

**REVIEWED**

***By SLGFD at 11:27 am, Feb 03, 2022***

**TOWN OF MIDDLEBURG, NORTH CAROLINA**

**FINANCIAL STATEMENTS**

**JUNE 30, 2021**

**City Council Members**

Ray Bullock, Mayor

Ruth Nance

Mamie Turner

Ann Fudge, Clerk

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**TABLE OF CONTENTS**  
**JUNE 30, 2021**

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<b><u>EXHIBIT</u></b>	<b><u>PAGE</u></b>
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-7
Basic Financial Statements	
Government-Wide Financial Statements	
1 Statement of Net Position	8
2 Statement of Activities	9
Fund Financial Statements	
3 Balance Sheet – Governmental Funds	10-11
4 Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	12-13
5 Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	14
Notes to the Financial Statements	15-23
Combining and Individual Fund Statements and Schedules	
Governmental Funds	
A-1 Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	24-26
Other Schedules	
B-1 Schedule of Ad Valorem Taxes Receivable	27
B-2 Analysis of Current Tax Levy	28



## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Town Council of the  
Town of Middleburg  
Middleburg, North Carolina

We have audited the accompanying financial statement of the governmental activities and each major fund of the Town of Middleburg, North Carolina as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and each major fund, and the aggregate remaining fund information of the Town of Middleburg, North Carolina, as of June 30, 2021, and the respective changes in financial position 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.

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## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 3-7 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 operating, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistence 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 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 Town of Middleburg, North Carolina. The combining and individual fund statements, budgetary schedules, and other schedules 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 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 addition procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements a whole.

*Koonce, Wooden & Haywood, LLP*

Raleigh, North Carolina  
January 3, 2022

## Management's Discussion and Analysis

As management of the Town of Middleburg, we offer readers of the Town of Middleburg's financial statements this narrative overview and analysis of the financial activities of the Town of Middleburg for the fiscal year ended June 30, 2021. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

## Financial Highlights

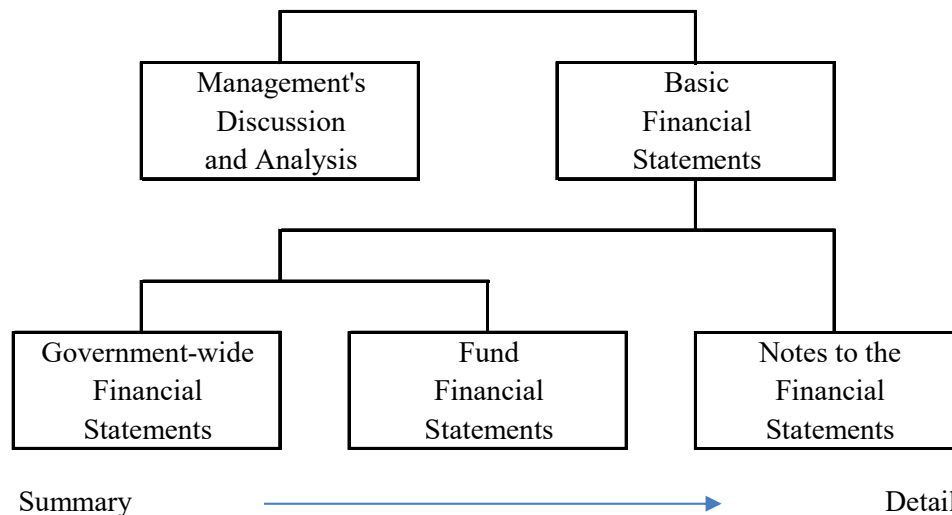
- The assets and deferred outflows of resources of the Town of Middleburg exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$350,711 (net position).
- The government's total net position increased by \$22,777 primarily due to general government expenditures being below budget.
- As of the close of the current fiscal year, the Town of Middleburg's governmental funds reported combined ending fund balances of \$190,991 an increase of \$23,643 in comparison with the prior year. Approximately 78.04 percent of this total amount, or \$149,052, 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 \$149,052, or 313.62 percent of total general fund expenditures for the fiscal year.

## Overview of the Financial Statements

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

## Required Components of Annual Financial Report

**Figure 1**



## Basic Financial Statements

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

The next statements (Exhibits 3 through 5) are Fund Financial Statements. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the budgetary comparison statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the Town's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

## Government-Wide Financial Statements

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

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

The government-wide statements are divided into one category: 1) governmental activities. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The government-wide financial statements are on Exhibits 1 and 2 of this report.

## Fund Financial Statements

The fund financial statements (see Figure 1) provide a more detailed look at the Town's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Middleburg, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance.

**Governmental Funds** – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Town's programs. The relationship between government activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Town of Middleburg adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

**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 15 of this report.

### Government-Wide Financial Analysis

#### Town of Middleburg's Net position Figure 2

	Governmental Activities		Total	
	2021	2020	2021	2020
Current and other assets	\$ 197,116	\$ 169,122	\$ 197,116	\$ 169,122
Capital assets	160,579	165,257	160,579	165,257
Total assets	357,695	334,379	357,695	334,379
Current liabilities	6,984	4,345	6,984	4,345
Long-term liabilities	-	2,100	-	2,100
Total liabilities	6,984	6,445	6,984	6,445
Net position:				
Invested in capital assets, net of related debt	158,479	159,557	158,479	159,557
Restricted	41,939	43,930	41,939	43,930
Unrestricted	150,293	124,447	150,293	124,447
Total net position	\$ 350,711	\$ 327,934	\$ 350,711	\$ 327,934

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town of Middleburg exceeded liabilities by \$350,711 as of June 30, 2021. The Town's net position increased by \$22,777 for the fiscal year ended June 30, 2021. However, a portion (45.19%) reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment). The Town of Middleburg uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Middleburg's net investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Town of Middleburg's net position (11.96%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$150,293 is unrestricted.

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

- Expenses decreased from the prior year.
- This resulted in an increase in net position of \$22,777.

### Town of Middleburg Changes in Net position

Figure 3

	Governmental Activities		Total	
	2021	2020	2021	2020
Revenues:				
Program revenues:	\$ 12,160	\$ 13,355	\$ 12,160	\$ 13,355
Charges for services	5,893	6,443	5,893	6,443
Operating grants and contributions	-	-	-	-
General revenues:				
Property taxes	27,105	28,713	27,105	28,713
Unrestricted grants and contributions	26,219	22,845	26,219	22,845
Miscellaneous	4	4	4	4
Total revenues	71,381	71,360	71,381	71,360
Expenses:				
General government	35,205	39,733	35,205	39,733
Transportation	10,679	4,613	10,679	4,613
Environmental protection	2,720	2,120	2,720	2,120
Total expenses	48,604	46,466	48,604	46,466
Increase in net position	22,777	24,894	22,777	24,894
Net position, July 1	327,934	303,040	327,934	303,040
Net position, June 30	\$ 350,711	\$ 327,934	\$ 350,711	\$ 327,934

**Governmental activities** – Governmental activities increased the Town's net position by \$22,777 thereby accounting for 100% of the total increase in the net position of the Town of Middleburg.

### Financial Analysis of the City's Funds

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

**Governmental Funds** – The focus of the Town of Middleburg's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town of Middleburg's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the Town of Middleburg. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$149,052 while total fund balance reached \$190,991. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 313.62 percent of total General Fund expenditures, while total fund balance represents 401.87 percent of that same amount.

At June 30, 2021, the governmental funds of Town of Middleburg reported a combined fund balance of \$190,991, a 14.13 percent increase over last year.



**General Fund Budgetary Highlights:** During the fiscal year, the Town revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Revenues were more than the budgeted amounts by \$2,931 and expenditures were under budget by \$24,575 in total.

### Capital Asset and Debt Administration

**Capital assets** - The Town of Middleburg's investment in capital assets for its governmental activities as of June 30, 2021, totals \$160,579 (net of accumulated depreciation). These assets include buildings, roads, land, machinery and equipment, park facilities, sidewalks and vehicles.

#### Town of Middleburg's Capital Assets (Net of depreciation)

Figure 4

	Governmental Activities		Total	
	2021	2020	2021	2020
Land CIP	\$ 8,969	\$ 8,969	\$ 8,969	\$ 8,969
Net position, July 1	151,610	156,288	151,610	156,288
	<u>\$ 160,579</u>	<u>\$ 165,257</u>	<u>\$ 160,579</u>	<u>\$ 165,257</u>

Additional information on the Town's capital assets can be found in note II.A.4 of the Basic Financial Statements.

**Long-term Debt** – As of June 30, 2021, the Town of Middleburg has total debt outstanding of \$2,100. The entire amount is an intergovernmental loan from Vance County.

Additional information on the Town's long-term debt can be found in Note III.B.3.

### Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of the Town.

- High unemployment continues to be an ongoing concern.

### Budget Highlights for the Fiscal Year Ending June 30, 2022

#### Governmental Activities:

Budgeted revenues and expenditures for the year ending June 30, 2022 are \$70,610.

#### Requests for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Mayor, Town of Middleburg, P.O. Box 52, Middleburg, NC 27556.

## **BASIC FINANCIAL STATEMENTS**

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<u>PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES</u>	<u>TOTAL JUNE 30, 2021</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Investments	\$ 153,936	\$ 153,936
Restricted Cash and Investments	37,312	37,312
Taxes Receivable	1,020	1,020
Accrued Interest Receivable on Taxes	221	221
Accounts Receivable	4,627	4,627
Total Current Assets	<u>197,116</u>	<u>197,116</u>
<b>CAPITAL ASSETS</b>		
Land and construction in progress	8,969	8,969
Other capital assets, net of depreciation	151,610	151,610
Total Capital Assets	<u>160,579</u>	<u>160,579</u>
Total Assets	<u>\$ 357,695</u>	<u>\$ 357,695</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 4,884	\$ 4,884
Current Portion of Long-Term Debt	2,100	2,100
Total Current Liabilities	6,984	6,984
<b>LONG-TERM LIABILITIES</b>		
Notes Payable	-	-
Total Liabilities	-	-
<b>NET POSITION</b>		
Net investment in capital assets	158,479	158,479
Restricted for:		
Stabilization by State Statute	4,627	4,627
Streets	37,312	37,312
Unrestricted	150,293	150,293
Total Net Position	<u>\$ 350,711</u>	<u>\$ 350,711</u>

The accompany notes are an integral part of the financial statements

## **STATEMENT OF ACTIVITIES**

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions
Primary government:				
Governmental Activities:				
General government	\$ 35,205	\$ 11,360	\$ -	\$ -
Transportation	10,679	-	-	5,893
Environmental Protection	2,720	800	-	-
Cultural & Recreation	-	-	-	-
Total governmental activities	<u>\$ 48,604</u>	<u>\$ 12,160</u>	<u>\$ -</u>	<u>\$ 5,893</u>

General revenues:

    Taxes:

        Property taxes, levied for general purpose

    Unrestricted intergovernmental

    Unrestricted investment earnings

        Total general revenues, special items, transfers

Change in net assets

Net position - beginning

Net position - ending

The accompanying notes are an integral part of the financial statements

**Net (Expense)**  
**Revenue and Changes in Net Position**  
**Primary Government**

<b>Governmental</b>			
<b>Activities</b>		<b>Total</b>	
\$	(23,845)	\$	(23,845)
	(4,786)		(4,786)
	(1,920)		(1,920)
	-		-
	<u>(30,551)</u>		<u>(30,551)</u>
	27,105		27,105
	26,219		26,219
	4		4
	<u>53,328</u>		<u>53,328</u>
	22,777		22,777
	327,934		327,934
\$	<u>350,711</u>	\$	<u>350,711</u>

## **FUND FINANCIAL STATEMENTS**



**TOWN OF MIDDLEBURG, NORTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	MAJOR FUNDS	TOTALS
	GENERAL	GOVERNMENTAL FUNDS
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Investments	\$ 153,936	\$ 153,936
Restricted Cash and Investments	37,312	37,312
Taxes Receivable	1,020	1,020
Accounts Receivable	4,627	4,627
	<u>196,895</u>	<u>196,895</u>
Total Assets	<u>\$ 196,895</u>	<u>\$ 196,895</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Payroll taxes Payable	\$ 4,884	\$ 4,884
Total Current Liabilities	<u>4,884</u>	<u>4,884</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes Receivable	1,020	1,020
Total Noncurrent Liabilities	<u>1,020</u>	<u>1,020</u>
Total Liabilities	<u>5,904</u>	<u>5,904</u>
<b>FUND EQUITY</b>		
Fund Balance		
Restricted		
Stabilization by State Statue	4,627	4,627
Streets	37,312	37,312
Unassigned	149,052	149,052
Total Fund Equity	<u>190,991</u>	<u>190,991</u>
Total Liabilities and Fund Equity	<u>\$ 196,895</u>	<u>\$ 196,895</u>

**TOWN OF MIDDLEBURG, NORTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021**

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

Total equity and other credits (Exhibit 4)	\$ 190,991
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	160,579
Other long-term assets (accrued interest receivable from taxes) are not available to pay for current-period expenditures and therefore are deferred.	221
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds	(2,100)
Liabilities for earned revenues considered deferred inflows of resources in fund statements	1,020
Net position of governmental activities	\$ 350,711

The accompanying notes are an integral part of the financial statements

**TOWN OF MIDDLEBURG, NORTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

	MAJOR FUNDS	TOTAL
	GENERAL	GOVERNMENTAL FUNDS
REVENUES		
Ad Valorem Taxes	\$ 26,893	\$ 26,893
Unrestricted Intergovernmental Revenues	26,219	26,219
Restricted Intergovernmental Revenues	5,893	5,893
Sales and Services	12,160	12,160
Investment Earnings	4	4
	<u>71,169</u>	<u>71,169</u>
Total Revenues	<u>71,169</u>	<u>71,169</u>
EXPENDITURES		
General Government	30,527	30,527
Transportation and Utilities	10,679	10,679
Environmental Protection	2,720	2,720
Debt Service	3,600	3,600
	<u>47,526</u>	<u>47,526</u>
Total Expenditures	<u>47,526</u>	<u>47,526</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>23,643</u>	<u>23,643</u>
Net change in fund balance	23,643	23,643
FUND BALANCE		
Beginning of year - July 1	167,348	167,348
End of year - June 30	<u>\$ 190,991</u>	<u>\$ 190,991</u>

**TOWN OF MIDDLEBURG, NORTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

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

Net changes in fund balances - Exhibit 4	\$ 23,643
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This is the net effect of these differences in the treatment of long-term debt and related items.	3,600
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay's exceeded depreciation in the current period.	(4,678)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Change in deferred inflows of resources for property taxes receivable	226
Change in accrued interest receivable on taxes	(14)
Total changes in net position of governmental acitivities	\$ 22,777

The accompanying notes are an integral part of the financial statements

**TOWN OF MIDDLEBURG, NORTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	GENERAL FUND			VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL AMOUNTS	
REVENUES				
Ad Valorem Taxes	\$ 27,500	\$ 27,500	\$ 26,893	\$ (607)
Unrestricted Intergovernmental Revenues	21,325	21,325	26,219	4,894
Restricted Intergovernmental Revenues	6,550	6,550	5,893	(657)
Sales and Services	12,860	12,860	12,160	(700)
Investment Earnings	3	3	4	1
Total Revenues	68,238	68,238	71,169	2,931
EXPENDITURES				
General Government	48,421	49,284	30,527	18,757
Recreation	3,250	3,250	-	3,250
Transportation and Utilities	10,467	13,467	10,679	2,788
Environmental Protection	2,500	2,500	2,720	(220)
Debt Service	3,600	3,600	3,600	-
Total Expenditures	68,238	72,101	47,526	24,575
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	-	(3,863)	23,643	27,506
OTHER FINANCING SOURCES (USES)				
Appropriated Fund Balance		3,863	-	(3,863)
Total other financing sources (uses)	-	3,863	-	(3,863)
NET CHANGE IN FUND BALANCE				
	\$ -	\$ -	23,643	\$ 23,643
FUND BALANCE				
Beginning of Year - July 1			167,348	
End of Year - June 30			\$ 190,991	

The accompany notes are an integral part of the financial statements

## **NOTES TO THE FINANCIAL STATEMENTS**

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**June 30, 2021**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Town of Middleburg, North Carolina conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

The Town of Middleburg, North Carolina is a municipal corporation that is governed by an elected mayor and a Board of Commissioners. These financial statements present only the financial operations of the Town.

**B. Basis of Presentation**

*Government-wide Statements:* The statement of net position and the statement of activities display information about primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The Town of Middleburg had no business-type activities.

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

*Fund Financial Statements:* The fund financial statements provide information about the Town's funds. The emphasis of fund financial statements is on major governmental funds. The Town has only one fund, the General Fund.

The Town reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Town of Middleburg, North Carolina. The General Fund accounts 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 streets and highways, environmental protection, and general governmental services. The Town maintains a separate Powell Bill fund for accounting purposes. This fund has been consolidated into the General Fund for reporting purposes.

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**June 30, 2021**

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**C. Measurement Focus and Basis of Accounting**

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

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

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

The Town of Middleburg considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicle taxes are considered materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the Town of Middleburg are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues which are unearned at year-end are recorded as unearned revenues. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program.

It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical grants, and then by general revenues.



**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**June 30, 2021**

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**D. Budgetary Data**

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Grant Projects Special Revenue Fund. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any funds or that change functional appropriations by more than \$2,500. All amendments must be approved by the governing board and the Board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

**1. Deposits and Investments**

All deposits of the Town are made in board-designated official depositories and are secured as required by State law (G.S. 159-31). The Town may designate, as an official depository, any bank or savings association whose principle office is located in North Carolina. Also, the Town may establish time deposits such as NOW and Super NOW accounts, money market accounts and certificates of deposits.

State law (G.S. 159-30©) authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust. The securities of the NCCMT – Cash Portfolio, a SEC –registered (2a-7) money market mutual fund, are valued at fair value which is NCCMT's share price. The NCCMT-Term Portfolio's securities are valued at fair value. Because the NCCMT Government has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

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

**2. Cash and Cash Equivalents**

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

**3. Restricted Assets**

Powell Bill funds are classified as restricted cash because they can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through 136-41.4

Town of Middleburg Restricted Cash

Governmental Activities

General Fund

Streets

Total Restricted Cash

\$	37,312
\$	37,312

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**June 30, 2021**

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4. Ad Valorem Taxes Receivable

In accordance with State law (G.S. 105-347 and G.S. 159-13(a)), the Town levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, interest does not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2020. As allowed by State law, the Town has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization costs are as follows: land, \$1,000; buildings and improvements, \$5,000; infrastructure, \$20,000; computer software, \$5,000; and all other assets, \$2,500. Donated capital assets received prior to June 30, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015, are recorded at acquisition value. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets acquired prior to July 1, 2003, consist of the road network and water and sewer system assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	40
Infrastructure	40
Equipment and furniture	10
Vehicles	6
Computer software	5
Computer equipment	3

6. Deferred outflows/inflows of resource

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 Town has no items that meet this criterion. 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 Resource*, represents an acquisition of net position that applies to future period and so will not be recognized as revenue until then. The Town has one item that meet this criterion for this category – property taxes receivable.

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**June 30, 2021**

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7. Net position / Fund Balances

Net position

Net position in government-wide fund financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents a constraint on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

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

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

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

**Committed Fund Balance** – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town of Middleburg’s governing body (highest level of decision-making authority). Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

**Assigned fund balance** – portion of fund balance that the Town of Middleburg intends to use for specific purposes.

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

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**June 30, 2021**

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2021, the expenditures made in the Town's General Fund exceeded the authorized appropriations made by the governing board for the Environmental Protection Functions by \$220. These over-expenditures occurred because of timing of providing receipts and payment notifications to the bookkeeper to have budget information updated timely. Management and the Board will monitor spending more closely to ensure compliance in future years.

B. Noncompliance with North Carolina General Statutes

None.

III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Assets

1. Deposits

All the deposits of the Town are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized securities held by the Town's agents in these units' names. Under the pooling method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town's agents in their names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the pooling method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Pooling Method, the potential exists for under-collateralization, 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 Town has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2021, the Town's deposits had a carrying amount of \$ 191,248 and a bank balance of \$191,248. The bank balances were fully covered by federal depository insurance. At June 30, 2021, the Town's petty cash fund totaled \$ 0.

2. Receivables – Allowances for Doubtful Accounts

The amount presented in the Balance Sheet and the Statement of Net Position is net of the allowances for doubtful accounts.

General Fund:

Taxes receivable	\$ 1,020
Accounts receivable	4,627
Total Restricted Cash	<u>\$ 5,647</u>

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**June 30, 2021**

3. Capital Assets

Changes in General Fixed Assets

Capital asset activity for the Primary Government for the year ended June 30, 2021 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b><u>Governmental activities</u></b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 8,969	\$ -	\$ -	\$ 8,969
Construction in progress	-	-	-	-
Total capital assets not depreciated	8,969	-	-	8,969
<b>Capital assets being depreciated:</b>				
Buildings	199,984	-	-	199,984
Sidewalk	37,102	-	-	37,102
Total capital assets being depreciated	237,086	-	-	237,086
<b>Less accumulated depreciation for:</b>				
Buildings	67,811	3,750	-	71,561
Sidewalk	12,987	928	-	13,915
Total accumulated depreciation	80,798	\$ 4,678	\$ -	85,476
Total capital assets being depreciated, net	156,288			151,610
Total net position	\$ 165,257			\$ 160,579

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

General government	\$ 4,678
Total depreciation expense	\$ 4,678

B. Liabilities

1. Deferred Outflows and Inflows of Resources

Deferred inflow of resources at year end is comprised of the following:

	<u>Unavailable Revenue</u>
Taxes receivable	\$ 1,020
Total	\$ 1,020

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**June 30, 2021**

2. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries general liability and property insurance through the North Carolina League of Municipalities. The Town has a \$1,000,000 limit per each occurrence and a \$3,000,000 annual aggregate limit for all claims.

There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with NC General Statute 159-29, the Town Finance Officer is performance bonded through a commercial surety bond for \$100,000. The Mayor is also bonded for \$50,000. No other employees of the Town are authorized access to \$100 or more at any given time.

3. Long-Term Liabilities

a. Intergovernmental Loan

The Town obtained financing from Vance County, North Carolina to assist in the renovation and repairs of their rental building. The Town borrowed \$24,000 from the County. Beginning July 2016 the Town will repay the County \$300 per month until the loan is paid in full. Interest has been forgiven on the loan.

b. Changes in Long-Term Liabilities

	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>	<b>Current Portion of Balance</b>
<u>Governmental</u>					
Activities					
Intergovernmental					
Loan	\$ 5,700	\$ -	\$ 3,600	\$ 2,100	\$ 2,100
Total	<u>\$ 5,700</u>	<u>\$ -</u>	<u>\$ 3,600</u>	<u>\$ 2,100</u>	<u>\$ 2,100</u>

Annual debt service payments are as follows:

<u>Year</u>	
2023	\$ 2,100
Thereafter	-
	<u>\$ 2,100</u>

4. Fund Balance

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

Total Fund Balance – General Fund	\$ 190,991
Less:	
Stabilization by State Statute	4,627
Streets-Powell Bill	37,312
Remaining Fund Balance	<u>\$ 149,052</u>

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**June 30, 2021**

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**III. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

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

**IV. SIGNIFICANT EFFECTS OF SUBSEQUENT EVENTS**

The Town has evaluated events and transactions that occurred between June 30, 2021 and January 3, 2022, which is the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. On August 30, 2021, the Town received \$21,831 from NC PRO in funds through the American Rescue Plan. The Town is still exploring how it intends to use these funds.

## **COMBINING AND INDIVIDUAL FUND STATEMENTS**



**TOWN OF MIDDLEBURG, NORTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Ad Valorem Taxes			
Current year	\$ 27,500	\$ 25,708	\$ (1,792)
Prior years	-	1,047	1,047
Penalties and Interest	-	138	138
Total	27,500	26,893	(607)
Unrestricted Intergovernmental Revenues			
Local option sales tax	13,250	18,086	4,836
Franchise tax	7,500	7,586	86
Beer and wine tax	575	547	(28)
Total	21,325	26,219	4,894
Restricted Intergovernmental Revenues			
"State Street Aid" grant	6,550	5,893	(657)
Total	6,550	5,893	(657)
Sales and Services			
Fun Day income	1,500	-	(1,500)
Rental income	11,360	11,360	-
Miscellaneous	-	800	800
Total	12,860	12,160	(700)
Investment Earnings			
General Fund	1	-	(1)
Powell Bill	2	4	2
Total	3	4	1
Total Revenues	68,238	71,169	2,931

**TOWN OF MIDDLEBURG, NORTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES			
General Government			
Governing Body			
Board of Commissioners	\$ 3,900	\$ 3,975	\$ (75)
Mayor	1,600	1,600	-
Travel and meetings	650	100	550
Beautification	250	-	250
Elections	-	-	-
Total	6,400	5,675	725
Finance			
Town Clerk	4,600	4,125	475
Advertising	450	115	335
Professional services	10,000	9,525	475
Bank charges	200	60	140
Office supplies & printing	1,000	737	263
Insurance	3,563	3,564	(1)
Supplies	200	-	200
Dues and Subscriptions	1,200	836	364
Miscellaneous	500	300	200
Repairs	1,000	250	750
Travel and meetings	150	-	150
Postage	300	175	125
Payroll Taxes	773	-	773
Taxes - Other	2,100	2,710	(610)
Tax Collection Fee	250	-	250
Mowing Roland Park	1,200	1,480	(280)
Roland Park Equipment	500	-	500
Capital Outlay	13,698	-	13,698
Telephone	1,200	975	225
Total	42,884	24,852	18,032
Total General Government	49,284	30,527	18,757
Recreation			
Fun Day Expense	3,250	-	3,250

**TOWN OF MIDDLEBURG, NORTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Transportation and Utilities			
Streets and highways			
Street lights	\$ 4,600	\$ 3,379	\$ 1,221
Maintenance	1,250	-	1,250
Street repairs	7,617	7,300	317
	<u>13,467</u>	<u>10,679</u>	<u>2,788</u>
Total Transportation and Utilities	<u>13,467</u>	<u>10,679</u>	<u>2,788</u>
Environmental Protection			
Cemetery			
Mowing grass	2,500	2,720	(220)
	<u>2,500</u>	<u>2,720</u>	<u>(220)</u>
Total Environmental Protection	<u>2,500</u>	<u>2,720</u>	<u>(220)</u>
Debt Service			
Principal	3,600	3,600	-
	<u>3,600</u>	<u>3,600</u>	<u>-</u>
Total expenditures	<u>72,101</u>	<u>47,526</u>	<u>24,575</u>
REVENUES OVER (UNDER) EXPENDITURES	(3,863)	23,643	27,506
OTHER FINANCING SOURCES (USES)			
Fund Balance Appropriated	3,863	-	3,863
	<u>3,863</u>	<u>-</u>	<u>3,863</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>\$ -</u>	23,643	<u>\$ 23,643</u>
FUND BALANCE			
Beginning of year - July 1		167,348	
End of year - June 30		<u>\$ 190,991</u>	

The accompanying notes are an integral part of the financial statements

## **OTHER SCHEDULES**

**TOWN OF MIDDLEBURG, NORTH CAROLINA**  
**SCHEDULE OF AD VALOREM TAXES RECEIVABLE**  
**JUNE 30, 2021**

<u>FISCAL YEAR</u>	<u>UNCOLLECTED BALANCE JUNE 30, 2020</u>	<u>ADDITIONS</u>	<u>COLLECTIONS AND CREDITS</u>	<u>UNCOLLECTED BALANCE JUNE 30, 2021</u>
2020-2021		\$ 26,116	25,708	408
2019-2020	418		125	293
2018-2019	49	-	-	49
2017-2018	18		-	18
2016-2017	57		-	57
2015-2016	37		-	37
2014-2015	37		18	19
2013-2014	79		20	59
2012-2013	57		22	35
2011-2012	45		-	45
2010-2011	25		25	-
2007-2008	-		-	-
2006-2007	-		-	-
	<u>\$ 822</u>	<u>\$ 26,116</u>	<u>\$ 25,918</u>	<u>\$ 1,020</u>

Reconciliation with Revenues

Total Collections	\$ 26,893
Less: Interest and Advertising	(138)
Discounts and Adjustments	(862)
Taxes Written Off	25
Total Collection & Credits	<u>\$ 25,918</u>

**TOWN OF MIDDLEBURG, NORTH CAROLINA  
SUPPLEMENTARY INFORMATION  
ANALYSIS OF CURRENT TAX LEVY  
FOR THE YEAR ENDED JUNE 30, 2021**

	Town - wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxes at current year rate	\$ 5,837,778	0.45	\$ 26,270	\$ 22,933	\$ 3,337
Registered motor vehicles taxed at prior year rate	-	0.45	-	-	-
Total	5,837,778		26,270	22,933	3,337
Discoveries	116,444	0.45	524	524	-
Abatements	<u>(150,667)</u>	0.45	<u>(678)</u>	<u>(678)</u>	<u>-</u>
Total Property Valuation	<u><u>\$ 5,803,555</u></u>				
Net Levy			26,116	22,779	3,337
Uncollected taxes at June 30, 2021			<u>(408)</u>	<u>(408)</u>	<u>-</u>
Current year taxes collected			<u><u>\$ 25,708</u></u>	<u><u>\$ 22,371</u></u>	<u><u>\$ 3,337</u></u>
Current levy collection percentage			<u><u>98.44%</u></u>	<u><u>98.21%</u></u>	<u><u>100.00%</u></u>