

TOWN OF WHITEVILLE, TENNESSEE

BASIC FINANCIAL STATEMENTS
AND ACCOMPANYING INFORMATION

June 30, 2023

JONES & JONES
CERTIFIED PUBLIC ACCOUNTANTS
OF BOONEVILLE, P.A.
BOONEVILLE, MISSISSIPPI 38829-0250

TOWN OF WHITEVILLE, TENNESSEE
Basic Financial Statements
Table of Contents
June 30, 2023

| <u>Description</u> | <u>Page No.</u> |
|---|-----------------|
| Table of Contents | -- |
| Roster of Publicly Elected Officials, Management Officials and Audit Committee Members (Unaudited) | -- |
| Independent Auditors' Report | 1-3 |
| Required Supplementary Information | |
| Management's Discussion and Analysis | 4-16 |
| Schedule 1 – Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employees Pension Plan of the TCRS | 69 |
| Schedule 2 – Schedule of Contributions Based on Participation in the Public Employee Pension Plan of the TCRS | 70-71 |
| Basic Financial Statements | |
| Government-Wide Financial Statements | |
| Statement 1 – Statement of Net Position | 17 |
| Statement 2 – Statement of Activities | 18 |
| Fund Financial Statements | |
| Statement 3 – Governmental Funds – Balance Sheet and Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position | 19-20 |
| Statement 4 – Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances and Reconciliation of Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities | 21-22 |
| Statement 5 – Proprietary Fund – Statement of Net Position | 23-24 |
| Statement 6 – Proprietary Fund – Statement of Revenues, Expenses and Changes in Fund Net Position | 25-26 |

TOWN OF WHITEVILLE, TENNESSEE
Basic Financial Statements
Table of Contents
June 30, 2023

| <u>Description</u> | <u>Page No.</u> |
|--|-----------------|
| Basic Financial Statements - continued | |
| Statement 7 – Proprietary Fund – Statement of Cash Flows | 27-28 |
| Statement 8 – Fiduciary Fund – Statement of Fiduciary Net Position | 29 |
| Statement 9 – Fiduciary Fund – Statement of Changes in Fiduciary Net Position | 30 |
| Statement 10 – General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual | 31-37 |
| Notes to the Financial Statements | 38-68 |
| Other Supplementary Information | |
| Schedule 3 – Nonmajor Governmental Funds – Combining Balance Sheet | 72 |
| Schedule 4 – Nonmajor Governmental Funds – Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 73 |
| Schedule 5 – Schedule of General Long-Term Debt Principal and Interest Requirements by Fiscal Year | 74 |
| Schedule 6 – Schedule of Long-Term Debt Principal and Interest Requirements by Fiscal Year – Water and Sewer Fund | 75 |
| Schedule 7 – Schedule of Changes in Long-Term Debt by Individual Issue | 76 |
| Schedule 8 – Schedule of Interfund Transfers and Due to Other Funds | 77 |
| Schedule 9 – Schedule of Changes in Property Taxes Receivable | 78 |
| Schedule 10 – Schedule of Expenditures of Federal Awards and State Financial Assistance | 79-80 |
| Schedule 11 – Table of Utility Rates in Force and Number of Customers (Unaudited) | 81 |
| Schedule 12 – Schedule of Changes in Lease Obligations | 82 |

TOWN OF WHITEVILLE, TENNESSEE
Basic Financial Statements
Table of Contents
June 30, 2023

| <u>Description</u> | <u>Page No.</u> |
|---|-----------------|
| Other Supplementary Information - continued | |
| Schedule 12A – Schedule of Lease Obligations, Principal and Interest Requirements by Fiscal Year | 83 |
| Schedule 13 – Assessed Value and Estimated Actual Value of Taxable Property (Unaudited) | 84 |
| Schedule 14 – Table of Outstanding Delinquent Taxes Filed with Chancery Clerk (Unaudited) | 85 |
| Schedule 15 – Other Nonmajor Governmental Funds – Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual | 86-87 |
| Schedule 16 – Schedule of Official Bonds of Public Officials | 88 |
| Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 89-90 |
| Schedule of Findings and Responses | 91-95 |
| Results of Prior Audit Findings | 96 |
| Management's Corrective Action Plan | 97-99 |

TOWN OF WHITEVILLE, TENNESSEE
Roster of Publicly Elected Officials, Management Officials and
Audit Committee Members
June 30, 2023
(Unaudited)

PUBLICLY ELECTED OFFICIALS

TITLE

| | |
|----------------------|---------------------------|
| Gene Bowden | Mayor |
| Ocie Holmes | Aldersperson – Vice Mayor |
| Jimmie Lee Robertson | Aldersperson - Treasurer |
| Debbie Burkeen | Aldersperson |
| Jessie Giles | Aldersperson |
| Ernest Pirtle | Aldersperson |
| Tommy Turner | Aldersperson |

MANAGEMENT OFFICIALS

| | |
|------------------|---------------|
| Angelous Simmons | Town Recorder |
|------------------|---------------|

AUDIT COMMITTEE MEMBERS

| | |
|--------------|---------------------|
| Odell Greene | Committee Chair |
| Lena Parker | Committee Secretary |
| Chandra Lake | Committee Member |
| Cory Buford | Committee Member |
| Tommy Turner | Committee Member |

JONES & JONES
CERTIFIED PUBLIC ACCOUNTANTS
OF BOONEVILLE PA

Kermit V Jones Jr., C.P.A.

Jeremy D. Jones, C.P.A.

David W. Jones, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Board of Alderpersons
Town of Whiteville, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Whiteville, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Whiteville, Tennessee's basic financial statements as listed in the table of contents.

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, each major fund, and the aggregate remaining fund information of the Town of Whiteville, Tennessee, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows and the respective budgetary comparison for the General Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Whiteville, Tennessee and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Whiteville, Tennessee's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Whiteville, Tennessee's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Whiteville, Tennessee's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the municipal employees' pension fund information on pages 4-16 and 69-71 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Whiteville, Tennessee's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, schedules, and other supplemental information listed in the table of contents as 3 through 10, and 12 through 12A, and 15 through 16, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards and state financial assistance, and other supplementary information listed in the table of contents as Schedules 3 through 10, and 12 through 12A, and 15 through 16, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

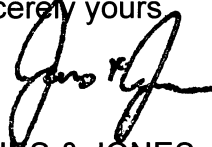
Management is responsible for the other information included in the annual report. The other information comprises the items listed in the table of contents as Roster of Publicly Elected Officials, Management Officials, and Audit Committee Members and Schedules 11 and 13 through 14 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2024, on our consideration of the Town of Whiteville, Tennessee'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Whiteville, Tennessee's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Whiteville, Tennessee's internal control over financial reporting and compliance.

Sincerely yours,



JONES & JONES
Certified Public Accountants
of Booneville, P.A.
Booneville, Mississippi

February 12, 2024

TOWN OF WHITEVILLE, TENNESSEE MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Whiteville, Tennessee, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the Town's financial statements, which follow this section.

Financial Highlights

The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$10,748,026 (net position). Of this amount, \$4,741,869 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net position increased by \$939,503.

As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$1,687,797, an increase of \$341,135 in comparison with the prior year. Approximately 77.5 percent of this total amount, or \$1,307,816, is available for spending at the government's discretion (unassigned fund balance).

At the close of the current fiscal year, unassigned fund balance for the general fund was \$1,307,816 or 68.7 percent of total general fund expenditures.

The Town had fixed asset additions of \$984,931 during the current year. Of this amount, \$504,800 occurred in the general fund.

The Town's total debt increased by \$65,465 (approximately 742.7 percent) during the current fiscal year. This increase was due to acquiring new lease agreements. New debt, including lease obligations totaling \$79,775, was issued during the current year.

The Town's property tax millage rate was 86.21 mills for the 2022 taxes and 63.03 mills for the 2023 taxes.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private sector business.

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

Overview of the Financial Statements – continued

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, parks and recreation, and community development. The business-type activities of the Town include water and sewer operations and solid waste collection operations.

The government-wide financial statements include not only the Town itself (known as the primary government), but also a legally separate authority—the Town of Whiteville Industrial Development Board, the Planning Committee Board, the Library Board, the Audit Committee, and the Cemetery Board. These boards, although legally separate, have no separate financial transactions. Any expenses associated with these component units are budgeted in and paid for by the general fund.

The government-wide financial statements can be found on pages 17 – 18 of this report.

Fund financial statements. 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Overview of the Financial Statements – continued

Governmental funds – continued. The Town maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund which are considered to be a major fund. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for its general fund and its special revenue funds. Budgetary comparison schedules for the general fund has been provided in the financial statements on pages 31 – 37 to demonstrate compliance with those budgets. The Town had no major special revenue fund which required budget comparison schedules. The Town also presents non-major governmental fund budgetary comparison schedules on pages 86 – 87 as required by the State of Tennessee Department of Audit *Audit Manual*.

The basic governmental fund financial statements can be found on pages 19 – 22 of this report.

Proprietary funds. The Town maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer operations and its solid waste collection operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations and the sanitation operations. The water and sewer fund is considered to be a major fund of the Town. The sanitation fund is considered to be a non-major fund of the Town.

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

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

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 38 – 68 of this report.

Overview of the Financial Statements – continued

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This is limited to the municipal employees pension fund. Required supplementary information can be found on pages 69 - 71 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 72 – 73 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Whiteville, assets exceeded liabilities by \$10,748,026 at the close of the most recent fiscal year.

By far the largest portion of the Town's net position (54.5% or \$5,854,521) reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position (approximately 1.4% or \$151,636) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (approximately 44.1% or \$4,741,869) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

The government's net position increased by \$939,503 during the current fiscal year. This increase was mainly due to changes in net position of \$644,748 in governmental activities and \$294,755 in business-type activities. There were no transfers between governmental activities and business type activities during the current year.

Government-wide Financial Analysis - continued

Town of Whiteville, Tennessee's Net Position

| | Governmental Activities | | | | Business-Type Activities | | | | Total | | | |
|--------------------------------------|-------------------------|---------------------|-------------------|--------------|--------------------------|---------------------|-------------------|-------------|----------------------|---------------------|-------------------|-------------|
| | 2023 | 2022 | Increase | % | 2023 | 2022 | Increase | % | 2023 | 2022 | Increase | % |
| | | | (Decrease) | Change | | | (Decrease) | Change | | | (Decrease) | Change |
| Current and other assets | \$ 2,657,503 | \$ 2,356,489 | \$ 301,014 | 12.8% | \$ 3,344,234 | \$ 2,989,942 | \$ 354,292 | 11.8% | \$ 6,001,737 | \$ 5,346,431 | \$ 655,306 | 12.3% |
| Capital assets | 2,484,639 | 2,120,840 | 363,799 | 17.2% | 3,444,161 | 3,198,587 | 245,574 | 7.7% | 5,928,800 | 5,319,427 | 609,373 | 11.5% |
| Total Assets | 5,142,142 | 4,477,329 | 664,813 | 14.8% | 6,788,395 | 6,188,529 | 599,866 | 9.7% | 11,930,537 | 10,665,858 | 1,264,679 | 11.9% |
| Total Deferred Outflows of Resources | 304,289 | 257,962 | 46,327 | 18.0% | 83,626 | 61,551 | 22,075 | 35.9% | 387,915 | 319,513 | 68,402 | 21.4% |
| Long-term liabilities outstanding | 185,552 | 29,963 | 155,589 | 519.3% | 73,234 | 4,624 | 68,610 | 1483.8% | 258,786 | 34,587 | 224,199 | 648.2% |
| Other liabilities | 649,936 | 502,179 | 147,757 | 29.4% | 365,893 | 52,454 | 313,439 | 597.6% | 1,015,829 | 554,631 | 461,198 | 83.2% |
| Total Liabilities | 835,488 | 532,142 | 303,346 | 57.0% | 439,127 | 57,078 | 382,049 | 669.3% | 1,274,615 | 589,218 | 685,397 | 116.3% |
| Total Deferred Inflows of Resources | 285,205 | 522,159 | (236,954) | -45.4% | 10,606 | 65,469 | (54,863) | 0.0% | 295,811 | 587,628 | (291,817) | -49.7% |
| Net Position | | | | | | | | | | | | |
| Net investment in capital assets | 2,443,457 | 2,112,026 | 331,431 | 15.7% | 3,411,064 | 3,198,587 | 212,477 | 6.6% | 5,854,521 | 5,310,613 | 543,908 | 10.2% |
| Restricted | 72,480 | 120,903 | (48,423) | -40.1% | 79,156 | 78,802 | 354 | 0.4% | 151,636 | 199,705 | (48,069) | -24.1% |
| Unrestricted | 1,809,801 | 1,448,061 | 361,740 | 25.0% | 2,932,068 | 2,850,144 | 81,924 | 2.9% | 4,741,869 | 4,298,205 | 443,664 | 10.3% |
| Total Net Position | \$ 4,325,738 | \$ 3,680,990 | \$ 644,748 | 17.5% | \$ 6,422,288 | \$ 6,127,533 | \$ 294,755 | 4.8% | \$ 10,748,026 | \$ 9,808,523 | \$ 939,503 | 9.6% |

Town of Whiteville, Tennessee's Changes in Net Position

| | Governmental Activities | | | | Business-Type Activities | | | | Total | | | |
|------------------------------------|-------------------------|---------------------|-------------------|--------------|--------------------------|---------------------|-------------------|--------------|---------------------|---------------------|-------------------|--------------|
| | 2023 | 2022 | Increase | % | 2023 | 2022 | Increase | % | 2023 | 2022 | Increase | % |
| | | | (Decrease) | Change | | | (Decrease) | Change | | | (Decrease) | Change |
| Revenue | | | | | | | | | | | | |
| Program Revenues | | | | | | | | | | | | |
| Charges for services | \$ 189,838 | \$ 206,851 | \$ (17,013) | -8.2% | \$ 1,145,768 | \$ 1,120,268 | \$ 25,500 | 2.3% | \$ 1,335,606 | \$ 1,327,119 | \$ 8,487 | 0.6% |
| Operating grants and contributions | 658,870 | 369,185 | 289,685 | 78.5% | 50,000 | 20,000 | 30,000 | 150.0% | 708,870 | 389,185 | 319,685 | 82.1% |
| Capital grants and contributions | 130,897 | 50,155 | 80,742 | 161.0% | 239,635 | 7,545 | 232,090 | 3076.1% | 370,532 | 57,700 | 312,832 | 542.2% |
| General Revenues | | | | | | | | | | | | |
| Taxes | | | | | | | | | | | | |
| Property taxes and late fees | 244,866 | 246,942 | (2,076) | -0.8% | - | - | - | 0.0% | 244,866 | 246,942 | (2,076) | -0.8% |
| Sales tax | 797,293 | 583,103 | 214,190 | 36.7% | - | - | - | 0.0% | 797,293 | 583,103 | 214,190 | 36.7% |
| Beer tax | 70,423 | 68,470 | 1,953 | 2.9% | - | - | - | 0.0% | 70,423 | 68,470 | 1,953 | 2.9% |
| Liquor tax | 11,983 | - | 11,983 | 0.0% | - | - | - | 0.0% | 11,983 | - | 11,983 | 0.0% |
| Franchise tax | 15,968 | 20,916 | (4,948) | -23.7% | - | - | - | 0.0% | 15,968 | 20,916 | (4,948) | -23.7% |
| In lieu taxes | 54,875 | 27,077 | 27,798 | 102.7% | - | - | - | 0.0% | 54,875 | 27,077 | 27,798 | 102.7% |
| State direct appropriations | - | 43,159 | (43,159) | -100.0% | - | - | - | 0.0% | - | 43,159 | (43,159) | -100.0% |
| Investment income | 22,427 | 2,790 | 19,637 | 703.8% | 13,676 | 3,371 | 10,305 | 305.7% | 36,103 | 6,161 | 29,942 | 486.0% |
| Miscellaneous | 29,335 | 15,053 | 14,282 | 94.9% | 2,315 | 19 | 2,296 | 12084.2% | 31,650 | 15,072 | 16,578 | 110.0% |
| Total revenue | \$ 2,226,775 | \$ 1,633,701 | \$ 593,074 | 36.3% | \$ 1,451,394 | \$ 1,151,203 | \$ 300,191 | 26.1% | \$ 3,678,169 | \$ 2,784,904 | \$ 893,265 | 32.1% |

Government-wide Financial Analysis - continued

Town of Whiteville, Tennessee's Changes in Net Position - continued

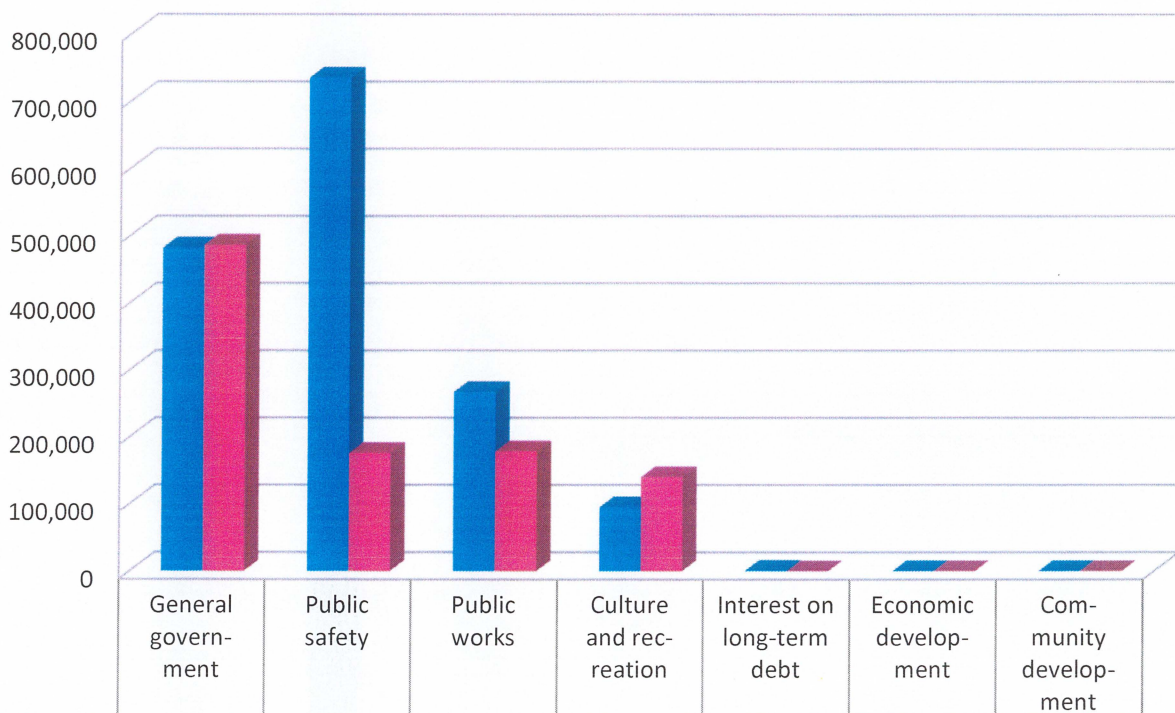
| | Governmental Activities | | | | Business-Type Activities | | | | Total | | | |
|-------------------------------------|---------------------------|---------------------------|--------------------------|-------------|---------------------------|---------------------------|--------------------------|-------------|-----------------------------|---------------------------|--------------------------|-------------|
| | 2023 | 2022 | Increase (Decrease) | % Change | 2023 | 2022 | Increase (Decrease) | % Change | 2023 | 2022 | Increase (Decrease) | % Change |
| Expenses: | | | | | | | | | | | | |
| General government | \$ 481,391 | \$ 492,786 | \$ (11,395) | -2.3% | \$ - | \$ - | \$ - | 0.0% | \$ 481,391 | \$ 492,786 | \$ (11,395) | -2.3% |
| Public safety | 734,346 | 667,953 | 66,393 | 9.9% | - | - | - | 0.0% | 734,346 | 667,953 | 66,393 | 9.9% |
| Public works | 267,002 | 325,936 | (58,934) | -18.1% | - | - | - | 0.0% | 267,002 | 325,936 | (58,934) | -18.1% |
| Culture and recreation | 95,137 | 91,860 | 3,277 | 3.6% | - | - | - | 0.0% | 95,137 | 91,860 | 3,277 | 3.6% |
| Interest | 1,063 | 6,297 | (5,234) | -83.1% | - | - | - | 0.0% | 1,063 | 6,297 | (5,234) | -83.1% |
| Water and sewer | - | - | - | 0.0% | 1,043,607 | 997,964 | 45,643 | 4.6% | 1,043,607 | 997,964 | 45,643 | 4.6% |
| Sanitation | - | - | - | 0.0% | 113,032 | 100,879 | 12,153 | 12.0% | 113,032 | 100,879 | 12,153 | 12.0% |
| Total expenses | <u>1,578,939</u> | <u>1,584,832</u> | <u>(5,893)</u> | -0.4% | <u>1,156,639</u> | <u>1,098,843</u> | <u>57,796</u> | 5.3% | <u>2,735,578</u> | <u>2,683,675</u> | <u>51,903</u> | 1.9% |
| Increase (decrease) in net position | | | | | | | | | | | | |
| before contributions and transfers | 647,836 | 48,869 | 598,967 | 1225.7% | 294,755 | 52,360 | 242,395 | 462.9% | 942,591 | 101,229 | 841,362 | 831.1% |
| Gain on disposition of fixed assets | (3,088) | 58,446 | (61,534) | -105.3% | - | 1,424 | (1,424) | -100.0% | (3,088) | 59,870 | (62,958) | -105.2% |
| Transfers | - | - | - | 0.0% | - | - | - | 0.0% | - | - | - | 0.0% |
| Increase (decrease) in net position | 644,748 | 107,315 | 537,433 | 500.8% | 294,755 | 53,784 | 240,971 | 448.0% | 939,503 | 161,099 | 778,404 | 483.2% |
| Net position--beginning of year | <u>3,680,990</u> | <u>3,573,675</u> | <u>107,315</u> | 3.0% | <u>6,127,533</u> | <u>6,073,749</u> | <u>53,784</u> | 0.9% | <u>9,808,523</u> | <u>9,647,424</u> | <u>161,099</u> | 1.7% |
| Net position--end of year | <u>\$4,325,738</u> | <u>\$3,680,990</u> | <u>\$ 644,748</u> | 17.5% | <u>\$6,422,288</u> | <u>\$6,127,533</u> | <u>\$ 294,755</u> | 4.8% | <u>\$ 10,748,026</u> | <u>\$9,808,523</u> | <u>\$ 939,503</u> | 9.6% |

Government-wide Financial Analysis - continued

Governmental activities. Governmental activities increased the Town's net position by \$644,748. By comparison, governmental activities reported an increase in net position the previous fiscal year of approximately \$107,315. Key elements of the changes are as follows:

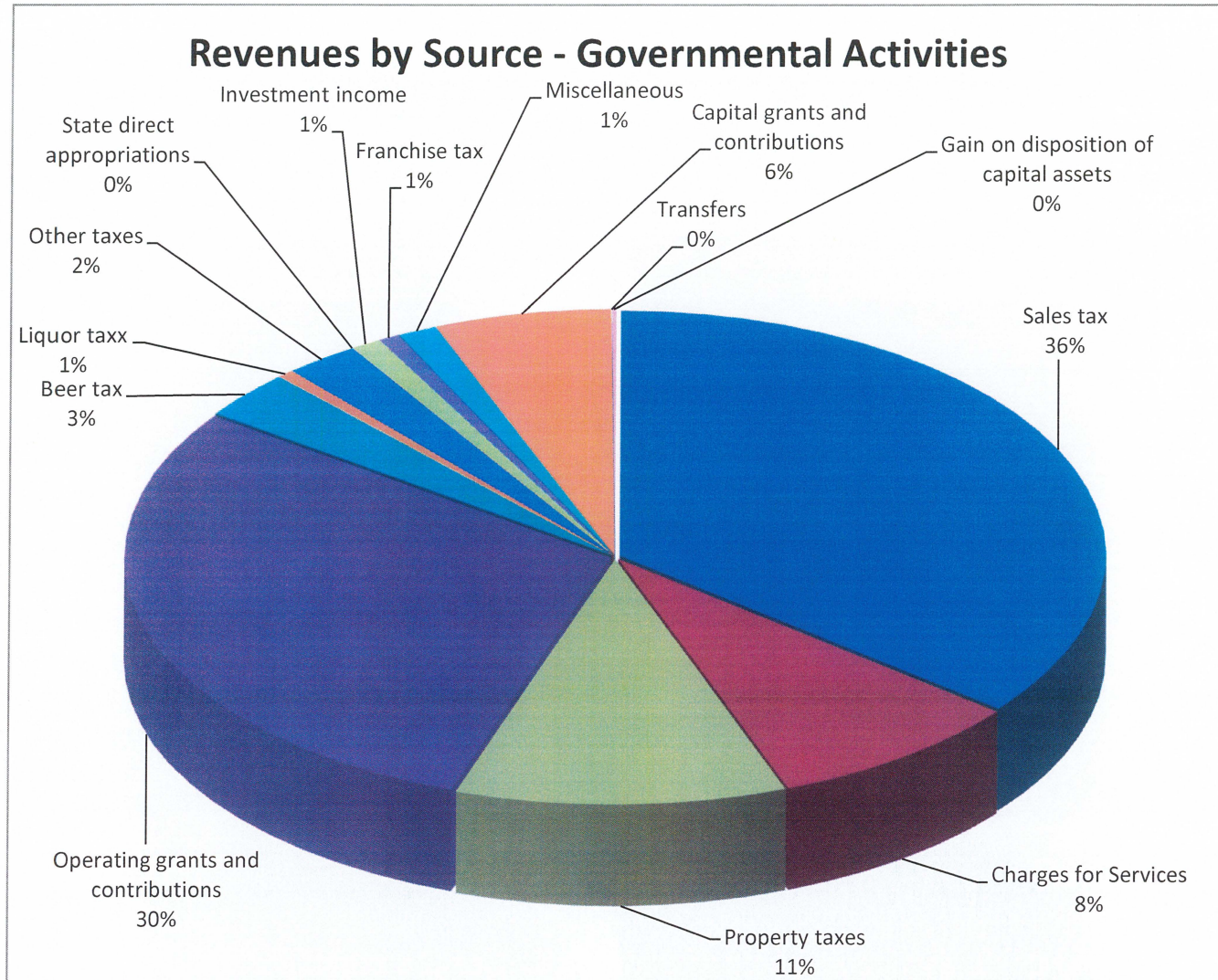
During the current year, the Town's governmental activities revenues increased by \$593,074, detailed on page 8. The Town's governmental activities expenses decreased by \$5,893 as detailed on page 9. Details of individual line item changes are shown on pages 8 and 9.

Expenses and Program Revenues - Governmental Activities



| | | | | | | | |
|------------|---------|---------|---------|---------|-------|---|---|
| ■ Expenses | 481,391 | 734,346 | 267,002 | 95,137 | 1,063 | - | - |
| ■ Revenues | 485,529 | 175,723 | 178,278 | 140,075 | - | - | - |

Government-wide Financial Analysis - continued

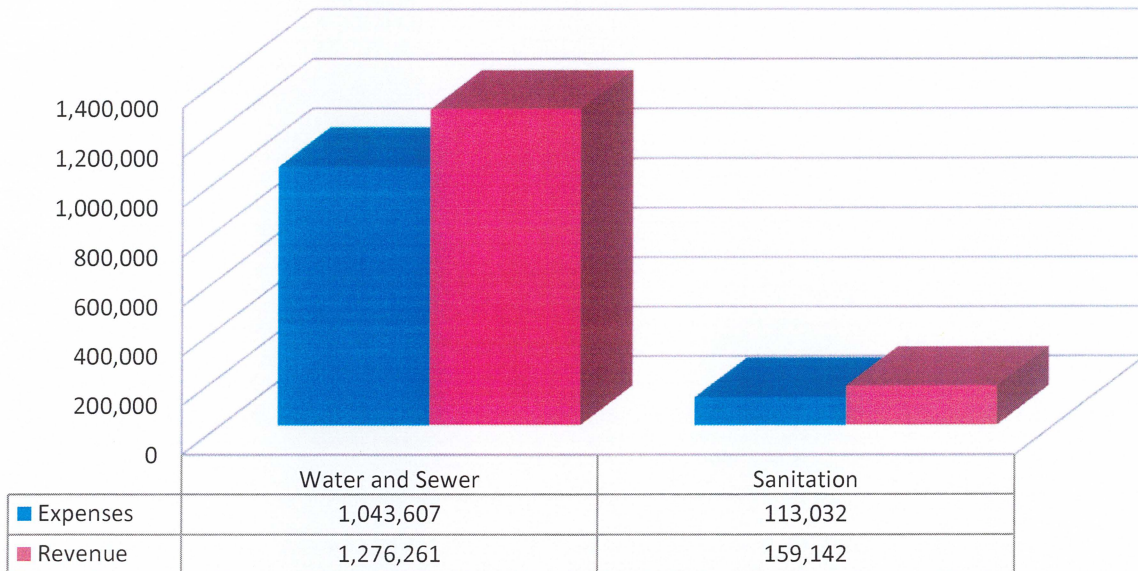


Business-type activities. Business-type activities increased the Town's net assets by \$294,755, accounting for part of the total increase in the government's net position for the current year. By comparison, business-type activities reported an increase in net position the previous fiscal year of \$53,784. Key elements of this increase are as follows:

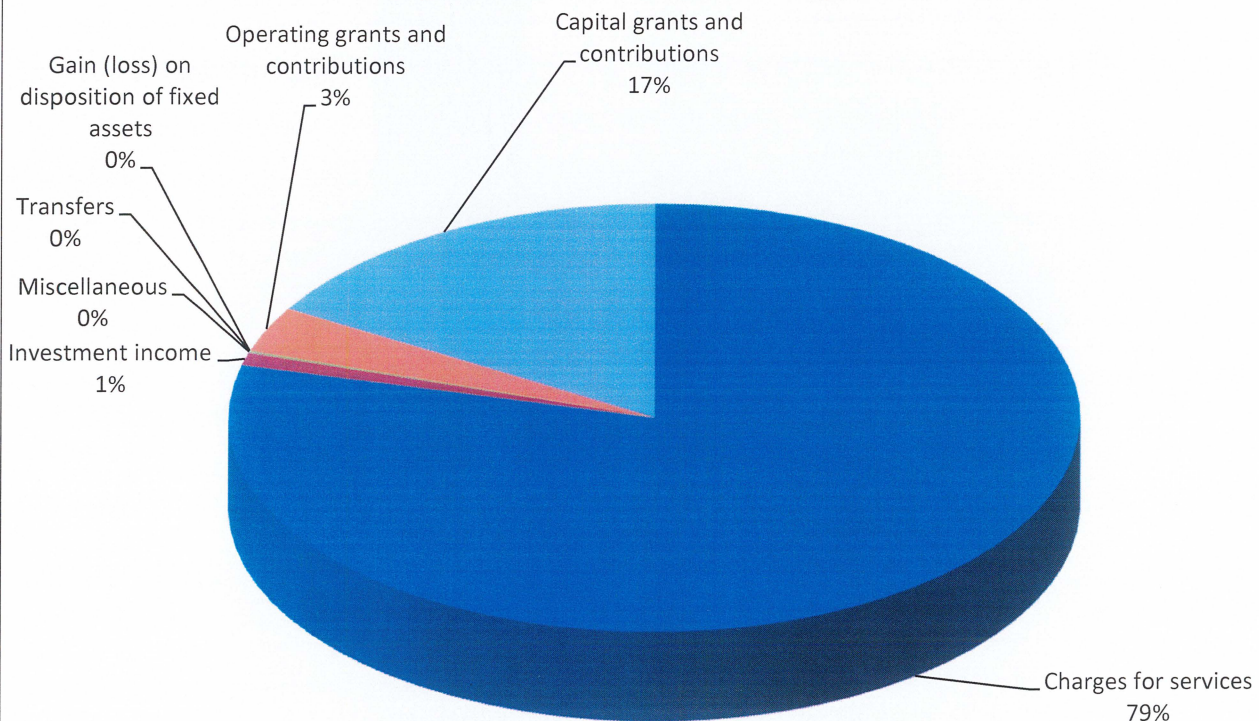
Charges for services for business-type activities increased \$25,500 or roughly 2.3 percent, and operating grants, contributions increased \$30,000 or roughly 150 percent, and capital grants and contributions increased \$232,090 or roughly 3076.1 percent and investment income increased \$10,304 or roughly 305.6 percent compared to the prior year.

Expenses increased approximately 5.3 percent or \$57,796 compared to the prior year.

Expenses and Program Revenues - Business-Type Activities



Revenues by Source - Business-Type Activities



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$1,687,797, an increase of \$341,135, in comparison with the prior year. Approximately 77.5 percent of this total amount, or \$1,307,816, is available for spending at the government's discretion (unassigned fund balance).

The remainder of fund balance is either nonspendable, restricted, committed or assigned to indicate that it is not available for new spending because the donation received for the perpetual care of the municipal cemetery in the amount of \$46,540 of which \$43,691 can never be spent. The drug fund in the amount of \$17,711 is restricted by State law for drug awareness and enforcement expenditures. The debt service fund in the amount of \$7,480 is restricted for debt payments.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,307,816, while total fund balance was \$1,616,066. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 68.7 percent of total general fund expenditures.

The fund balance of the Town's general fund increased by \$388,988 during the current fiscal year. The changes from the prior year is primarily attributable to increase in use of grant funds.

Proprietary funds. The Town's proprietary funds provide the same type information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the water and sewer and solid waste collection funds at the end of the year amounted to \$2,836,705 and \$95,363, respectively. The water and sewer fund had an increase in net position for the year of \$248,645, whereas the waste collection fund had an increase of \$46,110.

Other factors concerning the finances of these two funds have already been addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights

The Town made amendments to its original budget expenditures by increasing revenue and by reallocation from one budget account to another with changes in total budgeted expenditures as detailed in Statement 10 on pages 31-37.

During the year, general fund revenues were less, expenditures were less, and other financing uses were more than the budgetary estimates, resulting in an increase in fund balance that was more than projected in the final budget fund balance by approximately \$188,489.

Capital Assets and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2023, amounted to \$5,928,800 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, and park facilities. Capital assets also include roads, highways, bridges and other infrastructure acquired after July 1, 2001. The total increase in the Town's investment in capital assets for the current fiscal year was approximately 11.5 percent (an approximate 17.2 percent increase for governmental activities and an approximate 7.7 percent increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

| | |
|--|------------|
| Purchase of police department equipment | \$ 269,530 |
| Purchase of park department equipment | 13,307 |
| Construction of recreation trail | 131,632 |
| Construction of park building | 16,053 |
| Additions to land purchased | 5,000 |
| Construction of general government buildings | 31,010 |
| Purchase of city hall department equipment | 11,244 |
| General government architectural designs | 20,885 |
| Purchase of library equipment | 6,139 |
| Purchase of water and sewer land easements | 11,243 |
| Construction of water buildings | 8,875 |
| Purchase of water and sewer equipment | 15,477 |
| Construction of water and sewer system | 364,761 |
| General government right-to-use assets | 43,450 |
| Water and sewer right-to-use assets | 36,325 |

Capital Assets and Debt Administration - continued

Town of Whiteville, Tennessee's Capital Assets - Net

| | Governmental Activities | Business-Type Activities | Total |
|----------------------------|------------------------------------|-------------------------------------|---------------------|
| Land | \$ 405,734 | \$ 70,542 | \$ 476,276 |
| Construction in progress | - | 311,221 | 311,221 |
| Infrastructure | 870,079 | - | 870,079 |
| Buildings and systems | 504,704 | 2,919,920 | 3,424,624 |
| Automotive and equipment | 660,988 | 109,697 | 770,685 |
| Right-to-use leased assets | 43,134 | 32,781 | 75,915 |
| Total | \$ 2,484,639 | \$ 3,444,161 | \$ 5,928,800 |

Additional information on the Town's capital assets can be found in Note 6 on pages 52 - 54 of this report and in the long-term debt section below.

Long-term debt. At the end of the current fiscal year, the Town had total debt outstanding of \$74,279. Of this amount, \$0 comprises debt backed by the full faith and credit of the government. The remainder of the Town's debt represents operating leases secured by the leased assets

Town of Whiteville, Tennessee's Outstanding Debt General Obligation and Revenue Bonds

| | Governmental Activities | Business-Type Activities | Total |
|-------------------|------------------------------------|-------------------------------------|------------------|
| Lease Obligations | \$ 41,182 | \$ 33,097 | \$ 74,279 |
| Total | \$ 41,182 | \$ 33,097 | \$ 74,279 |

The Town's total debt increased by \$65,465 (approximately 742.7 percent) during the current fiscal year. This increase was due to acquiring new lease agreements. New debt, including lease obligations totaling \$79,775, was issued during the current year.

The Town has not received a rating from Standard & Poor's.

Long-term debt - continued

State statute does not limit the amount of general obligation debt a governmental entity may issue; however, the Town has adopted a debt policy which states the Town will seek to limit total outstanding debt obligations to 10% of assessed valuation excluding overlapping debt, enterprise debt and revenue bonds. This gross 10% limitation would be \$3,942,376. Other short-term debt must be approved by the State. Additional information on the Town's long-term debt can be found in Note 7 on pages 54 – 56 of this report.

Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the Town's budget for the 2024 fiscal year:

The Town does not expect its tax base to vary significantly from the current year.

Inflationary trends in the region compare favorably to national indices.

During the current fiscal year, unassigned fund balance in the general fund increased to \$1,307,816.

The Town's property tax millage rate was 86.21 mills for the 2022 taxes and 63.03 mills for the 2023 taxes.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Recorder, P.O. Box 324, Whiteville, Tennessee 38075-0324.

TOWN OF WHITEVILLE, TENNESSEE
Statement of Net Position
June 30, 2023

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,181,386 | \$ 2,760,702 | \$ 3,942,088 |
| Restricted cash and cash equivalents | 681,657 | - | 681,657 |
| Investments - certificates of deposit | 225,961 | 79,156 | 305,117 |
| Restricted investments - certificates of deposit | - | 79,156 | 79,156 |
| Receivables (Net, where applicable, of allowances for uncollectibles) | | | |
| Accounts (net of allowances of \$3,354) | 9,390 | 144,616 | 154,006 |
| Property taxes (net of allowances of \$3,123) | 256,895 | - | 256,895 |
| Interest | 3,470 | 2,401 | 5,871 |
| Other (net of allowances of \$219,401) | 55,978 | 2,549 | 58,527 |
| Prepaid expenses | 31,959 | 5,421 | 37,380 |
| Due from other governments | 214,458 | 266,582 | 481,040 |
| Internal balances | (3,651) | 3,651 | - |
| Land and construction in progress | 405,734 | 381,763 | 787,497 |
| Other capital assets (net of accumulated depreciation) | 2,035,771 | 3,029,617 | 5,065,388 |
| Right-to-use lease assets (net of accumulated amortization) | 43,134 | 32,781 | 75,915 |
| Total Assets | 5,142,142 | 6,788,395 | 11,930,537 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pensions | 304,289 | 83,626 | 387,915 |
| Total Deferred Outflows of Resources | 304,289 | 83,626 | 387,915 |
| LIABILITIES | | | |
| Accounts payable | 11,636 | 13,577 | 25,213 |
| Accounts payable - fixed assets | - | 296,202 | 296,202 |
| Unearned revenue, advances and grants | 627,424 | 47,487 | 674,911 |
| Accrued liabilities | 10,876 | 8,627 | 19,503 |
| Long-term debt and capital leases | | | |
| Lease liability due within one year | 13,725 | 8,012 | 21,737 |
| Compensated absence due within one year | 160 | 3,092 | 3,252 |
| Lease liability due in more than one year | 27,457 | 25,085 | 52,542 |
| Compensated absence due in more than one year | 21,337 | 3,276 | 24,613 |
| Net pension liability | 122,873 | 33,769 | 156,642 |
| Total Liabilities | 835,488 | 439,127 | 1,274,615 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Pensions | 38,592 | 10,606 | 49,198 |
| Unavailable revenues | 246,613 | - | 246,613 |
| Total deferred inflows of resources | 285,205 | 10,606 | 295,811 |
| NET POSITION | | | |
| Net investment in capital assets | 2,443,457 | 3,411,064 | 5,854,521 |
| Restricted for: | | | |
| Drug abuse prevention and enforcement | 17,711 | - | 17,711 |
| Permanent fund - perpetual care - nonexpendable | 43,815 | - | 43,815 |
| Cemetery maintenance | 3,474 | - | 3,474 |
| Debt service and repair and extensions | 7,480 | 79,156 | 86,636 |
| Unrestricted | 1,809,801 | 2,932,068 | 4,741,869 |
| TOTAL NET POSITION | \$ 4,325,738 | \$ 6,422,288 | \$ 10,748,026 |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Statement of Activities
For the fiscal year ended June 30, 2023

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|--|---------------------|--------------------------------------|-------------------------------------|-----------------------------------|---|-----------------------------|----------------------|
| | | Fines and Charges for Services | Operating Grants & Contributions | Capital Grants & Contributions | Primary Government | | |
| | | | | | Governmental Activities | Business-Type Activities | Total |
| Governmental Activities: | | | | | | | |
| General government | \$ 481,391 | \$ 20,255 | \$ 463,944 | \$ 1,330 | \$ 4,138 | \$ - | \$ 4,138 |
| Public safety | 734,346 | 164,661 | 4,800 | 6,262 | (558,623) | - | (558,623) |
| Public works | 267,002 | 3,250 | 175,028 | - | (88,724) | - | (88,724) |
| Culture and recreation | 95,137 | 1,672 | 15,098 | 123,305 | 44,938 | - | 44,938 |
| Interest | 1,063 | - | - | - | (1,063) | - | (1,063) |
| Total Governmental Activities | 1,578,939 | 189,838 | 658,870 | 130,897 | (599,334) | - | (599,334) |
| Business-Type Activities: | | | | | | | |
| Water and Sewer | 1,043,607 | 1,036,626 | - | 239,635 | - | 232,654 | 232,654 |
| Sanitation | 113,032 | 109,142 | 50,000 | - | - | 46,110 | 46,110 |
| Total Business-Type Activities | 1,156,639 | 1,145,768 | 50,000 | 239,635 | - | 278,764 | 278,764 |
| TOTAL PRIMARY GOVERNMENT | \$ 2,735,578 | \$ 1,335,606 | \$ 708,870 | \$ 370,532 | (599,334) | 278,764 | (320,570) |
| General Revenues | | | | | | | |
| Taxes | | | | | | | |
| Property taxes and late fees | | | | | 244,866 | - | 244,866 |
| Payment in lieu of taxes | | | | | 54,875 | - | 54,875 |
| Sales tax | | | | | 797,293 | - | 797,293 |
| Beer tax | | | | | 70,423 | - | 70,423 |
| Liquor tax | | | | | 11,983 | - | 11,983 |
| Franchise tax - cable TV and natural gas | | | | | 15,968 | - | 15,968 |
| Investment income | | | | | 22,427 | 13,676 | 36,103 |
| Miscellaneous | | | | | 29,335 | 2,315 | 31,650 |
| Gain (loss) on disposition of capital assets | | | | | (3,088) | - | (3,088) |
| Total | | | | | 1,244,082 | 15,991 | 1,260,073 |
| Change in Net Position | | | | | 644,748 | 294,755 | 939,503 |
| NET POSITION--BEGINNING | | | | | 3,680,990 | 6,127,533 | 9,808,523 |
| NET POSITION--ENDING | | | | | \$ 4,325,738 | \$ 6,422,288 | \$ 10,748,026 |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Governmental Funds
Balance Sheet
June 30, 2023

| | General | Nonmajor Other Governmental Funds | Total Governmental Funds |
|---|---------------------|--|--------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,156,451 | \$ 24,935 | \$ 1,181,386 |
| Restricted cash and cash equivalents | 681,657 | - | 681,657 |
| Investments - certificates of deposit | 179,421 | 46,540 | 225,961 |
| Receivables (Net, where applicable, of allowances for uncollectibles) | | | |
| Property taxes (net of allowances of \$3,123) | 256,895 | - | 256,895 |
| Interest | 2,721 | 750 | 3,471 |
| Beer tax (net of allowances of \$0) | 6,824 | - | 6,824 |
| Wholesale liquor tax (net of allowances of \$0) | 2,566 | - | 2,566 |
| Other (net of allowances of \$219,401) | 55,977 | - | 55,977 |
| Due from other governments | 214,458 | - | 214,458 |
| Due from other funds | - | 330 | 330 |
| | <u>-</u> | <u>330</u> | <u>330</u> |
| Total Assets | <u>\$ 2,556,970</u> | <u>\$ 72,555</u> | <u>\$ 2,629,525</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 11,562 | \$ 74 | \$ 11,636 |
| Accrued liabilities | 10,876 | - | 10,876 |
| Unearned revenue, advances and grants. | 627,424 | - | 627,424 |
| Compensated absences | 160 | - | 160 |
| Due to other funds | 3,981 | - | 3,981 |
| | <u>3,981</u> | <u>-</u> | <u>3,981</u> |
| Total Liabilities | <u>654,003</u> | <u>74</u> | <u>654,077</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable revenues | 286,901 | 750 | 287,651 |
| | <u>286,901</u> | <u>750</u> | <u>287,651</u> |
| Total Deferred Inflows of Resources | <u>286,901</u> | <u>750</u> | <u>287,651</u> |
| FUND BALANCES | | | |
| Nonspendable | - | 43,691 | 43,691 |
| Restricted | - | 28,040 | 28,040 |
| Committed | 308,250 | - | 308,250 |
| Unassigned | 1,307,816 | - | 1,307,816 |
| | <u>1,307,816</u> | <u>-</u> | <u>1,307,816</u> |
| Total Fund Balances | <u>1,616,066</u> | <u>71,731</u> | <u>1,687,797</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 2,556,970</u> | <u>\$ 72,555</u> | <u>\$ 2,629,525</u> |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Reconciliation of Fund Balances of Governmental Funds to the
Governmental Activities in the Statement of Net Position
June 30, 2023

FUND BALANCES OF GOVERNMENTAL FUNDS \$ 1,687,797

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

Capital assets used in governmental activities are not financial resources and; therefore, were not reported in the governmental funds. The capital assets were adjusted as follows:

| | |
|--|----------------------|
| Land and construction in progress | 405,734 |
| Other capital assets | 3,575,363 |
| Right-to-use leased capital assets | 54,321 |
| Less accumulated depreciation/amortization | <u>(1,550,778)</u> |
| Total capital asset adjustments | <u>2,484,640</u> |

Net pension activity reported in governmental activities are not financial resources and; therefore, were not reported in the governmental funds. The following accounts were adjusted:

| | |
|--|--------------------|
| Deferred outflows of resources from pensions | 304,289 |
| Net pension liability | (122,873) |
| Deferred inflows of resources from pensions | <u>(38,592)</u> |
| Total net pension activity adjustments | <u>142,824</u> |

Some of the Town's revenues will be collected after year end but will not be available soon enough to pay for the current period's expenditures and; therefore, are deferred in the funds. The unavailable revenues were adjusted as follows:

| | |
|---|-------------------|
| State beer tax | 475 |
| Intergovernmental revenue | 798 |
| County library assistance | 4,500 |
| Interest | 3,471 |
| Police fines | 20,537 |
| Rent | 1,150 |
| Property taxes | 10,029 |
| Other | <u>79</u> |
| Total unavailable revenue adjustments | <u>41,039</u> |

Prepaid expenses, including prepaid insurance and prepaid software maintenance are not reported in the governmental funds. 31,959

Long-term liabilities, including bonds payable, accrued interest and compensated absences not due and payable in the current period and; therefore, are not reported in the governmental funds.

The long-term liabilities were adjusted as follows:

| | |
|---|---------------------|
| Obligations under capital leases | (41,184) |
| Compensated absences | <u>(21,337)</u> |
| Total long-term liability adjustments | <u>(62,521)</u> |

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 4,325,738

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended June 30, 2023

| | General | Nonmajor Other Governmental Funds | Total Governmental Funds |
|--|---------------------|--|--------------------------------|
| REVENUES | | | |
| Taxes | \$ 605,815 | \$ - | \$ 605,815 |
| License and permits | 6,605 | - | 6,605 |
| Intergovernmental revenues | 1,377,979 | - | 1,377,979 |
| Charges for services | 45,039 | - | 45,039 |
| Fines, forfeits and penalties | 105,551 | 18,073 | 123,624 |
| Investment income | 19,415 | 210 | 19,625 |
| Contributions and private grants | 18,670 | - | 18,670 |
| Other revenue | 45,335 | - | 45,335 |
| | <u>2,224,409</u> | <u>18,283</u> | <u>2,242,692</u> |
| Total Revenues | | | |
| | <u>2,224,409</u> | <u>18,283</u> | <u>2,242,692</u> |
| EXPENDITURES | | | |
| Current | | | |
| General government | 459,667 | - | 459,667 |
| Public safety | 632,289 | 13,835 | 646,124 |
| Public works | 213,240 | 1 | 213,241 |
| Culture and recreation | 83,884 | - | 83,884 |
| Community development | 2,351 | - | 2,351 |
| Capital outlay | 500,690 | 52,300 | 552,990 |
| Debt service | | | |
| Principal retirement | 11,082 | - | 11,082 |
| Interest and fiscal charges | 1,064 | - | 1,064 |
| | <u>1,904,267</u> | <u>66,136</u> | <u>1,970,403</u> |
| Total Expenditures | | | |
| | <u>1,904,267</u> | <u>66,136</u> | <u>1,970,403</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>320,142</u> | <u>(47,853)</u> | <u>272,289</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Proceeds from leases | 43,450 | - | 43,450 |
| Proceeds from disposition of capital assets | 25,396 | - | 25,396 |
| | <u>68,846</u> | <u>-</u> | <u>68,846</u> |
| Total Other Financing Sources (Uses) | | | |
| | <u>68,846</u> | <u>-</u> | <u>68,846</u> |
| NET CHANGE IN FUND BALANCES | 388,988 | (47,853) | 341,135 |
| Fund balances--beginning | <u>1,227,078</u> | <u>119,584</u> | <u>1,346,662</u> |
| Fund balances--ending | <u>\$ 1,616,066</u> | <u>\$ 71,731</u> | <u>\$ 1,687,797</u> |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Reconciliation of Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balances to the Governmental Activities in the Statement of Activities
For the fiscal year ended June 30, 2023

NET CHANGES IN FUND BALANCES--TOTAL GOVERNMENTAL FUNDS \$ 341,135

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

Governmental funds report capital outlay as expenditures; however, in the statement of activities, assets with an individual cost of more than \$1,000 are capitalized and the cost is allocated over their estimated useful lives and are reported as depreciation expense. The following is a detail of these differences:

| | |
|---|------------------|
| Capital outlay | 548,250 |
| Basis of capitalized assets sold or disposed of | (28,562) |
| Lease amortization expense | (9,283) |
| Depreciation expense | <u>(146,605)</u> |

| | |
|------------------------------|----------------|
| Total capital outlay changes | <u>363,800</u> |
|------------------------------|----------------|

| | |
|---|--------|
| The repayment of long-term debt is reported as an expenditure when due in governmental funds, but as a reduction of principal outstanding in the statement of activities. | 11,082 |
|---|--------|

| | |
|---|----------|
| The proceeds from issuance of leases is reported as revenues when incurred in governmental funds, but as an increase of principal outstanding in the statement of activities. | (43,450) |
|---|----------|

Revenues in the statement of activities that are not available in governmental funds are not reported as revenue in governmental funds. Unavailable revenues increased (decreased) by these amounts during the current year:

| | |
|--------------------------------|------------|
| State beer tax | (91) |
| Sales tax | (19,207) |
| Insurance rebate | (3,500) |
| ART grant - State of Tennessee | 498 |
| Recoveries | 79 |
| Rent | 1,150 |
| Interest | 3,104 |
| Property taxes | 1,211 |
| Police fines | <u>920</u> |

| | |
|---------------------------------------|-----------------|
| Total changes in unavailable revenues | <u>(15,836)</u> |
|---------------------------------------|-----------------|

Some expenses in the statement of activities do not require the use of current financial resources and; therefore, are not reported as expenditures in governmental funds. Expenses (increased) decreased by these amounts during the current year:

| | |
|----------------------|-----------------|
| Compensated absences | (4,863) |
| Retirement | <u>(12,785)</u> |

| | |
|---------------------------|-----------------|
| Total changes in expenses | <u>(17,648)</u> |
|---------------------------|-----------------|

| | |
|---|--------------|
| Prepaid expenses require the use of current financial resources and; therefore, are reported as expenditures in governmental funds. | <u>5,665</u> |
|---|--------------|

| | |
|--|--------------------------|
| CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES | <u><u>\$ 644,748</u></u> |
|--|--------------------------|

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Proprietary Fund
Statement of Net Position
June 30, 2023

| | Business-Type Activities-- Enterprise Fund | | |
|---|---|--|------------------|
| | Water and Sewer | Nonmajor Fund Solid Waste Collection | Total |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | \$ 2,683,295 | \$ 77,407 | \$ 2,760,702 |
| Investments - certificates of deposit | 79,156 | - | 79,156 |
| Accounts receivable (net of allowance for uncollectables of \$3,354) | 144,616 | - | 144,616 |
| Other receivables | 2,549 | - | 2,549 |
| Due from other funds | 3,651 | 20,658 | 24,309 |
| Due from other governments | 266,582 | - | 266,582 |
| Prepaid expenses | 5,421 | - | 5,421 |
| Accrued interest | 2,401 | - | 2,401 |
| Total Current Assets | <u>3,187,671</u> | <u>98,065</u> | <u>3,285,736</u> |
| RESTRICTED ASSETS | | | |
| Investments - certificates of deposit | <u>79,156</u> | <u>-</u> | <u>79,156</u> |
| Total Restricted Assets | <u>79,156</u> | <u>-</u> | <u>79,156</u> |
| NONCURRENT ASSETS | | | |
| Land and construction in progress | 381,763 | - | 381,763 |
| Other capital assets, net of depreciation | 3,029,617 | - | 3,029,617 |
| Right-to-use lease assets (net of amortization) | <u>32,781</u> | <u>-</u> | <u>32,781</u> |
| Net Capital Assets | <u>3,444,161</u> | <u>-</u> | <u>3,444,161</u> |
| Total Assets | <u>6,710,988</u> | <u>98,065</u> | <u>6,809,053</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension | <u>83,626</u> | <u>-</u> | <u>83,626</u> |
| Total Deferred Outflows of Resources | <u>\$ 83,626</u> | <u>\$ -</u> | <u>\$ 83,626</u> |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Proprietary Fund
Statement of Net Position
June 30, 2023

| | Business-Type Activities-- Enterprise Fund | | |
|---|---|--|---------------------|
| | Water and Sewer | Nonmajor Fund Solid Waste Collection | Total |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable | \$ 10,875 | \$ 2,702 | \$ 13,577 |
| Accounts payable - fixed assets | 296,202 | - | 296,202 |
| Accrued liabilities | 8,627 | - | 8,627 |
| Unearned revenue, advances and grants | 47,487 | - | 47,487 |
| Current portion of compensated absences | 3,092 | - | 3,092 |
| Current portion of lease liability | 8,012 | - | 8,012 |
| Due to other funds | <u>20,658</u> | <u>-</u> | <u>20,658</u> |
| Total Current Liabilities | <u>394,953</u> | <u>2,702</u> | <u>397,655</u> |
| LIABILITIES PAYABLE FROM RESTRICTED ASSETS | | | |
| NONCURRENT LIABILITIES | | | |
| Compensated absences | 3,276 | - | 3,276 |
| Net pension liability | 33,769 | - | 33,769 |
| Leases payable, less current maturities | <u>25,085</u> | <u>-</u> | <u>25,085</u> |
| Total Noncurrent Liabilities | <u>62,130</u> | <u>-</u> | <u>62,130</u> |
| Total Liabilities | <u>457,083</u> | <u>2,702</u> | <u>459,785</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Pensions | <u>10,606</u> | <u>-</u> | <u>10,606</u> |
| Total Deferred Inflows of Resources | <u>10,606</u> | <u>-</u> | <u>10,606</u> |
| NET POSITION | | | |
| Net investment in capital assets | 3,444,161 | - | 3,444,161 |
| Restricted for repair and extension - expendable | 79,156 | - | 79,156 |
| Unrestricted | <u>2,803,608</u> | <u>95,363</u> | <u>2,898,971</u> |
| TOTAL NET POSITION | <u>\$ 6,326,925</u> | <u>\$ 95,363</u> | <u>\$ 6,422,288</u> |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Position
For the fiscal year ended June 30, 2023

| | Business-Type Activities-- | | |
|------------------------------------|----------------------------|---------------------------|----------------|
| | Enterprise Fund | | |
| | Nonmajor Fund | | Total |
| | Water and Sewer | Solid Waste Collection | |
| OPERATING REVENUES | | | |
| Charges for services | \$ 1,036,626 | \$ 109,142 | \$ 1,145,768 |
| Total Operating Revenues | 1,036,626 | 109,142 | 1,145,768 |
| OPERATING EXPENSES | | | |
| Personnel services | 191,868 | - | 191,868 |
| Payroll taxes | 13,383 | - | 13,383 |
| Health insurance | 29,578 | - | 29,578 |
| Retirement (negative retirement) | 7,187 | - | 7,187 |
| Unemployment | 424 | - | 424 |
| Worker's compensation | 4,061 | - | 4,061 |
| Employee training | 1,774 | - | 1,774 |
| Postage | 8,529 | - | 8,529 |
| Electricity | 156,797 | - | 156,797 |
| Gas | 633 | - | 633 |
| Telephone | 10,393 | - | 10,393 |
| Other professional services | 4,909 | 113,032 | 117,941 |
| Operating supplies | 67,913 | - | 67,913 |
| Uniforms | 481 | - | 481 |
| Repairs and maintenance | 104,405 | - | 104,405 |
| Equipment rental | 2,866 | - | 2,866 |
| Sundry | 1,152 | - | 1,152 |
| Chemicals and laboratory supplies | 176,209 | - | 176,209 |
| Gas, oil and diesel | 10,052 | - | 10,052 |
| Insurance | 58,943 | - | 58,943 |
| Amortization | 3,544 | - | 3,544 |
| Depreciation | 187,563 | - | 187,563 |
| Total Operating Expenses | 1,042,664 | 113,032 | 1,155,696 |
| OPERATING INCOME (LOSS) | \$ (6,038) | \$ (3,890) | \$ (9,928) |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Position
For the fiscal year ended June 30, 2023

| | Business-Type Activities-- Enterprise Fund | | |
|---|---|---------------------------|--------------|
| | Nonmajor Fund | | |
| | Water and Sewer | Solid Waste Collection | Total |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Investment income | \$ 13,676 | \$ - | \$ 13,676 |
| Miscellaneous revenues | 2,315 | - | 2,315 |
| Interest expense | (943) | - | (943) |
| Total Nonoperating Revenues (Expenses) | 15,048 | - | 15,048 |
| INCOME (LOSS) BEFORE CONTRIBUTIONS, TRANSFERS AND CUMULATIVE EFFECTS | 9,010 | (3,890) | 5,120 |
| Operating contributions and grants | - | 50,000 | 50,000 |
| Capital contributions and grants | 239,635 | - | 239,635 |
| CHANGES IN NET POSITION | 248,645 | 46,110 | 294,755 |
| TOTAL NET POSITION--BEGINNING OF YEAR | 6,078,280 | 49,253 | 6,127,533 |
| TOTAL NET POSITION--END OF YEAR | \$ 6,326,925 | \$ 95,363 | \$ 6,422,288 |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Proprietary Fund
Statement of Cash Flows
For the fiscal year ended June 30, 2023

| | <u>Business-Type Activities--Enterprise Funds</u> | | |
|---|---|---|---------------------|
| | <u>Water and Sewer</u> | <u>Nonmajor Fund Solid Waste Collection</u> | <u>Total</u> |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash received from customers | \$ 1,084,206 | \$ 109,143 | \$ 1,193,349 |
| Other miscellaneous receipts | (90) | - | (90) |
| Cash payments to employees including fringe benefits | (246,016) | - | (246,016) |
| Cash payments to suppliers for goods and services | <u>(637,395)</u> | <u>(112,954)</u> | <u>(750,349)</u> |
| Net cash provided by (used in) operating activities | <u>200,705</u> | <u>(3,811)</u> | <u>196,894</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | | |
| Net changes in due from other funds | 76,419 | (20,658) | 55,761 |
| Operating contributions and grants received | - | 50,000 | 50,000 |
| Net changes in due to other funds | <u>20,658</u> | <u>(8,664)</u> | <u>11,994</u> |
| Net cash provided by (used in) non-capital financing activities | <u>97,077</u> | <u>20,678</u> | <u>117,755</u> |
| CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES | | | |
| Acquisition and construction of fixed assets | (104,154) | - | (104,154) |
| Lease principal payment | (3,228) | - | (3,228) |
| Interest paid on bonds, notes and capital leases | (943) | - | (943) |
| Capital contributions and grants received | <u>(26,947)</u> | <u>-</u> | <u>(26,947)</u> |
| Net cash provided by (used in) capital financing activities | <u>(135,272)</u> | <u>-</u> | <u>(135,272)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from maturities of investments | 263,038 | - | 263,038 |
| Purchase of investments | (158,314) | - | (158,314) |
| Interest income received | <u>12,220</u> | <u>-</u> | <u>12,220</u> |
| Net cash provided by (used in) investing activities | <u>116,944</u> | <u>-</u> | <u>116,944</u> |
| Net increase (decrease) in cash and cash equivalents | 279,454 | 16,867 | 296,321 |
| Cash and cash equivalents, beginning of year | <u>2,403,841</u> | <u>60,540</u> | <u>2,464,381</u> |
| Cash and cash equivalents, end of year | <u>\$ 2,683,295</u> | <u>\$ 77,407</u> | <u>\$ 2,760,702</u> |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Proprietary Fund
Statement of Cash Flows
For the fiscal year ended June 30, 2023

| | <u>Business-Type Activities--Enterprise Funds</u> | | |
|---|---|---|---------------------|
| | <u>Water and Sewer</u> | <u>Nonmajor Fund Solid Waste Collection</u> | <u>Total</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | | | |
| Operating income (loss) | \$ (6,038) | \$ (3,890) | \$ (9,928) |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | |
| Depreciation | 187,563 | - | 187,563 |
| Amortization | 3,544 | - | 3,544 |
| Miscellaneous revenues | 2,315 | - | 2,315 |
| Changes in assets and liabilities: | | | |
| Accounts receivable | 89 | - | 89 |
| Other receivables | (2,405) | - | (2,405) |
| Prepaid expense | (1,141) | - | (1,141) |
| Deferred outflows of resources | (22,075) | - | (22,075) |
| Net pension asset (liability) | 74,816 | - | 74,816 |
| Accounts payable | (30,436) | 79 | (30,357) |
| Unearned revenue | 47,487 | - | 47,487 |
| Accrued liabilities | (758) | - | (758) |
| Accrued payroll | 926 | - | 926 |
| Accrued payroll taxes | (64) | - | (64) |
| Compensated absences | 1,745 | - | 1,745 |
| Deferred inflows of resources | (54,863) | - | (54,863) |
| Total adjustments | <u>206,743</u> | <u>79</u> | <u>206,822</u> |
| Net cash provided by (used in) operating activities | <u>\$ 200,705</u> | <u>\$ (3,811)</u> | <u>\$ 196,894</u> |
| Non-Cash Investing Activities | | | |
| Acquisition of fixed assets with accounts payable | \$ (296,202) | \$ - | \$ (296,202) |
| Use of accounts payable to acquire fixed assets | 296,202 | - | 296,202 |
| Acquisition of fixed assets with leases | (36,325) | - | (36,325) |
| Use of leases to acquire fixed assets | <u>36,325</u> | <u>-</u> | <u>36,325</u> |
| Total non cash investing activities | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Cash and Cash Equivalents Include the Following Statement of Net Assets Accounts | | | |
| Cash and cash equivalents | <u>\$ 2,683,295</u> | <u>\$ 77,407</u> | <u>\$ 2,760,702</u> |
| Total cash and cash equivalents | <u>\$ 2,683,295</u> | <u>\$ 77,407</u> | <u>\$ 2,760,702</u> |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Fiduciary Fund
Leola Roberts Building Perpetual Care Fund
Statement of Fiduciary Net Position
June 30, 2023

| | <u>Custodial Funds</u> |
|---|---------------------------------|
| ASSETS | |
| Receivables | |
| Accrued interest receivable | \$ 2 |
| Investments | |
| Certificates of deposit | <u>8,404</u> |
| Total Assets | <u>8,406</u> |
| LIABILITIES | |
| Due to beneficiary | <u>253</u> |
| Total Liabilities | <u>253</u> |
| NET POSITION HELD IN TRUST FOR LEOLA ROBERTS BUILDING PERPETUAL CARE | <u><u>\$ 8,153</u></u> |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Fiduciary Fund
Leola Roberts Building Perpetual Care Fund
Statement of Changes in Fiduciary Net Position
For the fiscal year ended June 30, 2023

| | <u>Custodial Funds</u> |
|---|-------------------------------|
| ADDITIONS | |
| Investment Earnings | |
| Interest earned | \$ 140 |
| Total Additions | <u>140</u> |
| DEDUCTIONS | |
| Transfer to due to beneficiary | <u>140</u> |
| Total Deductions | <u>140</u> |
| Net increase (decrease) in fiduciary net position | - |
| Net Position - beginning | <u>8,153</u> |
| Net Position - ending | <u><u>\$ 8,153</u></u> |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance--Budget and Actual
For the fiscal year ended June 30, 2023

| | Budgeted Amounts | | | Adjustments | Actual on | Variance with |
|---|------------------|------------|------------|--------------|------------|-----------------------|
| | Original | Final | Actual | to Budgetary | Budgetary | Final Budget |
| | | | | Basis | Basis | Positive/ Negative |
| REVENUES | | | | | | |
| Taxes | | | | | | |
| Real estate taxes | \$ 233,500 | \$ 233,500 | \$ 229,912 | \$ - | \$ 229,912 | \$ (3,588) |
| Delinquent property taxes | 10,000 | 10,000 | 11,339 | - | 11,339 | 1,339 |
| Penalties and interest | 2,000 | 2,000 | 2,404 | - | 2,404 | 404 |
| Local sales tax | 239,000 | 239,000 | 265,779 | - | 265,779 | 26,779 |
| Local beer tax | 67,000 | 67,000 | 68,430 | - | 68,430 | 1,430 |
| Local liquor tax | - | - | 11,983 | - | 11,983 | 11,983 |
| Franchise tax - natural gas | 11,000 | 11,000 | 11,168 | - | 11,168 | 168 |
| Franchise tax - cable TV | 5,300 | 5,300 | 4,800 | - | 4,800 | (500) |
| Total Taxes | 567,800 | 567,800 | 605,815 | - | 605,815 | 38,015 |
| Licenses and Permits | | | | | | |
| Beer license | 750 | 750 | 1,100 | - | 1,100 | 350 |
| Building permits | 1,000 | 1,000 | 5,317 | - | 5,317 | 4,317 |
| Fees and commissions | - | - | 188 | - | 188 | 188 |
| Total Licenses and Permits | 1,750 | 1,750 | 6,605 | - | 6,605 | 4,855 |
| Intergovernmental Revenues | | | | | | |
| Federal grant - downtown development | 150,000 | 150,000 | - | - | - | (150,000) |
| Federal grant - police - transportation | - | - | 6,262 | - | 6,262 | 6,262 |
| Federal grant - library | 3,000 | 3,000 | 10,598 | - | 10,598 | 7,598 |
| Federal grant - forestry grant | - | - | 105,167 | - | 105,167 | 105,167 |
| Federal grant - ARPA | 661,078 | 661,078 | 463,944 | - | 463,944 | (197,134) |
| In service training | 8,100 | 8,100 | 4,800 | - | 4,800 | (3,300) |
| County library assistance | - | - | 4,500 | - | 4,500 | 4,500 |
| TVA in lieu of tax allocation | 40,000 | 40,000 | 54,874 | - | 54,874 | 14,874 |
| Bolivar gas in lieu of tax allocation | - | - | 1 | - | 1 | 1 |
| Sales tax allocation | 490,000 | 490,000 | 542,959 | - | 542,959 | 52,959 |
| Telecommunication sales tax allocation | - | - | 672 | - | 672 | 672 |
| Income tax allocation | 1,228 | 1,228 | - | - | - | (1,228) |
| Beer tax allocation | 2,100 | 2,100 | 2,084 | - | 2,084 | (16) |
| Gas and motor fuel tax allocation | 83,000 | 83,000 | 81,326 | - | 81,326 | (1,674) |
| Gas 1989 tax allocation | 9,500 | 9,500 | 12,727 | - | 12,727 | 3,227 |
| Gas 2017 tax allocation | 32,100 | 32,100 | 40,996 | - | 40,996 | 8,896 |
| Gas 3 cent tax allocation | 15,000 | 15,000 | 23,501 | - | 23,501 | 8,501 |
| Sports bet tax | 2,000 | 2,000 | 8,137 | - | 8,137 | 6,137 |
| Petroleum special tax allocation | 11,500 | 11,500 | 8,341 | - | 8,341 | (3,159) |
| Corporate excise tax | 4,000 | 4,000 | 7,090 | - | 7,090 | 3,090 |
| Fire department grant | 2,500 | 2,500 | - | - | - | (2,500) |
| Total Intergovernmental Revenues | 1,515,106 | 1,515,106 | 1,377,979 | - | 1,377,979 | (137,127) |
| Charges for Services | | | | | | |
| School resource officer | 35,000 | 35,000 | 33,517 | - | 33,517 | (1,483) |
| Fire protection fees | - | - | 6,600 | - | 6,600 | 6,600 |
| Accident report charges | 150 | 150 | - | - | - | (150) |
| Park fees | 75,520 | 75,520 | 1 | - | 1 | (75,519) |
| Library fines | 1,500 | 1,500 | 1,671 | - | 1,671 | 171 |
| Cemetery maintenance | 2,000 | 2,000 | 3,250 | - | 3,250 | 1,250 |
| Total Charges for Services | \$ 114,170 | \$ 114,170 | \$ 45,039 | \$ - | \$ 45,039 | \$ (69,131) |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance--Budget and Actual
For the fiscal year ended June 30, 2023

| | Budgeted Amounts | | | Adjustments | Actual on | Variance with |
|-------------------------------------|------------------|------------|-----------|--------------|-----------|-----------------------|
| | Original | Final | Actual | to Budgetary | Budgetary | Final Budget |
| | | | | Basis | Basis | Positive/ Negative |
| REVENUES - CONTINUED | | | | | | |
| Fines, Forfeits and Penalties | | | | | | |
| City court fines | \$ 100,000 | \$ 100,000 | \$ 86,932 | \$ - | \$ 86,932 | \$ (13,068) |
| Drug related fines | 25,000 | 25,000 | 16,175 | - | 16,175 | (8,825) |
| County court fines | 4,500 | 4,500 | 2,444 | - | 2,444 | (2,056) |
| Total Fines, Forfeits and Penalties | 129,500 | 129,500 | 105,551 | - | 105,551 | (23,949) |
| Investment Income--Interest | 1,000 | 1,000 | 19,415 | - | 19,415 | 18,415 |
| Contributions | | | | | | |
| Dog park donations | - | - | 18,138 | - | 18,138 | 18,138 |
| Miscellaneous donations | 5,000 | 5,000 | 532 | - | 532 | (4,468) |
| Total contributions | 5,000 | 5,000 | 18,670 | - | 18,670 | 13,670 |
| Other Revenues | | | | | | |
| Rent | 10,000 | 10,000 | 3,050 | - | 3,050 | (6,950) |
| Rent development no. 1 | - | - | 9,450 | - | 9,450 | 9,450 |
| Library donations | 3,000 | 3,000 | - | - | - | (3,000) |
| Miscellaneous | 2,000 | 2,000 | 32,835 | - | 32,835 | 30,835 |
| Total Other Revenues | 15,000 | 15,000 | 45,335 | - | 45,335 | 30,335 |
| Total Revenues | 2,349,326 | 2,349,326 | 2,224,409 | - | 2,224,409 | (124,917) |
| EXPENDITURES | | | | | | |
| General Government | | | | | | |
| Legislative | | | | | | |
| Salaries | 14,000 | 15,000 | 14,100 | - | 14,100 | 900 |
| Payroll taxes | 46,300 | 51,000 | 48,149 | - | 48,149 | 2,851 |
| Health insurance | - | 16,080 | 86,210 | (86,210) | - | 16,080 |
| Retirement | 200 | 200 | (2) | - | (2) | 202 |
| Worker's compensation | 500 | 500 | 412 | - | 412 | 88 |
| Unemployment insurance | 6,000 | 4,000 | 2,487 | - | 2,487 | 1,513 |
| Employee education and training | 2,000 | 500 | - | - | - | 500 |
| Memberships, registration | 9,000 | 9,000 | 8,443 | - | 8,443 | 557 |
| Legal services | 16,000 | 16,000 | 14,305 | - | 14,305 | 1,695 |
| Board approved charitable donations | 1,000 | 1,000 | - | - | - | 1,000 |
| Sundry | 2,000 | 1,000 | 883 | - | 883 | 117 |
| Total Legislative | 97,000 | 114,280 | 174,987 | (86,210) | 88,777 | 25,503 |
| Judicial | | | | | | |
| Salaries | 2,400 | 1,600 | 1,400 | - | 1,400 | 200 |
| Other salaries | 1,800 | 1,800 | 1,575 | - | 1,575 | 225 |
| Retirement | 240 | 100 | 63 | - | 63 | 37 |
| Operating supplies | 350 | - | - | - | - | - |
| Litigation fees | 13,000 | 15,500 | 8,453 | - | 8,453 | 7,047 |
| Total Judicial | \$ 17,790 | \$ 19,000 | \$ 11,491 | \$ - | \$ 11,491 | \$ 7,509 |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance--Budget and Actual
For the fiscal year ended June 30, 2023

| | Budgeted Amounts | | | Adjustments | Actual on | Variance with |
|--|------------------|-----------|-----------|--------------|-----------|-----------------------|
| | Original | Final | Actual | to Budgetary | Budgetary | Final Budget |
| | | | | Basis | Basis | Positive/ Negative |
| EXPENDITURES - CONTINUED | | | | | | |
| General Government - continued | | | | | | |
| Financial Administration | | | | | | |
| Salaries | \$ 92,000 | \$ 85,000 | \$ 83,922 | \$ - | \$ 83,922 | \$ 1,078 |
| Retirement | 6,000 | 6,000 | 4,750 | - | 4,750 | 1,250 |
| Worker's compensation | 500 | 500 | 247 | - | 247 | 253 |
| Employee education and training | 4,000 | 4,000 | 1,236 | - | 1,236 | 2,764 |
| Legal notices | 1,000 | 500 | - | - | - | 500 |
| Electricity | 2,500 | 2,500 | 2,380 | - | 2,380 | 120 |
| Water | 300 | 700 | 601 | - | 601 | 99 |
| Gas | 625 | 500 | 391 | - | 391 | 109 |
| Telephone | 4,500 | 3,800 | 3,676 | - | 3,676 | 124 |
| Accounting and audit | - | - | 31,500 | (31,500) | - | - |
| Repairs and maintenance | - | - | 27,411 | (27,411) | - | - |
| Rent | - | - | 230 | - | 230 | (230) |
| Operating supplies | 3,000 | 7,000 | 5,359 | - | 5,359 | 1,641 |
| Uniforms | 600 | - | - | - | - | - |
| Sundry | 100 | - | - | - | - | - |
| Total Financial Administration | 115,125 | 110,500 | 161,703 | (58,911) | 102,792 | 7,708 |
| General Government Buildings | | | | | | |
| Salaries | 3,900 | 3,900 | 3,675 | - | 3,675 | 225 |
| Retirement | 250 | 250 | 222 | - | 222 | 28 |
| Contractual services | 6,000 | 6,000 | 6,000 | - | 6,000 | - |
| Tax law | - | 65 | 65 | - | 65 | - |
| Electricity | 10,000 | 11,750 | 6,705 | - | 6,705 | 5,045 |
| Water | 700 | 850 | 840 | - | 840 | 10 |
| Gas | 3,600 | 2,300 | 1,909 | - | 1,909 | 391 |
| Telephone | - | - | 3,760 | - | 3,760 | (3,760) |
| Other professional services | 2,000 | 4,000 | 6,070 | - | 6,070 | (2,070) |
| Repair and maintenance supplies | 7,600 | 7,600 | 18,778 | (18,778) | - | 7,600 |
| Operating supplies | 5,000 | 3,000 | 5,268 | (2,573) | 2,695 | 305 |
| Repairs and maintenance | 7,400 | 7,400 | 10,534 | (4,292) | 6,242 | 1,158 |
| Insurance | 6,500 | 9,000 | 8,143 | - | 8,143 | 857 |
| Sundry | 500 | 500 | 200 | - | 200 | 300 |
| Total General Government Buildings | 53,450 | 56,615 | 72,169 | (25,643) | 46,526 | 10,089 |
| Industrial Buildings and Grounds | | | | | | |
| Sundry | 300 | - | - | - | - | - |
| Total Industrial Buildings and Grounds | \$ 300 | \$ - | \$ - | \$ - | \$ - | \$ - |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance--Budget and Actual
For the fiscal year ended June 30, 2023

| | Budgeted Amounts | | | Adjustments | Actual on | Variance with |
|---------------------------------|------------------|------------|------------|--------------|------------|-----------------------|
| | Original | Final | Actual | to Budgetary | Budgetary | Final Budget |
| | | | | Basis | Basis | Positive/ Negative |
| EXPENDITURES - CONTINUED | | | | | | |
| General Government - continued | | | | | | |
| Public Relations | | | | | | |
| Public relations | \$ 32,500 | \$ 10,000 | \$ 39,317 | \$ (31,476) | \$ 7,841 | \$ 2,159 |
| ARPA grant spending | 920,356 | 600,000 | - | 462,792 | 462,792 | 137,208 |
| Total Public Relations | 952,856 | 610,000 | 39,317 | 431,316 | 470,633 | 139,367 |
| | | | | | | |
| Total General Government | 1,236,521 | 910,395 | 459,667 | 260,552 | 720,219 | 190,176 |
| | | | | | | |
| Public Safety | | | | | | |
| Police Department | | | | | | |
| Salaries | 330,000 | 420,000 | 385,921 | - | 385,921 | 34,079 |
| Retirement | 21,000 | 22,000 | 21,610 | - | 21,610 | 390 |
| Worker's compensation | 15,400 | 30,593 | 14,111 | - | 14,111 | 16,482 |
| Employee education and training | 3,500 | 12,500 | 7,895 | - | 7,895 | 4,605 |
| Electricity | 2,500 | 3,400 | 2,700 | - | 2,700 | 700 |
| Water | 500 | 500 | 118 | - | 118 | 382 |
| Gas | 500 | 300 | 215 | - | 215 | 85 |
| Telephone | 12,000 | 16,875 | 15,035 | - | 15,035 | 1,840 |
| Professional services | 15,000 | 30,000 | 29,197 | - | 29,197 | 803 |
| Vehicle maintenance | 15,000 | 35,000 | 33,669 | (2,654) | 31,015 | 3,985 |
| Other repairs and maintenance | 5,500 | 5,500 | 1,987 | - | 1,987 | 3,513 |
| LESO services | 5,000 | - | - | - | - | - |
| Operating supplies | 8,000 | 15,000 | 14,737 | - | 14,737 | 263 |
| Uniforms | 5,000 | 6,000 | 5,952 | - | 5,952 | 48 |
| Gasoline and oil | 25,000 | 40,000 | 41,570 | - | 41,570 | (1,570) |
| Insurance | 12,000 | 14,500 | 17,092 | - | 17,092 | (2,592) |
| GHSO grant | 1,000 | 1,000 | 375 | - | 375 | 625 |
| Total Police Department | \$ 476,900 | \$ 653,168 | \$ 592,184 | \$ (2,654) | \$ 589,530 | \$ 63,638 |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance--Budget and Actual
For the fiscal year ended June 30, 2023

| | Budgeted Amounts | | | Adjustments | Actual on | Variance with |
|---|------------------|------------|------------|--------------|------------|-----------------------|
| | Original | Final | Actual | to Budgetary | Budgetary | Final Budget |
| | | | | Basis | Basis | Positive/ Negative |
| EXPENDITURES - CONTINUED | | | | | | |
| Public Safety - continued | | | | | | |
| Fire Department | | | | | | |
| Salaries | \$ 8,260 | \$ 8,260 | \$ 7,704 | \$ - | \$ 7,704 | \$ 556 |
| Retirement | - | 14 | 14 | - | 14 | - |
| Worker's compensation | 3,162 | 10,035 | 2,482 | - | 2,482 | 7,553 |
| Volunteer fireman salaries | 10,000 | 9,000 | 8,433 | - | 8,433 | 567 |
| Electricity | 2,500 | 2,100 | 1,771 | - | 1,771 | 329 |
| Water | 250 | 250 | 220 | - | 220 | 30 |
| Gas | 1,000 | 800 | 599 | - | 599 | 201 |
| Telephone | 1,500 | 1,550 | 1,435 | - | 1,435 | 115 |
| Repairs and maintenance service | 5,000 | 4,000 | 2,330 | - | 2,330 | 1,670 |
| Operating supplies | 5,000 | 5,000 | 7,078 | - | 7,078 | (2,078) |
| Gasoline and oil | 2,000 | 2,500 | - | - | - | 2,500 |
| Insurance | 8,000 | 9,000 | 8,039 | - | 8,039 | 961 |
| Total Fire Department | 46,672 | 52,509 | 40,105 | - | 40,105 | 12,404 |
| Total Public Safety | 523,572 | 705,677 | 632,289 | (2,654) | 629,635 | 76,042 |
| Public Works | | | | | | |
| Highways, Streets, and Roadways | | | | | | |
| Salaries | 215,000 | 110,000 | 99,234 | - | 99,234 | 10,766 |
| Retirement | 10,000 | 7,000 | 5,646 | - | 5,646 | 1,354 |
| Worker's compensation | 10,100 | 16,000 | 13,187 | - | 13,187 | 2,813 |
| Electricity | 4,000 | 2,500 | 1,879 | - | 1,879 | 621 |
| Water | 300 | 200 | 152 | - | 152 | 48 |
| Street lighting electricity | 40,000 | 40,000 | 32,171 | - | 32,171 | 7,829 |
| Street lighting repair and maintenance | 2,000 | 6,000 | 4,559 | - | 4,559 | 1,441 |
| Gas | 3,000 | 1,500 | 974 | - | 974 | 526 |
| Telephone | 1,300 | 1,300 | 660 | - | 660 | 640 |
| Professional services | 5,000 | 5,000 | 400 | - | 400 | 4,600 |
| Repairs and maintenance | 10,000 | 10,000 | 7,857 | - | 7,857 | 2,143 |
| Supplies | 15,000 | 23,000 | 20,489 | - | 20,489 | 2,511 |
| Uniforms | 1,000 | 1,610 | 638 | - | 638 | 972 |
| Gasoline | 12,000 | 22,925 | 9,813 | - | 9,813 | 13,112 |
| Insurance | 3,075 | 3,075 | 5,700 | - | 5,700 | (2,625) |
| Highways, streets, machinery | 9,500 | 5,500 | 341 | - | 341 | 5,159 |
| Sundry | - | - | 2,499 | - | 2,499 | (2,499) |
| Total Highways, Streets and Roadways | 341,275 | 255,610 | 206,199 | - | 206,199 | 49,411 |
| Cemeteries | | | | | | |
| Professional services | 10,000 | 10,000 | - | - | - | 10,000 |
| Repairs and maintenance | - | 1,500 | 7,000 | - | 7,000 | (5,500) |
| Supplies | 1,000 | 200 | 41 | - | 41 | 159 |
| Total Cemeteries | 11,000 | 11,700 | 7,041 | - | 7,041 | 4,659 |
| Total Public Works | \$ 352,275 | \$ 267,310 | \$ 213,240 | \$ - | \$ 213,240 | \$ 54,070 |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance--Budget and Actual
For the fiscal year ended June 30, 2023

| | Budgeted Amounts | | | Adjustments | Actual on | Variance with |
|---------------------------------|------------------|------------|------------|--------------|------------|-----------------------|
| | Original | Final | Actual | to Budgetary | Budgetary | Final Budget |
| | | | | Basis | Basis | Positive/ Negative |
| EXPENDITURES - CONTINUED | | | | | | |
| Culture and Recreation | | | | | | |
| Parks | | | | | | |
| Workers compensation | \$ - | \$ 35 | \$ - | \$ - | \$ - | \$ 35 |
| Electricity | 4,000 | 4,000 | 2,711 | - | 2,711 | 1,289 |
| Water | 2,000 | 800 | 750 | - | 750 | 50 |
| Sundry | - | 1,500 | 1,500 | - | 1,500 | - |
| Supplies | 3,000 | 2,800 | 1,923 | - | 1,923 | 877 |
| Repairs and maintenance | 1,000 | 8,200 | 6,240 | - | 6,240 | 1,960 |
| Insurance | 3,000 | 3,600 | 131 | - | 131 | 3,469 |
| Total Parks | 13,000 | 20,935 | 13,255 | - | 13,255 | 7,680 |
| Library | | | | | | |
| Salaries | 51,000 | 52,000 | 51,752 | - | 51,752 | 248 |
| Retirement | 3,200 | 1,675 | 1,574 | - | 1,574 | 101 |
| Worker's compensation | 120 | 160 | 78 | - | 78 | 82 |
| Education and training | 300 | 205 | 95 | - | 95 | 110 |
| Electricity | 5,000 | 1,100 | 3,136 | - | 3,136 | (2,036) |
| Water | 500 | 520 | 526 | - | 526 | (6) |
| Gas | 1,100 | 1,100 | 603 | - | 603 | 497 |
| Telephone | 7,000 | 8,000 | 6,887 | - | 6,887 | 1,113 |
| Supplies | - | - | 4,666 | (6,407) | (1,741) | 1,741 |
| Uniforms | 300 | 160 | 157 | - | 157 | 3 |
| Insurance | 800 | 1,160 | 1,155 | - | 1,155 | 5 |
| Total Library | 69,320 | 66,080 | 70,629 | (6,407) | 64,222 | 1,858 |
| Total Culture and Recreation | 82,320 | 87,015 | 83,884 | (6,407) | 77,477 | 9,538 |
| Community Development | | | | | | |
| Supplies | 5,000 | 3,000 | 2,351 | - | 2,351 | 649 |
| Total Community Development | 5,000 | 3,000 | 2,351 | - | 2,351 | 649 |
| Capital Outlay | | | | | | |
| General government | 6,500 | 35,000 | 75,086 | (36,344) | 38,742 | (3,742) |
| Police department | 750 | 750 | 224,355 | (213,304) | 11,051 | (10,301) |
| Public property | 5,000 | 5,000 | 29,930 | - | 29,930 | (24,930) |
| Parks | 94,400 | 162,380 | 161,725 | - | 161,725 | 655 |
| Library | 3,500 | 3,300 | 9,594 | (1,843) | 7,751 | (4,451) |
| Total Capital Outlay | 110,150 | 206,430 | 500,690 | (251,491) | 249,199 | (42,769) |
| Debt Service | | | | | | |
| Retirement of lease obligations | - | - | 12,146 | - | 12,146 | (12,146) |
| Total Debt Service | - | - | 12,146 | - | 12,146 | (12,146) |
| Total Expenditures | 2,309,838 | 2,179,827 | 1,904,267 | - | 1,904,267 | 275,560 |
| EXCESS (DEFICIENCY) OF | | | | | | |
| REVENUES OVER EXPENDITURES | \$ 39,488 | \$ 169,499 | \$ 320,142 | \$ - | \$ 320,142 | \$ 150,643 |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance--Budget and Actual
For the fiscal year ended June 30, 2023

| | Budgeted Amounts | | Actual | Adjustments to Budgetary Basis | Actual on Budgetary Basis | Variance with Final Budget Positive/ Negative |
|--|---------------------|---------------------|---------------------|--------------------------------------|---------------------------------|--|
| | Original | Final | | | | |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Proceeds of operating leases | \$ - | \$ - | \$ 43,450 | \$ - | \$ 43,450 | \$ 43,450 |
| Proceeds from sale of capital assets | 25,000 | 25,000 | 6,217 | - | 6,217 | (18,783) |
| Proceeds from insurance claims | <u>6,000</u> | <u>6,000</u> | <u>19,179</u> | <u>-</u> | <u>19,179</u> | <u>13,179</u> |
| Total Other Financing Sources (Uses) | <u>31,000</u> | <u>31,000</u> | <u>68,846</u> | <u>-</u> | <u>68,846</u> | <u>37,846</u> |
| REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) | | | | | | |
| EXPENDITURES AND OTHER USES | 70,488 | 200,499 | 388,988 | - | 388,988 | 188,489 |
| Fund balance--beginning | <u>1,227,078</u> | <u>1,227,078</u> | <u>1,227,078</u> | <u>-</u> | <u>1,227,078</u> | <u>-</u> |
| Fund balance--ending | <u>\$ 1,297,566</u> | <u>\$ 1,427,577</u> | <u>\$ 1,616,066</u> | <u>\$ -</u> | <u>\$ 1,616,066</u> | <u>\$ 188,489</u> |

The accompanying notes are an integral part of these statements.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Whiteville, Tennessee (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units, hereinafter referred to as generally accepted accounting principles (GAAP). 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 Town's accounting policies are described below.

a. Reporting Entity

The Town is a municipal corporation governed by an elected Mayor and six-member board. As required by generally accepted accounting principles, these financial statements present the Town (the primary government) and its component unit, entities for which the government is considered to be financially accountable. A component unit is included in the Town's reporting entity if it is both fiscally dependent on the Town and there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the Town. The Town is required to consider other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability exists if the Town appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Town.

The financial statements of the component units may be discretely presented in a separate column from the primary government or blended with the financial statements of the primary government.

Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Component Unit

The Industrial Development Board, the Planning Committee Board, the Library Board, the Audit Committee Board, and the Cemetery Board meet the criteria listed for inclusion as a component unit. However, these boards have minimal or no financial activity and these activities are not considered material to the financial statements. Any assets, liabilities, revenues, or expenses of these activities are budgeted and accounted for in the general fund. The Industrial Development Board is 100 percent appointed by the Town Board and provides industrial planning for the Town. The Planning Committee Board is 100 percent appointed by the Town Board and provides planning commission services to the Town. The Library Board is 100 percent appointed by the Town Board and provides library oversight services to the Town. The Audit Committee Board is 100 percent appointed by the Town Board and provides audit oversight services to the Town. The Cemetery Board is 100 percent appointed by the Town Board and provides cemetery oversight services to the Town.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

b. Fund Accounting

The accounts of the Town are organized and operated using funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. 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 are maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a Town's general activities, including the collection and disbursement of earmarked monies (special revenue funds), accounting for financial resources to be used for the acquisition or construction of major capital facilities (capital project funds), to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's program (permanent funds), and to account for payments of certain long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities for which a fee is charged to external or internal users for goods or services. Their reporting focuses on the determination of operating income and changes in net assets. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Town (internal service funds). The Town considers all revenues and expenses derived from the performance of the fund's function (water, sewer, solid waste collection), or paid to provide the function to be operating revenues and expenses. Everything else is considered nonoperating.

Fiduciary funds are used to account for assets held in a trustee or custodial capacity for others and; therefore, cannot be used to support the Town's own programs.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Town. The effect of material interfund activity has been eliminated from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

c. Government-Wide and Fund Financial Statements - continued

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with 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 standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental fund:

The general fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Additionally, the nonmajor governmental funds include the following:

The drug special revenue fund is used to account for drug awareness and drug enforcement collections and disbursements.

The cemetery perpetual care permanent fund is used to account for collections and disbursements set aside for which income is to be used for cemetery maintenance.

The debt service fund is required by the debt instrument and accounts for payment of certain long term debts.

The Town reports the following major proprietary funds:

The water and sewer fund accounts for the activities of the water and sewerage operations. The Town operates the sewerage treatment plant, sewerage pumping stations and collection systems, and the water distribution system.

Additionally, the nonmajor proprietary funds include the following:

The Solid Waste Collection fund accounts for the activities of the collection and disposal of garbage.

The Town reports the following fiduciary funds:

The Leola Roberts Building Perpetual Care Fund provides funds to a local club for maintenance of the Leola Roberts building.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

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 and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports deferred inflows of resources for unavailable revenue on its governmental fund financial statements. Deferred inflows of resources for unavailable revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources for unavailable revenues also arise when resources are received by the Town 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 Town has a legal claim to the resources, the liability for deferred inflows of resources for unavailable revenue is removed from the combined balance sheet and revenue is recognized.

e. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted at the department level for the Governmental and Proprietary Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the department level. All annual appropriations lapse at fiscal year-end. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Town of Whiteville, Tennessee.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

f. Cash and Investments

For purposes of the statement of cash flows, the Town's proprietary fund types consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments consist of certificates of deposit and are stated at cost which approximates fair value.

g. 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" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Governmental fund accounts receivable consist of property taxes, interest, beer taxes, and other receivables due. Governmental fund other receivables include franchise fees and other miscellaneous receivables.

h. Inventories

Inventories of office materials, police fuel, and water and sewer supplies were deemed to be immaterial and were not inventoried or reflected in the Town's records. The inventory shown on the accompanying financial statements are confiscated vehicles waiting to be sold. They are valued at estimated current value when title is awarded to Town.

i. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses for the government-wide and enterprise fund financial statements. Payments made to vendors for services that will benefit periods beyond the date of this report are recognized in the period of acquisition for governmental fund statements.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

j. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items acquired after June 30, 2001), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town has elected not to report infrastructure acquired prior to implementation of GASB 34. Capital assets are defined by the Town as all land and building additions, and assets with an initial, individual cost of \$5,000 or more prior to July 1, 2017 and \$1,000 thereafter for infrastructure, improvements other than buildings, and equipment (amounts not rounded) and an estimated useful life of over one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation in the governmental activities, business type activities and enterprise funds with a recognition of revenue from contributed capital. There were no donated capital assets during the current year.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

| Assets | Years |
|-----------------------------------|-------|
| Buildings | 40 |
| Improvements other than buildings | 20 |
| Infrastructure | 20-50 |
| Water and sewer system | 40-50 |
| Machinery and equipment | 5-20 |
| Right-to-use leased equipment | 3-5 |

k. Capitalization of Interest

In accordance with GASB 89 Accounting for Interest Cost Incurred before the End of a Construction Period, interest expense incurred during the construction period is being expensed.

l. Compensated Absences

It is the Town's policy to permit employees to accumulate a limited amount of earned, but unused vacation leave, which will be paid to employees upon separation from Town services.

The Town accrues a liability for compensated absences which meet the following criteria:

1. The Town's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

l. Compensated Absences - continued

As of June 30, 2023, the liability for accrued vacation leave is approximately \$27,865. The amount applicable to the enterprise fund of \$6,368 and general fund of \$160 has been recorded in these funds, the amount applicable to other funds of \$21,337 has been recorded in the government-wide statements.

In accordance with the provisions of Government Accounting Standards Board Statement No.16, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

m. Long-Term Obligations

The Town periodically issued debt under the Tennessee Code. This code provides for the prompt payment of notes or certificates of indebtedness at maturity, both principal and interest. The full faith and credit and resources of the Town are pledged for these notes. If the Town does not have available funds in an amount sufficient to provide for the payment of principal and interest according to the terms of such notes or certificates of indebtedness, then the Town is required to annually levy a special tax upon all of its taxable property at a rate, the avails of which will be sufficient to provide such payments. Funds derived from any such tax shall be paid into a sinking fund and used exclusively for the payment of principal and interest on the notes or certificates of indebtedness. The Town had no long term debt other than operating leases outstanding at year end.

The Town has not, and does not expect to be required to, levy such tax.

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 financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are chargeable to the current period. There were no bond premiums, or discounts or bonds other than operating leases outstanding at June 30, 2023.

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

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

n. Pensions

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 Town of Whiteville's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Town of Whiteville's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of the TCRS. Investments are reported at fair value.

o. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet 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(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City reports GASB No. 71 pension contributions made after the pension reporting date and GASB No. 68 pension deferrals as follows. See Note 10 for additional details.

| | Government-Wide Governmental Activities | Business- Type Activities | Water and Sewer Fund | General Fund | Nonmajor Other Funds |
|---|---|---------------------------------|----------------------------|-----------------|----------------------------|
| GASB No. 68 pension | \$ 270,304 | \$ 74,911 | \$ 74,911 | \$ - | \$ - |
| GASB No. 71 pension | <u>33,985</u> | <u>8,715</u> | <u>8,715</u> | <u>-</u> | <u>-</u> |
| Total deferred outflows of resources | <u>\$ 304,289</u> | <u>\$ 83,626</u> | <u>\$ 83,626</u> | <u>\$ -</u> | <u>\$ -</u> |

In addition to liabilities, the statement of net position will sometimes report separate inflows of resources. This separate financial element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has two types of items for reporting in this category. It is the unavailable revenue reported in the government-wide statement of net position and the governmental funds balance sheet and the pensions reported in the government-wide financial statement and the Proprietary Fund financial statements. The amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available. The Town reports unavailable revenues and pension related items from the following sources:

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

o. Deferred Outflows/Inflows of Resources - continued

| | Government-Wide Governmental Activities | Business- Type Activities | Water and Sewer Fund | General Fund | Nonmajor Other Funds |
|---------------------------|---|---------------------------------|----------------------------|-------------------|----------------------------|
| Unavailable Revenues | | | | | |
| Property taxes | \$ 246,612 | \$ - | \$ - | \$ 256,642 | \$ - |
| State beer tax | - | - | - | 475 | - |
| County library assistance | - | - | - | 4,500 | - |
| Art Grant | - | - | - | 798 | - |
| Police fines | - | - | - | 20,537 | - |
| Rent | - | - | - | 1,150 | - |
| Damage settlement | - | - | - | 78 | - |
| Interest income | - | - | - | 2,721 | 750 |
| Total unavailale revenue | 246,612 | - | - | 286,901 | 750 |
| GASB No. 68 pension | 38,592 | 10,606 | 10,606 | - | - |
| | <u>\$ 285,204</u> | <u>\$ 10,606</u> | <u>\$ 10,606</u> | <u>\$ 286,901</u> | <u>\$ 750</u> |

p. Fund Equity/Net Position

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

Nonspendable fund balance. This classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Alderpersons, the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Board of Alderpersons removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the Town's "intent" to be used for a specific purpose, but are neither restricted nor committed. The Board of Alderpersons and Mayor have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

p. Fund Equity/Net Position - continued

Unassigned fund balance. This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

The constraints on fund balances as listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balance are detailed according to balance classification and fund.

| | General Fund | Other Governmental Funds |
|--------------------------------|-----------------|--------------------------------|
| Fund Balances: | | |
| Nonspendable: | | |
| Cemetery perpetual care | \$ - | \$ 43,691 |
| Total – Nonspendable: | <u>\$ -</u> | <u>\$ 43,691</u> |
| | | Other Governmental Funds |
| Restricted | | |
| Debt service | \$ - | \$ 7,480 |
| Cemetery perpetual care | - | 2,849 |
| Drug awareness and enforcement | - | 17,711 |
| Total – Restricted: | <u>\$ -</u> | <u>\$ 28,040</u> |

The drug fund is restricted by State of Tennessee enabling legislation. The cemetery perpetual care fund is nonspendable by contract. The debt service fund is restricted by bond covenant.

In the government-wide and proprietary fund financial statements, equity is classified as net position and displayed in three components:

Net investment in capital assets—Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any notes or other borrowings attributable to those assets.

Restricted net position—Consists of net assets with constraints placed on the use either by external groups, such as grantors or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.

Unrestricted net position—All other assets that do not meet the definition of “restricted” or “net investment in capital assets.”

When restricted, committed, assigned, and unrestricted resources are available for use, it is the Town’s policy to use externally restricted resources first, then committed, assigned, and unassigned in that order as needed.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

q. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. As such, actual results could differ from those estimates.

r. Reclassifications

Certain reclassifications have been made to the prior year financial statements in order to conform to the current year presentation.

s. Subsequent Events

Subsequent events have been evaluated through February 12, 2024, which is the date the financial statements are available to be issued.

2. PROPERTY TAX

Taxes are assessed on January 1, the levy date is October 1 and are due and payable October through February in the year succeeding the levy. Taxes are due by February 28. Property taxes attach as an unperfected lien on property as of March 1. Taxes uncollected for one year past the due date are submitted to the Chancery Court for collection. Tax liens become perfected at the time the court enters judgment.

Appraised values are established by Hardeman County, Tennessee at 100 percent of estimated market values. The Town is required to adopt county tax rolls. The 2022 taxes are collected in October, 2022 through February, 2023. The 2022 taxes are levied to fund the 2022 - 2023 budget year. The assessed value upon which the 2022 taxes were based was \$28,360,792.

Town property tax revenue is recorded in governmental funds as receivables and deferred revenues at the time the tax attaches as an enforceable lien which includes the 2023 taxes intended to fund the 2023-2024 budget year of \$246,612. Current year revenues recognized are those collected within the current period, or soon enough thereafter to pay current liabilities, generally within sixty days after year end. An allowance is provided for property taxes not expected to be collected in the future.

The 2022 taxes of \$246,612 (\$248,475 net of \$1,863 allowance for bad debts) are also included in unavailable revenue and not in current revenues in governmental activities because they are levied to fund the 2022 - 2024 budget year.

The Town assessed a tax rate of 86.21 mills for the 2022 taxes and 63.03 mills for the 2023 taxes.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

3. LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets

The budget committee submits an annual budget to the Board of Alderpersons in accordance with the Town charter and the State of Tennessee requirements. Prior to June 30, the Board of Alderpersons is required to adopt annual fiscal year appropriated budgets for specified Town funds. These include general and special revenue funds. Annually appropriated budgets are also approved for certain portions of proprietary fund operations including water and sewer and solid waste collection. Once approved, the Board of Alderpersons may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Tennessee law requires the Town to adopt a municipal budget on a basis consistent with U.S. generally accepted accounting principles; however, various department expenses were budgeted in with general government - public relations ARPA grant spending. Statement 10 - General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual reconciles the general fund U.S. generally accepted accounting principles basis to budget basis.

In accordance with Government Accounting Standards Board Statement No. 34, the Town has presented the general fund budget comparison as part of the basic financial statements on Statement 10. The budgets shown on Statement 10 are the original and final adopted budgets.

The Town is legally subject to the budgetary control requirements of its charter and the State of Tennessee. The Town follows the following procedures in establishing the budgetary comparison:

- A. Prior to June 1, the Mayor is required to submit to the Board of Alderpersons a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to July 1, the budget is required to be legally enacted through passage of an ordinance.
- D. The budget must be balanced. The balanced budget may include a contribution to or appropriation from fund balance.
- E. The budget must be amended when necessary.
- F. Debt cannot be entered into unless permitted by law.
- G. Expenditures cannot exceed budget appropriations.
- H. Expenditures cannot be made unless authorized in the budget.
- I. Appropriations lapse at the end of each year.

Tennessee Code Annotated, Section 6-56-203 requires estimates of proposed expenditures by department, board, office, or other agency; therefore, budget overruns are based on department totals. There were no departmental budget overruns during the year ended June 30, 2022. See detailed general fund budgetary comparisons on Statement 10.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

4. DEPOSITS AND INVESTMENTS

At June 30, 2023, the cash and investments included the following:

| <u>Account Balances</u> | | <u>Ownership of Funds</u> | |
|-------------------------|---------------------|---------------------------|---------------------|
| Petty cash/cash on hand | \$ 500 | Governmental Funds | \$ 2,089,004 |
| Demand deposits | 4,623,245 | Enterprise Funds | 2,919,014 |
| Certificates of deposit | <u>392,677</u> | Custodial Funds | <u>8,404</u> |
| | <u>\$ 5,016,422</u> | | <u>\$ 5,016,422</u> |

The deposits of the Town are governed by State of Tennessee statutes which allow depositories to collateralize excess deposits above federal depository insurance coverage by one of two methods: 1) 105% of all deposits exceeding the federal depository insurance coverage are collateralized with securities held by the Town's agency in the Town's name, or 2) the financial institution must be a member of the State of Tennessee Bank Collateral Pool. Under this 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 held by the Town's agent in the Town's name. The amount of the pledged collateral is based upon a method approved by the State of Tennessee. Depositories using the pooling method report to the State Treasurer the adequacy of the pledged collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town or with the escrow agent. Collateral pledged has an average maturity date of 44 days.

Because of the inability to measure the exact amount of collateral pledged for the Town under the pooling method, the potential exists for under collateralization, and the risk may increase in periods of high cash flows. However, the State Treasurer for Tennessee enforces strict standards of financial stability for each depository that collateralizes under the State of Tennessee Bank Collateral Pool.

At June 30, 2023, the demand deposit and certificates of deposit held with various local financial institutions had carrying amounts totaling \$5,015,922 and bank balances totaling \$5,347,626, of which \$271,705 was covered by federal depository insurance and \$5,075,921 was covered by the State of Tennessee Bank Collateral Pool.

The Town has designated Bank of Fayette County as its official depository. However, the Town also uses CB&S Bank.

Investments

State of Tennessee statutes authorize the Town to invest in 1) short-term investments secured by FDIC in certificates of deposit, 2) short-term investments in treasury bills and treasury certificates, including security repurchase agreements at mutually agreeable interest rates for large sums available for very short-term investments, 3) short-term or long-term investments, which mature in two years or less, in TVA obligations, 4) long-term investments, which mature in two years or less, in housing authority bonds and in State, County, and Town bonds, and 5) deposits in the Tennessee Local Government Investment Pool.

Investments are stated at cost. At June 30, 2023, the Town investments consisted of certificates of deposit totaling \$392,677 which is included in cash above with an average original maturity date of eleven months. There is no material difference in cost and market value of the certificates of deposit.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

4. DEPOSITS AND INVESTMENTS - continued

Interest Rate Risk

State law limits investments to maturities of two years or less. The Town has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Town limited its investments during the year to federal depository insured certificates of deposit with Regions Bank, CB&S Bank, Bank of Fayette County, and BancorpSouth Bank. These banks allow the Town to cash out the certificates of deposit prior to maturity with a 90-180 day loss of interest.

Credit Risk

State law limits investments to 1) financial institutions insured by FDIC that are members of the State of Tennessee Bank Collateral Pool or that provide pledged collateral held by the Town's agent in the Town's name, 2) TVA obligations with a maturity of two years or less, 3) housing authority bonds and State, County, and Town bonds which mature in two years or less and, 4) deposits in the Tennessee Local Government Investment Pool. The Town has no investment policy that would limit its investment choices.

The Town purchases certificates of deposit with the following financial institutions with the following ratings by Moody's: Regions Bank (Ba3), CB&S Bank (not rated), and Bank of Fayette County (not rated).

Custodial Credit Risks

Custodial credit risk is the risk that the Town will not be able to recover the value of its investments that are in the possession of its safekeeping custodian. To minimize this risk, the Town's investment policy requires that all negotiable instruments shall be held in safekeeping in the trust department of a bank. The Town's pledged collateral is held in the Town's name by a safekeeping agent that is independent of all counterparties.

Concentration of Credit Risks

The Town of Whiteville, Tennessee had investments in certificates of deposit at June 30, 2023 with more than 5% of the total in Bank of Fayette County. These investments represented 100% of total investments in certificates of deposit.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

5. RECEIVABLES

Receivables at June 30, 2023 for the government's individual major funds and nonmajor funds, business-type funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectable accounts, consist of the following. It is at least reasonably possible that the Town's estimate of the allowance for doubtful accounts could change in the near-term.

| | General | Other Government- al Funds | Water and Sewer System | Fiduciary | Total |
|------------------------------------|-------------------|----------------------------------|------------------------------|-------------|-------------------|
| Receivables: | | | | | |
| Taxes | | | | | |
| Property | \$ 260,018 | \$ - | \$ - | \$ - | \$ 260,018 |
| Beer | 6,824 | - | - | - | 6,824 |
| Liquor | 2,566 | - | - | - | 2,566 |
| Accounts | - | - | 150,519 | - | 150,519 |
| Interest | 2,721 | 750 | 2,401 | 2 | 5,874 |
| Other | | | | | |
| Police fines | 243,970 | - | - | - | 243,970 |
| Other | 31,409 | - | - | - | 31,409 |
| Gross receivables | 547,508 | 750 | 152,920 | 2 | 701,180 |
| Less: Allowance for uncollectables | (222,524) | - | (3,354) | - | (225,878) |
| Net receivables | <u>\$ 324,984</u> | <u>\$ 750</u> | <u>\$ 149,566</u> | <u>\$ 2</u> | <u>\$ 475,302</u> |

6. CAPITAL ASSETS

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

| | Balance June 30, 2022 | Additions | Deletions | Transfers | Balance June 30, 2023 |
|---|-----------------------------|-------------------|--------------------|------------------|-----------------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| Capital assets not being depreciated/amortized | | | | | |
| Land | \$ 400,734 | \$ 5,000 | \$ - | \$ - | \$ 405,734 |
| Construction in progress | 10,778 | - | - | (10,778) | - |
| Total capital assets not being depreciated/amortized | <u>411,512</u> | <u>5,000</u> | <u>-</u> | <u>(10,778)</u> | <u>405,734</u> |
| Capital assets being depreciated/amortized: | | | | | |
| Building and improvements | 718,867 | 47,063 | (8,056) | - | 757,874 |
| Automotive and equipment | 1,240,277 | 300,221 | (21,632) | - | 1,518,866 |
| Infrastructure | 1,156,214 | 152,516 | (20,885) | 10,778 | 1,298,623 |
| Right-to-use lease assets | | | | | |
| Equipment | 15,169 | 43,450 | (4,298) | - | 54,321 |
| Total capital assets being depreciated/amortized | <u>\$ 3,130,527</u> | <u>\$ 543,250</u> | <u>\$ (54,871)</u> | <u>\$ 10,778</u> | <u>\$ 3,629,684</u> |

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

6. CAPITAL ASSETS - continued

| | Balance June 30, 2022 | Additions | Deletions | Transfers | Balance June 30, 2023 |
|---|-----------------------------|-------------------|--------------------|---------------|-----------------------------|
| Less accumulated depreciation/amortization for: | | | | | |
| Buildings and improvements | \$ 237,267 | \$ 17,718 | \$ (1,815) | \$ - | \$ 253,170 |
| Automotive and equipment | 789,774 | 88,300 | (20,196) | - | 857,878 |
| Infrastructure | 387,956 | 40,587 | - | - | 428,543 |
| Right-to-use lease assets | | | | | |
| Equipment | <u>6,202</u> | <u>9,283</u> | <u>(4,298)</u> | <u>-</u> | <u>11,187</u> |
| Total accumulated depreciation/amortization | <u>1,421,199</u> | <u>155,888</u> | <u>(26,309)</u> | <u>-</u> | <u>1,550,778</u> |
| Total capital assets being depreciated/amortized - net | <u>1,709,328</u> | <u>387,362</u> | <u>(28,562)</u> | <u>10,778</u> | <u>2,078,906</u> |
| GOVERNMENTAL ACTIVITIES | | | | | |
| CAPITAL ASSETS, NET | <u>\$ 2,120,840</u> | <u>\$ 392,362</u> | <u>\$ (28,562)</u> | <u>\$ -</u> | <u>\$ 2,484,640</u> |
| | Balance June 30, 2022 | Additions | Deletions | Transfers | Balance June 30, 2023 |
| BUSINESS TYPE ACTIVITIES | | | | | |
| Capital assets not being depreciated/amortized: | | | | | |
| Land | \$ 59,299 | \$ 11,243 | \$ - | \$ - | \$ 70,542 |
| Construction in progress | <u>4,950</u> | <u>306,271</u> | <u>-</u> | <u>-</u> | <u>311,221</u> |
| Total capital assets not being depreciated/amortized | <u>64,249</u> | <u>317,514</u> | <u>-</u> | <u>-</u> | <u>381,763</u> |
| Capital assets being depreciated/amortized: | | | | | |
| Buildings and improvements | 100,373 | 8,875 | - | - | 109,248 |
| Automotive and equipment | 208,512 | 15,477 | - | - | 223,989 |
| Water and sewer system | 6,746,556 | 58,490 | - | - | 6,805,046 |
| Right-to-use lease assets | | | | | |
| Equipment | <u>-</u> | <u>36,325</u> | <u>-</u> | <u>-</u> | <u>36,325</u> |
| Total capital assets being depreciated/amortized | <u>\$ 7,055,441</u> | <u>\$ 119,167</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 7,174,608</u> |
| Less accumulated depreciation for: | | | | | |
| Buildings and improvements | \$ 15,365 | \$ 2,608 | \$ - | \$ - | \$ 17,973 |
| Automotive and equipment | 94,451 | 19,841 | - | - | 114,292 |
| Water and sewer system | 3,811,287 | 165,114 | - | - | 3,976,401 |
| Right-to-use lease assets | | | | | |
| Equipment | <u>-</u> | <u>3,544</u> | <u>-</u> | <u>-</u> | <u>3,544</u> |
| Total accumulated depreciation/amortization | <u>3,921,103</u> | <u>191,107</u> | <u>-</u> | <u>-</u> | <u>4,112,210</u> |
| Total capital assets being depreciated/amortized - net | <u>3,134,338</u> | <u>(71,940)</u> | <u>-</u> | <u>-</u> | <u>3,062,398</u> |
| BUSINESS-TYPE ACTIVITIES | | | | | |
| CAPITAL ASSETS, NET | <u>\$ 3,198,587</u> | <u>\$ 245,574</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,444,161</u> |

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

6. CAPITAL ASSETS - continued

The right-to-use lease assets consist of three copiers and a John Deere 310L Backhoe remaining at June 30, 2023. The leased asset's amortization is presented as amortization expense on the Statement of Revenues, Expenses and Changes in Fund Net Position related to the City's right-to-use lease assets, which are included in the above table as right-to-use lease assets. Governmental Accounting Standards Board Statement No. 87, *Leases*, requires the lessee to recognize a lease liability and an intangible right to use lease asset.

Depreciation and amortization expense for the current year was charged to functions/programs of the primary government as follows:

| GOVERNMENTAL ACTIVITIES | Amortization | Depreciation | Total |
|---|-----------------|-------------------|-------------------|
| General Government | \$ 3,957 | \$ 17,049 | \$ 21,006 |
| Public Safety | 396 | 76,723 | 77,119 |
| Public Works | 3,118 | 48,064 | 51,182 |
| Culture and Recreation | <u>1,812</u> | <u>4,769</u> | <u>6,581</u> |
| TOTAL DEPRECIATION/AMORTIZATION EXPENSE--- | | | |
| GOVERNMENTAL ACTIVITIES | <u>\$ 9,283</u> | <u>\$ 146,605</u> | <u>\$ 155,888</u> |
| BUSINESS-TYPE ACTIVITIES | | | |
| Water and Sewer | <u>\$ 3,544</u> | <u>\$ 187,563</u> | <u>\$ 191,107</u> |
| TOTAL DEPRECIATION/AMORTIZATION EXPENSE--- | | | |
| BUSINESS-TYPE ACTIVITIES | <u>\$ 3,544</u> | <u>\$ 187,563</u> | <u>\$ 191,107</u> |

7. LONG-TERM DEBT

GOVERNMENTAL ACTIVITIES

General obligation debt consists of debt issued that is backed by the full faith and credit of the Town. The lease obligations are collateralized by the assets listed below and the building note is collateralized by the real estate:

| | Final Maturity Date | Interest Rate | Beginning Balance 07/01/2022 | Additions | Repayments | Ending Balance 06/30/2023 | Amounts Due Within One Year |
|--|---------------------------|---------------|------------------------------------|------------------|------------------|------------------------------|-----------------------------------|
| General obligation bonds | | | | | | | |
| None | N/A | N/A | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total general obligation bonds | | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Notes from direct borrowings and direct placements | | | | | | | |
| None | N/A | N/A | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total direct borrowings and direct placements | | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Leases | | | | | | | |
| City Hall Copier | 2/23/2023 | 2.00% | 1,599 | - | 1,599 | - | - |
| Police Copier | 6/13/2024 | 2.00% | 3,607 | - | 1,864 | 1,743 | 1,743 |
| Library Copier | 6/13/2024 | 2.00% | 3,607 | - | 1,865 | 1,742 | 1,742 |
| Police SkyCop Camera System | 5/1/2026 | 6.46% | - | 7,125 | 2,525 | 4,600 | 1,052 |
| 1/2 City Hall Copier | 2/15/2028 | 6.46% | - | 6,395 | 458 | 5,937 | 2,228 |
| 1/2 John Deere 310L Backhoe | 1/24/2027 | 6.46% | - | 29,930 | 2,770 | 27,160 | 6,960 |
| Total leases | | | <u>8,813</u> | <u>43,450</u> | <u>11,081</u> | <u>41,182</u> | <u>13,725</u> |
| Compensated absences | | | <u>21,149</u> | <u>348</u> | <u>-</u> | <u>21,497</u> | <u>160</u> |
| | | | <u>\$ 29,962</u> | <u>\$ 43,798</u> | <u>\$ 11,081</u> | <u>\$ 62,679</u> | <u>\$ 13,885</u> |

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

7. LONG-TERM DEBT - continued

GOVERNMENTAL ACTIVITIES - continued

Annual debt service requirements to maturity for bonds, and direct borrowing for governmental activities are as follows:

| Years Ending June 30 | Notes from Direct Borrowings and Direct Placements | | | General Obligation Bonds | | |
|-------------------------|---|-------------|-------------|--------------------------|-------------|-------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2024 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | - | - | - | - | - | - |
| 2026 | - | - | - | - | - | - |
| 2027 | - | - | - | - | - | - |
| 2028 | - | - | - | - | - | - |
| 2029-2033 | - | - | - | - | - | - |
| Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

The ordinance authorizing the issuance of general obligation bonds creates an interest and sinking fund (General Debt Service Fund). If funds are not available from other sources, the ordinances require the Town to ascertain a rate and amount of ad valorem tax which will be sufficient to pay interest as it comes due. The Town does not levy taxes for debt service. All governmental debt is paid by the General Fund or through the Debt Service Fund funded by the General Fund.

Specific years for payment of compensated absences are not determinable and are not included in the table above.

BUSINESS-TYPE ACTIVITIES

There were no revenue or general obligation bonds payable at June 30, 2023; therefore, there was no collateralization required. All reserves were fully funded and sufficient fidelity bonds were maintained.

| | Final Maturity | Interest | Beginning Balance 07/01/2022 | Additions | Repayments | Ending Balance 06/30/2023 | Amounts Due Within One Year |
|--|-------------------|----------|------------------------------------|------------------|-----------------|------------------------------|-----------------------------------|
| Notes from Direct Borrowings and Direct Placements | | | | | | | |
| None | N/A | N/A | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total general obligation bonds | | | - | - | - | - | - |
| Leases | | | | | | | |
| 1/2 Copier | 2/15/2028 | 6.46% | - | 6,395 | 458 | 5,937 | 2,228 |
| 1/2 John Deere 310L Backhoe | 1/24/2027 | 6.46% | - | 29,930 | 2,770 | 27,160 | 6,960 |
| Total leases | | | - | 36,325 | 3,228 | 33,097 | 9,188 |
| Compensated absences | | | | | | | |
| | | | 4,624 | 1,744 | - | 6,368 | 3,092 |
| | | | <u>\$ 4,624</u> | <u>\$ 38,069</u> | <u>\$ 3,228</u> | <u>\$ 39,465</u> | <u>\$ 12,280</u> |

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

7. LONG-TERM DEBT - continued

BUSINESS-TYPE ACTIVITIES - continued

Annual debt service requirements to maturity for bonds for business-type activities are as follows:

| Years Ending <u>June 30</u> | Bonds and Notes | | |
|--------------------------------|------------------|-----------------|--------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2024 | \$ - | \$ - | \$ - |
| 2025 | - | - | - |
| 2026 | - | - | - |
| 2027 | - | - | - |
| 2028 | - | - | - |
| 2029-2033 | - | - | - |
| Total | \$ - | \$ - | \$ - |

Specific years for payment of compensated absences are not determinable and are not included in the table above. All enterprise fund debt is paid by the fund incurring the debt.

Tennessee law does not limit the amount of debt the Town can issue; however, the State of Tennessee requires the Town obtain approval to issue debt other than debt issued by referendum. The Town has adopted a debt policy which limits total outstanding debt obligations to ten percent of assessment excluding overlapping debt, enterprise debt, and revenue debt.

8. LEASES

Lease agreements are summarized below:

Governmental Activities

| <u>Description</u> | <u>Date of Issue</u> | <u>Date of Maturity</u> | <u>Payment Terms</u> | <u>Payment Amount</u> | <u>Interest Rate</u> | <u>Lease Liability</u> | <u>Balance 6/30/2023</u> |
|------------------------|--------------------------|-----------------------------|--------------------------|---------------------------|--------------------------|----------------------------|------------------------------|
| Police - copier | 6/13/2019 | 6/13/2024 | 60 months | \$ 160 | 2.00% | \$ 9,144 | \$ 1,743 |
| Library - copier | 6/13/2019 | 6/13/2024 | 60 months | 160 | 2.00% | 9,144 | 1,742 |
| Police SkyCop camera | 5/1/2023 | 5/1/2026 | 36 months | 125 | 6.46% | 4,500 | 4,600 |
| City Hall - 1/2 copier | 2/15/2023 | 2/15/2028 | 3 years | 2,525 | 6.46% | 7,575 | 5,937 |
| 1/2 J D 310L backhoe | 1/24/2023 | 1/24/2027 | 48 months | 709 | 6.46% | 34,032 | 27,160 |

| | | | | | | | |
|---|--|--|--|--|--|--|------------------|
| Total Governmental Activities Lease Obligations | | | | | | | <u>\$ 41,182</u> |
|---|--|--|--|--|--|--|------------------|

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

8. LEASES - continued

Business-Type Activities

| <u>Description</u> | <u>Date of Issue</u> | <u>Date of Maturity</u> | <u>Payment Terms</u> | <u>Payment Amount</u> | <u>Interest Rate</u> | <u>Lease Liability</u> | <u>Balance 6/30/2023</u> |
|----------------------|----------------------|-------------------------|----------------------|-----------------------|----------------------|------------------------|--------------------------|
| 1/2 copier | 2/15/2023 | 2/15/2028 | 3 years | \$ 2,525 | 6.46% | \$ 7,575 | \$ 5,937 |
| 1/2 J D 310L backhoe | 1/24/2023 | 1/24/2027 | 48 months | 709 | 6.46% | 34,032 | <u>27,160</u> |

Total Business-Type Activities Lease Obligations \$ 33,097

None of the leases are renewable or contain residual value requirements and the City will not acquire the equipment at the end leased periods stated above.

Annual requirements to amortize long-term lease obligations and related imputed interest are as follows:

| Year ending June 30 | <u>Governmental Activities</u> | | | <u>Business-Type Activities</u> | | |
|---------------------|--------------------------------|-----------------|------------------|---------------------------------|-----------------|------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2024 | \$ 13,725 | \$ 2,205 | \$ 15,930 | \$ 8,012 | \$ 1,873 | \$ 9,885 |
| 2025 | 11,015 | 1,520 | 12,535 | 8,643 | 1,367 | 10,010 |
| 2026 | 9,218 | 792 | 10,010 | 9,218 | 792 | 10,010 |
| 2027 | 6,247 | 217 | 6,464 | 6,247 | 217 | 6,464 |
| 2028 | <u>977</u> | <u>23</u> | <u>1,000</u> | <u>977</u> | <u>23</u> | <u>1,000</u> |
| Total | <u>\$ 41,182</u> | <u>\$ 4,757</u> | <u>\$ 45,939</u> | <u>\$ 33,097</u> | <u>\$ 4,272</u> | <u>\$ 37,369</u> |

Financed Lease

The Town had no leases meeting the definition of a financed lease as of June 30, 2023.

9. COMPONENTS OF RESTRICTED ASSETS

Enterprise Funds

| | |
|-----------------------|------------------|
| June 30, 2023 | |
| Repairs and extension | <u>\$ 79,156</u> |
| | <u>\$ 79,156</u> |

The Town established the above repair and extension fund at June 30, 2023.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

10. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description

Employees of Town of Whiteville are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under Tennessee Code Annotated, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Benefits Provided

Tennessee Code Annotated, Title 8, Chapters 34-37, establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for nonservice related disability eligibility. The service related and nonservice related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

| | |
|--|-----------|
| Inactive employees or beneficiaries currently receiving benefits | 9 |
| Inactive employees entitled to but not yet receiving benefits | 28 |
| Active employees | <u>20</u> |
| | <u>57</u> |

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

10. DEFINED BENEFIT PENSION PLAN - continued

General Information about the Pension Plan

Contributions

Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of salary. Town of Whiteville makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2023, the employer contributions for Town of Whiteville were \$42,700 based on a rate of 6.03 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Town of Whiteville's state shared taxes if required employer contributions are not remitted. The employer's ADC and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension liabilities (assets)

Town of Whiteville's net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability as of June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.25 percent |
| Salary increases | Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent |
| Investment rate of return | 6.75 percent, net of pension plan investment expenses, including inflation |
| Cost of living adjustment | 2.125 percent |

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2022 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016 through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates 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 of 2.25 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

10. DEFINED BENEFIT PENSION PLAN – continued

Net Pension Liability (Asset) - continued

| <u>Asset Class</u> | <u>Long-Term Expected Real Rate of Return</u> | <u>Target Allocation</u> |
|---------------------------------------|---|--------------------------|
| U.S. equity | 4.88% | 31% |
| Developed market international equity | 5.37% | 14% |
| Emerging market international equity | 6.09% | 4% |
| Private equity and strategic lending | 6.57% | 20% |
| U.S. fixed income | 1.20% | 20% |
| Real estate | 4.38% | 10% |
| Short-term securities | 0.00% | <u>1%</u> |
| | | <u>100%</u> |

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount Rate

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from Town of Whiteville will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive 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.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

10. DEFINED BENEFIT PENSION PLAN – continued

Changes in the Net Pension Liability (Asset)

| | Total Pension Liability | Increase (Decrease) Plan Fiduciary Net Position | Net Pension Liability (Asset) |
|--|----------------------------|---|----------------------------------|
| | (a) | (b) | (a)-(b) |
| Balance at 6/30/21 | <u>\$ 2,162,087</u> | <u>\$ 2,375,163</u> | <u>\$ (213,076)</u> |
| Changes for the year: | | | |
| Service cost | 49,032 | - | 49,032 |
| Interest | 146,825 | - | 146,825 |
| Differences between expected and actual experience | 164,347 | - | 164,347 |
| Contributions-employer | - | 46,025 | (46,025) |
| Contributions-employees | - | 37,269 | (37,269) |
| Net investment income | - | (91,050) | 91,050 |
| Benefit payments, including refunds of employee contributions | (71,875) | (71,875) | - |
| Administrative expense | <u>-</u> | <u>(1,758)</u> | <u>1,758</u> |
| Net changes | <u>288,329</u> | <u>(81,389)</u> | <u>369,718</u> |
| Balance at 6/30/22 | <u>\$ 2,450,416</u> | <u>\$ 2,293,774</u> | <u>\$ 156,642</u> |

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of Town of Whiteville calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

| | 1% Decrease <u>5.75%</u> | Current Discount Rate <u>6.75%</u> | 1% Increase <u>7.75%</u> |
|--|-----------------------------|--|-----------------------------|
| Town of Whiteville's net pension liability (asset) | \$ 528,406 | \$ 156,642 | \$ (145,540) |

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

10. DEFINED BENEFIT PENSION PLAN – continued

Pension Expense (Negative Pension Expense) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Expense (Negative Pension Expense)

For the year ended June 30, 2023, Town of Whiteville recognized pension expense (negative pension expense) of \$53,362.

Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2023, Town of Whiteville reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expected and actual experience | \$ 158,266 | \$ 49,198 |
| Net difference between projected and actual earnings on pension plan investments | 6,830 | - |
| Changes in assumptions | 180,119 | - |
| Contributions subsequent to the measurement date of June 30, 2022 | <u>42,700</u> | (not applicable) |
| Total | <u>\$ 387,915</u> | <u>\$ 49,198</u> |

The amount shown above for "Contributions subsequent to the measurement date of June 30, 2022" totaling \$42,700, will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

| | |
|------------|-------------------|
| 2024 | \$ 41,413 |
| 2025 | 339,337 |
| 2026 | 47,618 |
| 2027 | 120,692 |
| 2028 | 23,478 |
| Thereafter | <u>23,479</u> |
| | <u>\$ 596,017</u> |

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

10. DEFINED BENEFIT PENSION PLAN – continued

Payable to the Pension Plan

At June 30, 2023, Town of Whiteville reported a payable of \$7,743 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2023.

Section 125 Cafeteria Plan

The Town's employees sheltered \$30,111 under a section 125 cafeteria plan.

Defined Contribution Plan - 457 Plan

Plan Name and Administration - The Town's Plan name is Town of Whiteville 457 Plan (457 Plan) as allowed by Tennessee Code Annotated, Section 8-25-111(a) to participate in the Tennessee State Employees Deferred Compensation Plan and Trust - 457(b). The Plan is administered by the State of Tennessee as a trust through Great West Trust Company. The Mayor and Board of Alderpersons are the decision making authority for the Plan.

Benefit Terms - All employees of the Town are eligible to make contributions to the 457 Plan immediately upon hire. The Town does not contribute on behalf of participants for the 457 Plan. Benefit terms may only be amended by the Town Board of Alderpersons.

Contributions - The Town does not contribute to participants of the 457 Plan. The employees are not required to contribute any certain amount to the Plan. During the year ended June 30, 2023, there were no Town contributions to the Plan. There were nonemployer contributions for the year.

Forfeitures - Due to the terms of the 457 Plan, the Town does not make contributions, and therefore, participants are 100% vested immediately. No amounts are ever forfeited.

Payable to the 457 Plan

At June 30, 2023, there was no amount due from the Town for contributions to the 457 Plan.

Defined Contribution Plan - 401K Plan

Plan Name and Administration - The Town's Plan name is Town of Whiteville 401(k) Plan, State of Tennessee Deferred Compensation Plan II - 401(k) (401(k) Plan) as allowed by Tennessee Code Annotated, Section 8-25-111(a) to participate in the State of Tennessee Deferred Compensation Plan II 401(k). The Mayor and Board of Alderpersons are the decision making authority for the Plan.

Benefit Terms - All employees of the Town are eligible to make contributions to the 401(k) Plan immediately. The Town does not contribute on behalf of participants for the 401(k) Plan. Benefit terms may only be amended by the Town Board of Alderpersons.

Contributions - The Town does not contribute to participants of the 401(k) Plan. The 401(k) Plan does not require participants to contribute any certain amount to the Plan. During the year ended June 30, 2023, there were no Town contributions to the Plan. There were nonemployer contributions for the year.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

10. DEFINED BENEFIT PENSION PLAN – continued

Defined Contribution Plan - 401K Plan - continued

Forfeitures - Due to the terms of the 401(k) Plan, the Town does not make contributions, and therefore, participants are 100% vested immediately. No amounts are ever forfeited.

Payable to the 401(k) Plan

At June 30, 2023, there was \$0 due from the Town for contributions to the 401(k) Plan.

11. INTERFUND TRANSACTION

A summary of interfund receivables and payables at June 30, 2023 is as follows:

Due to / from other funds

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|-----------------------------|----------------------|---------------|
| Solid Waste Collection Fund | Water and Sewer Fund | \$ 20,658 |
| Water and Sewer Fund | General Fund | 3,651 |
| Drug Fund | General Fund | 330 |

The general fund receivable from the drug fund of \$330 resulted from drug fines collected by the general fund that was overpaid.

The solid waste collection fund receivable from the water and sewer fund of \$20,658 is the result of solid waste collection fund revenues collected by the water and sewer fund prior to June 30, 2023 but not transferred prior to June 30, 2023.

The water and sewer fund receivable from the general fund of \$3,651 consists of water and sewer fund collections deposited in error to the general fund and not corrected until subsequent to year end.

The internal balances in the government-wide statement of activities of \$3,651 consists of the amount the general fund owes the water and sewer fund for the deposit error discussed above.

These interfund receivables and payables are expected to be settled by June 30, 2024.

A summary of interfund transfers at June 30, 2023 is as follows:

| <u>Transfers out fund</u> | <u>Transfers in fund</u> | <u>Amount</u> |
|---------------------------|--------------------------|---------------|
| None | None | \$ - |
| | | <u>\$ -</u> |

There were no transfers during the year ended June 30, 2023.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

12. INTERGOVERNMENTAL REVENUES

Intergovernmental revenues include the following:

Governmental Funds

| | |
|--|----------------|
| Gasoline and motor fuel tax | \$ 81,326 |
| Gas 3 cent tax | 23,501 |
| Gas 1989 tax | 12,727 |
| Gas 2017 tax | 40,996 |
| Gasoline inspection fees | 8,341 |
| Corporate excise tax | 7,090 |
| TVA and other payments in lieu of taxes | 54,874 |
| State beer tax allocation | 2,084 |
| State sales tax allocation | 542,959 |
| Telecommunication sales tax | 672 |
| Telecommunication privilege tax | 1 |
| Sportsbet tax | 8,137 |
| Police in service | 4,800 |
| Library assistance - county | 4,500 |
| Governor's highway safety grant - federal | 6,262 |
| ARPA grant - federal | 463,944 |
| Library grant - federal and state | 10,598 |
| U. S. Department of Agriculture Cooperative Forestry Grant - federal | <u>105,167</u> |

| | |
|--------------------------|---------------------|
| Total Governmental Funds | <u>\$ 1,377,979</u> |
|--------------------------|---------------------|

Proprietary Funds

| | |
|---|---------------|
| Water and Sewer Fund - CDBG grant - federal | \$ 239,635 |
| Solid Waste collection fund - State and Local Fiscal Recovery Funds | <u>50,000</u> |

| | |
|-------------------------|-------------------|
| Total Proprietary Funds | <u>\$ 289,635</u> |
|-------------------------|-------------------|

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

13. NON COMPLIANCE WITH STATE LAW REVENUE BOND REQUIREMENTS AND GRANT REQUIREMENTS

The Town did not comply with all the requirements of the State Department of Audit or loan requirements as set forth in the Internal Control and Compliance Manual for Tennessee Municipalities. The results of our tests disclosed instances of noncompliance listed on the schedule of findings and responses on pages 91 to 95. The ultimate resolution of these findings cannot presently be determined. Accordingly, no provision for any liabilities, if any, that may result has been recognized in the accompanying financial statements.

14. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The individual enterprise funds have the following net working capital (current assets less current liabilities) at June 30, 2023:

| | |
|-----------------------------|-------------|
| Water and Sewer Fund | \$2,792,718 |
| Solid Waste Collection Fund | 95,363 |

The water and sewer fund is combined for both financial reporting and collateralizing debt with system revenues.

Enterprise funds operate in the Town of Whiteville, Tennessee geographic area. Their revenues are subject to the economic conditions of the Town of Whiteville, Tennessee. At June 30, 2023, the Town had extended credit to customers totaling \$147,165. These receivables are unsecured.

15. LITIGATION, COMMITMENTS, CONTINGENCIES, UNCERTAINTIES, AND SUBSEQUENT EVENTS

Litigation

The Town was not involved in any material litigation as of June 30, 2023. The Town had one open worker's compensation claim that is expected to be covered by the insurance. It is at least reasonably possibly that management's estimate of no liability could change in the near term.

Grant Audit

The Town receives federal and state grants for specific purposes that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by the federal or state agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the Town's management, such disallowances, if any, will not be significant.

Other

The state gasoline taxes collected are comingled with general fund cash. The State of Tennessee requires state approval to comingle state street aid funds with general fund cash. As a requirement of the State of Tennessee approval, the Town is required to designate a portion of the general fund equity as reserved for state street aid fund. Due to the Town having expenditures each year for the street department that exceed the annual state gasoline tax collections, the Town has no reserve for state street aid funds at the end of the year.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

15. LITIGATION, COMMITMENTS, CONTINGENCIES, UNCERTAINTIES, AND SUBSEQUENT EVENTS - continued

Commitments

Effective December 31, 2019, the Town extended its contract with Waste Connections of Mississippi. This contract expires December 31, 2023. This contract provides for up to three two-year extensions upon mutual agreement. This contract provides for solid waste collection from all commercial customers within the Town's corporate boundaries.

Effective July 1, 2015, the Town entered into a contract with American Tank Maintenance to provide professional services needed to maintain its 200,000 gallon water storage tank. This agreement is managed by contract years consisting of the 12 month period beginning July 1. The annual fee for the year ending June 30, 2024 shall be \$11,855. The annual fee for the year ending June 30, 2025 shall be adjusted to reflect the current cost of service limited to 4% annually. Should the Town elect to terminate this agreement prior to remitting all the annual fees due for the first 4 annual fees, then the balance of the first 4 annual fees shall be due and payable within thirty days of notice to terminate.

Subsequent Events

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of multiple employers. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. Therefore, the Town expects this matter to negatively impact its ability to generate certain revenues. However, the related financial impact and duration cannot be reasonably estimated at this time.

16. RELATED PARTY TRANSACTIONS

There were no material related party transactions during the year ended June 30, 2023.

17. ECONOMIC DEPENDENCE

The Town sells water and provides sewer services to Whiteville Corrections and Hardeman County Corrections which accounts for approximately 33% and 47% of proprietary fund water and sewer revenues and approximately 37% and 34% of proprietary fund water and sewer receivables. The Town receives property taxes from Whiteville Corrections which accounts for approximately 51% of general fund property tax revenue and 43% of property taxes receivable. If these customers ceased operating in the Whiteville, Tennessee area, the Town's revenues would substantially decrease.

18. RISK MANAGEMENT - CLAIMS AND JUDGMENTS

Significant losses including comprehensive general liability, automobile liability, automotive collision and comprehensive, law enforcement, errors and omissions, standard workmen's compensation, property, equipment, employee dishonesty, forgery or alteration, theft, disappearance, or destruction, computer fraud, surety bond, and notary bond are covered by the Tennessee Municipal League Risk Pool or commercial insurance for all major programs.

The Town has had no significant reduction in insurance coverage during the year ended June 30, 2023. There have been no settlements in excess of insurance coverage during the current or prior three years other than workman's compensation.

TOWN OF WHITEVILLE, TENNESSEE
Notes to the Financial Statements
June 30, 2023

18. RISK MANAGEMENT - CLAIMS AND JUDGMENTS - continued

The Town is a member of the Public Entity Partners. The Town pays insurance premiums based on experience ratios. The Town does not expect to incur any liability in excess of insurance coverage.

19. NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets in the net position section of the accompanying statement of net position for the government-wide financial statements consist of the following:

| | Governmental | Business-Type |
|--|--------------------|--------------------|
| | <u>Activities</u> | <u>Activities</u> |
| Land and construction in progress | \$ 405,734 | \$ 381,763 |
| Other capital assets (net of accumulated depreciation) | 2,035,771 | 3,029,617 |
| Right-to-use leased assets (net of accumulated amortization) | 43,134 | 32,781 |
| Less lease liabilities | <u>(41,182)</u> | <u>(33,097)</u> |
| Net investment in capital assets | <u>\$2,443,457</u> | <u>\$3,411,064</u> |

20. TAX ABATEMENTS

The Town of Whiteville, Tennessee, through the Industrial Development Board of the Town of Whiteville, enters into property tax abatements with local businesses under Chapter 53, Title 7 Tennessee Code Annotated, as amended. Under the act the localities may grant tax abatements of 90% of a business' property tax bill for a ten year period for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the Town.

For the year ended June 30, 2023, the Town had not abated any property taxes.

TOWN OF WHITEVILLE, TENNESSEE
Schedules of Required Supplementary Information

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios**
Based on Participation in the Public Employees Pension Plan of the TCRS
Last Fiscal Year ending June 30

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|---------------------------|----------------------------|----------------------------|---------------------------|---------------------------|---------------------------|----------------------------|----------------------------|----------------------------|
| Total pension liability | | | | | | | | | |
| Service cost | \$ 49,032 | \$ 39,486 | \$ 43,626 | \$ 40,475 | \$ 41,688 | \$ 39,017 | \$ 47,933 | \$ 47,746 | \$ 43,065 |
| Interest | 146,825 | 131,183 | 125,298 | 115,912 | 116,976 | 112,204 | 94,368 | 90,667 | 84,178 |
| Differences between actual and expected experience | 164,347 | (6,818) | (17,592) | 34,793 | (115,987) | (19,015) | 157,472 | (55,886) | (18,277) |
| Change of assumptions | - | 261,987 | - | - | - | 38,234 | - | - | - |
| Benefit payments, including refunds of employee contributions | (71,875) | (67,371) | (64,672) | (65,072) | (47,192) | (64,230) | (41,842) | (24,889) | (29,368) |
| Net change in total pension liability | 288,329 | 358,467 | 86,660 | 126,108 | (4,515) | 106,210 | 257,931 | 57,638 | 79,598 |
| Total pension liability-beginning | 2,162,087 | 1,803,620 | 1,716,960 | 1,590,852 | 1,595,367 | 1,489,157 | 1,231,226 | 1,173,588 | 1,093,990 |
| Total pension liability-ending (a) | <u>\$2,450,416</u> | <u>\$ 2,162,087</u> | <u>\$ 1,803,620</u> | <u>\$1,716,960</u> | <u>\$1,590,852</u> | <u>\$1,595,367</u> | <u>\$ 1,489,157</u> | <u>\$ 1,231,226</u> | <u>\$ 1,173,588</u> |
| Plan fiduciary net position | | | | | | | | | |
| Contributions-employer | \$ 46,025 | \$ 34,072 | \$ 32,229 | \$ 38,337 | \$ 37,138 | \$ 35,483 | \$ 34,793 | \$ 37,790 | \$ 35,353 |
| Contributions-employee | 37,269 | 27,214 | 26,366 | 26,674 | 25,826 | 26,559 | 26,042 | 28,286 | 27,279 |
| Net investment income | (91,050) | 487,825 | 89,710 | 125,642 | 128,838 | 157,447 | 35,716 | 39,360 | 176,927 |
| Benefit payments, including refunds of employee contributions | (71,875) | (67,371) | (64,672) | (65,072) | (47,192) | (64,230) | (41,842) | (24,889) | (29,368) |
| Administrative expense | (1,758) | (1,280) | (1,240) | (1,386) | (1,520) | (1,404) | (1,068) | (761) | (655) |
| Net change in plan fiduciary net position | (81,389) | 480,460 | 82,393 | 124,195 | 143,090 | 153,855 | 53,641 | 79,786 | 209,536 |
| Plan fiduciary net position-beginning | 2,375,163 | 1,894,703 | 1,812,310 | 1,688,115 | 1,545,025 | 1,391,170 | 1,337,529 | 1,257,743 | 1,048,207 |
| Plan fiduciary net position-ending (b) | <u>\$2,293,774</u> | <u>\$ 2,375,163</u> | <u>\$ 1,894,703</u> | <u>\$1,812,310</u> | <u>\$1,688,115</u> | <u>\$1,545,025</u> | <u>\$ 1,391,170</u> | <u>\$ 1,337,529</u> | <u>\$ 1,257,743</u> |
| Net Pension Liability (Asset)-ending (a) - (b) | <u>\$ 156,642</u> | <u>\$ (213,076)</u> | <u>\$ (91,083)</u> | <u>\$ (95,350)</u> | <u>\$ (97,263)</u> | <u>\$ 50,342</u> | <u>\$ 97,987</u> | <u>\$ (106,303)</u> | <u>\$ (84,155)</u> |
| Plan fiduciary net position as a percentage of total pension liability | 93.61% | 109.86% | 105.05% | 105.55% | 106.11% | 96.84% | 93.42% | 108.63% | 107.17% |
| Covered payroll | \$ 710,295 | \$ 544,279 | \$ 529,061 | \$ 533,194 | \$ 516,520 | \$ 531,178 | \$ 520,868 | \$ 565,715 | \$ 545,578 |
| Net pension liability (asset) as a percentage of covered payroll | 22.05% | (39.15)% | (17.22)% | (17.88)% | (18.83)% | 9.48% | 18.81% | (18.79)% | (15.42)% |

Notes to Schedule:

Changes of assumptions. In 2021, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustments, and mortality improvements. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost -of-living adjustment, salary growth and mortality improvements.

** GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

TOWN OF WHITEVILLE, TENNESSEE
Schedules of Required Supplementary Information

Schedule of Contributions**
Based on Participation in the Public Employee Pension Plan of the TCRS
Last Fiscal Year ending June 30

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarially determined contribution | \$ 42,700 | \$ 46,025 | \$ 34,072 | \$ 32,229 | \$ 38,337 | \$ 37,138 | \$ 35,483 | \$ 34,794 | \$ 37,790 | \$ 35,353 |
| Contributions in relation to the actuarially determined contribution | <u>42,700</u> | <u>46,025</u> | <u>34,072</u> | <u>32,229</u> | <u>38,337</u> | <u>37,138</u> | <u>35,483</u> | <u>34,794</u> | <u>37,790</u> | <u>35,353</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 708,132 | \$ 710,295 | \$ 544,279 | \$ 529,061 | \$ 533,194 | \$ 516,520 | \$ 531,178 | \$ 520,868 | \$ 565,715 | \$ 545,578 |
| Contributions as a percentage of covered payroll | 6.03% | 6.48% | 6.26% | 6.09% | 7.19% | 7.19% | 6.68% | 6.68% | 6.68% | 6.48% |

** GASB 68 requires a 10-year schedule for this data to be presented starting *with the implementation of GASB 68*. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

TOWN OF WHITEVILLE, TENNESSEE
Schedules of Required Supplementary Information

Schedule of Contributions**
Based on Participation in the Public Employee Pension Plan of the TCRS
Last Fiscal Year ending June 30

Notes to Schedule

Valuation date: Actuarially determined contribution rates for fiscal year 2023 were calculated based on the June 30, 2021 actuarial valuation.

Methods and assumptions used to determine contribution rates:

| | |
|-------------------------------|--|
| Actuarial cost method | Entry age normal |
| Amortization method | Level dollar, closed (not to exceed 20 years) |
| Remaining amortization period | Varies by year |
| Asset valuation | 10-year smoothed within a 20 percent corridor to market value |
| Inflation | 2.25 percent |
| Salary increases | Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent |
| Investment rate of return | 6.75 percent, net of investment expense, including inflation |
| Retirement age | Pattern of retirement determined by experience study |
| Mortality | Customized table based on actual experience including an adjustment for some anticipated improvement |
| Cost of living adjustments | 2.125 percent |

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost of living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

TOWN OF WHITEVILLE, TENNESSEE
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2023

| | Drug | Permanent Fund Cemetery Perpetual Care | Debt Service | Total Nonmajor Governmental Funds |
|--|------------------|---|-----------------|--|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 17,455 | \$ - | \$ 7,480 | \$ 24,935 |
| Investments - certificates of deposit | - | 46,540 | - | 46,540 |
| Receivables (Net, where applicable of allowances for uncollectables) | | | | |
| Interest | - | 750 | - | 750 |
| Due from other funds | 330 | - | - | 330 |
| | <u>330</u> | <u>-</u> | <u>-</u> | <u>330</u> |
| Total Assets | <u>\$ 17,785</u> | <u>\$ 47,290</u> | <u>\$ 7,480</u> | <u>\$ 72,555</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 74 | \$ - | \$ - | \$ 74 |
| | <u>74</u> | <u>-</u> | <u>-</u> | <u>74</u> |
| Total Liabilities | <u>74</u> | <u>-</u> | <u>-</u> | <u>74</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenues | - | 750 | - | 750 |
| | <u>-</u> | <u>750</u> | <u>-</u> | <u>750</u> |
| Total deferred inflows of resources | <u>-</u> | <u>750</u> | <u>-</u> | <u>750</u> |
| FUND BALANCES | | | | |
| Nonspendable | - | 43,691 | - | 43,691 |
| Restricted | 17,711 | 2,849 | 7,480 | 28,040 |
| | <u>17,711</u> | <u>2,849</u> | <u>7,480</u> | <u>28,040</u> |
| Total fund balances | <u>17,711</u> | <u>46,540</u> | <u>7,480</u> | <u>71,731</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 17,785</u> | <u>\$ 47,290</u> | <u>\$ 7,480</u> | <u>\$ 72,555</u> |

TOWN OF WHITEVILLE, TENNESSEE
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended June 30, 2023

| | Drug | Permanent Fund Cemetery Perpetual Care | Debt Service | Total Nonmajor Governmental Funds |
|--|------------------|---|-----------------|--|
| REVENUES | | | | |
| Fines, forfeits, and penalties | \$ 18,073 | \$ - | \$ - | \$ 18,073 |
| Investment income | - | 209 | 1 | 210 |
| Total Revenues | <u>18,073</u> | <u>209</u> | <u>1</u> | <u>18,283</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| Public safety | 13,835 | - | - | 13,835 |
| Public works | - | - | 1 | 1 |
| Capital outlay | 52,300 | - | - | 52,300 |
| Total Expenditures | <u>66,135</u> | <u>-</u> | <u>1</u> | <u>66,136</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (48,062) | 209 | - | (47,853) |
| OTHER FINANCING SOURCES (USES) | - | - | - | - |
| NET CHANGE IN FUND BALANCES | (48,062) | 209 | - | (47,853) |
| Fund balances--beginning | 65,773 | 46,331 | 7,480 | 119,584 |
| Fund balances--ending | <u>\$ 17,711</u> | <u>\$ 46,540</u> | <u>\$ 7,480</u> | <u>\$ 71,731</u> |

TOWN OF WHITEVILLE, TENNESSEE
Schedule of General Long-Term Debt Principal and Interest
Requirements by Fiscal Year
June 30, 2023

There was no outstanding general long term debt outstanding at year end.

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Long-Term Debt Principal and Interest Requirements by Fiscal Year
Water and Sewer Fund
June 30, 2023

There was no Water and Sewer Fund long term debt outstanding at year end.

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Changes in Long-Term Debt by Individual Issue
June 30, 2023

| <u>Description of Indebtedness</u> | <u>Original Amount of Issue</u> | <u>Interest Rate</u> | <u>Date of Issue</u> | <u>Final Maturity Date</u> | <u>Outstanding 7/1/2022</u> | <u>Issued During Year</u> | <u>Paid and/or Matured During Period</u> | <u>Refunded During Year</u> | <u>Outstanding 6/30/2023</u> |
|--|---|--------------------------|------------------------------|------------------------------------|---------------------------------|-----------------------------------|--|-------------------------------------|----------------------------------|
| Governmental Activities | | | | | | | | | |
| There were no governmental activities debt outstanding during the current year. | | | | | | | | | |
| Business-Type Activities | | | | | | | | | |
| There were no business type activities debt outstanding during the current year. | | | | | | | | | |

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Interfund Transfers and Due to Other Funds
For the fiscal year ended June 30, 2023

INTERFUND TRANSFERS

| <u>Transfers out fund</u> | | <u>Transfers in fund</u> | |
|-----------------------------|--|--------------------------|------------------|
| None | | None | \$ - |
| <u>Due To</u> | | <u>Due From</u> | |
| Solid Waste Collection Fund | | Water and Sewer Fund | \$ 20,658 |
| Water and Sewer Fund | | General Fund | 3,651 |
| Drug Fund | | General Fund | <u>330</u> |
| | | | <u>\$ 24,639</u> |

The general fund receivable from the drug fund of \$330 resulted from drug fines collected by the general fund that was overpaid.

The solid waste collection fund receivable from the water and sewer fund of \$20,658 is the result of solid waste collection fund revenues collected by the water and sewer fund prior to June 30, 2023 but not transferred prior to June 30, 2023.

The water and sewer fund receivable from the general fund of \$3,651 consists of water and sewer fund collections deposited in error to the general fund and not corrected until subsequent to year end.

The internal balances in the government-wide statement of activities of \$3,651 consists of the amount the general fund owes the water and sewer fund for the deposit error discussed above.

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Changes in Property Taxes Receivable
June 30, 2023

| Tax Year | Property Tax Receivable Balance June 30, 2022 | Property Tax Levied | Anticipated Current Year Levy | Abatements and Adjustments | Collections | Allowance for Uncollectibles | Net Receivable Balance June 30, 2023 |
|----------|--|---------------------------|-------------------------------------|----------------------------------|---------------------|---------------------------------|---|
| 2023 | \$ - | \$ - | \$ 248,476 | \$ - | \$ - | \$ (1,864) | \$ 246,612 |
| 2022 | - | 244,507 | - | - | (233,732) | (1,078) | 9,697 |
| 2021 | 10,920 | - | - | - | (10,385) | (54) | 481 |
| 2020 | 851 | - | - | - | (759) | (9) | 83 |
| 2019 | 9 | - | - | - | - | (1) | 8 |
| 2018 | 64 | - | - | - | - | (57) | 7 |
| 2017 | - | - | - | - | - | - | - |
| 2016 | 67 | - | - | - | - | (60) | 7 |
| 2015 | - | - | - | - | - | - | - |
| 2014 | - | - | - | - | - | - | - |
| 2013 | - | - | - | - | - | - | - |
| 2012 | - | - | - | - | - | - | - |
| 2011 | - | - | - | - | - | - | - |
| | <u>\$ 11,911</u> | <u>\$ 244,507</u> | <u>\$ 248,476</u> | <u>\$ -</u> | <u>\$ (244,876)</u> | <u>\$ (3,123)</u> | <u>\$ 256,895</u> |

NOTES: All uncollected taxes for years prior to 2022 have been turned over to the Chancery Court of Hardeman County, Tennessee Clerk and Master for collection.

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the fiscal year ended June 30, 2023

| Federal Grantor/ Pass-through Grantor | Program/Cluster Name | Federal Assistance Listing Number | Contract Number | Passed Through to Subrecipients | Beginning (Accrued) Unearned | Cash Receipts | Expenditures | Ending (Accrued) Unearned |
|---|--|--|----------------------------|--|---|--------------------------|---------------------|--|
| <u>Federal Awards</u> | | | | | | | | |
| Pass-through Funding | | | | | | | | |
| U.S. Department of Housing and Urban Development Pass-through programs from State of Tennessee Community Development Block Grants | Community Development Block Grants/States | 14.228 | 33004-05105 | \$ - | \$ - | \$ 17,397 | \$ 236,493 | \$ (219,096) |
| Total U.S. Department of Housing and Urban Development 14.228 | | | | - | - | 17,397 | 236,493 | (219,096) |
| Federal Highway Administration Pass-through programs from State of Tennessee Department of Environmental and Conservation | Recreational Trails Program | 20.219 | 32701-04398 | \$ - | \$ (6,112) | \$ 111,279 | \$ 105,167 | \$ - |
| | | | | - | (6,112) | 111,279 | 105,167 | - |
| U.S. Department of Transportation Pass-through programs from State of Tennessee Department of Safety and Homeland Security | Alcohol Open Container Requirements | 20.607 | 154AL-22-188/154AL | - | - | 4,186 | 4,186 | - |
| Pass-through programs from State of Tennessee Department of Safety and Homeland Security | Alcohol Open Container Requirements | 20.607 | 154ENFDG-23 | - | - | 2,076 | 2,076 | - |
| Total U.S. Department of Transportation 20.607 | | | | - | - | 6,262 | 6,262 | - |
| U S Department of the Treasury Pass-through programs from State of Tennessee Department of Finance and Administration | State and Local Fiscal Recovery Funds | 21.027 | Not available | - | 474,377 | 661,077 | 515,485 | 619,969 |
| Total U S Department of the Treasury | | | | - | 474,377 | 661,077 | 515,485 | 619,969 |
| U.S. Institute of Museum and Library Services Pass-through programs from Tennessee State Library and Archives | ARPA - Grants to States | 45.310 | 30501-01722-79 | - | (2,351) | 2,351 | - | - |
| Pass-through programs from Tennessee State Library and Archives | ARPA - Grants to States | 45.310 | 30501-0123-45 | - | - | 1,988 | 1,988 | - |
| Total U.S. Institute of Museum and Library Services 45.310 | | | | - | (2,351) | 4,339 | 1,988 | - |
| Total Federal Awards | | | | - | 465,914 | 800,354 | 865,395 | 400,873 |
| <u>State of Tennessee Financial Assistance</u> | | | | | | | | |
| State of Tennessee Direct Awards | | | | | | | | |
| Direct Apportioned Grant | N/A | N/A | None | - | 593 | - | - | 593 |
| Art Grant | N/A | N/A | 2206-16520 | - | - | 532 | 1,330 | (798) |
| Top Grant Agency | N/A | N/A | 30501-00623-26 | - | - | 7,175 | 8,610 | (1,435) |
| Total State Awards | | | | - | 593 | 7,707 | 9,940 | (1,640) |
| Total Federal and State Awards | | | | \$ - | \$ 466,507 | \$ 808,061 | \$ 875,335 | \$ 399,233 |

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

TOWN OF WHITEVILLE, TENNESSEE
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
For the fiscal year ended June 30, 2023

Note A - Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is a summary of the activity of the Town's federal and state grant programs presented on the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for enterprise funds in accordance with accounting principles generally accepted in the United States of America.

Note B – Election to use 10% De Minimis Indirect Cost Rate

The Town did not charge any indirect cost rates to any federal expenditures; therefore, no election has been made.

Note C – Alternative Compliance Examination

The Town elected to have an “Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds” of the CSLFRF section of the 2023 OMB *Compliance Supplement*.

TOWN OF WHITEVILLE, TENNESSEE
Table of Utility Rates in Force and Number of Customers
June 30, 2023
(Unaudited)

Water Rates

| | |
|---------------------|--------------------------|
| First 2,000 gallons | \$9.80 (minimum bill) |
| Next 3,000 gallons | \$3.49 per 1,000 gallons |
| Next 5,000 gallons | \$2.94 per 1,000 gallons |
| Next 10,000 gallons | \$2.69 per 1,000 gallons |
| Next 30,000 gallons | \$2.27 per 1,000 gallons |
| Over 50,000 gallons | \$2.02 per 1,000 gallons |

Sewer Rates

| | |
|---------------------|--------------------------|
| First 2,000 gallons | \$8.57 (minimum bill) |
| Over 2,000 gallons | \$1.97 per 1,000 gallons |

Number of Customers at Year End

| | |
|-------|-----|
| Water | 623 |
| Sewer | 536 |

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Changes in Lease Obligations
June 30, 2023

| <u>Description of Indebtedness</u> | <u>Original Amount of Issue</u> | <u>Interest Rate</u> | <u>Date of Issue</u> | <u>Maturity Date</u> | <u>Outstanding 7/1/2022</u> | <u>Issued During Year</u> | <u>Paid and/or Matured During Period</u> | <u>Remeasure- Ments</u> | <u>Outstanding 6/30/2023</u> |
|---|---|--------------------------|------------------------------|--------------------------|---------------------------------|-----------------------------------|--|-----------------------------|----------------------------------|
| Governmental Activities | | | | | | | | | |
| <u>LEASES PAYABLE</u> | | | | | | | | | |
| Payable through general fund | | | | | | | | | |
| City Hall - copier | \$ 13,144 | 2.00% | 2/23/2018 | 2/23/2023 | \$ 1,599 | \$ - | \$ 1,599 | \$ - | \$ - |
| Police - copier | 9,144 | 2.00% | 6/13/2019 | 6/13/2024 | 3,607 | - | 1,864 | - | 1,743 |
| Library - copier | 9,144 | 2.00% | 6/13/2019 | 6/13/2024 | 3,607 | - | 1,865 | - | 1,742 |
| Police - SkyCop Camera System | 7,125 | 6.46% | 5/1/2023 | 5/1/2026 | - | 7,125 | 2,525 | - | 4,600 |
| City Hall - 1/2 copier | 6,395 | 6.46% | 2/15/2023 | 2/15/2028 | - | 6,395 | 458 | - | 5,937 |
| Public Works - 1/2 John Deere 310L Backhoe | 29,930 | 6.46% | 1/24/2023 | 1/24/2027 | - | 29,930 | 2,770 | - | 27,160 |
| Total leases payable through general fund | | | | | <u>\$ 8,813</u> | <u>\$ 43,450</u> | <u>\$ 11,081</u> | <u>\$ -</u> | <u>\$ 41,182</u> |
| Business Type Activities | | | | | | | | | |
| Payable through water and sewer fund | | | | | | | | | |
| Water and Sewer - 1/2 copier | 6,395 | 6.46% | 2/15/2023 | 2/15/2028 | \$ - | \$ 6,395 | \$ 458 | \$ - | \$ 5,937 |
| Water and Sewer - 1/2 John Deere 310L Backhoe | 29,930 | 6.46% | 1/24/2023 | 1/24/2027 | - | 29,930 | 2,770 | - | 27,160 |
| Total leases payable through water and sewer fund | | | | | <u>\$ -</u> | <u>\$ 36,325</u> | <u>\$ 3,228</u> | <u>\$ -</u> | <u>\$ 33,097</u> |

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Lease Obligations, Principal and Interest Requirements by Fiscal Year
June 30, 2023

Governmental Activities

| Year Ending June 30 | City Hall - 1/2 copier | | Police - copier | | Library - copier | | Police -SkyCop Camera System | |
|------------------------|------------------------|---------------|-----------------|--------------|------------------|--------------|------------------------------|---------------|
| | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 1,052 | \$ 323 | \$ 1,743 | \$ 17 | \$ 1,742 | \$ 18 | \$ 2,228 | \$ 297 |
| 2025 | 1,220 | 280 | - | - | - | - | 2,372 | 153 |
| 2026 | 1,301 | 199 | - | - | - | - | - | - |
| 2027 | 1,387 | 113 | - | - | - | - | - | - |
| 2028 | 977 | 23 | - | - | - | - | - | - |
| | <u>\$ 5,937</u> | <u>\$ 938</u> | <u>\$ 1,743</u> | <u>\$ 17</u> | <u>\$ 1,742</u> | <u>\$ 18</u> | <u>\$ 4,600</u> | <u>\$ 450</u> |

| Year Ending June 30 | Public Works 1/2 310L Backhoe | | Total | |
|------------------------|-------------------------------|-----------------|------------------|-----------------|
| | Principal | Interest | Principal | Interest |
| 2024 | \$ 6,960 | \$ 1,550 | \$ 13,725 | \$ 2,205 |
| 2025 | 7,423 | 1,087 | 11,015 | 1,520 |
| 2026 | 7,917 | 593 | 9,218 | 792 |
| 2027 | 4,860 | 104 | 6,247 | 217 |
| 2028 | - | - | 977 | 23 |
| | <u>\$ 27,160</u> | <u>\$ 3,334</u> | <u>\$ 41,182</u> | <u>\$ 4,757</u> |

Business Type Activities

| Year Ending June 30 | City Hall - 1/2 copier | | Public Works 1/2 310L Backhoe | | Total | |
|------------------------|------------------------|---------------|-------------------------------|-----------------|------------------|-----------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 1,052 | \$ 323 | \$ 6,960 | \$ 1,550 | \$ 8,012 | \$ 1,873 |
| 2025 | 1,220 | 280 | 7,423 | 1,087 | 8,643 | 1,367 |
| 2026 | 1,301 | 199 | 7,917 | 593 | 9,218 | 792 |
| 2027 | 1,387 | 113 | 4,860 | 104 | 6,247 | 217 |
| 2028 | 977 | 23 | - | - | 977 | 23 |
| | <u>\$ 5,937</u> | <u>\$ 938</u> | <u>\$ 27,160</u> | <u>\$ 3,334</u> | <u>\$ 33,097</u> | <u>\$ 4,272</u> |

TOWN OF WHITEVILLE, TENNESSEE
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

| <u>Fiscal Year Ended June 30,</u> | <u>Residential Property</u> | <u>Industrial and Commercial Property</u> | <u>Farm and Agricultural Property</u> | <u>Public Utility Property</u> | <u>Less Tax Exempt Property</u> | <u>Total Taxable Assessed Value</u> | <u>Total Direct Tax Rate Per \$1,000</u> | <u>Original Tax Levy</u> | <u>Estimated Actual Taxable Value</u> | <u>Assessed Value as a Percentage of Actual Value</u> |
|---|---------------------------------|---|---|--|---|---|--|----------------------------------|---|---|
| 2014 | \$ 6,884,425 | \$ 20,337,079 | \$ 192,325 | \$ 1,572,207 | \$ - | \$ 28,986,036 | 8.621 | 249,889 | \$84,285,816 | 34.39% |
| 2015 | 6,997,475 | 19,613,509 | 116,400 | 1,491,583 | - | 28,218,967 | 8.621 | 243,276 | 82,137,330 | 34.36% |
| 2016 | 7,031,275 | 19,659,343 | 117,225 | 1,499,751 | - | 28,307,594 | 8.621 | 244,040 | 82,446,294 | 34.33% |
| 2017 | 7,020,250 | 20,127,033 | 116,800 | 1,479,582 | - | 28,743,665 | 8.621 | 247,799 | 83,737,161 | 34.33% |
| 2018 | 6,322,675 | 20,334,791 | 112,075 | 1,605,168 | - | 28,374,709 | 8.621 | 244,636 | 81,569,221 | 34.79% |
| 2019 | 6,267,175 | 20,253,864 | 110,575 | 1,633,142 | - | 28,264,756 | 8.621 | 243,684 | 81,127,420 | 34.84% |
| 2020 | 6,300,025 | 20,059,732 | 110,700 | 1,586,127 | - | 28,056,584 | 8.621 | 241,888 | 81,081,258 | 34.60% |
| 2021 | 6,341,350 | 19,969,721 | 110,675 | 1,945,814 | - | 28,367,560 | 8.621 | 244,564 | 81,678,695 | 34.73% |
| 2022 | 6,332,225 | 20,568,503 | 110,675 | 1,349,389 | - | 28,360,792 | 8.621 | 244,507 | 82,661,803 | 34.31% |
| 2023 | 11,125,475 | 26,327,064 | 166,150 | 1,805,074 | - | 39,423,763 | 6.303 | 248,488 | 116,564,929 | 33.82% |

Source: Hardeman County, Tennessee Tax Assessor

Note: Property in Hardeman County is reassessed every six years on average. The County assesses property at approximately 55 percent on utility property, 40 percent on industrial and commercial property, and 25 percent for residential and agricultural. Estimated actual value was obtained from records provided by Hardeman County, Tennessee.

TOWN OF WHITEVILLE, TENNESSEE
Table of Outstanding Delinquent Taxes Filed With Chancery Clerk
(Unaudited)
June 30, 2023

| <u>Tax Year</u> | <u>Outstanding Balance</u> |
|---------------------|--------------------------------|
| 2021 | \$ 535 |
| 2020 | 92 |
| 2019 | 9 |
| 2018 | 64 |
| 2017 | - |
| 2016 | 67 |
| 2015 | - |
| 2014 | - |
| 2013 | - |
| 2012 | - |
| | <u> </u> |
| | <u>\$ 767</u> |

TOWN OF WHITEVILLE, TENNESSEE
Other Nonmajor Governmental Funds
Schedule of Revenues, Expenditures and Changes in
Fund Balance--Budget and Actual
For the fiscal year ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with |
|--|------------------|-----------|-------------------------------|---------------------------------------|
| | Original | Final | Amounts Budgetary Basis | Final Budget Positive/ Negative |
| Drug Fund | | | | |
| REVENUES | | | | |
| Drug related fines - Town | \$ - | \$ - | \$ 1,898 | \$ 1,898 |
| Drug related fines - County | 36,000 | 36,000 | 16,175 | (19,825) |
| Total Revenues | 36,000 | 36,000 | 18,073 | (17,927) |
| EXPENDITURES | | | | |
| Operating supplies | 7,000 | 9,500 | 13,835 | (4,335) |
| Grants and donations to other institutions | 3,000 | 4,500 | - | 4,500 |
| Capital outlay | 26,000 | 22,000 | 52,300 | (30,300) |
| Total Expenditures | 36,000 | 36,000 | 66,135 | (30,135) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | - | (48,062) | (48,062) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from disposition of capital assets | - | 14,550 | - | (14,550) |
| Total Other Financing Sources (Uses) | - | 14,550 | - | (14,550) |
| NET CHANGE IN FUND BALANCES | - | 14,550 | (48,062) | (62,612) |
| Fund balance--beginning | 65,773 | 65,773 | 65,773 | - |
| Fund balance--ending | \$ 65,773 | \$ 80,323 | \$ 17,711 | \$ (62,612) |
| Cemetery Perpetual Care Fund | | | | |
| REVENUES | | | | |
| Interest | \$ - | \$ - | \$ 208 | \$ 208 |
| Total Revenues | - | - | 208 | 208 |
| EXPENDITURES | | | | |
| Total Expenditures | - | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | - | 208 | 208 |
| OTHER FINANCING SOURCES (USES) | - | - | - | - |
| NET CHANGE IN FUND BALANCES | - | - | 208 | 208 |
| Fund balance--beginning | 46,331 | 46,331 | 46,331 | - |
| Fund balance--ending | \$ 46,331 | \$ 46,331 | \$ 46,539 | \$ 208 |

TOWN OF WHITEVILLE, TENNESSEE
Other Nonmajor Governmental Funds
Schedule of Revenues, Expenditures and Changes in
Fund Balance--Budget and Actual
For the fiscal year ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with |
|--|------------------|----------|-------------------------------|---------------------------------------|
| | Original | Final | Amounts Budgetary Basis | Final Budget Positive/ Negative |
| Debt Service Fund | | | | |
| REVENUES | \$ - | \$ - | \$ - | \$ - |
| Total Revenues | - | - | - | - |
| EXPENDITURES | | | | |
| Debt service | 53,610 | 53,610 | - | 53,610 |
| Total Expenditures | 53,610 | 53,610 | - | 53,610 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (53,610) | (53,610) | - | 53,610 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 53,610 | 53,610 | - | (53,610) |
| Total Other Financing Sources (Uses) | 53,610 | 53,610 | - | (53,610) |
| NET CHANGE IN FUND BALANCES | - | - | - | - |
| Fund balance--beginning | 7,480 | 7,480 | 7,480 | - |
| Fund balance--ending | \$ 7,480 | \$ 7,480 | \$ 7,480 | \$ - |

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Official Bonds of Principal Officials
For the fiscal year ended June 30, 2023

| NAME | TITLE | OFFICIAL BOND |
|------------------|---------------|--------------------------|
| Gene Bowden | Mayor | \$ 150,000 |
| Angelous Simmons | Town Recorder | 150,000 |

JONES & JONES
CERTIFIED PUBLIC ACCOUNTANTS
OF BOONEVILLE PA

Kermit V Jones Jr., C.P.A.

Jeremy D Jones. C.P.A.

David W. Jones, C.P.A.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Mayor and Board of Alderpersons
Town of Whiteville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Whiteville, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Whiteville, Tennessee's basic financial statements and have issued our report thereon dated February 12, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Whiteville, Tennessee's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Whiteville, Tennessee's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Whiteville, Tennessee's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2023-005 and 2023-006 to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and responses as item 2023-007 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Whiteville, Tennessee's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2023-001, 2023-002, 2023-003, and 2023-004.

We noted certain other matters that we reported to the management of the Town of Whiteville, Tennessee in a separate letter dated February 12, 2024.

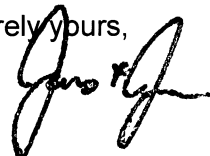
Town of Whiteville, Tennessee's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Whiteville, Tennessee's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Town of Whiteville, Tennessee's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely yours,



JONES & JONES
Certified Public Accountants
of Booneville, PA
Booneville, Mississippi

February 12, 2024

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Findings and Responses
For the fiscal year ended June 30, 2023

Instances of Noncompliance Material to the Financial Statements

Finding Number 2023-001 – Purchasing Policy

Condition: The Town's purchasing policy was not followed.

Criteria. Tennessee Code Annotated Section 6-56-301 et seq established purchasing policies allowed by the Town under ordinance. The Town's purchasing policy under ordinance requires public advertisement and competitive bidding for the purchase of all goods and services exceeding \$10,000, and three competitive quotes for any item greater than \$4,000 but less than \$10,000, except for those purchases specifically exempt from advertisement and bidding by the Municipal Purchasing Act of 1983. The purchasing policies allow for emergency purchases and single source purchases if they are documented and approved by the Board of Alderman.

Notice inviting bids shall be published at least once in a newspaper of general circulation in Hardeman County and at least five days preceding the last day to receive bids.

Effect: In our test of controls which consisted of 60 disbursements and our test of 66 larger disbursements, we noted the following.

In our test of controls sample of 60 disbursements totaling \$120,001, we noted the following disbursement that was not supported by advertised bids or three quotes.

| | |
|------------|---------|
| SkyCop Inc | \$7,575 |
|------------|---------|

In our test of 66 large disbursements totaling \$973,809, we noted the following disbursements that were not supported by advertised bids or three quotes.

| | |
|--|----------|
| Vohne Liche Kennels | \$11,770 |
| Sunbolt | 5,295 |
| West Tennessee Ready Mix | 6,404 |
| John Deere 310L backhoe total lease contract | 68,084 |
| Copy machine total lease contract | 15,000 |
| Blue Cross Blue Shield | 7,652 |

Cause: Town personnel did not understand their purchasing policy.

Recommendation: We recommend management inform its purchasing personnel to obtain a copy of the purchasing policy and have them read it. The Town should have a purchase order for all nonexempt purchases exceeding \$100 whether purchased by the Board or approved by the Board of Alderpersons. Emergency purchases or single source purchases should be documented in the Board of Alderman's minutes as required by the purchasing policy.

Response: We have informed our personnel that our purchasing policy must be followed.

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Findings and Responses
For the fiscal year ended June 30, 2023

Instances of Noncompliance Material to the Financial Statements - continued

Finding Number 2023-002 Ineligible Expenses

Condition: The Town paid expenses from the Drug Fund that should have been paid from the General Fund. The Town paid sales tax on a purchase when they are sales tax exempt.

Criteria: The 2019 Tennessee Code Title 7 - Consolidated Governments and Local Governmental Functions and Entities Municipal Functions prescribes eligible functions and expenditures. The Drug Fund manual dated May 2003 T.C.A. 39-17-420. T.C.A and 39-17-428 establishes the drug fund special revenue account and defines allowable expenses. This law does not allow any Drug Fund money to be spent on non-drug enforcement ongoing operational items for the police department.

Effect: The Town had the following expenditures that appeared to be ineligible expenses.

1. The Town paid West Tennessee Ready Mix sales tax totaling \$569 when no sales tax was due on the expenditure.
2. The Town purchased non-drug enforcement ongoing and operational items for the police department totaling \$1,977 from the Drug Fund.

Cause: Town personnel did not notice the extra charges for the sales tax. There was a miscommunication between the Police Chief and Town Hall personnel on the expenditures paid from the Drug Fund.

Recommendation: We recommend the Town obtain reimbursement of \$569 from Tennessee Ready Mix. We recommend the General Fund reimburse the Drug Fund \$1,977.

Response: We will make the required reimbursement.

Finding Number 2023-003 – Federal Assistance Listing Number 14.228 Community Development Block Grant (CDBG) – Cash Management

Condition: The Town requested the wrong CDBG reimbursement rate on its CDBG grant agency tracking number 33004-15521.

Criteria: Cash management rules under the *2023 Compliance Supplement* for federal cost reimbursement grants require the Town to request only the federal portion of grant cost incurred.

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Findings and Responses
For the fiscal year ended June 30, 2023

Instances of Noncompliance Material to the Financial Statements - continued

Finding Number 2023-003 – Federal Assistance Listing Number 14.228 Community Development Block Grant (CDBG) – Cash Management – continued

Effect: The original budget for CDBG Agency tracking number 33004-15521 Edison #14021 totaled \$700,000 including a local match of \$70,000 or 10%. When bids were received, the budget was increased to \$854,833, which included grantee participation of \$224,833. On April 23, 2023, the Town informed the State of Tennessee that the bids received exceeded the budget by \$159,505 resulting in the local match being \$229,505. When RFP #4 was filed on July 13, 2023, the budget was not updated for the new budget resulting in a \$234,502 ENSCOR expenditure being reimbursed by CDBG at 90% instead of at \$69.75%. Required reimbursement should have been \$163,565 instead of the \$211,052 that was reimbursed. CDBG paid \$47,487 too much on RFP #4. This was not corrected on either RFP #5 or RFP #6.

Cause: The cash request spread sheet had not been updated for the amended budget for federal and local portions.

Recommendation: We recommend the Town contact the State of Tennessee and the CDBG grant administrator and advise them of the error.

Response: We have advised them of the error and they will withhold the overpayment from future cash reimbursements requests.

Finding Number 2023-004 Federal Assistance Listing Number 21-027 State and Local Fiscal Recovery Funds (SLFRF) – Allowable Costs/Cost Principles

Condition: The Town did not follow allowable cost/cost principles for Federal Assistance Listing Number 21-027 State and Local Fiscal Recovery Funds.

Criteria: Allowable costs/cost principles rules in the *2023 Compliance Supplement* for federal grants require the same expenditures not be charged to multiple grants and to follow the Town's Tennessee Code Annotated Section 6-56-301 et seq established purchasing policies allowed by the Town under ordinance. The Town's purchasing policy under ordinance requires public advertisement and competitive bidding for the purchase of all goods and services exceeding \$10,000, and three competitive quotes for any item greater than \$4,000 but less than \$10,000, except for those purchases specifically exempt from advertisement and bidding by the Municipal Purchasing Act of 1983. The purchasing policies allow for emergency purchases and single source purchases if they are documented and approved by the Board of Alderman.

Effect: Expenditures paid by SLFRF grant funds totaling \$2,737 were also charged to the State of Tennessee ART grant. The State of Tennessee ART grant was a 50% matching grant that paid \$1,330 of the \$2,737 expenditures paid by the SLFRF grant.

The Town could not provide proof of advertising on the SLFRF expenditure to Blue Cross Blue Shield for \$7,652.

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Findings and Responses
For the fiscal year ended June 30, 2023

Instances of Noncompliance Material to the Financial Statements - continued

Finding Number 2023-004 Federal Assistance Listing Number 21-027 State and Local Fiscal Recovery Funds (SLFRF) – Allowable Costs/Cost Principles - continued

Cause: Town personnel did not understand their purchasing policy.

Recommendation: We recommend management inform its purchasing personnel to obtain a copy of the purchasing policy and have them read it. The Town should have a purchase order for all nonexempt purchases exceeding \$100 whether purchased by the Board or approved by the Board of Alderpersons. Emergency purchases or single source purchases should be documented in the Board of Alderman's minutes as required by the purchasing policy. The Town should reimburse the SLFRF grant account the \$1,330 that was also paid by another grant and the \$7,652 expenditures that did not obtain the required advertised bids.

Response: We will consult with the State of Tennessee and follow their directions.

Material Weaknesses

Finding Number 2023-005 Violations of Laws and Regulations

Condition: As noted in finding numbers 2023-001, 2023-002, 2023-003, and 2023-004, there were violations of certain State laws, federal laws, and Town policies.

Criteria: Internal controls should be in place to prevent violations of laws and loan agreements.

Effect: See effect of condition as listed in finding numbers 2023-001, 2023-002, 2023-003, and 2023-004.

Cause: The Town did not have controls in place to prevent noncompliance. See cause of condition as listed in finding numbers 2023-001, 2023-002, 2023-003, and 2023-004.

Recommendation: We recommend the Town install procedures to review the problems noted in finding numbers 2023-001, 2023-002, 2023-003, and 2023-004.

Response: We will install procedures to prevent noncompliance.

Finding Number 2023-006 – Financial Statement and Depreciation Schedule Preparation

Condition: The Town outsources financial statements, related notes, supplementary information preparation, and depreciation schedule preparation.

Criteria: Part of effective internal control over financial reporting is the ability to adequately produce financial statements and depreciation schedules in accordance with generally accepted accounting principles.

TOWN OF WHITEVILLE, TENNESSEE
Schedule of Findings and Responses
For the fiscal year ended June 30, 2023

Material Weaknesses - continued

Finding Number 2023-006 – Financial Statement and Depreciation Schedule Preparation - continued

Effect: The Town must incur the expense of outsourcing the preparation of the financial statements, related notes, supplementary information, and depreciation schedule.

Cause: As is normal for towns of this type and size, the Town's staff and management do not have the required technical expertise to meet the above criteria.

Recommendation: Due to the size of the Town and the cost of hiring additional staff, no change is recommended.

Response: We agree with the finding, but feel the Town is best served by continuing to outsource the preparation of financial statements, related notes, supplementary information, and depreciation schedule. This is less costly than hiring additional staff to perform these tasks.

Significant Deficiencies

Finding Number 2023-007 – Expenditures were Miscoded to the Town's General Ledger.

Condition: The Town miscoded several of its expenditures in its general ledger.

Criteria: Internal controls should be in place and functioning to require correct coding of expenditures in the Town's general ledger.

Effect: In our test of 60 disbursements totaling \$120,001, we noted one expenditure totaling \$4,271 was miscoded in the Town's general ledger. In our test of 66 larger disbursements totaling \$973,809, we noted four disbursements totaling \$95,455 were miscoded in the Town's general ledger.

Cause: Two of the five miscoded items were due to system automatics coding to the workers compensation insurance instead of insurance expense, due to both having the same insurance company name. Two of the five miscoded items were due to capital expenditures being coded to expense due to the software automatics with the supplier normally being an expense category. One of the five miscoded items was due to checking a wrong box when the disbursement was paid and the system coding the disbursement as a prior period adjustment.

Recommendation: We recommend the Town's personnel install procedures to review each invoice that may have both capital and operating expenditures thereon and manually code to the appropriate general ledger account number.

Response: We will inform our personnel responsible for coding to review each invoice and properly code to the appropriate general ledger account number.

TOWN OF WHITEVILLE, TENNESSEE
Results of Prior Year Findings
For the fiscal year ended June 30, 2023

Financial Statement Findings

| Finding Number | Finding Title | Status |
|-----------------------|---|--|
| 2022-001 | The Town's purchasing policy was not followed. (original finding #2019-003) | Repeated See current year finding 2022-001 |
| 2022-002 | As noted in finding numbers 2022-001 there were violations of certain State laws and loan agreements (original finding #2010-022) | Repeated - see current year finding 2022-004 |
| 2022-003 | The Town outsources financial statements, related notes, supplementary information preparation, and depreciation schedule preparation. (original finding #2010-024) | Repeated - see current year finding 2022-006 |

Federal Award Findings and Questioned Costs

| Finding Number | Finding Title | Status |
|-----------------------|--|---------------|
| | The Town did not have a Uniform Guidance audit in prior year; therefore, there were no prior year federal award findings and questioned costs. | |

TOWN OF WHITEVILLE
"Gateway to Hardeman County"

MANAGEMENT'S CORRECTIVE ACTION PLAN

The Town of Whiteville, Tennessee respectfully submits the following corrective action plan for the year ended June 30, 2023.

Corrective Action Plan prepared by: Angelous Simmons, Town Recorder

Name and address of independent public accounting firm:

Jones & Jones Certified Public Accountants of Booneville P.A.
201 West Market Street
P O Box 250
Booneville, Mississippi 38829

Audit period: June 30, 2023

The findings from the June 30, 2023, schedule of findings and responses are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

Finding Number 2023-001 Purchasing policy

Name of Contact Person Responsible for Corrective Action: Angelous Simmons, Town Recorder

Anticipated Completion Date: 06/30/2024

Corrective Action Taken or Planned: Management and purchasing personnel will review, obtain copy, and follow purchasing policy.

Finding Number 2023-002 Ineligible expenses.

Name of Contact Person Responsible for Corrective Action: Angelous Simmons, Town Recorder

Anticipated Completion Date: 06/30/2024

Corrective Action Taken or Planned: Town will request \$569 from Tennessee Ready Mix. General Fund will reimburse Drug Fund \$1977.

Finding Number 2023-003 Federal Assistance Listing Number 14.228 Community Development Block Grant (CDBG) – Cash Management

Name of Contact Person Responsible for Corrective Action: Angelous Simmons, Town Recorder

Anticipated Completion Date: 06/30/2024

Corrective Action Taken or Planned: Management has contacted the State of Tennessee and the CDBG grant administrator and advised them of the error.

Finding Number 2023-004 Federal Assistance Listing Number 21-027 State and Local Fiscal Recovery Funds (SLFRF) – Allowable Costs/Cost Principles - continued

Name of Contact Person Responsible for Corrective Action: Angelous Simmons, Town Recorder

Anticipated Completion Date: 06/30/2024

Corrective Action Taken or Planned: We will have the General Fund reimburse the State and Local Fiscal Recovery Fund bank account the \$1,330 and the \$7,652 expenditure questioned in the report.

Finding Number 2023-005 Violations of Laws and Regulations

Name of Contact Person Responsible for Corrective Action: Angelous Simmons, Town Recorder

Anticipated Completion Date: 06/30/2024

Corrective Action Taken or Planned: Management will install procedures to prevent noncompliance.

Finding Number 2023-006 – Financial Statement and Depreciation Schedule Preparation

Name of Contact Person Responsible for Corrective Action: Angelous Simmons, Town Recorder

Anticipated Completion Date: 06/30/2024

Corrective Action Taken or Planned: Management feels the Town is best served by outsourcing the financial information.

We feel the Town is best served by continuing to outsource the preparation of the financial statements, related notes, supplementary information, and depreciation schedule. This is less costly than hiring additional staff to perform these tasks. We thoroughly review the financial statements, related notes, supplementary information preparation, and depreciation schedule and accept them as ours. We provide the auditor with depreciation methods, lives and salvage values. We also maintain a copy of the depreciation schedule in our permanent records

Finding Number 2023-007 – Expenditures were Miscoded to the Towns General Ledger.

Name of Contact Person Responsible for Corrective Action: Angelous Simmons, Town Recorder

Anticipated Completion Date: 06/30/2024

Corrective Action Taken or Planned: Management will install procedures to review each invoice that may have both capital and operating expenditures going forward and code to the appropriate general ledger account number.

Very truly yours,

Angelous Simmons

Angelous Simmons

Town Recorder

February 8, 2024