interfund receivable	-	-	-	-
Prepaid Items	-	-	-	-
Notes receivable, net	-	-	-	-
Total Assets	<u>\$ 88,214</u>	<u>\$ 22,059</u>	<u>\$ 69,511</u>	<u>\$ 70,162</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 4,875	\$ -	\$ -
Interfund payable	-	-	-	-
Total Liabilities	<u>-</u>	<u>4,875</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:				
Non Spendable:				
Prepaid items	-	-	-	-
Restricted:				
Streets	-	17,184	69,511	70,162
Public Safety	-	-	-	-
Community Development	-	-	-	-
Committed:				
Public Safety	-	-	-	-
Community Development	-	-	-	-
Economic Development	-	-	-	-
Capital Projects	88,214	-	-	-
Unrestricted	-	-	-	-
Total Fund Balance (deficit)	<u>88,214</u>	<u>17,184</u>	<u>69,511</u>	<u>70,162</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 88,214</u>	<u>\$ 22,059</u>	<u>\$ 69,511</u>	<u>\$ 70,162</u>

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Street Improvements Fund			
	FY19 Street Rehabilitation	FY20 Street Rehabilitation	Carolina Forest Blvd Rehab	Commerce Road Extension
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 200,000
Restricted cash and cash equivalents	830,000	750,000	331,705	-
Accounts receivable	-	-	-	-
Interfund receivable	-	-	-	-
Prepaid Items	-	-	-	-
Notes receivable, net	-	-	-	-
Total Assets	<u>\$ 830,000</u>	<u>\$ 750,000</u>	<u>\$ 331,705</u>	<u>\$ 200,000</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Interfund payable	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:				
Non Spendable:				
Prepaid items	-	-	-	-
Restricted:				
Streets	830,000	750,000	331,705	-
Public Safety	-	-	-	-
Community Development	-	-	-	-
Committed:				
Public Safety	-	-	-	-
Community Development	-	-	-	-
Economic Development	-	-	-	-
Capital Projects	-	-	-	-
Unrestricted	-	-	-	200,000
Total Fund Balance (deficit)	<u>830,000</u>	<u>750,000</u>	<u>331,705</u>	<u>200,000</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 830,000</u>	<u>\$ 750,000</u>	<u>\$ 331,705</u>	<u>\$ 200,000</u>

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Street Improvements Fund		
	FY19 Pedestrian Improvement	FY20 Pedestrian Improvement	General Capital Reserve Fund
Assets			
Cash and cash equivalents	\$ -	\$ -	\$ 1,737,370
Restricted cash and cash equivalents	84,175	48,750	-
Accounts receivable	-	-	-
Interfund receivable	-	-	-
Prepaid Items	-	-	-
Notes receivable, net	-	-	-
Total Assets	<u>\$ 84,175</u>	<u>\$ 48,750</u>	<u>\$ 1,737,370</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -
Interfund payable	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:			
Non Spendable:			
Prepaid items	-	-	-
Restricted:			
Streets	84,175	48,750	-
Public Safety	-	-	-
Community Development	-	-	-
Committed:			
Public Safety	-	-	-
Community Development	-	-	-
Economic Development	-	-	-
Capital Projects	-	-	1,737,370
Unrestricted	-	-	-
Total Fund Balance (deficit)	<u>84,175</u>	<u>48,750</u>	<u>1,737,370</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 84,175</u>	<u>\$ 48,750</u>	<u>\$ 1,737,370</u>

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2020
With Comparative Totals for June 30, 2019

	Totals	
	June 30, 2020	June 30, 2019
Assets		
Cash and cash equivalents	\$ 3,289,092	\$ 2,039,736
Restricted cash and cash equivalents	3,101,716	2,463,290
Accounts receivable	446,011	435,918
Interfund receivable	-	546,000
Prepaid Items	-	2,475
Notes receivable, net	1,295,477	1,511,915
Total Assets	<u>\$ 8,132,296</u>	<u>\$ 6,999,334</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities:		
Accounts payable and accrued liabilities	\$ 192,800	\$ 536,167
Interfund payable	30,687	90,202
Total Liabilities	<u>223,487</u>	<u>626,369</u>
Total Deferred Inflows of Resources	<u>46,390</u>	<u>-</u>
Fund Balance:		
Non Spendable:		
Prepaid items	-	2,475
Restricted:		
Streets	2,447,074	1,681,201
Public Safety	388,137	272,823
Community Development	1,548,522	1,751,615
Committed:		
Public Safety	776,304	756,980
Community Development	-	10,804
Economic Development	678,279	176,394
Capital Projects	1,825,584	1,720,673
Unrestricted	198,519	-
Total Fund Balance (deficit)	<u>7,862,419</u>	<u>6,372,965</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,132,296</u>	<u>\$ 6,999,334</u>

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Community Development Fund			Law Enforcement Grants Fund
	NCHFA/HOME/ Affordable Housing			School Resource Officer
	CDBG	Construction	CDBG - CV Cares	
Revenues:				
Restricted intergovernmental revenues	\$ 368,801	\$ -	\$ 24,431	\$ 305,720
Investment earnings	10	8	-	-
Miscellaneous	58,084	10,015	-	-
Total revenues	426,895	10,023	24,431	305,720
Expenditures:				
Public Safety	-	-	-	412,065
Economic and Physical Development	176,924	392	24,431	-
Capital outlay	462,695	-	-	68,880
Total expenditures	639,619	392	24,431	480,945
Revenues over (under) expenditures	(212,724)	9,631	-	(175,225)
Other financing sources (uses):				
Transfers in	-	-	-	172,508
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	172,508
Net change in fund balance	(212,724)	9,631	-	(2,717)
Fund balances:				
Beginning of year, July 1	1,404,128	347,487	-	387,546
End of year, June 30	\$ 1,191,404	\$ 357,118	\$ -	\$ 384,829

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Law Enforcement Grants Fund			
	School Resource Officer Elementary Schools	Bulletproof Vest Grant	Federal DEA	State DEA
Revenues:				
Restricted intergovernmental revenues	\$ 194,967	\$ 17,445	\$ 103,496	\$ 19,146
Investment earnings	-	-	4	1
Miscellaneous	-	-	-	-
Total revenues	194,967	17,445	103,500	19,147
Expenditures:				
Public Safety	213,490	54,492	64,962	14,354
Economic and Physical Development	-	-	-	-
Capital outlay	5,345	-	-	-
Total expenditures	218,835	54,492	64,962	14,354
Revenues over (under) expenditures	(23,868)	(37,047)	38,538	4,793
Other financing sources (uses):				
Transfers in	72,825	39,200	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	72,825	39,200	-	-
Net change in fund balance	48,957	2,153	38,538	4,793
Fund balances:				
Beginning of year, July 1	74,682	160,535	158,096	79,880
End of year, June 30	\$ 123,639	\$ 162,688	\$ 196,634	\$ 84,673

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Law Enforcement Grants Fund			
	COAP - Opioid Grant	800 MHz Radio System	GHSP Bike Safety FY20	GCC Crisis Counselor FY18
Revenues:				
Restricted intergovernmental revenues	\$ 29,801	\$ -	\$ 288	\$ 21,748
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	29,801	-	288	21,748
Expenditures:				
Public Safety	29,801	33,068	288	24,602
Economic and Physical Development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	29,801	33,068	288	24,602
Revenues over (under) expenditures	-	(33,068)	-	(2,854)
Other financing sources (uses):				
Transfers in	-	-	-	1,297
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	1,297
Net change in fund balance	-	(33,068)	-	(1,557)
Fund balances:				
Beginning of year, July 1	-	136,692	-	1,557
End of year, June 30	\$ -	\$ 103,624	\$ -	\$ -

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Law Enforcement Grants Fund			
	Mental Health Grant	JAG Elect Monitor Equipment	GHSP - Traffic Enforcement OT	JAG Grant 2020
Revenues:				
Restricted intergovernmental revenues	\$ 70,892	\$ 23,794	\$ 5,285	\$ 13,708
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	70,892	23,794	5,285	13,708
Expenditures:				
Public Safety	71,862	-	5,285	-
Economic and Physical Development	-	-	-	-
Capital outlay	-	23,841	-	16,110
Total expenditures	71,862	23,841	5,285	16,110
Revenues over (under) expenditures	(970)	(47)	-	(2,402)
Other financing sources (uses):				
Transfers in	2,104	-	-	2,792
Transfers (out)	-	-	-	-
Total other financing sources (uses)	2,104	-	-	2,792
Net change in fund balance	1,134	(47)	-	390
Fund balances:				
Beginning of year, July 1	-	47	-	-
End of year, June 30	\$ 1,134	\$ -	\$ -	\$ 390

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Fire Fund	E-911 Fund	Transportation Fund	
	Duke Energy Storm Resiliency Grant	Emergency Telephone System	City Transportation Project	Transit Park & Ride
Revenues:				
Restricted intergovernmental revenues	\$ 10,000	\$ 480,254	\$ 685,821	\$ (147,993)
Investment earnings	-	86	-	-
Miscellaneous	-	-	162,702	-
Total revenues	<u>10,000</u>	<u>480,340</u>	<u>848,523</u>	<u>(147,993)</u>
Expenditures:				
Public Safety	1,312	406,753	-	-
Economic and Physical Development	-	-	594,729	(198,400)
Capital outlay	9,083	-	86,758	1,170
Total expenditures	<u>10,395</u>	<u>406,753</u>	<u>681,487</u>	<u>(197,230)</u>
Revenues over (under) expenditures	<u>(395)</u>	<u>73,587</u>	<u>167,036</u>	<u>49,237</u>
Other financing sources (uses):				
Transfers in	395	-	509,729	(84,212)
Transfers (out)	-	-	(141,545)	-
Total other financing sources (uses)	<u>395</u>	<u>-</u>	<u>368,184</u>	<u>(84,212)</u>
Net change in fund balance	-	73,587	535,220	(34,975)
Fund balances:				
Beginning of year, July 1	-	33,243	128,356	48,038
End of year, June 30	<u>\$ -</u>	<u>\$ 106,830</u>	<u>\$ 663,576</u>	<u>\$ 13,063</u>

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Transportation Fund		Non-Cap. Projects Fund	
	Transit Jacksonville Station	Transit Cares Act Funding	NC DOC Downtown Revitalization	Coastal Community Action Rehabilitation
Revenues:				
Restricted intergovernmental revenues	\$ 462,000	\$ 657,880	\$ -	\$ -
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	462,000	657,880	-	-
Expenditures:				
Public Safety	-	-	-	-
Economic and Physical Development	577,500	659,361	804	-
Capital outlay	-	-	-	-
Total expenditures	577,500	659,361	804	-
Revenues over (under) expenditures	(115,500)	(1,481)	(804)	-
Other financing sources (uses):				
Transfers in	117,140	-	-	-
Transfers (out)	-	-	-	(10,000)
Total other financing sources (uses)	117,140	-	-	(10,000)
Net change in fund balance	1,640	(1,481)	(804)	(10,000)
Fund balances:				
Beginning of year, July 1	-	-	804	10,000
End of year, June 30	\$ 1,640	\$ (1,481)	\$ -	\$ -

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Streets Improvements Fund			
	Streets Powell Bill	Developer Contributed Sidewalks	FY18 Sidewalk Installation	FY17 Street Rehabilitation
Revenues:				
Restricted intergovernmental revenues	\$ -	\$ 17,740	\$ -	\$ -
Investment earnings	12,940	-	-	-
Miscellaneous	-	-	-	-
Total revenues	12,940	17,740	-	-
Expenditures:				
Public Safety	-	-	-	-
Economic and Physical Development	-	-	-	-
Capital outlay	-	-	77,816	4,237
Total expenditures	-	-	77,816	4,237
Revenues over (under) expenditures	12,940	17,740	(77,816)	(4,237)
Other financing sources (uses):				
Transfers in	971,858	-	-	-
Transfers (out)	(800,000)	-	-	-
Total other financing sources (uses)	171,858	-	-	-
Net change in fund balance	184,798	17,740	(77,816)	(4,237)
Fund balances:				
Beginning of year, July 1	60,789	70,474	95,000	73,748
End of year, June 30	\$ 245,587	\$ 88,214	\$ 17,184	\$ 69,511

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Streets Improvements Fund			
	FY18 Street Rehabilitation	FY19 Street Rehabilitation	FY20 Street Rehabilitation	NCDOT TIP Sidewalks-Piney Green
Revenues:				
Restricted intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Public Safety	-	-	-	-
Economic and Physical Development	-	-	-	-
Capital outlay	74,930	-	-	-
Total expenditures	74,930	-	-	-
Revenues over (under) expenditures	(74,930)	-	-	-
Other financing sources (uses):				
Transfers in	-	-	750,000	-
Transfers (out)	-	-	-	(21,144)
Total other financing sources (uses)	-	-	750,000	(21,144)
Net change in fund balance	(74,930)	-	750,000	(21,144)
Fund balances:				
Beginning of year, July 1	145,092	830,000	-	21,144
End of year, June 30	\$ 70,162	\$ 830,000	\$ 750,000	\$ -

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Streets Improvements Fund			
	Carolina Forest Blvd Rehab	Commerce Road Extension	FY19 Pedestrian Improvement	FY20 Pedestrian Improvement
Revenues:				
Restricted intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-
Miscellaneous	-	200,000	-	-
Total revenues	-	200,000	-	-
Expenditures:				
Public Safety	-	-	-	-
Economic and Physical Development	-	-	-	-
Capital outlay	35,573	-	3,975	1,250
Total expenditures	35,573	-	3,975	1,250
Revenues over (under) expenditures	(35,573)	200,000	(3,975)	(1,250)
Other financing sources (uses):				
Transfers in	-	-	-	50,000
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	50,000
Net change in fund balance	(35,573)	200,000	(3,975)	48,750
Fund balances:				
Beginning of year, July 1	367,278	-	88,150	-
End of year, June 30	\$ 331,705	\$ 200,000	\$ 84,175	\$ 48,750

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance

For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Totals		
	General Capital Reserve Fund	June 30, 2020	June 30, 2019
Revenues:			
Restricted intergovernmental revenues	\$ -	\$ 3,365,224	\$ 4,853,319
Investment earnings	14,438	27,487	59,639
Miscellaneous	21,472	452,273	432,084
Total revenues	35,910	3,844,984	5,345,042
Expenditures:			
Public Safety	-	1,332,334	1,079,755
Economic and Physical Development	-	1,835,741	2,993,303
Capital outlay	-	871,663	2,569,741
Total expenditures	-	4,039,738	6,642,799
Revenues over (under) expenditures	35,910	(194,754)	(1,297,757)
Other financing sources (uses):			
Transfers in	1,445,455	4,051,091	5,768,442
Transfers (out)	(1,394,194)	(2,366,883)	(3,162,674)
Total other financing sources (uses)	51,261	1,684,208	2,605,768
Net change in fund balance	87,171	1,489,454	1,308,011
Fund balances:			
Beginning of year, July 1	1,650,199	6,372,965	5,064,954
End of year, June 30	\$ 1,737,370	\$ 7,862,419	\$ 6,372,965
		Transfers Out	\$ 2,366,883
		Transfers within Non-Major Governmental Funds	(821,144)
			\$ 1,545,739
		Transfers In	\$ (6,372,965)
		Transfers within Non-Major Governmental Funds	(821,144)
		Exhibit D	\$ (7,194,109)

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Community Development Block Grant (CDBG)
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive
					(Negative)
Revenues:					
Entitlement Grant 2017					
Entitlement Grant 2017	\$ 327,262	\$ 221,460	\$ 105,802	\$ 327,262	\$ -
Program income	325,489	1,612,882	16,519	1,629,401	1,303,912
Investment earnings	20	7	5	12	(8)
Total	652,771	1,834,349	122,326	1,956,675	1,303,904
Entitlement Grant 2018					
Entitlement Grant 2018	365,203	-	262,999	262,999	(102,204)
Program income	376,088	-	41,565	41,565	(334,523)
Investment earnings	22	-	5	5	(17)
Total	741,313	-	304,569	304,569	(436,744)
Entitlement Grant 2019					
Entitlement Grant 2019	352,523	-	-	-	(352,523)
Program income	205,542	-	-	-	(205,542)
Investment earnings	22	-	-	-	(22)
Total	558,087	-	-	-	(558,087)
Total revenues	1,952,171	1,834,349	426,895	2,261,244	309,073
					continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Community Development Block Grant (CDBG)
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

Expenditures:

Entitlement Grant 2017					
Administration	48,586	39,662	88,248		
Housing rehabilitation	10,494	6,108	16,602		
Non-Profit funding	13,668	26,394	40,062		
Economic development	-	12,330	12,330		
Affordable housing	25,000	-	25,000		
Clearance	15,214	2,480	17,694		
Acquisition of property	104,770	3,621	108,391		
Capital Outlay	212,489	69,451	281,940		
Total	<u>652,771</u>	<u>430,221</u>	<u>160,046</u>	<u>590,267</u>	<u>62,504</u>
Entitlement Grant 2018					
Administration	-	27,252	27,252		
Housing rehabilitation	-	-	-		
Non-Profit funding	-	23,606	23,606		
Affordable housing	-	-	-		
Clearance	-	27,202	27,202		
Acquisition of property	-	3,837	3,837		
Capital Outlay	-	393,244	393,244		
Total	<u>741,313</u>	<u>-</u>	<u>479,573</u>	<u>479,573</u>	<u>261,740</u>
Entitlement Grant 2019					
Administration	-	-	-		
Housing rehabilitation	-	-	-		
Non-Profit funding	-	-	-		
Economic development	-	-	-		
Affordable housing	-	-	-		
Clearance	-	-	-		
Acquisition of property	-	-	-		
Rehabilitation planning	-	-	-		
Bad debts	-	-	-		
Capital Outlay	-	-	-		
Total	<u>558,087</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>558,087</u>
Total expenditures	<u>1,952,171</u>	<u>430,221</u>	<u>639,619</u>	<u>1,069,840</u>	<u>882,331</u>
Revenues over (under) expenditures	<u>-</u>	<u>1,404,128</u>	<u>(212,724)</u>	<u>1,191,404</u>	<u>1,191,404</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,404,128</u>	<u>(212,724)</u>	<u>\$ 1,191,404</u>	<u>\$ 1,191,404</u>
Fund balance:					
Beginning of year, July 1			<u>1,404,128</u>		
End of year, June 30			<u>\$ 1,191,404</u>		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
NCHFA/HOME/Affordable Housing Construction Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Program income	\$ 782,449	\$ 721,203	\$ 10,015	\$ 731,218	\$ (51,231)
Investment earnings	8,918	8,874	8	8,882	(36)
Total revenues	791,367	730,077	10,023	740,100	(51,267)
Expenditures:					
Operating expenditures		466,943	392	467,335	
Total expenditures	875,738	466,943	392	467,335	408,403
Revenues over (under) expenditures	(84,371)	263,134	9,631	272,765	357,136
Other financing sources:					
Transfers in -					
From Affordable Home Ownership	84,371	84,353	-	84,353	(18)
Total other financing sources	84,371	84,353	-	84,353	(18)
Net change in fund balance	\$ -	\$ 347,487	9,631	\$ 357,118	\$ 357,118
Fund balance:					
Beginning of year, July 1			347,487		
End of year, June 30			\$ 357,118		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
CDBG-CV CARES
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
CDBG	\$ 219,446	\$ -	\$ 24,431	\$ 24,431	\$ (195,015)
Total revenues	219,446	-	24,431	24,431	(195,015)
Expenditures:					
Operating expenditures		-	24,431	24,431	
Total expenditures	219,446	-	24,431	24,431	195,015
Revenues over (under) expenditures	-	-	-	-	-
Other financing sources:					
Transfers in -					
From Affordable Home Ownership	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ -</u>		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
School Resource Officer Grant
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Onslow County Board of Education	\$ 5,198,788	\$ 4,893,067	\$ 305,720	\$ 5,198,787	\$ (1)
Investment earnings	7,376	7,376	-	7,376	-
Total revenues	5,206,164	4,900,443	305,720	5,206,163	(1)
Expenditures:					
Salaries and employee benefits		5,866,269	352,554	6,218,823	
Operating expenditures		766,522	59,511	826,033	
Capital outlay		251,405	68,880	320,285	
Total expenditures	7,749,970	6,884,196	480,945	7,365,141	384,829
Revenues (under) expenditures	(2,543,806)	(1,983,753)	(175,225)	(2,158,978)	384,828
Other financing sources (uses):					
Transfers in -					
From General Fund	2,708,059	2,535,551	172,508	2,708,059	-
Transfers (out) -					
To General Fund	(162,448)	(162,447)	-	(162,447)	1
To Special Revenue Fund	(1,805)	(1,805)	-	(1,805)	-
Total other financing sources	2,543,806	2,371,299	172,508	2,543,807	1
Net change in fund balance	\$ -	\$ 387,546	(2,717)	\$ 384,829	\$ 384,829
Fund balance:					
Beginning of year, July 1			387,546		
End of year, June 30			\$ 384,829		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
School Resource Officer Grant - Elementary Schools
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Onslow County Board of Education	\$ 314,111	\$ 119,144	\$ 194,967	\$ 314,111	\$ -
Total revenues	314,111	119,144	194,967	314,111	-
Expenditures:					
Salaries and employee benefits		81,954	183,916	265,870	
Operating expenditures		14,529	29,574	44,103	
Capital outlay		-	5,345	5,345	
Total expenditures	438,957	96,483	218,835	315,318	123,639
Revenues (under) expenditures	(124,846)	22,661	(23,868)	(1,207)	123,639
Other financing sources (uses):					
Transfers in -					
From General Fund	124,846	52,021	72,825	124,846	-
Transfers (out) -					
To General Fund	-	-	-	-	-
Total other financing sources	124,846	52,021	72,825	124,846	-
Net change in fund balance	\$ -	\$ 74,682	48,957	\$ 123,639	\$ 123,639
Fund balance:					
Beginning of year, July 1			74,682		
End of year, June 30			\$ 123,639		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Bulletproof Vest Grant
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Bureau of Justice Grant	\$ 220,276	\$ 179,999	\$ 14,945	\$ 194,944	\$ (25,332)
NCLM Bulletproof Grant	39,000	36,750	2,500	39,250	250
Total revenues	259,276	216,749	17,445	234,194	(25,082)
Expenditures:					
Operating expenditures	-	451,055	54,492	505,547	-
Total expenditures	693,317	451,055	54,492	505,547	187,770
Revenues (under) expenditures	(434,041)	(234,306)	(37,047)	(271,353)	162,688
Other financing sources:					
Transfers in -					
From General Fund	434,041	394,841	39,200	434,041	-
Total other financing sources	434,041	394,841	39,200	434,041	-
Net change in fund balance	\$ -	\$ 160,535	2,153	\$ 162,688	\$ 162,688
Fund balance:					
Beginning of year, July 1			160,535		
End of year, June 30			\$ 162,688		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Federal DEA Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Drug enforcement	\$ 1,476,894	\$ 1,374,435	\$ 103,496	\$ 1,477,931	\$ 1,037
Investment earnings	34,100	32,504	4	32,508	(1,592)
Gain/Loss from insurance	22,625	22,625	-	22,625	-
Miscellaneous	-	6,250	-	6,250	6,250
Total revenues	<u>1,533,619</u>	<u>1,435,814</u>	<u>103,500</u>	<u>1,539,314</u>	<u>5,695</u>
Expenditures:					
Operating expenditures	-	927,416	64,962	992,378	-
Capital outlay	-	536,533	-	536,533	-
Total expenditures	<u>1,719,853</u>	<u>1,463,949</u>	<u>64,962</u>	<u>1,528,911</u>	<u>190,942</u>
Revenues over (under) expenditures	<u>(186,234)</u>	<u>(28,135)</u>	<u>38,538</u>	<u>10,403</u>	<u>196,637</u>
Other financing sources (uses):					
Transfers in -					
From General Fund	245,225	245,224	-	245,224	(1)
From Special Revenue Fund	50,553	50,551	-	50,551	(2)
Transfers (out) -					
To Special Revenue Fund	<u>(109,544)</u>	<u>(109,544)</u>	<u>-</u>	<u>(109,544)</u>	<u>-</u>
Total other financing sources (uses)	<u>186,234</u>	<u>186,231</u>	<u>-</u>	<u>186,231</u>	<u>(3)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 158,096</u>	<u>38,538</u>	<u>\$ 196,634</u>	<u>\$ 196,634</u>
Fund balance:					
Beginning of year, July 1			<u>158,096</u>		
End of year, June 30			<u>\$ 196,634</u>		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
State DEA Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Drug enforcement	\$ 294,533	\$ 276,513	\$ 19,146	\$ 295,659	\$ 1,126
Investment earnings	23,141	23,158	1	23,159	18
Total revenues	317,674	299,671	19,147	318,818	1,144
Expenditures:					
Operating expenditures	-	200,075	14,354	214,429	-
Capital outlay	-	159,678	-	159,678	-
Total expenditures	457,636	359,753	14,354	374,107	83,529
Revenues over (under) expenditures	(139,962)	(60,082)	4,793	(55,289)	84,673
Other financing sources (uses):					
Transfers in -					
From General Fund	161,422	161,422	-	161,422	-
From Special Revenue	1,934	1,934	-	1,934	-
Transfers (out) -					
To Special Revenue Fund	(23,394)	(23,394)	-	(23,394)	-
Total other financing sources	139,962	139,962	-	139,962	-
Net change in fund balance	\$ -	\$ 79,880	4,793	\$ 84,673	\$ 84,673
Fund balance:					
Beginning of year, July 1			79,880		
End of year, June 30			\$ 84,673		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
COAP Opioid Grant
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
COAP Opioid Grant	\$ 900,000	\$ -	\$ 29,801	\$ 29,801	\$ (870,199)
Total revenues	900,000	-	29,801	29,801	(870,199)
Expenditures:					
Total expenditures	900,000	-	29,801	29,801	(870,199)
Revenues (under) expenditures	-	-	-	-	-
Other financing sources:					
Transfers in--					
From General Fund	-	-	-	-	-
Special Revenue	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ -		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
800 MHz Radio System
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Onslow County	\$ 453,434	\$ 453,433	\$ -	\$ 453,433	\$ (1)
Sprint/Nextel Rebanding Reimbursements	-	37,620	-	37,620	37,620
Total revenues	453,434	491,053	-	491,053	37,619
Expenditures:					
Operating expenditures	-	2,370,001	33,068	2,403,069	-
Total expenditures	2,469,074	2,370,001	33,068	2,403,069	66,005
Revenues over (under) expenditures	(2,015,640)	(1,878,948)	(33,068)	(1,912,016)	103,624
Other financing sources (uses):					
Debt issued	1,744,551	1,744,551	-	1,744,551	-
Transfers in -					
From General Fund	8,000	8,000	-	8,000	-
From Capital Reserve Fund	346,589	346,589	-	346,589	-
Transfers (out) -					
To Capital Reserve	(83,500)	(83,500)	-	(83,500)	-
Total other financing sources (uses)	2,015,640	2,015,640	-	2,015,640	-
Net change in fund balance	\$ -	\$ 136,692	(33,068)	\$ 103,624	\$ 103,624
Fund balance:					
Beginning of year, July 1			136,692		
End of year, June 30			\$ 103,624		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Governor's Highway Safety Program Grant - Bike Safety FY20
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Governor's Highway Safety Grant	\$ 5,000	\$ -	\$ 288	\$ 288	\$ (4,712)
Total revenues	5,000	-	288	288	(4,712)
Expenditures:					
Operating expenditures	-	-	288	288	-
Total expenditures	5,000	-	288	288	4,712
Revenues (under) expenditures	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ -		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
GCC Crisis Counselor FY18
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
Crisis Counselor	\$ 152,882	\$ 130,316	\$ 21,748	\$ 152,064	\$ (818)
Total revenues	152,882	130,316	21,748	152,064	(818)
Expenditures:					
Salaries and employee benefits	-	141,604	24,602	166,206	-
Operating expenses	-	155	-	155	-
Total expenditures	167,182	141,759	24,602	166,361	821
Revenues (under) expenditures	(14,300)	(11,443)	(2,854)	(14,297)	3
Other financing sources:					
Transfers in -					
From General Fund	14,300	13,000	1,297	14,297	(3)
Total other financing sources	14,300	13,000	1,297	14,297	(3)
Net change in fund balance	\$ -	\$ 1,557	(1,557)	\$ -	\$ -
Fund balance:					
Beginning of year, July 1			1,557		
End of year, June 30			\$ -		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Mental Health Grant
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Crisis Counselor	\$ 186,314	\$ -	\$ 70,892	\$ 70,892	\$ (115,422)
Total revenues	186,314	-	70,892	70,892	(115,422)
Expenditures:					
Salaries and employee benefits	-	-	71,862	71,862	-
Total expenditures	188,418	-	71,862	71,862	116,556
Revenues (under) expenditures	(2,104)	-	(970)	(970)	1,134
Other financing sources:					
Transfers in -					
From General Fund	2,104	-	2,104	2,104	-
Total other financing sources	2,104	-	2,104	2,104	-
Net change in fund balance	\$ -	\$ -	1,134	\$ 1,134	\$ 1,134
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 1,134		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
JAG Electronic Monitor Equipment
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
JAG Grant - Justice Assistance	\$ 23,794	\$ -	\$ 23,794	\$ 23,794	\$ -
Total revenues	23,794	-	23,794	23,794	-
Expenditures:					
Total expenditures	23,841	-	23,841	23,841	-
Revenues (under) expenditures	(47)	-	(47)	(47)	-
Other financing sources:					
Transfers in--					
From General Fund	47	47	-	47	-
Special Revenue	-	-	-	-	-
Total other financing sources	47	47	-	47	-
Net change in fund balance	\$ -	\$ 47	(47)	\$ -	\$ -
Fund balance:					
Beginning of year, July 1			47		
End of year, June 30			\$ -		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
GHSP - Traffic Enforcement OT
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Traffic Enforcement Grant	\$ 25,000	\$ -	\$ 5,285	\$ 5,285	\$ (19,715)
Total revenues	25,000	-	5,285	5,285	(19,715)
Expenditures:					
Total expenditures	25,000	-	5,285	5,285	(19,715)
Revenues (under) expenditures	-	-	-	-	(39,430)
Other financing sources:					
Transfers in--					
From General Fund	-	-	-	-	-
Special Revenue	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
JAG Grant 2020
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
JAG Grant - Justice Assistance	\$ 13,708	\$ -	\$ 13,708	\$ 13,708	\$ -
Total revenues	13,708	-	13,708	13,708	-
Expenditures:					
Total expenditures	16,500	-	16,110	16,110	(390)
Revenues (under) expenditures	(2,792)	-	(2,402)	(2,402)	(390)
Other financing sources:					
Transfers in--					
From General Fund	2,792	-	2,792	2,792	-
Special Revenue	-	-	-	-	-
Total other financing sources	2,792	-	2,792	2,792	-
Net change in fund balance	\$ -	\$ -	390	\$ 390	\$ 390
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 390		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Duke Energy Storm Resiliency Grant
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Duke Energy Grant	\$ 10,000	\$ -	\$ 10,000	\$ 10,000	\$ -
Total revenues	10,000	-	10,000	10,000	-
Expenditures:					
Operating expenditures	-	-	1,312	1,312	-
Capital outlay	-	-	9,083	9,083	-
Total expenditures	10,396	-	10,395	10,395	1
Revenues over (under) expenditures	(396)	-	(395)	(395)	1
Other financing sources (uses):					
Transfers in -					
From Video Media	396	-	395	395	1
Transfers (out) -					
To General Fund	-	-	-	-	-
Total other financing sources (uses)	396	-	395	395	1
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ -</u>		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Emergency Telephone System
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
Restricted intergovernmental	\$ 4,782,611	\$ 4,301,947	\$ 480,254	\$ 4,782,201	\$ (410)
Miscellaneous revenue	8,038	8,038	-	8,038	-
Investment earnings	33,667	28,600	86	28,686	(4,981)
Total revenues	4,824,316	4,338,585	480,340	4,818,925	(5,391)
Expenditures:					
Telephone		1,597,389	208,402	1,805,791	
Training		48,867	4,672	53,539	
Operating expenses		1,494,958	193,679	1,688,637	
Debt service					
Principal retirement		594,000	-	594,000	
Interest and fees		8,343	-	8,343	
Capital outlay		1,593,288	-	1,593,288	
Total expenditures	5,855,820	5,336,845	406,753	5,743,598	112,222
Revenues over (under) expenditures	(1,031,504)	(998,260)	73,587	(924,673)	106,831
Other financing sources (uses):					
Debt issued	594,000	594,000	-	594,000	-
Transfers in -					
From General Fund	100,649	100,649	-	100,649	-
From Special Revenue Fund	445,390	445,388	-	445,388	(2)
From Information Technology Fund	342	342	-	342	-
Transfers (out) -					
To General Fund	(33,659)	(33,658)	-	(33,658)	1
To ITS Internal Service Fund	(75,218)	(75,218)	-	(75,218)	-
Total other financing sources (uses)	1,031,504	1,031,503	-	1,031,503	(1)
Net change in fund balance	\$ -	\$ 33,243	73,587	\$ 106,830	\$ 106,830
Fund balance:					
Beginning of year, July 1			33,243		
End of year, June 30			\$ 106,830		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
City Transportation Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:					
FY 2008-2009 Jacksonville Transit					
NCDOT SMAP FY 2008-2009	\$ 152,709	\$ 152,708	\$ -	\$ 152,708	\$ (1)
NCDOT State match	180,460	128,566	-	128,566	(51,894)
FTA Section 5307	1,514,412	1,940,892	(403,080)	1,537,812	23,400
Jacksonville Transit fares	79,197	79,197	-	79,197	-
ADA fares	3,183	3,183	-	3,183	-
Miscellaneous	16,631	16,630	-	16,630	(1)
Total	<u>1,946,592</u>	<u>2,321,176</u>	<u>(403,080)</u>	<u>1,918,096</u>	<u>(28,496)</u>
FY 2009-2010 Jacksonville Transit					
NCDOT SMAP FY 2009-2010	312,389	312,389	-	312,389	-
NCDOT State match	72,999	36,096	-	36,096	(36,903)
FTA Section 5307	1,159,598	1,153,829	-	1,153,829	(5,769)
Jacksonville Transit fares	220,214	249,391	-	249,391	29,177
ADA fares	12,996	12,995	-	12,995	(1)
Miscellaneous	6,257	6,257	-	6,257	-
Total	<u>1,784,453</u>	<u>1,770,957</u>	<u>-</u>	<u>1,770,957</u>	<u>(13,496)</u>
FY 2012-2013 Jacksonville Transit					
NCDOT SMAP FY 2012-2013	164,000	210,138	-	210,138	46,138
NCDOT State match	89,000	13,333	-	13,333	(75,667)
FTA Section 5307	1,190,880	881,632	99,248	980,880	(210,000)
Jacksonville Transit fares	100,000	134,775	-	134,775	34,775
ADA fares	5,000	9,550	-	9,550	4,550
Miscellaneous	1,608	27,574	-	27,574	25,966
Total	<u>1,550,488</u>	<u>1,277,002</u>	<u>99,248</u>	<u>1,376,250</u>	<u>(174,238)</u>
FY 2015-2016 Jacksonville Transit					
NCDOT SMAP FY 2015-2016	162,423	162,423	-	162,423	-
NCDOT State match	22,000	-	-	-	(22,000)
FTA Section 5307	1,161,778	571,740	356,837	928,577	(233,201)
Jacksonville Transit fares	125,000	117,116	-	117,116	(7,884)
ADA fares	10,235	10,235	-	10,235	-
Miscellaneous	7,356	7,356	-	7,356	-
Total	<u>1,488,792</u>	<u>868,870</u>	<u>356,837</u>	<u>1,225,707</u>	<u>(263,085)</u>

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
City Transportation Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
FY 2016-2017 Jacksonville Transit					
NCDOT SMAP FY 2016-2017	\$ 134,076	\$ 31,148	\$ -	\$ 31,148	\$ (102,928)
NCDOT State match	28,300	-	-	-	(28,300)
FTA Section 5307	980,822	-	-	-	(980,822)
Jacksonville Transit fares	125,000	94,740	-	94,740	(30,260)
ADA fares	10,000	11,165	-	11,165	1,165
Miscellaneous	-	7,353	-	7,353	7,353
Total	1,278,198	144,406	-	144,406	(1,133,792)
FY 2017-2018 Jacksonville Transit					
NCDOT SMAP FY 2017-2018	162,485	176,435	-	176,435	13,950
FTA Section 5307	838,467	698,426	52,282	750,708	(87,759)
Jacksonville Transit fares	125,000	150,580	-	150,580	25,580
ADA fares	10,000	10,460	-	10,460	460
Miscellaneous	521	2,521	-	2,521	2,000
Total	1,136,473	1,038,422	52,282	1,090,704	(45,769)
FY 2018-2019 Jacksonville Transit					
NCDOT SMAP FY 2017-2018	176,435	176,435	-	176,435	-
FTA Section 5307	808,824	668,975	-	668,975	(139,849)
Jacksonville Transit fares	170,289	182,984	-	182,984	12,695
ADA fares	10,000	7,607	-	7,607	(2,393)
Total	1,165,548	1,036,001	-	1,036,001	(129,547)
FY 2019-2020 Jacksonville Transit					
NCDOT SMAP FY 2016-2017	176,435	-	126,891	126,891	(49,544)
NCDOT State match	29,000	-	-	-	(29,000)
FTA Section 5307	1,060,703	-	453,643	453,643	(607,060)
Jacksonville Transit fares	188,448	-	152,746	152,746	(35,702)
ADA fares	9,440	-	9,956	9,956	516
Miscellaneous	-	-	-	-	-
Total	1,464,026	-	743,236	743,236	(720,790)
Total revenues	11,814,570	8,456,834	848,523	9,305,357	(2,509,213)

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
City Transportation Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Expenditures:					
FY 2008-2009 Jacksonville Transit					
Salaries and employee benefits		\$ 84,062	\$ -	\$ 84,062	
Operating expenditures		1,229,090	(503,850)	725,240	
Capital outlay		1,375,350	-	1,375,350	
Refund to grantor		16,644	-	16,644	
Total	2,229,792	2,705,146	(503,850)	2,201,296	28,496
FY 2009-2010 Jacksonville Transit					
Salaries and employee benefits		192,231	-	192,231	
Operating expenditures		1,406,510	-	1,406,510	
Capital outlay		545,057	-	545,057	
Refund to grantor		12,573	-	12,573	
Total	2,176,289	2,156,371	-	2,156,371	19,918
FY 2012-2013 Jacksonville Transit					
Salaries and employee benefits		129,325	-	129,325	
Operating expenditures		1,123,045	56,286	1,179,331	
Capital outlay		368,593	55,158	423,751	
Total	1,892,585	1,620,963	111,444	1,732,407	160,178
FY 2015-2016 Jacksonville Transit					
Salaries and employee benefits		150,563	-	150,563	
Operating expenditures		1,086,121	303,357	1,389,478	
Capital outlay		58,532	-	58,532	
Total	2,005,296	1,295,216	303,357	1,598,573	406,723
FY 2016-2017 Jacksonville Transit					
Operating expenditures		383,549	(270,435)	113,114	
Capital outlay		883	-	883	
Total	1,467,258	384,432	(270,435)	113,997	1,353,261

continued

City of Jacksonville, North Carolina
Non-Major Governmental Funds
City Transportation Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
FY 2017-2018 Jacksonville Transit					
Salaries and employee benefits		\$ 180,902	\$ 5,285	\$ 186,187	
Operating expenditures		1,163,491	82,142	1,245,633	
Capital outlay		-	-	-	
Total	<u>1,558,322</u>	<u>1,344,393</u>	<u>87,427</u>	<u>1,431,820</u>	<u>126,502</u>
FY 2018-2019 Jacksonville Transit					
Salaries and employee benefits		153,021	-	153,021	
Operating expenditures		1,190,995	-	1,190,995	
Capital outlay		-	31,385	31,385	
Total	<u>1,555,537</u>	<u>1,344,016</u>	<u>31,385</u>	<u>1,375,401</u>	<u>180,136</u>
FY 2019-2020 Jacksonville Transit					
Salaries and employee benefits		-	95,988	95,988	
Operating expenditures		-	825,956	825,956	
Capital outlay		-	215	215	
Total	<u>1,894,258</u>	<u>-</u>	<u>922,159</u>	<u>922,159</u>	<u>972,099</u>
Total expenditures	<u>14,779,337</u>	<u>10,850,537</u>	<u>681,487</u>	<u>11,532,024</u>	<u>3,247,313</u>
Revenues (under) expenditures	<u>(2,964,767)</u>	<u>(2,393,703)</u>	<u>167,036</u>	<u>(2,226,667)</u>	<u>738,100</u>
Other financing sources (uses):					
Transfers in -					
From General Fund	2,983,041	2,398,788	509,729	2,908,517	(74,524)
From Special Revenue Fund	158,772	158,772	-	158,772	-
Transfers (out) -					
To Special Revenue Fund	-	-	-	-	-
To General Fund	(177,046)	(35,500)	(141,545)	(177,045)	1
Total other financing sources:	<u>2,964,767</u>	<u>2,522,060</u>	<u>368,184</u>	<u>2,890,244</u>	<u>(74,523)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 128,356</u>	<u>535,220</u>	<u>\$ 663,576</u>	<u>\$ 663,576</u>
Fund balance:					
Beginning of year, July 1			128,356		
End of year, June 30			<u>\$ 663,576</u>		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Transit Park & Ride
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
FTA Section 5307	\$ 1,155,534	\$ 1,279,606	\$ (147,993)	\$ 1,131,613	\$ (23,921)
Total revenues	1,155,534	1,279,606	(147,993)	1,131,613	(23,921)
Expenditures:					
Operating expenditures		237,900	(198,400)	39,500	
Capital outlay		1,084,383	1,170	1,085,553	
Total expenditures	1,162,037	1,322,283	(197,230)	1,125,053	36,984
Revenues (under) expenditures	(6,503)	(42,677)	49,237	6,560	13,063
Other financing sources:					
Transfers in -					
From General Fund	6,503	90,715	(84,212)	6,503	-
Total other financing sources	6,503	90,715	(84,212)	6,503	-
Net change in fund balance	\$ -	\$ 48,038	(34,975)	\$ 13,063	\$ 13,063
Fund balance:					
Beginning of year, July 1			48,038		
End of year, June 30			\$ 13,063		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Transit Jacksonville Station
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
FTA Section 5307	\$ 5,420,560	\$ -	\$ 462,000	\$ 462,000	\$ 4,958,560
FTA Section 5339	4,500,000	-	-	-	4,500,000
NCDOT State Match	1,050,000	-	-	-	1,050,000
Total revenues	10,970,560	-	462,000	462,000	10,508,560
Expenditures:					
Operating expenditures	-	-	577,500	577,500	-
Total expenditures	11,087,700	-	577,500	577,500	10,510,200
Revenues (under) expenditures	(117,140)	-	(115,500)	(115,500)	1,640
Other financing sources:					
Transfers in -					
From General Fund	117,140	-	117,140	117,140	-
Total other financing sources	117,140	-	117,140	117,140	-
Net change in fund balance	\$ -	\$ -	1,640	\$ 1,640	\$ 1,640
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 1,640		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Transit Cares Act Project 2020
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
FTA	\$ 4,232,938	\$ -	\$ 627,582	\$ 627,582	\$ 3,605,356
FTA Section 5307	-	-	30,298	30,298	(30,298)
Total revenues	<u>4,232,938</u>	<u>-</u>	<u>657,880</u>	<u>657,880</u>	<u>3,575,058</u>
Expenditures:					
Salaries and employee benefits	-	-	88,566	88,566	-
Operating expenditures	-	-	570,795	570,795	-
Total expenditures	<u>4,232,938</u>	<u>-</u>	<u>659,361</u>	<u>659,361</u>	<u>3,573,577</u>
Revenues (under) expenditures	<u>-</u>	<u>-</u>	<u>(1,481)</u>	<u>(1,481)</u>	<u>(1,481)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(1,481)</u>	<u>\$ (1,481)</u>	<u>\$ (1,481)</u>
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ (1,481)</u>		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
NCDOC Downtown Revitalization
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive
					(Negative)
Revenues:					
NC Dept. of Commerce reimbursement	\$ 94,340	\$ 94,340	\$ -	\$ 94,340	\$ -
Art Council	2,000	2,000	-	2,000	-
Total revenues	96,340	96,340	-	96,340	-
Expenditures:					
Operating Expenditures		95,536	804	96,340	
Total expenditures	96,340	95,536	804	96,340	-
Revenues (under) expenditures	-	804	(804)	-	-
Net change in fund balance	\$ -	\$ 804	(804)	\$ -	\$ -
Fund balance:					
Beginning of year, July 1			804		
End of year, June 30			\$ -		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Coastal Community Action Rehabilitation
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project		Actual		Variance
	Authorization	Prior Years	Current Year	Total to Date	Positive (Negative)
Other financing sources:					
Transfers in -					
From General Fund	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -
Transfers (out) -					
To General Fund	(10,000)	-	(10,000)	(10,000)	-
Total other financing sources	-	10,000	(10,000)	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 10,000</u>	<u>(10,000)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance:					
Beginning of year, July 1			10,000		
End of year, June 30			<u>\$ -</u>		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Streets Powell Bill Capital Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Investment earnings	\$ 1,204,852	\$ 1,182,870	\$ 12,940	\$ 1,195,810	\$ (9,042)
Contributions	321,000	321,000	-	321,000	-
Miscellaneous	68,645	68,644	-	68,644	(1)
Total revenues	1,594,497	1,572,514	12,940	1,585,454	(9,043)
Expenditures:					
Capital Improvements		15,974,762	-	15,974,762	
Total expenditures	16,229,393	15,974,762	-	15,974,762	254,631
Revenues over (under) expenditures	(14,634,896)	(14,402,248)	12,940	(14,389,308)	245,588
Other financing sources (uses):					
Transfers in -					
From General Fund	10,378,475	10,378,475	-	10,378,475	-
From General Fund - Powell Bill	16,147,123	15,268,652	878,470	16,147,122	(1)
From Capital Reserve Fund	355,702	355,702	-	355,702	-
From Capital Projects - Powell Bill	480,995	459,851	21,144	480,995	-
From W/S Capital	72,244	-	72,244	72,244	-
From Community Development Fund	2,496	2,496	-	2,496	-
Transfers (out) -					
To General Fund	(2,093,948)	(2,093,948)	-	(2,093,948)	-
To Capital Projects - Powell Bill	(7,977,191)	(7,177,191)	(800,000)	(7,977,191)	-
To Water/Sewer	(290,126)	(290,126)	-	(290,126)	-
To Powell Bill Projects	(2,440,874)	(2,440,874)	-	(2,440,874)	-
Total other financing sources (uses)	14,634,896	14,463,037	171,858	14,634,895	-
Net change in fund balance	\$ -	\$ 60,789	184,798	\$ 245,587	\$ 245,587
Fund balance:					
Beginning of year, July 1			60,789		
End of year, June 30			\$ 245,587		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Developer Contributed Sidewalks
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Sidewalks	\$ 37,363	\$ 70,474	\$ 17,740	\$ 88,214	\$ 50,851
Total revenues	37,363	70,474	17,740	88,214	50,851
Expenditures:					
Reserve for sidewalk		-	-	-	
Total expenditures	37,363	-	-	-	37,363
Revenues over expenditures	-	70,474	17,740	88,214	88,214
Net change in fund balance	\$ -	\$ 70,474	17,740	\$ 88,214	\$ 88,214
Fund balance:					
Beginning of year, July 1			70,474		
End of year, June 30			\$ 88,214		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
FY18 Sidewalk Installation
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital Improvements		5,000	77,816	82,816	
Total expenditures	100,000	5,000	77,816	82,816	17,184
Revenues (under) expenditures	(100,000)	(5,000)	(77,816)	(82,816)	17,184
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	100,000	100,000	-	100,000	-
Transfers (out) -					
To Powell Bill	-	-	-	-	-
Total other financing sources	100,000	100,000	-	100,000	-
Net change in fund balance	\$ -	\$ 95,000	(77,816)	\$ 17,184	\$ 17,184
Fund balance:					
Beginning of year, July 1			95,000		
End of year, June 30			\$ 17,184		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
FY17 Street Rehabilitation
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Actual Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital Improvements		756,252	4,237	760,489	
Total expenditures	830,000	756,252	4,237	760,489	69,511
Revenues (under) expenditures	(830,000)	(756,252)	(4,237)	(760,489)	69,511
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	830,000	830,000	-	830,000	-
Total other financing sources	830,000	830,000	-	830,000	-
Net change in fund balance	\$ -	\$ 73,748	(4,237)	\$ 69,511	\$ 69,511
Fund balance:					
Beginning of year, July 1			73,748		
End of year, June 30			\$ 69,511		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
FY18 Street Rehabilitation
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Actual Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital Improvements		684,908	74,930	759,838	
Total expenditures	830,000	684,908	74,930	759,838	70,162
Revenues (under) expenditures	(830,000)	(684,908)	(74,930)	(759,838)	70,162
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	830,000	830,000	-	830,000	-
Total other financing sources	830,000	830,000	-	830,000	-
Net change in fund balance	\$ -	\$ 145,092	(74,930)	\$ 70,162	\$ 70,162
Fund balance:					
Beginning of year, July 1			145,092		
End of year, June 30			\$ 70,162		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
FY19 Street Rehabilitation
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Total expenditures	830,000	-	-	-	830,000
Revenues (under) expenditures	(830,000)	-	-	-	830,000
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	830,000	830,000	-	830,000	-
Total other financing sources	830,000	830,000	-	830,000	-
Net change in fund balance	\$ -	\$ 830,000	-	\$ 830,000	\$ 830,000
Fund balance:					
Beginning of year, July 1			830,000		
End of year, June 30			\$ 830,000		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
FY20 Street Rehabilitation
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Total expenditures	750,000	-	-	-	750,000
Revenues (under) expenditures	(750,000)	-	-	-	750,000
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	750,000	-	750,000	750,000	-
Total other financing sources	750,000	-	750,000	750,000	-
Net change in fund balance	\$ -	\$ -	750,000	\$ 750,000	\$ 750,000
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 750,000		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
NC DOT TIP Sidewalks - Piney Green Road
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital Improvements		80,556	21,144	101,700	
Total expenditures	101,700	80,556	21,144	101,700	-
Revenues (under) expenditures	(101,700)	(80,556)	(21,144)	(101,700)	-
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	101,700	101,700	-	101,700	-
Total other financing sources	101,700	101,700	-	101,700	-
Net change in fund balance	\$ -	\$ 21,144	(21,144)	\$ -	\$ -
Fund balance:					
Beginning of year, July 1			21,144		
End of year, June 30			\$ -		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Carolina Forest Blvd Rehab
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital Improvements		38,711	35,573	74,284	
Total expenditures	405,991	38,711	35,573	74,284	331,707
Revenues (under) expenditures	(405,991)	(38,711)	(35,573)	(74,284)	331,707
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	405,991	405,989	-	405,989	(2)
Total other financing sources	405,991	405,989	-	405,989	(2)
Net change in fund balance	\$ -	\$ 367,278	(35,573)	\$ 331,705	\$ 331,705
Fund balance:					
Beginning of year, July 1			367,278		
End of year, June 30			\$ 331,705		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
Commerce Road Extension
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
One Time Funding	\$ 200,000	\$ -	\$ 200,000	\$ 200,000	\$ -
Total revenues	200,000	-	200,000	200,000	-
Expenditures:					
Capital Improvements		-	-	-	
Total expenditures	200,000	-	-	-	200,000
Revenues (under) expenditures	-	-	200,000	200,000	200,000
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	200,000	<u>\$ 200,000</u>	<u>\$ 200,000</u>
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ 200,000</u>		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
FY19 Pedestrian Improvement
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital Improvements		11,850	3,975	15,825	
Total expenditures	100,000	11,850	3,975	15,825	84,175
Revenues (under) expenditures	(100,000)	(11,850)	(3,975)	(15,825)	84,175
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	100,000	100,000	-	100,000	-
Total other financing sources	100,000	100,000	-	100,000	-
Net change in fund balance	\$ -	\$ 88,150	(3,975)	\$ 84,175	\$ 84,175
Fund balance:					
Beginning of year, July 1			88,150		
End of year, June 30			\$ 84,175		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
FY20 Pedestrian Improvement
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital Improvements		-	1,250	1,250	
Total expenditures	50,000	-	1,250	1,250	48,750
Revenues (under) expenditures	(50,000)	-	(1,250)	(1,250)	48,750
Other financing sources:					
Transfers in -					
From General Fund - Powell Bill	50,000	-	50,000	50,000	-
Total other financing sources	50,000	-	50,000	50,000	-
Net change in fund balance	\$ -	\$ -	48,750	\$ 48,750	\$ 48,750
Fund balance:					
Beginning of year, July 1			-		
End of year, June 30			\$ 48,750		

City of Jacksonville, North Carolina
Non-Major Governmental Funds
General Capital Reserve Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Investment earnings	\$ 2,199,474	\$ 2,215,651	\$ 14,438	\$ 2,230,089	\$ 30,615
Investment earnings - Powell Bill	28,736	28,638	-	28,638	(98)
Onslow County Board of Education	53,000	53,000	-	53,000	-
Contributions from developers	315,611	325,113	21,472	346,585	30,974
Miscellaneous	618,485	619,485	-	619,485	1,000
Total revenues	3,215,306	3,241,887	35,910	3,277,797	62,491
Expenditures:					
Total reserves	1,673,266	-	-	-	1,673,266
Revenues over expenditures	1,542,040	3,241,887	35,910	3,277,797	1,735,757
Other financing sources (uses):					
Transfers in -					
From General Fund	31,197,385	29,751,930	1,445,455	31,197,385	-
From General Fund - Powell Bill	323,572	323,572	-	323,572	-
From Special Revenue Fund	50,000	50,000	-	50,000	-
From Non-Capital Project Fund	170,000	170,000	-	170,000	-
From Capital Project Funds	3,826,634	3,826,634	-	3,826,634	-
From Water/Sewer Fund	5,435,346	5,435,346	-	5,435,346	-
From Water/Sewer Capital Projects	1,423,972	1,423,972	-	1,423,972	-
Transfers (out) -					
To General Fund	(13,078,955)	(12,284,814)	(793,774)	(13,078,588)	367
To Capital Project Fund	(23,992,441)	(23,341,339)	(600,420)	(23,941,759)	50,682
To Major Enterprise Fund	(1,942,437)	(1,941,873)	-	(1,941,873)	564
To Proprietary Fund	(4,030,535)	(4,030,536)	-	(4,030,536)	(1)
To Water/Serwer	(302,581)	(302,580)	-	(302,580)	1
To ISF inc ISF P	-	(50,000)	-	(50,000)	(50,000)
To Special Revenue Fund	(22,000)	(22,000)	-	(22,000)	-
To Non-Capital Project Fund	(600,000)	(600,000)	-	(600,000)	-
Total other financing (uses)	(1,542,040)	(1,591,688)	51,261	(1,540,427)	1,613
Net change in fund balance	\$ -	\$ 1,650,199	87,171	\$ 1,737,370	\$ 1,737,370
Fund balance:					
Beginning of year, July 1			1,650,199		
End of year, June 30			\$ 1,737,370		



INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for services provided to other user departments.

INDIVIDUAL FUND DESCRIPTIONS

Fleet Maintenance Internal Service Fund – accounts for fleet management operations provided to City departments.

City Hall Maintenance Internal Service Fund – accounts for building maintenance operations provided to City departments.

Information Technology Services Internal Service Fund – accounts for data processing operations provided to City departments.

Information Technology Services Capital Project Fund – accounts for funds used in obtaining new hardware and software for data processing.

Video/Media Services Internal Service Fund – accounts for video and media operations provided to City departments and Onslow County.

Self-Insurance Fund – account for the funds contributed by both the City and its employees to provide health and dental insurance benefits for eligible employees.

City of Jacksonville, North Carolina
Internal Service Funds
Combining Statement of Net Position
June 30, 2020
With Comparative Totals for June 30, 2019

	Fleet Maintenance	City Hall Maintenance	Information Technology Services
Assets			
Current Assets:			
Cash and cash equivalents	\$ 283,883	\$ 262,241	\$ 4,077,449
Accounts receivable (net)	-	-	5,860
Inventories	78,810	-	28,393
Prepaid items	-	563	-
Total Current Assets	<u>362,693</u>	<u>262,804</u>	<u>4,111,702</u>
Noncurrent Assets:			
Restricted cash and cash equivalents	<u>27,952</u>	<u>176,668</u>	<u>3,580</u>
Capital Assets:			
Capital assets (net)	<u>76,437</u>	<u>15,821</u>	<u>624,988</u>
Total Assets	<u>467,082</u>	<u>455,293</u>	<u>4,740,270</u>
Liabilities			
Current Liabilities:			
Accounts payable and accrued liabilities	76,335	15,531	51,009
Current portion of long-term debt	<u>34,551</u>	<u>37,830</u>	<u>138,856</u>
Total Current Liabilities	<u>110,886</u>	<u>53,361</u>	<u>189,865</u>
Noncurrent Liabilities:			
Compensated absences payable	45,379	4,472	45,325
Noncurrent portion of long-term debt	<u>47,255</u>	<u>110,848</u>	<u>110,024</u>
Total Noncurrent Liabilities	<u>92,634</u>	<u>115,320</u>	<u>155,349</u>
Total Liabilities	<u>203,520</u>	<u>168,681</u>	<u>345,214</u>
Net Position			
Invested in capital assets, net of related debt	22,583	43,811	379,688
Unrestricted	<u>240,979</u>	<u>242,801</u>	<u>4,015,368</u>
Total Net Position	<u>\$ 263,562</u>	<u>\$ 286,612</u>	<u>\$ 4,395,056</u>

continued

City of Jacksonville, North Carolina
Internal Service Funds
Combining Statement of Net Position
June 30, 2020
With Comparative Totals for June 30, 2019

	Video/ Media Services	Self Insurance	Totals	
			June 30, 2020	June 30, 2019
Assets				
Current Assets:				
Cash and cash equivalents	\$ 677,333	\$ 718,742	\$ 6,019,648	\$ 4,546,084
Accounts receivable (net)	39,000	1,898	46,758	162,347
Inventories	-	-	107,203	108,418
Prepaid items	-	76,100	76,663	76,100
Total Current Assets	716,333	796,740	6,250,272	4,892,949
Noncurrent Assets:				
Restricted cash and cash equivalents	57,244	-	265,444	304,931
Capital Assets:				
Capital assets (net)	73,907	-	791,153	878,809
Total Assets	847,484	796,740	7,306,869	6,076,689
Liabilities				
Current Liabilities:				
Accounts payable and accrued liabilities	19,266	399,009	561,150	698,899
Current portion of long-term debt	19,580	-	230,817	203,861
Total Current Liabilities	38,846	399,009	791,967	902,760
Noncurrent Liabilities:				
Compensated absences payable	26,133	-	121,309	116,779
Noncurrent portion of long-term debt	51,475	-	319,602	273,785
Total Noncurrent Liabilities	77,608	-	440,911	390,564
Total Liabilities	116,454	399,009	1,232,878	1,293,324
Net Position				
Invested in capital assets, net of related debt	60,096	-	506,178	706,094
Unrestricted	670,934	397,731	5,567,813	4,077,271
Total Net Position	\$ 731,030	\$ 397,731	\$ 6,073,991	\$ 4,783,365

City of Jacksonville, North Carolina
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Fleet Maintenance	City Hall Maintenance	Information Technology Services
Operating revenues:			
Charges to other funds	\$ 2,993,974	\$ 284,560	\$ 3,047,712
Other operating revenue	12,549	184	1,197
Total operating revenues	<u>3,006,523</u>	<u>284,744</u>	<u>3,048,909</u>
Operating expenses:			
Operations	2,910,663	204,672	1,927,655
Depreciation	42,456	2,903	408,863
Total operating expenses	<u>2,953,119</u>	<u>207,575</u>	<u>2,336,518</u>
Operating income (loss)	<u>53,404</u>	<u>77,169</u>	<u>712,391</u>
Nonoperating revenues (expenses):			
Investment earnings	912	4,860	31,262
Gain (loss) on sale of capital assets	440	-	-
Interest on long-term debt	(1,608)	(2,827)	(5,475)
Total nonoperating revenues	<u>(256)</u>	<u>2,033</u>	<u>25,787</u>
Income (loss) before transfers	<u>53,148</u>	<u>79,202</u>	<u>738,178</u>
Operating transfers:			
Transfers in	-	-	65,794
Transfers (out)	-	(96,000)	(587)
Total transfers	<u>-</u>	<u>(96,000)</u>	<u>65,207</u>
Net income (loss)	53,148	(16,798)	803,385
Net position:			
Beginning of year, July 1	210,414	303,410	3,591,671
End of year, June 30	<u>\$ 263,562</u>	<u>\$ 286,612</u>	<u>\$ 4,395,056</u>

continued

City of Jacksonville, North Carolina
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Video/ Media Services	Self Insurance	Totals	
			June 30, 2020	June 30, 2019
Operating revenues:				
Charges to other funds	\$ 703,888	\$ 5,499,943	\$ 12,530,077	\$ 12,061,211
Other operating revenue	573	1,061,895	1,076,398	82,251
Total operating revenues	704,461	6,561,838	13,606,475	12,143,462
Operating expenses:				
Operations	590,387	6,197,277	11,830,654	11,294,741
Depreciation	62,732	-	516,954	506,223
Total operating expenses	653,119	6,197,277	12,347,608	11,800,964
Operating income (loss)	51,342	364,561	1,258,867	342,498
Investment earnings	6,749	4,699	48,482	76,011
Gain (loss) on sale of capital assets	-	-	440	10,916
Interest on long-term debt	(1,065)	-	(10,975)	(7,935)
Total nonoperating revenues	5,684	4,699	37,947	78,992
Income (loss) before transfers	57,026	369,260	1,296,814	421,490
Operating transfers:				
Transfers in	-	25,000	90,794	105,040
Transfers (out)	(395)	-	(96,982)	(123,629)
Total transfers	(395)	25,000	(6,188)	(18,589)
Net income (loss)	56,631	394,260	1,290,626	402,901
Net position:				
Beginning of year, July 1	674,399	3,471	4,783,365	4,380,464
End of year, June 30	\$ 731,030	\$ 397,731	\$ 6,073,991	\$ 4,783,365

City of Jacksonville, North Carolina
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Fleet Maintenance	City Hall Maintenance	Information Technology Services
Cash flows from operating activities:			
Cash receipts from interfund services provided	\$ 3,006,523	\$ 284,744	\$ 3,165,149
Cash payments for interfund services (used)	(2,993,477)	(199,549)	(1,905,826)
Net cash provided (used) by operating activities	<u>13,046</u>	<u>85,195</u>	<u>1,259,323</u>
Cash flows from noncapital financing activities:			
Transfers in / (out)	-	(96,000)	65,207
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>(96,000)</u>	<u>65,207</u>
Cash flows from capital and related financing activities:			
Principal paid on long-term debt	(39,355)	(29,695)	(170,183)
Interest paid on long-term debt	(1,608)	(2,827)	(5,475)
Debt issued	25,000	96,000	160,000
Purchase of capital assets	(12,326)	-	(370,342)
Proceeds from sale of assets	440	-	-
Net cash (used) for capital and related financing activities	<u>(27,849)</u>	<u>63,478</u>	<u>(386,000)</u>
Cash flows from investing activities:			
Interest earned on investments	912	4,860	31,262
Net cash provided by investing activities	<u>912</u>	<u>4,860</u>	<u>31,262</u>
Net increase (decrease) in cash and cash equivalents	(13,891)	57,533	969,792
Cash and cash equivalents, July 1	325,726	381,376	3,111,237
Cash and cash equivalents, June 30	<u>\$ 311,835</u>	<u>\$ 438,909</u>	<u>\$ 4,081,029</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 53,404	\$ 77,169	\$ 712,391
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	42,456	2,903	408,863
Change in assets and liabilities:			
(Increase) decrease accounts receivable	-	-	116,240
(Increase) decrease in inventories	4,312	-	(3,097)
(Increase) decrease in prepaid items	-	(563)	-
Increase (decrease) in accounts payable	(93,817)	5,590	30,155
Increase (decrease) in compensated absences payable	6,691	96	(5,229)
Total adjustments	<u>(40,358)</u>	<u>8,026</u>	<u>546,932</u>
Net cash provided (used) by operating activities	<u>\$ 13,046</u>	<u>\$ 85,195</u>	<u>\$ 1,259,323</u>

continued

City of Jacksonville, North Carolina
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2020
With Comparative Totals for the Fiscal Year Ended June 30, 2019

	Video/ Media Services	Self Insurance	Totals	
			June 30, 2020	June 30, 2019
Cash flows from operating activities:				
Cash receipts from interfund services provided	\$ 704,961	\$ 6,560,687	\$ 13,722,064	\$ 12,143,184
Cash payments for interfund services (used)	(590,948)	(6,273,421)	(11,963,221)	(11,188,197)
Net cash provided (used) by operating activities	114,013	287,266	1,758,843	954,987
Cash flows from noncapital financing activities:				
Transfers in / (out)	(395)	25,000	(6,188)	(18,589)
Net cash provided (used) by noncapital financing activities	(395)	25,000	(6,188)	(18,589)
Cash flows from capital and related financing activities:				
Principal paid on long-term debt	(15,628)	-	(254,861)	(233,298)
Interest paid on long-term debt	(1,065)	-	(10,975)	(7,935)
Debt issued	46,635	-	327,635	302,098
Purchase of capital assets	(46,631)	-	(429,299)	(490,291)
Proceeds from sale of assets	-	-	440	10,916
Net cash (used) for capital and related financing activities	(16,689)	-	(367,060)	(418,510)
Cash flows from investing activities:				
Interest earned on investments	6,749	4,699	48,482	76,011
Net cash provided by investing activities	6,749	4,699	48,482	76,011
Net increase (decrease) in cash and cash equivalents	103,678	316,965	1,434,077	593,899
Cash and cash equivalents, July 1	630,899	401,777	4,851,015	4,257,116
Cash and cash equivalents, June 30	<u>\$ 734,577</u>	<u>\$ 718,742</u>	<u>\$ 6,285,092</u>	<u>\$ 4,851,015</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 51,342	\$ 364,561	\$ 1,258,867	\$ 342,498
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	62,732	-	516,954	506,223
Change in assets and liabilities:				
(Increase) decrease accounts receivable	500	(1,151)	115,589	(278)
(Increase) decrease in inventories	-	-	1,215	(9,200)
(Increase) decrease in prepaid items	-	-	(563)	-
Increase (decrease) in accounts payable	(3,533)	(76,144)	(137,749)	125,842
Increase (decrease) in compensated absences payable	2,972	-	4,530	(10,098)
Total adjustments	62,671	(77,295)	499,976	612,489
Net cash provided (used) by operating activities	<u>\$ 114,013</u>	<u>\$ 287,266</u>	<u>\$ 1,758,843</u>	<u>\$ 954,987</u>

City of Jacksonville, North Carolina
Fleet Maintenance Internal Service Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Charges for services	\$ 3,700,645	\$ 2,993,974	\$ (706,671)	\$ 2,936,433
Sale of capital assets	-	440	440	8,291
Other operating revenues	10,000	12,549	2,549	70,807
Investment earnings	733	912	179	1,245
Total revenues	3,711,378	3,007,875	(703,503)	3,016,776
Expenditures:				
Salaries and employee benefits		736,668		685,124
Fuel		4,645		6,360
Utilities		19,258		22,107
Maintenance and repair		2,015,483		2,115,173
Other departmental expenditures		134,609		140,565
Total	3,674,795	2,910,663	764,132	2,969,329
Budgetary appropriations:				
Interest paid	2,143	1,608	535	1,903
Debt principal	39,966	39,355	611	54,863
Debt issued	(25,000)	(25,000)	-	(25,132)
Increase (decrease) in inventory	-	(4,312)	4,312	5,903
(Increase) decrease in compensated absences payable	-	(6,691)	6,691	(1,178)
Capital outlay	25,000	12,326	12,674	28,940
Appropriated retained earnings	(5,526)	-	(5,526)	-
Total budgetary appropriations	36,583	17,286	19,297	65,299
Total expenditures	\$ 3,711,378	\$ 2,927,949	\$ 783,429	\$ 3,034,628
Reconciliation of modified accrual basis to full accrual basis:				
Total revenues		\$ 3,007,875		\$ 3,016,776
Total expenditures		2,927,949		3,034,628
Excess of revenues over (under) expenditures		79,926		(17,852)
Budgetary appropriations (above):				
Payment of debt principal		39,355		54,863
Debt issued		(25,000)		(25,132)
Increase (decrease) in inventory		(4,312)		5,903
(Increase) decrease in compensated absences payable		(6,691)		(1,178)
Capital outlay		12,326		28,940
Total budgetary appropriations		15,678		63,396
Depreciation (Statement 97)		(42,456)		(53,724)
Net income (loss) (Statement 97)		\$ 53,148		\$ (8,180)

Note: Prepared on the budgetary basis, which is modified accrual.

City of Jacksonville, North Carolina
City Hall Maintenance Internal Service Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020
 With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Charges for services	\$ 284,560	\$ 284,560	\$ -	\$ 223,750
Other operating revenues	200	184	(16)	240
Investment earnings	4,009	4,860	851	7,013
Total revenues	288,769	289,604	835	231,003
Expenditures:				
Salaries and employee benefits		59,282		55,605
Utilities		92,812		89,345
Maintenance and repair		24,756		23,227
Other departmental expenditures		27,822		29,859
Total	254,059	204,672	49,387	198,036
Budgetary appropriations:				
Interest paid	4,326	2,827	1,499	907
Debt principal	32,950	29,695	3,255	7,627
Debt issued	(96,000)	(96,000)	-	(90,000)
(Increase) decrease in compensated absences payable	-	(96)	96	(9)
Transfer to GF Capital Project	96,000	96,000	-	78,629
Capital outlay	-	-	-	11,371
Appropriated retained earnings	(2,566)	-	(2,566)	-
Total budgetary appropriations	34,710	32,426	2,284	8,525
Total expenditures	\$ 288,769	\$ 237,098	\$ 51,671	\$ 206,561
Reconciliation of modified accrual basis to full accrual basis:				
Total revenues		\$ 289,604		\$ 231,003
Total expenditures		237,098		206,561
Excess of revenues over expenditures		52,506		24,442
Budgetary appropriations (above):				
Payment of debt principal		29,695		7,627
Debt issued		(96,000)		(90,000)
(Increase) decrease in compensated absences payable		(96)		(9)
Capital outlay		-		11,371
Total budgetary appropriations		(66,401)		(71,011)
Depreciation (Statement 97)		(2,903)		(1,766)
Net income (loss) (Statement 97)		\$ (16,798)		\$ (48,335)

Note: Prepared on the budgetary basis, which is modified accrual.

City of Jacksonville, North Carolina
Information Technology Services Internal Service Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Charges for services	\$ 3,028,630	\$ 3,047,712	\$ 19,082	\$ 3,000,976
Restricted Intergovernmental - Local	-	450	450	-
Sale of capital assets	500	-	(500)	2,625
Other operating revenues	550	747	197	652
Investment earnings	31,305	31,262	(43)	49,439
Total revenues	<u>3,060,985</u>	<u>3,080,171</u>	<u>19,186</u>	<u>3,053,692</u>
Expenditures:				
Salaries and employee benefits		900,230		956,936
Fuel		875		1,712
Maintenance and repair		10,033		10,690
Contracted services		16,825		43,590
Other departmental expenditures		999,692		1,107,605
Total	<u>2,798,273</u>	<u>1,927,655</u>	<u>870,618</u>	<u>2,120,533</u>
Budgetary appropriations:				
Interest paid	7,996	5,475	2,521	4,507
Debt principal	177,701	170,183	7,518	163,913
Debt issued	(160,000)	(160,000)	-	(160,000)
Transfers -				
(In) from Capital Reserve	-	-	-	(50,000)
(In) from Water/Sewer Fund	-	(65,794)	65,794	(50,000)
(In) from General Fund	-	-	-	(5,040)
To Capital Project Fund	90,000	90,000	-	40,000
To Water/Sewer Fund	-	587	(587)	-
To General Fund	-	-	-	-
To Special Revenue Fund	-	-	-	-
Increase (decrease) in compensated absences payable	-	(5,229)	5,229	(12,154)
Increase (decrease) in inventories	-	3,097	(43,742)	3,297
Capital outlay	496,534	358,167	138,367	433,014
Appropriated retained earnings	(349,519)	-	(349,519)	-
Total budgetary appropriations	<u>262,712</u>	<u>396,486</u>	<u>(174,419)</u>	<u>367,537</u>
Total expenditures	<u>\$ 3,060,985</u>	<u>\$ 2,324,141</u>	<u>\$ 696,199</u>	<u>\$ 2,488,070</u>
Reconciliation of modified accrual basis to full accrual basis:				
Total revenues		\$ 3,080,171		\$ 3,053,692
Total expenditures		<u>2,324,141</u>		<u>2,488,070</u>
Excess of revenues over expenditures		<u>756,030</u>		<u>565,622</u>
Budgetary appropriations (above):				
Payment of debt principal		170,183		163,913
Debt issued		(160,000)		(160,000)
Transfer to ITS capital project		90,000		40,000
Increase (decrease) in compensated absences payable		(5,229)		(12,154)
Increase (decrease) in inventories		3,097		3,297
Capital outlay		<u>358,167</u>		<u>433,014</u>
Total budgetary appropriations		<u>456,218</u>		<u>468,070</u>
Depreciation (Statement 97)		<u>(408,863)</u>		<u>(376,509)</u>
Net income (loss) (Statement 97)		<u>\$ 803,385</u>		<u>\$ 657,183</u>

Note: Prepared on the budgetary basis, which is modified accrual.

City of Jacksonville, North Carolina
Information Technology Services Capital Project Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive Negative
Revenues:					
Investment earnings	\$ 787	\$ 787	\$ -	\$ 787	\$ -
Total revenues	787	787	-	787	-
Expenditures:					
Capital outlay:					
AS400 Life Cycle DP0601	700,787	456,258	12,175	468,433	232,354
Fiber Connectivity - Downtown	54,452	29,453	-	29,453	24,999
Fiber Optic Cable FY20	115,794	-	-	-	115,794
Total expenditures	871,033	485,711	12,175	497,886	373,147
Revenues over (under) expenditures	(870,246)	(484,924)	(12,175)	(497,099)	373,147
Other financing sources (uses):					
Debt issued	180,000	180,000	-	180,000	-
Fiber Connectivity-Sturgeon City	25,000	-	-	-	(25,000)
Transfers in -					
From General Fund	5,040	5,040	-	5,040	-
From ITS Fund	570,000	480,000	90,000	570,000	-
From Water/Sewer Fund	90,794	25,000	65,794	90,794	-
Transfer (out) -					
To Water/Sewer Fund	(588)	-	(587)	(587)	1
Total other financing sources	870,246	690,040	155,207	845,247	(24,999)
Net change in fund balance	\$ -	\$ 205,116	\$ 143,032	\$ 348,148	\$ 348,148
Fund balance:					
Beginning of year, July 1			205,116		
End of year, June 30			\$ 348,148		

City of Jacksonville, North Carolina
Video/Media Services Internal Service Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Charges for services	\$ 704,388	\$ 703,888	\$ (500)	\$ 668,366
Sale of capital assets	-	-	-	-
Other operating revenues	650	573	(77)	552
Investment earnings	6,753	6,749	(4)	10,609
Total revenues	711,791	711,210	(581)	679,527
Expenditures:				
Salaries and employee benefits		321,414		295,466
Contracted services		525		11,722
Other departmental expenditures		268,448		262,591
Total	733,643	590,387	143,256	569,779
Budgetary appropriations:				
Interest paid	1,995	1,065	930	618
Debt principal	16,765	15,628	1,137	6,895
Debt issued	(46,635)	(46,635)	-	(26,966)
Transfers -				
To Special Revenue Fund	396	395	1	-
To Capital Projects	-	-	-	45,000
(Increase) decrease in compensated absences payable	-	(2,972)	2,972	(869)
Capital outlay	46,635	46,631	4	16,966
Appropriated retained earnings	(41,008)	-	(41,008)	-
Total budgetary appropriations	(21,852)	14,112	(35,964)	41,644
Total expenditures	\$ 711,791	\$ 604,499	\$ 107,292	\$ 611,423
Reconciliation of modified accrual basis to full accrual basis:				
Total revenues		\$ 711,210		\$ 679,527
Total expenditures		604,499		611,423
Excess of revenues over (under) expenditures		106,711		68,104
Budgetary appropriations (above):				
Payment of debt principal		15,628		6,895
Debt issued		(46,635)		(26,966)
(Increase) decrease in compensated absences payable		(2,972)		(869)
Capital outlay		46,631		16,966
Total budgetary appropriations		12,652		(3,974)
Depreciation (Statement 97)		(62,732)		(74,224)
Net income (loss) (Statement 97)		\$ 56,631		\$ (10,094)

Note: Prepared on the budgetary basis, which is modified accrual.

City of Jacksonville, North Carolina
Self Insurance Internal Service Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

For the Fiscal Year Ended June 30, 2020

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2019

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Charges for services	\$ 5,669,810	\$ 5,499,943	\$ (169,867)	\$ 5,231,686
Other operating revenues	925,000	1,061,895	136,895	10,000
Investment earnings	5,005	4,699	(306)	7,705
Total revenues	<u>6,599,815</u>	<u>6,566,537</u>	<u>(33,278)</u>	<u>5,249,391</u>
Expenditures:				
Benefit payments		6,116,543		5,407,073
Other departmental expenditures		80,734		29,991
Total	<u>6,590,624</u>	<u>6,197,277</u>	<u>393,347</u>	<u>5,437,064</u>
Budgetary appropriations:				
Interest paid	-	-	-	-
Debt principal	-	-	-	-
Transfers				
(In) from General Fund	(283,000)	(25,000)	258,000	-
(In) from Proprietary Fund	(40,000)	-	40,000	-
(In) from Water/Sewer Fund	(51,000)	-	51,000	-
(Increase) decrease in compensated absences payable	-	-	-	-
Increase (decrease) in prepaid expense	-	-	-	-
Capital outlay	-	-	-	-
Appropriated retained earnings	383,191	-	383,191	-
Total budgetary appropriations	<u>9,191</u>	<u>(25,000)</u>	<u>732,191</u>	<u>-</u>
Total expenditures	<u>\$ 6,599,815</u>	<u>\$ 6,172,277</u>	<u>\$ 1,125,538</u>	<u>\$ 5,437,064</u>
Reconciliation of modified accrual basis to full accrual basis:				
Total revenues		\$ 6,566,537		\$ 5,249,391
Total expenditures		<u>6,172,277</u>		<u>5,437,064</u>
Excess of revenues over (under) expenditures		<u>394,260</u>		<u>(187,673)</u>
Net income (loss) (Statement 97)		<u>\$ 394,260</u>		<u>\$ (187,673)</u>

Note: Prepared on the budgetary basis, which is modified accrual.



GOVERNMENTAL FUNDS CAPITAL ASSETS

The Governmental Funds Capital Assets account for capital assets used in the operation of Governmental Funds, other than those accounted for in the Proprietary Funds.

Schedule 105

City of Jacksonville, North Carolina
General Capital Assets Account Group
Comparative Schedules of General Capital
Assets By Source
June 30, 2020 and 2019

General Capital assets:	2020	2019
Land	\$12,211,790	\$12,139,030
Land Rights	3,608,514	3,370,644
Buildings	60,035,488	58,585,399
Equipment	6,659,537	6,757,504
Software	1,058,397	1,064,401
Heavy equipment	1,011,521	862,476
Vehicles	13,350,591	13,182,778
Infrastructure	58,290,992	56,451,388
Improvements other than buildings	21,201,320	20,208,703
Construction in progress	1,703,765	2,448,082
Total general capital assets	<u>\$179,131,915</u>	<u>\$175,070,405</u>
Investment in general capital assets by source:		
General Fund	\$46,696,291	\$46,116,459
Major Capital Project Fund	89,374,767	87,911,673
Non-Major Governmental Funds	17,744,848	17,312,088
Donations, court awards, etc.	25,316,009	23,730,185
Total investment in general capital assets	<u>\$179,131,915</u>	<u>\$175,070,405</u>

City of Jacksonville, North Carolina
General Capital Assets Account Group
Schedule of General Capital Assets - By Function and Activity
June 30, 2020

	Land	Land Rights	Buildings	Software
General government:				
Mayor and Council	\$ -	\$ -	\$ -	\$ -
City Manager	-	-	-	-
Community Affairs	-	-	-	-
Human Resources	-	-	5,923	20,193
City Clerk	-	-	-	-
Finance	-	-	-	78,160
Planning	-	-	-	136,539
Other-Unclassified	4,018,806	-	13,313,256	-
Total general government	4,018,806	-	13,319,179	234,892
Public Works:				
Inspections	-	-	-	-
Code Enforcement	-	-	-	-
Public Works	-	-	-	-
Engineering	66,967	-	-	9,212
Maintenance	21,412	-	66,495	7,784
Streets	67,500	3,608,514	100,210	-
Streets Non-Powell Bill	-	-	45,461	-
Traffic Signal Control	-	-	-	-
Total public works	155,879	3,608,514	212,165	16,996
Public Safety:				
Police	2,758	-	29,897,567	683,834
Animal Control	-	-	-	-
Fire	154,842	-	5,102,318	75,280
Total public safety	157,600	-	34,999,886	759,114
Cultural and recreational:				
Recreation	7,806,745	-	10,304,484	32,395
Economic development:				
Economic Development	-	-	1,199,774	15,000
Emergency Relief	72,760	-	-	-
Construction in progress	-	-	-	-
Total general capital assets	\$ 12,211,790	\$ 3,608,514	\$ 60,035,488	\$ 1,058,397

continued

City of Jacksonville, North Carolina
General Capital Assets Account Group
Schedule of General Capital Assets - By Function and Activity
June 30, 2020

	Equipment	Heavy Equipment	Vehicles	Infrastructure
General government:				
Mayor and Council	\$ -	\$ -	\$ -	\$ -
City Manager	-	-	-	-
Community Affairs	-	-	-	-
Human Resources	-	-	32,627	-
City Clerk	-	-	-	-
Finance	15,427	-	-	-
Planning	183,249	-	21,543	-
Other-Unclassified	21,928	-	-	-
Total general government	220,604		54,170	
Public Works:				
Inspections	-	-	137,239	-
Code Enforcement	-	-	80,246	-
Public Works	-	-	52,486	12,438,280.50
Engineering	-	-	-	-
Maintenance	270,121	-	435,797	-
Streets	31,032	78,867	42,553	42,841,932.06
Streets Non-Powell Bill	186,456	644,955	281,700	473,195.74
Traffic Signal Control	182,985	-	299,197	-
Total public works	670,594	723,823	1,329,218	55,753,408
Public Safety:				
Police	2,733,078	-	4,421,289	-
Animal Control	-	-	-	-
Fire	1,393,570	-	4,784,946	-
Total public safety	4,126,648	-	9,206,234	-
Cultural and recreational:				
Recreation	880,076	287,699	812,658	1,942,775
Economic development:				
Economic Development	751,143	-	1,948,310	594,808
Emergency Relief	10,472	-	-	-
Construction in progress	-	-	-	-
Total general capital assets	\$ 6,659,537.17	\$ 1,011,521	\$ 13,350,590.52	\$ 58,290,991.86

continued

City of Jacksonville, North Carolina
General Capital Assets Account Group
Schedule of General Capital Assets - By Function and Activity
June 30, 2020

	Improvements other than Buildings	Construction in Progress	Total
General government:			
Mayor and Council	\$ -	\$ -	\$ -
City Manager	149,647	-	149,647
Community Affairs	310,423	-	310,423
Human Resources	8,350	-	67,093
City Clerk	-	-	-
Finance	-	-	93,587
Planning	-	-	341,331
Other-Unclassified	1,263,702	-	18,617,692
Total general government	1,732,122	-	19,579,773
Public Works:			
Inspections	-	-	137,239
Code Enforcement	-	-	80,246
Public Works	-	-	12,490,767
Engineering	28,109	-	104,288
Maintenance	-	-	801,609
Streets	3,451,115	-	50,221,723
Streets Non-Powell Bill	135,169	-	1,766,937.18
Traffic Signal Control	19,373	-	501,555
Total public works	3,633,766	-	66,104,363
Public Safety:			
Police	237,976	-	37,976,502
Animal Control	-	-	-
Fire	-	-	11,510,956
Total public safety	237,976	-	49,487,458
Cultural and recreational:			
Recreation	13,386,310	-	35,453,142
Economic development:			
Economic Development	2,211,146	-	6,720,181
Emergency Relief	-	-	83,232
Construction in progress	-	1,703,765	1,703,765
Total general capital assets	\$ 21,201,320	\$ 1,703,765	\$ 179,131,915

City of Jacksonville, North Carolina
General Capital Assets Account Group
Schedule of Changes in General Capital Assets - By Function and Activity
For the Fiscal Year Ended June 30, 2020

	General Capital Assets 2019	Additions	Deductions	Transfers	General Capital Assets 2020
General Government:					
Mayor and Council	\$ -	\$ -	\$ -	\$ -	\$ -
City Manager	460,070	-	-	-	460,070
Personnel	26,115	8,350	-	32,628	67,093
City Clerk	-	-	-	-	-
Finance	129,809	-	36,222	-	93,587
Planning	330,639	10,692	-	-	341,331
Other-Unclassified	18,460,909	156,783	-	-	18,617,692
Total General Government	19,407,542	175,825	36,222	32,628	19,579,773
Public Works:					
Inspections	137,239	-	-	-	137,239
Code Enforcement	54,691	25,555	-	-	80,246
Public Works	12,458,139	-	-	32,628	12,490,767
Engineering	104,288	-	-	-	104,288
Maintenance	750,054	50,124	17,178	18,609	801,609
Streets	48,640,537	1,769,649	188,463	-	50,221,723
Streets Non-Powell Bill	1,524,261	242,676	-	-	1,766,937
Traffic Signal Control	477,008	9,933	-	14,614	501,555
Total Public Works	64,146,217	2,097,936	205,640	65,850	66,104,363
Public Safety:					
Police	38,154,557	718,556	816,742	(79,869)	37,976,502
Animal Control	-	-	-	-	-
Fire	11,473,765	55,962	29,051	10,280	11,510,956
Total Public Safety	49,628,322	774,517	845,793	(69,588)	49,487,458
Cultural and Recreational:					
Recreation	33,270,684	2,347,305	145,343	(19,504)	35,453,142
Economic Development:					
Economic Development	6,169,558	550,624	-	-	6,720,181
Emergency Relief:					
Emergency Relief	-	83,232	-	-	83,232
Construction in progress	2,448,082	394,279	1,138,596	-	1,703,766
Total general capital assets	\$ 175,070,405	\$ 6,423,719	\$ 2,371,595	\$ 9,386	\$ 179,131,915

ADDITIONAL FINANCIAL DATA

This section contains the following –

Additional information on property taxes:

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

City of Jacksonville, North Carolina
Schedule of Ad Valorem Taxes Receivable
June 30, 2020

Fiscal Year	Uncollected Balance June 30, 2019	Additions	Collections and Credits	Uncollected Balance June 30, 2020
2019-2020		\$ 23,529,509	\$ 23,345,680	\$ 183,829
2018-2019	155,852		72,358	83,494
2017-2018	61,712		26,053	35,659
2016-2017	60,871		19,098	41,773
2015-2016	40,620		7,090	33,530
2014-2015	35,537		1,999	33,538
2013-2014	81,902		1,769	80,133
2012-2013	129,670		3,746	125,924
2011-2012	79,291		1,252.70	78,038
2010-2011	92,498		1,859	90,639
2009-2010	116,081		116,081	-
	<u>\$ 854,034</u>	<u>\$ 23,529,509</u>	<u>\$ 23,596,986</u>	<u>\$ 786,557</u>

Less allowance for uncollected ad valorem taxes receivable	<u>621,761</u>
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Real Property taxes receivable - net	\$ 164,796
Tax Tags Together receivable	<u>177,486</u>
Taxes receivable - net	<u><u>\$ 342,282</u></u>

Reconcilement with revenues:

Taxes - ad valorem - general fund	\$ 21,172,359
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Reconciling items:

Discoveries and abatements - Net	2,347,784
Taxes written off	115,792
Refunds	15,260
Interest Collected	<u>(54,210)</u>
Total collections and credits per above	<u><u>\$ 23,596,986</u></u>

City of Jacksonville, North Carolina
Analysis of Current Tax Levy
For the Fiscal Year Ended June 30, 2020

	City-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current	\$ 3,667,169,653	0.642	\$ 23,543,229	\$ 21,395,572	\$ 2,147,658
Registered motor vehicles taxed at prior year's rate	-	0.642	-	-	-
Penalties	-		26,664	26,664	-
	<u>3,667,169,653</u>		<u>23,569,893</u>	<u>21,422,236</u>	<u>2,147,658</u>
Discoveries:					
Current year taxes and prior year taxes	<u>6,386,785</u>	0.642	<u>41,003</u>	<u>41,003</u>	
Total	<u>6,386,785</u>		<u>41,003</u>	<u>41,003</u>	-
Abatements	<u>(19,064,037)</u>		<u>(81,388)</u>	<u>(81,388)</u>	-
Total Property Valuation	<u>\$ 3,654,492,408</u>				
Net Levy			23,529,508	21,381,851	2,147,658
Less Uncollected tax at June 30, 2020 (Schedule 103)			<u>(183,828)</u>	<u>(183,828)</u>	-
Current year's taxes collected			<u>23,345,680</u>	<u>21,198,023</u>	<u>2,147,658</u>
Percent current year collected			<u>99.22%</u>	<u>99.14%</u>	<u>100.00%</u>

STATISTICAL SECTION

Schedules presented in the Statistical Section differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. The Statistical Section reflects social and economic data, financial trends and the fiscal capacity of the City.

Contents

Financial Trends (Tables 1-4)

These tables contain trend information to help the reader understand how the City's financial performance has changed over time.

Revenue Capacity (Tables 5-9)

These tables contain information to help the reader assess the City's ability to generate revenue.

Debt Capacity (Tables 10-12)

Information is presented to help the reader assess the City's ability to sustain the current levels of debt as well as its ability to issue additional debt in the future.

Demographic and Economic Information (Tables 13-14)

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

Operating Information (Tables 15-17)

These tables contain information about the City's service levels and capital assets, to include infrastructure, 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 1

City of Jacksonville, North Carolina
Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year				
	2011	2012	2013	2014	2015
Governmental activities					
Net investment in					
capital assets	\$ 54,511,124	\$ 61,803,084	\$ 70,194,243	\$ 69,688,076	\$ 72,396,888
Restricted	12,718,830	11,902,394	11,860,012	14,384,374	16,326,161
Unrestricted	22,460,393	21,203,993	21,780,114	19,397,108	14,875,001
Total governmental activities net position	<u>\$ 89,690,347</u>	<u>\$ 94,909,471</u>	<u>\$ 103,834,369</u>	<u>\$ 103,469,558</u>	<u>\$ 103,598,050</u>
Business-type activities					
Net investment in					
capital assets	\$ 41,894,354	\$ 39,486,272	\$ 41,107,918	\$ 42,120,408	\$ 44,194,388
Restricted	-	-	-	-	597,811
Unrestricted	32,786,883	34,475,732	33,863,759	30,938,617	26,937,567
Total business-type activities net position	<u>\$ 74,681,237</u>	<u>\$ 73,962,004</u>	<u>\$ 74,971,677</u>	<u>\$ 73,059,025</u>	<u>\$ 71,729,766</u>
Primary government					
Net investment in					
capital assets	\$ 96,405,478	\$ 101,289,356	\$ 111,302,161	\$ 111,808,484	\$ 116,591,276
Restricted	12,718,830	11,902,394	11,860,012	14,384,374	16,923,972
Unrestricted	55,247,276	55,679,725	55,643,873	50,335,725	41,812,568
Total primary government net position	<u>\$ 164,371,584</u>	<u>\$ 168,871,475</u>	<u>\$ 178,806,046</u>	<u>\$ 176,528,583</u>	<u>\$ 175,327,816</u>
Component Unit					
Restricted	\$ 781,526	\$ 1,166,010	\$ 1,375,336	\$ 1,590,870	\$ 1,603,812
Unrestricted	-	144,306	198,475	240,739	367,441
Total component unit net position	<u>\$ 781,526</u>	<u>\$ 1,310,316</u>	<u>\$ 1,573,811</u>	<u>\$ 1,831,609</u>	<u>\$ 1,971,253</u>

continued

Table 1
continued

City of Jacksonville, North Carolina
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
Governmental activities					
Net investment in					
capital assets	\$ 71,029,630	\$ 69,120,586	\$ 70,390,054	\$ 73,151,872	\$ 68,765,359
Restricted	10,262,904	11,992,408	16,728,828	9,533,420	13,746,079
Unrestricted	22,372,831	21,294,316	18,278,872	25,719,592	32,417,432
Total governmental activities net position	<u>\$ 103,665,365</u>	<u>\$ 102,407,310</u>	<u>\$ 105,397,754</u>	<u>\$ 108,404,884</u>	<u>\$ 114,928,870</u>
Business-type activities					
Net investment in					
capital assets	\$ 41,547,420	\$ 39,516,023	\$ 39,538,524	\$ 38,711,933	\$ 37,390,027
Restricted	-	-	108,801	386,553	314,475
Unrestricted	29,779,464	31,959,116	33,622,012	38,165,133	42,290,770
Total business-type activities net position	<u>\$ 71,326,884</u>	<u>\$ 71,475,139</u>	<u>\$ 73,269,337</u>	<u>\$ 77,263,619</u>	<u>\$ 79,995,272</u>
Primary government					
Net investment in					
capital assets	\$ 112,577,050	\$ 108,636,609	\$ 109,928,578	\$ 111,863,805	\$ 106,155,386
Restricted	10,262,904	11,992,408	16,837,629	9,919,973	14,060,554
Unrestricted	52,152,295	53,253,432	51,900,884	63,884,725	74,708,202
Total primary government net position	<u>\$ 174,992,249</u>	<u>\$ 173,882,449</u>	<u>\$ 178,667,091</u>	<u>\$ 185,668,503</u>	<u>\$ 194,924,142</u>
Component Unit					
Restricted	\$ 1,647,248	\$ 1,526,943	\$ 1,286,284	\$ 1,256,241	\$ 1,096,984
Unrestricted	266,241	405,610	680,986	1,524,536	2,133,399
Total component unit net position	<u>\$ 1,913,489</u>	<u>\$ 1,932,553</u>	<u>\$ 1,967,270</u>	<u>\$ 2,780,777</u>	<u>\$ 3,230,383</u>

Table 2

City of Jacksonville, North Carolina
Changes in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year				
	2011	2012	2013	2014	2015
Governmental Activities:					
Expenses					
General Government	\$ 6,792,452	\$ 7,994,140	\$ 4,983,183	\$ 5,080,369	\$ 4,680,357
Public Works	6,533,211	6,377,902	6,627,300	6,824,331	7,290,153
Public Safety	19,198,958	19,915,276	20,600,507	21,181,815	21,732,088
Economic and Physical Development	1,163,709	667,729	1,583,916	1,992,960	1,664,565
Cultural and Recreational	5,021,989	4,601,950	5,530,950	5,936,222	5,445,235
Interest on long-term debt	221,531	329,417	1,224,639	1,132,525	1,042,728
Total expenses	<u>38,931,850</u>	<u>39,886,414</u>	<u>40,550,495</u>	<u>42,148,222</u>	<u>41,855,126</u>
Program Revenues					
Charges for services:					
General Government	250,468	138,799	171,465	162,977	299,854
Public Works	1,289,267	927,358	706,159	745,549	694,430
Public Safety	240,263	398,019	372,576	293,269	211,957
Cultural and Recreational	480,852	586,966	589,570	693,995	734,277
Operating grants and contributions	6,458,917	7,228,718	4,753,141	2,955,773	3,419,907
Capital grants and contributions	4,723,314	2,753,328	8,564,614	2,155,063	2,067,195
Total program revenues	<u>13,443,081</u>	<u>12,033,188</u>	<u>15,157,525</u>	<u>7,006,626</u>	<u>7,427,620</u>
Total Governmental Activities Net Program Expense	<u>(25,488,769)</u>	<u>(27,853,226)</u>	<u>(25,392,970)</u>	<u>(35,141,596)</u>	<u>(34,427,506)</u>
General Revenues and Other Changes in Net Position					
Taxes					
Property taxes	18,512,342	18,847,266	19,766,554	20,609,794	22,673,994
Sales tax	11,037,388	11,687,324	11,492,666	10,132,239	10,719,324
E-911 surcharge	420,799	350,341	333,471	316,281	329,468
Franchise tax	3,030,253	2,842,416	2,806,225	2,932,050	3,678,597
Beer and Wine tax	359,696	335,106	376,544	343,092	372,917
Gross receipts tax on short-term vehicle leases	174,971	173,012	174,815	187,443	189,345
Investment earnings	118,629	69,928	81,204	32,083	14,197
Miscellaneous	1,242,944	1,324,085	1,224,987	1,688,246	849,763
Transfers	139,659	(2,557,128)	(1,658,449)	(1,464,443)	(1,294,474)
Total general revenues and other changes in net position	<u>35,036,681</u>	<u>33,072,350</u>	<u>34,598,017</u>	<u>34,776,785</u>	<u>37,533,131</u>
Total Governmental Activities Change in Net Position	<u>\$ 9,547,912</u>	<u>\$ 5,219,124</u>	<u>\$ 9,205,047</u>	<u>\$ (364,811)</u>	<u>\$ 3,105,625</u>

continued

Table 2
continued

City of Jacksonville, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
Governmental Activities:					
Expenses					
General Government	\$ 4,672,105	\$ 4,557,396	\$ 4,780,126	\$ 9,053,212	\$ 6,389,563
Public Works	7,471,612	8,659,605	6,687,511	5,459,374	7,278,696
Public Safety	24,059,681	23,029,567	23,170,764	30,492,318	25,412,392
Economic and Physical Development	2,985,321	1,937,437	3,470,617	3,198,381	2,212,749
Cultural and Recreational	6,795,717	5,906,777	5,568,317	4,679,759	5,711,717
Interest on long-term debt	751,873	996,852	(327,949)	608,384	531,585
Total expenses	<u>46,736,309</u>	<u>45,087,634</u>	<u>43,349,386</u>	<u>53,491,428</u>	<u>47,536,702</u>
Program Revenues					
Charges for services:					
General Government	396,720	486,797	476,913	654,517	529,207
Public Works	610,552	581,612	596,411	564,457	551,687
Public Safety	191,778	210,537	237,403	219,666	199,387
Cultural and Recreational	711,627	751,690	739,208	629,600	434,027
Operating grants and contributions	3,844,205	2,825,844	3,769,253	11,104,953	6,729,599
Capital grants and contributions	2,609,324	3,268,406	2,016,629	2,030,845	1,869,466
Total program revenues	<u>8,364,206</u>	<u>8,124,886</u>	<u>7,835,817</u>	<u>15,204,038</u>	<u>10,313,373</u>
Total Governmental Activities Net Program Expense	<u>(38,372,103)</u>	<u>(36,962,748)</u>	<u>(35,513,569)</u>	<u>(38,287,390)</u>	<u>(37,223,329)</u>
General Revenues and Other Changes in Net Position					
Taxes					
Property taxes	22,886,482	23,435,216	23,779,268	23,589,414	23,506,811
Sales tax	11,295,715	11,787,496	12,249,581	13,344,544	13,320,978
E-911 surcharge	315,815	317,190	406,119	457,922	480,254
Franchise tax	3,797,175	3,700,373	3,656,690	3,691,487	3,510,016
Beer and Wine tax	336,855	350,615	328,068	327,294	323,913
Gross receipts tax on short-term vehicle leases	198,795	190,455	190,858	245,311	241,196
Investment earnings	96,487	208,181	456,983	767,697	652,385
Miscellaneous	483,155	242,953	191,039	(120,601)	3,021,358
Transfers	(1,276,272)	(1,259,408)	(1,354,449)	(1,008,548)	(1,309,596)
Total general revenues and other changes in net position	<u>38,134,207</u>	<u>38,973,071</u>	<u>39,904,157</u>	<u>41,294,520</u>	<u>43,747,315</u>
Total Governmental Activities Change in Net Position	<u>\$ (237,896)</u>	<u>\$ 2,010,323</u>	<u>\$ 4,390,588</u>	<u>\$ 3,007,130</u>	<u>\$ 6,523,986</u>

continued

Table 2
continued

City of Jacksonville, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2011	2012	2013	2014	2015
<u>Business-type Activities:</u>					
Expenses					
Water and Sewer	\$ 22,039,600	\$ 25,911,275	\$ 24,437,396	\$ 25,352,766	\$ 25,099,324
Solid Waste Disposal	5,030,182	5,204,115	5,164,869	5,309,438	5,249,794
Stormwater/Water Quality	1,999,166	2,458,468	2,493,130	2,439,645	2,306,031
Total expenses	<u>29,068,948</u>	<u>33,573,858</u>	<u>32,095,395</u>	<u>33,101,849</u>	<u>32,655,149</u>
Revenues					
Charges for services:					
Water and Sewer	25,077,038	23,178,499	22,247,424	21,849,926	22,736,359
Solid Waste Disposal	2,710,478	2,807,152	3,537,164	3,582,715	4,542,269
Stormwater/Water Quality	2,086,443	2,163,960	2,885,148	2,893,937	2,935,490
Operating grants and contributions	-	-	-	-	51,301
Capital grants and contributions	3,143,054	1,291,589	2,048,232	331,300	66,782
Total revenues	<u>33,017,013</u>	<u>29,441,200</u>	<u>30,717,968</u>	<u>28,657,878</u>	<u>30,332,201</u>
Total Business-type Activities Net Program Expense	<u>3,948,065</u>	<u>(4,132,658)</u>	<u>(1,377,427)</u>	<u>(4,443,971)</u>	<u>(2,322,948)</u>
Other Changes in Net Position					
Investment earnings	205,659	99,003	57,069	24,604	18,908
Miscellaneous	116,083	757,294	718,920	1,042,272	490,892
Transfers	(139,659)	2,557,128	1,658,449	1,464,443	1,294,474
Total Business-type Activities Change in Net Position	<u>\$ 4,130,148</u>	<u>\$ (719,233)</u>	<u>\$ 1,057,011</u>	<u>\$ (1,912,652)</u>	<u>\$ (518,674)</u>
Total Primary Government Change in Net Position	<u>\$ 13,678,060</u>	<u>\$ 4,499,891</u>	<u>\$ 10,262,058</u>	<u>\$ (2,277,463)</u>	<u>\$ 2,586,951</u>

continued

Table 2
continued

City of Jacksonville, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
<u>Business-type Activities:</u>					
Expenses					
Water and Sewer	\$ 25,522,986	\$ 25,005,300	\$ 23,799,033	\$ 22,771,649	\$ 22,983,637
Solid Waste Disposal	5,261,666	5,522,476	5,619,584	5,784,678	6,054,055
Stormwater/Water Quality	2,291,507	2,430,213	2,496,568	2,702,536	3,108,804
Total expenses	<u>33,076,159</u>	<u>32,957,989</u>	<u>31,915,185</u>	<u>31,258,863</u>	<u>32,146,496</u>
Revenues					
Charges for services:					
Water and Sewer	22,940,859	22,760,319	22,962,438	24,481,121	24,167,324
Solid Waste Disposal	4,685,085	4,697,273	4,775,951	4,823,826	4,837,998
Stormwater/Water Quality	2,975,883	2,985,626	3,025,219	3,020,849	3,062,251
Operating grants and contributions	48,745	85,506	59,855	357,400	211,970
Capital grants and contributions	52,911	360,505	134,334	-	-
Total revenues	<u>30,703,483</u>	<u>30,889,229</u>	<u>30,957,797</u>	<u>32,683,196</u>	<u>32,279,543</u>
Total Business-type Activities Net Program Expense	<u>(2,372,676)</u>	<u>(2,068,760)</u>	<u>(957,388)</u>	<u>1,424,333</u>	<u>133,047</u>
Other Changes in Net Position					
Investment earnings	87,394	179,624	416,653	683,940	490,130
Miscellaneous	606,128	777,983	1,062,245	877,461	798,880
Transfers	1,276,272	1,259,408	1,354,449	1,008,548	1,309,596
Total Business-type Activities Change in Net Position	<u>\$ (402,882)</u>	<u>\$ 148,255</u>	<u>\$ 1,875,959</u>	<u>\$ 3,994,282</u>	<u>\$ 2,731,653</u>
Total Primary Government Change in Net Position	<u>\$ (640,778)</u>	<u>\$ 2,158,578</u>	<u>\$ 6,266,547</u>	<u>\$ 7,001,412</u>	<u>\$ 9,255,639</u>

Table 3

City of Jacksonville, North Carolina
Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year				
	2011	2012	2013	2014	2015
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Spendable	651,391	651,975	650,325	2,036,379	2,043,462
Restricted	7,743,995	7,179,852	8,409,072	6,518,498	6,999,700
Committed	-	-	-	-	-
Assigned	4,842,273	2,611,336	5,228,768	2,002,776	1,832,675
Unreserved	-	-	-	-	-
Unassigned	5,359,345	8,052,000	5,470,076	8,202,431	10,696,246
Total General Fund	<u>\$ 18,597,004</u>	<u>\$ 18,495,163</u>	<u>\$ 19,758,241</u>	<u>\$ 18,760,084</u>	<u>\$ 21,572,083</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Spendable	-	-	-	-	-
Restricted	9,345,040	33,379,755	24,701,198	15,581,241	9,748,232
Assigned	6,685,268	12,343,897	12,196,111	9,023,340	7,150,166
Committed	-	-	-	-	-
Unreserved, reported in:					
Capital Reserve Fund	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-
Unassigned	(1,560,293)	(1,849,206)	(1,004,260)	7,133	-
Total All Other Governmental Funds	<u>\$ 14,470,015</u>	<u>\$ 43,874,446</u>	<u>\$ 35,893,049</u>	<u>\$ 24,611,714</u>	<u>\$ 16,898,398</u>

continued

Table 3
continued

City of Jacksonville, North Carolina
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Spendable	2,087,853	2,120,830	2,133,525	2,108,944	2,097,493
Restricted	6,794,310	8,013,610	9,611,393	6,383,188	7,221,674
Committed	312,733	369,355	499,143	612,450	711,069
Assigned	2,112,849	1,612,426	2,127,811	1,488,977	2,201,186
Unreserved	-	-	-	-	-
Unassigned	13,451,074	17,020,447	17,738,752	25,151,075	26,757,969
Total General Fund	<u>\$ 24,758,819</u>	<u>\$ 29,136,668</u>	<u>\$ 32,110,624</u>	<u>\$ 35,744,634</u>	<u>\$ 38,989,391</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Spendable	-	-	-	2,475	-
Restricted	5,681,528	4,979,721	8,444,541	4,524,808	5,017,564
Assigned	-	-	-	-	-
Committed	7,439,576	7,649,411	3,662,131	5,156,893	6,240,803
Unreserved, reported in:					
Capital Reserve Fund	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-
Unassigned	-	-	(1,743,762)	(1,693,535)	1,217,704
Total All Other Governmental Funds	<u>\$ 13,121,104</u>	<u>\$ 12,629,132</u>	<u>\$ 10,362,910</u>	<u>\$ 7,990,641</u>	<u>\$ 12,476,071</u>

NOTE: With the implementation of GASB Statement 54, Fund Balance Reporting and Governmental Fund Type Definition, the fund categories were restated.

Table 4

City of Jacksonville, North Carolina
Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year				
	2011	2012	2013	2014	2015
Revenues:					
Ad valorem taxes	\$ 18,531,433	\$ 18,924,864	\$ 19,761,590	\$ 20,627,279	\$ 22,962,166
CATV franchise tax ^a	91,887	90,185	-	-	-
Privilege licenses	718,554	747,295	765,542	761,840	712,683
Sales tax	11,037,388	11,687,324	11,492,666	10,132,239	10,719,324
Gross receipt on short term vehicle tax	174,971	173,012	174,815	187,443	189,345
Occupancy Tax ^b	19,444	-	-	-	-
Unrestricted intergovernmental revenues	3,457,891	3,245,404	3,185,171	3,356,230	4,101,119
Restricted intergovernmental revenues	6,476,508	6,959,393	4,775,304	4,585,448	4,820,461
Permits and fees	1,375,738	946,270	748,323	787,618	760,592
Sales and services	695,762	694,439	727,358	829,280	908,821
Investment earnings	132,062	71,582	73,695	50,570	15,165
Miscellaneous	1,221,571	1,429,702	1,523,735	803,783	544,046
Total revenues	43,933,209	44,969,470	43,228,199	42,121,730	45,733,722
Expenditures:					
General Government	6,677,733	7,522,961	5,614,655	4,798,712	4,605,727
Public Works	4,643,124	4,992,120	4,487,798	4,601,220	5,122,028
Public Safety	18,823,792	20,474,100	27,454,307	33,352,648	24,621,063
Cultural and Recreational	4,431,449	5,515,803	5,712,089	5,518,416	4,823,557
Economic and Physical Development	1,155,626	896,066	1,285,886	1,443,274	1,367,473
Capital outlay	2,867,387	2,910,518	2,702,123	2,359,480	4,877,263
Non-capitalized expenditures	56,499	9,499	-	332,219	88,854
Debt service:					
Principal retirement	1,710,314	3,252,974	2,858,417	3,407,473	3,989,325
Bond issuance costs	-	281,596	-	-	-
Interest and fees	221,531	209,374	1,120,423	1,243,876	1,188,879
Total expenditures	40,587,455	46,065,011	51,235,698	57,057,318	50,684,169
Excess of revenues over (under) expenditures	3,345,754	(1,095,541)	(8,007,499)	(14,935,588)	(4,950,447)
Other financing sources (uses):					
Debt issued	812,864	29,982,403	2,839,109	4,013,532	1,338,526
Refunding Debt	-	-	-	-	-
Premiums on debt issued	-	2,748,680	-	-	-
Sales of capital assets	95,673	381,547	88,536	107,007	5,078
Payment to refunded bond escrow agent	-	-	-	-	-
Transfers in	7,833,882	10,038,695	7,570,239	6,421,354	4,766,338
Transfers (out)	(7,974,606)	(12,753,194)	(9,208,703)	(7,885,797)	(6,060,812)
Total other financing sources (uses)	767,813	30,398,131	1,289,181	2,656,096	49,130
Net change in fund balances	\$ 4,113,567	\$ 29,302,590	\$ (6,718,318)	\$ (12,279,492)	\$ (4,901,317)
Debt service as a percentage of noncapital expenditures	5.3%	9.0%	10.4%	11.7%	13.0%

^a In FY 2008, the State changed the CATV franchise tax from a local tax to a State tax, with distributions then made to local governments by the State.

^b Occupancy tax is a new revenue source beginning in 2011.

continued

Table 4
continued

City of Jacksonville, North Carolina
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
Revenues:					
Ad valorem taxes	\$ 23,421,769	\$ 23,544,063	\$ 24,032,420	\$ 23,975,763	\$ 23,511,557
CATV franchise tax ^a	-	-	-	-	-
Privilege licenses	7,156	6,963	6,320	7,693	5,919
Sales tax	11,295,715	11,787,496	12,249,581	13,344,544	13,320,978
Gross receipt on short term vehicle tax	198,795	190,455	190,858	245,311	241,196
Occupancy Tax ^o	-	-	-	-	-
Unrestricted intergovernmental revenues	4,218,634	4,132,806	4,063,739	4,131,550	3,921,185
Restricted intergovernmental revenues	6,347,337	5,609,791	5,496,689	13,211,671	8,718,048
Permits and fees	662,581	634,814	671,432	645,147	680,034
Sales and services	957,989	1,030,313	1,040,641	970,160	725,493
Investment earnings	90,596	203,780	443,779	781,162	697,682
Miscellaneous	913,778	578,659	752,474	1,068,871	1,801,236
Total revenues	48,114,350	47,719,140	48,947,933	58,381,872	53,623,328
Expenditures:					
General Government	4,308,791	4,208,179	5,942,687	6,656,496	5,372,907
Public Works	5,071,826	5,089,640	4,637,200	4,978,998	4,679,412
Public Safety	21,412,645	19,898,514	20,440,894	28,908,220	22,492,172
Cultural and Recreational	6,366,135	6,308,281	6,153,649	5,727,444	5,550,345
Economic and Physical Development	1,792,938	1,662,142	3,125,977	3,310,123	2,140,319
Capital outlay	3,913,931	2,187,066	3,046,865	3,920,009	2,145,139
Non-capitalized expenditures	940,678	(1)	-	-	-
Debt service:					
Principal retirement	4,081,897	4,191,467	3,875,499	3,100,575	2,768,182
Bond issuance costs	-	-	-	-	-
Interest and fees	1,102,266	1,019,922	1,035,997	888,161	833,779
Total expenditures	48,991,107	44,565,210	48,258,768	57,490,026	45,982,255
Excess of revenues over (under) expenditures	(876,757)	3,153,930	689,165	891,846	7,641,073
Other financing sources (uses):					
Debt issued	1,101,500	1,823,978	3,534,016	1,140,255	1,267,631
Refunding Debt	-	-	12,505,000	-	-
Premiums on debt issued	-	-	-	-	-
Sales of capital assets	210,233	190,973	58,487	220,066	124,890
Payment to refunded bond escrow agent	-	-	(14,691,485)	-	-
Transfers in	5,722,459	5,516,395	5,546,423	5,982,620	5,170,185
Transfers (out)	(7,053,204)	(6,799,399)	(6,933,872)	(6,972,579)	(6,473,592)
Total other financing sources (uses)	(19,012)	731,947	18,569	370,362	89,114
Net change in fund balances	\$ (895,769)	\$ 3,885,877	\$ 707,734	\$ 1,262,208	\$ 7,730,187
Debt service as a percentage of noncapital expenditures	11.9%	12.8%	11.7%	7.9%	8.5%

Table 5

City of Jacksonville, North Carolina
Assessed Value of Taxable Property
 Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property		Less: Tax-Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate Per \$100
	Residential Property	Commercial Property	Motor Vehicles	Other			
2011	1,807,676,890	1,099,577,260	285,792,522	283,530,271	27,125,081	3,449,451,862	0.5380
2012	1,849,999,540	1,136,827,920	285,540,688	264,602,733	29,455,382	3,507,515,499	0.5380
2013	1,884,077,250	1,226,423,704	307,377,502	278,239,734	35,627,355	3,660,490,835	0.5380
2014	1,937,078,200	1,230,598,207	384,543,812	292,082,090	35,338,442	3,808,963,867	0.5380
2015	1,726,005,770	1,268,023,381	282,773,860	298,252,741	36,186,902	3,538,868,850	0.6420
2016	1,752,090,350	1,291,709,975	299,882,866	311,354,897	39,364,854	3,615,673,234	0.6420
2017	1,751,042,990	1,318,750,615	312,337,850	311,996,644	41,460,102	3,652,667,997	0.6420
2018	1,761,077,690	1,333,631,595	316,099,688	319,886,985	49,997,748	3,680,698,210	0.6420
2019	1,650,364,401	1,427,239,412	332,671,174	312,012,263	44,326,144	3,677,961,106	0.6420
2020	1,654,288,836	1,406,435,459	334,526,114	312,536,399	53,294,400	3,654,492,408	0.6420

Source: Onslow County Tax Administrator/Collector

Notes: Property in Onslow County is reassessed every five to eight years. The last revaluation was completed in 2015. The County assesses property at 100 percent of actual value. Tax rates are per \$100 of assessed value.

Table 6

City of Jacksonville, North Carolina
Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year	City Direct Rates			Overlapping Rates	
	Basic Rate	Council-Directed Capital Projects Initiative	Total Direct Rate	Onslow County	Total
2011	0.4596	0.0784	0.5380	0.585	1.123
2012	0.4596	0.0784	0.5380	0.585	1.123
2013	0.4596	0.0784	0.5380	0.585	1.123
2014	0.4596	0.0784	0.5380	0.585	1.123
2015	0.5506	0.0915	0.6420	0.675	1.317
2016	0.5506	0.0915	0.6420	0.675	1.317
2017	0.5506	0.0915	0.6420	0.675	1.317
2018	0.5506	0.0915	0.6420	0.705	1.347
2019	0.5506	0.0915	0.6420	0.705	1.347
2020	0.5506	0.0915	0.6420	0.705	1.347

Sources: City Finance Office and Onslow County Tax Administrator/Collector

Notes:

1. In FY2015, the property tax rate was increased by 10.4 cents in response to the County's property revaluation in tax year 2014, which resulted in a 9.4% decrease in property values. Additionally, the Council-directed amount allocated for debt service was increased from 3.84 cents to 5.15 cents to pay for the Center for Public Safety bond. The amount allocated for capital projects remained at 4 cents for a grand total of 9.15 cents.
2. In FY2018, the City's property tax rate remained the same and as a result of the County's 3% increase the combined total property tax rate increased to \$1.347.

Table 7

**City of Jacksonville, North Carolina
Principal Property Tax Payers
Current Year and Ten Years Ago**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Duke Energy Progress, Inc	\$ 44,497,497	1	1.21 %			
PR Jacksonville Limited Partnership	42,990,950	2	1.17	\$ 39,371,480	1	1.38 %
Triangle Palisades At Jacksonville LLC	29,891,869	3	0.82			
Jones-Onslow EMC	27,324,278	4	0.75	22,537,232	4	0.79
BRC Jacksonville Commons LLC	24,217,630	5	0.66			
BPP Arlington West LLC	23,990,246	6	0.65			
Bailey & Fuller Properties LLC	23,648,790	7	0.65			
Williamsburg Plantation Apartments LLC	21,902,644	8	0.60			
Triangle Real Estate of Gastonia Inc	21,693,110	9	0.59			
Cross Pointe Developers LLC	20,295,201	10	0.55	22,102,690	5	0.77
Carolina Telephone & Telegraph				25,434,829	2	0.89
Puller Place, LLC				23,432,730	3	0.82
Abbingtion SPE LLC				21,674,689	6	0.76
Arlington West Apartment Homes LLC				21,341,230	7	0.75
Jacksonville Commons, LLC				21,222,664	8	0.74
Marine Federal Credit Union				20,238,367	9	0.71
Bailey & Associates, Inc.				18,593,122	10	0.65
Total	<u>\$ 280,452,215</u>		<u>7.65 %</u>	<u>\$ 235,949,033</u>		<u>8.26 %</u>

Source: Onslow County Tax Administrator/Collector

Table 8

City of Jacksonville, North Carolina
Property Tax Levies and Collections
 Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	18,696,869	18,083,308	96.72	522,922	18,606,230	99.52
2012	18,985,311	18,416,665	97.00	490,608	18,907,273	99.59
2013	19,870,580	19,236,220	96.81	508,436	19,744,656	99.37
2014	20,600,957	20,111,893	97.63	408,931	20,520,824	99.61
2015	22,976,393	22,526,620	98.04	416,235	22,942,855	99.85
2016	23,383,681	22,912,736	97.99	437,415	23,350,151	99.86
2017	23,519,246	23,042,770	97.97	434,703	23,477,473	99.82
2018	23,630,312	23,381,401	98.95	213,252	23,594,653	99.85
2019	23,681,716	23,525,864	99.34	72,358	23,598,222	99.65
2020	23,529,509	23,345,680	99.22		23,345,680	99.22

Source: Onslow County Tax Administrator/Collector

Table 9

City of Jacksonville, North Carolina
Direct and Overlapping Sales Tax Rates
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Onslow County ^a</u>
2011	2.25
2012	2.25
2013	2.25
2014	2.25
2015	2.25
2016	2.25
2017	2.25
2018	2.25
2019	2.25
2020	2.25

Sources: City Finance Office and Onslow County Finance Office

Notes: The County sales tax rate may be changed only with the approval of the state legislature.

^a The City does not levy a separate sales tax from the County.

City of Jacksonville, North Carolina
Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita
2011	-	0%	-
2012	-	0%	-
2013	-	0%	-
2014	-	0%	-
2015	-	0%	-
2016	-	0%	-
2017	-	0%	-
2018	-	0%	-
2019	-	0%	-
2020	-	0%	-

Fiscal Year	Other Governmental Activities Debt	Business-type Activities				Total Primary Government	Percentage of Personal Income ^a	Debt Per Capita
	Installment Purchase Loans	State Revolving Loan	Installment Purchase Loans	Revenue Bonds	Other Loans			
2011	5,897,686	61,599,704	14,951,397	40,724,969		123,173,756	1.59%	1,593
2012	35,405,224	54,495,939	18,779,281	39,444,671		148,125,115	1.88%	1,985
2013	35,345,518	52,970,441	15,770,063	38,030,096		142,116,118	1.71%	1,857
2014	35,932,419	50,522,655	13,383,799	36,375,270		136,214,143	1.62%	1,742
2015	33,250,773	47,572,893	9,351,425	34,620,214		124,795,305	1.50%	1,630
2016	30,054,993	45,133,775	5,882,757	27,863,072		108,934,597	1.30%	1,405
2017	28,641,956	42,168,042	4,689,377	26,350,509		101,849,884	1.24%	1,315
2018	25,487,428	39,242,563	4,138,119	30,091,662		98,959,772	1.11%	1,307
2019	22,696,324	36,106,223	4,160,783	22,815,000		85,778,330	0.98%	1,139
2020	20,889,227	32,969,883	3,806,674	21,030,000		78,695,784	0.86%	1,086

Notes:

The City has no outstanding general obligation bonds. Details regarding the City's outstanding debt can be found in the notes to the financial statements (Note 9). The "Installment Purchase Loans" totals for 2014, 2015, 2016, 2017, 2018, 2019 and 2020 are adjusted to include the unamortized bond premium for the City's limited obligation bonds (see Note 10D).

^a

Source: US Bureau of Economic Analysis. See Table 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Table 11

City of Jacksonville, North Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ^a	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Onslow County General Obligation Debt	\$ 38,770,000	25.4%	\$ 9,828,195
Other debt			
Onslow County Certificates of Participation	30,620,000	25.4%	7,762,170
Onslow County Installment Purchase Loans	3,734,777	25.4%	946,766
Onslow County Limited Obligation Bonds	161,350,000	25.4%	40,902,225
Subtotal, overlapping debt			59,439,356
City direct debt			<u>22,207,338</u>
Total direct and overlapping debt			<u><u>\$ 81,646,694</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Onslow County Tax Collector/ Assessor. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Jacksonville. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident--and therefore responsible for repaying the debt--of each overlapping government.

City direct debt includes the debt service for the Solid Waste Fund, as this debt is serviced by the General Fund.

^a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Onslow County's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used for Onslow County's installment purchase, loan, and other debt. The percentage of overlapping debt is based on the June 30, 2020, assessed valuation of the County of Onslow (\$14,429,251,227) as compared to the June 30, 2020, assessed valuation of the City of Jacksonville (\$3,657,996,109).

City of Jacksonville, North Carolina
Legal Debt Margin Information
 Last Ten Fiscal Years

	Fiscal Year				
	2011	2012	2013	2014	2015
Debt limit	\$ 275,956,149	\$ 280,601,240	\$ 292,839,267	\$ 304,717,109	\$ 283,109,508
Total net debt applicable to limit	6,527,860	36,063,072	36,134,673	37,724,419	34,657,286
Legal debt margin	\$ 269,428,289	\$ 244,538,168	\$ 256,704,594	\$ 266,992,690	\$ 248,452,222
Total net debt applicable to the limit as a percentage of debt limit	2.4%	12.9%	12.3%	12.4%	12.2%

Note: Under state finance law, the City's outstanding general obligation debt may not exceed eight percent (8%) of total assessed property value. The City has no outstanding general obligation bond debt. Solid Waste Fund debt is included in the installment purchases total above since the Solid Waste Fund debt is serviced by the General Fund.

continued

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 3,654,492,408
Debt limit (8% of assessed value)	292,359,393
Debt applicable to limit:	
Installment purchase	22,207,338
Total net debt applicable to limit	22,207,338
Legal debt margin	<u>\$ 270,152,055</u>

	Fiscal Year				
	2016	2017	2018	2019	2020
Debt limit	\$ 289,253,859	\$ 292,213,440	\$ 294,455,857	\$ 293,240,925	\$ 292,359,393
Total net debt applicable to limit	31,486,694	28,832,309	26,321,769	24,163,462	22,207,338
Legal debt margin	<u>\$ 257,767,165</u>	<u>\$ 263,381,131</u>	<u>\$ 268,134,088</u>	<u>\$ 269,077,463</u>	<u>\$ 270,152,055</u>
Total net debt applicable to the limit as a percentage of debt limit	10.9%	9.9%	8.9%	8.2%	7.6%

Installment Purchase Reconciliation to Note 9:

Installment Purchase	<u>\$ 22,207,338</u>
Governmental Activities Installment Purchases	\$ 18,506,800
Governmental Activities Unamortized Premiums	2,382,430
Solid Waste Ending Balance	1,318,108
NC DOT Onslow County Signal System	-
	<u>\$ 22,207,338</u>

Table 13

City of Jacksonville, North Carolina
Demographic and Economic Statistics
 Last Ten Calendar Years

Fiscal Year	(1) Population ^a	(2) Personal Income ^a (in thousands)	(2) Per Capita Personal Income ^a	(1) Median Age ^a	(3) School Enrollment	(4) Unemployment Rate Percentage
2011	77,343	7,895,564	43,990	25.92	23,201	9.6
2012	74,610	8,296,419	46,163	26.04	24,161	9.2
2013	76,520	8,421,526	45,953	26.20	24,377	8.8
2014	78,190	8,342,524	45,041	26.29	25,251	8.7
2015	76,576	8,354,931	44,538	26.28	25,111	6.2
2016	77,542	8,188,720	43,952	26.27	25,484	5.5
2017	77,464	8,892,158	47,517	26.06	25,744	4.6
2018	75,744	8,719,800	44,972	25.80	26,195	4.6
2019	75,310	9,121,475	46,142	25.99	26,410	5.3
2020	80,328	NA	NA	25.95	26,864	7.2

Sources:

- (1) NC Office of State Budget and Management - State Demographer. Population figures are estimates as of July 1 of the previous
- (2) US Department of Commerce, Bureau of Economic Analysis
- (3) National Center for Education Statistics
- (4) US Dept of Labor, Bureau of Labor Statistics
- (5) NC Department of Public Instruction (ncpublicschools.org)
- NA - Data not available

Notes:

^a Population, personal income, and median age information is based on surveys conducted during the last quarter of the calendar year. Population includes portions of Marine Corps Base Camp Lejeune that were annexed in 1990. Personal income and per capita personal income figures are for the Jacksonville Metropolitan Statistical Area (MSA), which includes Onslow County.

City of Jacksonville, North Carolina
Principal Employers, Current and Ten Years Ago

Employer	2020		2011	
	Employees ^a	Rank	Employees ^a	Rank
Department of Defense ^b	1,000+	1	1,000+	1
Onslow County Board of Education	1,000+	2	1,000+	2
Camp Lejeune Marine Corps Exchange Services	1,000+	3	1000+	3
Wal-Mart Associates, Inc.	1,000+	4	1,000+	6
Onslow County Government	1,000+	5	1,000+	5
Onslow Memorial Hospital	1,000+	6	1,000+	4
Coastal Carolina Community College	500-999	7	500-999	7
Food Lion, LLC	500-999	8	250-499	10
City of Jacksonville	500-999	9	500-999	9
Concentrix Cvg Customer Management	500-999	10	250-499	
Coastal Enterprises of Jacksonville	250-499	11	250-499	11
Dixon Foods Group Inc.	250-499	12	250-499	
Lowes Home Centers Inc	250-499	13	250-499	13
The Wood Company (A Corp)	250-499	14	250-499	
GFS	250-499	15		
Convergys Customer Management Group			500-999	8
McDonald Restaurants of NC Inc.			250-499	12
PRC			250-499	14
Stanadyne Corporation			250-499	15

Notes:

^a Actual number of employees is not available; therefore, the range/ranking provided by the Employment Security Commission is used.

^b Includes civilian employees at the Marine Corps Base Camp Lejeune, New River Air Station, and Camp Johnson.

Employment by Industry Category

Because only ranges are available, the percentage of total City employment cannot be calculated for each employer. To give an idea of the impact the Marine Corps installations and other government agencies have on the local economy, the following table from the NC Employment Security Commission is provided. The high percentage (30.0%) of government employment at all levels contributes to an extremely stable economy for Jacksonville and Onslow County.

<u>Industry</u>	<u>No. of Units</u>	Annual Average	
		<u>Employment</u>	<u>Percentage</u>
Total Federal Government	27	6,301	12.8
Total State Government	16	913	1.9
Total Local Government	118	7,127	14.5
Total Private Industry	3,246	34,807	70.8
Total All Industries	3,407	49,148	100.0

Table 15

City of Jacksonville, North Carolina
Full-Time City Government Employees by Function/Program
 Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government:										
Mayor and Council	7	7	7	7	7	7	7	7	7	7
City Manager	6	6	6	6.5	6.3	6.3	6.3	6.3	5	5
Community Programs	2	2	2	2	2	2	1	1	1	1
Legal	1	1	1	1	1	1	1	1	1	1
Human Resources	5	5	5	5	5	5	5	6	6	6
City Clerk	3	3	3	3	3	2	2	2	2	2
Finance	24	24	24	24	25	24	24	24	24	24
Planning	7	7	11	11	11	7	6	6	6	6
Transportation	2.1	2.1	3.1	2.6	3.5	3.5	3.5	3.5	4.8	4.8
Traffic Signal Control	-	-	2	4	4.3	4.3	4.3	5.3	5.3	5.3
Public Safety:										
Police										
Sworn	119	120	121	121	122	123	123	123	126	126
Non-sworn	29	30	31	32	30	30	32	32	32	32
Fire										
Firefighters	86	86	86	86	85	86	86	86	86	88
Administrative Support	3	3	3	3	3	2	2	2	2	2
Building Inspections	11	11	7	7	7	6	6	6	5	5
Code Enforcement	3.8	3.8	3.3	3.3	3.3	3.3	3.3	3	3	3
Public Works:										
Administration	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	1.1	0.8
Engineering	4	4	3	3	3	2	2	2	2.2	0.6
Facilities Maintenance	10	10	10	10	12	14	14	14	14	14
Streets	23	19	20	20	20	19	19	19	17	17
Recreation and Parks	38	38	40	40	40	44	44	46	46	46
Livable Neighborhoods	-	-	-	-	-	-	1	1.4	1.4	1.4
Community Engagement	-	-	-	-	-	-	-	-	1	1
Water/Sewer Operations:										
Administration	3.6	3.6	3.6	2.6	2.6	1.6	1.6	1.6	1.9	1.9
Engineering	11.6	11.6	11.6	11.6	11.6	8.6	8.6	8.6	8.7	8.9
Metering	7	7	7	6	6	5	5	5	5	5
Utilities Maintenance	25	26	27	29	29	29	29	29	29	29
Water Supply	13.85	13.85	13.85	13.85	14.35	14.35	15.35	15.35	15.35	15.35
Wastewater	15.15	17.15	18.15	18.15	17.65	17.65	17.65	17.65	17.65	17.65
Stormwater/Water Quality	4	4	3	3	3	3	3	3	3	3
Streets/Stormwater Drainage	15	19	18	18	18	19	19	19	20.7	22.4
Sanitation/Solid Waste Disposal	41	41	41	41	41	37	37	37	36	36
Solid Waste/Commercial Disposal	-	-	-	5	5	5	5	5	5	5
Fleet Maintenance	9	9	9	10	11	11	11	11	11	11
City Hall Maintenance	2	2	2	2	1	1	1	1	1	1
Info Technology Services	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3
Video/Media Services	3	3	3	4	4	4	4	4	4	4
Community Development	3.2	1.2	1.7	1.7	1.7	1.7	1.7	0.6	0.6	0.6
TOTAL	550	553	560	570	572	562	564	567	570	572

Source: Finance Department

Note 1: Several positions are split between departments or funds, which accounts for the decimal numbers in various departments.

Table 16

City of Jacksonville, North Carolina
Operating Indicators by Function/Program
 Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015
General government					
Building permits issued (Note 1)	1,031	1,215	838	792	734
Number of residential units (Note 2)	356	440	210	111	132
Number of commercial units (Note 2)	64	100	184	220	209
Building inspections conducted (Note 1)	18,916	16,965	12,236	11,444	11,967
Business privilege licenses issued	4,827	5,106	4,686	5,093	3,546
Business privilege license collections	718,554	747,295	765,542	761,840	712,682
Zoning inspections conducted	2,672	2,741	2,049	4,470	3,792
Police (Note 3)					
Physical arrests	3,380	3,880	4,025	3,983	4,046
Traffic citations	27,687	29,292	23,255	15,327	15,622
Calls for service	106,132	111,355	99,576	74,749	76,153
Priority 1 response time (minutes/seconds)	8:52	4:37	3:14	3:16	3:16
Fire					
Emergency responses	2,525	2,636	2,018	2,783	3,358
Fires extinguished	196	164	126	121	133
Fire inspections conducted	1,819	1,745	1,946	1,867	3,228
Calls for service	15,490	16,695	18,613	19,926	36,205
Public Works					
Potholes repaired (Note 4)	4,491	483	168	157	503
Total street miles swept	1,798.0	702.2	4,680	3,708	4,518
Recreation and Parks					
After school program registrations	4,310	6,398	7,478	5,315	5,282
Athletic program registrations	3,617	3,560	3,263	4,261	5,265
Summer and adventure camp registrations	877	884	879	912	985
Senior citizen program registrations	514	465	483	418	552
Water					
Avg daily consumption (thousands of gallons)	3,928	3,865	3,574	3,470	3,470
Number of utility accounts	17,420	17,429	17,002	17,267	17,453
Wastewater					
Avg daily sewer treatment (thousands of gallons)	4,567	4,624	5,500	5,500	5,500
Solid Waste Disposal					
Refuse collected (residential/commercial tons/wk)	605.80	778.40	587.37	586.00	597
Yard waste collected (tons per week)	88.65	111.00	74.00	75.00	79
Recyclables collected (tons per fiscal year)	1,967	2,385	2,398	2,588	2,561
Stormwater					
Drainage ditches maintained (miles)	100.0	88.4	64.0	98.0	118
Transportation					
Jacksonville Transit System ridership (monthly average)	6,892	7,555	7,821	9,833	9,551

Source: City departments

Notes:

Note 1: The number of building permits issued includes only those issued for structures (single- and multi-family homes, mobile homes, commercial buildings, additions, and schools), and Certificate of Occupancy permits. It does not include swimming pools, signs, demolitions, and electrical, mechanical, and plumbing permits; however, these categories are included in the total for building inspections conducted. FY13 Building Inspections conducted was recorded in error in previous CAFR, corrected number is reflected in current table.

Note 2: The number of residential and commercial units does not correspond to the building permits issued because 1) building permits includes additions/alterations and Certificates of Occupancy, and 2) only one permit is issued for multi-family (apartment) buildings with multiple units.

Table 16
(continued)

City of Jacksonville, North Carolina
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020
General government					
Building permits issued (Note 1)	717	794	811	1,158	818
Number of residential units (Note 2)	118	78	108	86	101
Number of commercial units (Note 2)	202	269	210	454	214
Building inspections conducted (Note 1)	9,479	8,531	10,025	9,963	9,927
Business privilege licenses issued	410	431	357	323	318
Business privilege license collections	7,345	7,547	6,545	5,689	6,072
Zoning inspections conducted	3,021	3,340	3,681	1,118	957
Police (Note 3)					
Physical arrests	4,004	4,095	4,121	3,170	2,720
Traffic citations	12,316	12,913	14,482	15,383	13,601
Calls for service	45,142	42,298	53,550	147,447	52,146
Priority 1 response time (minutes/seconds)	3:15	3:09	3:27	3:21	3.22
Fire					
Emergency responses	3,775	3,375	4,012	4,522	4,153
Fires extinguished	112	111	155	171	143
Fire inspections conducted	3,304	2,883	3,056	3,480	3,344
Calls for service	42,415	39,430	39,020	38,934	35,398
Public Works					
Potholes repaired (Note 4)	2,182	1,423	1,354	1,353	1,978
Total street miles swept	3,378	5,532	2,503	1,506	1,350
Recreation and Parks					
After school program registrations	5,288	4,326	4,549	5,390	5,772
Athletic program registrations	6,595	5,890	6,939	5,195	2,541
Summer and adventure camp registrations	1,066	924	1,192	1,108	1,036
Adult program registrations	803	834	423	727	730
Water					
Avg daily consumption (thousands of gallons)	3,141	3,131	3,215	3,247	3,150
Number of utility accounts	17,662	17,761	17,957	18,039	18,116
Wastewater					
Avg daily sewer treatment (thousands of gallons)	6,500	4,900	4,900	6,524	5,086
Solid Waste Disposal					
Refuse collected (residential/commercial tons/wk)	566	633	786	692	909
Yard waste collected (tons per week)	78	79	93	98	118
Recyclables collected (tons per fiscal year)	2,615	2,480	2,764	2,492	2,467
Stormwater					
Drainage ditches maintained (miles)	79	59	67	105	106
Transportation					
Jacksonville Transit System ridership (monthly average)	10,868	11,427	11,647	10,385	10,383

Source: City departments

Notes (continued):

Note 3: Due to a conversion of data on July 16, 2013 there was data that was either lost or did not transfer correctly causing some information to be lost. The data for FY14 reflects the information that could be restored.

Note 4: Beginning in FY2012, only repairs on potholes measuring 12" or larger were documented.

Table 17

City of Jacksonville, North Carolina
Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015
General government					
Area (square miles)	54.85	55.35	55.35	55.85	55.89
Land/Buildings (dollars)	23,571,103	24,068,494	30,978,391	59,624,895	66,095,117
Police					
Stations	1	1	1	1	1
Police vehicles	149	144	144	144	144
Fire					
Stations	4	4	4	4	4
Fire Engines	9	11	10	10	10
Public Works					
Streets (miles) (Note 1)	150.90	150.90	150.90	154.11	155.25
Sidewalks (miles)	155.00	201.18	201.18	NA	NA
Recreation and Parks					
Parks	19	19	19	19	19
Acreage	267.40	267.40	267.40	267.40	265.40
Playgrounds	19	19	19	19	19
Athletic fields	21	21	21	21	21
Recreation centers	4	4	4	4	4
Splash pad	-	-	-	-	-
Marina	-	-	-	-	-
Water					
Water mains (miles)	271.00	272.13	310.00	310.00	318.00
Pump stations	42	42	45	45	45
Fire hydrants	2,156	2,184	2,184	2,401	2,406
Storage capacity (mil gallons)	5.9	5.9	5.9	5.9	5.9
Wastewater					
Sanitary sewers (miles)	253.98	255.62	291.22	291.22	291.00
Storm drainage ditches (miles)	100.00	88.36	64.00	98.00	118.00
Treatment capacity (mgd)	9.0	10.5	10.5	6.5	6.5
Solid Waste Disposal					
Sanitation trucks	18	20	20	28	28
Other sanitation vehicles	2	2	2	3	3

Source: City departments

Notes:

NA indicates data is not available.

Note 1: Street mileage includes those streets within the City limits that are maintained by the NC Department of Transportation (32.03 miles).

Table 17
(continued)

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020
General government					
Area (square miles)	55.89	55.94	56.00	56.00	56.27
Land/Buildings (dollars)	66,109,656	66,935,223	67,051,759	70,812,734	73,859,297
Police					
Stations	1	1	1	1	1
Police vehicles	145	144	154	166	160
Fire					
Stations	4	4	4	4	4
Fire Engines	11	11	11	11	12
Public Works					
Streets (miles) (Note 1)	187.28	187.28	187.88	216.20	196.00
Sidewalks (miles)	NA	NA	92.93	92.93	140.00
Recreation and Parks					
Parks	19	19	19	19	19
Acreage	265.40	265.40	265.40	265.40	265.40
Playgrounds	19	19	19	19	19
Athletic fields	21	21	21	21	21
Recreation centers	4	4	4	4	4
Splash pad	1	1	2	2	2
Marina	1	1	1	1	1
Water					
Water mains (miles)	318.00	318.00	318.00	319.49	319.90
Pump stations	45	45	45	45	45
Fire hydrants	2,406	2,407	2,407	2,407	2,490
Storage capacity (mil gallons)	5.9	5.9	5.9	5.9	5.9
Wastewater					
Sanitary sewers (miles)	291.00	300.00	300.00	271.73	272.45
Storm drainage ditches (miles)	118.00	118.00	92.93	88.33	106.00
Treatment capacity (mgd) (Note 2)	6.5	9.0	9.0	9.0	9.0
Solid Waste Disposal					
Sanitation trucks	24	23	23	27	24
Other sanitation vehicles (Note 3)	9	9	9	8	10

Source: City departments

COMPLIANCE SECTION

The Compliance Section contains various schedules and Auditor opinions reflecting Federal, State and Local matching participation in various projects and programs of the City. The Single Audit Amendments Act of 1996 established audit requirements for State and Local governments that receive Federal assistance. The audit requirements were established to insure that audits are conducted on an organization wide basis, rather than on a grant-by-grant basis.

**Report of Independent Auditor on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Honorable Mayor and City Council
City of Jacksonville
Jacksonville, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Jacksonville, North Carolina (the “City”), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated October 30, 2020. The financial statements of the Jacksonville Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’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 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’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement. 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cherny Bekaert LLP

Raleigh, North Carolina

October 30, 2020

**Report of Independent Auditor on Compliance for Each Major Federal Program and on
Internal Control over Compliance In Accordance with the OMB Uniform Guidance
and the State Single Audit Implementation Act**

To the Honorable Mayor and City Council
City of Jacksonville
Jacksonville, North Carolina

Report on Compliance for Each Major Federal Program

We have audited the City of Jacksonville, North Carolina's (the "City"), 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's major federal programs for the year ended June 30, 2020. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City'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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and the State Single Audit Implementation Act. 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 noncompliance 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's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe 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 on the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City 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 program for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the 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'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, noncompliance with a type of compliance requirement of a federal program, on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the 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.

Cherry Bekaert LLP

Raleigh, North Carolina
October 30, 2020

**Report of Independent Auditor on Compliance with Requirements
Applicable to Each Major State Program and Internal Control over Compliance in
Accordance with the OMB Uniform Guidance and the State Single Audit Implementation Act**

To the Honorable Mayor and City Council
City of Jacksonville
Jacksonville, North Carolina

Report on Compliance for each Major State Program

We have audited the City of Jacksonville, North Carolina (the “City”) compliance with the types of 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’s major state programs for the year ended June 30, 2020. The City’s major state program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major state program.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the City’s major state program 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; and applicable sections of *Title 2 US 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 noncompliance 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’s compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe 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’s compliance.

Opinion on Each Major State Program

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the City 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'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 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'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, noncompliance with a type of compliance requirement of a state program, on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. 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.

Chemy Bekaert LLP

Raleigh, North Carolina
October 30, 2020

CITY OF JACKSONVILLE, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

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 200.515(d)(2) with the Uniform Guidance? _____ Yes X No

CFDA

20.507

Program Name

Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B Programs:

\$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

CITY OF JACKSONVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

I – Summary of Auditor’s Results (continued)

State Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

Type of auditor’s report issued on compliance for major state programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with State Single Audit Implementation Act? _____ Yes X No

Identification of major State programs

Names of State Program or Cluster

Powell Bill

CITY OF JACKSONVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

Section II – Findings Related to the Audit of the Basic Financial Statements

None.

Section III – Federal Award Findings and Questioned Costs

None.

Section IV – State Award Findings and Questioned Costs

None.

CITY OF JACKSONVILLE, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2020

None.

CITY OF JACKSONVILLE, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2020

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Pass-Through or Grantor's Number	Expenditures			
			Federal	State	Pass-Through to Subrecipients	Local
FEDERAL AWARDS						
US Department of Housing & Urban Development						
Direct Program:						
Community Development Entitlement	14.218	B-17-MC-37-0014	105,802	\$ -	89,244	\$ -
Community Development Entitlement	14.218	B-18-MC-37-0014	262,999		241,573	-
CDBG-CV	14.218	B-20-MW-37-0014	24,431		-	-
Total US Department of HUD			393,232	-	330,817	-
US Department of Justice						
Direct Programs:						
Bulletproof Vest Partnership Grant	16.607		14,945	-	-	14,945
Justice Assistance Grant	16.738	2019-DJ-BX-0303	13,708	-	-	2,402
Justice Assistance Grant	16.738	2017-DJ-BX-0129	23,794	-	-	47
2019 BJA FY19 COSSAP Opioid Abuse Grant	16.838	2019-AR-BX-K077	29,801	-	-	-
Pass through: NC Department of Crime Control and Public Safety						
Jacksonville Police Crisis Mental Health Project 2019	16.575	2019-V2-GX-0067	70,892	-	-	970
Jacksonville PD Crisis Intervention Counselor	16.575	2016-VA-GX-0075	21,749	-	-	2,853
Total US Department of Justice			174,888	-	-	21,217
US Department of Transportation						
Direct Programs:						
Federal Transit Formula Grants (Urbanized Area Formula Program)	20.507		M 626,787	-	-	181,189
2020 Transit Cares Project	20.507		659,361	-	-	-
Pass through: NC Department of Transportation						
NC Governor's Highway Safety Program FY2020	20.616	2000035821	288	-	-	-
NC GHSP Overtime Grant FY2020	20.600	2000034513	5,285	-	-	-
Section 5303 Grant	20.505	2000035237	28,000	3,499		3,500
Transportation Enhancement	20.205	EB-47054434	-	-	-	-
104-F Transportation Grant	20.205-5	N/A	M 225,133	-	-	56,283
Total US Department of Transportation			1,544,854	3,499	-	240,972
US Department of Homeland Security						
Pass through: NC Department of Crime Control and Public Safety						
Disaster Assistance	97.036	FEMA-4393-DR-NC	279,535	93,178	-	-
Total US Department of Homeland Security			279,535	93,178	-	-
US Environmental Protection Agency						
Pass through: NC Community Conservation Assistance Program						
Carteret & Onslow CCAP 319 Grant	66.460	67-2020-900	38,995			205,221
Total US Environmental Protection Agency			38,995	-	-	205,221
US Department of Agriculture						
Natural Resources Conservation Service	10.923	NR204532XXXXC016	596	-	-	-
Total US Department of Agriculture			596	-	-	-
US Department of the Interior						
Pass through: NC Department of Environmental Quality						
NC Division of Coastal Management	15.605	F16AP00098	20,000	-	-	-
Total US Department of the Interior			20,000	-	-	-

(Continued)

CITY OF JACKSONVILLE, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)
For the Fiscal Year Ended June 30, 2020

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Pass-Through or Grantor's Number	Expenditures			
			Federal	State	Pass-Through to Subrecipients	Local
STATE GRANTS (all direct):						
NC Department of Public Safety						
Division of Adult Correction & Juvenile Justice						
Juvenile Transportation Program		N/A	-	469	-	-
Total NC Department of Public Safety			-	469	-	-
NC Parks & Recreation Trust Fund						
Division of Parks & Recreation						
PART F Grant - Jacksonville Marina		2017-833	-	15,083	-	90,841
Total NC Parks & Recreation Trust Fund			-	15,083	-	90,841
NC Department of Transportation						
Non-State System Street Aid Allocation		N/A	-	604,438	-	-
State Maintenance Assistance Program		N/A	-	126,891	-	126,891
Total NC Department of Transportation			-	731,329	-	126,891
NC Department of Natural and Cultural Resources						
Clean Water Management Trust Fund				114,647		139,419
NC Arts Council-Grass Roots Arts Program		N/A	-	804	-	-
Total NC Dept. of Natural and Cultural Resources			-	115,451	-	139,419
NC Department of Military and Veteran Affairs						
NCMAC Community Grant		2017-GOV-0001	-	5,552	-	-
Total NC Dept. of Military and Veteran Affairs			-	5552	-	-
Total federal expenditures			\$	2,452,100		
Total state expenditures				\$	964,561	
Total pass-through to subrecipients expenditures					\$	330,817
Total local expenditures						\$ 824,561

M indicates major federal program

See Notes to the Schedule of Expenditures of Federal and State Awards.

City of Jacksonville, North Carolina

Notes to the Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended June 30, 2020

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (the "Schedule") includes the federal and State award activity of City of Jacksonville, North Carolina, primary government, under programs of the federal and State government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the 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. Because the Schedule presents only a selected portion of the operations of City of Jacksonville, it is not intended to and does not present the financial position, changes in net assets, or cash flows of City of Jacksonville.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has not adopted the 10% de minimus indirect cost rate allowed under Uniform Guidance.