

# **Clay County, North Carolina**

## **Financial Statements**

**June 30, 2023**

**Turner & Company CPAs P.A.**

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# Enterprise Fund

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**Water and Sewer District Fund** - This fund is used to account for the operations of the water and sewer district within the County.

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**Clay County, North Carolina**  
**Statement of Net Position - Proprietary Fund**  
**Water and Sewer District**  
**June 30, 2023**

<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 385,218
Restricted cash and cash equivalents	128,684
Receivables, net	93,106
Total current assets	<u>607,008</u>
Noncurrent assets:	
Capital assets:	
Land	120,280
Other capital assets, net of depreciation	3,384,408
Total capital assets	<u>3,504,688</u>
Total noncurrent assets	<u>3,504,688</u>
Total assets	<u>4,111,696</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>146,490</u>
Total deferred outflows of resources	<u>146,490</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	11,353
Accrued interest payable	541
Compensated absences payable - current	11,000
Current portion of long term debt	104,770
Liabilities to be paid from restricted assets	128,884
Total current liabilities	<u>256,548</u>
Noncurrent liabilities:	
Long term debt (less current portion)	583,434
Compensated absences	515
Net pension liability	185,880
Total OPEB liability	76,646
Total noncurrent liabilities	<u>846,475</u>
Total liabilities	<u>1,103,023</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>38,594</u>
Total deferred inflows of resources	<u>38,594</u>
<b>NET POSITION</b>	
Net investment in capital assets	2,816,484
Unrestricted	300,085
Total net position	<u>\$ 3,116,569</u>

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

**Clay County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Net Position - Proprietary Fund**  
**Water and Sewer District**  
**For the Year Ended June 30, 2023**

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<b>OPERATING REVENUES</b>	
Charges for services	\$ 749,689
Water and sewer taps	19,750
Miscellaneous	<u>86,794</u>
Total operating revenues	<u>856,233</u>
<b>OPERATING EXPENSES</b>	
Administration	748,236
Depreciation	<u>364,161</u>
Total operating expenses	<u>1,112,397</u>
Operating income (loss)	(256,164)
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Interest expense	(15,421)
Interest and investment revenue	<u>721</u>
Total nonoperating revenues (expenses)	<u>(14,700)</u>
Income (loss) before contributions and transfers	(270,864)
Transfers from other funds	-
Change in net position	<u>(270,864)</u>
Total net position, beginning	<u>3,387,433</u>
Total net position, ending	<u><u>\$ 3,116,569</u></u>

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

**Clay County, North Carolina**  
**Statement of Cash Flows - Proprietary Fund**  
**Water and Sewer District**  
**For the Year Ended June 30, 2023**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from customers	\$ 848,842
Cash paid for goods and services	(373,527)
Cash paid to employees for services	(345,282)
Customer deposits received	7,971
Other operating revenues	86,794
Net cash used by operating activities	<u>224,798</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Net cash provided (used) by noncapital financing activities	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Acquisition and construction of capital assets	(20,806)
Principal paid on bond maturities and equipment contracts	(102,562)
Interest paid on bond maturities and equipment contracts	(15,421)
Other accrued liabilities	541
Net cash provided (used) by capital and related financing activities	<u>(138,248)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest and dividends received	721
Net cash provided (used) by investing activities	<u>721</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:</b>	
	87,271
Cash and cash equivalents, beginning	426,631
Cash and cash equivalents, ending	<u>\$ 513,902</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Operating income (loss)	\$ (256,164)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	364,161
Changes in assets, liabilities, and deferred outflows and inflows of resources:	
Decrease (increase) in accounts receivable	79,403
Decrease (increase) in deferred outflows of resources for pensions	(57,416)
Decrease (increase) in deferred outflows of resources - OPEB	1,153
Increase (decrease) in accounts payable and accrued liabilities	7,308
Increase (decrease) in due to other funds	-
Increase (decrease) in customer deposits	7,971
Increase (decrease) in compensated absences payable	5,530
Increase (decrease) in net pension liability	141,915
Increase (decrease) in net OPEB liability	(8,390)
Increase (decrease) in deferred inflows of resources for pensions	(62,323)
Increase (decrease) in deferred inflows of resources - OPEB	1,650
Total adjustments	<u>480,962</u>
Net cash provided (used) by operating activities	<u>\$ 224,798</u>

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



**Clay County, North Carolina**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2023**

	Custodial Funds
<b>ASSETS</b>	
Cash and cash equivalents	\$ 8,762
<b>LIABILITIES AND NET POSITION</b>	
<b>LIABILITIES</b>	
Due to others	-
Due to other governments	-
Total liabilities	-
<b>NET POSITION</b>	
Restricted for:	
Individuals, organizations, and other governments	8,762
Total fiduciary net position	\$ 8,762

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

**Clay County, North Carolina**  
**Water and Sewer District**  
**Schedule of Revenues, Expenditures - Budget and Actual (non-GAAP)**  
**For the Fiscal Year Ended June 30, 2023**

	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Operating revenues:			
Charges for services:			
Water sales:			
Residential/commercial		\$ 412,990	
Sewer sales:			
Residential/commercial		336,699	
Total	<u>\$ 770,061</u>	<u>749,689</u>	<u>\$ (20,372)</u>
Water and sewer taps	<u>22,830</u>	<u>19,750</u>	<u>(3,080)</u>
Other operating revenues	<u>99,654</u>	<u>86,794</u>	<u>(12,860)</u>
Total operating revenues	<u>892,545</u>	<u>856,233</u>	<u>(36,312)</u>
Nonoperating revenues:			
Investment earnings	<u>250</u>	<u>721</u>	<u>471</u>
Total nonoperating revenues	<u>250</u>	<u>721</u>	<u>471</u>
Total revenues	<u>892,795</u>	<u>856,954</u>	<u>(35,841)</u>
<b>EXPENDITURES</b>			
Administration:			
Salaries and employee benefits		345,282	
Insurance		5,143	
Repairs		72,035	
Other operating expenditures		303,657	
Total	<u>735,353</u>	<u>726,117</u>	<u>9,236</u>
Capital outlay:			
Buildings		13,806	
Equipment, furniture and fixtures		7,000	
Total	<u>40,000</u>	<u>20,806</u>	<u>19,194</u>
Debt service:			
Principal		102,562	
Interest		14,880	
Total debt service	<u>117,442</u>	<u>117,442</u>	<u>-</u>
Total expenditures	<u>892,795</u>	<u>864,365</u>	<u>28,430</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (7,411)</u>	<u>\$ (7,411)</u>

**Clay County, North Carolina**  
**Water and Sewer District**  
**Schedule of Revenues, Expenditures - Budget and Actual (non-GAAP)**  
**For the Fiscal Year Ended June 30, 2023**

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**Reconciliation from Budgetary Basis  
(modified accrual) to full accrual:**

Revenues and other financing sources over	\$ (7,411)
Reconciling items:	
Principal retirement	102,562
Capital outlay	20,806
Increase (decrease) in deferred outflows of resources - pensions	57,416
Increase (decrease) in deferred outflows of resources - OPEB	(1,153)
Decrease (increase) in net pension liability	(141,915)
Decrease (increase) in net OPEB liability	8,390
Decrease (increase) in accrued vacation pay	(5,530)
Decrease (increase) in accrued vacation pay	(541)
Decrease (increase) in deferred inflows of resources - pensions	62,323
Decrease (increase) in deferred inflows of resources - OPEB	(1,650)
Depreciation	(364,161)
Total reconciling items	<u>(263,453)</u>
Change in net position	<u>\$ (270,864)</u>