



Board of Commissioners Agenda

Town of Swansboro

Tuesday, February 27, 2024

Board Members

John Davis, Mayor | William Justice, Mayor Pro Tem | Jeffrey Conaway, Commissioner
Douglas Eckendorf, Commissioner | Joseph Brown, Commissioner

I. Call to Order/Opening Prayer/Pledge

II. Public Comment

Citizens have an opportunity to address the Board for no more than three minutes per speaker regarding items listed on the agenda. There is a second opportunity at the end of the agenda for the public to address the Board on items not listed on the agenda.

III. Adoption of Agenda and Consent Items

The Town Clerk respectfully submits to the Board, the Regular Agenda and the below consent items, which are considered to be of general agreement and little or no controversy. These items may be voted on as a single group without Board discussion "or" if so desired, the Board may request to remove any item(s) from the consent agenda and placed for consideration separately.

III. Consent Items:

a. Tax Refund Requests

The Onslow County Tax Collector recommends refunds of the below listed taxes totaling \$1,059.45.

Vehicle Tax

Johns, Wendell Bonner	\$46.08	Tag Surrender
Puca, Michael Robert Jr.	\$209.04	Tag Surrender
Hawkins, John Simmons Jr. & Bohon, Lora Shehan	\$43.34	Tag Surrender
Kolb, Melissa Kathryn & Patrick Lawrence	\$527.36	Military
O'Connor, Melody Ann	\$108.78	Military
O'Connor, Melody Ann & O'Connor Frank Paul	\$12.39	Military
Hulsey, Kevin Randall	\$112.46	Military

b. Budget Ordinance Amendment #2024-6

IV. Appointments/Recognitions/Presentations

a. Eastern Carolina Council Introduction & Update

Presenter: David Bone – Executive Director, Eastern Carolina Council

b. FY 22-23 Audit Report

Presenter: Gregory T. Redman, CPA

c. **Recognition of Town Clerk, Alissa Fender**

Presenter: Mayor John Davis

V. **Public Hearing - None**

VI. **Business Non-Consent**

a. **Application for COPS Hiring Program Grant**

Presenter: Dwayne Taylor – Police Chief

The US Department of Justice provides grant opportunities through the COPS Hiring Program (CHP) to hire officers and enhance the level of Police Services provided by the Town of Swansboro.

Recommended Action: Approve the Police Department to seek federal grant funding to fund one police officer position, with 25 percent responsibility on the town for salary.

b. **Splashpad Enhancement-Project Update**

Presenter: Anna Stanley – Parks & Rec Director

The Splashpad Enhancement Project will be to add five feet of concrete around the splashpad area, include a seating wall around half of the splashpad, and add a patio area with large shade structures and seating options (benches, picnic tables). The concrete patio area will connect to the playground area. The concept is to provide a cohesive area while still having splashpad separate from the playground.

Recommended Action: Provide guidance whether to continue with original design of a large shade structure or pursue costs of permanent shelters and come back to the board with options of each type of shading.

c. **Request to Proceed with Cost-Recovery Program**

Presenter: Jacob Randall – Fire Chief

The cost of emergency services is continuously increasing. After evaluating the service users, not residents of Swansboro or Onslow County, further exploration of cost-recovery revenue programs was initiated. Further administrative support and changes are required before officially starting the cost-recovery process.

Recommended Action: Guide staff on pursuing the recommended cost-recovery program through Fire Recovery USA with billing methods 1, 2, or 3 to allow for drafting the proposed UDO, Fee Schedule, and Service Agreements for future approval.

d. **Acquisition of Replacement Fire Apparatus**

Presenter: Jacob Randall – Fire Chief

On February 13, 2024, a request to acquire two replacement fire apparatus was presented and tabled for further information gathering. A more in-depth presentation of the apparatus needs request was presented at a special meeting on February 19, 2024. The apparatus acquisition would replace the 2001 E-One International Engine and the 2003 E-One Typhoon Aerial.

Recommended Action: Motion to approve Resolution 2024-R3 (Engine & Tractor Drawn Aerial – Tiller) OR Resolution 2024-R4 (Engine & Mid-Mount Aerial), outlining the commitment and intent of the Town of Swansboro and the Town of Swansboro Fire Department purchasing apparatus, a KME – Engine and Aerial, through Safe Industries with an overall project budget for acquiring the apparatus and all associated equipment of \$3,400,600, not to exceed \$3,500,000.

- e. **EOC/PSB Site Selection Committee Update**
Presenter: Keith Walsh, Chair
- f. **Monthly Financial Report as of January 31, 2024**
Presenter: Sonia Johnson – Finance Director
- g. **Future Agenda Topics**
Presenter: Alissa Fender – Town Clerk

Future agenda items are shared for visibility and comment. In addition, an opportunity is provided for the Board to introduce items of interest and subsequent direction for placement on future agendas.

Recommended Action: Discuss and provide any guidance

VII. Items Moved from Consent

VIII. Public Comment

Citizens have an opportunity to address the Board for no more than five minutes regarding items not listed on the Agenda.

IX. Manager's Comments

- a. Projects Brief
- b. Department Reports

X. Board Comments

XI. Closed Session

- a. *Recommended Action: Motion to enter closed session pursuant to NCGS 143-318.11 (a) (3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege.*

XII. Adjournment



Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **Tax Refund Requests**

Board Meeting Date: **February 27, 2024**

Prepared By: **Sonia Johnson – Finance Director**

Overview: The Onslow County Tax Collector recommends refunds of the below listed taxes totaling \$1,059.45.

Vehicle Tax

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O'Connor, Melody Ann & O'Connor Frank Paul	\$12.39	Military
Hulsey, Kevin Randall	\$112.46	Military

Recommended Action: Motion to approve refunds as recommended by Onslow County.

Action: _____



Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **Budget Ordinance Amendment #2024-6**

Board Meeting Date: **February 27, 2024**

Prepared By: **Sonia Johnson, Finance Department**

Overview: Request a Budget Ordinance Amendment #2024-6 for multiple departments

Public Works: The Public Works Department, in an agreement with NCDOT, is responsible for mowing the sides of the 7 NCDOT roads within the town limits of Swansboro. These roads include a portion of Swansboro Loop Road (.9 miles), a portion of Mt. Pleasant Road (.84 miles), a portion of Deer Island Road (.57 miles), Norris Road (.88 miles), Main Street Extension (1.21 miles), Hammocks Beach Road (2.19 miles), and Old Hammocks Beach Road (1.26 miles).

The Cab Tractor is budgeted in this Fiscal Year funded with loan proceeds; however, the amount was based on estimates that were provided last February of 2023. After months of more research and actual hands-on inspection of this type of equipment, the John Deere 6105 Cab Tractor with the diamond mower DBM-L-N-22, is the correct and needed equipment. This is currently on Statewide Term Contract for \$157,750, which is \$25,646 more than the budgeted amount.

Source of Funds: Appropriated Fund Balance

Proposals for the financing of vehicles and equipment were submitted to the following:

- TD Bank-Not submitting a proposal
- Truist Bank-Not submitting a proposal
- First Citizens Bank-4.82% 5-year term

Police Department: On 2/14/2024, a Police Officer was involved in an accident. A claim has been filed with the NCLM. The appraisal on the 2022 Ford Interceptor SUV has been received and it is total loss. The Town will be receiving insurance proceeds in the amount of \$33,875. The cost to purchase another vehicle is \$46,000. Requesting \$12,125 be appropriated from fund balance and \$33,875 from insurance proceeds for its intended purpose.

Source of Funds: Appropriated Fund Balance and Insurance Proceeds

PEV Charging Station: In 2016, the Town was awarded funds to purchase and install a dual output electric vehicle charging station at Town Hall. In December 2023, staff was alerted that the charging station was not working. According to the Technical Support Engineer, the cost to replace the defective component is \$5,700. Requesting \$5,700 be appropriated from fund balance to repair the PEV charging station.

Source of Funds: Appropriated Fund Balance

Attachments:

1. First Citizens Bank-Proposal for 2024 Installment Purchase Contract
2. Budget Amendment #2024-6

Recommended Action:

1. Motion to approve Budget Amendment #2024-6
2. If Budget Ordinance Amendment is approved, then proceed with approval of the Proposal for 2024 Installment Purchase Contract, and to authorize the Interim Town Manager to file the formal application with First Citizens Bank to secure funds for the purchase of the following capital assets not to exceed \$254,500.

John Deere 6105 Cab Tractor -\$157,750

2024 Ford F550 Crew Cab (Single Axle Dumbo Truck)-\$96,750

Action: _____



February 19, 2024

To: Sonia Johnson, Finance Director

Re: Proposal for 2024 Installment Purchase Contract, Town of Swansboro, North Carolina

Following is our offer for the financing requested in the amount of \$254,500 (prepayable in whole at par):

Rate Structure	Maturity	Payment Structure
4.82% BQ	5 years	Equal annual principal and interest payments
4.93% BQ	7 years	

This transaction can be closed using draft documents provided by First-Citizens Bank & Trust Company. There will be no closing costs or ongoing fees due to the Bank. In addition to executed transaction documents in form satisfactory to the Bank, you must provide an opinion of your attorney addressing certain matters, including, but not limited to:

1. The Installment Purchase Contract is valid, legal, binding, and enforceable;
2. The tax-exempt status of the interest component of payments due under the financing. The attorney's opinion must state that the borrowing is designated as a "qualified tax-exempt obligation" under Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

The borrowing entity must also designate the obligation as a "qualified tax-exempt obligation" prior to closing. It is recommended that this designation be included or recited in the borrowing ordinance/resolution. You or your advisors will be responsible for preparing and filing any IRS required documents.

The rates contained in this proposal are subject to change unless the loan is closed within 45 days of the date hereof. If you have any questions, please contact Courtney Dunlap at 803-931-1721 or me at 803-931-1723.

Thank you for the opportunity to submit this proposal.

First-Citizens Bank & Trust Company

By: Steve Groth
Director of Government Lending

The foregoing proposal is
accepted and approval of
rate and funding is requested:

Town of Swansboro, North Carolina

By: _____

Title: _____

Date: _____

AN ORDINANCE AMENDING THE ANNUAL BUDGET FOR FY 23/24

BUDGET ORDINANCE AMENDMENT #2024-6

BE IT ORDAINED by the Board of Commissioners of the Town of Swansboro that the following amendment be made to the annual budget ordinance for fiscal year ending June 30, 2024:

Section 1. To amend the General Fund budget, the following changes are to be made:

<u>Appropriations</u>	<u>Increase</u>
Public Works-Streets	\$25,646
Police Department	\$46,000
Public Buildings	\$5,700

<u>Revenues</u>	<u>Increase</u>
Appropriated Fund Balance	\$43,471
Insurance Proceeds	\$33,875

Section 2. Copies of this budget amendment shall be furnished to the Town Clerk, the Budget Officer, and the Finance Director, to carry out their duties.

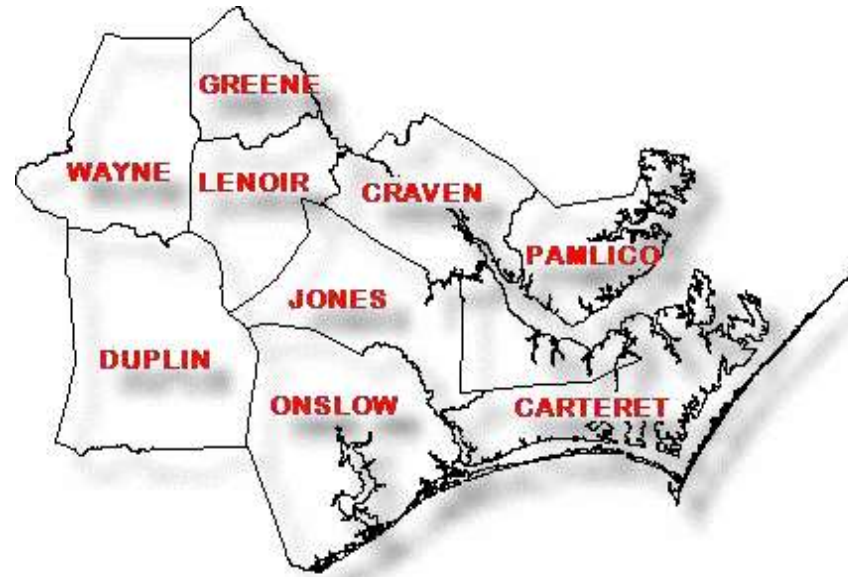
Adopted by the Board of Commissioners in regular session, February 27, 2024.

John Davis, Mayor

Attest:

Alissa Fender, Town Clerk

Presentation about the Eastern Carolina Council (ECC) by Executive Director David Bone



**Town of Swansboro
February 27, 2024**

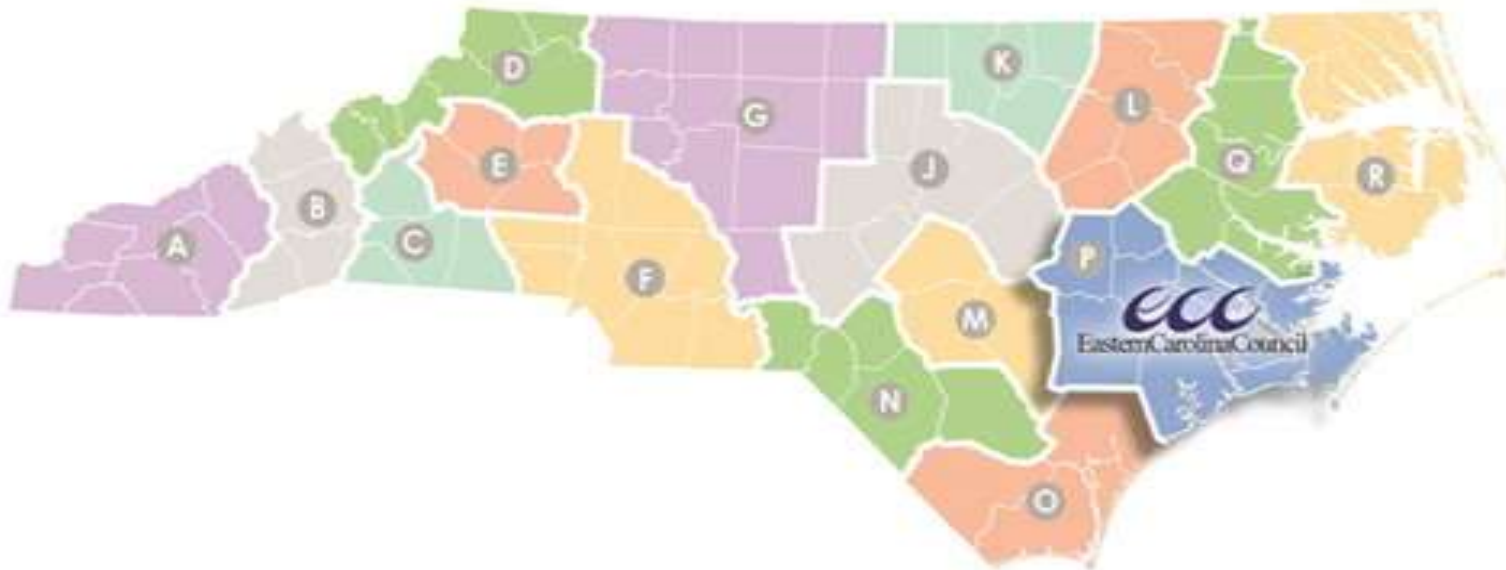
Introduction – David Bone:

- Started work as ECC Executive Director in 2022
- 20 years in local government management – as both a county and town manager
- Most of my career has been in eastern NC



Information about ECC:

- The Neuse River Council of Governments (d/b/a Eastern Carolina Council, or ECC) was established by the North Carolina Legislature in 1967 as one of 16 councils of government regions in the state.



Information about ECC:

- We are a membership organization.
- We are a local government with a regional focus.
- We are a conduit between local governments in our region and state/federal partners.



Information about ECC:

- We provide technical assistance to local governments and administer projects and programs which benefit our region's citizens.
- ECC is comprised of nine counties (Carteret, Craven, Duplin, Greene, Jones, Lenoir, Onslow, Pamlico, and Wayne) and 62 incorporated municipalities.



Mission:

To improve the region's quality of life by providing human, planning, and economic development services to local governments and area residents by leveraging resources and collaborating regionally.

ECC Finances:

- Financially, we operate more like a nonprofit.
- Most of our budget comes from grant funds – over 90%.
- Other revenue sources include membership dues and technical assistance fees for service.
- ECC's 2023-24 Budget includes approximately \$8.7 million.
- The biggest part of our budget is the Area Agency on Aging Department.
- A lot of the Aging budget involves pass-through state and federal funds that we distribute to county/municipal senior centers and service providers.



Area Agency on Aging (AAA)

Purpose of Area Agency on Aging

- Works with counties and providers to serve and advocate for the senior population in the region
- Develops area plans for comprehensive and coordinated system of care for home and community services
- Monitors all programs funded by the Older Americans Act
- Advocates on behalf of older adults and their caregivers

Purpose of Area Agency on Aging

- Administers Long-Term Care Ombudsman program
- Administers Family Caregiver Program
- Establishes network of strong advocates including Senior Tar Heel Delegates, Community Advisory Committees, Regional Aging Advisory Committees, Service Providers, and other advocates

Ombudsman Program

- Protects and preserves resident rights in nursing homes and adult care homes
- Investigates and resolves complaints on behalf of residents, families, and facilities
- Provides in-service training and education to facility staff
- Provides elder abuse awareness for community groups and organizations

Family Caregiver Program (FCSP)

- Provides caregivers with accurate and timely information on services in their counties
- Partners with other organizations to offer training for caregivers
- Monitors FCSP funds that are allocated to counties annually
- Educates community on caregiver issues and services

Planning, Economic Development, & Grants



Rural Planning Organizations (RPOs)





RPO Four Core Duties

- Develop, in cooperation with the Department (NCDOT), long-range local and regional multimodal transportation plans
- Provide a forum for public participation in the transportation planning process
- Develop and prioritize suggestions for transportation projects the organization believes should be included in the State's Transportation Improvement Program (STIP)
- Provide transportation-related information to local governments and other interested organizations and persons.

(North Carolina General Statute)

RPO Structure

- Transportation Advisory Committee (TAC)
 - Local elected officials and North Carolina Department of Transportation (NCDOT) Board Member
- Technical Coordinating Committee (TCC)
 - Staff from local governments and NCDOT
- Lead Planning Agency (LPA)
 - Administrative Entity (Council of Governments or Local Governments)



Community Development & Planning



Services to Local Governments

- ECC Planning staff assists local governments on current planning issues such as zoning, and related land-use issues
- This work has included the development and update of numerous types of ordinances (UDOs, Zoning, Subdivision, Historic Preservation, Public Nuisances, Minimum Housing, Flood Damage Prevention, and other codes), and plans (Comprehensive, Land Use, Bicycle/Pedestrian, etc.), as well as performing administrative services for primarily smaller municipalities



Services to Local Governments

- Consulting with member governments
 - Informal—phone or email advice/assistance
 - Formal—including site visits and recommendations
- Education and information
- Grant Writing / Grant Administration

Technical Assistance (TA) Projects

- American Recovery Plan (ARP) planning and reporting assistance (time-limited, funded through the State)
- Disaster Recovery technical assistance (time-limited, funded through the State)
- Training / Various Workshops / Regional Convenings

Technical Assistance (TA) Projects

Fee for service

- Ordinance Reviews
- Comprehensive Land Use Plan
- Parks & Recreation Comprehensive Plan / Master Plans
- Grant writing
- Planning and Zoning Administration

Administrative Technical Assistance (TA) Projects and Related Services

- Executive Searches
- Retreat facilitation

Economic Development



Economic Development Planning

- ECC is the Economic Development Administration (EDA) designated Economic Development District
- In this role, ECC works with counties and municipalities and their economic developers if they have an EDA Public Works and Economic Adjustment Assistance grant application

Economic Development Planning

- ECC is the designated Local Development District (LDD) representative for the Southeast Crescent Regional Commission
- In this role, ECC works with counties, municipalities, and other organizations apply for grant funds from the Southeast Crescent Regional Commission (a federal agency working to improve economic conditions in rural, coastal communities in nine southeastern states)



Economic Development Planning

- We can also help communities connect with:
 - The International Economic Development Council (IEDC) and
 - The Kenan Center
- for economic development study projects

Economic Development Planning

- ECC has the responsibility to develop and implement a Comprehensive Economic Development Strategy (CEDS) for the region, which details the region's Economic and Community Development priorities (updated in 2023).
- It is online at <https://eccog.org/economic-development-planning/>.

Partnering/Collaboration Relationships Include:

- NCDOT – Transportation
- EDA, Southeast Crescent Regional Commission – Economic Development
- UNC School of Government – training opportunities
- NC Office of Resiliency and Recovery (NCORR) – Regions Innovating for Strong Economies and Environment (RISE) program
- International Economic Development Council – connecting communities for free economic development / planning technical assistance
- NCSU Institute for Emerging Issues – Digital Inclusion Planning
- Wayne County – County and towns – Regional Water discussions
- NC Rural Water Assn. – Lead Service Line Inventory Requirements



Recent Projects & Initiatives

Some recently-completed projects and initiatives include:

- RISE Eastern NC (completed 2023)
- Area Agency on Aging – Grocery Assistance Program for Seniors (ended in 2023)
- Recreation Master Plan / Comprehensive Recreation Plan / PARTF Grant application – Town of Beulaville
- Planning Board training – Greenevers, Pink Hill, and Peletier
- Fire/EMS Chief Search – Newport

Current Projects & Initiatives

Some current projects and initiatives include:

- ARP Technical Assistance
- Disaster Recovery Technical Assistance
- 160D Review – Oriental and Pikeville
- Subdivision review – Town of Richlands
- Comp Plan – Town of Pink Hill
- Zoning services – Pink Hill, Peletier
- Grant writing – Pine Knoll Shores
- Grant administration – Beulaville and Faison

Providing Training Opportunities is a Focus

Some recent / Training Workshops include:

- Grant writing
- Ethics for Elected Officials
- Geographic Information System (GIS) Best Practices
- NCDOT State Transportation Improvement Plan (STIP) 101
- Disaster Resilience Workshops
- Federal Grant Programs
- FEMA's Community Rating System
- EPA Brownfields Program



Regional Partnership and Collaboration Is Key

Some recent / upcoming ECC collaboration and advocacy efforts include:

- Senior Tar Heel Legislature (advocating for seniors)
- 2023 Legislative Breakfast
- Transportation Summit – October 2023
- Quarterly City-County Managers / Mayors Meetings
- 2024 Legislative Breakfast (in the works)
- COG Legislative Day – May 8th
- 3 Regional IEDC efforts (focused on Military Retention, Workforce Housing, and Talent Attraction)



Focus and Vision for the Future

Moving forward, ECC wants to:

- Create value for our members
- Continue to expand our services and regional impact

ECC Strategic Priorities:

- Developed in the spring and approved by the Board in June 2023.
- Will be developed annually as part of the annual budget process.

Some Benefits of ECC Membership Include:

- Regional collaboration / advocacy
- Regional partnership
- Economic Development support
- Support for Aging Services
- Planning support / technical assistance
- Access to grant information, grant writing, grant administration services
- Training / workshops for elected officials and staff
- Administrative support (employee recruitment searches, other)



Cost of ECC Membership:

- Membership dues for municipalities in 2024-25 will be 40-cents per capita.
- Other COGs charge up to 83.4-cents per capita.
- Dues would be \$1,562 for Swansboro, which is a small price for the benefits provided.

Ask:

- 7 communities saw the value of ECC membership in the current year (Craven County, Onslow County, City of Jacksonville, City of New Bern, Town of Peletier, and Town of Magnolia all rejoined ECC in recent weeks).
- We encourage the Town of Swansboro to be an active member of ECC in 2024-25.

Thank you for the opportunity to share our story!

Comments or Questions?

Please contact me

David Bone


dbone@eccog.org or

252-638-3185, ext. 3005



Town of Swansboro Audit Report Presentation

Gregory T. Redman, CPA
GTR



Independent Auditor's Report

Opinion

In my opinion, based on my audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Swansboro, North Carolina as of June 30, 2023, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the General Fund for the year then ended **in accordance with accounting principles generally accepted in the United States of America.**

“Unmodified Opinion”

**Reference Page 1 of the Annual
Comprehensive Financial Report**

Government-Wide Financial Analysis

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 12,533,766	\$ 11,531,614	\$ 424,523	\$ 293,069	\$ 12,958,289	\$ 11,824,683
Capital and other noncurrent assets	6,650,498	6,733,814	228,757	258,974	6,879,255	6,992,788
Total assets	\$ 19,184,264	\$ 18,265,428	\$ 653,280	\$ 552,043	\$ 19,837,544	\$ 18,817,471
Deferred outflows of resources	\$ 1,079,137	\$ 850,945	\$ 55,646	\$ 40,990	\$ 1,134,783	\$ 891,935
Long-term liabilities	\$ 2,693,579	\$ 1,962,369	\$ 98,708	\$ 48,518	\$ 2,792,287	\$ 2,010,887
Other liabilities	7,687,609	7,593,321	57,580	32,799	7,745,189	7,626,120
Total liabilities	\$ 10,381,188	\$ 9,555,690	\$ 156,288	\$ 81,317	\$ 10,537,476	\$ 9,637,007
Deferred inflows of resources	\$ 684,583	\$ 1,181,755	\$ 27,690	\$ 50,926	\$ 712,273	\$ 1,232,681
Net position:						
Net investment in capital assets	\$ 5,648,992	\$ 5,573,365	\$ 228,757	\$ 258,974	\$ 5,877,749	\$ 5,832,339
Restricted	1,047,781	1,079,103	-	-	1,047,781	1,079,103
Unrestricted	2,500,857	1,726,460	296,191	201,816	2,797,048	1,928,276
Total net position	\$ 9,197,630	\$ 8,378,928	\$ 524,948	\$ 460,790	\$ 9,722,578	\$ 8,839,718

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 402,909	\$ 437,882	\$ 625,794	\$ 605,915	\$ 1,028,703	\$ 1,043,797
Operating grants and contributions	486,161	459,558	-	-	486,161	459,558
Capital grants and contributions	728,531	147,807	-	-	728,531	147,807
General revenues:						
Property taxes	2,441,160	1,893,788	-	-	2,441,160	1,893,788
Other taxes	120,925	102,690	-	-	120,925	102,690
Grants and contributions not restricted to specific programs	1,745,259	1,617,719	-	-	1,745,259	1,617,719
Other	141,269	54,199	86,510	10,035	227,779	64,234
Total revenues	<u>\$ 6,066,214</u>	<u>\$ 4,713,643</u>	<u>\$ 712,304</u>	<u>\$ 615,950</u>	<u>\$ 6,778,518</u>	<u>\$ 5,329,593</u>
Expenses:						
General government	\$ 986,279	\$ 924,517	\$ -	\$ -	\$ 986,279	\$ 924,517
Public safety	2,183,653	2,031,383	-	-	2,183,653	2,031,383
Transportation	391,538	430,280	-	-	391,538	430,280
Economic development	964,839	331,837	-	-	964,839	331,837
Environmental protection	-	-	-	-	-	-
Cultural and recreation	401,829	419,503	-	-	401,829	419,503
Other	308,153	297,584	-	-	308,153	297,584
Interest on long-term debt	8,993	2,657	-	-	8,993	2,657
Stormwater	-	-	218,147	122,200	218,147	122,200
Solid Waste	-	-	432,227	400,143	432,227	400,143
Total expenses	<u>\$ 5,245,284</u>	<u>\$ 4,437,761</u>	<u>\$ 650,374</u>	<u>\$ 522,343</u>	<u>\$ 5,895,658</u>	<u>\$ 4,960,104</u>
Increase in net position before transfers and special items	\$ 820,930	\$ 275,882	\$ 61,930	\$ 93,607	\$ 882,860	\$ 369,489
Transfers and special items	(2,228)	(70,154)	2,228	70,154	-	-
Increase in net position	\$ 818,702	\$ 205,728	\$ 64,158	\$ 163,761	\$ 882,860	\$ 369,489
Net position, July 1	8,378,928	8,173,200	460,790	297,029	8,839,718	8,470,229
Net position-beginning, restated	-	-	-	-	-	-
Net position, June 30	<u>\$ 9,197,630</u>	<u>\$ 8,378,928</u>	<u>\$ 524,948</u>	<u>\$ 460,790</u>	<u>\$ 9,722,578</u>	<u>\$ 8,839,718</u>

Reference Page 9 of the
Annual Comprehensive
Financial Report

Balance Sheet

Governmental Funds

Town of Swansboro, North Carolina
Balance Sheet
Governmental Funds
June 30, 2023

	Major Funds		Non-Major Funds	
	General	State Capital	Other	Total
Assets				
Cash and cash equivalents	\$ 4,887,960	\$ -	\$ -	\$ 4,887,960
Restricted cash	83,026	5,988,665	1,094,922	7,166,613
Receivables, net:				
Taxes	44,823	-	-	44,823
Accounts	292,758	-	-	292,758
Leases	104,637	-	-	104,637
Grants	10,000	-	12,179	22,179
Due from other funds	-	-	-	-
Total Assets	<u>\$ 5,423,204</u>	<u>\$ 5,988,665</u>	<u>\$ 1,107,101</u>	<u>\$ 12,518,970</u>
Liabilities				
Liabilities payable from restricted assets	\$ -	\$ 5,980,480	\$ 365,851	\$ 6,346,331
Accounts payable and accrued liabilities	894,848	1,240	72,416	968,504
Other liabilities	63,679	-	-	63,679
Total Liabilities	<u>\$ 958,527</u>	<u>\$ 5,981,720</u>	<u>\$ 438,267</u>	<u>\$ 7,378,514</u>
Deferred Inflows of Resources				
Property taxes receivable	\$ 44,823	\$ -	\$ -	\$ 44,823
Leases	103,297	-	-	103,297
Total Deferred Inflows of Resources	<u>\$ 148,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148,120</u>
Fund Balances				
Nonspendable:				
Leases receivable, net	\$ 1,340	\$ -	\$ -	\$ 1,340
Restricted:				
Stabilization by State Statute	304,098	-	-	304,098
Streets	67,904	-	-	67,904
Capital improvements	-	6,945	668,834	675,779
Assigned:				
Subsequent year's expenditures	385,883	-	-	385,883
Unassigned	3,557,332	-	-	3,557,332
Total Fund Balances	<u>\$ 4,316,557</u>	<u>\$ 6,945</u>	<u>\$ 668,834</u>	<u>\$ 4,992,336</u>
Total Liabilities, Deferred Inflows of Resources, And Fund Balances	<u>\$ 5,423,204</u>	<u>\$ 5,988,665</u>	<u>\$ 1,107,101</u>	<u>\$ 12,518,970</u>

Reference Page 18 of the
Annual Comprehensive
Financial Report

Unassigned Fund Balance as a Percentage of Total General Fund Expenditures

	2023	2022
Unassigned fund balance	\$ 3,557,332	\$ 2,976,642
Total General Fund expenditures	4,363,376	4,306,320
Unassigned fund balance as a Percentage of Total General Fund expenditures	82%	69%
LGC recommended amount	34%	34%
Average of similar-sized towns	63%	63%

Reference Page 18 and 20 of
the Annual Comprehensive
Financial Report

Statement of Net Positions Proprietary Funds

Town of Swansboro, North Carolina
Statement of Net Position
Proprietary Funds
June 30, 2023

	Major Enterprise Funds		
	Stormwater	Solid Waste	Totals
Assets			
Current assets:			
Cash and cash equivalents	\$ 90,393	\$ 196,213	\$ 286,606
Accounts receivable (net)	137,917	-	137,917
Due from other funds	-	-	-
Total Current Assets	<u>\$ 228,310</u>	<u>\$ 196,213</u>	<u>\$ 424,523</u>
Noncurrent assets:			
Capital assets:			
Land and other non-depreciable assets	-	-	-
Other capital assets, net of depreciation	92,555	136,202	228,757
Capital assets (net)	<u>\$ 92,555</u>	<u>\$ 136,202</u>	<u>\$ 228,757</u>
Total Assets	<u>\$ 320,865</u>	<u>\$ 332,415</u>	<u>\$ 653,280</u>
Deferred Outflows of Resources			
Pension deferrals	<u>\$ 27,823</u>	<u>\$ 27,823</u>	<u>\$ 55,646</u>
Liabilities			
Current liabilities:			
Accounts payable - trade	\$ 20,205	\$ 35,700	\$ 55,905
Due to other funds	-	-	-
Customer deposits	-	-	-
Compensated absences - current	837	838	1,675
Total Current Liabilities	<u>\$ 21,042</u>	<u>\$ 36,538</u>	<u>\$ 57,580</u>
Noncurrent liabilities:			
Compensated absences	\$ 1,556	\$ 1,554	\$ 3,110
Net pension liability	37,064	37,064	74,128
Total OPEB liability	10,735	10,735	21,470
Total non-current liabilities	<u>\$ 49,355</u>	<u>\$ 49,353</u>	<u>\$ 98,708</u>
Total Liabilities	<u>\$ 70,397</u>	<u>\$ 85,891</u>	<u>\$ 156,288</u>
Deferred Inflows of Resources			
Pension deferrals	<u>\$ 13,845</u>	<u>\$ 13,845</u>	<u>\$ 27,690</u>
Net Position			
Net investment in capital assets	\$ 92,555	\$ 136,202	\$ 228,757
Restricted net position	-	-	-
Unrestricted net position	171,891	124,300	296,191
Total Net Position	<u>\$ 264,446</u>	<u>\$ 260,502</u>	<u>\$ 524,948</u>

Reference Page 23 of the Annual
Comprehensive Financial Report

Statement of Revenues, Expenses, And Changes in Fund Net Position Proprietary Funds

Town of Swansboro, North Carolina
Statement of Revenues, Expenses, And Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Major Enterprise Funds		
	Stormwater	Solid Waste	Totals
Operating Revenues			
Charges for services	\$ 156,725	\$ 469,069	\$ 625,794
Other operating revenues	-	-	-
Total Operating Revenues	<u>\$ 156,725</u>	<u>\$ 469,069</u>	<u>\$ 625,794</u>
Operating Expenses			
Administration	\$ -	\$ -	\$ -
Stormwater operations	207,708	-	207,708
Solid waste operations	-	412,449	412,449
Depreciation	10,439	19,778	30,217
Total Operating Expenses	<u>\$ 218,147</u>	<u>\$ 432,227</u>	<u>\$ 650,374</u>
Operating income (loss)	<u>\$ (61,422)</u>	<u>\$ 36,842</u>	<u>\$ (24,580)</u>
Non-operating Revenues (Expenses)			
Investment earnings	\$ -	\$ -	\$ -
State and local grants	86,510	-	86,510
Total Non-operating Revenues (expenses)	<u>\$ 86,510</u>	<u>\$ -</u>	<u>\$ 86,510</u>
Income (loss) before contributions and transfers	<u>\$ 25,088</u>	<u>\$ 36,842</u>	<u>\$ 61,930</u>
Capital contributions	-	-	-
Transfers from other funds	2,228	-	2,228
Transfers to other funds	-	-	-
Change in net position	<u>\$ 27,316</u>	<u>\$ 36,842</u>	<u>\$ 64,158</u>
Net position, beginning	<u>237,130</u>	<u>223,660</u>	<u>460,790</u>
Net position, ending	<u><u>\$ 264,446</u></u>	<u><u>\$ 260,502</u></u>	<u><u>\$ 524,948</u></u>

Reference Page 24 of the
Annual Comprehensive
Financial Report

Changes in Long-term Liabilities

	Beginning			Ending	Current
	Balance	Increases	Decreases	Balance	Portion of
Governmental Activities:					Balance
Notes from direct placements	\$ 1,160,449	\$ -	\$ 247,375	\$ 913,074	\$ 251,392
Subscription liability	-	88,432	-	88,432	22,108
Total pension liability (LEO)	86,581	-	16,473	70,108	-
Net pension liability (LGERS)	365,977	-	(1,042,462)	1,408,439	-
Total OPEB liability	520,850	-	112,930	407,920	-
Compensated absences	116,748	90,249	85,296	121,701	42,595
Total	\$ 2,250,605	\$ 178,681	\$ (580,388)	\$ 3,009,674	\$ 316,095

	Beginning			Ending	Current
	Balance	Increases	Decreases	Balance	Portion of
Business-type Activities:					Balance
Net pension liability (LGERS)	\$ 19,262	\$ 54,866	\$ -	\$ 74,128	\$ -
Total OPEB liability	27,413	-	5,943	21,470	-
Compensated absences	2,835	4,207	2,257	4,785	1,675
Total	\$ 49,510	\$ 59,073	\$ 8,200	\$ 100,383	\$ 1,675

Analysis of Current Tax Levy

Town of Swansboro, North Carolina
Analysis of Current Tax Levy
Town-wide Levy
For the Fiscal Year Ended June 30, 2023

	Town-wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 645,366,000	0.35	\$ 2,258,781	\$ 2,258,781	\$ -
Registered motor vehicles taxed at current rate	53,170,000	0.35	186,095	-	186,095
Total property valuation	<u>\$ 698,536,000</u>				
Net levy			\$ 2,444,876	\$ 2,258,781	\$ 186,095
Unpaid (by taxpayer) at June 30, 2023			<u>(31,747)</u>	<u>(31,747)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 2,413,129</u>	<u>\$ 2,227,034</u>	<u>\$ 186,095</u>
Current levy collection percentage			<u>98.70%</u>	<u>98.59%</u>	<u>100.00%</u>

Reference Page 90 of the
Annual Comprehensive
Financial Report

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”

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Swansboro, North Carolina’s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**TOWN OF SWANSBORO
SWANSBORO, NORTH CAROLINA**



**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

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Financial Statements
Town of Swansboro
Swansboro, North Carolina

Board of Commissioners

John Davis, Mayor
Frank Tursi, Mayor Pro Tem
Jeff Conaway
Larry Philpott
Harry Pugliese
Patricia Turner

Administrative Staff

Sonia Johnson, Finance Director

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Board of Commissioners

John Davis
Mayor

William Justice
Mayor Pro Tem

Larry Philpott
Commissioner

Jeffrey Conaway
Commissioner

Douglas Eckendorf
Commissioner

Joseph Brown
Commissioner

Interim Town Manager

Jon Barlow
tnmgr@ci.swansboro.nc.us

Town Clerk

Alissa A. Fender, CMC
afender@ci.swansboro.nc.us

January 31, 2024

The Honorable Mayor, Members of the Board of Commissioners,
and the Citizens of the Town of Swansboro, North Carolina:

The Town of Swansboro is pleased to submit its Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2023. This report consists of management's representations concerning the financial condition of the Town of Swansboro. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report.

To provide a reasonable basis for making these representations, management of the Town of Swansboro has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or unauthorized use and to compile reliable information for the preparation of the Town's financial statements in conformity with generally accepted accounting principles. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements.

The Management Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The Town's financial statements and supplemental schedules contained herein have been audited by the independent certified public accounting of Gregory T. Redman, CPA. All disclosures necessary for the reader to gain an understanding of the Town's financial affairs are included. An examination of the financial data together with an evaluation of its presentation, allowed the independent auditors to conclude with an unqualified opinion that the financial statements present fairly, in conformity with generally accepted accounting principles and in all material respects, the financial position and activities of all Town funds. The Independent Auditor's Report may be viewed in the first portion of the financial section of this report.

PROFILE OF THE GOVERNMENT

The Town of Swansboro is a coastal bedroom community located in the extreme eastern part of Onslow County along the White Oak River and Intracoastal Waterway. With an estimated population of 3904 in 2021, per the NC State Demographer, Swansboro is not just another location with a potential for growth,

but a unique and quaint community with a strong background, a rich history, and a healthy economy.

Once the site of an Algonquian Indian village, Swansboro was first established by European settlers moving south from New England around 1730 and was incorporated as a town in 1783. Originally a community whose economy was based on the shipping of timber products, boat-building, and commercial fishing, Swansboro is now a largely suburban community whose residents work mostly in the Jacksonville metropolitan area, on the nearby military base, in local retail businesses, in the construction industry, and in tourism-related businesses.

The Town of Swansboro operates under the council-manager form of government. The Board of Commissioners is comprised of a Mayor and five commissioners, who serve four-year staggered terms with the lowest vote recipient serving a two-year term. All are elected on a non-partisan basis. The Board of Commissioners is the policy-making and legislative authority of the Town and is responsible for adopting the annual budget, enacting ordinances, appointing members to various boards, and approving zoning and planning issues. The Town Manager is responsible for implementing Board policies and Town Ordinances, managing daily operations, and appointing department directors.

The Town of Swansboro provides a full range of services to its citizens that includes police and fire protection, emergency management, community planning, code enforcement, street, sidewalk, and drainage maintenance, sanitation, parks and recreation and various other services associated with the administration of the town. In late 2006 and early 2007, the Town, which had originally operated its own water and sewer department, entered into capital lease and operating agreements with the Onslow Water and Sewer Authority (ONWASA), for provision of these services.

The Town has maintained and regularly updated comprehensive community plans and has officially adopted plans on record. These include land use, bicycle, transportation, parks and recreation, waterfront access and development, gateway corridor, watershed, and downtown redevelopment.

In accordance with state law, the Town's budget is prepared on the modified accrual basis, and its accounting records are also maintained on that basis. Under modified accrual accounting, revenues are recorded when they are both measurable and available. Expenditures are recorded when a liability is incurred, except for interest on long-term debt and accrued vacation benefits.

The Board of Commissioners is required to adopt a final, balanced budget no later than July 1. This annual budget serves as the foundation for the Town's financial planning and control. The budget is prepared by fund and department. The Town Manager is authorized by the budget ordinance to make certain intra-fund transfers and to make some transfers from the capital reserve fund.

LOCAL ECONOMY

Located in Onslow County, home of the 2nd Marine Expeditionary Force (II MEF), Swansboro enjoys a very stable business climate supported by military families and base expenditures. The

Town's population continues to increase as it has over the past few years. The most recently reported unemployment rate in Onslow County was 4.2%, slightly higher than the state average of 3.3%. From July 2022 through June 2023, the Town issued 502 building permits.

LONG TERM FINANCIAL PLANNING

The Town has completed multiple capital projects, in recent years, including the \$337,816 Town Hall renovation project, the \$294,631 Port O'Swannsborough public marina, \$66,000 Safe Routes to Schools sidewalk project. The Town has also made significant improvements to its Municipal Park, Old Town Hall, and Public Safety Building. These include a \$75,000 playground project, an exercise trail, a skatepark facility, renovations to the Concession Stand, a new \$754,523 Recreation Center, kayak launch, boardwalk & walkway at Bicentennial Park, \$273,652 for an inclusive playground at Municipal Park, \$560,992 renovations to the Public Safety Building, \$231,670 for Sleeping Quarters at the Public Safety Building, \$116,634 for sidewalk additions along NC 24, Old Hammocks Road, and Hammocks Beach Road, and \$75,917 for the Walnut Street Retrofit project. Overall, the Town's net capital assets have risen from \$5,257,854 in 2014 to \$6,992,788 in 2023.

During the same period (2014-2023), the Town's outstanding debt has decreased by 25% (from \$1,209,925 to \$913,074), its debt per capita has decreased by 45% (from \$404 to \$223), and its legal debt margin has increased by 74% (from \$31 million to \$54 million).

The Town has several capital projects still budgeted and/or underway, including more sidewalk construction, Emmerton School Repairs, Bicentennial Park Boardwalk, and the Emergency Operations Center/Public Safety Building Project.

In FY 2017-2018, the Town developed the Town's first Capital Improvement Plan (CIP). The CIP is a planning and budget tool which addresses the repair and replacement of existing infrastructure as well as the construction or acquisition of new facilities and equipment to accommodate current and future demands for service. The CIP was deferred for three years; however, it was re-introduced in FY 2022/2023. The Town's unassigned fund balance was \$3,557,332 on June 30, 2023.

FINANCIAL POLICIES

Despite the financial difficulties suffered by many other local governments during the recession, the Town has worked to become operationally leaner and financially stronger. Its improvements in financial condition are based on the following tenets of budgeting and financial planning:

- Budgets are based on specific goals and objectives previously identified by the governing board.
- In decisions relating to capital expenditures, emphasis is placed on the strategic use of funds for community improvements that will have lasting value for the quality of life in the community.
- Pursuit of cost savings in municipal operations is a constant objective of management.
- Funding from other, non-local sources (grants, donations, and partnerships) has been pursued to help accomplish previously identified goals.

- \$1,065,724 made available through the Coronavirus Local Fiscal Recovery Fund for general governmental services to include but not limited to maintenance & repairs to Town facilities, equipment, improvements to parks, and vehicles.
 - \$6,100,000 made available through the State Construction and Infrastructure Fund (SCIF) for an Emergency Operations Center/Public Safety Building (\$6,000,000) and sidewalks (\$100,000).
- Capital reserve budgeting has been significantly increased through the Capital Improvement Plan to anticipate and prepare for future major expenditures.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Swansboro for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. This is the 27th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

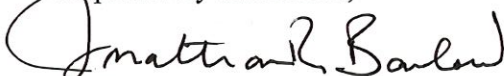
A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

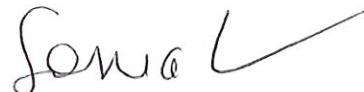
The preparation of this Annual Comprehensive Financial Report could not have been accomplished without the hard work and dedication of the employees of the Finance Department and the Department Heads. Each of them has our sincerest thanks.

In closing, appreciation is extended to the Mayor and Town Commissioners for the encouragement, assistance, and stewardship of public funds that they have provided. The community owes the significant progress being made in public facilities, public safety, and services and the steady improvements in the Town's financial condition to their support of strong financial planning and management.

Respectively submitted,



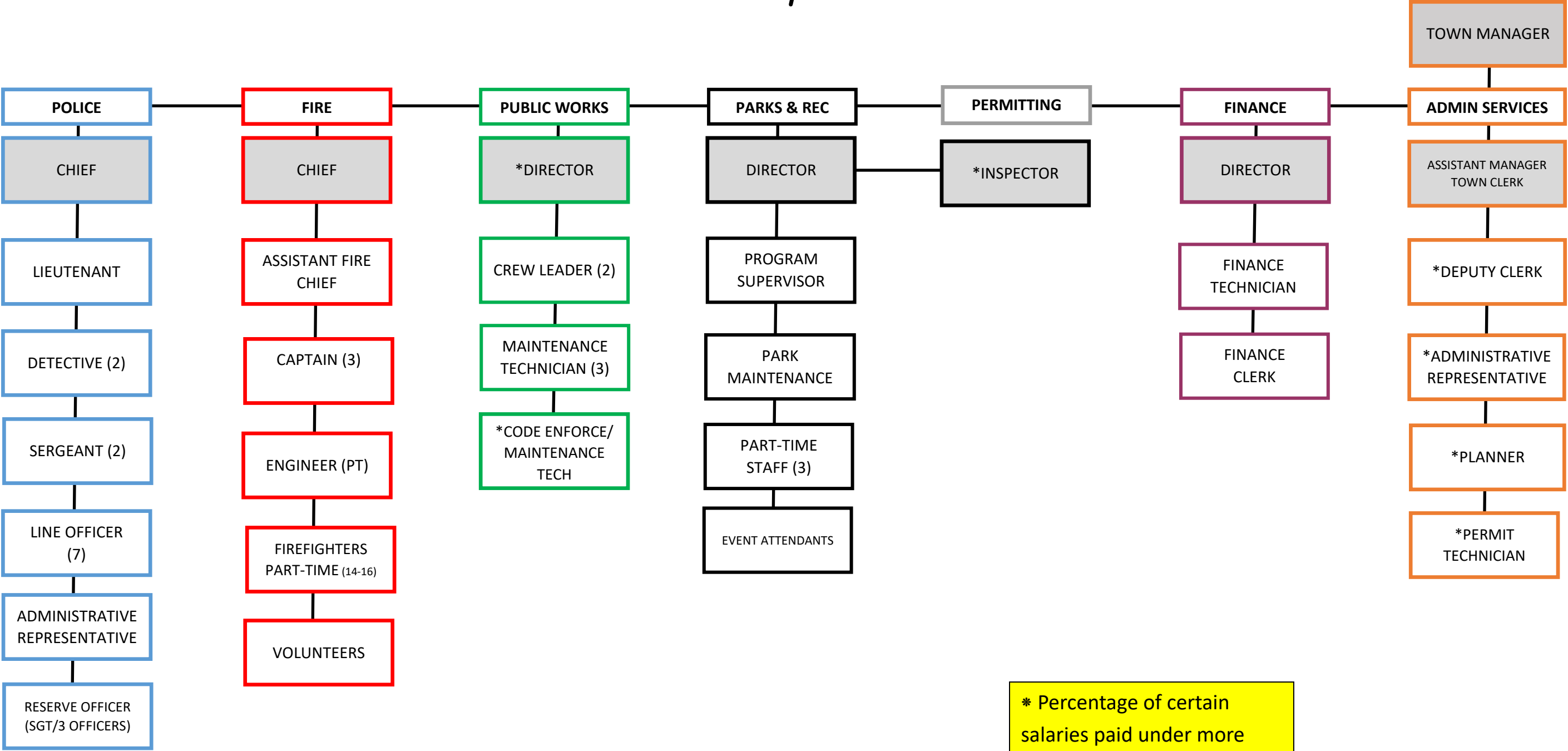
Jonathan R. Barlow
Interim Town Manager



Sonia Johnson
Finance Director

Organizational Chart

2022/2023



* Percentage of certain salaries paid under more than one department

**TOWN OF SWANSBORO, NORTH CAROLINA
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2023**

Elected Officials

Mayor	John Davis
Mayor Pro-Tem	Frank Tursi
Commissioner	Patricia Turner
Commissioner	Larry Philpot
Commissioner	Harry Pugliese
Commissioner	Jeffrey Conaway

Appointed Officials

Town Attorney	Ward & Smith, P.A.
Town Manager	Paula Webb
Town Clerk	Alissa Fender
Finance Director	Sonia Johnson
Police Chief	Thomas Taylor
Fire Chief	Jacob Randall
Public Works Director	Gerald Bates
Town Planner	Andrea Correll
Parks & Recreation Director	Anna Stanley



Government Finance Officers Association

Certificate of
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for Excellence
in Financial
Reporting

Presented to

**Town of Swansboro
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrell

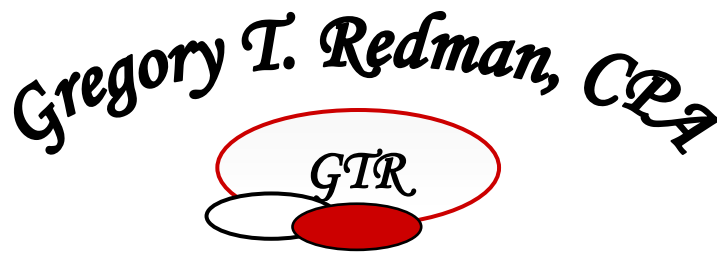
Executive Director/CEO

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 - Management's Discussion and Analysis
 - Basic Financial Statements
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-

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Member
North Carolina Association of
Certified Public Accountants

Member
American Institute of
Certified Public Accountants

Independent Auditor's Report

To the Honorable Mayor and
Members of the Board of Commissioners
Swansboro, North Carolina

Report on the Audit of Financial Statements

Opinion

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

In my opinion, based on my audit, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of Town of Swansboro, North Carolina as of June 30, 2023, and the respective changes in financial position, cash flows, and budgetary comparison for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United State My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Town of Swansboro, North Carolina and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Audit of the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *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 GAAS and *Government Auditing Standards*, I:

- Exercised professional judgment and maintained professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Swansboro, North Carolina'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 my judgment, there are conditions or events considered in the aggregate that raise substantial doubt about the Town of Swansboro, North Carolina's ability to continue as a going concern for a reasonable period of time.

I am 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 I 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 Other Postemployment Benefits' Schedules of Changes in Total OPEB Liability and Related Ratios, Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability, and Total Pension Liability as a Percentage of Covered Payroll be presented to supplement the basic financial statements. Such

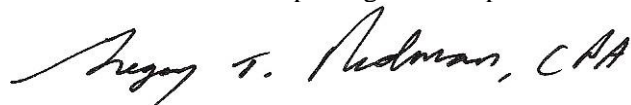
information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Swansboro, North Carolina's basic financial statements. The combining and individual fund financial statements, budgetary schedules, and other schedules are presented 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 my opinion based on my audit the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued my report dated January 13, 2024, on my consideration of the Town of Swansboro, North Carolina's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my 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 Swansboro, North Carolina's internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Swansboro, North Carolina's internal control over financial reporting and compliance.



Tarboro, North Carolina
January 13, 2024

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Management's Discussion and Analysis

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Management's Discussion and Analysis

As management of the Town of Swansboro, we offer readers of the Town of Swansboro's financial statements this narrative overview and analysis of the financial activities of the Town of Swansboro for the fiscal year ended June 30, 2023. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

Financial Highlights

Highlights of the Town's fiscal year ended June 30, 2023 include:

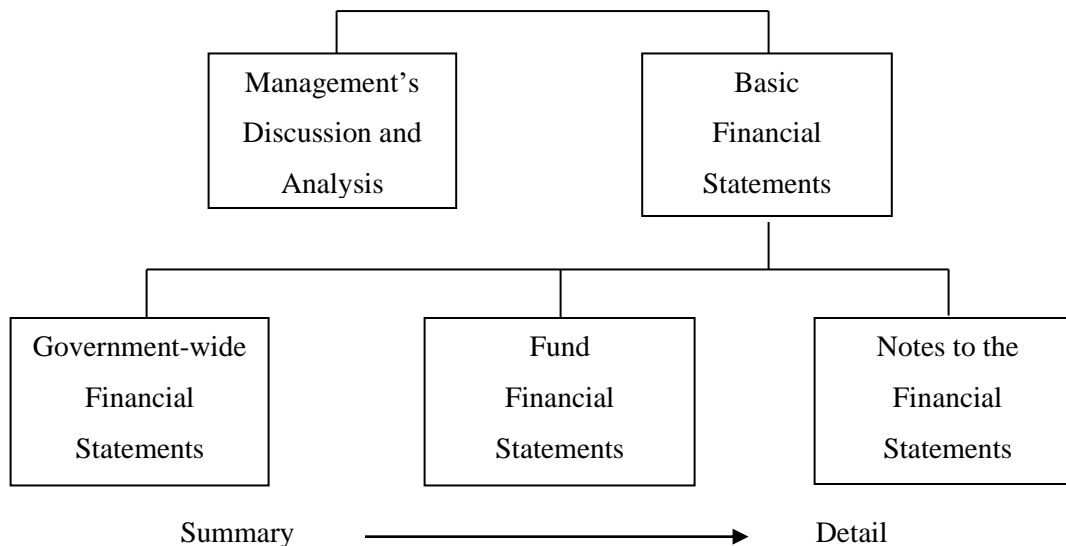
- The assets of the Town of Swansboro exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$9,722,578 (*net position*)
- The government's total net position increased by \$882,860.
- As of the close of the current fiscal year, the Town of Swansboro's governmental funds reported combined ending fund balances of \$4,992,336, an increase of \$933,840 in comparison with the prior year. Approximately 71 percent of this total amount, or \$3,557,332 is unassigned and available for spending at the government's discretion.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,557,332, or 82 percent of total general fund expenditures for the fiscal year.
- Property and sales taxes are the two largest sources of revenues within the Town's governmental fund.
- The Town has achieved the Certificate of Achievement for Excellence in Financial Reporting for the 27th consecutive year.

Overview of the Financial Statements

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

Management Discussion and Analysis
Town of Swansboro

Required Components of Annual Financial Report



Basic Financial Statements

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

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

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided about the Net Pension Liability, Law Enforcement Officer's Special Separation Allowance, and the Town's Health Care Plan. A section follows to show details about the Town's individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

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

Management Discussion and Analysis

Town of Swansboro

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

The government-wide statements are divided into three categories: 1) governmental activities and 2) business-type activities; and 3) component units. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes, other taxes, and intergovernmental revenues principally support these activities. The business-type activities are those that the Town charges customers to provide. These include stormwater and solid waste services offered by the Town of Swansboro. The final category is the component unit. Although legally separate from the Town, the Swansboro Tourism Development Authority is important to the Town. The Town exercises control over the Authority by appointing its members and the Town is responsible for the collection and accounting of all funds remitted to or disbursed by the Authority.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Fund Financial Statements

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

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

Management Discussion and Analysis
Town of Swansboro

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

Proprietary Funds –The Town of Swansboro has one proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Town of Swansboro uses enterprise funds to account for its stormwater and solid waste activity operations. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 26-60 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Swansboro's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 61-65 of this report.

Interdependence with Other Entities – The Town depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the Town is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign governments and other holders of publicly held U.S. Treasury Securities.

Management Discussion and Analysis
Town of Swansboro

Government-Wide Financial Analysis

**Town of Swansboro's Net Position
Figure 2**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 12,533,766	\$ 11,531,614	\$ 424,523	\$ 293,069	\$ 12,958,289	\$ 11,824,683
Capital and other noncurrent assets	6,650,498	6,733,814	228,757	258,974	6,879,255	6,992,788
Total assets	\$ 19,184,264	\$ 18,265,428	\$ 653,280	\$ 552,043	\$ 19,837,544	\$ 18,817,471
Deferred outflows of resources	\$ 1,079,137	\$ 850,945	\$ 55,646	\$ 40,990	\$ 1,134,783	\$ 891,935
Long-term liabilities	\$ 2,693,579	\$ 1,962,369	\$ 98,708	\$ 48,518	\$ 2,792,287	\$ 2,010,887
Other liabilities	7,687,609	7,593,321	57,580	32,799	7,745,189	7,626,120
Total liabilities	\$ 10,381,188	\$ 9,555,690	\$ 156,288	\$ 81,317	\$ 10,537,476	\$ 9,637,007
Deferred inflows of resources	\$ 684,583	\$ 1,181,755	\$ 27,690	\$ 50,926	\$ 712,273	\$ 1,232,681
Net position:						
Net investment in capital assets	\$ 5,648,992	\$ 5,573,365	\$ 228,757	\$ 258,974	\$ 5,877,749	\$ 5,832,339
Restricted	1,047,781	1,079,103	-	-	1,047,781	1,079,103
Unrestricted	2,500,857	1,726,460	296,191	201,816	2,797,048	1,928,276
Total net position	\$ 9,197,630	\$ 8,378,928	\$ 524,948	\$ 460,790	\$ 9,722,578	\$ 8,839,718

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the Town of Swansboro's government-wide activities exceeded its liabilities and deferred inflows by \$9,722,578 as of June 30, 2023.

The Town's net position increased by \$882,860 for the fiscal year ended June 30, 2023. Property tax revenues increased due to revaluation of properties. In addition, the sales tax revenue continues to increased due to legislative change by NC that allowed the state to capture all sales tax revenues from online purchases. The Town of Swansboro uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Swansboro's net investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Town of Swansboro's net position, \$1,047,781, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$2,777,270 is unrestricted.

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

- Continued diligence by Onslow County in the collection of property taxes, achieving a tax collection rate of 98.59%.
- Continued success with the combined method of sales tax distribution, ad valorem and per capita which enhances our sales tax revenue.
- Due diligence in operational spending.

Management Discussion and Analysis
Town of Swansboro

Changes in net position- The following table presents the Town's changes in net position for the fiscal year ended June 30, 2023:

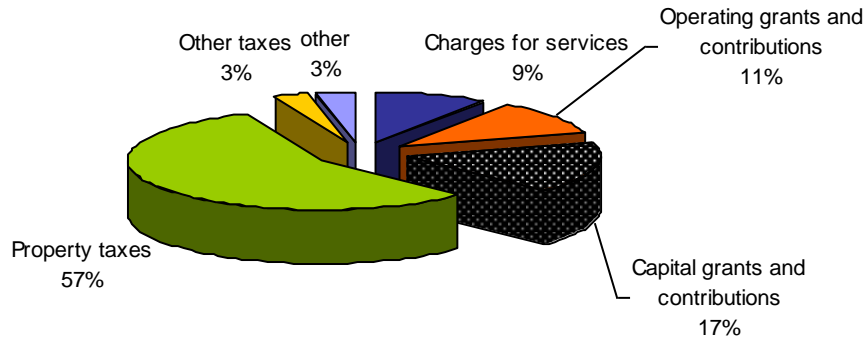
Town of Swansboro Changes in Net Position
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 402,909	\$ 437,882	\$ 625,794	\$ 605,915	\$ 1,028,703	\$ 1,043,797
Operating grants and contributions	486,161	459,558	-	-	486,161	459,558
Capital grants and contributions	728,531	147,807	-	-	728,531	147,807
General revenues:						
Property taxes	2,441,160	1,893,788	-	-	2,441,160	1,893,788
Other taxes	120,925	102,690	-	-	120,925	102,690
Grants and contributions not restricted to specific programs	1,745,259	1,617,719	-	-	1,745,259	1,617,719
Other	141,269	54,199	86,510	10,035	227,779	64,234
Total revenues	<u>\$ 6,066,214</u>	<u>\$ 4,713,643</u>	<u>\$ 712,304</u>	<u>\$ 615,950</u>	<u>\$ 6,778,518</u>	<u>\$ 5,329,593</u>
Expenses:						
General government	\$ 986,279	\$ 924,517	\$ -	\$ -	\$ 986,279	\$ 924,517
Public safety	2,183,653	2,031,383	-	-	2,183,653	2,031,383
Transportation	391,538	430,280	-	-	391,538	430,280
Economic development	964,839	331,837	-	-	964,839	331,837
Environmental protection	-	-	-	-	-	-
Cultural and recreation	401,829	419,503	-	-	401,829	419,503
Other	308,153	297,584	-	-	308,153	297,584
Interest on long-term debt	8,993	2,657	-	-	8,993	2,657
Stormwater	-	-	218,147	122,200	218,147	122,200
Solid Waste	-	-	432,227	400,143	432,227	400,143
Total expenses	<u>\$ 5,245,284</u>	<u>\$ 4,437,761</u>	<u>\$ 650,374</u>	<u>\$ 522,343</u>	<u>\$ 5,895,658</u>	<u>\$ 4,960,104</u>
Increase in net position before transfers and special items	\$ 820,930	\$ 275,882	\$ 61,930	\$ 93,607	\$ 882,860	\$ 369,489
Transfers and special items	(2,228)	(70,154)	2,228	70,154	-	-
Increase in net position	\$ 818,702	\$ 205,728	\$ 64,158	\$ 163,761	\$ 882,860	\$ 369,489
Net position, July 1	8,378,928	8,173,200	460,790	297,029	8,839,718	8,470,229
Net position-beginning, restated	-	-	-	-	-	-
Net position, June 30	<u>\$ 9,197,630</u>	<u>\$ 8,378,928</u>	<u>\$ 524,948</u>	<u>\$ 460,790</u>	<u>\$ 9,722,578</u>	<u>\$ 8,839,718</u>

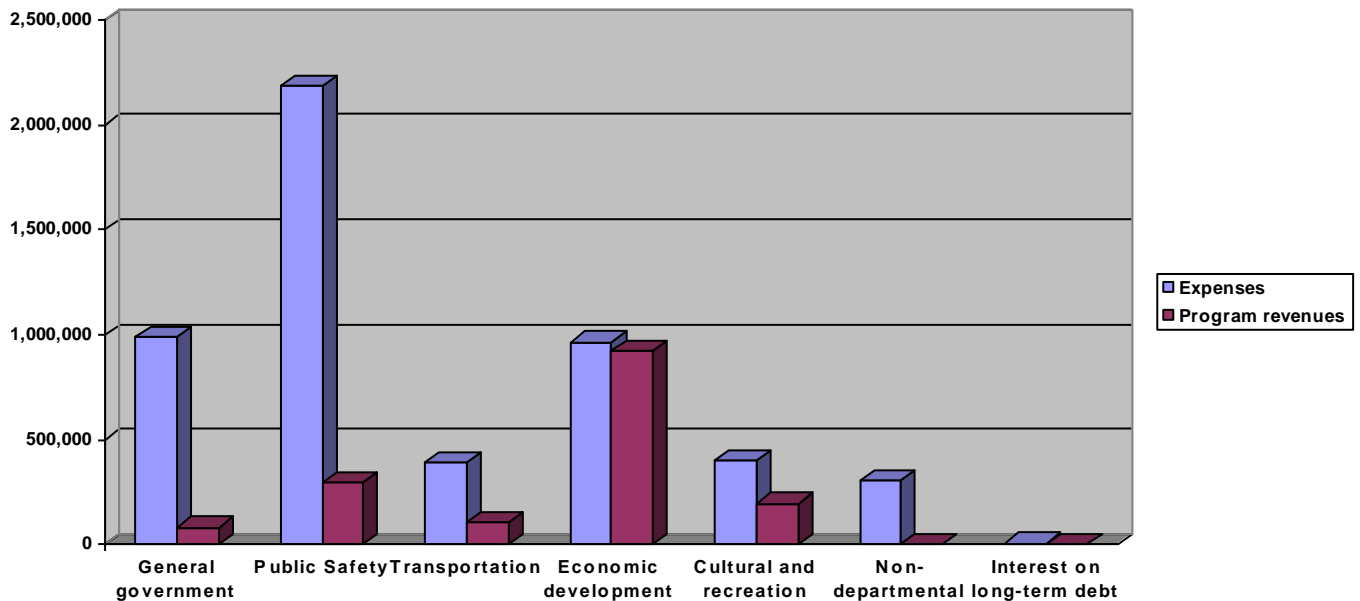
Management Discussion and Analysis
Town of Swansboro

Governmental Activities

Revenues by Source – Governmental Activities



Expenses and Program Revenues – Governmental Activities



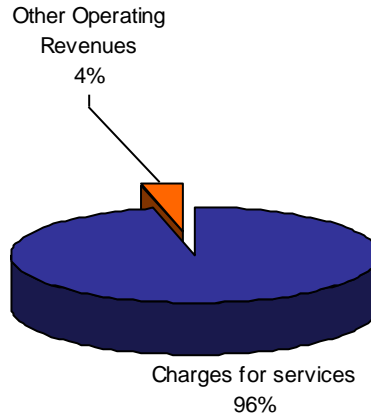
Total government-wide revenues were primarily derived from property taxes, other taxes, and grants and contributions not restricted to specific programs.

The total expenses of all programs cover a range of services, primarily public safety and general government.

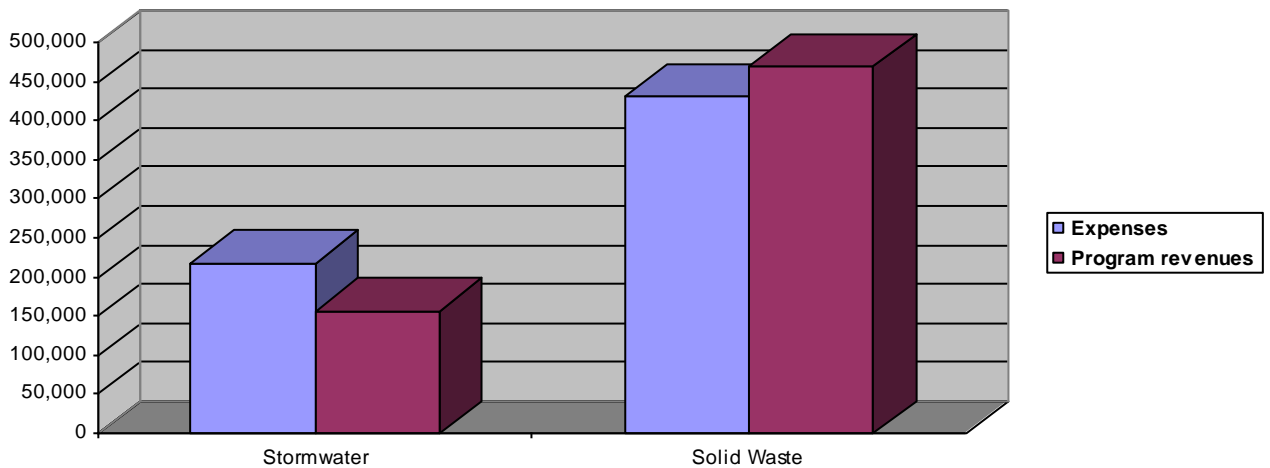
Governmental activities increased the Town's net position by \$818,702.

Management Discussion and Analysis
Town of Swansboro

Revenues by Source – Business-type Activities



Expenses and Program Revenues – Business-type Activities



Revenues from the business-type activities were derived from charges for services.

Expenses were mainly due to general operational costs for stormwater and solid waste.

Business-type activities increased the Town's net position by \$64,158.

Financial Analysis of the Town's Funds

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

Management Discussion and Analysis
Town of Swansboro

Governmental Funds: The focus of the Town of Swansboro'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 of Swansboro, North Carolina's financing requirements.

The general fund is the chief operating fund of the Town of Swansboro. At the end of the current fiscal year, the Town of Swansboro's fund balance available in the General Fund was \$3,557,332, while the total fund balance reached \$4,316,557. As a measure of the general fund's liquidity, fund balance was calculated in accordance with North Carolina General Statute 159-8(a). The Town currently has an available fund balance of 82% of general fund expenditures, while total fund balance represents 99% of the same amount.

At June 30, 2023, the governmental funds of Town of Swansboro reported a combined fund balance of \$4,992,336, a 23% increase from last year. The increase is associated with additional property tax revenue due to revaluation of property, sales tax revenue due to online purchases, and a reduction in departmental expenditures.

Proprietary Funds: The Town's proprietary fund provides the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Stormwater and Solid Waste Fund at the end of the fiscal year amounted to \$296,191.

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

Appropriation from Fund Balance:

- Admin Services-\$14,288 for reappropriation for professional services/personnel costs
- Fire-\$57,480 for personnel costs/reappropriation for equipment
- Permitting-\$1,990 for personnel costs
- Police-\$78,512 for personnel costs/patrol vehicle
- Powell Bill-State Aid-\$24,304 to resurface Water Street
- Parks & Recreation-\$14,554 for personnel costs/dock maintenance at Riverview and Moore St
- Emergency Management-\$1,675 for Internet at the temporary Emergency Operation Center
- Non-Departmental-\$47,978 for a transfer to Capital Reserve Fund and Swansboro Bicentennial Park Boardwalk Extension project

Transfer to Capital Reserve:

- Non-Departmental-\$1,770 for future capital purchases
- Fire-\$113,000
- Police-\$15,200
- Parks & Recreation-\$10,000

Management Discussion and Analysis
Town of Swansboro

Transfer to Stormwater Enterprise Fund:

- \$2,228 for assistance with personnel costs

Capital Asset and Debt Administration

Capital assets. The Town of Swansboro's investment in capital assets for its governmental and business-type activities as of June 30, 2023, totals \$6,879,255 (net of accumulated depreciation). These assets include buildings, improvements other than buildings, land, machinery and equipment, and vehicles.

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

- Extractor Washer & Dryer-\$10,401
- MSA SCBA 2018 ED/Harness-\$206,176
- APX 8000 All Band Portable Radios-\$31,276
- Rope Climb-\$31,560
- Gator-\$13,259
- Police vehicles-\$208,678
- Bobcat Mowers-\$8,500
- Polaris-\$13,797
- Mini Message Centers-36,100
- Public works-Streets truck-\$40,000

Town of Swansboro's Capital Assets (net of depreciation)
Figure 4

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 987,588	\$ 987,588	\$ -	\$ -	\$ 987,588	\$ 987,588
Buildings and systems	2,868,288	2,868,288	-	-	2,868,288	2,868,288
Improvements other than buildings	542,942	542,942	-	-	542,942	542,942
Machinery and equipment	195,897	270,397	228,757	258,974	424,654	529,371
Software	88,432	-	-	-	88,432	-
Vehicles and motorized equipment	524,388	621,636	-	-	524,388	621,636
Monuments	67,198	67,198	-	-	67,198	67,198
Infrastructure	1,375,765	1,375,765	-	-	1,375,765	1,375,765
Construction in progress	-	-	-	-	-	-
Total	<u>\$6,650,498</u>	<u>\$6,733,814</u>	<u>\$228,757</u>	<u>\$258,974</u>	<u>\$6,879,255</u>	<u>\$6,992,788</u>

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

Management Discussion and Analysis
Town of Swansboro

Long-term Debt. As of June 30, 2023, the Town of Swansboro had total debt outstanding of \$913,074.

Town of Swansboro's Outstanding Debt
Figure 5

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Installment notes	\$ 913,074	\$ 1,160,449	\$ -	\$ -	\$ 913,074	\$ 1,160,449

The Town of Swansboro's total debt decreased by \$247,375 during the past fiscal year.

Additional information on the Town's long-term debt can be found in note III.B.6. of the Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

The following economic indicators reflect the growth and prosperity of the Town:

- Increase in property tax base due to increase in residential and business construction.
- Slight increase in funding received from Onslow County for Fire protection services.
- Increase in sales and use tax revenue.
- Current service levels maintained with the appropriation of fund balance.

All of these factors were considered in preparing the Town of Swansboro's budget for the 2023-2024 fiscal year.

Budget Highlights for the Fiscal Year Ending June 30, 2024

Governmental Activities: Property taxes, sales taxes, other tax revenues are expected to lead the increase in budgeted revenues. The Town will use these revenues to finance programs currently in place.

The Town has maintained its current service levels with the appropriation of the General Fund Balance.

The budget includes a stormwater and solid waste enterprise fund. This will eliminate further deterioration of the general fund and fund reserves to carry out these respective programs and services.

Budgeted expenditures in the General Fund are expected to decrease. The largest increments are in employee compensation, including funding compensation and benefits adjustments.

Business-type Activities: Fees will be reviewed and updated on an ongoing basis to ensure that they keep pace with the changes in service delivery costs as well as changes in methods or levels of service delivery.

Management Discussion and Analysis
Town of Swansboro

Requests for Information

This financial report is designed to provide an overview of the Town of Swansboro's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Town of Swansboro, Finance Director, 601 W. Corbett Avenue, Swansboro, NC 28584 or sjohnson@ci.swansboro.nc.us.

Basic Financial Statements

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Town of Swansboro, North Carolina
Statement of Net Position
June 30, 2023

Item IV - b.

	Primary Government			Component Unit
	Governmental	Business-type		Swansboro
	Activities	Activities	Total	Tourism
				Development
				Authority
Assets				
Current Assets:				
Cash and cash equivalents	\$ 4,894,960	\$ 286,606	\$ 5,181,566	\$ 164,540
Restricted cash	7,166,613	-	7,166,613	-
Account interest receivable on taxes	21,796	-	21,796	-
Taxes receivable (net)	44,823	-	44,823	-
Deposits	-	-	-	50
Leases receivable	104,637	-	104,637	-
Accounts receivable (net)	281,882	137,917	419,799	48,564
Grants receivable	19,055	-	19,055	-
Total Current Assets	<u>\$ 12,533,766</u>	<u>\$ 424,523</u>	<u>\$ 12,958,289</u>	<u>\$ 213,154</u>
Non-current Assets:				
Capital Assets:				
Land and non-depreciable assets	1,054,786	-	1,054,786	-
Depreciable assets, net	5,595,712	228,757	5,824,469	-
Total Capital Assets	<u>\$ 6,650,498</u>	<u>\$ 228,757</u>	<u>\$ 6,879,255</u>	<u>\$ -</u>
Total Assets	<u>\$ 19,184,264</u>	<u>\$ 653,280</u>	<u>\$ 19,837,544</u>	<u>\$ 213,154</u>
Deferred Outflows of Resources				
Pension and OPEB deferrals	<u>\$ 1,079,137</u>	<u>\$ 55,646</u>	<u>\$ 1,134,783</u>	<u>\$ -</u>
Liabilities				
Current Liabilities:				
Accounts payable	\$ 961,504	\$ 55,905	\$ 1,017,409	\$ 5,330
Liabilities payable from restricted assets	6,346,331	-	6,346,331	-
Other liabilities	63,679	-	63,679	-
Current portion long-term liabilities	316,095	1,675	317,770	-
Total Current Liabilities	<u>\$ 7,687,609</u>	<u>\$ 57,580</u>	<u>\$ 7,745,189</u>	<u>\$ 5,330</u>
Long-term liabilities:				
Due in more than one year	2,693,579	98,708	2,792,287	-
Total Long-term Liabilities	<u>\$ 2,693,579</u>	<u>\$ 98,708</u>	<u>\$ 2,792,287</u>	<u>\$ -</u>
Total Liabilities	<u>\$ 10,381,188</u>	<u>\$ 156,288</u>	<u>\$ 10,537,476</u>	<u>\$ 5,330</u>
Deferred Inflows of Resources				
Pension and OPEB deferrals	\$ 581,286	\$ 27,690	\$ 608,976	\$ -
Leases	103,297	-	103,297	-
Total Deferred Inflows of Resources	<u>\$ 684,583</u>	<u>\$ 27,690</u>	<u>\$ 712,273</u>	<u>\$ -</u>
Net Position				
Net investment in capital assets	\$ 5,648,992	\$ 248,535	\$ 5,897,527	\$ -
Restricted for:				
Stabilization by State Statute	304,098	-	304,098	48,564
Streets	67,904	-	67,904	-
Capital improvements	675,779	-	675,779	-
Unrestricted	2,500,857	276,413	2,777,270	159,260
Total Net Position	<u>\$ 9,197,630</u>	<u>\$ 524,948</u>	<u>\$ 9,722,578</u>	<u>\$ 207,824</u>

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

Town of Swansboro, North Carolina
Statement of Activities
For the Year Ended June 30, 2023

Item IV - b.

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Swansboro Tourism Development Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 986,279	\$ 84,993	\$ -	\$ -	\$ (901,286)	\$ -	\$ (901,286)	
Public safety	2,183,653	121,741	177,037	-	(1,884,875)	-	(1,884,875)	
Transportation	391,538	-	110,084	-	(281,454)	-	(281,454)	
Economic development	964,839	-	196,021	728,531	(40,287)	-	(40,287)	
Environmental protection	-	-	3,019	-	3,019	-	3,019	
Cultural and recreation	401,829	196,175	-	-	(205,654)	-	(205,654)	
Non-departmental	308,153	-	-	-	(308,153)	-	(308,153)	
Interest on long-term debt	8,993	-	-	-	(8,993)	-	(8,993)	
Total Governmental Activities	\$ 5,245,284	\$ 402,909	\$ 486,161	\$ 728,531	\$ (3,627,683)	\$ -	\$ (3,627,683)	
Business-type Activities:								
Stormwater	\$ 218,147	\$ 156,725	\$ -	\$ -	\$ -	\$ (61,422)	\$ (61,422)	
Solid waste	432,227	469,069	-	-	-	36,842	36,842	
Total business-type activities	\$ 650,374	\$ 625,794	\$ -	\$ -	\$ -	\$ (24,580)	\$ (24,580)	
Total Primary Government	\$ 5,895,658	\$ 1,028,703	\$ 486,161	\$ 728,531	\$ (3,627,683)	\$ (24,580)	\$ (3,652,263)	
Component Unit:								
Swansboro Tourism Development Authority	\$ 93,607	\$ -	\$ -	\$ -				\$ 93,607
General Revenues:								
Taxes:								
Property taxes					\$ 2,441,160	\$ -	\$ 2,441,160	\$ -
Other taxes					120,925	-	120,925	120,821
Grants and contributions not restricted to specific programs					1,745,259	-	1,745,259	-
Unrestricted investment earnings					62,397	-	62,397	-
Miscellaneous					78,872	86,510	165,382	5,000
Total General Revenues Not Including Transfers					\$ 4,448,613	\$ 86,510	\$ 4,535,123	\$ 125,821
Transfers					(2,228)	2,228	-	-
Total General Revenues and Transfers					\$ 4,446,385	\$ 88,738	\$ 4,535,123	\$ 125,821
Change In Net Position					818,702	64,158	882,860	32,214
Net position, beginning					8,378,928	460,790	8,839,718	175,610
Net position, ending					\$ 9,197,630	\$ 524,948	\$ 9,722,578	\$ 207,824

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

Town of Swansboro, North Carolina
Balance Sheet
Governmental Funds
June 30, 2023

Item IV - b.

	<u>Major Funds</u>		<u>Non-Major Funds</u>	
	<u>General Fund</u>	<u>State Capital Infrastructure Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 4,887,960	\$ -	\$ -	\$ 4,887,960
Restricted cash	83,026	5,988,665	1,094,922	7,166,613
Receivables, net:				
Taxes	44,823	-	-	44,823
Accounts	292,758	-	-	292,758
Leases	104,637	-	-	104,637
Grants	10,000	-	12,179	22,179
Due from other funds	-	-	-	-
Total Assets	<u>\$ 5,423,204</u>	<u>\$ 5,988,665</u>	<u>\$ 1,107,101</u>	<u>\$ 12,518,970</u>
Liabilities				
Liabilities payable from restricted assets	\$ -	\$ 5,980,480	\$ 365,851	\$ 6,346,331
Accounts payable and accrued liabilities	894,848	1,240	72,416	968,504
Other liabilities	63,679	-	-	63,679
Total Liabilities	<u>\$ 958,527</u>	<u>\$ 5,981,720</u>	<u>\$ 438,267</u>	<u>\$ 7,378,514</u>
Deferred Inflows of Resources				
Property taxes receivable	\$ 44,823	\$ -	\$ -	\$ 44,823
Leases	103,297	-	-	103,297
Total Deferred Inflows of Resources	<u>\$ 148,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148,120</u>
Fund Balances				
Nonspendable:				
Leases receivable, net	\$ 1,340	\$ -	\$ -	\$ 1,340
Restricted:				
Stabilization by State Statute	304,098	-	-	304,098
Streets	67,904	-	-	67,904
Capital improvements	-	6,945	668,834	675,779
Assigned:				
Subsequent year's expenditures	385,883	-	-	385,883
Unassigned	3,557,332	-	-	3,557,332
Total Fund Balances	<u>\$ 4,316,557</u>	<u>\$ 6,945</u>	<u>\$ 668,834</u>	<u>\$ 4,992,336</u>
Total Liabilities, Deferred Inflows of Resources, And Fund Balances	<u>\$ 5,423,204</u>	<u>\$ 5,988,665</u>	<u>\$ 1,107,101</u>	<u>\$ 12,518,970</u>

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

Town of Swansboro, North Carolina
Reconciliation of the Balance Sheet of the
Governmental Funds to the Statement of Net Position
June 30, 2023

Amounts reported for governmental activities in the Statement of the Net Position (Exhibit 1) are different because:

Total Fund Balance, Governmental Funds		\$ 4,992,336
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Gross capital assets at historical cost	10,493,905	
Accumulated depreciation	<u>(3,843,407)</u>	\$ 6,650,498
Deferred outflows of resources related to pensions are not reported in the funds		1,079,137
Other long-term assets (accrued interest receivable from taxes) are not available to pay for current-period expenditures and therefore are inflows of resources in the funds.		21,796
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds.		(3,009,674)
Earned revenue considered deferred inflows of resources in fund statements		44,823
Deferred inflows of resources related to pensions are not reported in the funds		<u>(581,286)</u>
Net Position of Governmental Activities		<u><u>\$ 9,197,630</u></u>

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

Town of Swansboro, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2023

Item IV - b.

	Major		Non-Major Funds	
	General	State Capital	Other	Total
	Fund	Infrastructure	Governmental	Governmental
		Fund	Funds	Funds
Revenues				
Ad valorem taxes	\$ 2,422,751	\$ -	\$ -	\$ 2,422,751
Other taxes and licenses	120,925	-	-	120,925
Unrestricted intergovernmental	1,745,259	-	-	1,745,259
Restricted intergovernmental	486,161	19,520	709,011	1,214,692
Permits and fees	402,519	-	-	402,519
Sales and services	390	-	-	390
Investment earnings	56,402	5,995	-	62,397
Miscellaneous	72,094	-	-	72,094
Contributions	6,778	-	-	6,778
Total Revenues	<u>\$ 5,313,279</u>	<u>\$ 25,515</u>	<u>\$ 709,011</u>	<u>\$ 6,047,805</u>
Expenditures				
Current:				
General government	\$ 897,209	\$ -	\$ -	\$ 897,209
Public safety	1,986,491	-	-	1,986,491
Transportation	374,652	-	-	374,652
Economic development	216,478	19,520	728,841	964,839
Cultural and recreational	324,025	-	-	324,025
Non-departmental	308,153	-	-	308,153
Debt service:				
Principal	247,375	-	-	247,375
Interest and other charges	8,993	-	-	8,993
Total Expenditures	<u>\$ 4,363,376</u>	<u>\$ 19,520</u>	<u>\$ 728,841</u>	<u>\$ 5,111,737</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>\$ 949,903</u>	<u>\$ 5,995</u>	<u>\$ (19,830)</u>	<u>\$ 936,068</u>
Other Financing Sources (Uses)				
Loan issuance	\$ -	\$ -	\$ -	\$ -
Transfers in:				
Capital projects	-	-	-	-
General fund	-	-	102,095	102,095
Transfers out:				
Capital projects	(102,095)	-	-	(102,095)
Other	(2,228)	-	-	(2,228)
Total Other Financing Sources And Uses	<u>\$ (104,323)</u>	<u>\$ -</u>	<u>\$ 102,095</u>	<u>\$ (2,228)</u>
Net Change In Fund Balance	\$ 845,580	\$ 5,995	\$ 82,265	\$ 933,840
Fund balances, beginning	3,470,977	950	586,569	4,058,496
Fund balances, ending	<u>\$ 4,316,557</u>	<u>\$ 6,945</u>	<u>\$ 668,834</u>	<u>\$ 4,992,336</u>

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

Town of Swansboro, North Carolina

Reconciliation of the Statement of Revenues, Expenditures, and

Changes in Fund Balance of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2023

Amounts reported for governmental activities in the Statement of the Net Position (Exhibit 1) are different because:

Net change in fund balances - governmental funds		\$	933,840
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>			
Capital outlay expenditures which were capitalized	\$	-	
Depreciation expense for governmental assets		<u>(315,508)</u>	\$ (315,508)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities			238,317
Benefit payments paid for LEOSSA are not included on the Statement of Activities			5,796
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>			
New long-term debt issued	\$	-	
Principal payments on long-term debt		<u>247,375</u>	\$ 247,375
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:</p>			
Change in unavailable revenue for tax revenues			18,409
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</p>			
Compensated absences		(85,296)	
Pension expense		(218,462)	
Other postemployment benefits		<u>(5,769)</u>	<u>(309,527)</u>
Total Change in Net Position of Governmental Activities			<u>\$ 818,702</u>

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

Town of Swansboro, North Carolina
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	General Fund			Variance With
	Original	Final	Actual	Final Budget
	Budget	Budget		Positive
				(Negative)
Revenues				
Ad valorem taxes	\$ 2,370,648	\$ 2,370,648	\$ 2,422,751	\$ 52,103
Other taxes and licenses	95,850	120,522	120,925	403
Unrestricted intergovernmental	1,543,723	1,543,723	1,745,259	201,536
Restricted intergovernmental	371,831	379,334	486,161	106,827
Permits and fees	394,795	394,795	402,519	7,724
Sales and services	500	500	390	(110)
Investment earnings	1,000	1,000	56,402	55,402
Miscellaneous	44,982	44,982	72,094	27,112
Contributions	1,800	1,800	6,778	4,978
Total Revenues	<u>\$ 4,825,129</u>	<u>\$ 4,857,304</u>	<u>\$ 5,313,279</u>	<u>\$ 455,975</u>
Expenditures				
Current:				
General government	\$ 883,319	\$ 972,027	\$ 897,209	\$ 74,818
Public safety	2,232,236	2,380,067	1,986,491	393,576
Transportation	486,811	511,115	374,652	136,463
Economic development	225,903	250,575	216,478	34,097
Cultural and recreational	347,647	366,204	324,025	42,179
Non-departmental	313,189	362,937	308,153	54,784
Debt Service:				
Principal	298,000	298,000	247,375	50,625
Interest and other charges	2,000	2,000	8,993	(6,993)
Total Expenditures	<u>\$ 4,789,105</u>	<u>\$ 5,142,925</u>	<u>\$ 4,363,376</u>	<u>\$ 779,549</u>
Revenues Over (Under) Expenditures	<u>\$ 36,024</u>	<u>\$ (285,621)</u>	<u>\$ 949,903</u>	<u>\$ 1,235,524</u>
Other Financing Sources (Uses)				
Loan issuance	\$ 123,000	\$ 123,000	\$ -	\$ (123,000)
Capital reserve	36,000	36,000	-	(36,000)
Transfers-In	-	-	-	-
Transfers-Out	(195,024)	(114,160)	(104,323)	9,837
Total Other Financing Sources (Uses)	<u>\$ (36,024)</u>	<u>\$ 44,840</u>	<u>\$ (104,323)</u>	<u>\$ (149,163)</u>
Fund balance appropriated	<u>\$ -</u>	<u>\$ 240,781</u>	<u>\$ -</u>	<u>\$ (240,781)</u>
Net Change In Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 845,580</u></u>	<u><u>\$ 845,580</u></u>
Fund balance, beginning			<u>3,470,977</u>	
Fund Balance, ending			<u><u>\$ 4,316,557</u></u>	

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

Town of Swansboro, North Carolina
Statement of Net Position
Proprietary Funds
June 30, 2023

	Major Enterprise Funds		
	Stormwater Fund	Solid Waste Fund	Totals
Assets			
Current assets:			
Cash and cash equivalents	\$ 90,393	\$ 196,213	\$ 286,606
Accounts receivable (net)	137,917	-	137,917
Due from other funds	-	-	-
Total Current Assets	<u>\$ 228,310</u>	<u>\$ 196,213</u>	<u>\$ 424,523</u>
Noncurrent assets:			
Capital assets:			
Land and other non-depreciable assets	-	-	-
Other capital assets, net of depreciation	92,555	136,202	228,757
Capital assets (net)	<u>\$ 92,555</u>	<u>\$ 136,202</u>	<u>\$ 228,757</u>
Total Assets	<u><u>\$ 320,865</u></u>	<u><u>\$ 332,415</u></u>	<u><u>\$ 653,280</u></u>
Deferred Outflows of Resources			
Pension deferrals	<u>\$ 27,823</u>	<u>\$ 27,823</u>	<u>\$ 55,646</u>
Liabilities			
Current liabilities:			
Accounts payable - trade	\$ 20,205	\$ 35,700	\$ 55,905
Due to other funds	-	-	-
Customer deposits	-	-	-
Compensated absences - current	837	838	1,675
Total Current Liabilities	<u>\$ 21,042</u>	<u>\$ 36,538</u>	<u>\$ 57,580</u>
Noncurrent liabilities:			
Compensated absences	\$ 1,556	\$ 1,554	\$ 3,110
Net pension liability	37,064	37,064	74,128
Total OPEB liability	<u>10,735</u>	<u>10,735</u>	<u>21,470</u>
Total non-current liabilities	<u>\$ 49,355</u>	<u>\$ 49,353</u>	<u>\$ 98,708</u>
Total Liabilities	<u><u>\$ 70,397</u></u>	<u><u>\$ 85,891</u></u>	<u><u>\$ 156,288</u></u>
Deferred Inflows of Resources			
Pension deferrals	<u>\$ 13,845</u>	<u>\$ 13,845</u>	<u>\$ 27,690</u>
Net Position			
Net investment in capital assets	\$ 92,555	\$ 136,202	\$ 228,757
Restricted net position	-	-	-
Unrestricted net position	<u>171,891</u>	<u>124,300</u>	<u>296,191</u>
Total Net Position	<u><u>\$ 264,446</u></u>	<u><u>\$ 260,502</u></u>	<u><u>\$ 524,948</u></u>

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

Town of Swansboro, North Carolina
Statement of Revenues, Expenses, And Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Major Enterprise Funds		
	Stormwater Fund	Solid Waste Fund	Totals
Operating Revenues			
Charges for services	\$ 156,725	\$ 469,069	\$ 625,794
Other operating revenues		-	-
Total Operating Revenues	<u>\$ 156,725</u>	<u>\$ 469,069</u>	<u>\$ 625,794</u>
Operating Expenses			
Administration	\$ -	\$ -	\$ -
Stormwater operations	207,708	-	207,708
Solid waste operations	-	412,449	412,449
Depreciation	10,439	19,778	30,217
Total Operating Expenses	<u>\$ 218,147</u>	<u>\$ 432,227</u>	<u>\$ 650,374</u>
Operating income (loss)	<u>\$ (61,422)</u>	<u>\$ 36,842</u>	<u>\$ (24,580)</u>
Non-operating Revenues (Expenses)			
Investment earnings	\$ -	\$ -	\$ -
State and local grants	86,510	-	86,510
Total Non-operating Revenues (expenses)	<u>\$ 86,510</u>	<u>\$ -</u>	<u>\$ 86,510</u>
Income (loss) before contributions and transfers	<u>\$ 25,088</u>	<u>\$ 36,842</u>	<u>\$ 61,930</u>
Capital contributions	-	-	-
Transfers from other funds	2,228	-	2,228
Transfers to other funds	-	-	-
Change in net position	<u>\$ 27,316</u>	<u>\$ 36,842</u>	<u>\$ 64,158</u>
Net position, beginning	<u>237,130</u>	<u>223,660</u>	<u>460,790</u>
Net position, ending	<u><u>\$ 264,446</u></u>	<u><u>\$ 260,502</u></u>	<u><u>\$ 524,948</u></u>

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

Town of Swansboro, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Major Enterprise Funds		
	Stormwater Fund	Solid Waste Fund	Total
Cash Flows From Operating Activities			
Cash received from customers	\$ 99,110	\$ 469,069	\$ 568,179
Cash paid for goods and services	(132,435)	(353,639)	(486,074)
Cash paid to or on behalf of employees for services	(52,098)	(44,906)	(97,004)
Other operating revenues	-	-	-
Net cash provided (used) by operating activities	<u>\$ (85,423)</u>	<u>\$ 70,524</u>	<u>\$ (14,899)</u>
Cash Flows From Noncapital Financing Activities			
Other revenue	\$ 86,510	\$ -	\$ 86,510
Transfers from other funds	2,228	-	2,228
Increase (decrease) in due to other funds	-	-	-
Net cash provided by noncapital financing activities	<u>\$ 88,738</u>	<u>\$ -</u>	<u>\$ 88,738</u>
Cash Flows From Capital and Related Financing			
Acquisition of capital assets	\$ -	\$ -	\$ -
Capital contributions	-	-	-
Net cash provided (used) by capital and related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash Flows From Investing Activities			
Interest and dividends	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net increase (decrease) in cash and cash equivalents	\$ 3,315	\$ 70,524	\$ 73,839
Balances - Beginning of year	87,078	125,689	212,767
Balances - End of year	<u><u>\$ 90,393</u></u>	<u><u>\$ 196,213</u></u>	<u><u>\$ 286,606</u></u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	<u>\$ (61,422)</u>	<u>\$ 36,842</u>	<u>\$ (24,580)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	\$ 10,439	\$ 19,778	\$ 30,217
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(57,615)	-	(57,615)
(Increase) decrease in deferred outflows	(7,328)	(7,328)	(14,656)
Increase (decrease) in accounts payable and accrued liabilities	17,659	8,389	26,048
Increase (decrease) in net pension liability	27,433	27,433	54,866
Increase (decrease) in OPEB liability	(2,971)	(2,972)	(5,943)
Increase (decrease) in deferred inflows	(11,618)	(11,618)	(23,236)
Total adjustments	<u>\$ (24,001)</u>	<u>\$ 33,682</u>	<u>\$ 9,681</u>
Net cash provided by operating activities	<u><u>\$ (85,423)</u></u>	<u><u>\$ 70,524</u></u>	<u><u>\$ (14,899)</u></u>

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

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

I. Summary of Significant Accounting Policies

The accounting policies of the Town of Swansboro, North Carolina and its discretely presented component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Town of Swansboro, North Carolina (the Town) is a municipal corporation that is governed by an elected mayor and a five-member board. As required by generally accepted accounting principles, these financial statements present the Town and its component unit, a legally separate entity for which the Town is financially accountable. The discretely presented component unit presented below is reported in a separate column in the Town's financial statement in order to emphasize that it is legally separate from the Town.

Swansboro Tourism Development Authority (TDA)

The members of the Swansboro TDA governing board are appointed by the Town. In addition, the Town shall be responsible for the collection and accounting of all funds remitted to or disbursed by the Swansboro TDA. The Swansboro TDA, which has a June 30 year end, is presented as if it were a governmental fund (discrete presentation). Complete financial statements for the Swansboro TDA may be obtained from the Town's administrative offices at Swansboro Town Hall, 601 W Corbett Avenue, Swansboro, NC 28584.

B. Basis of Presentation

Government-wide Statements. The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government and its component unit. Eliminations have been made to minimize the double counting of internal activities. All transactions from interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

Fund Financial Statements. The fund financial statements provide information about the Town's funds. Separate statements for each fund category – “governmental and proprietary” – are presented. The Town has no fiduciary funds to report. The emphasis of fund financial statements is on major governmental and enterprise funds. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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

The Town reports the following major governmental funds:

General Fund. This Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, general government, environmental protection, street maintenance and construction, and recreation.

Capital Project Fund. State Capital Infrastructure Fund - This Fund is a direct grant fund administered by the Office of State Budget and Management.

The Town reports the following non-major governmental funds:

Capital Project Funds. These Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The Town has seven non-major Capital Project Funds: Park and Recreation Reserve Fund, Waterfront Plan Implementation Fund, Municipal Park Improvement Fund, Information Technology Project Fund, American Rescue Plan Act, Capital Reserve Fund, and Special Capital Infrastructure Fund-Sidewalk, Emmerton School Repairs Grant Fund, and Swansboro Bicentennial Park Boardwalk Extension within its governmental fund types.

The Town reports the following major enterprise funds:

Stormwater Fund – This fund is used to account for the Town's stormwater operations.

Solid Waste Fund – This fund is used to account for the Town's solid waste operations.

C. Measurement Focus and Basis of Accounting

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

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus.

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

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

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

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

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

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

Sales taxes and certain intergovernmental revenues, such as the beer and wine tax, collected and held by the State at year end on behalf of the Town are recognized as revenue. Sales taxes are considered a shared revenue for the town because the tax is levied by Onslow County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Funds. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the Capital Projects Funds. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the project level for the capital project funds. The finance officer may transfer amounts between objects of expenditures within a department without limitations and without an official report being requested. Any other transfer or revisions that later the total expenditures of any fund must be approved by the governing board. During the year, several material amendments to the original budget were necessary mainly due to funding capital project funds. The budget ordinance must be adopted by July 1 of the fiscal year, or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity

1. Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the Town and Swansboro TDA to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States or obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT).

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

The Town's investments are reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) external investment pool is measured at fair value. The NCCMT-Term Portfolio is a bond fund, has no rating, and is measured at fair value. As of June 30, 2023, the Term portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

2. Cash and Cash Equivalents

The Town pools moneys from several funds to facilitate disbursement and investment and to maximize investment income. All cash and investments are essentially demand deposits and are considered cash and cash equivalents.

3. Restricted Assets

Money in the Drug Seizure fund is classified as restricted cash because its use is restricted for drug seizure purposes within the Town. Powell Bill funds are also classified as restricted cash because it can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through 136-41.4.

Town of Swansboro Restricted Cash	
Streets	\$ 67,904
Public safety	15,122
Reserved for capital projects	7,083,587
Total Restricted Cash	<u>\$ 7,166,613</u>

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, interest does not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2022. As allowed by State law, the Town has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Allowances for Doubtful Accounts

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

6. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization cost for all types of capital assets is \$5,000. Purchased or constructed capital assets are reported

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

at cost or estimated historical cost. Donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost.

General infrastructure assets acquired prior to July 1, 2003, consist of the road network and water and sewer system assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

Asset Class	Estimated Useful Life
Buildings	50
Infrastructure	30
Improvements	25
Heavy equipment	10
Software	8
Vehicles	5
Furniture and equipment	5
Computer equipment	3

Property, plant, and equipment of the Swansboro Tourism Development Authority are depreciated over their useful lives on a straight-line basis as follows:

Asset Class	Estimated Useful Life
Buildings	20
Equipment and furniture	10
Vehicles	3-5
Computers	3

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has two items that meet this criterion – pension deferrals and OPEB deferrals for the 2023 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of*

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

Resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The Town has several items that meet the criterion for this category – property taxes receivable, OPEB deferrals, and pension deferrals.

8. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they occurred. Prepaid insurance costs are expensed over the life of the debt.

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

9. Compensated Absences

The vacation policy of the Town provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the Town's government-wide fund, an expense and a liability for compensated absences and the salary related payments are recorded as the leave is earned. The Town has assumed a first in, first out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The Town's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Town does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

10. Net Position/Fund Balances

a. Net Position

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

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

b. Fund Balances

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

The governmental fund types classify fund balances as follows:

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

Restricted for Stabilization by State Statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS) is calculated at the end of each fiscal year for all annually budgeted funds.

The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by the law through constitutional provisions or enabling legislation". RSS is reduced by inventories and prepaids as they are classified as nonspendable. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

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

Restricted for Capital Improvements – portion of fund balance that is restricted for future capital improvements.

Lease Receivable, net – portion of fund balance that is not an available resource because it is not in spendable form. The reported amount is calculated by reducing the lease receivable by the related deferred inflow of resources.

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

Subsequent year's expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

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

11. Defined Benefit Cost-Sharing Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Town of Swansboro, North Carolina's employer contributions are recognized when due and the Town of Swansboro, North Carolina has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

II. Stewardship, Compliance, and Accountability

A. Noncompliance with North Carolina General Statutes

There were no violations of noncompliance with North Carolina General Statutes reported for the year ended June 30, 2023.

III. Detail Notes on All Funds

A. Assets

1. Deposits

All the deposits of the Town and the Swansboro TDA are either insured or collateralized by using one method. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town and Swansboro Tourism Development Authority, these deposits are considered to be held by the Town's and Swansboro Tourism Development Authority agent in their names. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town and Swansboro Tourism Development Authority, or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town and Swansboro Tourism Development Authority under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has no formal policy regarding custodial risk for deposits but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Town complies with the provision of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

The Swansboro TDA has no formal policy regarding custodial credit risk for deposits.

At June 30, 2023, the Town's deposits had a carrying amount of \$6,803,281 and a bank balance of \$6,853,224. Of the bank balance, \$356,941 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method. At June 30, 2023, the Town had \$150 cash on hand.

The carrying amount of deposits for the Swansboro TDA was \$164,540 and the bank balance was \$168,546. All of the bank balance was covered by federal depository insurance.

2. Investments

At June 30, 2023, the investments of the Town were as follows:

Investment by Type	Valuation Measurement Method	Book Value at 6/30/2023	Maturity	Rating
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	\$5,544,748	N/A	AAAm
Total		\$5,544,748		

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

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2 debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' benchmark quoted prices.

Interest Rate Risk. The Town has no formal investment policy regarding interest rate risk.

Credit Risk. The Town has no formal policy regarding credit risk but has internal management procedures that limits the Town's investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. The Town's investment in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAm by Standard & Poor's and AAAm-mf by Moody's Investors Service as of June 30, 2023.

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

Custodial Credit Risk. The Town has no formal policy on custodial credit risk, but management procedures are that the Town shall utilize a third-party custodial agent for book entry transactions, all of which shall be held in the Town's name.

3. Receivables – Allowance for Doubtful Accounts

The amounts presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2023 are net of the following allowances for doubtful accounts:

Fund	June 30, 2023
General Fund - Taxes receivable	\$ 7,281
Enterprise Fund-Stormwater customer A/R	7,653
	<u>\$ 14,934</u>

For the year ended 6/30/2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On 07/01/2021, Town of Swansboro entered into a month lease as Lessor for the use of the Old Town Hall and Town Hall Community Room. An initial lease receivable was recorded in the amount of \$41,665.44. As of 06/30/2023, the value of the lease receivable is \$41,665.44. The lessee is required to make monthly fixed payments of \$3,581.41. The lease has an interest rate of 0.1869%. The Infrastructure estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$41,065.44, and Town of Swansboro recognized lease revenue of \$41,665.44 during the fiscal year. The lease terms are on a month-to-month basis.

On 12/14/2020, Town of Swansboro entered into a 60-month lease as Lessor for the use of 106 Church Street. An initial lease receivable was recorded in the amount of \$86,296.50. As of 06/30/2023, the value of the lease receivable is \$48,017.89. The lessee is required to make monthly fixed payments of \$1,720.72. The lease has an interest rate of 0.0607%. The Infrastructure estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$47,317.89, and Town of Swansboro recognized lease revenue of \$20,019 during the fiscal year.

On 08/01/2018, Town of Swansboro entered into a 60-month lease as Lessor for the use of municipal Public Works Complex. An initial lease receivable was recorded in the amount of \$13,614.14. As of 06/30/2023, the value of the lease receivable is \$13,614.14. The lessee is required to make semi-annual payment of \$6807.07. The lease has an interest rate of 0.3639%.

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

The Infrastructure estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$13,614.14, and Town of Swansboro recognized lease revenue of \$13,614.14 during the fiscal year.

Principal and Interest Expected to Maturity

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 36,315.36	\$ 461.79	\$ 36,777.15
2025	\$ 18,963.74	\$ 424.66	\$ 19,388.40
2026	\$ 19,102.32	\$ 286.08	\$ 19,388.40
2027	\$ 19,241.94	\$ 146.46	\$ 19,388.40
2028	\$ 9,673.64	\$ 20.56	\$ 9,694.20

4. Capital Assets

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 987,588	\$ -	\$ -	\$ 987,588
Monuments	67,198	-	-	67,198
Construction in progress	-	-	-	-
Total Capital Assets Not Being Depreciated	\$ 1,054,786	\$ -	\$ -	\$ 1,054,786
Capital Assets Being Depreciated:				
Buildings	\$ 3,606,457	\$ -	\$ -	\$ 3,606,457
Software	24,606	88,432	-	113,038
Infrastructure	2,197,713	-	-	2,197,713
Equipment	896,283	-	33,065	863,218
Vehicles	1,705,452	-	-	1,705,452
Park improvements	953,241	-	-	953,241
Total Capital Assets Being Depreciated	\$ 9,383,752	\$ 88,432	\$ 33,065	\$ 9,439,119
Less Accumulated Depreciation For:				
Buildings	\$ 738,169	\$ 49,070	\$ -	\$ 738,169
Software	24,606	-	-	24,606
Infrastructure	821,948	16,886	-	821,948
Equipment	625,886	74,500	33,065	667,321
Vehicles	1,083,816	97,248	-	1,181,064
Park improvements	410,299	77,804	-	410,299
Total Accumulated Depreciation	\$ 3,704,724	\$ 315,508	\$ 33,065	\$ 3,843,407
Total Capital Assets Being Depreciated, net	\$ 5,679,028			\$ 5,595,712
Governmental Activity Capital Assets, net	\$ 6,733,814			\$ 6,650,498

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

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

General government	\$ 49,070
Public safety	171,748
Transportation	16,886
Cultural and recreation	77,804
Total	<u>\$ 315,508</u>

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities: Stormwater Fund				
Capital Assets Not Being Depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-
Total Capital Assets Not Being Depreciated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Assets Being Depreciated:				
Stormwater system	\$ -	\$ -	\$ -	\$ -
Buildings	-	-	-	-
Equipment	133,399	-	-	133,399
Total Capital Assets Being Depreciated	<u>\$ 133,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 133,399</u>
Less Accumulated Depreciation For:				
Stormwater system	\$ -	\$ -	\$ -	\$ -
Buildings	-	-	-	-
Equipment	30,405	10,439	-	40,844
Total Accumulated Depreciation	<u>\$ 30,405</u>	<u>\$ 10,439</u>	<u>\$ -</u>	<u>\$ 40,844</u>
Total Capital Assets Being Depreciated, net	<u>\$ 102,994</u>			<u>\$ 92,555</u>
Stormwater Fund Capital Assets, net	<u>\$ 102,994</u>			<u>\$ 92,555</u>
	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities: Solid Waste Fund				
Capital Assets Not Being Depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-
Total Capital Assets Not Being Depreciated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Assets Being Depreciated:				
Buildings	\$ -	\$ -	\$ -	\$ -
Equipment	205,878	-	-	205,878
Total Capital Assets Being Depreciated	<u>\$ 205,878</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 205,878</u>
Less Accumulated Depreciation For:				
Buildings	\$ -	\$ -	\$ -	\$ -
Equipment	49,898	19,778	-	69,676
Total Accumulated Depreciation	<u>\$ 49,898</u>	<u>\$ 19,778</u>	<u>\$ -</u>	<u>\$ 69,676</u>
Total Capital Assets Being Depreciated, net	<u>\$ 155,980</u>			<u>\$ 136,202</u>
Solid Waste Capital Assets, net	<u>\$ 155,980</u>			<u>\$ 136,202</u>

**Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023**

B. Liabilities

1. Pension Plan and Postemployment Obligations

a. Local Governmental Employees' Retirement System

Plan Description. The Town of Swansboro, North Carolina is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981- 5454, or at www.osc.nc.gov.

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

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50,

Town of Swansboro, North Carolina
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or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Town of Swansboro, North Carolina employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town of Swansboro, North Carolina's contractually required contribution rate for the year ended June 30, 2023, was 12.39 of compensation for law enforcement officers and 12.39% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Town of Swansboro, North Carolina were \$238,317 for the year ended June 30, 2023.

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

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

At June 30, 2023, the Town reported a liability of \$1,482,567 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2022, the Town's proportion was 0.02628%, which was an increase of 0.00116% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Town recognized pension expense of \$437,018. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 63,882	\$ 6,263
Changes of assumptions	147,927	-
Net difference between projected and actual earnings on pension plan investments	490,004	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	24,901	888
Town contributions subsequent to the measurement date	238,317	-
Total	<u>\$ 965,031</u>	<u>\$ 7,151</u>

\$238,317 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as an increase of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2024	\$ 234,086
2025	193,965
2026	58,065
2027	233,447
2028	-
Thereafter	-
	<u>\$ 719,563</u>

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

Inflation	2.50 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

The actuarial assumptions used in the December 31, 2021 valuation was based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis.

These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	100%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.50%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Town of Swansboro, North Carolina
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Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate. The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the Town's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Town's proportionate share of the net pension liability (asset)	\$2,675,843	\$1,482,567	\$ 499,239

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

b. Law Enforcement Officers' Special Separation Allowance

1) Plan Description

The Town of Swansboro administers a public employee retirement system (the *Separation Allowance*), a single-employer defined benefit pension plan that provides retirement benefits to the Town's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time law enforcement officers of the Town are covered by the Separation Allowance. At December 31, 2021, the Separation Allowance's membership consisted of:

Retirees receiving benefits	0
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	13
	<u>13</u>

2) Summary of Significant Accounting Policies

Basis of Accounting

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

Town of Swansboro, North Carolina
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The Separation Allowance has no assets accumulated in a trust that meets the following criteria which are outlined in GASB Statements 73.

3) Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2021 valuation. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.31 percent

The discount rate is the weekly average of the Bond Buyer General Obligation 20-Year Municipal Bond Index at the end of each month. Maturity rates are based on the RP-014 Mortality tables.

4) Contributions

The Town is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget.

There were no contributions made by employees. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The Town paid \$5,796 as benefits came due for the reporting period.

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

At June 30, 2023, the Town reported a total pension liability of \$70,108. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the Town recognized pension expense of \$14,821.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,240	\$ 31,169
Changes of assumptions	13,835	23,992
Town benefit payments and plan administrative expense made subsequent to the measurement date	5,796	-
Total	<u>\$ 21,871</u>	<u>\$ 55,161</u>

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\$5,796 reported as deferred outflows of resources related to pensions resulting from benefit payments made subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	Deferred Outflows of Resources	Deferred Inflows of Resources	Amount Recognized as Pension Expense
2024	\$ 7,207	\$ 12,645	\$ (5,438)
2025	5,030	12,551	(7,521)
2026	3,838	12,551	(8,713)
2027	-	10,318	(10,318)
2028	-	6,170	(6,170)
Thereafter	-	926	(926)
	<u>\$ 16,075</u>	<u>\$ 55,161</u>	<u>\$ (39,086)</u>

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

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Town's proportionate share of the total pension liability	\$ 81,572	\$ 70,108	\$ 60,289

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

	2022
Beginning balance	\$ 86,581
Service cost	19,525
Interest	1,948
Changes of benefit terms	-
Differences between expected and actual experience in the	(12,301)
Changes of assumptions or other inputs	(25,645)
Benefit payments	-
Other changes	-
Ending balance of the total pension liability	<u>\$ 70,108</u>

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

Town of Swansboro, North Carolina
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The actuarial assumptions used in the December 31, 2021 valuation was based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

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

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

	LGERS	LEOSSA	Total
Pension Expense	\$ 437,018	\$ 14,821	\$ 451,839
Pension Liability	1,482,567	70,108	1,552,675
Proportionate share of the net pension liability	0.02628%	n/a	0.02393%
Deferred of Outflows of Resources			
Differences between expected and actual experience	63,882	2,240	66,122
Changes of assumptions	147,927	13,835	161,762
Net difference between projected and actual earnings on pension plan investments	490,004	-	490,004
Changes in proportion and differences between contributions and proportionate share of contributions	24,901	-	24,901
Benefit payments and administrative costs paid subsequent to the measurement date	238,317	5,796	244,113
Deferred of Inflows of Resources			
Differences between expected and actual experience	6,263	31,169	37,432
Changes of assumptions	-	23,992	23,992
Net difference between projected and actual earnings on pension plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	888	-	888

c. Supplemental Retirement Income Plan for Law Enforcement Officers

1) Plan Description

The Town contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the Town. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The

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Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

2) Funding Policy

Article 12E of G.S. Chapter 143 requires the Town to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2023 were \$28,345 which consisted of \$25,185 from the Town and \$3,160 from the law enforcement officers. No amounts were forfeited.

The Town has also elected to contribute to the Supplemental Retirement Income Plan for general employees. Contributions for the year ended June 30, 2023 were \$41,910 which consisted of \$25,185 from the Town and \$22,953 from the employees. No amounts were forfeited.

d. Other Postemployment Benefits

Health Care Benefits

1) Plan Description

The Town of Swansboro, North Carolina administers a health care plan, a single employer defined benefit pension plan that provides a stipend for health insurance to retirees who have completed a specified number of years of service to the town and in service to local government. Employees who retire under the provisions of the North Carolina Local Government Employees' Retirement System (NCLGERS) and have at least 10 (ten) years of consecutive service with the Town and at least 25 years of service with the NCLGERS are eligible to participate in the Town's health care plan.

The Town's plan is not administered through a trust or equivalent arrangement. Accordingly, there are no assets accumulated in any trust.

The Town provides a portion of the total cost for individual coverage for retirees based on years of service at retirement. The amount paid by the Town is based on the current value of the monthly premium being paid by the town for group health insurance to current employees.

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Years of Service with the Town at Retirement	Years of Service with the NCLGERS at Retirement	Town Contribution
10-14	25	25%
15-19	25	50%
20 or more	25	75%

All full-time employees of the Town are covered by the Health Care Plan. At June 30, 2023, the Plan's membership consisted of:

Retirees and dependents receiving benefits	1
Active plan members	17
	18

Total OPEB Liability

The District's Total OPEB Liability (TOL) of \$548,263 was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Paragraph 166: Listed below is the information to be disclosed regarding the actuarial assumptions and other inputs used to measure the TOL. The complete set of actuarial assumptions and other inputs utilized in developing the TOL are outlined in Schedule C. The TOL was determined by an actuarial valuation as of June 30, 2022, using the following key actuarial assumptions and other inputs:

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary Increases, including wage inflation:	
General employees	3.25% - 8.41%
Firefighters	3.25% - 8.15%
Law Enforcement	3.25% - 7.90%
Municipal Bond Index Rate:	
Prior measurement date	2.16%
Measurement date	3.54%
Health Care Cost Trends:	
Pre-Medicare	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031
Medicare	5.125% for 2021 decreasing to an ultimate rate of 4.50% by 2024

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

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

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 – December 31, 2019, adopted by the LGERS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 valuation.

Paragraph 167(a): This paragraph requires disclosure of the sensitivity of the TOL to changes in the health care cost trend rates. The following exhibit presents the TOL of the Plan, calculated using the health care cost trend rates, as well as what the Plan's TOL would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

Health Care Cost Trend Rate Sensitivity

	1% Decrease	Current	1% Increase
Total OPEB Liability	\$ 330,393	\$ 429,390	\$ 568,814

Paragraph 167(b): This paragraph requires disclosure of the sensitivity of the TOL to changes in the discount rate. The following exhibit presents the TOL of the Plan, calculated using the discount rate of 2.16%, as well as what the Plan's TOL would be if it were calculated using a Discount Rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

Discount Rate Sensitivity

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 542,847	\$ 429,390	\$ 344,754

Paragraph 168(a)-(c): This paragraph requires a schedule of changes in the TOL. The needed information is shown in the following table:

Town of Swansboro, North Carolina
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For the Year Ended June 30, 2023

Changes in the TOL

Total OPEB Liability as of June 30, 2022	\$ 548,263
Changes for the year:	
Service Cost at the end of the year*	40,892
Interest on TOL and Cash Flows	12,664
Change in benefit terms	-
Difference between expected and actual experience	(200)
Changes of assumptions or other inputs	(166,460)
Benefit payments and implicit subsidy credit	(5,769)
Other	-
Net Changes	<u>(118,873)</u>
Total OPEB Liability as of June 30, 2023	<u>\$ 429,390</u>

* The service cost includes interest for the year.

Paragraph 168(d): The employer does not have a special funding situation.

Paragraph 169(a): The TOL is based upon an actuarial valuation performed as of the Valuation Date, June 30, 2020. An expected TOL is determined as of June 30, 2021, the Prior Measurement Date, using standard roll back techniques. The roll back calculation begins with the TOL, as of the Measurement Date, June 30, 2022, adds the expected benefit payments for the year, deducts interest at the Discount Rate for the year, and then subtracts the annual Normal Cost (also called the Service Cost).

CMC has assumed no significant changes, other than the change in the Municipal Bond Index Rate, have occurred between the Valuation Date and the Measurement Date. If a significant change, other than the change in the Municipal Bond Index Rate, has occurred between the Valuation Date and the Measurement Date, an updated valuation may need to be performed.

Paragraph 169(b): Our understanding is that the employer does not have a special funding situation.

Paragraph 169(c): Since the Prior Measurement Date, the Discount Rate has changed from 2.21% to 3.54% due to a change in the Municipal Bond Rate.

Paragraph 169(d): There are no changes in benefit terms since the Prior Measurement Date.

Paragraph 169(e): No benefit payments are attributable to the purchase of allocated insurance contracts.

Paragraph 169(f): CMC was not expected to supply this information.

Town of Swansboro, North Carolina
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Paragraph 169(g): Please see Section IV for the development of the OPEB Expense (OE).

Paragraph 169(h)(1)-(2): Since certain expense items are recognized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts will increase OPEB Expense, they are labeled Deferred Outflows of Resources. If they serve to reduce OPEB Expense, they are labeled Deferred Inflows of Resources. The recognition of these amounts is accomplished on a level dollar basis, with no interest included in the deferred amounts. Experience gains/losses and the impact of changes in actuarial assumptions or other inputs, if any, are recognized over the average expected remaining service life of the active and inactive Plan members at the beginning of the measurement period.

The following table provides a summary of the Deferred Outflows of Resources and Deferred Inflows of Resources as of June 30, 2023:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 418	\$ 324,203
Changes of assumptions or other inputs	147,463	222,461
Total	<u>\$ 147,881</u>	<u>\$ 546,664</u>

Paragraph 169(h)(3): Our understanding is that the employer does not have a special funding situation.

Paragraph 169(h)(4): CMC was not expected to supply this information.

Paragraph 169(i)(1)-(2): Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB benefits will be recognized in OPEB Expense as follows:

<u>Measurement Period Ended June 30:</u>	
2024	\$ (65,866)
2025	(65,866)
2026	(65,866)
2027	(65,866)
2028	(61,044)
Thereafter	(74,275)

Town of Swansboro, North Carolina
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Paragraph(i)(3): Our understanding is that the employer does not have a special funding situation.

Paragraph(j): CMC was not expected to supply this information.

2. Other Employment Benefits

The Town has also elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payment to beneficiaries is equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. All death benefit payments are made from the Death Benefit Plan. The Town has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The Town considers these contributions to be immaterial.

3. Deferred Outflows and Inflows of Resources

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

Contributions to pension plan in current fiscal year	\$ 238,317
Benefit payments made and administrative expenses for LEOSSA subsequent to measurement date	5,796
Differences between expected and actual experience	66,540
Changes of assumptions	309,225
Net difference between projected and actual earnings on plan investments	490,004
Changes in proportion and differences between employer contributions and proportionate share of contributions	24,901
	<u>\$ 1,134,783</u>

Town of Swansboro, North Carolina
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Deferred inflows of resources at year-end are comprised of the following:

	Statement of Net Position	General Fund Balance Sheet
Taxes receivable, less penalties (General Fund)	\$ -	\$ 44,823
Changes in assumptions	246,453	
Leases	103,297	103,297
Differences between expected and actual experience	361,635	-
Net difference between projected and actual earnings on pension plan investments	-	
Changes in proportion and differences between Town contributions and proportionate share of contributions	888	-
Total	<u>\$ 712,273</u>	<u>\$ 148,120</u>

4. **Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town participates in three self-funded risk financing pools administered by the North Carolina League of Municipalities. Through these pools, the Town obtains general liability and auto liability coverage of \$3 million per occurrence, property coverage up to the total insurance values of the property policy, and workers' compensation coverage up to statutory limits, and employee health coverage. The liability and property exposures are reinsured through commercial carriers for claims in excess of retentions as selected by the Board of Trustees each year. Stop loss insurance is purchased by the Board of Trustees to protect against large medical claims that exceed certain dollar cost levels. Specific information on the limit of the reinsurance, excess and stop loss policies purchased by the Board of Trustees can be obtained by contacting the Risk Management Services Department of the NC League of Municipalities. The pools are audited annually by certified public accountants, and the audited financial statements are available to the Town upon request.

The Town carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

The Town did not carry flood insurance during the year ended June 30, 2023. The Town has received all certifications for eligible properties but has not purchased flood insurance.

In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The finance officer is individually bonded for \$50,000. The remaining employees that have access to funds are bonded under a blanket bond for \$50,000.

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

5. Claims, Judgments and Contingent Liabilities

At June 30, 2023, the Town was a defendant in a lawsuit. In the opinion of the Town's management and the Town attorney, the ultimate effect of this legal matter will not have a material adverse effect on the Town's financial position.

6. Long-term Obligations

a. Subscription Payable

Capital Assets and Depreciation. Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Subscription-based information technology arrangements ("SBITA") minimum capitalization cost policies were established at \$50,000; minimum capitalization cost policies were established at \$2,000 for all other capital assets. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the time of donation. General infrastructure assets acquired prior to July 1, 2003, consist of water and sewer system assets and improvements. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Subscription Based Information Technology Arrangements. The Town has recorded Subscription-Based Information Technology Arrangement ("SBITA") assets and liabilities as a result of implementing GASB 96. The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, and plus any ancillary charges necessary to place the SBITA into service. The SBITA assets are amortized on a straight-line basis over the life of the related contract. SBITAs which are based on variable payments (or user seats) are not recorded as subscription assets or liabilities and are expenses as incurred.

Recently Implemented Accounting Pronouncements. The Town implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The requirements of this Statement will provide guidance on the accounting and financial reporting for Subscription-Based Information Technology Arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA (2) establishes that a SBITA results in a right-to-use subscription asset-intangible asset- and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, included implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. See Note 6 for further information.

Long-Term Debt. The Town has entered into SBITAs for permitting and human resources for a period of 3 years and an incremental borrowing rate of 2.47 percent. The SBITAs have been recorded at the present value of the future contract payments as of the date of their inception or, for SBITAs existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2022. SBITA liabilities, SBITA assets, and subscription terms are as follows at June 30, 2023:

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

	Beginning Balances July 1, 2022	Increases	Decreases	Ending Balances June 30, 2023	Current Portion of Balance
Subscription liabilities	\$ -	\$ 88,432	\$ -	\$ 88,432	\$ 22,108

SBITA debt service requirements to maturity are as follows:

Principal and Interest Expected to Maturity

Business-Type Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 22,108	\$ -	\$ 22,108
2025	22,108	-	22,108
2026	22,108	-	22,108
2027	22,108	-	22,108
	\$ 88,432	\$ -	\$ 88,432

For the year ended June 30, 2023, the Town had SBITAs with variable payments that were based on user seats.

For the year ended June 30, 2023, the Town had no other payments, such as termination penalties, not previously included in the measurement of the subscription liability.

For the year ended June 30, 2023, the Town had no commitments under SBITAs before the commencement of the subscription term or any losses associated with an impairment.

b. Notes from Direct Placements

In March 2013, the Town entered into a note agreement to re-finance the installment purchase contracts for the town hall annex and tanker truck in the amount of \$1,034,486. The note agreement requires principal payments beginning in 2014, with an interest rate of 2.69%.

In December 2014, the Town entered into a note agreement to finance the construction of a public safety building in the amount of \$400,000. The note agreement requires principal payments beginning in 2015, with an interest rate of 2.58%.

In November 2016, the Town entered into a financing agreement to finance the purchase of a fire truck in the amount of \$425,000. The note will be paid in annual installments of \$47,512 at an interest rate of 2.08% for 10 years.

In November 2016, the Town entered into a financing agreement to finance the purchase of various equipment and vehicles in the amount of \$245,000. The note will be paid in annual installments of \$51,783 at an interest rate of 1.87% for 5 years.

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

In December 2016, the Town entered into a financing agreement to finance the renovation of the former town hall for the Sleeping Quarters capital project in the amount of \$250,000. The note will be paid in annual installments at an interest rate of 2.43% for 10 years.

In June 2020, the Town entered into a financing agreement to finance the purchase of a grapple truck and a generator in the amount of \$227,700. The note will be paid in annual installments of \$47,916 at an interest rate of 1.72% for 5 years.

In June 2022, the Town entered into a financing agreement to finance vehicles and equipment in the amount of \$110,700. The note will be paid in annual installments of \$22,970 at an interest rate of 1.84% for 5 years.

The future minimum payments of the installment purchase as of June 30, 2023, including \$54,483 of interest, are as follows:

Year Ended June 30	Principal	Interest	Interest
2023	\$ 251,392	\$ 21,224	\$ 272,616
2024	255,502	15,467	270,969
2025	171,789	9,617	181,406
2026	151,887	5,956	157,843
2027	82,504	2,219	84,723
2028-2032	-	-	-
Total	<u>\$ 913,074</u>	<u>\$ 54,483</u>	<u>\$ 967,557</u>

At June 30, 2023, the Town of Swansboro, North Carolina had a legal debt margin of \$54,969,806.

c. Changes in Long-term Liabilities

Compensated absences, pension liabilities and OPEB liabilities for governmental activities have typically been liquidated in the General fund.

	Beginning			Ending	Current
Governmental Activities:	Balance	Increases	Decreases	Balance	Portion of
Notes from direct placements	\$ 1,160,449	\$ -	\$ 247,375	\$ 913,074	\$ 251,392
Subscription liability	-	88,432	-	88,432	22,108
Total pension liability (LEO)	86,581	-	16,473	70,108	-
Net pension liability (LGERS)	365,977	-	(1,042,462)	1,408,439	-
Total OPEB liability	520,850	-	112,930	407,920	-
Compensated absences	116,748	90,249	85,296	121,701	42,595
Total	<u>\$ 2,250,605</u>	<u>\$ 178,681</u>	<u>\$ (580,388)</u>	<u>\$ 3,009,674</u>	<u>\$ 316,095</u>

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

	Beginning			Ending	Current
Business-type Activities:	Balance	Increases	Decreases	Balance	Portion of
Net pension liability (LGERS)	\$ 19,262	\$ 54,866	\$ -	\$ 74,128	\$ -
Total OPEB liability	27,413	-	5,943	21,470	-
Compensated absences	2,835	4,207	2,257	4,785	1,675
Total	\$ 49,510	\$ 59,073	\$ 8,200	\$ 100,383	\$ 1,675

Notes from direct placements are collateralized by capital assets with a carrying value of \$1,342,854.

The Town's outstanding note from direct placements related to governmental activities of \$100,000 (Sleeping Quarters) is secured with collateral of the building and property. The note contains provision that an event of default would result in: (1) declare the unpaid principal components of the Installment Payments immediately due and payable, (2) proceed by appropriate court action to enforce the Town's performance of the applicable covenants of this Agreement or to recover for the breach thereof, (3) as provided in the Project Fund Agreement, pay over any balance remaining in the Project Fund to be applied against outstanding Required Payments in any manner BB&T may reasonably deem appropriate, and (4) avail itself of all available remedies under the Agreement, including execution and foreclosure and recovery of attorney's fees and other expenses.

The Town's outstanding note from direct placements related to governmental activities of \$180,562 (Fire Truck, Vehicles & Equipment) is secured with collateral of the personal property purchased. The note contains provision that an event of default would result in: (1) declare the unpaid principal components of the Installment Payments immediately due and payable, (2) proceed by appropriate court action to enforce the Town's performance of the applicable covenants of this Agreement or to recover for the breach thereof, (3) as provided in the Project Fund Agreement, pay over any balance remaining in the Project Fund to be applied against outstanding Required Payments in any manner BB&T may reasonably deem appropriate, and (4) avail itself of all available remedies under the Agreement, including execution and foreclosure and recovery of attorney's fees and other expenses.

The Town's outstanding note from direct placements related to governmental activities of \$80,000 (Public Safety Building) is secured with collateral of the building and property improved. The note contains provision that an event of default would result in: (1) declare the unpaid principal components of the Installment Payments immediately due and payable, (2) proceed by appropriate court action to enforce the Town's performance of the applicable covenants of this Agreement or to recover for the breach thereof, (3) as provided in the Project Fund Agreement, pay over any balance remaining in the Project Fund to be applied against outstanding Required Payments in any manner BB&T may reasonably deem appropriate, and (4) avail itself of all available remedies under the Agreement, including execution and foreclosure and recovery of attorney's fees and other expenses.

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

The Town's outstanding note from direct placements related to governmental activities of \$391,469 (Town Hall Annex and Tanker) is secured with collateral of the building and property improved. The note contains provision that an event of default would result in: (1) declare the unpaid principal components of the Installment Payments immediately due and payable, (2) proceed by appropriate court action to enforce the Town's performance of the applicable covenants of this Agreement or to recover for the breach thereof, (3) as provided in the Project Fund Agreement, pay over any balance remaining in the Project Fund to be applied against outstanding Required Payments in any manner BB&T may reasonably deem appropriate, and (4) avail itself of all available remedies under the Agreement, including execution and foreclosure and recovery of attorney's fees and other expenses.

The Town's outstanding note from direct placements related to governmental activities of \$93,416 is secured with collateral of the personal property purchased. The note contains provision that an event of default would result in: (1) declare the unpaid principal components of the Installment Payments immediately due and payable, (2) proceed by appropriate court action to enforce the Town's performance of the applicable covenants of this Agreement or to recover for the breach thereof, (3) as provided in the Project Fund Agreement, pay over any balance remaining in the Project Fund to be applied against outstanding Required Payments in any manner BB&T may reasonably deem appropriate, and (4) avail itself of all available remedies under the Agreement, including execution and foreclosure and recovery of attorney's fees and other expenses.

The Town's outstanding note from direct placements related to governmental activities of \$67,627 (vehicles and equipment) is secured with collateral of the personal property purchased. The note contains provision that an event of default would result in: (1) declare the unpaid principal components of the Installment Payments immediately due and payable, (2) proceed by appropriate court action to enforce the Town's performance of the applicable covenants of this Agreement or to recover for the breach thereof, (3) as provided in the Project Fund Agreement, pay over any balance remaining in the Project Fund to be applied against outstanding Required Payments in any manner BB&T may reasonably deem appropriate, and (4) avail itself of all available remedies under the Agreement, including execution and foreclosure and recovery of attorney's fees and other expenses.

C. Interfund Balances and Activity

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

From the General Fund to the Stormwater Fund to assist with operations of new fund	\$ 2,228
From the General Fund to the Capital Reserve Fund for future purchases	75,095
From the General Fund to the Swansboro Bicentennial Park Extension for project start-up expenses	27,000
Total	<u><u>\$ 104,323</u></u>

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

Transfers are used to move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided matching funds for various grant programs.

D. Net Investment in Capital Assets

	<u>Governmental</u>	<u>Business-type</u>
Capital assets	\$ 6,650,498	\$ 228,757
Less: long-term debt	1,001,506	-
Net Investment in Capital Assets	<u>\$ 5,648,992</u>	<u>\$ 228,757</u>

E. Fund Balance

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

Total fund balance - General Fund	\$ 4,316,557
Less:	
Stabilization by State Statute	304,098
Streets-Powell Bill	67,904
Appropriated Fund Balance in 2024 Budget	385,883
Leases receivable, net	1,340
Remaining Fund Balance	<u>\$ 3,557,332</u>

IV. Jointly Governed Organization

The Town, in conjunction with 9 counties and 46 municipalities, established the East Carolina Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The Town considers the membership fees paid to the Council during the fiscal year ended June 30, 2023 to be immaterial. The Town has no equity interest nor does the town materially contribute to the continued existence of the Council. The Town's interests are other than financial.

V. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

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

Town of Swansboro, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2023

VI. Subsequent Events

As of January 13, 2024, the date of completion of the financial statements, there were no material subsequent events that were required to be reported.

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Required Supplemental Financial Data

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

- Schedule of Proportionate Share of Net Pension Liability for Local Government Employees' Retirement Schedule
- Schedule of Contributions to Local Government Employees' Retirement System
- Schedule of Changes in Total Pension Liability
- Schedule of Total Pension Liability as a Percentage of Covered Payroll
- Schedule of Changes in the Total OPEB Liability

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Town of Swansboro, North Carolina
Town of Swansboro's Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information
Last Ten Fiscal Years

Local Government Employees' Retirement System

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Town of Swansboro's proportion of the net pension liability (asset) (%)	0.02628%	0.02512%	0.02393%	0.02172%	0.02179%	0.02138%	0.01978%	0.02512%	0.0230%	0.0220%
Town of Swansboro's proportion of the net pension liability (asset) (\$)	\$ 1,482,567	\$ 385,239	\$ 855,121	\$ 593,156	\$ 516,933	\$ 326,627	\$ 419,798	\$ 112,737	\$ (135,936)	\$ 247,104
Town of Swansboro's covered payroll	\$ 1,868,987	\$ 1,664,582	\$ 1,618,540	\$ 1,395,261	\$ 1,359,899	\$ 1,294,306	\$ 1,098,158	\$ 1,197,066	\$ 1,205,459	\$ 1,206,100
Town of Swansboro's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	79.32%	23.14%	52.83%	42.51%	38.01%	25.24%	38.23%	9.42%	-11.28%	20.49%
Plan fiduciary net position as a percentage of the total pension liability	85.14%	95.51%	91.63%	94.18%	91.47%	98.09%	99.07%	102.64%	94.35%	96.45%

Town of Swansboro, North Carolina
Town of Swansboro's Contributions
Required Supplementary Information
Last Nine Fiscal Years

Local Government Employees' Retirement System

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 238,317	\$ 217,512	\$ 173,652	\$ 149,972	\$ 112,470	\$ 105,976	\$ 97,659	\$ 78,302	\$ 86,146	\$ 86,148
Contributions in relation to the contractually required contributions	238,317	217,512	173,652	149,972	112,470	105,976	97,659	78,302	86,146	86,148
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town of Swansboro's covered payroll	\$ 1,923,342	\$ 1,868,987	\$ 1,664,582	\$ 1,618,540	\$ 1,395,261	\$ 1,359,899	\$ 1,294,306	\$ 1,098,158	\$ 1,197,066	\$ 1,205,459
Contributions as a percentage of covered payroll	12.39%	11.64%	10.43%	9.27%	8.06%	7.79%	7.55%	7.13%	7.20%	7.15%

Town of Swansboro, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
June 30, 2023

	2023	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 86,581	\$ 108,015	\$ 75,611	\$ 63,708	\$ 70,646	\$ 95,469	\$ 97,664
Service cost	19,525	19,576	13,322	10,609	8,953	6,719	8,244
Interest	1,948	2,017	2,270	2,101	2,044	3,454	3,273
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(12,301)	(32,207)	945	8,795	(3,986)	(27,478)	-
Changes of assumptions or other inputs	(25,645)	(3,846)	27,823	2,354	(1,993)	4,438	(1,756)
Benefit payments	-	(6,974)	(11,956)	(11,956)	(11,956)	(11,956)	(11,956)
Other changes	-	-	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 70,108</u>	<u>\$ 86,581</u>	<u>\$ 108,015</u>	<u>\$ 75,611</u>	<u>\$ 63,708</u>	<u>\$ 70,646</u>	<u>\$ 95,469</u>

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

Town of Swansboro, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered -
Employee Payroll Law Enforcement Officers' Special Separation
Allowance
June 30, 2023

	2023	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 70,108	\$ 86,581	\$ 108,015	\$ 75,611	\$ 63,708	\$ 70,646	\$ 95,469
Covered-employee payroll	641,569	598,345	587,045	474,898	437,602	401,145	429,917
Total pension liability as a percentage of covered employee payroll	10.93%	14.47%	18.40%	15.92%	14.56%	17.61%	22.21%

Notes to the schedules:

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

Town of Swansboro, North Carolina
Schedule of Changes in the Total OPEB Liability and Related Ratios
June 30, 2023

Total OPEB Liability	2023	2022	2021	2020	2019	2018
Service Cost	\$ 40,892	\$ 72,798	\$ 44,160	\$ 66,334	\$ 71,196	\$ 82,197
Interest	12,664	17,902	18,037	26,975	23,521	19,727
Change in benefit terms	-	-	-	(113,072)	-	-
Difference between expected and actual experience	(200)	(275,274)	592	(183,249)	(3,447)	(2,439)
Changes of assumptions or other inputs	(166,460)	(1,488)	208,822	(14,186)	(53,792)	(89,242)
Benefit payments and implicit subsidy credit	(5,769)	(5,769)	(5,360)	(4,779)	(4,703)	(5,124)
Net Change in Total OPEB Liability	(118,873)	(191,831)	266,251	(221,977)	32,775	5,119
Total OPEB Liability - beginning	548,263	740,094	473,843	695,820	663,045	657,926
Total OPEB Liability - ending	<u>\$ 429,390</u>	<u>\$ 548,263</u>	<u>\$ 740,094</u>	<u>\$ 473,843</u>	<u>\$ 695,820</u>	<u>\$ 663,045</u>
Covered-employee Payroll	\$ 876,805	\$ 876,805	\$ 1,106,396	\$ 1,106,396	\$ 1,231,757	\$ 1,231,757
Total OPEB Liability as a Percentage of Covered Payroll	48.97%	62.53%	66.89%	42.83%	56.49%	53.83%

Notes to Schedule

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

<u>Fiscal Year</u>	<u>Rate</u>
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

Information on this schedule will report 10 years' information once the 10th year of implementation occurs.

The Town's OPEB Plan is not administered through a trust or equivalent arrangement. Accordingly, there are not assets accumulated in any trust.

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Individual Fund Statements and Schedules

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Town of Swansboro, North Carolina

General Fund

Item IV - b.

**Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	Final Budget	Actual 2023	Variance Positive (Negative)	Actual 2022
Revenues				
Ad Valorem Taxes:				
Current year		\$ 2,409,296		\$ 1,870,187
Prior year		6,033		19,478
Penalties and interest		7,422		5,688
Total	\$ 2,370,648	\$ 2,422,751	\$ 52,103	\$ 1,895,353
Other Taxes and Licenses:				
Occupancy tax		\$ 120,925		\$ 102,690
Animal taxes		-		-
Total	\$ 120,522	\$ 120,925	\$ 403	\$ 102,690
Unrestricted Intergovernmental:				
Utility franchise tax		\$ 244,780		\$ 235,150
Local option sales tax		1,404,828		1,298,345
Beer and wine tax		18,578		15,695
Court costs		9,951		-
ABC profit distribution		54,531		58,103
Tax refunds		12,591		10,426
Administrative fees		-		-
Total	\$ 1,543,723	\$ 1,745,259	\$ 201,536	\$ 1,617,719
Restricted Intergovernmental:				
Powell Bill allocation		\$ 110,084		\$ 108,171
Various State and local grants		196,021		174,544
County - fire department		177,037		174,087
Solid waste disposal tax		3,019		2,756
Total	\$ 379,334	\$ 486,161	\$ 106,827	\$ 459,558
Permits and Fees:				
Building permits and inspection fees		\$ 112,566		\$ 160,646
Planning and zoning fees		8,785		62,959
Recreation contract fees		112,456		38,594
Festivals and events		83,719		76,845
Lease income		74,993		66,853
Easements		10,000		31,985
Total	\$ 394,795	\$ 402,519	\$ 7,724	\$ 437,882
Sales and Services:				
Homeowners recovery fund	500	390	(110)	820
Investment Earnings	1,000	56,402	55,402	1,650

Town of Swansboro, North Carolina

General Fund

Item IV - b.

**Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual**

For the Fiscal Year Ended June 30, 2023

(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	Final Budget	Actual 2023	Variance Positive (Negative)	Actual 2022
Miscellaneous:				
Miscellaneous income		\$ 37,094		\$ 4,319
Sale of fixed assets		-		14,277
ONWASA reimbursements		35,000		32,083
Total	\$ 44,982	\$ 72,094	\$ 27,112	\$ 50,679
Contributions:				
Donations - Memorial Trees		\$ -		\$ -
Donations - Park		1,498		-
Donations - Police		4,180		1,000
Donations - Fire Department		1,100		50
Total	\$ 1,800	\$ 6,778	\$ 4,978	\$ 1,050
Total Revenues	\$ 4,857,304	\$ 5,313,279	\$ 455,975	\$ 4,567,401
Expenditures				
Governing Body:				
Salaries - elected officials		\$ 9,338		\$ 9,117
FICA		714		697
Insurance		-		-
Miscellaneous		2,628		1,458
Supplies		1,165		1,676
Election expense		-		7,201
Travel		2,234		3,910
Contributions		7,500		4,250
Total	\$ 29,902	\$ 23,579	\$ 6,323	\$ 28,309
Administration:				
Salaries and wages		\$ 233,657		\$ 239,758
FICA		17,476		17,903
Group insurance		25,401		29,384
Retirement		34,340		33,733
Employee allowances		5,450		5,097
Department supplies		1,412		895
Dues & subscriptions		7,741		6,460
Miscellaneous		415		1,274
Professional services		38,636		35,099
Travel		4,961		5,147
Capital outlay		-		-
Capital outlay (non-capitalized)		1,209		1,394
Total	\$ 376,563	\$ 370,698	\$ 5,865	\$ 376,144

Town of Swansboro, North Carolina

General Fund

Item IV - b.

**Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual**

For the Fiscal Year Ended June 30, 2023

(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	Final Budget	Actual 2023	Variance Positive (Negative)	Actual 2022
Public Buildings:				
Salaries and wages		\$ 58,764		\$ 44,167
FICA		4,544		3,397
Group insurance		10,274		7,671
Retirement		7,196		4,903
Employee allowances		715		325
Maintenance and renovations		12,014		4,755
Vehicle maintenance		3,766		3,371
Professional services		36,303		36,709
Supplies		10,472		7,732
Utilities		55,610		57,021
Miscellaneous		-		1,421
Capital outlay		-		74,066
Capital outlay (non-capitalized)		2,874		835
Total	\$ 256,892	\$ 202,532	\$ 54,360	\$ 246,373
Legal:				
Professional services	\$ 43,000	\$ 41,417	\$ 1,583	\$ 55,634
Finance:				
Salaries and wages		\$ 150,891		\$ 145,337
FICA		11,059		10,395
Group Insurance		17,420		17,092
Retirement		19,827		19,914
Employee allowances		650		600
Miscellaneous		-		1,087
Office supplies		2,590		2,372
Department supplies		1,575		1,318
Dues & subscriptions		160		265
Fees		1,684		1,525
Professional service		21,577		25,716
Tax collection		28,951		22,515
Travel		2,125		31
Capital outlay		-		-
Capital outlay (non-capitalized)		474		1,600
Total	\$ 265,670	\$ 258,983	\$ 6,687	\$ 249,767
Total General Government	\$ 972,027	\$ 897,209	\$ 74,818	\$ 956,227

Town of Swansboro, North Carolina

General Fund

Item IV - b.

**Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual**

For the Fiscal Year Ended June 30, 2023

(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	Final Budget	Actual 2023	Variance Positive (Negative)	Actual 2022
Police and Fire:				
Salaries and wages		\$ 1,098,434		\$ 1,107,677
FICA		83,612		83,361
Fees		-		76
Group insurance		131,203		151,928
Retirement		162,878		156,582
Employee allowances		909		550
Automotive supplies		38,392		13,661
Department supplies		21,041		8,858
Dues & subscriptions		4,568		1,947
Fire prevention		1,804		662
Maintenance - building		-		-
Maintenance - equipment		4,012		8,529
Maintenance - vehicle		26,425		82,250
Miscellaneous		5,298		2,308
Professional services		17,765		10,887
Telephone		6,778		7,284
Travel		1,743		751
Uniforms		11,154		3,066
Utilities		142		90
Volunteer retention		6,342		5,509
Capital outlay		37,556		-
Capital outlay (non-capitalized)		26,202		20,163
Total	\$ 2,014,939	\$ 1,686,258	\$ 328,681	\$ 1,666,139
Planning:				
Salaries and wages		\$ 213,881		\$ 168,216
FICA		16,161		12,597
Group insurance		28,546		27,034
Retirement		26,666		22,198
Employee allowances		1,000		1,050
Maintenance - equipment		-		116
Department supplies		271		875
Professional services		4,583		250
Miscellaneous		1,375		1,655
Travel		3,589		2,024
Dues and subscriptions		173		60
Capital outlay (non-capitalized)		1,209		-
Total	\$ 362,328	\$ 297,454	\$ 64,874	\$ 236,075

Town of Swansboro, North Carolina

General Fund

Item IV - b.

**Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual**

For the Fiscal Year Ended June 30, 2023

(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	Final Budget	Actual 2023	Variance Positive (Negative)	Actual 2022
Emergency Management:				
Salaries and wages		\$ -		\$ 32,125
Maintenance - equipment		-		-
Maintenance-buildings		-		29,405
Department supplies		-		510
Professional services		1,125		-
Miscellaneous		1,654		654
Capital outlay (non-capitalized)		-		7,765
Total	\$ 2,800	\$ 2,779	\$ 21	\$ 70,459
Total Public Safety	\$ 2,380,067	\$ 1,986,491	\$ 393,576	\$ 1,972,673
Transportation:				
Streets and Highways:				
Salaries and wages		\$ 153,201		\$ 57,325
FICA		11,816		4,411
Group insurance		25,697		10,047
Retirement		19,289		7,133
Employee allowances		955		463
Automotive supplies		3,994		3,478
Department supplies		786		1,010
Fees		-		416
Maintenance - building		-		-
Maintenance - equipment		2,027		1,923
Maintenance - traffic signs		1,718		8,788
Maintenance - storm drains		-		-
Maintenance - streets		694		1,838
Maintenance - vehicles		887		-
Sidewalk repairs		-		648
Street lights		49,317		45,982
Miscellaneous		57		41
Professional services		469		-
Travel		275		-
Telephone		345		248
Uniforms		-		629
Utilities		-		-
Capital outlay		12,438		20,446
Capital outlay (non-capitalized)		8,955		13,220
Total	\$ 413,442	\$ 292,920	\$ 120,522	\$ 178,046
State Street - Aid:				
Maintenance - streets	\$ 97,673	\$ 81,732	\$ 15,941	\$ 89,475
Total Transportation	\$ 511,115	\$ 374,652	\$ 136,463	\$ 267,521

Town of Swansboro, North Carolina

General Fund

Item IV - b.

**Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual**

For the Fiscal Year Ended June 30, 2023

(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	Final Budget	Actual 2023	Variance Positive (Negative)	Actual 2022
Economic Development:				
Tourism Development Authority		\$ 120,821		\$ 101,269
Festivals		87,181		91,985
Old Town Hall		-		-
Church Street Dock		8,476		6,496
Total Economic Development	\$ 250,575	\$ 216,478	\$ 34,097	\$ 199,750
Cultural and Recreation:				
Parks and Recreation:				
Salaries and wages		\$ 193,577		\$ 177,576
FICA		14,800		13,580
Group insurance		8,406		8,666
Retirement		19,548		16,485
Employee allowances		1,050		1,200
Automotive supplies		1,654		1,518
Department supplies		15,149		5,223
Insurance		-		-
Miscellaneous		2,134		12,306
Maintenance - building		12,253		7,595
Maintenance - vehicles		1,598		1,844
Maintenance - equipment		15,057		8,344
Professional services		17,832		41,280
Travel		2,973		1,914
Utilities		1,409		1,430
Capital outlay		-		-
Capital outlay (non-capitalized)		16,585		16,669
Total Cultural and Recreation	\$ 366,204	\$ 324,025	\$ 42,179	\$ 315,630
Non-departmental:				
Miscellaneous		\$ 9,417		\$ 147,306
Supplies		963		-
Insurance		149,125		139,310
Services		133,147		740
Telephone		8,329		2,805
Maintenance - equipment		992		1,243
Utilities		6,180		6,180
Total Non-departmental	\$ 362,937	\$ 308,153	\$ 54,784	\$ 297,584
Debt Service:				
Principal retirement		\$ 247,375	\$ -	\$ 294,278
Interest and other charges		8,993	-	2,657
Total Debt Service	\$ 300,000	\$ 256,368	\$ 43,632	\$ 296,935
Total Expenditures	\$ 5,142,925	\$ 4,363,376	\$ 779,549	\$ 4,306,320

Town of Swansboro, North Carolina

General Fund

Item IV - b.

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023

(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	Final Budget	Actual 2023	Variance Positive (Negative)	Actual 2022
Revenues Over Expenditures	<u>\$ (285,621)</u>	<u>\$ 949,903</u>	<u>\$ 1,235,524</u>	<u>\$ 261,081</u>
Other Financing Sources (Uses)				
Loan issuance	\$ 123,000	\$ -	\$ (123,000)	\$ -
Sale of capital assets	-	-	-	-
Transfers in:				
Capital Reserve and Capital Projects	40,000	-	(40,000)	47,450
Transfers out:				
Waterfront Plan Implementation		-	-	-
Capital Reserve	(75,932)	(75,095)	837	-
Other	(27,000)	(27,000)	-	(68,708)
Stormwater Fund	(15,228)	(2,228)	13,000	-
Solid Waste Enterprise Fund	-	-	-	(1,446)
Total Other Financing Sources (Uses)	<u>\$ 44,840</u>	<u>\$ (104,323)</u>	<u>\$ (149,163)</u>	<u>\$ (22,704)</u>
Fund balance appropriated	<u>\$ 240,781</u>	<u>\$ -</u>	<u>\$ (240,781)</u>	<u>\$ -</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u>\$ 845,580</u>	<u><u>\$ 845,580</u></u>	<u>\$ 238,377</u>
Fund Balance, beginning		3,470,977		3,232,600
Fund Balance, ending		<u><u>\$ 4,316,557</u></u>		<u><u>\$ 3,470,977</u></u>

Town of Swansboro, North Carolina
Capital Project Funds - State Capital Infrastructure Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2023

Item IV - b.

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
State grant	\$ 6,000,000	\$ -	\$ 19,520	\$ 19,520	\$ (5,980,480)
Investment earnings	-	950	5,995	6,945	6,945
Total Revenues	\$ 6,000,000	\$ 950	\$ 25,515	\$ 26,465	\$ (5,973,535)
Expenditures:					
Capital outlay	6,000,000	-	19,520	19,520	5,980,480
Revenues Over (Under) Expenditures	\$ -	\$ 950	\$ 5,995	\$ 6,945	\$ 6,945
Other Financing Sources:					
Transfer in	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 950</u>	<u>\$ 5,995</u>	<u>\$ 6,945</u>	<u>\$ 6,945</u>
Fund Balance:					
Beginning of year, July 1			<u>950</u>		
End of year, June 30			<u>\$ 6,945</u>		

Nonmajor Governmental Funds

The following funds are Capital Project Funds of the Town of Swansboro that are combined as Nonmajor Governmental Funds.

- Park & Recreation Reserve – The fund is used to set aside monies to acquire land and/or develop park and recreation area and facilities that serve the general public.
- Municipal Park Improvements –To enhance Municipal Park and amenities for public purpose.
- Waterfront Plan Implementation – A long-range plan to improve and expand opportunities for boating, recreational fishing, and pedestrian waterfront access.
- Information Technology – The fund was established to fund fiber optic wiring and new phone system and any additional IT costs.
- American Reserve Plan Act – The Federal American Rescue Plan Act of 2021 (ARP) established Coronavirus State and Local Fiscal Recovery Funds (“CSLRF”), is for the for the purpose of responding to negative economic impacts of stemming from COVID-19
- Capital Reserve Fund – The fund is used to account for monies to set aside for future capital expenditures or projects.
- Emmerton School Repairs Grant Fund-A grant fund for Emmerton School Project Repairs
- Swansboro Bicentennial Park Boardwalk Extension –Grant fund to extend the Bicentennial Boardwalk with public day docks.
- State Capital Infrastructure Fund Sidewalk –Grant funds to complete sidewalk improvements.

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Town of Swansboro, North Carolina
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2023

Item IV - b.

	Park & Recreation Reserve	Municipal Park Improvements	Waterfront Plan Implementation	Information Technology	American Rescue Plan Act	Capital Reserve Fund
Assets						
Cash and cash equivalents	\$ 144,910	\$ 13,879	\$ 2,902	\$ 5,478	\$ 317,983	\$ 502,802
Grants receivable	-	-	-	-	-	-
Total Assets	<u>\$ 144,910</u>	<u>\$ 13,879</u>	<u>\$ 2,902</u>	<u>\$ 5,478</u>	<u>\$ 317,983</u>	<u>\$ 502,802</u>
Liabilities and Fund Balances						
Current Liabilities:						
Liabilities payable from restricted assets	\$ -	\$ -	\$ -	\$ -	\$ 265,851	\$ -
Accounts payable	-	1,137	-	-	52,132	-
Total Liabilities	<u>\$ -</u>	<u>\$ 1,137</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 317,983</u>	<u>\$ -</u>
Fund Balances:						
Restricted:						
Capital improvements	\$ 144,910	\$ 12,742	\$ 2,902	\$ 5,478	\$ -	\$ 502,802
Total Fund Balances	<u>\$ 144,910</u>	<u>\$ 12,742</u>	<u>\$ 2,902</u>	<u>\$ 5,478</u>	<u>\$ -</u>	<u>\$ 502,802</u>
Total Liabilities and Fund Balances	<u>\$ 144,910</u>	<u>\$ 13,879</u>	<u>\$ 2,902</u>	<u>\$ 5,478</u>	<u>\$ 317,983</u>	<u>\$ 502,802</u>

Town of Swansboro, North Carolina
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2023

	Emmertton School Repairs Grant Fund	Swansboro Bicentennial Park Boardwalk Extension	State Capital Infrastructure Fund-Sidewalk	Total Combining
Assets				
Cash and cash equivalents	\$ -	\$ 6,968	\$ 100,000	\$ 1,094,922
Grants receivable	9,055	3,124	-	12,179
Total Assets	<u>\$ 9,055</u>	<u>\$ 10,092</u>	<u>\$ 100,000</u>	<u>\$ 1,107,101</u>
Liabilities and Fund Balances				
Current Liabilities:				
Liabilities payable from restricted assets	\$ -	\$ -	\$ 100,000	\$ 365,851
Accounts payable	9,055	10,092	-	72,416
Total Liabilities	<u>\$ 9,055</u>	<u>\$ 10,092</u>	<u>\$ 100,000</u>	<u>\$ 438,267</u>
Fund Balances:				
Restricted:				
Capital improvements	\$ -	\$ -	\$ -	\$ 668,834
Total Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 668,834</u>
Total Liabilities and Fund Balances	<u>\$ 9,055</u>	<u>\$ 10,092</u>	<u>\$ 100,000</u>	<u>\$ 1,107,101</u>

Town of Swansboro, North Carolina
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2023

Item IV - b.

	Park & Recreation Reserve	Municipal Park Improvements	Waterfront Plan Implementation	Information Technology	American Rescue Plan Act	Capital Reserve Fund
Revenues						
Total Revenues	\$ 7,170	\$ -	\$ -	\$ -	\$ 689,662	\$ -
Expenditures						
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 689,662	\$ -
Revenues Over Expenditures	\$ 7,170	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Sources (Uses)						
Transfers in:						
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,095
Capital Reserve Fund	-	-	-	-	-	-
Transfers out:						
General Fund	-	-	-	-	-	-
Other funds	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,095
Net Change in Fund Balance	\$ 7,170	\$ -	\$ -	\$ -	\$ -	\$ 75,095
Fund Balance, beginning	137,740	12,742	2,902	5,478	-	427,707
Fund Balance, ending	<u>\$ 144,910</u>	<u>\$ 12,742</u>	<u>\$ 2,902</u>	<u>\$ 5,478</u>	<u>\$ -</u>	<u>\$ 502,802</u>

Town of Swansboro, North Carolina
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2023

	Emmerton School Repairs Grant Fund	Swansboro Bicentennial Park Boardwalk Extension	State Capital Infrastructure Fund-Sidewalk	Total Combining
Revenues				
Total Revenues	\$ 9,055	\$ 3,124	\$ -	\$ 709,011
Expenditures				
Total Expenditures	\$ 9,055	\$ 30,124	\$ -	\$ 728,841
Revenues Over Expenditures	\$ -	\$ (27,000)	\$ -	\$ (19,830)
Other Financing Sources (Uses)				
Transfers in:				
General Fund	\$ -	\$ 27,000	\$ -	\$ 102,095
Capital Reserve Fund	-	-	-	-
Transfers out:				
General Fund	-	-	-	-
Other funds	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ 27,000	\$ -	\$ 102,095
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ 82,265
Fund Balance, beginning	-	-	-	586,569
Fund Balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 668,834</u>

Town of Swansboro, North Carolina
Capital Project Funds
Parks & Recreation Reserve Fund
From Inception and For the Fiscal Year Ended June 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:					
Restricted intergovernmental					
Parks & recreation development fee	\$ 103,180	\$ 240,920	\$ 7,170	\$ 248,090	\$ 144,910
Other Financing Sources (Uses)					
Transfers out:					
Waterfront Plan Implementation Project	\$ 46,600	\$ -	\$ -	\$ -	\$ 46,600
Municipal Park Improvements	49,080	-	-	-	49,080
General Fund	7,500	-	-	-	7,500
Total Other Financing Sources (Uses)	\$ 103,180	\$ 103,180	\$ -	\$ 103,180	\$ 103,180
Revenues Over (Under) Expenditures	<u>\$ 103,180</u>	<u>\$ 240,920</u>	<u>\$ 7,170</u>	<u>\$ 248,090</u>	<u>\$ 144,910</u>
Fund Balance:					
Beginning of year, July 1			<u>137,740</u>		
End of year, June 30			<u>\$ 144,910</u>		

Town of Swansboro, North Carolina
Capital Project Funds
Municipal Park Improvement Project Fund
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental:					
PARTF grant	\$ 500,000	\$ 477,642	\$ -	\$ 477,642	\$ (22,358)
NC Dept of Natural & Cultural Resources	196,324	195,187	-	195,187	(1,137)
Donations	100,000	100,000	-	100,000	-
	<u>\$ 796,324</u>	<u>\$ 772,829</u>	<u>\$ -</u>	<u>\$ 772,829</u>	<u>\$ (23,495)</u>
Total Revenues					
Expenditures:					
Design and engineering	\$ 30,000	\$ 28,297	\$ -	\$ 28,297	\$ 1,703
Construction-recreation center	708,000	694,661	-	694,661	13,339
Construction-concession stand	75,000	69,402	-	69,402	5,598
Construction-SMP enhancement	295,404	282,901	-	282,901	12,503
Exercise trail	26,900	26,836	-	26,836	64
Skateboard area	58,500	58,192	-	58,192	308
Playground structure	81,500	81,434	-	81,434	66
Equipment	9,800	9,800	-	9,800	-
Contingency	40,000	37,344	-	37,344	2,656
	<u>\$ 1,325,104</u>	<u>\$ 1,288,867</u>	<u>\$ -</u>	<u>\$ 1,288,867</u>	<u>\$ 36,237</u>
Total Expenditures					
Other Financing Sources (Uses):					
Transfers-in:					
General Fund	\$ 160,000	\$ 160,000	\$ -	\$ 160,000	\$ -
Parks & Recreation Reserve Fund	368,780	368,780	-	368,780	-
	<u>\$ 528,780</u>	<u>\$ 528,780</u>	<u>\$ -</u>	<u>\$ 528,780</u>	<u>\$ -</u>
Total Other Financing Sources					
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 12,742</u>	<u>\$ -</u>	<u>\$ 12,742</u>	<u>\$ 12,742</u>
Fund Balance:					
Beginning of year, July 1			<u>12,742</u>		
End of year, June 30			<u>\$ 12,742</u>		

Town of Swansboro, North Carolina
Capital Project Funds
Waterfront Plan Implementation Project Fund
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Authorization	Actual Prior Years	Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted Intergovernmental					
Local grants	\$ 29,182	\$ 32,182	\$ -	\$ 32,182	\$ 3,000
State grants	338,035	255,059	-	255,059	(82,976)
Total Revenues	\$ 367,217	\$ 287,241	\$ -	\$ 287,241	\$ (79,976)
Expenditures:					
Surveying	\$ 4,200	\$ 4,200	\$ -	\$ 4,200	\$ -
Planning services	50,311	47,088	-	47,088	3,223
Engineering	30,012	26,452	-	26,452	3,560
Construction	439,294	363,199	-	363,199	76,095
Total Expenditures	\$ 523,817	\$ 440,939	\$ -	\$ 440,939	\$ 82,878
Revenues Over (Under) Expenditures	\$ (156,600)	\$ (153,698)	\$ -	\$ (153,698)	\$ 2,902
Other Financing Sources (Uses):					
Transfers-in:					
General fund	\$ 141,000	\$ 141,000	\$ -	\$ 141,000	\$ -
Parks and Recreation Reserve Fund	46,600	46,600	-	46,600	-
Capital reserve fund	10,000	10,000	-	10,000	-
Transfers-out:					
Port of Swannsborough	(41,000)	(41,000)	-	(41,000)	-
Total Other Financing Sources	\$ 156,600	\$ 156,600	\$ -	\$ 156,600	\$ -
Net Change in Fund Balance	\$ -	\$ 2,902	\$ -	\$ 2,902	\$ -
Fund Balance:					
Beginning of year, July 1			2,902		
End of year, June 30			\$ 2,902		

Town of Swansboro, North Carolina
Capital Project Funds
Information Technology Project Fund
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental Time Warner contribution	\$ 55,300	\$ 55,300	\$ -	\$ 55,300	\$ -
Total Revenues	\$ 55,300	\$ 55,300	\$ -	\$ 55,300	\$ -
Expenditures:					
Construction	\$ 82,500	\$ 101,486	\$ -	\$ 101,486	\$ (18,986)
Supplies	22,800	1,273	-	1,273	21,527
Capital Outlay	15,000	14,302	-	14,302	698
Miscellaneous	5,000	2,761	-	2,761	2,239
Total Expenditures	\$ 125,300	\$ 119,822	\$ -	\$ 119,822	\$ 5,478
Revenues Over (Under) Expenditures	\$ (70,000)	\$ (64,522)	\$ -	\$ (64,522)	\$ 5,478
Other Financing Sources (Uses):					
Transfers-in:					
General Fund	\$ 45,000	\$ 45,000	\$ -	\$ 45,000	\$ -
Town Hall Offices Project	25,000	25,000	-	25,000	-
Total Other Financing Sources	\$ 70,000	\$ 70,000	\$ -	\$ 70,000	\$ -
Over (Under) Expenditures	\$ -	\$ 5,478	\$ -	\$ 5,478	\$ 5,478
Fund Balance:					
Beginning of year, July 1			5,478		
End of year, June 30			\$ 5,478		

Town of Swansboro, North Carolina
Special Revenue Funds - American Rescue Plan Act
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
ARPA Funds	\$ 1,065,724	\$ 132,087	\$ 689,662	\$ 821,749	\$ (243,975)
Total Revenues	\$ 1,065,724	\$ 132,087	\$ 689,662	\$ 821,749	\$ (243,975)
Expenditures:					
ARPA expenditures	1,065,724	132,087	689,662	821,749	243,975
Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Sources (Uses): Transfer from Capital Reserve	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

Town of Swansboro, North Carolina
Capital Project Funds - Capital Reserve Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2023

	Project	Actual		Variance
	Authorization	Prior	Current	Favorable
		Years	Year	(Unfavorable)
Revenues:				
Reserve for capital	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ -	\$ -	\$ -	\$ -
Other Financing Sources (Uses)				
Transfers out:				
Waterfront Project	\$ -	\$ -	\$ -	\$ -
General Fund	(47,450)	-	-	47,450
Transfers in:				-
General Fund	461,509	475,157	75,095	88,743
Fund balance appropriated	(414,059)	-	-	414,059
Total Other Financing Sources (Uses)	\$ -	\$ 475,157	\$ 75,095	\$ 550,252
Revenues Over (Under) Expenditures	\$ -	\$ 475,157	\$ 75,095	\$ 550,252
Fund Balance:				
Beginning of year, July 1			427,707	
End of year, June 30			\$ 502,802	

Town of Swansboro, North Carolina
Capital Project - State Capital Infrastructure Fund-Sidewalk
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
State grant	\$ 100,000	\$ -	\$ -	\$ -	\$ (100,000)
Total Revenues	\$ 100,000	\$ -	\$ -	\$ -	\$ (100,000)
Expenditures:					
Capital outlay - Sidewalk	100,000	-	-	-	100,000
Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Sources (Uses):					
Transfer out to General Fund	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

Town of Swansboro, North Carolina
Capital Project - Emmerton School Repairs Grant Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
State grant	\$ 424,000	\$ -	\$ 9,055	\$ 9,055	\$ (414,945)
Total Revenues	\$ 424,000	\$ -	\$ 9,055	\$ 9,055	\$ (414,945)
Expenditures:					
Capital outlay - Sidewalk	424,000	-	9,055	9,055	414,945
Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Sources (Uses):					
Transfer out to General Fund	-	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

Town of Swansboro, North Carolina
Capital Project - Swansboro Bicentennial Park Boardwalk Extension
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
State grant	\$ 100,000	\$ -	\$ 3,124	\$ 3,124	\$ (96,876)
Total Revenues	\$ 100,000	\$ -	\$ 3,124	\$ 3,124	\$ (96,876)
Expenditures:					
Capital outlay - Sidewalk	100,000	-	30,124	30,124	69,876
Revenues Over (Under) Expenditures	\$ -	\$ -	\$ (27,000)	\$ (27,000)	\$ (27,000)
Other Financing Sources (Uses):					
Transfer out to General Fund	-	-	27,000	27,000	27,000
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

Town of Swansboro, North Carolina
Stormwater Fund
Schedule of Revenues And Expenditures
Budget and Actual (Non - GAAP)
For the Year Ended June 30, 2023

	Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for services	\$ 138,499	\$ 156,725	\$ 18,226
Other operating revenues	5,716	-	(5,716)
Total Operating Revenues	<u>\$ 144,215</u>	<u>\$ 156,725</u>	<u>\$ 12,510</u>
Expenditures			
Stormwater:			
Salaries and employee benefits		\$ 67,087	
Supplies		3,954	
Maintenance		13,764	
Tipping fees		1,940	
Other operating expenditures		135,952	
Total	<u>\$ 261,203</u>	<u>\$ 222,697</u>	<u>\$ 38,506</u>
Capital outlay	-	-	-
Total Expenditures	<u>\$ 261,203</u>	<u>\$ 222,697</u>	<u>\$ 38,506</u>
Revenues Over (Under) Expenditures	<u>\$ (116,988)</u>	<u>\$ (65,972)</u>	<u>\$ 51,016</u>
Other Financing Sources (Uses)			
Transfers from (to) other funds	\$ 2,228	\$ 2,228	\$ -
Fund balance appropriated	27,000	-	(27,000)
Contributed capital	87,760	86,510	(1,250)
Total Other Financing Sources	<u>\$ 116,988</u>	<u>\$ 88,738</u>	<u>\$ (28,250)</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 22,766</u>	<u>\$ 22,766</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Revenues and Other Sources Over Expenditures and Other Uses		<u>\$ 22,766</u>	
Reconciling items:			
Capital outlay		-	
(Increase) decrease in deferred outflows of resources		(3,664)	
Increase (decrease) in net pension liability		27,433	
Increase (decrease) in deferred inflows		(5,809)	
Depreciation		(10,439)	
Increase (decrease) in OPEB liability		(2,971)	
Total reconciling items		<u>\$ 4,550</u>	
Change in Net Position		<u>\$ 27,316</u>	

Town of Swansboro, North Carolina
Solid Waste Fund
Schedule of Revenues And Expenditures
Budget and Actual (Non - GAAP)
For the Year Ended June 30, 2023

	Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for services		\$ 469,069	
Other operating revenues		-	
Total operating revenues	\$ 446,121	\$ 469,069	\$ 22,948
Non-operating revenues:			
Interest earnings	-	-	-
Total Revenues	\$ 446,121	\$ 469,069	\$ 22,948
Expenditures			
Sewer			
Salaries and employee benefits		\$ 33,759	
Supplies		320	
Tipping fees		86,595	
Other operating expenditures		282,074	
Total	\$ 446,121	\$ 402,748	\$ 43,373
Capital Outlay	\$ -	\$ -	\$ -
Total Expenditures	\$ 446,121	\$ 402,748	\$ 43,373
Revenues Over (Under) Expenditures	\$ -	\$ 66,321	\$ 66,321
Other Financing Sources (Uses)			
Transfers from (to) other funds	\$ -	\$ -	\$ -
Fund balance increase	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -
Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	\$ 66,321	\$ 66,321
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Revenues and Other Sources Over Expenditures and Other Uses		\$ 66,321	
Reconciling items:			
Depreciation		(19,778)	
Capital outlay		-	
(Increase) decrease in deferred outflows or resources		(3,664)	
Increase (decrease) in net pension liability		2,743	
Increase (decrease) in deferred inflows of resources		(5,809)	
Increase (decrease) in OPEB liability		(2,971)	
Total Reconciling Items		\$ (29,479)	
Change in Net Position		\$ 36,842	

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Other Schedules

This section contains additional information on property taxes.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy

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Town of Swansboro, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2023

Item IV - b.

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2022</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2023</u>
2022-2023	\$ -	\$ 2,444,876	\$ 2,413,129	\$ 31,747
2021-2022	11,028	-	6,406	4,622
2020-2021	4,319	-	113	4,206
2019-2020	1,428	-	33	1,395
2018-2019	1,551	-	23	1,528
2017-2018	1,361	-	2	1,359
2016-2017	1,185	-	145	1,040
2015-2016	1,356	-	-	1,356
2014-2015	1,467	-	-	1,467
2013-2014	3,391	-	7	3,384
2012-2013	5,240	-	5,240	-
	<u>\$ 32,326</u>	<u>-</u>	<u>2,425,098</u>	<u>\$ 52,104</u>
Less: allowance for uncollectible accounts				<u>7,281</u>
Ad valorem taxes receivable - net				<u>\$ 44,823</u>
Reconciliation with Revenues:				
Ad valorem taxes - General Fund				<u>\$ 2,422,751</u>
Reconciling items:				
Releases and adjustments				4,529
Taxes written off				5,240
Interest collected				(7,422)
Total reconciling items				<u>\$ 2,347</u>
Total collections and credits				<u>\$ 2,425,098</u>

Town of Swansboro, North Carolina
Analysis of Current Tax Levy
Town-wide Levy
For the Fiscal Year Ended June 30, 2023

Item IV - b.

	Town-wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 645,366,000	0.35	\$ 2,258,781	\$ 2,258,781	\$ -
Registered motor vehicles taxed at current rate	53,170,000	0.35	186,095	-	186,095
Total property valuation	<u>\$ 698,536,000</u>				
Net levy			\$ 2,444,876	\$ 2,258,781	\$ 186,095
Unpaid (by taxpayer) at June 30, 2023			<u>(31,747)</u>	<u>(31,747)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 2,413,129</u>	<u>\$ 2,227,034</u>	<u>\$ 186,095</u>
Current levy collection percentage			<u>98.70%</u>	<u>98.59%</u>	<u>100.00%</u>

STATISTICAL SECTION

This part of the Town of Swansboro's comprehensive annual financial report represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability if the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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Table 1

Town of Swansboro, North Carolina
NET POSITION BY COMPONENT
 Last Ten Fiscal Years
 (accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net Investment in Capital Assets	\$ 4,564,695	\$ 4,403,863	\$ 5,230,787	\$ 4,989,953	\$ 5,448,901	\$ 5,542,096	\$ 5,569,892	\$ 5,599,105	\$ 5,573,365	\$ 5,648,992
Restricted	526,654	828,083	378,073	755,410	576,215	724,427	691,177	1,169,631	1,079,103	1,059,467
Unrestricted	1,261,297	1,011,258	954,390	1,423,578	975,487	1,242,727	1,532,760	1,404,464	1,726,460	2,489,171
Total governmental activities net position	\$ 6,352,646	\$ 6,243,204	\$ 6,563,250	\$ 7,168,941	\$ 7,000,603	\$ 7,509,250	\$ 7,793,829	\$ 8,173,200	\$ 8,378,928	\$ 9,197,630
Business-type activities										
Net Investment in Capital Assets	\$ 0	\$ 0	\$ 0	73188	86884	100147	\$ 239,822	\$ 227,836	\$ 258,974	\$ 248,535
Unrestricted	-	-	-	-61202	-45444	12224	14,053	69,193	201,816	276,413
Total business-type activities net position	\$ 0	\$ 0	\$ 0	\$ 11,986	\$ 41,440	\$ 112,371	\$ 253,875	\$ 297,029	\$ 460,790	\$ 524,948
Primary government										
Net Investment in Capital Assets	\$ 4,564,695	\$ 4,403,863	\$ 5,230,787	\$ 5,063,141	\$ 5,535,785	\$ 5,642,243	\$ 5,809,714	\$ 5,826,941	\$ 5,832,339	\$ 5,897,527
Restricted	526,654	828,083	378,073	755,410	576,215	724,427	691,177	1,169,631	1,079,103	1,059,467
Unrestricted	1,261,297	1,011,258	954,390	1,362,376	930,043	1,254,951	1,546,813	1,473,657	1,928,276	2,765,584
Total primary government net position	\$ 6,352,646	\$ 6,243,204	\$ 6,563,250	\$ 7,180,927	\$ 7,042,043	\$ 7,621,621	\$ 8,047,704	\$ 8,470,229	\$ 8,839,718	\$ 9,722,578

Table 2

Town of Swansboro, North Carolina
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities:										
Expenses										
General government	\$ 1,057,881	\$ 1,112,835	\$ 1,069,286	\$ 834,559	\$ 1,264,390	\$ 2,554,830	\$ 939,050	\$ 700,524	\$ 924,517	\$ 986,279
Public safety	1,545,594	1,322,229	1,248,651	1,453,439	1,485,086	1,622,146	1,989,854	2,266,322	2,031,383	2,183,653
Transportation	342,603	301,509	353,212	291,241	278,326	308,068	276,500	449,106	430,280	391,538
Economic development	60,147	60,083	56,784	66,166	140,494	310,249	145,233	143,597	331,837	964,839
Environmental protection	202,026	222,192	219,308	-	-	-	-	-	-	-
Cultural and recreation	307,758	346,952	325,874	350,443	357,969	321,218	342,413	369,351	419,503	401,829
Other	-	-	-	-	-	-	187,429	221,532	297,584	308,153
Interest on long-term debt	29,145	31,290	35,056	22,493	43,548	42,939	41,269	9,706	2,657	8,993
Total expenses	3,545,154	3,397,090	3,308,171	3,018,341	3,569,813	5,159,450	3,921,748	4,160,138	4,437,761	5,245,284
Program Revenues										
Charges for services:										
General government	83,216	59,043	52,165	\$ 75,895	\$ 79,227	\$ 130,524	72,725	57,994	98,838	84,993
Public safety	238,960	135,106	135,979	359,809	195,318	203,587	237,358	295,995	223,605	121,741
Transportation	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	3,096	1,299	1,345	6,045	31,866	79,096	-	-
Environmental protection	239,947	239,626	243,547	-	-	-	-	-	-	-
Cultural and recreational	43,088	30,009	41,408	54,394	41,938	116,439	68,131	60,153	115,439	196,175
Other	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	220,524	253,182	232,326	230,060	305,050	942,063	417,820	584,617	459,558	486,161
Capital grants and contributions	72,907	103,298	226,281	189,638	263,936	99,716	50,508	9,474	147,807	728,531
Total program revenues	898,642	820,264	934,802	911,095	886,814	1,498,374	878,408	1,087,329	1,045,247	1,617,601
Total Governmental Activities Net Program Expense	(2,646,512)	(2,576,826)	(2,373,369)	(2,107,246)	(2,682,999)	(3,661,076)	(3,043,340)	(3,072,809)	(3,392,514)	(3,627,683)
General Revenues and Other Changes in Net Position										
Taxes										
Property taxes	1,473,938	1,468,704	1,507,730	1,537,294	1,566,980	1,696,102	1,745,281	1,827,867	1,893,788	2,441,160
Other taxes	1,055,498	1,085,983	1,089,151	1,121,202	68,371	98,783	71,088	78,930	102,690	120,925
Privilege licenses	25,292	45	-	-	-	-	-	-	-	-
Grants and contributions not restricted to specific programs	-	-	-	-	1,091,843	1,212,651	1,268,190	1,473,942	1,617,719	1,745,259
Unrestricted investment earnings	1,905	1,531	5,189	11,865	25,378	42,378	41,710	1,080	1,650	62,397
Miscellaneous	101,696	72,077	91,345	88,178	134,687	1,118,309	365,452	97,872	52,549	78,872
Transfers	-	-	-	-	(20,000)	1,500	(163,802)	(27,511)	(70,154)	(2,228)
Total general revenues and other changes in net position	2,658,329	2,628,340	2,693,415	2,758,539	2,867,259	4,169,723	3,327,919	3,452,180	3,598,242	4,446,385
Total Governmental Activities Change in Net Position	\$ 11,817	\$ 51,514	\$ 320,046	\$ 651,293	\$ 184,260	\$ 508,647	\$ 284,579	\$ 379,371	\$ 205,728	\$ 818,702

Table 2, (continued)

Town of Swansboro, North Carolina
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Business-type Activities:</u>										
Expenses										
Water and Sewer	-	-	-	-	-	-	-	-	-	-
Stormwater	-	-	-	71,493	78,517	71,688	123,764	117,630	122,200	218,147
Solid Waste	-	-	-	272,525	307,920	302,905	335,165	405,335	400,143	432,227
Total expenses	-	-	-	344,018	386,437	374,593	458,929	522,965	522,343	650,374
Revenues										
Charges for services:										
Water and Sewer	-	-	-	-	-	-	-	-	-	-
Stormwater	-	-	-	83,261	107,889	116,268	108,587	133,961	150,813	156,725
Solid Waste	-	-	-	272,743	288,002	314,882	328,044	399,232	455,102	469,069
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total revenues	-	-	-	356,004	395,891	431,150	436,631	533,193	605,915	625,794
Total Business-type Activities Net Program Expense	-	-	-	11,986	9,454	56,557	(22,298)	10,228	83,572	(24,580)
Other Changes in Net Position										
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Unrestricted investment earnings	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	5,874	-	5,415	10,035	86,510
Special Item: Net transfer (to) from ONWASA	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	20,000	(1,500)	163,802	27,511	70,154	2,228
Total Business-type Activities Change in Net Position	\$ -	\$ -	\$ -	\$ 11,986	\$ 29,454	\$ 60,931	\$ 141,504	\$ 43,154	\$ 163,761	\$ 64,158
Total Primary Government Change in Net Position	\$ 11,817	\$ 51,514	\$ 320,046	\$ 663,279	\$ 213,714	\$ 569,578	\$ 426,083	\$ 422,525	\$ 369,489	\$ 882,860

Table 3

Town of Swansboro, North Carolina
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	-	-	-	-	-	-	-	-	1,801.00	1,340.00
Restricted	210,565.00	273,770.00	206,186.00	268,203.00	294,859.00	416,603.00	358,110.00	551,332.00	492,534.00	372,812.00
Assigned	-	-	-	164,802.00	97,730.00	123,471.00	378,472.00	249,260.00	-	385,883.00
Unassigned	1,495,851.00	1,354,290.00	1,356,191.00	1,745,540.00	1,816,698.00	2,156,201.00	#####	#####	2,976,642.00	3,556,522.00
Total general fund	<u>\$ 1,706,416</u>	<u>\$ 1,628,060</u>	<u>\$ 1,562,377</u>	<u>\$ 2,178,545</u>	<u>\$ 2,209,287</u>	<u>\$ 2,696,275</u>	<u>\$ 2,966,005</u>	<u>\$ 3,232,600</u>	<u>\$ 3,470,977</u>	<u>\$ 4,316,557</u>
All Other Governmental Funds										
Restricted	316,089.00	-	-	-	-	-	-	-	-	-
Unrestricted, reported in:										
Capital projects funds	-	554,313.00	171,887.00	281,356.00	281,356.00	307,824.00	333,067.00	618,299.00	586,569.00	675,779.00
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 316,089</u>	<u>\$ 554,313</u>	<u>\$ 171,887</u>	<u>\$ 281,356</u>	<u>\$ 281,356</u>	<u>\$ 307,824</u>	<u>\$ 333,067</u>	<u>\$ 618,299</u>	<u>\$ 586,569</u>	<u>\$ 675,779</u>

Note: The classifications of fund balance changed in 2010.

Table 4

Town of Swansboro, North Carolina
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Ad valorem taxes	\$ 1,473,833	\$ 1,467,055	\$ 1,513,834	\$ 1,541,629	\$ 1,573,343	\$ 1,722,590	\$ 1,737,283	\$ 1,838,055	\$ 1,895,353	\$ 2,422,751
Other taxes and licenses	888,119	815,118	774,078	812,899	68,371	98,783	71,088	78,930	102,690	120,925
Unrestricted intergovernmental revenues	209,411	256,714	315,073	308,303	1,091,843	1,212,651	1,268,190	1,473,942	1,617,719	1,745,259
Restricted intergovernmental revenues	303,251	358,100	232,326	419,698	568,986	942,063	417,820	584,617	607,365	486,161
Permits and fees	562,556	457,427	475,835	490,877	317,368	456,595	410,080	414,142	437,882	402,519
Sales and services	540	225	360	520	460	360	830	1,470	820	390
Investment earnings	1,905	1,531	5,189	11,865	25,378	42,378	41,710	1,080	1,650	56,402
Miscellaneous	106,650	122,619	86,080	78,053	72,652	1,110,184	359,752	96,142	50,679	72,094
Contributions	3,680	3,525	3,907	10,125	11,549	7,765	4,870	1,730	1,050	6,778
Total revenues	3,549,945	3,482,314	3,406,682	3,673,969	3,729,950	5,593,369	4,311,623	4,490,108	4,715,208	5,313,279
Expenditures:										
General government	950,643	1,113,278	917,528	747,003	479,063	2,282,960	689,791	790,074	861,998	808,777
Public safety	1,412,270	1,367,184	1,259,906	1,324,479	1,430,128	1,656,995	1,880,813	1,852,808	1,972,673	1,986,491
Transportation	311,048	290,520	281,291	210,436	162,654	229,227	236,081	363,173	267,521	374,652
Environmental protection	202,026	60,083	125,594	-	-	-	-	-	-	0
Cultural and recreational	242,030	222,514	219,308	277,370	261,618	250,184	251,544	286,572	315,630	216,478
Economic development	60,147	275,810	286,748	66,166	463,456	180,001	145,233	92,936	331,837	324,025
Non-departmental	24,280	22,470	52,929	49,968	300,145	191,044	187,429	221,532	297,584	308,153
Capital outlay	767,405	250,141	800,126	853,047	580,789	177,217	350,163	172,561	94,229	88,432
Debt service:									-	-
Principal retirement	97,607	100,763	289,998	101,613	214,144	217,531	221,000	268,549	294,278	247,375
Interest and fees	31,141	27,985	37,365	32,399	43,548	42,939	41,269	9,706	2,657	8,993
Total expenditures	4,098,597	3,730,748	4,270,793	3,662,481	3,935,545	5,228,098	4,003,323	4,057,911	4,438,407	4,363,376
Excess of revenues over (under) expenditures	(548,652)	(248,434)	(864,111)	11,488	(205,595)	365,271	308,300	432,197	276,801	949,903
Other financing sources (uses):										
Debt issued	-							-	-	-
Sales of capital assets	10,389	8,302	1,358	-	50,486	-	-	-	-	-
Loan Proceeds	-	400,000	-	920,000	-	-	227,700	110,700	-	-
Transfers in	660,545	803,048		464,955	144,132	17,500		123,634	-	-
Transfers (out)	(660,545)	(803,048)	(3,056)	(464,955)	(164,132)	(73,000)	(266,270)	(399,936)	(70,154)	(104,323)
Total other financing sources (uses)	10,389	408,302	(1,698)	920,000	30,486	(55,500)	(38,570)	(165,602)	(70,154)	(104,323)
Net change in fund balances	\$ (538,263)	\$ 159,868	\$ (65,683)	\$ 931,488	\$ (175,109)	\$ 309,771	\$ 269,730	\$ 266,595	\$ 206,647	\$ 845,580
Debt service as a percentage of noncapital expenditures	3.9%	3.7%	9.4%	4.8%	7.7%	5.2%	7.2%	7.2%	6.8%	6.0%

Table 5

Town of Swansboro, North Carolina
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years

Real Property									Total Direct Tax Rate (3)	Estimated Actual Taxable Value (4)	Taxable Assessed Value as a Percentage of Actual Value
Fiscal Year	Residential Property	Commercial Property	Industrial Property	Present-use Value (1)	Personal Property	Public Service Companies (2)	Less Exemptions	Total Taxable Assessed Value			
2014	307,229,330	65,847,344	509,840	9,560	41,803,368	4,241,886	3,483,125	401,817,847	0.350	393,098,400	102.22%
2015	295,600,600	77,437,501	742,680	11,500	39,333,998	3,884,460	3,409,620	413,601,119	0.350	380,292,891	108.76%
2016	303,588,080	77,970,081	742,680	11,500	44,201,856	3,854,053	3,335,020	427,033,230	0.350	N/A	N/A
2017	308,578,874	78,380,101	742,680	13,400	15,920,496	3,745,793	3,286,938	404,094,406	0.350	N/A	N/A
2018	317,532,344	78,289,161	742,680	11,500	16,256,102	3,849,385	4,031,860	444,618,348	0.350	N/A	N/A
2019	332,217,399	108,045,036	594,022	11,580	22,337,442	3,380,344	4,614,990	462,232,273	0.350	N/A	N/A
2020	340,622,360	115,819,752	594,022	7,320	18,518,984	3,283,451	5,046,551	473,799,338	0.350	N/A	N/A
2021	340,888,060	115,819,752	594,022	7,320	24,194,699	3,283,451	5,046,551	479,740,753	0.350	N/A	N/A
2022	354,951,130	117,310,726	594,022	7,320	24,618,118	3,221,166	5,103,710	495,598,772	0.350	N/A	N/A
2023	492,678,353	127,811,781	574,470	7,780	25,296,798	4,164,308	6,077,179	644,456,311	0.350	N/A	N/A

Source: Annual Town of Swansboro Report of Valuation and Property Tax Levies

Notes:

(1) Present use value property is agricultural and horticultural and forestland for which the owner has applied for the property to be taxed at its present use. The difference in taxes on the present use basis and the taxes that would have been payable are a lien on the property and are deferred. The taxes become due if the property ceases to qualify for present use value. The preceding three fiscal years taxes are then required to be paid. Property in Onslow County is reassessed every four years. The last reassessment was on January 1, 2022. The 22/23FY will reflect the reassessment as of January 1, 2022, and will be the basis for fiscal 2023 taxes. The county assesses property at 100 percent of actual value. Tax rates are per \$100 of assessed value.

(2) Public service companies valuations are provided to the County by North Carolina Department of Revenue. These amounts include both real and personal property.

(3) Per \$100 value.

(4) The estimated market value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on the actual property sales which took place during the fiscal year.

Table 6

Town of Swansboro, North Carolina
DIRECT AND OVERLAPPING PROPERTY TAX RATES
 Last Ten Fiscal Years
(rate per \$100 of assessed value)

<u>Fiscal Year</u>	<u>Town's Direct Rate</u>	<u>Overlapping Rates</u>	<u>Total</u>
	<u>Basic Rate</u>	<u>Onslow County</u>	
2014	0.3500	0.6750	1.0250
2015	0.3500	0.6750	1.0250
2016	0.3500	0.6750	1.0250
2017	0.3500	0.6750	1.0250
2018	0.3500	0.7050	1.0550
2019	0.3500	0.7050	1.0550
2020	0.3500	0.7050	1.0550
2021	0.3500	0.7050	1.0550
2022	0.3500	0.6550	1.0050
2023	0.3500	0.6550	1.0050

Sources: Town Finance Office and Onslow County Tax Administrator/Collector

Table 7

Town of Swansboro, North Carolina
PRINCIPAL PROPERTY TAX PAYERS
 Current Year and Nine Years Ago

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Walmart Real Estate Business Trust	13,287,572	1	1.90	-		-
Onslow Propco Holdings LLC	5,834,962	2	0.84			0.00
All Stor Swansboro LLC	3,067,655	3	0.44	-		-
Wal Mart Stores east LP US07179	3,688,730	4	0.53	-		-
PAEJ Properties LLC	2,443,750	5	0.35	-		-
Ward Family Investments LLC		6				
Swansboro Plaza Owners Association Inc		7				
Sewell Garland W Jr. & Cylesta		8				
Williams Properties II LLC		9				
Swansboro Hill LTD Part	-	10	-	1,391,341	8	0.33
Swansboro Ventures	4,039,773	4	0.58			0.00
Whale Enterprises, LLC	3,826,745	3	0.55	1,899,748	6	0.45
Stevenson John O & Susan B	3,092,791	6	0.44			-
The Rosemyr Corporation	2,812,061	8	0.40			-
Bailey & Fuller Properties LLC	2,738,756	9	0.39			-
Perry Michael, Mark & George	-		-	2,531,373	2	0.60
Carolina Telephone	-		-	2,799,282	1	0.67
First Citizens Bank & Trust Co	-		-	2,134,820	4	0.51
White Oak Manor Housing				1,918,448	5	0.46
East Park Housing Association				1,386,987	9	0.33
Nss Swansboro LLC				1,601,576	7	0.38
Swansboro Company LLC				2,353,798	3	0.56
Coastal Lan Ventures				1,386,619	10	0.33
Total	\$ 44,832,795		6.42 %	\$ 19,403,992		4.62 %

Source: Onslow County Tax Administrator/Collector

Table 8

Town of Swansboro, North Carolina
PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	1,472,985	1,434,718	97.40	-	1,434,718	97.40
2015	1,459,788	1,431,711	98.08	-	1,431,711	98.08
2016	1,502,478	1,468,128	97.71	-	1,468,128	97.71
2017	1,423,605	1,395,504	98.10	-	1,395,504	98.10
2018	1,562,956	1,541,641	98.64	-	1,541,641	98.64
2019	1,709,371	1,699,362	99.41	-	1,699,362	99.41
2020	1,758,462	1,742,557	99.10	-	1,742,557	99.10
2021	1,831,147	1,818,976	99.34	-	1,818,976	99.34
2022	1,909,069	1,898,041	99.42	-	1,898,041	99.42
2023	2,444,876	2,413,129	98.70	-	2,413,129	98.70

Source: Onslow County Tax Administrator/Collector

Table 9

Town of Swansboro, North Carolina
DIRECT AND OVERLAPPING SALES TAX RATES
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Onslow County ^a</u>
2014	2.25
2015	2.25
2016	2.25
2017	2.25
2018	2.25
2019	2.25
2020	2.25
2021	2.25
2022	2.25
2023	2.25

Sources: Town Finance Office and Onslow County Finance Office

Notes: The County sales tax rate may be changed only with the approval of the state legislature.

^a The Town does not levy a separate sales tax from the County.

Table 10

Town of Swansboro, North Carolina
RATIOS OF OUTSTANDING DEBT BY TYPE
 Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-type Activities	Total Primary Government	Percentage of Personal Income ^a	Debt Per Capita
	Installment Purchase Loans	USDA Bonds			
2014	1,209,925	-	1,209,925	0.02	404
2015	1,509,162	-	1,509,162	0.02	518
2016	1,219,164	-	1,219,164	N/A	415
2017	2,037,551	-	2,037,551	N/A	691
2018	1,823,407	-	1,823,407	N/A	610
2019	1,605,876	-	1,605,876	N/A	527
2020	1,612,576	-	1,612,576	N/A	530
2021	1,454,727	-	1,454,727	N/A	388
2022	1,160,449	-	1,160,449	N/A	297
2023	913,074	-	913,074	N/A	223

Notes:

The Town has no outstanding general obligation bonds. Details regarding the Town's outstanding debt can be found in the notes to the financial statements (Note 6)

^a See Table 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

N/A - Personal income information unavailable for this year

Table 11

Town of Swansboro, North Carolina
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2023

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ^a	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Onslow County General Obligation Debt	\$ 27,510,000	3.01%	\$ 828,988
Other Debt			
Onslow County Limited Obligation Bonds	162,825,000	3.01%	\$ 4,906,577
Onslow County Certificates of Participation	6,660,000	3.01%	\$ 200,693
Onslow County Installment Purchase Loans	2,200,000	3.01%	\$ 66,295
Subtotal, overlapping debt			<u>6,002,552</u>
Town direct debt			<u>913,074</u>
Total direct and overlapping debt			<u><u>\$ 6,915,626</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Onslow County Tax Collector/Assessor. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Swansboro. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident--and therefore responsible for repaying the debt--of each overlapping government.

^a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Onslow County's taxable assessed value that is within the Town's boundaries and dividing it by each unit's total taxable assessed value.

Table 12

Town of Swansboro, North Carolina
LEGAL DEBT MARGIN INFORMATION
 Last Three Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed valuations:	
Assessed value	\$ 704,613,179
Add back: exempt real property	<u>(6,077,179)</u>
Total assessed value	<u>\$ 698,536,000</u>
Legal debt margin:	
Debt limitation - 8 percent of total assessed value	55,882,880.00
Debt applicable to limitation:	
Total installment purchase obligations	<u>(913,074)</u>
Legal debt margin	<u>\$ 54,969,806</u>

	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt limit	\$ 41,854,789	\$ 43,635,863	\$ 55,882,880
Total net debt applicable to limit	<u>1,454,727</u>	<u>1,160,449</u>	<u>913,074</u>
Legal debt margin	<u>\$ 40,400,062</u>	<u>\$ 42,475,414</u>	<u>\$ 54,969,806</u>
Total net debt applicable to the limit as a percentage of debt limit	3.5%	2.7%	1.6%

Note: Under state finance law, the Town's outstanding general obligation debt may not exceed eight percent (8%) of total assessed

Table 13

Town of Swansboro, North Carolina
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years

Fiscal Year	(1) Population ^a	(2) Personal Income ^a (in thousands)	(2) Per Capita Personal Income ^a	(1) Median Age ^a	(3) School Enrollment ^b	(4) Unemployment Rate Percentage ^c
2014	2,993	N/A	NA	26.33	3,850	7.2
2015	2,916	N/A	26,429	37.70	3,209	6.7
2016	2,940	N/A	26,429	38.10	3,337	5.5
2017	2,948	N/A	26,429	38.20	3309	5.5
2018	2,988	N/A	25,666	37.90	2,089	4.6
2019	3,045	N/A	25,699	37.60	3,217	4.5
2020	3,045	N/A	28,530	40.77	3,170	5.3
2021	3,750	N/A	28,530	40.70	3,402	4.8
2022	3,904	N/A	42,824	41.00	4,012	4.8
2023	4,102	N/A	45,028	45.00	3,966	4.8

Sources:

- (1) NC Office of State Planning - State Demographer and US Census Bureau
 - (2) US Department of Commerce, Bureau of Economic Analysis
 - (3) Onslow County Board of Education
 - (4) NC Employment Security Commission
 - (5) Census Reporter
- NA - Data not available; approximately two-year lag in data released from BEA

Notes:

^a Population, personal income, and median age information is based on surveys conducted during the last quarter of the calendar year. Populations are the Town's however, personal income, per capita personal income, and median age figures are for Onslow County, which include Town of Swansboro.

^b Swansboro schools were contacted at the beginning of each school year for this information. Actual enrollment during the school year could have changed due to transfers and/or late enrollments.

^c Unemployment rate information is as of June 30th.

Table 14

Town of Swansboro, North Carolina
PRINCIPAL EMPLOYERS, CURRENT YEAR

Employer	2023		Percentage of Total County Employment
	Employees (b)	Rank	
Onslow County Board of Education (a)	413	1	See %
Walmart	318	2	Below
High Speed Gear Inc	85	3	
Town of Swansboro	72	4	
Food Lion, LLC	68	5	
McDonald's	64	6	
Piggly Wiggly	35	7	
Excell Learning Center	35	8	
Wendys	21	9	
Burger King	21	10	
Total	1,132		

Sources: Local employers.

Notes:

(a) Total includes staff at schools in Swansboro town limits: Swansboro High School, Swansboro Middle School, Swansboro Elementary School and Queens Creek Elementary School.

(b) Total includes full-time and part-time

Data for the nine years prior to the current period not presented because information is not available

Note: Actual number of employees is not available; therefore, the range/ranking provided by the Employment Security Commission is used.

Table 15

Town of Swansboro, North Carolina
FULL-TIME TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	11	11	11	11	13.5	14.5	13.75	13.75	13.75	16.5
Public safety	14	10	11	14	18	17	18.75	20.75	20.75	23.75
Transportation	5	5	4	4	1.5	1.5	1.3	1.3	2.3	2.75
Enterprise Fund-Stormwater	-	-	-	1	1	1	1.1	1.1	1.1	1.1
Enterprise Fund-Solid Waste	-	-	-	1	1	1	1.1	1.1	1.1	1.1
Enterprise Fund-Water	*	*	*	*	*	*	*	*	*	*
Enterprise Fund-Wastewater	*	*	*	*	*	*	*	*	*	*
TOTAL	30	26	26	31	35	35	36	38	39	45

* As of January 1, 2007, all water and wastewater operations were transferred to ONWASA, a local water and sewer authority.

Source: Town Finance Office

Table 16

Town of Swansboro, North Carolina
OPERATING INDICATORS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government										
Total permits issued related to:	1010	912	796	840	956	1037	1144	847.00	650	502
Residential units	835	647	601	620	665	747	894	608.00	388	317
Commercial units	175	265	195	220	291	290	250	239.00	262	185
Business privilege license collections	\$ 25,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police										
Physical arrests	1,088	147	111	153	130	179	142	174	258	227
Fire										
Emergency responses	250	246	334	363	370	379	446	449	715	883
Water										
Avg daily consumption (thousands of gallons)	*	*	*	*	*	*	*	*	*	*
Number of utility accounts	*	*	*	*	*	*	*	*	*	*
Wastewater										
Avg daily sewer treatment (thousands of gallons)	*	*	*	*	*	*	*	*	*	*
Number of utility accounts	*	*	*	*	*	*	*	*	*	*
Solid Waste Disposal										
Refuse collected (tons per fiscal year)	910.36	785.54	1007.21	1078.34	1163.33	1395.95	1301.42	1312.47	1392.16	1434.56
Yard waste collected (tons per fiscal year)	116.84	45.62	24.17	38.15	37.06	16.05	22.44	**	**	**
Recyclables collected (tons per fiscal year)	314.32	320.98	274.85	297.66	290.16	289.29	295.21	229.29	246.64	130.27

* As of January 1, 2007, all water and wastewater operations were transferred to ONWASA, a local water and sewer authority

Physical Arrests prior to 2015, also included citations.

**Landfill Tonnage details are taken from the Onslow County Solid Waste monthly invoice. As of 7.1.2020 no more yard waste tipping fees apply - Grapple Truck purchased and yard waste disposed directly now at no cost.

NA - Data not available

Sources: Various Town Departments

Table 17

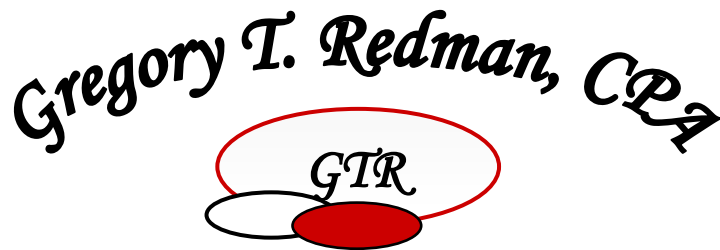
Town of Swansboro, North Carolina
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>General government</u>										
Buildings	2	2	2	2	2	2	2	2	2	2
<u>Public Safety</u>										
Public Safety Building	**	**	1	1	1	1	1	1	1	1
Police										
Stations	1	1	**	**	**	**	**	**	**	**
Police vehicles	10	10	10	11	11	14	16	16	16	16
Fire										
Stations	1	1	**	**	**	**	**	**	**	**
Fire Vehicles / Engines	8	8	9	9	9	9	9	9	9	9
Fire Hydrants	304	304	304	304	304	304	304	304	304	304
<u>Transportation</u>										
Public Works										
Streets (miles)	12.32	13.33	14.23	14.72	14.72	14.72	14.95	15.29	15.17	15.72
<u>Cultural and Recreation</u>										
Recreation and Parks										
Parks	7	7	7	7	7	7	7	7	7	7
Playgrounds	3	3	3	3	3	3	3	3	3	3
Tennis courts	1	1	1	1	1	1	1	1	1	1
Volleyball courts	0	0	0	0	0	0	0	0	0	0
<u>Public Utilities</u>										
Water										
Water mains (miles)	*	*	*	*	*	*	*	*	*	*
Wastewater										
Sanitary sewers (miles)	*	*	*	*	*	*	*	*	*	*

* As of January 1, 2007, all water and wastewater operations were transferred to the Town of Swansboro.

**As of March 2016, Public Safety Building accommodates both Police and Fire

Sources: Various Town Departments



Member
North Carolina Association of
Certified Public Accountants

Member
American Institute of
Certified Public Accountants

Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit
of Financial Statements Performed in Accordance with
Government Auditing Standards

Independent Auditor's Report

To the Honorable Mayor and
Members of the Board of Commissioners
Town of Swansboro, North Carolina

I have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, and each major fund, and the aggregate remaining fund information of Town of Swansboro, North Carolina as of and for the year ended June 30, 2023, the related notes to the financial statements, and have issued my report thereon dated January 13, 2024.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Town of Swansboro, North Carolina's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit, I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Swansboro, North Carolina's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.



Tarboro, North Carolina
January 13, 2024

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Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **Application for COPS Hiring Program Grant**

Board Meeting Date: **February 27, 2024**

Prepared By: **Dwayne Taylor – Police Chief**

Overview: The US Department of Justice provides grant opportunities through the COPS Hiring Program (CHP) to hire officers and enhance the level of Police Services provided by the Town of Swansboro.

Through evaluation, risk analysis, and statistical study, the Town of Swansboro Police Department acknowledged the need for an increase in the staffing level of the Patrol Division to better serve and protect the livelihood of the citizens, business owners, and visitors of our town.

The CHP grant, if awarded, will fund the requested position(s). The position(s) would be funded for three years. CHP awards provide up to 75 percent of the approved entry-salary and fringe benefits of full-time officers for 36 months, with a minimum 25 percent local cash match requirement. Any additional costs for salaries and fringe benefits higher than entry-level are the responsibility of the recipient agency.

At the conclusion of 36 months of federal funding, the recipient agency must retain all sworn officer positions awarded under the CHP award for a minimum of 12 months.

In 2023, the Swansboro Police Department responded to 2,269 reportable calls for service, up from 2,152 in 2022, and 1,739 five years ago, in 2018. The number of reportable calls for service has steadily increased in that five-year period. In 2023, Swansboro Police Department officers performed a total of 45,525 events for the calendar year.

In 2023, the Swansboro Police Department made 202 physical arrests, up from 172 in 2022. A physical arrest takes the officer away from the town for as much as 2 hours, depending on the type of arrest. This leaves the town either unprotected or with only one officer to handle situations alone, leading to officer safety issues.

Additional officers would improve the department's ability to address the traffic issues along NC 24, as well as the side roads and in neighborhoods.

The annual funding amounts are listed below.

Year 1: Annual Salary: \$42,416. Benefits: \$13,000. Total: \$55,416. TOS Responsibility: \$13,854.

Recommended Action: Approve the Police Department to seek federal grant funding to fund one police officer position, with 25 percent responsibility on the town for salary.

Action: _____



Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **Splashpad Enhancement-Project Update**

Board Meeting Date: **February 27, 2024**

Prepared By: **Anna Stanley – Parks & Rec Director**

Overview: The Splashpad Enhancement Project will be to add five feet of concrete around the splashpad area, include a seating wall around half of the splashpad, and add a patio area with large shade structures and seating options (benches, picnic tables). The concrete patio area will connect to the playground area. The concept is to provide a cohesive area while still having splashpad separate from the playground.

Project Objectives

- Remove temporary fencing, provide a way to minimize grass debris from entering play area
- Create additional shading for patrons
- Create additional seating for patrons
- Cohesive area connecting splashpad area to playground area

Approved ARP Funding, \$50,000 for Conceptual drawings, plans, and quotes for shade structures have been received. As of February 12, 2024, a contract is pending for the concrete patio area and seating wall. The concrete work will consume most of the budget, leaving approximately \$14,000 for shade structures. There are two options costing \$20,000-\$28,000 for large shade structures. To add the shade structures approximately an additional \$15,000 would be needed. The options were presented to the Parks Advisory Board on February 21, 2024, and a couple of the members suggested that the structures be permanent rather than shades. The Director was asked to research the cost of a permanent structure and present the findings to the advisory board next month. A permanent structure will most likely cost more, and time is critical for this project. It has taken a year to obtain plans, drawings, and secure a vendor for the concrete work. Funds must be encumbered for the entire project by December 2024, and if too much time lapses before the contract is signed for the concrete work, a new quote may need to be obtained and costs could increase. Director can research costs of a permanent structure and present new options to the board.

Background Attachment(s):

1. Site plan
2. Shade options 1 & 2

Recommended Action: Provide guidance whether to continue with original design of a large shade structure or pursue costs of permanent shelters and come back to the board with options of each type of shading.

Action: _____

Swansboro Parks & Recreation
Shade for Splash Pad
Swansboro, NC 28584

Bliss Products & Services

This play equipment is
recommended for
children ages:

5-12

Minimum Area Required:
n/a

Scale: 1" = 10'-0"
This drawing can be
scaled only when in
an 11" x 17" format

Drawn By:
Martina Lawrence
Date:
5/9/2023
Quote Number:
645-159414A

play&park
structures

A PLAYCORE Company
544 Chestnut Street
Chattanooga, TN 37402
800-727-1907 / www.playandpark.com

User Capacity

n/a

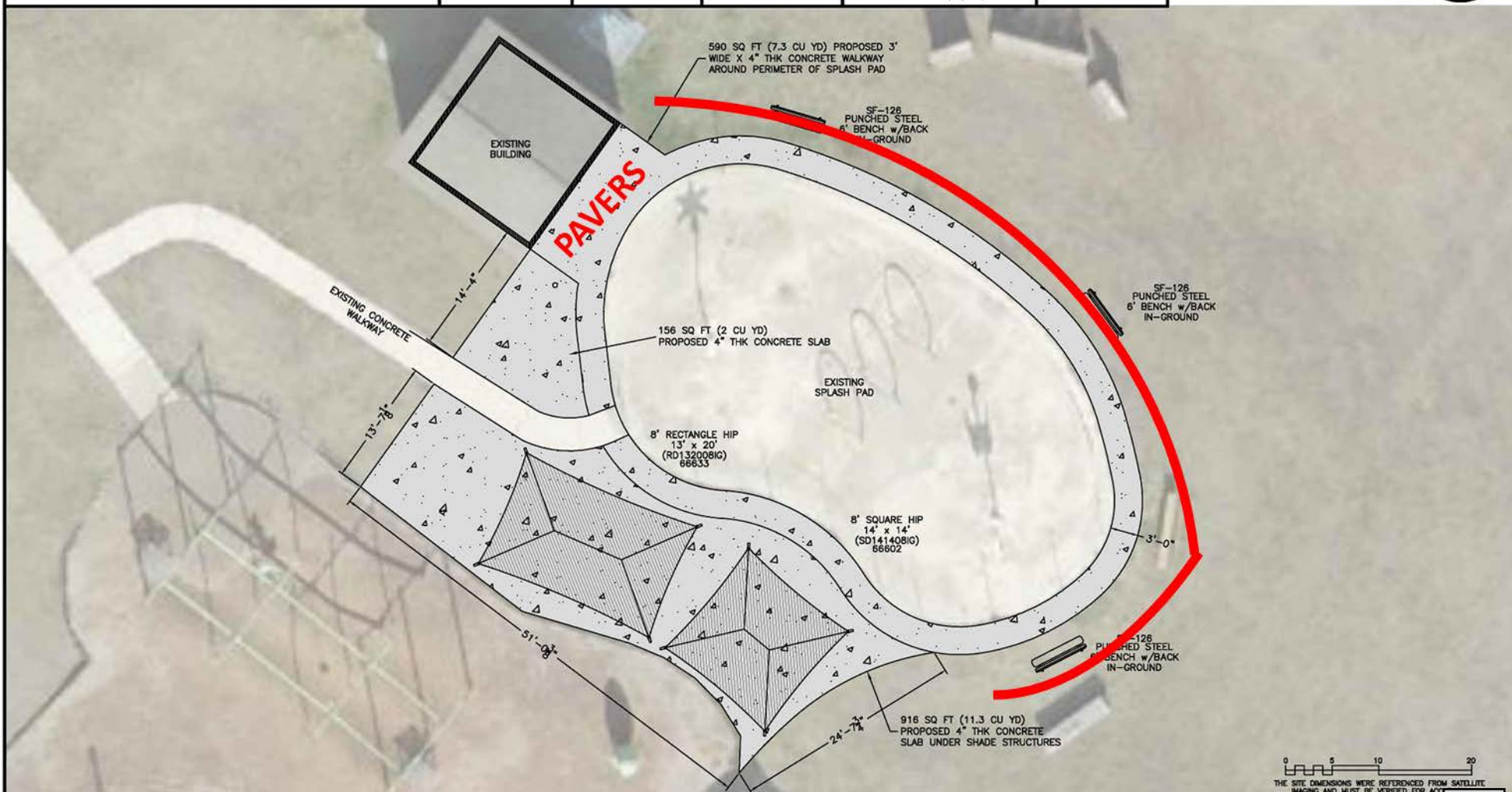
Critical Fall Height

n/a

ISO
9001
CERTIFIED

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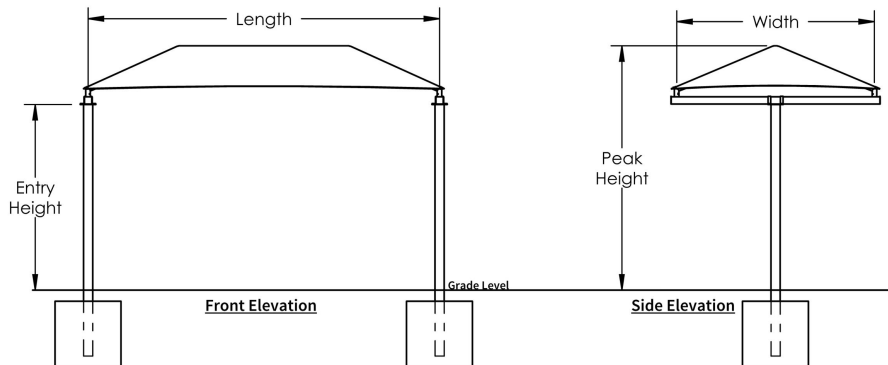
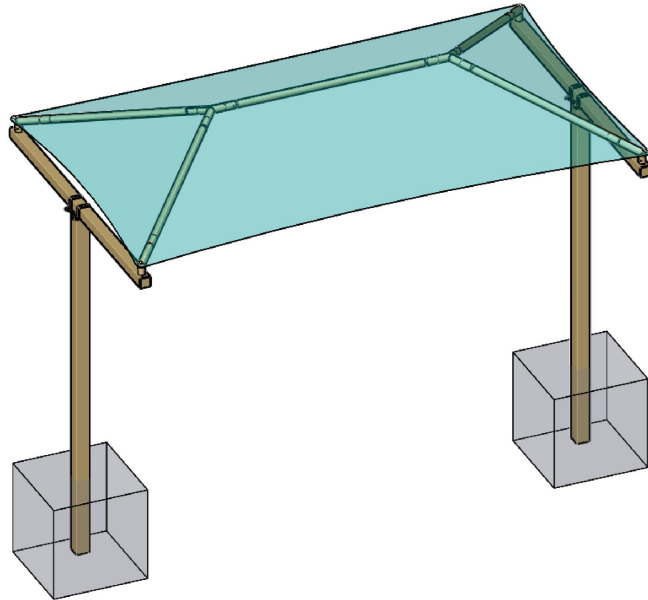
years old



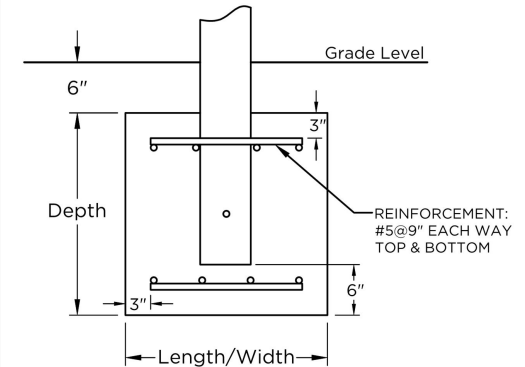
Top View drawings and measurements are for overall site and structure appearance purposes. Top view should not be conceived as a construction detail; therefore, all measurements and slope requirements should be field verified prior to construction.
IMPORTANT: Never install play equipment over hard, unresilient surfaces such as asphalt, concrete, or compacted earth. It is the owner's responsibility to ensure the "minimum area required" contains an appropriate amount of resilient material to cushion accidental falls.

Tee Cantilever Hip Shade

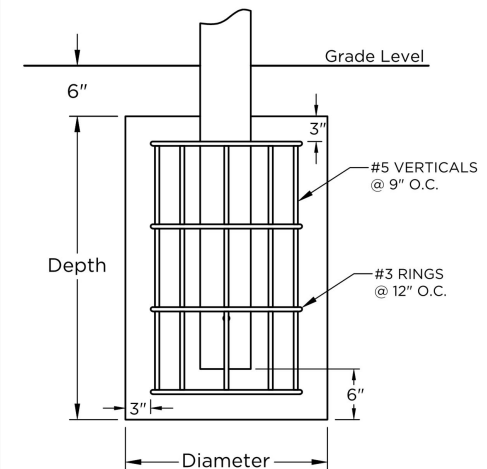
Length	14'	Width	14'	Entry Height	8'
Peak Height	10.59'	Elbow	Glide	Column Mount	Embedded
Column Size	Ø5.0" 11-Ga	Rafter Size	Ø2.5" 12-Ga	Ridge Size	Ø2.5" 12-Ga
Column Length	11'	Rafter Length	9.13'	Ridge Length	3.5'
Dome Qty.	1	Column Qty.	2	Beam Size	5"x5"x3/16"



Square Footing		
Column	Length & Width	Depth
Single Cap	2.51	3
Double Cap	N/A	3



Auger Footing		
Diameter	Single Cap Depth	Double Cap Depth
1'-6"		
2'-0"	4.8	N/A
2'-6"	3.07	N/A
3'-0"	Out of range	N/A



These drawings are for reference only and should not be used as construction details. They show the general character and rough dimensions of the structural features. Exact spans, fasteners, materials, and foundations can be determined by a licensed professional engineer upon request. Estimated footing size above is based on 1,500 PSF soil bearing pressure.

SuperiorShade

QUOTE

SHADE SIZE

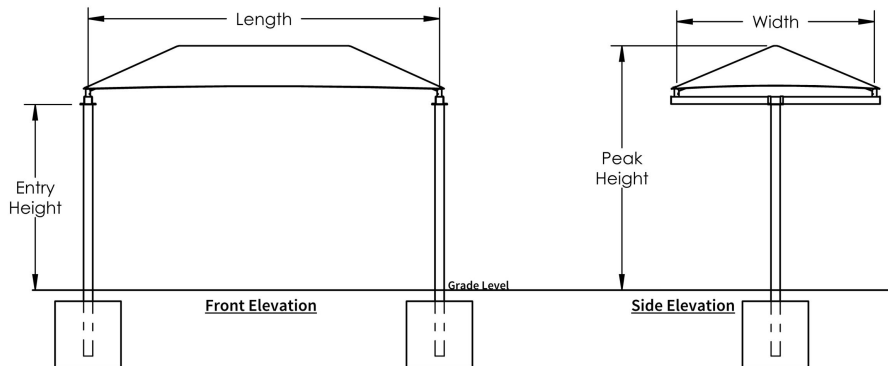
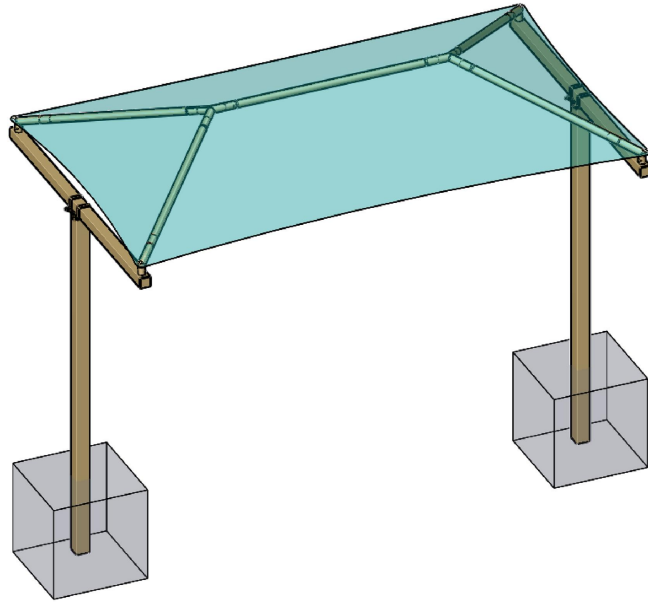
14 X 14

SHADE STYLE

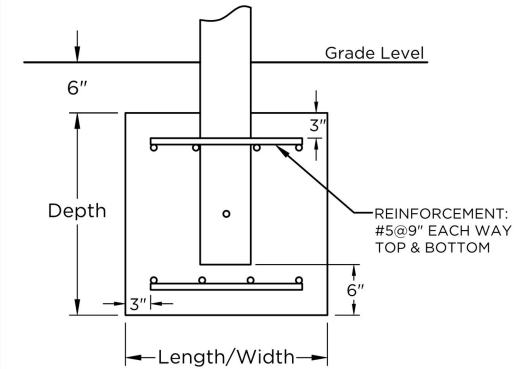
**Tee Cantilever
Hip Shade**

Tee Cantilever Hip Shade

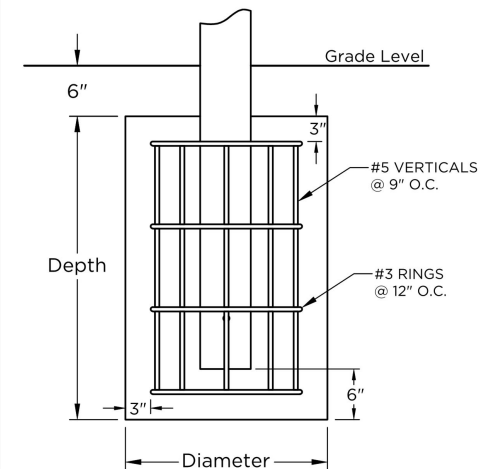
Length	18'	Width	18'	Entry Height	8'
Peak Height	11.33'	Elbow	Glide	Column Mount	Embedded
Column Size	5"x5"x1/4"	Rafter Size	Ø2.875" 12-Ga	Ridge Size	Ø2.875" 12-Ga
Column Length	11'	Rafter Length	11.73'	Ridge Length	4.5'
Dome Qty.	1	Column Qty.	2	Beam Size	5"x5"x1/4"



Square Footing		
Column	Length & Width	Depth
Single Cap	3.22	3
Double Cap	N/A	3



Auger Footing		
Diameter	Single Cap Depth	Double Cap Depth
1'-6"		
2'-0"	Out of range	N/A
2'-6"	5.08	N/A
3'-0"	3.53	N/A



These drawings are for reference only and should not be used as construction details. They show the general character and rough dimensions of the structural features. Exact spans, fasteners, materials, and foundations can be determined by a licensed professional engineer upon request. Estimated footing size above is based on 1,500 PSF soil bearing pressure.

SuperiorShade

QUOTE

SHADE SIZE

18 X 18

SHADE STYLE

**Tee Cantilever
Hip Shade**



Product Description

Keep the interference of posts to a minimum with the T-Cantilever shade. The T-Cantilever style shade is so versatile it can be installed everywhere from parking lots to sports parks — it can keep the cars in your parking lot or the fans at your sports park cool.

T-Cantilever shades can cover a large area. The columns can be spaced up to 27 ft. apart before more canopy bays are required.

Standard Features

- 8 ft., 10 ft., 12 ft. Entry Heights
- Surface or In-Ground Mount
- With or Without Glide Elbow™
- Traditional Shade Fabric, Waterproof Shade Fabric
- Size Minimum: 10'
- Size Maximum: 100'
- 20-Year Warranty on Framework

Custom Options

This style is custom made for your location and is available in a variety of sizes.

Coastal or Northern Customers:

For customers in coastal areas or northern climates, we recommend adding our optional Glide Elbow™ fabric tensioning accessory. Not only does this accessory makes it easier to install and tension your fabric, but it also makes it easier to remove the fabric in the event of bad weather. Remove fabric before bad weather, such as heavy snow or hurricanes, to protect the shade's fabric and frame. Our frames are rated for wind gusts up to 150 mph when the shade's fabric is removed.

Quick Highlights

Product Resources:

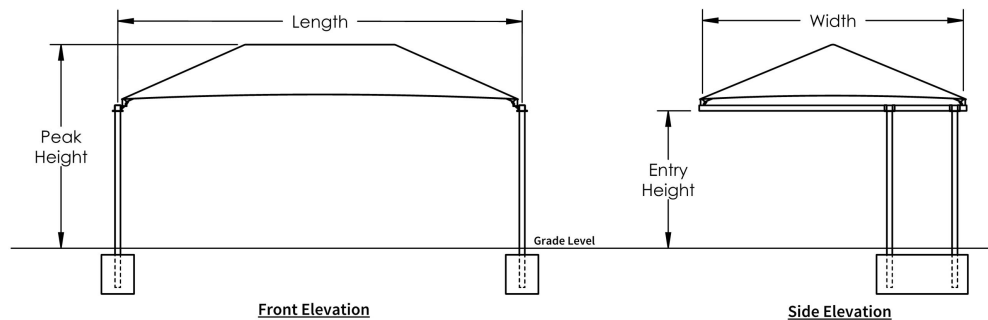
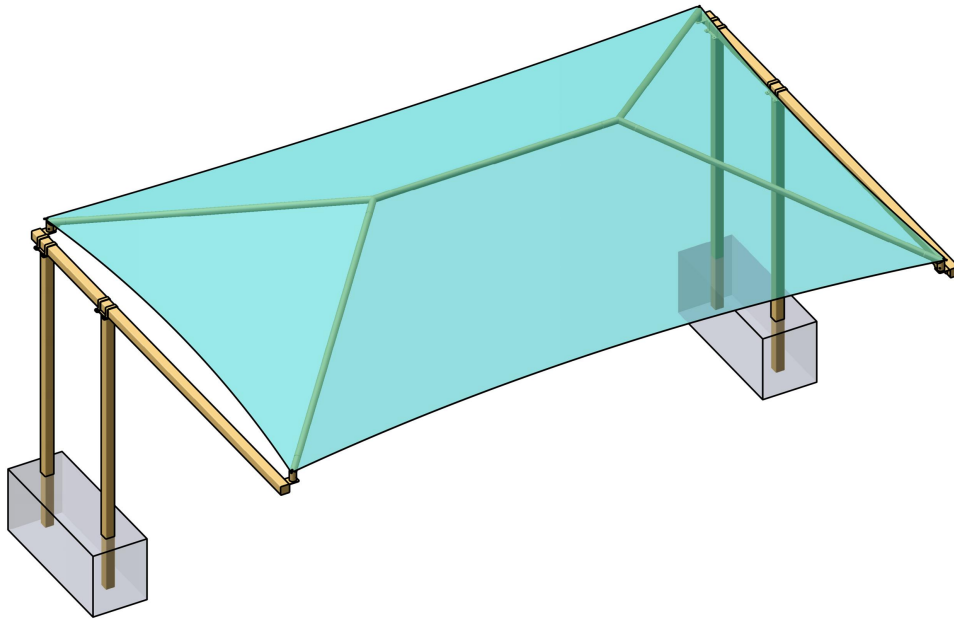
[Color Options](#)

[General Product Specifications](#)

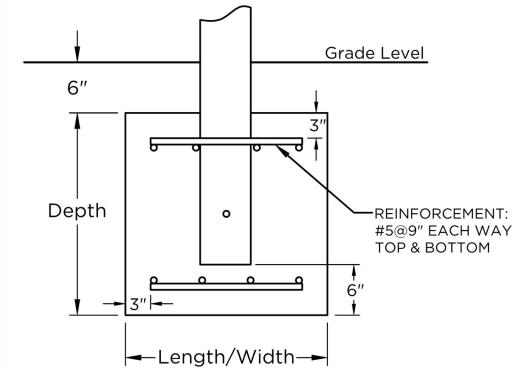
[Warranty](#)

Standard Cantilever Hip Shade

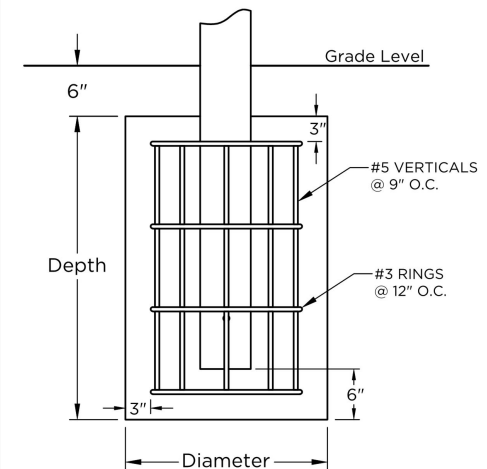
Length	20'	Width	20'	Entry Height	8'
Peak Height	11.7'	Elbow	Glide	Column Mount	Embedded
Column Size	Ø5.0" 11-Ga	Rafter Size	Ø3.5" 11-Ga	Ridge Size	Ø3.5" 11-Ga
Column Length	11'	Rafter Length	13.04'	Ridge Length	5'
Dome Qty.	1	Column Qty.	4	Beam Size	6"x6"x1/4"



Square Footing		
Column	Length & Width	Depth
Single Cap	2.89	3
Double Cap	N/A	3



Auger Footing		
Diameter	Single Cap Depth	Double Cap Depth
1'-6"		
2'-0"	Out of range	N/A
2'-6"	4.08	N/A
3'-0"	Out of range	N/A



These drawings are for reference only and should not be used as construction details. They show the general character and rough dimensions of the structural features. Exact spans, fasteners, materials, and foundations can be determined by a licensed professional engineer upon request. Estimated footing size above is based on 1,500 PSF soil bearing pressure.

SuperiorShade

QUOTE

SHADE SIZE

20 X 20

SHADE STYLE

Standard Cantilever
Hip Shade



Product Description

The Standard Cantilever is a great solution for shading walkways, bleachers, and bus stop seating. Because the columns are on one side of the shade, the Standard Cantilever is also a good option for shading vehicles. What's more, this style is one of the most economical ways of shading cars and parking lots. With this shade being so versatile, you can't go wrong selecting it for your shade needs. Some common sizes include 18'x20', 18'x27', and 18'x36'.

Standard Features

8 ft., 10 ft., 12 ft. Entry Heights
Surface or In-Ground Mount
With or Without Glide Elbow™
Traditional Shade Fabric
Size Minimum: 18'

Size Maximum: 36'
20-Year Warranty on Framework
10-Year Warranty on Fabric

Item VI - b.

Custom Options

Coastal or Northern Customers:

For customers in coastal areas or northern climates, we recommend adding our optional Glide Elbow™ fabric tensioning accessory. Not only does this accessory makes it easier to install and tension your fabric, but it also makes it easier to remove the fabric in the event of bad weather. Remove fabric before bad weather, such as heavy snow or hurricanes, to protect the shade's fabric and frame. Our frames are rated for wind gusts up to 150 mph when the shade's fabric is removed.

Quick Highlights

Product Resources:

[Color Options](#)

[General Product Specifications](#)

[Downloadable CAD & 3D Files](#)

[Glide Elbow Quick Release](#)

[Warranty](#)



Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **Request to Proceed with Cost-Recovery Program**

Board Meeting Date: **February 27, 2024**

Prepared By: **Jacob Randall – Fire Chief**

Overview: The cost of emergency services is continuously increasing. After evaluating the service users, not residents of Swansboro or Onslow County, further exploration of cost-recovery revenue programs was initiated. Further administrative support and changes are required before officially starting the cost-recovery process.

Expanded Overview: While not a complete source for operating expenses, the Emergency Response Cost Recovery Program by Fire Recovery USA offers a potential opportunity for recovering expenses from incident response. Most insurance policies include a clause for emergency services or hazardous situation responses. The proposed cost-recovery program would seek reimbursement for different emergency responses and operating costs.

During our exploration into the program, we were provided with an estimate of billable incidents based on our historical response data, totaling \$35,800. After the cost-recovery company redacted their respective fees for service, the revenue was estimated at \$27,926. This program is estimated and projected based on calls for service and should not be identified as a dedicated revenue source until numerous years can be averaged on collection rates.

We have the ultimate control and ability over what incidents we seek funding for or the processes for collections. The guidance and direction requested this evening is to identify the billing methods from one of the following options.

- 1) All billable incidents are sent to the insurance company for payment. Bills deemed non-billable by insurance would not be sought further.
- 2) Billable incidents involving only non-tax-paying citizens (Swansboro & Onslow) would only be sought through the individual's insurance company. Non-billable incidents, again, would not be pursued.
- 3) Billable incidents involving only non-tax paying citizens (Swansboro & Onslow County) would be sought through the insurance company and then pursued through a bill to the individual if deemed non-billable through insurance.

The next step in the process requires establishing/revising our UDO to incorporate the language to participate in this program. Furthermore, the Fee Schedule must reflect the listed pricing for the billable incidents. We would return with the UDO changes and Fee Schedule (Amendments or New FY Proposal) for final approval before entering into any agreements.

Recommended Action: Guide staff on pursuing the recommended cost-recovery program through Fire Recovery USA with billing methods 1, 2, or 3 to allow for drafting the proposed UDO, Fee Schedule, and Service Agreements for future approval.

Action: _____



Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **Acquisition of Replacement Fire Apparatus**

Board Meeting Date: **February 27, 2024**

Prepared By: **Jacob Randall – Fire Chief**

Overview: On February 13, 2024, a request to acquire two replacement fire apparatus was presented and tabled for further information gathering. A more in-depth presentation of the apparatus needs request was presented at a special meeting on February 19, 2024. The apparatus acquisition would replace the 2001 E-One International Engine and the 2003 E-One Typhoon Aerial.

Background Attachment(s):

1. Expanded Overview
2. KME – Truck Drawings
3. Resolution 2024-R3 (KME Engine & Tractor Drawn Aerial)
4. Resolution 2024-R4 (KME Engine & Mid-Mount Aerial)

Recommended Action: Motion to approve Resolution 2024-R3 (Engine & Tractor Drawn Aerial – Tiller) **OR** Resolution 2024-R4 (Engine & Mid-Mount Aerial), outlining the commitment and intent of the Town of Swansboro and the Town of Swansboro Fire Department purchasing apparatus, a KME – Engine and Aerial, through Safe Industries with an overall project budget for acquiring the apparatus and all associated equipment of \$3,400,600, not to exceed \$3,500,000.

Action: _____

Expanded Overview: During the FY 23-24 Budget Workshop on May 17, 2023, the need to replace two pieces of apparatus was presented. The need arises from the age of the apparatus, NFPA-recommended replacement standards, and manufacturer delivery projections. While presenting the needs, direction was given to seek design specifications and pricing, ultimately returning for final approval.

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The apparatus recommended for replacement are Engine 17 – a 2001 Commercial Cab pump, and Truck 17 – a 2003 E-One Typhoon Aerial. While still operational and maintained, they have exceeded the NFPA recommendation for a 15-year service life for primary apparatus. Engine 17 will have exceeded the reserve service life limit of 25 years upon the delivery of the replacement. Improvement to apparatus safety components has driven the push for frequent replacement to maintain the highest protection standard for our responders.

A small committee of department members, Career, Volunteer, and Part-Time, was tasked with identifying our district's characteristics and current challenges. After evaluating this, the functionality and needs of the apparatus were drafted to ensure the functionality is effective and will remain effective as our organization continues to develop.

The research led to numerous apparatus dealers providing drawings, capabilities, examples, and other agency specifications to help meet our organization's needs. Our committee worked from June until November to complete these tasks. On November 17, 2023, the Request for Proposals (RFP) was announced for the Engine Company, and the Truck Company RFP was posted on December 4, 2023, with a January 19th Deadline.

We received three proposal bids for the Engine Company and five for aerial devices, as the request was for two types of aerials. Three companies provided specifications, drawings, and price estimations; a fourth declined to participate, citing they did not understand or have the capabilities to meet our needs. Below are the Apparatus Committee's findings and a recommendation for your approval.

Based on the evaluation, the most responsible bidder is Safe Industries, which provides the apparatus most fitting to our proposal and needs. Others would require alterations to the specifications based on certain manufacturer limitations.

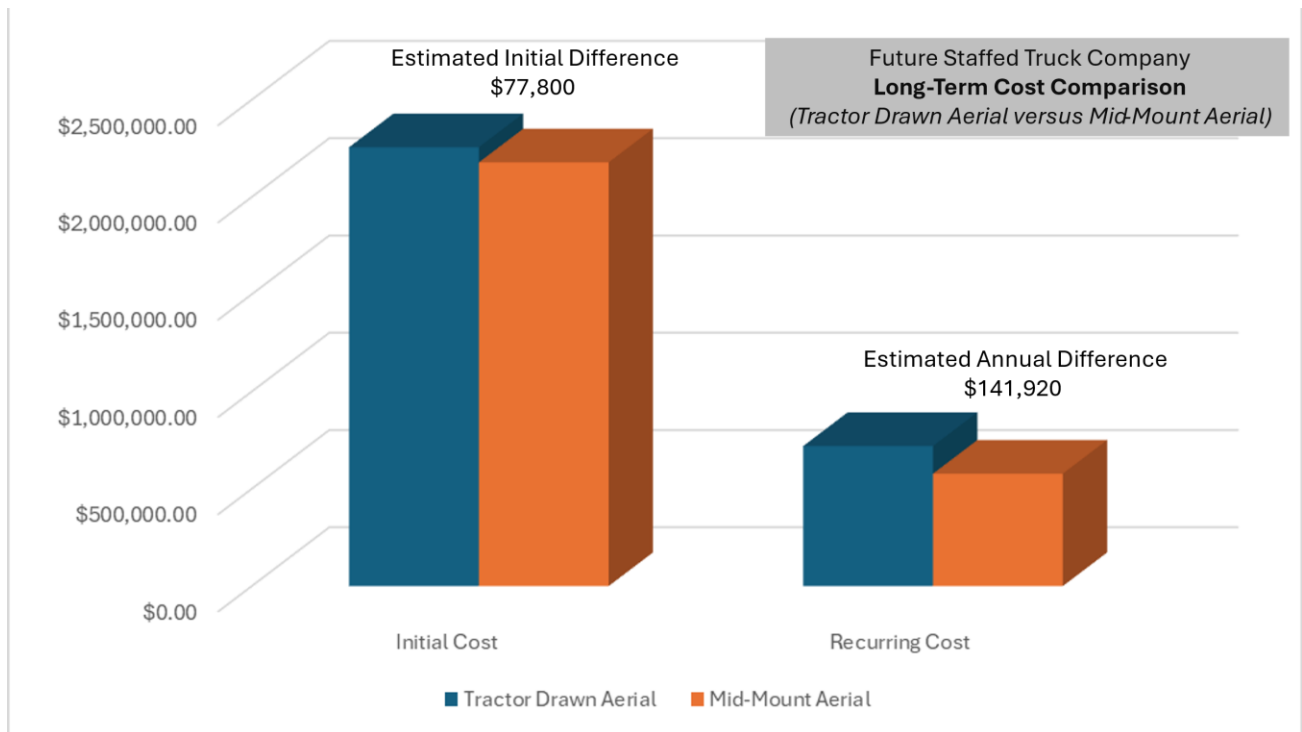
Safe Industries requires no money down if presented with a letter of intent. Allowing us to seek alternative revenue sources, draw interest in our CIP funds, or continue to contribute to the fund until the day of delivery. Purchasing both simultaneously from the same apparatus dealer also offers initial cost savings, but those savings would be applied during the next steps of the process.

We also requested two aerial designs for presentation purposes. The Tractor-Drawn Aerial, more commonly referred to as a Tiller, allows for maximum accessibility to the entire district with a significant increase in space for equipment. The functionality would allow our apparatus to access all portions of downtown without potential impacts for response guidelines or reduction in parking spaces to allow for an adequate turning radius. In the long term, this apparatus requires a minimum of four personnel to operate safely and efficiently. The Mid-Mount aerial does not have the favorable turning radius or as much space but can be operated with three personnel.

With the potential for staffing grants, we are hopeful that by the anticipated 3-year delivery timeframe, our staff matrix will accommodate the Tractor Drawn Aerial. While the purchase price is separated by roughly \$55,000, we are presenting the long-term cost differences for fully staffing the apparatus, routine maintenance, and required training. While the bulk increase is incurred by the increase in staffing cost to ensure four (4) personnel are assigned to the Tiller, it would allow for one

additional “on-duty” personnel per day for the Personnel Credit of an ISO inspection. Speaking numerous other departments that have both a Tiller and Mid-Mount, the recurring maintenance of the mid-mount is increased due to annual tire replacements on the rear tires, which drag with weight while turning. Likewise, the mid-mount is equipped with hydraulic lifting and leveling mechanisms that would require increased “emergency repair cost” should one fail.

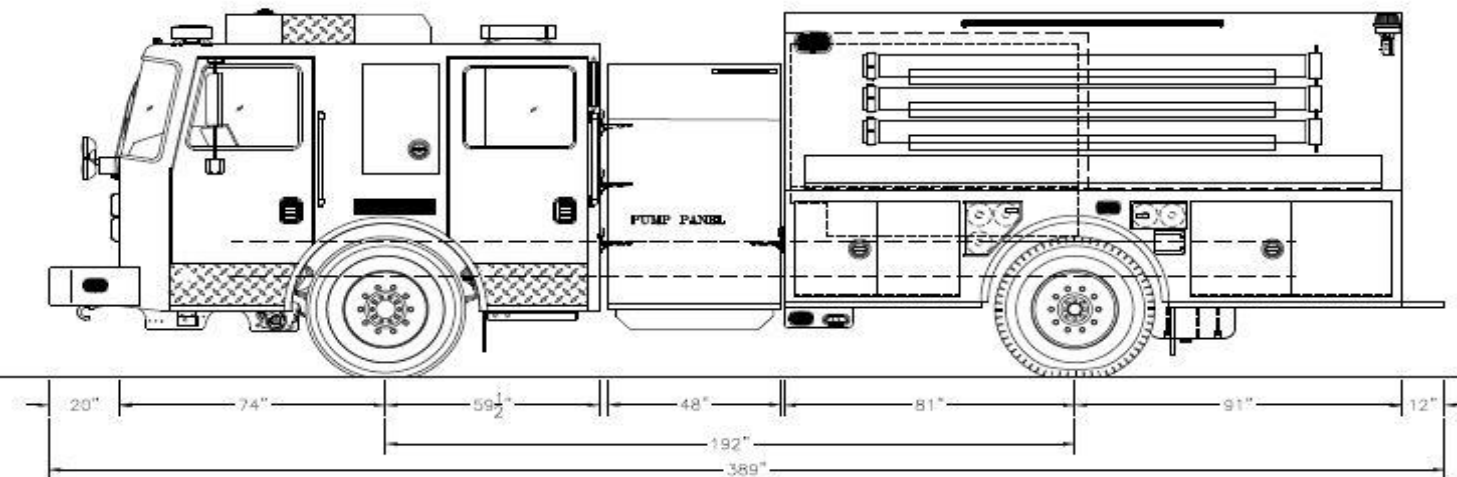
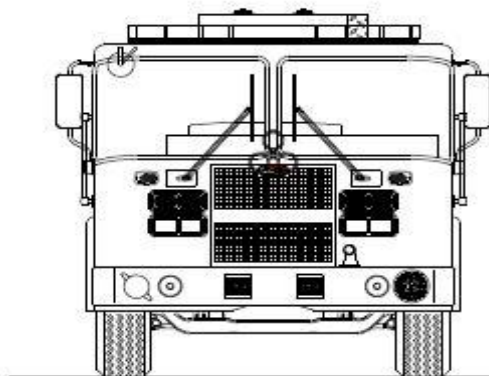
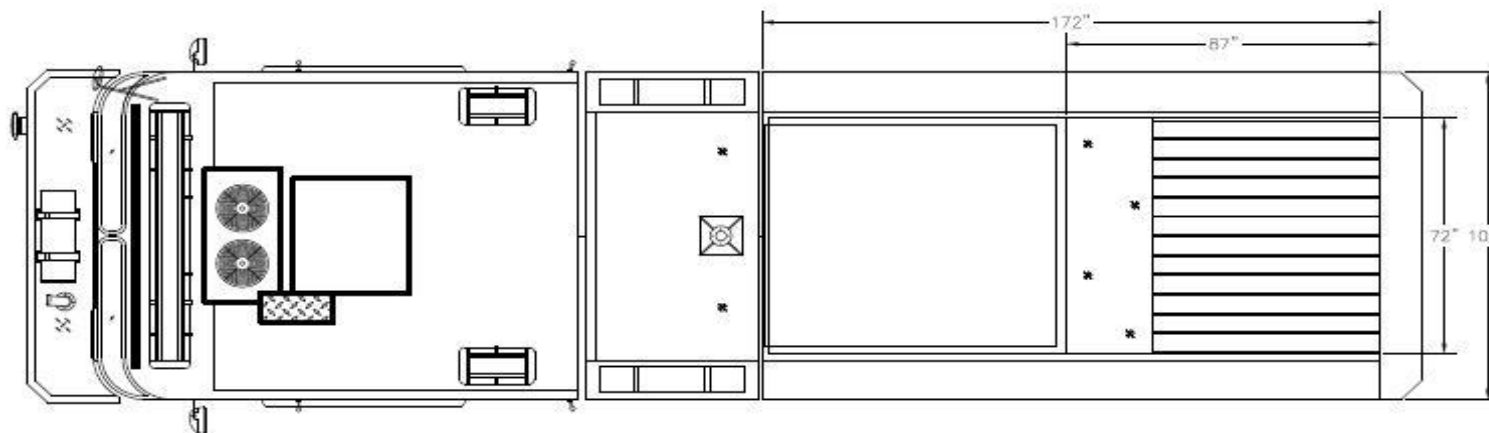
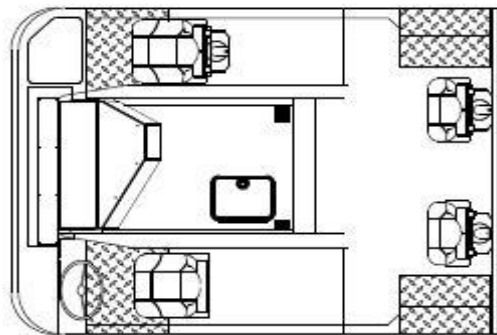
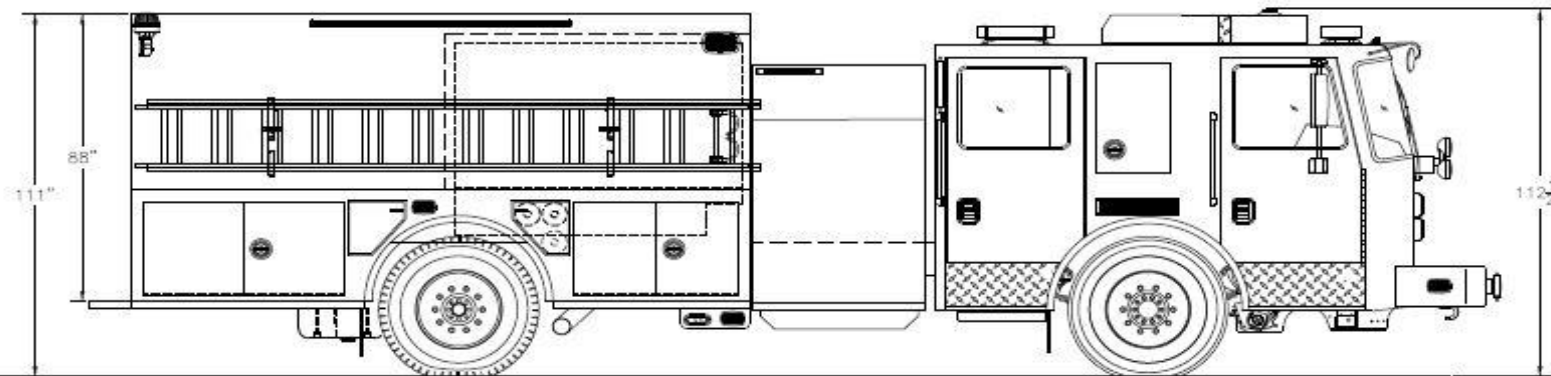
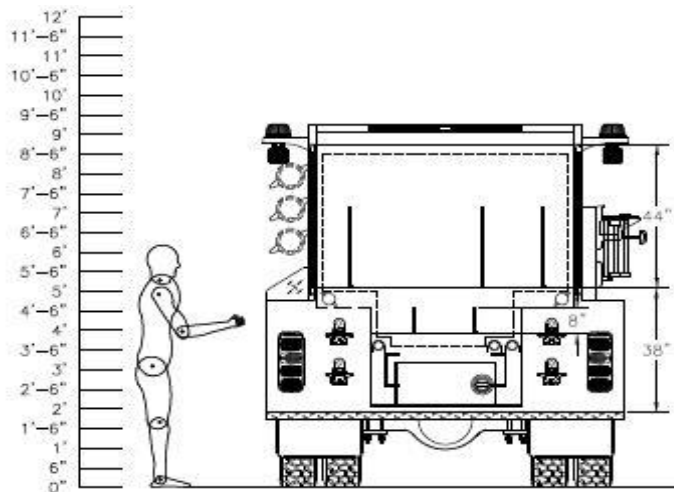
Item VI - d.

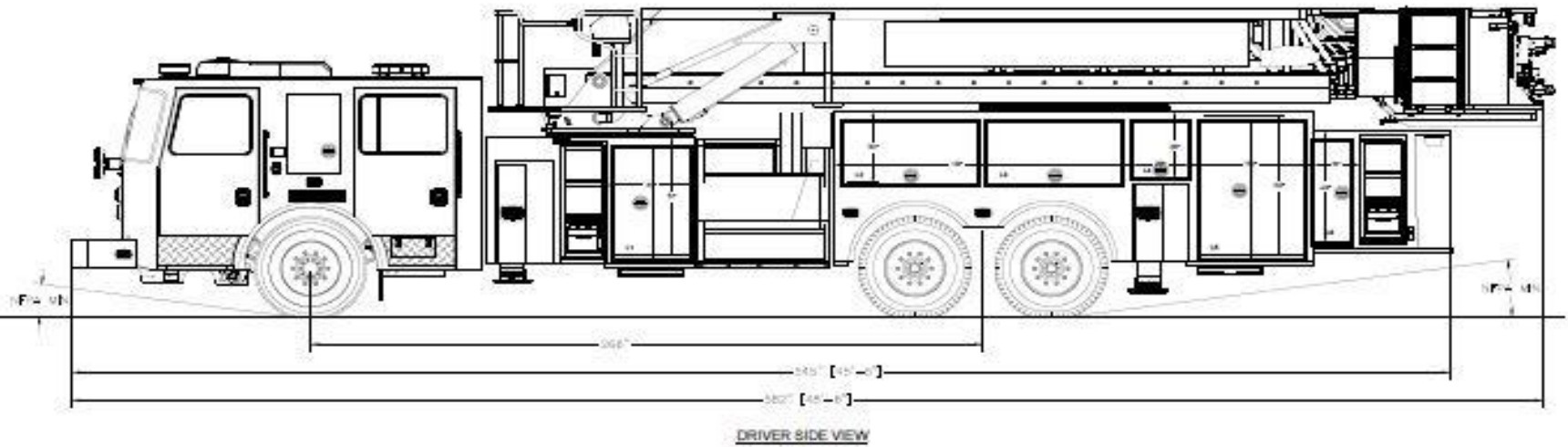
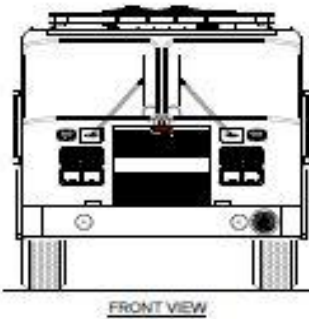
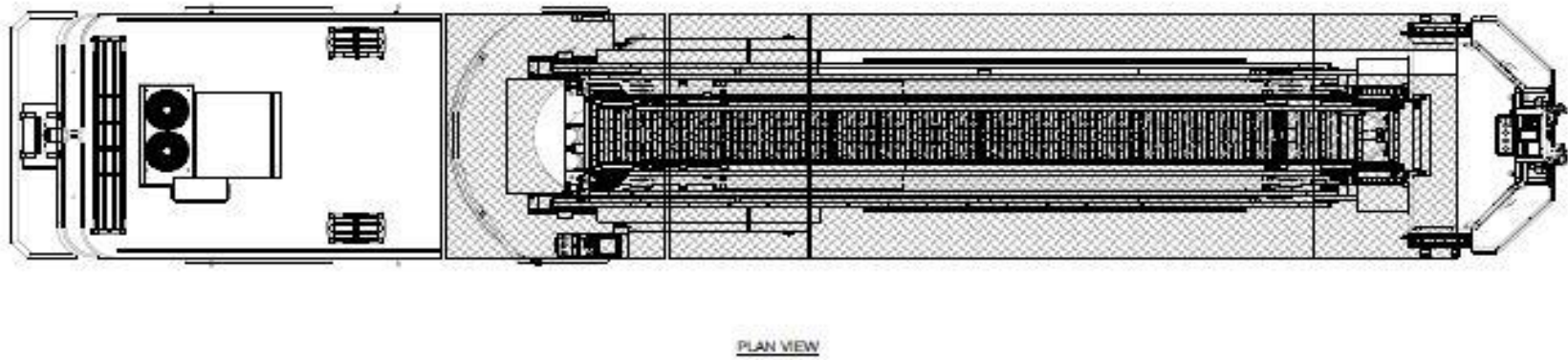
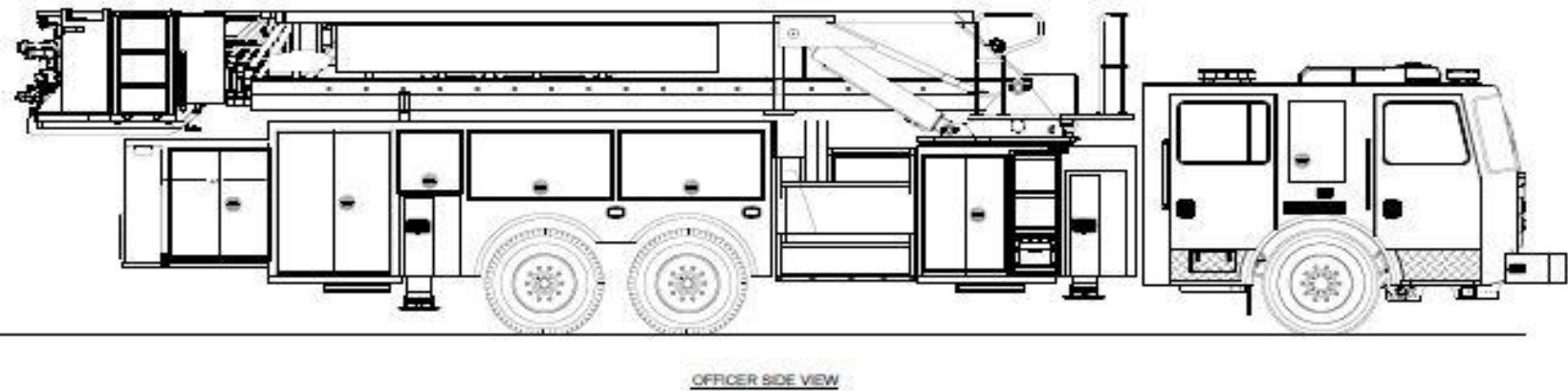
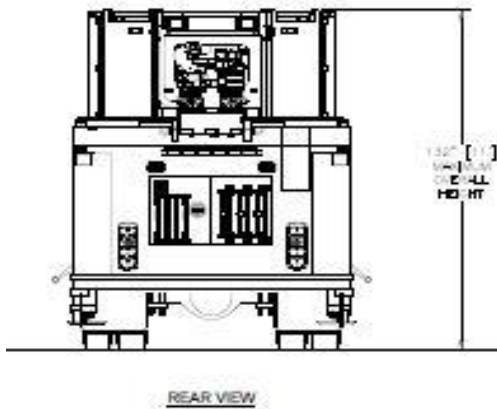


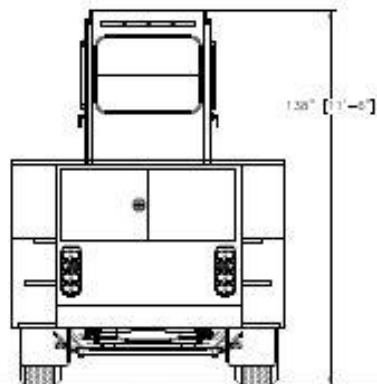
ENGINE 17 Replacement					
<u>Dealer</u>	<u>Manufacturer</u>	<u>Pricing</u>	<u>Time for Delivery</u>	<u>RFP Modifications</u>	<u>Ranking</u>
Safe Industries	KME	\$1,047,700	750 Days	6 (90 Points)	1
Atlantic Emergency Solutions	Pierce, Mfg.	\$1,049,382	1,140 Days	24 (60 Points)	2
Fire Connections	E-One	\$883,448	750 Days (March 2026)	44 (50 Points)	3

Truck 17 Replacement

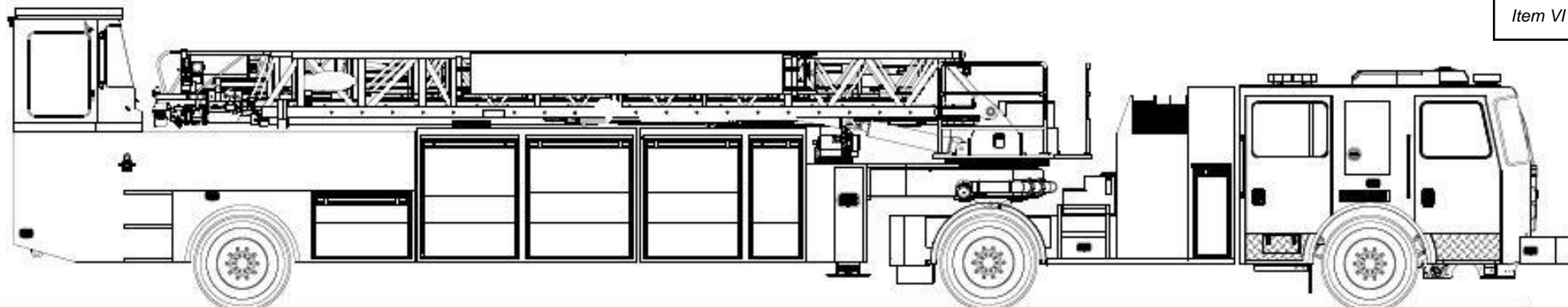
<u>Dealer</u>	<u>Manufacturer</u>	<u>Type</u>	<u>Pricing</u>	<u>Time for Delivery</u>	<u>RFP Modifications</u>	<u>Ranking</u>
Safe Industries	KME	Tractor Drawn Aerial	\$2,227,900	37 Months	9 (90 Points)	1
Atlantic Emergency Solutions	Pierce, Mfg.	Tractor Drawn Aerial	\$2,177,409	37 Months	23 (60 Points)	2
Fire Connections	E-One	Tractor Drawn Aerial	Did Not Submit	Did Not Submit	Did Not Submit	3
Safe Industries	KME	Mid-Mount Aerial	\$2,172,100	37 Months	8 (90 Points)	1
Atlantic Emergency Solutions	Pierce, Mfg.	Mid-Mount Aerial	\$2,065,612	37 Months	27 (60 Points)	2
Fire Connections	E-One	Mid-Mount Aerial	\$1,818,280	31-33 Months	44 (50 Points)	3



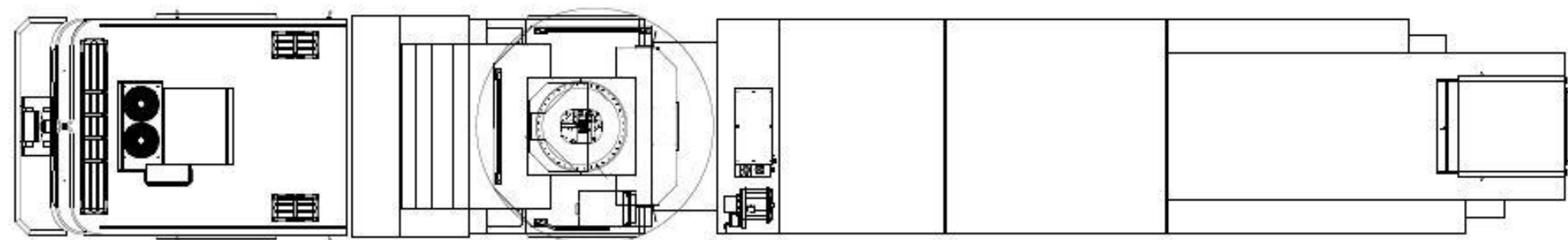




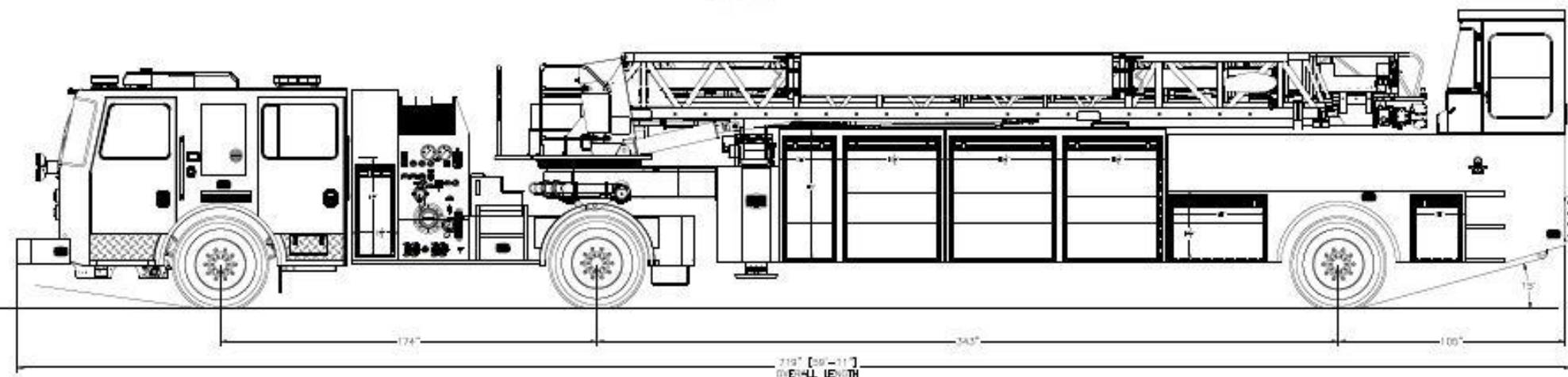
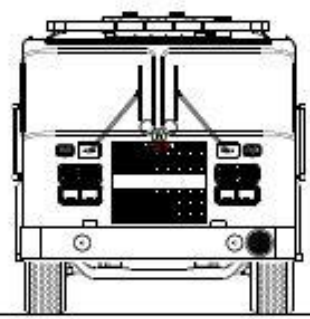
REAR VIEW



OFFICERS SIDE VIEW



TOP VIEW



DRIVERS SIDE VIEW

RESOLUTION 2024 – R3
BY THE GOVERNING BODY RECIPIENT

WHEREAS, The National Fire Protection Association (NFPA) has established standards to improve safety considerations and designs for Automotive Fire Apparatus, and

WHEREAS, NFPA 1901 has recommended the transition of frontline apparatus at the 15-year age of service and replacement after 25 years, and

WHEREAS, The Town of Swansboro Fire Department currently operates an Engine and Aerial that has or will have reached the 20 & 25-year mark before the arrival of replacements, and

WHEREAS, the recommendations have been presented to complete the design and ordering of both of the apparatus simultaneously, to potentially reduce cost, improve efficiency, and create a consistent and uniformity among apparatus, and

WHEREAS, Safe Industries nor KME require payment for the apparatus until the delivery of the apparatus and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF SWANSBORO:

The Town of Swansboro and the Town of Swansboro Fire Department acknowledge the financial commitment of \$3,400,600, but not to exceed \$3,500,000, for purchasing and outfitting a KME – ENGINE and AERIAL.

The Town of Swansboro Town Manager, Finance Director, and Fire Chief shall have the ability and authority to seek out alternative funding methods to reduce the financial burden of such large expenditures, including any debt service, before a reasonable time provided of the delivery of the apparatus.

The Town of Swansboro Town Manager, or their designee, shall have the authority to execute any necessary contract, letter, or agreement regarding acquiring the apparatus (ENGINE and TRACTOR DRAWN AERIAL) and any associated equipment.

Adopted this 27th day of February 2024.

John Davis, Mayor

Attest:

Alissa Fender, Town Clerk

RESOLUTION 2024 – R4
BY THE GOVERNING BODY RECIPIENT

WHEREAS, The National Fire Protection Association (NFPA) has established standards to improve safety considerations and designs for Automotive Fire Apparatus, and

WHEREAS, NFPA 1901 has recommended the transition of frontline apparatus at the 15-year age of service and replacement after 25 years, and

WHEREAS, The Town of Swansboro Fire Department currently operates an Engine and Aerial that has or will have reached the 20 & 25-year mark before the arrival of replacements, and

WHEREAS, the recommendations have been presented to complete the design and ordering of both of the apparatus simultaneously, to potentially reduce cost, improve efficiency, and create a consistent and uniformity among apparatus, and

WHEREAS, Safe Industries nor KME require payment for the apparatus until the delivery of the apparatus and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF SWANSBORO:

The Town of Swansboro and the Town of Swansboro Fire Department acknowledge the financial commitment of \$3,400,600, but not to exceed \$3,500,000, for purchasing and outfitting a KME – ENGINE and AERIAL.

The Town of Swansboro Town Manager, Finance Director, and Fire Chief shall have the ability and authority to seek out alternative funding methods to reduce the financial burden of such large expenditures, including any debt service, before a reasonable time provided of the delivery of the apparatus.

The Town of Swansboro Town Manager, or their designee, shall have the authority to execute any necessary contract, letter, or agreement regarding acquiring the apparatus (ENGINE and MID-MOUNT AERIAL) and any associated equipment.

Adopted this 27th day of February 2024.

John Davis, Mayor

Attest:

Alissa Fender, Town Clerk

**TOWN OF SWANSBORO
FINANCIAL REPORT
(AS OF JANUARY 31, 2024)**

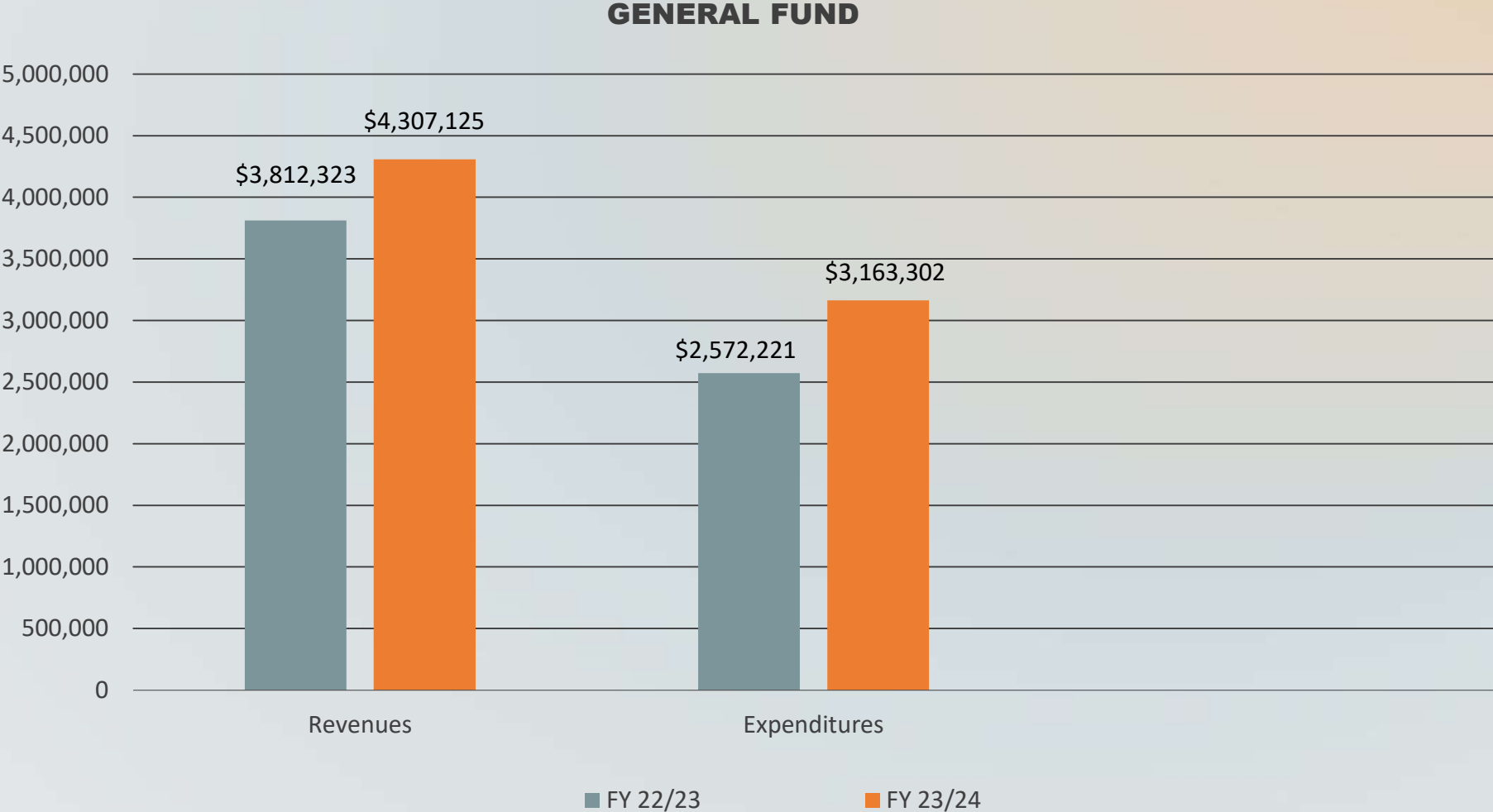
REVENUES

EXPENDITURES

LOAN PAYMENTS

INVESTMENTS

**TOWN OF SWANSBORO
REVENUES/EXPENDITURES
TWO YEAR COMPARISON
(AS OF JANUARY 31, 2024)**



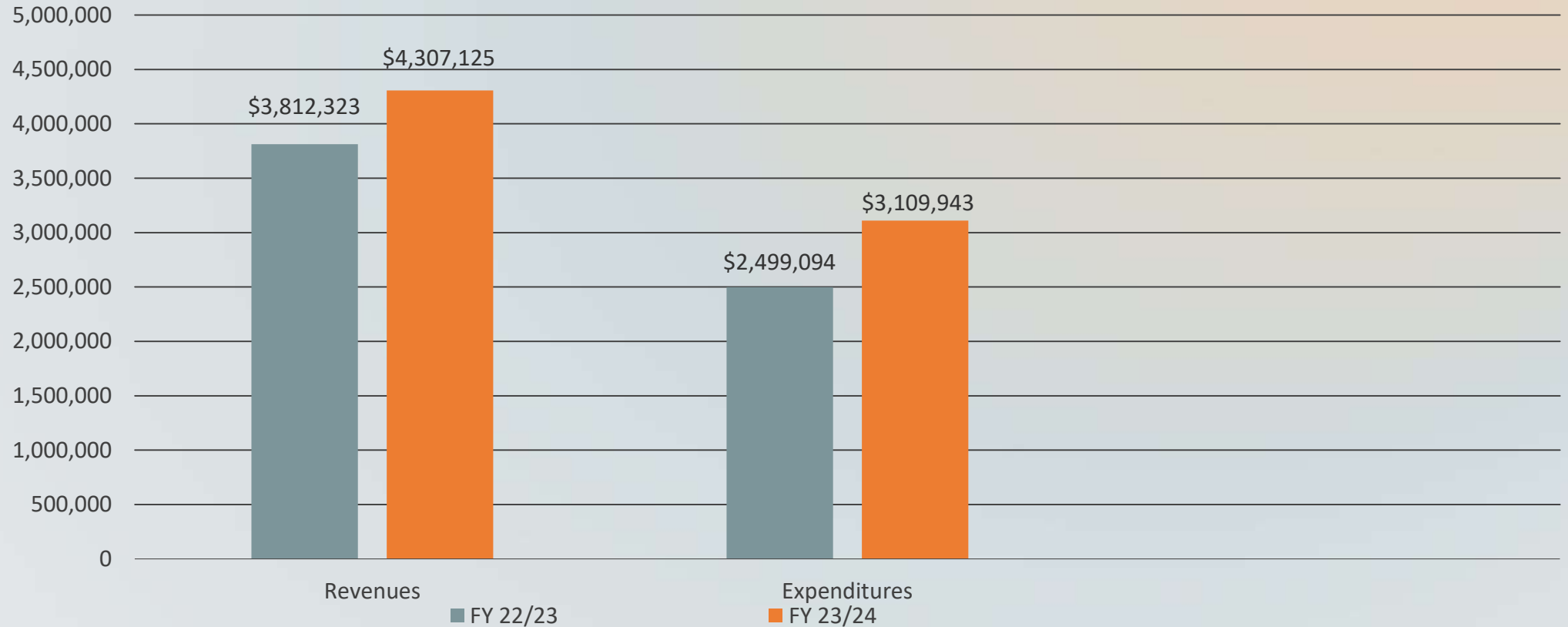
ENCUMBRANCES INCLUDED
Total Excess of Revenues Over Expenditures \$1.143,823

**TOWN OF SWANSBORO
REVENUES/EXPENDITURES
TWO YEAR COMPARISON
(AS OF JANUARY 31, 2024)**

Item VI - f.

(ACTUAL)

GENERAL FUND



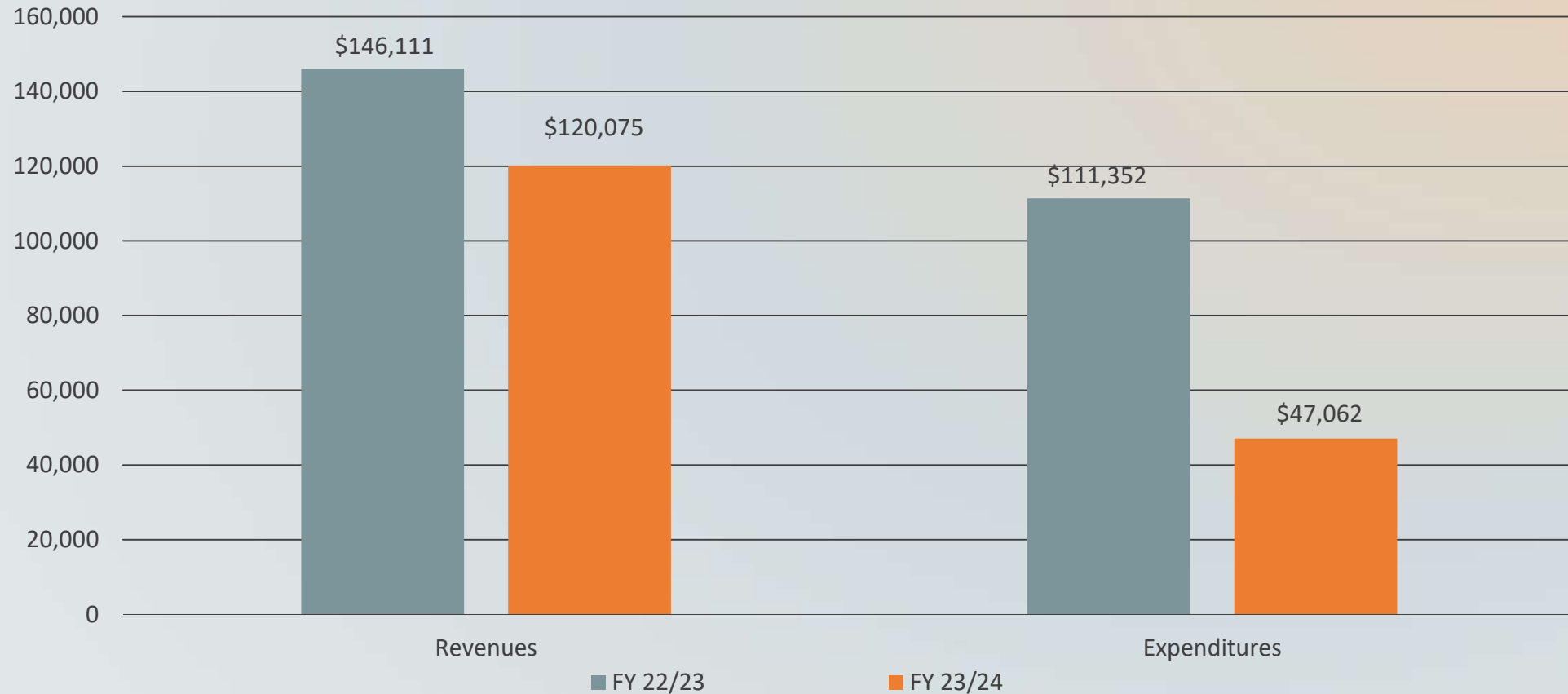
(ENCUMBRANCES NOT INCLUDED)
Total Excess of Revenues Over Expenditures \$1,197,182

DEPT.	BUDGET	YTD ACTUAL	(PURCHASE ORDERS) ENCUMBERED BALANCE	SPENT % January 31, 2024
GOVERNING BODY	43,476	24,181	826	57.5%
ADMIN SERVICES	427,686	252,831	3,377	59.9%
FINANCE	289,345	170,156	423	59.0%
LEGAL	43,000	28,345	-	65.9%
PUBLIC BUILDINGS	386,300	168,905	2,474	44.4%
FIRE	1,350,563	837,674	19,052	63.4%
PERMITTING	389,692	205,369	-	52.7%
POLICE	1,210,251	587,303	4,003	48.9%
PUBLIC WORKS-STREETS	537,002	142,786	2,417	27.0%
POWELL BILL-STREETS	110,094	3,035	569	3.3%
PARKS & RECREATION	357,132	175,585	14,247	53.2%
CHURCH STREET DOCK/VISITOE CENTER	176,327	31,486	391	18.1%
EMERGENCY MANAGEMENT	44,306	17,809	2,116	45.0%
FESTIVALS & EVENTS	124,653	97,749	3,464	81.2%
NON DEPARTMENTAL	571,580	366,731	-	64.2%
TOTAL	6,061,407	3,109,943	53,359	52.19%

**TOWN OF SWANSBORO
REVENUES/EXPENDITURES
TWO YEAR COMPARISON
(AS OF JANUARY 31, 2024)**

Item VI - f.

STORMWATER ENTERPRISE FUND

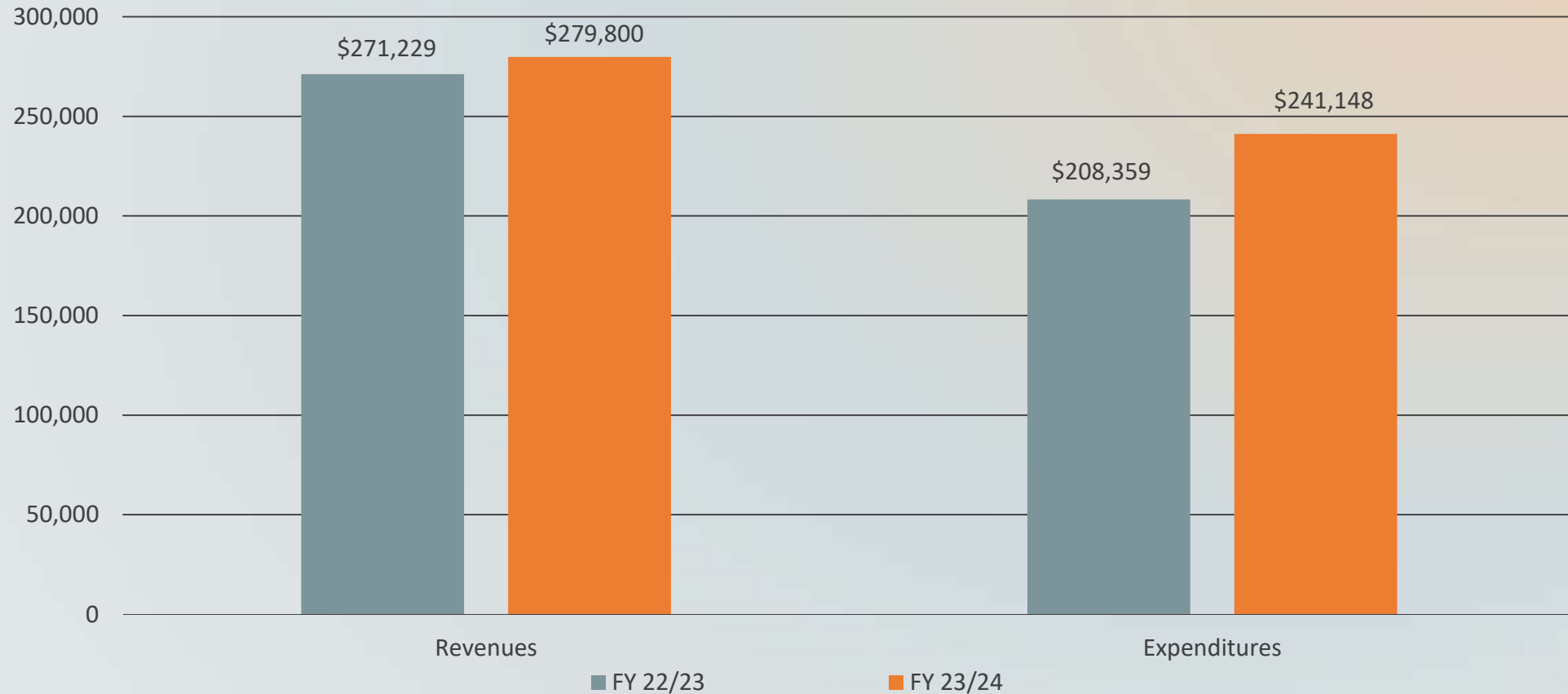


ENCUMBRANCES INCLUDED
Total Excess of Revenues Over Expenditures \$73,013

**TOWN OF SWANSBORO
REVENUES/EXPENDITURES
TWO YEAR COMPARISON
(AS OF JANUARY 31, 2024)**

Item VI - f.

SOLID WASTE ENTERPRISE FUND



ENCUMBRANCES INCLUDED
Total Excess of Revenues Over Expenditures \$38,652

**TOWN OF SWANSBORO
LOAN REPORT
(AS OF JANUARY 31, 2024)**

Item VI - f.

Item	Principal Balance	Interest Rate	End Date	Annual Debt Service
Town Hall/Tanker	\$391,469	2.69	03/21/2028	\$84,724
Public Safety Facility	\$40,000	2.58	12/22/2024	\$42,064
Fire Truck	\$136,806	2.08	11/01/2026	\$47,512
Sleeping Quarters	\$75,000	2.43	12/14/2026	\$28,038
Grapple Truck/Town Hall Generator	\$93,416	1.72	6/25/2025	\$47,917
Vehicles(Police & Fire Department) & Software	\$67,627	1.84	7/15/2026	\$23,377
Total Debt	\$804,318			\$273,632

TOWN OF SWANSBORO
CASH & INVESTMENTS REPORT
(AS OF JANUARY 31, 2024)

CASH & INVESTMENTS

BANK	BALANCE	INTEREST RATE
First Citizens Bank	\$655,841	.10%
NC CMT-General	\$5,946,705	5.25%
TD Bank (SCIF Funds for EOC & Sidewalks)	\$6,128,561	5.38%

GRANT UPDATE

	Budget	YTD Expenditures	Encumbrances	Unencumbered
American Rescue Plan Act Fund	\$1,087,599	\$955,329	\$20,279	\$111,991
Swansboro Bicentennial Park Boardwalk Extension	\$277,800	\$63,101	\$69,967	\$144,732
Emergency Operation Center	\$6,021,957	\$19,543	\$0	\$6,002,414
Emmertown School Repairs	\$424,000	\$9,055	\$0	\$414,945
Stormwater Master Plan	\$400,000	\$0	\$0	\$400,000
Total Outstanding Grants	\$8,211,356	\$1,047,028	\$90,246	\$7,074,082

Any Questions
?



Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **Future Agenda Topics**

Board Meeting Date: **February 27, 2024**

Prepared By: **Alissa Fender – Town Clerk**

Overview: The purpose of this memo is to provide the Board with matters that staff anticipates/proposes for upcoming meetings. It should be noted that these items are tentatively scheduled for the specified monthly agenda but are subject to change due to preparation of materials, public notice requirements, etc.

In providing this memo each month, we hope it will also provide an opportunity for the Board to introduce items of interest and subsequent direction for placement on future agendas, which will allow staff the opportunity to plan accordingly.

March 12th

- * Recognition of McKenna Panos
- * Public Hearing Text Amendment related to Massing Standards in the Historic District

March 26th

- * Recognition of Trevor Hucal
- * Presentation – Ricky’s Retreat
- * Conditional Rezoning – RA to R20SF, parcel off Swansboro Loop Road
- * EOC/PSB Site Selection Committee Updates
- * Financial Report

April meeting dates

9th & 23rd

Future Agenda Items

- * American Rescue Plan Funding Recommendations (updates)
- * Further LUP Review/Amendments – Comprehensive Transportation Plan Revisions
- * Text Amendments – R/A Zoning Uses – *referred back to Planning Board*
- * Sub-committee designations for Strategic Plan Implementation (*Eco Dev Committee est. Oct 2020*)
- * Building Standards (*Concerns with tarps and homes in poor repair all around town brought up 2.14 meeting*)
- * Swimming Pool/Consideration for Establishing a Pool Committee (*on hold for P&R Master Plan*)
- * Wetlands Policy (*creation & review by planning board*)
- * Duke Energy Presentation
- * Major Subdivision Final Plat – Parrish Green
- * Onslow County Soil & Water Presentation
- * Wayfinding Signs
- * High School Recognitions – *revisit/revise*
- * Street Acceptance of Swansgate and Shadow Creek (*developed has applied*)
- * Text Amendment – Airbnb regulations
- * Highway 24 Superstreet Presentation – *rescheduled to later date*
- * Waterfront Access and Development Plan (*review/revision considerations*)
- * Town Code Amendment to Chapter 91: Fire Prevention
- * Community Presentations (*ongoing monthly*)
- * Special Meeting Workshops as needed
- * Moratorium discussion
- * Sidewalk considerations to connect One Harbor property to Recreation Center
- * 2nd Amendment/Weapon Allowance at Town Hall
- * Recognition of High School Basketball Team

PROJECTS REPORT

Town Projects/Initiatives Update

February 2024

Submitted By: Jon Barlow, Interim Town Manager

This report is an on-going list of Town projects/Initiatives. New information received since the previous report is provided in **green**. Items will be removed after noting their completion.

- **Public Safety Building Restoration/Relocation Planning Project/ Swansboro Alternate Emergency Operations Center (Swansboro United Methodist Church-SUMC)**

Details from previous reports have been removed as I believe it's the Board's desire to further investigate options for the Emergency Operations Center (EOC) based on conversation from the September 27, 2021 meeting. Specifically, whether a regional facility or partnership with other neighboring jurisdictions that may have a structure that would provide a higher level of protection was possible. It has also been noted that conversation could be had with other local facilities in Swansboro that have buildings with a higher level of protection for space utilization.

The Town has an agreement in place with the SUMC should it be needed on preparatory measures. Public Safety staff and former Manager Seaberg visited the location at SUMC to verify the areas for town use, if needed, and to ensure communications would be available. The structure provides the structural integrity needed but communications during a storm while in the interior rooms would be difficult. Deputy EOC Coordinator/ Chief Degnan shared with me that arrangements for an antenna through Verizon or ATT would be needed. Board members met on December 9 to tour the SUMC site.

More in depth discussion with Chief Degnan, Chief Jackson, and Sonia Johnson regarding Public Safety Building Restorations will be had in the near future.

During the Board's Planning Retreat March 2, the Board agreed that the Manager would identify a committee and share that with the Board.

Ten people have been identified as the committee:

Chief Degnan	Chief Jackson	Paula Webb	Jennifer Ansell
Alex Wood, PE	Dusty Rhodes	Larry Philpott	Russ Davis
Alissa Fender	Laurent Meilleur, PLB Rep		

I hope to arrange our first meeting the last week of March.

Committee established 4/11 with the addition of Commissioner Conaway, Jr Freeman, and Roy Herrick. The Board of Commissioners held special joint meeting with the committee on 4/14 to give purpose and expectations.

Town of Swansboro, NC Manager's Report

Item IX - a.

The Committee has met twice with a unanimous consensus gained immediately to proceed with building our own EOC in town, to create a safe place for employees to stand up during emergency operations. Onslow County is no longer interested in a partnership to build a substation since they purchased and are operating the Freedom Way station. Committee members will be making site visits on May 25th and then proceeding to develop an RFP for architect/engineer.

Additional EOC Committee membership changes includes; removing Russ Davis and Alex Wood; adding Brenda Pugliese, Ed McHale and Jonathan McDaniels.

Board discussion on a written action plan and timeline recommended by Mayor Pro Tem Tursi to be held June 27. The committee will re-convene its meetings once that discussion has occurred.

BOC Action Plan distributed to Committee, site discussions, and draft RFQ provided/discussed July 13, 2022.

Consultant Requests for Qualifications sent out August 9, 2022 to six different firms and was located on the website. Five proposals were received on 9/9. The EOC Committee created an interview panel at its 9/14 meeting and determined an interview schedule, draft questions etc. Once the panel decides on three proposals, interviews will be scheduled.

The interview panel consisting of Larry Philpott, Paula Webb, Chief Degnan, Dusty Rhodes, Jonathan McDaniels, and Brenda Pugliese interviewed three firms on 10/18/2022. The Interview Team will share its recommendation with the full EOC Committee on 10/26/22 and then that recommendation will be forthcoming to the BOC 11/14/22.

The Board of Commissioners selected Becker Morgan as the consulting architectural firm at its November 14, 2022 meeting.

Commissioner Philpott, Conaway and the Manager met in early December with Becker Morgan to review the Board's Action Plan for the EOC/PSB. A tour of our current facilities and potential sites were also made. The contract for the feasibility study was approved on January 9, 2023. Becker Morgan met with EOC Committee January 12th for introductions and Q&A. Representatives also made additional site visits on January 18, 2023. Staff continuing meetings with Becker Morgan until more details developed for committee review.

Staff continues to work with Becker Morgan on the feasibility study which we hope to present back to the committee in April.

Ernie Olds/Becker Morgan gave a report to include three options to the committee on April 19. Ernie will firm-up the options as discussed by the committee and share with the staff. The staff met with Becker Morgan again and BM was to firm up the report per discussions and share final deliverable with the Committee for recommendation to the Board of Commissioners.

Town of Swansboro, NC Manager's Report

Item IX - a.

The final draft feasibility study was presented to the committee on June 21st. The Committee made some suggested clarification points that Becker Morgan incorporated and then the report was forwarded onto the Board of Commissioners in July 2023. The study included four options that captured the space needs in differing ways. In all options the EOC will be designed as a highly secure and hardened facility capable of resisting Category 4 hurricane conditions.

Option A is a concept that identifies all the critical functions of each department and places them in a new secure building or in the more recent additions that do meet code. The remaining existing spaces would largely be used for less critical functions such as physical fitness, storage, and minor work areas. This option should provide the least costly alternative while improving safety and addressing the EOC component fully. This option would include certain structural and exterior envelop enhancements to the existing, original metal building frame housing fire apparatus. Such enhancements cannot bring the original building to current standards but would extend the utility of the present structure to a future date. Option A – \$4.9M in building construction, renovation and demolition costs, 13,658 usable square footage. Site improvements of \$500,000; additional/potential costs of \$374,000 and soft cost of \$540,000. Total budget range (+/- 15%) = \$5.4M to \$7.3M.

Option B is a concept to build a new facility in place of the present Public Safety Facility. This would require demolishing the existing facility and building back a new freestanding building at the same location. This building would incorporate all the needs of each department. Phasing or providing temporary quarters might have to be considered to maintain continuous operations. This option should provide the middle ground in terms of costs as existing utilities, pavements, and stormwater management features are largely in place and adequate. Option B – \$8.8M in building construction, renovation, demolition, and temporary quarters costs, 14,788 usable square footage. Site improvements of \$500,000; additional/potential costs of \$433,000 and soft cost of \$913,000. Total budget range (+/- 15%) = \$9.2M to \$12.5M.

Option C is a concept that also builds a new facility, however, investigates using another location on the town owned site. This eliminates the need to provide temporary quarters or the acquisition of new land while maintaining continuous operation at the existing facility. Once the newly constructed facility is complete, operations can be relocated from the existing building and the building can be demolished or repurposed. This option should also provide middle ground in terms of costs, but may require extension or improvements to existing utilities, and pavements. Option C – \$8.8M in building construction, renovation and demolition costs, 14,788 usable square footage. Site improvements of \$750,000; additional/potential costs of \$376,000 and soft cost of \$922,000. Total budget range (+/- 15%) = \$9.3M to \$12.6M.

Option D is a concept that provides a new free-standing building that incorporates all the needs of each department. Option D would be constructed on a 'greenfield' site, an off campus location. This option is likely the costliest. Careful consideration will need to be given to site selection regarding impacts and expenses of land acquisition, utilities,

Town of Swansboro, NC Manager's Report

Item IX - a.

drainage, flood plain and emergency response times in addition to the concerns noted previously in the New Site section. Option D – \$8.8M in building construction and renovation costs, 14,788 usable square footage. Site improvements of \$1,500,000; additional/potential costs of \$403,000 and soft cost of \$1.02M. Total budget range (+/- 15%) = \$9.9M to \$13.4M. Note, budget summary does not include land acquisition. Page 11 Swansboro Public Safety Building Feasibility Report – June 2023

The initial expectations for full project costs are in the range of \$5 - 14 million. It will be the Town's obligation to secure funding, administer design and construction above the \$6 million identified and available. The Town may obligate taxpayers through bonds, capital improvements program, or other means. Loans from the U.S. Department of Agriculture are available for up to 40-year terms with no down payment required. Other grants may also be available through the Golden Leaf Foundation, FEMA, and other state or federal sources.

On August 14th, Chairman Philpott gave a briefing on finance options. Due to the length of the meeting, the briefing was added to the August 28th agenda. The Board was asked to provide a firm option selection so that the design schematic and site analysis can be done. Option C was selected and the staff was asked to layout the design on the ground for better visibility at a future meeting.

At the direction of the Board in July, the Manager forwarded an additional funding request to our local legislative delegation. In September, we learned that the Town was awarded an additional \$3 million dollars toward this project in the state budget adoption.

Becker Morgan provided a *preliminary* exterior design schematic for Option C and that layout was mapped out on the ground for visibility on October 23rd. Becker Morgan has also provided a professional services agreement for the next phase – Design and Construction totaling \$840,500, which is approximately 8% of the estimated building and site construction costs. Authorization for the Manager to proceed was requested October 23rd.

On January 23, 2024 the BOC appointed Keith Walsh as Chairman of the newly recreated EOC/PSB site selection Committee. Mr. Walsh was tasked with identifying potential candidates to serve on the committee to the BOC for consideration. On February 12, 2024 the BOC appointed Roy Herrick, Junior Freeman, Doug Eckendorf, and Melissa Anderson as committee appointees. The newly formed committee conducted its first meeting on February 19, 2024. The committee intends to meet every Monday at 5 pm until a new site is secured.

NC DCM Resilient Coastal Communities Program (RCCP) Grant – On March 17, 2021, the North Carolina Department of Environmental Quality's Division of Coastal Management award their first round of RCCP Grant funding. The Town of Swansboro was competitive enough to receive one of the grants. The intent of the grant is to fund efforts in four key phases in their Coastal Communities Resiliency Program:

Town of Swansboro, NC Manager's Report

1. Community Engagement and Risk & Vulnerability Assessment
2. Planning, Project Selection and Prioritization
3. Project Engineering and Design
4. Project Implementation

Through our efforts in the 2019 CAMA Land Use Plan update, Swansboro has effectively covered most of the parameters for phases 1 and 2. This grant will assist in finishing the remaining requirements under phases 1 & 2 so we may move forward with the final 2 phases. Applications for Phases 3 & 4 is expected to be due by the end of this calendar year.

Dewberry, Beth Smyre hosted the first RCCP Committee meeting November 17, 2021 at Town Hall. The committee identified several areas that better planning (resilience) was needed but narrowed the list to the top priorities being stormwater mapping and generator power for schools/nursing homes. The complete list included:

- Disaster Recovery (generators for nursing homes, and schools)
- Stormwater Management/Mapping
- Climate Change
- Hurricane Response/Evacuation
- King Tide Levels

A community engagement meeting was held on Wednesday, February 23, 2022 from 4-6pm at Town Hall. A community input survey is available from the Town website, at Town Hall and the Swansboro Branch Library through March 9, 2022. The Committee met again on Monday 3/21. Beth shared that 89-online surveys were received and 6 hard copies. Flooding was the number one concern. The committee revisited the original spreadsheet and still identified stormwater mapping as the top priority for the portfolio. Other items still identified but categorized with stormwater mapping were, Halls Creek and Hawkins Creek Restoration, development of a wetland restoration plan, and a public education campaign. Development of the portfolio readies the Town for phase 3 – applying for engineer funding, and phase 4 implementation.

On April 4, NCDRCM released the Request for Applications for Phase 3 of the Resilient Coastal Communities Program - applications are due June 3.

Our consultant Beth Smyre shares that NCDRCM clarified that the focus of the Phase 3 program is on projects with a natural or nature-based component; this can include projects such as green infrastructure improvements, wetland or stream restoration, or living shorelines. Infrastructure mapping, such as Project #1 of our project portfolio, would not be eligible for funding under Phase 3. Therefore, she recommended that we focus your Phase 3 application on either the Halls Creek or Hawkins Creek stream restoration efforts. As Mayor Pro Tem Tursi graciously explained to her, a stream restoration project would be far more complicated scientifically and more expensive. It is doubtful, with all the other projects we have in the works on top of budget preparation, staff would have time to put

Town of Swansboro, NC Manager's Report

Item IX - a.

together a viable application. I did share with her that we do have the Water Street Project (with engineered drawings in hand). She reviewed the plans and is checking with NCDCM to see if this project would qualify.

Beth Smyrna/Dewberry is scheduled to provide an update to the Board May 23, 2022 for Phase 2. We had originally hoped that stormwater mapping would qualify for the next phase, but we are told it does not. Phase 3 includes engineering/design – application deadline early June. Planner Jennifer Ansell and Public Works Director Tank Bates participated in a teleconference this week to seek other opportunities for stormwater mapping. The Town does have engineered plans for the Water Street Rehabilitation and could submit this project for Phase 4 funding. It is noted that the Water Street Rehabilitation project was estimated to cost \$215,000 in 2018. Phase 4 anticipated average funding level: \$45,000 per project, so contribution on the Town's part would be required.

RCCP Project Portfolio		
Project No.	Title	NNBS?
1	Stormwater Mapping	
2	Halls Creek Stream Restoration	Yes
3	Hawkins Creek Stream Restoration	Yes
4	Water Street Rehabilitation	Yes
5	Townwide Wetland Restoration Plan	Yes
6	Public Engagement and Education Campaign	
7	Resize NC 24 Culvert	

6 Swansboro Board of Commissioners Meeting May 23, 2022 Dewberry

As directed during the May 23 regular meeting, and with assistance from Withers and Ravenel, Staff was able to meet the June 3 Phase 3 application deadline for Engineering/Design. If awarded, we could receive up to \$45,000 to design/engineer bio retention areas along Broad Street prior to entering Water Street.

RCCP Phase 3 - \$45,000 was awarded to the Town on July 13, 2022 for the design/engineering of the bioretention swells along Broad Street that will assist in the rehabilitation for Water Street. We expect the design by March 2023. Following two meetings with the Board of Commissioners and the Public in May, the final deliverables were submitted on May 31, 2023 to NCDENR meeting the grant phase deadline.

RCCP Phase 4 – Construction Applications due April 28th. We were disappointed to learn there was only \$1,000,000 to award. Withers and Ravenel reviewing the application and our project criteria. The grant application was submitted to NCDENR on April 28, 2023. Total grant amount \$441,200 (Grant amount requested \$238,220, Local Match \$203,000)

Town of Swansboro, NC Manager's Report

Item IX - a.

The Town received notification on July 26, 2023 that we were not selected for funding for this phase. We knew at application that the construction phase was under-funded. In conversation with Withers and Ravenel, who assisted with the grant preparation, there are other funding sources we can look for. Steve Marks shared, "...the state has training opportunities the next couple weeks for grants this fall. Same program as the LASII planning grant, but construction projects are potentially eligible. The funding source is unclear at this moment, but DWI is proceeding as though they'll have money for the program. DWI offers low/no interest loans with possible principal forgiveness for green infrastructure projects. It's likely with the addition of the bioretention cells that this would qualify. Also, Golden LEAF could potentially be interested in the project too. Right now, their funding cap is \$250k so that would essentially cover what we were hoping RCCP P4 would fund." We will work with Withers and Ravenel for future funding opportunities.

- **August 2020 - NC State Historic Preservation Office Florence and Michael ESHPF Hurricane Disaster Relief Grant – Emmerton School:** The Town submitted an Emergency Supplemental Historic Preservation Fund (ESHPF) Hurricane Disaster Relief application for Emmerton School (AKA Old Town Hall) located at 502 Church Street for remaining Hurricane Florence damage repairs and resiliency measures for future events. The grant request is in the amount of **\$424,000** and is established as a 100% reimbursable grant.

We will use the funds for the following projects:

1. Tuck Pointing of the interior and exterior bricks to help stop the water penetration that occurs. This would also include the application of a sealant to the exterior brick.
2. Repair the extensive damage of the crumbling brick work above the south front door and other interior walls.
3. Historic Ceiling repair and repainting – Even though there is a new roof on the facility, some moisture did seep in sometime after the temporary fixes were installed.
4. The installation of a Centralized Dehumidification System
5. Window and Door repairs/replacing/storm proofing – there are a total of 81 windows and doors that are included in this request.
6. Electrical wiring repairs
7. Soffit repairs from Hurricane Florence damages
8. Sealing the crawl space
9. Attic Insulation

We were notified on January 14, 2021 that our application for Emmerton School was awarded for 100% funding (\$424,000). Please note that grant activities may not take place until the Grant Contract has been signed. We expect to receive the proposed grant contract in November 2021 and hope to have a quick turnaround on it. Once executed, we can move forward on the 9 action items listed above. **The listed deadline for completion for this project is September 30, 2023**, but are hoping, due to granting agency delays, that extensions may be available if needed.

Town of Swansboro, NC Manager's Report

Item IX - a.

On 12/1/21, received notification that NCDCCR is drafting a subgrant agreement. The National Park Service has given clearance to begin the project. A budget amendment accepting the \$424K was approved on January 10, 2022. The final agreement has now been executed. The project startup meeting has occurred, and the Manager and Planner will begin working with NCDCCR to identify contractors qualified for the work.

Staff is preparing a draft RFP, which will then have to be reviewed by the Historic Preservation office before being sent out.

A Request for Qualifications for the Emmerton School Project was approved by the state and submitted on Wednesday afternoon. The deadline for submittals is July 22, 2022.

Four RFQ's were received for construction and are under review by the state. Staff reviewed and provided its comments to the state and a joint interview will be held once the state is ready.

State Historic representatives and staff will hold interviews with three architectural firms on September 27th.

Following interviews, David Gall Architectural Firm out of Winston Salem was selected. Mr. Gall has already made a couple site visits and is already working on remediation plans.

The Town, the State Historic Preservation Office and Mr. Gall are still working on contract details. Mr. Gall also had emergency knee surgery during the holidays.

In follow-up with the State last week, the legal team is putting final edits together on the contract with Mr. Gall.

Due to a family medical issue, Mr. Gall contacted the Town on 3/20/23 to decline the contract. I have emailed the State Historic Preservation Office regarding this setback and will share the plan to move forward once we have a chance to discuss it as a group.

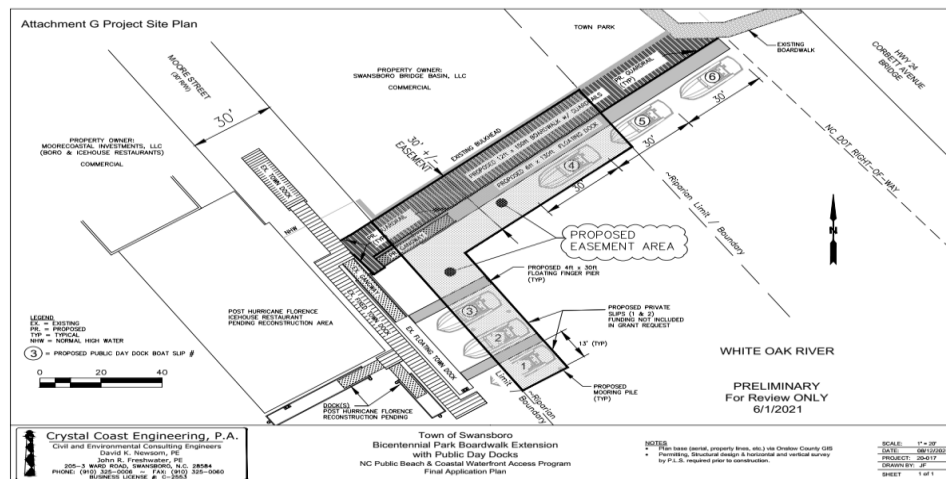
Stature Engineering was interviewed on April 10th and selected to complete the work. SHPO working on contract language with Stature Engineering. The contract was executed mid-June, and the engineer has begun his work. Mid-October 2023, Stature Engineering has completed 45% of the Schematic Design documents and 100% of the Brick and Mortar Sampling and Testing.

On November 1, 2023, Stature Engineering, Staff, and the State Historic Preservation Office met to hold a bid review meeting and Watertight Systems, Inc. was selected to perform the masonry repairs. The contract was executed early December. The required Quarterly Report for the grant was submitted early January. Stature Engineering is currently in the process of submitting drawings for window, door, soffit, and interior repair to SHPO for approval.

Town of Swansboro, NC

Manager's Report

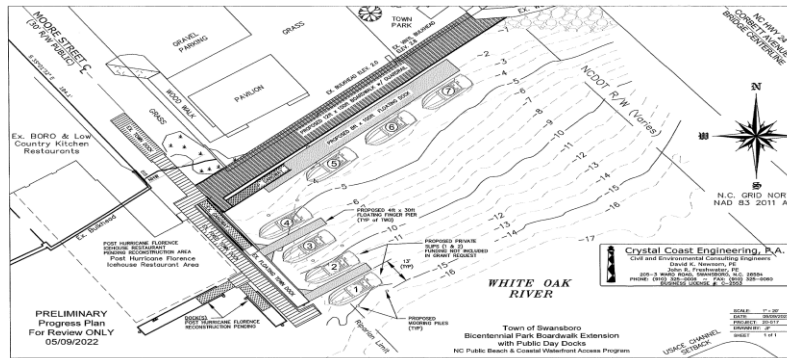
- **2020 NC Public Beach and Coastal Waterfront Access Grant Project** – The Town received notification on November 3, 2020 that the Bicentennial Park Boardwalk Extension with Public Day Docks Grant Project has been approved and granted the full amount requested of \$142,350. The Total project cost is \$158,350 with the grant. \$7,000 of the required \$16,000 town match will be non-cash/in-kind. The project will include the following:
 1. A 150 feet by 12 feet wide wooden boardwalk to be located waterward of an existing concrete bulkhead along the shoreline of the southern section of the park and the Mattocks House property. The boardwalk will connect on the western end of the existing Town Dock located in the Moore Street right-of-way.
 2. A floating dock measuring 6 feet by 130 feet will be located immediately waterward of the Boardwalk and will connect to the existing Moore Street Dock by means of 4 feet by 30 feet aluminum gangway on the western end.
 3. There will be four boat slips to accommodate day visitors in small boats



The Lease and Dock Rental Agreements have been executed with Randy Swanson. Kathy Vinson and Crystal Coast Engineering have been re-engaged to continue work on the project.

A redesign of the dock (below) was necessary to remove the kayak launch which once existed when Pogies was located on site. Removal of the kayak launch offered space for one additional boat slip. John Freshwater and Kathy Vinson are preparing the final notes on the plan, which will be submitted to CAMA for permit modification. Once the permit modification is in hand, we can send out an RFP on construction.

Town of Swansboro, NC Manager's Report



Kathy Vinson continues to work with CAMA on our permit modification. NCDOT met on site this week to review and provide comments on the project as requested by CAMA.

As reported in the weekly brief June 24th, NCDOT met on site June 23 to review the project for comment and the reported deterioration to the bulkhead at the bridge identified by John Freshwater while conducting site/surveying work on our project. Instead of granting a waiver for our project they have asked to piggyback on our CAMA Permit for the work they will need to do to repair the bulkhead. In addition, that portion of bulkhead connecting to our walkway will have to be removed and replaced. The Town will be responsible to replace its portion that connects. We will attempt to coordinate this with NCDOT so it's all done at one time. We are still working with NCDOT on the required encroachment agreement and Kathy Vinson has contacted CAMA who is agreeable to allow NCDOT piggybacking on our permit and submittal of the CAMA application with an email from NCDOT with assurances that they are working on the encroachment agreement. Due to the delays with this project, we have been advised to go ahead and ask for a grant extension now because the review time is so backed up.

Permit modification has been submitted to CAMA. A request for a grant extension has also been submitted.

We received an acknowledgement letter from CAMA on Tuesday 9/20 for our permit modification request dated August 16, 2022. We have posted the property as required. CAMA indicated that the projected deadline for a decision is October 20, 2022, but an additional 75-day review is permitted by law. As a reminder, we have also sent a request for grant extension.

The grant extension (Amendment 1) was received October 12, 2022. The Permit Modification was received on November 30, 2022. The NCDOT Encroachment Agreement was received January 9, 2023. Arendell Engineer, John Wade has been engaged to begin preparing the construction drawings.

The Historic Preservation Commission heard and approved the COA for this project on February 21st. Additionally, because we must do some minor dredging prior to

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construction of the dockwalk, I had to arrange a site visit to assure we did not have any oyster clusters that may need to be relocated. The Coastal Federation graciously made a site visit on Wednesday, February 8th and did not identify that needed to be relocated, so that box has been checked. In addition, I am waiting on a quote for dredging. As previously mentioned, Arendell Engineering is currently working on the construction drawings for bidding out the project.

Kathy Vinson and I have been working toward getting the dredge work done before the dredge moratorium goes into effect (April - September). We received two quotes - both exceeded the \$5000 amount I was given some time ago. Only one company can commit to equipment on site and work started by April 1 (Coastal Marine). A budget amendment may be required for FY 22/23 or if the project gets delayed, we will add the amount into the FY 23/24 budget.

Budget amendment approved 3/27/23. Dredge work was completed April 8. Kathy Vinson is working on the required stormwater permit, we hoped we would not have to do. The stormwater permit was submitted the second week of June.

On Friday, August 11th, 2023, property owner, Randy Swanson notified the Town that the ground was cracking at the shoreline/bulkhead. On Monday, August 14th we met with Crystal Coast Marine/Justin Cleve, who shared that he could drive pilings to secure the bulkhead as an immediate solution. The proposal was sent to CAMA for consideration. On Tuesday, August 15th I received approval from CAMA for maintenance/repair to drive the pilings, which were then driven on Wednesday, August 16th. The land side of the bulkhead continues to deteriorate due to the tide washing in/out around the bulkhead. Required bulkhead replacement costs \$101,450 – BOC approved October 5, 2023. A modification of current CAMA Permit 112-05 was required and received through fast-track review on September 15, 2023 along with approval from the US Army Corp of Engineers. The Stormwater Permit for the Boardwalk and the Bulkhead Replacement were received on September 13, 2023. *Crystal Coast Marine finished the Bulkhead repair project the week of February 12, 2024*

Subsurface Exploration and Geotechnical Engineering is scheduled to be done on Monday, October 23rd to evaluate the soil conditions for the proposed development. Project Engineer John Wood, Arendell Engineers, continues to develop final plans not only for the new bulkhead but the boardwalk as well. *Final construction plans and accompanying bid documents are expected to be completed early March 2024. Once plans and bid documents are received from Wood, the Town will seek bids from contractors to perform the project. According to project coordinator Kathy Vinson, there should be ample time to get the project completed before the latest time extension expires in October 2024.*

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The Swansboro Tourism Development Authority awarded the Town \$12,500 towards the bulkhead replacement costs on October 5th. A request has also been sent to Onslow County seeking tourism assistance for the bulkhead replacement as well.

- **Sidewalk Projects** - At their December 5, 2019 meeting, the NC Board of Transportation approved a funding request from NCDOT Division 3 in the amount of \$366,668.00. Per amended Swansboro Resolution 2019-R9, the Town contributed \$116,634 for a total project funding of \$483,302. The project was split into 3 phases/priorities to focus the limited funding to the portions that ranked higher in need.

Construction of this project commenced Thursday, April 8, 2021. NCDOT has estimated project funding shortfall in the amount of \$97,000 due to limitations caused by ditching and utilities. The cost breakdown for each phase/priority is as follows (estimates as of April 16, 2021).

- **Priority 1** - Sidewalk installation along NC-24 (Corbett Ave) from SR 1511 (Hammocks Beach Rd) to SR 1514 (Phillips Loop Rd); \$120,000 - **Completed**
- **Priority 2** - Old Hammocks Beach Rd from SR 1513 (Deer island Rd) to existing sidewalk near Fredericks Ln; \$335,000 – Expected to begin in late October 2021 – Groundwork/drainage underway. Project delayed due to two additional easements needed just beyond Deer Island Road. Water line depth too shallow in right-of-way. Easements requests were mailed out November 23, 2021.

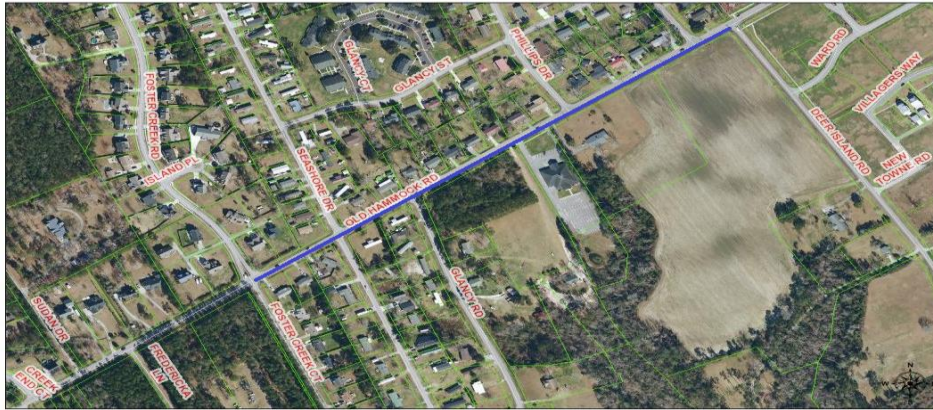
Senate Bill 105 approved November 18, 2021 included the \$100K for sidewalk extensions in Swansboro. An email notifying the Town of the \$100,000 award was received from the Office of State Budget and Management to acknowledge the appropriations of \$100,000 for sidewalk improvements from the State Capital and Infrastructure Fund Directed Grant. Once received, these funds could be appropriated for the second section of Priority 2.

Some stormwater drain work has been completed by NCDOT on Priority 2 along Old Hammocks Road. This priority area includes two sections. The first section from Deer Island Road to Fredricka Lane and the second section from Fredricka Lane to the Catholic Church connection. All easements are secured for section one. One easement is still pending for this section (involves heirs and deed preparation on their part). NCDOT does have some additional drainage work to do along the flag lots at Buena Vista Del Mar (adjacent to Williams Road).

Section 1 of Priority 2

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Section 2 of Priority 2



One easement still pending, but communication suggests we should have the easement in the near future. NCDOT still has some site work to complete prior to constructing the sidewalks.

Priority 2 Completed. Ribbon Cutting held on June 24th.

- Priority 3 - SR 1511 (Hammocks Beach Rd) from Moore's BBQ sidewalk to Park Place Dr \$125,000 - *NOTE: we have not prepared survey/design on this section yet, so costs may vary more related to this priority*

Priority 3 will connect the sidewalks at Park Place to Moore BBQ. This area has not been surveyed/ designed and could likely (according to notes in 2019) cost more than \$200,000 due to right-of-way and stream crossing, utility issues. Five easements required for this section.

Priority 3

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Staff is working with NCDOT on an updated maintenance agreement which also includes the breakdown of expenditures of the \$100K SCIF Funding (Town contribution). This information is necessary for reports we are required to provide back to the Office of State Budget and Management.

Although requests for Priority 3 easements were sent out back in October 2021, none were received. We will resubmit those requests. Second letters sent July 2022.

During the April 4 Budget Workshop, a future Priority 4 was identified. We are waiting to hear back from NCDOT on funding estimates. NCDOT indicated on 10/10/22 that the on call contractor hoped to start this sidewalk section the last part of October. **Priority 4 completed.**

According to NCDOT revised cost estimate, Priority 3 & 4 combined will be \$99,994.80. We are still waiting on the Sidewalk Agreement to be updated to include the last portion of Priority 2 and Priorities 3 & 4.

Sidewalk easement received from Justin Weiss/1130 Hammocks Beach Rd. Still need three others from Rawls. NCDOT has been notified. As a reminder – the funding from Priority 3 was moved to Priority 5 & 6 by NCDOT due to it taking so long to obtain the easements. Storm ditch crossing engineering cost will have to be funded by the Town and sidewalk construction will be dependent on future NCDOT funding or the Town can also provide funding.

Priority 4 - **Completed**

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Future Priority Areas – as previously noted (Manager’s Weekly Brief) interest by a handicapped resident has been shown to extend the sidewalk along the west side of Old Hammock Road where there is a void from the Cottages to the side entrance to the Piggly Wiggly. NCDOT shared on 10/10/22 that funds were available to complete that portion ending north of Pelican Circle to the Piggly Wiggly driveway. The Town will work to obtain the required easement. I did inquire whether the partial south of Pelican Circle/adjacent Pineland Drive could be included but have not heard back from NCDOT to date. A second letter was sent to the Perry family on November 17 regarding needed easement for sidewalk extension. The first letter was sent on October 24th. A third letter was hand delivered to Mr. Perry on December 5 and Mr. Perry indicated he was having issues getting all owners to agree. Owners include members of the Perry family, heirs to Irene Pinkston.

Future priority areas were discussed with the BOC July 25, 2022, but no decisions made until more development made on Priority 3. The easement for Priority 4 was secured the last week of July and shared with NCDOT so that this section could be moved forward ahead of Priority 3. Thus far, no easements have been secured for Priority 3.

On September 26, the Board identified the following Priority Areas: (Note: *priority numbers reassigned by NCDOT*)

Priority 5

Extension of the sidewalk north from the Cottages to Piggly Wiggly side entrance street
Obtained list/addresses for all eight property owners of parcel 056535 on January 5, 2023.
Finalized the easement document and mailed all property owners a separate easement to sign.
Once all received back, I will notify NCDOT to schedule the sidewalk construction. As of
2/23/2023, one of eight easements received.

3/10/23 – I made some progress on obtaining easement signatures for Priority 5. I received all signatures needed from the Perry family. However, none of the signatures from the Pinkston family have been received despite numerous letters and Perry family attempts.

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3/28/23 – all required easements received from Perry and Pinkston family and forwarded onto NCDOT. Ditch piping has been installed at the entrance to the Piggly Wiggly. NCDOT indicated that this section would be completed in a 6-8 week timeframe.

Priority 5 completed in September 2023



Priority 6

Pineland Drive parcel south of Pelican Circle to connect to the existing sidewalk at Cottages

NCDOT shared on 11/17/22 “we have reached out to the Environmental Unit to determine if we could extend the existing crossline to extend the sidewalk, or if permitting would be required. We have not yet estimated this work, since we are uncertain what may be involved. If we are able to pursue this section, then we will need an easement from the property owner (but do not reach out to them until we have determined that we can move forward), and we would want to remove the short section of sidewalk that turns out towards Old Hammocks Rd. This is not acceptable practice as it is leading to a roadway where there is not a Stop condition, nor is there a permitted mid-block crossing.”

On February 2, 2023, NCDOT gave the okay to seek the required easement for this priority. That request was mailed February 3, 2023.

Two easement letters have been sent to the property owner with no response. The last letter gave a deadline of March 15th. Easement obtained late March and provided to NCDOT. The Town obtained an engineered pedestrian crossing for this priority. Waiting to hear from NCDOT on utility conflict/pipe extension.

Priority 7

Main Street Extension from the Recreation Center to Old Hammock to Highway 24 – awaiting cost estimate from NCDOT. Subject to future funding.

Priority 8

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Gaps without sidewalks on Highway 24 from Old Hammock Road to downtown – awaiting cost estimate from NCDOT. Subject to future funding.

Priority 9

South side of Highway 24 from Walmart to Queens Creek – awaiting cost estimate from NCDOT. Subject to future funding.

Following a TRC Meeting at Town Hall on December 13, I met with our NCDOT District Engineer to discuss the priority areas described above further. She noted a change to our priority areas as noted above in red and that she would be reviewing the funding left in this cycle once priority 4 was paid out. She felt confident there should be funding left to complete Priority 5&6 as re-numbered above. As a side note, the Town still has the \$100k provided by the SCIF Funding if NCDOT's estimates are more than what is left with NCDOT. Pedestrian crossing for Priority 6 estimate \$5000.

On February 6th, I had additional conversation with property owners of Priority 3. They seem interested to work with the Town now. I reached back out to NCDOT to schedule a meeting with the property owners. On 2/22/23, our Division Engineer indicated that they will create a detailed aerial of where the sidewalk/easement will be. A reminder that Priority 3 was taken off the NCDOT work list and those funds were shifted to Priority 4, 5, and 6. If the Priority 3 property owners were agreeable to provide an easement, a new estimate would have to be obtained, and the Town would be responsible to have engineer/design and pay for the stormwater crossing. NCDOT has made it clear they will not pay for that.

Priorities 7-9 have been sent to NCDOT. However, they are subject to future funding NCDOT may get, unless the Town wants to fund them.

- **Visitor's Center Improvement Update** – Andrew Wilson of Crystal Coast Engineering has prepared a draft building layout for the Visitor's Center based on several suggestions he received. You may recall that the Town had reached out to John Wood, Restoration Specialist with the NC State Historic Preservation Office to determine if the structure had retained its contributing historic status when moved to its present location, which would have allowed an exemption under the Flood Damage Prevention Ordinance. On January 6, 2022 Mr. Wood provided that due to the structure being moved from its original location, handicap ramp addition, and elevation; the structure was no longer a contributing historic structure. It should be noted that the elevation was required because the structure was in the flood zone, and the handicap ramp had to be added for ADA compliance. What this ultimately means is that we will have to follow a phased plan for improvements because the building is valued at \$57,000. If the renovation cost exceeds 50% of that value, a Substantial Improvement, the entire structure must be brought into compliance with the current ordinance and Building Code requirements. A second phase could not be started until one year after the final inspection on phase one.

Another alternative would be to raise the building to the current flood elevation (approximately 5 more feet) to bring it into compliance with the current regulations, including breakaway wall

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construction for the foundation due to the Coastal A flood zone designation. This would require HPC approval. This item will be added to the Planning Retreat for discussion/guidance. As a reminder the Town was awarded \$20,000 through the Onslow County TDA and must be used by June 30 or requested again in the next grant cycle.

Staff met with John Wood on Tuesday, March 1. As reported at the March 2 Planning Retreat, John Wood indicated that if we moved the side entrance steps back to the front of the building as they originally were when the building sat further down Water Street and clearly identify those as new construction using certain materials and raised flower beds to camouflage, the buildings historic status could be returned. Planner Ansell has sought engineered drawings and elevation certificate. Additional reviews by the Historic Preservation Commission and Flood Appeals Board will still be required. Once the contributing status is re-instated, the building would qualify for an exemption under the definition of Substantial Improvement and allow the Town to apply for a variance from the Flood Damage Prevention Ordinance requirements through the Flood Appeals Board.

Tidewater has been engaged to provide the elevation certification and existing conditions survey. Larion Engineering has been engaged to provide engineered re-design to remove the side entry and re-instate the entry to the front of the building and flood analysis. All will aid in the return of the contributing status to the building which will in turn relieve the Town from the flood requirement to raise the structure. The design will be scheduled for review by the Historic Preservation Commission for the demolition of the steps/deck and construction of the new steps as soon as the plans are received from Larion thereafter, a variance will be sought from the Flood Appeals Board from the elevation requirement. Public Works will demolish the side entry however, based on workload we will most likely utilize a contractor to install the front entry.

On May 17, the HPC reviewed the side entrance demo and re-location of the front entrance as recommended by Restoration Specialist John Wood. HPC member Kim Kingrey volunteered to search for photos from years back to see if the hand railings were wooden or if any were ever present. Once final minor work approval is granted, the work performed and contributing status re-instated, we would then qualify for an exemption under the definition of Substantial Improvement which would allow the Town to apply for a variance from the Flood Damage Prevention Ordinance requirements through the Flood Appeals Board.

As previously reported (Manager's Brief June 16), demo of the stairs at the Visitors Center is complete. Visitors are still able to use the handicap ramp access at the rear to gain access to the restrooms. The railing has also been re-constructed by Public Works on the front porch. Once the wood dries out, it will be painted white.

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At the BOC's request, a progress update was given July 25th, 2022.

What's Been Done To Date

- Working to re-establish Historic Contributing Status
- Awarded FY 21/22 Onslow County TDA Funding \$20,000 – paid for side steps demo identified as reason historic contributing status rescinded, required engineering of front steps re-construction due to flood zone location, some interior fixtures purchased for future renovations
- RFP awarded to Rufus Murray for side steps demo May 2022 - *completed*

What's Remaining to do on the Exterior

- RFP to reconstruct front entry steps due August 1, 2022 (breakaway design)

Once the front entry steps are constructed, the final V-Zone Certificate can be prepared. The next step is to obtain the variance from the Flood Appeals Board and obtain letter from the State Historic Preservation Office that the Contributing Status has been re-instated.

Interior Renovations - The estimated costs provided by former Public Works Director in 2021 was \$60,870. Of that amount, he indicated that the Public Works Crew could perform about \$15,000 of that work (walls, sheetrock, painting, flooring). Swansboro TDA has agreed to fund a portion of the interior renovations. Once we have settled on an interior design, we will be able to determine whether any water/sewer improvements will be needed, or whether just a certified engineered letter will be required that the current infrastructure can handle the improvements.

Eight vendors were notified of the RFP to re-construct the stairs at the Visitors Center and it was posted on the website. RFP's were due by August 1 and only one was received (Rufus Murray) for \$23,300. We plan to proceed utilizing the allocated ARP funding so we can keep this project moving forward.

Rufus Murray was awarded the contract to re-construct the exterior stairs etc. On hold until after the Mullet Festival so we don't have a construction site during the festival. A pre-construction

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meeting was held on Monday, October 17 and the contractor plans to get started immediately. The Visitor's Center will remain open during the exterior construction.

As reported in the Manager's Weekly Brief on December 1- exterior renovations are complete. We will prepare a letter to National Parks System to have contributing status re-considered.



In an email from John Wood on December 13, he indicated he would forward our exterior improvement work to the National Parks Service and request the re-instatement for us. Followed up January 10 as we would like to make application for tourism funding (application due by March 1, 2023) for the interior and need to apply for the Flood Ordinance exemption. John felt confident that our contributing status would be restored before that date and encouraged us to proceed with the final elements.

The Flood Board heard and approved the variance request from the definition "Substantial Improvement" on February 21st. I will be making application to Onslow County for tourism dollars for interior renovations by March 1st.

Application was submitted to Onslow County on 2/28/23 for \$30,000 to assist with future interior renovations. \$30,000 will be included in the Swansboro TDA budget for FY 23/24 as they had already made commitment. As previously shared, Onslow County did not fund our request this year. Swansboro TDA awarded the Town \$30,000 in July.

Mid-October, met with electrical and mechanical contractors, and still waiting to hear from plumber. It would be our hope to begin the interior renovations late November unless the contractors are ready before.

- **LSAII/Stormwater Mapping Grant** – Following adoption of a support resolution on September 12, 2022 the Town entered into contract with Withers Ravenel (\$5000), who will prepare the grant application for Local Assistance for Stormwater Infrastructure Investments through the NC Division of Water Infrastructure in hopes of receiving up to \$400,000 to assist with stormwater mapping in the Town. The application deadline is September 30, 2022, with grant awards to be

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announced in February 2023. On February 9th Withers Ravenel shared that our application had been recommended for approval. We should receive final award by the end of February. Grant award received April 5, 2023. Staff held a scoping meeting with Withers Ravenel on October 18th to review the draft agreement for services.

Two rounds of RFQs were sent out, with final submittals in August. WithersRavenel was selected to complete the project in October of 2023 and the contract was executed early December. At a December 18, 2023, kickoff meeting with staff and WithersRavenel, a public outreach meeting included a survey was scheduled for mid-March. Data collection portion of the project is projected to start early June.

Department Reports for January 2024

Administrative Services

- Phone Records Report for January: 2,310 calls

Internal – 462	Town Hall – 426	Parks and Recreation – 244
Police Department – 460	Fire Department – 88	Outgoing totals – 650
- Building permits sold for January: 39 residential/commercial combined; \$8,447.04 total fees collected (includes 18 re-inspections)
- 159 Building inspections scheduled/3 Fire Inspections processed
- 94 Various receipts processed
- 1 Code Enforcement violation
- 330 ONWASA payments processed; 1 New Services; 3 Other
- 3 Work Orders generated for Public Works
- 11 Notarization's performed
- Created Visitor Center Schedule for February
- Admin Staff worked at Visitor's Center 3 days each week (Aliette, Linda, and Jackie)
- US Census Report Submitted – Permits
- Finalized December Departments Report
- Began Business Expo planning & coordination of attendance
- Began planning of Advisory Board Appreciation reception
- Provide planning support for numerous matters
- Began budget preparation for Admin Services, Governing Body, Legal & Permitting
- Worked with Computer Warriors on Streaming services setup
- New advisory board appointments processed
- Essentials of Municipal Government Course
 - Travel arrangements handled for all attending
 - Bill, Joe and Aliette attended the Wilmington Session January 18th & 19th
 - Doug and Alissa attended in the Rocky Mount Session January 25th & 26th
- Alissa attended the 4th week of the 8 week Municipal & County Administration course through the UNC School of Government in Chapel Hill
- Public Records Request
 - Dusty Rhodes TDA
 - Frank Tursi/Jimmy Williams EOC/PSB
 - Smart Procure – PO /Vendor Information
 - Open Books – Payment Transactions
- Issued News Releases for
 - BOC 1/9/2024 Meeting
 - Weather Alert #1 January 9-10
 - Weather Alert # 2 January 9-10
 - MLK Holiday Closures
 - Rescheduled BOC Meeting from 1/9/2024 to 1/16/2024

Department Reports for January 2024

- Town Building closures notice due to weather
- Yard Waste Collection Day change
- Weather Alert #1 January 12-13
- BOC 1/23/24 Meeting
- Developed monthly and special meeting notices/hearings, agenda items, packets, and minutes/distributed for meetings. A staff representative(s) attended each meeting and prepared meeting minutes/follow-up
- Town website updates continue (including Homepage articles/minutes/agendas/calendar, special events, projects, plans, etc.). Website Home Page defaults: 2,362.

Top 5 pages viewed in December

Employment Opportunities 631 | Government 318 | Departments/permitting 279

Departments/Police 232 | Departments/Commissioners 187

Finance

- Sales & Use Tax received in January 2024 is \$120,608
- Accounts Payable Summary for January 2024:
 - 240 Invoices-Totaling \$142,384
 - 26 Purchase Orders Issued
- Processed payroll- 1/12/2024 & 1/26/2024
- Stormwater Fees Collected-January 2024-\$183
- Processed W-2, 1099-Misc & 1099-NEC
- December 2023 Bank Reconciliation-Town accounts
- December 2023 Bank Reconciliation-Swansboro TDA
- HR-related items estimated at 12.5 hours
- Processed Swansboro TDA checks.
- Gathered financial information for January 23, 2024 regular meeting
- Attended the budget review meeting with Computer Warriors
- Attended the Swansboro LASII Stormwater Master Plan monthly progress meeting
- Budget instructions for FY 24/25 distributed to Department Heads
- Preparing Year End Projections FY 23/24/updating operating budget spreadsheet.
- Attended a meeting with NCLM to review the property appraisal results
- Attended Utility Billing training session with Tyler Technology
- Public Records Request-Sunshine Request
- Updating the statistical section of the Annual Comprehensive Financial Report-ACFR
- The Finance Director received the financial report. The Auditor submitted the report to the Local Government Commission (LGC) and received confirmation it has been reviewed by the LGC staff.
- Submitted the Participant Application for the Certificate of Achievement Award to the Governmental Finance Officers Association.
- Submitted the following reports:

Department Reports for January 2024

- HUBSCO Report (Historically Underutilized Businesses State Construction Office) Construction Reporting System.
- LGC203-North Carolina State Treasurer-Cash Deposits and Investments for Town and Swansboro TDA
- State Capital and Infrastructure Fund Grant (SCIF) -Quarterly report
(October 1,2023 - December 31, 2023)
- 941 Employer's Quarterly Federal Tax Return
- NC-3 Annual Withholding Reconciliation

Fire Department

Incidents

- 117 Total Incidents
 - 72 EMS Incidents
 - **44** Fire Incidents
 - **18 Overlapping Incidents (Two or More Calls Simultaneously)**
 - 91 incidents occurred in the Swansboro (City Limit District)
 - 18 incidents occurred in the White Oak Fire District
 - 8 incidents were automatic or mutual aid to other jurisdictions.
- Response Statistics
 - Average Turnout Time (Dispatch to Enroute): 2:28
 - 90th Percentile (Less Than 80 Seconds)
 - 60.98% - EMS Incidents
 - 41.86% - Fire Incidents
 - Average On-Scene Time for EMS incidents
 - **20.39** minutes (EMS Incidents)
 - **2 Hours & 6 Minutes** (Longest On-Scene Time)
 - **1** (Incidents On Scene over 1-hour)
 - **12** (Incidents On Scene over 20-minutes)
 - **11** (Incidents On Scene 30-minutes or Greater)

Training

- Two Firefighters obtained their NC Office of EMS – EMT Certification
- Three personnel obtained their NC Office of State Fire Marshal, Fire Investigation Technician

Vehicle repairs

- Turbo Actuator on Squad 17 (1703)

Department activities

- Training Personnel
- Preparing for ISO inspection, requesting date to follow.

Parks and Recreation**DIRECTOR'S REPORT***Festivals/Events*

- Began preparing end of year projections
- 2024 vendor policies and applications revised and posted.
- Applications are beginning to come in for Arts by the Sea and Mullet Festival.
- Sponsorship packet revised and sent to previous sponsors. Began soliciting new sponsors.
- Continue to train a Recreation Aide that will be assisting with festival planning.
- Began collecting quotes for all 2024 festivals: Portable toilets, sound, tents, golf carts, shuttles, security, and other logistics.
- Contacted Onslow County Code officer for permit application for July 3 fireworks.
- Working with Hampton Inn to provide discount codes for Arts by the Sea and Mullet Festival vendors and patrons.

Mullet-

- All bands have been booked, finalizing contracts to send out

ARP Projects*Splashpad Renovation*

- The splashpad area will include concrete bench seating, a patio area with large shade structure and seating options (benches, picnic tables), The patio area will connect to the playground area. The concept is to provide a cohesive area while still having splashpad separate from the playground.
- Conceptual drawings received for concrete work for the area.
- Met with Task Contracting, waiting on quote
- Obtaining quotes shading and seating options.

Commercial Toilets & Drinking Fountain w/ bottle fillers.

- Install new toilets in the outdoor restrooms: Municipal Park, Pirates Den, and Bicentennial Park.
- Met with plumber that completed the concession stand project. Site visit was conducted and proposal was to be sent. Never received information after the site visit and vendor would not return calls.
- Currently looking for a new plumber for the project.

Completed

- Utility Terrain Vehicle
- Church Street Dock Cameras

Department Reports for January 2024

- Rope Climber in Municipal Park
- Parks Maintenance Truck Replacement

Miscellaneous

- Met with Pickleball committee to review 2024 league information. Fees remain the same for this year, membership packet updated, new ladder league to begin in February, and reviewed supplies and equipment needed for next fiscal year.
- Began planning for the annual PirateFest in partnership with Onslow County Parks and Recreation.
- Executed annual contracts for on-going reservations and instructor contracts.
- Executed annual contract for playground maintenance and software application.
- Attended webinar for a weather safety software application to monitor on-site weather and an alert system.
- Began preparing for the Program and Event Manager vacancy.
- Attended quarterly review meeting with Computer Warriors.
- Attended the annual Recreation Resources Directors Conference.
- Began preparing budget for 2024-25 fiscal year.
- Worked with Onslow County Board of Elections to offer early voting at the Recreation Center.
- Met with Swansboro High School Marching Band Volunteer Coordinator to discuss ways to have the band involved in departments special events and festivals.
- Attend bi-weekly departmental managers' meeting.
- Continue to manage staff timesheets, hours tracking, and schedules.
- Continue to manage and monitor budget and funds.
- Continue to manage on-going weekly and monthly reservations.
- Continue to manage parks, repairs, and work with the Public Works Department for maintenance.
- Serve on the Onslow County Senior Games Committee, meetings held once a month.
- Attend weekly Zoom meetings with NCRPA (North Carolina Recreation and Park Association) Director's call.
- Serve on the Jacksonville Onslow Sports Commission board as a liaison. Attend quarterly meetings, update the board on the department's programs, events, and festivals.
- Attend quarterly meetings for the Onslow County Tourism Board.
- Attend Board of Commissioner meetings.
- Conduct Parks Advisory Board meetings.

Department Reports for January 2024

Item IX - b.

Metrics-social media

Media Outlet	Followers	Page Reach	Post Engagement	Page Visits	New Followers
Facebook	16,063	19,756	2,745	3292	208
Instagram	775	10		20	15

Activity Report

Organization Activity					
From 1/15/2024 to 2/14/2024					
	Registrations	Reservations	Memberships	Check-Ins	Profiles Created
All	139	35	15	0	76
Resident	20	6	4	0	5
Non-Resident	119	24	11	0	71
No Residency Set	0	0	0	0	0
Demographics					
< 18	6	1	0	0	8
18 - 65	92	23	8	0	54
65+	41	6	7	0	14
Male	45	10	10	0	28
Female	94	20	5	0	48
Other Genders	0	0	0	0	0
Online vs In-House					
Online	25	0	0	N/A	32
In-Person	114	30	15	N/A	44

Revenue

Slip Fee - Town Dock	\$1,305.50
Rental Fees-Parks	\$25
Rentals Rooms	\$2805
Rec Program Fees	\$14,555
Gym Memberships	\$345
Dog Park Memberships	\$170
Vendor Fees	\$560
Festival Sponsorship	\$2,000

Program/Event Manager Monthly Report

- Processed Payments/Refunds for programs and special events
- Emailed monthly distribution list the upcoming programs/events for the department
- Created program proposals
- Dock Slip reservations/Pump Outs
- Compiled daily deposits

Department Reports for January 2024

- Advertised/promoted all programs/special events on social media platforms: Facebook, Instagram, JD News
- Created all programs/events in RecDesk for registration
- Created program proposals for new programs to be approved by Director
- Completed instructor payouts for recently finished programs

Planned Programs

Tennis and Pickleball Lessons – December 12-February 4

- Not ran by Swansboro Parks and Recreation
- Posted on RecDesk with link to their website to register
- Printed flyers

Tai Chi Class – January 4-February 8

- Instructor made the decision to make max number of participants to 10 due to overcrowding.
- 6 week series
- Program maxed out at 10 participants

HIIT Bootcamp Fitness Class – January 6-January 27

- 4 week series
- As of 1/24/24 – 5 drop ins, 3 series registrations

POUND Fitness Class – January 6-February 3

- 5 Week Series
- As of 1/24/24 – 20 drop ins, 6 series registration
- Will move into multipurpose room if available due to increased participation

Wooden Snowman Box Workshop – January 11

- Program by Susan Swain
- Program cancelled due to no registrations

Fellowship Night – January 15

- Theme: New years

Paint and Sip ENCORE: Hydrangeas – January 18

- Finger painting class for adults
- As of 1/1/24 - 7 registered
- As of 1/24/24 – 9 registered

Teacher Workday Camp – January 22-23

- 1/1/24 - 11 participants registered for both dates
- Completed program maxed at 12 participants for both dates

HIIT Bootcamp Fitness Class – February 3-February 24

Department Reports for January 2024

- 4 weeks series

Play with paper Pulp – February 10

- Art program for kids in the works by Carolyn McDearmon

POUND Fitness Class – February 10-March 9

- 5 week series
- Series starting directly after January series ends per instructor request

Teacher Workday Camp – February 19

- Cancelled due to no one being about to oversee the program

Cook with your Kid: Pie Making – ~~January 20~~ February 24

- As of 1/1/24 - 12 participants, 5 on waitlist
- Instructor had to cancel due to COVID, rescheduled to 2/24/2024
- Informed participants and refunded those who requested for one; filled their spot with waiting list

Tai Chi Class – March 7-April 11

- 6-week series

Tennis and Pickleball Lessons – March 16-May 11

- Not ran by Swansboro Parks and Recreation
- Posted on RecDesk with link to their website to register
- Printed flyers

HIIT Bootcamp Fitness – March 2-March 23

- Would be a 5-week series, however, instructor will be out of town the last week so he requested to have a 4 week series

Teacher workday Camp – April 1

- As of 1/24/24 – 2 participants registered

Teacher Workday Camp – April 29

- As of 1/24/24 – 1 participant registered

Tai Chi Class – May 9-June 13

- 6 week series

Permitting*Planning Board*

- The Planning Board meeting was held a Special meeting on January 10th, 2024.
 - The Planner presented a Zoning Map Amendment to rezone a parcel on Swansboro Loop Road from RA to R20SF Conditional Zoning. The case was continued to March 5th.
 - Projects/ Planning Coordinator presented a text amendment to Landscape Standards in the Unified Development Ordinance, Historic District Standards. The text amendment was recommended unanimously to the Town Board.

Swansboro Historic Preservation Commission

- The January 17 regular meeting was canceled.

Routine Activities:

- Continue working with development and zoning inquiries.
- Continue resolving code enforcement issues.
- Continue working with TRC members and active commercial review projects:
 - Wawa (3rd submittal)
 - El Catrin (waiting on fire lane installation)

Police Department*Patrol:*

- 174 Reportable Events
- 13 Wrecks
- 7 Misdemeanor Arrests
- 3 Arrests by Warrant Service
- 5 DWI Arrests
- 8 Arrests with Transport to the Onslow County Jail
- 31 Citations
- 90 Verbal/Written Warnings
- 2 Felonies Reported (1-Forgey; 1-Fraud)
- 25 Misdemeanors Reported (8-Larcenies; 7-Property Damage; 4-Trespassing; 1-resist, Obstruct & Delay Police Officer; 1-Stalking; 1-Assault; 1-Child Abuse; 2-Traffic Related)
- 3 Domestic
- 2 Disputes/Public Disturbances
- 1 Overdose (1-Fatality)
- 1 Death Investigation
- 15 Alarm/Open Door Reports
- 16 Suspicious Incident/Person/Vehicle
- 6 Town Ordinance Violations
- 214 Requests by Other Agencies for Assistance

Department Reports for January 2024

- 41 Requests by Citizens for non-Crime Related Assistance

3,549 Total Patrol Events Performed

Community Service/Training:

- 9 Vehicle Unlocks
- 8 Requests for Fingerprinting
- 2 Funeral Escorts
- 26 Business Closing Standbys
- 2 Requests by Citizens for Residence Checks.
- Chief Taylor and Lt. Brim attended the monthly East Carolina Association of Law Enforcement Executives meeting held in Havelock.
- Chief Taylor and Det. McNeil attended the monthly Crime Stoppers meeting held in Jacksonville.
- Chief Taylor and Lt. Brim attended the General Members meeting of the Swansboro Area Chamber of Commerce.

Admin Services:

- Answered 393 Phone calls during business hours.
- Assisted 209 walk in requests for assistance during business hours.
- Took 51 requests for reports during business hours.

Public Works

Public Buildings

- Twice weekly cleaning of all park bathrooms, conducted on Monday and Friday mornings.
- Weekly set-up and tear down of Town Hall Community Room for various meetings to include:
- Bi-weekly Board of Commissioners Meetings, Planning Board Meetings, Historic Board Meetings, TDA Meetings, etc.
- Weekly set-up and tear down of Town Hall Community Room for One Harbor Church services.
- Minor repairs conducted to the following Public Buildings:
- Town Hall – Repaired and adjusted two interior doors that were not closing or locking properly. Repaired 2nd commode in Mens bathroom from where the leak originated.
- Old Town Hall – repaired plastic lock cover over thermostat in Community Gathering Room. Repaired side entrance to the Heritage Center.
- Visitors Center – Repaired commode inner fixture.
- PSB – Repaired Mens bathroom, running toilet, inner fixture replaced. Replaced several overhead light bulbs.
- Cleaned out all outside HVAC units at all public buildings.

Public Streets

Department Reports for January 2024

- Took down all holiday lighted ornaments from West Corbett Avenue and downtown area.
- Removed all holiday wreaths and banners from downtown area.
- Edged the curbs, gutters and sidewalks in the following neighborhoods:
 - Swansboro Heights
 - Deer Run
 - Downtown area from Walnut Street west to Shore Drive and Shore Drive north to Sabiston.
- Cleaned debris from West Corbett Avenue along curbs and center of roadway
- Cut, weed eaten and cleaned sidewalks along Deer Island Road and Old Hammocks Road.
- Applied Asphalt Cold Patch to several potholes throughout the town streets.

Stormwater

- Continued routine maintenance on various stormwater easements throughout the town., to include:
 - Pineland Drive easement
 - Halls Branch
 - Piggly Wiggly easement
 - Jones Funeral Home easement
 - Main Street Extension easement
 - Cleared stormwater drains throughout the town.

Solid Waste

- Twice weekly trash pickup at all parks and Downtown areas, conducted on Monday and Friday mornings.
- Weekly Yard Waste Run
- Litter sweep and pick up conducted at all town parks.

Grass Cutting & Grounds Maintenance

- As necessary throughout all town public grounds and parks, during off season mowing.

Vehicle & Equipment Maintenance

- Performed basic maintenance, when required, on all Department vehicles and equipment, to include oil changes, wiper blade replacement, vehicle bulb replacement, tire inflation/repair, battery replacement, fuse replacement, lube various areas, and washed and vacuumed all vehicles.

Miscellaneous Efforts

- Took down Holiday Marquee's at Town Hall and Rec Center.
- Removed Holiday decorations from Pug Pavilion, Visitors Center and Town Hall.
- Removed Christmas tree and inside decorations from Community Room at Town Hall.