

**Town of Red Cross
Red Cross, North Carolina
For the year ended
June 30, 2023**

**Independent Auditor's Reports
Basic Financial Statements
And
Information Accompanying the
Basic Financial Statements**

Town Council

Mayor

Kelly Brattain

Council

Lisa Lowder

Council

Melvin Poole

Council

Trina Plowman

Council

Andrew Smith

Officials

Finance Officer

Trina Plowman

Town Administrator

Aloma Whitley

Town of Red Cross

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TONY BREWER CPA, PC

Certified Public Accountant

Independent Auditor's Report

To the Honorable Mayor and Town Council
Town of Red Cross
Red Cross, North Carolina

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Red Cross as of June 30, 2023, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Red Cross, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management's 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 raises substantial doubt about the Town of Red Cross'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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect material statement 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, we:

- Exercised professional judgement 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 the Town of Red Cross 's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Red Cross 's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 10, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Red Cross, North Carolina's basic financial statements. The individual fund statements, budgetary schedules, and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "Tony Brewer". The signature is written in a cursive, flowing style.

Tony Brewer, CPA, PC
Lexington, North Carolina
January 18, 2024

Town Of Red Cross
North Carolina

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Oakboro, NC 28129
704-485-2002 / 704-485-2015 (FAX)
www.townofredcross.com

Management's Discussion and Analysis

As management of the Town of Red Cross, we offer readers of the Town of Red Cross's financial statements this narrative overview and analysis of the financial activities of the Town of Red Cross 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.

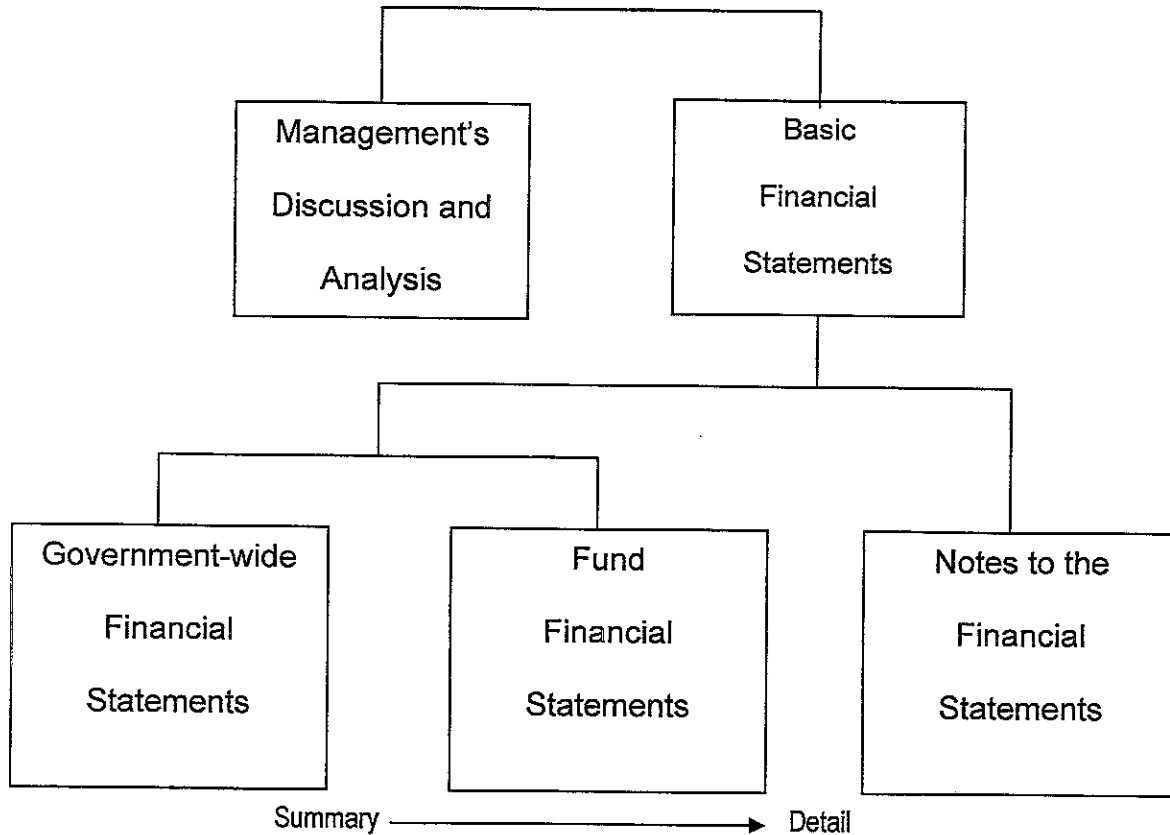
Financial Highlights

- The assets of the Town of Red Cross exceeded its liabilities at the close of the fiscal year by \$3,129,634 (net position).
- The government's total net position increased by \$320,726 solely due to increases in governmental activities net position.
- As of the close of the current fiscal year, the Town of Red Cross's governmental funds reported combined ending fund balance of \$1,911,940 with a net increase of \$341,336 in fund balance. Approximately 8 percent of this total amount, or \$147,381, is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,764,559, or 725 percent of the total General Fund expenditures for the fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction of the Town of Red Cross'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 Red Cross.

Required Components of Annual Financial Report Figure 1



Basic Financial Statements

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

The next statements (Exhibits 3 through 6) are Fund Financial Statements. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are two parts of the Fund Financial Statements: (1) the governmental funds statements; and (2) the budgetary comparison statements.

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

Management Discussion and Analysis
Town of Red Cross

Government-wide Financial Statements

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

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

The government-wide statements are in one category: (1) governmental activities. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration.

Property taxes and other intergovernmental revenues finance most of these activities.

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

Fund Financial Statements

The fund financial statements 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 Red Cross, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance or noncompliance with finance-related legal requirements, such as the General Statutes of the Town's budget ordinance. All the funds of the Town of Red Cross are included in one fund: General Fund.

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

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

Management Discussion and Analysis
Town of Red Cross

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 16 of this report.

Interdependence with Other Entities – The Town depends on financial resources flowing from, or associated with, both the State of North Carolina and other governments. 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 government and other holders of publicly held U.S. Treasury Securities.

Government-Wide Financial Analysis

Town of Red Cross Net Position (Figure 2)

June 30, 2023 and June 30, 2022

	<i>Governmental Activities</i>		<i>Total</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Current and other assets	\$ 1,923,010	\$ 1,580,423	\$ 1,923,010	\$ 1,580,423
Capital assets	1,211,436	1,229,082	1,211,436	1,229,082
Total assets	3,134,446	2,809,505	3,134,446	2,809,505
Current Liabilities	4,812	597	4,812	597
Deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	4,812	597	4,812	597
Net position:				
Net investment in capital assets	1,211,436	1,229,082	1,211,436	1,229,082
Restricted for:				
Stabilization by State Statute	79,168	70,230	79,168	70,230
Streets	68,213	49,910	68,213	49,910
Unrestricted	1,770,817	1,459,686	1,770,817	1,459,686
Total net position	\$ 3,129,634	\$ 2,808,908	\$ 3,129,634	\$ 2,808,908

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 Red Cross exceeded liabilities by \$3,129,634 as of June 30, 2023. The Town's net position increased by \$320,726 for the fiscal year ended June 30, 2023. However, a large portion (38.7%) reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. The Town of Red Cross uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Red Cross's net investment in 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. The total remaining balance of \$1,770,817 is unrestricted.

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

- Continued diligence in the collection of property taxes by maintaining a tax collection percentage of 98.03%.
- Conservative spending by management
- ARPA grant funding

Management Discussion and Analysis
 Town of Red Cross

Town of Red Cross Changes in Net Position (Figure 3)

	Governmental Activities		Total	
	2023	2022	2023	2022
Revenues				
Program revenues:				
Charges for services	\$ 1,005	\$ -	\$ 1,005	\$ -
Operating grants and contributions	119,753	118,629	119,753	118,629
Capital grants and contributions	-	-	-	-
General revenues:				
Property taxes	112,443	107,356	112,443	107,356
Other taxes	331,414	302,728	331,414	302,728
Other	17,212	2,938	17,212	2,938
Total revenues	<u>581,827</u>	<u>531,651</u>	<u>581,827</u>	<u>531,651</u>
Expenses:				
General government	101,390	77,492	101,390	77,492
Public safety	70,851	69,159	70,851	69,159
Transportation	200	-	200	-
Zoning	2,754	835	835	835
Environmental protection	85,907	75,246	85,907	75,246
Total expenses	<u>261,102</u>	<u>222,732</u>	<u>261,102</u>	<u>222,732</u>
Increase (decrease)	320,726	308,919	320,726	308,919
Transfer in (out)	-	-	-	-
Net position July 1	2,808,908	2,499,989	2,808,908	2,499,989
Net position June 30	<u>\$ 3,129,634</u>	<u>\$ 2,808,908</u>	<u>\$ 3,129,634</u>	<u>\$ 2,808,908</u>

Governmental Activities - Governmental activities increased the Town's net position by \$320,726. This is primarily due to tax revenues remaining steady as well as ARPA grant funding.

Financial Analysis of the Town's Funds

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

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

The General fund is the chief operating fund of the Town of Red Cross. At the end of the current fiscal year, the Town of Red Cross's fund balance available in the General Fund was \$1,764,559, while total fund balance reached \$1,911,940. The Town currently has an available fund balance of 725% of general fund expenditures, while total fund balance represents 785% of the same amount.

At June 30, 2023, the governmental funds of Town of Red Cross reported a combined fund balance of \$1,911,940 with a net increase in fund balance of \$341,336. Included in this change in fund balance are increases in fund balance in the General Fund.

Capital Asset and Debt Administration

Capital assets: The Town of Red Cross's investment in capital assets for its governmental activities as of June 30, 2023, totals \$11,211,436 net of accumulated depreciation. These assets include buildings, land, furniture and equipment, and improvements/renovations.

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

	<i>Governmental</i>		<i>Total</i>	
	<i>Activities</i>			
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Land	\$ 792,591	\$ 792,591	\$ 792,591	\$ 792,591
Buildings	266,903	275,678	266,903	275,678
Furniture & Equipment	535	1,028	535	1,028
Other improvements	151,407	159,785	151,407	159,785
	<u>\$ 1,211,436</u>	<u>\$ 1,229,082</u>	<u>\$ 1,211,436</u>	<u>\$ 1,229,082</u>

Additional information on the Town's capital assets can be found in Note 2 of the Basic Financial Statements.

Long-term Debt - The Town of Red Cross had no debt at June 30, 2023.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of property located within that government's boundaries. The legal debt margin for the Town is \$5,631,304

Economic Factors and Next Year's Budgets and Rates

- There is little employment, and none projected in the current year. Tax rates remain the same as prior years, but with the state collecting vehicle taxes there has been an increase in vehicle taxes.
- The Town of Red Cross does not plan to appropriate fund balance in the fiscal year 2024 budget.
- The Town plans to increase fund balance as it did in the current year.

Budget Highlights for the Fiscal Year Ending June 30, 2024

Governmental Activities: Property taxes and sales tax are expected to stay the same as last year. Expenses are expected to remain similar to prior years as well.

Requests for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to Finance Officer, Town of Red Cross, 176 E Red Cross Road, Oakboro, NC 28129, Telephone: (704) 485-3887.

TOWN OF RED CROSS, NORTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2023

	Primary Government	
	Governmental Activities	Total
Assets:		
Current Assets:		
Cash and cash equivalents	1,769,371	1,769,371
Taxes receivable (net)	6,259	6,259
Accounts receivable (net)	4,532	4,532
Due from other governments	74,635	74,635
Restricted cash and cash equivalents	68,213	68,213
Total Current Assets	<u>1,923,010</u>	<u>1,923,010</u>
Non-Current Assets:		
Capital Assets (Note 1):		
Land	792,591	792,591
Other capital assets, net of depreciation	<u>418,845</u>	<u>418,845</u>
Total Capital Assets	<u>1,211,436</u>	<u>1,211,436</u>
Total Non-Current Assets	<u>1,211,436</u>	<u>1,211,436</u>
Total Assets	<u>3,134,446</u>	<u>3,134,446</u>
Liabilities:		
Current Liabilities:		
Payroll liabilities	149	149
Accounts payable	4,663	4,663
Total Liabilities	<u>4,812</u>	<u>4,812</u>
Net Position:		
Net investment in capital assets	1,211,436	1,211,436
Restricted for:		
Stabilization by State Statute	79,168	79,168
Streets	68,213	68,213
Unrestricted	<u>1,770,817</u>	<u>1,770,817</u>
Total Net Position	<u>3,129,634</u>	<u>3,129,634</u>

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

TOWN OF RED CROSS, NORTH CAROLINA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Total
Primary Government:						
Governmental Activities:						
General government	\$ 101,390	\$ -	\$ 101,250	\$ -	\$ (140)	\$ (140)
Public safety	70,851	-	-	-	(70,851)	(70,851)
Transportation	200	-	18,503	-	18,303	18,303
Zoning	2,754	1,005	-	-	(1,749)	(1,749)
Environmental protection	85,907	-	-	-	(85,907)	(85,907)
Total Primary Government						
(See Note 1)	\$ 261,102	\$ 1,005	\$ 119,753	\$ -	\$ (140,344)	\$ (140,344)
General Revenues:						
Taxes:						
Property taxes, levied for general purpose					112,443	112,443
Other taxes					331,414	331,414
Unrestricted investment earnings					10,009	10,009
Miscellaneous					7,203	7,203
Total General Revenues					461,070	461,070
Transfers In (out)					-	-
Change in Net Position					320,726	320,726
Net Position, Beginning of Year					2,808,908	2,808,908
Net Position, End of Year					\$ 3,129,634	\$ 3,129,634

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

TOWN OF RED CROSS, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

	Major Funds		Total Governmental Funds
	General	ARPA Fund	
Assets:			
Cash and cash equivalents	\$ 1,769,371	\$ -	\$ 1,769,371
Restricted cash	68,213	-	68,213
Receivables, net			
Taxes	6,259	-	6,259
Accounts receivable - Plan review	4,532	-	4,532
Due from other governments	74,635	-	74,635
Total Assets	\$ 1,923,010	\$ -	\$ 1,923,010
Liabilities:			
Payroll liabilities	\$ 149	\$ -	\$ 149
Accounts payable	4,663	-	4,663
Total Liabilities	4,812	-	4,812
Deferred Inflows of Resources:			
Property taxes receivable	6,259	-	6,259
Total Deferred Inflows of Resources	6,259	-	6,259
Fund Balances:			
Restricted			
Stabilization by State Statute	79,168	-	79,168
Streets	68,213	-	68,213
Unassigned	1,764,559	-	1,764,559
Total Fund Balances	1,911,940	-	1,911,940
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,923,010	\$ -	

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

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

Gross capital assets at historical cost

Accumulated depreciation

	\$ 1,345,109	
	(133,673)	1,211,436

Liabilities for earned revenues considered deferred inflows of resources in fund statements.

6,259

Net position of governmental activities

\$ 3,129,634

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

TOWN OF RED CROSS, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

	Major Funds		Total Governmental Funds
	General	ARPA Fund	
Revenues:			
Ad valorem taxes	\$ 115,407	\$ -	\$ 115,407
Unrestricted intergovernmental	331,414	-	331,414
Restricted intergovernmental	18,503	101,250	119,753
Investment earnings	10,009	-	10,009
Permits and fees	255	-	255
Miscellaneous	7,953	-	7,953
Total Revenues	483,542	101,250	584,792
Expenditures:			
General government	83,744	-	83,744
Public safety	70,851	-	70,851
Transportation	200	-	200
Zoning	2,754	-	2,754
Environmental protection	85,907	-	85,907
Total Expenditures	243,456	-	243,456
Revenues (Under) Expenditures	240,086	101,250	341,336
Transfers (out) in	101,250	(101,250)	-
Net Change in Fund Balance	341,336	-	341,336
Fund Balances, Beginning of Year	1,570,603	-	1,570,603
Fund Balances, End of Year	\$ 1,911,940	\$ -	\$ 1,911,940

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

Net changes in fund balances - total governmental funds \$ 341,336

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.

Capital outlay expenditures which were capitalized	\$ -	
Depreciation expense for governmental assets	17,646	(17,646)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Change in unavailable revenue for tax revenues		(2,964)
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Total changes in net position of governmental activities		\$ 320,726
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The notes to the financial statements are an integral part of this statement.

TOWN OF RED CROSS, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 85,000	\$ 85,000	\$ 115,407	\$ 30,407
Unrestricted intergovernmental	220,000	235,000	331,414	96,414
Restricted intergovernmental	-	-	18,503	18,503
Investment earnings	-	-	10,009	10,009
Permits and fees	-	-	255	255
Miscellaneous	-	-	7,953	7,953
Total Revenues	<u>305,000</u>	<u>320,000</u>	<u>483,542</u>	<u>163,542</u>
Expenditures:				
General government	62,000	91,000	83,744	7,256
Public safety	79,000	84,000	70,851	13,149
Transportation	60,000	50,000	200	49,800
Zoning	29,000	5,000	2,754	2,246
Environmental protection	75,000	90,000	85,907	4,093
Total Expenditures	<u>305,000</u>	<u>320,000</u>	<u>243,456</u>	<u>76,544</u>
Revenues Over (Under)				
Expenditures	-	-	240,086	240,086
Fund Balance Appropriated	-	(101,250)	-	(101,250)
Other financing sources (uses):				
Transfers (to) from other funds:				
ARPA Fund	-	101,250	101,250	-
	-	101,250	101,250	-
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>341,336</u>	<u>341,336</u>
Fund Balance, Beginning of Year			<u>1,570,603</u>	
Fund Balance, End of Year			<u>\$ 1,911,940</u>	

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

TOWN OF RED CROSS, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Town of Red Cross conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

Reporting Entity

The Town of Red Cross is a municipal corporation which is governed by an elected mayor and a four-member council.

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. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues 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. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Town's funds. Separate statements for each fund category, *governmental*, are presented. The Town has no fiduciary funds to report. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Any remaining governmental funds are aggregated and reported as non-major funds.

The Town reports the following major governmental fund:

General Fund. The General 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, maintenance, and sanitation services.

American Rescue Plan Fund. This fund accounts for the transactions related to the American Rescue Funds.

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

Government-wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

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. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the Town are recognized as revenue. Sales taxes are considered a shared revenue for the Town of Red Cross because the tax is levied by Stanly County and then remitted to and distributed by the State. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash.

Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund. All annual appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$2,500. All amendments must be approved by the governing council. 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT). The securities of the NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value.

Cash and Cash Equivalents

All cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Restricted Assets

Powell Bill funds are classified as restricted cash and cash equivalents 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.

<u>Town of Red Cross's Restricted Cash</u>	
Governmental Activities:	
General Fund:	
Streets	\$ 68,213
Total Restricted Cash	<u>\$ 68,213</u>

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 1st, the beginning of the fiscal year. The taxes are due September 1st (lien date); however, penalties and interest do not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2018. 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.

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. The Town believes any allowance to be immaterial.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization costs are as follows: land, buildings, improvements, infrastructure, furniture and equipment, and vehicles, \$3,000. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to June 30, 2017 are recorded at their estimated fair value at the date of the donation. Donated capital assets received after June 30, 2016 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, 2004, consist of road network assets that were acquired or that received substantial improvements subsequent to July 1, 1981, and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	10-20
Buildings	20-40
Improvements	10-20
Vehicles	5-10
Furniture and equipment	5-15
Computer equipment	5

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has no items that meet this criterion. In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town has one item that meets the criterion for this category – property taxes receivable.

Claims, Judgments, and Contingent Liabilities

At June 30, 2023, the Town was not involved in any lawsuits.

Long-Term Obligations

At June 30, 2023, the Town of Red Cross had a legal debt margin of \$5,631,304. The Town had no other long-term debt.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Net Position/Fund Balances

Net Position

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

Fund Balances

In the governmental fund financial statements, the fund balance has two categories of fund balance:

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

Restricted for stabilization of 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 law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding encumbrances are included within RSS. RSS is included as a component of Restricted Net Position and Restricted Fund Balance on the face of the balance sheet.

Restricted for streets – The 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.

Unassigned Fund Balance – portion of total fund balance available that has not been restricted, committed, or assigned to specific purpose on other funds.

Reimbursements for Pandemic-related Expenditures

In FY 2020/21, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for eligible state, local, territorial, and tribal governments. The Town was allocated \$202,500 of fiscal recovery funds to be paid in two equal installments. The first installment of \$101,250 was received in July 2021. The second installment was received in mid-2023. Town staff and the Town Council have opted to use \$202,500 of the ARPA funds for the Standard Allowance provision of the act. The current year's installment of \$101,250 was transferred to the General Fund from the ARPA Fund.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 2 - Stewardship, Compliance, and Accountability

A. Material Violations of Finance-Related Legal and Contractual Provisions:

- 1) NC General Statute 159-34 requires the Town to have an audit as soon as possible after the close of each fiscal year. The Town's audit is over 2 months past due in violation of this requirement. The Town is currently in the process of having the required audit completed and expects to be in compliance within the next 30 days.
- 2) The Town's budget ordinance was not adopted in the proper format with the required legal language of a budget ordinance. The Town Board will monitor the budget process to ensure proper execution of a properly formatted budget.

B. Deficit in Fund Balance or Net position of Individual Funds: None

C. Excess of Expenditures over Appropriation: None

Note 3 – Detail Notes on All Funds

Deposits

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

At June 30, 2023, the Town's deposits had a carrying amount of \$1,837,584 and a bank balance of \$1,839,335. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 3 – Detail Notes on All Funds (Continued)

Assets – Capital Assets

Capital assets for the Primary Government for the year ended for the year June 30, 2023 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending Balances</u>
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 792,591	\$ -	\$ -	\$ 792,591
Capital assets being depreciated:				
Buildings	332,756	-	-	332,756
Renovations	202,215	-	-	202,215
Furniture and equipment	17,546	-	-	17,546
Total capital assets not being depreciated:	<u>552,517</u>	<u>-</u>	<u>-</u>	<u>552,517</u>
Less, accumulated depreciation for:				
Buildings	57,078	8,775	-	65,853
Renovations	42,430	8,378	-	50,808
Furniture and equipment	16,518	493	-	17,011
Total accumulated depreciation	<u>116,026</u>	<u>17,646</u>	<u>-</u>	<u>133,672</u>
Total capital assets being depreciated, net	<u>436,491</u>			<u>418,845</u>
Governmental activity capital assets, net	<u>\$ 1,229,082</u>			<u>\$ 1,211,436</u>

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

General government	<u>\$ 17,646</u>
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Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has no items that meet this criterion. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The town has only one item that meets the criterion for this category – property taxes receivable.

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

	Statement of Net Position	General Fund Balance Sheet
Ad Valorem tax receivable (General Fund)	\$ -	\$ 6,259
	<u>\$ -</u>	<u>\$ 6,259</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 3 – Detail Notes on All Funds (Continued)

Net Investment in Capital Assets

	Governmental
Capital Assets	\$ 1,211,436
less: long-term debt	-
add: unexpended debt proceeds	-
Net investment in capital assets	<u>\$ 1,211,436</u>

Fund Balance

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

<i>Total fund balance - General Fund</i>	\$ 1,911,940
Less:	
Stabilization by State Statute	79,168
Streets	68,213
Appropriated fund balance in 2024 budget	-
Remaining Fund Balance	<u>\$ 1,764,559</u>

Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance for all risk of loss.

The Town does not carry flood insurance because they are not in a flood zone and the extra expense is unnecessary.

The Town's finance officer is bonded under a \$50,000 bond.

The Town of Red Cross has adopted no minimum fund balance policy for the Fund which instructs management to conduct the business of the Town.

Note 4 - Summary Disclosure of Significant Contingencies

State Assisted Program

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 5 - Significant Effects of Subsequent Events

The Town has evaluated all subsequent events through January 18, 2024, the date the financial statements were available to be issued.

TOWN OF RED CROSS, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual Year ended June 30, 2022</u>
Revenues:				
Ad Valorem Taxes:				
Taxes		\$ 114,843		\$ 105,788
Interest		564		625
Total	<u>\$ 85,000</u>	<u>115,407</u>	<u>\$ 30,407</u>	<u>106,413</u>
Unrestricted Intergovernmental:				
Local option sales taxes		291,422		263,208
Utility franchise tax		35,601		35,389
Sales tax refund		74		505
Solid waste disposal tax		654		587
Beer and wine excise tax		3,664		3,017
Total	<u>235,000</u>	<u>331,414</u>	<u>96,414</u>	<u>302,706</u>
Restricted Intergovernmental:				
Powell Bill allocation		18,226		17,379
Interest - Powell Bill		277		22
Total	<u>-</u>	<u>18,503</u>	<u>18,503</u>	<u>17,401</u>
Investment earnings	<u>-</u>	<u>10,009</u>	<u>10,009</u>	<u>2,588</u>
Permits and fees:				
Building permits		225		-
Rezoning fees		30		-
	<u>-</u>	<u>255</u>	<u>255</u>	<u>-</u>
Miscellaneous:				
Rental income		7,150		-
Civil penalties		750		-
Other		53		350
Total miscellaneous	<u>-</u>	<u>7,953</u>	<u>7,953</u>	<u>350</u>
Total Revenues	<u>320,000</u>	<u>483,542</u>	<u>163,542</u>	<u>429,458</u>

Expenditures:

General Government:

Salaries	7,800	7,800
Payroll taxes	697	1,379
Professional services	39,756	19,145
Office expense	4,240	1,797
Dues and subscriptions	2,860	3,524
Insurance and bonds	3,870	3,065

TOWN OF RED CROSS, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual Year ended June 30, 2022</u>
Expenditures (continued):				
Administrative costs		1,884		1,603
Telephone		2,444		2,658
Capital improvements		-		249,801
Bank charges		82		1
Board of elections		390		-
Miscellaneous		1,218		1,000
Total	<u>71,000</u>	<u>65,241</u>	<u>5,759</u>	<u>291,773</u>
Public Buildings:				
Utilities		\$ 2,610		\$ 2,512
Repairs and maintenance		14,444		10,404
Training		1,449		-
Town center master plan		-		9,254
Total	<u>\$ 20,000</u>	<u>18,503</u>	<u>\$ 1,497</u>	<u>22,170</u>
Total General Government	<u>91,000</u>	<u>83,744</u>	<u>7,256</u>	<u>313,943</u>
Public Safety:				
Police:				
Contracted services		16,323		18,951
Fire:				
Contracted services		54,528		50,208
Total Public Safety	<u>84,000</u>	<u>70,851</u>	<u>13,149</u>	<u>69,159</u>
Transportation:				
Streets and highways				
Repairs and maintenance		-		-
Powell Bill		200		-
Total Transportation	<u>50,000</u>	<u>200</u>	<u>49,800</u>	<u>-</u>
Zoning:	<u>5,000</u>	<u>2,754</u>	<u>2,246</u>	<u>835</u>
Environmental Protection:				
Solid waste		85,907		75,246
Total Environmental Protection	<u>90,000</u>	<u>85,907</u>	<u>4,093</u>	<u>75,246</u>
Total Expenditures	<u>320,000</u>	<u>243,456</u>	<u>76,544</u>	<u>459,184</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>240,086</u>	<u>240,086</u>	<u>(29,726)</u>

TOWN OF RED CROSS, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual Year ended June 30, 2022</u>
Other Financing Sources (Uses):				
Transfers (to) from other funds:				
ARPA Fund	101,250	101,250	-	101,250
Total other financing sources (uses)	<u>101,250</u>	<u>101,250</u>	<u>-</u>	<u>101,250</u>
Fund Balance Appropriated	(101,250)	-	101,250	-
Net Change in Fund Balance	<u>\$ -</u>	341,336	<u>\$ 341,336</u>	71,525
Fund Balance, Beginning of Year		<u>1,570,603</u>		<u>1,499,078</u>
Fund Balance, End of Year		<u>\$ 1,911,940</u>		<u>\$ 1,570,603</u>

Town of Red Cross, North Carolina
American Rescue Plan Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>2022 Actual</u>
REVENUES:				
ARP Funds		\$ 101,250		\$ 101,250
Interest earned		-		-
	<u>\$ 101,250</u>	<u>101,250</u>	<u>\$ -</u>	<u>101,250</u>
EXPENDITURES:				
Transfers out - General Fund	<u>101,250</u>	<u>101,250</u>	<u>-</u>	<u>101,250</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund balances - beginning of year		<u>-</u>		<u>-</u>
Fund balances - end of year		<u>\$ -</u>		<u>\$ -</u>

TOWN OF RED CROSS, NORTH CAROLINA
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2023

Fiscal Year	Uncollected Balance June 30, 2022	Additions	Collections and Credits	Uncollected Balance June 30, 2023
2022-2023		\$ 112,626	\$ 110,409	\$ 2,217
2021-2022	\$ 2,864	-	1,862	1,002
2020-2021	1,894	-	1,376	518
2019-2020	1,399	-	867	532
2018-2019	1,206	-	655	551
2017-2018	372	-	66	306
2016-2017	233	-	65	168
2015-2016	226	-	3	223
2014-2015	226	-	3	223
2013-2014	295	-	73	222
2012-2013	325	-	28	297
2011-2012	183	-	183	-
	<u>\$ 9,223</u>	<u>\$ 112,626</u>	<u>\$ 115,590</u>	<u>\$ 6,259</u>

Ad valorem taxes receivable - net \$ 6,259

Reconciliation with Revenues:

Ad Valorem Taxes - General Fund	114,843
Reconciling Items:	
Interest collected	564
Taxes written off	<u>183</u>

Total Collections and Credits \$ 115,590

TOWN OF RED CROSS, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
TOWN - WIDE LEVY
For the Year Ended June 30, 2023

	Town-Wide		Total Levy		
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	<u>\$ 70,391,294</u>	0.16	<u>\$ 112,626</u>	<u>\$ 95,311</u>	<u>\$ 17,315</u>
Total Property Valuation	<u><u>\$ 70,391,294</u></u>				
Net levy			<u><u>\$ 112,626</u></u>	<u><u>\$ 95,311</u></u>	<u><u>\$ 17,315</u></u>
Uncollected taxes at June 30, 2023			<u>(2,217)</u>	<u>(2,217)</u>	<u>-</u>
Current year's taxes collected			<u><u>\$ 110,409</u></u>	<u><u>\$ 93,094</u></u>	<u><u>\$ 17,315</u></u>
Current levy collection percentage			<u><u>98.03%</u></u>	<u><u>97.67%</u></u>	<u><u>100.00%</u></u>