

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULES OF ANALYSIS OF CURRENT TAX LEVY
CITY-WIDE LEVY
YEAR ENDED JUNE 30, 2020

	City-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
	Original Levy:				
Property taxed at current year's rate	\$ 4,139,887,334	\$ 0.575	\$ 23,803,049	\$ 21,405,232	\$ 2,397,817
Penalties	N/A		36,919	36,919	
Total	4,139,887,334		23,839,968	21,442,151	2,397,817
Discoveries:					
Current year taxes	107,190,209	0.575	646,189	646,189	
Prior year taxes	20,073,475	0.575	128,489	128,489	
Prior year taxes	7,468,124	0.555	53,995	53,995	
Prior year taxes	47,912,189	0.515	359,894	359,894	
Total	182,643,997		1,188,567	1,188,567	
Abatements					
Current year taxes	(46,625,944)	0.575	(287,165)	(287,165)	
Prior year taxes	(3,498,294)	0.575	(23,049)	(23,049)	
Prior year taxes	(2,755,676)	0.555	(21,104)	(21,104)	
Prior year taxes	(22,644,976)	0.515	(180,297)	(180,297)	
Total	(75,524,890)		(511,615)	(511,615)	
Total property valuation	\$ 4,247,006,441				
Net levy			24,516,920	22,119,103	2,397,817
Uncollected taxes at June 30, 2020			400,234	392,338	7,896
Current year's taxes collected			\$ 24,116,686	\$ 21,726,765	\$ 2,389,921
Current levy collection percentage			98.37%	98.23%	99.67%

(1) Gross levy includes taxes levied on discovered properties of prior periods at tax rates applicable to those periods.

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF TAXES RECEIVABLE JUNE 30, 2020

Fiscal Year Ended June 30	Uncollected Balance June 30, 2019	Net Levy	Collections and Other Reductions	Uncollected Balance June 30, 2020
2016 & prior	\$ 544,144	\$	\$ 59,504	\$ 484,640
2017	120,734		12,520	108,214
2018	181,667		42,528	139,139
2019	418,014		237,043	180,971
2020		24,516,920	24,116,686	400,234
Total	\$ 1,264,559	\$ 24,516,920	\$ 24,468,281	\$ 1,313,198
Less allowance for uncollected taxes	<u>493,087</u>			<u>497,980</u>
Taxes receivable, net	<u>\$ 771,472</u>			<u>\$ 815,218</u>

(1) Reconciliation to property tax revenue:

Collections per above	\$ 24,468,281
Penalties and interest	143,577
Tax refunds and prior year releases	<u>(137,333)</u>
	<u>\$ 24,474,525</u>

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF ANNUAL REQUIREMENTS TO AMORTIZE LONG-TERM DEBT BY FUND

Fiscal Year Ended June 30	General Fund		Electric Fund		Gas Fund		Water Resources Fund		Broadband Fund		Operations Center Fund		Total		
	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	
General Obligation							\$ 1,160,000	\$ 1,252,556	\$	\$	\$	\$	\$ 1,160,000	\$ 1,252,556	
Bonded debt							1,145,000	1,195,506					1,145,000	1,195,506	
							225,000	234,000					225,000	234,000	
Total general obligation bonds							2,530,000	2,682,062					2,530,000	2,682,062	
Revenue Bonded debt															
	2021				205,875	257,626	709,125	887,379					915,000	1,145,005	
	2022				212,625	258,120	732,375	889,079					945,000	1,147,199	
	2023				218,250	257,303	751,750	886,266					970,000	1,143,569	
	2024				226,125	258,535	778,875	890,509					1,005,000	1,149,044	
	2025				231,750	257,315	798,250	886,306					1,030,000	1,143,621	
	2026				238,500	257,034	821,500	885,340					1,060,000	1,142,374	
	2027				246,375	257,660	848,625	887,497					1,095,000	1,145,157	
	2028				254,250	258,051	875,750	888,842					1,130,000	1,146,893	
Total revenue bonds					1,833,750	2,061,644	6,316,250	7,101,218					8,150,000	9,162,862	
Certificates of Participation Debt															
	2021			809,000	1,294,412				3,338,380	3,641,118	347,620	383,205	4,495,000	5,318,735	
	2022			145,000	607,356				4,112,926	4,327,995	364,074	382,278	4,622,000	5,317,629	
	2023			826,000	1,284,224				2,064,000	2,169,678			2,890,000	3,453,902	
	2024			810,000	1,244,683				865,000	910,854			1,675,000	2,155,537	
	2025			942,000	1,353,598				779,000	801,202			1,721,000	2,154,800	
	2026			1,769,000	2,153,750								1,769,000	2,153,750	
	2027			1,821,000	2,155,334								1,821,000	2,155,334	
	2028			1,875,000	2,157,435								1,875,000	2,157,435	
	2029			1,921,000	2,149,998								1,921,000	2,149,998	
	2030			1,981,000	2,155,250								1,981,000	2,155,250	
	2031			2,039,000	2,156,791								2,039,000	2,156,791	
	2032			2,094,000	2,153,680								2,094,000	2,153,680	
Total Certificates of Participation				17,032,000	20,866,511				11,159,306	11,850,847	711,694	765,483	28,903,000	33,482,841	
Notes Payable															
	2021	329,906	349,161	261,756	281,074	190,760	196,651	1,673,575	1,823,187				2,455,997	2,650,073	
	2022	152,000	161,209	261,756	271,415			1,018,974	1,127,694				1,432,730	1,560,318	
	2023	156,000	160,664					1,018,974	1,105,851				1,174,974	1,266,515	
	2024							1,018,974	1,084,008				1,018,974	1,084,008	
	2025							1,018,974	1,062,165				1,018,974	1,062,165	
	2026							996,506	1,017,855				996,506	1,017,855	
	2027							28,358	28,358				28,358	28,358	
	2028							28,358	28,358				28,358	28,358	
	2029							28,358	28,358				28,358	28,358	
	2030							28,358	28,358				28,358	28,358	
Total Notes payable		637,906	671,034	523,512	552,489	190,760	196,651	6,859,409	7,334,192				8,211,587	8,754,366	
Total		\$ 637,906	\$ 671,034	\$ 17,555,512	\$ 21,419,000	\$ 2,024,510	\$ 2,258,295	\$ 15,705,659	\$ 17,117,472	\$ 11,159,306	\$ 11,850,847	\$ 711,694	\$ 765,483	\$ 47,794,587	\$ 54,082,131

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
JUNE 30, 2020 (CONTINUED)

	<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Transfers</u> <u>In/Out</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2020</u>
Enterprise Funds					
Electric:					
Land	\$ 5,712,240	\$ 650,031	\$	\$	\$ 6,362,271
Land Improvements	10,651				10,651
Buildings and other structures	394,071				394,071
Utility Distribution System:					
Substations	37,820,204	402,588			38,222,792
Lines, Transformers, and devices	89,068,356	2,138,794			91,207,150
Consumer meters	7,144,557	104,043			7,248,600
Rolling Stock and other vehicles	13,258,482	2,329,763	(202,258)	(472,654)	14,913,333
Furniture, fixtures, and equipment	<u>27,235,875</u>	<u>939,626</u>			<u>28,175,501</u>
	180,644,436	6,564,845	(202,258)	(472,654)	186,534,369
Accumulated Depreciation	<u>(93,100,431)</u>	<u>(6,804,215)</u>	<u>202,258</u>	<u>472,654</u>	<u>(99,229,734)</u>
	<u>\$ 87,544,005</u>	<u>\$ (239,370)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 87,304,635</u>
Gas:					
Land	\$ 234,948	\$	\$	\$	\$ 234,948
Buildings	20,749				20,749
Utility Distribution System					
Mains	19,894,272	63,260			19,957,532
Gas Service	5,324,572	103,368			5,427,940
Consumer Meters	4,812,181	264,754			5,076,935
Rolling Stock and other vehicles	1,595,026	115,981	63,669	(45,162)	1,729,514
Furniture, fixtures, and equipment	<u>1,106,465</u>	<u>66,368</u>			<u>1,172,833</u>
	32,988,213	613,731	63,669	(45,162)	33,620,451
Accumulated Depreciation	<u>(12,253,225)</u>	<u>(862,208)</u>	<u>(63,669)</u>	<u>45,162</u>	<u>(13,133,940)</u>
	<u>\$ 20,734,988</u>	<u>\$ (248,477)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 20,486,511</u>

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
JUNE 30, 2020 (CONTINUED)

	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Transfers In/Out</u>	<u>Retirements</u>	<u>Balance June 30, 2020</u>
Water and Sewer:					
Water:					
Land	\$ 18,354,912	\$	\$	\$	\$ 18,354,912
Land Improvements	1,678,340				1,678,340
Building	5,834,151				5,834,151
Utility distribution system:					
Tanks, reservoirs, dams, and waterways	33,783,215				33,783,215
Pumping stations and underground mains	32,606,459	314,062	315,265		33,235,786
Services	2,538,010				2,538,010
Pumping equipment	2,482,468				2,482,468
Purification equipment	11,545,504	150,623			11,696,127
Consumer meters	5,494,305	119,567			5,613,872
Meter installations	498,862				498,862
Hydrants	1,932,430	10,804			1,943,234
Rolling Stock and other vehicles	1,668,916	198,852	44,955	(67,370)	1,845,353
Furniture, fixtures, and equipment	2,246,651	760,154			3,006,805
Construction in progress	587,347	4,336,082	(315,265)		4,608,164
	<u>\$ 121,251,570</u>	<u>\$ 5,890,144</u>	<u>\$ 44,955</u>	<u>\$ (67,370)</u>	<u>\$ 127,119,299</u>

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
 JUNE 30, 2020 (CONTINUED)

	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Transfers In/Out</u>	<u>Retirements</u>	<u>Balance June 30, 2020</u>
Sewer:					
Land	\$ 2,045,247	\$	\$	\$	\$ 2,045,247
Land Improvements	3,690,045				3,690,045
Buildings	5,501,275				5,501,275
Utility distribution system:					
Pumping stations and underground mains	53,773,104	120,588			53,893,692
Purification equipment	45,371,474	1,311,813	374,679		47,057,966
Rolling Stock and other vehicles	3,090,134	384,117	(88,559)	(104,752)	3,280,940
Furniture, fixtures, and equipment	3,028,278	193,720	(8,299)	(67,371)	3,146,328
Construction in progress	<u>374,680</u>	<u>77,368</u>	<u>(374,680)</u>		<u>77,368</u>
	<u>116,874,237</u>	<u>2,087,606</u>	<u>(96,859)</u>	<u>(172,123)</u>	<u>118,692,861</u>
Total water and sewer	238,125,807	7,977,750	(51,904)	(239,493)	245,812,160
Accumulated Depreciation	<u>(96,698,127)</u>	<u>(4,455,781)</u>	<u>50,379</u>	<u>239,493</u>	<u>(100,864,036)</u>
	<u>\$ 141,427,680</u>	<u>\$ 3,521,969</u>	<u>\$ (1,525)</u>	<u>\$</u>	<u>\$ 144,948,124</u>

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS
 JUNE 30, 2020 (CONTINUED)

	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Transfers In/Out</u>	<u>Retirements</u>	<u>Balance June 30, 2020</u>
Broadband:					
Buildings	\$ 254,280	\$ 97,595	\$	\$	\$ 351,875
Furniture, fixtures and equipment	16,655,714	1,403,636			18,059,350
Distribution System	26,293,995				26,293,995
Rolling Stock	413,148		95,565		508,713
	<u>43,617,137</u>	<u>1,501,231</u>	<u>95,565</u>		<u>45,213,933</u>
Accumulated Depreciation	<u>(24,618,907)</u>	<u>(1,861,791)</u>	<u>(95,565)</u>		<u>(26,576,263)</u>
	<u>\$ 18,998,230</u>	<u>\$ (360,560)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 18,637,670</u>
Stormwater:					
Land	\$ 381,715	\$	\$	\$	\$ 381,715
Buildings	94,834				94,834
Distribution System	13,688,283	3,300			13,691,583
Rolling Stock	1,451,476	66,864		(75,858)	1,442,482
Furniture, Fixtures, and equipment	41,181				41,181
	<u>15,657,489</u>	<u>70,164</u>		<u>(75,858)</u>	<u>15,651,795</u>
Accumulated Depreciation	<u>(5,583,274)</u>	<u>(323,524)</u>		<u>75,858</u>	<u>(5,830,940)</u>
	<u>\$ 10,074,215</u>	<u>\$ (253,360)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 9,820,855</u>

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS JUNE 30, 2020 (CONTINUED)

	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Transfers In/Out</u>	<u>Retirements</u>	<u>Balance June 30, 2020</u>
Mass Transit:					
Land	\$ 77,981	\$	\$	\$	\$ 77,981
Buildings	1,116,290				1,116,290
Rolling stock and other vehicles	1,329,274	74,104	16,013	(16,013)	1,403,378
Furniture, fixtures, and equipment	14,299				14,299
	<u>2,537,844</u>	<u>74,104</u>	<u>16,013</u>	<u>(16,013)</u>	<u>2,611,948</u>
Accumulated Depreciation	<u>(1,901,414)</u>	<u>(22,016)</u>	<u>(16,013)</u>	<u>16,013</u>	<u>(1,923,430)</u>
	<u>\$ 636,430</u>	<u>\$ 52,088</u>	<u>\$</u>	<u>\$</u>	<u>\$ 688,518</u>
Industrial Air Center:					
Land	\$ 314,867	\$	\$	\$	\$ 314,867
Land Improvements	540,527				540,527
Buildings	525,474				525,474
Rolling stock and other vehicles	26,187		20,404		46,591
Furniture, fixtures, and equipment	20,832				20,832
	<u>1,427,887</u>		<u>20,404</u>		<u>1,448,291</u>
Accumulated Depreciation	<u>(692,818)</u>	<u>(14,888)</u>	<u>(20,404)</u>		<u>(728,110)</u>
	<u>\$ 735,069</u>	<u>\$ (14,888)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 720,181</u>
Wilson Cemetery Commission:					
Land	\$ 25,754	\$	\$	\$	\$ 25,754
Land Improvements	851,073	21,145			872,218
Buildings	76,609				76,609
Rolling Stock	94,925	19,377			114,302
Furniture, fixtures, and equipment	225,458	11,944			237,402
	<u>1,273,819</u>	<u>52,466</u>			<u>1,326,285</u>
Accumulated Depreciation	<u>(760,291)</u>	<u>(44,348)</u>			<u>(804,639)</u>
	<u>\$ 513,528</u>	<u>\$ 8,118</u>	<u>\$</u>	<u>\$</u>	<u>\$ 521,646</u>

CITY OF WILSON, NORTH CAROLINA

SUPPLEMENTAL SCHEDULE OF CAPITAL ASSETS - PROPRIETARY FUNDS JUNE 30, 2020 (CONCLUDED)

	Balance June 30, 2019	Additions	Transfers In/Out	Retirements	Balance June 30, 2020
Internal Service Funds					
Risk Management:					
Rolling stock and other vehicles	\$ 20,643	\$	\$	\$	\$ 20,643
Furniture, fixtures, and equipment	339,125	30,200			369,325
	359,768	30,200			389,968
Accumulated Depreciation	(257,236)	(36,211)			(293,447)
	\$ 102,532	\$ (6,011)	\$	\$	\$ 96,521
Operations Center:					
Land	\$ 463,998	\$	\$	\$	\$ 463,998
Land Improvements	1,957,306	832,291			2,789,597
Buildings	10,226,797				10,226,797
Furniture, fixtures and equipment	845,243	222,396			1,067,639
Construction in progress		41,005			41,005
	13,493,344	1,095,692			14,589,036
Accumulated Depreciation	(6,223,948)	(294,324)			(6,518,272)
	\$ 7,269,396	\$ 801,368	\$	\$	\$ 8,070,764

MARTIN STARNES & ASSOCIATES, CPAs, P.A.

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

Report of Independent Auditors on Revenue Bond Covenant Compliance

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the City of Wilson, North Carolina, for the year ended June 30, 2020, and have issued our report thereon dated October 2, 2020. We have also audited the Revenue Bond Statement of Revenues, Expenses, Debt Service, and Debt Coverage for the Combined Enterprise System as defined in the official statement for the Combined Enterprise System Revenue bonds, Refunding Series 2011 and Refunding Series 2013 (originally Bond Series 2002). These computations are the responsibility of the City's management. Our responsibility is to express an opinion on these computations based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the City's Revenue Bond Statement of Revenues, Expenses, Debt Service, and Debt Coverage for the Combined Enterprise System is free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of this information. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Revenue Bond Statement of Revenues, Expenses, Debt Service, and Debt Coverage for the Combined Enterprise System as presented on the following statement is presented fairly, in all material respects, for the year ended June 30, 2020, as described in the Bond Refunding Series 2011 and Refunding Series 2013 referred to in the first paragraph.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 2, 2020

CITY OF WILSON, NORTH CAROLINA

REVENUE BOND STATEMENT OF REVENUES, EXPENSES, DEBT SERVICE,
AND DEBT SERVICE COVERAGE - **COMBINED ENTERPRISE SYSTEM**
FOR THE YEAR ENDED JUNE 30, 2020

(CONTINUED)

	2020
Operating revenues - gas	\$ 16,219,070
Operating revenues - water resources	28,009,233
Total operating revenues	44,228,303
Operating expenses - gas	14,403,787
Operating expenses - water resources	22,866,803
Total operating expenses	37,270,590
OPERATING INCOME (LOSS)	6,957,713
Nonoperating revenues (expenses) - gas	73,231
Nonoperating revenues (expenses) - water resources	1,093
Total nonoperating revenue (expense)	74,324
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	7,032,037
Transfers and contributions - gas	(1,377,390)
Transfers and contributions - water resources	326,294
Transfers and contributions	(1,051,096)
NET INCOME	5,980,941
REVENUE BOND ADJUSTMENTS TO INCOME:	
Capital contributions - water resources	(326,294)
Intergovernmental - water resources	(27,376)
Intergovernmental - gas	(4,731)
Sale of old equipment - water resources	(35,370)
Sale of old equipment - gas	(10,600)
Transfers out - gas	1,377,390
Interest expense - water resources	459,749
Interest expense - gas	69,026
Depreciation expense - water resources	4,455,781
Depreciation expense - gas	862,208
Total revenue bond adjustments to income ⁽¹⁾	6,819,783
INCOME AVAILABLE FOR DEBT SERVICE	\$ 12,800,724
PARITY INDEBTEDNESS COVERAGE RATIO:	
Series 2002 revenue bonds debt service (Refunded Series 2011 and Series 2013)	\$ 1,149,830

CITY OF WILSON, NORTH CAROLINA

REVENUE BOND STATEMENT OF REVENUES, EXPENSES, DEBT SERVICE,
AND DEBT SERVICE COVERAGE - **COMBINED ENTERPRISE SYSTEM**
FOR THE YEAR ENDED JUNE 30, 2020

(CONCLUDED)

Total parity indebtedness debt service	<u>\$ 1,149,830</u>
Parity indebtedness coverage ratio	<u>1113.27%</u>
ALL DEBT COVERAGE RATIO:	
TOTAL PARITY INDEBTEDNESS DEBT SERVICE	
Parity indebtedness debt service	\$ 1,149,830
Gas Notes Payable	201,411
Buckhorn general obligation bonds	1,306,237
Water & Sewer Notes Payable	<u>1,853,027</u>
Total all debt	<u>\$ 4,510,505</u>
All debt coverage ratio	<u>283.80%</u>
(1) Includes depreciation expense, interest expense, transfers, investment income on revenue bonds, sale of old equipment and capital contributions.	