

Concord
NORTH CAROLINA

2024

ANNUAL COMPREHENSIVE
FINANCIAL REPORT FOR
THE FISCAL YEAR ENDED
JUNE 30, 2024



CITY OF CONCORD,
NORTH CAROLINA

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ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2024

Prepared by:
Finance Department

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October 23, 2024

The Honorable Mayor, Members
of the City Council, and Citizens
City of Concord, North Carolina

The Annual Comprehensive Financial Report (ACFR) of the City of Concord, North Carolina, for the fiscal year ended June 30, 2024, is hereby submitted. The financial statements were prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted governmental auditing standards by a firm of licensed certified public accountants. We believe the data is presented in a manner designed to set forth fairly the financial position and results of operations for the City for fiscal year 2024.

This report was prepared by the Finance Department of the City of Concord and consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Concord has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Concord's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Concord's financial statements have been audited by Martin Starnes & Associates CPAs, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Concord for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the City of Concord's financial statements for the fiscal year ended June 30, 2024, and is fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Concord was part of a broader, federally and state mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with

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special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are contained in the compliance section of this report. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Concord's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY

The City of Concord is located in the north central portion of Cabarrus County, North Carolina (the "County"). The County is located in the east central part of the Charlotte-Gastonia-Concord MSA. The City, incorporated in 1796, is the County seat and covers an area of approximately 63.627 square miles with an estimated population of 113,369 as of July 1, 2023 per the N.C. Office of State Budget and Management. The City adjoins the City of Charlotte, North Carolina, and is one of six incorporated municipalities in Cabarrus County.

The City is governed by the council-manager form of government. The seven-member non-partisan City Council is elected at large from districts for four-year alternating terms. The Mayor is elected at large and also serves a four-year term. The Council members serve as the City's policy making body, adopting an annual balanced budget, establishing legislative direction for the City, and hiring a professional City Manager to serve as chief executive officer to direct the daily activities of the City's departments. The City Council makes extensive use of appointed boards and commissions in the development of policy decisions.

The City provides its citizens with a wide range of services that include public safety, solid waste and recycling, transportation, recreational activities, planning and community development services, and general administration. In addition, the City owns and operates electric, water, stormwater and wastewater utilities, a general aviation airport, and a municipal golf course. The Cities of Concord and Kannapolis have entered into a joint inter-local agreement that established a fixed route public transportation service, Concord/Kannapolis Area Transit System that began in April of 2004. The City has a Housing Department, which provides housing and housing assistance programs for low-income residents through funding from the Department of Housing and Urban Development. This report includes all of the City's activities related to those services, as well as activities of all component units of the City.

The City Council appoints members of the Alcoholic Beverage Control Board. The City receives a share of the profits but does not participate in managerial control of operations. This organization is included as a component unit in the financial statements under discrete presentation.

First Concord Corporation has been established as a nonprofit organization of the City. It has been specifically organized, and is operated exclusively, for the purpose of promoting the general welfare of the citizens of the City as a financing vehicle for the City. This Corporation is included as a blended component unit within the financial statements.

WeBuild Concord (formerly Concord Family Enrichment Association) is a nonprofit established by the City of Concord to develop and build affordable housing within Concord and surrounding areas. City Council appoints two members to the WeBuild Concord board, in addition to board seats reserved for the leadership from the departments of Planning and Neighborhood

Development and Housing. WeBuild Concord is included as a component unit in the financial statements under discrete presentation.

North Carolina General Statutes require formal budgetary accounting for all funds. The departments of the City are required to submit requests for appropriations to the City Manager in February each year. These requests are used as a starting point for developing a proposed budget. The City Manager presents the proposed budget no later than June 1. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30. Budgets are legally enacted by adoption by the governing board of an Annual Budget Ordinance or a Capital Project Ordinance. The Annual Budget Ordinance and Capital Project Ordinance may be formally amended as required by the governing board within the guidelines of the Local Government Budget and Fiscal Control Act. Changes of functions and total budgets of any fund require approval of the governing board. The City Manager is authorized to reallocate departmental appropriations, as he considers necessary, and to affect interdepartmental transfers within a fund as long as it does not exceed 10% of the appropriated monies for the department whose allocation is reduced. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. A Capital Project Ordinance is used to establish a budget for a project that extends over more than one fiscal year. Capital Project's budget to actual comparisons for each governmental fund for which a capital project budget has been adopted is also included in this report.

Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end and will be carried forward with their budget appropriations to the subsequent year.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Concord operates.

LOCAL ECONOMY

The unemployment rate for Cabarrus County at June of 2024 was 3.5%, which is an increase from a rate of 3.4% in June of 2023. The state's unemployment rate for June of 2024 was 3.6%. (Bureau of Labor Statistics)

Budget development for FY 2025 was driven by staffing needs associated with the City's continued growth, inflationary cost pressures, and a slowdown in sales tax revenues. Economic changes, like higher interest rates, supply chain issues, and increased costs for goods, have impacted all levels of the community.

The City's economy has benefitted from the City's proximity to Charlotte, ongoing improvements to major interstate highways, the City's partnership with the State to improve other major thoroughfares within the City and the available land zoned for business development located within the City. This has led to increased economic growth and diversification over the past 20 years. Principal products manufactured in the City now include coffee, electrical wiring devices and accessories, foods, motorsports equipment, plastics, printing and publishing, concrete

products, lumber and wood, specialized colorings, fabricated metal and machinery products, mobile and modular home components, corrugated packaging and textiles. The distribution, warehousing and shipping industry is a growing sector of the City's economy. This industry benefits from proximity to Charlotte (a regional trucking and manufacturing center with a major commercial international airport, including major freight operations). Concord has great access to Interstate 85, which has six existing interchanges in the City. North Carolina Department of Transportation (NCDOT) projects that are programmed with Concord's participation will continue to enhance the City's accessibility. The I-85 project from NC 73 to 29-601 Connector in Rowan County is complete. This project included significant improvements to the interchanges at Exits 58 (US29) and 60 (Copperfield/Dale Earnhardt). The George Liles Parkway extension is complete and links US 29 in Concord directly to I-85, providing enhanced access to approximately 3000 acres of property zoned for business development in the geographic middle of the City. The City partnered with NCDOT to widen Derita Road, running by Concord Regional Airport, as development along that corridor has been accelerated due to the completion of I-485. I-485 has added another direct route to access I-77, in addition to NC 73 and I-85.

Concord has also evolved into a major tourist destination in North Carolina. Concord Mills has one of the highest numbers of visitors of any attraction in North Carolina. Charlotte Motor Speedway, the ZMax Dragway and NASCAR team race shops bring in hundreds of thousands of people that use lodging and restaurants and shop. This has also led to the development of other facilities such as the Embassy Suites Resort/Concord Convention Center, the Great Wolf Lodge and many other limited service hotels.

Concord has been aggressive in pursuing grants to continue capital improvements in the City. The City has received the following awards:

- Housing HUD Capital Fund Grant for capital improvements and upgrades to public housing facilities.
- Various Federal Transportation Grants for Airport Improvements.
- Federal transportation grants for traffic management purposes.

The City is engaged in short-range and long-range planning to provide the necessary infrastructure to accommodate the City's future growth. The City, other local governments, and local business leaders cooperate in economic recruiting and development efforts. The Cabarrus Economic Development Commission, which operates with a full-time staff, serves as the primary recruiting and marketing entity for economic development. Due to the availability of sites within commercial and industrial parks with all municipal services available located near major highways and interstates, the City is experiencing continued economic development activity.

LONG TERM FINANCIAL PLANNING

The economy in Concord is strong. There are many opportunities to plant the seeds for the future of better paying industrial and technology jobs, mixed-use office parks, and the continued redevelopment of Concord's Center City. The City works closely with the Cabarrus County Economic Development Commission and with private land owners to pursue such opportunities. Concord has been a leader in developing speculative industrial space by partnering with the private sector. While "product" is available, we must look to develop future sites as industrial parks and buildings are completed and occupied.

City Council adopted a new Strategic Plan in May 2024 and includes six goals that will guide the capital planning processes and the development of future budgets over the next three to five years.

The City Council, with staff assistance and help from a consultant, has updated and adopted the City's 2030 Land Use Plan. Over the course of the coming year, staff will continue working to align the Plan with our Development Ordinances for consistency. In addition, staff will be working with private property owners to develop small area plans which will provide a roadmap for future development on large vacant properties. The Plan and associated work will help guide Council on public and private development in Concord as well as what the community will look like in future years. With the growth of the community comes the need to constantly plan for the future. The 2030 Land Use Plan provides a vision for the future, with long-range goals and objectives for all development activities.

The City's downtown is undergoing a metamorphosis, with multiple residential developments underway and an increase in pedestrian friendly amenities. Development (new and infill) is strong in downtown. New businesses and restaurants continue to fill vacancies as soon as they become available. Lansing Melbourne Group (LMG) is nearing completion of three mixed-use Novi projects, representing an estimated \$70 million in private investment. Approximately 294 dwelling units, including 170 affordable/workforce units, are being built. These units provide more options for those who work in the City to live here too. Construction is nearly complete on the new Downtown Streetscape, which will widen sidewalks and create additional opportunities for outdoor dining. Staff are working diligently to promote downtown Concord as an ideal place to live and work.

Funding will continue for the implementation of the Water, Wastewater, and Stormwater Master Plans. The City's capital improvement plan covers many of these projects for the upcoming year and into the future. The City has been fortunate to have available funds, which have been used for the past couple of years to pay for many of these needed improvements.

The City is partnering with the land owners to run sewer to the project now called The Grounds (former Phillip Morris site). This project, once complete, will open the way for job-producing development. The former Philip Morris property remains one of the most unique properties in the Charlotte region. The existing building and the additional undeveloped acreage on and off the site mean Concord has over 3,000 acres of property zoned for business near the geographic center of the City when combined with other properties along George Liles Parkway.

Concord entered into a 20-year agreement with NTE Energy effective January 1, 2019 to purchase power. Savings from this contract allowed Electric to complete five substations, three delivery stations, and construct the Electric Operations Center without having to raise rates. A volatile natural gas market caused a dramatic spike in the City's purchased power costs during fiscal year 2022. This unprecedented increase left Concord at an impasse: either raise base rates or change the Purchased Power Adjustment (PPA). The PPA was created in 2011 to help Concord manage purchased power cost volatilities throughout the year without having to change base rates. To help pay for the cost increase, the City made the tough decision to reset the purchase power adjustment to zero for the first time since 2016. Rate stabilization funds were also used to help alleviate additional cost increases and prevent base rate changes. The City also did a full cost of service study and began implementing the results of that study in FY24. The PPA is evaluated each quarter to determine if any adjustments need to be made due to volatility in natural gas prices.

Concord-Padgett Regional Airport has added a second commercial airline that will allow travel to additional destinations. Flights, parking, and fuel sales have begun to bounce back to pre-pandemic levels. This recovery allowed the Airport to increase fuel sale revenues and continue with maintenance projects. While some projects are still on hold, such as the domicile base for

Allegiant Travel Company, there are exciting things coming to the airport. These projects allow the Airport to remain at the front of innovation and efficiency.

Citizen surveys continue to reflect their desire for transportation improvements in the City. Next year's budget includes an allocation of property tax to transportation improvements in the amount of \$4,400,000. Staff continue to work closely with NC DOT on projects in our City to reduce traffic and congestion concerns. The City maintains over 300 miles of sidewalk and over 350 center lane miles of roads.

Federal funding remains the core of the Rider public transit system. As the lead agency, Concord is the responsible party for Federal transit funds for not only Rider but also for Cabarrus County transit, Rowan County transit, and Salisbury transit. The Public Transit Master Plan was completed in 2020. The Plan detailed suggestions for enhancing service, including a consolidation of the City and Cabarrus County's transit systems. In the coming months, both systems will begin the process of planning for consolidation. A study was completed to review governance models, service delivery, staffing structures, financing, public education efforts, and marketing strategies. Discussions are still ongoing for potential implementation of items identified in the study.

The construction of a new Fire Station 6 located at Concord-Padgett Regional Airport will replace an outgrown, existing facility and will share space with the Police Department's new David District. This station will still respond to emergencies at the airport and will now cover development in the Cox Mill/Christenbury Parkway area.

The adopted Comprehensive Master Plan and Open Space Connectivity Plan continue to drive Parks and Recreation programming, greenway development, park development, and connectivity to neighborhood parks and schools across the City. The \$1,800,000 dedicated to Parks & Recreation helps to accelerate site control and increase connectivity. To further enhance and expand our parks, the City placed a \$60 million general obligation bond package on the ballot in November 2022. With the passing of the bond referendum, the City will accelerate projects related to the adopted master plans and address City-wide needs for additional recreation resources. The funding will go towards developing playgrounds, splashpads, a pump track, and more at ten locations across the City. Staff continues to focus on site control for greenway development, improved connectivity and other pedestrian-friendly trails throughout the City through donation and dedication, with a goal of having 30 miles of greenways by the year 2030. In the coming year, staff will focus on design plans for the Academy/Gibson Village area, Hartsell Park, and David Phillips Park.

For FY 2024-25, the Concord property tax rate continues to be among the lowest third of full-service North Carolina municipalities with populations greater than 35,000. The tax rate is at \$.42 per \$100 of valuation.

CASH MANAGEMENT POLICIES AND PRACTICES

The City maintains a cash and investment pool that is used by all funds, except those restricted by statute or other legal reasons. This pool is used to facilitate disbursement and investment and to maximize investment income. North Carolina statute G.S. 159-30(c) authorizes the City to invest in U.S. Government Agency Securities, U.S. Treasury obligations, commercial paper, bankers' acceptances, certificates of deposits and the North Carolina Capital Management Trust (NCCMT), a SEC-registered mutual fund. The maturities of investments vary. Investment earnings include unrealized gains and losses from the implementation of the Governmental

Accounting Standards Board (“GASB”) Statement 31, which require certain investments to be recorded at fair value. The City does not expect to realize these gains or losses because the City has historically held investments to maturity.

The objectives of the investment program are to first minimize investment risk and then to maximize investment yield. During the year, the majority of the City’s funds were in the City’s investment portfolio. Funds were also maintained in the North Carolina Capital Management Trust and Wells Fargo for liquidity and diversity.

As of June 30, 2024, the City’s cash resources were invested as follows:

U.S. Government agencies	75.1%
Commercial Paper	7.0%
NCCMT/NC CLASS	<u>17.9%</u>
Total	<u>100.0%</u>

The average yield on investments at June 30, 2024 is estimated at 3.07% as compared to 5.12% for all taxable money market funds for the same period.

RISK MANAGEMENT

The City is fully insured for property and general liability but is self funded for workers’ compensation. An appointed safety committee reviews workers' compensation accidents and injuries and discusses remedies to eliminate repetition of such accidents and injuries. The committee also receives and reviews reports of independent safety inspectors such as OSHA to ensure a safe and healthful environment for all employees and the citizens of Concord. In addition, various risk control techniques, including but not limited to employee accident prevention training, have been implemented to minimize accident related losses. A full-time safety, health and risk management officer administers the safety and risk management program and is responsible for administering ADA rules and regulations. Costs associated with risk management are recorded in the general and enterprise funds. Additional information on the City’s risk management activity can be found in the notes to the financial statements.

PENSION AND OTHER POST EMPLOYMENT BENEFITS

The City of Concord administers a single-employer defined benefit pension plan that provides retirement benefits to the City’s qualified sworn law enforcement officers. The City is required by Article 12D of G.S. Chapter 143 to provide these benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The total pension liability was measured as of December 31, 2023 based on a December 31, 2022 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2023 utilizing update procedures incorporating the actuarial assumptions.

The City contributes to a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. This plan provides retirement benefits to law enforcement officers and all other employees employed by the City. Article 12E of G.S. Chapter 143 requires the City to contribute each month an amount equal to five percent of each officer’s salary, and all amounts are vested immediately. The law enforcement officers may make voluntary contributions to the plan.

The City also contributes to the Statewide Local Governmental Employees' Retirement System, a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. This plan provides retirement and disability benefits to plan members and beneficiaries. Plan members are required to contribute six percent of their annual covered salary. The City is required to contribute at an actuarially determined rate.

The City of Concord also provides postretirement health benefits to retirees and their dependents. As of the end of the current fiscal year, there were 168 retired employees receiving benefits, which are being partially funded.

Additional information on the City's pension arrangements and post employment benefits can be found in the notes to the financial statements.

FISCAL POLICIES

One of the City's most important fiscal policies is the Reserve Policy. This policy ensures that the City always maintain adequate reserves.

RESERVE POLICY

1. The City will maintain an unassigned General Fund fund balance minimum between 30% and 35% of General Fund expenditures.
2. The City will evaluate ending unassigned General Fund fund balance each year to determine if an amount is available for transfer to the capital reserve fund. Any amount over the unassigned General Fund balance target is deemed available for transfer to the capital reserve account for future capital projects.
3. These policies will be evaluated each year during the budget process.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Concord, North Carolina for its annual comprehensive financial report for the fiscal year ended June 30, 2023. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. The annual comprehensive financial report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate. The City of Concord has received a Certificate of Achievement for the last thirty-five consecutive years.

The presentation of this report could not have been accomplished without the assistance and dedication of the entire staff of the Finance Department. Special thanks go to Deputy Finance Director, Kristin Roe, and the entire accounting staff for their contribution and preparation of this report. We also appreciate the cooperation and assistance of the other City departments, as well

as the assistance of the City's independent auditor, Martin Starnes & Associates CPAs, P.A., in their preparation of this report. In addition, we express our appreciation to the Mayor and City Council for their continued support and leadership in conducting the financial activities of the City in a responsible and progressive manner.

Respectfully submitted,



Lloyd Wm. Payne, Jr.
City Manager



Jessica Jones
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Concord
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

CITY OF CONCORD, NORTH CAROLINA
CITY GOVERNING BODY AND OFFICIALS

Members of the Governing Body
City Council

William C. "Bill" Dusch

Mayor

Jennifer P. Hubbard

Mayor Pro Tempore

Andy Langford
Lori A. Clay
Betty M. Stocks
JC McKenzie
Terry Crawford
John Sweat, Jr.

Lloyd Wm. Payne, Jr.

City Manager

Jessica Jones

Finance Director

VaLerie Kolczynski

City Attorney

Kim Deason

City Clerk

Citizens of Concord
Represented by Mayor & Council



**City Attorney**
Valerie Kolczynski
704-920-5115

**City Manager**
Lloyd Payne
704-920-5215

**City Clerk**
Kim Deason
704-920-5205


**Asst. City Manager**
Marcella Beam
704-920-5215

**Asst. City Manager**
Joshua Smith
704-920-5215

**Asst. City Manager**
LeDerick Blackburn
704-920-5215

**Aviation**
Dirk Vanderleest
704-920-5912

**Communications**
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704-920-5590

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704-920-5101

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704-920-5380

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Alex Burris
704-920-5335

**Fire**
Jake Williams
704-920-5524

**Housing**
Della Robinson
704-920-6100

**Planning & Neigh. Dev.**
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704-920-5132

**Rider Transit**
L.J. Weslowski
704-920-5878

**Engineering**
Jacklyn Deal
704-920-5401


**Fleet Services**
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704-920-5431

**Parks & Recreation**
Sheila Lowry
704-920-5611

**Police**
Jimmy Hughes
704-920-5007

**Public Affairs**
Lindsay Manson
704-920-5210

**Information Technology**
Michael Hausler
704-920-5290

**Solid Waste Services**
Robin Barham
704-920-5351

**Transportation**
Phillip Graham
704-920-5338

**Rocky River Golf Club (Contract)**
704-455-1200

**Water Resources**
Jeff Corley
704-920-5372

MARTIN STARNES & ASSOCIATES, CPAs, P.A.

“A Professional Association of Certified Public Accountants and Management Consultants”

Independent Auditor’s Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Concord, North Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Concord, North Carolina, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the City of Concord ABC Board, which represents 68 percent, 62 percent, and 85 percent respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Concord ABC Board, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our 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 States (*Government Auditing Standards*). 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 City, 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. The financial statements of the City of Concord ABC Board were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll, the Other Post-Employment Benefits' Schedule of Changes in the Net OPEB Liability and Related Ratios, City Contributions, and Investment Returns, the Firefighters and Rescue Squad Workers' Pension

Schedules of the Proportionate Share of the Net Pension Liability, and the Local Governmental Employee's Retirement System's Schedules of the Proportionate Share of the Net Pension Liability (Asset) and Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors 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 City of Concord's basic financial statements. The combining and individual fund financial statements, budgetary schedules, ad valorem tax schedules, other schedules, and supplemental financial data schedules (HUD), as well as the accompanying Schedule of Expenditures of Federal and State Awards as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 by us and the other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual fund financial statements, budgetary schedules, ad valorem tax schedules, other schedules, supplemental financial data schedules (HUD), and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2024 on our consideration of the City of Concord's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the City of Concord's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Concord's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 23, 2024

MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of the City, we offer readers of the City of Concord’s (the “City”) financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. We encourage readers to read the information presented here in conjunction with the transmittal letter at the front of this report and the City’s financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources for the City’s governmental and business type activities exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1,365,612,252 (*net position*). Of this amount, \$311,188,529 (*unrestricted net position*) may be used to meet the government’s ongoing obligations to citizens and creditors.
- The government’s total net position increased by \$83,545,827, 6 percent. The majority of this growth is attributable to an increase in cash and investments and an increase in capital assets.
- As of the close of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$213,506,116 an increase of \$44,551,294 in comparison with the prior year, a 26% increase. Approximately 24 percent of this total amount or \$50,791,364 is available for spending at the government’s discretion (*unassigned*). The increase in combined ending fund balance numbers is a result of an excess of revenues over expenditures for the fiscal year in governmental funds. Other governmental funds assigned and committed fund balances continue to remain stable with transfers from the general fund to support capital projects.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$54,141,763 or 38 percent of total general fund expenditures and transfers.
- The City holds the following current underlying bond rating:

	GO Bonds	LOBS/COPS	Revenue Bonds
Fitch	AAA	AA+	AA+
Moody’s	Aaa	Aa1	Aa1
Standard & Poor’s	AAA	AA+	AA-

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the City 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 City.

BASIC FINANCIAL STATEMENTS

The basic financial statements include two kinds of statements that present different views of the City.

The first two statements (Exhibit A & B) are the *Government-wide Financial Statements*. They provide both short and long-term information about the City's overall financial status, in a manner similar to a private-sector business.

The remaining statements (Exhibits C through L) are *Fund Financial Statements*. These statements focus on the activities of the individual parts of the City's government, reporting the City's operations in more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the proprietary fund statements; and 3) the fiduciary fund statements.

The governmental fund statements tell how general government services like public safety were financed in the short term as well as what remains for future spending. The proprietary fund statements offer short- and long-term financial information about the activities the government operates like businesses, such as the electric, water and wastewater systems. The fiduciary fund statement only reports assets and liabilities and is not reported on the government wide financial statement. Fiduciary funds are used to account for resources held for the benefit of parties outside the government.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. Following the notes is the section of *required supplemental information* and a section with combining statements that provide details on the City's non-major governmental funds and internal service fund, all of which are combined into one column on the basic financial statements. Budgetary information required by the North Carolina General Statutes can also be found in this part of the statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements report information about the City as a whole using accounting methods similar to those used by the private-sector companies. The two government-wide statements report the City's *net position* and how they have changed.

The *statement of net position* includes all of the City's assets, deferred inflows/outflows of resources and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public works, public safety, transportation, planning and community development and cultural and recreational. The business-type activities include electric, water, wastewater, aviation, transit, stormwater, public housing and municipal golf course operation.

The government-wide financial statements include not only the City of Concord itself (known as the primary government), but also a legally separate ABC Board, WeBuild Concord and First Concord Corporation, for which the City of Concord is financially accountable. Financial

information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 32 through 34 of this report.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Concord, like all other governmental entities in North Carolina, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements such as the General Statutes or the City's budget ordinance. All of the funds, reflected in the government wide financial statements, of the City of Concord 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. These funds focus on how assets can readily be converted into cash flow in and out, and the balances 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 provide a current financial resource 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 fewer financial resources available to finance the City's programs.

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

The City maintains seventeen individual non-major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund and the General Capital Reserve Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation.

Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Concord 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 City, the management of the City, and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City 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 Statement of Revenues, Expenditures and Changes in Fund Balance. The statement shows four columns: 1) the original budget as adopted by the Council; 2) the final budget as amended by the Council; 3) the actual resources, charges to

appropriations, and ending balances in the General Fund; and 4) the variance between the final budget and the actual resources and charges.

Proprietary Funds

The City maintains two types of proprietary funds. Enterprise Funds are used to report the same functions as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric, water, wastewater, stormwater, aviation, golf course, transit and public housing operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities. Internal Service funds are an accounting device used to accumulate and allocate costs internally among the functions of the City. The City of Concord uses an internal service fund to account for the financing of goods and services provided by the Utility Collections department, Customer Care department, Billing department, Engineering department, Purchasing department, Data Services department and Building and Grounds department. Because these operations benefit predominately business type rather than governmental activities, the internal service fund has been blended within the business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for electric, water, wastewater, stormwater, aviation operations, and transit, all of which are considered to be major funds of the City. Conversely, the internal service fund is combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service fund is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 44 through 47 of this report.

Fiduciary Funds

The City of Concord accounts for one fiduciary fund. Fiduciary Funds use accounting much like Proprietary fund types and are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Concord's programs. The Fiduciary Fund statements are located on pages 48 through 49 of this document.

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 50 through 93 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits and post retirement health benefits to its employees. Required supplementary information can be found on pages 94 through 101 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and non-major enterprise funds are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages 102 through 149 of this report. Other supplemental information regarding the internal service fund of the primary government is located on pages 147 through 148.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The assets and deferred outflows of resources for the City exceeded liabilities and deferred inflows of resources by \$1,365,612,252 as of June 30, 2024.

By far the largest portion of the City's net position (73 percent) reflects its investment in capital assets (e.g., land, buildings, automotive equipment, office and other equipment, electric system and distributions stations, water treatment and storage facilities, water distribution lines, and wastewater lines, less any related debt still outstanding that was issued to acquire those assets). The City of Concord uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's 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 themselves cannot be used to liquidate these liabilities.

City of Concord's Statement of Net Position
Table 1

	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
Current and other assets	\$195,610,226	\$240,879,632	\$256,426,120	\$320,223,280	\$452,036,346	\$561,102,912
Capital assets	518,646,158	552,910,704	485,861,566	504,018,368	1,004,507,724	1,056,929,072
Total Assets	<u>714,256,384</u>	<u>793,790,336</u>	<u>742,287,686</u>	<u>824,241,648</u>	<u>1,456,544,070</u>	<u>1,618,031,984</u>
Deferred outflows of resources	<u>28,151,124</u>	<u>28,097,214</u>	<u>15,325,521</u>	<u>14,634,287</u>	<u>43,476,645</u>	<u>42,731,501</u>
Long-term liabilities outstanding	96,236,899	146,049,447	60,142,535	80,735,443	156,379,434	226,784,890
Other liabilities	26,061,909	26,791,288	18,637,835	25,344,018	44,699,744	52,135,306
Total liabilities	<u>122,298,808</u>	<u>172,840,735</u>	<u>78,780,370</u>	<u>106,079,461</u>	<u>201,079,178</u>	<u>278,920,196</u>
Deferred inflows of resources	<u>7,238,581</u>	<u>6,620,070</u>	<u>9,636,531</u>	<u>9,610,967</u>	<u>16,875,112</u>	<u>16,231,037</u>
Net position:						
Net investment in capital assets	497,858,819	530,190,284	450,426,523	471,756,434	948,285,342	1,001,946,718
Restricted	55,140,075	52,477,005	-	-	55,140,075	52,477,005
Unrestricted	59,871,225	59,759,456	218,769,783	251,429,073	278,641,008	311,188,529
Total net position	<u>\$612,870,119</u>	<u>\$642,426,745</u>	<u>\$669,196,306</u>	<u>\$723,185,507</u>	<u>\$1,282,066,425</u>	<u>\$1,365,612,252</u>

An additional portion of the City's net position (4 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$311,188,529, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Concord is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year. There was an increase of \$29,556,626 in net position reported in connection with the City of Concord's governmental type activities and an increase of \$53,989,201 in net position in connection with the City of Concord's business-type activities.

During the current fiscal year, total net position for business-type activities increased by \$53,989,201, 8%. The increase was due to an increase in utility revenues and grant revenue.

City of Concord's Changes in Net Position

Table 2

	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
Revenues:						
Program revenues:						
Charges for services	\$ 8,974,832	\$ 9,358,847	\$ 183,047,978	\$ 184,140,498	\$ 192,022,810	\$ 193,499,345
Operating grants/ contributions	26,849,033	20,909,790	15,133,971	6,259,022	41,983,004	27,168,812
Capital grants/contributions	56,717,868	33,865,896	22,844,344	22,153,307	79,562,212	56,019,203
General revenues:						
Ad valorem taxes	74,645,935	77,999,164	-	-	74,645,935	77,999,164
Other taxes	29,025,343	29,382,011	-	-	29,025,343	29,382,011
Grants and contributions not restricted to specific programs	6,353,443	6,781,553	-	-	6,353,443	6,781,553
Investment earnings	1,263,931	10,686,171	1,611,934	11,583,969	2,875,865	22,270,140
Miscellaneous/Gain(loss) capital asset sales	1,905,707	3,231,882	855,521	858,747	2,761,228	4,090,629
Total revenues	205,736,092	192,215,314	223,493,748	224,995,543	429,229,840	417,210,857
Expenses:						
General government	12,889,305	20,829,311	-	-	12,889,305	20,829,311
Public safety	63,869,676	68,408,428	-	-	63,869,676	68,408,428
Public works	41,732,671	40,755,514	-	-	41,732,671	40,755,514
Cultural & recreational	8,718,316	10,566,625	-	-	8,718,316	10,566,625
Planning & community development	5,306,325	12,649,835	-	-	5,306,325	12,649,835
Administration	1,260,141	4,224,535	-	-	1,260,141	4,224,535
Housing assistance payments	5,299,540	5,391,320	-	-	5,299,540	5,391,320
Rehabilitation	2,234,832	1,419,432	-	-	2,234,832	1,419,432
Interest on long term debt	603,439	1,361,593	-	-	603,439	1,361,593
Electric	-	-	90,244,107	73,923,371	90,244,107	73,923,371
Water	-	-	27,850,467	31,275,010	27,850,467	31,275,010
Wastewater	-	-	20,100,600	21,508,306	20,100,600	21,508,306
Regional airport	-	-	19,902,319	21,803,171	19,902,319	21,803,171
Stormwater	-	-	6,614,189	6,618,896	6,614,189	6,618,896
Transit	-	-	5,964,316	7,361,318	5,964,316	7,361,318
Other nonmajor business-type activities	-	-	5,457,366	5,568,365	5,457,366	5,568,365
Total expenses	141,914,245	165,606,593	176,133,364	168,058,437	318,047,609	333,665,030
Increase in net position before transfers	63,821,847	26,608,721	47,360,384	56,937,106	111,182,231	83,545,827
Transfers	(1,996,071)	2,947,905	1,996,071	(2,947,905)	-	-
Increase in net position	61,825,776	29,556,626	49,356,455	53,989,201	111,182,231	83,545,827
Net position, July 1	551,044,343	612,870,119	619,839,851	669,196,306	1,170,884,194	1,282,066,425
Net position, June 30	\$ 612,870,119	\$ 642,426,745	\$ 669,196,306	\$ 723,185,507	\$ 1,282,066,425	\$ 1,365,612,252

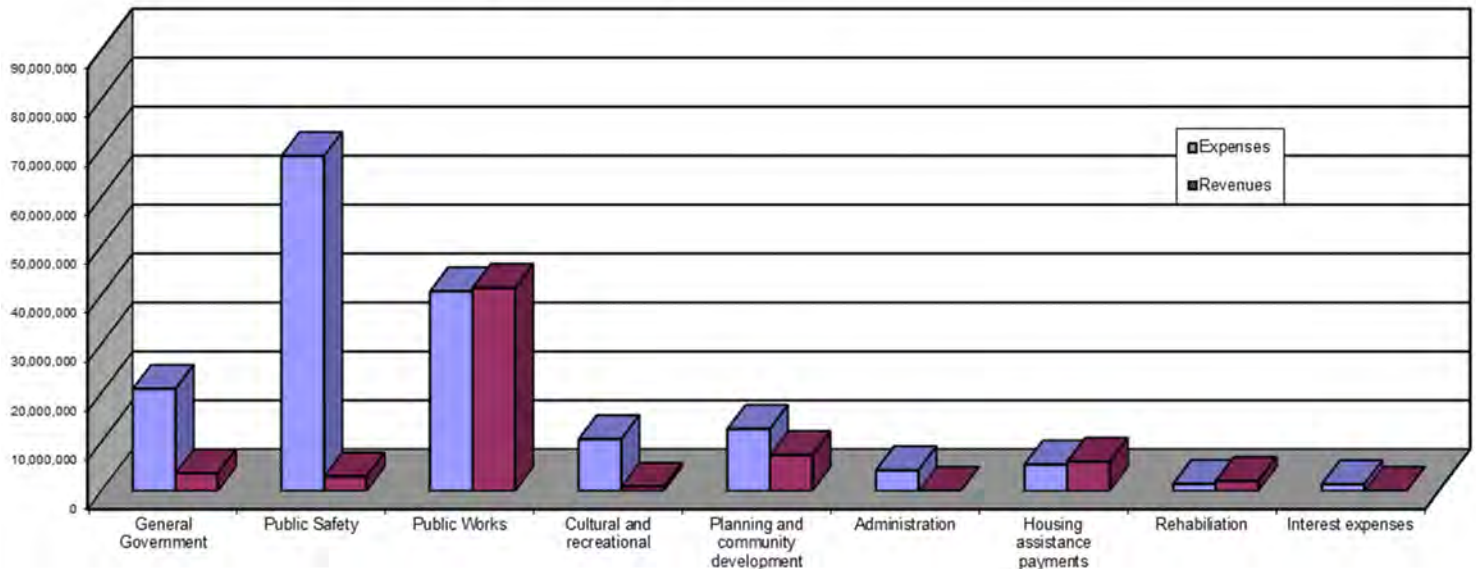
Governmental Activities

In fiscal year 2024, the net position of governmental activities increased by \$29,556,626, or about 5%. Revenues decreased by about 7% as a result of a decrease in grants and contributions when compared to the prior year. Expenses and transfers were less than total sources which resulted in an increase in net position of \$29,556,626. Table 2 above, illustrates key elements of the changes in the governmental activities net position. Listed below are a few points highlighting significant changes in net position.

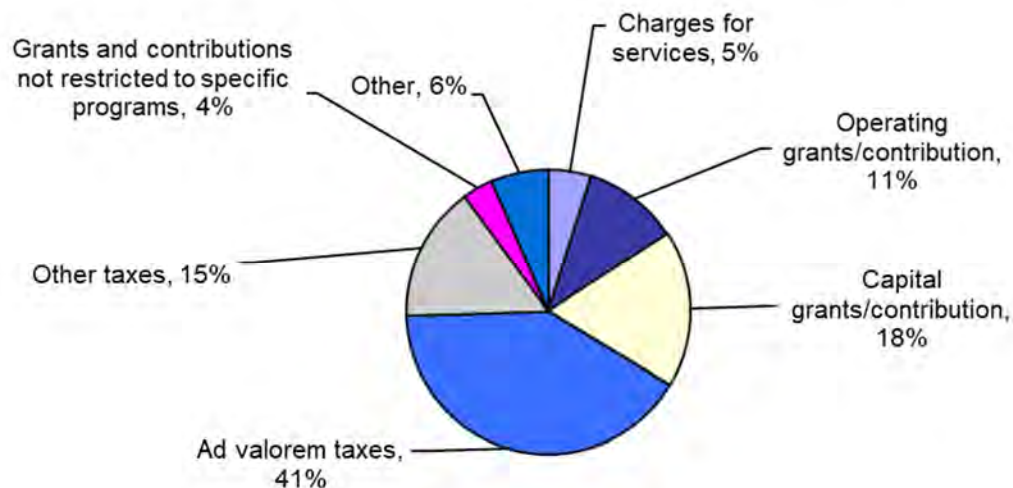
- Ad valorem taxes increased by \$3,353,229 (4.5%) during the year. The City continues to see a steady growth in assessed values.
- Capital grants/contributions decreased \$22,851,972 due to a decrease in contributions for capital related to infrastructure.
- Investment earnings increased \$9,422,240 due to the rising interest rate environment.

- Other taxes increased 1%, \$356,668 as sales tax revenues continued to grow, although at a slower pace than in prior years.
- The total governmental activities increase in expenses was 16%. The City continues to operate as conservatively as possible while maintaining existing services. The increases are primarily related to personnel costs, increasing materials cost due to inflation, as well as a lawsuit settlement during the fiscal year.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



Business-type Activities

Business type activities increased the City's net position by \$53,989,201 (8%).

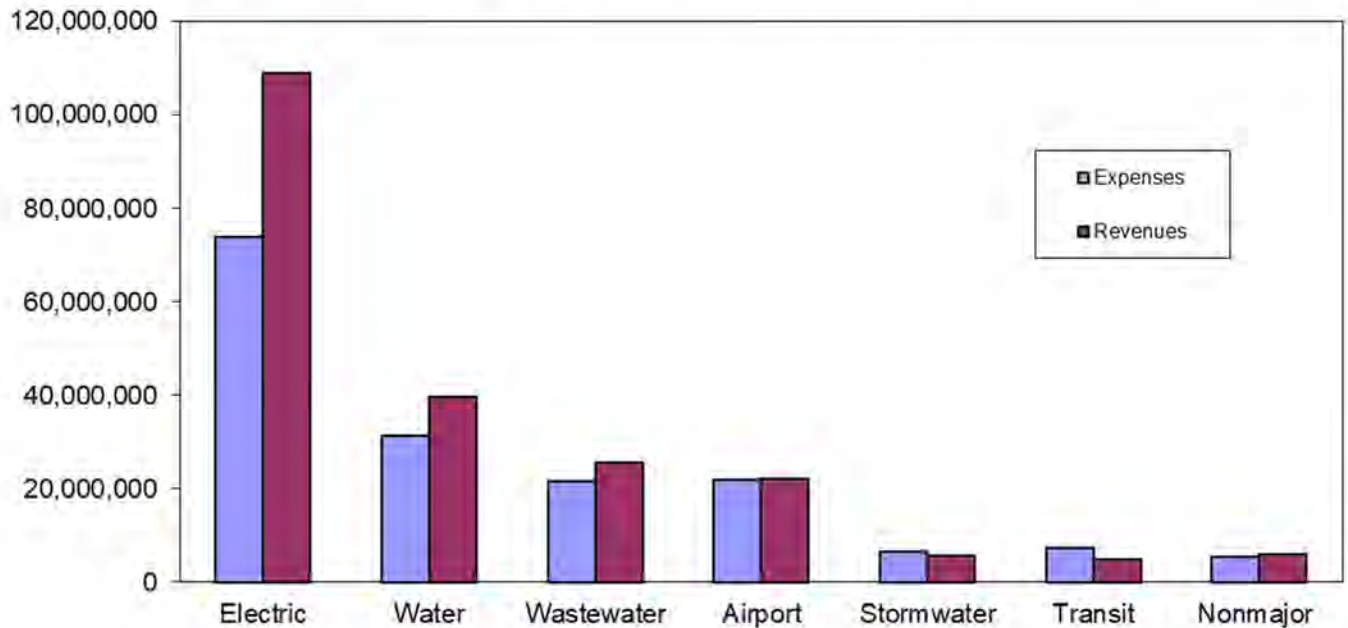
Key elements of the increase in business type activities, illustrated in table 2 located on page 22 are as follows:

- Charges for services for business-type activities increased by 0.6%, \$1,092,520.
 - Usage increased 2.7% for wastewater customers; the City experienced a 1.8% growth in customers. The wastewater division's charges for service also increased 4%, due to the increase in customers and an increase in development related wastewater fees. Line service charges to developers depend on the timing of development. Wastewater operating revenue exceeded operating expenses by more than \$200,000 in FY2024. There were no rate increases.
 - Water charges for service increased over 6% which was the result of customer growth (1.7%) in the system, as well as an increase in usage of 2.6%. There were no rate increases. The City continues to encourage customers to conserve and use less water and a tier water rate schedule was adopted in FY2010 by City Council to encourage conservation. In FY2024, water operating income exceeded operating expenses by more than \$500,000.
 - Aviation charges for service decreased 2.3% when compared to the previous year. This decrease was due to a decrease in commercial flights during the fiscal year. Fiscal year ending 2024 resulted in a net operating loss of \$6.9 million. For the fiscal year ending 2024, takeoffs and landings were down 9.6% and the commercial flight customers increased 0.23% when compared to last fiscal year.
 - Stormwater charges for service increased 1.8% when compared to last year's collections. This increase is a result of normal growth in the City's customer base. There were no fee increases in the current fiscal year. Operating expenditures exceeded operating revenues by \$1 million.
 - Electric charges decreased 1.8% in fiscal year 2023. This decrease was due to a decrease in the purchase power adjustment (PPA) that is charged to customers to offset the cost of purchased power. Operating revenues for the electric fund exceeded operating revenues by \$33 million.

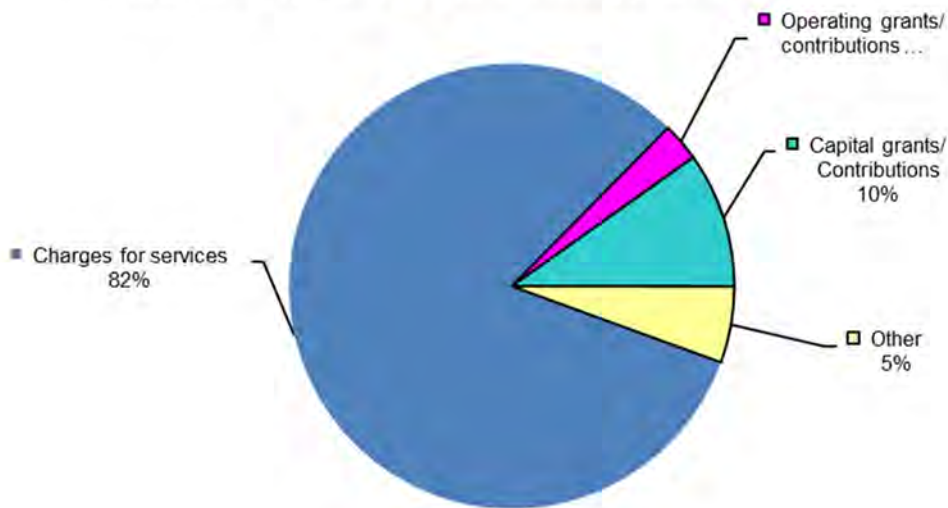
- Expenses, before transfers, decreased 4.6% when compared to the prior year. The City is experiencing a strong increase in development which places more demands on our utility budgets. The City continues to focus on ensuring that operating costs do not outpace the City's revenue sources.
 - Electric operating expenses decreased by 18%, due to a decrease in the cost of purchase power.
 - Water operating costs increased 12%, which reflects normal system growth expenses and higher supply cost.
 - Stormwater operating expenses increased 0.07% due to minimal increases in overall costs.
 - Wastewater operating expenses increased 7%, which reflects normal system growth expenses and higher supply cost.
 - The airport operating expenses increased 9.8%; the majority of this increase was associated with rising fuel prices.

The City's internal service fund is reported as a Business-type activity (proprietary fund) since enterprise funds are the largest users of the internal service fund's activities. The fund supports and assists these departments on a daily basis and is comprised of Utility Collections, Billing, Engineering, Customer Care Services, Purchasing, and Building and Grounds.

Expenses and Program Revenues - Business-Type Activities



Revenues by Source - Business-type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the City of Concord's governmental funds reported combined ending fund balances of \$213,506,116, an increase of about 26% in comparison with the prior year. Funds that are available for spending at the government's discretion (unassigned) represent 24% (\$50,791,364) of the City's ending fund balance. The remaining fund balance is classified as follows to indicate that it is not available for new spending because it has already been obligated: 1) non-spendable inventories, prepaids, and leases (\$325,336), 2) restricted for streets, planning & community development, public safety and state statute stabilization (\$52,477,005), and 3) committed for future capital, planning & community development (\$109,912,411).

The general fund is the principal operating fund of the City of Concord. At the end of the current fiscal year, the unassigned fund balance in the general fund was \$54,141,763 while total fund balance for the general fund was \$86,065,399; representing a decrease of \$6,432,648. The City continues to fund the capital reserve fund for major projects. The allocation for fiscal year 2024 was \$5,000,000. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned general fund balance represents 37.9% of total general fund expenditures and transfers out, while total fund balance represents 60.3% of that same amount. Key factors in the fund balance numbers are as follows:

- The City's general fund operating revenues actually exceeded operating expenditures by \$11,534,639. Transfers to other funds decreased by \$14,995,368 when compared to the prior year. The majority of the total transfers, \$20,350,612, are for capital projects and debt service. Total departmental expenditure budgets were under projections by 6.7% (\$8,746,599). Ad Valorem collections increased \$3,353,229 (4%) when compared to the prior year.

Other governmental and general fund capital reserve fund balances increased \$50,983,942 due to the issuance of general obligation bonds to be used in future years to complete capital projects.

Proprietary Funds

The City of Concord's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail:

Unrestricted net position of the electric fund, the water fund, the wastewater fund, the regional airport fund, the stormwater fund, and the transit fund at the end of the year were \$115,151,255, \$68,728,572, \$40,784,078, \$12,584,983, \$13,835,673 and \$1,098,030 respectively. The unrestricted net position of all other enterprise funds was \$4,461,927. The total growth in net position for the proprietary funds was \$53,989,201. Factors affecting the growth are addressed in more detail in the discussion of the City of Concord's business-type activities which begins on page 23 of this document.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants; and 3) increase in appropriations that become necessary to maintain services.

Total amendments to the General Fund increased revenues and expenditures and other financing sources and uses by \$18,368,087, or more than 13%. This is not a significant budgetary variance between original and final amended budget for the City. The major adjustment to the budget related to a non-operating one-time transfer for planned future projects in the amount of \$5,000,000 and a lawsuit settlement in the amount of \$9,350,000. Since budget estimates were

prepared conservatively, the increase is due in part to increases to revenues as actual amounts were received in excess of original estimates. At year-end, *actual* operating revenues exceeded *final amended revenue budget* numbers by 2%. *Actual* operating expenditures were less than *final budgetary* figures by 6%, resulting in excess of revenues over expenditures (before other financing sources/uses) of \$11,534,639.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City of Concord's investment in capital assets for its governmental and business-type activities as of June 30, 2024, totals \$1,056,929,072 (net of accumulated depreciation). These assets include land, buildings, machinery and other equipment, improvements and infrastructure. The total net increase in the City of Concord's investment in capital assets for the current fiscal year was 5% (7% increase for governmental activities and 4% increase for business-type activities).

Major capital asset transactions, including construction in progress, during the year included the following:

- Construction of electric substations, system additions, Smart Grid system costs and enhancements/improvements to the electric transmission lines in the amount of \$16,659,477.
- Streets infrastructure and improvements totaling \$33,379,958.
- New fire trucks in the amount of \$3,795,319.
- Purchase of vehicles and equipment for general fund totaling \$10,776,520.
- The extension of the distribution and transmission lines for the City's water system, Smart Grid system costs and upgrades/improvements to the system in the amount of \$8,406,229.
- Upgrades/improvements to the wastewater system in the amount of \$5,290,790.
- North Apron expansion of the airport in the amount of \$1,769,272.
- Streetscape construction in the amount of \$3,578,851.
- Park improvements in the amount of \$2,721,571.

Additional information on the City of Concord's capital assets can be found in Note 6 of the Basic Financial Statements located on pages 65 through 68.

	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
Land	\$ 20,826,569	\$ 20,846,479	\$ 42,678,054	\$ 42,678,054	\$ 63,504,623	\$ 63,524,533
Construction in progress	28,776,105	41,679,800	72,452,810	91,991,383	101,228,915	133,671,183
Subscription work in progress	-	-	59,258	-	59,258	-
Buildings and systems	69,144,684	69,144,684	78,870,638	74,403,700	148,015,322	143,548,384
Improvements other than buildings	12,722,889	13,317,483	602,276,296	620,248,599	614,999,185	633,566,082
Machinery and equipment	54,304,622	59,732,062	53,783,843	46,250,018	108,088,465	105,982,080
Infrastructure	859,744,581	901,880,059	-	-	859,744,581	901,880,059
Software subscriptions	11,685	50,864	9,176	243,884	20,861	294,748
Sub-total	1,045,531,135	1,106,651,431	850,130,075	875,815,638	1,895,661,210	1,982,467,069
Less Accum. Depreciation	(526,884,977)	(553,740,727)	(364,268,509)	(371,797,270)	(891,153,486)	(925,537,997)
Total	\$ 518,646,158	\$ 552,910,704	\$ 485,861,566	\$ 504,018,368	\$ 1,004,507,724	\$ 1,056,929,072

Long-term Debt

At the end of the current fiscal year, the City of Concord had total debt outstanding of \$110,644,213 (principal). Of this amount, \$42,000,000 comprises debt backed by the full faith and credit of the City and \$43,490,000 represents bonds secured solely by specified revenue sources (i.e., revenue bonds). The City also has \$16,050,000 and \$9,104,213 outstanding in installment notes and purchases, respectively.

General Obligations, Installment Purchases and Revenue Bonds

Table 4

	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
Installment purchases	\$ 6,108,914	\$ 5,166,337	\$ 5,044,026	\$ 3,937,876	\$ 11,152,940	\$ 9,104,213
General Obligation Bonds	-	42,000,000	-	-	-	42,000,000
Revenue Bonds	-	-	23,565,001	43,490,000	23,565,001	43,490,000
Installment notes	13,367,025	13,158,900	4,272,976	2,891,100	17,640,001	16,050,000
Total long-term debt	\$ 19,475,939	\$ 60,325,237	\$ 32,882,003	\$ 50,318,976	\$ 52,357,942	\$ 110,644,213

In the current fiscal year, the City of Concord's total debt increased by \$58,286,271 (111%). The increase is due to the issuance of \$42,000,000 in General Obligation Bonds and \$22,000,000 in Revenue Bonds during the fiscal year. There is more information available in Note 8 of this document regarding refunding and advance refunding issues in prior years.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The City's debt as a percentage of assessed value of taxable property is 0.41%. The legal debt margin (excess of the amount of debt legally authorized over the amount of debt outstanding) for the City is \$1,120,437,463. The current debt limitation for the City of Concord is \$1,180,762,700, which is significantly greater than the City of Concord's outstanding general obligation debt.

Additional information on the City of Concord's long-term debt can be found in Note 8 on pages 68 through 75 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- Budget development for FY 2025 was driven by staffing needs associated with the City's continued growth, inflationary cost pressures, and a slowdown in sales tax revenues. Economic changes, like higher interest rates, supply chain issues, and increased costs for goods, have impacted all levels of the community.
- The unemployment rate for Cabarrus County at June of 2024 was 3.5%, which is an increase from a rate of 3.4% in June of 2023. The state's unemployment rate for June of 2024 was 3.6%.
- Concord's certified population has increased from 79,066 in 2010 to an estimated 113,369 as of July 1, 2023 (per NC Office of State Budget & Management), which represents a growth rate of 40%. The City experienced a 1.4% growth in current year population when compared to the certified population estimate as of July 1, 2022. Concord's most recent

estimated population is 110,119 according to the United States census estimates. Concord is the 10th largest city in North Carolina.

- The City's Planning & Community Development Department continues to focus on economic development within the City. This position provides a direct resource for the Cabarrus County Economic Development Commission staff and a liaison for any business seeking to locate or expand in Concord. Job creation and expansion of the tax base has to be a priority.
- The economy in Concord is strong. There are many opportunities to plant the seeds for the future of better paying industrial and technology jobs, mixed-use office parks, and the continued redevelopment of Concord's Center City. The City works closely with the Cabarrus County Economic Development Commission and with private land owners to pursue such opportunities. Concord has been a leader in developing speculative industrial space by partnering with the private sector. While "product" is available, we must look to develop future sites as industrial parks and buildings are completed and occupied.

All of these factors were considered in preparing the City of Concord's budget for fiscal year 2025. The amount of unassigned fund balance in the general fund is \$54,141,763 as of July 1, 2024. Concord has no appropriation from fund balance for the 2025 fiscal year.

The tax base used in the fiscal year 2025 budget preparation represents an estimated 46% increase in real property values from fiscal year 2024 projections. The increase is a result of a County revaluation and continued development and growth in the city. One cent on the City's tax rate produces \$2,295,423 in revenue, after the City's estimated collection rate is applied. This rate compares favorably to past City tax rates and remains one of the lowest in the state among medium to large size cities. The fiscal year 2025 budget changes the tax rate from \$0.4800 per \$100 property evaluation to \$0.4200 per \$100 property evaluation.

The City's downtown is undergoing a metamorphosis, with multiple residential developments underway and an increase in pedestrian friendly amenities. Development (new and infill) is strong in downtown. New businesses and restaurants continue to fill vacancies as soon as they become available. Lansing Melbourne Group (LMG) is nearing completion of three mixed-use Novi projects, representing an estimated \$70 million in private investment. Approximately 294 dwelling units, including 170 affordable/workforce units, are being built. These units provide more options for those who work in the City to live here too. Construction is nearly complete on the new Downtown Streetscape, which will widen sidewalks and create additional opportunities for outdoor dining. Staff are working diligently to promote downtown Concord as an ideal place to live and work.

Funding will continue for the implementation of the Water, Wastewater, and Stormwater Master Plans. The City's capital improvement plan covers many of these projects for the upcoming year and into the future. The City has been fortunate to have available funds, which have been used for the past couple of years to pay for many of these needed improvements.

The City is partnering with the land owners to run sewer to the project now called The Grounds (former Phillip Morris site). This project, once complete, will open the way for job-producing development. The former Philip Morris property remains one of the most unique properties in the Charlotte region. The existing building and the additional undeveloped acreage on and off the site mean Concord has over 3,000 acres of property zoned for business near the geographic center of the City when combined with other properties along George Liles Parkway.

Concord entered into a 20-year agreement with NTE Energy effective January 1, 2019 to purchase power. Savings from this contract allowed Electric to complete five substations, three delivery stations, and construct the Electric Operations Center without having to raise rates. A

volatile natural gas market caused a dramatic spike in the City's purchased power costs during fiscal year 2022. This unprecedented increase left Concord at an impasse: either raise base rates or change the Purchased Power Adjustment (PPA). The PPA was created in 2011 to help Concord manage purchased power cost volatilities throughout the year without having to change base rates. To help pay for the cost increase, the City made the tough decision to reset the purchase power adjustment to zero for the first time since 2016. Rate stabilization funds were also used to help alleviate additional cost increases and prevent base rate changes. The City also did a full cost of service study and began implementing the results of that study in FY24. The PPA is evaluated each quarter to determine if any adjustments need to be made due to volatility in natural gas prices.

Citizen surveys continue to reflect their desire for transportation improvements in the City. Next year's budget includes an allocation of property tax to transportation improvements in the amount of \$4,400,000. Staff continue to work closely with NC DOT on projects in our City to reduce traffic and congestion concerns. The City maintains over 300 miles of sidewalk and over 350 center lane miles of roads.

Concord-Padgett Regional Airport has added a second commercial airline that will allow travel to additional destinations. Flights, parking, and fuel sales have begun to bounce back to pre-pandemic levels. This recovery allowed the Airport to increase fuel sale revenues and continue with maintenance projects. While some projects are still on hold, such as the domicile base for Allegiant Travel Company, there are exciting things coming to the airport. These projects allow the Airport to remain at the front of innovation and efficiency.

The construction of a new Fire Station 6 located at Concord-Padgett Regional Airport will replace an outgrown, existing facility and will share space with the Police Department's new David District. This station will still respond to emergencies at the airport and will now cover development in the Cox Mill/Christenbury Parkway area.

Affordable housing is an area that needs greater emphasis in our City and is specifically called out in the City's Strategic Plan. An affordable housing study conducted in FY 20 showed a sizable deficit in the number of affordable units within the City. Later that year, the Concord Family Enrichment Association (CFEA), now known as WeBuild Concord, was formed. This non-profit will allow the City to pursue funding opportunities that are not possible under the City's existing Housing Department. The City is continuing to set aside \$1,800,000 in the FY25 budget to fund the building of new affordable housing units and/or the renovation of dilapidated housing for affordable housing purposes.

The adopted Comprehensive Master Plan and Open Space Connectivity Plan continue to drive Parks and Recreation programming, greenway development, park development, and connectivity to neighborhood parks and schools across the City. The \$1,800,000 dedicated to Parks & Recreation helps to accelerate site control and increase connectivity. To further enhance and expand our parks, the City placed a \$60 million general obligation bond package on the ballot in November 2022. With the passing of the bond referendum, the City will accelerate projects related to the adopted master plans and address City-wide needs for additional recreation resources. The funding will go towards developing playgrounds, splashpads, a pump track, and more at ten locations across the City. Staff continues to focus on site control for greenway development, improved connectivity and other pedestrian-friendly trails throughout the City through donation and dedication, with a goal of having 30 miles of greenways by the year 2030. In the coming year, staff will focus on design plans for the Academy/Gibson Village area, Hartsell Park, and David Phillips Park.

Excellent customer service remains at the core of what the City's staff strive for on a daily basis. Citizen communications will continue to be varied and expansive. Direct mailings such as the "City Circular" newsletter, newspaper placements, the electronic newsletter, the City's website, news

releases, television, radio and other outlets will continue. The City's website was overhauled in fiscal year 2021 to make it more user-friendly and easier to navigate.

The City continues to offer a salary plan that will encourage employees to stay and also aid in recruitment. As the City desires to remain competitive in employee recruitment and retention, merit pay continues to be included in the budget for 2025. Below is a list of personnel decisions over the past five years as well as the 2024/25 adoption.

FY19/20: Merit adjustments were available on the evaluation date from 1% to 3% based on evaluation ratings, a 1.5% market adjustment was provided to all employees effective July 1, 2019, and a 2% career development increase was available to all employees who completed their career development plan.

FY20/21: Merit adjustments are available on the evaluation date from 1% to 3% based on evaluation ratings, a 1.5% market adjustment will be provided to all employees effective July 13, 2020, and a 1.5% career development increase is available to all employees who complete their career development plan.

FY21/22: Merit adjustments are available on the evaluation date from 1% to 3% based on evaluation ratings, a 1.5% market adjustment will be provided to all employees effective July 12, 2021, and a 1.5% career development increase is available to all employees who complete their career development plan.

FY22/23: Merit adjustments are available on the evaluation date from 1% to 3% based on evaluation ratings, a 2% market adjustment will be provided to all employees effective July 11, 2022, and a 1.5% career development increase is available to all employees who complete their career development plan.

FY23/24: Merit adjustments are available on the evaluation date from 1% to 4% based on evaluation ratings, a 3% market adjustment will be provided to all employees effective July 10, 2023, and a 1.5% career development increase is available to all employees who complete their career development plan.

FY24/25: Merit adjustments are available on the evaluation date from 1% to 4% based on evaluation ratings, a 3% market adjustment will be provided to all employees effective July 8, 2024, and a 1.5% career development increase is available to all employees who complete their career development plan.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Concord's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Concord, P.O. Box 308, Concord, North Carolina 28026. This report may also be viewed on the City's website located at the following address: <http://www.concordnc.gov>.

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2024

Exhibit A
Page 1 of 2

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Concord ABC Board	WeBuild Concord
ASSETS					
Cash and investments	\$ 140,005,845	\$ 241,104,932	\$ 381,110,777	\$ 10,212,189	\$ 4,301,179
Receivables, net	18,131,071	35,248,780	53,379,851	-	46,750
Internal balances	8,452,235	(8,452,235)	-	-	-
Inventories	169,287	10,410,254	10,579,541	5,582,722	7,478,819
Prepaid expenses	147,297	52,126	199,423	91,101	-
Deposits	-	-	-	-	4,100
Restricted assets - cash and investments	73,815,294	34,430,267	108,245,561	-	-
Lease receivable	158,603	7,429,156	7,587,759	-	-
Capital assets:					
Non-depreciable	62,526,279	134,669,437	197,195,716	2,918,269	1,282,274
Depreciable, net	490,281,202	368,795,762	859,076,964	8,444,679	341,514
Right to use assets, net of amortization	103,223	553,169	656,392	1,109,483	7,009
Total assets	<u>793,790,336</u>	<u>824,241,648</u>	<u>1,618,031,984</u>	<u>28,358,443</u>	<u>13,461,645</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan (LGERS)	21,837,801	11,105,028	32,942,829	621,386	-
Pension plan (LEOSSA)	2,607,872	-	2,607,872	-	-
OPEB deferrals	3,563,496	1,812,120	5,375,616	-	-
Deferred charge on refunding	88,045	1,717,139	1,805,184	-	-
Total deferred outflows of resources	<u>28,097,214</u>	<u>14,634,287</u>	<u>42,731,501</u>	<u>621,386</u>	<u>-</u>
LIABILITIES					
Accounts payable and accrued liabilities	21,267,033	13,726,271	34,993,304	5,177,438	19,639
Accrued interest payable	-	203,119	203,119	-	-
Advance from grantors	1,086,099	7,508,401	8,594,500	-	-
Unearned revenues	5,804	-	5,804	-	-
Deposits payable from restricted resources	4,432,352	3,906,227	8,338,579	-	-
Non-current liabilities:					
Due within one year:					
Long-term debt	8,239,616	4,624,312	12,863,928	-	-
Installment purchases	880,382	788,035	1,668,417	-	-
Lease liability	32,171	115,454	147,625	157,912	5,368
Subscription liability	14,413	33,873	48,286	-	-

Continued

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2024

Exhibit A
Page 2 of 2

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Concord ABC Board	WeBuild Concord
LIABILITIES cont.					
Due in more than one year:					
Net pension liability (LGERS)	35,724,167	18,166,567	53,890,734	996,443	-
Total pension liability (LEOSSA)	10,267,397	-	10,267,397	-	-
Net OPEB Liability	28,942,939	4,347,103	33,290,042	-	-
Long-term debt	57,615,288	49,167,053	106,782,341	-	-
Long-term installment purchases	4,285,955	3,149,841	7,435,796	-	-
Lease liability	47,119	228,552	275,671	1,030,938	-
Subscription liability	-	114,653	114,653	-	-
Total liabilities	<u>172,840,735</u>	<u>106,079,461</u>	<u>278,920,196</u>	<u>7,362,731</u>	<u>25,007</u>
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals (LGERS)	1,044,539	531,174	1,575,713	10,406	-
Pension deferrals (LEOSSA)	1,839,030	-	1,839,030	-	-
OPEB Deferrals	3,453,063	1,755,961	5,209,024	-	-
Leases	149,851	7,323,832	7,473,683	-	-
Prepaid taxes	133,587	-	133,587	-	-
Total deferred inflows of resources	<u>6,620,070</u>	<u>9,610,967</u>	<u>16,231,037</u>	<u>10,406</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	530,190,284	471,756,434	1,001,946,718	11,362,948	-
Restricted for:					
Streets	2,981,386	-	2,981,386	-	-
Stabilization by State Statute	48,003,467	-	48,003,467	-	-
Other	1,492,152	-	1,492,152	5,187,331	-
Unrestricted	59,759,456	251,429,073	311,188,529	5,056,413	13,436,638
Total net position	<u>\$ 642,426,745</u>	<u>\$ 723,185,507</u>	<u>\$ 1,365,612,252</u>	<u>\$ 21,606,692</u>	<u>\$ 13,436,638</u>

See Notes to Financial Statements

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

Exhibit B

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Concord ABC Board	WeBuild Concord
					Governmental Activities	Business-type Activities	Total		
Primary Government:									
Governmental activities:									
General government	\$ 20,829,311	\$ 2,319,668	\$ 1,264,785	\$ -	\$ (17,244,858)	\$ -	\$ (17,244,858)	\$ -	\$ -
Public safety	68,408,428	1,850,868	1,074,548	-	(65,483,012)	-	(65,483,012)	-	-
Public works	40,755,514	3,937,608	4,149,732	33,379,958	711,784	-	711,784	-	-
Cultural and recreational	10,566,625	512,536	-	351,850	(9,702,239)	-	(9,702,239)	-	-
Planning and community development	12,649,835	223,591	6,954,667	134,088	(5,337,489)	-	(5,337,489)	-	-
Administration	4,224,535	-	-	-	(4,224,535)	-	(4,224,535)	-	-
Housing assistance payments	5,391,320	268,895	5,685,555	-	563,130	-	563,130	-	-
Rehabilitation	1,419,432	245,681	1,780,503	-	606,752	-	606,752	-	-
Interest expense	1,361,593	-	-	-	(1,361,593)	-	(1,361,593)	-	-
Total governmental activities	165,606,593	9,358,847	20,909,790	33,865,896	(101,472,060)	-	(101,472,060)	-	-
Business-type activities:									
Electric	73,923,371	106,936,520	-	2,035,212	-	35,048,361	35,048,361	-	-
Water	31,275,010	31,206,520	-	8,406,229	-	8,337,739	8,337,739	-	-
Wastewater	21,508,306	21,118,736	-	4,234,720	-	3,845,150	3,845,150	-	-
Regional airport	21,803,171	14,771,255	-	7,477,146	-	445,230	445,230	-	-
Stormwater	6,618,896	5,623,485	-	-	-	(995,411)	(995,411)	-	-
Transit	7,361,318	228,454	4,667,610	-	-	(2,465,254)	(2,465,254)	-	-
Golf course	3,169,213	3,760,096	-	-	-	590,883	590,883	-	-
Housing	2,399,152	495,432	1,591,412	-	-	(312,308)	(312,308)	-	-
Total business-type activities	168,058,437	184,140,498	6,259,022	22,153,307	-	44,494,390	44,494,390	-	-
Total primary government	\$ 333,665,030	\$ 193,499,345	\$ 27,168,812	\$ 56,019,203	\$ (101,472,060)	\$ 44,494,390	\$ (56,977,670)	\$ -	\$ -
Component units:									
Concord ABC Board	\$ 25,593,263	\$ 25,686,432	-	-	-	-	-	\$ 93,169	-
WeBuild Concord	524,548	4,490,874	-	-	-	-	-	-	3,966,326
	\$ 26,117,811	\$ 30,177,306	\$ -	\$ -	-	-	-	-	-
General revenues:									
Taxes:									
Ad valorem					77,999,164	-	77,999,164	-	-
Local government sales tax					29,382,011	-	29,382,011	-	-
Grants and contributions not restricted to specific programs:									
Grants					6,781,553	-	6,781,553	-	-
Investment earnings					10,686,171	11,583,969	22,270,140	-	-
Gain (loss) on sale of capital assets					1,138,379	(627,160)	511,219	-	-
Miscellaneous					2,093,503	1,485,907	3,579,410	34,968	-
Transfers					2,947,905	(2,947,905)	-	-	-
Total general revenues and transfers					131,028,686	9,494,811	140,523,497	34,968	-
Change in net position					29,556,626	53,989,201	83,545,827	128,137	3,966,326
Net position - beginning					612,870,119	669,196,306	1,282,066,425	21,478,555	9,470,312
Net position - ending					\$ 642,426,745	\$ 723,185,507	\$ 1,365,612,252	\$ 21,606,692	\$ 13,436,638

See Notes to Financial Statements

CITY OF CONCORD, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

Exhibit C

	General Fund	General Fund Capital Reserve	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 72,236,988	\$ -	\$ 67,768,857	\$ 140,005,845
Receivables:				
Ad valorem taxes, net	955,185	-	19,942	975,127
Due from other governmental agencies	1,066,903	-	3,796,094	4,862,997
Sales tax refunds	2,595,716	-	-	2,595,716
Interest	649,944	84,513	363,007	1,097,464
Due from other funds	8,594,250	-	-	8,594,250
Other, net	8,446,594	-	153,173	8,599,767
Lease receivable	158,603	-	-	158,603
Inventories	169,287	-	-	169,287
Prepaid items	140,654	-	6,643	147,297
Restricted assets - cash and investments	8,382,462	17,151,004	48,281,828	73,815,294
Total assets	<u>\$ 103,396,586</u>	<u>\$ 17,235,517</u>	<u>\$ 120,389,544</u>	<u>\$ 241,021,647</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 10,685,684	\$ -	\$ 9,905,012	\$ 20,590,696
Advance from grantors	978,824	-	107,275	1,086,099
Due to other funds	-	-	142,015	142,015
Unearned revenues	5,804	-	-	5,804
Deposits payable from restricted assets	4,422,252	-	10,100	4,432,352
Total liabilities	<u>16,092,564</u>	<u>-</u>	<u>10,164,402</u>	<u>26,256,966</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes receivable	955,185	-	19,942	975,127
Leases	149,851	-	-	149,851
Prepaid taxes	133,587	-	-	133,587
Total deferred inflows of resources	<u>1,238,623</u>	<u>-</u>	<u>19,942</u>	<u>1,258,565</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Inventories	169,287	-	-	169,287
Prepays	140,654	-	6,643	147,297
Leases	8,752	-	-	8,752
Restricted				
Stabilization by State Statute	27,421,352	84,513	20,497,602	48,003,467
Transportation	2,981,386	-	-	2,981,386
Public safety	1,202,205	-	-	1,202,205
Planning and community development	-	-	289,947	289,947
Committed				
Future capital purchases	-	17,151,004	89,526,080	106,677,084
Planning and community development	-	-	3,235,327	3,235,327
Unassigned	54,141,763	-	(3,350,399)	50,791,364
Total fund balances (deficits)	<u>86,065,399</u>	<u>17,235,517</u>	<u>110,205,200</u>	<u>213,506,116</u>
Total liabilities, deferred inflows of resources and fund balances				
	<u>\$ 103,396,586</u>	<u>\$ 17,235,517</u>	<u>\$ 120,389,544</u>	<u>\$ 241,021,647</u>

See Notes to Financial Statements

CITY OF CONCORD, NORTH CAROLINA
RECONCILIATION OF BALANCE SHEET TO STATEMENT OF NET POSITION
June 30, 2024

Exhibit D

Fund balances of governmental funds	\$	213,506,116
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		
Governmental capital assets	1,106,439,278	
Less accumulated depreciation	<u>(553,631,797)</u>	552,807,481
Right to use asset at historical cost	161,289	
Accumulated amortization	<u>(91,050)</u>	70,239
Subscription asset	50,864	
Accumulated amortization	<u>(17,880)</u>	32,984
Deferred outflows of resources related to pensions (LGERS) are not reported in the governmental funds		21,837,801
Deferred outflows of resources related to pensions (LEOSSA) are not reported in the governmental funds		2,607,872
Deferred outflows of resources related to OPEB are not reported in the governmental funds		3,563,496
Long-term liabilities, including accrued interest are not due and payable in the current period and therefore are not reported in the governmental funds		
Governmental bond payable	(55,158,900)	
Governmental installment purchases	(5,166,337)	
Leases	(79,290)	
Total pension liability (LEOSSA)	(10,267,397)	
Net pension liability (LGERS)	(35,724,167)	
Net OPEB liability	(28,942,939)	
Accrued vacation payable	(6,162,294)	
Subscription payable	<u>(14,413)</u>	(141,515,737)
Deferred charge on refunding	229,502	
Less accumulated amortization	<u>(141,457)</u>	88,045
Bond premium	(5,670,527)	
Less accumulated amortization	<u>1,136,817</u>	(4,533,710)
Deferred inflows of resources related to pensions (LGERS) are not reported in the governmental funds		(1,044,539)
Deferred inflows of resources related to pensions (LEOSSA) are not reported in the governmental funds		(1,839,030)
Deferred inflows of resources related to OPEB are not reported in the governmental funds		(3,453,063)
Costs of health claims not accrued in the governmental fund statements		(460,277)
Costs of workers' compensation claims reserves not accrued in the governmental fund statements		(216,060)
Earned revenues considered deferred inflows of resources in fund statements		975,127
Net position of governmental activities	<u>\$</u>	<u>642,426,745</u>

See Notes to Financial Statements.

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

Exhibit E

	General Fund	General Fund Capital Reserve	Other Governmental Funds	Total Governmental Funds
REVENUES				
Ad valorem taxes	\$ 77,765,144	\$ -	\$ 179,577	\$ 77,944,721
Other taxes	29,382,011	-	-	29,382,011
Unrestricted intergovernmental revenues	6,781,553	-	-	6,781,553
Restricted intergovernmental revenues	6,458,898	-	16,086,232	22,545,130
Licenses and permits	2,506,004	-	-	2,506,004
Investment earnings	4,619,849	1,231,507	2,936,547	8,787,903
Investment earnings, restricted	91,101	-	1,870,279	1,961,380
Program income	-	-	1,278,270	1,278,270
Other revenues	6,217,287	-	1,420,160	7,637,447
Total revenues	<u>133,821,847</u>	<u>1,231,507</u>	<u>23,771,065</u>	<u>158,824,419</u>
EXPENDITURES				
Current:				
General government	19,114,483	-	111,926	19,226,409
Public safety	61,345,887	-	-	61,345,887
Public works	19,594,479	-	-	19,594,479
Cultural and recreational	9,309,674	-	-	9,309,674
Planning and community development	3,598,407	-	8,891,486	12,489,893
Administration	-	-	4,224,535	4,224,535
Housing assistance payments	-	-	5,391,320	5,391,320
Rehabilitation	-	-	1,419,432	1,419,432
Capital outlay	8,288,579	-	18,014,089	26,302,668
Debt service:				
Principal	942,577	-	1,361,150	2,303,727
Interest expense	93,122	-	1,526,287	1,619,409
Total expenditures	<u>122,287,208</u>	<u>-</u>	<u>40,940,225</u>	<u>163,227,433</u>
Excess (deficiency) of revenues over expenditures	<u>11,534,639</u>	<u>1,231,507</u>	<u>(17,169,160)</u>	<u>(4,403,014)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	271,831	-	-	271,831
Subscription liability issued	28,869	-	-	28,869
Bond proceeds	-	-	45,705,702	45,705,702
Transfers from other funds	2,082,625	5,000,000	31,250,111	38,332,736
Transfers to other funds	(20,350,612)	(13,607,129)	(1,427,089)	(35,384,830)
Total other financing sources (uses)	<u>(17,967,287)</u>	<u>(8,607,129)</u>	<u>75,528,724</u>	<u>48,954,308</u>
Net change in fund balances	(6,432,648)	(7,375,622)	58,359,564	44,551,294
Fund balances - beginning	92,498,047	24,611,139	51,845,636	168,954,822
Fund balances - ending	<u>\$ 86,065,399</u>	<u>\$ 17,235,517</u>	<u>\$ 110,205,200</u>	<u>\$ 213,506,116</u>

See Notes to Financial Statements

CITY OF CONCORD, NORTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

Exhibit F

Net change in fund balances - total government funds	\$	44,551,294
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives.		
Expenditures for capital assets	26,273,799	
Capital contributions	33,379,958	
Current year's depreciation	<u>(26,252,216)</u>	33,401,541
Amortization expense for right to use leased asset	<u>(31,217)</u>	(31,217)
Subscription asset capital outlay expenditures which were capitalized	50,864	
Amortization expense for software subscription assets	<u>(23,192)</u>	27,672
Repayment of long term debt principal is considered an expenditure in the governmental funds, but their repayment reduces long-term liabilities in the statement of net position.		
New long-term debt issued	(46,887,596)	
Principal payments	2,352,413	
Premium	<u>257,816</u>	(44,277,367)
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 the governmental fund		
Current year amortization of deferred charge on refunding	(16,008)	
Change in law enforcement officers special separation allowance and related deferred inflows and deferred outflows	(537,298)	
Change in OPEB liability and related deferred inflows and deferred outflows	279,758	
Change in pension liability (LGERS) and related deferred inflows and deferred outflows	(3,565,852)	
Change in long-term compensated absences	<u>(1,100,118)</u>	(4,939,518)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds (see Note 2)		54,443
Costs of health claims paid in the governmental fund statements		(26,760)
Costs of workers' compensation claims not accrued in the governmental fund statements		(70,015)
Basis of property disposed of during the year		866,553
Change in net position of governmental activities	<u>\$</u>	<u>29,556,626</u>

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2024

Exhibit G
Page 1 of 5

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Ad valorem taxes:				
Current year	\$ 76,037,725	\$ 76,037,725	\$ 77,264,300	\$ 1,226,575
Prior years	308,000	308,000	290,530	(17,470)
Penalties and interest	200,000	200,000	210,314	10,314
	<u>76,545,725</u>	<u>76,545,725</u>	<u>77,765,144</u>	<u>1,219,419</u>
Other taxes:				
Local government sales tax	29,552,587	29,740,227	29,382,011	(358,216)
	<u>29,552,587</u>	<u>29,740,227</u>	<u>29,382,011</u>	<u>(358,216)</u>
Unrestricted intergovernmental revenues:				
Officers' fees	26,786	26,786	27,172	386
Utilities sales tax	5,278,480	5,303,707	6,215,176	911,469
Beer and wine tax	420,439	539,205	539,205	-
	<u>5,725,705</u>	<u>5,869,698</u>	<u>6,781,553</u>	<u>911,855</u>
Restricted intergovernmental revenues:				
State Street-Aid allocations	2,979,783	3,346,146	3,346,146	-
Cabarrus County schools	1,297,732	1,297,732	1,297,732	-
Transportation (federal, state and local)	483,355	483,355	368,380	(114,975)
On-behalf of payments - Fire and Rescue	-	-	63,812	63,812
Other restricted intergovernmental revenues	773,731	2,344,763	1,382,828	(961,935)
	<u>5,534,601</u>	<u>7,471,996</u>	<u>6,458,898</u>	<u>(1,013,098)</u>
Licenses and permits:				
Vehicle licenses	1,950,000	1,950,000	2,081,356	131,356
Zoning permits	260,000	260,000	233,172	(26,828)
Fire permits and inspections	193,091	193,091	186,336	(6,755)
Business registration fee	-	-	6,122	6,122
Other	11,643	11,643	(982)	(12,625)
	<u>2,414,734</u>	<u>2,414,734</u>	<u>2,506,004</u>	<u>91,270</u>
Investment earnings	1,000,000	3,500,000	4,619,849	1,119,849
Investment earnings restricted	-	-	91,101	91,101
	<u>1,000,000</u>	<u>3,500,000</u>	<u>4,710,950</u>	<u>1,210,950</u>
Other general revenues:				
Public safety	230,047	325,047	366,800	41,753
Environmental protection	3,444,845	3,444,845	3,498,900	54,055
Miscellaneous	1,284,370	1,695,635	1,839,051	143,416
Recreational	419,674	484,354	512,536	28,182
	<u>5,378,936</u>	<u>5,949,881</u>	<u>6,217,287</u>	<u>267,406</u>
Total revenues	<u>126,152,288</u>	<u>131,492,261</u>	<u>133,821,847</u>	<u>2,329,586</u>
EXPENDITURES				
General government:				
Governing body:				
Salaries and employee benefits	175,546	187,546	186,648	898
Professional services	148,066	148,066	102,926	45,140
Operating expenditures	203,062	206,062	180,372	25,690
Cost allocations	(264,162)	(264,162)	(263,140)	(1,022)
	<u>262,512</u>	<u>277,512</u>	<u>206,806</u>	<u>70,706</u>

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2024

Exhibit G
Page 2 of 5

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
City Manager's Office:				
Salaries and employee benefits	1,460,409	1,514,804	1,543,300	(28,496)
Professional services	269,267	269,267	148,059	121,208
Operating expenditures	147,908	149,908	124,401	25,507
Cost allocations	(766,837)	(766,837)	(771,842)	5,005
	<u>1,110,747</u>	<u>1,167,142</u>	<u>1,043,918</u>	<u>123,224</u>
Public Service Administration department:				
Salaries and employee benefits	210,157	211,312	222,103	(10,791)
Professional services	6,753	6,753	6,931	(178)
Operating expenditures	400,871	440,871	383,186	57,685
Cost allocations	(376,933)	(376,933)	(393,743)	16,810
	<u>240,848</u>	<u>282,003</u>	<u>218,477</u>	<u>63,526</u>
Finance department:				
Salaries and employee benefits	1,463,647	1,480,972	1,478,741	2,231
Professional services	44,359	44,359	42,039	2,320
Operating expenditures	270,575	270,575	245,143	25,432
Capital outlay	-	-	28,869	(28,869)
Cost allocations	(970,462)	(970,462)	(1,021,903)	51,441
	<u>808,119</u>	<u>825,444</u>	<u>772,889</u>	<u>52,555</u>
Tax department:				
Salaries and employee benefits	107,706	112,861	113,407	(546)
Professional services	509	509	129	380
Operating expenditures	309,459	344,459	319,631	24,828
Cost allocations	152	152	155	(3)
	<u>417,826</u>	<u>457,981</u>	<u>433,322</u>	<u>24,659</u>
Legal department:				
Salaries and employee benefits	830,665	877,595	894,833	(17,238)
Professional services	75,000	275,000	180,410	94,590
Operating expenditures	57,130	57,130	43,037	14,093
Cost allocations	(505,971)	(505,971)	(582,528)	76,557
	<u>456,824</u>	<u>703,754</u>	<u>535,752</u>	<u>168,002</u>
Information technology:				
Salaries and employee benefits	2,046,973	1,938,973	1,799,840	139,133
Professional services	699,269	600,269	415,416	184,853
Operating expenditures	1,217,151	1,427,852	1,173,970	253,882
Capital outlay	283,692	283,691	161,303	122,388
Cost allocations	(1,552,801)	(1,552,801)	(1,389,027)	(163,774)
	<u>2,694,284</u>	<u>2,697,984</u>	<u>2,161,502</u>	<u>536,482</u>
Human resources:				
Salaries and employee benefits	1,416,726	1,431,741	1,444,284	(12,543)
Professional services	389,079	388,079	381,997	6,082
Operating expenditures	372,132	365,602	195,956	169,646
Cost allocations	(724,269)	(724,269)	(715,615)	(8,654)
	<u>1,453,668</u>	<u>1,461,153</u>	<u>1,306,622</u>	<u>154,531</u>
Wellness center:				
Professional services	449,701	454,701	315,315	139,386
Operating expenditures	17,337	22,337	16,961	5,376
Cost allocations	(155,639)	(155,639)	(108,375)	(47,264)
	<u>311,399</u>	<u>321,399</u>	<u>223,901</u>	<u>97,498</u>

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Nondepartmental:				
Professional services	124,739	9,399,739	9,388,486	11,253
Operating expenditures	2,930,423	2,172,466	2,252,417	(79,951)
Outside agencies	73,750	137,200	120,650	16,550
Cost allocations	626,918	626,918	639,913	(12,995)
	<u>3,755,830</u>	<u>12,336,323</u>	<u>12,401,466</u>	<u>(65,143)</u>
Total general government	<u>11,512,057</u>	<u>20,530,695</u>	<u>19,304,655</u>	<u>1,226,040</u>
Public safety:				
Police department:				
Salaries and employee benefits	20,624,733	21,456,928	21,100,572	356,356
Professional services	188,367	188,367	206,068	(17,701)
Operating expenditures	4,813,586	5,465,965	4,277,217	1,116,653
Capital outlay	1,607,600	1,510,015	1,565,805	16,305
Debt service	456,400	-	-	
Cost allocations	514,531	514,531	525,125	(10,594)
	<u>28,205,217</u>	<u>29,135,806</u>	<u>27,674,787</u>	<u>1,461,019</u>
Communications:				
Salaries and employee benefits	2,066,121	1,966,729	1,905,280	61,449
Professional services	350,390	175,665	149,798	25,867
Operating expenditures	903,994	903,443	529,157	374,286
Capital outlay	73,500	223,568	225,691	(2,123)
Debt service	321,750	-	-	
Cost allocations	(262,477)	(262,477)	(206,210)	(56,267)
	<u>3,453,278</u>	<u>3,006,928</u>	<u>2,603,716</u>	<u>403,212</u>
Fire department:				
Salaries and employee benefits	25,036,014	25,022,607	25,670,920	(648,313)
Professional services	255,603	255,603	234,134	21,469
Operating expenditures	4,966,272	4,940,273	4,315,259	625,014
Capital outlay	5,814,647	6,723,147	4,527,220	2,195,927
Debt service	1,892,874	1,065,124	1,035,699	29,425
Cost allocations	873,997	873,997	891,602	(17,605)
	<u>38,839,407</u>	<u>38,880,751</u>	<u>36,674,834</u>	<u>2,205,917</u>
Code enforcement:				
Salaries and employee benefits	863,932	874,327	917,707	(43,380)
Professional services	1,800	1,800	2,020	(220)
Operating expenditures	284,347	284,347	192,466	91,881
Capital outlay	50,000	50,000	42,174	7,826
Cost allocations	13,247	13,247	13,475	(228)
	<u>1,213,326</u>	<u>1,223,721</u>	<u>1,167,842</u>	<u>55,879</u>
Emergency management:				
Salaries and employee benefits	143,312	149,467	151,392	(1,925)
Professional services	40,749	40,749	34,475	6,274
Operating expenditures	231,229	234,629	61,349	173,280
Capital outlay	-	-	160,000	(160,000)
Cost allocations	(87,414)	(87,414)	(86,140)	(1,274)
	<u>327,876</u>	<u>337,431</u>	<u>321,076</u>	<u>16,355</u>

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2024

Exhibit G
Page 4 of 5

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Radio shop:				
Salaries and employee benefits	476,291	492,644	514,114	(21,470)
Professional services	8,100	8,100	3,749	4,351
Operating expenditures	150,712	150,712	128,373	22,339
Cost allocations	(184,164)	(184,164)	(186,015)	1,851
	<u>450,939</u>	<u>467,292</u>	<u>460,221</u>	<u>7,071</u>
Total Public safety	<u>72,490,043</u>	<u>73,051,929</u>	<u>68,902,476</u>	<u>4,149,453</u>
Public works:				
Traffic services:				
Salaries and employee benefits	444,437	450,212	449,335	877
Professional services	16,352	16,352	2,506	13,846
Operating expenditures	282,950	322,950	195,519	127,431
Capital outlay	207,550	207,550	150,431	57,119
Cost allocations	12,502	12,502	12,713	(211)
	<u>963,791</u>	<u>1,009,566</u>	<u>810,504</u>	<u>199,062</u>
Transportation signal:				
Salaries and employee benefits	803,525	812,765	825,883	(13,118)
Professional services	36,236	36,236	23,640	12,596
Operating expenditures	745,046	748,114	572,746	175,368
Capital outlay	105,775	105,775	108,153	(2,378)
Cost allocations	61,282	61,282	62,501	(1,219)
	<u>1,751,864</u>	<u>1,764,172</u>	<u>1,592,923</u>	<u>171,249</u>
Transportation:				
Salaries and employee benefits	2,956,344	2,997,925	3,109,054	(111,129)
Professional services	44,625	44,625	19,089	25,536
Operating expenditures	3,437,197	4,510,573	3,966,340	544,233
Capital outlay	1,220,532	1,220,532	769,358	451,174
Cost allocations	589,675	589,675	600,045	(10,370)
	<u>8,248,373</u>	<u>9,363,330</u>	<u>8,463,886</u>	<u>899,444</u>
Fleet services:				
Salaries and employee benefits	1,300,721	1,318,046	1,372,632	(54,586)
Professional services	440	440	451	(11)
Operating expenditures	3,991,648	4,450,281	4,218,631	231,650
Capital outlay	28,263	28,263	28,263	-
Cost allocations	(5,182,716)	(5,182,716)	(4,455,774)	(726,942)
	<u>138,356</u>	<u>614,314</u>	<u>1,164,203</u>	<u>(549,889)</u>
Solid waste and recycling:				
Salaries and employee benefits	4,467,486	4,537,481	4,783,641	(246,160)
Professional services	89,325	89,325	73,205	16,120
Operating expenditures	3,125,124	3,145,124	2,837,940	307,184
Capital outlay	896,404	896,404	382,128	514,276
Cost allocations	228,674	228,674	226,609	2,065
	<u>8,807,013</u>	<u>8,897,008</u>	<u>8,303,523</u>	<u>593,485</u>

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2024

Exhibit G
Page 5 of 5

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Cemetery:				
Salaries and employee benefits	580,898	591,293	511,815	79,478
Professional services	37,175	37,175	34,204	2,971
Operating expenditures	162,414	162,414	129,369	33,045
Capital outlay	148,810	148,810	139,184	9,626
Cost allocations	21,939	21,939	22,385	(446)
	<u>951,236</u>	<u>961,631</u>	<u>836,957</u>	<u>124,674</u>
Total Public works	<u>20,860,633</u>	<u>22,610,021</u>	<u>21,171,996</u>	<u>1,438,025</u>
Cultural and recreational:				
Recreation department:				
Salaries and employee benefits	2,826,600	2,869,914	2,514,473	355,441
Professional services	1,034,078	1,062,578	794,929	267,649
Operating expenditures	2,923,831	3,014,572	2,333,245	681,327
Capital outlay	120,000	136,627	-	136,627
Cost allocations	3,593,845	3,593,845	3,667,027	(73,182)
	<u>10,498,354</u>	<u>10,677,536</u>	<u>9,309,674</u>	<u>1,367,862</u>
Total Cultural and recreational	<u>10,498,354</u>	<u>10,677,536</u>	<u>9,309,674</u>	<u>1,367,862</u>
Planning and community development:				
Planning department:				
Salaries and employee benefits	2,024,228	2,187,329	2,049,278	138,051
Professional services	746,348	746,348	571,078	175,270
Operating expenditures	827,096	888,961	758,617	130,344
Capital outlay	6,000	125,677	-	125,677
Cost allocations	215,311	215,311	219,434	(4,123)
	<u>3,818,983</u>	<u>4,163,626</u>	<u>3,598,407</u>	<u>565,219</u>
Total Planning and community development	<u>3,818,983</u>	<u>4,163,626</u>	<u>3,598,407</u>	<u>565,219</u>
Total expenditures	<u>119,180,070</u>	<u>131,033,807</u>	<u>122,287,208</u>	<u>8,746,599</u>
Excess (deficiency) of revenues over expenditures	<u>6,972,218</u>	<u>458,454</u>	<u>11,534,639</u>	<u>11,076,185</u>
OTHER FINANCING SOURCES (USES)				
Fund balance appropriated	6,128,268	17,546,547	-	(17,546,547)
Subscription liability issued	-	-	28,869	28,869
Sale of capital assets	-	260,000	271,831	11,831
Transfers from other funds	732,790	2,082,625	2,082,625	-
Transfers to other funds	(13,833,276)	(20,347,626)	(20,350,612)	(2,986)
Total other financing sources (uses)	<u>(6,972,218)</u>	<u>(458,454)</u>	<u>(17,967,287)</u>	<u>(17,508,833)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(6,432,648)</u>	<u>\$ (6,432,648)</u>
Fund balances - beginning			92,498,047	
Fund balances - ending			<u>\$ 86,065,399</u>	

See Notes to Financial Statements

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

Exhibit H

	Major Enterprise Funds						Total Nonmajor Funds	Total Enterprise Funds	Business-type
	Electric Fund	Water Fund	Wastewater Fund	Regional Airport	Stormwater Fund	Transit Fund			Internal Service Fund
				Fund					
ASSETS									
Current Assets									
Cash and investments	\$ 100,789,690	\$ 66,386,876	\$ 39,830,995	\$ 14,756,939	\$ 13,743,108	\$ -	\$ 5,597,324	\$ 241,104,932	\$ -
Receivables:									
Accounts receivable, net	15,388,649	3,467,130	2,463,571	486,565	627,242	379,750	6,297	22,819,204	-
Due from other governmental agencies	-	60,384	-	589,533	-	10,470,725	26,057	11,146,699	-
Interest	553,916	344,944	196,711	116,607	68,627	-	2,072	1,282,877	-
Lease receivable	-	2,705,960	-	4,723,196	-	-	-	7,429,156	-
Inventories	8,930,542	1,031,547	69,980	140,158	16,794	-	182,122	10,371,143	39,111
Prepaid expenses	5,084	5,350	-	3,555	1,850	1,058	34,930	51,827	299
Total current assets	<u>125,667,881</u>	<u>74,002,191</u>	<u>42,561,257</u>	<u>20,816,553</u>	<u>14,457,621</u>	<u>10,851,533</u>	<u>5,848,802</u>	<u>294,205,838</u>	<u>39,410</u>
Noncurrent Assets									
Restricted assets - cash and investments	2,961,523	23,636,389	65,635	7,646,910	-	-	119,809	34,430,266	1
Capital assets	242,797,106	224,118,909	159,928,530	140,510,855	70,299,640	13,675,266	14,886,497	866,216,803	9,598,835
Less accumulated depreciation	(105,650,105)	(98,853,124)	(73,067,774)	(51,524,153)	(30,470,317)	(4,266,383)	(3,576,350)	(367,408,206)	(4,389,064)
Total noncurrent assets	<u>140,108,524</u>	<u>148,902,174</u>	<u>86,926,391</u>	<u>96,633,612</u>	<u>39,829,323</u>	<u>9,408,883</u>	<u>11,429,956</u>	<u>533,238,863</u>	<u>5,209,772</u>
Total assets	<u>265,776,405</u>	<u>222,904,365</u>	<u>129,487,648</u>	<u>117,450,165</u>	<u>54,286,944</u>	<u>20,260,416</u>	<u>17,278,758</u>	<u>827,444,701</u>	<u>5,249,182</u>
DEFERRED OUTFLOWS OF RESOURCES									
Pension deferrals (LGMERS)	2,184,110	1,923,861	876,279	1,370,422	566,617	174,597	372,254	7,468,140	3,636,888
OPEB deferrals	356,403	313,936	142,991	223,626	92,461	28,491	60,744	1,218,652	593,468
Deferred charge on refunding	590,847	920,081	206,211	-	-	-	-	1,717,139	-
Total deferred outflows of resources	<u>3,131,360</u>	<u>3,157,878</u>	<u>1,225,481</u>	<u>1,594,048</u>	<u>659,078</u>	<u>203,088</u>	<u>432,998</u>	<u>10,403,931</u>	<u>4,230,356</u>
LIABILITIES									
Current liabilities:									
Accounts payable and accrued liabilities	8,474,946	1,198,649	1,035,490	582,565	130,659	1,097,442	697,138	13,216,889	509,382
Current portion of long-term debt	1,076,413	2,225,494	243,897	959,600	69,993	44,832	42,135	4,662,364	749,983
Current portion of lease liability	-	-	-	-	-	-	115,454	115,454	-
Current portion of subscription liability	-	9,253	-	24,620	-	-	-	33,873	-
Accrued interest	25,387	143,871	8,609	15,965	-	-	-	193,832	9,287
Advance from grantors	-	-	-	7,508,401	-	-	-	7,508,401	-
Due to other funds	-	-	-	-	-	8,258,264	-	8,258,264	193,971
Total current liabilities	<u>9,576,746</u>	<u>3,577,267</u>	<u>1,287,996</u>	<u>9,091,151</u>	<u>200,652</u>	<u>9,400,538</u>	<u>854,727</u>	<u>33,989,077</u>	<u>1,462,623</u>
Noncurrent liabilities:									
Net pension liability (LGMERS)	3,572,956	3,147,219	1,433,494	2,241,855	926,921	285,620	608,965	12,217,030	5,949,537
Net OPEB liability	181,658	159,918	71,094	1,795,517	47,611	221,082	529,342	3,006,222	1,340,881
Long-term debt due after one year	7,567,301	35,949,780	2,484,933	3,201,087	20,907	13,391	12,586	49,249,985	3,066,909
Long-term lease liability due after one year	-	-	-	-	-	-	228,552	228,552	-
Long-term subscription liability due after one year	-	29,579	-	85,074	-	-	-	114,653	-
Deposits payable from restricted assets	2,828,660	894,575	375	138,509	-	-	44,108	3,906,227	-
Total noncurrent liabilities	<u>14,150,575</u>	<u>40,181,071</u>	<u>3,989,896</u>	<u>7,462,042</u>	<u>995,439</u>	<u>520,093</u>	<u>1,423,553</u>	<u>68,722,669</u>	<u>10,357,327</u>
Total liabilities	<u>23,727,321</u>	<u>43,758,338</u>	<u>5,277,892</u>	<u>16,553,193</u>	<u>1,196,091</u>	<u>9,920,631</u>	<u>2,278,280</u>	<u>102,711,746</u>	<u>11,819,950</u>
DEFERRED INFLOWS OF RESOURCES									
Pension deferrals (LGMERS)	104,470	92,022	41,914	65,550	27,102	8,351	17,806	357,215	173,959
OPEB deferrals	345,358	304,207	138,560	216,695	89,595	27,608	58,862	1,180,885	575,076
Leases	-	2,506,863	-	4,816,969	-	-	-	7,323,832	-
Total deferred inflows of resources	<u>449,828</u>	<u>2,903,092</u>	<u>180,474</u>	<u>5,099,214</u>	<u>116,697</u>	<u>35,959</u>	<u>76,668</u>	<u>8,861,932</u>	<u>749,035</u>
NET POSITION									
Net investment in capital assets	129,579,361	110,672,241	84,470,685	84,806,823	39,797,561	9,408,884	10,894,881	469,630,436	2,054,737
Unrestricted	115,151,255	68,728,572	40,784,078	12,584,983	13,835,673	1,098,030	4,461,927	256,644,518	(5,144,184)
Total net position	<u>\$ 244,730,616</u>	<u>\$ 179,400,813</u>	<u>\$ 125,254,763</u>	<u>\$ 97,391,806</u>	<u>\$ 53,633,234</u>	<u>\$ 10,506,914</u>	<u>\$ 15,356,808</u>	<u>726,274,954</u>	<u>\$ (3,089,447)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds								(3,089,447)	
Net position of business-type activities								<u>\$ 723,185,507</u>	

See Notes to Financial Statements

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

Exhibit I

	Major Enterprise Funds						Total Nonmajor Funds	Total Enterprise Funds	Business-type
	Electric Fund	Water Fund	Wastewater Fund	Regional Airport Fund	Stormwater Fund	Transit Fund			Internal Service Fund
OPERATING REVENUES									
Charges for services	\$ 105,311,130	\$ 27,993,695	\$ 19,428,056	\$ 14,674,519	\$ 5,596,322	\$ 228,454	\$ 2,857,059	\$ 176,089,235	\$ 17,085,698
Other operating revenues	1,625,390	3,212,825	1,690,680	96,736	27,163	-	1,398,469	8,051,263	-
Total operating revenues	<u>106,936,520</u>	<u>31,206,520</u>	<u>21,118,736</u>	<u>14,771,255</u>	<u>5,623,485</u>	<u>228,454</u>	<u>4,255,528</u>	<u>184,140,498</u>	<u>17,085,698</u>
OPERATING EXPENSES									
General and administrative	5,045,233	-	-	-	-	846,339	1,338,006	7,229,578	11,484,735
Professional services	-	-	-	-	-	4,690,543	1,293,753	5,984,296	687,428
Water plants and lakes	-	13,416,451	-	-	-	-	-	13,416,451	-
Water line operation and maintenance	-	12,069,182	-	-	-	-	-	12,069,182	-
Wastewater line and plant	-	-	17,372,280	-	-	-	-	17,372,280	-
Purchased power	49,733,035	-	-	-	-	-	-	49,733,035	-
Power line and plant	14,861,002	-	-	-	-	-	-	14,861,002	-
Airport operations and maintenance	-	-	-	17,984,400	-	-	-	17,984,400	-
Stormwater operation and maintenance	-	-	-	-	4,816,484	-	-	4,816,484	-
Utilities	-	-	-	-	-	-	395,643	395,643	-
Housing maintenance and repairs	-	-	-	-	-	-	280,747	280,747	-
Operating supplies	-	-	-	-	-	432,770	-	432,770	-
Other operating costs	-	-	-	-	-	1,937	1,647,783	1,649,720	3,541,625
Depreciation and amortization	3,963,149	5,161,595	4,028,170	3,705,122	1,802,412	1,389,729	609,592	20,659,769	387,680
Total operating expenses	<u>73,602,419</u>	<u>30,647,228</u>	<u>21,400,450</u>	<u>21,689,522</u>	<u>6,618,896</u>	<u>7,361,318</u>	<u>5,565,524</u>	<u>166,885,357</u>	<u>16,101,468</u>
Operating income (loss)	<u>33,334,101</u>	<u>559,292</u>	<u>(281,714)</u>	<u>(6,918,267)</u>	<u>(995,411)</u>	<u>(7,132,864)</u>	<u>(1,309,996)</u>	<u>17,255,141</u>	<u>984,230</u>
NONOPERATING REVENUES (EXPENSES)									
Operating subsidy	-	-	-	-	-	4,667,610	1,591,412	6,259,022	-
Investment earnings	4,593,105	3,338,330	1,878,843	925,280	746,921	-	101,490	11,583,969	-
Interest expense	(320,952)	(627,782)	(107,856)	(113,649)	-	-	(2,841)	(1,173,080)	(120,028)
Gain (loss) on sale of capital assets	139,766	12,881	59,250	36,050	47,350	68,867	(112,216)	251,948	(879,108)
Other	-	-	-	-	-	438,711	182,994	621,705	-
Total nonoperating revenues (expenses)	<u>4,411,919</u>	<u>2,723,429</u>	<u>1,830,237</u>	<u>847,681</u>	<u>794,271</u>	<u>5,175,188</u>	<u>1,760,839</u>	<u>17,543,564</u>	<u>(999,136)</u>
Income (loss) before contributions and transfers	<u>37,746,020</u>	<u>3,282,721</u>	<u>1,548,523</u>	<u>(6,070,586)</u>	<u>(201,140)</u>	<u>(1,957,676)</u>	<u>450,843</u>	<u>34,798,705</u>	<u>(14,906)</u>
Capital contributions	2,035,212	8,406,229	4,234,720	7,477,146	-	-	-	22,153,307	-
Transfers in	-	-	-	1,266,120	-	1,525,788	384,421	3,176,329	-
Transfers out	(2,542,069)	(875,486)	(1,087,177)	(248,983)	(599,689)	(25,148)	-	(5,378,552)	(745,682)
Change in net position	<u>37,239,163</u>	<u>10,813,464</u>	<u>4,696,066</u>	<u>2,423,697</u>	<u>(800,829)</u>	<u>(457,036)</u>	<u>835,264</u>	<u>54,749,789</u>	<u>(760,588)</u>
Total net position - beginning	<u>207,491,453</u>	<u>168,587,349</u>	<u>120,558,697</u>	<u>94,968,109</u>	<u>54,434,063</u>	<u>10,963,950</u>	<u>14,521,544</u>		<u>(2,328,859)</u>
Total net position - ending	<u>\$ 244,730,616</u>	<u>\$ 179,400,813</u>	<u>\$ 125,254,763</u>	<u>\$ 97,391,806</u>	<u>\$ 53,633,234</u>	<u>\$ 10,506,914</u>	<u>\$ 15,356,808</u>		<u>\$ (3,089,447)</u>
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds								(760,588)	
Change in net position of business-type activities								<u>\$ 53,989,201</u>	

See Notes to Financial Statements

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

Exhibit J

	Major Enterprise Funds						Business-type Activities		
	Electric Fund	Water Fund	Wastewater Fund	Regional Airport Fund	Stormwater Fund	Transit Fund	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts from customers	\$ 104,856,637	\$ 30,799,073	\$ 20,964,520	\$ 14,144,526	\$ 5,569,391	\$ 1,294,986	\$ 4,436,589	\$ 182,065,722	\$ 17,085,698
Payments to employees	(8,771,199)	(5,903,602)	(2,838,302)	(3,743,921)	(1,911,811)	(710,896)	(511,678)	(24,391,409)	(10,657,051)
Payments to suppliers	(58,454,320)	(19,252,636)	(14,630,759)	(10,955,937)	(3,216,826)	(4,469,662)	(4,180,255)	(115,160,395)	(4,319,196)
Net cash provided (used) by operating activities	<u>37,631,118</u>	<u>5,642,835</u>	<u>3,495,459</u>	<u>(555,332)</u>	<u>440,754</u>	<u>(3,885,572)</u>	<u>(255,344)</u>	<u>42,513,918</u>	<u>2,109,451</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Due to (from) other funds	-	-	-	-	-	(559,047)	(284,135)	(843,182)	193,971
Transfers in	-	-	-	1,266,120	-	1,525,788	384,421	3,176,329	-
Transfers out	(2,542,069)	(875,486)	(1,087,177)	(248,983)	(599,689)	(25,148)	-	(5,378,552)	(745,682)
Operating grants received	-	-	-	-	-	2,875,112	1,591,412	4,466,524	-
Net cash provided (used) by noncapital financing activities	<u>(2,542,069)</u>	<u>(875,486)</u>	<u>(1,087,177)</u>	<u>1,017,137</u>	<u>(599,689)</u>	<u>3,816,705</u>	<u>1,691,698</u>	<u>1,421,119</u>	<u>(551,711)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Principal payment on long-term debt	(586,614)	(1,353,270)	(135,117)	(1,106,150)	-	-	-	(3,181,151)	(1,381,876)
Interest paid	(323,155)	(529,819)	(108,410)	(115,645)	-	-	(2,841)	(1,079,870)	(124,745)
Lease/subscription liability payments made	-	(10,465)	-	(28,704)	-	-	(118,585)	(157,754)	-
Acquisition and construction of capital assets	(19,692,060)	(1,650,899)	(1,290,639)	(3,193,185)	(1,376,945)	-	(63,442)	(27,267,170)	(306,951)
Issuance of debt	-	24,010,277	-	-	-	-	-	24,010,277	-
Capital contributions	2,035,212	-	-	7,477,146	-	-	-	9,512,358	-
Proceeds from the sale of capital assets	162,587	8,106	59,250	36,050	52,123	68,867	889	387,872	18,040
Net cash provided (used) by capital and related financing activities	<u>(18,404,030)</u>	<u>20,473,930</u>	<u>(1,474,916)</u>	<u>3,069,512</u>	<u>(1,324,822)</u>	<u>68,867</u>	<u>(183,979)</u>	<u>2,224,562</u>	<u>(1,795,532)</u>
CASH FLOWS FROM INVESTING ACTIVITIES									
Earnings on investments	4,161,605	3,083,764	1,732,382	837,849	698,038	-	101,475	10,615,113	-
Net cash provided (used) by investing activities	<u>4,161,605</u>	<u>3,083,764</u>	<u>1,732,382</u>	<u>837,849</u>	<u>698,038</u>	<u>-</u>	<u>101,475</u>	<u>10,615,113</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>20,846,624</u>	<u>28,325,043</u>	<u>2,665,748</u>	<u>4,369,166</u>	<u>(785,719)</u>	<u>-</u>	<u>1,353,850</u>	<u>56,774,712</u>	<u>(237,792)</u>
Cash and cash equivalents:									
Beginning	82,904,589	61,698,222	37,230,882	18,034,683	14,528,827	-	4,363,283	218,760,486	237,793
Ending	<u>\$ 103,751,213</u>	<u>\$ 90,023,265</u>	<u>\$ 39,896,630</u>	<u>\$ 22,403,849</u>	<u>\$ 13,743,108</u>	<u>\$ -</u>	<u>\$ 5,717,133</u>	<u>\$ 275,535,198</u>	<u>\$ 1</u>

(Continued)

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

Exhibit J

	Major Enterprise Funds							Business-type Activities	
	Electric Fund	Water Fund	Wastewater Fund	Regional Airport Fund	Stormwater Fund	Transit Fund	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:									
Operating income (loss)	\$ 33,334,101	\$ 559,292	\$ (281,714)	\$ (6,918,267)	\$ (995,411)	\$ (7,132,864)	\$ (1,309,996)	\$ 17,255,141	\$ 984,230
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:									
Depreciation and amortization	3,963,149	5,161,595	4,028,170	3,705,122	1,802,412	1,389,729	609,592	20,659,769	387,680
Other income	-	-	-	-	-	438,711	182,994	621,705	-
Changes in assets, deferred outflows of resources, deferred inflows of resources and liabilities:									
(Increase) decrease in:									
Accounts receivable	(2,245,850)	(358,497)	(154,216)	(129,032)	(54,094)	627,821	1,732	(2,312,136)	-
Due from other governmental agencies	-	(14,952)	-	(257,368)	-	-	(4,233)	(276,553)	-
Lease receivable	-	44,552	-	(241,867)	-	-	-	(197,315)	-
Inventories and prepaid expenses	(783,759)	(217,261)	13,695	(49,379)	387	1,852	(38,944)	(1,073,409)	9,739
Deferred outflows of resources for pensions (LGRS)	(8,276)	(8,873)	(33,302)	(2,573)	5,971	(2,821)	(28,701)	(78,575)	(10,498)
Deferred outflows of resources for OPEB	121,376	106,566	42,114	76,732	33,270	9,229	14,695	403,982	202,831
Increase (decrease) in:									
Accounts payable and accrued expenses	2,841,233	274,042	(188,164)	2,827,664	(366,300)	742,042	222,818	6,353,335	64,236
Vacation accrual	65,758	20,116	354	32,739	21,271	16,629	2,914	159,781	53,970
Net pension liability (LGRS)	235,611	209,966	140,517	143,817	48,672	22,146	82,016	882,745	387,297
Net OPEB liability	(24,765)	(26,069)	(65,243)	32,540	(44,948)	4,146	8,839	(115,500)	86,356
Deferred inflows of resources for pensions (LGRS)	76,796	67,666	31,192	48,153	19,819	6,167	13,436	263,229	127,836
Deferred inflows of resources for OPEB	(110,223)	(96,758)	(37,944)	(69,708)	(30,295)	(8,359)	(13,072)	(366,359)	(184,226)
Deferred inflows of resources for leases	-	(110,600)	-	244,557	-	-	-	133,957	-
Deposits	165,967	32,050	-	1,538	-	-	566	200,121	-
Net cash provided (used) by operating activities	<u>\$ 37,631,118</u>	<u>\$ 5,642,835</u>	<u>\$ 3,495,459</u>	<u>\$ (555,332)</u>	<u>\$ 440,754</u>	<u>\$ (3,885,572)</u>	<u>\$ (255,344)</u>	<u>\$ 42,513,918</u>	<u>\$ 2,109,451</u>
Non-Cash Capital and Related Financing Activities:									
Donated assets	-	8,406,229	4,234,720	-	-	-	-	12,640,949.00	-
Right to use asset acquired in exchange for lease liability	-	-	-	-	-	-	20,110	20,110	-
Subscription assets acquired in exchange for subscription liability	-	49,297	-	135,329	-	-	-	184,626	-
Net noncash capital and related financing activities	<u>-</u>	<u>8,455,526.00</u>	<u>4,234,720.00</u>	<u>135,329.00</u>	<u>-</u>	<u>-</u>	<u>20,110.00</u>	<u>12,845,685.00</u>	<u>-</u>

See Notes to Financial Statements

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

Exhibit K

	<u>Other Postemployment Benefit Trust Fund</u>
ASSETS	
Cash and investments	\$ 17,939,495
Total assets	<u>17,939,495</u>
NET POSITION	
Net position restricted for postemployment benefits other than pensions	\$ 17,939,495
Total net position	<u><u>17,939,495</u></u>

See Notes to Financial Statements

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Fiscal Year Ended June 30, 2024

Exhibit L

	<u>Other Postemployment Benefit Trust Fund</u>
Additions:	
Employer contributions	\$ 2,839,445
Member contributions	297,370
Total contributions	<u>3,136,815</u>
Investment income (loss)	991,403
Total additions	<u>4,128,218</u>
Deductions:	
Benefits	<u>1,943,987</u>
Total deductions	<u>1,943,987</u>
Net increase (decrease) in fiduciary net position	2,184,231
Net Position -- beginning of the year	<u>15,755,264</u>
Net Position -- end of the year	<u>\$ 17,939,495</u>

See Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements and the following accounting policies of the City of Concord, North Carolina (the "City") and its discretely presented component units, are in conformity with accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the significant accounting policies:

A. Reporting Entity

The City of Concord is a municipal corporation governed by an elected mayor, mayor pro tempore and a six-member City Council. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the primary government. The discretely presented component units, on the other hand, are reported in separate columns in the City's financial statements to emphasize that they are legally separate from the City.

BLENDING COMPONENT UNIT – FIRST CONCORD CORPORATION

First Concord Corporation ("First Concord") was established during 1992 as a nonprofit corporation of the City. The City Council appoints one of the three members of the First Concord Board of Directors. First Concord is specifically organized exclusively for the purpose of promoting the general welfare of the citizens of the City as a financing vehicle of the City. It will carry out this function through the acquisition, construction, sale or lease of real estate and improvements, facilities and equipment for the use of the City. In the event First Concord is unable to meet its debt service requirements, the City would be held liable. First Concord Corporation's activities, which have a June 30 year-end, are included in the funds in which the activity takes place.

DISCRETELY PRESENTED COMPONENT UNIT – CITY OF CONCORD ALCOHOLIC BEVERAGE CONTROL (ABC) BOARD

The City Council appoints the members of the Alcoholic Beverage Control Board. In addition, the ABC Board is required by State statute to distribute a share of its surpluses to the General Fund of the City. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund. Complete financial statements for the ABC Board may be obtained from the entity's administrative offices at City of Concord ABC Board, 230 International Drive, Concord, North Carolina 28027.

DISCRETELY PRESENTED COMPONENT UNIT – WEBUILD CONCORD

WeBuild Concord (formerly Concord Family Enrichment Association) is a nonprofit established by the City of Concord to develop and build affordable housing within Concord and surrounding areas. City Council appoints two members to the WeBuild board, in addition to board seats reserved for the leadership from the departments of Planning and Neighborhood Development and Housing. WeBuild has a June 30 year-end and is presented as if it is a governmental fund (discrete presentation). Complete financial statements for WeBuild Concord may be obtained from the entity's administrative offices at WeBuild Concord, 4 Barbrick Ave. SW, Suite 10, Concord, NC 28025.

B. Basis of Presentation – Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government and its component units. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

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

The fund financial statements provide information about the City's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The government reports the following major governmental funds:

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

General Fund Capital Reserve: The General Fund Capital Reserve Fund is used to accumulate resources for future capital project needs.

Proprietary funds are presented in the financial statements on the accrual basis of accounting, similar to the basis used by government-wide statements and are accounted for on a flow of economic resources measurement focus. Under this basis, revenues are recognized in the accounting period when earned and expenses are recognized in the period they are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of fees intended to recover the cost of connecting new customers or reconnecting current customers to the water and wastewater systems. 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 nonoperating revenues and expenses.

Proprietary funds are used to account for operations that are financed and operated where the intent of the government's board is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the government's board has decided that periodic determination of net income is appropriate for accountability purposes.

The government reports the following major proprietary funds:

Electric, Water, Wastewater and Stormwater Funds: The Electric, Water, Wastewater and Stormwater Funds are used to account for the activities of the City's electric and water distribution operations and wastewater and stormwater collection.

Regional Airport Fund: The Regional Airport Fund is used to account for the operations of the City's regional airport.

Transit Fund: The Transit Fund is used to account for the operations of the City's transit system.

Additionally, the government reports the following fund types:

Internal Service Fund: The internal service fund accounts for operations that provide services to other departments or agencies of the government on a cost-reimbursement basis. The City's internal services include various administrative, engineering and maintenance functions that predominately benefit business-type activities.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. City of Concord has one fiduciary fund; an OPEB trust fund for reporting purposes.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

In accordance with North Carolina General Statutes, all governmental funds of the City are maintained during the year using the modified accrual basis of accounting. The governmental fund financial statements are reported on this same basis and use the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized in the accounting period when they become susceptible to accrual (i.e., when they are “measurable” and “available”); “measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay the liabilities of the current period. In addition, expenditures are recorded when the related fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The City 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 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 receivable in these financial statements and are offset by deferred inflows of resources.

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 City are recognized as revenue. Sales taxes are considered a shared revenue for the City of Concord because the tax is levied by Cabarrus 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 City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the City’s policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then general revenues.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgetary Data

The City's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Housing Assistance Fund, the Emergency Housing Assistance Fund, the Market Rate Units Fund, the FSS Forfeitures Fund, the Municipal Service District Fund, the Opioid Settlement Fund, the Electric Operating Fund, the Water Operating Fund, the Wastewater Operating Fund, the Stormwater Operating Fund, the Golf Course Operating Fund, the Regional Airport Operating Fund, the Housing Department Operating Fund, and the Internal Service Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Community Development Fund, the Home Fund, the Home ARP Fund, the Affordable Housing Fund, the American Rescue Plan Fund, the Parks Capital Project Fund, the Parks Capital Reserve Fund, the Transportation Capital Project Fund, the General Fund Capital Project Fund, the General Capital Reserve Project Fund, the Fire and Life Safety Capital Project Fund, the Electric Projects Capital Project Fund, the Water Projects Capital Project Fund, the Wastewater Projects Capital Project Fund, the Airport Capital Project Fund, the Stormwater Capital Project Fund, the Transit Fund, the Utility Capital Reserve Project Fund, the Golf Capital Project Fund, the Housing Capital Project Fund, and First Concord Capital Project Fund. 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. The City Manager is authorized to reallocate departmental appropriations and to effect interdepartmental transfers within a fund as long as such transfers do not exceed 10% of the appropriated funds for the department whose allocation is reduced. During the year several amendments to the original budgets were necessary.

A budget calendar is included in the North Carolina General Statutes, which prescribes the last day on which certain steps of that budget procedure are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed.

April 30 – each department head will transmit to the budget officer the budget requests and the revenue estimates for their department for the budget year.

June 1 – The budget and the budget message shall be submitted to the governing board. The public hearing on the budget shall be scheduled at this time.

July 1 – The budget ordinance shall be adopted by the governing board.

As required by G.S. 159-26(d), the City maintains encumbrance accounts, which are considered to be "budgetary accounts." Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result in unperformed contracts in process at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities.

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

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

State law (G.S. 159-30(c)) authorizes the City and the ABC Board 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 nonguaranteed federal agencies; certain high quality issues of commercial paper and banker's acceptances; and the North Carolina Capital Management Trust (NCCMT).

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

The City's investments with a maturity of more than one year at acquisition and non-money market investments are reported at cost or amortized cost, which approximates their fair value as determined by quoted market prices. The NCCMT Government Portfolio, a SEC-registered 2a-7 money market mutual fund, and the North Carolina Cooperative Liquid Assets Securities System (NCCLASS), an investment pool authorized by North Carolina General Statutes §159-30(c)(10), are measured at fair value. Because the NCCMT Government portfolio and NCCLASS have a weighted average maturity of less than 90 days, they are presented as investments with maturity of less than 6 months. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost.

General Statute 159-30.1 allows the City to establish and fund an irrevocable trust for the purpose of paying post-employment benefits (OPEB) for which the City is liable. The City's Other Postemployment Benefit (OPEB) Trust is managed by the staff of the Department of the State Treasurer and operated in accordance with state laws and regulations. The Trust is not registered with the SEC. G.S. 159-30(g) allows the City to make contributions to the Trust. The State Treasurer in his discretion may invest the proceeds in equities of certain publicly held companies and long or short-term fixed income investments as detailed in G.S. 147-69.2(b) (1-6) and (8). Funds submitted are managed in three different sub-funds, the State Treasurer's Short Term Investment Fund (STIF) consisting of short to intermediate treasuries, agencies and corporate issues authorized by G.S. 147-69.1, the Bond Index Fund (BIF) consisting of high quality debt securities eligible under G.S. 147-69.2(b)(1)-(6), and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund authorized under G.S. 147-69.2(b)(8).

Ownership of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involve inputs – other than quoted prices – included within Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share. The STIF portfolio is unrated and had a weighted average maturity at June 30, 2024 of 1.4 years. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. The BIF is measured at fair value using Level 2 inputs and is based upon units of participation. Units of participation are calculated monthly based upon inflows and outflows as well as allocations of net earnings. The BIF does not have a credit rating, was valued at \$1 per share and had an average maturity of 8.38 years at June 30, 2024. The BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund, authorized under G.S. 147-69.2(b)(8), is a common trust fund considered to be commingled in nature. The Fund's fair value is the number of shares times the net asset value as determined by a third party. At June 30, 2024 the fair value of the funds was \$38.06557 per share. Fair value of this BlackRock fund is determined using Level 1 inputs which are directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

CASH AND CASH EQUIVALENTS

The City maintains a cash and investment pool that is used by all funds, except First Concord Corporation and the Housing funds, to facilitate disbursement and investment and to maximize investment income. Each fund type's portion of these pools is displayed on the combined balance sheet as "Cash and investments". Interest earned is distributed to the various funds based on the proportionate share of investments.

Since the cash management pools operate as demand deposit accounts, amounts invested in the pool by the proprietary fund types are considered cash and cash equivalents for the purpose of the statement of cash flows with respect to those funds.

RESTRICTED ASSETS

The unexpended proceeds for the 2023 general obligation bonds and 2024 revenue bonds issued by the City and deposits on hand are classified as restricted assets for the respective funds because their use is completely restricted to the purpose for which the loan was originally issued, and the deposits will be used for. Monies set aside for debt service, extension, and replacement fund as required by the bond documents or designated for future projects are also classified as restricted assets. Customer deposits held by the City before any services are supplied are restricted to the service for which the deposit was collected. 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. Grant monies received in advance of allowable expenditures are also classified as restricted cash.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

<u>City of Concord Restricted Cash:</u>	
Governmental Activities	
General Fund	
Streets	\$ 2,981,386
Customer deposits	4,422,252
Advance from Grantors	978,824
Other governmental funds	
Unexpended loan proceeds	43,678,547
Debt service, extension, and replacement	1
Customer deposits	10,100
Opioid settlement funds	191,861
Advance from Grantors	107,275
Restricted by awarding agency	4,294,044
Future capital projects	17,151,004
Total governmental activities	<u>\$ 73,815,294</u>
Business-type Activities	
Electric Fund	
Customer deposits	\$ 2,828,660
Debt service, extension, and replacement	132,863
Water Fund	
Customer deposits	894,575
Unexpended bond proceeds	22,439,937
Debt service, extension, and replacement	301,877
Wastewater Fund	
Customer deposits	375
Debt service, extension, and replacement	65,260
Regional Airport Fund	
Customer deposits	138,509
Advance from Grantor	7,508,401
Nonmajor enterprise funds	
Debt service, extension, and replacement	1
Customer deposits	44,108
Restricted by awarding agency	75,701
Total business-type activities	<u>\$ 34,430,267</u>
Total Restricted Cash	<u><u>\$ 108,245,561</u></u>

AD VALOREM TAXES RECEIVABLE

In accordance with State law (G.S. 105-347 and G.S. 159-13(a)), the City 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, interest does not accrue until the following January 6th, and property becomes subject to lien. Liens are published the following May. The taxes levied are based on the assessed values as of January 1st.

LEASE RECEIVABLE

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the leases. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

ALLOWANCES FOR DOUBTFUL ACCOUNTS

Allowances for doubtful accounts are maintained on all types of receivables which historically experienced uncollectible accounts. This amount is estimated based on the aging of the related receivables uncollectible at year end.

INVENTORIES AND PREPAID ITEMS

The inventories of the City and the ABC Board are valued at average cost, which approximates market. The City’s General Fund inventory consists of expendable supplies that are recorded as expenditures when consumed. The inventories of the City’s enterprise funds consist of materials and supplies held for consumption. The costs of these inventories are recorded as an expense as the inventories are consumed. The inventories of the ABC Board consist of goods held for resale. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used. WeBuild inventory consists of work in process and real estate held for resale which is stated at the lower of cost or net realizable value, on a specific unit basis.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The minimum capitalization cost for infrastructure is \$100,000. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. General infrastructure assets acquired prior to July 1, 2001, consist of roads, curbs and gutters, and bridges that were acquired, contributed or that received substantial improvements subsequent to July 1, 1980 and are reported at estimated historical deflated replacement cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

	Estimated Useful Life	
	City of Concord	ABC Board
	(In Years)	
Electric plant and distribution systems	25 – 40	–
Waste treatment plant and distribution systems	30 – 60	–
Water plant and distribution system	40 – 50	–
Buildings and improvements	20 – 50	40
Infrastructure assets	40 – 50	–
Leasehold improvements	–	15 – 40
Automobiles and trucks	3 – 6	5
Other property	3 – 10	–
Furniture/equipment	3 – 5	7 – 10

The City evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. A capital asset is generally considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. Impaired capital assets that will no longer be used by the government are reported at the lower of carrying value or fair value. Impairment losses on capital assets that will continue to be used by the government are measured using the method that best reflects the diminished service utility of the capital asset. Any insurance recoveries received as a result of impairment events or changes in circumstances resulting in the impairment of a capital asset are netted against the impairment loss.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

RIGHT TO USE ASSETS

The City's capital assets also include certain right to use assets. These right to use assets arise in association with agreements where the City reports a lease (only applies when the City is the lessee) or agreements where the City reports an Information Technology (IT) Subscription in accordance with the requirements of GASB 87 and GASB 96, respectively.

The right to use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made at or prior to the start of the lease term, less lease incentives received from the lessor at or prior to the start of the lease term, and plus ancillary charges necessary to place the lease asset into service. The right to use lease assets are amortized on a straight-line basis over the life of the related lease.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term are reported as a prepayment (asset). Such prepayments are reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives are reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount is included in the initial measurement of the subscription asset. The right to use subscription assets are amortized on a straight-line basis over the subscription term.

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 assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The City has two items that meet this criterion, pension and OPEB deferrals for the 2024 fiscal year and an unamortized loss on a bond defeasance for refunding bonds. In addition to liabilities, the statement of net 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 assets that applies to a future period and so will not be recognized as revenue until then. The City has several items that meet the criterion for this category – prepaid taxes, leases, and pension and OPEB deferrals.

LONG-TERM DEBT

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the 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 are incurred. 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.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

COMPENSATED ABSENCES

The vacation policies of the City and the ABC Board provide for the accumulation of up to thirty-six (36) days earned vacation leave with such leave being fully vested when earned. All vacation pay is accrued when incurred in the government-wide, proprietary funds and the ABC Board financial statements. Current maturities of accrued vacation pay have been determined based on the annualized vacation taken in the first quarter of the current fiscal year. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For governmental activities, compensated absences are generally liquidated by the general fund.

Both the City and the ABC Board's sick leave policies provide 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 neither the City nor the ABC Board has any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

SELF-INSURANCE

The City is self-insured for employee medical benefits and workers' compensation, with third party insurance coverage at specified levels. The self-insurance plan is administered by an insurance company. The liability for estimated claims that have been incurred but have not yet been reported is accrued in the individual funds.

OPIOID SETTLEMENT FUNDS

In April 2022, drug manufacturer Johnson & Johnson, and three drug distributors, McKesson, AmerisourceBergen, and Cardinal Health, finalized a \$26 billion-dollar nationwide settlement related to multiple opioid lawsuits. These funds will be disbursed to each participating state over an 18-year period according to an allocation agreement reached with all participating states. The majority of these funds are intended for opioid abatement and distribution of the funds will be front loaded.

North Carolina's Memorandum of Agreement (MOA) between the state and local governments for the settlement funds allocates the funds as follows:

- 15% directly to the State ("State Abatement Fund")
- 80% to abatement funds established by Local Governments ("Local Abatement Funds")
- 5% to a County Incentive Fund.

The City received \$189,910 as part of this settlement in Fiscal Year 2023. Per the terms of the MOA, the City created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Funds are restricted until expended. No funds have been expended as of June 30, 2024. Payments to be received after July 1, 2023 were redirected to Cabarrus County.

NET POSITION AND FUND BALANCES

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

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

The governmental fund types classify fund balances as follows:

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

Inventories – portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Prepays – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid expenses, which are not spendable resources.

Leases – portion of fund balance that is not an available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

Restricted Fund Balance – This classification includes amounts that are restricted for 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 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 Transportation – 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 Public Safety – portion of fund balance that is restricted by revenue source for certain police department drug enforcement related expenditures.

Restricted for Planning and community development – portion of fund balance that is restricted by revenue source for certain planning and community development related programs.

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by resolution of City of Concord's City Council (highest level of decision-making authority). The City Council can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation.

Committed for Future Capital Purchases – portion of fund balance committed by the City Council for future capital purchases including parks, greenways, street projects, and fire stations.

Committed for Planning and Community Development – portion of fund balance committed by the City Council for planning and community development related programs.

Assigned Fund Balance – portion of fund balance that City of Concord intends to use for specific purposes.

Unassigned Fund Balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance. 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.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

The City of Concord has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, state funds, local non-city funds, city funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance, followed in-order by committed fund balance, assigned fund balance and, lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the City.

The City of Concord has also adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the City in such a manner that the available fund balance is at least equal to or greater than 35% of expenditures. Any portion of the General fund balance in excess of 35% of expenditures may be appropriated for one-time expenditures and may not be used for any purpose that would obligate the City in a future budget.

DEFINED BENEFIT PENSION AND OPEB PLANS

The City participates in one cost-sharing, multiple-employer, defined benefit pension plan that is administered by the State; the Local Government Employees' Retirement System (LGERS), and one other postemployment benefit plan (OPEB), the Health Care Plan (HCP). For purposes of measuring the net pension asset or 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 Government 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 City's employer contributions are recognized when due and the City has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms LGERS. Investments are reported at fair value.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the HCP and additions to/deductions from the HCP's fiduciary net position have been determined on the same basis as they are reported by the HCP. For this purpose, the HCP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments for all plans are reported at fair value.

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

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Reconciliation of Government-Wide and Fund Financial Statements

The governmental funds reconciliation of the balance sheet to the statement of net position includes a reconciling item that relates to deferred inflows of resources susceptible to full accrual on the entity-wide statements. In the governmental funds, the ad valorem taxes were not susceptible to accrual as revenues and were reported as deferred inflows of resources. The \$975,127 adjustment reflected on the reconciliation represents the ad valorem taxes outstanding at year end.

The governmental funds reconciliation of the statement of revenues, expenditures and changes in fund balance to the statement of activities includes revenues in the amount of \$54,443 that did not provide current financial resources for the fund. This adjustment reflected on the reconciliation represents the change between the ad valorem taxes outstanding for the years ended June 30, 2024 and June 30, 2023.

NOTES TO FINANCIAL STATEMENTS

Note 2. Reconciliation of Government-Wide and Fund Financial Statements (Continued)

The statement of net position and statement of activities for the business-type activities include a reconciling item between the proprietary funds statement of net position and statement of revenues, expenses and changes in fund net position. This difference represents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and activity of the internal service funds that are reported within the business-type activities.

Note 3. Cash and Investments

Deposits – All of the City’s, the ABC Board’s and WeBuild’s deposits are either insured or collateralized by using one of two methods. Under the dedicated method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the City’s, the ABC Board’s, or WeBuild’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 City, the ABC Board and WeBuild, these deposits are considered to be held by their agents in the entities’ names. The amount of the pledged collateral is based on an approved averaging method for noninterest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the pooling method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City, the ABC Board, WeBuild or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the City, the ABC Board or WeBuild under the pooling method, the potential exists for the under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the pooling method. The City, the ABC Board and WeBuild have no formal policy regarding custodial credit risk for deposits but rely on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2024, the City’s deposits had a carrying amount of \$27,393,050 and a bank balance of \$25,841,938. Of the bank balance, \$17,500,000 was covered by federal depository insurance and \$8,341,938 in interest-bearing deposits was covered by collateral held under the pooling method. The City had cash on hand of \$9,375 at June 30, 2024.

At June 30, 2024, the carrying amount of deposits for the ABC Board was \$10,212,189 and the bank balance was \$10,265,997. At June 30, 2024, the carrying amount of deposits for WeBuild was \$4,301,179 and the bank balance was \$4,300,584. All of the bank balances were covered by federal depository insurance or collateralized deposits.

On June 30, 2024, the City’s investment balances were as follows:

	Valuation		Less than 6 Months	Reported 6 – 12 Months	Reported 1 – 3 Years	More than 3 Years
	Measurement Method	Reported Value				
U. S. Treasury	Fair Value Level 1	\$ 9,945,620	\$ 9,945,620	\$ -	\$ -	\$ -
U. S. Government agencies	Fair Value Level 1	337,205,152	52,953,856	49,852,565	207,369,405	27,029,326
Commercial paper	Cost	32,204,410	27,353,841	4,850,569	-	-
North Carolina Capital Management Trust – Government Portfolio	Fair Value Level 1	80,587,494	80,587,494	N/A	N/A	N/A
North Carolina Cooperative Liquid Assets Securities System	Fair Value Level 1	2,011,237	2,011,237	N/A	N/A	N/A
Total		\$ 461,953,913	\$ 172,852,048	\$54,703,134	\$ 207,369,405	\$ 27,029,326

* Because the NC Capital Management Trust Term Portfolio has a weighted average maturity of less than 90 days, it was presented as an investment with a maturity of less than 6 months.

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.

NOTES TO FINANCIAL STATEMENTS

Note 3. Cash and Investments (Continued)

Interest Rate Risk – The investment program is managed so that investments and deposits can be converted to cash when needed with the primary objective being the safety of the investment. The City maintains investments of funds designed to emphasize safety, liquidity, and yield. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City’s investment policy includes diversification guidelines. With the exception of US treasury securities and the NCCMT, no more than 30% of the City’s total investment portfolio will be invested in a single security type or with a single financial institution. Other limits are certificates of deposit shall not exceed 25% of the City’s total portfolio, commercial paper shall not exceed 25%, and bankers’ acceptances shall not exceed 5%. Another component of the City’s investment policy intended to limit interest rate risk is maturity limits. At least 60% of the investment portfolio will have maturities of no more than 3 years from the date of purchase, 80% of the portfolio will mature in 5 years or less, 90% will mature in 10 years or less.

Credit Risk – The City limits 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. State law limits investments in commercial paper to the top rating issues nationally recognized statistical rating organizations (NRSROs). As of June 30, 2024, the City’s investments in commercial paper consisted of seven different issuers. All were rated A1 or A1+ by Standard & Poor’s and P1 by Moody’s. The City’s investment in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poors and AAAMf by Moody’s Investor Service as of June 30, 2024. The City’s investment in NCCLASS carried a credit rating of AAAM by Standard & Poors as of June 30, 2024. The City’s investments in US Government Agencies (FHLMC, Federal Home Loan Bank, Federal Farm Credit, and FNMA) are rated AA+ by Standard & Poor’s and Aaa by Moody’s Investors Service.

Concentration of Credit Risk – As noted above under Interest Rate Risk, the City’s investment policy limits the amount the City may invest in any one issuer. More than 5 percent of the City’s investments are in the Federal Home Loan Bank, Federal Farm Credit, Federal National Mortgage Association, and Federal Home Loan Mortgage Corporation. These investments are 17%, 21%, 23%, and 21% respectively, of the City’s total investments.

OPEB Trust Fund

At June 30, 2024, the City’s Health Care Plan had \$17,939,495 invested in the State Treasurer’s Local Government Other Post-Employment Benefits (OPEB) Trust pursuant to G.S. 159-30.1. The State Treasurer’s OPEB Trust may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the City’s OPEB Fund was invested as follows: State Treasurer’s Short Term Investment Fund (STIF) 14.66%, the State Treasurer’s Bond Index Fund (BIF) 66.71%, and BlackRock’s MSCI ACWI EQ Index Non-Lendable Class B Fund 18.63% (the equities were split with 64.67% in domestic securities and 35.33% in international securities).

Level of the fair value hierarchy: Ownership of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involve inputs—other than quoted prices—included within Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share. The STIF portfolio is unrated and had a weighted average maturity at June 30, 2024 of 1.4 years.

Ownership of the BIF is determined monthly at fair value using the same Level 2 inputs as the STIF and is based upon units of participation. Units of participation are calculated monthly based upon inflows and outflows as well as allocations of net earnings. On June 30, 2024, the BIF, which does not have a credit rating, was valued at \$1 per unit and had an average maturity of 8.38 years.

The BlackRock’s MSCI ACWI EQ Index Non-Lendable Class B fund, authorized under G.S. 147-69.2(b)(8), is a common trust fund considered to be commingled in nature. The Fund’s fair value is the number of shares times the net asset value as determined by a third party. On June 30, 2024, the fair value of the funds was \$38.06557 per share. Fair value for this Blackrock fund is determined using Level 1 inputs which are directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

Valuation technique: North Carolina Department of State Treasurer OPEB Trust 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.

NOTES TO FINANCIAL STATEMENTS

Note 3. Cash and Investments (Continued)

Interest Rate Risk – The City does not have a formal investment interest rate policy that manages its exposure to fair value arising from increasing interest rates. The State Treasurer’s STIF is unrated and had a weighted average maturity of 1.4 years at June 30, 2024. The State Treasurer’s BIF is unrated and had a weighted average maturity of 8.38 years at June 30, 2024.

Credit Risk – The City does not have a formal investment policy regarding credit risk for the OPEB Trust Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer’s STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate term treasuries, agencies, and money market instruments. The BIF is unrated and authorized under NC General Statute 147-69.1 and 147-69.2. The State Treasurer’s BIF is invested in high quality debt securities eligible under G.S. 147-69.2(b)(1)-(6).

At June 30, 2024, the ABC Board and WeBuild did not have any investments.

Note 4. Receivables and Allowances for Doubtful Amounts

Receivables as of year-end for the governmental activities and the business-type activities are as follows:

	Governmental Activities	Business-type Activities
Accounts receivable, net	\$ -	\$ 22,819,204
Ad valorem taxes, net	975,127	-
Due from other governmental agencies	4,862,997	11,146,699
Sales tax refunds	2,595,716	-
Interest	1,097,464	1,282,877
Lease	158,603	7,429,156
Other	8,599,767	-
	<u>\$ 18,289,674</u>	<u>\$ 42,677,936</u>

Receivables as of year-end also included the following allowances for doubtful accounts:

Governmental Activities, allowance for doubtful ad valorem taxes	<u>\$ 318,395</u>
Governmental Activities, allowance for doubtful other receivables	<u>\$ 225,282</u>
Business-type Activities, allowance for doubtful accounts receivable	<u>\$ 446,853</u>

Note 5. Leases Receivable

For the year ended 6/30/2024, 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.

As of 06/30/2024, City of Concord, NC had 78 active leases. The leases have receipts that range from \$80 to \$300,441 and interest rates that range from 0.6160% to 3.7300%. As of 06/30/2024, the total combined value of the lease receivable is \$7,587,759, and the combined value of the deferred inflow of resources is \$7,473,683. The leases had \$0 of Variable Receipts and \$0 of Other Receipts, not included in the Lease Receivable, within the Fiscal Year.

NOTES TO FINANCIAL STATEMENTS

Note 5. Leases Receivable (Continued)

Principal and Interest Expected to Maturity			
Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	23,198	3,406	26,604
2026	23,539	3,065	26,604
2027	19,096	2,723	21,819
2028	5,488	2,512	8,000
2029	5,643	2,357	8,000
2030-2034	40,714	9,019	49,733
2035-2039	40,925	1,761	42,686

Business-Type Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	893,485	146,312	1,039,797
2026	634,104	131,643	765,747
2027	634,327	118,585	752,912
2028	492,760	108,241	601,001
2029	425,447	102,071	527,518
2030-2034	1,686,933	432,569	2,119,502
2035-2039	802,259	331,925	1,134,184
2040-2044	645,436	234,406	879,842
2045-2049	277,296	182,336	459,632
2050-2054	294,275	137,592	431,867
2055-2059	307,160	86,543	393,703
2060-2064	287,252	28,702	315,954
2065-2069	29,812	5,603	35,415
2070-2074	18,610	2,027	20,637

CITY OF CONCORD, NORTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	<u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>June 30, 2024</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 20,826,569	\$ 19,910	\$ -	\$ -	\$ 20,846,479
Construction in progress	28,776,105	21,843,853	(9,002,635)	62,477	41,679,800
Total capital assets, not being depreciated	49,602,674	21,863,763	(9,002,635)	62,477	62,526,279
Capital assets, being depreciated:					
Buildings	68,983,395	-	-	-	68,983,395
Improvements other than buildings	12,722,889	594,594	-	-	13,317,483
Machinery and equipment	54,304,622	4,564,233	(1,800,888)	2,664,095	59,732,062
Infrastructure	859,744,581	41,633,804	-	501,674	901,880,059
Total capital assets, being depreciated	995,755,487	46,792,631	(1,800,888)	3,165,769	1,043,912,999
Less accumulated depreciation for:					
Buildings	37,641,981	2,434,488	-	-	40,076,469
Improvements other than buildings	4,463,112	587,737	-	-	5,050,849
Machinery and equipment	35,787,768	4,694,465	(1,788,327)	2,213,570	40,907,476
Infrastructure	448,925,910	18,535,526	-	135,567	467,597,003
Total accumulated depreciation	526,818,771	26,252,216	(1,788,327)	2,349,137	553,631,797
Total capital assets, being depreciated, net	468,936,716	20,540,415	(12,561)	816,632	490,281,202
Capital assets being amortized:					
Right to use assets:					
Leased buildings	161,289	-	-	-	161,289
Software subscriptions	11,685	50,864	(11,685)	-	50,864
Total capital assets, being amortized	172,974	50,864	(11,685)	-	212,153
Less accumulated amortization for:					
Right to use assets:					
Leased buildings	59,833	31,217	-	-	91,050
Software subscriptions	6,373	23,192	(11,685)	-	17,880
Total accumulated amortization	66,206	54,409	(11,685)	-	108,930
Total capital assets, being depreciated, net	106,768	(3,545)	-	-	103,223
Governmental activities capital assets, net	<u>\$ 518,646,158</u>				<u>\$ 552,910,704</u>

CITY OF CONCORD, NORTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 6. Capital Assets (Continued)

	July 1, 2023	Increases	Decreases	Transfers	June 30, 2024
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 42,678,054	\$ -	\$ -	\$ -	\$ 42,678,054
Construction in progress	72,452,810	23,393,283	(3,792,233)	(62,477)	91,991,383
Total capital assets, not being depreciated	115,130,864	23,393,283	(3,792,233)	(62,477)	134,669,437
Capital assets, being depreciated:					
Buildings	78,870,638	-	(4,466,938)	-	74,403,700
Improvements other than buildings	602,276,296	18,473,977	-	(501,674)	620,248,599
Machinery and equipment	53,267,838	2,140,045	(7,029,885)	(2,664,095)	45,713,903
Total capital assets, being depreciated	734,414,772	20,614,022	(11,496,823)	(3,165,769)	740,366,202
Accumulated depreciation:					
Buildings	40,378,491	2,393,470	(4,353,832)	-	38,418,129
Improvements other than buildings	289,158,191	14,598,830	-	(135,567)	303,621,454
Machinery and equipment	34,660,627	4,072,822	(6,989,022)	(2,213,570)	29,530,857
Total accumulated depreciation	364,197,309	21,065,122	(11,342,854)	(2,349,137)	371,570,440
Total capital assets, being depreciated, net	370,217,463	(451,100)	(153,969)	(816,632)	368,795,762
Capital assets, not being amortized:					
Subscription work in progress	\$ 59,258	\$ -	\$ (59,258)	\$ -	\$ -
Total capital assets, not being amortized	59,258	-	(59,258)	-	-
Capital assets, being amortized:					
Right to use assets:					
Leased equipment	516,005	20,110	-	-	536,115
Software subscriptions	9,176	243,884	(9,176)	-	243,884
Total capital assets, being amortized	525,181	263,994	(9,176)	-	779,999
Accumulated amortization:					
Right to use assets:					
Leased equipment	65,694	122,070	-	-	187,764
Software subscriptions	5,506	42,736	(9,176)	-	39,066
Total accumulated amortization	71,200	164,806	(9,176)	-	226,830
Total capital assets, being amortized, net	453,981	99,188	-	-	553,169
Business-type activities capital assets, net	<u>\$ 485,861,566</u>				<u>\$ 504,018,368</u>

CITY OF CONCORD, NORTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 6. Capital Assets (Continued)

A detailed breakdown of business-type activities capital assets by fund can be found in Schedule 5.

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

Governmental activities:	
General government	\$ 1,038,275
Public safety	3,656,324
Public works	20,513,676
Culture and recreational	1,030,456
Planning and community development	67,894
Total depreciation expense – governmental activities	<u>\$ 26,306,625</u>
Business-type activities:	
Electric	\$ 4,004,797
Water	5,261,633
Wastewater	4,041,182
Regional airport	3,705,122
Stormwater	1,802,412
Transit	1,389,729
Other nonmajor business-type activities	609,591
Capital assets held by the government’s internal service funds are charged to the various functions based on their usage of the assets	415,462
Total depreciation expense – business-type activities	<u>\$ 21,229,928</u>

Activity for the ABC Board for the year ended June 30, 2024, was as follows:

	<u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2024</u>
Component unit:				
Capital assets not being depreciated:				
Land	\$ 2,080,326	\$ 782,570	\$ -	2,862,896
Construction in progress	1,783,257	947,505	(2,675,389)	55,373
Total capital assets not being depreciated	<u>3,863,583</u>	<u>- 1,730,075</u>	<u>- (2,675,389)</u>	<u>2,918,269</u>
Capital assets, being depreciated:				
Buildings	6,469,516	2,560,816	-	9,030,332
Improvements other than buildings	755,041	-	-	755,041
Machinery and equipment	857,776	38,006	-	895,782
Total capital assets, being depreciated	<u>8,082,333</u>	<u>2,598,822</u>	<u>-</u>	<u>10,681,155</u>
Accumulated depreciation	<u>1,909,338</u>	<u>327,138</u>	<u>-</u>	<u>2,236,476</u>
Total capital assets, being depreciated, net	<u>6,172,995</u>	<u>\$ 2,271,684</u>	<u>\$ -</u>	<u>8,444,679</u>
Capital assets, being amortized:				
Right to use assets:				
Leased buildings	1,617,949	-	-	1,617,949
Total capital assets, being amortized	<u>1,617,949</u>	<u>- -</u>	<u>- -</u>	<u>1,617,949</u>
Accumulated amortization	<u>338,979</u>	<u>169,487</u>	<u>-</u>	<u>508,466</u>
Total capital assets being amortized, net	<u>1,278,970</u>	<u>(169,487)</u>	<u>-</u>	<u>1,109,483</u>
Component unit capital assets, net	<u>\$ 11,315,548</u>			<u>\$ 12,472,431</u>

NOTES TO FINANCIAL STATEMENTS

Note 6. Capital Assets (Continued)

Activity for WeBuild Concord for the year ended June 30, 2024, was as follows:

	July 1, 2023	Increases	Decreases	June 30, 2024
Component unit:				
Capital assets not being depreciated:				
Construction in progress	672,545	529,729	-	1,202,274
Land	-	80,000	-	80,000
Total capital assets not being depreciated	672,545	609,729	-	1,282,274
Capital assets, being depreciated:				
Buildings	-	349,093	-	349,093
Total capital assets, being depreciated	-	349,093	-	349,093
Accumulated depreciation	-	7,579	-	7,579
Total capital assets, being depreciated, net	-	341,514	-	341,514
Capital assets, being amortized:				
Right to use assets:				
Leased buildings	13,383	4,672	-	18,055
Total capital assets, being amortized	13,383	4,672	-	18,055
Accumulated depreciation	5,375	5,671	-	11,046
Total capital assets being amortized, net	8,008	(999)	-	7,009
Component unit capital assets, net	<u>\$ 680,553</u>			<u>\$ 1,630,797</u>

Note 7. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities for the governmental activities and the business-type activities are as follows:

	Governmental Activities	Business-type Activities
Accounts payable	\$ 11,132,873	\$ 11,681,873
Accrued payroll and payroll related liabilities	9,244,264	722,445
Accrued sales tax payable	4,416	602,003
Other accrued liabilities	885,480	719,950
	<u>\$ 21,267,033</u>	<u>\$ 13,726,271</u>

In addition, the amount shown as unearned revenues on the statement of net position is for rental income received in advance.

Note 8. Long-Term Debt

Direct placement installment purchases: The City has various direct placement installment purchase contracts to finance equipment additions throughout the City's departments and funds. These contracts range between 9 years and 23 years in duration, depending upon the assets acquired. Interest rates range between 1.43% and 2.42%. The debt is collateralized by the assets acquired and serviced by the funds holding such debt.

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (Continued)

Assets acquired through the direct placement installment purchase contracts are as follows:

	Governmental Activities	Business-type Activities
Capital Asset		
Buildings and improvements	\$ 5,352,617	\$ 17,877,220
Less accumulated depreciation	2,497,888	5,582,484
	<u>\$ 2,854,729</u>	<u>\$ 12,294,736</u>

Direct placement installment purchases payable at June 30, 2024 are comprised of the following individual issues:

Governmental activities:

\$2,724,477, contract to refinance installment agreement in fiscal year 2018 due in annual installments of \$120,842 to \$297,960 through November 2027; interest 2.04%, to be paid from General Fund	\$ 881,834
\$6,200,000, contract for construction of a fire station in fiscal year 2021 due in annual installments of \$620,000 through March 2031; interest 1.43% to be paid from General Fund	4,284,503
	<u>\$ 5,166,337</u>

Business-type activities:

\$5,759,000, contract for construction of a parking deck in fiscal year 2016 due in annual installments of \$350,000 to \$478,000 through May 2030; interest 2.42%, payable from Regional Airport Fund	2,705,000
\$3,809,040, contract to refinance installment agreement in fiscal year 2018 due in annual installments of \$168,946 to \$416,572 through November 2027; interest 2.04%, payable from Regional Airport Fund	1,232,876
	<u>\$ 3,937,876</u>

Annual debt service requirements to maturity for direct placement installment purchases are as follows:

Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	880,382	77,920	788,035	88,741
2026	873,729	63,776	789,734	71,102
2027	866,882	49,769	790,161	53,387
2028	740,842	35,903	624,946	35,627
2029	620,000	25,804	467,000	22,869
2030-2034	1,184,502	25,011	478,000	11,568
	<u>\$ 5,166,337</u>	<u>\$ 278,183</u>	<u>\$ 3,937,876</u>	<u>\$ 283,294</u>

Direct placement general revenue bonds: The City's general obligation bonds serviced by the governmental funds were issued for the construction and rehabilitation of public parks. General obligation bonds are collateralized by the full faith, credit, and taxing power of the City. Principal and interest requirements are appropriated when due. Direct placement general obligation bonds outstanding at June 30, 2024 are as follows:

Governmental activities:

\$42,000,000, General Obligation Bonds series 2024 due in annual installments of \$2,100,000 through September 2043; interest 4.00% to 5.00% to be paid from General Fund	42,000,000
	<u>\$ 42,000,000</u>

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (Continued)

Annual debt service requirements to maturity for the direct placement general obligation bonds are as follows:

Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 2,100,000	\$ 1,963,500	-	-
2026	2,100,000	1,858,500	-	-
2027	2,100,000	1,753,500	-	-
2028	2,100,000	1,648,500	-	-
2029	2,100,000	1,543,500	-	-
2030-2034	10,500,000	6,142,500	-	-
2035-2039	10,500,000	3,517,500	-	-
2040-2044	10,500,000	1,060,500	-	-
	<u>\$ 42,000,000</u>	<u>\$ 19,488,000</u>	<u>\$ -</u>	<u>\$ -</u>

Direct placement revenue bonds: The City issued bonds where the City pledges income derived from the Enterprise Fund acquiring or constructing assets with the proceeds to pay debt service. Direct placement revenue bonds outstanding at June 30, 2024 are as follows:

Business-type activities:

\$17,635,000, Utilities Systems Refunding Revenue Bonds Series 2012 due in annual installments of \$760,000 to \$1,390,000 through December 2028; interest from 2.00% to 5.00%.	6,520,000
\$19,085,000, Utilities Systems Refunding Revenue Bonds Series 2016 due in annual installments of \$745,000 to \$1,600,000 through December 2035; interest from 4.00% to 5.00%.	14,970,000
\$22,000,000 Utilities Systems Revenue Bonds Series 2024 due in annual installments of \$555,000 to \$1,630,000 through December 2043; interest from 3.00% to 5.00%	<u>22,000,000</u>
	<u>\$ 43,490,000</u>

Annual debt service requirements to maturity for direct placement revenue bonds are as follows:

Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ -	\$ -	2,720,000	1,975,661
2026	-	-	2,970,000	1,737,481
2027	-	-	3,090,000	1,616,656
2028	-	-	3,215,000	1,484,691
2029	-	-	3,350,000	1,351,038
2030-2034	-	-	11,415,000	5,055,375
2035-2039	-	-	9,195,000	2,388,400
2040-2044	-	-	7,535,000	777,500
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,490,000</u>	<u>\$ 16,386,802</u>

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (Continued)

The Revenue Bond General Trust Indenture requires that certain amounts from the Utility funds be set aside into separate reserve accounts for the following uses and in the following amounts:

- | | |
|-------------------------------|---|
| (1) Debt Service | Amount sufficient to pay current bond and interest maturities |
| (2) Bond and Interest Reserve | The lesser of (a) maximum principal and interest requirements in any succeeding fiscal year (b) 125% of the average annual principal and interest requirements (c) 10% of bond proceeds |
| (3) Extension and replacement | \$8,350 per month until the balance reaches \$500,000 |
| (4) Rebate | Any amounts necessary to satisfy arbitrage regulations, if applicable, based upon yearly computations |

The City believes it has been in compliance with the covenants as to rates, fees, rentals and charges in Section 6.6 of the General Trust Indenture for the Utilities Systems Revenue Bonds, Series 2012, 2016 and 2024. Section 6.6 of the General Trust Indenture requires the debt service coverage ratio to be no less than 120%.

The debt service coverage ratio calculation for the year ended June 30, 2024, is as follows:

Net Income (GAAP Basis)	\$ 52,748,693
Add: Depreciation/Amortization Expense	13,152,914
Interest Expense	1,056,590
Income available for debt service	66,958,197
Debt service, principal and interest paid (Revenue bond only)	\$ 3,131,591
Debt service coverage ratio	2138%

The City has pledged future electric, water, and wastewater customer revenues, net of specified operating expenses, to repay \$58,720,000 in electric, water, and wastewater system direct placement revenue bonds issued in 2012 through 2024. Proceeds from the bonds provided financing for various projects related to the electric, water, and wastewater systems. The bonds are payable solely from electric, water, and wastewater customer net revenues and are payable through 2043. Annual principal and interest payments on the bonds are expected to require less than 4 percent of net revenues. In the event of a default, the City agrees to pay the purchaser, on demand, interest on any and all amounts due and owing by the City under the related agreement. The total principal and interest remaining to be paid on the bonds is \$59,876,801. Principal and interest paid for the current year and total customer net revenues were \$3,131,592 and \$159,261,776, respectively.

Advance Refunding Bonds: In May 2012, the City issued \$17,635,000 of Utilities Systems advance refunding bonds to provide resources to purchase certain non-callable Federal Securities that were placed into an irrevocable trust for the purpose of generating resources for all future debt service payments of refunded debt. The refunded debt consists of the City’s Series 2002A Utilities Systems Revenue Bonds. The refunding debt was issued at a net interest cost of 2.84%. As a result the refunded bonds are considered to be defeased and the liability has been removed from the respective funds. The amount of defeased debt that remains outstanding as of June 30, 2024 is \$0. This refunding was undertaken to reduce total debt service payments over the following 17 years by \$3,696,671 and resulted in an economic gain of \$3,068,114. As required by GASB Statement 23, the difference between the reacquisition price and the net carrying amount of the old (refunded) bonds was deferred (\$1,036,663) and amortized as a component of interest expense over the remaining life of the refunding bonds. The unamortized deferred amount as of June 30, 2024 was \$335,956.

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (Continued)

In May 2016, the City issued \$19,085,000 of Utilities Systems advance refunding bonds to provide resources to purchase certain non-callable Federal Securities that were placed into an irrevocable trust for the purpose of generating resources for all future debt service payments of refunded debt. The refunded debt consists of a portion of the City’s Series 2008 Utilities Systems Revenue Bonds. The refunding debt was issued at a net interest cost of 3.06%. As a result the refunded bonds are considered to be defeased and the liability has been removed from the respective funds. The amount of defeased debt that remains outstanding as of June 30, 2024 is \$0. This refunding was undertaken to reduce total debt service payments over the following 20 years by \$3,356,584 and resulted in an economic gain of \$2,710,326. As required by GASB Statement 23, the difference between the reacquisition price and the net carrying amount of the old (refunded) bonds was deferred (\$2,318,069) and amortized as a component of interest expense over the remaining life of the refunding bonds. The unamortized deferred amount as of June 30, 2024 was \$1,381,183.

Direct placement loan and installment notes: Direct placement loan and installment notes payable at June 30, 2024 are comprised of the following individual issues:

Governmental activities:

\$22,899,825 (of \$29,340,000 issue), 2014A Limited Obligation Bonds due in annual installments of \$440,000 to \$1,419,675 through June 1, 2034, plus interest due semiannually at 2% to 5% financed through First Concord Corporation, to be paid from General Fund.	\$ 13,158,900
	\$ 13,158,900

Business-type activities:

\$6,440,175 (of \$29,340,000 issue), 2014A Limited Obligation Bonds due in annual installments of \$138,600 to \$467,775 through June 1, 2034, plus interest due semiannually at 2% to 5% financed through First Concord Corporation, to be paid from Internal Service Fund.	\$ 2,891,100
	\$ 2,891,100

Annual debt service requirements to maturity for direct placement loan and installment notes are as follows:

Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	1,394,650	519,229	240,350	113,302
2026	1,433,150	449,496	251,850	101,285
2027	1,475,500	377,839	264,500	88,692
2028	1,492,450	333,574	272,550	80,757
2029	1,509,400	288,800	280,600	72,581
2030-2034	5,853,750	640,347	1,581,250	182,909
	\$ 13,158,900	\$ 2,609,285	\$ 2,891,100	\$ 639,526

Advance Refunding Bonds: In December 2014, the City issued \$14,175,000 of Limited Obligation refunding bonds to provide resources to purchase certain non-callable Federal Securities that were placed into an irrevocable trust for the purpose of generating resources for all future debt service payments of refunded debt. The refunded debt consists of the City’s series 2005 Certificates of Participation. The refunding debt was issued at a net interest cost of 2.81%. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the respective funds. The amount of defeased debt that remains outstanding as of June 30, 2024 is \$0. This refunding was undertaken to reduce total debt service payments over the following 15 years by \$1,657,594 and resulted in an economic gain of \$1,368,373. As required by GASB Statement 23, the difference between the reacquisition price and the net carrying amount of the old (refunded) bonds was deferred (\$379,434) and amortized as a component of interest expense over the remaining life of the refunding bonds. The unamortized deferred amount as of June 30, 2024 was \$88,045.

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (Continued)

Leases Payable

For the year ended 6/30/2024, 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.

As of 06/30/2024, City of Concord, NC had 4 active leases. The leases have payments that range from \$5,260 to \$112,767 and interest rates that range from 0.5140% to 2.6820%. As of 06/30/2024, the total combined value of the lease liability is \$423,296. The combined value of the right to use asset, as of 06/30/2024 of \$697,404 with accumulated amortization of \$278,815 is included within the Lease Class activities table found below.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Lease Asset Value	Accumulated Amortization
Equipment	536,115	187,765
Buildings	161,289	91,050
Total Leases	697,404	278,815

Principal and Interest Requirements to Maturity

Fiscal Year	Principal Payments	Business-Type Activities		Total Payments
		Interest Payments		
2025	115,454	7,964		123,418
2026	113,041	4,986		118,027
2027	115,511	1,935		117,446

Fiscal Year	Governmental Activities		Total Payments
	Principal Payments	Interest Payments	
2025	32,171	532	32,703
2026	33,444	239	33,683
2027	13,675	13	13,662

Subscriptions Payable

For the year ended 6/30/2024, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

As of 06/30/2024, City of Concord, NC had 5 active subscriptions. The subscriptions have payments that range from \$3,100 to \$26,250 and interest rates that range from 2.0240% to 3.2120%. As of 06/30/2024, the total combined value of the subscription liability is \$162,939. The combined value of the right to use asset, as of 06/30/2024 of \$294,749 with accumulated amortization of \$56,946 is included within the Subscription Class activities table found below.

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (Continued)

Amount of Subscription Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Lease Asset Value	Accumulated Amortization
Software	294,748	56,946
Total Subscriptions	294,748	56,946

Principal and Interest Requirements to Maturity

Fiscal Year	Principal Payments	Business-Type Activities		Total Payments
		Interest Payments		
2025	33,873	4,189		38,062
2026	36,209	3,232		39,441
2027	38,678	2,210		40,888
2028	39,766	1,120		40,886

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	14,413	383	14,796

A summary of changes in long-term debt follows:

	July 1, 2023	Additions	Reductions	June 30, 2024
Governmental activities:				
Direct placement installment purchases	\$ 6,108,914	\$ -	\$ 942,577	\$ 5,166,337
Less current maturities				880,382
Long-term direct placement installment purchases				\$ 4,285,955
Bond payables:				
Direct placement installment notes	\$ 13,367,025	\$ 1,153,025	\$ 1,361,150	\$ 13,158,900
Plus premium on limited obligation bonds	1,085,824	-	103,412	982,412
Direct placement general obligation bonds	-	42,000,000	-	42,000,000
Plus premium on general obligation bonds	-	3,705,702	154,404	3,551,298
Total bond payable	\$ 14,452,849	\$ 46,858,727	\$ 1,618,966	59,692,610
Compensated absences	\$ 5,062,176	\$ 4,500,523	\$ 3,400,405	6,162,294
Total pension liability (LEOSSA)	\$ 9,279,973	\$ 987,424	\$ -	10,267,397
Net OPEB liability	\$ 29,324,407	\$ -	\$ 381,468	28,942,939
Net pension liability (LGERs)	\$ 31,895,057	\$ 3,829,110	\$ -	35,724,167
Leases	\$ 107,639	\$ -	\$ 28,349	79,290
Subscriptions	\$ 5,881	\$ 28,869	\$ 20,337	14,413
Less current maturities:				
Direct placement installment notes				1,394,650
Direct placement general obligation bonds				2,100,000
Leases				32,171
Subscriptions				14,413
Compensated absences				4,744,966
Long-term debt				\$ 132,596,910

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (Continued)

	July 1, 2023	Additions	Reductions	June 30, 2024
Business-type activities:				
Direct placement Installment purchases	\$ 5,044,026	\$ -	\$ 1,106,150	\$ 3,937,876
Less current maturities				788,035
Long-term direct placement installment purchases				<u>\$ 3,149,841</u>
Bond payables:				
Direct placement installment notes	\$ 4,272,976	\$ -	\$ 1,381,876	\$ 2,891,100
Plus premium on limited obligation bonds	291,714	-	27,783	263,931
Direct placement revenue bonds	23,565,001	22,000,000	2,075,001	43,490,000
Plus premium on revenue bonds	3,303,262	2,010,277	328,193	4,985,346
Total bond payable	<u>\$ 31,432,953</u>	<u>\$ 24,010,277</u>	<u>\$ 3,812,853</u>	51,630,377
Compensated absences	<u>\$ 1,947,235</u>	<u>\$ 710,781</u>	<u>\$ 497,028</u>	2,160,988
Net OPEB liability	<u>\$ 4,376,249</u>	<u>\$ 263,684</u>	<u>\$ 292,830</u>	4,347,103
Net pension liability (LGRS)	<u>\$ 16,896,524</u>	<u>\$ 1,270,043</u>		18,166,567
Leases	<u>\$ 442,481</u>	<u>\$ 20,110</u>	<u>\$ 118,585</u>	344,006
Subscriptions	<u>\$ 3,069</u>	<u>\$ 184,626</u>	<u>\$ 39,169</u>	148,526
Less current maturities:				
Direct placement installment notes				240,350
Direct placement revenue bonds				2,720,000
Leases				115,454
Subscriptions				33,873
Compensated absences				1,663,962
Long-term debt				<u>\$ 75,173,769</u>

A detailed breakdown of business-type activities long-term debt by fund can be found at Schedule 6 in the supplemental information. For the governmental activities, the OPEB liability and net pension liability are generally liquidated by the general fund. The legal debt margin of the City at June 30, 2024 was \$1,120,437,463

Note 9. Interfund Receivables, Payables and Transfers

A schedule of interfund receivables and payables at June 30, 2024 are as follows:

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

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	\$ 142,015
General Fund	From Internal Service Fund	193,971
General Fund	From Transit Fund	8,258,264
		<u>\$ 8,594,250</u>

NOTES TO FINANCIAL STATEMENTS

Note 9. Interfund Receivables, Payables and Transfers (Continued)

A schedule of interfund transfers at June 30, 2024 is as follows:

From the Electric Fund to the General Fund for payment in lieu of taxes	\$ 732,790
From the General Fund to the General Fund Capital Projects Fund for various capital projects	2,118,000
From the General Fund to the Transportation Capital Projects Fund for various transportation projects	3,960,000
From the General Fund to the Transit Fund for current operating needs	1,525,788
From the General Fund to the Regional Airport Fund for current operating needs	1,266,120
From the General Fund to the General Fund Capital Reserve Fund for future capital projects	5,000,000
From the General Fund to the Municipal Service District Fund for current operating needs	71,266
From the General Fund to the Parks & Recreation Capital Reserve for future capital projects	1,584,000
From the General Fund to the Affordable Housing Fund for various capital projects	1,584,000
From the General Fund to the Housing Assistance Fund for current operating needs	48,792
From the General Fund to the Housing Department Operating fund for current operating needs	383,110
From the General Fund to the Home Special Revenue Fund to cover unallowed projects	1,100
From the General Fund to the Fire Station Capital Project Fund for various capital projects	860,000
From the Market Rate Units Fund to the Home Special Revenue Fund to pay for properties transferred to the Market Rate Units Fund	31,006
From the Fire Station Capital Project Fund to the General Fund for capital expenses	85,050
From the Market Rate Units Fund to the Housing Assistance Fund to pay management fees for properties	8,182
From the Market Rate Units Fund to the Housing Department Operating Fund to pay management fees for properties	38,067
From the General Capital Reserve Fund to the General Fund Capital Project Fund for various capital projects	13,607,129
From the American Rescue Plan Fund to the General Fund to reimburse eligible expenses	1,264,785
From the Water Fund to the General Capital Projects Fund for construction of a Fleet facility	348,694
From the Electric Fund to the General Capital Projects Fund for construction of a Fleet facility	1,809,279
From the Aviation Fund to the General Capital Projects Fund for construction of a Fleet facility	248,983
From the Water Capital Projects Fund to the General Capital Projects Fund for construction of a Fleet facility	526,792
From the Transit Fund to the General Capital Projects Fund for construction of a Fleet facility	25,148
From the Wastewater Fund to the General Capital Projects Fund for construction of a Fleet facility	1,087,177
From the Housing Department Operating Fund to the General Capital Projects Fund for construction of a Fleet facility	36,756
From the Internal Services Fund to the General Capital Projects Fund for construction of a Fleet facility	745,682
From the Stormwater Fund to the General Capital Projects Fund for construction of a Fleet facility	599,689
	<u>\$ 39,597,385</u>

Note 10. Pension Plan Obligations

A. Local Governmental Employee’s Retirement System

(1) Plan description:

The City of Concord and the ABC Board are participating employers 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 (ACFR) for the State of North Carolina. The State’s ACFR includes financial statements and required supplementary information for LGERS.

NOTES TO FINANCIAL STATEMENTS

Note 10. Pension Plan Obligations (Continued)

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, or at www.osc.nc.gov.

(2) 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 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 have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

(3) Contributions:

Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. City of Concord and ABC Board employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City of Concord's contractually required contribution rate for the year ended June 30, 2024, was 14.04% of compensation for law enforcement officers and 12.88% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City of Concord were \$10,132,609 for the year ended June 30, 2024. Contributions to the pension plan from the ABC Board were \$172,304 for the year ended June 30, 2024.

(4) Refunds of contributions:

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

(5) Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:

At June 30, 2024, the City reported a liability of \$53,890,734 for its proportionate share of the net pension liability. At June 30, 2024, the ABC Board reported a liability of \$996,443 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions.

NOTES TO FINANCIAL STATEMENTS

Note 10. Pension Plan Obligations (Continued)

The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2024, the City’s proportion was 0.81368%, which was an decrease of 0.0512% from its proportion as of June 30, 2023.

For the year ended June 30, 2024, the City recognized pension expense of \$15,270,492. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,005,023	\$ 129,277
Changes of assumptions	2,290,045	-
Net difference between projected and actual earnings on pension plan investments	14,423,520	-
Changes in proportion and differences between City contributions and proportionate share of contributions	91,632	1,446,436
City contributions subsequent to the measurement date	10,132,609	-
Total	<u>\$ 32,942,829</u>	<u>\$ 1,575,713</u>

\$10,132,609 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2025	\$ 7,772,950
2026	3,632,683
2027	9,218,972
2028	609,902
2029	-
Thereafter	-
	<u>\$ 21,234,507</u>

(6) Actuarial assumptions:

The total pension liability in the December 31, 2022 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 percent 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 on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience review for the period January 1, 2015 through December 31, 2019.

NOTES TO FINANCIAL STATEMENTS

Note 10. Pension Plan Obligations (Continued)

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 class as of June 30, 2023 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%
Opportunistic Fixed Income	7.0%	5.0%
Inflation Sensitive	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 2.25%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized.

(7) 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 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.

(8) Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate:

The following presents the City’s proportionate share of the net pension liability calculated using the discounted rate of 6.50 percent, as well as what the City’s proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (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%)
City’s proportionate share of the net pension liability (asset)	\$ 93,363,580	\$ 53,890,734	\$ 21,392,990

NOTES TO FINANCIAL STATEMENTS

Note 10. Pension Plan Obligations (Continued)

(9) 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 (ACFR) for the State of North Carolina.

B. Law Enforcement Officers’ Special Separation Allowance:

(1) Plan description:

The City of Concord administers a public employee retirement system (the “Separation Allowance”), a single-employer defined benefit pension plan that provides retirement benefits to the City’s qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time City law enforcement officers are covered by the Separation Allowance. At December 31, 2022, the Separation Allowance’s membership consisted of:

Retirees receiving benefits	31
Terminated plan members entitled to but not yet receiving ben	-
Active plan members	<u>181</u>
Total	<u><u>212</u></u>

(2) Summary of significant accounting policies:

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

The Separation Allowance has no assets accumulated in a trust that meets the criteria which are outlined in GASB Statement 73.

(3) Actuarial assumptions:

The entry age normal actuarial cost method was used in the December 31, 2022 valuation. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following assumptions, 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	4.00 percent

The discount rate used to measure the total pension liability is the S&P Municipal Bond 20 Year High Grade Rate Index.

Mortality rates are based on the Pub-2010 amount-weighted tables.

(4) Contributions:

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City’s obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The City paid \$588,513 as benefits came due for the reporting period.

NOTES TO FINANCIAL STATEMENTS

Note 10. Pension Plan Obligations (Continued)

- (5) Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:

At June 30, 2024, the City reported a total pension liability of \$10,267,397. The total pension liability was measured as of December 31, 2023 based on a December 31, 2022 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2023 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2024, the City recognized pension expense of \$1,175,896.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,108,721	\$ 550,504
Changes of assumptions and other inputs	1,169,968	1,288,526
City benefit payments subsequent to the measurement date	329,183	
Total	<u>\$ 2,607,872</u>	<u>\$ 1,839,030</u>

\$329,183 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 total pension liability in the year ending June 30, 2025.

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

Year ending June 30:	
2025	\$ 460,707
2026	349,947
2027	(222,215)
2028	(263,056)
2029	114,276
Thereafter	-
	<u>\$ 439,659</u>

- (6) Sensitivity of the City’s total pension liability to changes in the discount rate:

The following presents the City’s total pension liability calculated using the discount rate of 4.00 percent, as well as what the City’s total pension liability would be if it were calculated using a discount rate that is one percentage point lower (3.00 percent) or one percentage point higher (5.00 percent) than the current rate:

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
City’s proportionate share of the total pension liability (asset)	\$11,096,015	\$10,267,397	\$9,512,225

NOTES TO FINANCIAL STATEMENTS

Note 10. Pension Plan Obligations (Continued)

(7) Schedule of changes in total pension liability:

Beginning balance	\$ 9,279,973
Service Cost	351,107
Interest on the total pension liability	387,284
Change in benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	610,536
Changes of assumptions or other inputs	227,010
Benefit payments	(588,513)
Other changes	-
Ending balance of the total pension liability	<u>\$ 10,267,397</u>

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

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an experience study for the five year period ending December 31, 2019.

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

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

	LGERS	LEOSSA	Total
Pension Expense	\$ 15,270,492	\$ 1,175,896	\$ 16,446,388
Pension Liability	53,890,734	10,267,397	64,158,131
Proportionate share of the net pension liability	0.81368%	n/a	
Deferred Outflows of Resources			
Differences between expected and actual experience	6,005,023	1,108,721	7,113,744
Changes of assumptions	2,290,045	1,169,968	3,460,013
Net difference between projected and actual earnings on plan investments	14,423,520	-	14,423,520
Changes in proportion and differences between contributions and proportionate share of contributions	91,632	-	91,632
Benefit payments and administrative costs paid subsequent to the measurement date	10,132,609	329,183	10,461,792
Deferred Inflows of Resources			
Differences between expected and actual experience	129,277	550,504	679,781
Changes of assumptions	-	1,288,526	1,288,526
Changes in proportion and differences between contributions and proportionate share of contributions	1,446,436	-	1,446,436

D. Supplemental Retirement Income Plan for Law Enforcement Officers

(1) Plan description:

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

NOTES TO FINANCIAL STATEMENTS

Note 10. Pension Plan Obligations (Continued)

The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR 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 City to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. The law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2024, were \$889,561, which consisted of \$602,960 from the City and \$286,601 from the law enforcement officers. No amounts were forfeited.

E. Supplemental Retirement Income Plan for City Employees (non-law enforcement officers)

(1) Plan description:

The City contributes to the Supplemental Retirement Income Plan ("Plan"), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to all active full-time employees of the City that are non-law enforcement officers. Article G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

(2) Funding policy:

The City of Concord's policy is to contribute an amount equal to 4.5% of each employee's salary, and all amounts contributed are vested immediately. The city's employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2024 were \$5,364,553, which consisted of \$3,568,807 from the City and \$1,795,746 from the employees. Contribution requirements are established and may be amended by the City Council.

F. Firefighter's and Rescue Squad Workers' Pension Fund

(1) Plan description:

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

(2) Benefits provided:

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

NOTES TO FINANCIAL STATEMENTS

Note 10. Pension Plan Obligations (Continued)

(3) Contributions:

Plan members are required to contribute \$10 per month to the plan. The State, a non-employer contributor, funds the plan through appropriations. The City does not contribute to the Fund. Contribution provisions are established by General Statute 58-86 and may be amended only by the North Carolina General Assembly. For the fiscal year ended June 30, 2024, the State contributed \$19,702,208 to the plan. The City of Concord's proportionate share of the State's contribution is \$130,230.

(4) Refunds of contributions:

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

(5) Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:

At June 30, 2024, the City reported no liability for its proportionate share of the net pension asset, as the State provides 100% pension support to the City through its appropriations to the FRSWPF. The total portion of the net pension liability that was associated with the City and supported by the State was \$61,533. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. As the City is not projected to make any future contributions to the plan, its proportionate share at June 30, 2024 and at June 30, 2023 was 0%.

For the year ended June 30, 2024, the City recognized pension expense of \$63,812 and revenue of \$63,812 for support provided by the State. At June 30, 2024, the City reported no deferred outflows of resources and no deferred inflows of resources related to pensions.

(6) Actuarial assumptions:

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	Not applicable
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

(7) Discount rate:

The discount rate used to determine 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.

NOTES TO FINANCIAL STATEMENTS

Note 10. Pension Plan Obligations (Continued)

(8) 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 (ACFR) for the State of North Carolina.

Note 11. Other Postemployment Benefits

(1) Plan administration:

Under the terms of a City resolution, the City administers a Health Care Plan as a single-employer defined benefit plan. As of July 1, 2004, this plan provides postemployment benefits other than pensions (OPEB) to retirees of the City provided they have ten (10) years of service with the City of Concord. Retirees hired prior to July 1, 2004 receive the same benefits as active employees. The Health Care Plan is available to qualified retirees until the age of 65 or until Medicare eligible, whichever is sooner. The City has elected to partially pay the future overall cost of coverage for these benefits. Also, the City’s retirees can purchase coverage for their dependents at the City’s group rates. The plan, which has a June 30, 2024 year end, does not issue a stand-alone report. Management of the Health Care Plan is vested in the City of Concord City Council.

(2) Plan membership:

Membership of the Health Care Plan consisted of the following at June 30, 2022, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	168
Terminated plan members entitled to but not yet receiving	-
Active plan members	<u>1,075</u>
Total	<u><u>1,243</u></u>

(3) Benefits provided:

Employees with a date of hire prior to July 1, 2004: Retirees with at least 10 years of service with the City will be provided healthcare benefits at the same level of coverage as active employees.

Employees with a date of hire after or on July 1, 2004: Retirees with at least 25 years of creditable service with the City will be provided healthcare benefits with the same level of coverage as active employees. Those with at least 10 years of service but less than 25 years of service shall receive one-half (1/2) of the benefit provided to retiring employees with at least 25 years of service.

The City also provides dental coverage to the City’s retirees; however, the retiree must pay the full premium cost.

Per a City resolution, the City is required to contribute the pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the City Council.

(4) Contributions:

The City Council establishes the contribution requirements of plan members which may be amended by Council. The City Council establishes rates as part of the annual budget process. Plan members contribute to the plan based on coverage level elected as well as years of creditable service. Plan member rates ranged from \$0 to \$20,258. The City’s contribution is also dependent on the retiree’s coverage level elected as well as years of creditable service. The contribution rates ranged from \$14,729 to \$48,983 per retiree. The City Council may amend the benefit provisions.

Per a City resolution, the City is required to contribute the projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the City Council. For the current year, the City contributed \$2,839,445. The Fund is accounted for as a trust fund.

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Postemployment Benefits (Continued)

(5) Investments:

The Health Care Plan does not have a formal policy in regard to the allocation of invested assets. It is the informal policy of the City to pursue an investment strategy that reduces risk through the diversification of the portfolio across distinct asset classes. Investments are valued at fair value. The following was the City’s target asset allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2023 and June 30, 2022:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
	2024	2023	2024	2023
STIF	15%	15%	0.83%	0.83%
Equity Index	19%	19%	1.05%	1.05%
Bond Index	66%	66%	3.62%	3.62%
Total	100%	100%		

For the year ended June 30, 2024, the annual money weighted rate of return on investments, net of investment expense, was 5.50 percent. The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

(6) Net OPEB liability of the City:

The components of the net OPEB liability of the County at June 30, 2024 were as follows:

Total OPEB Liability	\$ 51,229,537
Plan fiduciary net position	<u>17,939,495</u>
City's net OPEB liability	<u>\$ 33,290,042</u>
Plan fiduciary net position as a percentage of the total OPEB liability	35.02%

(7) Actuarial assumptions:

The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Salary increases	3.25 to 8.41 percent, including inflation
Investment rate of return	5.50 percent, net of OPEB plan investment expense, including price inflation
Healthcare cost trend rates	7.00 percent for 2022 decreasing to an ultimate rate of 4.50 percent by 2032

The total OPEB liabilities were rolled forward to June 30, 2024 for the employer and the plan, respectively, utilizing update procedures incorporating the actuarial assumptions.

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

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 Board. The remaining actuarial assumptions (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 performed concurrently with the June 30, 2022 valuation.

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Postemployment Benefits (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the major target asset allocation percentage and by adding expected inflation.

(8) Discount rate:

The discount rate used to measure the total OPEB liability was 5.50 percent. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 74. The projection’s basis was an actuarial valuation performed as of June 30, 2022. In addition to the actuarial methods and assumptions of the June 30, 2022 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, the total payroll was assumed to increase annually using the payroll growth assumptions.
- Active employees do not explicitly contribute to the Plan.
- In all years, the employer is assumed to contribute the average of the last 5 years of contributions to the Plan through deposits to the Trust and pays benefits directly to plan members as the benefits come due. The employer is assumed to have the ability and willingness to make benefit payments from its own resources for all periods in the projection.
- Projected assets do not include employer contributions that fund the estimated service costs of future employees.
- Cash flows occur mid-year.

Based on these assumptions, the Plan’s fiduciary net position was projected to not be depleted.

The fiduciary net position projections are based upon the Plan’s financial status on the Measurement Date, the indicated set of methods and assumptions, and the requirements of GASB 74. As such, the fiduciary net position projections are not reflective of the cash flows and asset accumulations that would occur on an ongoing plan basis, reflecting the impact of future members. Therefore, the results of this test do not necessarily indicate whether or not the fund will actually run out of money, the financial condition of the Plan, or the Plan’s ability to make benefit payments in future years.

(9) Sensitivity of the City’s net OPEB liability to changes in the discount rate:

The following presents the net OPEB liability of the City at June 30, 2024, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (4.50 percent) or one percentage point higher (6.50 percent) than the current discount rate:

	1% Decrease (4.50%)	Discount Rate (5.50%)	1% Increase (6.50%)
Net OPEB Liability	\$38,425,616	\$33,290,042	\$28,764,991

(10) Sensitivity of the City’s net OPEB liability to changes in the healthcare cost trend rates:

The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were to calculate healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current	1% Increase
Net OPEB Liability	\$27,352,113	\$33,290,042	\$40,350,717

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Postemployment Benefits (Continued)

(11) Changes in net OPEB liability, OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB:

At June 30, 2024, the city reported a net OPEB liability of \$33,290,042. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The total OPEB liability was then rolled forward to the measurement date of June 30, 2024 utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2024, the components of the OPEB liability of the City were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at June 30, 2023	\$49,455,920	\$15,755,264	\$33,700,656
Changes for the year			
Service cost	1,618,509	-	1,618,509
Interest	2,655,859	-	2,655,859
Difference between expected and actual experience	(133,922)	-	(133,922)
Changes of assumptions	-	-	-
Contributions	-	3,559,657	(3,559,657)
Net investment income	-	991,403	(991,403)
Benefit payments	(2,366,829)	(2,366,829)	-
Net changes	1,773,617	2,184,231	(410,614)
Balances at June 30, 2024	\$51,229,537	\$17,939,495	\$33,290,042

(12) Changes of assumptions:

For the year ended June 30, 2024, the City recognized OPEB expense of \$3,306,982. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,987,082	\$ 2,187,048
Changes of assumptions or other inputs	2,343,042	3,021,976
Net difference between projected and actual earnings on plan investments	1,045,492	-
Total	\$ 5,375,616	\$ 5,209,024

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Postemployment Benefits (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2025	\$ (68,188)
2026	(16,948)
2027	(229,105)
2028	136,535
2029	233,711
Thereafter	<u>110,587</u>
	<u>\$ 166,592</u>

Note 12. Other Employment Benefits

The City has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a 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 payments to beneficiaries are 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. Because all death benefit payments are made from the Death Benefit Plan and not by the City, the City does not determine the number of eligible participants. The City 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 City considers these contributions to be immaterial.

Note 13. Deferred Outflows and Inflows of Resources

The City has several deferred outflows of resources. Deferred outflows of resources is comprised of the following:

Contributions to pension plan (LGERS) in current fiscal year	\$ 10,132,609
Benefit payments made for LEOSSA	329,183
Differences between expected and actual experience (LGERS)	6,005,023
Differences between expected and actual experience (LEOSSA)	1,108,721
Differences between expected and actual experience (OPEB)	1,987,082
Changes of assumptions (LGERS)	2,290,045
Changes of assumptions (LEOSSA)	1,169,968
Changes of assumptions (OPEB)	2,343,042
Net difference between projected and actual earnings on pension plan investments (LGERS)	14,423,520
Net difference between projected and actual earnings on plan investments (OPEB)	1,045,492
Changes in proportion and differences between employer contributions and proportionate share of contributions (LGERS)	91,632
Charge on refunding	<u>1,805,184</u>
	<u>\$ 42,731,501</u>

NOTES TO FINANCIAL STATEMENTS

Note 13. Deferred Outflows and Inflows of Resources (Continued)

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

	Statement of Net Position	Governmental Funds Balance Sheet
Prepaid taxes	\$ 133,587	\$ 133,587
Taxes Receivable, less penalties	-	975,127
Leases	7,473,683	149,851
Differences between expected and actual experience (LGERS)	129,277	-
Differences between expected and actual experience (LEOSSA)	550,504	-
Changes in proportion and difference between City contributions and proportionate share of contributions (LGERS)	1,446,436	-
Changes of assumptions (LEOSSA)	1,288,526	-
Differences between expected and actual experience (OPEB)	2,187,048	-
Changes of assumptions (OPEB)	3,021,976	-
	<u>\$ 16,231,037</u>	<u>\$ 1,258,565</u>

Note 14. Commitments and Contingencies

The City had commitments on contracts of approximately \$48 million related primarily to construction in its Enterprise Funds and Capital Project Funds.

The City participates in a number of Federal and State of North Carolina awards. For the fiscal ended June 30, 2024, these awards were subject to audit in accordance with Government Auditing Standards and the provisions of OMB Uniform Guidance and the State Single Audit Implementation Act. The amounts, if any, of expenditures which may be disallowed by the granting agencies resulting from this and other audits cannot be determined at this time, although the City expects they would be immaterial.

The City was a defendant in various matters of litigation as of June 30, 2024. While any litigation contains an element of uncertainty, City officials believe that the outcome of any lawsuit or claim which is pending, or all of them combined, will not have a materially adverse effect on the City’s financial condition or operations. In addition, there are known incidents that may result in the assertion of claims, as well as claims from unknown incidents that may be asserted for which the City could be liable for a material amount. However, since such claims have not been asserted and are not determinable or measurable, no provision for loss has been included in the financial statements. Also, City officials believe the City’s insurance is adequate for the actual or pending lawsuits or claims mentioned above.

Note 15. 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	\$ 85,919,148
Less:	
Inventories	169,287
Prepays	140,654
Leases	8,752
Stabilization by State Statute	27,421,352
Streets – Powell Bill	2,981,386
Public Safety	<u>1,202,205</u>
Remaining Fund Balance	<u>\$ 53,995,512</u>

NOTES TO FINANCIAL STATEMENTS

Note 15. Fund Balance (Continued)

The City of Concord has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the City in such a manner that available fund balance is at least equal to or greater than 35% of current year expenditures.

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. At June 30, 2024 the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

Governmental activities:	
General Fund	\$ 6,067,945
Nonmajor Funds	<u>27,894,014</u>
Total governmental activities	<u>\$ 33,961,959</u>
Business-type activities:	
Electric Fund	\$ 1,797,988
Water Fund	23,250,077
Wastewater Fund	1,676,510
Regional Airport Fund	2,696,076
Stormwater Fund	952,888
Transit Fund	2,665,571
Nonmajor Funds	<u>289,097</u>
Total business-type activities	<u>\$ 33,328,207</u>

Note 16. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; and natural disasters. The City is fully insured through several insurance companies and is self-funded for workers' compensation and health benefits. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported (IBNR). The City's claims incurred, but not reported, are considered a current liability and are included in accounts payable of the fund they were generated by.

Changes in the balances of claims liabilities during the past two fiscal years are as follows:

	<u>2024</u>	<u>2023</u>
Unpaid claims, beginning	\$675,000	\$ 840,000
Incurred claims and premiums	11,130,278	10,423,310
Claims and premiums paid	<u>(11,099,278)</u>	<u>(10,588,310)</u>
Balance, end of year	<u>\$706,000</u>	<u>\$675,000</u>

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; and natural disasters. The City is fully insured through several insurance companies and is self-funded for workers' compensation and health benefits. The City obtains general liability coverage of \$1 million per occurrence, with a \$2 million aggregate limit. The City obtains public official liability coverage of \$1 million per occurrence, with a \$3 million aggregate limit. The City obtains law enforcement liability coverage of \$1 million per occurrence, with a \$3 million aggregate limit. The City obtains employment practices liability of \$1 million per occurrence, with a \$3 million aggregate limit. The City obtains auto liability coverage of \$1 million per occurrence. The City obtains umbrella liability of \$4 million per occurrence, with a \$4 million aggregate limit. Building and personal property is insured through blanket coverage up to \$263,055,803 which includes coverage for Terrorism. Inland Marine scheduled equipment is insured to \$4,959,169; unscheduled equipment is insured to \$250,000 per occurrence. Employee health coverage is self-insured through Blue Cross Blue Shield of North Carolina unless specified. The City is exposed to various risks of loss related to injuries to employees. The City has self-insured retention of \$1,000,000 per occurrence on workers' compensation claims.

NOTES TO FINANCIAL STATEMENTS

Note 16. Risk Management (Continued)

The City carries commercial coverage for all other risks of loss to include the following: crime; cyber liability; excess workers' compensation; boiler and machinery; fine arts; aviation drone, equipment floater; airport liability; earthquake; and pollution control. 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 City's property policy provides up to \$5 million in flood coverage for locations that are not located within a Federal Emergency Management Agency ("FEMA") flood Zone C/Shaded X. The City's property policy provides up to \$1 million in flood coverage for locations that are not located within a Federal Emergency Management Agency ("FEMA") flood Zone A and B.

In accordance with G.S. 159-29, criminal loss conducted by the City's employee is insured through criminal activities insurance at \$250,000 and cyber activities insurance at \$1,000,000. The finance officer is individually bonded for \$1,000,000.

City of Concord ABC Board 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 ABC Board has commercial property, general liability, worker's compensation, and employee health coverage. The ABC Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years. In accordance with G.S. 18B-700(i), each board member and the employees designated as the general manager and finance officer are bonded in the amount of \$50,000, secured by a corporate surety. In accordance with G.S. 18B-803(b) and (c), all employees who have access to funds are bonded under a blanket bond for \$50,000.

WeBuild Concord limits risks related to litigation, theft, or damage to assets, personal injury, and natural disasters. WeBuild Concord has general liability, commercial property, personal and advertising injury, and damage to rented facilities insurances. WeBuild also has Non-Profit Directors and Officers and Employment Practices Liability insurance. There have been no reductions in insurance coverage from the prior year or claims against the organization for its entire existence (since December 2019).

Note 17. Jointly Governed Organization

The City is a member of the Water and Sewer Authority of Cabarrus County ("WSACC"). WSACC was organized by the governing bodies of the Cities of Concord and Kannapolis, the Towns of Harrisburg and Mount Pleasant, and the County of Cabarrus in order to operate and maintain a regional interceptor wastewater system and regional wastewater treatment plant. WSACC is a public corporation of the State of North Carolina under Section 162A-3 of the North Carolina Water and Wastewater Authority Act. WSACC is a jointly governed organization governed by a board appointed by the organizing bodies as follows: two members by the Cabarrus County Board of Commissioners, two members by the City of Concord City Council, two members by the City of Kannapolis City Council, one member by the Town of Harrisburg Town Council, one member by the Town of Mount Pleasant Board of Commissioners, and one member by the Cabarrus County Board of Commissioners upon advice from the other political jurisdictions. The City of Concord paid WSACC approximately \$10.4 million for wastewater treatment and raw water charges during the year ended June 30, 2024.

Note 18. Stewardship, Compliance and Accountability

Deficit Fund Balance/Net Position

North Carolina General Statutes prohibits the City from having a deficit fund balance/net position in any fund. The State Directed Grants Fund had a deficit fund balance/net position in the amount of \$70,471. Due to a North Carolina statutory requirement, the proportional share of the mark to market loss must be allocated to the special revenue fund causing a deficit fund balance. This loss will be offset in future years by future market gains. If the fund balance remains negative at the end of next fiscal year, the City will transfer funds from the general fund to correct this in fiscal year 2025.

Note 19. Subsequent Events

Effective July 1, 2024, the City has a self-insured retention for its liability policies. Each liability policy has a \$5,000,000 policy limit with a \$500,000 self-insured retention per occurrence for the following insurance coverages: General Liability, Law Enforcement Activities Liability, Public Officials Liability, Employment Practices Liability, Employee Benefits Liability, Limited Sexual Misconduct Liability, and Automobile Liability.

NOTES TO FINANCIAL STATEMENTS

Note 19. Subsequent Events (Continued)

In FY 2020/2021, 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 the eligible state, local, territorial, and tribal governments. The City was allocated \$16,255,872 of fiscal recovery funds to be paid in two equal installments. The first installment of \$8,127,936 was received in May 2021 and the second installment was received in June 2022. City staff and the City Council elected to use \$10,000,000 of the ARPA funds for revenue replacement and \$6,255,872 for expansion full time equivalent positions. Revenue replacement funds and expansion full-time equivalent funds in the amount of \$1,264,785 were transferred to the General Fund in fiscal year 2024. \$0 remains unspent as of June 30, 2024.

Management has evaluated subsequent events through October 23, 2024, the date the financial statements were available to be issued.

CITY OF CONCORD, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
Last Eight Fiscal Years

Exhibit M

	2024	2023	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 9,279,973	\$ 11,546,707	\$ 10,975,270	\$ 7,492,727	\$ 6,757,824	\$ 7,140,799	\$ 6,746,329	\$ 6,881,079
Service Cost	351,107	513,038	568,056	333,799	278,050	279,117	235,882	255,254
Interest on the total pension liability	387,284	254,182	206,809	235,138	235,400	217,292	250,341	237,293
Changes in benefit terms	-	-	-	-	-	-	-	-
Difference between expected and actual experience	610,536	(828,536)	625,727	628,867	579,473	(85,995)	20,366	-
Changes of assumptions and other inputs	227,010	(1,705,964)	(309,555)	2,844,537	223,537	(264,446)	409,492	(158,844)
Benefit payments	(588,513)	(499,454)	(519,600)	(559,798)	(581,557)	(528,943)	(521,611)	(468,453)
Other changes	-	-	-	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 10,267,397</u>	<u>\$ 9,279,973</u>	<u>\$ 11,546,707</u>	<u>\$ 10,975,270</u>	<u>\$ 7,492,727</u>	<u>\$ 6,757,824</u>	<u>\$ 7,140,799</u>	<u>\$ 6,746,329</u>

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

Note: This information was not available prior to FY17. This will become a 10 year schedule.

CITY OF CONCORD, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED EMPLOYEE PAYROLL
Last Eight Fiscal Years

Exhibit N

	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 10,267,397	\$ 9,279,973	\$ 11,546,707	\$ 10,975,270	\$ 7,492,727	\$ 6,757,824	\$ 7,140,799	\$ 6,746,329
Covered-employee payroll	11,766,991	11,435,476	12,081,261	10,806,615	9,731,892	8,995,596	8,776,412	8,918,792
Total pension liability as a percentage of covered employee payroll	87.26%	81.15%	95.58%	101.56%	76.99%	75.12%	81.36%	75.64%

Notes to the schedules:

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

Note: This information was not available prior to FY17. This will become a 10 year schedule.

CITY OF CONCORD, NORTH CAROLINA
THE HEALTH CARE PLAN OF THE CITY OF CONCORD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
Last Eight Fiscal Years

Exhibit O

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service cost at end of year	\$ 1,618,509	\$ 1,535,189	\$ 1,486,865	\$ 1,430,363	\$ 1,936,062	\$ 1,974,188	\$ 2,042,623	\$ 2,212,156
Interest on the Total OPEB Liability	2,655,859	2,516,275	2,418,211	2,150,028	1,721,864	1,746,485	1,572,140	1,347,782
Changes of benefit terms	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(133,922)	(556,789)	752,280	3,020,426	(278,653)	(4,943,630)	(19,092)	-
Changes of assumptions or other inputs	-	1,695,858	-	788,784	(6,507,379)	2,183,220	(1,287,975)	(2,588,027)
Benefit payments	(2,366,829)	(2,930,908)	(2,819,344)	(2,215,819)	(1,435,887)	(1,968,049)	(1,412,943)	(1,774,363)
Net change in Total OPEB Liability	1,773,617	2,259,625	1,838,012	5,173,782	(4,563,993)	(1,007,786)	894,753	(802,452)
Total OPEB Liability - beginning	49,455,920	47,196,295	45,358,283	40,184,501	44,748,494	45,756,280	44,861,527	45,663,979
Total OPEB Liability - ending	\$ 51,229,537	\$ 49,455,920	\$ 47,196,295	\$ 45,358,283	\$ 40,184,501	\$ 44,748,494	\$ 45,756,280	\$ 44,861,527
Plan Fiduciary Net Position								
Contributions - employer	\$ 3,559,657	\$ 3,164,417	\$ 4,681,648	\$ 6,394,913	\$ 5,185,637	\$ 4,968,049	\$ 2,512,943	\$ 1,874,363
Contributions - non-employer	-	-	-	-	-	-	-	-
Contributions - active member	-	-	-	-	-	-	-	-
Net investment income	991,403	362,002	(1,268,477)	722,116	406,183	218,453	6,375	29,405
Benefit payments	(2,366,829)	(2,930,908)	(2,819,344)	(2,215,819)	(1,435,887)	(1,968,049)	(1,412,943)	(1,774,363)
Administrative expense	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net change in Plan Fiduciary Net Position	2,184,231	595,511	593,827	4,901,210	4,155,933	3,218,453	1,106,375	129,405
Plan Fiduciary Net Position - beginning	15,755,264	15,159,753	14,565,926	9,664,716	5,508,783	2,290,330	1,183,955	1,054,550
Plan Fiduciary Net Position - ending	\$ 17,939,495	\$ 15,755,264	\$ 15,159,753	\$ 14,565,926	\$ 9,664,716	\$ 5,508,783	\$ 2,290,330	\$ 1,183,955
Net OPEB Liability - ending	\$ 33,290,042	\$ 33,700,656	\$ 32,036,542	\$ 30,792,357	\$ 30,519,785	\$ 39,239,711	\$ 43,465,950	\$ 43,677,572
Plan fiduciary net position as a percentage of the total OPEB liability	35.02%	31.86%	32.12%	32.11%	24.05%	12.31%	5.01%	2.64%
Covered payroll	\$ 62,622,170	\$ 62,622,170	\$ 57,114,656	\$ 57,114,656	\$ 47,543,460	\$ 47,543,460	\$ 42,290,170	\$ 42,290,170
Net OPEB liability as a percentage of covered payroll	53.16%	53.82%	56.09%	53.91%	64.19%	82.53%	102.78%	103.28%

Note: This information was not available prior to FY17. This will become a 10 year schedule.

**CITY OF CONCORD, NORTH CAROLINA
THE HEALTH CARE PLAN OF THE CITY OF CONCORD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS**

Exhibit P

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 3,825,812	\$ 3,709,089	\$ 3,709,089	\$ 3,574,034	\$ 3,574,034	\$ 3,356,018	\$ 3,356,018	\$ 2,741,358	\$ 2,809,363
Contributions in relation to the Actuarially Determined Contribution	<u>3,559,657</u>	<u>3,164,417</u>	<u>4,681,648</u>	<u>6,394,913</u>	<u>5,185,637</u>	<u>4,968,049</u>	<u>2,512,943</u>	<u>1,874,363</u>	<u>2,063,924</u>
Contribution deficiency (excess)	<u>\$ 266,155</u>	<u>\$ 544,672</u>	<u>\$ (972,559)</u>	<u>\$ (2,820,879)</u>	<u>\$ (1,611,603)</u>	<u>\$ (1,612,031)</u>	<u>\$ 843,075</u>	<u>\$ 866,995</u>	<u>\$ 745,439</u>
Covered payroll	\$ 62,622,170	\$ 62,622,170	\$ 57,114,656	\$ 57,114,656	\$ 47,543,460	\$ 47,543,460	\$ 42,290,170	\$ 42,290,170	\$ 42,290,170
Contributions as a percentage of covered payroll	5.68%	5.05%	8.20%	11.20%	10.91%	10.45%	5.94%	4.43%	4.88%

Notes to Schedule:

Valuation date:
June 30, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	24 years
Asset valuation method	Market value
Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases	3.25% to 8.41%, including wage inflation
Investment rate of return	5.50%, net of OPEB plan investment expense, including price inflation
Healthcare cost trends	7.00% initial, decreasing to an ultimate rate of 4.50% by 2032

Note: This information was not available prior to FY16. This will become a 10 year schedule.

**CITY OF CONCORD, NORTH CAROLINA
 THE HEALTH CARE PLAN OF THE CITY OF CONCORD
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF INVESTMENT RETURNS - OPEB**

Exhibit Q

	2024	2023	2022	2021	2020	2019	2018	2017
Annual rate of return, net of investment expense	6.25%	2.39%	-8.61%	7.22%	6.72%	7.22%	0.09%	2.80%

Note: This information was not available prior to FY17. This will become a 10 year schedule.

CITY OF CONCORD, NORTH CAROLINA
CITY OF CONCORD'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
Last Ten Fiscal Years

Exhibit R

Local Government Employees' Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Concord's proportion of the net pension liability (asset) (%)	0.81368%	0.86488%	0.86008%	0.84356%	0.79030%	0.77199%	0.76685%	0.76650%	0.79314%	0.74554%
Concord's proportion of the net pension liability (asset) (\$)	\$ 53,890,734	\$ 48,791,582	\$ 13,190,152	\$ 30,143,992	\$ 21,582,477	\$ 18,314,243	\$ 11,715,344	\$ 16,267,697	\$ 3,559,574	\$ (4,396,795)
Concord's covered payroll during the measurement period	\$ 68,559,068	\$ 62,974,774	\$ 59,664,044	\$ 56,280,529	\$ 51,963,152	\$ 47,797,392	\$ 46,456,219	\$ 44,675,120	\$ 43,605,721	\$ 42,959,454
Concord's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	78.60%	77.48%	22.11%	53.56%	41.53%	38.32%	25.22%	36.41%	8.16%	(10.23%)
Plan fiduciary net position as a percentage of the total pension liability**	82.49%	84.14%	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

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

**CITY OF CONCORD, NORTH CAROLINA
CITY OF CONCORD'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
Last Ten Fiscal Years**

Exhibit S

Local Government Employees' Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 10,132,609	\$ 8,430,813	\$ 7,245,413	\$ 6,157,331	\$ 5,138,261	\$ 4,194,942	\$ 3,671,191	\$ 3,347,736	\$ 2,955,892	\$ 3,029,119
Contributions in relation to the contractually required contribution	10,132,609	8,430,813	7,245,413	6,157,331	5,138,261	4,194,942	3,671,191	3,347,736	2,955,892	3,029,119
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Concord's covered payroll	77,564,902	68,559,068	62,974,774	59,664,044	56,280,529	51,963,152	47,797,392	46,456,219	44,675,120	43,605,721
Contributions as a percentage of covered payroll	13.06%	12.30%	11.51%	10.32%	9.13%	8.07%	7.68%	7.21%	6.62%	6.95%

CITY OF CONCORD, NORTH CAROLINA
CITY OF CONCORD'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION
Last Nine Fiscal Years *

Exhibit T

Firefighters' and Rescue Squad Workers' Pension

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Concord's proportion of the net pension liability (%)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Concord's proportion of the net pension liability (\$)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with City of Concord	61,533	124,819	(175,249)	192,536	91,528	113,784	109,722	90,853	76,707
Total	\$ 61,533	\$ 124,819	\$ (175,249)	\$ 192,536	\$ 91,528	\$ 113,784	\$ 109,722	\$ 90,853	\$ 76,707
Concord's covered payroll during the measurement period	\$ 17,121,090	\$ 14,540,555	\$ 13,520,608	\$ 12,335,452	\$ 11,584,123	\$ 10,566,344	\$ 9,640,787	\$ 8,955,485	\$ 8,635,910
Concord's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.36%	0.86%	-1.29%	1.56%	0.79%	1.08%	1.14%	1.01%	0.89%
Plan fiduciary net position as a percentage of the total pension liability (asset)	98.16%	89.69%	89.69%	89.35%	84.94%	91.40%	93.42%	92.76%	91.45%

* The amounts presented are for the prior fiscal year.

Note: This information was not available prior to FY16. This will become a 10 year schedule.

**CITY OF CONCORD, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2024**

Statement 1

	<u>Special revenue funds</u>	<u>Capital projects funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS			
Cash and investments	\$ 3,564,672	\$ 64,204,185	\$ 67,768,857
Receivables:			
Ad valorem taxes, net	19,942	-	19,942
Due from other governmental agencies	3,544,091	252,003	3,796,094
Interest	38,511	324,496	363,007
Other, net	69,959	83,214	153,173
Prepaid items	6,643	-	6,643
Restricted assets -cash and investments	4,533,280	43,748,548	48,281,828
Total assets	<u>\$ 11,777,098</u>	<u>\$ 108,612,446</u>	<u>\$ 120,389,544</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 7,444,579	\$ 2,460,433	\$ 9,905,012
Advance from grantors	37,275	70,000	107,275
Due to other funds	142,015	-	142,015
Deposits payable from restricted assets	10,100	-	10,100
Total liabilities	<u>7,633,969</u>	<u>2,530,433</u>	<u>10,164,402</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes receivable	19,942	-	19,942
Total deferred inflows of resources	<u>19,942</u>	<u>-</u>	<u>19,942</u>
FUND BALANCES (DEFICITS)			
Nonspendable			
Prepays	6,643	-	6,643
Restricted			
Planning and community development	289,947	-	289,947
Stabilization by State Statute	3,941,669	16,555,933	20,497,602
Committed			
Future capital purchases	-	89,526,080	89,526,080
Planning and community development	3,235,327	-	3,235,327
Unassigned	(3,350,399)	-	(3,350,399)
Total fund balances (deficits)	<u>4,123,187</u>	<u>106,082,013</u>	<u>110,205,200</u>
Total liabilities and fund balances (deficits)	<u>\$ 11,777,098</u>	<u>\$ 108,612,446</u>	<u>\$ 120,389,544</u>

CITY OF CONCORD, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2024

Statement 2

	American Rescue Plan	State Directed Grants	Opioid Settlement	Housing Assistance	FSS Escrow Forfeitures	Emergency Housing Assistance	Market Rate Units	Community Development	Home	Home ARP Grant	Affordable Housing Fund	Municipal Service District	Total Nonmajor Special Revenue Funds
ASSETS													
Cash and investments	\$ 2,562,882	\$ -	\$ -	\$ 77,926	\$ -	\$ 18,288	\$ 238,187	\$ -	\$ 131,799	\$ -	\$ 366,682	\$ 168,908	\$ 3,564,672
Receivables:													
Ad valorem taxes, net	-	-	-	-	-	-	-	-	-	-	-	19,942	19,942
Due from other governmental agencies	-	2,830,412	-	177,145	-	7,789	-	272,755	244,380	11,423	-	187	3,544,091
Interest	12,709	19,910	847	281	34	70	1,271	-	636	-	1,906	847	38,511
Other, net	-	-	-	69,959	-	-	-	-	-	-	-	-	69,959
Prepaid items	-	-	-	5,943	-	-	-	100	-	-	-	600	6,643
Restricted assets -cash and investments	-	4,055,816	191,861	211,046	27,182	37,275	10,100	-	-	-	-	-	4,533,280
Total assets	<u>\$ 2,575,591</u>	<u>\$ 6,906,138</u>	<u>\$ 192,708</u>	<u>\$ 542,300</u>	<u>\$ 27,216</u>	<u>\$ 63,422</u>	<u>\$ 249,558</u>	<u>\$ 272,855</u>	<u>\$ 376,815</u>	<u>\$ 11,423</u>	<u>\$ 368,588</u>	<u>\$ 190,484</u>	<u>\$ 11,777,098</u>
LIABILITIES													
Accounts payable and accrued liabilities	\$ 35,826	\$ 6,976,609	\$ -	\$ 233,590	\$ -	\$ 2,766	\$ 5,933	\$ 140,149	\$ 42,118	\$ 2,084	\$ -	\$ 5,504	\$ 7,444,579
Advance from grantors	-	-	-	-	-	37,275	-	-	-	-	-	-	37,275
Due to other funds	-	-	-	-	-	-	-	132,706	-	9,309	-	-	142,015
Deposits payable from restricted assets	-	-	-	-	-	-	10,100	-	-	-	-	-	10,100
Total liabilities	<u>35,826</u>	<u>6,976,609</u>	<u>-</u>	<u>233,590</u>	<u>-</u>	<u>40,041</u>	<u>16,033</u>	<u>272,855</u>	<u>42,118</u>	<u>11,393</u>	<u>-</u>	<u>5,504</u>	<u>7,633,969</u>
DEFERRED INFLOWS OF RESOURCES													
Property taxes receivable	-	-	-	-	-	-	-	-	-	-	-	19,942	19,942
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,942</u>	<u>19,942</u>
FUND BALANCES (DEFICITS)													
Nonspendable													
Prepays	-	-	-	5,943	-	-	-	100	-	-	-	600	6,643
Restricted													
Planning and community development	-	-	191,861	55,382	27,182	15,522	-	-	-	-	-	-	289,947
Stabilization by State Statute	12,709	2,850,322	847	247,385	34	7,859	1,271	286,755	466,055	11,423	50,503	6,506	3,941,669
Committed													
Planning and community development	2,527,056	-	-	-	-	-	232,254	-	-	-	318,085	157,932	3,235,327
Unassigned	-	(2,920,793)	-	-	-	-	-	(286,855)	(131,358)	(11,393)	-	-	(3,350,399)
Total fund balances (deficits)	<u>2,539,765</u>	<u>(70,471)</u>	<u>192,708</u>	<u>308,710</u>	<u>27,216</u>	<u>23,381</u>	<u>233,525</u>	<u>-</u>	<u>334,697</u>	<u>30</u>	<u>368,588</u>	<u>165,038</u>	<u>4,123,187</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,575,591</u>	<u>\$ 6,906,138</u>	<u>\$ 192,708</u>	<u>\$ 542,300</u>	<u>\$ 27,216</u>	<u>\$ 63,422</u>	<u>\$ 249,558</u>	<u>\$ 272,855</u>	<u>\$ 376,815</u>	<u>\$ 11,423</u>	<u>\$ 368,588</u>	<u>\$ 190,484</u>	<u>\$ 11,777,098</u>

CITY OF CONCORD, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 June 30, 2024

Statement 3

	Parks	Parks Capital Reserve	Transportation	General Fund Capital Projects	Fire and Life Safety	Total Nonmajor Capital Projects Funds
ASSETS						
Cash and investments	\$ 5,632,570	\$ 2,000,447	\$ 19,962,833	\$ 35,070,757	\$ 1,537,578	\$ 64,204,185
Receivables:						
Due from other governmental agencies	134,088	-	117,915	-	-	252,003
Interest	28,171	9,743	98,281	180,676	7,625	324,496
Other, net	-	-	83,214	-	-	83,214
Restricted assets -cash and investments	43,748,547	-	-	1	-	43,748,548
Total assets	<u>\$ 49,543,376</u>	<u>\$ 2,010,190</u>	<u>\$ 20,262,243</u>	<u>\$ 35,251,434</u>	<u>\$ 1,545,203</u>	<u>\$ 108,612,446</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 726,815	\$ -	\$ 374,917	\$ 1,358,701	\$ -	\$ 2,460,433
Advance from grantors	70,000	-	-	-	-	70,000
Total liabilities	<u>796,815</u>	<u>-</u>	<u>374,917</u>	<u>1,358,701</u>	<u>-</u>	<u>2,530,433</u>
FUND BALANCES (DEFICITS)						
Restricted						
Stabilization by State Statute	4,347,724	9,743	3,920,329	7,598,265	679,872	16,555,933
Committed						
Future capital purchases	44,398,837	2,000,447	15,966,997	26,294,468	865,331	89,526,080
Total fund balances (deficits)	<u>48,746,561</u>	<u>2,010,190</u>	<u>19,887,326</u>	<u>33,892,733</u>	<u>1,545,203</u>	<u>106,082,013</u>
Total liabilities and fund balances (deficits)	<u>\$ 49,543,376</u>	<u>\$ 2,010,190</u>	<u>\$ 20,262,243</u>	<u>\$ 35,251,434</u>	<u>\$ 1,545,203</u>	<u>\$ 108,612,446</u>

CITY OF CONCORD, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

Statement 4

	<u>Special revenue funds</u>	<u>Capital projects funds</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES			
Ad valorem taxes	\$ 179,577	\$ -	\$ 179,577
Restricted intergovernmental revenues	15,683,509	402,723	16,086,232
Investment earnings	211,985	2,724,562	2,936,547
Investment earnings, restricted	-	1,870,279	1,870,279
Program income	738,167	540,103	1,278,270
Other revenues	5,924	1,414,236	1,420,160
Total revenues	<u>16,819,162</u>	<u>6,951,903</u>	<u>23,771,065</u>
EXPENDITURES			
Current:			
General government	111,926	-	111,926
Planning and community development	8,891,486	-	8,891,486
Administration	918,743	3,305,792	4,224,535
Housing assistance payments	5,391,320	-	5,391,320
Rehabilitation	1,419,432	-	1,419,432
Capital outlay	-	18,014,089	18,014,089
Debt service:			
Principal	-	1,361,150	1,361,150
Interest expense	-	1,526,287	1,526,287
Total expenditures	<u>16,732,907</u>	<u>24,207,318</u>	<u>40,940,225</u>
Excess (deficiency) of revenues over expenditures	<u>86,255</u>	<u>(17,255,415)</u>	<u>(17,169,160)</u>
OTHER FINANCING SOURCES (USES)			
Bond proceeds	-	45,705,702	45,705,702
Transfers from other funds	1,744,346	29,505,765	31,250,111
Transfers to other funds	(1,342,039)	(85,050)	(1,427,089)
Total other financing sources (uses)	<u>402,307</u>	<u>75,126,417</u>	<u>75,528,724</u>
Net change in fund balances	488,562	57,871,002	58,359,564
Fund balances - beginning	3,634,625	48,211,011	51,845,636
Fund balances - ending	<u>\$ 4,123,187</u>	<u>\$ 106,082,013</u>	<u>\$ 110,205,200</u>

CITY OF CONCORD, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024

Statement 5

	American Rescue Plan	State Directed Grants	Opioid Settlement	Housing Assistance	FSS Escrow Forfeitures	Emergency Housing Assistance	Market Rate Units	Community Development	Home	Home ARP Grant	Affordable Housing Fund	Municipal Service District	Total Nonmajor Special Revenue Funds
REVENUES													
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 179,577	\$ 179,577
Restricted intergovernmental revenues	1,264,785	6,952,667	-	5,488,810	-	196,745	-	780,960	881,722	117,820	-	-	15,683,509
Investment earnings	188,037	(46,528)	9,504	21,853	1,789	-	9,316	-	556	-	19,768	7,690	211,985
Program income	-	-	-	268,895	-	-	145,992	3,161	242,520	-	77,599	-	738,167
Other revenues	-	-	-	-	3,225	-	2,389	-	-	-	-	310	5,924
Total revenues	<u>1,452,822</u>	<u>6,906,139</u>	<u>9,504</u>	<u>5,779,558</u>	<u>5,014</u>	<u>196,745</u>	<u>157,697</u>	<u>784,121</u>	<u>1,124,798</u>	<u>117,820</u>	<u>97,367</u>	<u>187,577</u>	<u>16,819,162</u>
EXPENDITURES													
Current:													
General government	111,926	-	-	-	-	-	-	-	-	-	-	-	111,926
Planning and community development	-	6,976,610	-	-	-	-	-	-	-	-	1,689,740	225,136	8,891,486
Administration	-	-	-	505,227	-	4,661	31,231	116,281	143,523	117,820	-	-	918,743
Housing assistance payments	-	-	-	5,219,752	-	171,568	-	-	-	-	-	-	5,391,320
Rehabilitation	-	-	-	-	-	-	-	667,840	751,592	-	-	-	1,419,432
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>111,926</u>	<u>6,976,610</u>	<u>-</u>	<u>5,724,979</u>	<u>-</u>	<u>176,229</u>	<u>31,231</u>	<u>784,121</u>	<u>895,115</u>	<u>117,820</u>	<u>1,689,740</u>	<u>225,136</u>	<u>16,732,907</u>
Excess (deficiency) of revenues over expenditures	<u>1,340,896</u>	<u>(70,471)</u>	<u>9,504</u>	<u>54,579</u>	<u>5,014</u>	<u>20,516</u>	<u>126,466</u>	<u>-</u>	<u>229,683</u>	<u>-</u>	<u>(1,592,373)</u>	<u>(37,559)</u>	<u>86,255</u>
OTHER FINANCING SOURCES (USES)													
Transfers from other funds	-	-	-	56,974	-	-	-	-	32,106	-	1,584,000	71,266	1,744,346
Transfers to other funds	(1,264,785)	-	-	-	-	-	(77,254)	-	-	-	-	-	(1,342,039)
Total other financing sources (uses)	<u>(1,264,785)</u>	<u>-</u>	<u>-</u>	<u>56,974</u>	<u>-</u>	<u>-</u>	<u>(77,254)</u>	<u>-</u>	<u>32,106</u>	<u>-</u>	<u>1,584,000</u>	<u>71,266</u>	<u>402,307</u>
Net change in fund balances	76,111	(70,471)	9,504	111,553	5,014	20,516	49,212	-	261,789	-	(8,373)	33,707	488,562
Fund balances - beginning	2,463,654	-	183,204	197,157	22,202	2,865	184,313	-	72,908	30	376,961	131,331	3,634,625
Fund balances - ending	<u>\$ 2,539,765</u>	<u>\$ (70,471)</u>	<u>\$ 192,708</u>	<u>\$ 308,710</u>	<u>\$ 27,216</u>	<u>\$ 23,381</u>	<u>\$ 233,525</u>	<u>\$ -</u>	<u>\$ 334,697</u>	<u>\$ 30</u>	<u>\$ 368,588</u>	<u>\$ 165,038</u>	<u>\$ 4,123,187</u>

CITY OF CONCORD, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
For the Year Ended June 30, 2024

Statement 6

	Parks	Parks Capital Reserve	Transportation	General Fund Capital Projects	Fire and Life Safety	Total Nonmajor Capital Projects Funds
REVENUES						
Restricted intergovernmental revenues	\$ 134,088	\$ -	\$ 268,635	\$ -	\$ -	\$ 402,723
Investment earnings	376,174	7,890	1,328,614	981,882	30,002	2,724,562
Investment earnings, restricted	1,870,279	-	-	-	-	1,870,279
Other revenues	-	-	-	1,414,236	-	1,414,236
Program income	18,180	-	521,923	-	-	540,103
Total revenues	<u>2,398,721</u>	<u>7,890</u>	<u>2,119,172</u>	<u>2,396,118</u>	<u>30,002</u>	<u>6,951,903</u>
EXPENDITURES						
Current:						
Administration	559,889	-	2,256,947	469,427	19,529	3,305,792
Capital outlay	4,635,371	-	6,223,491	7,155,227	-	18,014,089
Debt service:						
Principal	-	-	-	1,361,150	-	1,361,150
Interest expense	940,800	-	-	585,487	-	1,526,287
Total expenditures	<u>6,136,060</u>	<u>-</u>	<u>8,480,438</u>	<u>9,571,291</u>	<u>19,529</u>	<u>24,207,318</u>
Excess (deficiency) of revenues over expenditures	<u>(3,737,339)</u>	<u>7,890</u>	<u>(6,361,266)</u>	<u>(7,175,173)</u>	<u>10,473</u>	<u>(17,255,415)</u>
OTHER FINANCING SOURCES (USES)						
Bond proceeds	45,705,702	-	-	-	-	45,705,702
Transfers from other funds	-	1,584,000	3,960,000	23,101,765	860,000	29,505,765
Transfers to other funds	-	-	-	-	(85,050)	(85,050)
Total other financing sources (uses)	<u>45,705,702</u>	<u>1,584,000</u>	<u>3,960,000</u>	<u>23,101,765</u>	<u>774,950</u>	<u>75,126,417</u>
Net change in fund balances	41,968,363	1,591,890	(2,401,266)	15,926,592	785,423	57,871,002
Fund balances - beginning	6,778,198	418,300	22,288,592	17,966,141	759,780	48,211,011
Fund balances - ending	<u>\$ 48,746,561</u>	<u>\$ 2,010,190</u>	<u>\$ 19,887,326</u>	<u>\$ 33,892,733</u>	<u>\$ 1,545,203</u>	<u>\$ 106,082,013</u>

CITY OF CONCORD, NORTH CAROLINA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2024

Statement 7

	Golf Course Fund	Housing Department Operating Fund	Total Nonmajor Enterprise Funds
ASSETS			
Current Assets			
Cash and investments	\$ 3,709,676	\$ 1,887,648	\$ 5,597,324
Receivables:			
Accounts receivable, net	-	6,297	6,297
Due from other governmental agencies	-	26,057	26,057
Interest	-	2,072	2,072
Inventories	182,122	-	182,122
Prepaid items	32,514	2,416	34,930
Total current assets	<u>3,924,312</u>	<u>1,924,490</u>	<u>5,848,802</u>
Noncurrent Assets			
Restricted assets -cash and investments	-	119,809	119,809
Capital assets	10,875,164	4,011,333	14,886,497
Less accumulated depreciation	(1,030,236)	(2,546,114)	(3,576,350)
Total noncurrent assets	<u>9,844,928</u>	<u>1,585,028</u>	<u>11,429,956</u>
Total assets	<u>13,769,240</u>	<u>3,509,518</u>	<u>17,278,758</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals	-	372,254	372,254
OPEB deferrals	-	60,744	60,744
Total deferred outflows of resources	<u>-</u>	<u>432,998</u>	<u>432,998</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	551,665	145,473	697,138
Current portion of long-term debt	-	42,135	42,135
Current portion of lease liability	115,454	-	115,454
Due to other funds	-	-	-
Total current liabilities	<u>667,119</u>	<u>187,608</u>	<u>854,727</u>
Noncurrent Liabilities			
Net pension liability (LGERS)	-	608,965	608,965
Net OPEB liability	-	529,342	529,342
Long-term debt due after one year	-	12,586	12,586
Long-term lease liability due after one year	228,552	-	228,552
Deposits payable from restricted assets	-	44,108	44,108
Total noncurrent liabilities	<u>228,552</u>	<u>1,195,001</u>	<u>1,423,553</u>
Total liabilities	<u>895,671</u>	<u>1,382,609</u>	<u>2,278,280</u>
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	-	17,806	17,806
OPEB deferrals	-	58,862	58,862
Total deferred inflows of resources	<u>-</u>	<u>76,668</u>	<u>76,668</u>
NET POSITION			
Net investment in capital assets	9,500,923	1,465,219	10,966,142
Unrestricted	3,372,646	1,018,020	4,390,666
Total net position	<u>\$ 12,873,569</u>	<u>\$ 2,483,239</u>	<u>\$ 15,356,808</u>

CITY OF CONCORD, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2024

Statement 8

	Golf Course Fund	Housing Department Operating Fund	Total Nonmajor Enterprise Funds
OPERATING REVENUES			
Charges for services	\$ 2,361,627	\$ 495,432	\$ 2,857,059
Other operating revenues	1,398,469	-	1,398,469
Total operating revenues	<u>3,760,096</u>	<u>495,432</u>	<u>4,255,528</u>
OPERATING EXPENSES			
General and administrative	-	1,338,006	1,338,006
Professional services	1,293,753	-	1,293,753
Utilities	-	395,643	395,643
Maintenance and repairs	-	280,747	280,747
Other operating costs	1,647,783	-	1,647,783
Depreciation and amortization	227,677	381,915	609,592
Total operating expenses	<u>3,169,213</u>	<u>2,396,311</u>	<u>5,565,524</u>
Operating income (loss)	<u>590,883</u>	<u>(1,900,879)</u>	<u>(1,309,996)</u>
NONOPERATING REVENUES (EXPENSES)			
Operating subsidy	-	1,591,412	1,591,412
Investment earnings	-	101,490	101,490
Interest expense	-	(2,841)	(2,841)
Gain (loss) on sale of capital assets	-	(112,216)	(112,216)
Other	-	182,994	182,994
Total nonoperating revenues (expenses)	<u>-</u>	<u>1,760,839</u>	<u>1,760,839</u>
Income (loss) before transfers	<u>590,883</u>	<u>(140,040)</u>	<u>450,843</u>
Transfers in	-	384,421	384,421
Change in net position	590,883	244,381	835,264
Total net position - beginning	<u>12,282,686</u>	<u>2,238,858</u>	<u>14,521,544</u>
Total net position - ending	<u>\$ 12,873,569</u>	<u>\$ 2,483,239</u>	<u>\$ 15,356,808</u>

CITY OF CONCORD, NORTH CAROLINA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2024

Statement 9

	Golf Course Fund	Housing Department Operating Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	\$ 3,760,097	\$ 676,492	\$ 4,436,589
Payments to employees	-	(511,678)	(511,678)
Payments to suppliers	(2,756,908)	(1,423,347)	(4,180,255)
Net cash provided (used) by operating activities	<u>1,003,189</u>	<u>(1,258,533)</u>	<u>(255,344)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Due to (from) other funds	-	(284,135)	(284,135)
Transfers in	-	384,421	384,421
Operating grants received	-	1,591,412	1,591,412
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>1,691,698</u>	<u>1,691,698</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid	-	(2,841)	(2,841)
Lease liability payments made	(118,585)	-	(118,585)
Acquisition and construction of capital assets	(63,442)	-	(63,442)
Proceeds from the sale of capital assets	-	889	889
Net cash provided (used) by capital and related financing activities	<u>(182,027)</u>	<u>(1,952)</u>	<u>(183,979)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Earnings on investments	-	101,475	101,475
Net cash provided (used) by investing activities	<u>-</u>	<u>101,475</u>	<u>101,475</u>
Net increase (decrease) in cash and cash equivalents	<u>821,162</u>	<u>532,688</u>	<u>1,353,850</u>
Balances - beginning of year	2,888,514	1,474,769	4,363,283
Balances - end of the year	<u>\$ 3,709,676</u>	<u>\$ 2,007,457</u>	<u>\$ 5,717,133</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 590,883	\$ (1,900,879)	\$ (1,309,996)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	227,677	381,915	609,592
Other income	-	182,994	182,994
Changes in assets and liabilities:			
Accounts receivable	-	1,732	1,732
Due from other governmental agencies	-	(4,233)	(4,233)
Inventories and prepaid expenses	(36,906)	(2,038)	(38,944)
Deferred outflows of resources for pensions (LGRS)	-	(28,701)	(28,701)
Deferred outflows of resources for OPEB	-	14,695	14,695
Accounts payable and accrued expenses	221,535	1,283	222,818
Vacation accrual	-	2,914	2,914
Net pension liability (LGRS)	-	82,016	82,016
Net OPEB liability	-	8,839	8,839
Deferred inflows of resources for pensions (LGRS)	-	13,436	13,436
Deferred inflows of resources of OPEB	-	(13,072)	(13,072)
Deposits	-	566	566
Net cash provided (used) by operating activities	<u>\$ 1,003,189</u>	<u>\$ (1,258,533)</u>	<u>\$ (255,344)</u>
Non-Cash Capital and Related Financing Activities:			
Right to use asset acquired in exchange for lease liability	<u>\$ 20,110</u>	<u>\$ -</u>	<u>\$ 20,110</u>

CITY OF CONCORD, NORTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF FUNCTION AND ACTIVITY
June 30, 2024

Statement 10

Function/Activity	Land	Buildings	Improvements other than Buildings	Machinery and Equipment	Software Subscriptions	Leases	Infrastructure	Construction in Progress	Total
General Government									
Administration	\$ 2,824,365	\$ 17,356,264	\$ 899,114	\$ 2,377,333	\$ -	\$ -	\$ 1,870,391	\$ 531,450	\$ 25,858,917
Finance	-	-	-	425,590	50,864	-	-	90,000	566,454
Tax office	-	-	-	81,896	-	-	-	-	81,896
Legal	-	-	-	-	-	-	-	-	-
Information Technology	-	-	-	2,785,800	-	-	501,674	671,144	3,958,618
Human resources	-	421,736	-	106,886	-	-	-	-	528,622
Total general government	2,824,365	17,778,000	899,114	5,777,505	50,864	-	2,372,065	1,292,594	30,994,507
Public Safety									
Communications	-	-	-	1,778,949	-	-	-	6,300	1,785,249
Police	-	14,586,391	24,000	11,826,785	-	-	-	-	26,437,176
Fire	2,306,087	17,299,564	441,098	18,307,201	-	-	101,802	19,872,038	58,327,790
Fiber Network Management	-	-	-	225,691	-	-	-	-	225,691
Total public safety	2,306,087	31,885,955	465,098	32,138,626	-	-	101,802	19,878,338	86,775,906
Public Works									
Streets	2,940,554	4,850,501	1,044,565	7,839,209	-	-	891,654,534	1,243,095	909,572,458
Sanitation	-	3,719,897	293,523	10,572,437	-	-	-	1,054,282	15,640,139
Cemeteries	-	-	191,522	495,644	-	-	168,238	167,533	1,022,937
Transportation	50,987	-	-	-	-	-	6,843,848	-	6,894,835
Fleet Services	-	702,705	-	614,477	-	-	-	1,707,018	3,024,200
Total public works	2,991,541	9,273,103	1,529,610	19,521,767	-	-	898,666,620	4,171,928	936,154,569
Cultural and Recreational									
Parks and recreation	12,183,380	9,488,820	9,972,760	2,114,210	-	-	66,304	8,616,191	42,441,665
Planning and Community Development									
Planning and zoning	541,106	557,517	450,901	179,954	-	161,289	673,268	7,720,749	10,284,784
Total capital assets	\$ 20,846,479	\$ 68,983,395	\$ 13,317,483	\$ 59,732,062	\$ 50,864	\$ 161,289	\$ 901,880,059	\$ 41,679,800	\$ 1,106,651,431

CITY OF CONCORD, NORTH CAROLINA
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
 June 30, 2024

Statement 11

Function/Activity	June 30, 2023	Additions	Retirements/ Transfers	June 30, 2024
General Government				
Administration	\$ 25,327,467	\$ 531,450	\$ -	\$ 25,858,917
Finance	437,275	140,864	11,685	566,454
Tax office	81,896	-	-	81,896
Legal	-	-	-	-
Information Technology	-	870,628	(3,087,990)	3,958,618
Human resources	528,622	-	-	528,622
Total general government	26,375,260	1,542,942	(3,076,305)	30,994,507
Public Safety				
Communications	1,778,949	6,300	-	1,785,249
Police	25,403,716	1,607,979	574,519	26,437,176
Fire	54,150,987	4,798,816	622,013	58,327,790
Fiber Network Management	-	225,691	-	225,691
Total public safety	81,333,652	6,638,786	1,196,532	86,775,906
Public Works				
Streets	869,376,297	49,084,727	8,888,566	909,572,458
Sanitation	14,366,331	1,489,882	216,074	15,640,139
Cemeteries	925,435	141,983	44,481	1,022,937
Transportation	6,894,835	-	-	6,894,835
Fleet services	1,737,214	1,286,986	-	3,024,200
Total public works	893,300,112	52,003,578	9,149,121	936,154,569
Cultural and Recreational				
Parks and recreation	37,816,178	4,943,101	317,614	42,441,665
Planning and Community Development				
Planning and zoning	6,705,933	3,578,851	-	10,284,784
Total capital assets	\$ 1,045,531,135	\$ 68,707,258	\$ 7,586,962	\$ 1,106,651,431

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GENERAL CAPITAL RESERVE PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 12

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ 1,168,055	\$ 343,506	\$ 1,231,507	\$ 1,575,013
Total revenues	1,168,055	343,506	1,231,507	1,575,013
EXPENDITURES				
Capital outlay	16,828,558	-	-	-
Total expenditures	16,828,558	-	-	-
Excess (deficiency) of revenues over expenditures	(15,660,503)	343,506	1,231,507	1,575,013
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	29,267,632	24,267,633	5,000,000	29,267,633
Transfers to other funds	(13,607,129)	-	(13,607,129)	(13,607,129)
Total other financing sources (uses)	15,660,503	24,267,633	(8,607,129)	15,660,504
Net change in fund balances	\$ -	\$ 24,611,139	(7,375,622)	\$ 17,235,517
Fund balances - beginning			24,611,139	
Fund balances - ending			\$ 17,235,517	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
AMERICAN RESCUE PLAN FUND
From Inception and for the Year Ended June 30, 2024

Statement 13

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Restricted intergovernmental revenues	\$ 16,255,872	\$ 14,991,087	\$ 1,264,785	\$ 16,255,872
Investment earnings	-	(28,313)	188,037	159,724
Other revenues	-	1,362	-	1,362
Total revenues	<u>16,255,872</u>	<u>14,964,136</u>	<u>1,452,822</u>	<u>16,416,958</u>
EXPENDITURES				
General government	6,231,950	428,042	111,926	539,968
Capital outlay	-	109,917	-	109,917
Total expenditures	<u>6,231,950</u>	<u>537,959</u>	<u>111,926</u>	<u>649,885</u>
Excess (deficiency) of revenues over expenditures	<u>10,023,922</u>	<u>14,426,177</u>	<u>1,340,896</u>	<u>15,767,073</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	6,231,950	3,028,563	-	3,028,563
Transfers to other funds	<u>(16,255,872)</u>	<u>(14,991,086)</u>	<u>(1,264,785)</u>	<u>(16,255,871)</u>
Total other financing sources (uses)	<u>(10,023,922)</u>	<u>(11,962,523)</u>	<u>(1,264,785)</u>	<u>(13,227,308)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 2,463,654</u>	76,111	<u>\$ 2,539,765</u>
Fund balances - beginning			2,463,654	
Fund balances - ending			<u>\$ 2,539,765</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
STATE DIRECTED GRANTS
From Inception and for the Year Ended June 30, 2024

Statement 14

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Restricted intergovernmental revenues	\$ 17,122,255	\$ -	\$ 6,952,667	\$ 6,952,667
Investment earnings	-	-	(46,528)	(46,528)
Total revenues	<u>17,122,255</u>	<u>-</u>	<u>6,906,139</u>	<u>6,906,139</u>
EXPENDITURES				
Planning and community development	17,122,255	-	6,976,610	6,976,610
Total expenditures	<u>17,122,255</u>	<u>-</u>	<u>6,976,610</u>	<u>6,976,610</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(70,471)</u>	<u>(70,471)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(70,471)</u>	<u>\$ (70,471)</u>
Fund balances - beginning			-	
Fund balances - ending			<u>\$ (70,471)</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
OPIOID SETTLEMENT FUND
For the Year Ended June 30, 2024

Statement 15

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Restricted intergovernmental revenues	\$ -	\$ 189,910	\$ -	\$ (189,910)
Investment earnings	-	-	9,504	9,504
Total revenues	-	189,910	9,504	(180,406)
EXPENDITURES				
Administration	-	189,910	-	189,910
Total expenditures	-	189,910	-	189,910
Excess (deficiency) of revenues over expenditures	-	-	9,504	9,504
Net change in fund balances	\$ -	\$ -	9,504	\$ 9,504
Fund balances - beginning			183,204	
Fund balances - ending			\$ 192,708	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HOUSING ASSISTANCE
For the Year Ended June 30, 2024

Statement 16

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Restricted intergovernmental revenues	\$ 5,502,856	\$ 5,502,856	\$ 5,488,810	\$ (14,046)
Investment earnings	-	-	21,853	21,853
Program income	229,700	229,700	268,895	39,195
Total revenues	<u>5,732,556</u>	<u>5,732,556</u>	<u>5,779,558</u>	<u>47,002</u>
EXPENDITURES				
Administration	521,847	521,847	505,227	16,620
Housing assistance payments	5,286,932	5,286,932	5,219,752	67,180
Total expenditures	<u>5,808,779</u>	<u>5,808,779</u>	<u>5,724,979</u>	<u>83,800</u>
Excess (deficiency) of revenues over expenditures	(76,223)	(76,223)	54,579	130,802
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	59,277	59,277	56,974	(2,303)
Appropriated from fund balance	16,946	16,946	-	(16,946)
Total other financing sources (uses)	<u>76,223</u>	<u>76,223</u>	<u>56,974</u>	<u>(19,249)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	111,553	<u>\$ 111,553</u>
Fund balances - beginning			197,157	
Fund balances - ending			<u>\$ 308,710</u>	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FSS ESCROW FORFEITURES

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment earnings	\$ -	\$ -	\$ 1,789	\$ 1,789
Other revenues	-	3,225	3,225	-
Total revenues	-	3,225	5,014	1,789
EXPENDITURES				
Administration	-	3,225	-	3,225
Total expenditures	-	3,225	-	3,225
Excess (deficiency) of revenues over expenditures	-	-	5,014	5,014
Net change in fund balances	\$ -	\$ -	5,014	\$ 5,014
Fund balances - beginning			22,202	
Fund balances - ending			\$ 27,216	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EMERGENCY HOUSING ASSISTANCE
For the Year Ended June 30, 2024

Statement 18

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Restricted intergovernmental revenues	\$ -	\$ 189,306	\$ 196,745	\$ 7,439
Total revenues	-	189,306	196,745	7,439
EXPENDITURES				
Administration	-	25,527	4,661	20,866
Housing assistance payments	-	163,779	171,568	(7,789)
Total expenditures	-	189,306	176,229	13,077
Excess (deficiency) of revenues over expenditures	-	-	20,516	20,516
Net change in fund balances	\$ -	\$ -	20,516	\$ 20,516
Fund balances - beginning			2,865	
Fund balances - ending			\$ 23,381	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MARKET RATE UNITS
For the Year Ended June 30, 2024

Statement 19

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Program income	\$ 152,344	\$ 152,344	\$ 145,992	\$ (6,352)
Other revenues	500	500	2,389	1,889
Investment earnings	-	-	9,316	9,316
Total revenues	<u>152,844</u>	<u>152,844</u>	<u>157,697</u>	<u>4,853</u>
EXPENDITURES				
Administration	74,363	74,363	31,231	43,132
Total expenditures	<u>74,363</u>	<u>74,363</u>	<u>31,231</u>	<u>43,132</u>
Excess (deficiency) of revenues over expenditures	<u>78,481</u>	<u>78,481</u>	<u>126,466</u>	<u>47,985</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	<u>(78,481)</u>	<u>(78,481)</u>	<u>(77,254)</u>	<u>1,227</u>
Total other financing sources (uses)	<u>(78,481)</u>	<u>(78,481)</u>	<u>(77,254)</u>	<u>1,227</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	49,212	<u>\$ 49,212</u>
Fund balances - beginning			184,313	
Fund balances - ending			<u>\$ 233,525</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT GRANT FUND
From Inception and for the Year Ended June 30, 2024

Statement 20

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Restricted intergovernmental revenues	\$ 3,631,970	\$ 2,278,709	\$ 780,960	\$ 3,059,669
Program income	110,730	101,730	3,161	104,891
Total revenues	<u>3,742,700</u>	<u>2,380,439</u>	<u>784,121</u>	<u>3,164,560</u>
EXPENDITURES				
Administration	461,775	342,386	116,281	458,667
Rehabilitation	3,280,925	2,038,053	667,840	2,705,893
Total expenditures	<u>3,742,700</u>	<u>2,380,439</u>	<u>784,121</u>	<u>3,164,560</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>-</u>	
Fund balances - ending			<u>\$ -</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HOME FUND
From Inception and for the Year Ended June 30, 2024

Statement 21

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Restricted intergovernmental revenues	\$ 10,697,143	\$ 4,627,378	\$ 881,722	\$ 5,509,100
Program income	1,184,640	1,084,640	242,520	1,327,160
Investment earnings	8,145	10,737	556	11,293
Total revenues	<u>11,889,928</u>	<u>5,722,755</u>	<u>1,124,798</u>	<u>6,847,553</u>
EXPENDITURES				
Administration	1,145,073	824,154	143,523	967,677
Rehabilitation	11,204,934	5,254,765	751,592	6,006,357
Total expenditures	<u>12,350,007</u>	<u>6,078,919</u>	<u>895,115</u>	<u>6,974,034</u>
Excess (deficiency) of revenues over expenditures	<u>(460,079)</u>	<u>(356,164)</u>	<u>229,683</u>	<u>(126,481)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	<u>460,079</u>	<u>429,072</u>	<u>32,106</u>	<u>461,178</u>
Total other financing sources (uses)	<u>460,079</u>	<u>429,072</u>	<u>32,106</u>	<u>461,178</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 72,908</u>	<u>261,789</u>	<u>\$ 334,697</u>
Fund balances - beginning			<u>72,908</u>	
Fund balances - ending			<u>\$ 334,697</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HOME ARP GRANT FUND
From Inception and for the Year Ended June 30, 2024

Statement 22

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Restricted intergovernmental revenues	\$ 4,772,338	\$ 1,966	\$ 117,820	\$ 119,786
Other revenues	-	30	-	30
Total revenues	<u>4,772,338</u>	<u>1,996</u>	<u>117,820</u>	<u>119,816</u>
EXPENDITURES				
Administration	715,850	1,966	117,820	119,786
Rehabilitation	4,056,488	-	-	-
Total expenditures	<u>4,772,338</u>	<u>1,966</u>	<u>117,820</u>	<u>119,786</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>30</u>	<u>-</u>	<u>30</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 30</u>	<u>-</u>	<u>\$ 30</u>
Fund balances - beginning			30	
Fund balances - ending			<u>\$ 30</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
AFFORDABLE HOUSING FUND
From Inception and for the Year Ended June 30, 2024

Statement 23

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ 2,150	\$ (5,607)	\$ 19,768	\$ 14,161
Program income	77,599	-	77,599	77,599
Total revenues	<u>79,749</u>	<u>(5,607)</u>	<u>97,367</u>	<u>91,760</u>
EXPENDITURES				
Planning and community development	2,447,663	401,346	1,689,740	2,091,086
Total expenditures	<u>2,447,663</u>	<u>401,346</u>	<u>1,689,740</u>	<u>2,091,086</u>
Excess (deficiency) of revenues over expenditures	<u>(2,367,914)</u>	<u>(406,953)</u>	<u>(1,592,373)</u>	<u>(1,999,326)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	2,367,914	783,914	1,584,000	2,367,914
Total other financing sources (uses)	<u>2,367,914</u>	<u>783,914</u>	<u>1,584,000</u>	<u>2,367,914</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 376,961</u>	<u>(8,373)</u>	<u>\$ 368,588</u>
Fund balances - beginning			376,961	
Fund balances - ending			<u>\$ 368,588</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MUNICIPAL SERVICE DISTRICT
For the Year Ended June 30, 2024

Statement 24

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Ad valorem taxes	\$ 164,679	\$ 176,679	\$ 179,577	\$ 2,898
Other revenues	500	500	310	(190)
Investment earnings	-	-	7,690	7,690
Total revenues	<u>165,179</u>	<u>177,179</u>	<u>187,577</u>	<u>10,398</u>
EXPENDITURES				
Planning and community development	236,445	248,445	225,136	23,309
Total expenditures	<u>236,445</u>	<u>248,445</u>	<u>225,136</u>	<u>23,309</u>
Excess (deficiency) of revenues over expenditures	<u>(71,266)</u>	<u>(71,266)</u>	<u>(37,559)</u>	<u>33,707</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	<u>71,266</u>	<u>71,266</u>	<u>71,266</u>	<u>-</u>
Total other financing sources (uses)	<u>71,266</u>	<u>71,266</u>	<u>71,266</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>33,707</u>	<u>\$ 33,707</u>
Fund balances - beginning			<u>131,331</u>	
Fund balances - ending			<u>\$ 165,038</u>	

CITY OF CONCORD, NORTH CAROLINA
COMPARATIVE GOVERNMENTAL SCHEDULE BUDGET AND ACTUAL BY PROJECT ACTIVITY
PARKS AND RECREATION CAPITAL PROJECTS FUND
From Inception and for the Year Ended June 30, 2024

Statement 25

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Restricted intergovernmental revenues	\$ 2,548,114	\$ 30,000	\$ 134,088	\$ 164,088
Investment earnings	-	(230,265)	376,174	145,909
Investment earnings, restricted	-	-	1,870,279	1,870,279
Other revenues	23,180	5,000	18,180	23,180
Total revenues	<u>2,571,294</u>	<u>(195,265)</u>	<u>2,398,721</u>	<u>2,203,456</u>
EXPENDITURES				
Administration	357,166	165,370	559,889	725,259
Debt service - interest expense	940,800	-	940,800	940,800
Capital outlay	60,910,991	6,793,128	4,635,371	11,428,499
Total expenditures	<u>62,208,957</u>	<u>6,958,498</u>	<u>6,136,060</u>	<u>13,094,558</u>
Excess (deficiency) of revenues over expenditures	<u>(59,637,663)</u>	<u>(7,153,763)</u>	<u>(3,737,339)</u>	<u>(10,891,102)</u>
OTHER FINANCING SOURCES (USES)				
Bond proceeds	45,705,702	-	45,705,702	45,705,702
Transfers from other funds	13,931,961	13,931,961	-	13,931,961
Total other financing sources (uses)	<u>59,637,663</u>	<u>13,931,961</u>	<u>45,705,702</u>	<u>59,637,663</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 6,778,198</u>	<u>41,968,363</u>	<u>\$ 48,746,561</u>
Fund balances - beginning			6,778,198	
Fund balances - ending			<u>\$ 48,746,561</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PARKS CAPITAL RESERVE PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 26

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ -	\$ (13,128)	\$ 7,890	\$ (5,238)
Total revenues	-	(13,128)	7,890	(5,238)
EXPENDITURES				
Capital outlay	2,015,428	-	-	-
Total expenditures	2,015,428	-	-	-
Excess (deficiency) of revenues over expenditures	(2,015,428)	(13,128)	7,890	(5,238)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	2,015,428	431,428	1,584,000	2,015,428
Total other financing sources (uses)	2,015,428	431,428	1,584,000	2,015,428
Net change in fund balances	\$ -	\$ 418,300	1,591,890	\$ 2,010,190
Fund balances - beginning			418,300	
Fund balances - ending			\$ 2,010,190	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
TRANSPORTATION CAPITAL PROJECTS FUND
From Inception and for the Year Ended June 30, 2024

Statement 27

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Restricted intergovernmental revenues	\$ 18,109,368	\$ 1,872,795	\$ 268,635	\$ 2,141,430
Investment earnings	1,455,292	680,423	1,328,614	2,009,037
Program income	2,964,461	2,584,426	438,709	3,023,135
Other revenues	350,000	350,000	83,214	433,214
Total revenues	<u>22,879,121</u>	<u>5,487,644</u>	<u>2,119,172</u>	<u>7,606,816</u>
EXPENDITURES				
Administration	-	297,052	2,256,947	2,553,999
Capital outlay	47,467,439	3,530,316	6,223,491	9,753,807
Total expenditures	<u>47,467,439</u>	<u>3,827,368</u>	<u>8,480,438</u>	<u>12,307,806</u>
Excess (deficiency) of revenues over expenditures	<u>(24,588,318)</u>	<u>1,660,276</u>	<u>(6,361,266)</u>	<u>(4,700,990)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	24,588,318	20,628,316	3,960,000	24,588,316
Total other financing sources (uses)	<u>24,588,318</u>	<u>20,628,316</u>	<u>3,960,000</u>	<u>24,588,316</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 22,288,592</u>	<u>(2,401,266)</u>	<u>\$ 19,887,326</u>
Fund balances - beginning			22,288,592	
Fund balances - ending			<u>\$ 19,887,326</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND CAPITAL PROJECTS FUND
From Inception and for the Year Ended June 30, 2024

Statement 28

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Restricted intergovernmental revenues	\$ 333,910	\$ 137,790	\$ -	\$ 137,790
Investment earnings	-	(729,631)	981,882	252,251
Other revenues	40,784	40,784	-	40,784
Total revenues	<u>374,694</u>	<u>(551,057)</u>	<u>981,882</u>	<u>430,825</u>
EXPENDITURES				
Administration	-	35,555	291,074	326,629
Capital outlay	49,771,011	4,993,737	6,623,777	11,617,514
Total expenditures	<u>49,771,011</u>	<u>5,029,292</u>	<u>6,914,851</u>	<u>11,944,143</u>
Excess (deficiency) of revenues over expenditures	<u>(49,396,317)</u>	<u>(5,580,349)</u>	<u>(5,932,969)</u>	<u>(11,513,318)</u>
OTHER FINANCING SOURCES (USES)				
Financing proceeds	2,145,000	-	-	-
Proceeds from sale of capital assets	17,497	17,497	-	17,497
Transfers from other funds	47,233,820	26,080,492	21,153,329	47,233,821
Total other financing sources (uses)	<u>49,396,317</u>	<u>26,097,989</u>	<u>21,153,329</u>	<u>47,251,318</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 20,517,640</u>	<u>\$ 15,220,360</u>	<u>\$ 35,738,000</u>
Change in net position:				
General Fund Capital Projects Fund			\$ 15,220,360	
First Concord Capital Project Fund (Statement 47)			706,232	
			<u>\$ 15,926,592</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FIRE AND LIFE SAFETY CAPITAL PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 29

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ 551	\$ (23,795)	\$ 30,002	\$ 6,207
Total revenues	<u>551</u>	<u>(23,795)</u>	<u>30,002</u>	<u>6,207</u>
EXPENDITURES				
Administration	-	255,604	19,529	275,133
Capital outlay	13,080,968	11,266,289	-	11,266,289
Total expenditures	<u>13,080,968</u>	<u>11,521,893</u>	<u>19,529</u>	<u>11,541,422</u>
Excess (deficiency) of revenues over expenditures	<u>(13,080,417)</u>	<u>(11,545,688)</u>	<u>10,473</u>	<u>(11,535,215)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	6,200,000	6,200,000	-	6,200,000
Transfers from other funds	6,965,467	6,105,468	860,000	6,965,468
Transfer to other funds	(85,050)	-	(85,050)	(85,050)
Total other financing sources (uses)	<u>13,080,417</u>	<u>12,305,468</u>	<u>774,950</u>	<u>13,080,418</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 759,780</u>	<u>785,423</u>	<u>\$ 1,545,203</u>
Fund balances - beginning			759,780	
Fund balances - ending			<u>\$ 1,545,203</u>	

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
ELECTRIC FUND

For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
OPERATING REVENUES				
Charges for services	\$ 104,465,000	\$ 104,455,000	\$ 105,311,130	\$ 856,130
Other operating revenues	949,000	1,464,766	1,625,390	160,624
Total operating revenues	<u>105,414,000</u>	<u>105,919,766</u>	<u>106,936,520</u>	<u>1,016,754</u>
OPERATING EXPENSES				
General and administrative	4,810,101	12,314,101	4,754,075	7,560,026
Purchased power	71,549,349	64,049,349	49,733,035	14,316,314
Power line and plant	21,263,381	21,256,811	14,847,340	6,409,471
Total operating expenses	<u>97,622,831</u>	<u>97,620,261</u>	<u>69,334,450</u>	<u>28,285,811</u>
Operating income (loss)	<u>7,791,169</u>	<u>8,299,505</u>	<u>37,602,070</u>	<u>29,302,565</u>
NONOPERATING REVENUES (EXPENSES)				
Capital outlay	(1,548,971)	(1,595,514)	(4,495,449)	(2,899,935)
Investment earnings	-	2,000,000	3,310,143	1,310,143
Debt service payments	(909,770)	(909,770)	(907,566)	2,204
Gain (loss) on sale of capital assets	-	99,162	139,766	40,604
Appropriation from fund balance	561,182	-	-	-
Total nonoperating revenues (expenses)	<u>(1,897,559)</u>	<u>(406,122)</u>	<u>(1,953,106)</u>	<u>(1,546,984)</u>
Income (loss) before transfers	<u>5,893,610</u>	<u>7,893,383</u>	<u>35,648,964</u>	<u>27,755,581</u>
Transfers out	<u>(5,893,610)</u>	<u>(7,893,383)</u>	<u>(7,893,383)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and transfers	<u>\$ -</u>	<u>\$ -</u>	<u>27,755,581</u>	<u>\$ 27,755,581</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Depreciation and amortization			(3,963,149)	
Capital outlay			4,495,449	
Unfunded OPEB Expense			13,612	
Pension expense			(304,132)	
Health claims incurred but not reported			(638)	
Debt service			586,614	
Change in net position			<u>\$ 28,583,337</u>	
Change in net position:				
Electric Operating Fund			\$ 28,583,337	
Electric Projects Capital Projects Fund (Statement 31)			4,816,059	
Utility Capital Reserve Project Fund (Statement 36)			3,839,767	
			<u>\$ 37,239,163</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ELECTRIC PROJECTS CAPITAL PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 31

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ -	\$ (505,193)	\$ 994,509	\$ 489,316
Total revenues	-	(505,193)	994,509	489,316
EXPENDITURES				
Contract cost	-	770,439	13,662	784,101
Capital outlay	78,588,265	56,146,476	15,196,611	71,343,087
Total expenditures	78,588,265	56,916,915	15,210,273	72,127,188
Excess (deficiency) of revenues over expenditures	(78,588,265)	(57,422,108)	(14,215,764)	(71,637,872)
OTHER FINANCING SOURCES (USES)				
Capital contributions	6,240,250	4,122,488	2,035,212	6,157,700
Transfers from other funds	72,348,015	70,548,015	1,800,000	72,348,015
Total other financing sources (uses)	78,588,265	74,670,503	3,835,212	78,505,715
Excess (deficiency) of revenues and transfers over expenditures	\$ -	\$ 17,248,395	(10,380,552)	\$ 6,867,843
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital outlay			15,196,611	
Change in net position			\$ 4,816,059	

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER FUND

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 27,664,469	\$ 27,664,469	\$ 27,993,695	\$ 329,226
Other operating revenues	823,255	1,288,809	1,563,814	275,005
Total operating revenues	<u>28,487,724</u>	<u>28,953,278</u>	<u>29,557,509</u>	<u>604,231</u>
OPERATING EXPENSES				
Water plants and lakes	11,009,453	12,289,453	12,194,731	94,722
Water line operation and maintenance	10,790,726	10,875,726	9,751,124	1,124,602
Repairs and maintenance	2,153,526	1,795,676	1,404,928	390,748
Total operating expenses	<u>23,953,705</u>	<u>24,960,855</u>	<u>23,350,783</u>	<u>1,610,072</u>
Operating income (loss)	<u>4,534,019</u>	<u>3,992,423</u>	<u>6,206,726</u>	<u>2,214,303</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	-	1,000,000	1,886,666	886,666
Capital outlay	(3,237,123)	(1,604,973)	(380,488)	1,224,485
Debt service	(2,635,815)	(1,885,815)	(1,981,052)	(95,237)
Gain (loss) on sale of capital assets	-	-	12,881	12,881
Appropriated fund balance	2,338,919	1,297,059	-	(1,297,059)
Total nonoperating revenues (expenses)	<u>(3,534,019)</u>	<u>(1,193,729)</u>	<u>(461,993)</u>	<u>731,736</u>
Income (loss) before contributions and transfers	1,000,000	2,798,694	5,744,733	2,946,039
Capital contributions	-	-	8,406,229	8,406,229
Transfers out	(1,000,000)	(2,798,694)	(2,716,451)	82,243
Excess (deficiency) of revenues over expenditures and transfers	<u>\$ -</u>	<u>\$ -</u>	11,434,511	<u>\$ 11,434,511</u>

Reconciliation of Modified Accrual Basis
to Full Accrual Basis

Depreciation and amortization	(5,161,595)
Capital outlay	380,488
Unfunded OPEB Expense	16,261
Pension expense	(268,758)
Health claims incurred but not reported	(595)
Increase to workers comp claims reserve	(18,642)
Subscriptions	10,465
Debt service	1,353,270
Change in net position	<u>\$ 7,745,405</u>

Change in net position:

Water Operating Fund	\$ 7,745,405
Water Projects Capital Projects Fund (Statement 33)	1,777,387
Utility Capital Reserve Project Fund (Statement 36)	1,290,672
	<u>\$ 10,813,464</u>

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
WATER PROJECTS CAPITAL PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 33

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ -	\$ (747,035)	\$ 1,127,830	\$ 380,795
Investment earnings, restricted	-	-	150,919	150,919
Other income	6,759,785	5,553,627	1,649,011	7,202,638
Total revenues	<u>6,759,785</u>	<u>4,806,592</u>	<u>2,927,760</u>	<u>7,734,352</u>
EXPENDITURES				
Contract cost	445,607	-	1,873,581	1,873,581
Capital outlay	59,855,647	11,365,953	1,270,411	12,636,364
Total expenditures	<u>60,301,254</u>	<u>11,365,953</u>	<u>3,143,992</u>	<u>14,509,945</u>
Excess (deficiency) of revenues over expenditures	<u>(53,541,469)</u>	<u>(6,559,361)</u>	<u>(216,232)</u>	<u>(6,775,593)</u>
OTHER FINANCING SOURCES (USES)				
Bond proceeds	24,010,277	-	24,010,277	24,010,277
Transfers from other funds	30,057,984	28,807,985	1,250,000	30,057,985
Transfers to other funds	(526,792)	-	(526,792)	(526,792)
Total other financing sources (uses)	<u>53,541,469</u>	<u>28,807,985</u>	<u>24,733,485</u>	<u>53,541,470</u>
Excess (deficiency) of revenues and transfers over expenditures	<u>\$ -</u>	<u>\$ 22,248,624</u>	24,517,253	<u>\$ 46,765,877</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Bond proceeds			(24,010,277)	
Capital outlay			1,270,411	
Change in net position			<u>\$ 1,777,387</u>	

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
WASTEWATER FUND
For the Year Ended June 30, 2024

Statement 34

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 19,127,116	\$ 19,127,116	\$ 19,428,056	\$ 300,940
Other operating revenues	252,000	252,000	352,508	100,508
Total operating revenues	<u>19,379,116</u>	<u>19,379,116</u>	<u>19,780,564</u>	<u>401,448</u>
OPERATING EXPENSES				
Wastewater line and plant	15,684,428	16,154,428	15,941,603	212,825
Repairs and maintenance	2,948,796	2,948,796	1,356,995	1,591,801
Total operating expenses	<u>18,633,224</u>	<u>19,103,224</u>	<u>17,298,598</u>	<u>1,804,626</u>
Operating income (loss)	<u>745,892</u>	<u>275,892</u>	<u>2,481,966</u>	<u>2,206,074</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	-	500,000	1,438,909	938,909
Capital outlay	(828,800)	(828,800)	(234,569)	594,231
Debt service	(243,527)	(243,527)	(242,973)	554
Gain (loss) on sale of capital assets	-	-	59,250	59,250
Appropriation from (to) fund balance	1,367,220	1,813,612	-	(1,813,612)
Total nonoperating revenues (expenses)	<u>294,893</u>	<u>1,241,285</u>	<u>1,020,617</u>	<u>(220,668)</u>
Income (loss) before contributions and transfers	1,040,785	1,517,177	3,502,583	1,985,406
Capital contributions	-	-	4,234,720	4,234,720
Transfers out	(1,040,785)	(1,517,177)	(1,494,508)	22,669
Excess (deficiency) of revenues over expenditures and transfers	<u>\$ -</u>	<u>\$ -</u>	<u>6,242,795</u>	<u>\$ 6,242,795</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Depreciation and amortization			(4,028,170)	
Capital outlay			234,569	
Unfunded OPEB Expense			61,074	
Pension expense			(138,406)	
Health claims incurred but not reported			(892)	
Decrease to workers comp claims reserve			4,542	
Debt service			135,117	
Change in net position			<u>\$ 2,510,629</u>	
Change in net position:				
Wastewater Operating Fund			\$ 2,510,629	
Wastewater Projects Capital Projects Fund (Statement 35)			1,713,240	
Utility Capital Reserve Project Fund (Statement 36)			472,197	
			<u>\$ 4,696,066</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
WASTEWATER PROJECTS CAPITAL PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 35

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ -	\$ (228,428)	\$ 375,068	\$ 146,640
Restricted intergovernmental revenues	500,000	300,000	100,000	400,000
Other income	9,947,318	5,899,167	1,238,172	7,137,339
Total revenues	<u>10,447,318</u>	<u>5,970,739</u>	<u>1,713,240</u>	<u>7,683,979</u>
EXPENDITURES				
Capital outlay	15,506,786	3,792,855	1,056,070	4,848,925
Total expenditures	<u>15,506,786</u>	<u>3,792,855</u>	<u>1,056,070</u>	<u>4,848,925</u>
Excess (deficiency) of revenues over expenditures	<u>(5,059,468)</u>	<u>2,177,884</u>	<u>657,170</u>	<u>2,835,054</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	5,059,468	5,059,468	-	5,059,468
Total other financing sources (uses)	<u>5,059,468</u>	<u>5,059,468</u>	<u>-</u>	<u>5,059,468</u>
Excess (deficiency) of revenues and transfers over expenditures	<u>\$ -</u>	<u>\$ 7,237,352</u>	<u>657,170</u>	<u>\$ 7,894,522</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital outlay			1,056,070	
Change in net position			<u>\$ 1,713,240</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
UTILITY CAPITAL RESERVE PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 36

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ 809,864	\$ 610,209	\$ 526,234	\$ 1,136,443
Total revenues	<u>809,864</u>	<u>610,209</u>	<u>526,234</u>	<u>1,136,443</u>
EXPENDITURES				
Capital outlay	16,299,201	-	-	-
Total expenditures	<u>16,299,201</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(15,489,337)</u>	<u>610,209</u>	<u>526,234</u>	<u>1,136,443</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	15,489,337	10,623,348	5,076,402	15,699,750
Total other financing sources (uses)	<u>15,489,337</u>	<u>10,623,348</u>	<u>5,076,402</u>	<u>15,699,750</u>
Excess (deficiency) of revenues and transfers over expenditures	<u>\$ -</u>	<u>\$ 11,233,557</u>	<u>5,602,636</u>	<u>\$ 16,836,193</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital outlay			-	
Change in net position			<u>\$ 5,602,636</u>	
The change in net position is allocated as follows:				
Electric Operating Fund			3,839,767	
Water Operating Fund			1,290,672	
Wastewater Operating Fund			472,197	
			<u>\$ 5,602,636</u>	

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
REGIONAL AIRPORT OPERATING FUND
For the Year Ended June 30, 2024

Statement 37

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 15,725,106	\$ 14,600,106	\$ 14,674,519	\$ 74,413
Other operating revenues	101,000	105,500	96,736	(8,764)
Total operating revenues	<u>15,826,106</u>	<u>14,705,606</u>	<u>14,771,255</u>	<u>65,649</u>
OPERATING EXPENSES				
Airport operations and maintenance	<u>16,454,820</u>	<u>15,814,273</u>	<u>14,316,078</u>	<u>1,498,195</u>
Total operating expenses	<u>16,454,820</u>	<u>15,814,273</u>	<u>14,316,078</u>	<u>1,498,195</u>
Operating income (loss)	<u>(628,714)</u>	<u>(1,108,667)</u>	<u>455,177</u>	<u>1,563,844</u>
NONOPERATING REVENUES (EXPENSES)				
Capital outlay	(427,883)	(683,810)	(363,623)	320,187
Investment earnings	-	200,000	711,045	511,045
Debt service	(1,129,533)	(1,224,457)	(1,219,799)	4,658
Other	-	36,050	36,050	-
Appropriation from (to) fund balance	<u>701,096</u>	<u>546,891</u>	<u>-</u>	<u>(546,891)</u>
Total nonoperating revenues (expenses)	<u>(856,320)</u>	<u>(1,125,326)</u>	<u>(836,327)</u>	<u>288,999</u>
Income (loss) before contributions and transfers	<u>(1,485,034)</u>	<u>(2,233,993)</u>	<u>(381,150)</u>	<u>1,852,843</u>
Transfers in	1,664,120	2,490,576	2,489,386	(1,190)
Transfers out	<u>(179,086)</u>	<u>(256,583)</u>	<u>(256,583)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and transfers	<u>\$ -</u>	<u>\$ -</u>	<u>1,851,653</u>	<u>\$ 1,851,653</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Depreciation and amortization			(3,705,122)	
Capital outlay			363,623	
Unfunded OPEB Expense			(39,565)	
Pension expense			(189,396)	
Health claims incurred but not reported			(345)	
Subscriptions			29,350	
Debt service			1,106,150	
Change in net position			<u>\$ (583,652)</u>	
Change in net position:				
Regional Airport Operating Fund			\$ (583,652)	
Airport Capital Project Fund (Statement 38)			<u>3,007,349</u>	
			<u>\$ 2,423,697</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
AIRPORT CAPITAL PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 38

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ -	\$ (149,222)	\$ 214,235	\$ 65,013
Restricted intergovernmental revenues	26,660,925	8,953,531	7,477,146	16,430,677
Total revenues	26,660,925	8,804,309	7,691,381	16,495,690
EXPENDITURES				
Contract cost	-	886,284	3,468,366	4,354,650
Capital outlay	21,473,413	3,798,889	2,829,561	6,628,450
Total expenditures	21,473,413	4,685,173	6,297,927	10,983,100
Excess (deficiency) of revenues over expenditures	5,187,512	4,119,136	1,393,454	5,512,590
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	864,538	856,938	7,600	864,538
Transfers to other funds	(6,052,050)	(4,673,400)	(1,223,266)	(5,896,666)
Total other financing sources (uses)	(5,187,512)	(3,816,462)	(1,215,666)	(5,032,128)
Excess (deficiency) of revenues and transfers over expenditures	\$ -	\$ 302,674	177,788	\$ 480,462
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital outlay			2,829,561	
Change in net position			\$ 3,007,349	

CITY OF CONCORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
STORMWATER OPERATING FUND
For the Year Ended June 30, 2024

Statement 39

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 5,647,049	\$ 5,647,049	\$ 5,596,322	\$ (50,727)
Other operating revenues	26,000	26,494	27,163	669
Total operating revenues	<u>5,673,049</u>	<u>5,673,543</u>	<u>5,623,485</u>	<u>(50,058)</u>
OPERATING EXPENSES				
Stormwater operation and maintenance	<u>4,904,037</u>	<u>4,926,431</u>	<u>4,797,909</u>	<u>128,522</u>
Total operating expenses	<u>4,904,037</u>	<u>4,926,431</u>	<u>4,797,909</u>	<u>128,522</u>
Operating income (loss)	<u>769,012</u>	<u>747,112</u>	<u>825,576</u>	<u>78,464</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	-	-	483,255	483,255
Capital outlay	(634,484)	(634,484)	(56,978)	577,506
Gain (loss) on sale of capital assets	-	21,900	47,350	25,450
Appropriation from (to) fund balance	<u>218,930</u>	<u>465,161</u>	-	<u>(465,161)</u>
Total nonoperating revenues (expenses)	<u>(415,554)</u>	<u>(147,423)</u>	<u>473,627</u>	<u>621,050</u>
Income (loss) before contributions and transfers	<u>353,458</u>	<u>599,689</u>	<u>1,299,203</u>	<u>699,514</u>
Transfers out	<u>(353,458)</u>	<u>(599,689)</u>	<u>(599,689)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and transfers	<u>\$ -</u>	<u>\$ -</u>	<u>699,514</u>	<u>\$ 699,514</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Depreciation and amortization			(1,802,412)	
Capital outlay			56,978	
Unfunded OPEB Expense			41,972	
Pension expense			(74,463)	
Health claims incurred but not reported			7	
Change in net position			<u>\$ (1,078,404)</u>	
Change in net position:				
Stormwater Operating Fund			\$ (1,078,404)	
Stormwater Capital Project Fund (Statement 40)			<u>277,575</u>	
			<u>\$ (800,829)</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
STORMWATER CAPITAL PROJECTS FUND
From Inception and for the Year Ended June 30, 2024

Statement 40

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ -	\$ (165,416)	\$ 263,666	\$ 98,250
Restricted intergovernmental revenues	140,000	140,000	-	140,000
Total revenues	<u>140,000</u>	<u>(25,416)</u>	<u>263,666</u>	<u>238,250</u>
EXPENDITURES				
Contract cost	-	-	(13,909)	(13,909)
Capital outlay	7,754,440	2,902,182	1,319,967	4,222,149
Total expenditures	<u>7,754,440</u>	<u>2,902,182</u>	<u>1,306,058</u>	<u>4,208,240</u>
Excess (deficiency) of revenues over expenditures	<u>(7,614,440)</u>	<u>(2,927,598)</u>	<u>(1,042,392)</u>	<u>(3,969,990)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	7,614,440	7,614,441	-	7,614,441
Total other financing sources (uses)	<u>7,614,440</u>	<u>7,614,441</u>	<u>-</u>	<u>7,614,441</u>
Excess (deficiency) of revenues and transfers over expenditures	<u>\$ -</u>	<u>\$ 4,686,843</u>	<u>(1,042,392)</u>	<u>\$ 3,644,451</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital outlay			1,319,967	
Change in net position			<u>\$ 277,575</u>	

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
TRANSIT FUND

From Inception and for the Year Ended June 30, 2024

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
OPERATING REVENUES				
Charges for services	\$ 2,301,687	\$ -	\$ 228,454	\$ 228,454
Total operating revenues	<u>2,301,687</u>	<u>-</u>	<u>228,454</u>	<u>228,454</u>
OPERATING EXPENSES				
General and administrative	4,580,664	251,725	815,735	1,067,460
Professional services	23,356,255	13,123,704	4,690,543	17,814,247
Operating supplies	6,878,936	431,664	432,770	864,434
Other operating costs	1,161	6,467	1,937	8,404
Total operating expenses	<u>34,817,016</u>	<u>13,813,560</u>	<u>5,940,985</u>	<u>19,754,545</u>
Operating income (loss)	<u>(32,515,329)</u>	<u>(13,813,560)</u>	<u>(5,712,531)</u>	<u>(19,526,091)</u>
NONOPERATING REVENUES (EXPENSES)				
Operating subsidy	32,233,592	17,227,673	4,667,610	21,895,283
Gain on sale of capital assets	15,577	-	68,867	68,867
Capital outlay	(9,221,922)	(7,352,307)	-	(7,352,307)
Other	825,000	-	438,711	438,711
Total nonoperating revenues (expenses)	<u>23,852,247</u>	<u>9,875,366</u>	<u>5,175,188</u>	<u>15,050,554</u>
Income (loss) before transfers	<u>(8,663,082)</u>	<u>(3,938,194)</u>	<u>(537,343)</u>	<u>(4,475,537)</u>
Transfers in	8,690,778	4,257,671	1,525,788	5,783,459
Transfers out	<u>(27,696)</u>	<u>-</u>	<u>(25,148)</u>	<u>(25,148)</u>
Excess (deficiency) of revenues over expenditures and transfers	<u>\$ -</u>	<u>\$ 319,477</u>	<u>963,297</u>	<u>\$ 1,282,774</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Depreciation and amortization			(1,389,729)	
Capital outlay			-	
Unfunded OPEB Expense			(5,015)	
Pension expense			(25,492)	
Health claims incurred but not reported			(97)	
Change in net position			<u>\$ (457,036)</u>	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
GOLF COURSE OPERATING FUND
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 1,637,105	\$ 2,102,105	\$ 2,361,627	\$ 259,522
Other operating revenues	842,244	1,077,244	1,398,469	321,225
Total operating revenues	<u>2,479,349</u>	<u>3,179,349</u>	<u>3,760,096</u>	<u>580,747</u>
OPERATING EXPENSES				
Professional services	1,023,676	1,273,676	1,293,753	(20,077)
Other operating costs	1,455,673	1,840,673	1,603,067	237,606
Total operating expenses	<u>2,479,349</u>	<u>3,114,349</u>	<u>2,896,820</u>	<u>217,529</u>
Operating income (loss)	<u>-</u>	<u>65,000</u>	<u>863,276</u>	<u>798,276</u>
NONOPERATING REVENUES (EXPENSES)				
Gain (loss) on sale of capital assets	-	-	-	-
Capital outlay	-	(65,000)	(63,442)	1,558
Other	-	-	-	-
Total nonoperating revenues (expenses)	<u>-</u>	<u>(65,000)</u>	<u>(63,442)</u>	<u>1,558</u>
Income (loss) before transfers	<u>-</u>	<u>-</u>	<u>799,834</u>	<u>799,834</u>
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and transfers over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>799,834</u>	<u>\$ 799,834</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Depreciation and amortization			(227,677)	
Capital outlay			63,442	
Lease payments			118,585	
Change in net position			<u>\$ 754,184</u>	
Change in net position:				
Golf Course Operating Fund			\$ 754,184	
Golf Capital Project Fund (Statement 43)			(163,301)	
			<u>\$ 590,883</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GOLF CAPITAL PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 43

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
EXPENDITURES				
Contract cost	\$ 1,340,000	\$ 3,817	\$ 163,301	\$ 167,118
Total expenditures	1,340,000	3,817	163,301	167,118
Excess (deficiency) of revenues over expenditures	(1,340,000)	(3,817)	(163,301)	(167,118)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	1,340,000	1,340,000	-	1,340,000
Total other financing sources (uses)	1,340,000	1,340,000	-	1,340,000
Excess (deficiency) of revenues and transfers over expenditures	\$ -	\$ 1,336,183	(163,301)	\$ 1,172,882
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital outlay			-	
Change in net position			\$ (163,301)	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
HOUSING DEPARTMENT OPERATING FUND
For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 490,000	\$ 490,000	\$ 495,432	\$ 5,432
Total operating revenues	490,000	490,000	495,432	5,432
OPERATING EXPENSES				
General and administrative	1,212,540	1,609,057	1,129,643	479,414
Utilities	310,366	345,366	395,643	(50,277)
Housing maintenance and repairs	442,206	693,651	280,747	412,904
Total operating expenses	1,965,112	2,648,074	1,806,033	842,041
Operating income (loss)	(1,475,112)	(2,158,074)	(1,310,601)	847,473
NONOPERATING REVENUES (EXPENSES)				
Operating subsidy	1,003,865	1,071,065	1,016,005	(55,060)
Investment earnings	-	-	101,490	101,490
Interest expense	(3,353)	(3,353)	(2,841)	512
Other	95,651	259,896	70,778	(189,118)
Total nonoperating revenues (expenses)	1,096,163	1,327,608	1,185,432	(142,176)
Income (loss) before transfers	(378,949)	(830,466)	(125,169)	705,297
Transfers in	400,613	867,222	866,121	(1,101)
Transfers out	(21,664)	(36,756)	(36,756)	-
Excess (deficiency) of revenues and transfers over expenditures	\$ -	\$ -	704,196	\$ 704,196
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Depreciation and amortization			(381,915)	
Unfunded OPEB Expense			(10,461)	
Pension expense			(66,751)	
Health claims incurred but not reported			(688)	
Change in net position			\$ 244,381	
Change in net position:				
Housing Department Operating Fund			\$ 244,381	
Housing Capital Project Fund (Statement 45)			-	
			\$ 244,381	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HOUSING CAPITAL PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 45

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Federal grants	\$ 2,259,824	\$ 989,872	\$ 575,407	\$ 1,565,279
Total revenues	<u>2,259,824</u>	<u>989,872</u>	<u>575,407</u>	<u>1,565,279</u>
EXPENDITURES				
Administrative	1,604,550	779,543	130,463	910,006
Total expenditures	<u>1,604,550</u>	<u>779,543</u>	<u>130,463</u>	<u>910,006</u>
Excess (deficiency) of revenues over expenditures	<u>655,274</u>	<u>210,329</u>	<u>444,944</u>	<u>655,273</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds	(655,274)	(210,329)	(444,944)	(655,273)
Total other financing sources (uses)	<u>(655,274)</u>	<u>(210,329)</u>	<u>(444,944)</u>	<u>(655,273)</u>
Excess (deficiency) of revenues and transfers over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital outlay			-	
Change in net position			<u>\$ -</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
INTERNAL SERVICE FUND
Year Ended June 30, 2024

	Financial Plan	Actual	Variance - Favorable (Unfavorable)
Building and Grounds			
Salaries and benefits	\$ 4,213,180	\$ 4,077,632	\$ 135,548
Professional services	96,358	83,687	12,671
Other expenses	1,660,001	1,578,456	81,545
Capital outlay	324,219	187,436	136,783
Buildings and grounds allocation	(6,924,282)	(6,812,819)	(111,463)
	<u>(630,524)</u>	<u>(885,608)</u>	<u>255,084</u>
Engineering			
Salaries and benefits	2,852,487	2,746,067	106,420
Professional services	133,797	144,812	(11,015)
Other expenses	550,219	475,846	74,373
Capital outlay	26,775	19,540	7,235
Engineering allocation	(3,592,923)	(3,553,443)	(39,480)
	<u>(29,645)</u>	<u>(167,178)</u>	<u>137,533</u>
Billing			
Salaries and benefits	1,348,732	1,398,148	(49,416)
Professional services	401,600	383,909	17,691
Other expenses	689,918	609,362	80,556
Capital outlay	140,000	80,951	59,049
Billing allocation	(2,822,454)	(2,773,088)	(49,366)
	<u>(242,204)</u>	<u>(300,718)</u>	<u>58,514</u>
Customer Care			
Salaries and benefits	1,715,448	1,746,595	(31,147)
Professional services	34,420	30,679	3,741
Other expenses	640,488	549,693	90,795
Capital outlay	17,000	19,024	(2,024)
Customer care allocation	(2,683,354)	(2,639,515)	(43,839)
	<u>(275,998)</u>	<u>(293,524)</u>	<u>17,526</u>
Warehouse Operations			
Salaries and benefits	550,133	542,666	7,467
Professional services	50	52	(2)
Other expenses	196,556	165,772	30,784
Warehouse allocation	(760,421)	(772,888)	12,467
	<u>(13,682)</u>	<u>(64,398)</u>	<u>50,716</u>

Continued

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
INTERNAL SERVICE FUND
Year Ended June 30, 2024

	Financial Plan	Actual	Variance - Favorable (Unfavorable)
Utilities Collection			
Salaries and benefits	284,179	282,323	1,856
Professional services	82,377	44,289	38,088
Other expenses	172,338	162,496	9,842
Utilities collection allocation	(576,794)	(533,945)	(42,849)
	<u>(37,900)</u>	<u>(44,837)</u>	<u>6,937</u>
Total operating expenses	<u>(1,229,953)</u>	<u>(1,756,263)</u>	<u>526,310</u>
Loss on sale of capital assets	-	(879,108)	(879,108)
Transfers out	(1,229,953)	(1,099,277)	130,676
Deficiency of revenues over expenditures	<u>\$ -</u>	<u>(222,122)</u>	<u>\$ (222,122)</u>
Reconciliation of Modified Accrual Basis			
to Full Accrual Basis			
Depreciation and amortization		(272,633)	
Capital outlay		306,951	
Unfunded OPEB Expense		(104,961)	
Pension expense		(504,634)	
Increase to workers comp claims reserve		(80,717)	
Health claims incurred but not reported		(992)	
Change in net position		<u>\$ (879,108)</u>	
Change in net position:			
Internal Service Fund		\$ (879,108)	
First Concord Capital Project Fund (Statement 47)		118,520	
		<u>\$ (760,588)</u>	

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FIRST CONCORD CAPITAL PROJECT FUND
From Inception and for the Year Ended June 30, 2024

Statement 47

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Investment earnings	\$ 35,633	\$ 35,632	\$ -	\$ 35,632
Gain on sale of capital assets	579,000	579,000	-	579,000
Total revenues	<u>614,633</u>	<u>614,632</u>	<u>-</u>	<u>614,632</u>
EXPENDITURES				
Debt service	22,814,298	20,570,672	2,295,515	22,866,187
Contract services	1,078,312	881,888	178,353	1,060,241
Capital outlay	13,623,001	931,820	531,450	1,463,270
Total expenditures	<u>37,515,611</u>	<u>22,384,380</u>	<u>3,005,318</u>	<u>25,389,698</u>
Excess (deficiency) of revenues over expenditures	<u>(36,900,978)</u>	<u>(21,769,748)</u>	<u>(3,005,318)</u>	<u>(24,775,066)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	24,177,856	21,875,786	2,302,031	24,177,817
Issuance of bonds	12,723,122	62,122	-	62,122
Total other financing sources (uses)	<u>36,900,978</u>	<u>21,937,908</u>	<u>2,302,031</u>	<u>24,239,939</u>
Excess (deficiency) of revenues and transfers over expenditures	<u>\$ -</u>	<u>\$ 168,160</u>	<u>(703,287)</u>	<u>\$ (535,127)</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital outlay			531,450	
Debt service principal payments			1,590,000	
Depreciation and amortization			(1,207,364)	
Change in net position			<u>\$ 210,799</u>	
The change in First Concord net position is allocated as follows:				
General Fund Capital Projects Fund			706,232	
Governmental activities			(613,953)	
Internal Service Fund			118,520	
			<u>\$ 210,799</u>	

CITY OF CONCORD, NORTH CAROLINA
ANALYSIS OF CURRENT LEVY
June 30, 2024

Schedule 1

Fiscal Year	Uncollected Balance June 30, 2023	Additions	Collections, Credits and Adjustments	Uncollected Balance June 30, 2024
2023-2024	\$ -	\$ 77,837,176	\$ 77,445,929	\$ 391,247
2022-2023	447,299	-	246,518	200,781
2021-2022	89,050	-	19,746	69,304
2020-2021	73,010	-	10,315	62,695
2019-2020	135,767	-	6,665	129,102
2018-2019	41,858	-	2,339	39,519
2017-2018	309,309	-	1,429	307,880
2016-2017	17,032	-	1,429	15,603
2015-2016	39,487	-	1,448	38,039
2014-2015	47,359	-	1,360	45,999
2013-2014	27,306	-	27,306	(0)
	<u>\$ 1,227,477</u>	<u>\$ 77,837,176</u>	<u>\$ 77,764,484</u>	1,300,169
Less allowance for uncollectible ad valorem taxes receivable				325,042
Ad valorem taxes receivable				<u>\$ 975,127</u>

	General Fund	Municipal Service District Fund	
Reconciliation to revenue:			
Taxes, ad valorem	\$ 77,554,830	\$ 179,209	
Taxes written off	30,453	98	
Total collections and credits	<u>\$ 77,585,283</u>	<u>\$ 179,307</u>	\$ 77,764,590
Interest billed and collected during the year			210,682
Miscellaneous adjustment			-
Taxes written off			(30,551)
Total Ad valorem taxes			<u>\$ 77,944,721</u>

**CITY OF CONCORD, NORTH CAROLINA
ANALYSIS OF CURRENT LEVY
Year Ended June 30, 2024**

Schedule 2

Fiscal Year	Property Valuation	Rate	Total Levy	Total Levy	
				Property	Registered Motor Vehicles
Original levy:					
City wide	\$ 14,759,533,748	0.48	\$ 70,845,762	\$ 70,845,762	\$ -
Municipal Service District	84,138,848	0.23	193,519	193,519	-
Current year's rate, Motor vehicles	1,363,652,083	0.48	6,545,530	-	6,545,530
Discoveries/additional listings:					
Current year taxes, City wide	109,216,919	0.48	524,241	524,241	-
Current year taxes, MSD	2,512,517	0.23	5,779	5,779	-
Current year's rate, Motor vehicles	41,069	0.48	197	-	197
Abatements:					
Current year's rate, City wide	(57,659,463)	0.48	(276,765)	(276,765)	-
Current year's rate, MSD	(472,739)	0.23	(1,087)	(1,087)	-
Current year's rate, Motor vehicles	-	0.48	-	-	-
Total for year	<u>\$ 16,260,962,982</u>		<u>77,837,176</u>	<u>71,291,449</u>	<u>6,545,727</u>
Less uncollected tax at June 30, 2024			391,247	391,247	-
Current year's taxes collected			<u>\$ 77,445,929</u>	<u>\$ 70,900,202</u>	<u>\$ 6,545,727</u>
Current levy collection percentage			<u>99.50%</u>	<u>99.45%</u>	<u>100.00%</u>
Distribution of levy:					
General Fund			\$ 77,638,965		
Municipal Service District			198,211		
			<u>\$ 77,837,176</u>		

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF CASH AND INVESTMENT BALANCES
June 30, 2024

Schedule 3
Page 1 of 2

	Reported Value	Fair Value
Cash		
On hand	\$ 9,375	\$ 9,375
Demand deposits	11,041,086	11,041,086
Certificates of deposit	500,000	500,000
Insured Cash Sweep	15,851,964	15,851,964
Total cash	<u>27,402,425</u>	<u>27,402,425</u>
Investments		
North Carolina Capital Management Trust	80,587,494	80,587,494
North Carolina Cooperative Liquid Assets Securities System	2,011,237	2,011,237
US Treasury	9,945,620	9,945,620
Federal Farm Credit	84,540,894	84,540,894
Federal National Mortgage Association	94,157,563	94,157,563
Federal Home Loan	71,810,490	71,810,490
Federal Home Loan Mortgage Corporation	86,696,205	86,696,205
Commercial Paper	32,204,410	32,627,414
Total investments	<u>461,953,913</u>	<u>462,376,917</u>
Total cash and investments	<u>\$ 489,356,338</u>	<u>\$ 489,779,342</u>
Distribution by Fund		
General Fund:		
Unrestricted	\$ 72,236,988	
Restricted	<u>8,382,462</u>	\$ 80,619,450
Special Revenue Funds:		
American Rescue Plan Fund (Unrestricted)		2,562,882
Opioid Settlement Fund (Restricted)		191,861
Housing Assistance Fund		
Unrestricted	77,926	
Restricted	<u>211,046</u>	288,972
FSS Escrow Forfeitures Fund (Restricted)		27,182
Emergency Housing Assistance		
Unrestricted	18,288	
Restricted	<u>37,275</u>	55,563
Market Rate Units Fund:		
Unrestricted	238,187	
Restricted	<u>10,100</u>	248,287
Home Fund (Unrestricted)		131,799
Affordable Housing Fund (Unrestricted)		366,682
Municipal Service District (Unrestricted)		168,908
State Directed Grants Fund (Restricted)		4,055,816
Capital Project Funds:		
Parks		
Unrestricted	5,702,570	
Restricted	<u>43,678,547</u>	49,381,117
Parks Capital Reserve Fund (Unrestricted)		2,000,447
Transportation (Unrestricted)		19,962,833

(Continued)

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF CASH AND INVESTMENT BALANCES
June 30, 2024

	Reported Value	Fair Value
Distribution by Fund (Continued)		
General Fund Capital Project Fund:		
Unrestricted	35,070,757	
Restricted	<u>1</u>	35,070,758
General Fund Capital Reserve Project Fund (Restricted)		17,151,004
Fire and Life Safety (Unrestricted)		1,537,578
Enterprise Funds:		
Electric Fund:		
Unrestricted	\$ 100,789,690	
Restricted	<u>2,961,523</u>	\$ 103,751,213
Water Fund:		
Unrestricted	66,386,876	
Restricted	<u>23,636,389</u>	90,023,265
Wastewater Fund:		
Unrestricted	39,830,995	
Restricted	<u>65,635</u>	39,896,630
Regional Airport Fund:		
Unrestricted	14,756,939	
Restricted	<u>7,646,910</u>	22,403,849
Stormwater Fund (Unrestricted)		13,743,108
Golf Course Fund (Unrestricted)		3,709,676
Housing Department Fund:		
Unrestricted	1,887,648	
Restricted	<u>119,809</u>	2,007,457
Internal Service Fund (Restricted)		1
Total reported value		<u><u>\$ 489,356,338</u></u>

CITY OF CONCORD, NORTH CAROLINA
 SUPPLEMENTAL FINANCIAL DATA SCHEDULE - SECTION 8 HOUSING PROGRAMS
 Year Ended June 30, 2024

Line Item	Account Description	Low Rent Public Housing 14.850	Housing Choice Vouchers 14.871	Public Housing Capital Fund 14.872	Family Self Sufficiency 14.896	Emergency Housing Vouchers 14.EHV	FSS Escrow Forfeiture Account 14.EFA
Assets:							
Current Assets:							
Cash:							
111	Cash - unrestricted	\$ 1,781,426	\$ 77,925	\$ -	\$ -	\$ -	\$ -
112	Cash - restricted - modernization and development	130,289	-	-	-	-	-
113	Cash - other restricted	18,517	77,739	-	-	55,563	27,182
114	Cash - tenant security deposits	44,108	-	-	-	-	-
115	Cash - restricted for payment of current liabilities	57,184	133,308	-	-	-	-
100	Total cash	2,031,524	288,972	-	-	55,563	27,182
Accounts and notes receivable:							
121	Accounts receivable - PHA projects	-	69,959	-	-	-	-
122	Accounts receivable - HUD other projects	-	177,145	-	-	7,789	-
125	Accounts receivable - miscellaneous	-	-	-	-	-	-
126	Accounts receivable - tenants - dwelling units	14,023	-	-	-	-	-
126.1	Allowance for doubtful accounts - dwelling rents	(8,454)	-	-	-	-	-
128	Fraud recovery	1,430	-	-	-	-	-
128.1	Allowance for doubtful accounts - other	(702)	-	-	-	-	-
129	Accrued interest receivable	2,072	281	-	-	70	34
120	Total receivables	8,369	247,385	-	-	7,859	34
142	Prepaid expenses and other assets	2,416	5,943	-	-	-	-
150	Total current assets	2,042,309	542,300	-	-	63,422	27,216
Noncurrent Assets:							
161	Land	577,382	-	-	-	-	-
162	Buildings	3,237,713	-	-	-	-	-
164	Furniture, equipment, machinery - administration	170,847	11,654	-	-	-	-
165	Leasehold improvements	25,391	-	-	-	-	-
166	Accumulated depreciation	(2,546,114)	(7,958)	-	-	-	-
180	Total non-current assets	1,465,219	3,696	-	-	-	-
200	Deferred Outflow of Resources	432,998	-	-	-	-	-
290	Total Assets and Deferred Outflow of Resources	\$ 3,940,526	\$ 545,996	\$ -	\$ -	\$ 63,422	\$ 27,216
Liabilities and Equity:							
Liabilities:							
Current Liabilities:							
312	Accounts payable (less than or equal to 90 days)	\$ 49,753	\$ 7,441	\$ -	\$ -	\$ 9	\$ -
321	Accrued wage/payroll taxes payable	9,631	6,875	-	-	-	-
322	Accrued compensated absences - Current Portion	44,324	6,356	-	-	-	-
331	Accounts payable - HUD PHA programs	-	382	-	-	2,757	-
341	Tenant security deposits	44,108	-	-	-	-	-
342	Unearned revenue	-	-	-	-	37,275	-
345	Other current liabilities	57,184	133,308	-	-	-	-
346	Accrued liability - other	8,398	-	-	-	-	-
310	Total current liabilities	213,398	154,362	-	-	40,041	-

(Continued)

CITY OF CONCORD, NORTH CAROLINA
 SUPPLEMENTAL FINANCIAL DATA SCHEDULE - SECTION 8 HOUSING PROGRAMS
 Year Ended June 30, 2024

Line Item	Account Description	Low Rent Public Housing 14.850	Housing Choice Vouchers 14.871	Public Housing Capital Fund 14.872	Family Self Sufficiency 14.896	Emergency Housing Vouchers 14.EHV	FSS Escrow Forfeiture Account 14.EFA
Non-current Liabilities:							
353	Non-current liabilities - other	18,517	77,739	-	-	-	-
354	Accrued compensated absences - non current	10,397	1,490	-	-	-	-
357	Accrued pension and OPEB liabilities	1,138,307	-	-	-	-	-
350	Total non-current liabilities	1,167,221	79,229	-	-	-	-
300	Total liabilities	1,380,619	233,591	-	-	40,041	-
400	Deferred Inflow of Resources	76,668	-	-	-	-	-
Equity:							
Contributed Capital:							
508.4	Net investment in capital assets	1,465,219	3,696	-	-	-	-
511.4	Restricted net position	-	-	-	-	-	27,216
512.4	Unrestricted net position	1,018,020	308,709	-	-	23,381	-
513	Total equity	2,483,239	312,405	-	-	23,381	27,216
600	Total liabilities, deferred inflows of resources and equity	\$ 3,940,526	\$ 545,996	\$ -	\$ -	\$ 63,422	\$ 27,216

Reconciliation from FDS to ACFR

Total assets per FDS	\$ 545,996
Subtract special revenue fund net capital assets not recorded within fund	(3,696)
Adjusted total assets	<u>\$ 542,300</u>
Total liabilities and equity FDS	\$ 545,996
Add depreciation (not recorded in SRF)	2,331
Subtract beginning balance, net capital assets	(6,027)
Adjusted total liabilities and equity	<u>\$ 542,300</u>

Revenues:

70300	Net tenant rental revenue	\$ 495,432	\$ -	\$ -	\$ -	\$ -	\$ -
70400	Tenant revenue - other	52,705	-	-	-	-	-
70600	HUD PHA operating grants	962,424	5,488,810	291,272	53,582	196,745	-
70610	Capital grants	-	-	284,135	-	-	-
71100	Investment income - unrestricted	82,750	15,485	-	-	-	-
71400	Fraud recovery	-	600	-	-	-	-
71500	Other revenue	168,356	276,477	-	-	-	3,225
71600	Gain or loss on sale of capital assets	890	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-	1,789
70000	Total revenue	1,762,557	5,781,372	575,407	53,582	196,745	5,014

Expenses:

Administrative:							
91100	Administrative salaries	195,817	219,497	-	-	-	-
91200	Auditing fees	287	993	-	-	-	-
91500	Employee benefit contributions - administrative	116,514	78,959	-	-	-	-
91600	Office expenses	38,005	42,755	-	-	-	-
91800	Travel	2,044	1,828	-	-	-	-
91810	Allocated overhead	573,983	48,802	-	-	-	-

(Continued)

CITY OF CONCORD, NORTH CAROLINA
 SUPPLEMENTAL FINANCIAL DATA SCHEDULE - SECTION 8 HOUSING PROGRAMS
 Year Ended June 30, 2024

Line Item	Account Description	Low Rent Public Housing 14.850	Housing Choice Vouchers 14.871	Public Housing Capital Fund 14.872	Family Self Sufficiency 14.896	Emergency Housing Vouchers 14.EHV	FSS Escrow Forfeiture Account 14.EFA
91900	Other	16,448	9,060	-	-	-	-
92100	Tenant services - salaries	41,626	-	-	29,767	-	-
92300	Tenant services - employee benefit contributions	18,372	-	-	16,701	-	-
92400	Tenant services - other	4,188	-	-	-	4,660	-
93100	Water	59,801	-	-	-	-	-
93200	Electricity	142,738	-	-	-	-	-
93300	Gas	122,142	-	-	-	-	-
93600	Sewer	60,082	-	-	-	-	-
93800	Other utility expense	10,879	-	-	-	-	-
94100	Ordinary maintenance and operations - labor	120,541	49,144	-	-	-	-
94200	Ordinary maintenance and operations - materials and other	127,238	-	-	-	-	-
94300	Ordinary maintenance and operations - contract costs	199,548	-	-	-	-	-
94500	Ordinary maintenance and operations - employee benefit contributions	43,988	16,942	-	-	-	-
96120	Liability insurance	2,799	2,799	-	-	-	-
96130	Workmen's compensation	1,261	540	-	-	-	-
96140	All other insurance	28,476	1,107	-	-	-	-
96200	Other general expense	29,051	24,000	-	-	-	-
96210	Compensated absences	34,112	8,801	-	7,114	-	-
96400	Bad debt - tenant rents	7,631	-	-	-	-	-
96720	Interest on notes payable (short and long term)	2,841	-	-	-	-	-
96900	Total operating expenses	2,000,412	505,227	-	53,582	4,660	-
97000	Excess of operating revenues over expenditures	(237,855)	5,276,145	575,407	-	192,085	5,014
97300	Housing assistance payments	-	4,966,131	-	-	171,568	-
97350	HAP portability-in	-	253,621	-	-	-	-
97400	Depreciation expense	63,387	2,331	-	-	-	-
90000	Total expenses	2,063,799	5,727,310	-	53,582	176,228	-
10010	Operating transfer in	291,272	-	-	-	-	-
10020	Operating transfer out	-	-	(291,272)	-	-	-
10040	Operating transfers from/to component unit	383,110	48,792	-	-	-	-
10000	Excess of revenue over expenses	373,140	102,854	284,135	-	20,517	5,014
11030	Beginning equity	1,815,768	209,551	-	-	(458)	\$ 22,202
11040	Prior period adjustments, equity transfers & correction of errors	294,331	-	(284,135)	-	3,322	\$ -
	Ending equity	\$ 2,483,239	\$ 312,405	\$ -	\$ -	\$ 23,381	\$ 27,216

Memo information:

11020	Required annual debt principal payments	-	-	-	-	-	-
11170	Administrative fee equity	-	312,415	-	-	26,138	-
11180	Housing assistance payments equity	-	-	-	-	-	-
11190	Unit months available	2,072	6,814	-	-	306	-
11210	Number of unit months leased	1,915	5,623	-	-	204	-
11270	Excess cash	1,510,988	-	-	-	-	-
11620	Building purchases	-	-	284,135	-	-	-
11640	Furniture & equipment - administrative purchases	-	-	-	-	-	-
11650	Leasehold improvement purchases	-	-	-	-	-	-

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS
June 30, 2024

Schedule 5
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	July 1, 2023	Increases	Decreases	Transfers	June 30, 2024
Electric Fund					
Capital assets, not being depreciated:					
Land	\$ 5,354,401	\$ -	\$ -	\$ -	\$ 5,354,401
Construction in progress	52,139,097	16,659,477	(177,534)	-	68,621,040
Total capital assets, not being depreciated	57,493,498	16,659,477	(177,534)	-	73,975,441
Capital assets, being depreciated:					
Buildings	5,429,405	-	-	-	5,429,405
Improvements other than buildings	146,872,133	2,218,329	-	-	149,090,462
Machinery and equipment	14,163,681	991,788	(853,671)	-	14,301,798
Total capital assets, being depreciated	166,465,219	3,210,117	(853,671)	-	168,821,665
Accumulated depreciation:					
Buildings	3,165,106	129,452	-	-	3,294,558
Improvements other than buildings	89,857,633	2,883,522	-	-	92,741,155
Machinery and equipment	9,453,419	991,823	(830,850)	-	9,614,392
Total accumulated depreciation	102,476,158	4,004,797	(830,850)	-	105,650,105
Total capital assets, being depreciated, net	63,989,061	(794,680)	(22,821)	-	63,171,560
Electric Fund capital assets, net	\$ 121,482,559	\$ 15,864,797	\$ (200,355)	\$ -	\$ 137,147,001
Water Fund					
Capital assets, not being depreciated:					
Land	\$ 1,300,497	\$ -	\$ -	\$ -	\$ 1,300,497
Construction in progress	11,502,671	1,386,470	(3,614,699)	-	9,274,442
Total capital assets, not being depreciated	12,803,168	1,386,470	(3,614,699)	-	10,574,939
Capital assets, being depreciated:					
Buildings	15,259,995	-	-	-	15,259,995
Improvements other than buildings	181,238,878	12,020,928	-	-	193,259,806
Machinery and equipment	4,886,973	264,429	(118,745)	(57,785)	4,974,872
Total capital assets, being depreciated	201,385,846	12,285,357	(118,745)	(57,785)	213,494,673
Accumulated depreciation:					
Buildings	8,304,888	492,498	-	-	8,797,386
Improvements other than buildings	81,850,148	4,375,461	-	-	86,225,609
Machinery and equipment	3,617,759	385,239	(118,745)	(62,559)	3,821,694
Total accumulated depreciation	93,772,795	5,253,198	(118,745)	(62,559)	98,844,689
Total capital assets, being depreciated, net	107,613,051	7,032,159	-	4,774	114,649,984
Capital assets, being amortized					
Software subscriptions	-	49,297	-	-	49,297
Total capital assets, being amortized	-	49,297	-	-	49,297
Accumulated amortization:					
Software subscriptions	-	8,435	-	-	8,435
Total accumulated amortization	-	8,435	-	-	8,435
Total capital assets, being amortized, net	-	40,862	-	-	40,862
Water Fund capital assets, net	\$ 120,416,219	\$ 8,459,491	\$ (3,614,699)	\$ 4,774	\$ 125,265,785

Continued

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS (Continued)
June 30, 2024

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	July 1, 2023	Increases	Decreases	Transfers	June 30, 2024
Wastewater Fund					
Capital assets, not being depreciated:					
Land	\$ 1,102,904	\$ -	\$ -	\$ -	\$ 1,102,904
Construction in progress	3,755,352	1,056,070	-	-	4,811,422
Total capital assets, not being depreciated	<u>4,858,256</u>	<u>1,056,070</u>	<u>-</u>	<u>-</u>	<u>5,914,326</u>
Capital assets, being depreciated:					
Buildings	1,909,378	-	-	-	1,909,378
Improvements other than buildings	143,320,272	4,234,720	-	-	147,554,992
Machinery and equipment	4,732,139	234,569	(416,874)	-	4,549,834
Total capital assets, being depreciated	<u>149,961,789</u>	<u>4,469,289</u>	<u>(416,874)</u>	<u>-</u>	<u>154,014,204</u>
Accumulated depreciation:					
Buildings	1,054,401	47,381	-	-	1,101,782
Improvements other than buildings	64,898,516	3,613,587	-	-	68,512,103
Machinery and equipment	3,490,549	380,214	(416,874)	-	3,453,889
Total accumulated depreciation	<u>69,443,466</u>	<u>4,041,182</u>	<u>(416,874)</u>	<u>-</u>	<u>73,067,774</u>
Total capital assets, being depreciated, net	<u>80,518,323</u>	<u>428,107</u>	<u>-</u>	<u>-</u>	<u>80,946,430</u>
Wastewater Fund capital assets, net	<u>\$ 85,376,579</u>	<u>\$ 1,484,177</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,860,756</u>
Regional Airport Fund					
Capital assets, not being depreciated:					
Land	\$ 23,596,652	\$ -	\$ -	\$ -	\$ 23,596,652
Construction in progress	2,318,779	2,971,299	-	-	5,290,078
Total capital assets, not being depreciated	<u>25,915,431</u>	<u>2,971,299</u>	<u>-</u>	<u>-</u>	<u>28,886,730</u>
Capital assets, being depreciated:					
Buildings	40,137,792	-	-	-	40,137,792
Improvements other than buildings	65,940,763	-	-	-	65,940,763
Machinery and equipment	5,231,227	221,886	(102,130)	-	5,350,983
Total capital assets, being depreciated	<u>111,309,782</u>	<u>221,886</u>	<u>(102,130)</u>	<u>-</u>	<u>111,429,538</u>
Accumulated depreciation:					
Buildings	19,444,979	1,126,348	-	-	20,571,327
Improvements other than buildings	25,023,485	2,082,301	-	-	27,105,786
Machinery and equipment	3,456,367	462,172	(102,130)	-	3,816,409
Total accumulated depreciation	<u>47,924,831</u>	<u>3,670,821</u>	<u>(102,130)</u>	<u>-</u>	<u>51,493,522</u>
Total capital assets, being depreciated, net	<u>63,384,951</u>	<u>(3,448,935)</u>	<u>-</u>	<u>-</u>	<u>59,936,016</u>
Capital assets, not being amortized:					
Subscription work in progress	59,258	-	(59,258)	-	-
Total capital assets, not being amortized	<u>59,258</u>	<u>-</u>	<u>(59,258)</u>	<u>-</u>	<u>-</u>
Capital assets, being amortized:					
Software Subscriptions	9,176	194,587	(9,176)	-	194,587
Total capital assets, being amortized	<u>9,176</u>	<u>194,587</u>	<u>(9,176)</u>	<u>-</u>	<u>194,587</u>
Accumulated amortization:					
Software subscriptions	5,506	34,301	(9,176)	-	30,631
Total accumulated amortization	<u>5,506</u>	<u>34,301</u>	<u>(9,176)</u>	<u>-</u>	<u>30,631</u>
Total capital assets, being amortized, net	<u>3,670</u>	<u>160,286</u>	<u>-</u>	<u>-</u>	<u>163,956</u>
Regional Airport Fund capital assets, net	<u>\$ 89,363,310</u>	<u>\$ (317,350)</u>	<u>\$ (59,258)</u>	<u>\$ -</u>	<u>\$ 88,986,702</u>

Continued

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS (Continued)
June 30, 2024

	July 1, 2023	Increases	Decreases	Transfers	June 30, 2024
Stormwater Fund					
Capital assets, not being depreciated:					
Land	\$ 114,282	\$ -	\$ -	\$ -	\$ 114,282
Construction in progress	2,674,434	1,319,967	-	-	3,994,401
Total capital assets, not being depreciated	<u>2,788,716</u>	<u>1,319,967</u>	<u>-</u>	<u>-</u>	<u>4,108,683</u>
Capital assets, being depreciated:					
Buildings	76,509	-	-	-	76,509
Improvements other than buildings	63,328,415	-	-	-	63,328,415
Machinery and equipment	2,861,703	56,979	(126,681)	(5,968)	2,786,033
Total capital assets, being depreciated	<u>66,266,627</u>	<u>56,979</u>	<u>(126,681)</u>	<u>(5,968)</u>	<u>66,190,957</u>
Accumulated depreciation:					
Buildings	35,658	2,380	-	-	38,038
Improvements other than buildings	26,669,182	1,573,388	-	-	28,242,570
Machinery and equipment	2,090,940	226,644	(126,681)	(1,194)	2,189,709
Total accumulated depreciation	<u>28,795,780</u>	<u>1,802,412</u>	<u>(126,681)</u>	<u>(1,194)</u>	<u>30,470,317</u>
Total capital assets, being depreciated, net	<u>37,470,847</u>	<u>(1,745,433)</u>	<u>-</u>	<u>(4,774)</u>	<u>35,720,640</u>
Stormwater Fund capital assets, net	<u>\$ 40,259,563</u>	<u>\$ (425,466)</u>	<u>\$ -</u>	<u>\$ (4,774)</u>	<u>\$ 39,829,323</u>
Transit Fund					
Capital assets, not being depreciated:					
Land	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000
Total capital assets, not being depreciated	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>
Capital assets, being depreciated:					
Buildings	2,511,520	-	-	-	2,511,520
Improvements other than buildings	19,317	-	-	-	19,317
Machinery and equipment	14,894,319	-	(5,249,890)	-	9,644,429
Total capital assets, being depreciated	<u>17,425,156</u>	<u>-</u>	<u>(5,249,890)</u>	<u>-</u>	<u>12,175,266</u>
Accumulated depreciation:					
Buildings	867,340	81,541	-	-	948,881
Improvements other than buildings	16,068	406	-	-	16,474
Machinery and equipment	7,243,136	1,307,782	(5,249,890)	-	3,301,028
Total accumulated depreciation	<u>8,126,544</u>	<u>1,389,729</u>	<u>(5,249,890)</u>	<u>-</u>	<u>4,266,383</u>
Total capital assets, being depreciated, net	<u>9,298,612</u>	<u>(1,389,729)</u>	<u>-</u>	<u>-</u>	<u>7,908,883</u>
Transit Fund capital assets, net	<u>\$ 10,798,612</u>	<u>\$ (1,389,729)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,408,883</u>

Continued

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS (Continued)
June 30, 2024

Schedule 5
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	July 1, 2023	Increases	Decreases	Transfers	June 30, 2024
Nonmajor Enterprise Funds and Internal Service Fund					
Capital assets, not being depreciated:					
Land	\$ 9,709,318	\$ -	\$ -	\$ -	\$ 9,709,318
Construction in progress	62,477	-	-	(62,477)	-
Total capital assets, not being depreciated	<u>9,771,795</u>	<u>-</u>	<u>-</u>	<u>(62,477)</u>	<u>9,709,318</u>
Capital assets, being depreciated:					
Buildings	13,546,039	-	(4,466,938)	-	9,079,101
Improvements other than buildings	1,556,518	-	-	(501,674)	1,054,844
Machinery and equipment	6,497,796	370,394	(161,894)	(2,600,342)	4,105,954
Total capital assets, being depreciated	<u>21,600,353</u>	<u>370,394</u>	<u>(4,628,832)</u>	<u>(3,102,016)</u>	<u>14,239,899</u>
Accumulated depreciation:					
Buildings	7,506,119	513,870	(4,353,832)	-	3,666,157
Improvements other than buildings	843,159	70,165	-	(135,567)	777,757
Machinery and equipment	5,308,457	318,948	(143,852)	(2,149,817)	3,333,736
Total accumulated depreciation	<u>13,657,735</u>	<u>902,983</u>	<u>(4,497,684)</u>	<u>(2,285,384)</u>	<u>7,777,650</u>
Total capital assets, being depreciated, net	<u>7,942,618</u>	<u>(532,589)</u>	<u>(131,148)</u>	<u>(816,632)</u>	<u>6,462,249</u>
Capital assets, being amortized:					
Right-to-use leased equipment	516,005	20,110	-	-	536,115
Total capital assets, being amortized	<u>516,005</u>	<u>20,110</u>	<u>-</u>	<u>-</u>	<u>536,115</u>
Accumulated amortization:					
Right-to-use leased equipment	65,694	122,070	-	-	187,764
Total accumulated amortization	<u>65,694</u>	<u>122,070</u>	<u>-</u>	<u>-</u>	<u>187,764</u>
Total capital assets, being amortized, net	<u>450,311</u>	<u>(101,960)</u>	<u>-</u>	<u>-</u>	<u>348,351</u>
Nonmajor Enterprise Funds capital assets, net	<u>\$ 18,164,724</u>	<u>\$ (634,549)</u>	<u>\$ (131,148)</u>	<u>\$ (879,109)</u>	<u>\$ 16,519,918</u>
Business-type activities capital assets, net	<u>\$ 485,861,566</u>	<u>\$ 23,041,371</u>	<u>\$ (4,005,460)</u>	<u>\$ (879,109)</u>	<u>\$ 504,018,368</u>

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF BUSINESS-TYPE ACTIVITIES LONG-TERM DEBT
June 30, 2024

Schedule 6

	July 1, 2023	Increases	Decreases	June 30, 2024	Current Maturities
Electric Fund					
Revenue bonds	\$ 7,595,013	\$ -	\$ (586,614)	\$ 7,008,399	\$ 613,015
Plus premium on revenue bonds	1,130,903	-	(97,403)	1,033,500	-
Compensated absences	536,057	442,096	(376,338)	601,815	463,398
Net pension liability (LIGERS)	3,337,344	235,612	-	3,572,956	-
Net OPEB liability	206,423	51,861	(76,626)	181,658	-
Electric Fund long-term debt	\$ 12,805,740	\$ 729,569	\$ (1,136,981)	\$ 12,398,328	\$ 1,076,413
Water Fund					
Revenue bonds	\$ 13,599,850	\$ 22,000,000	\$ (1,353,270)	\$ 34,246,580	\$ 1,965,150
Plus premium on revenue bonds	1,780,782	2,010,277	(200,474)	3,590,585	-
Compensated absences	317,993	373,919	(353,803)	338,109	260,344
Net pension liability (LIGERS)	2,937,253	209,966	-	3,147,219	-
Net OPEB liability	185,987	45,681	(71,750)	159,918	-
Subscriptions	-	49,297	(10,465)	38,832	9,253
Water Fund long-term debt	\$ 18,821,865	\$ 24,689,140	\$ (1,989,762)	\$ 41,521,243	\$ 2,234,747
Wastewater Fund					
Revenue bonds	\$ 2,370,138	\$ -	\$ (135,117)	\$ 2,235,021	\$ 141,835
Plus premium on revenue bonds	391,577	-	(30,315)	361,262	-
Compensated absences	132,193	163,679	(163,325)	132,547	102,062
Net pension liability (LIGERS)	1,292,977	140,517	-	1,433,494	-
Net OPEB liability	136,337	20,807	(86,050)	71,094	-
Wastewater Fund long-term debt	\$ 4,323,222	\$ 325,003	\$ (414,807)	\$ 4,233,418	\$ 243,897
Regional Airport Fund					
Installment purchase	\$ 5,044,026	\$ -	\$ (1,106,150)	\$ 3,937,876	\$ 788,035
Compensated absences	190,072	184,545	(151,806)	222,811	171,565
Net pension liability (LIGERS)	2,098,038	143,817	-	2,241,855	-
Net OPEB liability	1,762,977	32,540	-	1,795,517	-
Subscriptions	3,069	135,329	(28,704)	109,694	24,620
Regional Airport Fund long-term debt	\$ 9,098,182	\$ 496,231	\$ (1,286,660)	\$ 8,307,753	\$ 984,220
Stormwater Fund					
Compensated absences	\$ 69,629	\$ 113,558	\$ (92,287)	\$ 90,900	\$ 69,993
Net pension liability (LIGERS)	878,249	48,672	-	926,921	-
Net OPEB liability	92,559	13,454	(58,402)	47,611	-
Stormwater Fund long-term debt	\$ 1,040,437	\$ 175,684	\$ (150,689)	\$ 1,065,432	\$ 69,993
Transit Fund					
Compensated absences	\$ 41,594	\$ 42,006	\$ (25,377)	\$ 58,223	\$ 44,832
Net pension liability (LIGERS)	263,474	22,146	-	285,620	-
Net OPEB liability	216,936	4,146	-	221,082	-
Stormwater Fund long-term debt	\$ 522,004	\$ 68,298	\$ (25,377)	\$ 564,925	\$ 44,832
Nonmajor Enterprise Funds and Internal Service Fund					
Installment notes	\$ 4,272,976	\$ -	\$ (1,381,876)	\$ 2,891,100	\$ 240,350
Plus premium on LOBs	291,714	-	(27,783)	263,931	-
Compensated absences	659,697	689,503	(632,618)	716,582	551,768
Leases	442,481	20,110	(118,585)	344,006	115,454
Net pension liability (LIGERS)	6,089,189	469,313	-	6,558,502	-
Net OPEB liability	1,775,028	95,195	-	1,870,223	-
Nonmajor Enterprise Funds long-term debt	\$ 13,531,085	\$ 1,274,121	\$ (2,160,862)	\$ 12,644,344	\$ 907,572
Business-type activities long-term debt	\$ 60,142,535	\$ 27,689,748	\$ (7,139,761)	\$ 80,735,443	\$ 5,561,674

Statistical Section

This part of the City of Concord's annual comprehensive 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 city's overall financial health.

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Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF CONCORD, NORTH CAROLINA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

Table 1

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 303,629,133	\$ 299,048,429	\$ 312,710,029	\$ 317,112,060	\$ 316,363,203	\$ 326,124,878	\$ 397,805,262	\$ 445,135,068	\$ 449,044,564	\$ 530,190,284
Restricted	21,213,966	16,700,634	20,489,899	24,158,763	22,299,959	37,419,865	45,564,434	54,119,927	74,905,021	52,477,005
Unrestricted	61,910,544	76,521,941	77,341,541	66,036,514	72,235,591	58,705,356	59,065,397	51,789,348	88,920,534	59,759,456
Total governmental activities net position	<u>\$ 386,753,643</u>	<u>\$ 392,271,004</u>	<u>\$ 410,541,469</u>	<u>\$ 407,307,337</u>	<u>\$ 410,898,753</u>	<u>\$ 422,250,099</u>	<u>\$ 502,435,093</u>	<u>\$ 551,044,343</u>	<u>\$ 612,870,119</u>	<u>\$ 642,426,745</u>
Business-type activities										
Net investment in capital assets	\$ 279,995,482	\$ 297,636,341	\$ 309,519,783	\$ 323,941,763	\$ 331,877,156	\$ 352,506,369	\$ 375,836,060	\$ 407,277,620	\$ 450,770,411	\$ 471,756,434
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	144,548,886	164,225,843	169,450,247	163,072,895	200,109,606	224,584,405	242,670,598	212,562,231	218,425,895	251,429,073
Total business-type activities net position	<u>\$ 424,544,368</u>	<u>\$ 461,862,184</u>	<u>\$ 478,970,030</u>	<u>\$ 487,014,658</u>	<u>\$ 531,986,762</u>	<u>\$ 577,090,774</u>	<u>\$ 618,506,658</u>	<u>\$ 619,839,851</u>	<u>\$ 669,196,306</u>	<u>\$ 723,185,507</u>
Primary government										
Net investment in capital assets	\$ 583,624,615	\$ 596,684,770	\$ 622,229,812	\$ 641,053,823	\$ 648,240,359	\$ 678,631,247	\$ 773,641,322	\$ 852,412,688	\$ 899,814,975	\$ 1,001,946,718
Restricted	21,213,966	16,700,634	20,489,899	24,158,763	22,299,959	37,419,865	45,564,434	54,119,927	74,905,021	52,477,005
Unrestricted	206,459,430	240,747,784	246,791,788	229,109,409	272,345,197	283,289,761	301,735,995	264,351,579	307,346,429	311,188,529
Total primary government activities net position	<u>\$ 811,298,011</u>	<u>\$ 854,133,188</u>	<u>\$ 889,511,499</u>	<u>\$ 894,321,995</u>	<u>\$ 942,885,515</u>	<u>\$ 999,340,873</u>	<u>\$ 1,120,941,751</u>	<u>\$ 1,170,884,194</u>	<u>\$ 1,282,066,425</u>	<u>\$ 1,365,612,252</u>

CITY OF CONCORD, NORTH CAROLINA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2
Page 1 of 2

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 4,691,595	\$ 5,051,753	\$ 5,621,893	\$ 6,538,526	\$ 5,848,332	\$ 5,868,190	\$ 8,042,489	\$ 7,917,494	\$ 12,889,305	\$ 20,829,311
Public safety	36,851,383	37,306,072	41,296,415	43,288,505	47,728,011	52,387,556	56,804,303	58,198,076	63,869,676	68,408,428
Public works	28,327,081	29,415,487	25,685,453	26,745,618	27,955,340	27,392,943	31,745,286	34,148,019	41,732,671	40,755,514
Cultural & recreational	4,662,500	4,691,129	5,221,006	5,417,520	5,972,501	6,996,264	7,070,517	8,423,646	8,718,316	10,566,625
Planning & community development	3,037,830	3,320,039	3,092,715	3,982,622	6,687,301	4,699,130	5,302,309	6,222,328	5,306,325	12,649,835
Administration	2,076,215	2,010,137	895,927	1,083,360	1,001,208	2,018,740	2,032,335	998,347	1,260,141	4,224,535
Housing assistance Payments	4,127,317	3,832,265	4,195,694	4,275,944	4,527,057	4,480,648	4,705,017	4,784,111	5,299,540	5,391,320
Rehabilitation	214,316	1,072,157	895,828	1,004,575	1,380,879	1,075,666	1,230,061	2,055,926	2,234,832	1,419,432
Interest on long-term debt	1,435,986	1,262,457	1,194,385	1,063,021	928,032	795,074	637,687	678,918	603,439	1,361,593
Total governmental activities expenses	85,424,223	87,961,496	88,099,316	93,399,691	102,028,661	105,714,211	117,570,004	123,426,865	141,914,245	165,606,593
Business-type activities:										
Electric	70,822,661	67,070,451	82,797,485	82,169,016	65,164,522	60,279,345	67,259,271	91,574,771	90,244,107	73,923,371
Water	18,869,903	15,925,133	19,183,773	20,409,056	20,557,651	23,020,997	24,664,076	24,966,749	27,850,467	31,275,010
Wastewater	13,947,646	15,533,505	15,298,717	15,655,669	17,186,283	16,920,469	17,311,640	17,366,214	20,100,600	21,508,306
Regional airport	10,060,171	9,190,615	10,184,555	12,391,145	13,275,915	12,947,994	12,833,374	17,551,407	19,902,319	21,803,171
Stormwater	3,664,112	4,000,529	4,088,479	4,221,722	4,367,557	4,627,974	4,652,635	4,748,889	6,614,189	6,618,896
Transit	4,068,815	4,055,449	4,544,317	4,985,271	5,492,434	5,568,618	5,906,182	5,733,094	5,964,316	7,361,318
Other non major business-type	3,934,400	3,910,277	3,809,762	3,690,794	3,833,186	4,216,847	4,328,721	4,601,205	5,457,366	5,568,365
Total business-type activities expenses	125,367,708	119,685,959	139,907,088	143,522,673	129,877,548	127,582,244	136,955,899	166,542,329	176,133,364	168,058,437
Total primary government expenses	\$ 210,791,931	\$ 207,647,455	\$ 228,006,404	\$ 236,922,364	\$ 231,906,209	\$ 233,296,455	\$ 254,525,903	\$ 289,969,194	\$ 318,047,609	\$ 333,665,030
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,816,245	\$ 979,503	\$ 956,394	\$ 1,086,129	\$ 933,132	\$ 1,973,303	\$ 2,366,866	\$ 2,747,245	\$ 2,453,971	\$ 2,319,668
Public safety	1,394,849	1,346,713	1,187,729	1,274,871	1,283,251	1,303,487	1,544,532	1,586,622	1,824,791	1,850,868
Public works	391,750	381,028	858,487	1,039,712	802,667	697,172	1,132,855	3,960,973	3,695,681	3,937,608
Cultural and recreational	356,987	326,091	322,636	347,960	354,241	191,815	220,670	419,672	494,837	512,536
Planning and community development	2,090,776	2,040,391	1,918,761	2,143,720	1,897,724	2,688,528	3,056,647	107,861	244,125	223,591
Housing assistance	1,197,220	749,463	483,440	726,065	871,616	800,095	765,881	649,977	314,764	268,895
Rehabilitation	503,318	582,108	76,887	549,008	103,720	247,918	114,495	91,847	129,487	245,681
Operating grants and contributions	7,336,269	7,174,344	8,119,897	8,574,090	8,672,753	9,256,751	10,364,942	12,327,509	26,666,209	20,909,790
Capital grants and contributions	34,238,961	11,034,946	23,173,930	12,866,794	5,889,267	16,263,751	79,993,284	46,271,355	56,717,868	33,865,896
Total governmental activities program revenues	49,326,375	24,614,587	37,098,161	28,608,349	20,808,371	33,422,820	99,560,172	68,163,061	92,541,733	64,134,533

(Continued)

CITY OF CONCORD, NORTH CAROLINA
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (accrual basis of accounting)

Table 2
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	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities:										
Charges for services										
Electric	\$ 81,118,401	\$ 82,086,937	\$ 84,473,951	\$ 84,346,203	\$ 85,831,592	\$ 83,249,849	\$ 87,893,010	\$ 86,847,414	\$ 108,896,096	\$ 106,936,520
Water	21,517,196	22,941,925	24,731,261	25,524,337	26,550,358	28,046,163	28,219,279	29,633,487	29,434,776	31,206,520
Wastewater	16,167,934	17,651,022	17,166,503	18,014,586	18,610,383	19,109,299	19,833,528	20,642,104	20,220,958	21,118,736
Regional airport	8,612,280	7,663,481	8,584,741	9,891,669	10,642,458	9,010,320	9,528,683	14,595,561	15,112,385	14,771,255
Stormwater	3,896,251	3,965,529	4,035,706	4,968,205	5,078,414	5,143,952	5,284,293	5,412,501	5,523,166	5,623,485
Transit	296,685	288,531	374,923	301,339	323,693	299,012	2,032	270,447	219,582	228,454
Other non major business-type	2,047,753	2,014,849	2,186,668	2,244,921	2,258,902	2,539,150	3,295,362	3,386,261	3,641,015	4,255,528
Operating grants and contributions	3,301,773	2,084,934	3,173,637	2,870,627	5,983,066	4,634,731	4,256,267	6,194,809	15,133,971	6,259,022
Capital grants and contributions	5,895,701	13,936,032	9,330,447	9,487,054	11,513,458	13,761,672	17,702,259	13,048,417	22,844,344	22,153,307
Total business-type activities program revenues	142,853,974	152,633,240	154,057,837	157,648,941	166,792,324	165,794,148	176,014,713	180,031,001	221,026,293	212,552,827
Total primary government program revenue	\$ 192,180,349	\$ 177,247,827	\$ 191,155,998	\$ 186,257,290	\$ 187,600,695	\$ 199,216,968	\$ 275,574,885	\$ 248,194,062	\$ 313,568,026	\$ 276,687,360
Net (Expenses)/Revenue										
Governmental activities	\$ (36,097,848)	\$ (63,346,909)	\$ (51,001,155)	\$ (64,791,342)	\$ (81,220,290)	\$ (72,291,391)	\$ (18,009,832)	\$ (55,263,804)	\$ (49,372,512)	\$ (101,472,060)
Business-type activities	17,486,266	32,947,281	14,150,749	14,126,268	36,914,776	38,211,904	39,058,814	13,488,672	44,892,929	44,494,390
Total primary government net expense	\$ (18,611,582)	\$ (30,399,628)	\$ (36,850,406)	\$ (50,665,074)	\$ (44,305,514)	\$ (34,079,487)	\$ 21,048,982	\$ (41,775,132)	\$ (4,479,583)	\$ (56,977,670)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Ad Valorem taxes	\$ 46,125,496	\$ 47,573,304	\$ 50,896,652	\$ 54,088,843	\$ 55,717,789	\$ 56,769,474	\$ 68,983,413	\$ 71,237,932	\$ 74,645,935	\$ 77,999,164
Other taxes	16,917,828	16,191,844	17,675,132	18,602,265	20,168,719	18,919,783	22,777,368	26,899,548	29,025,343	29,382,011
Operating grants and contributions	3,932,956	5,100,371	4,740,748	5,168,960	5,415,685	5,300,053	5,157,517	5,707,828	6,353,443	6,781,553
Investment earnings	640,669	1,032,220	646,692	672,167	4,484,578	2,994,419	245,044	(6,419,857)	1,263,931	10,686,171
Miscellaneous gain (loss)	954,545	1,097,241	1,197,470	1,521,687	1,149,484	1,552,665	2,285,967	2,055,778	1,905,707	3,231,882
Transfers	(1,949,854)	(2,130,710)	(1,572,258)	(2,011,132)	(2,124,549)	(1,893,657)	(1,254,483)	4,391,825	(1,996,071)	2,947,905
Total governmental activities	66,621,640	68,864,270	73,584,436	78,042,790	84,811,706	83,642,737	98,194,826	103,873,054	111,198,288	131,028,686
Business-type activities										
Investment earnings	1,001,886	1,521,922	828,996	1,018,510	5,151,281	4,929,023	518,768	(8,212,466)	1,611,934	11,583,969
Miscellaneous	272,280	717,903	555,843	1,561,492	781,498	69,428	583,819	448,812	855,521	858,747
Transfers	1,949,854	2,130,710	1,572,258	2,011,132	2,124,549	1,893,657	1,254,483	(4,391,825)	1,996,071	(2,947,905)
Total business-type activities	3,224,020	4,370,535	2,957,097	4,591,134	8,057,328	6,892,108	2,357,070	(12,155,479)	4,463,526	9,494,811
Total primary government	\$ 69,845,660	\$ 73,234,805	\$ 76,541,533	\$ 82,633,924	\$ 92,869,034	\$ 90,534,845	\$ 100,551,896	\$ 91,717,575	\$ 115,661,814	\$ 140,523,497
Change in Net Position										
Governmental activities	\$ 30,523,792	\$ 5,517,361	\$ 22,583,281	\$ 13,251,448	\$ 3,591,416	\$ 11,351,346	\$ 80,184,994	\$ 48,609,250	\$ 61,825,776	\$ 29,556,626
Business-type activities	20,710,286	37,317,816	17,107,846	18,717,402	44,972,104	45,104,012	41,415,884	1,333,193	49,356,455	53,989,201
Total primary government	\$ 51,234,078	\$ 42,835,177	\$ 39,691,127	\$ 31,968,850	\$ 48,563,520	\$ 56,455,358	\$ 121,600,878	\$ 49,942,443	\$ 111,182,231	\$ 83,545,827

CITY OF CONCORD, NORTH CAROLINA
FUND BALANCES, GOVERNMENTAL FUNDS,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 3

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 166,024	\$ 174,692	\$ 231,111	\$ 160,215	\$ 137,814	\$ 148,394	\$ 221,584	\$ 241,969	\$ 228,254	\$ 318,693
Restricted	19,459,163	16,012,423	18,619,318	22,741,178	21,044,719	22,213,888	29,360,299	26,656,386	22,197,962	31,604,943
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	50,118,453	52,968,474	46,910,753	48,122,752	53,901,650	55,215,807	54,743,932	62,388,124	70,071,831	54,141,763
Total General Fund	\$ 69,743,640	\$ 69,155,589	\$ 65,761,182	\$ 71,024,145	\$ 75,084,183	\$ 77,578,089	\$ 84,325,815	\$ 89,286,479	\$ 92,498,047	\$ 86,065,399
All Other Governmental funds										
Non Spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 346	\$ 2,258	\$ 448	\$ 6,643
Restricted	1,588,779	513,519	1,639,470	1,257,370	1,117,010	15,205,977	16,204,135	27,463,541	24,187,351	20,872,062
Committed	17,164,075	26,658,640	35,587,791	37,647,614	32,583,208	34,239,194	32,404,494	42,120,081	52,400,342	109,642,411
Assigned	19,181,632	14,795,995	18,580,293	21,870,916	28,992,222	14,372,001	21,233,737	-	-	-
Unassigned	(619,797)	(127,780)	(236,053)	(56,534)	(760,463)	(177,820)	(274,657)	(2,487,710)	(131,366)	(3,350,399)
Total all other governmental funds	\$ 37,314,689	\$ 41,840,374	\$ 55,571,501	\$ 60,719,366	\$ 61,931,977	\$ 63,639,352	\$ 69,568,055	\$ 67,098,170	\$ 76,456,775	\$ 127,170,717

CITY OF CONCORD, NORTH CAROLINA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 4

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 45,758,123	\$ 48,134,096	\$ 51,179,474	\$ 54,835,072	\$ 55,441,784	\$ 56,988,936	\$ 69,025,459	\$ 71,409,573	\$ 74,657,174	\$ 77,944,721
Other taxes	16,917,828	16,191,844	17,675,132	18,602,265	20,168,719	18,919,783	22,777,368	26,899,548	29,025,343	29,382,011
Unrestricted intergovernmental revenues	3,932,956	5,100,371	4,740,748	5,168,960	5,415,685	5,300,053	5,157,517	5,707,828	6,353,443	6,781,553
Restricted intergovernmental revenues	8,667,584	8,079,968	9,792,222	9,296,854	9,877,589	13,003,537	12,476,101	13,746,459	28,397,106	22,545,130
Licenses, fees, and permits	2,004,511	1,289,489	1,169,815	1,385,999	1,142,845	2,174,220	2,587,922	2,972,892	2,658,210	2,506,004
Investment earnings	640,669	1,032,220	646,692	672,167	4,484,578	2,994,419	245,044	(6,419,857)	1,263,931	8,787,903
Investment earnings restricted	23,385	32,037	49,118	58,934	81,536	113,633	69,654	12,274	24,961	1,961,380
Program income	2,460,878	1,712,599	1,474,389	2,371,806	1,830,997	1,806,288	2,380,555	1,703,516	1,128,057	1,278,270
Other revenues	4,186,913	3,797,617	3,651,331	3,927,847	3,646,729	4,074,034	4,492,510	5,910,175	5,887,172	7,637,447
Total revenues	84,592,847	85,370,241	90,378,921	96,319,904	102,090,462	105,374,903	119,212,130	121,942,408	149,395,397	158,824,419
Expenditures										
General government	4,857,917	4,420,117	4,735,511	5,872,583	5,059,155	4,920,914	7,076,063	7,303,411	11,845,884	19,226,409
Public safety	34,244,381	34,797,980	37,606,924	39,654,458	43,902,224	46,857,572	50,004,123	54,151,171	56,941,639	61,345,887
Public works	10,463,847	10,956,118	11,120,147	12,447,406	13,795,997	13,454,267	18,198,580	20,272,067	22,412,485	19,594,479
Cultural and recreational	4,335,081	4,325,132	4,719,578	4,885,244	5,398,744	6,130,192	6,183,507	7,596,989	7,576,326	9,309,674
Planning and community development	3,007,670	3,270,248	2,995,872	3,918,391	6,511,658	4,464,497	5,317,003	5,977,747	5,146,308	12,489,893
Administration	2,076,215	2,010,137	895,927	1,083,360	1,001,208	2,018,740	2,032,335	998,347	1,260,140	4,224,535
Housing assistance payments	4,127,317	3,832,265	4,195,694	4,275,944	4,527,057	4,480,648	4,705,017	4,784,111	5,299,540	5,391,320
Rehabilitation	214,316	1,072,157	895,828	1,004,575	1,380,879	1,075,666	1,230,061	2,055,926	2,234,832	1,419,432
Capital outlay	17,688,922	10,698,997	7,291,213	7,350,932	9,777,426	12,392,727	14,739,195	18,198,952	19,388,790	26,302,668
Debt service										
Principal	1,477,547	2,510,447	2,639,222	5,355,079	2,628,105	4,349,184	2,410,733	2,256,972	2,283,877	2,303,727
Interest	1,233,584	1,408,299	1,194,385	1,063,021	928,031	79,182	637,687	782,330	706,852	1,619,409
Total expenditures	83,726,797	79,301,897	78,290,301	86,910,993	94,910,484	100,223,589	112,534,304	124,378,023	135,096,673	163,227,433
Excess of revenues over (under) expenditures	866,050	6,068,344	12,088,620	9,408,911	7,179,978	5,151,314	6,677,826	(2,435,615)	14,298,724	(4,403,014)
Other Financing Sources (Uses)										
Sale of capital assets	-	-	-	295,328	217,636	1,232,682	1,053,086	373,280	255,834	271,831
Debt issued	15,208,806	-	-	2,724,477	-	-	6,200,000	-	-	45,705,702
Subscription liabilities issued	-	-	-	-	-	-	-	-	11,685	28,869
Lease liabilities issued	-	-	-	-	-	-	-	161,289	-	-
Issuance of refunding bonds	8,895,000	-	-	-	-	437,038	-	-	-	-
Premium on refunding bonds	760,844	-	-	-	-	-	-	-	-	-
Payment to refunded bonds escrow agent	(10,519,638)	-	-	-	-	(726,512)	-	-	-	-
Transfers in	22,263,320	20,886,597	22,401,709	17,815,721	15,290,722	16,030,021	28,678,592	36,799,183	55,594,177	38,332,736
Transfers out	(24,213,174)	(23,017,307)	(24,153,609)	(19,833,609)	(17,415,271)	(17,923,678)	(29,933,075)	(32,407,358)	(57,590,247)	(35,384,830)
Total Other Financing Sources (Uses)	12,395,158	(2,130,710)	(1,751,900)	1,001,917	(1,906,913)	(950,449)	5,998,603	4,926,394	(1,728,551)	48,954,308
Net change in fund balances	\$ 13,261,208	\$ 3,937,634	\$ 10,336,720	\$ 10,410,828	\$ 5,273,065	\$ 4,200,865	\$ 12,676,429	\$ 2,490,779	\$ 12,570,173	\$ 44,551,294
Debt service as a percentage of non capital expenditures	4.11%	5.71%	5.40%	8.07%	4.18%	5.04%	3.12%	2.86%	2.61%	2.86%

**CITY OF CONCORD, NORTH CAROLINA
NUMBER OF ELECTRIC CUSTOMERS BY TYPE,
Last Ten Fiscal Years**

Table 5

Fiscal Year	Residential	Commercial	Industrial	Total
2015	24,735	4,276	58	29,069
2016	25,008	4,306	57	29,371
2017	25,628	4,386	60	30,074
2018	26,482	4,488	61	31,031
2019	27,010	4,531	63	31,604
2020	27,673	4,631	64	32,368
2021	27,983	4,668	63	32,714
2022	28,271	4,705	63	33,039
2023	28,839	4,713	63	33,615
2024	29,288	4,338	61	33,687

Source: City of Concord Finance and Electric Departments

CITY OF CONCORD, NORTH CAROLINA
ELECTRIC RATES
Last Ten Fiscal Years

Table 6

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Residential Customers										
Basic charges	\$ 9.46	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 12.00
Energy Charges per kWh (July - October)										
First 350	0.091331	0.097476	0.097476	0.097476	0.097476	0.097476	0.097476	0.097476	0.097476	0.100466
Over 350	0.091331	0.097476	0.097476	0.097476	0.097476	0.097476	0.097476	0.092851	0.092851	0.100466
Energy Charges per kWh (November - June)										
First 350	0.091331	0.097476	0.097476	0.097476	0.097476	0.097476	0.097476	0.097476	0.097476	0.100466
Over 350	0.082582	0.088476	0.088476	0.088476	0.088476	0.088476	0.088476	0.084751	0.084751	0.091466
Commercial Customers										
Basic Facilities Charge	18.20	18.20	18.20	18.20	18.20	18.20	18.20	18.20	18.20	28.00
Demand Charge per kW (over 30 kW of billing demand)	3.77	3.77	3.77	3.77	3.77	3.77	3.77	3.77	3.77	7.6
Energy Charge										
First 125 kWh per kW billing demand per month										
First 3,000	0.114193	0.120344	0.120344	0.120344	0.120344	0.120344	0.120344	0.120344	0.120344	0.114709
Next 87,000	0.068575	0.074726	0.074726	0.074726	0.074726	0.074726	0.074726	0.074726	0.074726	0.069091
Over 90,000	0.066266	0.072417	0.072417	0.072417	0.072417	0.072417	0.072417	0.072417	0.072417	0.06782
Next 275 kWh per kW billing demand per month										
First 6,000	0.065456	0.071607	0.071607	0.071607	0.071607	0.071607	0.071607	0.071607	0.071607	0.065972
Next 134,000	0.058177	0.064328	0.064328	0.064328	0.064328	0.064328	0.064328	0.064328	0.064328	0.058693
Over 140,000	0.055867	0.062018	0.062018	0.062018	0.062018	0.062018	0.062018	0.062018	0.062018	0.058693
All over 400 kWh per kW billing demand	0.054712	0.060813	0.060863	0.060863	0.060813	0.060863	0.060863	0.060863	0.060863	0.055228
Industrial Customers										
Basic Facilities Charge	18.54	19.30	19.30	19.30	19.30	19.30	19.30	19.30	18.20	77.00
Demand Charge per kW (over 30 kW of billing demand)	3.62	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.77	7.20
Energy Charge										
First 125 kWh per kW billing demand per month										
First 3,000	0.107612	0.115251	0.115251	0.115251	0.115251	0.115251	0.115251	0.115251	0.117112	0.112657
Next 87,000	0.063924	0.070911	0.070911	0.070911	0.070911	0.070911	0.070911	0.070911	0.072846	0.068317
Over 90,000	0.061714	0.069151	0.069151	0.069151	0.069151	0.069151	0.069151	0.069151	0.070607	0.066557
Next 275 kWh per kW billing demand per month										
First 140,000	0.053967	0.060471	0.060471	0.060471	0.060471	0.060471	0.060471	0.060471	0.069821	0.057877
Over 140,000	0.051755	0.058651	0.058651	0.058651	0.058651	0.058651	0.058651	0.058651	0.060517	0.056057
All over 400 kWh per kW billing demand	0.050648	0.056751	0.056751	0.056751	0.056751	0.056751	0.056751	0.056751	0.059395	0.059395

Source: City of Concord Finance and Electric Departments

**CITY OF CONCORD, NORTH CAROLINA
TEN LARGEST ELECTRIC CUSTOMERS,
Current Year and Nine Years Ago**

Table 7

Customer	2024				2015		
	Electric Revenue	Rank	Percentage of Total Electric Revenue		Electric Revenue	Rank	Percentage of Total Electric Revenue
Celgard LLC	3,895,880	1	4.66 %	1,304,278	8	1.54 %	
WSACC	1,900,405	2	2.27	-		-	
Perdue Farms	1,762,065	3	2.11	1,360,119	4	1.61	
Concord Mills LLC	1,781,898	4	2.13	1,505,846	2	1.78	
Cabarrus County Schools	2,474,812	5	2.96	1,384,913	3	1.64	
City of Concord	2,985,861	6	3.57	1,907,889	1	2.26	
DNP IMS America Corporation	1,489,464	7	1.78	-		-	
S&D Coffee	1,493,296	8	1.79	2,204,583	6	2.61	
Legrand	1,256,226	9	1.50	1,325,880	5	1.57	
Great Wolf of the Carolinas LLC	855,709	10	1.02	531,720	10	0.63	
Rocky River Water Treatment Plant	-		-	1,516,847	7	1.79	
Cabarrus Plastics Mfg	-		-	940,592	9	1.11	
Total	\$ 19,895,616		23.80 %	\$ 13,982,667		16.54 %	

Source: City of Concord Finance and Electric Departments

CITY OF CONCORD, NORTH CAROLINA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Table 8

Fiscal Year	Real Property			Personal Property	Public Service Companies	Total Taxable Assessed Value	Direct Tax Rate (3)
	Residential Property (1)	Commercial Property (2)	Industrial Property (2)				
2015	4,530,331,851	2,438,815,784	748,623,832	978,492,143	124,486,420	8,820,750,030	0.48
2016	4,595,764,139	2,474,039,979	759,436,323	1,033,191,542	124,486,420	8,986,918,403	0.48
2017	6,068,241,265	1,642,104,405	767,219,663	1,035,500,636	153,919,497	9,666,985,465	0.48
2018	6,301,664,105	1,775,705,266	814,494,754	1,149,787,848	159,207,805	10,200,859,777	0.48
2019	5,493,955,055	2,711,577,147	989,371,655	1,097,323,976	135,500,000	10,427,727,833	0.48
2020	6,153,546,284	2,351,819,173	1,008,466,150	1,167,510,435	142,374,829	10,823,716,872	0.48
2021	6,840,413,756	3,861,504,684	1,208,953,502	1,232,702,466	139,849,637	13,283,424,045	0.48
2022	7,129,953,621	3,793,047,513	1,273,293,120	1,241,066,504	137,480,048	13,574,840,807	0.48
2023	7,354,068,620	3,862,489,110	1,356,649,007	1,407,585,175	144,933,733	14,125,725,645	0.48
2024	7,569,323,294	3,982,552,452	1,467,256,167	1,574,347,747	149,638,308	14,743,117,968	0.48

Source: Cabarrus County Tax Office

- (1) Tax Exempt Property is subtracted from Residential and Personal Property
- (2) Commercial and Industrial Property estimates are as of January 1, 2021
- (3) Per \$100 of value

**CITY OF CONCORD, NORTH CAROLINA
 DIRECT AND OVERLAPPING PROPERTY TAX RATES,
 Last Ten Fiscal Years
 (rate per \$100 of assessed value)**

Table 9

Fiscal Year	City of Concord			Overlapping Rates	Combined Tax Rate
	General Fund Basic Rate	Municipal Service District Basic Rate	Total Weighted Average Rate (1)	Cabarrus County	
2015	0.48	0.23	0.4788	0.71	1.19
2016	0.48	0.23	0.4788	0.70	1.18
2017	0.48	0.23	0.4788	0.70	1.18
2018	0.48	0.23	0.4788	0.70	1.18
2019	0.48	0.23	0.4788	0.72	1.20
2020	0.48	0.23	0.4788	0.74	1.22
2021	0.48	0.23	0.4788	0.74	1.22
2022	0.48	0.23	0.4788	0.74	1.22
2023	0.48	0.23	0.4788	0.74	1.22
2024	0.48	0.23	0.4788	0.74	1.22

Source: Cabarrus County Tax Office

(1) Total City tax rate is a weighted average of all types of City of Concord tax rates. Cabarrus County rate is a direct rate.

**CITY OF CONCORD, NORTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago**

Table 10

Taxpayer	2024				2015			
	Taxable Assessed		Percentage of Total City Taxable Assessed		Taxable Assessed		Percentage of Total City Taxable Assessed	
	Value	Rank	Value		Value	Rank	Value	
Mall at Concord Mills LP	\$ 229,966,930	1	1.75	%	\$ 224,248,930	1	2.25	%
Charlotte Motor Speedway LLC	177,098,938	2	1.35		192,337,703	3	1.93	
HMS Holdings LLC	161,166,006	3	1.23		47,199,998	10	0.47	
Celgard LLC	150,810,964	4	1.15		208,412,833	2	2.09	
WMCI Charlotte VI LLC	134,609,350	5	1.03					
HSREI LLC a NC LLC	133,025,146	6	1.01					
Eli Lilly and Company	130,727,318	7	1.00					
The Silverman Group	129,210,810	8	0.98					
Great Wolf Lodge	118,511,258	9	0.90		80,394,660	5	0.81	
Exeter 6361Glen Afton LLC	105,604,930	10	0.80					
DNP IMS America Corporation					79,746,925	4	0.80	
Windstream Concord Telephone					55,871,896	6	0.56	
Bootsmead Leaseco LLC					50,228,501	7	0.50	
S&D Coffee Company					48,836,556	8	0.49	
JQH-Concord Development LLC					48,480,900	9	0.49	
Total	<u>\$ 1,470,731,650</u>		<u>11.21</u>	<u>%</u>	<u>\$ 1,035,758,902</u>		<u>10.39</u>	<u>%</u>

Source: Cabarrus County Tax Office

**CITY OF CONCORD, NORTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years**

Table 11

Fiscal Year	Tax Year	Taxes Levied for the Fiscal Year	Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount Collected	Percentage of Levy		Amount	Percentage of Levy
2015	2014	43,234,260	42,875,146	99.2%	738,281	43,613,427	100.9%
2016	2015	43,794,974	43,379,086	99.1%	741,762	44,120,848	100.7%
2017	2016	47,953,016	47,389,747	98.8%	918,325	48,308,072	100.7%
2018	2017	53,695,713	53,071,029	98.8%	330,585	53,401,614	99.5%
2019	2018	55,614,536	54,719,919	98.4%	378,887	55,098,806	99.1%
2020	2019	57,232,612	56,597,931	98.9%	437,010	57,034,941	99.7%
2021	2020	68,850,679	68,324,465	99.2%	330,685	68,655,150	99.7%
2022	2021	71,230,275	70,869,972	99.5%	287,187	71,157,159	99.9%
2023	2022	74,481,026	74,033,727	99.4%	243,019	74,276,746	99.7%
2024	2023	77,837,176	77,445,929	99.5%		77,445,929	99.5%

CITY OF CONCORD, NORTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE,
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Table 12

Governmental activities							
Fiscal Year	General			Installment Notes	HUD Loan	Lease Liabilities	Subscription Liabilities
	Installment Purchase	Obligation Bonds	Revenue Bonds				
2015	3,375	-	2,225	28,859	1,538	-	-
2016	3,105	-	1,915	26,892	1,429	-	-
2017	2,835	-	1,597	24,950	1,320	-	-
2018	2,578	-	1,270	23,012	1,211	-	-
2019	2,280	-	1,006	21,055	1,102	-	-
2020	1,988	-	437	19,095	-	-	-
2021	7,902	-	294	17,113	-	-	-
2022	7,002	-	148	15,799	-	135	-
2023	6,109	-	-	14,453	-	108	6
2024	5,166	45,551	-	14,141	-	79	14

Business type activities						Total	Percentage	Per
Fiscal Year	Installment Purchase	Revenue Bonds	Installment Notes	Lease Liabilities	Subscription Liabilities	Primary	of Personal	Capita (1)
						Government	Income (1)	
2015	6,838	76,279	13,675	-	-	132,789	1.70%	1,554
2016	11,994	71,221	12,302	-	-	128,858	1.56%	1,473
2017	11,042	63,400	10,923	-	-	116,067	1.28%	1,307
2018	10,098	55,357	9,525	-	-	103,051	1.08%	1,135
2019	9,089	49,571	8,101	-	-	92,204	0.91%	996
2020	8,988	39,556	6,650	-	-	76,714	0.72%	729
2021	7,886	35,457	5,201	-	-	73,853	0.66%	697
2022	6,056	31,230	4,890	125	-	65,385	0.49%	604
2023	5,044	26,868	4,565	442	3	57,598	0.43%	508
2024	3,938	48,475	3,155	344	149	121,012	0.86%	1,067

(1) See Table 17 for population and personal income data.

CITY OF CONCORD, NORTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING,
Last Ten Fiscal Years

Table 13

General Bonded Debt Outstanding						
Fiscal Year	Gross Bonded Debt	Debt Payable From Enterprise Revenue	Net Bonded Debt	Percentage of Total Taxable Assessed Value (1)	Per Capita (2)	
2015	-	-	-	-	-	
2016	-	-	-	-	-	
2017	-	-	-	-	-	
2018	-	-	-	-	-	
2019	-	-	-	-	-	
2020	-	-	-	-	-	
2021	-	-	-	-	-	
2022	-	-	-	-	-	
2023	-	-	-	-	-	
2024	42,000,000	-	42,000,000	0.28%	370.47	

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Table 8 for property value data.

(2) Population data can be found in Table 17.

CITY OF CONCORD, NORTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2024

Table 14

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (3)	Estimated Share of Direct and Overlapping Debt
City of Concord (1)	\$ 64,952,650	100%	\$ 64,952,650
Cabarrus County (2)	579,346,583	50%	<u>289,673,292</u>
Total			<u><u>\$ 354,625,942</u></u>

(1) Includes total debt expected to be paid from governmental activities

(2) Source: Cabarrus County Finance Department

(3) The percentage used to calculate the overlapping debt for Cabarrus County is calculated based on the percentage of the County's Assessed Value that is within City limits.

CITY OF CONCORD, NORTH CAROLINA

Table 15

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

(dollars in thousands, with the exception of the calculation for the current year)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	\$ 782,350	\$ 796,278	\$ 863,783	\$ 896,594	\$ 928,512	\$ 955,686	\$ 1,149,661	\$ 1,190,549	\$ 1,121,214	\$ 1,180,763
Total net debt applicable to limit	30,096	27,997	25,925	23,870	21,754	19,642	23,723	21,612	19,476	60,325
Legal debt margin	\$ 752,254	\$ 768,281	\$ 837,858	\$ 872,724	\$ 906,758	\$ 936,044	\$ 1,125,938	\$ 1,168,937	\$ 1,101,738	\$ 1,120,438
Total net debt applicable to the limit as a percentage of debt limit	4%	4%	3%	3%	2%	2%	2%	2%	2%	5%

Legal Debt Margin Calculation for Fiscal Years

Total assessed value	\$ 14,759,533,748
Debt limit (8% of assessed value)	<u>1,180,762,700</u>
Debt applicable to limit:	
General Obligation bonds	42,000,000
Installment purchase notes	9,104,213
Installment notes	16,050,000
Less: Amount of bonded debt incurred for Business-type purposes	<u>(6,828,976)</u>
Total net debt applicable to limit	<u>60,325,237</u>
Legal Debt Margin	<u>\$ 1,120,437,463</u>
Net debt as a % of assessed values	0.41%

CITY OF CONCORD, NORTH CAROLINA
PLEDGED-REVENUE COVERAGE,
Last Ten Fiscal Years
(dollars in thousands)

Table 16

Water Revenue Bonds						
Fiscal Year	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	22,902	13,638	9,264	2,953	1,505	2.08
2016	26,447	10,739	15,708	3,041	1,341	3.58
2017	28,036	13,829	14,207	3,137	1,282	3.21
2018	28,139	15,104	13,035	3,236	1,107	3.00
2019	29,474	15,266	14,208	2,022	996	4.71
2020	30,886	17,815	13,071	4,623	848	2.39
2021	36,064	19,517	16,547	1,667	728	6.91
2022	31,773	22,420	9,353	1,738	662	3.90
2023	39,825	22,315	17,510	1,812	590	7.29
2024	42,964	26,361	16,603	1,353	628	8.38

Wastewater Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	19,704	10,144	9,560	2,000	804	3.41
2016	21,140	11,666	9,474	2,052	720	3.42
2017	21,246	11,406	9,840	2,111	665	3.54
2018	22,710	11,702	11,008	2,169	570	4.02
2019	24,204	13,116	11,088	1,857	485	4.73
2020	23,636	12,892	10,744	6,867	295	1.50
2021	24,105	13,348	10,757	1,090	168	8.55
2022	22,380	13,839	8,541	1,113	143	6.80
2023	25,291	16,030	9,261	1,136	121	7.37
2024	27,291	18,459	8,832	135	108	36.35

Electric Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	81,533	66,407	15,126	1,986	983	5.09
2016	82,754	62,489	20,265	2,043	865	6.97
2017	84,851	78,082	6,769	2,110	833	2.30
2018	85,756	77,413	8,343	2,175	711	2.89
2019	88,530	60,431	28,099	1,453	636	13.45
2020	86,519	55,552	30,967	4,191	513	6.58
2021	88,417	63,310	25,107	1,039	422	17.18
2022	83,628	90,402	(6,774)	1,074	389	(4.63)
2023	113,850	86,412	27,438	1,112	352	18.74
2024	113,704	72,181	41,523	587	321	45.73

CITY OF CONCORD, NORTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

Table 17

Calendar Year	Population (1)	Personal Income (thousands of dollars) (2)	Per Capita Personal Income (2)	School Enrollment (3)	Unemployment Rate (4)
2015	85,428	7,799,648	39,640	16,743	4.3%
2016	87,452	8,286,025	41,103	17,380	4.5%
2017	88,815	9,085,784	43,920	17,392	4.2%
2018	90,827	9,556,853	45,220	17,553	3.6%
2019	92,567	10,089,975	46,615	17,685	3.8%
2020	105,240	10,644,924	48,060	18,010	7.5%
2021	105,936	11,230,394	49,550	16,288	4.9%
2022	108,229	13,275,790	55,793	17,776	3.3%
2023	113,371	13,491,752	56,123	17,531	3.4%
2024 (5)	113,371	14,098,880	57,526	17,491	3.5%

(1) As of August from the NC State Demographer's Office

(2) Bureau of Economic Analysis. Information only available at the county level.

(3) Cabarrus County School System schools located in Concord (Average Daily Membership)

(4) Based on year-to-date average as published by N.C. Employment Security Commission - Labor Market Division

(5) Data not yet available for personal income. Estimated amounts based on average percentage increase from past year.

**CITY OF CONCORD, NORTH CAROLINA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago**

Table 18

Employer	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Atrium Health	4,449	1	8.57 %	-	-	- %
Cabarrus County Schools	1,809	2	3.49	3,800	2	9.90
Cabarrus County Government	1,509	3	2.91	950	3	2.48
Walmart Associates Inc	1,244	4	2.40	-	-	0.00
City of Concord	1,241	5	2.39	901	4	2.35
S&D Coffee and Tea	1,010	6	1.95	625	9	1.63
Roush Fenway Keselowski Racing	840	7	1.62	-	-	-
Great Wolf Lodge of the Carolinas	503	8	0.97	-	-	-
Sysco	502	9	0.97	510	10	1
Amazon	462	10	0.89	-	-	-
Connexions	-	-	-	900	5	2.35
Carolina Medical Center-NorthEast	-	-	-	4,500	1	11.73
Concord Mills Mall	-	-	-	-	-	-
North Carolina Government	-	-	-	770	7	2.01
Kannapolis City Schools	-	-	-	750	8	1.95
Shoe Show	-	-	-	800	6	2.09
	<u>13,569</u>		<u>28.79 %</u>	<u>14,506</u>		<u>37.82 %</u>

Source: City of Concord Planning & Neighborhood Development

CITY OF CONCORD, NORTH CAROLINA
FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM,
Last Ten Fiscal Years

Table 19
Page 1 of 2

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
General Government										
Public Service Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Manager's Office	6.00	6.00	6.50	6.50	6.50	7.00	9.00	9.00	9.00	9.50
Human Resources	10.00	10.00	11.00	12.00	13.00	13.00	13.00	13.00	13.00	13.00
Finance	13.25	13.00	13.00	13.00	13.00	14.00	15.00	15.00	15.00	15.00
Tax	4.50	4.00	3.50	0.75	0.75	0.75	1.00	1.00	1.00	1.00
Legal	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Information Technology	-	-	-	-	-	-	-	-	-	16.00
Public Safety										
Police	189.25	191.00	200.00	204.00	206.00	209.00	217.00	226.00	227.00	227.00
Code Enforcement	7.00	7.00	8.00	8.00	9.00	9.00	9.00	9.00	9.00	9.00
Communications	22.50	22.00	23.50	25.50	25.50	25.50	25.50	25.50	25.50	26.50
Fiber Network Management								1.00	1.00	1.00
Radio Shop	3.50	3.00	3.50	4.10	4.10	4.50	4.50	5.50	5.50	5.50
Fire & Life Safety (Operations)	181.00	181.00	187.00	194.00	203.00	217.00	238.00	239.80	257.90	272.80
Fire & Life Safety (Prevention)	9.00	9.00	9.50	10.50	10.50	10.20	10.20	10.20	10.20	12.20
Fire & Life Safety (Training)	2.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	6.00	6.00
Emergency Mangement Coordinator	1.00	1.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Public Works										
Street & Traffic	27.00	28.00	30.00	34.00	34.50	35.50	36.00	36.00	36.00	36.00
Traffic Services	6.00	6.00	6.00	6.00	6.00	7.00	8.00	8.00	8.00	9.00
Traffic Signals	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Solid Waste & Recycling	32.00	32.00	31.50	32.50	34.50	36.00	36.50	40.60	60.60	62.10
Cemeteries	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.10	9.00	9.00
Fleet Services	13.00	13.00	14.00	14.00	14.00	14.00	14.00	15.00	15.00	15.00
Other Public Works										
Economic Development										
Business & Neighborhood Services	14.50	14.00	16.00	17.00	18.00	18.00	19.00	19.00	19.00	18.00
Economic Development	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Culture & Recreation										
Parks and recreation	21.00	17.00	17.00	29.93	31.50	35.00	36.00	36.50	37.50	39.00
Total FTE General Fund	583.50	582.00	607.00	638.78	656.85	682.45	718.70	738.20	779.20	816.60

(Continued)

CITY OF CONCORD, NORTH CAROLINA
FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM,
Last Ten Fiscal Years

Table 19
Page 2 of 2

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Other Funds										
Home Consortium Fund	0.90	1.00	0.80	0.80	0.80	0.80	1.00	0.70	0.70	1.00
CDBG	1.10	1.00	1.20	1.20	1.20	1.20	1.00	1.30	1.30	1.00
Municipal Service District/Downtown Development						-	2.00	2.00	2.00	2.00
Stormwater	22.09	22.00	21.00	21.09	20.58	20.58	20.26	21.60	21.59	21.26
Electric										
Electric Administration	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	5.00	5.00
Powerlines Maintenance	17.00	17.00	17.00	18.00	18.00	18.00	18.00	19.00	19.00	19.00
Tree Trimming	7.00	7.00	7.00	7.00	8.00	8.00	10.00	10.00	10.00	10.00
Electric Construction	33.00	33.00	33.00	35.00	37.00	37.00	37.00	37.00	37.00	37.00
Peak Shaving	-	-	-	-	-	-	-	-	-	-
Electric Engineering	5.00	7.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Utility Locate Services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	3.00	3.00	3.00
Water Resources										
Hillgrove Water Treatment Plant	14.50	15.00	15.00	14.50	14.50	14.50	15.50	15.50	15.50	15.50
Coddle Creek Water Treatment Plant	15.50	15.00	15.00	15.50	16.50	16.50	15.50	15.50	15.50	15.50
Waterlines Operations & Maintenance	34.59	36.00	37.00	35.60	35.09	36.09	37.76	40.10	41.10	42.93
Public Transit										
Rider Transit System	3.70	4.00	5.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Wastewater Resources	30.32	29.00	30.00	31.31	31.83	32.16	31.48	31.81	31.81	32.98
Internal Services										
Utility Collections	4.50	4.00	4.00	5.00	5.00	5.00	3.75	3.75	3.80	3.80
Data Services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-
Billing	10.00	10.00	10.00	11.25	14.25	16.25	16.25	16.25	16.25	16.25
Customer Service	25.00	26.00	26.00	27.00	25.00	25.00	25.00	25.00	24.00	-
Engineering	23.00	23.00	24.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00
Purchasing	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Customer Care Center	-	-	-	-	-	-	-	-	-	24.00
Buildings & Grounds	40.65	38.00	39.00	44.60	48.50	49.50	52.50	57.50	59.50	59.50
Aviation	34.00	34.00	40.00	41.50	43.50	45.50	45.50	47.50	51.50	51.50
Public Housing	13.38	14.00	14.00	13.00	14.00	14.00	13.00	13.00	13.00	14.00
Total FTE Other Funds	351.23	352.00	363.00	378.85	390.25	396.58	402.00	412.01	419.05	422.72
Total	934.73	934.00	970.00	1,017.63	1,047.10	1,079.03	1,120.70	1,150.21	1,198.25	1,239.32

Source: City of Concord Budget Department

CITY OF CONCORD, NORTH CAROLINA
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table 20
Page 1 of 2

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Physical arrests	3,948	4,486	4,207	4,655	4,445	3,407	3,646	2,277	2,635	3,008
Parking violations	2,365	2,671	2,764	2,922	2,399	1,824	1,616	2,142	2,161	2,274
Traffic violations	9,209	10,699	12,335	12,748	9,795	7,615	6,799	7,604	8,316	9,204
Communications										
Calls received	100,830	102,526	106,933	100,286	98,013	98,522	97,091	103,597	107,237	106,020
Calls Dispatched							125,206	157,064	158,288	151,746
Fire										
Emergency responses	10,008	10,616	11,561	12,078	12,335	12,154	13,610	15,609	16,312	16,621
Fires extinguished	245	261	270	269	205	264	230	286	226	286
Inspections	5,939	7,128	826	7,533	7,433	5,772	4,486	6,979	3,815	2,740
Education classes conducted (4)	334	384	826	632	218	140	157	172	269	232
Number of people reached by educators (4)	25,096	28,361	25,633	41,081	125,286	104,561	104,561	541,406	524,310	1,548,509
Emergency Management (7)										
Exercise/Drill	0	0	9	11	6	4	7	4	4	7
Hazmat	0	0	14	44	29	5	10	11	10	5
Risk Assessment	0	0	105	145	113	49	58	60	58	75
Special Event	0	0	106	12	13	7	7	15	7	18
Planning	0	0	14	34	20	8	18	17	14	29
UAS (Drone)	0	0	0	6	20	24	14	46	66	160
Certified UAS Pilots	0	0	0	0	11	10	10	11	10	13
Education classes conducted (4)	0	0	26	11	11	9	4	13	12	3
Customer Care Center										
Calls answered	112,652	121,843	129,263	120,517	186,840	43,101	94,834	180,269	173,934	87,173
WebChat	-	-	-	-	-	-	-	-	-	5,164
Solid Waste & Recycling										
Refuse collected (tons per day)	94	96	94	100	127	131	140	140	131	150
Recyclables collected (tons per day)	21	23	23	21	17	24	21	20	17	22
Other Public Works										
Street resurfacing (miles) (5)	0	18	9	24	12	0	18	27	32	11
Potholes repaired	50	92	112	101	162	176	179	103	95	95
NCDOT signalized street lights	114	115	113	119	123	119	146	145	160	170
NCDOT road (Non Interstate)	90	92	92	92	92	93	93	93	92	92
Economic Development										
Single family residential	441	661	637	931	803	968	834	597	349	460
Single family attached in units	22	2	6	74	5	52	59	112	168	272
Two, three, or four family residential in units	2	0	2	6	0	0	341	3	81	7
Multi-family residential in units	348	264	264	89	80	132	442	355	216	60
Commercial building permits issued	96	82	27	58	52	57	134	153	144	91
Parks and recreation										
% Cost recovery Adult programs	100	105	107	120	113	130	130	107	105	112
Youth participation	11,251	14,793	18,432	29,867	27,631	41,306	3,307	18,471	24,200	3,090
Rec center attendance (6)	85,663	87,165	79,302	140,000	222,447	158,937	40,235	118,351	114,366	137,956

(Continued)

CITY OF CONCORD, NORTH CAROLINA
OPERATING INDICATORS BY FUNCTION/PROGRAM,
Last Ten Fiscal Years

Table 20
Page 2 of 2

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Stormwater										
Accounts	31,285	31,978	32,643	33,462	33,891	35,539	36,459	37,284	38,818	38,629
Electric										
Accounts	29,069	29,371	30,074	31,031	31,604	32,368	32,714	33,039	33,289	33,425
Average megawatt hours daily use (2)	2,358	2,427	2,498	2,439	1,992	2,536	2,346	2,432	2,440	2,436
Substations	15	15	15	15	15	15	16	16	16	18
Water										
Accounts	37,348	37,088	38,961	40,050	41,303	42,874	43,953	44,890	43,685	44,409
Water Main Breaks	21	25	18	75	49	57	45	57	54	66
Average daily consumption (mgd)	10	9	11	12	13	13	13	13	14	15
Peak daily consumption (mgd)	13	14	14	15	17	17	18	17	17	20
Transit										
Average daily use	1,316	1,188	1,157	1,129	1,193	1,033	897	858	873	984
Days of operation	359	359	357	359	359	359	359	356	359	359
Wastewater										
Accounts	33,307	34,029	34,878	35,807	36,900	38,309	39,314	40,160	40,747	41,467
Average daily treatment (thousands of gallons)	8,478	8,870	9,211	8,387	10,695	8,585	9,090	8,566	8,698	9,264
Golf Course										
Total Green Fee Rounds (3)	31,241	28,998	32,034	32,982	31,241	36,768	46,164	44,712	43,029	47,341
Cart Fee Rounds	23,462	23,534	27,406	27,470	26,242	29,643	36,786	43,758	42,050	33,647
Tournaments hosted	67	68	64	60	53	27	17	43	61	60
Aviation										
Avgas (annual gallons)	151,505	168,627	189,923	222,290	232,064	239,909	251,147	283,883	318,548	345,135
Jeta (annual gallons)	1,983,963	2,355,783	2,760,003	2,722,010	2,843,033	2,648,943	2,507,492	3,056,970	2,607,249	2,734,783
Operations = take off & landing (1)	54,200	57,736	67,223	77,646	84,629	70,546	73,593	87,203	87,486	79,090
Total enplanements	35,572	63,316	106,718	128,250	159,361	139,549	100,879	142,540	115,337	115,600
Tax Base listings										
T Hanger	67	67	67	67	67	67	67	67	67	67
HIC	45	41	58	58	58	51	39	39	36	33
Tiedown	25	27	31	54	54	47	66	78	75	70
Corporate	3	4	3	4	4	21	6	6	7	7
Ground	9	11	11	11	7	8	9	9	8	8
Office	27	26	26	26	26	29	28	29	29	29
Public Housing										
Units in use	174	174	174	174	174	174	174	174	174	174
Housing Choice Vouchers	541	541	541	541	541	553	553	553	550	569

Note: Information obtained from various departmental staff in the City of Concord.

- (1) Control tower hours of operation 0700-0000
- (2) From Annual EIA 861 which is based on calendar year information
- (3) Green Fee rounds have been converted to 18 hole rounds
- (4) Calculation method changed in 2015 and 2022
- (5) For 2015 and 2020, resurfacing contract in process at the end of the fiscal year, will report next year.
- (6) Hartsell Recreation Center was closed for renovations
- (7) Emergency Management moved under City Manger's Office. Previously reported under Fire.

CITY OF CONCORD, NORTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAMS,
Last Ten Fiscal Years

Table 21
Page 1 of 2

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	150	159	169	172	166	166	160	194	194	187
Fire										
Stations	10	11	11	11	11	11	11	12	12	12
Fire Units	14	14	16	16	N/A	N/A	N/A	N/A	N/A	N/A
Engine, Ladder, Rescue, Crash Fire Rescue	0	0	0	0	23	25	23	24	24	24
Support vehicles	0	0	0	0	12	15	12	13	13	14
Emergency Management (7)										
Drone	0	0	0	0	0	1	2	2	2	2
EM Units	0	0	2	2	1	1	1	1	1	1
Mobile Command Unit	0	0	1	1	1	1	1	1	1	1
Solid Waste & Recycling										
Refuse collection trucks	28	29	29	31	32	31	31	34	50	49
Other Public Works										
Paved streets (miles)	341	343	348	354	354	356	372	379	385	388
Signalized Street	15	16	17	18	18	18	18	18	18	19
Control Beacons	6	6	6	6	7	6	5	5	5	6
Guardrail	4	5	5	5	5	5	5	5	5	5
Curb and Gutter	452	462	472	548	548	558	562	605	638	645
Sidewalk	235	245	254	254	258	261	261	280	300	310
School Zone Flashers	22	22	22	22	22	23	23	22	22	22
Facilities (City owned):										
Parks (developed acreage)	157	157	157	157	157	157	235	235	235	471
Parks (undeveloped acreage)	N/A	69	69	69	69	109	149	149	149	97
Playgrounds	13	13	14	14	13	13	14	13	13	13
Gymnasiums	3	3	3	3	3	3	3	3	3	3
Basketball courts (1)	11	9	9	9	5	9	8	5	5	5
Tennis courts	14	14	16	14	16	14	14	14	14	14
Pickleball courts	0	0	0	2	2	2	8	8	2	6
Playing fields (2)	28	23	23	23	23	23	24	34	39	39
Swimming pool	1	1	1	1	1	1	1	1	1	1
Green Way	7	7	7	8	8	12	10	12	12	17
Walking Trails	4	4	4	4	4	3	6	6	6	5
Stormwater										
Storm Sewers (miles)	263	264	267	280	294	302	344	344	265	281

(Continued)

**CITY OF CONCORD, NORTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAMS,
Last Ten Fiscal Years**

**Table 21
Page 2 of 2**

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Electric										
Substations	15	15	15	15	15	15	16	16	16	18
Water										
Water Mains (miles)	692	709	717	725	744	752	754	762	772	780
Fire hydrants	4,737	4,772	4,820	4,946	5,014	5,085	5,125	5,202	5,268	5,341
Storage capacity (millions of gallons)	16	16	16	16	16	16	16.75	16.75	16.75	16.75
Transit										
Transit Center	1	1	1	1	1	1	1	1	1	1
Buses, Vans. & LTVs	12	12	12	12	12	17	17	18	19	19
Wastewater										
Sanitary sewers (miles)	540	544	563	583	583	592	592	591	598	606.6
Treatment capacity (thousands of gallons)	3,102,774	3,237,594	3,362,198	3,061,566	3,903,644	3,913,000	3,913,000	3,913,000	3,913,000	3,913,000
Golf Course	1	1	1	1	1	1	1	1	1	
Aviation										
Terminal	1	1	1	2	2	2	2	2	2	2
T Hangars	67	67	67	67	67	67	67	67	67	67
Corporate Hangar	3	3	3	4	4	5	6	6	6	6
Private Hangar	9	9	9	8	7	6	6	6	7	7
Hanger in Common	7	7	7	7	8	8	7	7	7	7
Acreage approximately	713	713	713	713	713	713	713	713	713	713
Public Housing										
Units	174	174	174	174	174	174	174	174	174	174

Source: City of Concord Finance Department

MARTIN STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

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 City Council
City of Concord, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Concord, North Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 23, 2024. Our report includes a reference to other auditors who audited the financial statements of the City of Concord ABC Board, as described in our report on the City of Concord's financial statements. The financial statements of the City of Concord ABC Board were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the City of Concord ABC Board or that are reported on separately by those auditors who audited the financial statements of the City of Concord ABC Board.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Concord's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance 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 City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 23, 2024

MARTIN STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the City of Concord, North Carolina's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Concord's major federal programs for the year ended June 30, 2024. The City of Concord's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Qualified Opinion on the Housing Voucher Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the City of Concord complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Housing Voucher Cluster for the year ended June 30, 2024.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the City of Concord complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its other major federal programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2024.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Concord and to meet our other ethical responsibilities, in accordance with 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 qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the City of Concord's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on the Housing Voucher Cluster

As described in the accompanying Schedule of Findings and Questioned Costs, the City of Concord did not comply with requirements regarding AL# 14.871 Housing Voucher Cluster as described in Finding 2024-002 for Special Tests and Provisions.

Compliance with such requirements is necessary, in our opinion, for the City of Concord to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Concord's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Concord's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City of Concord's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material non-compliance, 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 City of Concord's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Concord's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of the City of Concord's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001 and 2024-004. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City of Concord's responses to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The City of Concord's responses were not subject to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2024-002 and 2024-003 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001 and 2024-004 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City of Concord's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The City of Concord's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 23, 2024

MARTIN STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the City of Concord, North Carolina's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Concord's major state programs for the year ended June 30, 2024. The City of Concord's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City of Concord complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Concord and to meet our other ethical responsibilities in accordance with 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 opinion on compliance for each major state program. Our audit does not provide a legal determination of the City of Concord's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Concord's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Concord's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City of Concord's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material non-compliance, 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 City of Concord's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Concord's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of the City of Concord's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a

type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 23, 2024

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

1. Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(s) identified? None reported

Non-compliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes
- Significant deficiency(s) identified? Yes

Type of auditor’s report issued on compliance for major federal programs Unmodified for all federal programs except for the Housing Voucher Cluster, which is qualified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes

Identification of major federal programs:

<u>Program Name</u>	<u>Assistance Listing #</u>
Housing Voucher Cluster	14.871
Public Housing Operating Fund	14.850
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027
CDBG – Entitlement/Special Purpose Grants Cluster	14.218
Highway Planning and Construction	20.205

Dollar threshold used to distinguish between Type A and Type B programs \$750,000

Auditee qualified as low-risk auditee? Yes

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

1. Summary of Auditor’s Results (continued)

State Awards

Internal control over major state programs:

- Material weakness(es) identified? No
- Significant deficiency(s) identified? None reported

Type of auditor’s report issued on compliance for major state programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act? No

Identification of major state programs:

Program Name

Motorsport Industry Support Program
 Economic Development Reserve

Auditee qualified as state low-risk auditee? Yes

2. Financial Statement Findings

None reported.

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

3. Federal Award Findings and Questioned Costs

Finding: 2024-001

U.S. Department of Housing & Urban Development

Program Name: CDBG – Entitlement/Special Purpose Grants Cluster

AL Number: 14.218

Non-Material Non-Compliance

Significant Deficiency, Special Tests and Provisions

Criteria: In accordance with 24 CFR section 58.22, CDBG funds (and local funds to be reimbursed with CDBG funds) cannot be obligated or expended before receipt of HUD’s approval of a Request for Release of Funds (RROF) and environmental certification except for exempt activities under 24 CFR section 58.34 and categorically excluded activities under section 58.35 (b).

Condition: The City did not follow procedures to ensure the proper HUD approval of a Request for Release of Funds was obtained.

Context: Of the CDBG expenditures during the fiscal year, there was 1 project that required HUD’s approval of the RROF and environmental certification. We noted that proper environmental certification was obtained, however the RROF was not. Upon further review, the project was deemed eligible for reimbursement.

Effect: CDBG project might not be eligible to receive reimbursement for expenditures.

Cause: Lack of proper internal control over HUD approvals.

Questioned Cost: This resulted in no questioned costs.

Recommendation: Management should implement controls to ensure that HUD approvals are obtained timely.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with this finding. Please refer to the Corrective Action Plan section of this report.

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

3. Federal Award Findings and Questioned Costs (continued)

Finding: 2024-002

U.S. Department of Housing & Urban Development

Program Name: Housing Voucher Cluster

AL Number: 14.871

Material Non-Compliance

Material Weakness, Special Tests and Provisions

Criteria: In accordance with 24 CFR sections 982.158(d) and 982.404, units under housing assistance payment (HAP) contract that fail to meet Housing Quality Standards (HQS), the Public Housing Authority (PHA) must require the owner to correct any life threatening HQS deficiencies within 24 hours after the inspections and all other HQS deficiencies within 30 calendar days or within a specified PHA-approved extension. If the owner does not correct the cited HQS deficiencies within the specified correction period, the PHA must stop HAPs beginning no later than the first of the month following the specified correction period or must terminate the HAP contract.

Condition: The City did not follow procedures to ensure that the HQS were corrected or subsequent procedures to stop HAP were not enforced.

Context: Of the 130 failed inspections during the current year, we examined 26 and determined that 22 (85% valued at \$110,332) failed inspections were not corrected or the HAP were not stopped timely.

Effect: Owner could receive benefits for which they are not eligible.

Cause: Lack of proper internal control over HQS enforcement.

Questioned Cost: In accordance with 2 CFR 200, auditors are required to report known questioned costs when likely questioned costs are greater than \$25,000. The sample results identified \$110,332 in known questioned costs.

Recommendation: Management should implement controls to ensure that HQS enforcement procedures are followed timely.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with this finding. Please refer to the Corrective Action Plan section of this report.

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

3. Federal Award Findings and Questioned Costs (continued)

Finding: 2024-003

U.S. Department of Housing & Urban Development

Program Name: Public Housing Operating Fund

AL Number: 14.850

Material Weakness, Eligibility

Criteria: In accordance with 2 CFR 200, management should have an adequate system of internal control procedures in place to ensure that applicants have all required documentation in their file. In accordance with 24 CFR Part 5 Subpart F, the City must maintain documentation to support tenant eligibility.

Condition: The City did not follow procedures to ensure the proper eligibility determination were made and documented.

Context: Of the 180 applicants during the current year valued at \$495,432, we examined 36 (valued at \$99,685) and determined that 2 (6%) applicants did not have properly calculated resources. Upon further review and recalculation, the two applicants were deemed eligible.

Effect: Participants could receive benefits for which they are not eligible.

Cause: Weakness in implementation of controls over eligibility procedures.

Questioned Cost: None. This finding represents an internal control issue; therefore, questioned costs are not applicable.

Recommendation: Tenant files should be reviewed to verify that calculations are accurate, and all required documentation has been obtained before approving benefits.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with this finding. Please refer to the Corrective Action Plan section of this report.

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

3. Federal Award Findings and Questioned Costs (continued)

Finding: 2024-004

U.S. Department of Housing & Urban Development

Program Name: Public Housing Operating Fund

AL Number: 14.850

Non-Material Non-Compliance
Significant Deficiency, Special Tests and Provisions

Criteria: In accordance with 24 CFR 964.150, when tenant participation funds are provided to a Public Housing Authority (PHA), the PHA must provide those funds to duly elected resident councils. Funding provided by a PHA to a duly elected resident council may be made only under a written agreement between the PHA and the resident council that includes a resident council budget. The agreement must require the local resident councils to account to the PHA for the use of the funds and permit the PHA to inspect and audit the resident council's financial records related to the agreement.

Condition: The City did not follow procedures to ensure compliance of tenant participation fund requirements.

Context: The tenant participation fund agreement was not current and expired in 2018. We sampled 7 expenditure and supporting documentation reported to the PHA to determine if resident council expenditure is consistent with the resident council budget. We noted that 4 (58%) expenditures had proper supporting documentations but were not listed in the resident council budget.

Effect: Expenditure made that are not consistent with the resident council budget.

Cause: Lack of proper internal control over tenant participation funds.

Questioned Cost: In accordance with 2 CFR 200, auditors are required to report known questioned costs when likely questioned costs are greater than \$25,000. Likely questioned costs do not exceed \$25,000.

Recommendation: Management should obtain a current agreement and implement controls to ensure that tenant participation funds are in place and properly accounted for.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with this finding. Please refer to the Corrective Action Plan section of this report.

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

4. State Award Findings and Questioned Costs

None reported.



**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2024**

Finding: 2024-001

Name of Contact Person: Mary Powell-Carr, Community Development Manager

Corrective Action: City Staff incorrectly thought that all projects noted in the Action Plan submitted to HUD were covered under the Release of Funds (ROF). As the environmental review had not been fully completed at the time the project was submitted in the Action Plan, a separate ROF was needed. The necessary steps have been taken to correct the documentation and to prevent future occurrences.

Proposed Completion Date: City Staff have already implemented this plan.

Finding: 2024-002

Name of Contact Person: Della Robinson, Housing Director

Corrective Action: Management has created a new Inspection Coordinator position that is responsible for the HCV inspection process. This position will report monthly on the status of scheduled inspections. The Housing Manager will be responsible to ensure that HAP payments are abated for units that do not meet inspection requirements.

Proposed Completion Date: November 5, 2024

Finding: 2024-003

Name of Contact Person: Della Robinson, Housing Director

Corrective Action: The Housing Manager will complete quality control file reviews from a random sampling of applicant files to ensure that they contain all required documentation for eligibility determination. An external agency will be hired to conduct a complete a full file audit of active files.

Proposed Completion Date: June 30, 2025

Finding: 2024-004

Name of Contact Person: Della Robinson, Housing Director

Corrective Action: The agreement will be revised and updated in accordance with regulations. A budget will be adopted by the duly elected resident council for the use of the resident participation funds.

Proposed Completion Date: November 14, 2024

CITY OF CONCORD, NORTH CAROLINA

**SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

None reported.

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant/ Contract Number	Passed Through To Subrecipients	Total Federal Expenditures	State Expenditures	Local Expenditures
Federal Financial Assistance						
U.S. Department of Housing and Urban Development:						
Direct Programs:						
CDBG Entitlement Grants Cluster:						
Community Development Block Grant/Entitlement	14.218	B-20-MC-37-0012	\$ -	\$ 25,433	\$ -	\$ -
Community Development Block Grant/Entitlement	14.218	B-21-MC-27-0012	-	23,105	-	-
Community Development Block Grant/Entitlement	14.218	B-22-MC-27-0012	-	172,810	-	-
Community Development Block Grant/Entitlement	14.218	B-23-MC-27-0012	-	460,765	-	3,161
COVID-19 Community Development Block Grant/Entitlement	14.218	B-20-MW-37-0012	-	98,847	-	-
Total CDBG Entitlement Grants Cluster			-	780,960	-	3,161
Home Investment Partnerships Program - Program Income	14.239	M-16-DC-37-0209		115,656	-	-
Home Investment Partnerships Program - Program Income	14.239	M-17-DC-37-0209		30,162	-	-
Home Investment Partnerships Program - Program Income	14.239	M-18-DC-37-0209	77,266	77,507	-	-
Home Investment Partnerships Program - Program Income	14.239	M-19-DC-37-0209	137,621	148,318	-	1,690
Home Investment Partnerships Program - Program Income	14.239	M-20-DC-37-0209	17,349	46,092	-	-
Home Investment Partnerships Program - Program Income	14.239	M-21-DC-37-0209	153,995	195,713	-	-
Home Investment Partnerships Program - Program Income	14.239	M-22-DC-37-0209	111,307	143,473	-	11,703
Home Investment Partnerships Program - Program Income	14.239	M-23-DC-37-0209	64,145	124,802	-	-
COVID-19 Home Investment Partnerships Program - American Rescue Plan	14.239	M-21-DP-37-0209		117,820	-	-
			561,683	999,543	-	13,393
Public Housing Operating Fund	14.850	A-4309	-	962,424	-	1,101,375
			-	962,424	-	1,101,375
Public Housing Capital Fund	14.872	NC19P00850119	-	659	-	-
Public Housing Capital Fund	14.872	NC19P00850120	-	130,857	-	-
Public Housing Capital Fund	14.872	NC19P00850121	-	1,724	-	-
Public Housing Capital Fund	14.872	NC19P00850122	-	380,629	-	-
Public Housing Capital Fund	14.872	NC19P00850123	-	61,538	-	-
			-	575,407	-	-
Family Self-Sufficiency Program	14.896	FSS23NC5547	-	29,514	-	-
Family Self-Sufficiency Program	14.896	FSS23NC554701	-	24,068	-	-
			-	53,582	-	-

(Continued)

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant/Contract Number	Passed Through To Subrecipients	Total Federal Expenditures	State Expenditures	Local Expenditures
Housing Voucher Cluster:						
Section 8 Housing Choice Vouchers	14.871		-	5,488,810	-	238,500
Section 8 Housing Choice Vouchers	14.871		-	176,228	-	-
Total Housing Voucher Cluster			-	5,665,038	-	238,500
Total U.S. Department of Housing and Urban Development			561,683	9,036,954	-	1,356,429
U.S. Department of Justice:						
Bulletproof Vest Partnership Program	16.607		-	18,035	-	18,035
Public Safety Partnership and Community Policing Grants	16.710	2020UMX0524	-	284,232	-	231,284
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-23-GG-02543-PPSE	-	51,690	-	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738		-	4,685	-	-
Equitable Sharing Program	16.922		-	92,476	-	-
			-	451,118	-	249,319
Passed through North Carolina Department of Public Safety:						
Edward Byrne Memorial Justice Assistance Grant Program	16.738	PROJ015701	-	22,050	-	-
			-	22,050	-	-
Total U.S. Department of Justice			-	473,168	-	249,319
U.S. Department of Transportation						
Federal Transit Cluster						
Federal Transit Formula Grant (Urbanized Area Formula Program)	20.507	NC-90-X587-00	-	22,400	-	5,600
Federal Transit Formula Grant (Urbanized Area Formula Program)	20.507	NC-2019-002-00	-	1,004	-	250
Federal Transit Formula Grant (Urbanized Area Formula Program)	20.507	NC-2022-049-00	-	32,870	-	8,217
Federal Transit Formula Grant (Urbanized Area Formula Program)	20.507	N/A	-	2,059,721	-	1,216,666
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	NC-2017-051-00	-	3,886	-	972
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	NC-2019-049-00	-	18,996	-	4,749
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	NC-2020-048-00	-	127,644	-	31,911
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	N/A	-	159,793	-	39,949
Total Federal Transit Cluster			-	2,426,314	-	1,308,314

(Continued)

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant/ Contract Number	Passed Through To Subrecipients	Total Federal Expenditures	State Expenditures	Local Expenditures
Transit Services Program Cluster						
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NC-2020-062-00	90,738	100,820	-	22,684
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NC-2023-062-00	71,091	76,625	-	40,013
Total Transit Services Program Cluster			161,829	177,445	-	62,697
Federal Aviation Administration						
Airport Improvement Program; COVID-19 Airport Programs, and Infrastructure Investment and Jobs Act Programs						
Airport Improvement Program	20.106	3-37-0015-015-2022	-	1,013,500	-	6,840
Airport Improvement Program	20.106	3-37-0015-015-2023	-	1,693,042	-	16,197
			-	2,706,542	-	23,037
Passed through North Carolina Department of Transportation:						
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	36230.7.22.6	-	72,664	9,083	9,086
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	36230.7.23.6	-	66,498	8,312	8,317
Total Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research			-	139,162	17,395	17,403
Highway Planning and Construction Cluster						
Highway Planning and Construction	20.205	43713.1.9	-	136,422	-	34,106
Highway Planning and Construction	20.205	49345.1.1	-	131,619	-	32,905
Highway Planning and Construction	20.205	49599.1.3	4,800	4,800	-	1,200
Highway Planning and Construction	20.205	50341.1.3	15,400	15,400	-	-
Highway Planning and Construction	20.205	50853.1.3	-	295,218	-	73,805
Total Highway Planning and Construction Cluster			20,200	583,459	-	142,016
Highway Safety Cluster						
State and Community Highway Safety	20.600	22022.6.27	-	4,568	-	-
State and Community Highway Safety	20.600	22023.6.24	-	19,139	-	-
Total Highway Safety Cluster			-	23,707	-	-
Total U.S. Department of Transportation			182,029	6,056,629	17,395	1,553,467

(Continued)

CITY OF CONCORD, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant/Contract Number	Passed Through To Subrecipients	Total Federal Expenditures	State Expenditures	Local Expenditures
U.S. Department of Treasury						
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		-	1,264,785	-	-
Total federal awards			743,712	16,831,536	17,395	3,159,215
State Financial Assistance:						
Department of Transportation:						
Powell Bill	N/A	32570	-	-	2,806,132	-
State Maintenance Assistance for Urban and Small Urban Program	N/A	36234.82.19.2	-	-	299,281	-
			-	-	3,105,413	-
State Aid to Airports:						
Airport Improvements and Debt Service	N/A	36244.41.7.1	-	-	1,249,902	-
Airport Improvements and Debt Service	N/A	36244.41.8.1	-	-	1,441,044	192
Airport Improvements and Debt Service	N/A	36244.41.9.1	-	-	1,301,836	-
Airport Improvements and Debt Service	N/A	36244.41.10.1	-	-	494,717	591
Airport Improvements and Debt Service	N/A	36244.10.2	-	-	1,800	1,800
State Transportation Improvement Program	N/A	48402.3.1	-	-	300,000	-
			-	-	4,789,299	2,583
Department of Insurance:						
Summer Camp Grant	N/A		-	-	788	-
Department of Commerce:						
Motorsport Industry Support Program	N/A		2,830,412	-	2,830,412	-
Office of State Budget and Management						
Economic Development Reserve	N/A	12221	4,122,255	-	4,122,255	-
State Fiscal Recovery Funds	N/A	12222	-	-	97,253	2,100
Department of Natural and Cultural Resources:						
Parks and Recreation Trust Fund	N/A	2019-885	-	-	134,088	134,088
Total state awards			6,952,667	-	15,079,508	138,771
Total federal and state awards			\$ 7,696,379	\$ 16,831,536	\$ 15,096,903	\$ 3,297,986

See Notes to Schedule of Expenditures of Federal and State Awards.

CITY OF CONCORD, NORTH CAROLINA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year Ended June 30, 2024

(1) General

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of the City of Concord, North Carolina and is presented on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for *Federal Awards and The State Single Audit Implementation Act*. *Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.*

(2) Indirect Cost Rate

City of Concord has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

(3) Cluster of Programs

The Highway Planning, Research and Construction Cluster is clustered by the State of North Carolina and is treated separately for state audit requirement purposes.