

**CITY OF NEW BERN  
BOARD OF ALDERMEN MEETING  
DECEMBER 12, 2023 – 6:00 P.M.  
CITY HALL COURTROOM  
300 POLLOCK STREET**

1. Meeting opened by Mayor Odham. Prayer Coordinated by Alderman Royal. Pledge of Allegiance.
2. Roll Call.
3. Approve Agenda.
4. Request and Petition of Citizens.

Consent Agenda

5. Consider Adopting a Resolution Calling for a Public Hearing to Annex 1955 Old Airport Road.
6. Consider Adopting a Resolution Calling for a Public Hearing to Annex 684 West Thurman Road.
7. Consider Adopting a Resolution Calling for a Public Hearing on the Initial Zoning of 3277 Old Airport Road.
8. Consider Adopting a Resolution Encouraging the NC Department of Transportation to Improve a Portion of Old Airport Road.
9. Approve Minutes.

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10. Presentation of City Employees of the Year.
11. Presentation by Craven County Alcoholic Beverage Control Board.
12. Presentation of Annual Comprehensive Financial Report and Audit for Fiscal Year Ending June 30, 2023.
13. Presentation on Long-Range Plan Funding Strategy for Metropolitan Planning Organization.
14. Conduct a Public Hearing and Consider Adopting an Ordinance to Annex a Portion of Tax Parcel ID 8-209-13001.
15. Appointment of Mayor Pro Tempore and Administration of Oath.
16. Discussion of BP Building Change in Scope of Work.

17. Consider Adopting a Resolution Approving a Sewer Use Agreement for 684 West Thurman Road.
18. Consider Adopting a Resolution Authorizing the City Manager and Mayor to Execute a Memorandum of Agreement with the NC Department of Public Safety - Emergency Management to Accept Grant Funds for the Purchase of an Underwater Remote Operated Vehicle.
19. Consider Adopting a Resolution Authorizing the City Manager to Execute a Contract with SoundThinking, Inc. for ShotSpotter.
20. Consider Adopting a Resolution Amending the FY2020 Annual Action Plan for the Community Development Block Grant Program.
21. Consider Adopting a Resolution Amending the FY2021 Annual Action Plan for the Community Development Block Grant Program.
22. Consider Adopting a Resolution Authorizing the Execution of an Updated Memorandum of Understanding with RHA Health Services for the Co-Responder Program.
23. Consider Adopting a Resolution Approving Amendment Three of the Pamlico Sound Regional Hazard Mitigation Plan.
24. Consider Adopting a Budget Ordinance Amendment for FY2023-24.
25. Appointment(s).
26. Attorney's Report.
27. City Manager's Report.
28. New Business.
29. Closed Session.
30. Adjourn.



Aldermen

Rick Prill  
Hazel B. Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



300 Pollock Street, P.O. Box 1129  
New Bern, NC 28563-1129  
(252) 636-4000

Jeffrey T. Odham  
Mayor  
Foster Hughes  
City Manager  
Brenda E. Blanco  
City Clerk  
Kimberly A Ostrom  
Director of Finance

**Memo to: Mayor and Board of Aldermen**  
**From: Foster Hughes, City Manager**  
**Date: December 08, 2023**  
**Re: December 12, 2023 Agenda Explanations**

- 1. Meeting opened by Mayor Jeffrey T. Odham. Prayer Coordinated by Alderman Royal. Pledge of Allegiance.**
- 2. Roll Call.**
- 3. Approve Agenda.**
- 4. Request and Petition of Citizens.**

This section of the agenda is titled Requests and Petitions of Citizens. This is an opportunity for public comment, and we thank you for coming to the Board of Aldermen meeting tonight to share your views. We value all citizen input.

Speaker comments are limited to a maximum of 4 minutes during the public comment period. At the conclusion of 4 minutes, each speaker shall leave the podium. Comments will be directed to the full board, not to an individual board member or staff member. Although the board is interested in hearing your comments, speakers should not expect any comments, action, or deliberation from the board on any issue raised during the public comment period.

In the board's discretion, it may refer issues to the appropriate city officials or staff for further investigation. If an organized group is present to speak on a common issue, please designate one person to present the group's comment, which shall be limited to a maximum of 4 minutes.

## Consent Agenda

**5. Consider Adopting a Resolution Calling for a Public Hearing to Annex 1955 Old Airport Road.**

(Ward 3 area) The Estate of Elisabeth S. Rabeler is seeking to annex 1955 Old Airport Road consisting of two parcels identified as Tax Parcels 7-103-089 and 7-103-8005 totaling approximately 53.58 acres. The property is in the area of Ward 3. It is requested that a public hearing be held on January 09, 2024 to consider this. A memo from Brenda Blanco, City Clerk, is attached along with the petition for annexation and maps of the property.

**6. Consider Adopting a Resolution Calling for a Public Hearing to Annex 684 West Thurman Road.**

(Ward 3 area) Real Dogtors, LLC is seeking to annex 684 W. Thurman Road, also known as Tax Parcel ID 7-109-017 in the area of Ward 3. The property is a vacant 6.10-acre tract suitable for commercial development. It is requested that a public hearing be held on January 09, 2024. A memo from Ms. Blanco is attached along with the petition for annexation and a map of the property.

**7. Consider Adopting a Resolution Calling for a Public Hearing on the Initial Zoning of 3277 Old Airport Road.**

(Ward 3 area) After receiving a petition to annex from Michael and Rose Miller, the Board adopted an ordinance on October 10, 2023 annexing 3277 Old Airport Road. The property requires initial zoning to be established. The Planning and Zoning Board recommended the designation of R-8 during its November 07, 2023 meeting. It is requested that a public hearing be held on January 09, 2024 to consider the zoning. A memo from Jessica Rhue, Director of Development Services, is attached.

**8. Consider Adopting a Resolution Encouraging the NC Department of Transportation to Improve a Portion of Old Airport Road.**

As requested by Alderman Aster during the Board's November 14, 2023 meeting, this resolution encourages the NC Department of Transportation to consider making improvements to a portion of Old Airport Road – NCSR 1964. Specifically, it is recommended that the road be widened considering heavy traffic, its proximity to Creekside Park, and the planned development of a charter school. A memo from Ms. Blanco is attached.

**9. Approve Minutes.**

Draft minutes from the November 28, 2023 meeting are provided for review and approval.

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**10. Presentation of City Employees of the Year.**

The Employee of the Year program was reinstated last year to recognize employees who have demonstrated excellent performance in their job duties over the previous 12-month period. Under the new program, one employee from three service categories will be recognized: Public Service, Public Safety, and Public Utilities/Works. Except for Department Heads, Division Superintendents, Division Chiefs, Fire Battalion Chiefs, and Police Captains, all regular full and part-time employees were eligible for nomination. Nominees were reviewed by a Selection Committee and announced at an employee luncheon on December 06, 2022. The winner of each category will be recognized at this meeting and presented with a certificate and \$300.

**11. Presentation by Craven County Alcoholic Beverage Control Board.**

Chip Chagnon, Chairman of the Craven County Alcoholic Beverage Control ("ABC") Board, will provide an annual briefing and present a check to the City for its portion of ABC sales.

**12. Presentation of Annual Comprehensive Financial Report and Audit for Fiscal Year Ending June 30, 2023.**

A representative from Thompson, Price, Scott, Adams and Company, P.A., will be in attendance to discuss the findings of the June 30, 2023, Annual Comprehensive Financial Report ("ACFR") and audit.

**13. Presentation on Long-Range Plan Funding Strategy for Metropolitan Planning Organization.**

A long-range transportation plan was last adopted in March 2021, and a new plan must be approved by March 24, 2026. Due to the complexity of the plan, it usually takes at least a year and a half to complete and is estimated to cost \$125,000. Deanna Trebil, MPO Administrator, will review a recommended funding strategy that will include a share of \$8,044.60 from New Bern.

**14. Conduct a Public Hearing and Consider Adopting an Ordinance to Annex a Portion of Tax Parcel ID 8-209-13001.**

(Ward 4) Weyerhaeuser NR Company seeks to annex a portion of Tax Parcel ID 8-209-13001 in the West New Bern area. Portions of this parcel have previously been annexed. After conducting a public hearing, the Board is asked to consider adopting an ordinance to annex the property. A memo from Ms. Blanco is attached.

**15. Appointment of Mayor Pro Tempore and Administration of Oath.**

The City charter provides that at the first meeting in December the Board will appoint one of its members to serve as Mayor Pro Tem for a one-year term. The designee will perform mayoral duties in 2024 during the absence of the Mayor.

**16. Discussion of BP Building Change in Scope of Work.**

At the Board's November 14, 2023 meeting, the City Manager announced FEMA allocated \$955,812.07 toward the rebuilding of the BP Building on Oaks Road. Instead of rebuilding the structure, a change in scope of work was discussed and several options were presented for use of the funds. The Board agreed the BP station should be promptly demolished, but tabled further discussion about the change in scope of work for an alternative project.

**17. Consider Adopting a Resolution Approving a Sewer Use Agreement for 684 West Thurman Road.**

(Ward 3 area) The owners of 684 West Thurman Road have requested to connect to the City's sewer system. They are planning to build a veterinary office on the property. The proposed development will have a calculated average sewer demand of 720 gallons per day, which would require a standard sewer service connection. Section 74-74 of the City's ordinances provides that a written agreement be entered into to outline the roles and responsibilities of both parties in establishing service. A memo from Jordan Hughes, Director of Water Resources, is attached.

**18. Consider Adopting a Resolution Authorizing the City Manager and Mayor to Execute a Memorandum of Agreement with the NC Department of Public Safety - Emergency Management to Accept Grant Funds for the Purchase of an Underwater Remote Operated Vehicle.**

The New Bern Police Department seeks approval to accept a grant from the NC Department of Public Safety – Emergency Management in the amount of \$72,077.60. The funding will be used for the purchase of an underwater remote operated vehicle that will assist first responders in a variety of assignments from evidence recovery to search and rescue missions. There is no match for the grant. A memo from Police Chief Patrick Gallagher is attached.

**19. Consider Adopting a Resolution Authorizing the City Manager to Execute a Contract with SoundThinking, Inc. for ShotSpotter.**

Information on ShotSpotter was previously presented to the Board and subsequently presented at a public input session. The community responded positively to the program. The technology will be utilized in the Duffyfield, Craven Terrace, and Trent Court areas, all of which have the highest concentration of gun-related calls. The cost of the contract is \$148,500 for three years. Alderman Aster desires to cover the first year's cost of \$49,500 from Ward 3's designated ARPA funds. A memo from Chief Gallagher is attached.



**20. Consider Adopting a Resolution Amending the FY2020 Annual Action Plan for the Community Development Block Grant Program.**

The 2020 and 2021 CDBG Annual Action Plans were previously adopted by the Board. Program regulations allow for substantial amendments to the plans in accordance with the Citizen Participation Plan. A public hearing was held on November 28, 2023, to discuss a suggested amendment to both FY20 and FY21 programs to provide funding to the Redevelopment Commission to rehabilitate two single-family homes that will be donated to Habitat for Humanity and sold to low to moderate-income households in the Greater Five Points area. No one from the public spoke at the hearing. The proposed resolution will approve the amendment to the FY20 plan. A memo from D'Aja Fulmore, Community Development Coordinator, is attached.

**21. Consider Adopting a Resolution Amending the FY2021 Annual Action Plan for the Community Development Block Grant Program.**

This item is the same as the previous item except the resolution amends the FY21 plan. A memo from Ms. Fulmore is attached.

**22. Consider Adopting a Resolution Authorizing the Execution of an Updated Memorandum of Understanding with RHA Health Services for the Co-Responder Program.**

The Board adopted a resolution in June of 2022 approving a memorandum of understanding ("MOU") with RHA Health Services. That MOU expired May 31, 2023, and a new MOU is proposed that will be effective through October 31, 2024. The Police Department partners with RHA to add the mental health profession to its response protocols. Both entities can respond to persons in crisis in an attempt to divert them from the criminal justice system to the more appropriate mental health system. Through early identification and intervention, this program can minimize the need to arrest persons in crisis due to behavioral health or intellectual and development disabilities. A memo from Chief Gallagher is attached.

**23. Consider Adopting a Resolution Approving Amendment Three of the Pamlico Sound Regional Hazard Mitigation Plan.**

In preparing for the City's BRIC grant application for the New Bern Rail Corridor Planning Study, it is recommended the latest version of the Pamlico Sound Regional Hazard Mitigation Plan be amended to better support the effort and reference actions related to the rail corridor. A memo from Chris Seaberg, Community & Economic Development Manager, is attached.

**24. Consider Adopting a Budget Ordinance Amendment for FY2023-24.**

This budget amendment will appropriate \$8,290.91 for a fire grant to secure additional radios as discussed at the Board's November 14, 2023 meeting. It also

acknowledges grant funds in the amount of \$72,077.60 for the Police Department's purchase of an underwater remote operated vehicle. A memo from Kim Ostrom, Director of Finance, is attached.

**25. Appointment(s).**

- a) Raymond Layton's term on the Planning and Zoning Board expired June 30, 2023, and he is ineligible for reappointment. Alderman Kinsey is asked to make a new appointment to fill Seat 4 for a three-year term.
- b) Applications for the Municipal Service District ("MSD") Advisory Committee were distributed at the November 28, 2023 meeting. Candidates will be nominated from the pool of applicants and votes cast to fill the 10 seats.

**26. Attorney's Report.**

**27. City Manager's Report.**

**28. New Business.**

**29. Closed Session.**

**30. Adjourn.**

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting a Resolution Calling for a Public Hearing to Annex 1955 Old Airport Road

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> 3
<b>Department:</b> City Clerk	<b>Person Submitting Item:</b> Brenda Blanco
<b>Call for Public Hearing:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Date of Public Hearing:</b> 1/9/2024

<b>Explanation of Item:</b>	The Estate of Elisabeth S. Rabeler is seeking to annex 1955 Old Airport Road, two parcels consisting of 53.58+/- acres. It is requested a public hearing be held January 09, 2024.
<b>Actions Needed by Board:</b>	Consider adopting resolution calling for a public hearing
<b>Backup Attached:</b>	Memo, resolution, petition to annex, map
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**



Aldermen

Rick Prill  
Hazel Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



300 Pollock Street, P.O. Box 1129  
New Bern, NC 28563-1129  
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Mayor

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City Clerk

Kimberly A. Ostrom

Director of Finance

**TO:** Mayor and Board of Aldermen

**FROM:** Brenda E. Blanco, City Clerk

**DATE:** December 01, 2023

**SUBJECT:** Call for a Public Hearing to Annex 1955 Old Airport Road

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**Background**

The Estate of Elisabeth S. Rabeler has petitioned the City to annex 1955 Old Airport Road, two vacant parcels totaling approximately 53.58 acres and identified as PID 7-103-089 and 7-103-8005. It is requested a public hearing be held on January 09, 2024 to consider this request.

**Recommendation**

Consider adopting a resolution to call for a public hearing.

## **RESOLUTION**

THAT WHEREAS, the Board of Aldermen of the City of New Bern has received a petition from the Estate of Elisabeth S. Rabeler, bearing date November 21, 2023, seeking annexation to the City of New Bern of parcels of land consisting of 53.58 acres, more or less, which said parcels are located at 1955 Old Airport Road in Number Seven Township, Craven County, and being identified as a portion of Craven County Tax Parcels 7-103-089 and 7-103-8005 and more particularly identified on Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, the Board of Aldermen has caused the City Clerk to investigate the sufficiency of said petition and to certify the results of her investigation; and

WHEREAS, the Board of Aldermen has received the certification of the City Clerk attesting to the sufficiency of the petition; and

WHEREAS, the Board of Aldermen desires to conduct a public hearing on January 9, 2024, in the City Hall Courtroom at 6:00 p.m. on the question of annexing to the City of New Bern the above-described parcel of land owned by the Estate of Elisabeth S. Rabeler.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

Section 1. That a public hearing will be conducted by the Board of Aldermen of the City of New Bern on January 9, 2024, in the City Hall Courtroom at 6:00 p.m., or as soon thereafter as the matter may be reached, on the question of annexing to the City of New Bern the parcel of land owned by the Estate of Elisabeth S. Rabeler, which said parcel is located at 1955 Old Airport Road in Number Seven Township, Craven County, and being identified as a portion of Craven County Tax Parcels 7-103-089 and 7-103-8005, the boundaries of which are shown on Exhibits A and B attached hereto and incorporated herein by reference.

Section 2. That a notice of public hearing shall be published once in the *Sun-Journal* at least ten (10) days prior to January 9, 2024.

ADOPTED THIS 12<sup>th</sup> DAY OF DECEMBER, 2023.

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JEFFREY T. ODHAM, MAYOR

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BRENDA E. BLANCO, CITY CLERK

## EXHIBIT A

Tract 1:

Craven County Tax Parcel 7-103-8005

Being all of that certain 26.51 acres tract of land lying in Township # 7, Craven County North Carolina; and bounded by natural boundaries and/or lands owned by and/or in possession of persons, as follows: on the north by Craven County, on the east by the area of land previously annexed by the City of New Bern, owned by Frederick A.S. Rabeler and W. Lawson S. Rabeler, (Co-Executors of the Estate of Elisabeth S. Rabeler) and having a Craven County PIN# 7-103-8004, on the south by Creekside Village Subdivision (section two), TRB Rentals, LLC, and on the west by the waters of Brices Creek; said tract being particularly described by courses (according to the North Carolina Grid system) and distances according to a boundary survey and existing conditions map prepared by FEI under the seal of Tommy W. Wright Professional Land Surveyor No. L-5262, dated November, 17, 2023, job file 08028.008, to which reference is hereby made, as follows:

Commencing at a 5/8" set rebar on the northern line of James Joseph Smith & Melody Ann Smith as described in deed book (D.B.) 3705 page (Pg.) 325, said rebar having North Carolina grid coordinates NAD83(2011) of northing: 482053.80 easting: 2586918.68 thence S 80°25'08" W a distance of 356.36' to THE TRUE POINT OF BEGINNING said point being a 5/8" set rebar on the northern line of Branson T. Caward & Adrianna R. Caward as described in D.B. 3618 Pg. 1232 and at the southwest corner of the area of land previously annexed by the City of New Bern as described in D.B. 2211 Pg. 570 having a Craven County PIN # 7-103-8004 owned by Frederick A.S. Rabeler and W. Lawson S. Rabeler, (Co-Executors of the Estate of Elisabeth S. Rabeler) having North Carolina state plane grid coordinates NAD83(2011) of northing: 481994.48 easting: 2586567.29; thence S 80°25'08" W 552.67' passing a 5/8" set rebar, thence 321.15' passing a 1/2" found iron rod (0.29' north of line), said iron rod being at the northwest corner of Creekside Village subdivision (section two) as described in Plat Cabinet H Slide 33-A and at the northeast corner of TRB Rentals, LLC as described in D.B. 3237 Pg. 138, thence 378.85' passing a 1" found iron pipe (0.22' south of line), thence 274.17' passing a 1" found pinched top iron pipe, thence 325.30' passing a 1" found pinched top iron pipe, thence 499.54' passing a 1" found pinched top iron pipe, thence 236.38, for a total distance of 2588.06' to a point in Brices Creek; thence along Brices Creek for the following courses and distances N 22°17'53" W a distance of 235.45' to a point; thence N 37°29'53" W a distance of 65.52' to a point; thence N 21°46'03" W a distance of 97.40' to a point; thence N 48°43'07" E a distance of 77.70' to a point; thence leaving Brices Creek and entering Holstein Branch S 31°56'33" E a distance of 96.79' to a point on the southern line of Craven County as described in D.B. 1483 Pg.47; thence along the lines of said Craven County for the following courses and distances S 19°04'17" W a distance of 82.78' to a point; thence S 74°25'13" E a distance of 119.60' to a point; thence S 63°10'03" E a distance of 141.82' to a point; thence N 51°40'57" E a distance of 278.48' to a point; thence N 14°24'47" E a distance of 107.42' to a point; thence N 39°29'57" E a distance of 259.34' to a point; thence N 45°29'57" E a distance of 293.80' to a point; thence S 65°22'33" E a distance of 433.59' to a point; thence N 76°59'37" E a distance of 136.13' to a point; thence S 17°24'03" E a distance of 260.44' to a point; thence N 80°13'07" E a distance of 77.95' to a point; thence N 61°32'37" E a distance of 212.00' to a point; thence N 56°31'57" E a distance of 193.81' to a point; thence N 44°41'27" E a distance of 184.74'

to a point; thence N 74°21'57" E a distance of 60.62' to a point; thence N 16°07'27" E a distance of 55.28' to a point; thence N 36°00'37" E a distance of 134.90' to a point; thence N 57°36'47" E a distance of 191.42' to a point; thence S 84°50'23" E a distance of 52.12' to a point; thence N 61°04'57" E a distance of 74.72' to a point; thence S 64°45'43" E a distance of 131.10' to a point on the southern line of said Craven County; thence S 05°50'30" E a distance of 620.81' to the point of beginning.

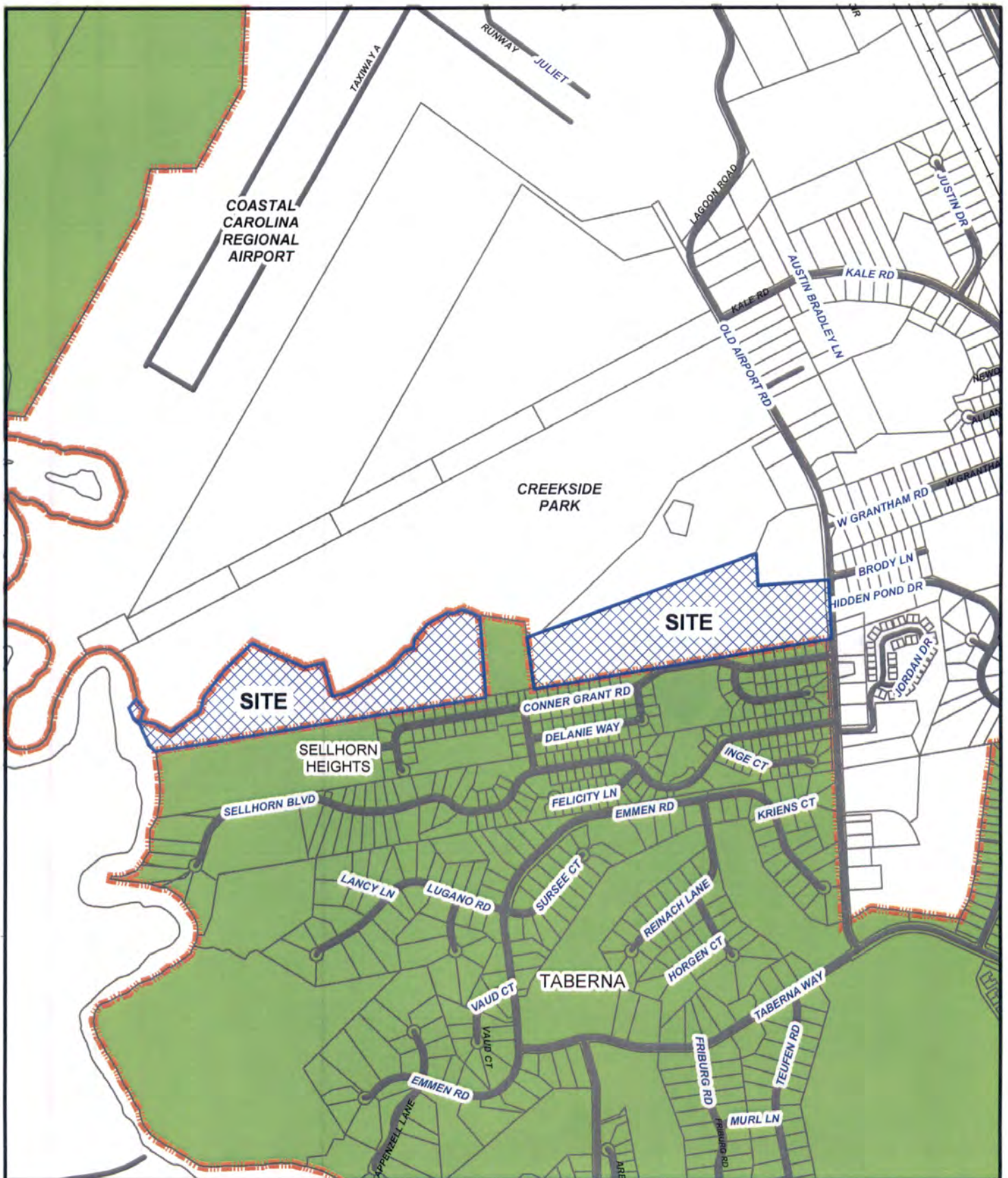
Tract 2:

Craven County Tax Parcel 7-103-089

Being all of that certain 28.66 acres tract of land lying in Township # 7, Craven County, North Carolina; and bounded by natural boundaries and/or lands owned by and/or in possession of persons, as follows: on the north by Craven County, Harvey W. Wright & Ida M. Wright, Fredrick A. S. Rabeler & Debra S. Rabeler, on the east by Old Airport Road (SR 1111), on the south by Creekside Village Subdivision (sections one A & B), and on the west by the area of land previously annexed by the city of New Bern, owned by Frederick A.S. Rabeler and W. Lawson S. Rabeler, (Co-Executors of the Estate of Elisabeth S. Rabeler) and having a Craven County PIN# 7-103-8004; said tract being particularly described by courses (according to the North Carolina Grid system) and distances according to a boundary survey and existing conditions map prepared by FEI under the seal of Tommy W. Wright Professional Land Surveyor No. L-5262, dated November, 17, 2023, job file 08028.008, to which reference is hereby made, as follows:

Commencing at NGS monument "NCRR CR E62 3", said monument having North Carolina Grid Coordinates NAD83(2011) of northing: 484786.55, easting: 2590805.86; thence S 52°17'32" W a distance of 2787.50' to THE TRUE POINT OF BEGINNING, said point being a 5/8" set rebar having North Carolina Grid Coordinates NAD83(2011) of northing: 483081.62, easting: 2588600.56, on the southern line of Harvey W. Wright & Ida M. Wright as described in Deed Book(D.B.) 1913 Page(Pg.) 705 and at the northwest corner of Fredrick A. S Rabeler & Debra S. Rabeler as described in D.B 3016 Pg. 636; thence along the lines of said Rabeler for the following courses and distances S 06°21'19" E a distance of 248.05' to a 5/8" set rebar; thence N 83°42'18" E a distance of 281.54' to a 5/8" set rebar; thence N 83°42'18" E, passing a 5/8" rebar set on the western right of way (R/W) of Old Airport Road, at a distance of 217.55' for a total distance of 247.60' to a point in Old Airport Road; thence S 03°10'49" E a distance of 458.40' to a point in Old Airport Road; thence S 80°25'08" W, passing a 5/8" rebar set on the western R/W of Old Airport Road at a distance of 30.79' said rebar being at the northeast corner of Creekside Village subdivision (section one A) as described in Plat Cabinet H Slide 8-A, thence 905.71' passing a 5/8" set rebar, thence 1356.20' for a total distance of 2292.70' to a 5/8" set rebar on the northern line of James Joseph Smith & Melody Ann Smith as described in D.B. 3705 Pg. 325 and at the southeast corner of the area of land previously annexed by the city of New Bern as described in D.B. 2211 Pg. 570 having a Craven County PIN # 7-103-8004 owned by Frederick A.S. Rabeler and W. Lawson S. Rabeler, (Co-Executors of the Estate of Elisabeth S. Rabeler) ; thence N 07°21'25" W a distance of 448.14' to a point in Holstein Branch on the southern line of Craven County as described in D.B. 1483 Pg. 47; thence along the southern line of said Craven County S 44°45'53" E a distance of 47.62' to a point; thence N 74°22'56" E, passing a 1" found iron pipe at a distance of 100.45' at the southwest corner of said Wright (1.75' north of line) for a total distance of 225.67' to a point; thence N 69°30'07" E a distance of 1589.00' to the point of beginning.





Proposed Annexation: Riverside Charter School - Old Airport Rd - 53.567 Acres: Tax ID's PIDs 7-103-8005, and 089



Existing New Bern Limits

Proposed Annexation Area

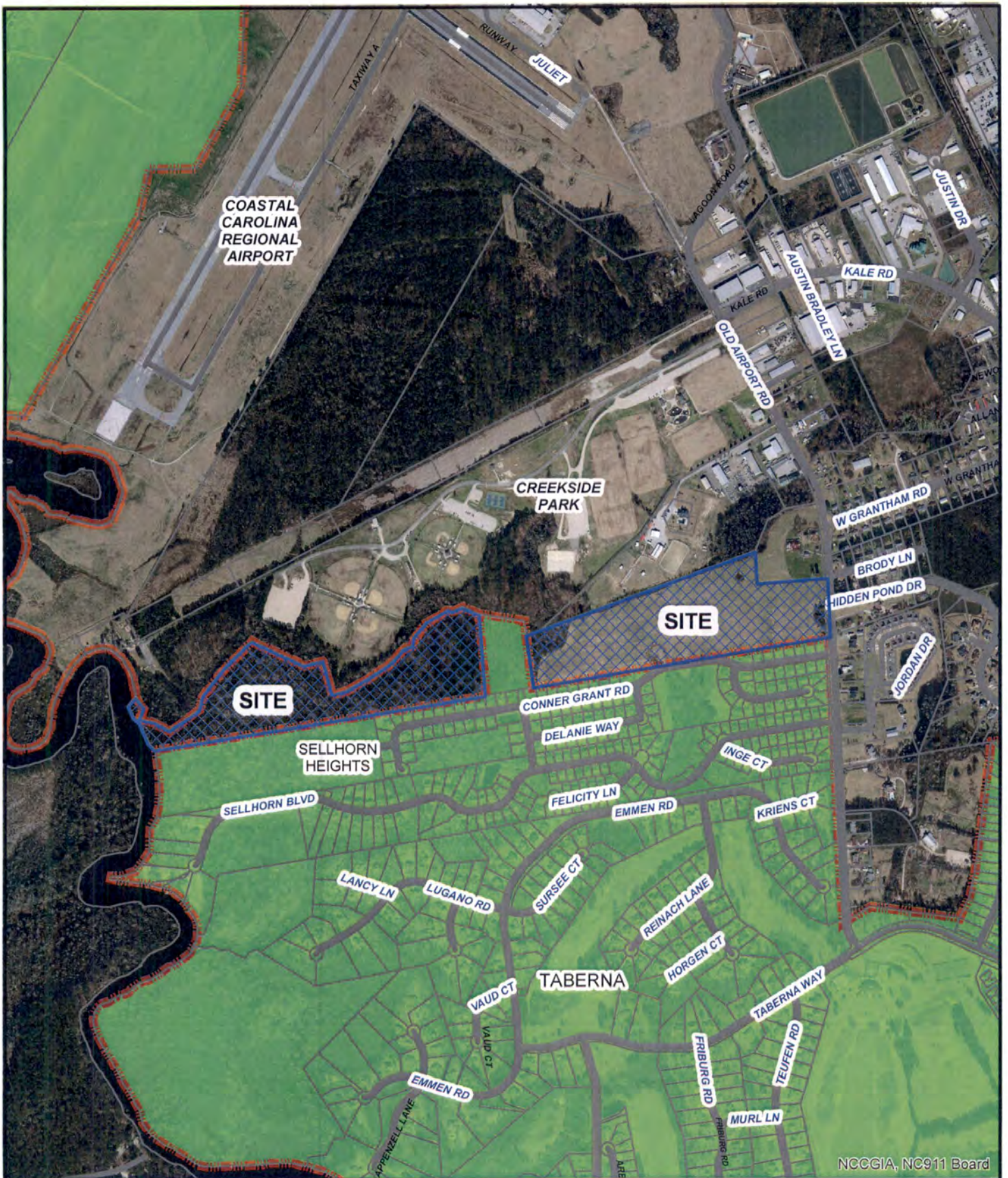


Scale: 1 = 200 ft



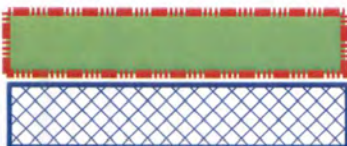
**EXHIBIT B**





NCCGIA, NC911 Board

Proposed Annexation: Riverside Charter School - Old Airport Rd - 53.567 Acres: Tax ID's PIDs 7-103-8005, and 089



Existing New Bern Limits

Proposed Annexation Area



Scale: 1 = 200 ft



EXHIBIT B



**CERTIFICATE OF SUFFICIENCY**

I, BRENDA BLANCO, City Clerk of the City of New Bern, North Carolina, do hereby certify that I have investigated the sufficiency of the Petition of the Estate of Elisabeth S. Rabeler requesting annexation by the City of New Bern of two parcels of land located at 1955 Old Airport Road in Number 7 Township, Craven County, identified as Tax Parcels 7-103-089 and 7-103-8005, which said Petition is dated November 21, 2023, and I do hereby certify that said Petition is in order in all respects.

THIS 12<sup>th</sup> DAY OF DECEMBER, 2023.

\_\_\_\_\_  
BRENDA BLANCO, CITY CLERK



**PETITION TO ANNEX**

TO: BOARD OF ALDERMEN OF THE CITY OF NEW BERN

1. Estate of Elisabeth S. Rabeler, the undersigned owner of real property, respectfully requests that the area described in Paragraph 2 below be annexed to the City of New Bern.

2. The area to be annexed is contiguous to the City of New Bern, and the boundaries of such territory are more particularly described on Exhibit A attached hereto and incorporated herein by reference.

OWNER:

Estate of Elisabeth S. Rabeler

By:

Unassigned by:

*Elisabeth S. Rabeler*

C80228C8B34E408

, Co-Executor

Date: 11/20/2023 | 4:16 PM EST

11/21/2023

Mailing Address: 1905 Old Airport Road, New Bern, NC 28562

## EXHIBIT A

Tract 1: Craven County Tax Parcel 7-103-8005

Being all of that certain 26.51 acres tract of land lying in Township # 7, Craven County North Carolina; and bounded by natural boundaries and/or lands owned by and/or in possession of persons, as follows: on the north by Craven County, on the east by the area of land previously annexed by the City of New Bern, owned by Frederick A.S. Rabeler and W. Lawson S. Rabeler, (Co-Executors of the Estate of Elisabeth S. Rabeler) and having a Craven County PIN# 7-103-8004 , on the south by Creekside Village Subdivision (section two), TRB Rentals, LLC, and on the west by the waters of Brices Creek; said tract being particularly described by courses (according to the North Carolina Grid system) and distances according to a boundary survey and existing conditions map prepared by FEI under the seal of Tommy W. Wright Professional Land Surveyor No. L-5262, dated November, 17, 2023, job file 08028.008, to which reference is hereby made, as follows:

Commencing at a 5/8" set rebar on the northern line of James Joseph Smith & Melody Ann Smith as described in deed book (D.B.) 3705 page (Pg.) 325, said rebar having North Carolina grid coordinates NAD83(2011) of northing: 482053.80 easting: 2586918.68 thence S 80°25'08" W a distance of 356.36' to THE TRUE POINT OF BEGINNING said point being a 5/8" set rebar on the northern line of Branson T. Caward & Adrianna R. Caward as described in D.B. 3618 Pg. 1232 and at the southwest corner of the area of land previously annexed by the City of New Bern as described in D.B. 2211 Pg. 570 having a Craven County PIN # 7-103-8004 owned by Frederick A.S. Rabeler and W. Lawson S. Rabeler, (Co-Executors of the Estate of Elisabeth S. Rabeler) having North Carolina state plane grid coordinates NAD83(2011) of northing: 481994.48 easting: 2586567.29; thence S 80°25'08" W 552.67' passing a 5/8" set rebar, thence 321.15' passing a 1/2" found iron rod (0.29' north of line), said iron rod being at the northwest corner of Creekside Village subdivision (section two) as described in Plat Cabinet H Slide 33-A and at the northeast corner of TRB Rentals, LLC as described in D.B. 3237 Pg. 138, thence 378.85' passing a 1" found iron pipe (0.22' south of line), thence 274.17' passing a 1" found pinched top iron pipe, thence 325.30' passing a 1" found pinched top iron pipe, thence 499.54' passing a 1" found pinched top iron pipe, thence 236.38, for a total distance of 2588.06' to a point in Brices Creek; thence along Brices Creek for the following courses and distances N 22°17'53" W a distance of 235.45' to a point; thence N 37°29'53" W a distance of 65.52' to a point; thence N 21°46'03" W a distance of 97.40' to a point; thence N 48°43'07" E a distance of 77.70' to a point; thence leaving Brices Creek and entering Holstein Branch S 31°56'33" E a distance of 96.79' to a point on the southern line of Craven County as described in D.B. 1483 Pg.47; thence along the lines of said Craven County for the following courses and distances S 19°04'17" W a distance of 82.78' to a point; thence S 74°25'13" E a distance of 119.60' to a point; thence S 63°10'03" E a distance of 141.82' to a point; thence N 51°40'57" E a distance of 278.48' to a point; thence N 14°24'47" E a distance of 107.42' to a point; thence N 39°29'57" E a distance of 259.34' to a point; thence N 45°29'57" E a distance of 293.80' to a point; thence S 65°22'33" E a distance of 433.59' to a point; thence N 76°59'37" E a distance of 136.13' to a point; thence S 17°24'03" E a distance of 260.44' to a point; thence N 80°13'07" E a distance of 77.95' to a point; thence N 61°32'37" E a distance of 212.00' to a point; thence N 56°31'57" E a distance of 193.81'

to a point; thence N 44°41'27" E a distance of 184.74' to a point; thence N 74°21'57" E a distance of 60.62' to a point; thence N 16°07'27" E a distance of 55.28' to a point; thence N 36°00'37" E a distance of 134.90' to a point; thence N 57°36'47" E a distance of 191.42' to a point; thence S 84°50'23" E a distance of 52.12' to a point; thence N 61°04'57" E a distance of 74.72' to a point; thence S 64°45'43" E a distance of 131.10' to a point on the southern line of said Craven County; thence S 05°50'30" E a distance of 620.81' to the point of beginning.

Tract 2: Craven County Tax Parcel 7-103-089

Being all of that certain 28.66 acres tract of land lying in Township # 7, Craven County, North Carolina; and bounded by natural boundaries and/or lands owned by and/or in possession of persons, as follows: on the north by Craven County, Harvey W. Wright & Ida M. Wright, Fredrick A. S. Rabeler & Debra S. Rabeler, on the east by Old Airport Road (SR 1111), on the south by Creekside Village Subdivision (sections one A & B), and on the west by the area of land previously annexed by the city of New Bern, owned by Frederick A.S. Rabeler and W. Lawson S. Rabeler, (Co-Executors of the Estate of Elisabeth S. Rabeler) and having a Craven County PIN# 7-103-8004; said tract being particularly described by courses (according to the North Carolina Grid system) and distances according to a boundary survey and existing conditions map prepared by FEI under the seal of Tommy W. Wright Professional Land Surveyor No. L-5262, dated November, 17, 2023, job file 08028.008, to which reference is hereby made, as follows:

Commencing at NGS monument "NCRR CR E62 3", said monument having North Carolina Grid Coordinates NAD83(2011) of northing: 484786.55, easting: 2590805.86: thence S 52°17'32" W a distance of 2787.50' to THE TRUE POINT OF BEGINNING, said point being a 5/8" set rebar having North Carolina Grid Coordinates NAD83(2011) of northing: 483081.62, easting: 2588600.56, on the southern line of Harvey W. Wright & Ida M. Wright as described in Deed Book(D.B.) 1913 Page(Pg.) 705 and at the northwest corner of Fredrick A. S Rabeler & Debra S. Rabeler as described in D.B 3016 Pg. 636; thence along the lines of said Rabeler for the following courses and distances S 06°21'19" E a distance of 248.05' to a 5/8" set rebar; thence N 83°42'18" E a distance of 281.54' to a 5/8" set rebar; thence N 83°42'18" E, passing a 5/8" rebar set on the western right of way (R/W) of Old Airport Road, at a distance of 217.55' for a total distance of 247.60' to a point in Old Airport Road; thence S 03°10'49" E a distance of 458.40' to a point in Old Airport Road; thence S 80°25'08" W, passing a 5/8" rebar set on the western R/W of Old Airport Road at a distance of 30.79' said rebar being at the northeast corner of Creekside Village subdivision (section one A) as described in Plat Cabinet H Slide 8-A, thence 905.71' passing a 5/8" set rebar, thence 1356.20' for a total distance of 2292.70' to a 5/8" set rebar on the northern line of James Joseph Smith & Melody Ann Smith as described in D.B. 3705 Pg. 325 and at the southeast corner of the area of land previously annexed by the city of New Bern as described in D.B. 2211 Pg. 570 having a Craven County PIN # 7-103-8004 owned by Frederick A.S. Rabeler and W. Lawson S. Rabeler, (Co-Executors of the Estate of Elisabeth S. Rabeler) ; thence N 07°21'25" W a distance of 448.14' to a point in Holstein Branch on the southern line of Craven County as described in D.B. 1483 Pg. 47; thence along the southern line of said Craven County S 44°45'53" E a distance of 47.62' to a point; thence N 74°22'56" E, passing a 1" found iron pipe at a distance of 100.45' at the southwest corner of said Wright (1.75' north of line) for a

total distance of 225.67' to a point; thence N  $69^{\circ}30'07''$  E a distance of 1589.00' to the point of beginning.

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting a Resolution Calling for a Public Hearing to Annex 684 West Thurman Road

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> 3
<b>Department:</b> City Clerk	<b>Person Submitting Item:</b> Brenda Blanco
<b>Call for Public Hearing:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Date of Public Hearing:</b> 1/9/2024

<b>Explanation of Item:</b>	Real Dogtors, LLC is seeking to annex 684 W. Thurman Road, a parcel consisting of 6.10 acres. It is requested a public hearing be held January 09, 2024.
<b>Actions Needed by Board:</b>	Consider adopting resolution calling for a public hearing
<b>Backup Attached:</b>	Memo, resolution, petition to annex, map
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**

Aldermen

Rick Prill  
Hazel Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



300 Pollock Street, P.O. Box 1129  
New Bern, NC 28563-1129  
(252) 636-4000

Jeffrey T. Odham  
Mayor

Foster Hughes  
City Manager  
Brenda E. Blanco  
City Clerk  
Kimberly A. Ostrom  
Director of Finance

**TO:** Mayor and Board of Aldermen

**FROM:** Brenda E. Blanco, City Clerk

**DATE:** December 01, 2023

**SUBJECT:** Call for a Public Hearing to Annex 684 W. Thurman Road

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**Background**

Real Dogtours, LLC has petitioned the City to annex 684 W. Thurman Road, a vacant parcel totaling approximately 6.10 acres. It is requested a public hearing be held on January 09, 2024 to consider this request.

**Recommendation**

Consider adopting a resolution to call for a public hearing.

## **RESOLUTION**

THAT WHEREAS, the Board of Aldermen of the City of New Bern has received a petition from Real Dogtors LLC, bearing date November 20, 2023, seeking annexation to the City of New Bern of a parcel of land consisting of 6.10 acres, more or less, which said parcel is located at 684 West Thurman Road in Number 7 Township, Craven County, more particularly identified on Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, the Board of Aldermen has caused the City Clerk to investigate the sufficiency of said petition and to certify the results of her investigation; and

WHEREAS, the Board of Aldermen has received the certification of the City Clerk attesting to the sufficiency of the petition; and

WHEREAS, the Board of Aldermen desires to conduct a public hearing on January 9, 2024, in the City Hall Courtroom at 6:00 p.m. on the question of annexing to the City of New Bern the above-described parcel of land owned by Real Dogtors LLC.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

Section 1. That a public hearing will be conducted by the Board of Aldermen of the City of New Bern on January 9, 2024, in the City Hall Courtroom at 6:00 p.m., or as soon thereafter as the matter may be reached, on the question of annexing to the City of New Bern the parcel of land owned by Real Dogtors LLC, which said parcel is located at 684 West Thurman Road in Number 7 Township, Craven County, North Carolina, the boundaries of which are shown on Exhibits A and B attached hereto and incorporated herein by reference.

Section 2. That a notice of public hearing shall be published once in the *Sun-Journal* at least ten (10) days prior to January 9, 2024.

ADOPTED THIS 12<sup>th</sup> DAY OF DECEMBER, 2023.

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JEFFREY T. ODHAM, MAYOR

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BRENDA E. BLANCO, CITY CLERK



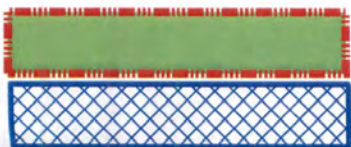
EXHIBIT A

All that certain tract or parcel of land lying and being in Number Seven Township, Craven County, North Carolina, and being described as follows:

Lot 1 (6.10 acres +/-) as depicted on a plat entitled "Survey and Division for the Estate of Sandra S. Buick", dated November 23, 2010 and prepared by James C. Simmons, Jr., PLS, as recorded in Plat Cabinet H, Slide 181 F in the Office of the Register of Deeds of Craven County, said survey incorporated herein by reference for a more accurate, detailed and precise description of the aforesaid property.



Proposed Annexation: 684 W. Thurman Road - 6.10 Acres+-; Tax ID's PID: 7-109-017



Existing New Bern Limits

Proposed Annexation Area



1 inch = 600 feet



**EXHIBIT B**





Proposed Annexation: 684 W. Thurman Road - 6.10 Acres+-: Tax ID's PID: 7-109-017



Existing New Bern Limits

Proposed Annexation Area



1 inch = 600 feet



**EXHIBIT B**



**CERTIFICATE OF SUFFICIENCY**

I, BRENDA BLANCO, City Clerk of the City of New Bern, North Carolina, do hereby certify that I have investigated the sufficiency of the Petition of Real Dogtours LLC, requesting annexation by the City of New Bern of a parcel of land located at 684 West Thurman Road in Number 7 Township, Craven County, which said Petition is dated November 20, 2023, and I do hereby certify that said Petition is in order in all respects.

THIS 12<sup>th</sup> DAY OF DECEMBER, 2023.

\_\_\_\_\_  
BRENDA BLANCO, CITY CLERK

**PETITION TO ANNEX**

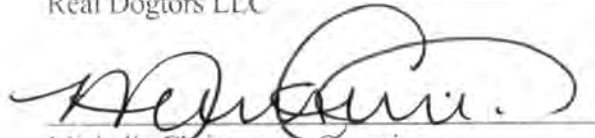
TO: BOARD OF ALDERMEN OF THE CITY OF NEW BERN

1. Real Dogtots LLC, the undersigned owner of real property, respectfully requests that the area described in Paragraph 2 below be annexed to the City of New Bern.

2. The area to be annexed is contiguous to the City of New Bern, and the boundaries of such territory are more particularly described on Exhibit A attached hereto and incorporated herein by reference.

OWNER:

Real Dogtots LLC

  
Michelle Christenson, Organizer

Date: 11/20/23

Mailing Address: 3712 Cerise Circle, New Bern, North Carolina 28562

### EXHIBIT A

All that certain tract or parcel of land lying and being in Number Seven Township, Craven County, North Carolina, and being described as follows:

Lot 1 (6.10 acres +/-) as depicted on a plat entitled "Survey and Division for the Estate of Sandra S. Buick", dated November 23, 2010 and prepared by James C. Simmons, Jr., PLS, as recorded in Plat Cabinet H, Slide 181 F in the Office of the Register of Deeds of Craven County, said survey incorporated herein by reference for a more accurate, detailed and precise description of the aforesaid property.

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting a Resolution Calling for a Public Hearing to Apply Initial Zoning to 3277 Old Airport Road, New Bern, NC 28562.

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> Ward 3
<b>Department:</b> Development Services	<b>Person Submitting Item:</b> Jessie Rhue, Director of Development Services
<b>Call for Public Hearing:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Date of Public Hearing:</b> 1/9/2024

<b>Explanation of Item:</b>	Michael and Rose Miller requested and were granted annexation into the City's Municipal Boundary. The subject property will require initial zoning to be applied. The Planning and Zoning Board recommended approval on November 7, 2023, for the application of R-8 zoning.
<b>Actions Needed by Board:</b>	Adopt Resolution
<b>Backup Attached:</b>	Memo, Resolution, Map

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**





## MEMORANDUM

**TO:** Mayor Jeffrey Odham, City of New Bern Board of Aldermen

**FROM:** Jessie Rhue, Director of Development Services

**DATE:** December 12, 2023

**SUBJECT:** Consider Adopting a Resolution Calling for a Public Hearing to Apply Zoning to 3277 Old Airport Road.

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The Board of Alderman is requested to call for a public hearing to be held on January 09, 2024, to consider applying zoning to 3277 Old Airport Road, which is currently not zoned. This parcel was approved for annexation on October 10, 2023, by the Board of Aldermen.

Staff notified all impacted property owners by mail on October 27, 2023, that this process was being initiated and invited them to contact Development Services with questions. No phone calls were received.

The application of the zoning district as proposed was unanimously recommended for approval by the Planning & Zoning Board at its meeting on November 7, 2023.

**Parcel Information:**

Address: 3277 Old Airport Road, New Bern, NC 28562

Parcel ID: 7-105-1000

Please contact Robert Gough at 252-639-7585, should you have questions or need additional information.

## **RESOLUTION**

THAT WHEREAS, the Board of Aldermen of the City of New Bern desires to call for a public hearing to receive public comments on a request to assign an initial zoning classification of R-8 Residential District to 0.89 +/- acres located at 3277 Old Airport Road. The property is further identified as Craven County Parcel Identification Number 7-105-1000.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

That a public hearing will be conducted by the Board of Aldermen of the City of New Bern at 6:00 p.m. on Tuesday, January 9, 2024 in the City Hall Courtroom, or as soon thereafter as the matter may be reached, in order that all interested parties may be given an opportunity to be heard on a request to assign an initial zoning classification of R-8 Residential District to 0.89 +/- acres located at 3277 Old Airport Road. The property is further identified as Craven County Parcel Identification Number 7-105-1000.

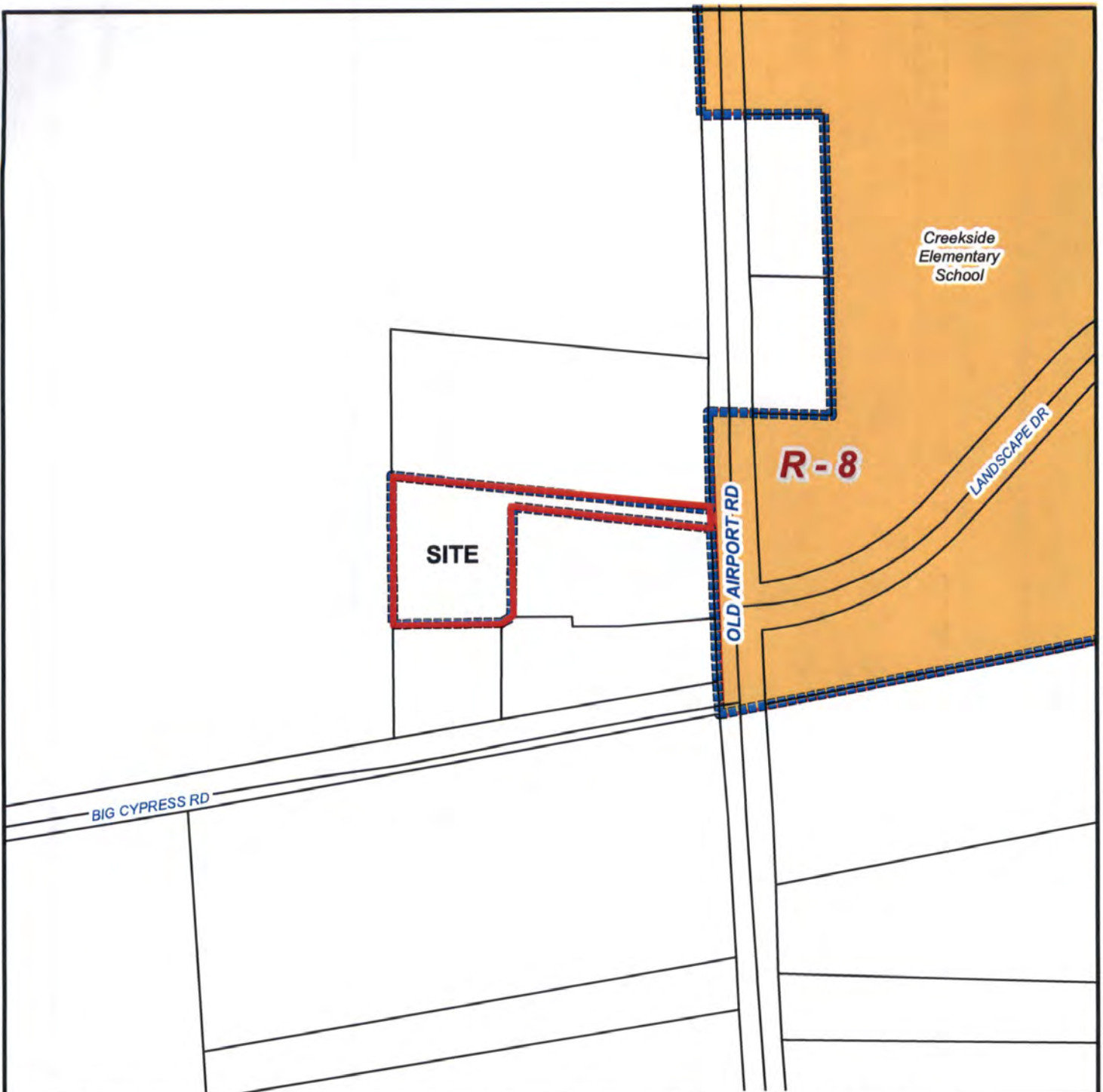
ADOPTED THIS 12<sup>th</sup> DAY OF DECEMBER, 2023.

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JEFFREY T. ODHAM, MAYOR

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BRENDA E. BLANCO, CITY CLERK



**Initial Zoning Case: 3277 Old Airport Rd. - Approx. 0.89 acres: PID: 7-105-1000**

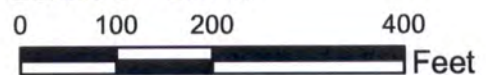
**LOCATION: West side of Old Airport Rd, north of Big Cypress Rd and Landscape Dr.**



**Subject Parcel**

**N** CITY of NEW BERN  
Development  
Services

**Scale: 1 = 200 ft**



## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting a Resolution Encouraging NCDOT to Widen Old Airport Road

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> area of Ward 3
<b>Department:</b> City Clerk	<b>Person Submitting Item:</b> Brenda Blanco
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	The proposed resolution encourages NCDOT to consider widening Old Airport Road in the area of Creekside Park and the future charter school.
<b>Actions Needed by Board:</b>	Consider adopting the resolution
<b>Backup Attached:</b>	Resolution
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b> \$0
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**

Aldermen

Rick Prill  
Hazel Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



300 Pollock Street, P.O. Box 1129  
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Jeffrey T. Odham  
Mayor

Foster Hughes  
City Manager  
Brenda E. Blanco  
City Clerk  
Kimberly A. Ostrom  
Director of Finance

**TO:** Mayor and Board of Aldermen

**FROM:** Brenda E. Blanco, City Clerk

**DATE:** December 01, 2023

**SUBJECT:** Consider Adopting a Resolution Requesting NCDOT Widen Old Airport Road – NCSR 1964

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**Background**

This item is presented at the request of Alderman Aster as articulated at the November 14, 2023 meeting. The area of Old Airport Road (NCSR 1964) is a heavily traveled road outside of the municipal boundary of the City of New Bern. It is the route to several subdivisions, a large park operated by Craven County, and will soon be the main road to a charter school that is under development. Safety of motorists on this road is of great concern, and the proposed resolution asks that consideration be given to widening Old Airport Road.

**Recommendation**

Consider adopting the resolution encouraging NCDOT to widen Old Airport Road – NCSR 1964.

**RESOLUTION REQUESTING THE  
WIDENING OF OLD AIRPORT ROAD (NCSR 1964)**

WHEREAS, Old Airport Road – NCSR 1964 in Craven County is owned and maintained by the North Carolina Department of Transportation ("NCDOT"); it is a heavily-traveled road that is often used as a thoroughfare to local subdivisions; and

WHEREAS, Creekside Park, a large and very active recreational area, is located at 1821 Old Airport Road; the park has numerous organized sporting events and activities scheduled daily and produces a substantial volume of traffic on Old Airport Road; and

WHEREAS, plans are underway for the development and construction of a charter school at 1955 Old Airport Road; the school will generate additional traffic in an area that is already saturated with a high volume, and the safety of motorists is of great concern considering the width of the current road.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF  
THE CITY OF NEW BERN:**

That the City of New Bern hereby expresses its concern about the safety of motorists and occupants who travel on Old Airport Road – NCSR 1964 and respectfully requests that the NC Department of Transportation consider widening and further improving the road to make it safer for all who travel it.

ADOPTED THIS 12<sup>TH</sup> DAY OF DECEMBER, 2023.

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JEFFREY T. ODHAM, MAYOR

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BRENDA E. BLANCO, CITY CLERK



**DRAFT**  
**CITY OF NEW BERN**  
**BOARD OF ALDERMEN MEETING**  
**NOVEMBER 28, 2023 – 6:00 P.M.**  
**CITY HALL COURTROOM**  
**300 POLLOCK STREET**

1. **Meeting opened by Mayor Pro Tem Robert Brinson. Prayer by Rev. Paul Canady, III, Director of Christ Church. Pledge of Allegiance.**
2. **Roll Call.**

Present: Mayor Jeffrey Odham (arrived at 6:25 p.m.), Alderman Rick Prill, Alderman Hazel Royal, Alderman Robert Aster, Alderman Johnnie Ray Kinsey (arrived at 6:01 p.m.), Alderman Barbara Best, and Alderman Robert Brinson.  
Absent: None. A quorum was present.

Also Present: Foster Hughes, City Manager; Marvin Williams, Assistant City Manager; Michael Scott Davis, City Attorney; and Brenda Blanco, City Clerk.

3. **Approve Agenda**

Alderman Aster made a motion to approve the agenda, seconded by Alderman Prill. The motion carried unanimously 7-0.

**Consent Agenda**

4. **Consider Adopting a Resolution to Initiate the Upset Bid Process for 512 Second Avenue.**

All Access Enterprises submitted a bid of \$2,700 for the purchase of 512 Second Avenue (PID 8-012-A-230), a vacant 0.07-acre residential lot acquired by the City and County in 2013 through tax foreclosure.

5. **Consider Adopting a Resolution to Initiate the Upset Bid Process for 801 Queen Street.**

Phil Hedrick submitted an offer of \$3,750 for the purchase of 801 Queen Street (PID 8-008-141). The property is a vacant 0.06-acre residential lot acquired by the City and County in 2016 through tax foreclosure.

6. **Consider Adopting a Resolution Calling for a Public Hearing to Annex a Portion of Tax Parcel ID 8-209-13001.**

Weyerhaeuser NR Company seeks to annex a portion of Tax Parcel ID 8-209-13001 in the West New Bern area. Portions of this parcel have previously been annexed. It is requested a public hearing be held on December 12, 2023.

**7. Approve Minutes.**

Minutes from the August 22, 2023, September 12, 2023, and October 10, 2023 closed sessions and the November 14, 2023 regular meeting were provided for review and approval.

Alderman Best made a motion to approve Items 4-7 of the Consent Agenda, seconded by Alderman Aster. Upon a roll-call vote, the motion carried unanimously 6-0.

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**8. Conduct a Public Hearing on Amending the 2020 and 2021 Annual Action Plans for the Community Development Block Grant Program.**

This public hearing was to receive comments on substantial amendments to the previously adopted 2020 and 2021 CDBG Annual Action Plans. Program regulations allow for substantial plan amendments in accordance with the Citizen Participation Plan. NCGS §160A-512 prohibits the Redevelopment Commission from acting as a permanent landlord, as was originally proposed in the plans. The suggested amendments will provide funding to the Redevelopment Commission to rehabilitate two single-family homes that will be donated to Habitat for Humanity and sold to low to moderate-income households in the Greater Five Points area. The plans' line-item budgets will not change.

Alderman Kinsey confirmed with D'Aja Fulmore, Community Development Coordinator, that proceeds from the sale will be returned to the CDBG program. However, Habitat for Humanity may retain a portion to pay for administrative costs associated with the project.

Mayor Pro Tem Brinson opened the public hearing, but no one came forward to speak. Alderman Best made a motion to close the public hearing, seconded by Alderman Prill. The motion carried unanimously 6-0.

**9. Consider Adopting a Resolution Approving and Authorizing the Execution of an Amended and Restated Full Requirements Power Sales Agreement Between the City and NCEMPA.**

NC Eastern Municipal Power Agency ("NCEMPA") and its member municipalities previously entered into a power sales agreement. The agreement was amended as approved by NCEMPA's Board of Commissioners and Electricities Board of Directors. Each member municipality is also required to approve and execute the amendment. Charlie Bauschard, Director of Public Utilities, explained the changes and felt they were beneficial to the City and its customers.

Alderman Best made a motion to adopt a resolution approving and authorizing the execution of an amended and restated full requirements power sales agreement between the City and NCEMPA, seconded by Alderman Kinsey. Upon a roll-call, the motion carried unanimously 6-0.

(Mayor Odham arrived at 6:25 p.m.)

**10. Consider Adopting a Resolution Authorizing the City Manager to Execute a Contract with Trader Construction for Phase One of the Duffyfield Stormwater Enhancement Project.**

Bids were solicited for the Duffyfield Stormwater Enhancement Phase 1 Project. Trader Construction was the only vendor to bid on the project. This resolution authorizes the execution of a contract with Trader for \$1,698,490 and any changes orders within the budgeted amount.

Alderman Aster made a motion to adopt a resolution authorizing the City Manager to execute a contract with Trader Construction for Phase One of the Duffyfield Stormwater Enhancement Project, seconded by Alderman Kinsey. Upon a roll-call vote, the motion carried unanimously 7-0.

(After the vote, Mayor Odham began presiding over the meeting and Mayor Pro Tem Brinson took his regular seat at the dais.)

**11. Appointment(s).**

No appointments were made.

**12. Attorney's Report.**

The City Attorney had nothing to report.

**13. City Manager's Report.**

Mr. Hughes reported on the following:

- The Governing Board should have received a copy of New Bern Housing Authority's most recently-approved minutes. Moving forward, the Board will also receive a copy of the agenda. The Interim Executive Director was unaware that the Board had previously been receiving this information.
- The City Clerk placed at the Board's seat a copy of the MSD Advisory Committee applications and a spreadsheet compiling the information. It is anticipated appointments will be made at the next meeting after the Board has reviewed the applications. The process for appointments was very briefly discussed.

**14. New Business.**

Alderman Prill

Alderman Kinsey has an appointment to make to the Planning and Zoning Board but has been unable to find a candidate. Alderman Prill was uncomfortable with a someone continuing to serve despite their expired term, and he questioned the ordinance that allows a person to do so for an extended length after their term



expires. He asked the City Attorney whether this practice put the City at risk. Mr. Davis explained it is common across the state for all appointees to serve until their successor has been appointed. If the rule were otherwise, there would be quorum issues. Alderman Prill suggested another official be allowed to make the appointment in a case where the designated official does not have a candidate. Mr. Davis and Alderman Kinsey explained it is not uncommon for other officials to share the name of a potential candidate for the appointing official's consideration.

Alderman Brinson

Information provided by the NC Department of Transportation ("NCDOT") at the quarterly MPO meeting was shared. The Havelock bypass is on track to open the summer of 2024, and the James City work is on track to be completed in the summer of 2025. Citizens can sign up for notifications by visiting NCDOT's website.

Craven Pamlico Animal Shelter will celebrate Shelter Pets Day on November 30, 2023. The pet adoption fee will be reduced during the celebration.

Mayor Odham

He and Alderman Royal attended the Giving Tuesday event at Union Point Park today.

The estimated attendance at the Christmas Tree lighting was 4,900, and attendance at the air show was estimated at 4,400.

**15. Closed Session.**

A closed session was not needed.

**16. Adjourn.**

Alderman Royal made a motion to adjourn, seconded by Alderman Kinsey. The motion carried unanimously 7-0, time being 6:45 p.m.

The attached documents are incorporated herewith and are hereby made a part of these minutes.

NOTE: For additional details and information on the Board of Aldermen meetings, please visit the City of New Bern's website at [www.newbernnc.gov](http://www.newbernnc.gov). Video and audio recordings of the meeting have been archived.

Minutes approved: December 12, 2023

---

Jeffrey T. Odham, Mayor

---

Brenda E. Blanco, City Clerk

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Presentation of City Employees of the Year

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b>
<b>Department:</b> Administration	<b>Person Submitting Item:</b> Foster Hughes, City Manager
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	The City Manager will present Employee of the Year Awards for Public Safety, Public Service, and Public Utilities/Works.
<b>Actions Needed by Board:</b>	
<b>Backup Attached:</b>	Memo
<b>Is item time sensitive?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**

**Aldermen**

Rick Prill  
Hazel B. Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



300 Pollock Street, P.O. Box 1129  
New Bern, NC 28563-1129  
(252) 636-4000

**Jeffrey T. Odham**

Mayor  
**Foster Hughes**  
City Manager  
**Brenda E. Blanco**  
City Clerk  
**Kimberly A. Ostrom**  
Director of Finance

**To:** Mayor and Board of Aldermen  
**From:** Foster Hughes, City Manager  
**Date:** December 8, 2023  
**Subject:** Presentation of Employees of the Year Award

**Background Information:**

This is the 2<sup>nd</sup> year of our Employee of the Year program. Annually, awards will be given in three categories:

- Public Safety – Fire-Rescue and Police.
- Public Service – Administration, Development Services, Finance, Human Resources, IT, and Parks & Recreation.
- Public Utilities/Works – Electric Utility, Public Works, and Water Resources.

Department Heads are responsible for nominating employees for this award. A committee appointed by the City Manager determines who the winner in each category will be.

The winners were announced at the City Employee luncheon in December. A plaque and check for \$300 to the winners will be presented during the December Board meeting.



## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Presentation by Craven County Alcoholic Beverage Control Board

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> N/A
<b>Department:</b> City Clerk	<b>Person Submitting Item:</b> Brenda Blanco
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	Chip Chagnon, Chairman of the Craven County Alcoholic Beverage Control ("ABC") Board, will present a check to the City for its portion of ABC sales and provide an annual briefing regarding the ABC Board.
<b>Actions Needed by Board:</b>	None
<b>Backup Attached:</b>	PowerPoint presentation
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director? <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**



**abc**

**CRAVEN COUNTY**  
*established 1935*

**New Bern Board  
of Alderman  
Annual Briefing  
December 12, 2023**

1



## MISSION STATEMENT

The mission of the Craven County ABC Board and its employees shall be to serve all Craven County and our localities responsibly by controlling the sale of spirituous liquor and promoting customer-friendly, safe, modern, and efficient stores.



Craven County



2





### CCABC Board Membership

Dennis "Denny" Bucher: Member  
 Dred Mitchell, Jr: Member  
 Kathleen Cook: Secretary  
 Ken Morris III: Vice Chairman  
 Wilfred "Chip" Chagnon: Chairman



### CCABC Management Team

Paul Brown: General Manager  
 Meloni Wray: Finance Officer  
 ALE Special Agent: Brent Massey  
 CCABC Enforcement



- **As of 1/2/23 ABC Law Enforcement Contracted to Craven County Sheriff's Office**

*and The 30+ Men & Women Professional  
 Who Serve Our Citizens With Care & Concern*

3

## CRAVEN COUNTY ABC BOARD FY 2022-23 OBJECTIVE RESULTS



- **New Bridgeton Store and LBD Warehouse/Distribution/Offices Campus  
 Store Grand Opening on December 18/2023**

- First Year Sales Estimated at \$1.2 Million
- State-of-the-Art Store Design and Customer Accessibility/Interactivity
- Craven County Sheriff's Department Satellite office opened on site
- County Emergency Management Accessibility

- **Liquor By The Drink (LBD) Warehouse/Distribution to Bridgeton**

- Moved entire LBD operation to the new warehouse location without any disruption to the delivery service to over 70 accounts.

- **Continued Store Improvements/Modernization**

- Worked with N.C. Distillers to install Sales Counter Marketing Wrap at No Cost
- Install of New Cameras at all Store Cash Register Locations
- Purchased Advanced Floor Cleaning Appliances

4



## CRAVEN COUNTY ABC BOARD FY 2022-23 OBJECTIVE RESULTS



- **Growth of 9.44% over LY Gross Sales - Sales Revenue to 16.7 Million**
  - Multiple Custom Bourbon Barrel purchases/Partner with LBD Customers on Custom Barrel purchases
  - Open-To-Buy Program (Product Purchasing) modification, improved stock levels
- **Improved "Controls First-Safe County" Policy:**
  - Stores are more secure with ABC Law Enforcement provided by Craven County Sheriff's Office (CCSD)
  - Compliance, Outreach & Education of Liquor By The Drink Establishments now performed by CCSD.
- **Employee Development/Retention:**
  - Employee Salaries/Benefits provide a supportable living standard
  - Increased Employee Professional Development Opportunities:
    - Offer Tuition Assistance for Employees Desiring Continuing Education in Retail Marketing & Business Majors at Craven Community College (CCC).
    - Instituted CCC On-Line "Leadership Development" Classes for Managers
    - Developed Assistant Manager Intern Program, Graduated Two Managers In March 2023

5

## CRAVEN COUNTY ABC BOARD FY 2023-2024 GOALS & OBJECTIVES **MEET OR EXCEED OUR MISSION STATEMENT BY:**

- **Exceed Previous Year Growth by 4.5%, Gross Sales Revenue to 19 Million**
- **Become More Effective In Operations:**
  - Creation/Appointment of an Assistant General Manager to expand GM's role
  - Improved LBD Warehouse and Delivery Operations
  - Continued Revision of Product/Inventory Stocked and Reorder System
  - Obtain and Implement New Payroll/Benefits Software
- **Maintain Standards of "Promoting Customer Friendly Store" Policy:**
  - New and Innovative Merchandise Carried and Special-Order Product Offered
  - Additional "Take-Away Product" Coolers and Freezers in all Stores
- **Employee Development/Retention:**
  - Board Approved 3% Raise Based on Positive Performance Appraisal
  - Increased Employee Professional Development Opportunities:
    - Offer Tuition Assistance for Employees Desiring Continuing Education in Retail Marketing & Business Courses at Craven Community College (CCC).
    - Institute On-Line Leadership Development Classes for Managers
    - Continue Assistant Manager Intern Program - Graduated Two Assistant Managers In March 2023

6



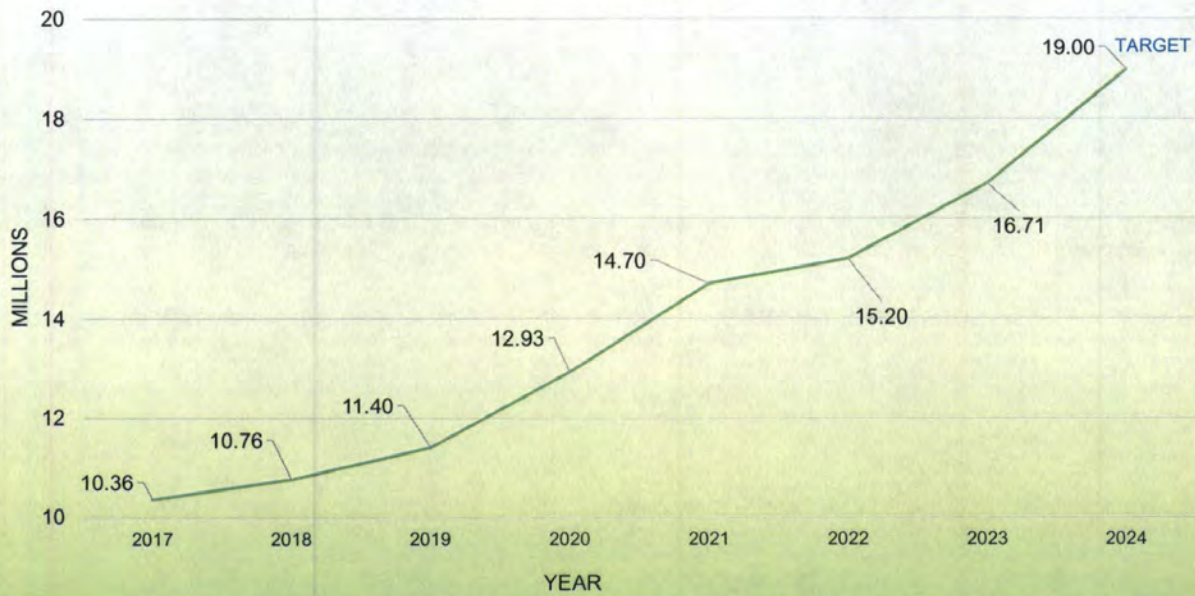
**CRAVEN COUNTY ABC BOARD  
FY 2023-2024 GOALS & OBJECTIVES  
MEET OR EXCEED OUR MISSION STATEMENT BY:**

- **Video/Image Program (FLOCK) In Bridgeton, Havelock & Vanceboro Stores**
  - Cameras Activated on Sites to assist CCSD, ALE, and other Law Enforcement in 'Real-Time' Surveillance, Reporting, and Capture
- **Support of Underage Drinking & Opiate Crises Education/Prevention Programs:**
  - Provide 7% Of Gross Revenue: To Craven County For Substance Abuse Prevention, Sponsor ALE Drug And Alcohol Education Programs
  - Increase Funding of Craven County Board Of Education/Sheriff Dept. D.A.R.E. Program Sponsorship through Partners In Education (PIE)
  - Sponsorship of Boys & Girls Club Anti-Drug/Drinking and Health Life Program
  - Sponsorship of Local Halfway House
- **Update Job Safety Programs**
  - Created and Implemented Proper Safety Instruction Video
  - Employee Certified Forklift Operational and Instructional Course
  - Issued Back Lift Supports, Safety Gloves, Instruction Posters



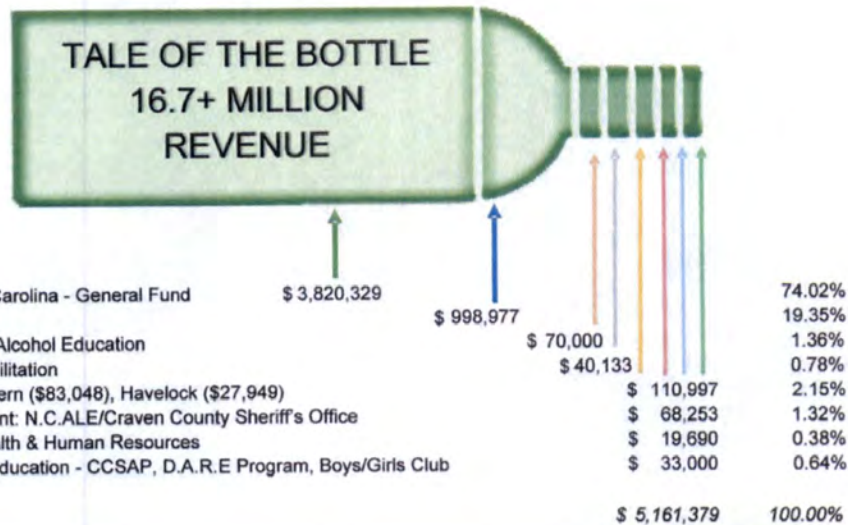
7

**"89 YEARS OF SERVICE"  
2017-2024 ABC SALES IN CRAVEN COUNTY**



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The Craven County ABC Board is established and operated with no state or county funds. The sales of spirituous liquor in our six ABC stores was \$16,719,480. for the fiscal year ending June 30, 2023. Distributions benefit the state of North Carolina's General Fund and the cities and counties we serve.



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### 3493 Martin Drive

- Lot Size: 25,730 SQ FT
- Building Size: 8,400 SQ FT
- Truck Bay/Loading Dock
- Storage Container
- Chained Link Fenced
- Four A/C Units
- 2019 Office Remodel

Insured Value \$675,617



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**THANK YOU!**



***Briefing Concluded***

**ANY QUESTIONS FOR YOUR  
CRAVEN COUNTY ABC BOARD**

11



**CHEERS!**



**NEW BERN  
BOARD OF ALDERMAN,  
THANK YOU FOR YOUR SUPPORT!**

**CHECK TOTAL \$53,048  
FOR OUR CITIZENS FROM YOUR  
CRAVEN COUNTY ABC BOARD**

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## AGENDA ITEM COVER SHEET

### **Agenda Item Title:**

Presentation of the Annual Comprehensive Financial Report and Audit for the Fiscal Year Ending June 30, 2023

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b>
<b>Department:</b> Finance Department	<b>Person Submitting Item:</b> Kimberly Ostrom, Finance Director
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	A representative from Thompson, Price, Scott, Adams and Company, P.A. will discuss the ACFR and the Audit Results for the fiscal year ending June 30, 2023.
<b>Actions Needed by Board:</b>	None-Informational Purpose Only
<b>Backup Attached:</b>	An electronic version of the Annual Comprehensive Financial Report and the presentation from the Auditor.
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**





# NEW BERN

CITY OF NEW BERN

## Presentation of Audit Results

Fiscal Year Ended  
June 30, 2023



CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS AND TAX ADVISORS

Alan W. Thompson, CPA  
1626 S Madison Street  
PO Box 398  
Whiteville, NC 28472  
910.642.2109 phone  
910.642.5958 fax  
[www.tpsacpas.com](http://www.tpsacpas.com)

# CITY OF NEW BERN

## Presentation Agenda

	<u>PAGE(s)</u>
I. GENERAL COMMENTS	
II. REQUIRED COMMUNICATIONS SAS 114	1-3
III. AUDIT RESULTS	4-10
IV. REQUIRED COMMUNICATION	11
V. QUESTIONS AND COMMENTS	
VI. CLOSE	



***Thompson, Price, Scott, Adams & Co, P.A.***

P.O. Box 398

1626 S Madison Street

Whiteville, NC 28472

Telephone (910) 642-2109

Fax (910) 642-5958

Alan W. Thompson, CPA

R. Bryon Scott, CPA

Gregory S. Adams, CPA

November 21, 2023

To the City of New Bern  
New Bern, North Carolina

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of New Bern for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance (if applicable), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 28, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of New Bern are described in Note 1 to the financial statements. The City adopted GASB Statement 96 "SBITA," effective for fiscal year ended June 30, 2023. We noted no transactions entered into by the City of New Bern for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimate(s) or assumptions noted during the audit.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. There are no such disclosures identified.

The financial statement disclosures are neutral, consistent, and clear.

**Members**

American Institute of CPAs - N.C. Association of CPAs - AICPA Division of Firms



### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Some of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 21, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Auditing Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of New Bern's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

- The City should continue to make efforts to ensure revenues are collected for projects with negative fund balances, otherwise transfers need to be budgeted and recorded to clear them up.

The Local Government Commission (LGC) will no longer initiate communications about concerns or findings (formerly considered unit letters). They have created a spreadsheet that has to be completed and submitted with the audit report. If that worksheet identifies what they consider a "Financial Performance Indicators of Concern" (FPICs), we are required to communicate those items to the Board. The City is required to submit a response within 60 days of the Board meeting in which the financial statements are presented. The detailed audit response should be presented to the entire Board, and signed by the entire Board, Finance Officer, and Manager. There was 1 FPIC noted that will require a response: Operating net income (loss) for the Water & Sewer Fund, excluding depreciation and including



debt service principal and interest payments, was negative. A negative balance indicates that your rates are not covering your operating expenditures and debt service payments.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the City Commissioners and management of the City of New Bern and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Thompson, Price, Scott, Adams & Co., P.A.*

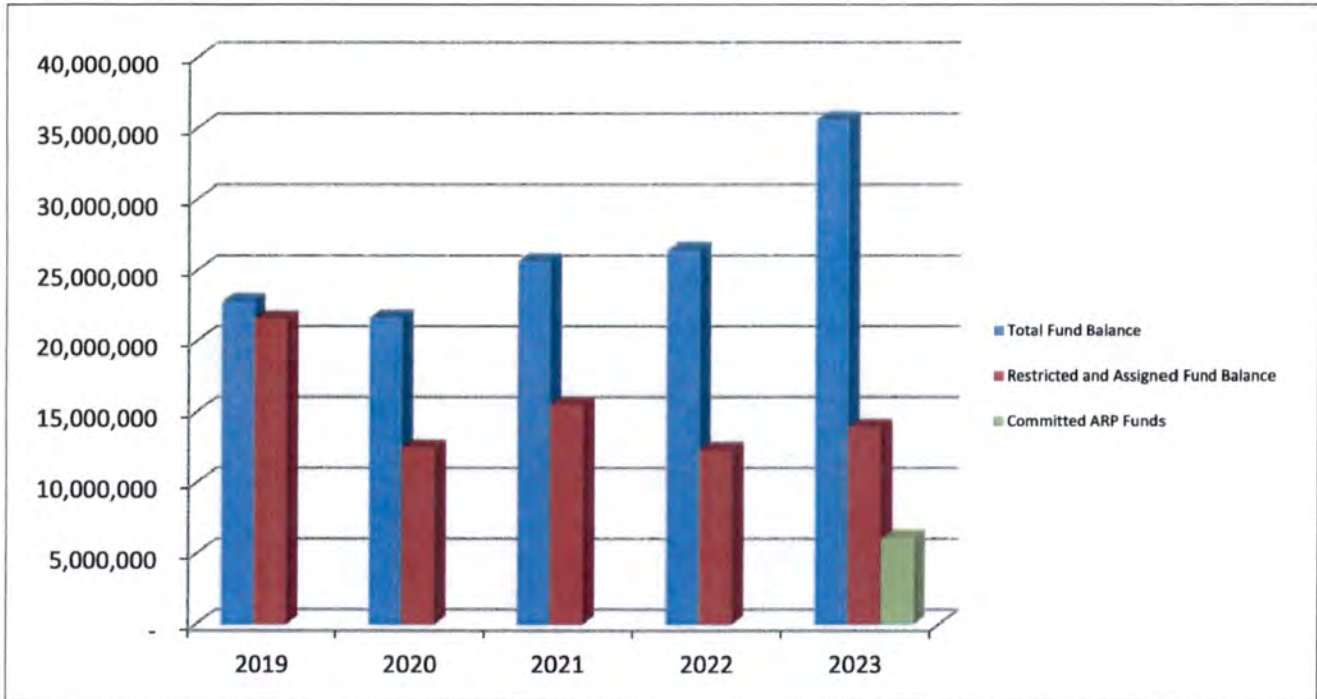
Thompson, Price, Scott, Adams & Co, P.A.

CITY OF NEW BERN					
FINANCIAL INFORMATION FOR 5 YEARS					
	2023	2022	2021	2020	2019
Total Fund Balance - General Fund	35,621,566	26,473,854	25,687,191	21,681,255	22,829,395
Unavailable Fund Balance (Reserve for State Statute, Prepaid, and Inventories)	12,294,558	12,044,406	14,611,301	13,086,936	19,111,754
Restricted and Assigned Fund Balance	13,947,580	12,334,643	15,569,453	12,488,839	21,590,110
General Fund Expenditures (including transfers out, less loan proceeds)	38,231,474	36,189,750	32,377,414	34,610,992	28,049,823
Fund Balance Available as % of General Fund Expenditures	61.02%	39.87%	34.21%	24.83%	13.25%
Unassigned Fund Balance (Previously Unreserved and Undesignated Fund Balance)	21,429,284	13,499,590	9,823,280	7,331,940	1,539,023
Unassigned Fund Balance as % of General Fund Expenditures	56.05%	37.30%	30.34%	21.18%	5.49%
Unassigned Fund Balance as % of General Fund Expenditures excluding FEMA Florence Fund Balance	60.05%	41.18%	48.10%	32.15%	48.98%
NOTE: \$6,145,282 of Committed ARP Enabled Project Funds is currently being reported as Unassigned. This amount was set aside and approved by the Board for ARP Enabled projects, thus reducing the unassigned balance to \$15,284,002. The resulting percentage of Unassigned Fund balance available for General Fund Expenditures would be 39.98%.					
Revenues over (under) expenditures before contributions and transfers					
General Fund	(1,389,027)	208,684	(2,614,293)	(2,777,816)	(57,759)
Electric Fund	(243,751)	2,309,742	4,838,346	2,606,493	3,000,966
Water Fund	1,520,333	2,683,963	2,402,285	2,135,080	2,220,635
Sewer Fund	(342,991)	1,582,924	1,504,981	1,293,257	1,077,029
Cash vs. Accumulated Depreciation - Electric Fund					
Total Fixed Assets	91,365,519	89,228,458	87,073,241	84,766,232	82,610,860
Accumulated Depreciation	54,429,216	52,654,026	51,155,127	48,952,094	46,508,429
Cash	15,192,928	18,579,622	20,107,225	19,246,256	21,404,728
Cash vs. Accumulated Depreciation - Water Fund					
Total Fixed Assets	72,383,977	70,592,164	70,260,679	70,029,309	69,005,222
Accumulated Depreciation	26,557,696	24,888,999	23,216,681	21,691,246	20,035,709
Cash	14,864,366	14,403,629	12,816,320	11,360,690	10,723,980
Cash vs. Accumulated Depreciation - Sewer Fund					
Total Fixed Assets	108,738,056	104,737,659	103,419,252	102,137,678	100,505,060
Accumulated Depreciation	43,993,778	41,852,225	39,744,913	37,596,634	35,294,940
Cash	2,710,529	7,125,769	7,360,167	6,996,879	6,515,829
Cash vs. Fund Balance					
Cash - General	27,928,332	18,820,751	14,982,151	10,751,962	6,876,690
Cash - Electric Fund	15,192,928	18,579,622	20,107,225	19,246,256	21,404,728
Cash - Water Fund	14,864,366	14,403,629	12,816,320	11,360,690	10,723,980
Cash - Sewer Fund	2,710,529	7,125,769	7,360,167	6,996,879	6,515,829
Cash - FEMA Hurricane Florence	-	-	-	-	-
Cash - American Recovery Plan Fund	-	6,704,351	3,352,176	-	-
Cash - Other Governmental	2,165,980	2,110,875	1,937,701	1,823,556	3,049,259
Fund Balance - General	35,621,566	26,473,854	25,687,191	21,681,255	22,829,395
Net Position - Electric Fund	52,833,419	54,418,019	52,709,725	50,208,485	50,597,196
Net Position - Water Fund	48,410,989	45,559,941	42,895,978	40,493,693	38,099,223
Net Position - Sewer Fund	66,875,139	68,548,845	66,985,921	65,480,940	63,444,023
Fund Balance - FEMA Hurricane Florence	(1,528,815)	(1,403,398)	(5,749,480)	(3,796,739)	(12,200,606)
Fund Balance - American Recovery Plan Fund	-	-	-	-	-
Fund Balance - Other Governmental Funds	1,930,225	1,525,601	(1,144,231)	510,692	1,040,575
Property Tax Rates	0.48	0.48	0.48	0.48	0.46
Collection Percentages	99.29%	99.15%	99.44%	99.07%	99.34%
Collection Percentages (excluding Motor Vehicle)	99.21%	99.06%	99.38%	98.99%	99.28%
Total Property Valuation	3,205,064,077	3,120,739,021	3,016,195,048	2,934,241,459	2,895,026,457
Total Levy Amount	17,297,474	16,604,678	16,123,847	15,467,427	14,582,070
Debt (excluding OPEB, compensated absences, LGERS)					
Governmental Activities	11,000,797	9,416,263	10,860,233	8,494,257	10,249,000
Business-Type Activities	15,525,970	21,355,931	27,700,591	34,091,306	40,874,790



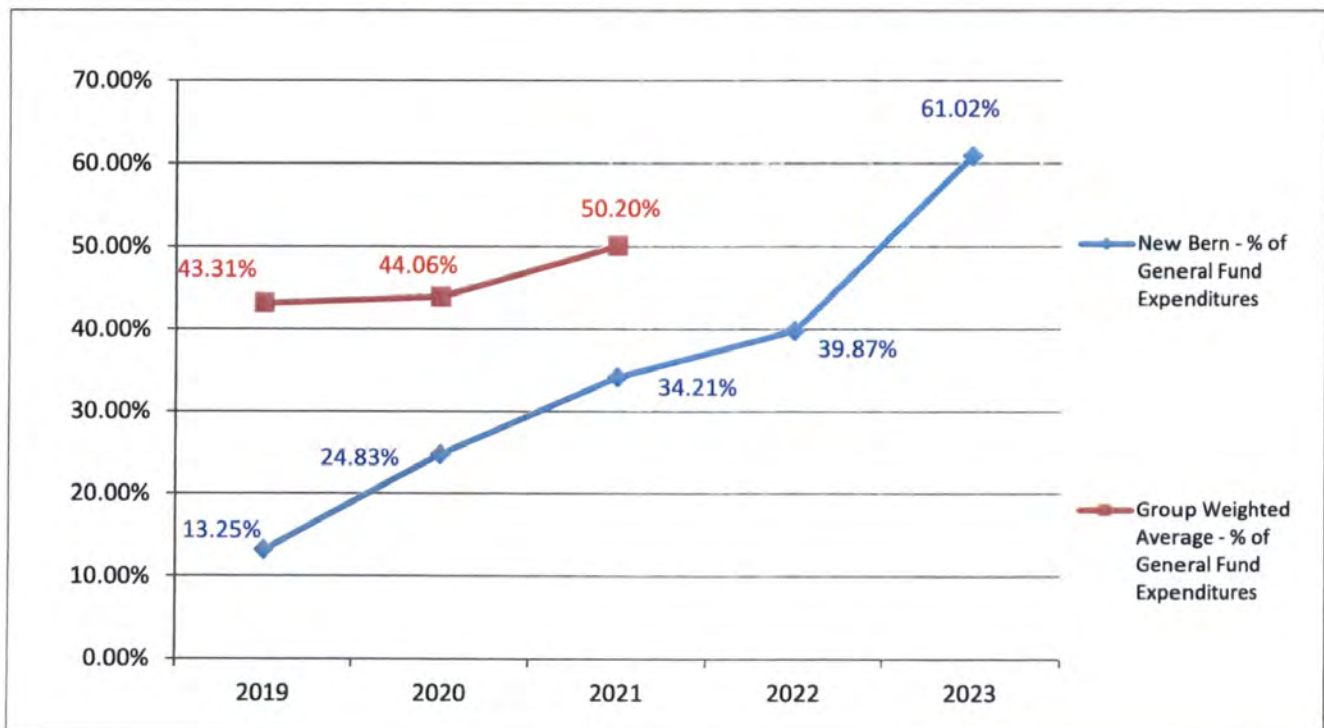
CITY OF NEW BERN					
FINANCIAL INFORMATION FOR 5 YEARS					
	2023	2022	2021	2020	2019
Breakdown of General Fund Revenues					
Ad Valorem Taxes	17,664,134	16,915,838	16,528,384	15,752,998	14,928,512
Other Taxes, License & Permits	1,053,179	1,006,560	1,050,580	675,417	558,380
Intergovernmental Revenue	16,270,790	15,346,110	13,994,570	12,617,576	12,443,181
Sales and Services	489,958	609,746	705,361	949,770	670,742
Investment Earnings	1,125,765	35,965	5,247	184,772	593,409
Miscellaneous	409,581	279,669	861,066	448,758	413,715
Total	37,013,407	34,193,888	33,145,208	30,629,291	29,607,939
Breakdown of General Fund Expenditures					
General Government	2,477,470	1,671,329	1,112,906	1,546,075	1,010,449
Public Safety	20,686,407	18,852,582	21,037,914	18,526,749	17,158,185
Public Works	6,998,959	5,655,149	6,345,192	5,727,305	4,811,427
Environmental Protection	-	-	-	-	-
Cultural & Recreational	4,013,595	3,489,272	3,562,330	3,592,917	3,014,102
Economic & Physical Development	1,778,350	2,068,426	1,687,409	1,765,000	1,527,204
Debt Service	2,447,653	2,248,446	2,013,749	2,249,061	2,144,331
Total	38,402,434	33,985,204	35,759,500	33,407,107	29,665,698

## City of New Bern Analysis of Fund Balance



## City of New Bern Analysis of Fund Balance Available

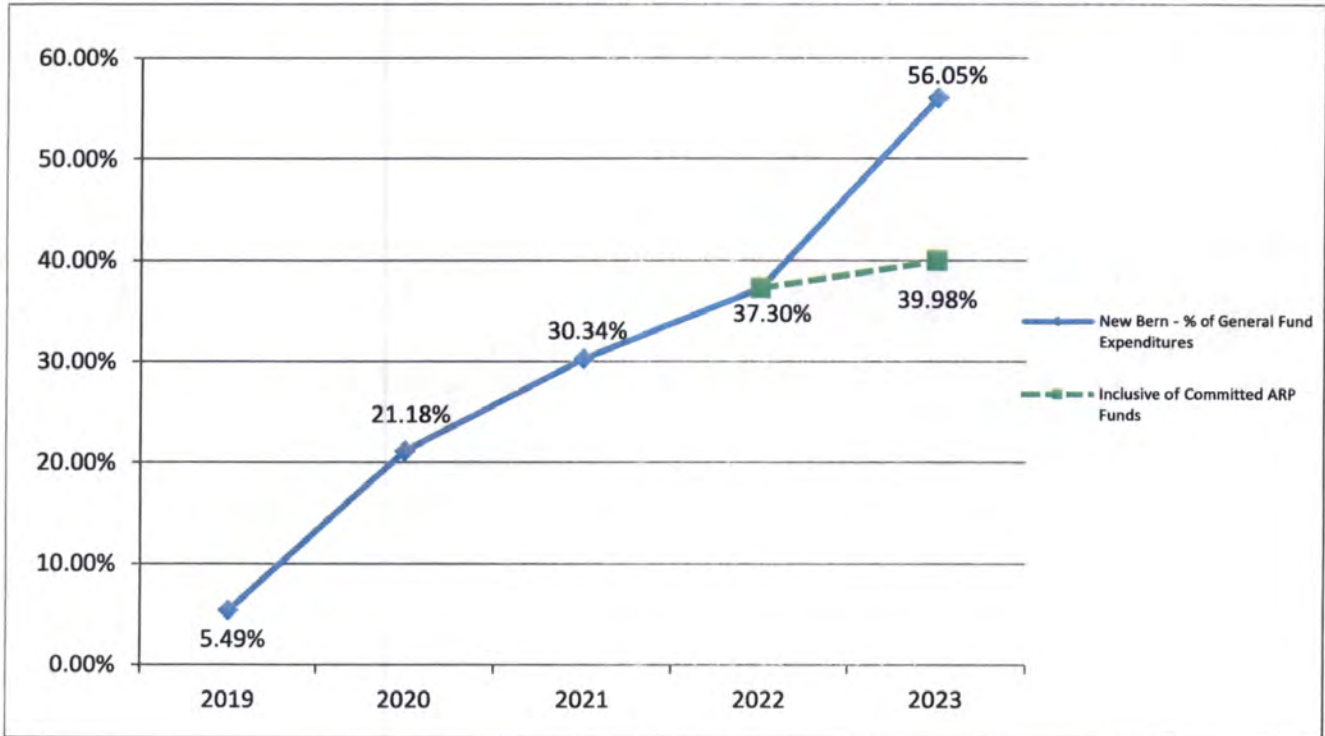
(Note - 2022 & 2023 Group Weighted Average Not Available at Date of Presentation)





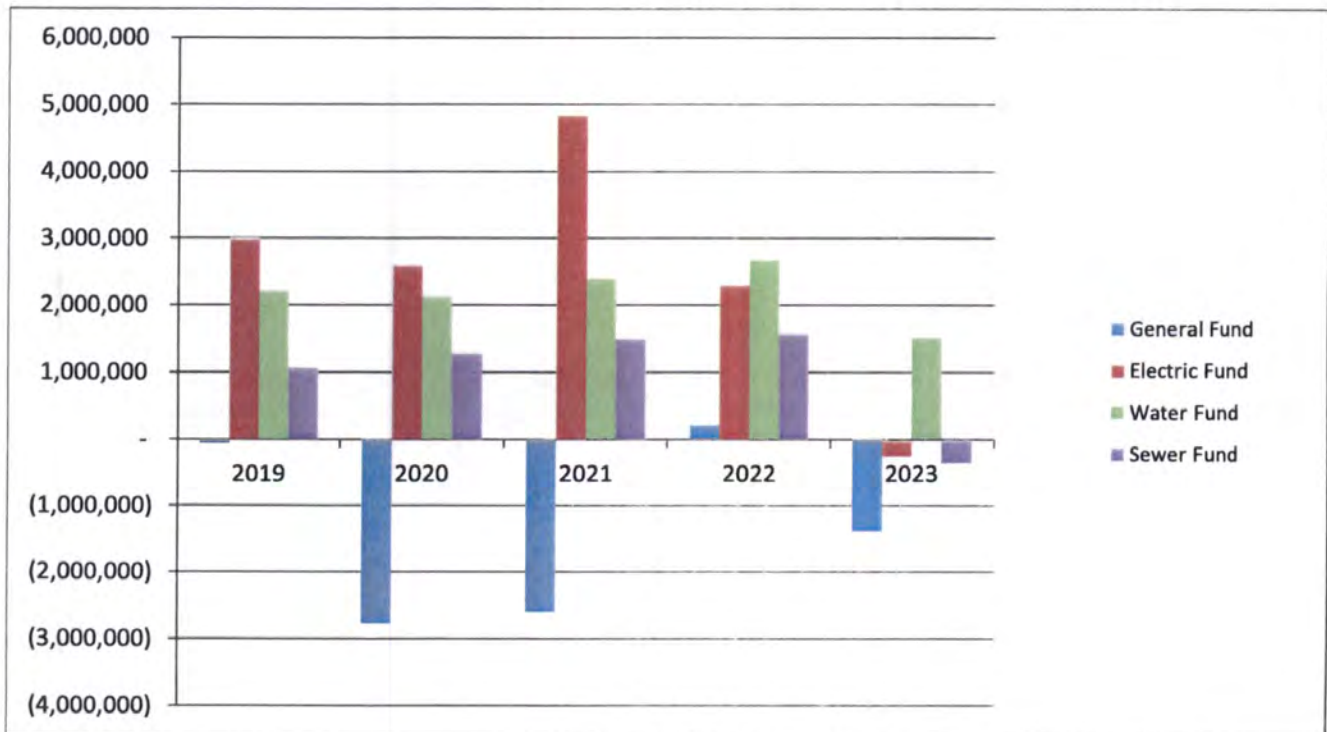
## City of New Bern

### Analysis of Unassigned Fund Balance as a % of General Fund Expenditures



## City of New Bern

### Analysis of Revenues Over (Under) Expenditures before Transfers and Contributions

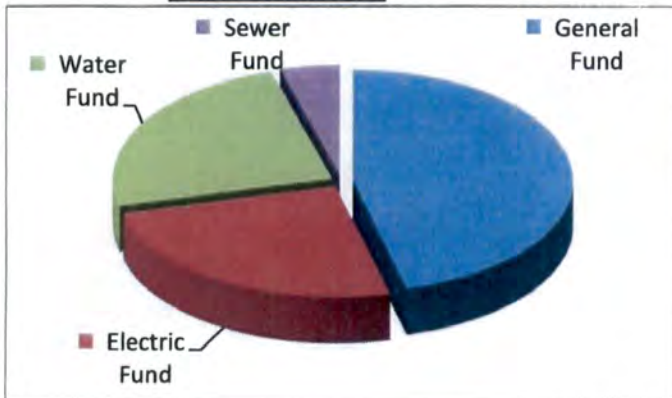


# City of New Bern

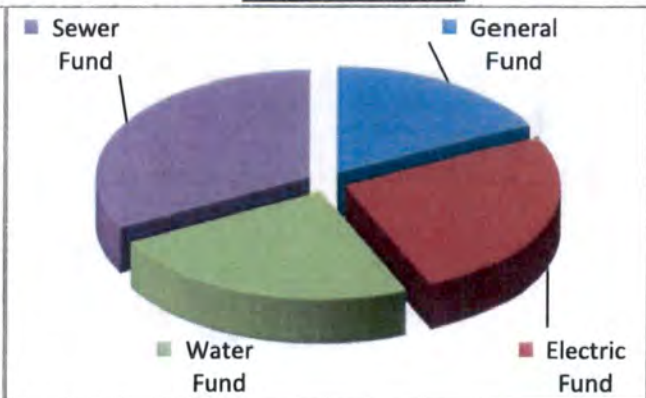
## Analysis of Cash and Fund Balances

### at June 30, 2023

#### CASH BALANCES



#### FUND BALANCES



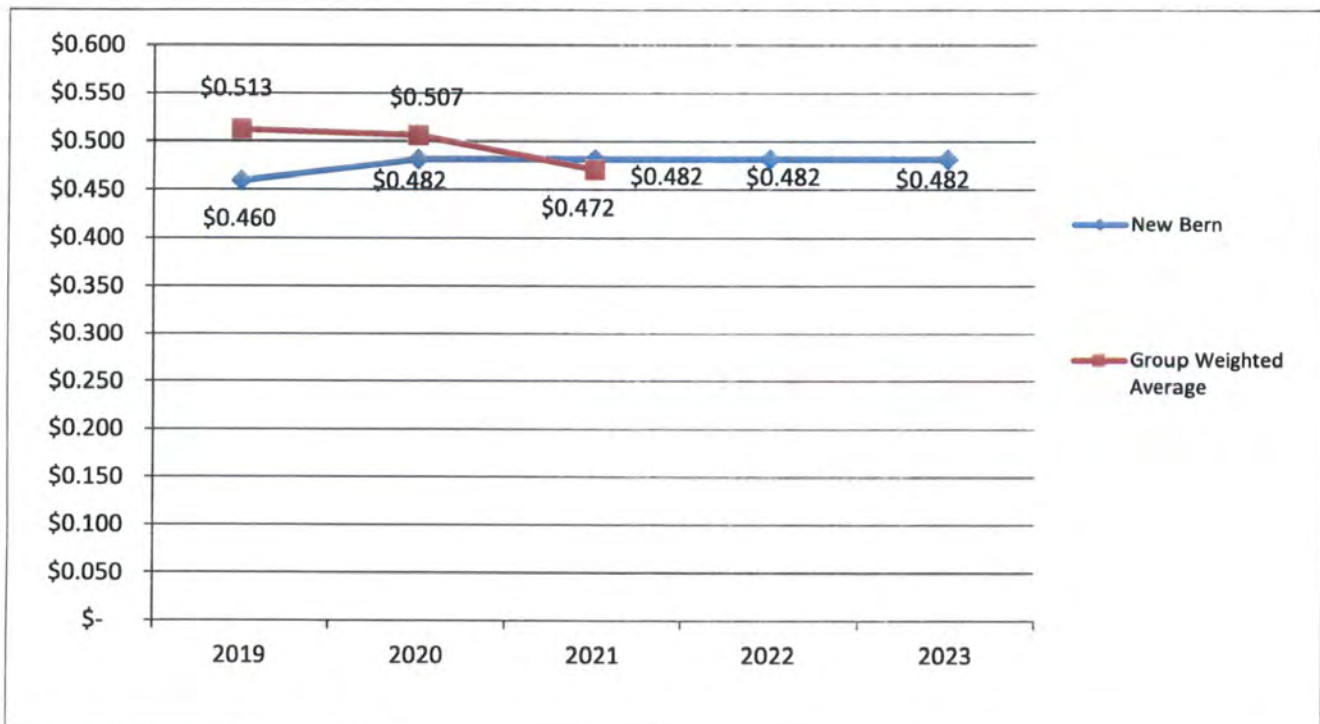
2023

	Cash Balances	Fund Balances
General Fund	\$ 27,928,332	\$ 35,621,566
Electric Fund	15,192,928	52,833,419
Water and Sewer Fund	17,574,895	115,286,128
Total	<u>\$ 60,696,155</u>	<u>\$ 203,741,113</u>

## City of New Bern

### Property Tax Rates

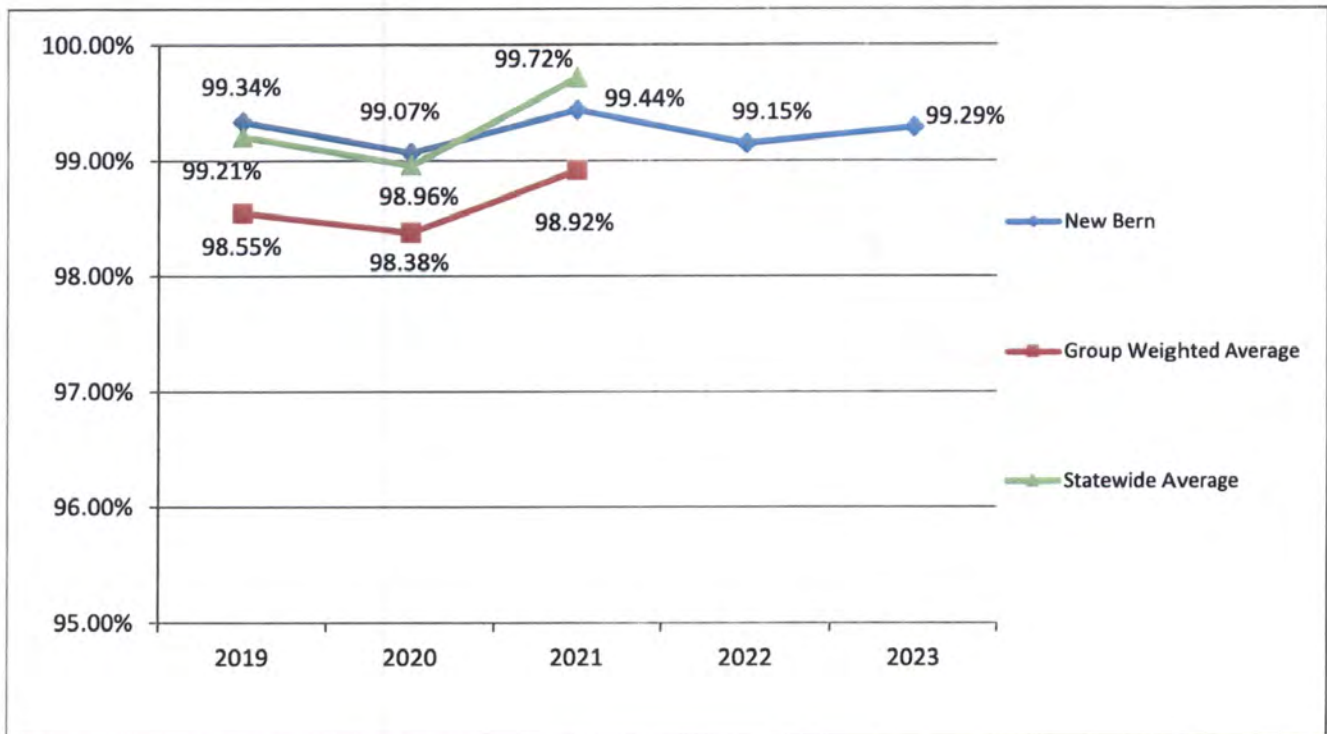
(Note - 2022 & 2023 Group Weighted Average Not Available at Date of Presentation)



## City of New Bern

### Collection Percentages

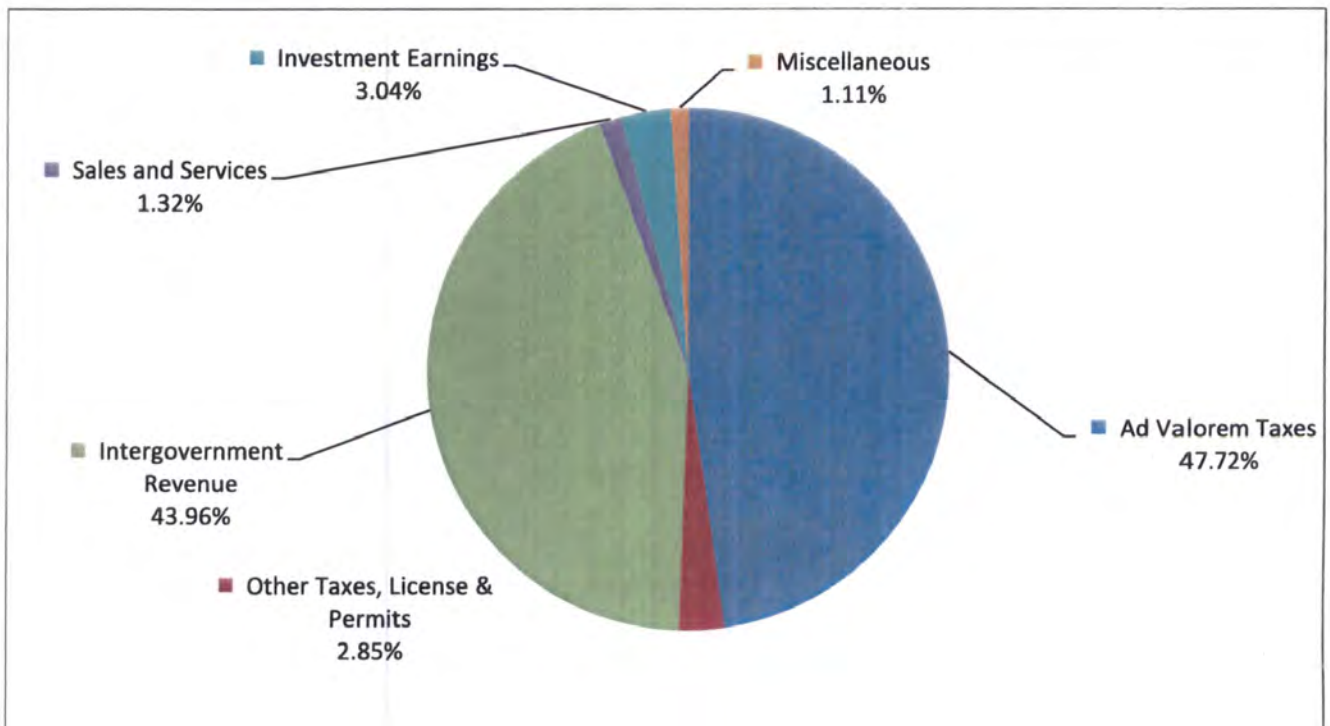
(Note - 2022 & 2023 Group/Statewide Weighted Average Not Available at Date of Presentation)



## City of New Bern

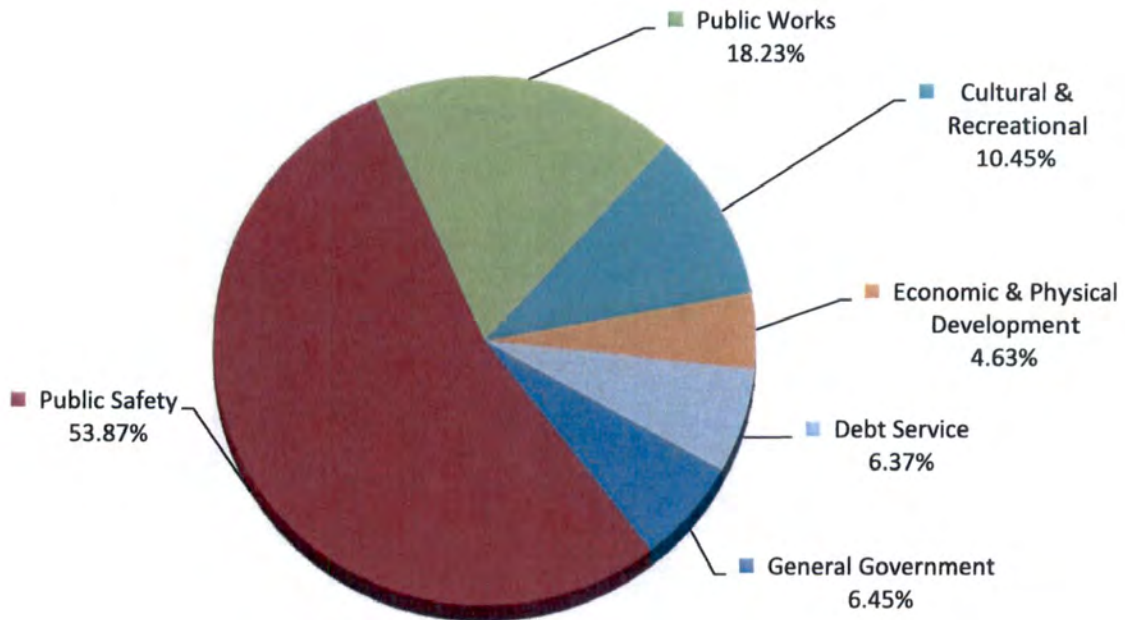
### Break Down of General Fund Revenue

FYE June 30, 2023





**City of New Bern**  
**Break Down of General Fund Expenditures**  
**FYE June 30, 2023**



## ADDITIONAL REQUIRED COMMUNICATIONS

### Changes to Audit Process

The Local Government Commission (LGC) will no longer initiate communications about concerns or findings (formerly considered unit letters). They have created a spreadsheet that has to be completed and submitted with the audit report. If that worksheet identifies what they consider a "Financial Performance Indicators of Concern" (FPICs), we are required to communicate those items to the Board.

You are required to submit a response within 60 days of the Board meeting in which the financial statements are presented. The detailed audit response should be presented to the entire Board, and signed by the entire Board, Finance Officer, and Manager.

CASH FLOW INDICATORS:	2021	2022	2023	Minimum Threshold	Unit Results	
Operating Net Income ( Loss) excluding depreciation, including debt service principal and interest.	\$3,052,319	\$2,993,202	-\$437,830.00	Greater than zero	(\$437,830)	This calculation subtracts operating expenses from operating revenues. Depreciation expense is not included the calculation but debt principal and interest payments are included. A negative balance indicates that your rates are not covering your operating expenses and debt service payments.

# **CITY OF NEW BERN**

## **North Carolina**



### **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

For the Year Ended June 30, 2023

**Prepared by:**  
**City of New Bern Finance Department**

**Submitted by:**  
**Kimberly A. Ostrom**  
**Director of Finance**



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## INTRODUCTORY SECTION

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**Aldermen**  
  
Rick Prill  
Hazel B. Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



Jeffrey T. Odham  
Mayor  
Foster Hughes  
City Manager  
Brenda E. Blanco  
City Clerk  
Kimberly A. Ostrom  
Director of Finance

October 16, 2023

To the Honorable Mayor, Board of Aldermen, and Citizens of the **CITY OF NEW BERN**:

The Annual Comprehensive Financial Report of the **CITY OF NEW BERN**, North Carolina (the City) for the fiscal year ended June 30, 2023, is hereby submitted. The basic financial statements contained herein have been audited by the independent certified public accounting firm of Thompson, Price, Scott, Adams & Co, P.A., a firm of licensed certified public accountants, and their unmodified opinion is included in the financial section. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the data enclosed is accurate in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position and, where applicable, the cash flows of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This report includes all the funds of the City. The City provides a full range of services including police and fire protection; stormwater services; construction and maintenance of streets and other infrastructure; community development services including planning and zoning; and parks and recreational services. In addition to general governmental activities, the City owns and operates electric, water, sewer, and solid waste utilities; therefore, these activities are included in the reporting entity. The New Bern Housing Authority, the New Bern-Craven County Public Library, Swiss Bear Downtown Development Corporation, and Friends of the Fireman's Museum do not meet the established criteria for inclusion in the reporting entity, and accordingly are excluded from this report.

Generally Accepted Accounting Principles (GAAP) requires 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 New Bern's MD&A can be found immediately following the independent auditor's report.

The City is required to undergo a "Single Audit" in conformity with *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit

*Everything Comes Together Here*

Requirements for Federal Awards, and the State Single Audit Implementation Act. Information related to this single audit, including the schedule of expenditures of federal and state awards, findings and recommendations, and the auditor's reports on the internal control over financial reporting and compliance with applicable laws, regulations, and contract and grant agreements, is included in a separate reporting package.

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## **ECONOMIC CONDITION AND OUTLOOK**

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New Bern, settled in 1710 at the confluence of the Trent and Neuse Rivers, is located 110 miles east of Raleigh, the State Capitol, and 35 miles west of the Atlantic Ocean. New Bern is the largest municipality in Craven County and serves as the County seat. Rich in history, it is the site of North Carolina's Colonial Capital and its first State Capitol. New Bern is also the Birthplace of Pepsi Cola, a drink first created by Caleb Bradham, a local pharmacist, in 1898. Downtown New Bern offers museums, shops, galleries, restaurants, historic sites, waterfront hotels, bed and breakfast accommodations, marinas, a convention center, parks, historic homes, and churches. Tryon Palace Historic Sites & Gardens, the first permanent seat of colonial government in North Carolina, offers visitors an opportunity to experience over 300 years of American history and acres of period-inspired gardens. The City is centrally located to several growing communities including the cities of Jacksonville, Morehead City, Greenville, and Kinston, all around 40 miles and less than an hour's drive away. The City is easily accessible by US 70, US 17, and NC 43.

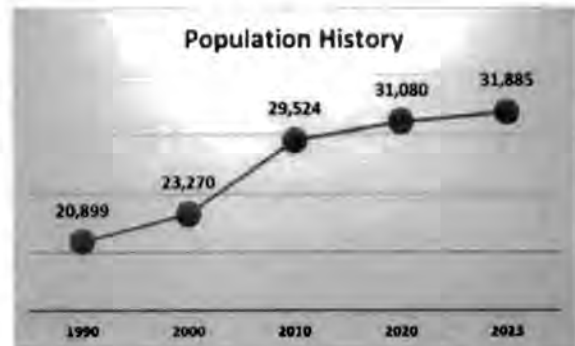
The City is a council-manager form of government with a Board of Aldermen and Mayor. The Board is composed of six members who are elected by ward, and a mayor who is elected at-large. Each serves for four-year coincident terms. The City Manager, Director of Finance, and City Attorney are appointed by and serve at the pleasure of the Mayor and Board of Aldermen. The City Manager serves as the chief executive officer of the organization and is responsible for carrying out Board of Aldermen policy through the administration of the various departments and their staff.

The City thrives on tourism, as it has over 160 sites included in the National Register of Historic Places. Stretching 248 miles, the Neuse River, located in New Bern, is the longest river in North Carolina and the widest river in America (6 miles across). The City is centrally located to 157,000 acres of the Croatan National Forest, which is nationally recognized for its trails and recreation opportunities. The Tourism Downtown Authority reported 617,000 visitors in 2022,

Government (federal, state, and local) is the largest single employer in the County. CarolinaEast Health System, a 5-star rated establishment, is the City's largest single employer. CarolinaEast Health System regularly receives awards and recognition for exceptional medical care and consistent patient satisfaction in a number of areas. The U.S. News & World Report named CarolinaEast Medical Center on its 2023-24 Best Hospitals list as a high performing hospital for colon cancer surgery, chronic obstructive pulmonary disease, heart attack, heart failure, kidney failure, and knee replacement. New Bern is home to two large manufacturing facilities: Moen, Inc. and BSH Appliances, Corp. Moen, the number one faucet brand in North America, employs over 800 people at the New Bern facility. Once again Moen is recognized for its world-class customer

service and exceptional products, receiving the honor for the 11<sup>th</sup> year as a 2023 National Preferred Partner by David Weekly Homes. BSH Appliances, a German-based manufacturer, is the world's third largest home appliance manufacturer specializing in cooking, washing/drying, refrigeration/freezing, and other consumer products. New Bern is host to the largest of the three U.S.-based factories. BSH Home Appliances Corporation received the Top Employer United States of America 2023 Certification for the eighth consecutive year.

Since the 2020 Census, the City has had a steady increase in population and is expecting it to continue with the growth and development within the City and surrounding areas. The median household income (last reported in 2021) was \$45,829. As of June 2023, the community had an unemployment rate of 3.5 percent compared to a statewide rate of 3.3 percent.



New Bern is experiencing continued commercial and residential growth. Construction activities for new non-residential development was steady for the fiscal year with ten permits for commercial construction issued (5 new commercial structures & 5 office-type uses). Construction continued for residential development with 207 new construction permits being issued. Permits for accessory buildings, additions, repairs, renovations, and other miscellaneous permits remained at the same level as the previous fiscal year. Additionally, residential growth continued citywide with seven new phases in existing subdivisions. This includes Lake Tyler Phases 4 and 5, West New Bern 2A, B, C, & D, Belle Oaks V-B and Athens Acres/Derby Park Phase 1. This resulted in the creation of 272 new lots, compared to 160 new lots the previous fiscal year. While the issuance of permits has reduced, the approval of the seven final plats will likely result in an increase in permit submittals in the coming months. Investments in Community and Economic Development are still in focus and include the continued administration of several grants and redevelopment efforts. Construction of large transportation projects such as the James City Project, Havelock Bypass, and NC 43 Connector engender economic development opportunities due to improved connectivity, new jobs, redevelopment, and housing and retail possibilities. These opportunities are further complimented by the recent completion of a Retail Market Analysis and a Retail Inventory Report.



The City is empowered to levy taxes on real and certain personal property located within its boundaries and any annexations. North Carolina General Statutes require real estate reappraisals to be conducted at least every eight years. Craven County Tax Department conducted a countywide tax revaluation for the 2023 tax year; the results recognize an anticipated increase of 32%, estimating the tax base of \$4,722,540,000.



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## **MAJOR INITIATIVES**

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Fiscal year 2022-2023 (FY23) included the planning and implementation phases of several initiatives as well as the continuation or completion of projects begun during previous fiscal years.

### **Resurfacing Project**

Utilizing the City of New Bern's most recent Asphalt and Paving Rating Study, degraded roadways were selected for repair and resurfacing. The majority of the selected received water, sewer, and stormwater infrastructure improvements as identified by the City Engineer. The roadways resurfaced included all roads within the Windy Trail Community, Court Street, High Street, and a portion of River Drive, totaling \$420,000.

### **Sidewalk Projects**

Expansion, connection, and repairs of the City of New Bern sidewalk system were continued during the fiscal year, totaling \$250,000. Repairs were completed to the sidewalks in the Council Bluffs section of East Front Street and North Craven Street. A new sidewalk was installed to connect existing blocks of Cedar Street, Neuse Drive to National Avenue, at Pierce Park and one block of 5th Street connecting Spencer Avenue to the YMCA. Additionally, a new sidewalk was installed along Country Club Road in front of the Pembroke Community.

### **City Hall Elevator Project**

The construction of an elevator annex and accessible restrooms added to the historic City Hall was approved in FY21-22 in the amount of \$3,929,000. The annex provides access to the first and second floors for all residents and up to the third floor for employees, including those with disabilities. The project broke ground on May 10, 2022, and finished 17 months later with a ribbon cutting ceremony on October 10, 2023. Residents and staff now have easier access to attend Board of Aldermen and other public meetings that are held in the Court Room located on the second floor of City Hall.



### **ERP**

The Hansen upgrade to the Utility Customer Information System began in FY23, with completion just over a year later, in September 2023. The cross departmental project included IT, Department of Utilities, Finance, GIS, and Public Works staff.

### **Southeast Water System Improvements**

Through past water system evaluations, the Old Airport Road and Waterscape/Wilcox corridors were identified as areas where the water system will be unable to provide an adequate domestic and fire-flow supply as demand continues to increase on the system. The current water system in both corridors has been constructed linearly in the past as New Bern has grown in these areas. This linear construction has created two dead-ends that are not loop-fed with any other part of the

system, creating conditions which are unfavorable from both a hydraulic and water quality perspective. The Southeast Water System Improvements project has been identified as the most efficient method of improving the southeastern portion of the New Bern water system and providing the infrastructure needed to maintain adequate domestic and fire-flow supply as the City continues to grow in this area. In July of 2022, this project was awarded to Herring-Rivenbark, Inc. of Kinston, NC with a bid of \$795,942.75. The project was completed in December 2022 at a total cost of \$775,312.



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## **MAJOR INITIATIVES FOR THE FUTURE**

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### **Township No. 7 Sewer System Improvements & Relocation of Sewer Lift Station No. 10**

To provide the required sewer system capacity for users south of the Trent River, the City has implemented several large-scale sewer improvement projects in the Township No. 7 area since 2010. The remaining portion of the project will include an upgrade to the existing pumps and control components at the equalization basin, the construction of a new transmission force main across the Trent River, and the relocation of lift station No. 10. The need for these improvements has been identified since 2006 as the ultimate solution to fixing the over-allocation issues and providing the capacity for New Bern to continue to grow in the areas south of the Trent River.

In 2017, New Bern began working to combine these three remaining tasks into part of a large capital project titled, “New Bern Township No.7 Sewer Improvements Project – Phase III”. Bids for the project were opened in October 2022, construction began in January 2023, and is scheduled to be complete early 2024. The total anticipated cost of the entire project is \$6,400,000. However, the City has received a \$500,000 Golden Leaf grant to help in funding the relocation of lift station No. 10.

### **Northwest Sewer Interceptor Rehabilitation**

This portion of the City’s sewer collection system is a large outfall line that runs through long stretches of flood plain on its path of the City’s Wastewater Treatment Plant (WWTP). This is the City’s largest sewer outfall, with approximately 35% of the sewer flow generated in New Bern flowing through this infrastructure. Due to its proximity to flood prone areas, portions of this pipeline become completely inundated during major storm events, which leads to sanitary sewer overflows and impacts New Bern’s ability to provide sanitary sewer service to some of our customers. In 2011, New Bern identified the need to rehabilitate this outfall and completed Phase I of the project, which included lining 3,100 feet of sewer pipe. Phase II and III of the projects will continue with 5,200 feet of lining through the most frequently flooded areas and raising the manholes along this stretch to above flood elevations. The proposed work in the Phases II & III project areas will reinforce the structural integrity of the pipe and eliminate the inflow and infiltration into the sanitary sewer collection system. Phase II of the project was bid in May of 2022, and the project was awarded to Insituform Technologies, Inc. with a bid of \$1,244,166.60. Construction is scheduled to begin in November of 2023, with completion by the end of 2023. The City has received a \$230,000 grant from NCDEQ to help fund the Phase II construction.

### **West New Bern Water System Improvements**

Through past water system evaluations, the Highway 17 South and Highway 55 West corridors were identified as areas where the water system will be unable to provide an adequate domestic and fire-flow supply as demand continues to increase on the system. The current water system in both corridors has been constructed linearly in the past as New Bern has grown in these areas. This linear construction has created two dead ends that are not loop fed with any other part of the system, creating conditions which are unfavorable from both a hydraulic and water quality perspective. The West New Bern Water System Improvement has been identified as the most efficient method of improving the western portion of the New Bern water system and providing the infrastructure needed to maintain adequate domestic and fire-flow supply as the City continues to grow. The planning and engineering for this large-scale project is complete and the project will move into the permitting phase in the winter of 2023, with bidding and construction to commence in the summer of 2024. While the funding has been approved for engineering and design, the funding for the actual construction has not been identified or appropriated. The estimated cost of the entire project is \$8,000,000.

### **Water & Sewer Rehabilitation on Pre-1960's Infrastructure**

Much of the existing water and sewer infrastructure in the older New Bern neighborhoods (Duffyfield, Ghent, Sunnyside, Riverside, Downtown, etc.) was installed prior to 1960 and has well exceeded its anticipated service life. The City is beginning to see more repair needs in this area, especially with galvanized water lines and clay sewer mains. The purpose of the water and sewer rehabilitation projects will be to eliminate deteriorated mains and service lines, increase the available water for fire protection, reduce the potential for sewer backups within the project area, and eliminate infiltration and inflow into the sewer system. The City's engineering staff is currently working on the design for several projects in this area and several blocks can be grouped together to create a large capital project. The estimated cost for complete water and sewer rehabilitation and street reconstruction in this area is estimated to be \$250,000 - \$300,000 per block. In the FY23-24 budget, \$350,000 has been included for water system improvements and \$250,000 has been included for sewer system improvements.

### **Electric System Capacity Improvement Project**

The electric system is at full capacity during peak loading conditions with all contingencies utilized. The City has worked with consultants to develop a plan to increase system capacity, add operational contingencies, and build resiliency. Additionally, the plan is expected to serve the 20-year growth forecast. In May 2021, the Board of Aldermen approved the preliminary work to construct additional electric system capacity to include planning, design, materials, construction bidding, and land acquisition. The estimated cost for the preliminary work is \$500,000. Land and easement procurement is complete. Engineering estimates have escalated to \$20,000,000. Staff are working to seek funding.

### **Make Ready Public Infrastructure for Broadband Service Providers**

The City recognizes the impact on City resources due to the emergence of broadband providers, with significant impact primarily to electric utilities. In July 2021 the project was established to make ready public infrastructure for broadband service providers to include planning, design



construction, installation, materials, and equipment. The project will be financed by reimbursements from the broadband service providers; however, initial costs are estimated at \$7,200,000. MetroNet is in progress and additional broadband companies have emerged with projects which creates additional pressure on the utility systems.

### **North Carolina Department of Transportation (NCDOT) Projects**

The North Carolina Department of Transportation (NCDOT) requested the City of New Bern to relocate city owned water, sewer, electric, and fiber structures that conflict with roadway improvement projects throughout the City's service territory. The majority of the electric expenses will be reimbursed by NCDOT, and most of the fiber optic expenses will be shared with Craven



County. The City is responsible for 25% of the actual water and sewer relocation costs, as required by NC general statutes; therefore, at conclusion of the construction the City will reimburse NCDOT.

The James City Phase I Water and Sewer Infrastructure Relocation is estimated to cost \$10,804,596 with the City's share of \$2,230,715. The prime contractor for the project

began working on the water and sewer relocations in the fall of 2022 and plans to be complete within 18 months of starting construction.

The James City Phase II Relocation of Sewer Infrastructure is in the design phase, which is scheduled to be complete in early 2024, with the relocation work likely to begin in early 2025. Once the construction plans are complete, a total cost estimate will be prepared by NCDOT and incorporated into a Utility Construction Agreement (UCA). Based on pricing from the Phase I project, the anticipated construction cost is \$3,000,000, and the portion that the City will be responsible for is estimated at \$750,000 (25%).

The NCDOT Highway 43 improvement project on the west side of New Bern requires relocation of infrastructure. To accommodate these necessary water and sewer relocations, the City has worked with the project engineers on the relocation design, which was completed in January 2020. The relocation work will likely begin in late 2024 or early 2025. A Utility Construction Agreement (UCA) was completed for the project in 2020, which included an estimated total relocation cost of \$1,627,559 with the City share of \$293,749 (25%). These figures were based on the estimated construction costs in 2020 and will likely be higher when the work is completed in 2025.

As of August 2020, the estimated costs related to the electric and fiber relocations were \$2,301,814; however, the project is ongoing. Trent River to Thurman Road electric relocation is 95% complete and fiber is 100% complete. Thurman Rd to Havelock is active with efforts toward roadway engineering and design; construction will follow and may begin in the spring of 2024.

### **Technology Improvement Projects**

Telephone System Replacement – The cloud-based contact center has been in place and has been used for the last year. The software that runs the other parts of the phone system was upgraded



earlier in 2023. The remaining portions of this project include the move from the analog phone lines currently in use to new SIP (internet based) connections and the call recording for the Police Department. The call recording portion is anticipated to be complete by the end of the 2023 calendar year and the SIP connectivity should be fully implemented early 2024.

**Computer Processing and Electronic Data Storage Upgrade** - The city's data processing infrastructure currently hosts 83 virtual servers and approximately 34 terabytes (34,000,000,000,000) of electronic data. This equipment will be reaching the end of its manufacturer's support life during FY24. The IT Department conducted extensive research and analysis on replacement options and has chosen a Nutanix solution that will be installed by 5S. The project will begin implementation in December 2023, with full migration by March 2024.

**GIS Enterprise/Portal system** - The GIS system was upgraded to ESRI's Enterprise Portal in early 2019. This solution requires extensive on-site infrastructure which requires specific expertise to effectively manage. GIS is utilized by personnel in all departments, some requiring 24/7 access, and is accessed by other city software systems that utilize spatial data, so it's critical that operational disruptions are kept to a minimum. During the previous two fiscal years, we experienced malfunctions that kept the system down for an extended period. To minimize the possibility of future outages we researched managed services providers to assist with the operational support of the system. In 2022, we contracted with Innovate!, Inc. to provide support to our GIS Enterprise system. The contract expires November 2023. Staff continue to review all options related to our GIS system, including migrating our system to a cloud-based solution.

### **Stanley White Recreation Center**

The Stanley White Recreation Center project is set to break ground in Fall 2023 and finish late Winter FY25. The estimated total project including architect and engineering costs, land purchase, and construction costs is approximately \$14.8 million and will be funded with FEMA and insurance reimbursement funds and debt proceeds. Debt will be issued in two components, long term in the amount of \$6.5M and short term in the amount of \$3.5M, which will address possible cash flow issues from delayed FEMA reimbursements.

### **American Rescue Plan (ARP) Enabled Projects**

The City received \$6,704,351 in American Rescue Plan funding and qualified for the revenue replacement standard allocation, which allows more flexibility without the constraints and administrative burden of ARP regulations. The Federal ARP funds reimbursed prior years' expenditures for public safety salaries and benefits in the General Fund (GF) which increases the GF unrestricted fund balance in the amount of \$6,704,351. However, the Board of Aldermen then voted to allocate \$1,117,392 to each of the six wards to support their initiatives, which appropriated a total of \$6,704,351 from GF fund balance. Each ward allocated funds for various projects consisting of stormwater and drainage improvements, sidewalks, roadway improvements, safety equipment, Police Department K9, electronic speed limit signs, Union Point Park infrastructure improvements, cemetery shelter and headstone training, and the McCotter House project. Expenditures in FY23 were \$559,069 with the balance of \$6,145,282 remaining and assigned for the ARP Enabled Projects in FY24.

### **Salary Study**

The City recognizes its employees are their greatest asset and with the current staffing shortage it is vital to provide competitive salary and benefit packages to retain employees. The City contracted with Piedmont Triad Regional Council to conduct a market pay study; results were presented to the Board of Aldermen in the fall of 2022, noting a full implementation of the recommended market study would cost approximately \$3.5 million. In December 2022, the Board approved a partial implementation of the market study in a two-step process. The first phase was effective December 22, 2022, with implementation of approximately 66% of the recommended market study. Additionally, the Classification Pay Plan was updated to reflect the increased pay rates. The second phase was implemented in FY23-24, resulting in the full implementation of the recommended market study.

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## **OTHER INFORMATION**

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### **Budget Preparation Process**

Preparation of the City's fiscal year budget is a process that involves the citizens of New Bern, the New Bern Board of Aldermen, individual City departments, and the City Manager's Budget Committee.

A budget retreat is held in February to review and discuss the economic forecast and confirm the Board's goals and objectives for the upcoming fiscal year. This meeting is critical to the development of the proposed budget as it offers a forum for the Board to relay valuable insight and provide feedback to the management team. After the retreat, finance staff distribute the budget calendar and budget preparation instructions to the Department Heads and Administrative Assistants. Budget meetings are scheduled in March for Department Heads to present budget requests to the Budget Committee for consideration. The City Manager is given a briefing on any new programs, requests for new positions, capital requests, as well as major increases in budget requests. In April, the City Manager makes any final revisions to the proposed budget, along with the proposed utility and property tax rate for the new fiscal year. In late April or early May, the City Manager's recommended budget is presented to the Board, the press, and the public. The recommended budget is made available for public inspection in the office of the City Clerk, the public library, and on the City's website. North Carolina General Statutes require one public hearing be held for public comment on the proposed budget. In a concentrated attempt to provide an opportunity to the citizens of New Bern, a public hearing is scheduled by the Board for public input on the budget. This hearing is usually conducted in late May or early June. The Board formally adopts the budget at a regular Board of Aldermen meeting on or before June 30<sup>th</sup>.

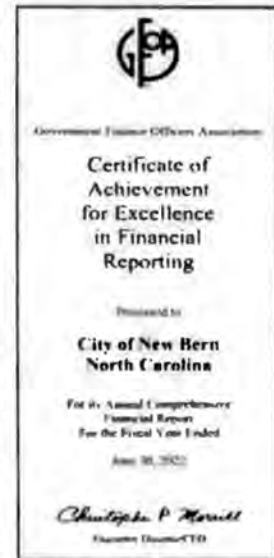
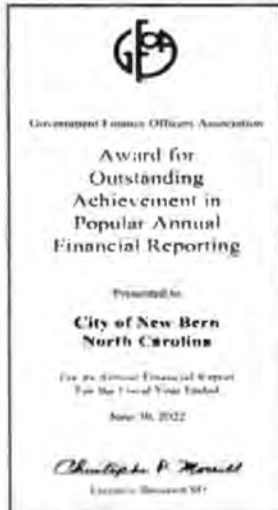
### **Acknowledgements**

This report is the work of the efficient and dedicated services of the City of New Bern Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report and for their continued professional excellence in accounting for the fiscal actions of the City.

## Awards

The City of New Bern is a FY 2022 recipient of three (3) prestigious national awards through the Government Finance Officers Association of the United States and Canada (GFOA): Certificate of Achievement for Excellence in Financial Reporting, the Award for Outstanding Achievement in Popular Annual Financial Reporting, and the Distinguished Budget Presentation Award. Recipients of all three awards in a single year are also recognized as a GFOA Triple Crown Winner.

**The Certificate of Achievement for Excellence in Financial Reporting** recognizes conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report (ACFR) whose contents conform to program standards. The ACFR must also satisfy both generally accepted accounting principles and applicable legal requirements.



**The Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR)** represents a significant achievement by the City. Information is extracted from the ACFR to produce a high quality PAFR, also known as a Citizens Report, specifically designed to be readily accessible and easily understandable to the general public without a background in public finance. It is intended to increase awareness, transparency, and provide a summary of the City's overall financial condition in a user-friendly format. To be eligible for the PAFR Award, a government must also submit its Annual Comprehensive Financial Report (ACFR) and receive the Certificate of Achievement for Excellence in

Financial Reporting. Each eligible report is evaluated for reader appeal, understandability, distribution methods, creativity, and other elements.

**The Distinguished Budget Presentation Award** recognizes high quality budget documents that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting. To earn recognition, budget documents must meet program criteria and excel as a policy document, financial plan, operations guide, and communication tool. This award sets a very high standard and represents a significant achievement for the City. This is the first time the City has received the Distinguished Budget Presentation and PAFR awards.

We believe our current reports continue to conform to the requirements of the award programs. The City will be submitting to the GFOA to determine its eligibility for FY 2023.

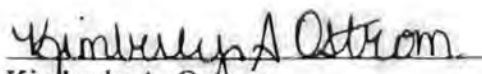


### **Independent Audit**

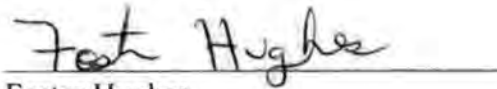
The City is required by the North Carolina General Statutes to have an annual independent audit of its financial statements. In addition, *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the State Single Audit Implementation Act require annual independent audits of the City's compliance with the applicable law and regulations related to certain statements. Combined and individual fund statements and schedules are included in the financial section of this report. The independent auditor's reports on compliance matters are included in the financial section of this report.

In closing, we would like to express our appreciation to the Mayor, Board of Aldermen, Department Heads, and all City staff for their leadership, interest, and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Kimberly A. Ostrom  
Director of Finance



Foster Hughes  
City Manager



CITY OF NEW BERN, NORTH CAROLINA  
LIST OF PRINCIPAL OFFICIALS  
June 30, 2023

BOARD OF ALDERMEN

Mayor

Jeffery T. Odham

Mayor Pro Tem

Johnnie Ray Kinsey

Rick Prill

Hazel B. Royal

Robert "Bobby" Aster

Johnnie Ray Kinsey

Barbara J. Best

Robert "Bob" Brinson Jr.

CITY ADMINISTRATION

City Manager

Foster Hughes

Director of Finance

Kimberly Ostrom

Director of Parks and Recreation

Kari Greene-Warren

Director of Utilities

Charles Bauschard

Director of Development Services

Jessica Rhue

Fire Chief

Jim McConnell

Director of Human Resources

Sonya Hayes

Director of Public Works

George Chiles

Chief of Police

Patrick Gallagher



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## FINANCIAL SECTION

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***Thompson, Price, Scott, Adams & Co, P.A.***

P.O Box 398  
1626 S. Madison Street  
Whiteville, NC 28472  
Telephone (910) 642-2109  
Fax (910) 642-5958

Alan W. Thompson, CPA  
R. Bryon Scott, CPA  
Gregory S. Adams, CPA

Independent Auditors' Report

To the Honorable Mayor and Members of the Board of Aldermen  
City of New Bern, North Carolina

**Report on the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of New Bern, North Carolina (the "City"), as of and for the year then ended June 30, 2023, 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information City of New Bern, North Carolina as of June 30, 2023, and the respective changes in financial position and cash flows, where applicable, 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.

***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. 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 of New Bern and to meet our 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.

***Responsibilities of Management for the Audit of the Financial Statements***

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

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



### ***Auditors' Responsibilities for the Audit of Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements, 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 not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than the 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards* we:

- exercised professional judgement and maintained professional skepticism throughout the audit.
- identify and assess the risks of material misstatements 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 of New Bern'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 of New Bern'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 identify during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 13, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions on pages 62 through 63, and the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on pages 64 through 65, and the Changes in Total OPEB Liability and Related Ratios page 66, be presented to supplement the basic financial statements. Such information, although not a required 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 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 an opinion on the financial statements that collectively comprise the City of New Bern, North Carolina's basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, as well as the accompanying schedule of expenditures of federal and state awards as required by Title 2 U.S. Code of Federal Regulations (CFR) 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 that basic financial statements. The information has been subject to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the introductory section, combining and individual fund financial statements, budgetary schedules, other schedules, statistical section as well as the accompanying 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 information 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 statement, 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 November 21, 2023, on our consideration of the City of New Bern's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, and other matters. The purpose of the report is 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 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 City of New Bern's internal control over financial reporting and compliance.

*Thompson, Rice, Scott, Adams & Co., P.A.*

Whiteville, NC  
November 21, 2023

## Management's Discussion and Analysis

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

### Financial Highlights

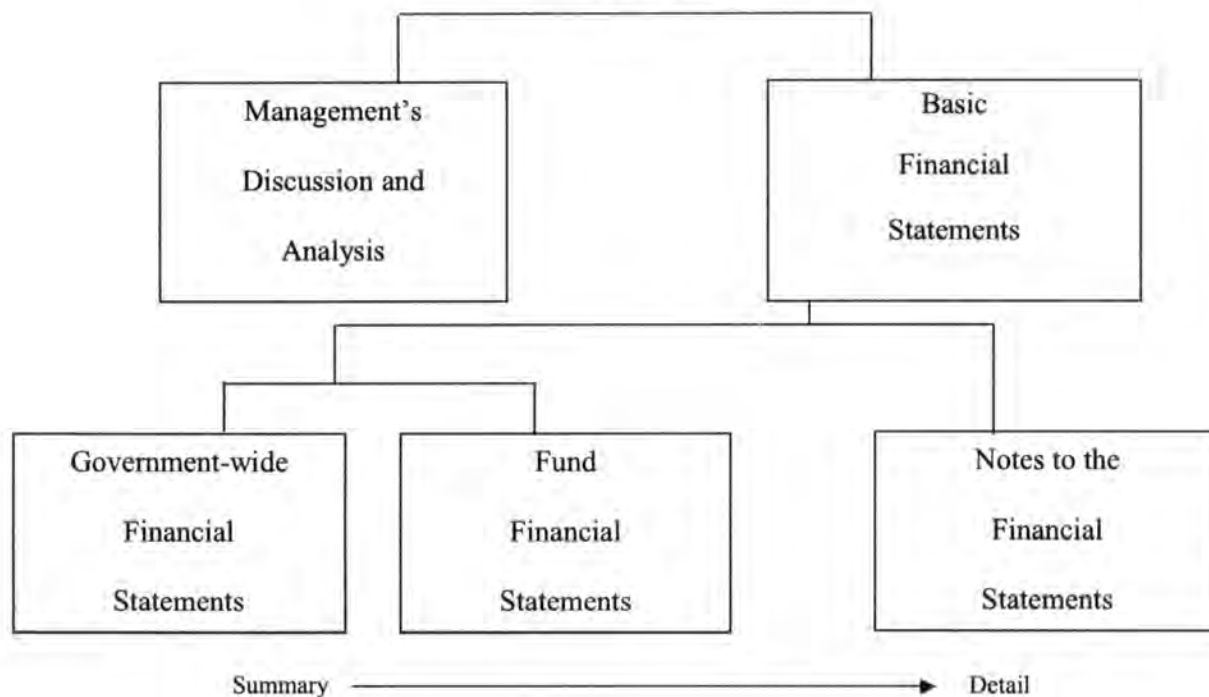
- The assets of the City of New Bern exceeded its liabilities at the close of the fiscal year by \$217,704,575 (net position).
- Total governments total net position increased by \$7,787,178. Governmental activities net position increased by \$8,194,796, while Business Type activities net position decreased by \$407,618.
- As of the close of the current fiscal year, the City of New Bern's governmental funds reported combined ending fund balances of \$36,022,976, an increase of \$9,426,917 in comparison with the prior year. Approximately \$12.5 million (34.57 percent) is unavailable (includes only nonspendable, restricted by state statute, restricted for Streets); Approximately 55 percent is unassigned and available for spending at the government's discretion.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$21,429,284 or 57.71 percent of total General Fund expenditures for the fiscal year; compared to \$13,499,590, or 37.30 percent the prior fiscal year.
- The City of New Bern's total debt (excluding compensated absences, net pension liability, total pension liability, and total OPEB liability) decreased by \$4,107,565 (13.35 percent) during the current fiscal year.
- The City is in compliance with all bond covenants.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to City of New Bern's basic financial statements. The City's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the 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 of New Bern. As an overview, the following chart outlines the required components of the annual financial report.

## Required Components of Annual Financial Report

Figure 1



### Basic Financial Statements

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

The next statements (Exhibits 3 through 9) are Fund Financial Statements. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the City's individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements.



## **Government-Wide Financial Statements**

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

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

Government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. Governmental activities include most of the City's basic services such as public safety, streets, parks and recreation, and general administration. Property, sales and other taxes, operating transfer, and state and federal grant funds finance most of these activities. The City charges fees to customers to cover the costs of services provided. These include the water, sewer, electric and solid waste offered by the City of New Bern.

The government-wide financial statements are on Exhibits 1 (Statement of Net Position) and 2 (Statement of Activities) of this report.

## **Fund Financial Statements**

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

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

An annual budget is adopted for the City of New Bern 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 Board 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 prior 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 legal budget document. This statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. A reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement to account for the difference between the budgetary basis of accounting and the modified accrual basis.

**Proprietary Funds** – The City has two different types of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer activity and for its electric and solid waste 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 uses an internal service fund to account for one activity – its self-insured health benefit plan. Because this operation provides benefits to all City employees, the internal service fund has been included within the governmental activities in the government-wide financial statements.

**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 included in this report after Exhibit 9 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 of New Bern's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on Exhibit A-1 of this report.

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

**City of New Bern's Net Position**  
**Figure 2**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Current assets	\$ 42,287,685	\$ 39,640,721	\$ 48,900,086	\$ 57,232,573	\$ 91,187,771	\$ 96,873,294
Capital assets and other noncurrent assets	70,926,531	68,007,150	149,583,031	146,312,281	220,509,562	214,319,431
Deferred outflows of resources	17,686,366	16,197,138	3,505,831	2,202,818	21,192,197	18,399,956
Total assets and deferred outflows of resources	130,900,582	123,845,009	201,988,948	205,747,672	332,889,530	329,592,681
Current and other liabilities	5,650,861	12,682,010	12,186,530	14,388,270	17,837,391	27,070,280
Non-current liabilities	64,081,503	62,837,751	17,968,119	17,006,514	82,049,622	79,844,265
Deferred inflows of resources	14,538,216	9,890,042	759,726	2,870,697	15,297,942	12,760,739
Total liabilities and deferred inflows of resources	84,270,580	85,409,803	30,914,375	34,265,481	115,184,955	119,675,284
Net position:						
Invested in capital assets, net of related debt	59,925,734	58,590,887	133,630,457	124,437,797	193,556,191	183,028,684
Restricted	15,371,023	13,519,815	-	-	15,371,023	13,519,815
Unrestricted	(28,666,755)	(33,675,496)	37,444,116	47,044,394	8,777,361	13,368,898
Total net position	\$ 46,630,002	\$ 38,435,206	\$ 171,074,573	\$ 171,482,191	\$ 217,704,575	\$ 209,917,397

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$217,704,575 as of June 30, 2023. The City's net position increased by \$7,787,178 for the fiscal year ended June 30, 2023. The largest portion of net position \$193,556,191 (88.91%) reflects the City's investment in capital assets (e.g. land, buildings, machinery, equipment, infrastructure, and distribution systems); less any related debt still outstanding that was issued to acquire those items. The City of New Bern uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the City's net position \$15,371,023 (7.06%) represents resources that are subject to external restriction on how they may be used. The remaining balance of \$8,777,361 (4.03%) is unrestricted.

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

- Continued strong collection of sales taxes and maintaining a property tax collection of 99.29% in the City-Wide tax districts.
- Reduction of outstanding debt and increase in investment earnings.
- Receiving reimbursements from FEMA and COVID related funding.

**City of New Bern's Changes in Net Position**  
**Figure 3**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 2,285,796	\$ 1,898,420	\$ 78,040,658	\$ 78,811,306	\$ 80,326,454	\$ 80,709,726
Operating grants and contributions	11,555,481	9,029,257	-	-	11,555,481	9,029,257
Capital grants and contributions	-	475,000	1,304,594	1,971,102	1,304,594	2,446,102
General revenues:						
Property taxes	17,557,808	17,022,061	-	-	17,557,808	17,022,061
Leases revenue	-	-	193,794	-	193,794	-
Other taxes and licenses	15,151,816	14,238,734	-	-	15,151,816	14,238,734
Unrestricted investment earnings	1,277,240	42,611	1,200,050	70,188	2,477,290	112,799
Miscellaneous	410,611	280,749	634,193	1,344,031	1,044,804	1,624,780
Gain/Loss on disposal of fixed assets	-	-	21,499	112	21,499	112
Total revenues	48,238,752	42,986,832	81,394,788	82,196,739	129,633,540	125,183,571
<b>Expenses</b>						
General government	3,020,424	2,133,136	-	-	3,020,424	2,133,136
Public safety	22,503,075	23,517,320	-	-	22,503,075	23,517,320
Public Works	9,212,747	8,540,644	-	-	9,212,747	8,540,644
Cultural and recreation	4,213,509	3,900,416	-	-	4,213,509	3,900,416
Economic Development	3,426,497	2,801,511	-	-	3,426,497	2,801,511
Interest on long-term debt and fees	313,146	267,717	-	-	313,146	267,717
Electric	-	-	52,372,073	50,367,598	52,372,073	50,367,598
Water	-	-	9,994,903	8,545,789	9,994,903	8,545,789
Sewer	-	-	13,066,506	11,036,274	13,066,506	11,036,274
Solid Waste	-	-	3,723,481	3,332,511	3,723,481	3,332,511
Total expenses	42,689,398	41,160,744	79,156,963	73,282,172	121,846,361	114,442,916
Change in net position before transfers	5,549,354	1,826,088	2,237,825	8,914,567	7,787,179	10,740,655
Transfers	2,645,443	2,612,550	(2,645,443)	(2,612,550)	-	-
Increase (Decrease) in Net Position	8,194,797	4,438,638	(407,618)	6,302,017	7,787,179	10,740,655
<b>Net Position</b>						
Beginning of year - July 1	38,435,205	33,996,567	171,482,191	165,180,174	209,917,396	199,176,741
Restatement	-	-	-	-	-	-
Beginning of year, as restated	38,435,205	33,996,567	171,482,191	165,180,174	209,917,396	199,176,741
End of year - June 30	\$ 46,630,002	\$ 38,435,205	\$ 171,074,573	\$ 171,482,191	\$ 217,704,575	\$ 209,917,396

**Governmental activities.** Governmental activities increased the City's net position by \$8,194,797. Key elements of this increase are as follows:

- Continued growth in property and sales tax revenues in the amount of \$2.1 million, increased unrestricted investment earnings in the amount of \$1.2 million, and reimbursement from American Rescue Plan (ARP) funding for public safety expenses in the amount of \$6,704,351.

**Business-type activities:** Business-type activities decreased the City's net position by \$407,618. Key elements of this decrease are as follows:

- There was a slight decrease in revenues of approx \$0.8 million, and an increase in operating expenditures of \$5.8 million.

### **Financial Analysis of the City's Funds**

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

**Governmental Funds.** The focus of the City of New Bern's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources; such information is useful in assessing the City of New Bern'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.

The General Fund is the chief operating fund of the City of New Bern. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$21,429,284, while total fund balance reached \$35,621,566. The City of New Bern has determined that the City should maintain an available fund balance in excess of 25% of General Fund Expenditures in case of unforeseen needs or opportunities and to meet cash flow needs of the City. The City currently has an available fund balance of 62.41% of total General Fund expenditures, while total fund balance represents 57.72% of that same amount.

At June 30, 2023, the governmental funds of the City of New Bern reported a combined fund balance of \$36,022,976, a 35.44% increase over last year.

**General Fund Budgetary Highlights:** During the fiscal year, 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) increases in appropriations that become necessary to maintain services. Total amendments were made during the year to increased the General Fund budget by \$7,051,551.

**Proprietary Funds.** The City of New Bern's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position at the end of the year amounted to \$17,907,715 in the Electric Fund, \$15,204,640 in the Water Fund, \$2,231,686 in the Sewer Fund, and \$1,088,348 in the Solid Waste Fund.

The Water and Solid Waste experienced growth in net position of \$2,851,048 and \$246,436, respectively. The Electric & Sewer Funds had losses of \$1,584,600 and \$1,673,706, respectively. A primary driver for the increases in net position of proprietary funds are requirements for revenues to exceed operational expenses sufficient enough to meet debt service requirements.

### **Capital Asset and Debt Administration**

**Capital Assets.** The City of New Bern's capital assets for its governmental and business-type activities as of June 30, 2023 totals \$220,076,395 (net of accumulated depreciation and amortization). These assets include buildings, land, improvements, equipment, vehicles, infrastructure, plants and distributions systems, and construction in progress.

Major capital asset transactions during the year include:

- Purchase of multiple police vehicles
- Completion of multiple Construction projects



**City of New Bern's Capital Assets**  
(Net of depreciation)  
**Figure 4**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Land	\$ 17,483,778	\$ 17,147,588	\$ 14,538,446	\$ 14,513,446	\$ 32,022,224	\$ 31,661,034
Construction in progress	11,131,343	7,210,102	8,764,816	4,776,358	19,896,159	11,986,460
Building and systems	18,730,097	18,263,353	208,978,202	205,812,119	227,708,299	224,075,472
Equipment, furniture, and	12,093,805	13,177,783	28,448,905	27,692,337	40,542,710	40,870,120
Infrastructure	40,116,194	40,116,194	4,811,607	4,995,862	44,927,801	45,112,056
Vehicles and Motorized	14,680,162	13,617,823	8,373,154	7,740,076	23,053,316	21,357,899
Right to Use Assets	635,466	533,747	1,174,295	121,842	1,809,761	655,589
Total	114,870,845	110,066,590	275,089,425	265,652,040	389,960,270	375,718,630
Accumulated depreciation	(43,944,314)	(41,902,165)	(125,939,561)	(119,858,312)	(169,883,875)	(161,760,477)
Capital assets, net	\$ 70,926,531	\$ 68,164,425	\$ 149,149,864	\$ 145,793,728	\$ 220,076,395	\$ 213,958,153

**Long-term Debt.** As of June 30, 2023, the City of New Bern had total debt outstanding of \$26,526,767 as noted in the following table.

**City of New Bern's Capital Assets**  
**Installment Purchases, Revenue Bonds, and General Obligation Bonds**  
**Figure 5**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Direct Placement Installment						
Purchases	\$ 10,695,219	\$ 9,115,894	\$ 712,444	\$ 1,171,328	\$ 11,407,663	\$ 10,287,222
Direct Borrowing Notes Payable	-	-	11,829,891	14,842,812	11,829,891	14,842,812
Revenue Bonds	-	-	2,426,211	5,248,235	2,426,211	5,248,235
Lease Liabilities	222,539	300,369	64,711	93,556	287,250	393,925
Subscription Liabilities	83,039	157,275	492,713	-	575,752	157,275
OPEB and Net Pension Liability	53,534,780	54,078,199	5,229,650	1,455,632	58,764,430	55,533,831
Compensated Absences	1,971,416	1,821,961	808,716	751,581	2,780,132	2,573,542
Total	\$ 66,506,993	\$ 65,473,698	\$ 21,564,336	\$ 23,563,144	\$ 88,071,329	\$ 89,036,842

The City of New Bern's total debt decreased by \$965,513 during the past fiscal year, due to principle payments.

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 legal debt margin for the City of New Bern is approximately \$244,518,936.

Additional information regarding the City of New Bern's long-term debt can be found in the notes of this audited financial report.

## **Economic Factors and Next Year's Budgets and Rates**

The following key economic indicators impact the City:

- Residential development continues, with 207 new construction permits issued. Permits for accessory buildings, additions, repairs, renovations, and other miscellaneous permits remained at the same level as the previous fiscal year. Additionally, residential growth continued citywide with seven new phases in existing subdivisions. This includes Lake Tyler Phases 4 and 5, West New Bern 2A, B, C, & D, Belle Oaks V-B and Athens Acres/Derby Park Phase 1. This resulted in the creation of 272 new lots, compared to 160 new lots the previous fiscal year. While the issuance of permits has reduced from the previous year, the approval of the seven final plats will likely result in an increase in permit submittals in the coming months. The estimated construction values were 44,587,939.
- Commercial growth continues to be steady with ten new permits for construction, five commercial structures and five office-type uses. The estimated construction values were \$25,240,450.
- The June 2023 unemployment rate for Craven County was 3.5%, compared to 3.3% for North Carolina and 3.6% for the nation.
- The impact of inflationary costs was a factor in various budget amendments for procurement of supplies, equipment, and service contracts. The City also recognized providing a competitive salary and benefit package to retain and recruit employees is vital; therefore, the City contracted with a third-party consultant to conduct a market pay study and the results presented costs of approximately \$3.5 million to fully implement the recommended pay study. The Board approved a two-step process for full implementation over two fiscal years, with the first phase effective mid-December 2022 of approximately 66% of the recommended market study. Additionally, the Classification Pay Plan was updated to reflect the increased pay rates. The second phase completes the full implementation and was effective July 1, 2023.
- The impact of the City's growth from the prior year is reflected in the General Fund revenues of both property, sales, and motor vehicle taxes, with ad valorem taxes increase of 3% in the amount of \$483,000 and sales taxes increase of 8% in the amount of \$768,000, and motor vehicle taxes of 16% in the amount of \$250,000 from the prior year. The increase in investment rates resulted in a 30% increase in investment earnings of over \$1 million in revenue compared to FY22. Respectively the Enterprise Funds recognized revenue increases in customer service fees and investment earnings due to the City's overall growth.
- The Enterprise Funds reimburse the General Fund for administrative and indirect costs provided by the General Fund for various functions. Reimbursements to the General Fund from the Enterprise Funds increased by 33% in the amount of \$1,186,000, which is a result of the increased service costs (base calculation = prior year actual costs). The inflationary costs and salary increases within the General Fund impact the costs of services.

### **Budget Highlights for the Fiscal Year Ending June 30, 2024**

**Governmental Activities:** Management supports initiatives to continue efforts in making the City more resilient for future storms, continue development within the Choice Neighborhood Initiative area, and continue to improve quality of life issues with emphasis on public safety, street and sidewalk enhancements, storm water improvements, and parks and recreational enhancements.

There have been significant increases in private sector residential development within our city limits, and the need to provide for this growth has created the need for the City to provide additional funding in personnel, operational, and capital expenses line items.

The General Fund FY24 Adopted Budget shows an increase of revenues and expenditures of 15.0% from the FY23 Adopted Budget. The FY24 budget appropriated \$1,429,508 from fund balance.

The FY24 budget shows increases in tax revenues reflecting the trending growth that the City is experiencing and the impact of the tax revaluation. The tax base increased by 32% with values estimated at \$4,722,540,000. The revenue neutral tax rate was calculated at \$.3734 per hundred dollars (\$100); however, the City increased the tax rate to \$.3800 per hundred dollars (\$100). The Municipal Service District (MSD), remains revenue neutral at the new rate of \$.1122 per hundred dollars (\$100). The FY23 tax rates were \$.4822 and \$.1375 per hundred, respectively.

The FY24 budget includes two additional positions, Administrative Assistant for Human Resources and Heavy Equipment Mechanic for Public Works, and six reclassifications. The first phase of the salary study was implemented in December 2022, recognizing just over 50% of the total costs in FY23; therefore, FY24 recognizes the impact of the annualized costs for the first phase and includes the second phase of the salary study, totaling approximately \$2.4 million. Additionally, the FY24 budget includes a cost-of-living adjustment (COLA) increase of 3%, and merit-based salary adjustments ranging from 0% to 2%.

Capital expenditures for vehicles, replacement and refurbishment of fire trucks, replacement of heavy equipment and machinery, paving projects, sidewalk improvements, safety and technology equipment and upgrades are budgeted in the amount of \$3,121,020. The City plans to issue debt for its capital purchases.

The Stanley White Recreation Center project is estimated at \$14.8 million and will be funded with FEMA and insurance reimbursement funds, and debt proceeds. Debt will be issued in two components, long term in the amount of \$6.5M and short term to address possible cash flow issue from delayed FEMA reimbursements in the amount of \$3.5M.

The City continuously seeks opportunities for funding through various grant sources and takes a proactive approach to fund upcoming major projects. Currently, the City has over \$20 million in 40 various grant funding sources and over \$25 million in 15 project funds.

The City received \$6,704,351 in American Rescue Plan funding and qualified for the revenue replacement standard allocation, which allows more flexibility without the constraints and administrative burden of ARP regulations. The Federal ARP funds reimbursed prior years' expenditures for public safety salaries and benefits in the General Fund (GF) which increases the GF unrestricted fund balance in the amount of \$6,704,351. However, the Board of Aldermen then voted to allocate \$1,117,392 to each of the six wards to support their initiatives, which appropriated a total of \$6,704,351 from GF fund balance. Each ward allocated funds for various projects consisting of stormwater and drainage improvements, sidewalks, roadway improvements, safety equipment, Police Department K9, electronic speed limit signs, Union Point Park infrastructure improvements, cemetery shelter and headstone training, and the McCotter House project. Expenditures in FY23 were \$559,069 with the balance of \$6,145,282 remaining and assigned for the ARP Enabled Projects in FY24. These projects are not directly funded through federal ARP funds, the projects are funded by general fund dollars that were recognized by the reimbursement of ARP funds.

**Business-Type Activities:** The City of New Bern operates four (4) self-supporting enterprise service funds that provide water, sewer, electric, and solid waste services to over 25,000 customers within the City of New Bern and surrounding areas. The enterprise funds continue to support the community development and make improvements to its systems to support the City's growth and increase resiliency.

The Water Fund provides service to approximately 19,050 customers and services 348 miles of pipeline. Over the past five years the customer base has grown at a steady rate of 1.5 - 2.0% per year. The Sewer Fund provides service to approximately 20,400 customers and services 440 miles of pipeline, 4,187 manholes, 111 major lift stations, 3,684 STEP pump stations, and 5 air-vac sewer stations. Over the past five years the customer base has grown at a steady rate of 2 - 3% per year. The Electric Fund provides service to approximately 24,000 electric customers: 20,300 residential, 3,700 commercial/industrial and 7,500 street/area lights. The system territory is approximately 92 square miles, experiencing both load and territorial growth. The fund provides service to 5 jurisdictions: City of New Bern, City of Havelock, Craven County, Jones County and the Village of Trent Woods. The Solid Waste Fund consists of approximately 14,000 residential and commercial cart services and roughly 700 commercial dumpsters.

The Water Fund shows an increase of 3% from FY23 Adopted Budget, with a budget of \$12,738,668. Reflective of the City's steady growth, the charges of sales and service increased. Revenues also recognize continued additional investment earnings. The Water Fund budgeted \$683,000 for the replacement of one backhoe, two vehicles, and for various rehabilitation projects and water system improvements. Additionally, the budget recognizes the increased salary and benefit costs due to the implementation of the salary market study and the 3% COLA and up to 2% merit increase for FY24. The Water Fund appropriated \$489,246 of fund balance.

The Sewer Fund shows a decrease of 3% from FY23 Adopted Budget, with a budget of \$13,476,479. The budget reflects capital expenditures in the amount of \$1,461,000 for various sewer improvements, sewer camera upgrades, facility additions for pump equipment storage, two pickup trucks, dump truck, rehabilitation of a lift station and the bio-solids processing and sludge building. Additionally, the budget recognizes the increased salary and benefit costs due to the implementation of the salary market study and the 3% COLA and up to 2% merit increase for FY24. The Sewer Fund appropriated \$321,079 of fund balance.

Additionally, Sewer improvement projects for Township No. 7, the Relocation of the Sewer Lift Station No. 10, and the Northwest Sewer Interceptor Rehabilitation are in progress and are funded through grants and debt proceeds. The City will issue debt in Fall of 2023 in the amount of \$6.1 million to fund these projects.

The Electric Fund shows an increase of 3% from FY23 Adopted Budget, with a budget of \$60,948,854. Revenues are reflective of the steady growth and also recognize increased investment earnings. The budget includes \$2 million of capital expenses for the replacement of six vehicles, expansion at Kale Rd, meter data management upgrades, purchase of equipment, and system improvements. Additionally, the budget recognizes the increased salary and benefit costs due to the implementation of the salary market study and the 3% COLA and up to 2% merit increase for FY24. Purchased power supply options are locked by the terms of a full requirement power sale agreement and make up approximately 68% of the total operating expense. These costs can vary and are often influenced by inflation, commodity pricing, weather, and political trends. The Electric Fund appropriated \$1,058,217 of fund balance.

The Solid Waste Fund shows an increase of 21% from FY23 Adopted Budget, with a budget of \$4,408,987. FY24 revenues reflect a rate increase for residential and commercial refuse cart and dumpster services. Revenues also recognize continued additional investment earnings. The budget reflects the increased contractual costs with GFL, salary and benefit costs due to the implementation of the salary market study and the 3% COLA and up to 2% merit increases, and a utility rate study to assess costs of services. Capital expenses include the replacement of a route truck and a chip trailer in the amount of \$275,000. The Solid Waste Fund appropriated \$23,904 of fund balance.

### **Requests for Information**

This report is designed to provide an overview of the City's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, City of New Bern, P.O. Box 1129, New Bern, NC 28563-1129. One can also call (252) 639-2720, visit our website [www.newbernnc.gov](http://www.newbernnc.gov) or send an email to [accountants@newbernnc.gov](mailto:accountants@newbernnc.gov) for more information.



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## BASIC FINANCIAL STATEMENTS

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## GOVERNMENT - WIDE FINANCIAL STATEMENTS

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**City of New Bern, North Carolina**  
**Statement of Net Position**  
**June 30, 2023**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 32,534,005	\$ 31,226,946	\$ 63,760,951
Receivables, net of allowance for uncollectibles	4,838,410	8,650,899	13,489,309
Taxes receivables, net of allowance for uncollectibles	143,810	-	143,810
Notes Receivable	70,000	-	70,000
Leases Receivable	-	230,726	230,726
Due from other governments	3,562,761	-	3,562,761
Internal Balances	(1,011,727)	1,011,727	-
Inventories	243,272	5,055,854	5,299,126
Prepaid Items	9,430	-	9,430
Restricted Cash and Cash Equivalents	1,897,724	2,723,934	4,621,658
Total current assets	42,287,685	48,900,086	91,187,771
Non-Current assets:			
Leases Receivable	-	433,167	433,167
Capital Assets:			
Non-depreciable	28,615,121	23,303,262	51,918,383
Other capital assets, net of depreciation	41,960,074	125,065,342	167,025,416
Right to use assets, net of amortization	351,336	781,260	1,132,596
Total capital assets	70,926,531	149,149,864	220,076,395
Total non-current assets	70,926,531	149,583,031	220,509,562
<b>Total assets</b>	<b>113,214,216</b>	<b>198,483,117</b>	<b>311,697,333</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related deferrals	9,793,159	3,505,831	13,298,990
OPEB related deferrals	7,893,207	-	7,893,207
Total Deferred Outflows of Resources	17,686,366	3,505,831	21,192,197
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	2,353,208	5,652,298	8,005,506
Accrued liabilities	93,132	220,561	313,693
Customer deposits	-	2,723,934	2,723,934
Claims and judgements payable	779,031	-	779,031
Installment notes payable, due within one year	1,735,589	333,210	2,068,799
Notes payable, due within one year	-	1,747,903	1,747,903
Bonds payable, due within one year	-	1,004,037	1,004,037
Leases payable, due within one year	59,765	18,305	78,070
SBITA payable, due within one year	38,711	243,669	282,380
Compensated absences, due within one year	591,425	242,613	834,038
Total current liabilities	5,650,861	12,186,530	17,837,391
Long-term liabilities:			
Net pension liability (LGRS)	13,205,974	5,229,650	18,435,624
Total OPEB liability	37,125,645	-	37,125,645
Total pension obligation (LEOSSA)	3,203,161	-	3,203,161
Installment notes payable, due in more than one year	8,959,630	372,753	9,332,383
Notes payable, due in more than one year	-	10,081,988	10,081,988
Bonds payable, due in more than one year	-	1,422,175	1,422,175
Leases payable, due in more than one year	162,774	46,406	209,180
SBITA payable, due in more than one year	44,328	249,044	293,372
Compensated absences, due in more than one year	1,379,991	566,103	1,946,094
Total long-term liabilities	64,081,503	17,968,119	82,049,622
<b>Total liabilities</b>	<b>69,732,364</b>	<b>30,154,649</b>	<b>99,887,013</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension deferrals	1,133,573	110,070	1,243,643
Lease deferrals	-	649,656	649,656
OPEB related deferrals	13,404,643	-	13,404,643
Total Deferred Inflows of Resources	14,538,216	759,726	15,297,942
<b>NET POSITION</b>			
Net investment in capital assets	59,925,734	133,630,457	193,556,191
Restricted for:			
Stabilization by State Statute	12,049,856	-	12,049,856
Streets	157,882	-	157,882
Public Safety	856,128	-	856,128
Economic Development	2,307,157	-	2,307,157
Unrestricted	(28,666,755)	37,444,116	8,777,361
<b>Total net position</b>	<b>\$ 46,630,002</b>	<b>\$ 171,074,573</b>	<b>\$ 217,704,575</b>

**City of New Bern, North Carolina**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>							
Governmental Activities:							
General government	\$ 3,020,424	\$ 848,460	\$ 6,887,680	\$ -	\$ 4,715,716	\$ -	\$ 4,715,716
Public safety	22,503,075	119,256	865,455	-	(21,518,364)	-	(21,518,364)
Public Works	9,212,747	70,287	2,743,379	-	(6,399,081)	-	(6,399,081)
Cultural and Recreational	4,213,509	318,088	171,452	-	(3,723,969)	-	(3,723,969)
Economic and physical development	3,426,497	929,705	887,515	-	(1,609,277)	-	(1,609,277)
Interest on long-term debt	313,146	-	-	-	(313,146)	-	(313,146)
Total governmental activities	42,689,398	2,285,796	11,555,481	-	(28,848,121)	-	(28,848,121)
Business-type activities:							
Electric	52,372,073	51,438,309	-	1,304,594	-	370,830	370,830
Water	9,994,903	10,772,040	-	-	-	777,137	777,137
Sewer	13,066,506	11,911,757	-	-	-	(1,154,749)	(1,154,749)
Solid Waste	3,723,481	3,918,552	-	-	-	195,071	195,071
Total business-type activities	79,156,963	78,040,658	-	1,304,594	-	188,289	188,289
Total primary government	\$ 121,846,361	\$ 80,326,454	\$ 11,555,481	\$ 1,304,594	(28,848,121)	188,289	(28,659,832)
General revenues:							
Taxes:							
Ad valorem taxes					17,557,808	-	17,557,808
Sales and use taxes					11,098,940	-	11,098,940
Utilities franchise tax					214,442	-	214,442
Payments in lieu of taxes					1,277,733	-	1,277,733
Other taxes					2,560,700	-	2,560,700
Investment earnings					1,277,240	1,200,050	2,477,290
Leases revenue					-	193,794	193,794
Miscellaneous					410,611	634,193	1,044,804
Gain on disposal of fixed assets					-	21,499	21,499
Transfers					2,645,443	(2,645,443)	-
Total general revenues and transfers					37,042,917	(595,907)	36,447,010
Change in net position					8,194,796	(407,618)	7,787,178
Net position, beginning					38,435,206	171,482,191	209,917,397
Net position, ending					\$ 46,630,002	\$ 171,074,573	\$ 217,704,575

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



## **FUND FINANCIAL STATEMENTS**

City of New Bern, North Carolina  
Balance Sheet  
Governmental Funds  
June 30, 2023

	Major Funds			Non-major	
	General Fund	Hurricane Florence Fund	American Rescue Plan Fund	Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 26,030,608	\$ -	\$ -	\$ 2,165,980	\$ 28,196,588
Taxes receivable, net	136,650	-	-	-	136,650
Accounts Receivables, net	4,080,530	-	-	452,237	4,532,767
Notes Receivable	70,000	-	-	-	70,000
Due from other governments	1,368,274	2,136,404	-	58,083	3,562,761
Due from other funds	3,945,994	-	-	-	3,945,994
Restricted cash and cash equivalents	1,897,724	-	-	-	1,897,724
Inventory	243,272	-	-	-	243,272
Prepaid items	1,430	-	-	-	1,430
Total assets	<u>\$ 37,774,482</u>	<u>\$ 2,136,404</u>	<u>\$ -</u>	<u>\$ 2,676,300</u>	<u>\$ 42,587,186</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 1,666,968	\$ 182,082	\$ -	\$ 283,218	\$ 2,132,268
Due to other funds	-	3,483,137	-	462,857	3,945,994
Total liabilities	<u>1,666,968</u>	<u>3,665,219</u>	<u>-</u>	<u>746,075</u>	<u>6,078,262</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property taxes receivable	136,672	-	-	-	136,672
Liens and other receivables	279,276	-	-	-	279,276
Notes Receivable	70,000	-	-	-	70,000
Total deferred inflows of resources	<u>485,948</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>485,948</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventories	243,272	-	-	-	243,272
Prepaid items	1,430	-	-	-	1,430
Restricted:					
Stabilization by State Statute	12,049,856	-	-	-	12,049,856
Streets - Powell Bill	157,882	-	-	-	157,882
Public safety	-	-	-	856,128	856,128
Economic & physical developments	1,739,842	-	-	567,315	2,307,157
Assigned:					
Capital Projects	-	-	-	590,257	590,257
Unassigned	21,429,284	(1,528,815)	-	(83,475)	19,816,994
Total fund balances	<u>35,621,566</u>	<u>(1,528,815)</u>	<u>-</u>	<u>1,930,225</u>	<u>36,022,976</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 37,774,482</u>	<u>\$ 2,136,404</u>	<u>\$ -</u>	<u>\$ 2,676,300</u>	<u>42,587,186</u>

**City of New Bern, North Carolina**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2023**

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	70,575,195
Right to use assets used in governmental activities are not financial resources and are therefore not reported in the funds (net of accumulated amortization).	351,336
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	485,948
Benefit payments and pension administration costs for LEOSSA	113,187
OPEB benefit payments and administrative costs made in the current fiscal year are not included in the Statement of Activities	514,298
Deferred outflows of resources are not reported in the funds	
Pension	8,852,968
LEOSSA	827,004
OPEB	7,378,909
Deferred inflows of resources are not recorded on the fund statements	
Pension	(277,946)
LEOSSA	(855,627)
OPEB	(13,404,643)
Accrued interest receivable less that amount claimed as unearned revenue in the government-wide statements as these funds are unavailable in the fund statements.	7,160
Internal service funds are used by the City to charge costs to other funds. The assets and liabilities are included in the governmental activities.	2,639,362
Some liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	
Installment Purchase Agreements	(10,695,219)
Lease liabilities	(222,539)
SBITA liabilities	(83,039)
Compensated Absences	(1,971,416)
Net pension liability (LGERS)	(13,205,974)
Total pension liability (LEOSSA)	(3,203,161)
Total OPEB liability	(37,125,645)
Accrued interest payable	(93,132)
Net position of governmental activities	<u>\$ 46,630,002</u>

**City of New Bern, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

	<b>Major Funds</b>			<b>Non-major</b>	
	<b>FEMA</b>	<b>American</b>			
	<b>Hurricane</b>	<b>Rescue Plan</b>			
	<b>Florence Fund</b>	<b>Fund</b>			
	<b>General Fund</b>			<b>Governmental</b>	<b>Total</b>
				<b>Funds</b>	<b>Governmental</b>
					<b>Funds</b>
<b>REVENUES</b>					
Ad valorem taxes	\$ 17,664,134	\$ -	\$ -	\$ -	\$ 17,664,134
Unrestricted intergovernmental	15,271,044	-	-	-	15,271,044
Restricted intergovernmental	999,746	2,224,273	6,698,691	1,632,771	11,555,481
Licenses, permits and fees	1,053,179	-	-	-	1,053,179
Sales and services	489,958	-	-	-	489,958
Investment earnings	1,125,765	-	-	15,877	1,141,642
Miscellaneous	409,581	-	-	1,030	410,611
Total revenues	37,013,407	2,224,273	6,698,691	1,649,678	47,586,049
<b>EXPENDITURES</b>					
Current:					
General government	2,477,470	34,394	-	3,220,096	5,731,960
Public safety	20,686,407	-	-	497,747	21,184,154
Public Works	6,998,959	1,718,509	-	211,169	8,928,637
Cultural and recreation	4,013,595	620,966	-	-	4,634,561
Economic and Physical Development	1,778,350	(24,179)	(5,660)	948,945	2,697,456
Debt service:					
Principal	2,124,855	-	-	-	2,124,855
Interest and other charges	322,798	-	-	-	322,798
Total expenditures	38,402,434	2,349,690	(5,660)	4,877,957	45,624,421
Excess (deficiency) of revenues over expenditures	(1,389,027)	(125,417)	6,704,351	(3,228,279)	1,961,628
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from sale of capital assets	1,015,982	-	-	1,140	1,017,122
Transfers (to) other funds	(216,848)	-	(6,704,351)	-	(6,921,199)
Transfers from other funds	9,349,794	-	-	216,848	9,566,642
Installment purchase obligations issued	289,264	-	-	3,414,916	3,704,180
Lease liabilities issued	98,544	-	-	-	98,544
Total other financing sources (uses)	10,536,736	-	(6,704,351)	3,632,904	7,465,289
Net Change in fund balance	9,147,709	(125,417)	-	404,625	9,426,917
Fund balances, beginning	26,473,857	(1,403,398)	-	1,525,600	26,596,059
Fund balances, ending	\$ 35,621,566	\$ (1,528,815)	\$ -	\$ 1,930,225	\$ 36,022,976



**City of New Bern, North Carolina**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2023**

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

Net changes in fund balances - total governmental funds		\$ 9,426,917
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital outlay expenditures which were capitalized	7,110,359	
Depreciation expense for governmental assets	(4,066,053)	
Gain/(Loss) on disposal of capital assets	<u>(179,274)</u>	2,865,032
Right to Use Assets	101,719	
Amortization expense	<u>(204,645)</u>	(102,926)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		2,570,450
OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities		514,298
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position		113,187
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Change in unavailable revenue for tax revenues		(87,794)
Change in accrued taxes receivable at year end		(18,532)
Change in unavailable revenue for liens and other receivables		(7,930)
Change in miscellaneous notes receivable		(12,000)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Loan proceeds	(3,704,180)	
Subscription Liabilities	(98,544)	
Principal payments on debt	2,124,855	
Principal payments on leases	77,830	
Principal payments on SBITA	172,780	(1,427,259)
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)		9,652
Internal service funds are used by management to charge the costs of the City's insurance plan to individual funds. The net expense of the internal service fund is reported within governmental activities		314,116
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		(149,455)
Pension expense		(3,911,765)
OPEB expense		(1,901,195)
Total changes in net position of governmental activities		<u>\$ 8,194,796</u>

**City of New Bern, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Annual Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2023**

	Budget		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Ad valorem taxes	\$ 17,078,744	\$ 17,078,744	\$ 17,664,134	\$ 585,390
Unrestricted intergovernmental	14,316,156	14,316,156	15,271,044	954,888
Restricted intergovernmental	835,000	835,000	999,746	164,746
Licenses, permits and fees	694,000	965,000	1,053,179	88,179
Sales and services	367,173	438,373	489,958	51,585
Investment earnings	1,130	1,130	1,125,765	1,124,635
Miscellaneous	486,009	491,009	409,581	(81,428)
Total revenues	33,778,212	34,125,412	37,013,407	2,887,995
<b>Expenditures:</b>				
Current:				
General government	2,100,216	9,438,705	2,477,470	6,961,235
Public safety	20,514,213	21,390,254	20,686,407	703,847
Public Works	6,883,208	7,946,080	6,998,959	947,121
Cultural and recreation	3,943,327	4,511,127	4,013,595	497,532
Economic and physical development	1,841,481	1,973,664	1,778,350	195,314
Debt service:				
Principal retirement	2,232,275	2,232,275	2,124,855	107,420
Interest and other charges	341,356	341,356	322,798	18,558
Total expenditures	37,856,076	47,833,461	38,402,434	9,431,027
Revenues over (under) expenditures	(4,077,864)	(13,708,049)	(1,389,027)	12,319,022
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	50,000	50,000	1,015,982	965,982
Installment purchase obligations issued	1,583,340	1,583,340	289,264	(1,294,076)
Lease liabilities issued	-	-	98,544	98,544
Transfers (to) other funds	(200,919)	(324,197)	(216,848)	107,349
Transfer from other funds	2,645,443	9,349,794	9,349,794	-
Total other financing sources (uses)	4,077,864	10,658,937	10,536,736	(122,201)
Revenues and other sources over (under) expenditures and other uses	-	(3,049,112)	9,147,709	12,196,821
Appropriated fund balance	-	3,049,112	-	(3,049,112)
Net change in fund balances	\$ -	\$ -	9,147,709	\$ 9,147,709
Fund balances, beginning			26,473,857	
Fund balances, ending			\$ 35,621,566	

City of New Bern, North Carolina  
Statement of Net Position  
Proprietary Funds  
June 30, 2023

	Major Funds			Non-Major Funds		
	Electric Fund	Water Fund	Sewer Fund	Solid Waste Fund	Total	Internal Service Fund
<b>ASSETS</b>						
Current assets:						
Cash and investments	\$ 12,468,994	\$ 14,864,366	\$ 2,710,529	\$ 1,183,057	\$ 31,226,946	\$ 4,337,417
Accounts receivable, net of allowances	5,709,781	1,195,896	1,315,078	430,144	8,650,899	305,643
Leases receivable	-	230,726	-	-	230,726	-
Prepaid items	-	-	-	-	-	8,000
Inventories	4,764,280	239,684	51,890	-	5,055,854	-
Restricted cash and cash equivalents	2,723,934	-	-	-	2,723,934	-
Total current assets	25,666,989	16,530,672	4,077,497	1,613,201	47,888,359	4,651,060
Non-current assets:						
Leases receivable	-	433,167	-	-	433,167	-
Capital assets:						
Land and other non-depreciable assets	4,388,228	2,242,700	16,672,334	-	23,303,262	-
Other capital assets, net of depreciation	32,548,075	43,583,581	48,071,944	861,742	125,065,342	-
Right to use asset	758,390	22,426	361	83	781,260	-
Capital assets (net)	37,694,693	45,848,707	64,744,639	861,825	149,149,864	-
Total assets	63,361,682	62,812,546	68,822,136	2,475,026	197,471,390	4,651,060
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows related to pensions	1,671,992	839,172	873,740	120,927	3,505,831	-
Total Deferred Outflows of Resources	1,671,992	839,172	873,740	120,927	3,505,831	-
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	3,606,823	429,529	1,183,085	432,861	5,652,298	220,940
Accrued liabilities	118,919	-	36,280	-	155,199	-
Accrued interest payable	18,580	46,224	507	51	65,362	-
Customer deposits	2,723,934	-	-	-	2,723,934	-
Claims payable	-	-	-	-	-	779,031
Installment notes payable, current	273,124	26,600	26,600	6,886	333,210	-
Notes payable, current	-	1,680,331	67,572	-	1,747,903	-
Bonds payable, current	669,530	330,061	4,446	-	1,004,037	-
Lease payable, current	11,141	6,785	308	71	18,305	-
SBITA payable, current	243,669	-	-	-	243,669	-
Compensated absences payable, current	124,921	58,446	50,666	8,580	242,613	-
Total current liabilities	7,790,641	2,577,976	1,369,464	448,449	12,186,530	999,971

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

**City of New Bern, North Carolina**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2023**

	<b>Major Funds</b>			<b>Non-Major Funds</b>		
	<b>Electric Fund</b>	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Total</b>	<b>Internal Service Fund</b>
Noncurrent liabilities:						
Other non-current liabilities:						
Installment notes payable	372,753	-	-	-	372,753	-
Notes payable	-	10,081,988	-	-	10,081,988	-
Bonds payable	919,464	500,451	2,260	-	1,422,175	-
Lease payable	30,264	16,142	-	-	46,406	-
SBITA payable	249,044	-	-	-	249,044	-
Compensated absences payable	291,484	136,376	118,222	20,021	566,103	-
Net pension liability	2,494,111	1,251,793	1,303,359	180,387	5,229,650	-
Total non-current liabilities	4,357,120	11,986,750	1,423,841	200,408	17,968,119	-
Total liabilities	12,147,761	14,564,726	2,793,305	648,857	30,154,649	999,971
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension deferrals	52,494	26,347	27,432	3,797	110,070	-
Lease deferrals	-	649,656	-	-	649,656	-
Total Deferred Inflows of Resources	52,494	676,003	27,432	3,797	759,726	-
<b>NET POSITION</b>						
Net Investment in capital assets	34,925,704	33,206,349	64,643,453	854,951	133,630,457	-
Unrestricted	17,907,715	15,204,640	2,231,686	1,088,348	36,432,389	3,651,089
Total net position	\$ 52,833,419	\$ 48,410,989	\$ 66,875,139	\$ 1,943,299	170,062,846	\$ 3,651,089
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds					1,011,727	
Net position of business-type activities					<u>\$ 171,074,573</u>	



**City of New Bern, North Carolina**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

	<b>Major Funds</b>			<b>Nonmajor Funds</b>		
	<b>Electric Fund</b>	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Total</b>	<b>Internal Service Fund</b>
<b>OPERATING REVENUES</b>						
Charges for services	\$ 51,438,309	\$ 10,772,040	\$ 11,911,757	\$ 3,918,552	\$ 78,040,658	\$ -
Other operating revenues	135,662	375,694	572,460	-	1,083,816	643,360
Employee and retiree contributions	-	-	-	-	-	552,041
Employer and other contributions	-	-	-	-	-	6,574,851
Total operating revenues	51,573,971	11,147,734	12,484,217	3,918,552	79,124,474	7,770,252
<b>OPERATING EXPENSES</b>						
Administrative and general	4,597,169	3,050,332	3,058,159	199,044	10,904,704	-
Operations and maintenance	7,008,707	5,131,616	7,641,078	3,379,045	23,160,446	-
Production	37,976,258	-	-	-	37,976,258	-
Depreciation and amortization	2,668,747	1,756,309	2,311,263	132,440	6,868,759	-
Claims and payments to third party administrators	-	-	-	-	-	7,838,530
Total operating expenses	52,250,881	9,938,257	13,010,500	3,710,529	78,910,167	7,838,530
Operating income (loss)	(676,910)	1,209,477	(526,283)	208,023	214,307	(68,278)
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment earnings	519,783	427,441	214,150	38,676	1,200,050	135,598
Leases revenue	-	193,794	-	-	193,794	-
Gain/(loss) on disposal of capital assets	-	6,917	14,582	-	21,499	-
Interest and other charges	(86,624)	(317,296)	(45,440)	(263)	(449,623)	-
Total nonoperating revenues (expenses)	433,159	310,856	183,292	38,413	965,720	135,598
Income (loss) before contributions and transfers	(243,751)	1,520,333	(342,991)	246,436	1,180,027	67,320
Capital contributions	1,304,594	-	-	-	1,304,594	-
Transfer in (out)	(2,645,443)	1,330,715	(1,330,715)	-	(2,645,443)	-
Total income (loss) after contributions and transfers	(1,584,600)	2,851,048	(1,673,706)	246,436	(160,822)	67,320
Change in net position	(1,584,600)	2,851,048	(1,673,706)	246,436	(160,822)	67,320
Total net position , previously reported	54,418,019	45,559,941	68,548,845	1,696,863		3,583,769
Total net position, ending	\$ 52,833,419	\$ 48,410,989	\$ 66,875,139	\$ 1,943,299	(160,822)	\$ 3,651,089
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds					(246,796)	
Change in Net position of Business-Type Activities					\$ (407,618)	

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

City of New Bern, North Carolina  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2023

	Major Funds			Non-Major Funds		Internal Service Fund
	Electric Fund	Water Fund	Sewer Fund	Solid Waste	Total	Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Payments from customers and users	\$ 53,058,403	\$ 10,912,299	\$ 12,114,448	\$ 3,906,853	\$ 79,992,003	\$ 6,827,987
Payments to suppliers	(44,310,108)	(4,885,906)	(6,398,228)	(3,304,209)	(58,898,451)	(14,016)
Payments to employees	(7,210,517)	(3,218,632)	(3,043,891)	(518,056)	(13,991,096)	(7,436,900)
Other revenues	135,662	375,694	572,460	-	1,083,816	643,360
Net cash provided (used) by operating activities	1,673,440	3,183,455	3,244,789	84,588	8,186,272	20,431
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfers (to) from other funds	(2,645,443)	1,330,715	(1,330,715)	-	(2,645,443)	-
Net cash provided (used) by noncapital financing activities	(2,645,443)	1,330,715	(1,330,715)	-	(2,645,443)	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Acquisition and construction of capital assets	(3,732,747)	(1,867,573)	(4,168,913)	(455,661)	(10,224,894)	-
Capital contributions	1,883,038	-	-	-	1,883,038	-
Proceeds from subscription based IT arrangement	732,453	-	-	-	732,453	-
Principal paid on bonds and installment purchases	(1,735,868)	(2,489,498)	(2,336,362)	(7,167)	(6,568,895)	-
Leases revenue	-	193,794	-	-	193,794	-
Proceeds from sale of assets	-	6,917	14,582	-	21,499	-
Interest paid on bonds and installment purchases	(81,350)	(324,514)	(52,771)	(316)	(458,951)	-
Net cash provided (used) by capital and related financing activities	(2,934,474)	(4,480,874)	(6,543,464)	(463,144)	(14,421,956)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest and dividends	519,783	427,441	214,150	38,676	1,200,050	135,598
Net cash provided (used) by investing activities	519,783	427,441	214,150	38,676	1,200,050	135,598
Net increase (decrease) in cash and investments	(3,386,694)	460,737	(4,415,240)	(339,880)	(7,681,077)	156,029
Balances, beginning	18,579,622	14,403,629	7,125,769	1,522,937	41,631,957	4,181,388
Balances, ending	\$ 15,192,928	\$ 14,864,366	\$ 2,710,529	\$ 1,183,057	\$ 33,950,880	\$ 4,337,417

(continued)

City of New Bern, North Carolina  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2023

	Major Funds			Non-Major Funds		Internal Service Fund
	Electric Fund	Water Fund	Sewer Fund	Solid Waste	Total	Fund
Reconciliation of operating income to net cash provided by operating activities						
Operating income	\$ (676,910)	\$ 1,209,477	\$ (526,283)	\$ 208,023	\$ 214,307	\$ (68,278)
Adjustments to reconcile operating income to net cash provided by operating activities						
Depreciation and Amortization	2,668,747	1,756,309	2,311,263	132,440	6,868,759	-
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	1,531,049	140,259	202,691	(11,699)	1,862,300	(298,905)
(Increase) decrease in due from other governments	-	-	-	-	-	-
(Increase) decrease in inventory	(1,838,858)	(227,220)	43,251	-	(2,022,827)	-
(Increase) in deferred outflows of resources - pensions	(621,430)	(311,895)	(324,743)	(44,942)	(1,303,010)	-
Increase (decrease) in net pension liability	1,799,895	903,366	940,579	130,178	3,774,018	-
Increase (decrease) in deferred inflows of resources - pension	(972,381)	(488,037)	(508,142)	(70,327)	(2,038,887)	-
Increase (decrease) in accounts payable and accrued liabilities	(400,451)	193,794	1,082,270	(269,314)	606,299	387,614
Increase (decrease) in accrued payroll and payroll liabilities	79,217	-	(203)	120	79,134	-
Increase (decrease) in customer deposits	89,045	-	-	-	89,045	-
Increase (decrease) in accrued vacation pay	15,517	7,402	24,106	10,109	57,134	-
Total adjustments	2,350,350	1,973,978	3,771,072	(123,435)	7,971,965	88,709
Net cash provided by operating activities	\$ 1,673,440	\$ 3,183,455	\$ 3,244,789	\$ 84,588	\$ 8,186,272	\$ 20,431

**City of New Bern, North Carolina**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of New Bern, North Carolina (the "City") have been prepared in conformity with accounting principals generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

**A. Reporting Entity**

Founded in 1710 and chartered under the laws of the State of North Carolina, the City of New Bern, North Carolina is governed by an elected mayor and a six-member board of aldermen. The government provides such services as police and fire protection, cultural and recreational activities, public works, water, sewer, and electric services. The City is managed by a City Manager who is hired directly by the Board. The City does not report any component units.

**B. Basis of Presentation**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. 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. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

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: 1) charges to those who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) 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.

Separate financial statements are provide for governmental funds and proprietary funds. Major individual government funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.



Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers most revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes which uses a 60 day period. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be available resources except as noted above 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 on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to other long-term liabilities, such as compensated absences and claims and judgements, are recorded only when payment is due.

Property taxes and related items, sales taxes, franchise taxes, licenses, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

In accordance with GASB Statement No. 34, individual major funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **FEMA Hurricane Florence Fund** is used to account for all FEMA reimbursable expenditures resulting from recovery efforts following Hurricane Florence in September 2018.

**American Recovery Plan** - This is a special revenue fund to account for federal funds received from the American Rescue Plan. These funds were provided to all local government entities to address the following areas affected by COVID-19: Mitigation efforts and medical expenses related to COVID-19; address negative economic impacts caused by the public health emergency, replace lost public sector revenue, provide premium pay for essential workers; and invest in water, sewer and broadband infrastructure.

The City reports the following major enterprise funds:

The **Electric Fund** accounts for the operation, maintenance and development of the City's electric system and services.

The **Water Fund** accounts for the operation, maintenance and development of the City's water system and services.

The **Sewer Fund** accounts for the operation, maintenance and development of the City's sewer system and services.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** are used to account for specific revenues, such as various grants and contributions, which are legally restricted or committed to expenditures for particular purposes.

The **Capital Projects Funds** accounts for financial resources to be used for the acquisition and construction of major capital projects.

The **Solid Waste Fund** accounts for the City's solid waste collection services.

The **Internal Service Fund** accounts for the City's partially self-insured health benefits plan and workers compensation program which charges the other funds of the City for the insurance claims.

In accounting and reporting for its proprietary operations, the governmental applies all GASB pronouncements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, any inter-fund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions.

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.

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

#### D. Budgets

The City's budgets are adopted as required by the North Carolina General Statutes. Annual appropriated budgets are adopted for all funds, with the exception of capital projects funds and grant-related special revenue funds, for which project length budgets are adopted. In accordance with state law, the budgets adopted for the enterprise funds are adopted on the modified accrual basis of accounting, and a reconciliation is provided along with the budget schedule to reconcile from the modified accrual basis to the accrual basis. The enterprise capital project funds are consolidated with their respective operating fund for reporting purposes. The governmental funds' budgets are adopted on a basis other than accounting principles generally accepted in the United States of America. Budgets are adopted to show use of fund balance as another financing source for both governmental and proprietary funds, as well as the proprietary funds are budgeted on the modified accrual basis of accounting. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for the General fund, special revenue funds, and the enterprise funds. During the fiscal year ended June 30, 2023, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules. All annual budget appropriations lapse at the end of each year.

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. As of June 30, 2023 the General Fund is reporting \$2,655,080 of open encumbrances.

#### E. Deposits & Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Any deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents.

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 non-guaranteed federal agencies, certain high quality issues of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust (NCCMT). The City's investments are reported at fair value. Non-participating interest earning investment contracts are accounted for at cost. The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. Because the NCCMT Government has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

The North Carolina Cooperative Liquid Assets Securities System ("North Carolina CLASS") is an investment pool authorized by North Carolina General Statutes §159-30(c)(10) and was established by an Interlocal Agreement dated March 1, 2023, as amended, by the local governments pursuant to §160A-460 through §160A-464. The investments within North Carolina CLASS are limited to those qualifying for investment under §159-30(c). North Carolina CLASS has been rated AAAM by S&P. Because the North Carolina CLASS investment Portfolio has a weighted average maturity of less than 90 days, the City classifies its holdings in the North Carolina CLASS as cash equivalents for financial statement purposes.

#### F. Cash and Cash Equivalents

The City pools money from several funds to facilitate disbursement and investment and to maximize investment income and considers all cash and investments to be cash and cash equivalents.

#### G. Restricted cash and cash equivalents

Customer deposits held by the City are restricted to the service for which the deposits are collected. Additionally, the cash of the Municipal Service District (MSD) are restricted for improvements within the special district. Powell Bill funds are also classified as restricted cash because they can be expended only for the purposes outlined in G.S. 136-41.1 through 136-41.4.

Governmental Activities	
General Fund	
Municipal Service District	\$ 1,739,842
Restricted for Streets	157,882
Total General Fund	<u>1,897,724</u>
ARPA	-
Total Governmental Activities	<u>\$ 1,897,724</u>
Business-Type Activities	
Electric Fund - Customer Deposits	\$ 2,723,934
Total Electric Fund	<u>2,723,934</u>
Total Business-Type Activities	<u>\$ 2,723,934</u>

#### H. Receivables

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 on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2022. As allowed by State law, the City has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the City's General Fund, ad valorem tax revenues are reported net of such discounts.

An estimate amount has been recorded for utility services provided but not billed as of the end of the fiscal year, and is included in accounts receivable, net of uncollected amounts.

#### I. Allowances for Doubtful Accounts

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

#### J. Lease Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. 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.

#### K. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government wide financial statements as "internal balances."

#### L. Inventories

All inventories are valued at average cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories of the enterprise funds are recorded as expenses when consumed rather than when purchased.

#### M. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2023, are recorded as prepaid items in both government-wide and fund financial statements.

#### N. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), and intangible assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial estimated useful life in excess of two years and individual cost capitalization thresholds as follows: land of more than \$1, infrastructure of more than \$100,000; building and land improvements of greater than \$25,000; and equipment of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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 should be reported as a prepayment (asset). Such prepayments should be 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 should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right to use subscription assets should be amortized on a straight-line basis over the subscription term.



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

Buildings	25-60 years
Improvements	20-50 years
Infrastructure	30-50 years
Plants and distribution systems	30-50 years
Vehicles and service equipment	3-10 years
Furniture and equipment	5-10 years

#### O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an expense or expenditure until then. The City has two items that meet this criterion, pension deferrals and OPEB deferrals. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The City has several items that meet the criterion for this category - prepaid taxes, property taxes receivable unavailable revenues (reported only on the Balance Sheet of the Governmental Funds), leases, pension deferrals, and OPEB deferrals.

#### P. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts 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 withheld from the actual debt proceeds received or not, are reported as debt service expenditures.

#### Q. Compensated Absences

The vacation policy of the City provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the City's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The City has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements. 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.

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

## R. Net Position / Fund Balances

### Net Position

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

### Fund Balance

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 balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash), 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.

*Prepays* - portion of fund balance that is not an available resource because it represents expenses which have already been paid, which are not spendable resources.

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

Restricted for Stabilization by State Statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

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

Restricted for Public Safety - portion of fund balance restricted by revenue source of public safety related activities such as federal forfeiture and controlled substance funds.

Restricted for Economic and Physical Development - portion of fund balance restricted by lender for use in economic and physical development activities.

*Committed* - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by the City's Board of Aldermen. Approval of a resolution after a formal vote of the City's Board is required to establish a commitment of fund balance. Similarly, the City's Board may only modify or rescind the commitment by formal vote and adoption of a subsequent resolution.

*Assigned* - Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City's Board of Aldermen, through officially adopted budget ordinances, has expressly delegated limited authority to the City Manager and Finance Officer to assign funds.

Assigned for capital projects - portion of fund balance that is assigned for specific projects within the City.

*Unassigned* - the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

The City of New Bern 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 first, 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.

#### S. Defined Benefit Cost-Sharing Plans

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LERS) and additions to/deductions from LERS' fiduciary net position have been determined on the same basis as they are reported by LERS. 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.

#### T. Management Estimates

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant area where estimates are made are allowance for doubtful accounts and depreciation lives.

### NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### A. Significant Violations of Finance-Related Legal and Contractual Provisions

##### 1. Noncompliance with Bond Covenants

None.

#### B. Deficit Fund Balance. The following funds are reporting deficit fund balances as of June 30, 2023:

Fund	Deficit	Cause:
FEMA Hurricane Florence	\$ (1,528,815)	The negative fund balances for the various project funds consist of FEMA and grant related projects. Although the funds have been allocated, the programs operate on a reimbursement method which requires the City to request reimbursement after the cost has been incurred and, in some cases, significant portions of the cost cannot be reimbursed until after the projects have been completed.
FEMA Hurricane Dorian	(74,642)	
CDBG - Coronavirus Grant Fund	(30,648)	
Grants Fund - Multi-Year	(13,700)	
City Hall Renovation Project	(102,955)	
North Hills Drainage Study Fund	(49,260)	

Because the deficit balances are associated with multi-year fund that the City is waiting on reimbursements for, they are not reported as findings.

### C. Expenditures in Excess of Appropriations

No budgetary violations were noted. Budget is assessed at the adoption level by the board. While individual functions may be over-budget, no Fund in total was over budget.

## NOTE 3: DEPOSITS AND INVESTMENTS

All deposits of the City are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the City's agents in the unit's name. 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 these deposits are considered to be held by the City's agent in the City's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the City under the Pooling Method, the potential exists for under-collateralization. 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 has no formal policy regarding custodial credit risk for deposits but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verify that deposits are properly secured.

At June 30, 2023, the City's deposits had a carrying amount of \$1,063,687 and a bank balance of \$3,242,857. Of the bank balance, \$250,000 was covered under federal depository insurance and the remainder was covered by collateral held under the Pooling Method. The City's petty cash fund totaled \$7,850.

At June 30, 2023, the City's investment balances were as follows:

Investment by Type	Valuation	Book Value at 06/30/2023	Maturity	Rating
	Measurement Method			
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	\$59,258,784	Less than 90 days	AAAm
North Carolina CLASS	Fair Value Level	\$8,067,488	Less than 90 days	AAAm

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

**Interest Rate Risk:** The City does not have a formal investment policy that specifically limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates.

**Custodial Credit Risk:** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes (G.S. 159-31) require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2023, the City's deposits are insured or collateralized as required by state law.

**Concentration of Credit Risk.** The City places no limit on the amount that the City may invest in any one issuer.



**NOTE 4: RECEIVABLES – ALLOWANCE FOR DOUBTFUL ACCOUNTS**

The receivables shown in Exhibit 1 at June 30, 2023, were as follows:

	Accounts	Taxes	Leases	Due from other Governments	Total
<b>Governmental Activities:</b>					
General	\$ 4,080,530	\$ 390,413	\$ -	\$ 1,368,274	\$ 5,839,217
FEMA Hurricane Florence	-	-	-	2,136,404	2,136,404
Other Governmental	452,237	-	-	58,083	510,320
Internal Service Fund	305,643	-	-	-	305,643
Total receivables	4,838,410	390,413	-	3,562,761	8,791,584
Allowance	-	(246,603)	-	-	(246,603)
Net receivables	<u>\$ 4,838,410</u>	<u>\$ 143,810</u>	<u>\$ -</u>	<u>\$ 3,562,761</u>	<u>\$ 8,544,981</u>
<b>Business-type Activities</b>					
Electric	\$ 5,857,182	\$ -	\$ -	\$ -	\$ 5,857,182
Water	1,291,563	-	663,893	-	1,955,456
Sewer	1,471,809	-	-	-	1,471,809
Solid Waste	440,344	-	-	-	440,344
Total receivables	9,060,898	-	663,893	-	9,724,791
Allowance	(409,999)	-	-	-	(409,999)
Net receivables	<u>\$ 8,650,899</u>	<u>\$ -</u>	<u>\$ 663,893</u>	<u>\$ -</u>	<u>\$ 9,314,792</u>

Due from other governments consisted of the following:

State & Federal Grants	\$ 2,194,487
Sales tax	1,125,355
Motor Vehicle - Due from the County	242,919
	<u>\$ 3,562,761</u>

**Lease Receivable**

On 02/01/2023, City of New Bern, NC entered into a 60 month lease as Lessor for the use of US Cellular Extension. An initial lease receivable was recorded in the amount of \$158,379.11. As of 06/30/2023, the value of the lease receivable is \$145,330.37. The lessee is required to make monthly fixed payments of \$2,694.05. The lease has an interest rate of 0.8330%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$145,180.85, and City of New Bern, NC recognized lease revenue of \$13,198.26 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

On 07/01/2021, City of New Bern, NC entered into a 35 month lease as Lessor for the use of T-Mobile. An initial lease receivable was recorded in the amount of \$69,704.47. As of 06/30/2023, the value of the lease receivable is \$23,262.19. The lessee is required to make annual fixed payments of \$23,611.58. The lease has an interest rate of 1.5020%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$22,223.66, and City of New Bern, NC recognized lease revenue of \$23,740.41 during the fiscal year.

On 07/01/2021, City of New Bern, NC entered into a 100 month lease as Lessor for the use of Alltel Communications. An initial lease receivable was recorded in the amount of \$366,338.97. As of 06/30/2023, the value of the lease receivable is \$281,924.58. The lessee is required to make monthly fixed payments of \$3,786.47. The lease has an interest rate of 1.0400%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$278,767.90, and City of New Bern, NC recognized lease revenue of \$43,785.53 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

On 07/01/2021, City of New Bern, NC entered into a 19 month lease as Lessor for the use of US Cellular. An initial lease receivable was recorded in the amount of \$52,001.71. As of 06/30/2023, the value of the lease receivable is \$0.03. The lessee is required to make monthly fixed payments of \$2,694.05. The lease has an interest rate of 1.2120%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$0.00, and City of New Bern, NC recognized lease revenue of \$19,158.53 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

On 07/01/2021, City of New Bern, NC entered into a 40 month lease as Lessor for the use of Suncom Wireless. An initial lease receivable was recorded in the amount of \$132,851.97. As of 06/30/2023, the value of the lease receivable is \$57,619.41. The lessee is required to make monthly fixed payments of \$3,102.38. The lease has an interest rate of 0.5270%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$53,537.36, and City of New Bern, NC recognized lease revenue of \$39,657.30 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

On 07/01/2021, City of New Bern, NC entered into a 47 month lease as Lessor for the use of ATT and New Cingular Wireless PCS, LLC. An initial lease receivable was recorded in the amount of \$212,493.11. As of 06/30/2023, the value of the lease receivable is \$108,101.87. The lessee is required to make monthly fixed payments of \$4,408.83. The lease has an interest rate of 1.0625%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$103,985.99, and City of New Bern, NC recognized lease revenue of \$54,253.56 during the fiscal year. The lessee has 2 extension option(s), each for 60 months. City of New Bern, NC had a termination period of 12 months as of the lease commencement.

On 07/01/2021, City of New Bern, NC entered into a 39 month lease as Lessor for the use of New Cingular Wireless PCS, LLC. An initial lease receivable was recorded in the amount of \$119,176.72. As of 06/30/2023, the value of the lease receivable is \$47,531.33. The lessee is required to make monthly fixed payments of \$2,934.47. The lease has an interest rate of 0.9006%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$45,837.20, and City of New Bern, NC recognized lease revenue of \$36,669.76 during the fiscal year. The lessee has 2 extension option(s), each for 60 months. The lessee had a termination period of 2 months as of the lease commencement. City of New Bern, NC had a termination period of 12 months as of the lease commencement.

On 11/23/2021, City of New Bern, NC entered into a 144 month lease as Lessor for the use of MetroNet Pole Attachment. An initial lease receivable was recorded in the amount of \$129.75. As of 06/30/2023, the value of the lease receivable is \$113.18. The lessee is required to make monthly fixed payments of \$1.00. The lease has an interest rate of 1.7822%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$112.39, and City of New Bern, NC recognized lease revenue of \$10.81 during the fiscal year.

## Principal and Interest Expected to Maturity

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 230,726	\$ 5,531	\$ 236,257
2025	154,408	3,432	157,840
2026	75,378	2,400	77,778
2027	76,100	1,679	77,779
2028	63,339	969	64,308
2029-2033	63,928	502	64,430
2034-2039	14	-	14
	<u>\$ 663,893</u>	<u>\$ 14,513</u>	<u>\$ 678,406</u>

### Note Receivable

In January 2019, the City refinanced outstanding debt with Green Park Terrace, LLC. Under the new agreement Green Park Terrace will pay the City \$1,000 a month, beginning July 1, 2019 and continuing through June 1, 2029. Interest will only accrue if a payment is past due, at 12% per annum. The first payment was received before June 30, 2019.

## NOTE 5: CAPITAL ASSETS

### Primary Government

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

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balances</u>
<b>Governmental activities:</b>					
<b>Capital assets not being depreciated:</b>					
Land	\$ 17,147,588	\$ 453,530	\$ (117,340)	\$ -	\$ 17,483,778
Construction in Progress	7,210,102	4,298,862	-	(377,621)	11,131,343
Total capital assets not being depreciated	<u>24,357,690</u>	<u>4,752,392</u>	<u>(117,340)</u>	<u>(377,621)</u>	<u>28,615,121</u>
<b>Capital assets being depreciated:</b>					
Buildings and improvements	18,263,353	138,598	-	328,146	18,730,097
Equipment	8,669,780	788,376	(68,235)	49,475	9,439,396
Furniture and fixtures	4,508,003	83,092	(1,936,686)	-	2,654,409
Transformers	70,275	-	-	-	70,275
Infrastructure	40,045,919	-	-	-	40,045,919
Vehicles	13,617,823	1,347,901	(285,562)	-	14,680,162
Total capital assets being depreciated	<u>85,175,153</u>	<u>2,357,967</u>	<u>(2,290,483)</u>	<u>377,621</u>	<u>85,620,258</u>
<b>Less accumulated depreciation for:</b>					
Buildings and improvements	(7,777,477)	(580,400)	-	-	(8,357,877)
Equipment	(4,746,598)	(876,771)	68,235	-	(5,555,134)
Furniture and fixtures	(4,129,600)	(55,005)	1,877,373	-	(2,307,232)
Transformers	(49,192)	(2,812)	-	-	(52,004)
Infrastructure	(16,012,372)	(1,479,394)	-	-	(17,491,766)
Vehicles	(9,107,441)	(1,071,671)	282,941	-	(9,896,171)
Total accumulated depreciation	<u>(41,822,680)</u>	<u>(4,066,053)</u>	<u>2,228,549</u>	<u>-</u>	<u>(43,660,184)</u>
Total capital assets being depreciated, net	<u>43,352,473</u>	<u>(1,708,086)</u>	<u>(61,934)</u>	<u>377,621</u>	<u>41,960,074</u>

**Capital assets being amortized:**

## Right to use assets:

Leased infrastructure	141,723	-	-	-	141,723
Leased equipment	79,917	-	-	-	79,917
Leased land	154,832	-	-	-	154,832
IT subscriptions	157,275	101,719	-	-	258,994
Total right to use assets	533,747	101,719	-	-	635,466

## Less accumulated amortization for:

Leased infrastructure	27,926	27,926	-	-	55,852
Leased equipment	29,440	30,262	-	-	59,702
Leased land	22,119	22,119	-	-	44,238
IT subscriptions	-	124,338	-	-	124,338

Total accumulated amortization	79,485	204,645	-	-	284,130
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Right to use assets, net	454,262	(102,926)	-	-	351,336
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## Governmental activity capital

assets, net	\$ 68,164,425	\$ 2,941,380	\$ (179,274)	\$ -	\$ 70,926,531
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Depreciation & amortization expense was charged to functions/programs of the primary government as follows:

General government	\$ 422,866
Public safety	1,740,289
Public works	1,404,837
Economic and Physical Development	140,110
Cultural and recreational	562,596
	<u>\$ 4,270,698</u>

	<u>Beginning</u> <u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending</u> <u>Balances</u>
<b>Business-type activities:</b>					
<b>Electric Fund</b>					
<b>Capital assets not being depreciated:</b>					
Land	\$ 1,256,987	\$ 25,000	\$ -	\$ -	\$ 1,281,987
Construction in Progress	3,156,334	1,377,159	(1,427,252)	-	3,106,241
Total capital assets not being depreciated	4,413,321	1,402,159	(1,427,252)	-	4,388,228
<b>Capital assets being depreciated:</b>					
Buildings	5,615,594	1,435,404	-	-	7,050,998
Equipment	9,567,903	266,902	(106,369)	-	9,728,436
Furniture and fixtures	7,067,306	-	(5,939)	-	7,061,367
Transformers	4,881,357	120,488	(304,743)	-	4,697,102
Distribution systems	53,969,330	723,921	(163,419)	-	54,529,832
Vehicles	3,713,647	158,675	-	37,234	3,909,556
Total capital assets being depreciated	84,815,137	2,705,390	(580,470)	37,234	86,977,291
<b>Less accumulated depreciation for:</b>					
Buildings	(1,707,602)	(184,575)	-	-	(1,892,177)
Equipment	(6,640,444)	(426,394)	106,369	-	(6,960,469)
Furniture and fixtures	(278,806)	(7,418)	5,939	-	(280,285)
Transformers	(3,855,495)	(86,755)	304,743	-	(3,637,507)
Distribution systems	(37,633,828)	(1,376,575)	163,419	-	(38,846,984)
Vehicles	(2,537,851)	(236,709)	-	(37,234)	(2,811,794)
Total accumulated depreciation	(52,654,026)	(2,318,426)	580,470	(37,234)	(54,429,216)
Total capital assets being depreciated, net	32,161,111	386,964	-	-	32,548,075



**Capital assets being amortized:**

## Right to use assets

Leased infrastructure	27,609	-	-	-	27,609
Leased equipment	14,563	-	-	-	14,563
Leased land	30,162	-	-	-	30,162
IT subscription	-	1,052,453	-	-	1,052,453
Total right to use assets	72,334	1,052,453	-	-	1,124,787

## Less accumulated amortization for:

Leased infrastructure	5,440	5,440	-	-	10,880
Leased equipment	6,324	4,309	-	-	10,633
Leased land	4,309	6,324	-	-	10,633
IT subscription	-	334,251	-	-	334,251
Total accumulated amortization	16,073	350,324	-	-	366,397

Right to use assets, net	56,261	702,129	-	-	758,390
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Electric fund capital assets, net	\$ 36,630,693	\$ 2,491,252	\$ (1,427,252)	\$ -	\$ 37,694,693
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	<u>Beginning</u> <u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending</u> <u>Balances</u>
<b>Water Fund</b>					
<b>Capital assets not being depreciated:</b>					
Land	\$ 852,479	\$ -	\$ -	\$ -	\$ 852,479
Construction in progress	601,772	788,449	-	-	1,390,221
Total capital assets not being depreciated	1,454,251	788,449	-	-	2,242,700

**Capital assets being depreciated:**

Buildings	35,447,598	-	-	-	35,447,598
Equipment	6,193,912	154,243	(14,940)	-	6,333,215
Furniture and fixtures	3,888	-	-	-	3,888
Distribution systems	26,365,206	794,597	-	-	27,159,803
Vehicles	1,127,309	130,284	(23,586)	(37,234)	1,196,773
Total capital assets being depreciated	69,137,913	1,079,124	(38,526)	(37,234)	70,141,277

**Less accumulated depreciation for:**

Buildings	(9,723,959)	(886,338)	-	-	(10,610,297)
Equipment	(2,276,281)	(190,633)	14,940	-	(2,451,974)
Furniture and fixtures	(3,888)	-	-	-	(3,888)
Distribution systems	(11,965,050)	(581,878)	-	-	(12,546,928)
Vehicles	(919,821)	(85,608)	23,586	37,234	(944,609)
Total accumulated depreciation	(24,888,999)	(1,744,457)	38,526	37,234	(26,557,696)
Total capital assets being depreciated, net	44,248,914	(665,333)	-	-	43,583,581

**Capital assets being amortized:**

Right to use assets					
Leased infrastructure	14,724	-	-	-	14,724
Leased equipment	15,314	-	-	-	15,314
Leased land	16,086	-	-	-	16,086
Total right to use assets	46,124	-	-	-	46,124
Less accumulated amortization for:					
Leased infrastructure	2,901	2,901	-	-	5,802
Leased equipment	6,650	2,298	-	-	8,948
Leased land	2,298	6,650	-	-	8,948
Total accumulated amortization	11,849	11,849	-	-	23,698
Right to use assets, net	34,275	(11,849)	-	-	22,426
Water Fund capital assets, net	\$ 45,737,440	\$ 111,267	\$ -	\$ -	\$ 45,848,707

	Beginning				Ending
Sewer Fund	Balances	Increases	Decreases	Transfers	Balances
<b>Capital assets not being depreciated:</b>					
Land	\$ 12,403,980	\$ -	\$ -	\$ -	\$ 12,403,980
Construction in progress	1,018,252	3,250,102	-	-	4,268,354
Total capital assets not being depreciated	13,422,232	3,250,102	-	-	16,672,334
<b>Capital assets being depreciated:</b>					
Buildings	41,131,161	153,831	(151,125)	-	41,133,867
Equipment	4,460,442	198,625	-	-	4,659,067
Furniture and fixtures	76,215	-	-	-	76,215
Distribution systems	43,283,230	372,874	-	-	43,656,104
Vehicles	2,364,379	193,481	(17,391)	-	2,540,469
Total capital assets being depreciated	91,315,427	918,811	(168,516)	-	92,065,722
<b>Less accumulated depreciation for:</b>					
Buildings	(23,037,838)	(1,048,232)	151,125	-	(23,934,945)
Equipment	(3,202,276)	(236,253)	-	-	(3,438,529)
Furniture and fixtures	(74,151)	(2,063)	-	-	(76,214)
Distribution systems	(13,921,603)	(860,598)	-	-	(14,782,201)
Vehicles	(1,616,357)	(162,923)	17,391	-	(1,761,889)
Total accumulated depreciation	(41,852,225)	(2,310,069)	168,516	-	(43,993,778)
Total capital assets being depreciated, net	49,463,202	(1,391,258)	-	-	48,071,944

**Capital assets being amortized:**

Right to use assets					
Leased equipment	2,753	-	-	-	2,753
Total right to use assets	2,753	-	-	-	2,753
Less accumulated amortization for:					
Leased equipment	1,196	1,196	-	-	2,392
Total accumulated amortization	1,196	1,196	-	-	2,392
Right to use assets, net	1,557	(1,196)	-	-	361
Sewer Fund capital assets, net	\$ 62,886,991	1,857,648	-	-	\$ 64,744,639

<b>Solid Waste Fund</b>	<u>Beginning</u> <u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending</u> <u>Balances</u>
<b>Capital assets not being depreciated:</b>					
Construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -
Total capital assets not being depreciated	-	-	-	-	-
<b>Capital assets being depreciated:</b>					
Lines	114,505	-	-	-	114,505
Equipment	322,671	264,046	-	-	586,717
Vehicles	534,741	191,615	-	-	726,356
Total capital assets being depreciated	971,917	455,661	-	-	1,427,578
<b>Less accumulated depreciation for:</b>					
Lines	(14,960)	(4,136)	-	-	(19,096)
Equipment	(198,215)	(61,238)	-	-	(259,453)
Vehicles	(220,495)	(66,792)	-	-	(287,287)
Total accumulated depreciation	(433,670)	(132,166)	-	-	(565,836)
Total capital assets being depreciated, net	538,247	323,495	-	-	861,742
<b>Capital assets being amortized:</b>					
Right to use assets					
Leased equipment	631	-	-	-	631
Total right to use assets	631	-	-	-	631
Less accumulated amortization for:					
Leased equipment	274	274	-	-	548
Total accumulated amortization	274	274	-	-	548
Right to use assets, net	357	(274)	-	-	83
Solid Waste Fund capital assets, net	\$ 538,604	323,221	-	-	\$ 861,825
Business-type activities capital assets, net	\$ 145,793,728				\$ 149,149,864

## **NOTE 6: LIABILITIES**

### **1. Pension Plan Obligations**

#### **A. Local Governmental Employees' Retirement System**

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

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

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

**Contributions.** Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. City of New Bern 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 New Bern contractually required contribution rate for the year ended June 30, 2023, was 13.04% of compensation for law enforcement officers and 12.15% 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 New Bern were \$3,588,365 for the year ended June 30, 2023.

**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.

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

At June 30, 2023, the City reported a liability of \$18,435,623 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The 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, 2023 (measurement date), the City's proportion was 0.3268% which was a decrease of 0.0078% from its proportion measured as of June 30, 2022.



For the year ended June 30, 2023, the City recognized pension expense of \$5,111,662. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 794,374	\$ 77,884
Changes of assumptions	1,839,462	-
Net difference between projected and actual earnings on pension plan investments	6,093,166	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	43,432	310,132
Employer contributions subsequent to the measurement date	3,588,365	-
Total	<u>\$ 12,358,799</u>	<u>\$ 388,016</u>

\$3,588,365 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended June</b>	
2024	\$ 2,593,960
2025	2,260,110
2026	625,450
2027	2,902,898
	<u>\$ 8,382,418</u>

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

Inflation	2.25 percent
Salary increases	3.25 to 8.25 percent, which includes a 3.25% inflation and productivity
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2021 valuations were based on the results of an actuarial experience review for LGERS for the period January 1, 2011 through December 31, 2015.

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 expectations of forward yields projected and interpolated for multiple tenor 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 for each major asset class as of June 30, 2023 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of</b>
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation	6.0%	2.7%
Total	100.0%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 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 3.00%. All rates of return and inflation are annualized.

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

Sensitivity of the City's proportionate share of the net pension asset to changes in the discount rate. The following presents the City's proportionate share of the net pension asset calculated using the discount 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:

	<b>1% Decrease (5.50%)</b>	<b>Discount Rate (6.50%)</b>	<b>1% Increase (7.50%)</b>
City's proportionate share of the net pension liability (asset)	\$ 33,273,924	\$ 18,435,623	\$ 6,208,000

**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 New Bern 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. 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 law enforcement officers of the City are covered by the Separation Allowance. At December 31, 2021, the Separation Allowance's membership consisted of:

Retirees receiving benefits	11
Active plan members	84
Total	95

A separate report was not issued for the plan.

## 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 the modified accrual basis of accounting. Benefits and refunds 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 Statements 73.

## 3. Actuarial Assumptions

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

Inflation	2.50 percent
Salary increases	3.50 to 8.10 percent, including inflation and productivity factor
Discount rate	2.98 percent

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2021.

Mortality rates are based on the RP-2000 Mortality tables with adjustments for mortality improvements based on Scale AA.

## 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 benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees. The City's expense for benefit payments to current retirees for the fiscal year ended June 30, 2023 was \$214,410.

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

At June 30, 2023, the City reported a total pension liability of \$3,203,161. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the City recognized pension expense of \$250,634.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 329,637	\$ 255,182
Changes of assumptions	497,367	600,445
City benefit payments and plan administrative expense made subsequent to the measurement date	113,187	-
Total	<u>\$ 940,191</u>	<u>\$ 855,627</u>

\$113,187 paid as benefits came due subsequent to the measurement date have been reported as deferred outflows of resources. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2024	\$	91,078
2025		82,805
2026		23,979
2027		(93,134)
2028		(121,224)
Thereafter		(12,127)

*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 4.31 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31 percent) and 1-percentage-point higher (5.31 percent) than the current rate.

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total pension liability	\$ 4,204,917	\$ 3,858,372	\$ 3,542,930

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

	2023
Beginning balance	\$ 3,858,372
Service Cost	214,269
Interest on the total pension liability	84,401
Differences	(117,251)
Changes of assumptions or other inputs	(622,220)
Benefit payments	(214,410)
Net Change	(655,211)
Ending balance of the total pension liability	<u>\$ 3,203,161</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, 2021 valuation were based on the results of an actuarial experience study completed by the actuary for the Local Government Employees' Retirement System for the five year period ending December 31, 2019.



**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:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>Total</u>
Pension Expense	\$ 5,111,662	\$ 250,634	\$ 5,362,296
Pension Liability	18,435,623	3,203,161	21,638,784
Proportionate share of the net pension liability	0.3268%	n/a	
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	794,374	329,637	1,124,011
Changes of assumptions	1,839,462	497,367	2,336,829
Net difference between projected and actual earnings on plan investments	6,093,166	-	6,093,166
Changes in proportion and differences between contributions and proportionate share of contributions	43,432	-	43,432
Benefit payments and administrative costs paid subsequent to the measurement date	3,588,365	113,187	3,701,552
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	77,884	255,182	333,066
Changes of assumptions	-	600,445	600,445
Changes in proportion and differences between contributions and proportionate share of contributions	310,132	-	310,132

**C. Supplemental Retirement Income Plan for Law Enforcement Officers**

**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. 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.

**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. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2023 were \$394,081, which consisted of \$281,214 from the City and \$112,867 from the law enforcement officers.

**D. Supplemental Retirement Income Plan for Employees not Engaged in Law Enforcement**

**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 City employees not engaged in law enforcement. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan 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.

**Funding Policy.** The City's employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2023 were \$1,535,558, which consisted of \$1,068,597 from the City and \$466,961 from the employees.

## **E. Other Postemployment Benefits**

### Healthcare Benefits

**Plan Description.** According to a City resolution, the City provides post-retirement healthcare benefits through a single-employer defined benefit Healthcare Benefits Plan (the "HCB Plan"). The City pays 100 percent of the cost for "maximum retirees" of the City, while "other retirees" are eligible to enroll in the City's insurance plan, but must pay full cost. Maximum retirees are defined as meeting one of the following criteria: (1) employee with thirty (30) or more years of service with at least fifteen (15) of those years with the City; (2) employee with twenty-seven (27) or more years of service and three (3) years of prior military service with at least fifteen (15) of those years with the City; or (3) members of the governing board with a total number of sixteen (16) years in office. To qualify as an "other retiree," employees must meet one of the two following: (1) have twenty-five (25) to twenty-nine (29) years of service with at least ten (10) with the City; or (2) twenty (20) or more years of qualified service with at least ten (10) years with the City. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental plan after qualifying for Medicare. The City contributed \$514,298 in benefits. The City's Board of Aldermen established and may amend the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and a separate report was not issued for the plan.

Membership of the Plan consisted of the following at June 30, 2022, the date of the last actuarial valuation:

	<b>General Employees:</b>
Retirees and dependents receiving benefits	93
Active plan members	447
Total	<u>540</u>

### **Total OPEB Liability**

The City's total OPEB liability of \$37,125,645 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

**Actuarial assumptions and other inputs.** The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Real wage growth	0.75 percent
Wage inflation	3.25 percent
Salary increase, including wage inflation	
General employees	3.25 - 8.41 percent, including inflation
Firefighters	3.25 - 8.15 percent, including inflation
Law Enforcement Officers	3.25 - 7.90 percent, including inflation
Discount rate	3.54%
Healthcare cost trend rate	
Pre-Medicare	7.00% for 2022 decreasing to an ultimate rate of 4.50% by 2032
Medicare	5.125% for 2022 decreasing to an ultimate rate of 4.50% by 2025
Dental	3.50%

## Changes in the Total OPEB Liability

	<b>Total OPEB Liability</b>
<b>Balance at July 1, 2021</b>	\$ 46,544,047
<b>Changes for the year</b>	
Service cost	2,006,033
Interest	1,040,537
Differences between expected and actual experience	(1,162,179)
Changes in assumptions or other inputs	(10,544,612)
Benefit payments	(758,181)
<b>Net changes</b>	<b>(9,418,402)</b>
<b>Balance at June 30, 2022</b>	<b>\$ 37,125,645</b>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.16% to 3.54%.

The current mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019. The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

**Sensitivity of the Total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower and 1-percentage-point higher:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$ 44,683,185	\$ 37,125,645	\$ 31,277,496

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 30,688,155	\$ 37,125,645	\$ 45,613,553

## OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized OPEB expense of \$1,901,195. At June 30, 2023, 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	\$ 90,920	\$ 2,469,938
Changes of assumptions	7,287,989	10,934,705
Benefit payments and administrative costs made subsequent to the measurement date	514,298	-
<b>Total</b>	<b>\$ 7,893,207</b>	<b>\$ 13,404,643</b>

\$514,298 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended June 30:</b>	
2024	\$ (1,046,942)
2025	(1,046,942)
2026	(770,548)
2027	(590,502)
2028	(536,625)
Thereafter	(2,034,175)

**F. Deferred Outflows and Inflows of Resources**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		
LGERS	\$ 794,374	\$ 77,884
LEOSSA	329,637	255,182
OPEB	90,920	2,469,938
Changes of assumptions		
LGERS	1,839,462	-
LEOSSA	497,367	600,445
OPEB	7,287,989	10,934,705
Difference between projected and actual investment		
LGERS	6,093,166	-
Change in proportion and difference between employer		
LGERS	43,432	310,132
Contributions to pension plan in current fiscal year		
LGERS	3,588,365	-
Benefit payments/administration costs paid subsequent to the measurement date (LEOSSA)	113,187	-
Benefit payments/administration costs paid subsequent to the measurement date (OPEB)	514,298	-
Taxes receivable, net (General)	-	136,672
Lease receivable (Enterprise)	-	649,656
Liens and other receivables (General)	-	279,276
Miscellaneous (General)	-	70,000
Total	<u>\$ 21,192,197</u>	<u>\$ 15,783,890</u>

**NOTE 7: RISK MANAGEMENT**

The City 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. To mitigate the financial impact of any losses, the City has established a program to manage its financial risks through a self-funded arrangement in combination with purchase insurance.



The City's Internal Service Fund was established to account for an employee self-insurance health benefit program. The purpose of the fund is to pay medical claims of City employees and their covered dependents and minimize the total cost of annual medical insurance to the municipality. Funding is provided by employee contributions and charges to the various funds of the City based upon estimated claim and employee participation. Expected claims are determined annually by the reinsurance carrier. The City carries aggregate stop loss insurance coverage of 125% of annual expected paid claims and individual stop loss coverage of \$100,000 per covered individual and an aggregating specific deductible of \$250,000 through the plan administrator utilizing a reinsurance carrier. The City has recognized a provision for claims incurred but not reported, in the accompanying financial statements. This provision is estimated based upon actuarial claims history utilizing a two month lag on outstanding claims.

The City is self-insured for workers' compensation claims up to \$600,000 for all employees. The City has reinsurance through a commercial company for single occurrence claims up to \$1,000,000. The City also purchased an Occupational Accident Buffer Layer Insurance Policy which covers all employees at \$400,000 (attachment point) with a coverage limit of \$200,000. The City's Internal Service Fund is also used to account for this program.

The City is self-insured for workers' compensation claims up to \$600,000 for all employees. The City has reinsurance through a commercial company for single occurrence claims up to \$1,000,000. The City also purchased an Occupational Accident Buffer Layer Insurance Policy which covers all employees at \$400,000 (attachment point) with a coverage limit of \$200,000. The City's Internal Service Fund is also used to account for this program.

The City carries \$1,000,000 of flood insurance, subject to a \$50,000 deductible, included in its commercial property coverage. The City does not have any property that has been mapped and designated an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency.

In accordance with G.S. 159-29, the City's employees that have access to \$100 or more at any given time of the City's funds are performance bonded through a commercial surety bond. The Finance Officer is individually bonded for \$100,000. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

For the Employee Benefit Insurance Internal Service Fund, a total of \$5,719,800 in claims and changes in estimates were incurred for benefits during the year ended June 30, 2023. Changes in the fund's claims liability amounts in the years ended June 30, 2023 and 2022, were as follows:

#### **EMPLOYEE HEALTH INSURANCE CLAIMS PAYABLE**

Fiscal Year	Beginning of Year Claims Liability	Current Year		End of Year Claims Liability
		Claims and Change in Estimates	Claims Paid	
2023	\$ 550,255	\$ 6,148,912	\$ 5,975,167	\$ 724,000
2022	419,101	5,422,904	5,291,750	550,255

#### **WORKERS COMPENSATION CLAIMS PAYABLE**

Fiscal Year	Beginning of Year Claims Liability	Current Year		End of Year Claims Liability
		Claims and Change in Estimates	Claims Paid	
2023	\$ 50,000	\$ 351,664	\$ 346,633	\$ 55,031
2022	50,000	200,981	200,981	50,000

## NOTE 8: LONG-TERM OBLIGATIONS

### a. Leases

The City has entered into agreements to lease certain equipment, land and infrastructure. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On 07/01/2021, City of New Bern, NC entered into a 84 month lease as Lessee for the use of Crown Castle & Crown Castle Pinnacle Tower. An initial lease liability was recorded in the amount of \$201,081. As of 06/30/2023, the value of the lease liability is \$149,921. City of New Bern, NC is required to make monthly fixed payments of \$2,304. The lease has an interest rate of 1.4773%. The Land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$201,081 with accumulated amortization of \$57,452 is included with Land on the Lease Class activities table found below.

On 07/01/2021, City of New Bern, NC entered into a 31 month lease as Lessee for the use of Copyro Addition. An initial lease liability was recorded in the amount of \$3,433. As of 06/30/2023, the value of the lease liability is \$782. City of New Bern, NC is required to make monthly fixed payments of \$112. The lease has an interest rate of 0.9006%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$3,433 with accumulated amortization of \$2,655 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, City of New Bern, NC entered into a 27 month lease as Lessee for the use of CopyPro. An initial lease liability was recorded in the amount of \$91,477. As of 06/30/2023, the value of the lease liability is \$10,227. City of New Bern, NC is required to make monthly fixed payments of \$3,413. The lease has an interest rate of 0.6399%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$91,477 with accumulated amortization of \$79,450 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, City of New Bern, NC entered into a 60 month lease as Lessee for the use of American Tower. An initial lease liability was recorded in the amount of \$184,056. As of 06/30/2023, the value of the lease liability is \$115,258. City of New Bern, NC is required to make monthly fixed payments of \$2,818. The lease has an interest rate of 0.3081%. The Infrastructure estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$184,056 with accumulated amortization of \$72,534 is included with Infrastructure on the Lease Class activities table found below. City of New Bern, NC has 1 extension option(s), each for 60 months.

On 09/22/2021, City of New Bern, NC entered into a 60 month lease as Lessee for the use of Lease Pitney Bowes. An initial lease liability was recorded in the amount of \$18,268. As of 06/30/2023, the value of the lease liability is \$11,060. City of New Bern, NC is required to make quarterly fixed payments of \$940. The lease has an interest rate of 1.2245%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$18,268 with accumulated amortization of \$6,485 is included with Equipment on the Lease Class activities table found below.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023, were as follows:

Government Activities:

<u>Year</u> <u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 59,765	\$ 1,926	\$ 61,691
2025	54,443	1,468	55,911
2026	56,475	1,000	57,475
2027	26,633	567	27,200
2028	25,223	202	25,425
Present value of the minimum lease payments	<u>\$ 222,539</u>	<u>\$ 5,163</u>	<u>\$ 227,702</u>

**Business-Type Activities:**

<u>Year</u> <u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 18,305	\$ 541	\$ 18,846
2025	15,161	416	15,577
2026	15,754	290	16,044
2027	7,955	169	8,124
2028	7,535	60	7,595
Present value of the minimum lease payments	<u>\$ 64,710</u>	<u>\$ 1,476</u>	<u>\$ 66,186</u>

**b. Subscriptions Payable**

For the year ended 6/30/2023, 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.

On 07/01/2022, City of New Bern, NC entered into a 31 month subscription for the use of tip411 Pro. An initial subscription liability was recorded in the amount of \$23,619. As of 06/30/2023, the value of the subscription liability is \$11,851. City of New Bern, NC is required to make annual fixed payments of \$12,108. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2023 of \$23,619 with accumulated amortization of \$9,143 is included with Software on the Subscription Class activities table found below.

On 07/29/2022, City of New Bern, NC entered into a 60 month subscription for the use of GrayKey License. An initial subscription liability was recorded in the amount of \$47,360. As of 06/30/2023, the value of the subscription liability is \$37,440. City of New Bern, NC is required to make annual fixed payments of \$9,995. The subscription has an interest rate of 2.3660%. The value of the right to use asset as of 06/30/2023 of \$48,535 with accumulated amortization of \$8,952 is included with Software on the Subscription Class activities table found below.

On 10/19/2022, City of New Bern, NC entered into a 58 month subscription for the use of Cisco Collaboration Flex Plan. An initial subscription liability was recorded in the amount of \$14,410. As of 06/30/2023, the value of the subscription liability is \$11,338. City of New Bern, NC is required to make annual fixed payments of \$3,072. The subscription has an interest rate of 3.3050%. The value of the right to use asset as of 06/30/2023 of \$14,410 with accumulated amortization of \$2,087 is included with Software on the Subscription Class activities table found below.

On 07/18/2022, City of New Bern, NC entered into a 36 month subscription for the use of Hansen Software Services. An initial subscription liability was recorded in the amount of \$732,453. As of 06/30/2023, the value of the subscription liability is \$492,713. City of New Bern, NC is required to make monthly fixed payments of \$21,000. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2023 of \$1,052,453 with accumulated amortization of \$334,251 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, City of New Bern, NC entered into a 17 month subscription for the use of Microsoft Software Enterprise - Information Tech Dept.. An initial subscription liability was recorded in the amount of \$126,546. As of 06/30/2023, the value of the subscription liability is \$0. City of New Bern, NC is required to make annual fixed payments of \$127,447. The subscription has an interest rate of 1.7100%. The value of the right to use asset as of 06/30/2023 of \$126,546 with accumulated amortization of \$89,326 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, City of New Bern, NC entered into a 23 month subscription for the use of Power DMS. An initial subscription liability was recorded in the amount of \$7,110. As of 06/30/2023, the value of the subscription liability is \$0. City of New Bern, NC is required to make annual fixed payments of \$7,244. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2023 of \$7,110 with accumulated amortization of \$3,683 is included with Software on the Subscription Class activities table found below.

On 01/01/2023, City of New Bern, NC entered into a 44 month subscription for the use of A-LA-Cart Pro License. An initial subscription liability was recorded in the amount of \$13,146. As of 06/30/2023, the value of the subscription liability is \$10,784. City of New Bern, NC is required to make annual fixed payments of \$2,362. The subscription has an interest rate of 2.6760%. The value of the right to use asset as of 06/30/2023 of \$13,146 with accumulated amortization of \$1,793 is included with Software on the Subscription Class activities table found below.

On 11/07/2022, City of New Bern, NC entered into a 24 month subscription for the use of DebtBook Software Application. An initial subscription liability was recorded in the amount of \$19,197. As of 06/30/2023, the value of the subscription liability is \$9,447. City of New Bern, NC is required to make annual fixed payments of \$9,750. The subscription has an interest rate of 3.2070%. The value of the right to use asset as of 06/30/2023 of \$21,197 with accumulated amortization of \$6,889 is included with Software on the Subscription Class activities table found below.

On 11/24/2022, City of New Bern, NC entered into a 13 month subscription for the use of SimpleHelp Suite. An initial subscription liability was recorded in the amount of \$4,431. As of 06/30/2023, the value of the subscription liability is \$2,181. City of New Bern, NC is required to make annual fixed payments of \$2,250. The subscription has an interest rate of 3.1440%. The value of the right to use asset as of 06/30/2023 of \$4,431 with accumulated amortization of \$2,466 is included with Software on the Subscription Class activities table found below.

The future minimum Subscription-Based Information Technology Arrangement (SBITA) obligations and the net present value of these minimum SBITA payments as of June 30, 2023, were as follows:

**Government Activities:**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 38,711	\$ 2,178	\$ 40,889
2025	15,628	1,153	16,781
2026	16,035	745	16,780
2027	12,665	328	12,993
Present value of the minimum SBITA payments	\$ 83,039	\$ 4,404	\$ 87,443

**Business-Type Activities:**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 243,669	\$ 8,331	\$ 252,000
2025	249,044	2,956	252,000
Present value of the minimum SBITA payments	\$ 492,713	\$ 11,287	\$ 504,000

**b. Installment Purchases**

As authorized by State law (G.S. 160A-20 and 153A-158.1), the City financed various property and equipment acquisitions by installment purchases. In the event of default the entire outstanding principal and interest balance is immediately payable and the bank may proceed with additional options as legally allowed. Installment purchase contracts at June 30, 2023 were comprised of the following individual agreements:



<b>Governmental Activities:</b>	<b>Balance as of June 30, 2023</b>
The City entered into a direct placement note through BB&T for \$465,315 in May 2013 with semi-annual payments of \$15,510 for South Front Street streetscape improvements. The property is pledged as collateral while the debt is outstanding. The note bears an interest rate of 2.54% and matures in 2028.	\$ 155,105
The City entered into a direct placement note issued by SunTrust Bank for \$756,633 in July 2014 with semi-annual payments of \$25,221 for the purchase of a fire truck. The truck is pledged as collateral while the debt is outstanding. The note bears an interest rate of 2.86% and matures in 2029.	327,873
The City entered into a direct placement note issued by BB&T for \$800,000 in October 2016 with semi-annual payments of \$33,333 (fixed principal) for the improvements to the City's streets. The rights to easements are pledged as collateral while the debt is outstanding. The note bears an interest rate of 2.00% and matures in 2029.	322,505
The City entered into a direct placement note issued by PNC Bank for \$2,320,000 in June 2018 with semi-annual payments of \$166,000 (fixed principal) for city-wide drainage improvements. The improvements are pledged as collateral while the debt is outstanding. The note bears an interest rate of 3.34% and matures in 2028.	1,160,000
The City entered into a direct placement note issued by BB&T for \$2,219,407 in June 2019 with varying semiannual payments for roadway improvements and workforce development center improvements. The property and all moneys on deposit in the project fund are pledged as collateral while the debt is outstanding. The note bears an interest rate of 2.78% and matures in 2029.	1,331,646
The City entered into a direct placement note issued by Bank of America for \$1,800,060 was issued in April 2019 with varying semi-annual payments for the purchase of various vehicles and equipment. The vehicles and equipment are pledged as collateral while the debt is outstanding. The note bears an interest rate of 2.6096% and matures in 2024.	360,012
The City entered into a direct placement note issued by Truist Bank for \$1,720,621 was issued in November 2020 with annual payments of \$133,432 for the purchase of fire trucks. The vehicles and equipment are pledged as collateral while the debt is outstanding. The note bears an interest rate of 2.060% and matures in 2035.	1,508,258
The City entered into a direct placement note issued by Truist Bank for \$1,210,748 was issued in November 2020 with annual payments of \$249,675 for the purchase of various vehicles and equipment. The vehicles and equipment are pledged as collateral while the debt is outstanding. The note bears an interest rate of 1.19% and matures in 2025.	731,621
The City entered into a direct placement note issued by Truist Bank for \$1,803,895 was issued in April 2021 with annual payments of \$198,933 for the purchase of radio upgrades and park buildings. As of June 30, 2022 the City has only received \$1,525,232. The equipment and building are pledged as collateral while the debt is outstanding. The note bears an interest rate of 1.75% and matures in 2030.	1,643,283

The City entered into a direct placement note issued by Truist Bank for \$3,900,000 was issued May 2022, with varying annual payments for the completion of the City Hall elevator. The property and all monies on deposit in the project fund are pledged as collateral while the debt is outstanding. The note bears and interest rate of 2.86% and matures in 2037. The funds are drawn down as needed for the project. At June 30, 2023, \$3,154,916 had been drawn down for the project.

3,154,916

Total governmental activities

\$ 10,695,219

#### Business-Type Activities:

A direct placement note was issued by BB&T for \$1,863,767 in January 2016 with semi-annual payments of \$93,189 for the refinancing of the Kale Road property note. The property is pledged as collateral while the debt is outstanding. The note bears an interest rate of 2.25% and matures in 2026.

\$ 559,130

A direct placement note was issued by Bank of America for \$734,167 in April 2019 with varying semi-annual payments for the purchase of various vehicles and equipment. The vehicles and equipment are pledged as collateral while the debt is outstanding. The note bears an interest rate of 2.6096% and matures in 2024.

146,834

Total business-type activities

\$ 705,964

In the event of default the entire outstanding principal and interest is immediately payable, and the bank may proceed with additional options as legally allowed.

Future minimum payments as of June 30, 2023 for the installment purchase contracts are as follows:

For the Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 1,735,589	\$ 270,843	\$ 333,210	\$ 14,406
2025	1,383,531	230,924	186,377	7,339
2026	1,391,691	197,920	186,377	3,145
2027	1,150,157	164,787	-	-
2028	1,144,705	134,489	-	-
2029-2033	2,950,279	377,264	-	-
2034-2038	939,267	82,867	-	-
Total	<u>\$ 10,695,219</u>	<u>\$ 1,459,094</u>	<u>\$ 705,964</u>	<u>\$ 24,890</u>

#### c. Notes Payable

The City has various note payable agreements with the State outstanding for water and sewer distribution expansion and improvement projects. In the event of a default the entire outstanding principal and interest are immediately payable, additional action may be taken as legally allowed. The outstanding balances for the notes as of June 30, 2023 are as follows:

#### Business-Type activities:

A direct borrowing note issued by North Carolina Department of Environment and Natural Resources for \$1,351,452 was issued in March 2003 with variable semi-annual payments for wastewater treatment plant expansion. The note bears an interest rate of 2.66% and matures in 2024.

Balance as of  
June 30, 2023

\$ 67,573

A direct borrowing note issued by North Carolina Department of Environment and Natural Resources for \$33,606,624 was issued in July 2010 with variable semi-annual payments of \$1,680,331 for water treatment plant expansion. The note bears an interest rate of 2.27% and matures in 2030.

11,762,317

Total outstanding notes payable:

\$ 11,829,890

The debt service to maturity on the notes payable is as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 1,747,904	\$ 268,214	\$ 2,016,118
2025	1,680,331	228,357	1,908,688
2026	1,680,331	190,298	1,870,629
2027	1,680,331	152,238	1,832,569
2028	1,680,331	114,178	1,794,509
2029-2033	3,360,662	114,179	3,474,841
Total:	<u>\$ 11,829,890</u>	<u>\$ 1,067,464</u>	<u>\$ 12,897,354</u>

#### d. Revenue Bonds

In December 2014, the City issued \$3,830,000 of Utility Revenue Bonds for acquisition and construction of a warehouse, AMI, and other improvements at Kale Road. Semi-annual payments of \$213,847 are due on December 1 and June 1. The bonds bear an interest rate of 2.15%. The bonds mature in 2025. The City has pledged future water, sewer, and electric revenues, net of specified operating expenses to repay these bonds. \$ 627,991

In May 2016, the City issued \$5,600,000 of Utility Revenue Bonds for water and electric AMI expansion. Semiannual payments of \$310,082 due on December 1 and June 1. The bonds bear an interest rate of 1.97%. The bonds mature in 2026. The City has pledged future water and electric revenues, net of specified operating expenses to repay these bonds. 1,798,220

Total revenue bonds \$ 2,426,211

Year	Principal	Interest	Total
2024	\$ 1,004,037	\$ 43,821	\$ 1,047,858
2025	810,824	23,186	834,010
2026	611,350	8,813	620,163
Total:	<u>\$ 2,426,211</u>	<u>\$ 75,820</u>	<u>\$ 2,502,031</u>

The City is in compliance with the covenants as to rates, fees, rentals and charges in Section 704 and Section 711 of the Bond Order, authorizing the issuance of the Electric, Water and Sewer Revenue Bonds, Series 2014, and Series 2016, secured solely by the pledge of net revenue of the City's combined enterprise funds (Electric, Water and Sewer). Pursuant to Section 704(a) of the Bond and related agreements, the City has made certain covenants that provide for rates to be set at levels to provide annually to maintain a debt service coverage ratio of 120% (1.20) for parity indebtedness and 100% (1.0) for parity and subordinated indebtedness. In addition, pursuant to Section 711 of the Bond agreement, the principal amount of installment debt (liens) cannot exceed 15% of net investment in capital assets. The debt service coverage requirements for the year ended June 30, 2023, are as follows:

The debt service coverage ratio calculation for the year ended June 30, 2023 is as follows:

	Electric Fund	Water Fund	Sewer Fund
Operating revenues	\$ 51,573,971	11,147,734	12,484,217
Operating expenses	(52,250,881)	(9,938,257)	(13,010,500)
Add back:			
Investment earnings	519,783	427,441	214,150
Lease revenue	-	193,794	-
Depreciation	2,668,747	1,756,309	2,311,263
Income available for debt service	<u>\$ 2,511,620</u>	<u>\$ 3,587,021</u>	<u>\$ 1,999,130</u>
Debt service principal and interest paid (Revenue bond only)	<u>\$ 1,253,211</u>	<u>\$ 756,505</u>	<u>\$ 899,906</u>
Debt service coverage ratio	200%	474%	222%

The City's debt service coverage ratio is greater than 120% of the debt service requirement for the year ended June 30, 2023.

### c. Changes in Long-Term Liabilities

A summary of changes in long-term obligations follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023	Current Portion of Balance
<b>Governmental activities:</b>					
Direct placement installment purchases	\$ 9,115,894	\$ 3,704,180	\$ 2,124,855	\$ 10,695,219	\$ 1,735,589
Lease liabilities	300,369	-	77,830	222,539	59,765
Subscription liability	157,275	98,544	172,780	83,039	38,711
Compensated absences	1,821,961	149,455	-	1,971,416	591,425
Net pension liability (LGERS)	3,675,780	9,530,194	-	13,205,974	-
Total pension liability	3,858,372	-	655,211	3,203,161	-
Total OPEB Liability	46,544,047	-	9,418,402	37,125,645	-
Total Governmental activities	\$ 65,473,698	\$ 13,482,373	\$ 12,449,078	\$ 66,506,993	\$ 2,425,490
<b>Business-type activities:</b>					
Direct borrowing notes payable	\$ 14,842,812	\$ -	\$ 3,012,921	\$ 11,829,891	\$ 1,747,904
Direct placement installment purchases	1,171,328	-	458,884	712,444	333,210
Revenue bonds	5,248,235	-	2,822,024	2,426,211	1,004,037
Lease liabilities	93,556	-	28,845	64,711	18,305
Subscription liability	-	732,453	239,740	492,713	243,669
Net pension liability	1,455,632	3,774,018	-	5,229,650	-
Compensated absences	751,581	57,135	-	808,716	242,615
Total Business-type activities	\$ 23,563,144	\$ 4,563,606	\$ 6,562,414	\$ 21,564,336	\$ 3,589,740

For governmental activities, compensated absences are liquidated by the General Fund. The LGERS net pension liability, law enforcement officers' SSA total pension liability, and total OPEB liabilities are liquidated by the General Fund.

At June 30, 2023, the City of New Bern had a legal debt margin of \$244,518,936.

### **NOTE 9: INTERFUND BALANCES AND ACTIVITY**

The comparison of interfund balances as of June 30, 2023 is as follows:

#### **Due To/From Other Funds**

Receivable Fund	Payable Fund	Amount
General Fund	FEMA Hurricane Florence	\$ 3,483,137
General Fund	FEMA Hurricane Dorian	341,513
General Fund	MPO Plan	30,730
General Fund	Grants Funds - Multi-Year	31,398
General Fund	CDBG Entitlement	2,616
General Fund	CDBG-Coronavirus	7,340
General Fund	North Hills Drainage Study	49,260
		<u>\$ 3,945,994</u>

These funds owe the General Fund for temporary cash shortages in the pooled cash account being covered by the General Fund.



**Transfers to/Transfer From**

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

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General Fund	Electric Fund	\$ 2,645,443
General Fund	American Rescue Plan Act	6,704,351
		<u>\$ 9,349,794</u>
Grants Fund Multi-Year	General Fund	\$ 42,569
Public Private Partnership	General Fund	10,000
Redevelopment Fund	General Fund	20,000
MPO Plan Grant Fund	General Fund	28,400
Emergency Telephone System	General Fund	45,170
City Hall Elevator Project	General Fund	70,709
		<u>\$ 216,848</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Transfers are also moved from unrestricted enterprise operations to offset operational costs in the General Fund.

**NOTE 10: Net Investment in Capital Assets**

	<u>Governmental</u>	<u>Business-Type</u>
Capital Assets and Right to Use	\$ 70,926,531	\$ 149,149,864
less: long-term debt	(11,000,797)	(15,519,407)
Net Investment in Capital Assets	<u>\$ 59,925,734</u>	<u>\$ 133,630,457</u>

**NOTE 11: 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	\$ 35,621,566
Less restricted for:	
Inventories	243,272
Prepays	1,430
Stabilization by State statute	12,049,856
Streets	157,882
Economic and Physical Development	1,739,842
Remaining Fund Balance	<u>\$ 21,429,284</u>

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

The City has adopted a minimum fund balance policy for the General Fund which instructs management to strive to conduct the business of the City in such a manner that available fund balance is at least 25% with the ideal target of 35% of budgeted expenditures. The following calculation shows fund balance available after deducting the required 25%.

Total Fund Balance - General Fund	\$ 35,621,566
Less:	
Nonspendable (Inventory, Prepaids)	244,702
Stabilization by State Statute	12,049,856
Streets	157,882
Economic & Physical Development	1,739,842
Fund Balance Policy (25% of CY expenditures, including transfers out)	9,654,821
Remaining Fund Balance	<u>\$ 11,774,464</u>

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Encumbrances	General Fund	NonMajor Funds	Water Fund	Electric Fund	Sewer Fund
	\$ 2,655,080	\$ 8,542,105	\$ 349,054	\$ 1,229,835	\$ 3,337,472

## **NOTE 12: JOINT VENTURES, JOINTLY GOVERNED ORGANIZATIONS, AND RELATED ORGANIZATIONS**

### **1. Jointly Governed Organization**

Eastern Carolina Council – The City, in conjunction with nine counties and twenty-eight other municipalities, established the Eastern Carolina Council (the “Council”). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council’s governing board. The City paid membership and administrative fees of \$0 to the Council during the fiscal year ended June 30, 2023.

North Carolina Eastern Municipal Power Agency (“NCEMPA”) – NCEMPA is a joint agency formed by 32 municipalities, including the City, and organized and existing pursuant to Chapter 159B of the General Statutes of North Carolina. The NCEMPA Board elects its own officers and is responsible for the selection of management to run the daily operations of NCEMPA. NCEMPA is responsible for budgeting and receiving its financing. The City has made investment in this joint venture.

### **2. Joint Ventures**

The City participates in a joint venture with Craven County to operate the New Bern/Craven County Library. The City appoints five members of the ten-member board. The City has an ongoing financial responsibility for the joint venture because the Library’s continued existence depends on the participating governments’ continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2023. The City contributed \$75,000 to the library during the fiscal year ended June 30, 2023.

### **3. Related Organizations**

New Bern Housing Authority – The Board of the New Bern Housing Authority (“Hosing Authority”) is appointed by the Mayor of the City. The City is accountable for the Housing Authority because it appoints the governing board; however, the City is not financially accountable for the Housing Authority.

Friends of New Bern Firemen’s Museum, Inc. – The Board of Directors of the Friends of New Bern Firemen’s Museum (“Museum”) is appointed by the Board of Aldermen of the City. The City is accountable for the Museum because it appoints the governing board; however, the City is not financially accountable for the Museum.

### **NOTE 13: SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

#### Federal and State Assisted Programs

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

### **NOTE 14: RESTATEMENT**

The City has implemented GASB 96, Subscription Based Information Technology (IT) Arrangements, as described in the notes above. As a result of this implementation, the City has reported beginning IT subscription liability balances of \$157,275 and Right to Use IT Subscription Assets of \$157,275. There was no change to Government-wide Net Position.

### **NOTE 15: SIGNIFICANT EFFECTS OF SUBSEQUENT EVENT**

The City has evaluated events from the date of the balance sheet through the date the report is available to be issued which is the date of the independent auditors' report. The City has not evaluated subsequent events after that date. There were no subsequent events during this period that require disclosure.

## REQUIRED SUPPLEMENTAL FINANCIAL DATA

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This section contains additional information required by generally accepted accounting principles. Presentation conforms to requirements of the Local Government Commission in North Carolina.

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Schedule of Proportionate Share of the Net Pension Liability (Asset) - Local Government Employee's Retirement System

Schedule of Contributions - Local Government Employees' Retirement System

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

Schedule of Total Pension Liability as a Percentage of Covered Payroll - Law Enforcement Officers' Special Separation Allowance

Schedule of Changes in the Total OPEB Liability and Related Ratios



**City of New Bern**  
**City's Proportionate Share of Net Pension Liability (Asset)**  
**Required Supplementary Information**  
**Last Ten Fiscal Years**

**Local Government Employees' Retirement System**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
City's proportion of the net liability (asset) (%)	0.32679%	0.33460%	0.33302%	0.35700%	0.33250%
City's proportion of the net pension liability (asset) (\$)	\$18,435,623	\$ 5,131,412	\$ 11,900,223	\$ 9,749,392	\$ 7,888,037
City's covered payroll	\$24,432,811	\$ 23,325,826	\$ 23,075,394	\$23,392,399	\$ 21,540,082
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	75.45%	22.00%	51.57%	41.68%	36.62%
Plan fiduciary net position as a percentage of the total pension liability**	84.14%	95.51%	88.61%	90.86%	91.63%
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
City's proportion of the net liability (asset) (%)	0.33240%	0.34164%	0.36713%	-0.37472%	0.36820%
City's proportion of the net pension liability (asset) (\$)	\$ 5,078,151	\$ 7,250,745	\$ 1,647,657	\$ (2,209,896)	\$ 4,438,224
City's covered payroll	\$20,816,691	\$ 20,102,718	\$ 20,791,805	\$20,561,521	\$ 19,998,382
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	24.39%	36.07%	7.92%	-10.75%	22.19%
Plan fiduciary net position as a percentage of the total pension liability**	94.18%	91.47%	98.09%	102.64%	94.35%

\* 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 New Bern  
City of New Bern's Contributions  
Required Supplementary Information  
Last Ten Fiscal Years**

**Local Government Employees' Retirement System**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required contribution	\$ 3,588,365	\$ 2,819,268	\$ 2,412,259	\$ 2,114,442	\$ 1,864,644
Contributions in relation to the contractually required contribution	3,588,365	2,819,268	2,412,259	2,114,442	1,864,644
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 29,110,117	\$ 24,432,811	\$ 23,325,826	\$ 23,075,394	\$ 23,392,399
Contributions as a percentage of covered payroll	12.33%	11.54%	10.34%	9.16%	7.97%
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually required contribution	\$ 1,666,638	\$ 1,565,018	\$ 1,419,969	\$ 1,486,944	\$ 1,461,830
Contributions in relation to the contractually required contribution	1,666,638	1,565,018	1,419,969	1,486,944	1,461,830
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 21,540,082	\$ 20,816,691	\$ 20,102,718	\$ 20,791,805	\$ 20,561,521
Contributions as a percentage of covered payroll	7.74%	7.52%	7.06%	7.15%	7.11%

**City of New Bern, North Carolina**  
**Schedule of Changes in Total Pension Liability**  
**Law Enforcement Officers' Special Separation Allowance**  
**Last Seven Fiscal Years**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Beginning balance	\$ 3,858,372	\$ 3,630,645	\$ 2,966,769	\$ 2,383,204
Service Cost	214,269	230,462	130,539	125,573
Interest on the total pension liability	84,401	67,704	92,576	82,774
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(117,251)	282,348	(252,482)	511,459
Changes of assumptions or other inputs	(622,220)	(107,418)	947,261	82,172
Benefit payments	(214,410)	(245,369)	(254,018)	(218,413)
Other changes	-	-	-	-
Ending balance of the total pension liability	<u>\$ 3,203,161</u>	<u>\$ 3,858,372</u>	<u>\$ 3,630,645</u>	<u>\$ 2,966,769</u>

	<b>2019</b>	<b>2018</b>	<b>2017</b>
Beginning balance	\$ 2,767,704	\$ 2,632,626	\$ 2,611,191
Service Cost	119,819	100,996	106,628
Interest on the total pension liability	84,313	98,458	91,040
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(299,975)	(52,017)	-
Changes of assumptions or other inputs	(89,532)	151,459	(54,134)
Benefit payments	(199,125)	(163,818)	(122,099)
Other changes	-	-	-
Ending balance of the total pension liability	<u>\$ 2,383,204</u>	<u>\$ 2,767,704</u>	<u>\$ 2,632,626</u>

**Notes to the Schedule:**

This schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

**City of New Bern, North Carolina**  
**Schedule of Total Pension Liability as a Percentage of Covered Payroll**  
**Law Enforcement Officers' Special Separation Allowance**  
**Last Eight Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability	\$ 3,203,161	\$ 3,858,372	\$ 3,630,645	\$ 2,966,769
Covered Payroll	5,078,569	5,269,348	4,845,097	5,131,526
Total pension liability as a percentage of covered payroll	63.07%	73.22%	74.93%	57.81%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability	\$ 2,383,204	\$ 2,767,704	\$ 2,632,626	\$ 2,611,191
Covered Payroll	4,520,892	4,423,296	4,334,746	4,083,468
Total pension liability as a percentage of covered payroll	52.72%	62.57%	60.73%	63.95%

**Notes to the Schedule:**

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

This schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.



**City of New Bern, North Carolina**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**Required Supplementary Information**  
**Last Six Fiscal Years**

<b>Total OPEB Liability</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Service cost	\$ 2,006,033	\$ 2,013,197	\$ 1,204,822
Interest	1,040,537	1,004,632	1,270,516
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(1,162,179)	(37,068)	(2,102,869)
Changes of assumptions	(10,544,612)	487,213	8,639,338
Benefit payments	(758,181)	(734,377)	(588,934)
<b>Net change in total OPEB liability</b>	<b>(9,418,402)</b>	<b>2,733,597</b>	<b>8,422,873</b>
<b>Total OPEB liability - beginning</b>	<b>46,544,047</b>	<b>43,810,450</b>	<b>35,387,577</b>
<b>Total OPEB liability - ending</b>	<b>\$ 37,125,645</b>	<b>\$ 46,544,047</b>	<b>\$ 43,810,450</b>
 <b>Covered payroll</b>	 \$ 24,621,083	 \$ 22,348,027	 \$ 22,348,027
<b>Total OPEB liability as a percentage of covered payroll</b>	<b>150.79%</b>	<b>208.27%</b>	<b>196.04%</b>
 <b>Total OPEB Liability</b>	 <b>2020</b>	 <b>2019</b>	 <b>2018</b>
Service cost	\$ 1,068,074	\$ 1,142,446	\$ 1,315,824
Interest	1,215,366	1,118,600	991,387
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(85,385)	45,256	260,722
Changes of assumptions	2,300,267	(1,893,219)	(3,439,284)
Benefit payments	(701,503)	(483,111)	(802,639)
<b>Net change in total OPEB liability</b>	<b>3,796,819</b>	<b>(70,028)</b>	<b>(1,673,990)</b>
<b>Total OPEB liability - beginning</b>	<b>31,590,758</b>	<b>31,660,786</b>	<b>33,334,776</b>
<b>Total OPEB liability - ending</b>	<b>\$ 35,387,577</b>	<b>\$ 31,590,758</b>	<b>\$ 31,660,786</b>
 <b>Covered payroll</b>	 \$ 19,173,918	 \$ 19,173,918	 \$ 18,184,909
<b>Total OPEB liability as a percentage of covered payroll</b>	<b>184.56%</b>	<b>164.76%</b>	<b>174.10%</b>

**Notes to the Schedule:**

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

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

## SUPPLEMENTARY STATEMENTS AND SCHEDULES

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This section contains additional information required by the  
Local Government Commission in North Carolina

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**City of New Bern, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Annual Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
<b>Ad valorem taxes</b>			
Current year	\$ 16,736,344	\$ 17,331,695	\$ 595,351
Prior year	94,500	72,103	(22,397)
Municipal service district	199,400	207,346	7,946
Penalties and interest	48,500	52,990	4,490
Total ad valorem taxes	17,078,744	17,664,134	585,390
<b>Unrestricted intergovernmental</b>			
Local option sales tax	10,190,000	11,098,940	908,940
Video programming tax	222,000	214,442	(7,558)
Payments in lieu of taxes	1,277,733	1,277,733	-
Telecommunications sales tax	170,000	131,994	(38,006)
Utilities franchise tax	2,100,000	2,149,668	49,668
Piped natural gas tax	75,000	106,826	31,826
Public Education Television	24,000	25,641	1,641
Beer and wine tax	134,000	146,571	12,571
Fire protection reimbursement	13,423	12,370	(1,053)
ABC distributions	110,000	106,859	(3,141)
Total unrestricted intergovernmental	14,316,156	15,271,044	954,888
<b>Restricted intergovernmental</b>			
Powell Bill allocation	835,000	999,746	164,746
Total restricted intergovernmental	835,000	999,746	164,746
<b>License, permits and fees</b>			
Building permits and inspection fees	624,000	680,239	56,239
Auto and taxi fees	50,000	76,298	26,298
Beer and wine licenses	2,000	5,210	3,210
Other permits	289,000	291,432	2,432
Total licenses, permits and fees	965,000	1,053,179	88,179
<b>Sales and services</b>			
Public works fees	32,500	44,216	11,716
Refuse collection fees	24,000	26,070	2,070
Planning and inspections	-	-	-
Public safety fees	48,000	64,920	16,920
Cultural and recreation fees	234,900	268,481	33,581
Rent income	2,713	2,721	8
Other sales and services	96,260	83,550	(12,710)
Total sales and services	438,373	489,958	51,585

**City of New Bern, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Annual Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Investment earnings</b>	<u>1,130</u>	<u>1,125,765</u>	<u>1,124,635</u>
<b>Other revenues</b>			
Proceeds from insurance	30,000	53,937	23,937
Cemetery	125,000	133,500	8,500
Other revenues	<u>336,009</u>	<u>222,144</u>	<u>(113,865)</u>
Total other revenues	<u>491,009</u>	<u>409,581</u>	<u>(81,428)</u>
<b>Total Revenues</b>	<u>34,125,412</u>	<u>37,013,407</u>	<u>2,887,995</u>
<b>Expenditures:</b>			
<b>General government:</b>			
<b>Governing body</b>			
Salaries and employee benefits	169,333	169,253	80
Special appropriations	125,500	100,578	24,922
Operating expenditures	<u>144,200</u>	<u>125,308</u>	<u>18,892</u>
Total	<u>439,033</u>	<u>395,139</u>	<u>43,894</u>
<b>Administration</b>			
Salaries and employee benefits	755,331	767,754	(12,423)
Operating expenditures	330,950	161,233	169,717
Capital outlay	<u>360,406</u>	<u>339,677</u>	<u>20,729</u>
Total	<u>1,446,687</u>	<u>1,268,664</u>	<u>178,023</u>
<b>Public Education Television (PEG)</b>			
Operating expenditures	<u>67,750</u>	<u>45,271</u>	<u>22,479</u>
Total	<u>67,750</u>	<u>45,271</u>	<u>22,479</u>
<b>Information technology</b>			
Salaries and employee benefits	875,286	849,454	25,832
Operating expenditures	1,078,324	822,024	256,300
Capital outlay	<u>222,734</u>	<u>162,978</u>	<u>59,756</u>
Total	<u>2,176,344</u>	<u>1,834,456</u>	<u>341,888</u>
<b>GIS</b>			
Salaries and employee benefits	235,793	219,486	16,307
Operating expenditures	<u>75,976</u>	<u>56,566</u>	<u>19,410</u>
Total	<u>311,769</u>	<u>276,052</u>	<u>35,717</u>



**City of New Bern, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Annual Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
<b>Finance</b>			
Salaries and employee benefits	1,334,283	1,266,371	67,912
Operating expenditures	569,013	489,641	79,372
Capital outlay	12,833	21,197	(8,364)
Total	1,916,129	1,777,209	138,920
<b>American Rescue Plan</b>			
Capital outlay	6,704,351	559,069	6,145,282
Total	6,704,351	559,069	6,145,282
<b>Legal</b>			
Operating expenditures	311,822	309,612	2,210
Total	311,822	309,612	2,210
<b>Human resources</b>			
Salaries and employee benefits	588,698	589,269	(571)
Operating expenditures	184,392	144,336	40,056
Capital outlay	45,000	31,662	13,338
Total	818,090	765,267	52,823
<b>Reimbursement from enterprise funds</b>	(4,753,270)	(4,753,269)	(1)
<b>Total general government</b>	9,438,705	2,477,470	6,961,235
<b>Public Safety:</b>			
<b>Police</b>			
Salaries and employee benefits	10,699,559	10,423,359	276,200
Operating expenditures	1,911,198	1,743,221	167,977
Capital outlay	619,395	583,717	35,678
Total	13,230,152	12,750,297	479,855
<b>Fire department</b>			
Salaries and employee benefits	6,914,492	6,818,860	95,632
Operating expenditures	805,788	681,147	124,641
Capital outlay	358,518	354,138	4,380
Total	8,078,798	7,854,145	224,653
<b>E911 Support:</b>			
Salaries and employee benefits	81,304	81,965	(661)
Total	81,304	81,965	(661)
<b>Total public safety</b>	21,390,254	20,686,407	703,847

**City of New Bern, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Annual Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
<b>Public works</b>			
<b>Streets</b>			
Salaries and employee benefits	1,269,550	1,170,066	99,484
Operating expenditures	1,739,092	1,378,666	360,426
Capital outlay	581,285	534,254	47,031
Total	3,589,927	3,082,986	506,941
<b>Public buildings</b>			
Salaries and employee benefits	504,652	476,626	28,026
Operating expenditures	575,799	472,977	102,822
Capital outlay	52,021	56,632	(4,611)
Total	1,132,472	1,006,235	126,237
<b>Administration</b>			
Salaries and employee benefits	877,013	810,940	66,073
Operating expenditures	1,405,907	1,237,915	167,992
Capital outlay	144,979	135,008	9,971
Total	2,427,899	2,183,863	244,036
<b>Stormwater</b>			
Salaries and employee benefits	433,354	420,783	12,571
Operating expenditures	253,117	197,431	55,686
Capital outlay	109,311	107,661	1,650
Total	795,782	725,875	69,907
<b>Total Public Works</b>	<b>7,946,080</b>	<b>6,998,959</b>	<b>947,121</b>
<b>Cultural and recreational:</b>			
<b>Parks and recreation</b>			
Salaries and employee benefits	2,514,954	2,382,050	132,904
Operating expenditures	1,404,123	1,089,926	314,197
Capital outlay	592,050	541,619	50,431
<b>Total Cultural and Recreational</b>	<b>4,511,127</b>	<b>4,013,595</b>	<b>497,532</b>
<b>Economic and physical development</b>			
<b>Planning</b>			
Salaries and employee benefits	760,793	684,268	76,525
Operating expenditures	301,490	195,607	105,883
Capital outlay	-	54	(54)
Total	1,062,283	879,929	182,354

**City of New Bern, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Annual Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
<b>Inspections</b>			
Salaries and employee benefits	764,206	760,182	4,024
Operating expenditures	116,475	108,303	8,172
Total	880,681	868,485	12,196
<b>Municipal service district</b>			
Operating expenditures	30,700	29,936	764
Total	30,700	29,936	764
<b>Total economic and physical development</b>	1,973,664	1,778,350	195,314
<b>Debt service:</b>			
Principal retirement	2,232,275	2,124,855	107,420
Interest and other charges	341,356	322,798	18,558
<b>Total debt service</b>	2,573,631	2,447,653	125,978
<b>Total expenditures</b>	47,833,461	38,402,434	9,431,027
<b>Revenues over (under) expenditures</b>	(13,708,049)	(1,389,027)	12,319,022
<b>Other financing sources (uses):</b>			
Proceeds from sale of capital assets	50,000	1,015,982	965,982
Transfers in	9,349,794	9,349,794	-
Transfers out	(324,197)	(216,848)	107,349
Installment purchase obligations issued	1,583,340	289,264	(1,294,076)
Lease & IT Subscription liabilities issued	-	98,544	98,544
Appropriated fund balance	3,049,112	-	(3,049,112)
Total other financing sources (uses)	13,708,049	10,536,736	(3,171,313)
Revenues and other financing sources over expenditures and other financing uses	\$ -	9,147,709	\$ 9,147,709
Fund balance, beginning		26,473,857	
Fund balance, ending		\$ 35,621,566	

**City of New Bern, North Carolina**  
**FEMA Hurricane Florence**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental					
Federal Public Disaster Assistance Grant	\$ 20,925,000	\$ 14,010,584	\$ 1,677,746	\$ 15,688,330	\$ (5,236,670)
State Public Disaster Assistance Grant	6,975,000	4,359,930	546,527	4,906,457	(2,068,543)
Insurance Proceeds	2,100,000	2,735,836	-	2,735,836	635,836
Total revenues	30,000,000	21,106,350	2,224,273	23,330,623	(6,669,377)
<b>Expenditures</b>					
General government					
Administration					
Salaries and employee benefits	27,486	27,483	-	27,483	3
Operating expenditures	2,080,351	1,889,809	34,394	1,924,203	156,148
Information technology					
Salaries and employee benefits	43,054	43,050	-	43,050	4
Operating expenditures	2,500	5,643	-	5,643	(3,143)
Finance					
Salaries and employee benefits	37,896	38,334	-	38,334	(438)
Operating expenditures	11	3,197	-	3,197	(3,186)
Human resources					
Salaries and employee benefits	17,487	17,483	-	17,483	4
Operating expenditures	9	4,688	-	4,688	(4,679)
Insurance	50,000	43,357	-	43,357	6,643
Public Safety					
Police					
Salaries and employee benefits	863,841	863,836	-	863,836	5
Operating expenditures	50,000	39,429	-	39,429	10,571
Fire					
Salaries and employee benefits	353,265	353,261	-	353,261	4
Operating expenditures	105,000	103,924	-	103,924	1,076
Public works					
Streets					
Salaries and employee benefits	171,149	182,055	-	182,055	(10,906)
Operating expenditures	320,000	289,537	-	289,537	30,463
Public buildings					
Salaries and employee benefits	38,783	38,778	-	38,778	5
Operating expenditures	1,126,491	723,200	200,462	923,662	202,829
Administration					
Salaries and employee benefits	66,111	80,458	-	80,458	(14,347)
Operating expenditures	125,000	112,186	-	112,186	12,814



**City of New Bern, North Carolina**  
**FEMA Hurricane Florence**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
Water Fund					
Salaries and employee benefits	221,621	221,610	-	221,610	11
Operating expenditures	91,077	76,797	-	76,797	14,280
Solid Waste					
Salaries and employee benefits	152,766	152,763	-	152,763	3
Operating expenditures	3,705,000	3,611,855	-	3,611,855	93,145
Sewer Fund					
Salaries and employee benefits	216,178	216,171	-	216,171	7
Operating expenditures	1,238,310	1,187,464	-	1,187,464	50,846
Stormwater Fund					
Salaries and employee benefits	5,243,719	6,743,332	1,518,047	8,261,379	(3,017,660)
Operating expenditures	46,659	48,046	-	48,046	(1,387)
Electric Fund					
Salaries and employee benefits	846,161	846,141	-	846,141	20
Operating expenditures	3,277,491	3,094,391	-	3,094,391	183,100
Cultural and Recreation					
Salaries and employee benefits	140,207	149,128	-	149,128	(8,921)
Operating expenditures	9,207,738	1,139,475	620,966	1,760,441	7,447,297
Economic and physical development					
Salaries and employee benefits	45,664	45,659	-	45,659	5
Operating expenditures	88,975	117,208	(24,179)	93,029	(4,054)
Total expenditures	30,000,000	22,509,748	2,349,690	24,859,438	5,140,562
Excess (deficiency) of revenues over expenditures	-	(1,403,398)	(125,417)	(1,528,815)	(1,528,815)
Net change in fund balance	\$ -	\$ (1,403,398)	(125,417)	\$ (1,528,815)	\$ (1,528,815)
Fund Balance (Deficit), beginning of year			(1,403,398)		
Fund Balance (Deficit), end of year			\$ (1,528,815)		

**City of New Bern, North Carolina**  
**American Rescue Plan Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental					
ARP Revenue	\$ 6,704,351	\$ 5,660	\$ 6,698,691	\$ 6,704,351	\$ -
Total revenues	6,704,351	5,660	6,698,691	6,704,351	-
<b>Expenditures</b>					
Capital outlay - Stormwater	-	5,660	(5,660)	-	-
Total expenditures	-	5,660	(5,660)	-	-
Excess (deficiency) of revenues over expenditures	6,704,351	-	6,704,351	6,704,351	-
<b>Other financing sources (uses)</b>					
Transfers out	(6,704,351)	-	(6,704,351)	(6,704,351)	-
Total other financing sources (uses)	(6,704,351)	-	(6,704,351)	(6,704,351)	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance (Deficit), beginning of year			-		
Fund Balance (Deficit), end of year			\$ -		

**City of New Bern, North Carolina**  
**Combining Balance Sheet**  
**Non-Major Funds**  
**June 30, 2023**

	<b>Special Revenue Funds</b>	<b>Capital Project Funds</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,258,288	\$ 907,692	\$ 2,165,980
Accounts receivable, net	452,237	-	452,237
Due from other governments	58,083	-	58,083
Total assets	<u>\$ 1,768,608</u>	<u>\$ 907,692</u>	<u>\$ 2,676,300</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 50,558	\$ 232,660	\$ 283,218
Due to Other Funds	413,597	49,260	462,857
Total liabilities	<u>464,155</u>	<u>281,920</u>	<u>746,075</u>
<b>Fund balances</b>			
Restricted:			
Public safety	856,128	-	856,128
Economic and physical development	567,315	-	567,315
Assigned:			
Capital projects	-	590,257	590,257
Unassigned	(118,990)	35,515	(83,475)
Total fund balances	<u>1,304,453</u>	<u>625,772</u>	<u>1,930,225</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,768,608</u>	<u>\$ 907,692</u>	<u>\$ 2,676,300</u>

**City of New Bern, North Carolina**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Funds**  
**For the Year Ended June 30, 2023**

	<b>Special Revenue Funds</b>	<b>Capital Projects Funds</b>	<b>Total</b>
<b>Revenues</b>			
Restricted intergovernmental	\$ 1,632,771	\$ -	\$ 1,632,771
Miscellaneous	1,030	-	1,030
Investment earnings	15,877	-	15,877
Total revenues	<u>1,649,678</u>	<u>-</u>	<u>1,649,678</u>
<b>Expenditures</b>			
General government	38,590	3,181,506	3,220,096
Public safety	497,747	-	497,747
Public works	44,259	166,910	211,169
Economical and physical development	947,751	1,194	948,945
Total expenditures	<u>1,528,347</u>	<u>3,349,610</u>	<u>4,877,957</u>
Excess (deficiency) of revenues over expenditures	121,331	(3,349,610)	(3,228,279)
<b>Other financing sources (uses)</b>			
Transfers in	146,139	70,709	216,848
Proceeds from sale of capital assets	1,140	-	1,140
Installment purchase obligations issued	-	3,414,916	3,414,916
Total other financing sources (uses)	<u>147,279</u>	<u>3,485,625</u>	<u>3,632,904</u>
Net change in fund balances	268,610	136,015	404,625
Fund balances (deficit), beginning of year	<u>1,035,843</u>	<u>489,757</u>	<u>1,525,600</u>
Fund balances (deficit), end of year	<u>\$ 1,304,453</u>	<u>\$ 625,772</u>	<u>\$ 1,930,225</u>



**City of New Bern, North Carolina**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
**June 30, 2023**

Exhibit C-3

	<b>Community Development</b>	<b>Emergency Telephone System</b>	<b>Police Special Revenue</b>	<b>Grants Special Revenue</b>	<b>Public- Private Partnership</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 7,155	\$ 461,846	\$ 108,147	\$ 137,174	\$ 11,862
Accounts receivable, net	-	19,457	-	-	-
Due from other governments	-	-	-	9,264	-
Restricted cash and cash equivalents	-	-	-	-	-
Total assets	<u>\$ 7,155</u>	<u>\$ 481,303</u>	<u>\$ 108,147</u>	<u>\$ 146,438</u>	<u>\$ 11,862</u>
<b>LIABILITIES AND FUND</b>					
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>					
Restricted:					
Public safety	-	481,303	108,147	146,438	-
Economic and physical development	7,155	-	-	-	11,862
Unassigned	-	-	-	-	-
Total fund balances	<u>7,155</u>	<u>481,303</u>	<u>108,147</u>	<u>146,438</u>	<u>11,862</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,155</u>	<u>\$ 481,303</u>	<u>\$ 108,147</u>	<u>\$ 146,438</u>	<u>\$ 11,862</u>

(continued)

**City of New Bern, North Carolina**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
**June 30, 2023**

**Exhibit C-3**  
**(continued)**

	<b>MPO Plan</b>	<b>Entitlement Cities CDBG Program</b>	<b>Equitable Sharing U.S. Department of Justice</b>	<b>Resiliency and Hazard Mitigation</b>	<b>FEMA Hurricane Dorian</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ 120,240	\$ 43,741	\$ -
Accounts receivable, net	7,926	2,616	-	-	266,871
Due from other governments	48,819	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-
Total assets	<u>\$ 56,745</u>	<u>\$ 2,616</u>	<u>\$ 120,240</u>	<u>\$ 43,741</u>	<u>\$ 266,871</u>
<b>LIABILITIES AND FUND</b>					
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ 2,665	\$ -	\$ -	\$ 14,280	\$ -
Due to Other Funds	30,730	2,616	-	-	341,513
Total liabilities	<u>33,395</u>	<u>2,616</u>	<u>-</u>	<u>14,280</u>	<u>341,513</u>
<b>Fund balances</b>					
Restricted:					
Public safety	-	-	120,240	-	-
Economic and physical development	23,350	-	-	29,461	-
Unassigned	-	-	-	-	(74,642)
Total fund balances	<u>23,350</u>	<u>-</u>	<u>120,240</u>	<u>29,461</u>	<u>(74,642)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 56,745</u>	<u>\$ 2,616</u>	<u>\$ 120,240</u>	<u>\$ 43,741</u>	<u>\$ 266,871</u>

(continued)

**City of New Bern, North Carolina**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
**June 30, 2023**

**Exhibit C-3**  
**(continued)**

	<b>CDBG - Coronavirus Grant Fund</b>	<b>FEMA Hurricane Isaias</b>	<b>Redevelopment Fund</b>	<b>Grants Fund Multi-Year</b>	<b>Total</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 4,889	\$ 363,234	\$ -	\$ 1,258,288
Accounts receivable, net	7,340	127,364	-	20,663	452,237
Due from other governments	-	-	-	-	58,083
Restricted cash and cash equivalents	-	-	-	-	-
Total assets	<u>\$ 7,340</u>	<u>\$ 132,253</u>	<u>\$ 363,234</u>	<u>\$ 20,663</u>	<u>\$ 1,768,608</u>
<b>LIABILITIES AND FUND</b>					
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ 30,648	\$ -	\$ -	\$ 2,965	\$ 50,558
Due to Other Funds	7,340	-	-	31,398	413,597
Total liabilities	<u>37,988</u>	<u>-</u>	<u>-</u>	<u>34,363</u>	<u>464,155</u>
<b>Fund balances</b>					
Restricted:					
Public safety	-	-	-	-	856,128
Economic and physical development	-	132,253	363,234	-	567,315
Unassigned	(30,648)	-	-	(13,700)	(118,990)
Total fund balances	<u>(30,648)</u>	<u>132,253</u>	<u>363,234</u>	<u>(13,700)</u>	<u>1,304,453</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,340</u>	<u>\$ 132,253</u>	<u>\$ 363,234</u>	<u>\$ 20,663</u>	<u>\$ 1,768,608</u>

**City of New Bern, North Carolina**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Non-Major Special Revenue Funds**  
**For the Year Ended June 30, 2023**

Exhibit C-4

	<b>Community Development</b>	<b>Emergency Telephone System</b>	<b>Police Special Revenue</b>	<b>Grants Special Revenue</b>	<b>Public- Private Partnership</b>
<b>Revenues</b>					
Restricted intergovernmental	\$ -	\$ 233,478	\$ 36,973	\$ 260,732	\$ -
Miscellaneous	1,030	-	-	-	-
Investment earnings	206	10,374	2,829	-	-
Total revenue	<u>1,236</u>	<u>243,852</u>	<u>39,802</u>	<u>260,732</u>	<u>-</u>
<b>Expenditures</b>					
General government	-	-	-	-	-
Public safety	-	61,923	10,740	50,845	-
Public works	-	-	-	20,000	-
Economical and physical development	-	-	-	24,179	7,950
Total expenditures	<u>-</u>	<u>61,923</u>	<u>10,740</u>	<u>95,024</u>	<u>7,950</u>
Excess (deficiency) of revenues over expenditures	1,236	181,929	29,062	165,708	(7,950)
<b>Other financing sources (uses)</b>					
Transfers in	-	45,170	-	-	10,000
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>45,170</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Net change in fund balances	1,236	227,099	29,062	165,708	2,050
Fund balances (deficit), beginning of year	<u>5,919</u>	<u>254,204</u>	<u>79,085</u>	<u>(19,270)</u>	<u>9,812</u>
Fund balances (deficit), end of year	<u>\$ 7,155</u>	<u>\$ 481,303</u>	<u>\$ 108,147</u>	<u>\$ 146,438</u>	<u>\$ 11,862</u>

(continued)



**City of New Bern, North Carolina**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Non-Major Special Revenue Funds**  
**For the Year Ended June 30, 2023**

**Exhibit C-4**  
**(continued)**

	<b>MPO Plan</b>	<b>Entitlement Cities CDBG Program</b>	<b>Equitable Sharing U.S. Department of Justice</b>	<b>Resiliency and Hazard Mitigation</b>	<b>FEMA Hurricane Dorian</b>
<b>Revenues</b>					
Restricted intergovernmental	\$ 190,520	\$ 343,702	\$ 84,561	\$ -	\$ -
Miscellaneous	-	-	-	-	-
Investment earnings	-	-	2,468	-	-
Total revenues	<u>190,520</u>	<u>343,702</u>	<u>87,029</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
General government	-	-	-	-	-
Public safety	-	-	35,813	-	-
Public works	-	-	-	-	-
Economical and physical development	<u>213,247</u>	<u>292,308</u>	<u>-</u>	<u>222,730</u>	<u>-</u>
Total expenditures	<u>213,247</u>	<u>292,308</u>	<u>35,813</u>	<u>222,730</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(22,727)	51,394	51,216	(222,730)	-
<b>Other financing sources (uses)</b>					
Transfers in	28,400	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>28,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	5,673	51,394	51,216	(222,730)	-
Fund balances (deficit), beginning of year	<u>17,677</u>	<u>(51,394)</u>	<u>69,024</u>	<u>252,191</u>	<u>(74,642)</u>
Fund balances (deficit), end of year	<u>\$ 23,350</u>	<u>\$ -</u>	<u>\$ 120,240</u>	<u>\$ 29,461</u>	<u>\$ (74,642)</u>

(continued)

**City of New Bern, North Carolina**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Non-Major Special Revenue Funds**  
**For the Year Ended June 30, 2023**

**Exhibit C-4**  
**(continued)**

	<b>CDBG - Coronavirus Grant Fund</b>	<b>FEMA Hurricane Isaias</b>	<b>Redevelopment Fund</b>	<b>Grants Fund Multi-Year</b>	<b>Total</b>
<b>Revenues</b>					
Restricted intergovernmental	\$ 112,921	\$ 15,678	\$ -	\$ 354,206	\$ 1,632,771
Miscellaneous	-	-	-	-	1,030
Investment earnings	-	-	-	-	15,877
Total revenues	<u>112,921</u>	<u>15,678</u>	<u>-</u>	<u>354,206</u>	<u>1,649,678</u>
<b>Expenditures</b>					
General government	-	-	38,590	-	38,590
Public safety	-	-	-	338,426	497,747
Public works	-	-	-	24,259	44,259
Economical and physical development	139,547	-	-	47,790	947,751
Total expenditures	<u>139,547</u>	<u>-</u>	<u>38,590</u>	<u>410,475</u>	<u>1,528,347</u>
Excess (deficiency) of revenues over expenditures	(26,626)	15,678	(38,590)	(56,269)	121,331
<b>Other financing sources (uses)</b>					
Transfers in	-	-	20,000	42,569	146,139
Proceeds from sale of capital assets	-	-	1,140	-	1,140
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>21,140</u>	<u>42,569</u>	<u>147,279</u>
Net change in fund balances	(26,626)	15,678	(17,450)	(13,700)	268,610
Fund balances (deficit), beginning of year	<u>(4,022)</u>	<u>116,575</u>	<u>380,684</u>	<u>-</u>	<u>1,035,843</u>
Fund balances (deficit), end of year	<u>\$ (30,648)</u>	<u>\$ 132,253</u>	<u>\$ 363,234</u>	<u>\$ (13,700)</u>	<u>\$ 1,304,453</u>

**City of New Bern, North Carolina**  
**Community Development**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Program Income	\$ -	\$ 1,030	\$ 1,030
Investment earnings	-	206	206
Total revenues	-	1,236	1,236
<b>Expenditures</b>			
Economic and physical development			
Operating expenditures	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	-	1,236	1,236
<b>Other financing sources (uses)</b>			
Appropriated fund balance	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	\$ -	1,236	\$ 1,236
Fund Balance (Deficit), beginning of year		5,919	
Fund Balance (Deficit), end of year		\$ 7,155	

**City of New Bern, North Carolina**  
**Emergency Telephone System**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Restricted intergovernmental			
Wireless 911 funds	\$ 233,477	\$ 233,478	\$ 1
Investment earnings	-	10,374	10,374
Total revenues	<u>233,477</u>	<u>243,852</u>	<u>10,375</u>
<b>Expenditures</b>			
Public safety			
Operating expenditures	<u>233,477</u>	<u>61,923</u>	<u>171,554</u>
Total expenditures	<u>233,477</u>	<u>61,923</u>	<u>171,554</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>181,929</u>	<u>181,929</u>
<b>Other financing sources (uses)</b>			
Transfers in	<u>-</u>	<u>45,170</u>	<u>(45,170)</u>
Total other financing sources (uses)	<u>-</u>	<u>45,170</u>	<u>(45,170)</u>
Net change in fund balance	<u>\$ -</u>	<u>227,099</u>	<u>\$ 227,099</u>
Fund Balance (Deficit), beginning of year		<u>254,204</u>	
Fund Balance (Deficit), end of year		<u>\$ 481,303</u>	



**City of New Bern, North Carolina**  
**Police Special Revenue**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Restricted intergovernmental			
Police revenue	\$ 21,940	\$ 36,973	\$ 15,033
Investment earnings	<u>-</u>	<u>2,829</u>	<u>2,829</u>
Total revenues	<u>21,940</u>	<u>39,802</u>	<u>17,862</u>
<b>Expenditures</b>			
Public safety			
Operating expenditures	<u>21,940</u>	<u>10,740</u>	<u>11,200</u>
Total expenditures	<u>21,940</u>	<u>10,740</u>	<u>11,200</u>
Net change in fund balance	<u>\$ -</u>	<u>29,062</u>	<u>\$ 29,062</u>
Fund Balance (Deficit), beginning of year		<u>79,085</u>	
Fund Balance (Deficit), end of year		<u>\$ 108,147</u>	

**City of New Bern, North Carolina**  
**Grants Special Revenue**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Restricted intergovernmental			
Police grants	\$ 150,955	\$ 77,835	\$ (73,120)
Public Works	50,000	-	(50,000)
Federal Public Assistance Disaster Grant	191,472	182,897	(8,575)
Total revenues	<u>392,427</u>	<u>260,732</u>	<u>(131,695)</u>
<b>Expenditures</b>			
Police			
Operating expenditures	126,232	50,845	75,387
Economic and physical development			
Operating expenditures	32,754	24,179	8,575
Public Works			
Operating expenditures	46,800	20,000	26,800
Total expenditures	<u>205,786</u>	<u>95,024</u>	<u>110,762</u>
Excess (deficiency) of revenues over expenditures	<u>186,641</u>	<u>165,708</u>	<u>(20,933)</u>
<b>Other financing sources (uses)</b>			
Appropriated fund balance	(186,641)	-	186,641
Total other financing sources (uses)	<u>(186,641)</u>	<u>-</u>	<u>186,641</u>
Net change in fund balance	<u>\$ -</u>	<u>165,708</u>	<u>\$ 165,708</u>
Fund Balance (Deficit), beginning of year		<u>(19,270)</u>	
Fund Balance (Deficit), end of year		<u>\$ 146,438</u>	

**City of New Bern, North Carolina**  
**Public-Private Partnership**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Expenditures</b>			
Economic and physical development			
Operating expenditures	\$ 10,000	\$ 7,950	\$ 2,050
Total expenditures	<u>10,000</u>	<u>7,950</u>	<u>2,050</u>
Excess (deficiency) of revenues over expenditures	<u>(10,000)</u>	<u>(7,950)</u>	<u>2,050</u>
<b>Other financing sources (uses)</b>			
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total other financing sources	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>2,050</u>	<u>\$ 2,050</u>
Fund Balance (Deficit), beginning of year		<u>9,812</u>	
Fund Balance (Deficit), end of year		<u>\$ 11,862</u>	

**City of New Bern, North Carolina**  
**Metropolitan Planning Grant (MPO)**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Basis)**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues</b>			
Restricted intergovernmental			
NC Department of Transportation	\$ 255,122	\$ 190,520	\$ (64,602)
Total revenues	<u>255,122</u>	<u>190,520</u>	<u>(64,602)</u>
<b>Expenditures</b>			
Economic and physical development			
Salaries and employee benefits	175,126	176,079	(953)
Operating expenditures	<u>111,890</u>	<u>37,168</u>	<u>74,722</u>
Total expenditures	<u>287,016</u>	<u>213,247</u>	<u>73,769</u>
Excess (deficiency) of revenues over expenditures	(31,894)	(22,727)	9,167
<b>Other financing sources (uses)</b>			
Transfers in	<u>28,400</u>	<u>28,400</u>	<u>-</u>
Total other financing sources (uses)	<u>31,894</u>	<u>28,400</u>	<u>(3,494)</u>
Net change in fund balance	<u>\$ -</u>	<u>5,673</u>	<u>\$ 5,673</u>
Fund Balance (Deficit), beginning of year		<u>17,677</u>	
Fund Balance (Deficit), end of year		<u>\$ 23,350</u>	

**City of New Bern, North Carolina**  
**Entitlement Cities CDBG Program**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental					
NC Department of Commerce	\$ 2,567,073	\$ 1,610,456	\$ 343,702	\$ 1,954,158	\$ (612,915)
Total revenues	<u>2,567,073</u>	<u>1,610,456</u>	<u>343,702</u>	<u>1,954,158</u>	<u>(612,915)</u>
<b>Expenditures</b>					
Economic and physical development					
Operating expenditures	<u>2,567,073</u>	<u>1,661,850</u>	<u>292,308</u>	<u>1,954,158</u>	<u>612,915</u>
Total expenditures	<u>2,567,073</u>	<u>1,661,850</u>	<u>292,308</u>	<u>1,954,158</u>	<u>612,915</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(51,394)</u>	<u>51,394</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (51,394)</u>	<u>51,394</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance (Deficit), beginning of year			<u>(51,394)</u>		
Fund Balance (Deficit), end of year			<u>\$ -</u>		



**City of New Bern, North Carolina**  
**Equitable Sharing U.S. Department of Justice**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues</b>			
Restricted intergovernmental			
Police grants	\$ 36,050	\$ 84,561	\$ 48,511
Investment earnings	<u>-</u>	<u>2,468</u>	<u>2,468</u>
Total revenues	<u>36,050</u>	<u>87,029</u>	<u>50,979</u>
<b>Expenditures</b>			
Public safety			
Operating expenditures	<u>36,050</u>	<u>35,813</u>	<u>237</u>
Total expenditures	<u>36,050</u>	<u>35,813</u>	<u>237</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>51,216</u>	<u>51,216</u>
Net change in fund balance	<u>\$ -</u>	<u>51,216</u>	<u>\$ 51,216</u>
Fund Balance (Deficit), beginning of year		<u>69,024</u>	
Fund Balance (Deficit), end of year		<u>\$ 120,240</u>	

**City of New Bern, North Carolina**  
**Resiliency and Hazard Mitigation**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental					
NC Department of Env Quality	\$ 183,000	\$ 33,000	\$ -	\$ 33,000	\$ (150,000)
Foundation Grants	608,500	453,500	-	453,500	(155,000)
Total revenues	<u>791,500</u>	<u>486,500</u>	<u>-</u>	<u>486,500</u>	<u>(305,000)</u>
<b>Expenditures</b>					
Economic and physical development					
Other Professional Services	791,500	234,309	222,730	457,039	334,461
Total expenditures	<u>791,500</u>	<u>234,309</u>	<u>222,730</u>	<u>457,039</u>	<u>334,461</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>252,191</u>	<u>(222,730)</u>	<u>29,461</u>	<u>29,461</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 252,191</u>	<u>(222,730)</u>	<u>\$ 29,461</u>	<u>\$ 29,461</u>
Fund Balance (Deficit), beginning of year			<u>252,191</u>		
Fund Balance (Deficit), end of year			<u>\$ 29,461</u>		

**City of New Bern, North Carolina**  
**FEMA Hurricane Dorian**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental					
Federal Public Disaster Assistance					
Grant	\$ 1,125,000	\$ 1,071,723	\$ -	\$ 1,071,723	\$ (53,277)
State Public Disaster Assistance					
Grant	375,000	353,499	-	353,499	(21,501)
Total revenues	1,500,000	1,425,222	-	1,425,222	(74,778)
<b>Expenditures</b>					
General government					
Administration					
Salaries and employee benefits	9,115	9,115	-	9,115	-
Information technology					
Salaries and employee benefits	11,744	11,744	-	11,744	-
Operating expenditures	1,050	1,050	-	1,050	-
Finance					
Salaries and employee benefits	13,921	14,596	-	14,596	(675)
Operating expenditures	790	790	-	790	-
Human resources					
Salaries and employee benefits	6,745	6,745	-	6,745	-
Public Safety					
Police					
Salaries and employee benefits	173,099	173,099	-	173,099	-
Operating expenditures	15,636	15,636	-	15,636	-
Fire					
Salaries and employee benefits	84,738	84,738	-	84,738	-
Operating expenditures	5,934	5,934	-	5,934	-
E911					
Salaries and employee benefits	1,602	1,602	-	1,602	-

**City of New Bern, North Carolina**  
**FEMA Hurricane Dorian**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
Public works					
Streets					
Salaries and employee benefits	22,583	22,584	-	22,584	(1)
Operating expenditures	8,516	10,407	-	10,407	(1,891)
Public buildings					
Salaries and employee benefits	11,353	11,351	-	11,351	2
Operating expenditures	9,945	9,945	-	9,945	-
Administration					
Salaries and employee benefits	16,701	16,702	-	16,702	(1)
Operating expenditures	4,988	4,987	-	4,987	1
Water Fund					
Salaries and employee benefits	55,390	55,391	-	55,391	(1)
Operating expenditures	12,447	12,448	-	12,448	(1)
Solid Waste					
Salaries and employee benefits	24,096	24,062	-	24,062	34
Operating expenditures	231,570	251,089	-	251,089	(19,519)
Sewer Fund					
Salaries and employee benefits	58,649	58,649	-	58,649	-
Operating expenditures	10,362	10,362	-	10,362	-
Stormwater Fund					
Salaries and employee benefits	8,304	8,305	-	8,305	(1)
Operating expenditures	1,399	1,399	-	1,399	-
Electric Fund					
Salaries and employee benefits	205,029	205,031	-	205,031	(2)
Operating expenditures	442,177	401,348	-	401,348	40,829
Cultural and Recreation					
Salaries and employee benefits	38,934	38,926	-	38,926	8
Operating expenditures	3,097	21,745	-	21,745	(18,648)
Economic and physical development					
Salaries and employee benefits	10,086	10,084	-	10,084	2
Total expenditures	1,500,000	1,499,864	-	1,499,864	136
Excess (deficiency) of revenues over expenditures	-	(74,642)	-	(74,642)	(74,642)
Net change in fund balance	\$ -	\$ (74,642)	-	\$ (74,642)	\$ (74,642)
Fund Balance (Deficit), beginning of year			(74,642)		
Fund Balance (Deficit), end of year			\$ (74,642)		

**City of New Bern, North Carolina**  
**CDBG - Coronavirus Grant Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental					
NC Department of Commerce	\$ 346,735	\$ 83,700	\$ 112,921	\$ 196,621	\$ (150,114)
Total revenues	<u>346,735</u>	<u>83,700</u>	<u>112,921</u>	<u>196,621</u>	<u>(150,114)</u>
<b>Expenditures</b>					
Economic and physical development					
Other Professional Services	346,735	87,722	139,547	227,269	119,466
Total expenditures	<u>346,735</u>	<u>87,722</u>	<u>139,547</u>	<u>227,269</u>	<u>119,466</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(4,022)</u>	<u>(26,626)</u>	<u>(30,648)</u>	<u>(30,648)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (4,022)</u>	<u>(26,626)</u>	<u>\$ (30,648)</u>	<u>\$ (30,648)</u>
Fund Balance (Deficit), beginning of year			<u>(4,022)</u>		
Fund Balance (Deficit), end of year			<u>\$ (30,648)</u>		



**City of New Bern, North Carolina**  
**FEMA Hurricane Isaias**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental					
Federal Public Disaster					
Assistance Grant	\$ 562,500	\$ 505,305	\$ 15,678	\$ 520,983	\$ (41,517)
State Public Disaster Assistance					
Grant	187,500	168,435	-	168,435	(19,065)
Total revenues	750,000	673,740	15,678	689,418	(60,582)
<b>Expenditures</b>					
General government					
Administration					
Salaries and employee benefits	6,100	4,820	-	4,820	1,280
Operating expenditures	20,000	-	-	-	20,000
Information technology					
Salaries and employee benefits	7,200	5,122	-	5,122	2,078
Operating expenditures	300	225	-	225	75
Finance					
Salaries and employee benefits	5,650	4,119	-	4,119	1,531
Operating expenditures	700	332	-	332	368
Human resources					
Salaries and employee benefits	1,250	611	-	611	639
Operating expenditures	500	-	-	-	500
Public Safety					
Police					
Salaries and employee benefits	39,350	37,922	-	37,922	1,428
Operating expenditures	31,000	3,567	-	3,567	27,433
Fire					
Salaries and employee benefits	33,300	18,083	-	18,083	15,217
Operating expenditures	25,000	41	-	41	24,959

**City of New Bern, North Carolina**  
**FEMA Hurricane Isaias**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
Public works					
Streets					
Salaries and employee benefits	16,700	14,734	-	14,734	1,966
Operating expenditures	2,500	1,869	-	1,869	631
Public buildings					
Salaries and employee benefits	5,000	3,713	-	3,713	1,287
Operating expenditures	10,000	173	-	173	9,827
Administration					
Salaries and employee benefits	11,700	8,986	-	8,986	2,714
Operating expenditures	1,000	211	-	211	789
Water Fund					
Salaries and employee benefits	30,200	25,641	-	25,641	4,559
Operating expenditures	5,200	4,441	-	4,441	759
Solid Waste					
Salaries and employee benefits	26,500	19,786	-	19,786	6,714
Operating expenditures	1,500	173,328	-	173,328	(171,828)
Sewer Fund					
Salaries and employee benefits	26,300	22,715	-	22,715	3,585
Operating expenditures	3,000	1,684	-	1,684	1,316
Stormwater Fund					
Salaries and employee benefits	7,700	5,079	-	5,079	2,621
Operating expenditures	10,000	410	-	410	9,590
Electric Fund					
Salaries and employee benefits	92,250	75,226	-	75,226	17,024
Operating expenditures	201,700	100,836	-	100,836	100,864
Cultural and Recreation					
Salaries and employee benefits	25,250	20,322	-	20,322	4,928
Operating expenditures	100,000	821	-	821	99,179
Economic and physical development					
Salaries and employee benefits	2,650	2,348	-	2,348	302
Operating expenditures	500	-	-	-	500
Total expenditures	750,000	557,165	-	557,165	192,835
Excess (deficiency) of revenues over expenditures	-	116,575	15,678	132,253	132,253
Net change in fund balance	\$ -	\$ 116,575	15,678	\$ 132,253	\$ 132,253
Fund Balance (Deficit), beginning of year			116,575		
Fund Balance (Deficit), end of year			\$ 132,253		

**City of New Bern, North Carolina**  
**Redevelopment Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures</b>			
General Government			
Operating expenditures	\$ 96,710	\$ 38,590	\$ 58,120
Total expenditures	<u>96,710</u>	<u>38,590</u>	<u>58,120</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	20,000	20,000	-
Proceeds from the sale of capital assets	-	1,140	1,140
Total other financing sources (uses)	<u>20,000</u>	<u>21,140</u>	<u>1,140</u>
Revenues over (under) expenditures and other financing sources (uses)	<u>(76,710)</u>	<u>(17,450)</u>	<u>59,260</u>
Fund balance appropriated	<u>76,710</u>	<u>-</u>	<u>(76,710)</u>
Net change in fund balance	<u>\$ -</u>	<u>(17,450)</u>	<u>\$ (17,450)</u>
Fund Balance (Deficit), beginning of year		<u>380,684</u>	
Fund Balance (Deficit), end of year		<u>\$ 363,234</u>	

**City of New Bern, North Carolina**  
**Grant Funds - Multi-Year**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues</b>			
Restricted intergovernmental			
Police grants	\$ 397,791	\$ 26,201	\$ (371,590)
Fire grants	280,273	280,274	1
EPA Brownsfield Grant	500,000	2,731	(497,269)
Foundation grant	249,760	-	(249,760)
Federal Public Assistance Disaster Grant	964,807	-	(964,807)
State grants	155,809	45,000	(110,809)
Miscellaneous	36,937	-	(36,937)
Total revenues	<u>2,585,377</u>	<u>354,206</u>	<u>(2,231,171)</u>
<b>Expenditures</b>			
Police			
Operating expenditures	412,683	33,975	378,708
Fire			
Operating expenditures	307,951	304,451	3,500
Cultural and recreational			
Operating expenditures	147,746	-	147,746
Economic and physical development			
Operating expenditures	1,509,807	47,790	1,462,017
Public Works			
Operating expenditures	249,760	24,259	225,501
Total expenditures	<u>2,627,947</u>	<u>410,475</u>	<u>2,217,472</u>
Excess (deficiency) of revenues over	<u>(42,570)</u>	<u>(56,269)</u>	<u>(13,699)</u>
<b>Other financing sources (uses)</b>			
Transfers in	42,570	42,569	(1)
Total other financing sources (uses)	<u>42,570</u>	<u>42,569</u>	<u>(1)</u>
Net change in fund balance	<u>\$ -</u>	<u>(13,700)</u>	<u>\$ (13,700)</u>
Fund Balance (Deficit), beginning of year		<u>-</u>	
Fund Balance (Deficit), end of year		<u>\$ (13,700)</u>	

City of New Bern, North Carolina  
Combining Balance Sheet  
Non-Major Capital Projects Funds  
June 30, 2023

Exhibit D-1

	General Capital Project	IT Network Merger	Roadway Improvement Project	Martin Marietta Park Project	ERP Project
<b>ASSETS</b>					
Cash and cash equivalents	\$ 51,614	\$ 8,022	\$ 124,106	\$ 63,624	\$ 222,091
Total assets	<u>\$ 51,614</u>	<u>\$ 8,022</u>	<u>\$ 124,106</u>	<u>\$ 63,624</u>	<u>\$ 222,091</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable & accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>					
Restricted:					
Public Works	-	-	124,106	63,624	-
Assigned:					
Capital projects	51,614	8,022	-	-	222,091
Unassigned	-	-	-	-	-
Total fund balances	<u>51,614</u>	<u>8,022</u>	<u>124,106</u>	<u>63,624</u>	<u>222,091</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 51,614</u>	<u>\$ 8,022</u>	<u>\$ 124,106</u>	<u>\$ 63,624</u>	<u>\$ 222,091</u>

(continued)



**City of New Bern, North Carolina**  
**Combining Balance Sheet**  
**Non-Major Capital Projects Funds**  
**June 30, 2023**

Exhibit D-1  
(continued)

	<b>Drainage Improvement Project</b>	<b>City Hall Renovation Project</b>	<b>North Hills Drainage Study Fund</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 308,530	\$ 129,705	\$ -	\$ 907,692
Total assets	<u>\$ 308,530</u>	<u>\$ 129,705</u>	<u>\$ -</u>	<u>\$ 907,692</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts payable & accrued liabilities	\$ -	\$ 232,660	\$ -	\$ 232,660
Due to Other Funds	-	-	49,260	49,260
Total liabilities	<u>-</u>	<u>232,660</u>	<u>49,260</u>	<u>281,920</u>
<b>Fund balances</b>				
Restricted:				
Public Works	-	-	-	187,730
Assigned:				
Capital projects	308,530	-	-	590,257
Unassigned	-	(102,955)	(49,260)	(152,215)
Total fund balances	<u>308,530</u>	<u>(102,955)</u>	<u>(49,260)</u>	<u>625,772</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 308,530</u>	<u>\$ 129,705</u>	<u>\$ -</u>	<u>\$ 907,692</u>

**City of New Bern, North Carolina**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Capital Projects**  
**For the Year Ended June 30, 2023**

	<b>General Capital Project</b>	<b>IT Network Merger</b>	<b>Roadway Improvement Project</b>	<b>Martin Marietta Park Project</b>	<b>ERP Project</b>
<b>Revenues</b>					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-
<b>Expenditures</b>					
General government	-	-	-	-	-
Public works	-	-	19,627	-	13,321
Economic and physical development	-	1,194	-	-	-
Total expenditures	-	1,194	19,627	-	13,321
Excess (deficiency) of revenues over expenditures	-	(1,194)	(19,627)	-	(13,321)
<b>Other financing sources (uses)</b>					
Transfers in	-	-	-	-	-
Installment purchase obligations issued	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	-	(1,194)	(19,627)	-	(13,321)
Fund balances (deficit), beginning of year	51,614	9,216	143,733	63,624	235,412
Fund balances (deficit), end of year	\$ 51,614	\$ 8,022	\$ 124,106	\$ 63,624	\$ 222,091

**City of New Bern, North Carolina**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Capital Projects**  
**For the Year Ended June 30, 2023**

	<b>Drainage Improvement Project</b>	<b>City Hall Renovation Project</b>	<b>North Hills Drainage Study Fund</b>	<b>Total</b>
<b>Revenues</b>				
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>Expenditures</b>				
General government	-	3,181,506	-	3,181,506
Public works	99,072	-	34,890	166,910
Economic and physical development	-	-	-	1,194
Total expenditures	99,072	3,181,506	34,890	3,349,610
Excess (deficiency) of revenues over expenditures	(99,072)	(3,181,506)	(34,890)	(3,349,610)
<b>Other financing sources (uses)</b>				
Transfers in	-	70,709	-	70,709
Installment purchase obligations issued	-	3,414,916	-	3,414,916
Total other financing sources (uses)	-	3,485,625	-	3,485,625
Net change in fund balances	(99,072)	304,119	(34,890)	136,015
Fund balances (deficit), beginning of year	407,602	(407,074)	(14,370)	489,757
Fund balances (deficit), end of year	\$ 308,530	\$ (102,955)	\$ (49,260)	\$ 625,772

**City of New Bern, North Carolina**  
**General Capital Projects**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Expenditures</b>					
General government					
Capital outlay	\$ 930,370	\$ 878,754	\$ -	\$ 878,754	\$ 51,616
Total expenditures	930,370	878,754	-	878,754	51,616
Deficiency of revenues under expenditures	(930,370)	(878,754)	-	(878,754)	51,616
<b>Other financing sources (uses)</b>					
Transfers in	930,370	930,368	-	930,368	(2)
Total other financing sources (uses)	930,370	930,368	-	930,368	(2)
Net change in fund balance	\$ -	\$ 51,614	-	\$ 51,614	\$ 51,614
Fund Balance (Deficit), beginning of year			51,614		
Fund Balance (Deficit), end of year			\$ 51,614		

**City of New Bern, North Carolina**  
**IT Network Merger**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Expenditures</b>					
Economic and physical development					
Engineering services	\$ 150,000	\$ 139,380	\$ 1,194	\$ 140,574	\$ 9,426
Capital outlay	335,500	371,904	-	371,904	(36,404)
Contingency	35,000	-	-	-	35,000
Total expenditures	<u>520,500</u>	<u>511,284</u>	<u>1,194</u>	<u>512,478</u>	<u>8,022</u>
Deficiency of revenues under expenditures	(520,500)	(511,284)	(1,194)	(512,478)	8,022
<b>Other financing sources (uses)</b>					
Transfer from other funds	-	520,500	-	520,500	520,500
Installment purchase obligations issued	520,500	-	-	-	(520,500)
Total other financing sources (uses)	<u>520,500</u>	<u>520,500</u>	<u>-</u>	<u>520,500</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 9,216</u>	<u>(1,194)</u>	<u>\$ 8,022</u>	<u>\$ 8,022</u>
Fund Balance (Deficit), beginning of year			<u>9,216</u>		
Fund Balance (Deficit), end of year			<u>\$ 8,022</u>		



**City of New Bern, North Carolina**  
**2017 Roadway Improvements Project**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental					
NC Department of Transportation	\$ 687,000	\$ 687,000	\$ -	\$ 687,000	\$ -
Interest Income	-	139	-	139	139
Total revenues	<u>687,000</u>	<u>687,139</u>	<u>-</u>	<u>687,139</u>	<u>139</u>
<b>Expenditures</b>					
Public works					
Capital outlay	6,310,000	6,144,294	19,627	6,163,921	146,079
Total expenditures	<u>6,310,000</u>	<u>6,144,294</u>	<u>19,627</u>	<u>6,163,921</u>	<u>146,079</u>
Deficiency of revenues under expenditures	(5,623,000)	(5,457,155)	(19,627)	(5,476,782)	146,218
<b>Other financing sources (uses)</b>					
Transfers in	4,000,888	4,000,888	-	4,000,888	-
Installment purchase obligations issued	<u>1,622,112</u>	<u>1,600,000</u>	<u>-</u>	<u>1,600,000</u>	<u>(22,112)</u>
Total other financing sources (uses)	<u>5,623,000</u>	<u>5,600,888</u>	<u>-</u>	<u>5,600,888</u>	<u>(22,112)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 143,733</u>	<u>(19,627)</u>	<u>\$ 124,106</u>	<u>\$ 124,106</u>
Fund Balance (Deficit), beginning of year			<u>143,733</u>		
Fund Balance (Deficit), end of year			<u>\$ 124,106</u>		

**City of New Bern, North Carolina**  
**Martin Meriatta Park Project**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
NC PARTF Grant	\$ 475,000	\$ 475,000	\$ -	\$ 475,000	\$ -
Miscellaneous	97,500	97,500	-	97,500	-
Total revenues	<u>572,500</u>	<u>572,500</u>	<u>-</u>	<u>572,500</u>	<u>-</u>
<b>Expenditures</b>					
Public works					
Capital outlay	655,000	591,376	-	591,376	63,624
Total expenditures	<u>655,000</u>	<u>591,376</u>	<u>-</u>	<u>591,376</u>	<u>63,624</u>
Deficiency of revenues under expenditures	(82,500)	(18,876)	-	(18,876)	63,624
<b>Other financing sources (uses)</b>					
Transfers in	82,500	82,500	-	82,500	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 63,624</u>	<u>-</u>	<u>\$ 63,624</u>	<u>\$ 63,624</u>
Fund Balance (Deficit), beginning of year			<u>63,624</u>		
Fund Balance (Deficit), end of year			<u>\$ 63,624</u>		

City of New Bern, North Carolina  
**ERP Project**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Investment earnings	\$ -	\$ 15,624	\$ -	\$ 15,624	\$ 15,624
Total revenues	-	15,624	-	15,624	15,624
<b>Expenditures</b>					
Public works					
Capital outlay	1,350,000	953,025	13,321	966,346	383,654
Capital outlay - transferred to Enterprise Funds	-	(457,813)	-	(457,813)	457,813
Total expenditures	1,350,000	495,212	13,321	508,533	841,467
Deficiency of revenues under expenditures	(1,350,000)	(479,588)	(13,321)	(492,909)	857,091
<b>Other financing sources (uses)</b>					
Installment purchase obligations issued	1,350,000	1,300,000	-	1,300,000	(50,000)
Installment purchase obligations - transferred to Enterprise Fund	-	(585,000)	-	(585,000)	(585,000)
Total other financing sources (uses)	1,350,000	715,000	-	715,000	(635,000)
Net change in fund balance	\$ -	\$ 235,412	(13,321)	\$ 222,091	\$ 222,091
Fund Balance (Deficit), beginning of year			235,412		
Fund Balance (Deficit), end of year			\$ 222,091		

**City of New Bern, North Carolina**  
**Drainage Improvements Project**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Investment earnings	\$ -	\$ 51,969	\$ -	\$ 51,969	\$ 51,969
State Grants	2,586,291	-	-	-	(2,586,291)
Miscellaneous	384,000	-	-	-	(384,000)
Total revenues	<u>2,970,291</u>	<u>51,969</u>	<u>-</u>	<u>51,969</u>	<u>(2,918,322)</u>
<b>Expenditures</b>					
Public works					
Capital outlay	4,645,291	1,319,367	99,072	1,418,439	3,226,852
Total expenditures	<u>4,645,291</u>	<u>1,319,367</u>	<u>99,072</u>	<u>1,418,439</u>	<u>3,226,852</u>
Deficiency of revenues under expenditures	(1,675,000)	(1,267,398)	(99,072)	(1,366,470)	308,530
<b>Other financing sources (uses)</b>					
Installment purchase obligations issued	1,500,000	1,500,000	-	1,500,000	-
Transfers in	175,000	175,000	-	175,000	-
Total other financing sources (uses)	<u>1,675,000</u>	<u>1,675,000</u>	<u>-</u>	<u>1,675,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 407,602</u>	<u>(99,072)</u>	<u>\$ 308,530</u>	<u>\$ 308,530</u>
Fund Balance (Deficit), beginning of year			<u>407,602</u>		
Fund Balance (Deficit), end of year			<u>\$ 308,530</u>		

**City of New Bern, North Carolina**  
**City Hall Renovations**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total Project to Date	Variance Positive (Negative)
<b>Revenues</b>					
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-
<b>Expenditures</b>					
General Government					
Capital outlay	4,376,709	813,074	3,181,506	3,994,580	382,129
Total expenditures	4,376,709	813,074	3,181,506	3,994,580	382,129
Deficiency of revenues under expenditures	(4,376,709)	(813,074)	(3,181,506)	(3,994,580)	382,129
<b>Other financing sources (uses)</b>					
Transfers in	476,709	406,000	70,709	476,709	-
Installment purchase obligations issued	3,900,000	-	3,414,916	3,414,916	(485,084)
Total other financing sources (uses)	4,376,709	406,000	3,485,625	3,891,625	(485,084)
Net change in fund balance	\$ -	\$ (407,074)	304,119	\$ (102,955)	\$ (102,955)
Fund Balance (Deficit), beginning of year			(407,074)		
Fund Balance (Deficit), end of year			\$ (102,955)		



**City of New Bern, North Carolina**  
**North Hills Drainage Study Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

		<u>Actual</u>			Variance
	Project	Prior Years	Current	Total	Positive
	Authorization		Years		(Negative)
Revenues					
NC DEQ Funding	\$ 75,000	\$ -	\$ -	\$ -	\$ (75,000)
Expenditures					
Other Professional Services	75,000	14,370	34,890	49,260	25,740
Net change in fund balance	<u>\$ -</u>	<u>\$ (14,370)</u>	<u>(34,890)</u>	<u>\$ (49,260)</u>	<u>\$ (49,260)</u>
Fund Balance (Deficit), beginning of year			<u>(14,370)</u>		
Fund Balance (Deficit), end of year			<u>\$ (49,260)</u>		

**City of New Bern, North Carolina**  
**Electric Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
Operating revenues			
Electric charges	\$ 53,428,231	\$ 51,269,934	\$ (2,158,297)
Miscellaneous	40,500	135,662	95,162
Nonoperating revenues			
Investment earnings	12,072	519,781	507,709
Interfund reimbursements	2,053,652	2,053,652	-
Total revenues	<u>55,534,455</u>	<u>53,979,029</u>	<u>(1,555,426)</u>
<b>Expenditures:</b>			
Administration	5,888,837	5,044,195	844,642
Production	37,816,621	37,976,258	(159,637)
Distribution	7,478,963	7,277,719	201,244
Reimbursed expenditures - General Fund	2,073,889	2,073,889	-
Capital outlay	1,361,593	1,058,476	303,117
Debt service	1,552,111	1,823,104	(270,993)
Total expenditures	<u>56,172,014</u>	<u>55,253,641</u>	<u>918,373</u>
Revenues over (under) expenditures	<u>(637,559)</u>	<u>(1,274,612)</u>	<u>(637,053)</u>
<b>Other financing sources (uses):</b>			
Gain/(loss) on sale of assets	5,000	-	(5,000)
Lease and IT subscription liabilities issued	-	732,453	732,453
Appropriated fund balance	3,701,822	-	(3,701,822)
Transfers out	(2,645,443)	(2,645,443)	-
Transfers out - payments in lieu of taxes	(423,820)	(423,820)	-
Total other financing sources (uses)	<u>637,559</u>	<u>(2,336,810)</u>	<u>(2,974,369)</u>
Revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>(3,611,422)</u>	<u>\$ (3,611,422)</u>
<b>Reconciliation from budgetary basis (modified accrual to full accrual):</b>			
Capital outlays		1,550,178	
Payments of debt service - principal		1,480,491	
Proceeds from lease and IT subscription liabilities issued		(732,453)	
Right to use leased assets		1,052,453	
Amortization on Right to use leased assets		(350,324)	
Payments of lease and IT subscription liabilities - principal		255,377	
Change in accrued interest		612	
Increase in compensated absences		(15,517)	
Bad debt expense		(161,370)	
Change in net pension liability and related deferred inflows / outflows		(206,084)	
Depreciation expense		(2,318,423)	
Electric Rate Stabilization Fund - interest income		2	
2019 Electrical Improvements Fund - foundation grants		128,716	
2019 Electrical Improvements Fund - expenses not capitalized		(1,089)	
2019 Electrical Improvements Fund - reimbursements from other governments		1,175,878	
Make Ready Broadband - Sales and Services		168,375	
Total reconciling items		<u>2,026,822</u>	
Change in net position		<u>\$ (1,584,600)</u>	

**City of New Bern, North Carolina**  
**Electric Rate Stabilization Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Interest	\$ -	\$ 2	\$ 2
Total	<u>-</u>	<u>2</u>	<u>2</u>
Revenues over (under) expenditures	<u>-</u>	<u>2</u>	<u>2</u>
Other financing sources (uses):			
Appropriated fund balance	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>

**City of New Bern, North Carolina**  
**2019 Electrical Improvements Project Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Foundation Grants	\$ 361,533	\$ 232,817	\$ 128,716	\$ 361,533	\$ -
Total revenues	<u>361,533</u>	<u>232,817</u>	<u>128,716</u>	<u>361,533</u>	<u>-</u>
<b>Expenditures</b>					
Electrical Improvements	1,994,359	1,828,248	1,089	1,829,337	165,022
NCDOT Improvements	<u>5,301,814</u>	<u>1,060,642</u>	<u>787,914</u>	<u>1,848,556</u>	<u>3,453,258</u>
Total expenditures	<u>7,296,173</u>	<u>2,888,890</u>	<u>789,003</u>	<u>3,677,893</u>	<u>3,618,280</u>
Revenues over (under) expenditures	<u>(6,934,640)</u>	<u>(2,656,073)</u>	<u>(660,287)</u>	<u>(3,316,360)</u>	<u>3,618,280</u>
<b>Other financing sources (uses):</b>					
Transfer in - Electric Fund	1,632,826	1,632,826	-	1,632,826	-
Transfer out	<u>(500,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Other Reimbursements	<u>5,801,814</u>	<u>2,038,729</u>	<u>1,175,878</u>	<u>3,214,607</u>	<u>(2,587,207)</u>
Total financing sources (uses)	<u>6,934,640</u>	<u>3,671,555</u>	<u>1,175,878</u>	<u>4,847,433</u>	<u>(2,087,207)</u>
Revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 1,015,482</u>	<u>\$ 515,591</u>	<u>\$ 1,531,073</u>	<u>\$ 1,531,073</u>

**City of New Bern, North Carolina**  
**2021 Electrical System Capacity Improvements**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Expenditures					
Electrical Improvements	\$ 1,000,000	\$ 102,298	\$ 188,537	\$ 290,835	\$ 709,165
Total expenditures	<u>1,000,000</u>	<u>102,298</u>	<u>188,537</u>	<u>290,835</u>	<u>709,165</u>
Revenues over (under) expenditures	<u>(1,000,000)</u>	<u>(102,298)</u>	<u>(188,537)</u>	<u>(290,835)</u>	<u>709,165</u>
Other financing sources (uses):					
Transfer in - Electric Fund	<u>1,000,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>(500,000)</u>
Total financing sources (uses)	<u>1,000,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>(500,000)</u>
Revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 397,702</u>	<u>\$ (188,537)</u>	<u>\$ 209,165</u>	<u>\$ 209,165</u>



**City of New Bern, North Carolina**  
**Make Ready Broadband Project Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Prior Years	Current Year	Completed Projects	Total to Date	Variance Positive (Negative)
<b>Revenues</b>						
Customer Fees	\$ -	\$ 41,208	\$ 168,375	\$ -	\$ 209,583	\$ 209,583
<b>Total revenues</b>	<u>-</u>	<u>41,208</u>	<u>168,375</u>	<u>-</u>	<u>209,583</u>	<u>209,583</u>
<b>Expenditures</b>						
<b>Capital Outlay</b>						
Water Fund	20,000	5,371	-	-	5,371	14,629
Sewer Fund	20,000	2,456	-	-	2,456	17,544
General Fund (Stormwater)	25,000	-	-	-	-	25,000
Electric Fund	3,000,000	72,302	147,613	-	219,915	2,780,085
<b>Total expenditures</b>	<u>3,065,000</u>	<u>80,129</u>	<u>147,613</u>	<u>-</u>	<u>227,742</u>	<u>2,837,258</u>
<b>Revenues over (under) expenditures</b>	<u>(3,065,000)</u>	<u>(38,921)</u>	<u>20,762</u>	<u>-</u>	<u>(18,159)</u>	<u>3,046,841</u>
<b>Other financing sources (uses):</b>						
Transfer in - Electric Fund	3,065,000	2,936,964	-	-	2,936,964	(128,036)
<b>Total financing sources (uses)</b>	<u>3,065,000</u>	<u>2,936,964</u>	<u>-</u>	<u>-</u>	<u>2,936,964</u>	<u>(128,036)</u>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<u>\$ -</u>	<u>\$ 2,898,043</u>	<u>\$ 20,762</u>	<u>\$ -</u>	<u>\$2,918,805</u>	<u>\$2,918,805</u>

Note - This fund has allocations to the Water, Sewer, Electric Fund, and General Fund

**City of New Bern, North Carolina**  
**Water Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year End June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
Operating revenues			
Rates and charges	\$ 10,750,000	\$ 10,772,040	\$ 22,040
Miscellaneous	615,000	375,694	(239,306)
Nonoperating revenues			
Investment earnings	1,500	413,067	411,567
Leases revenue	225,000	193,794	(31,206)
Interfund reimbursements	408,242	408,242	-
Total revenues	<u>11,999,742</u>	<u>12,162,837</u>	<u>163,095</u>
<b>Expenditures:</b>			
Administration	832,017	821,438	10,579
System maintenance and extensions	2,540,502	2,475,711	64,791
Reimbursed expenditures - General Fund	2,245,293	2,245,293	-
Treatment	2,801,252	2,545,069	256,183
Capital outlay	1,088,772	708,159	380,613
Debt Service	2,809,884	2,821,580	(11,696)
Bad Debt Expense	200,000	49,873	150,127
Total expenditures	<u>12,517,720</u>	<u>11,667,123</u>	<u>850,597</u>
Revenues over (under) expenditures	<u>(517,978)</u>	<u>495,714</u>	<u>1,013,692</u>
<b>Other financing sources (uses):</b>			
Proceeds from sale of capital assets	6,000	6,917	917
Transfers out	(1,712,042)	(1,712,042)	-
Transfers out - payment in lieu of taxes	(341,970)	(341,970)	-
Budgeted use of fund balance	2,565,990	-	(2,565,990)
Total other financing sources (uses)	<u>517,978</u>	<u>(2,047,095)</u>	<u>(2,565,073)</u>
Revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>(1,551,381)</u>	<u>\$ (1,551,381)</u>
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>			
Capital outlays		1,471,630	
Amortization on Right to use leased assets		(11,850)	
Payments of lease liabilities - principal		11,701	
Payments of debt service - principal		2,477,797	
Change in compensated absences		(7,402)	
Change in net pension liability and related deferred inflows / outflows		(103,433)	
Change in accrued interest		14,786	
Depreciation expense		(1,744,459)	
Water Capital Reserve Fund - Interest		14,374	
Water Capital Reserve Fund - Transfer Out		(900,000)	
New Bern West Water System Capital Improvement - Transfer In		88,500	
Southeast Water System Improvement - Transfer In		386,600	
Southeast Water System Improvement - Expenditures not capitalized		(763,472)	
NCDOT Water System Improvements - Transfer In		2,230,715	
Township 7 Sewer Improvements Capital Project Fund - Transfer In		1,236,942	
Net income (loss)		<u>\$ 2,851,048</u>	

**City of New Bern, North Carolina**  
**Water Capital Reserve Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$ 275	\$ 14,374	\$ 14,099
Total revenues	275	14,374	14,099
Expenditures:			
Capital outlays	275	-	275
Total expenditures	275	-	275
Revenues over (under) expenditures	-	14,374	14,374
Other financing sources (uses):			
Transfers out	(900,000)	(900,000)	-
Appropriation of fund balance	900,000	-	(900,000)
Total other financing sources (uses)	-	(900,000)	(900,000)
Revenues and other sources over (under) expenditures and other uses	\$ -	\$ (885,626)	\$ (885,626)

**City of New Bern, North Carolina**  
**West New Bern Water System Improvement Capital Project Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

		Actual			Variance
	Project	Prior Years	Current Years	Total	Positive
	Authorization				(Negative)
Expenditures					
Capital outlays	\$ 858,500	\$ 360,468	\$ 15,715	\$ 376,183	\$ 482,317
Revenues over (under)					
expenditures	(858,500)	(360,468)	(15,715)	(376,183)	482,317
Other financing sources (uses):					
Transfer in	858,500	385,000	88,500	473,500	(385,000)
Total other financing					
sources (uses)	858,500	385,000	88,500	473,500	(385,000)
Net change in fund balance	\$ -	\$ 24,532	\$ 72,785	\$ 97,317	\$ 97,317

**City of New Bern, North Carolina**  
**Southeast Water System Improvement**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

		Actual			Variance
	Project	Prior Years	Current	Total	Positive
	Authorization		Years		(Negative)
Revenues					
Insurance proceeds	\$ 488,400	\$ 488,400	\$ -	\$ 488,400	\$ -
Expenditures					
Water Improvements	875,000	-	763,472	763,472	111,528
Revenues over (under)					
expenditures	(386,600)	488,400	(763,472)	(275,072)	111,528
Other financing sources (uses):					
Transfer in	386,600	-	386,600	386,600	-
Total other financing					
sources (uses)	386,600	-	386,600	386,600	-
Net change in fund balance	\$ -	\$ 488,400	\$ (376,872)	\$ 111,528	\$ 111,528



**City of New Bern, North Carolina**  
**NCDOT Water & System Improvements**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

		Actual			Variance
	Project	Prior Years	Current	Total	Positive
	Authorization		Years		(Negative)
Expenditures					
Capital Outlay	\$ 2,230,715	\$ -	\$ -	\$ -	\$ 2,230,715
Revenues over (under)					
expenditures	(2,230,715)	-	-	-	2,230,715
Other financing sources (uses):					
Transfer in	2,230,715	-	2,230,715	2,230,715	-
Total other financing					
sources (uses)	2,230,715	-	2,230,715	2,230,715	-
Net change in fund balance	\$ -	\$ -	\$ 2,230,715	\$ 2,230,715	\$ 2,230,715

**City of New Bern, North Carolina**  
**Sewer Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues			
Sewer charges	\$ 12,005,000	\$ 11,911,757	\$ (93,243)
Nonoperating revenues			
Interest	197,463	207,267	9,804
Miscellaneous	565,000	572,460	7,460
Total revenues	<u>12,767,463</u>	<u>12,691,484</u>	<u>(75,979)</u>
Expenditures:			
System maintenance and extension	4,286,709	3,738,270	548,439
Reimbursed Expenditures	215,533	215,533	-
Treatment	3,880,826	3,506,757	374,069
Shared services	2,483,213	2,483,213	-
Capital outlay	1,253,820	940,684	313,136
Debt Service	2,381,550	2,381,802	(252)
Total expenditures	<u>14,501,651</u>	<u>13,266,259</u>	<u>1,235,392</u>
Revenues over (under) expenditures	(1,734,188)	(574,775)	1,159,413
Other financing sources (uses):			
Appropriation of net position	6,584,312	-	(6,584,312)
Proceeds from sale of capital assets	5,000	14,582	9,582
Transfers out - payment in lieu of taxes	(506,593)	(506,593)	-
Transfers out	(4,603,531)	(2,865,350)	1,738,181
Transfers in	255,000	281,618	26,618
Total other financing sources (uses)	<u>1,734,188</u>	<u>(3,075,743)</u>	<u>(4,809,931)</u>
Revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>(3,650,518)</u>	<u>\$ (3,650,518)</u>

**Reconciliation from budgetary basis  
(modified accrual) to full accrual:**

Capital outlays	940,634
Amortization on Right to use leased assets	(1,196)
Payments of lease liabilities - principal	1,226
Payments of debt service - principal	2,335,136
Increase in compensated absences	(24,106)
Change in net pension liability and related deferred inflows / outflows	(107,694)
Bad debt expense	(68,353)
Depreciation expense	(2,310,067)
Sewer Capital Reserve Fund - Transfer	(761,365)
Sewer Debt Service Reserve Fund - Interest	5,579
Sewer Debt Service Reserve Fund - Transfer Out	(281,618)
Township 7 Sewer Improvements Capital Project Fund - Transfer In	2,296,000
Township 7 Sewer Improvements Capital Project Fund - Expensed purchases	(48,668)
Sewer Capital Reserve Fund - Interest	1,304
Change in net position	<u>\$ (1,673,706)</u>

**City of New Bern, North Carolina**  
**Sewer Capital Reserve Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$ 100	\$ 1,304	\$ 1,204
Total revenues	100	1,304	1,204
Expenditures:			
Capital outlay	100	-	100
Total expenditures	100	-	(100)
Other financing sources (uses):			
Appropriation of fund balance	761,365	-	(761,365)
Transfers out	(761,365)	(761,365)	-
Total other financing sources (uses)	-	(761,365)	-
Revenues over (under) expenditures	\$ -	\$ (760,061)	\$ 1,304

**City of New Bern, North Carolina**  
**Township 7 Sewer Improvements Capital Project Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

		Actual			Variance
	Project	Prior Years	Current	Total	Positive
	Authorization		Years		(Negative)
Revenue					
Golden Leaf Foundation Grant	\$ 500,000	\$ -	\$ -	\$ -	\$ (500,000)
Expenditures					
Sewer Improvements	10,238,362	-	3,103,182	3,103,182	7,135,180
Other Equipment	175,000	-	122,675	122,675	52,325
Engineering & Professional Service	657,223	540,279	48,668	588,947	68,276
Water Improvements	1,236,942	-	377,806	377,806	859,136
Land Right-of-Way	30,000	12,990	-	12,990	17,010
Total expenditures	12,337,527	553,269	3,652,331	4,205,600	8,131,927
Revenues over (under) expenditures	(11,837,527)	(553,269)	(3,652,331)	(4,205,600)	7,631,927
Other financing sources (uses):					
Transfer in - Sewer	5,731,404	687,223	2,296,000	2,983,223	(2,748,181)
Transfer in - Water	1,236,942	-	1,236,942	1,236,942	-
Loan proceeds	4,869,181	-	-	-	(4,869,181)
Total other financing sources (uses)	11,837,527	687,223	3,532,942	4,220,165	(7,617,362)
Revenues and other financing sources over (under) expenditures and other uses	\$ -	\$ 133,954	\$ (119,389)	\$ 14,565	\$ 14,565

**City of New Bern, North Carolina**  
**Sewer Debt Service Reserve Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$ -	\$ 5,579	\$ 5,579
Total revenues	-	5,579	5,579
Expenditures:			
Debt Service	-	-	-
Total expenditures	-	-	-
Revenues over (under) expenditures	-	5,579	5,579
Other financing sources (uses):			
Transfers out	(281,618)	(281,618)	-
Fund balance appropriated	281,618	-	(281,618)
Total other financing sources (uses)	-	(281,618)	(281,618)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (276,039)	\$ (276,039)



**City of New Bern, North Carolina**  
**Northwest Interceptor Rehabilitation Project Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2023**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Years	Total	
Revenues					
NC DEQ Funding	\$ 230,000	\$ -	\$ -	\$ -	\$ (230,000)
Expenditures					
Sewer Improvements	1,244,166	-	-	-	1,244,166
Revenues over (under) expenditures	(1,014,166)	-	-	-	1,014,166
Other financing sources (uses):					
Loan proceeds	1,014,166	-	-	-	(1,014,166)
Total other financing sources (uses)	1,014,166	-	-	-	(1,014,166)
Net change in fund balance	\$ -	\$ -	\$ -	\$ -	\$ -

**City of New Bern, North Carolina**  
**Solid Waste**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2023**

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues			
Collection fees	\$ 3,641,871	\$ 3,918,552	\$ 276,681
Nonoperating revenues			
Interest	-	38,676	38,676
Total revenues	<u>3,641,871</u>	<u>3,957,228</u>	<u>315,357</u>
Expenditures:			
Administration	3,390,061	3,337,126	52,935
Shared services	180,330	180,330	-
Reimbursed Expenditures	16,905	16,905	-
Capital outlay	521,299	455,661	65,638
Debt Service	7,202	7,483	(281)
Total expenditures	<u>4,115,797</u>	<u>3,997,505</u>	<u>(118,292)</u>
Revenues over (under) expenditures	(473,926)	(40,277)	433,649
Other financing sources (uses):			
Appropriated fund balance	479,276	-	(479,276)
Transfers out - payment in lieu of taxes	(5,350)	(5,350)	-
Total other financing sources (uses)	<u>473,926</u>	<u>(5,350)</u>	<u>(479,276)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	(45,627)	<u>\$ (45,627)</u>
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>			
Capital outlays		455,661	
Amortization on Right to use leased assets		(274)	
Payments of lease liabilities - principal		281	
Payments of debt service - principal		6,886	
Change in compensated absences		(10,109)	
Change in net pension liability and related deferred inflows / outflows		(14,905)	
Bad debt expense		(13,364)	
Depreciation expense		(132,166)	
Change in accrued interest payable		53	
Change in net position		<u>\$ 246,436</u>	

## OTHER SCHEDULES

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This section contains additional information required  
on property taxes.

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

**City of New Bern, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
**For the Year Ended June 30, 2023**

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2022</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2023</u>
2022-2023	\$ -	\$ 17,297,474	\$ 17,175,296	\$ 122,178
2021-2022	140,368	-	49,581	90,787
2020-2021	49,914	-	14,748	35,166
2019-2020	33,485	-	9,072	24,413
2018-2019	25,902	-	1,052	24,850
2017-2018	16,986	-	1,296	15,690
2016-2017	15,920	-	794	15,126
2015-2016	11,513	-	400	11,113
2014-2015	10,602	-	362	10,240
2013-2014	26,098	-	552	25,546
2012-2013	34,525	-	34,525	-
	<u>\$ 365,313</u>	<u>\$ 17,297,474</u>	<u>\$ 17,287,678</u>	<u>\$ 375,109</u>
Plus: Municipal Service District taxes receivable, all years, net of allowance				286
Plus: Ad Valorem Un-Tagged MV-Current				2,119
Plus: Penalties				5,179
Less allowance for uncollectible accounts - General Fund				(246,043)
Ad valorem taxes receivable - net				<u>\$ 136,650</u>
Reconciliation with Revenues:				
Ad valorem taxes - General Fund				\$ 17,664,134
Reconciling items:				
Interest collected				(52,477)
Amounts written off per statute				34,525
Releases, ad valorem				2,662
MV Fee, Adjustments				(153,307)
Less: Municipal Service District taxes, penalty, and interest collected in all years				(207,859)
Total collections and credits				<u>\$ 17,287,678</u>

**City of New Bern, North Carolina**  
**Analysis of Current Tax Levy**  
**City - Wide Levy**  
**For the Year Ended June 30, 2023**

	City-Wide Levy			Total Levy	
	Property Valuation	Rate	Total Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current rate	\$ 3,176,506,282	0.4822	\$ 17,178,141	\$ 15,334,580	\$ 1,843,561
Total	<u>3,176,506,282</u>		<u>17,178,141</u>	<u>15,334,580</u>	<u>1,843,561</u>
Discoveries					
Current year taxes	39,907,484	0.4822	192,313	192,313	-
Penalties	-	0.4822	5,695	5,695	-
Total	<u>39,907,484</u>		<u>198,008</u>	<u>198,008</u>	<u>-</u>
Adjustments	(11,349,689)	0.4822	(78,675)	(78,675)	-
Total Property Valuation	<u>\$ 3,205,064,077</u>				
Net levy			17,297,474	15,453,913	1,843,561
Uncollected taxes at June 30, 2023			<u>122,178</u>	<u>122,178</u>	<u>-</u>
Current year's taxes collected			<u>\$ 17,175,296</u>	<u>\$ 15,331,735</u>	<u>\$ 1,843,561</u>
Current levy collection percentage			<u>99.29%</u>	<u>99.21%</u>	<u>100.00%</u>



## STATISTICAL SECTION

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This part of the City of New Bern's Comprehensive annual financial report presents detailed information as a context for understanding what information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b>Financial Trends</b>	<b><u>Page</u></b> <b>129</b>
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These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

<b>Revenue Capacity</b>	<b>133</b>
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These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

<b>Debt Capacity</b>	<b>145</b>
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These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

<b>Demographic and Economic Information</b>	<b>148</b>
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

<b>Operating Information</b>	<b>150</b>
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These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

City of New Bern, North Carolina

Net Position By Component  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)

Table 1

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Invested in capital assets, net of related debt	\$ 36,694,879	\$ 35,607,933	\$ 48,007,347	\$ 50,662,101	\$ 52,136,675	\$ 52,140,067	\$ 58,631,163	\$ 60,008,566	\$ 58,590,887	\$ 60,266,469
Restricted	5,672,057	6,181,074	5,857,526	6,961,125	6,853,285	21,920,878	13,277,311	17,387,846	13,519,815	15,092,332
Unrestricted	6,345,271	10,288,946	8,732,911	5,842,111	(21,498,772)	(47,350,282)	(36,374,703)	(43,399,844)	(33,675,496)	(28,739,400)
<b>Total governmental activities net assets</b>	<b>\$ 48,712,207</b>	<b>\$ 52,077,953</b>	<b>\$ 62,597,784</b>	<b>\$ 63,465,337</b>	<b>\$ 37,491,188</b>	<b>\$ 26,710,663</b>	<b>\$ 35,533,771</b>	<b>\$ 33,996,568</b>	<b>\$ 38,435,206</b>	<b>\$ 46,619,401</b>
Business-type activities:										
Invested in capital assets, net of related debt	\$ 86,397,864	\$ 88,323,492	\$ 92,187,192	\$ 97,084,561	\$ 105,972,773	\$ 115,441,238	\$ 115,355,022	\$ 119,574,805	\$ 124,437,797	\$ 133,630,457
Restricted	\$ -	\$ -	\$ -	\$ 1,163,329	\$ 1,413,444	\$ 1,148,415	\$ -	\$ -	\$ -	\$ -
Unrestricted	31,462,602	34,398,515	39,952,276	39,653,748	41,547,705	39,599,697	43,135,677	45,655,062	47,044,394	37,444,116
<b>Total business-type activities net assets</b>	<b>\$ 117,860,466</b>	<b>\$ 122,722,007</b>	<b>\$ 132,139,468</b>	<b>\$ 137,901,638</b>	<b>\$ 148,933,922</b>	<b>\$ 156,189,350</b>	<b>\$ 158,490,699</b>	<b>\$ 165,229,867</b>	<b>\$ 171,482,191</b>	<b>\$ 171,074,573</b>
Primary government:										
Invested in capital assets, net of related debt	\$ 123,092,743	\$ 123,931,425	\$ 140,194,539	\$ 147,746,662	\$ 158,109,448	\$ 167,581,305	\$ 173,986,185	\$ 179,583,371	\$ 183,028,684	\$ 193,896,926
Restricted	5,672,057	6,181,074	5,857,526	8,124,454	6,266,729	23,069,293	13,277,311	17,387,846	2,115,030	15,092,332
Unrestricted	37,807,873	44,687,461	48,685,187	45,495,859	20,048,933	(7,750,585)	6,760,974	2,255,218	13,368,898	8,704,716
<b>Total primary government net assets</b>	<b>\$ 166,572,673</b>	<b>\$ 174,799,960</b>	<b>\$ 194,737,252</b>	<b>\$ 201,366,975</b>	<b>\$ 186,425,110</b>	<b>\$ 182,900,013</b>	<b>\$ 194,024,470</b>	<b>\$ 199,226,435</b>	<b>\$ 198,512,612</b>	<b>\$ 217,693,974</b>

GASB Statement No. 34 Implemented in Fiscal Year 2003

City of New Bern, North Carolina

Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)

Table 2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
Governmental activities:										
General government	\$ 3,175,305	\$ 3,687,719	\$ 2,200,210	\$ 2,370,566	\$ 2,837,204	\$ 2,041,271	\$ 2,491,368	\$ 2,375,650	\$ 2,133,136	\$ 3,020,424
Public safety	15,369,029	14,532,403	15,545,847	18,360,960	18,258,916	20,998,605	21,521,131	22,270,074	23,517,320	22,503,075
Public Works	4,295,470	4,927,792	5,694,763	6,969,663	10,829,385	14,746,304	9,425,062	11,991,475	8,540,644	9,212,747
Environmental protection	1,825,829	1,616,542	2,152,786	2,669,329	-	-	-	-	-	-
Culture and recreation	2,503,892	2,508,718	3,467,082	2,944,815	3,414,130	3,519,992	4,596,696	4,185,666	3,900,416	4,213,509
Economic and physical development	2,077,157	1,954,457	3,278,649	2,312,188	1,902,842	2,607,397	2,392,588	3,401,595	2,801,511	3,426,497
Interest on long-term debt	342,703	384,309	283,245	173,584	160,982	215,138	171,712	223,485	267,717	323,747
<b>Total governmental activities expenses</b>	<b>29,589,385</b>	<b>29,611,940</b>	<b>32,622,582</b>	<b>35,801,105</b>	<b>37,403,459</b>	<b>44,128,707</b>	<b>40,598,557</b>	<b>44,447,945</b>	<b>41,160,744</b>	<b>42,699,999</b>
Business-type activities:										
Electric	59,713,453	57,874,790	47,214,077	48,964,225	46,482,917	49,221,183	48,372,089	48,816,737	50,367,598	52,370,071
Water	8,665,646	8,503,552	7,916,627	8,395,327	8,338,702	7,752,532	8,112,404	8,275,079	8,545,789	9,994,903
Sewer	9,727,442	9,945,031	9,406,883	9,564,628	10,384,998	10,429,678	10,438,399	11,277,520	11,036,274	13,066,506
Stormwater	633,072	551,635	610,819	661,680	628,260	639,676	-	-	-	-
Solid Waste	-	-	-	-	-	2,966,921	3,223,072	3,333,612	3,332,511	3,723,481
<b>Total business-type activities expenses</b>	<b>78,739,613</b>	<b>76,875,008</b>	<b>65,148,406</b>	<b>67,585,860</b>	<b>65,834,877</b>	<b>71,009,990</b>	<b>70,145,964</b>	<b>71,702,948</b>	<b>73,282,172</b>	<b>79,154,961</b>
<b>Total primary government expenses</b>	<b>108,328,998</b>	<b>106,486,948</b>	<b>97,770,988</b>	<b>103,386,965</b>	<b>103,238,336</b>	<b>115,138,697</b>	<b>110,744,521</b>	<b>116,150,893</b>	<b>114,442,916</b>	<b>121,854,960</b>
Program revenue:										
Governmental activities:										
Charges for services:										
General government	1,591,361	1,282,636	642,598	269,579	297,137	128,798	376,563	403,725	368,078	848,460
Public safety	337,912	270,426	225,570	250,973	299,447	301,999	461,020	289,691	82,410	119,256
Public Works	11,000	2,878,437	141,675	85,165	2,991,246	41,031	51,223	53,076	90,779	70,287
Environmental protection	2,817,704	-	2,837,409	2,998,906	-	-	-	-	-	-
Culture and recreation	227,068	133,290	139,581	29,096	152,624	191,078	143,108	129,089	212,846	318,088
Economic and physical development	550,112	519,918	674,188	479,897	692,032	603,685	729,223	1,141,168	1,144,307	929,705
Operating grants and contributions:										
General government	174,765	353,805	50,000	479,267	283,414	51,491	864,608	313,902	613,995	6,887,680
Public safety	676,810	417,906	410,522	420,677	357,923	356,214	1,343,908	933,904	888,224	865,455
Public Works	871,986	49,700	-	9,164	-	865,707	8,142,475	3,016,062	6,474,872	2,743,379
Environmental protection	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	143,168	2,256	-	-	-	609,405	956,701	395,238	171,452
Economic and physical development	110,661	714,850	911,759	238,346	405,005	403,958	564,284	1,335,439	656,929	887,515
Capital grants and contributions:										
General government	-	929,785	-	-	-	-	-	-	-	-
Public Safety	-	26,845	-	-	-	-	-	-	-	-
Public Works	-	187,745	11,005,003	3,503,246	2,234,401	687,000	-	-	475,000	-
Environmental protection	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	1,650,000	-	-	-	-	-
Economic and physical development	68,424	80,280	835,465	-	-	-	1,430,049	-	-	-
<b>Total governmental activities program revenue</b>	<b>7,437,803</b>	<b>7,988,771</b>	<b>17,876,026</b>	<b>8,764,316</b>	<b>9,363,229</b>	<b>3,630,961</b>	<b>14,715,866</b>	<b>8,572,757</b>	<b>11,402,678</b>	<b>13,841,277</b>

City of New Bern, North Carolina

Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)

Table 2 (cont.)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2022
Business-type activities:										
Charges for services:										
Electric	\$ 63,763,783	\$ 62,405,886	\$ 52,734,945	\$ 52,680,023	\$ 53,878,097	\$ 51,974,494	\$ 50,836,833	\$ 53,475,524	\$ 52,777,339	\$ 51,438,309
Water	10,423,585	10,582,049	10,147,159	10,025,195	10,157,044	9,843,507	10,055,832	10,212,978	10,531,050	10,772,040
Sewer	11,669,211	10,869,545	11,946,470	11,355,551	11,633,639	11,038,541	11,244,254	11,918,249	11,900,375	11,911,757
Stormwater	675,590	673,773	681,209	718,117	693,316	671,788	-	-	-	-
Solid Waste	-	-	-	-	-	3,348,190	3,425,276	3,550,121	3,602,542	3,918,552
Capital grants and contributions:										
Electric	-	33,208	-	-	-	422,447	-	-	1,971,102	-
Water	152,400	-	-	-	-	1,825,005	262,390	300,444	-	-
Sewer	233,027	76,311	-	-	-	-	746,660	-	-	-
Stormwater	1,014,571	5,285	-	-	-	-	-	-	-	-
Solid Waste	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions:										
Electric	171,545	24,883	-	-	-	-	-	-	-	1,304,594
Water	245,689	295,774	-	-	-	-	-	-	-	-
Sewer	422,744	978,027	-	-	-	-	-	-	-	-
Stormwater	-	240	-	-	-	-	-	-	-	-
Solid Waste	-	-	-	-	-	-	-	-	-	-
<b>Total business-type activities program revenues</b>	<b>88,772,145</b>	<b>85,945,081</b>	<b>75,509,783</b>	<b>74,776,886</b>	<b>76,362,096</b>	<b>79,123,972</b>	<b>76,571,245</b>	<b>79,457,316</b>	<b>80,782,408</b>	<b>79,345,252</b>
<b>Total primary government program revenues</b>	<b>96,209,948</b>	<b>93,933,852</b>	<b>93,385,809</b>	<b>83,541,202</b>	<b>85,725,325</b>	<b>82,754,933</b>	<b>91,287,111</b>	<b>88,030,073</b>	<b>92,185,086</b>	<b>93,186,529</b>
Net (expense) revenue:										
Governmental activities	(22,151,582)	(21,623,169)	(14,746,556)	(27,036,789)	(28,040,230)	(40,497,746)	(25,882,691)	(35,875,188)	(29,758,066)	(28,858,722)
Business-type activities	10,032,532	9,070,073	10,361,377	7,191,026	10,527,219	8,113,982	6,425,281	7,754,368	7,500,236	190,291
<b>Total primary government net expense</b>	<b>(12,119,050)</b>	<b>(12,553,096)</b>	<b>(4,385,179)</b>	<b>(19,845,763)</b>	<b>(17,513,011)</b>	<b>(32,383,764)</b>	<b>(19,457,410)</b>	<b>(28,120,820)</b>	<b>(22,257,830)</b>	<b>(28,668,431)</b>

(Continued)

City of New Bern, North Carolina

Changes In Net Position (Continued)  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)

Table 2 (cont.)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General revenues and other changes in net assets:										
Governmental activities:										
Taxes:										
Ad valorem taxes	\$ 13,701,543	\$ 13,696,904	\$ 13,817,232	\$ 14,159,750	\$ 14,575,810	\$ 14,921,580	\$ 15,787,943	\$ 16,475,171	\$ 17,022,061	\$ 17,557,808
Sales taxes	6,231,042	5,881,437	6,352,004	6,589,457	6,837,929	7,571,708	7,842,360	9,248,257	10,320,084	11,098,940
Utility franchise tax	1,573,495	2,013,029	2,064,744	2,000,811	2,018,691	233,295	225,426	219,681	226,185	214,442
Payment in Lieu of Taxes	863,337	901,752	931,965	1,067,816	1,096,711	1,140,000	1,161,614	1,161,614	1,247,021	1,277,733
Other taxes	278,850	1,055,904	833,698	716,339	699,167	2,543,511	2,447,499	2,444,494	2,445,444	2,560,700
Grants & contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	-
Investment earnings	12,210	12,470	91,606	186,846	474,950	618,976	271,460	7,738	42,611	1,277,240
Miscellaneous	-	189,166	154,638	856,701	260,563	1,015,503	1,953,925	1,499,825	280,749	410,611
Gain on sale of capital assets	-	-	12,344	-	24,656	(7,142)	(24,307)	643,654	-	-
Transfers	1,896,452	3,244,722	2,766,416	2,652,027	2,874,231	1,968,600	2,609,000	2,637,550	2,612,550	2,645,443
<b>Total governmental activities</b>	<b>24,556,929</b>	<b>26,995,384</b>	<b>27,024,647</b>	<b>28,229,747</b>	<b>28,862,708</b>	<b>30,006,031</b>	<b>32,274,920</b>	<b>34,337,984</b>	<b>34,196,705</b>	<b>37,042,917</b>
Business-type activities:										
Investment earnings	5,199	6,115	47,609	142,667	275,167	598,351	508,868	9,153	70,188	1,200,050
Lease Revenue	-	-	-	-	-	-	-	-	-	193,794
Miscellaneous	-	-	-	156,405	-	162,777	392,046	1,553,067	1,344,031	632,191
Gain on sale of capital assets	-	-	16,631	26,754	43,184	60,108	15,034	60,130	112	21,499
Transfers	(1,896,452)	(3,244,722)	(2,766,416)	(2,652,027)	(2,874,231)	(1,968,600)	(2,609,000)	(2,637,550)	(2,612,550)	(2,645,443)
<b>Total business-type activities</b>	<b>(1,891,253)</b>	<b>(3,238,607)</b>	<b>(2,702,176)</b>	<b>(2,326,201)</b>	<b>(2,555,880)</b>	<b>(1,147,364)</b>	<b>(1,693,052)</b>	<b>(1,015,200)</b>	<b>(1,198,219)</b>	<b>(597,909)</b>
<b>Total primary government</b>	<b>22,665,676</b>	<b>23,756,777</b>	<b>24,322,471</b>	<b>25,903,546</b>	<b>26,306,828</b>	<b>28,858,667</b>	<b>30,581,868</b>	<b>33,322,784</b>	<b>32,998,486</b>	<b>36,445,008</b>
Changes in net position:										
Governmental activities	2,405,347	5,372,215	12,278,091	1,192,958	822,478	(10,491,716)	6,392,229	(1,537,203)	4,438,638	8,184,195
Business-type activities	8,141,279	5,831,466	7,659,201	4,864,825	8,283,682	6,966,618	4,732,229	6,739,168	6,302,017	(407,618)
<b>Total primary government</b>	<b>\$ 10,546,626</b>	<b>\$ 11,203,681</b>	<b>\$ 19,937,292</b>	<b>\$ 6,057,783</b>	<b>\$ 9,106,160</b>	<b>\$ (3,525,098)</b>	<b>\$ 11,124,458</b>	<b>\$ 5,201,965</b>	<b>\$ 10,740,655</b>	<b>\$ 7,776,577</b>



City of New Bern, North Carolina

Program Revenues by Function/Program  
Last Ten Fiscal Years\*  
(Accrual Basis of Accounting)  
(Unaudited)

Table 3

Function / Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental activities:</b>										
General government	\$ (1,409,179)	\$ (1,121,493)	\$ (1,507,612)	\$ (1,621,720)	\$ (2,256,653)	\$ (1,860,982)	\$ (1,250,197)	\$ (1,658,023)	\$ (1,151,063)	\$ 4,715,716
Public safety	(14,354,307)	(13,817,226)	(14,909,755)	(17,689,310)	(17,601,546)	(20,340,392)	(19,716,203)	(21,046,479)	(22,546,686)	(21,518,364)
Transportation	-	-	-	-	-	-	-	-	-	-
Public Works	(3,412,484)	(1,811,910)	5,451,915	(3,372,088)	(5,603,738)	(13,152,566)	(1,231,364)	(8,922,337)	(1,499,993)	(6,399,081)
Environmental protection	991,875	(1,616,542)	684,623	329,577	-	-	-	-	-	-
Culture and recreation	(2,276,824)	(2,232,260)	(3,325,245)	(2,915,719)	(1,611,506)	(3,328,914)	(3,844,183)	(3,099,876)	(3,292,332)	(3,723,969)
Economic and physical development	(1,347,960)	(639,429)	(857,237)	(1,593,945)	(805,805)	(1,599,754)	330,968	(924,988)	(1,000,275)	(1,609,277)
Interest on long-term debt	(342,703)	(384,309)	(283,245)	(173,584)	(160,982)	(215,138)	(171,712)	(223,485)	(267,717)	(323,747)
<b>Total governmental activities</b>	<b>(22,151,582)</b>	<b>(21,623,169)</b>	<b>(14,746,556)</b>	<b>(27,036,789)</b>	<b>(28,040,230)</b>	<b>(40,497,746)</b>	<b>(25,882,691)</b>	<b>(35,875,188)</b>	<b>(29,758,066)</b>	<b>(28,858,722)</b>
<b>Business-type activities:</b>										
Electric	4,221,875	4,589,287	5,520,868	3,715,798	7,395,180	3,175,758	2,464,744	4,658,787	4,380,843	372,832
Water	2,156,028	2,374,271	2,230,532	1,629,868	1,818,342	3,915,980	2,205,818	2,238,343	1,985,261	777,137
Sewer	2,597,540	1,978,852	2,539,587	1,790,923	1,248,641	608,863	1,552,515	640,729	864,101	(1,154,749)
Stormwater	1,057,089	127,663	70,390	54,437	377,399	32,112	-	-	-	-
Solid Waste	-	-	-	-	-	381,269	202,204	216,509	270,031	195,071
<b>Total business-type activities</b>	<b>10,032,532</b>	<b>9,070,073</b>	<b>10,361,377</b>	<b>7,191,026</b>	<b>10,839,562</b>	<b>8,113,982</b>	<b>6,425,281</b>	<b>7,754,368</b>	<b>7,500,236</b>	<b>190,291</b>
<b>Total government</b>	<b>\$ (12,119,050)</b>	<b>\$ (12,553,096)</b>	<b>\$ (4,385,179)</b>	<b>\$ (19,845,763)</b>	<b>\$ (17,200,668)</b>	<b>\$ (32,383,764)</b>	<b>\$ (19,457,410)</b>	<b>\$ (28,120,820)</b>	<b>\$ (22,257,830)</b>	<b>\$ (28,668,431)</b>

GASB Statement No. 34 Implemented in fiscal year 2003

Source: City records.

City of New Bern, North Carolina

Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
(Unaudited)

Table 4

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:										
Non Spendable	148,408	138,418	106,353	125,566	132,738	103,144	1,860,476	294,458	639,621	244,702
Restricted	4,731,384	5,373,068	5,370,614	6,978,767	5,574,926	21,590,110	12,488,839	16,185,639	12,334,643	13,947,580
Committed	-	-	2,000,000	-	-	-	-	-	-	-
Unassigned	9,496,813	14,753,694	12,976,430	13,816,378	13,864,240	1,136,141	7,331,940	9,207,094	13,499,590	21,423,624
<b>Total General Fund</b>	<b>\$ 14,376,605</b>	<b>\$ 20,265,180</b>	<b>\$ 20,453,397</b>	<b>\$ 20,920,711</b>	<b>\$ 19,571,904</b>	<b>\$ 22,829,395</b>	<b>\$ 21,681,255</b>	<b>\$ 25,687,191</b>	<b>\$ 26,473,854</b>	<b>\$ 35,615,906</b>
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Major Capital projects funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Permanent fund	-	-	-	-	-	-	-	-	-	-
Non Spendable in Permanent Fund	304,228	418,676	34,092	-	-	-	-	-	-	-
Restricted in Capital Project	455,346	-	-	232,315	2,051,189	-	-	-	-	-
Committed in Capital Project	181,101	185,277	-	-	-	-	-	-	-	-
Assigned in Capital Project	-	-	195,745	161,762	827,873	-	1,061,562	765,921	703,844	590,257
Unassigned in Capital Project	-	-	-	-	-	-	-	-	-	-
Restricted in Special Revenue Fund	-	389,330	476,420	543,575	453,642	330,768	657,584	1,202,207	1,185,172	1,144,752
Assigned in Special Revenue Fund	-	-	-	-	336,702	-	-	-	-	-
Unassigned in Special Revenue Fund	(460,273)	(539,445)	(1,024,785)	(39,195)	(6,810)	(11,490,799)	(5,005,193)	(8,861,839)	(1,766,813)	(1,327,939)
<b>Total all other government funds</b>	<b>\$ 480,400</b>	<b>\$ 453,838</b>	<b>\$ (318,528)</b>	<b>\$ 898,457</b>	<b>\$ 3,662,596</b>	<b>\$ (11,160,031)</b>	<b>\$ (3,286,047)</b>	<b>\$ (6,893,711)</b>	<b>\$ 122,203</b>	<b>\$ 487,070</b>

City of New Bern, North Carolina

Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
(Unaudited)

Table 5

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues:</b>										
Taxes	\$ 13,804,623	\$ 13,776,239	\$ 13,843,554	\$ 14,178,823	\$ 14,600,912	\$ 14,928,512	\$ 15,752,998	\$ 16,528,384	\$ 16,915,838	\$ 17,664,134
Other taxes	278,850	264,759	-	-	-	-	-	13,181,626	14,359,939	15,271,044
Intergovernmental	10,570,520	12,035,516	12,285,133	13,335,018	12,535,666	13,890,353	24,709,227	6,556,008	9,504,257	11,555,481
Permits and fees	629,737	473,631	614,305	461,845	661,904	558,380	675,417	1,050,580	1,006,560	372,940
Charges for services	4,697,698	4,610,076	4,046,716	3,651,771	3,770,582	670,742	949,770	705,361	609,746	1,170,197
Investment Earnings	11,353	11,636	91,606	186,846	474,950	618,976	229,326	5,795	36,520	1,141,642
Other	186,493	490,433	175,875	393,324	378,629	1,258,805	1,953,925	1,499,825	280,749	410,611
<b>Total revenues</b>	<b>30,179,274</b>	<b>31,662,290</b>	<b>31,057,189</b>	<b>32,207,627</b>	<b>32,422,643</b>	<b>31,925,768</b>	<b>44,270,663</b>	<b>39,527,579</b>	<b>42,713,609</b>	<b>47,586,049</b>
<b>Expenditures:</b>										
General government	4,503,448	4,127,567	1,941,707	2,160,235	2,257,005	2,043,154	2,076,009	1,810,062	2,567,056	5,731,960
Public safety	15,596,236	16,633,524	16,019,236	16,564,796	16,867,070	18,880,995	19,118,873	21,915,740	19,158,885	21,184,154
Public works	4,947,552	5,462,756	6,160,541	6,567,295	10,261,544	17,518,064	10,670,395	13,853,805	7,788,061	8,928,638
Environmental protection	1,772,657	1,805,268	2,035,216	2,615,028	-	-	-	-	-	-
Culture and recreation	2,460,377	2,519,151	2,849,572	2,925,043	3,001,879	3,369,140	4,214,524	3,889,224	3,647,197	4,634,557
Economic and physical development	2,121,975	2,559,305	3,461,395	2,345,856	2,057,081	3,995,964	2,894,843	3,043,015	2,788,843	2,697,456
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Interfund Reimbursements	(3,310,269)	(3,412,228)	-	-	-	-	-	-	-	-
Capital outlay	1,857,062	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	1,461,189	1,750,718	4,975,998	1,548,037	1,988,779	1,943,365	2,077,220	1,792,171	2,042,793	2,114,254
Interest	349,093	369,686	301,704	183,672	164,535	200,966	171,841	221,579	205,653	333,399
<b>Total expenditures</b>	<b>31,759,320</b>	<b>31,815,747</b>	<b>37,745,369</b>	<b>34,909,962</b>	<b>36,597,893</b>	<b>47,951,648</b>	<b>41,223,705</b>	<b>46,525,596</b>	<b>38,198,488</b>	<b>45,624,418</b>
<b>Excess of revenues (under) expenditures</b>	<b>(1,580,046)</b>	<b>(153,457)</b>	<b>(6,688,180)</b>	<b>(2,702,335)</b>	<b>(4,175,250)</b>	<b>(16,025,880)</b>	<b>3,046,958</b>	<b>(6,998,017)</b>	<b>4,515,121</b>	<b>1,961,631</b>
<b>Other financing sources (uses):</b>										
Transfers in	2,193,282	3,503,154	3,812,981	3,430,178	4,158,767	1,982,523	3,812,885	3,413,610	5,462,019	9,560,982
Transfers out	(296,830)	(258,432)	(764,257)	(778,151)	(1,284,536)	(13,923)	(1,203,885)	(776,060)	(2,949,468)	(6,915,539)
Proceeds from sales of capital assets	-	801,075	74,540	74,607	138,817	31,970	4,735	600,592	99,979	1,017,122
Issuance of long-term debt	1,740,891	1,969,673	2,980,767	1,660,000	2,577,534	3,949,467	-	4,158,147	298,454	3,704,180
Lease liabilities issued	-	-	-	-	-	-	-	-	376,472	98,544
<b>Total other financing sources</b>	<b>3,637,343</b>	<b>6,015,470</b>	<b>6,104,031</b>	<b>4,386,634</b>	<b>5,590,582</b>	<b>5,950,037</b>	<b>2,613,735</b>	<b>7,396,289</b>	<b>3,287,456</b>	<b>7,465,289</b>
<b>Net changes in fund balance</b>	<b>\$ 2,057,297</b>	<b>\$ 5,862,013</b>	<b>\$ (584,149)</b>	<b>\$ 1,684,299</b>	<b>\$ 1,415,332</b>	<b>\$ (10,075,843)</b>	<b>\$ 5,660,693</b>	<b>\$ 398,272</b>	<b>\$ 7,802,577</b>	<b>\$ 9,426,920</b>
Debt service as a percentage of noncapital expenditures	6.2%	7.2%	14.2%	5.0%	6.1%	5.3%	6.2%	5.2%	6.4%	6.4%

City of New Bern, North Carolina

The Electric System  
Electricity Purchased, Consumed & Unbilled  
Last Ten Fiscal Years  
(Unaudited)

Table 6

Fiscal Year	KWH Purchased	Power Cost FY	KWH Residential Usage	KWH Commercial/Industrial Usage	KWH Other Usage *	KWH Total Usage	KWH Unbilled	KWH Unbilled %	Purchased Electric Rate (.00/KWH)	Daily Average Usage
2013-2014	480,049,085	\$47,455,824	240,283,626	217,521,976	114,000	457,919,602	22,129,483	5%	\$0.0989	1,315,203
2014-2015	479,022,050	\$46,103,643	237,853,174	212,831,495	246,240	450,930,909	28,091,141	6%	\$0.0962	1,312,389
2015-2016	456,681,167	\$35,673,027	224,926,688	212,697,288	341,520	437,965,496	18,715,671	4%	\$0.0781	1,251,181
2016-2017	465,041,161	\$37,529,489	237,551,981	212,751,139	330,960	450,634,080	14,407,081	3%	\$0.0807	1,274,085
2017-2018	477,023,603	\$31,852,370	248,334,829	212,080,854	371,040	460,786,723	16,236,880	3%	\$0.0668	1,306,914
2018-2019	469,845,926	\$33,216,236	242,646,003	197,166,999	91,440	439,904,442	29,941,484	6%	\$0.0707	1,287,249
2019-2020	444,786,550	\$31,497,336	234,223,019	200,222,685	11,040	434,456,744	10,329,806	2%	\$0.0708	1,218,593
2020-2021	470,425,261	\$36,435,485	249,579,598	197,585,335	5,107,669	452,272,602	18,152,659	4%	\$0.0775	1,288,836
2021-2022	472,282,663	\$37,544,418	253,010,423	198,934,238	5,087,387	457,032,048	15,250,615	3%	\$0.0795	1,293,925
2022-2023	457,534,893	\$36,566,986	241,177,089	193,476,932	5,368,353	440,022,374	17,512,519	4%	\$0.0799	1,253,520

Source: City Records

\* Started tracking all unmetered lighting in 2020-2021 using number of night time hours x light wattage.

City of New Bern, North Carolina

Electric Rates  
Last Ten Fiscal Years

Table 7

Electric Rates	Cents Per KWH									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Residential	\$0.1439	\$0.1214	\$0.1165	\$0.1010	\$0.1133	\$0.1014	\$0.1135	\$0.1201	\$0.1207	\$0.1221
Commercial	0.1305	0.1391	0.1216	0.1175	0.1156	0.1134	0.1168	0.1167	0.1167	0.1179
Large Commercial/Industrial	0.0842	0.0861	0.0771	0.0792	0.0755	0.0763	0.0742	0.0727	0.0734	0.0747
Other	0.1275	0.1284	0.1110	0.1062	0.1046	0.1142	0.1679	0.2745	0.3204	0.3286

Source: City Records



City of New Bern, North Carolina

Electric System - Major Users  
Current Year and Nine Years Ago

Table 8

2023					2014				
Rank	Customer	Annual KWH	Annual Revenues	Percentage of Total Electric Sales	Rank	Customer	Annual KWH	Annual Revenues	Percentage of Total Electric Sales
1	Carolina East Medical Center	19622400	\$1,044,516	1.93%	1	Carolina East Medical Center	18196800	\$1,172,159	1.89%
2	Craven Community College	9082800	\$511,538	0.95%	2	Craven Community College	7921200	536,289	0.87%
3	White River Marine Group	5311200	\$299,951	0.56%	3	Maola	5971200	416,093	0.67%
4	City of New Bern	4571760	\$275,750	0.51%	4	Hatteras Yachts	5716800	294,528	0.48%
5	Walmart Stores Inc	3859800	\$232,961	0.43%	5	City of New Bern	5094000	344,265	0.56%
6	Carolina East Medical Center	3484108	\$276,953	0.51%	6	Wal-Mart Havelock	4575900	326,909	0.53%
7	Craven Terrace LP	2544480	\$144,738	0.27%	7	Craven Terrace	3069360	212,668	0.34%
8	Schlaadt Plastics	2136200	\$171,170	0.32%	8	Lowe's	2762800	200,939	0.32%
9	NC Dept of Cultural Resources	2092365	\$167,530	0.31%	9	NC Dept of Cultural Resources	2033700	196,175	0.32%
10	Carolina East Medical Center	1983480	\$158,952	0.29%	10	Trent Court	1980960	142,275	0.23%
Revenue for All					Revenue for All				
Totals	\$54,041,258	54688593	\$3,284,059		Totals	\$61,889,987	57322720	\$3,842,300	

City of New Bern, North Carolina

**Water System - Major Users**  
**Current Year and Nine Years Ago**

**Table 9**

2023					2014				
Rank	Customer	Annual Gallons	Annual Revenues	Percentage of Total Water Sales	Rank	Customer	Annual Gallons	Annual Revenues	Percentage of Total Water Sales
01	Carolina East Medical Center	58828	\$253,655.48	2.37%	01	Carolina East Medical Center	28945	\$137,457.15	1.35%
02	City of New Bern	36905	\$165,317.67	1.54%	02	New Bern Housing Authority	16937	\$72,904.10	0.71%
03	Craven County Wood Energy	25924	\$162,507.60	1.52%	03	Moen Inc	11283	\$79,008.61	0.77%
04	BSH Home Appliances	9791	\$41,993.94	0.39%	04	New Bern Housing Auth	10947	\$48,847.55	0.48%
05	Craven Terrace LP	8287	\$38,049.30	0.36%	05	New Bern Housing Authority	7461	\$40,493.75	0.40%
06	Housing Authority of New Bern	6883	\$35,109.52	0.33%	06	RPG Hospitality LLC	6987	\$34,811.85	0.34%
07	Express Wash Holding	6778	\$29,630.92	0.28%	07	Housing Authority of New Bern	5972	\$33,377.40	0.33%
08	New Bern Housing Authority	6431	\$30,455.77	0.28%	08	RPG Hospitality LLC	5962	\$33,333.90	0.33%
09	New Bern Craven County BOE	5916	\$38,570.83	0.36%	09	UHS Pruitt Corporation	5601	\$28,782.75	0.28%
10	Moen Inc	5033	\$29,630.92	0.28%	10	Sonoco Product Company	5148	\$24,466.20	0.24%
Revenue for All					Revenue for All				
Totals	\$10,714,170	111,948	\$571,266		Totals	\$10,218,110	76,298	\$396,026	

Source: City Records

City of New Bern, North Carolina

Sewer System - Major Users  
Current Year and Nine Years Ago

Table 10

2023					2014				
Rank	Customer	Annual Gallons	Annual Revenues	Percentage of Total Sewer Sales	Rank	Customer	Annual Gallons	Annual Revenues	Percentage of Total Sewer Sales
1	Carolina East Medical Center	58828	\$343,311.28	3.07%	1	Carolina East Medical Center	28945	\$178,950.43	1.70%
2	Craven County Wood Energy	36547	\$315,947.66	2.83%	2	New Bern Housing Authority	16937	\$96,454.09	0.92%
3	BSH Home Appliances	9791	\$68,778.83	0.62%	3	Moen Inc	11283	\$121,834.21	1.16%
4	Craven Terrace LP	8287	\$49,993.13	0.45%	4	New Bern Housing Auth	10947	\$63,813.41	0.61%
5	Craven County Government	8122	\$69,256.18	0.62%	5	New Bern Housing Authority	7461	\$49,874.14	0.47%
6	Housing Authority of New Bern	6884	\$43,930.80	0.39%	6	RPG Hospitality LLC	6987	\$44,630.61	0.42%
7	Express Wash Holding	6778	\$39,860.26	0.36%	7	Housing Authority of New Bern	5972	\$40,592.96	0.39%
8	New Bern Housing Authority	6431	\$39,447.60	0.35%	8	RPG Hospitality LLC	5962	\$40,533.46	0.39%
9	New Bern Craven County BOE	5916	\$43,495.30	0.39%	9	Coastal Regional Solid Waste Mgt	5910	\$95,032.80	0.90%
10	Trent Development Group	5418	\$37,122.12	0.33%	10	UHS Pruitt Corporation	5601	\$36,383.91	0.35%
Revenue for All					Revenue for All				
Totals	\$11,166,896	153,002	\$1,051,143		Totals	\$10,515,423	106,005	\$768,100	

Source: City Records

**Assessed Value & Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**

**Table 11**

Fiscal Year Ended June 30,	Real Property	Personal Property		Public Service	Total Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value (3)
	Residential, Commercial and Industrial Property (1)	Motor Vehicles	Other Personal Property (1)	Companies				
2014	2,735,852,780	208,224,518	202,643,758	39,527,326	3,186,248,382	0.4100	2,816,199,737	113.14%
2015	2,759,659,817	236,218,399	228,803,255	37,190,689	3,261,872,160	0.4100	2,729,600,134	119.50%
2016	2,784,854,587	235,673,549	221,379,173	40,641,868	3,282,549,177	0.4100	3,035,743,251	108.13%
2017 (4)	2,498,455,107	260,779,493	230,005,437	41,239,778	3,030,479,815	0.4600	2,797,710,317	108.32%
2018	2,556,062,186	260,091,964	250,403,380	42,246,002	3,108,803,532	0.4600	2,915,778,965	106.62%
2019	2,596,497,416	273,161,813	261,440,031	41,742,582	3,172,841,842	0.4600	3,055,804,529	103.83%
2020	2,617,125,279	296,479,726	275,323,355	43,473,995	3,232,402,355	0.4822	3,289,642,128	98.26%
2021	2,699,010,864	298,902,064	279,432,466	40,345,792	3,317,691,186	0.4822	3,411,858,480	97.24%
2022	2,764,865,488	348,205,393	310,944,799	44,847,480	3,468,863,160	0.4822	3,534,246,724	98.15%
2023	2,850,194,782	368,929,669	307,327,039	47,542,256	3,573,993,746	0.4822	3,646,932,394	98.00%

**Data Source:**

Craven County Tax Office

NC Dept of Revenue

**Notes:**

(1) Real and Personal Property values are net of exclusions, exemptions and deferments

(2) Per \$100 of assessed value

(3) The estimated market value is calculated by dividing the assessed value by an assessment -to-sales ratio determined by the North Carolina Department of Revenue. The ratio is based on actual property sales within Craven County which took place in the calendar year ending during the fiscal year.

(4) Craven County reassessed all real estate property on January 1, 2016, and was the basis for fiscal year 2017 taxes.

The most recent reassessment was performed on January 1, 2023.

City of New Bern, North Carolina

Property Tax Levies and Collections  
Last Ten Fiscal Years

Table 12

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	12,713,597	12,533,988	98.59%	150,441	12,684,429	99.77%
2015	12,411,797	11,974,859	96.48%	424,448	12,399,307	99.90%
2016	12,502,513	12,403,793	99.21%	81,810	12,485,603	99.86%
2017	12,728,310	12,633,582	99.26%	68,796	12,702,378	99.80%
2018	13,113,149	13,025,627	99.33%	50,987	13,076,614	99.72%
2019	13,334,950	13,238,731	99.28%	-	13,238,731	99.28%
2020	14,167,776	14,024,517	98.99%	-	14,024,517	98.99%
2021	14,573,721	14,483,669	99.38%	-	14,483,669	99.38%
2022	15,031,744	14,891,377	99.07%	-	14,891,377	99.07%
2023	15,453,912	15,331,735	99.21%	-	15,331,735	99.21%

Source: City property tax records



City of New Bern, North Carolina

Principal Taxpayers  
Current Year and Nine Years Ago

Table 13

Name of Taxpayer	Nature of Property	2023			Percentage of Total Assessed Value
		Assessed Value	Rank	Assessed Value	
BSH Home Appliances Corp	Household Appliances	\$ 140,710,475	1	4.39%	
New Bern Apartments LLC	Residential Rental	24,465,593	2	0.76%	
White River Marine Group LLC	Boat Manufacturing	23,918,028	3	0.75%	
SNH/LTA SE McCarthy	Assisted Living	20,854,470	4	0.65%	
NB1 LLC	Shopping Center	17,819,870	5	0.56%	
NC New Bern LLC	Retail Sales	16,851,720	6	0.52%	
2701 Amhurst Boulevard LLC	Assisted Living	14,366,000	7	0.45%	
SREIT Woodland Crossing Apartment	Residential Rental	14,136,310	8	0.44%	
Wal Mart Real Estate Business Trust	Retail Sales	11,933,450	9	0.37%	
American IRA LLC	Shopping Center	11,121,220	10	0.35%	
Total Assessed Valuation of Top Ten Taxpayer		<u>\$ 295,977,136</u>		9.23%	
Balance of Assessed Valuation		<u>\$ 2,909,086,941</u>		90.77%	
Total Assessed Valuation		<u>\$ 3,205,064,077</u>		100.00%	

Name of Taxpayer	Nature of Property	2014			Percentage of Total Assessed Value
		Assessed Value	Rank	Assessed Value	
BSH Home Appliances	Household Appliances	63,026,377	1	2.03%	
Hatteras Yachts Inc	Boat Manufacturing	25,759,674	2	0.83%	
New Bern Riverfront	Developer (Condos)	24,890,230	3	0.80%	
Carolina Telephone	Telephone Service	15,761,240	4	0.51%	
New Bern Apartments LLC	Residential Rental	15,095,880	5	0.49%	
DRA Woodland Crossing LP	Residential Rental	15,029,380	6	0.49%	
ATTA Holdings	Medical Offices	14,497,300	7	0.47%	
Carolina Creek	Developer	14,878,060	8	0.48%	
Wal Mart Real Estate Business Trust	Retail Sales	12,364,570	9	0.40%	
RPG Hospitality LLC	Hotel	9,891,471	10	0.32%	
Total Assessed Valuation of Top Ten Taxpayer		<u>\$ 211,194,182</u>		6.82%	
Balance of Assessed Valuation		<u>\$ 2,886,388,326</u>		93.18%	
Total Assessed Valuation		<u>\$ 3,097,582,508</u>		100.00%	

Source: City property tax records

City of New Bern, North Carolina

Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years

Table 14

Fiscal Year Ending June 30,	Direct Rate City of New Bern	Overlapping Rate Craven County
2013	0.4100	0.4700
2014	0.4100	0.4675
2015	0.4100	0.4675
2016	0.4100	0.4675
2017	0.4600	0.5394
2018	0.4600	0.5394
2019	0.4600	0.5394
2020	0.4822	0.5494
2021	0.4822	0.5494
2022	0.4822	0.5600
2023	0.4822	0.5600

Data Source:

Craven County Tax Office

Notes:

(1) City of New Bern tax rate excludes Municipal Service District tax rates.

This rate covers a small area and is nominal in amount.

(2) Real property was revalued on January 1, 2023.

City of New Bern, North Carolina

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(Unaudited)

Table 15

Fiscal Year	Governmental Activities			Business-Type Activities							Total Debt as a Percentage of Personal Income	Personal Income (2)
	General Obligation Bonds	Capitalized Leases	Installment Notes Payable	Capitalized Leases	Notes Payable	Installment Notes Payable	General Obligation Bonds	Revenue Bonds	Total Primary Government	Total Debt Per Capita		
2014	-	-	12,729,584	-	38,862,038	4,209,693	-	15,576,277	71,377,592	2,360	1.741%	4,100,424
2015	-	-	12,948,539	-	35,843,939	3,648,020	-	17,608,515	70,049,013	2,316	1.700%	4,121,440
2016	-	-	7,926,663	-	32,792,386	6,166,443	-	21,207,039	68,092,531	2,918	1.623%	4,195,496
2017	-	-	8,038,626	-	29,447,558	5,107,437	-	18,662,107	61,255,728	2,605	1.411%	4,340,800
2018	-	-	8,627,381	-	26,585,374	3,859,046	-	16,070,782	55,142,583	2,292	1.269%	4,345,888
2019	-	-	10,571,478	-	23,694,553	3,423,227	-	13,434,534	51,123,791	1,878	1.129%	4,529,336
2020	-	-	8,494,257	-	20,774,358	2,564,381	-	10,752,567	42,585,563	1,420	0.898%	4,743,930
2021	-	-	10,860,233	-	17,824,036	1,852,480	-	8,024,074	38,560,823	1,232	0.780%	4,943,453
2022	-	-	13,300,961	-	14,842,812	1,164,847	-	5,250,235	34,558,855	1,102	0.634%	5,449,986
2023	-	-	11,180,227	-	11,829,891	705,964	-	2,426,210	26,142,292	829	(3)	(3)

Data Source:

Audited Financial Statements

Notes:

- (1) Details regarding the City's outstanding debt may be found in the notes to the basic financial statements.
- (2) The City has no outstanding general obligation bonds
- (3) Population can be found on the Demographic and Economic Statistics Table
- (4) Information is not yet available

City of New Bern, North Carolina

**Direct and Overlapping Governmental Activities Debt  
For the Year Ended June 30, 2022  
(Unaudited)**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Craven County Debt	\$ 36,885,592	34.50%	\$ 12,725,275
<b>Subtotal, overlapping debt</b>	<u>\$ 36,885,592</u>		<u>\$ 12,725,275</u>
City Direct Debt	11,180,227	100%	11,180,227
<b>Total direct and overlapping debt</b>	<u><u>\$ 48,065,819</u></u>		<u><u>\$ 23,905,502</u></u>

**Sources:**

**Notes:**

- (1) Includes general obligation bonds for Enterprise Fund and General Long-Term Debt Account Group.
- (2) Determined by ratio of assessed valuation of property subject to taxation in Craven County \$9,045,801,227
- (3) Amount in debt outstanding column multiplied by percentage applicable.

City of New Bern, North Carolina

Legal Debt Margin Information  
Last Ten Fiscal Years

Table 17

(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 247,806,601	\$ 242,008,494	\$ 243,750,050	\$ 221,576,026	\$ 249,314,310	\$ 231,602,117	\$ 234,873,810	\$ 239,922,004	\$ 249,659,122	\$ 256,405,126
Total net debt applicable to limit	12,729,584	12,948,539	7,926,663	8,038,626	8,627,381	10,249,000	6,702,084	10,860,233	13,300,961	11,886,191
Legal debt margin	\$ 235,077,017	\$ 229,059,955	\$ 235,823,387	\$ 213,537,400	\$ 240,686,929	\$ 221,353,117	\$ 228,171,726	\$ 229,061,771	\$ 236,358,161	\$ 244,518,935
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	5.42%	5.65%	3.36%	3.76%	3.58%	4.63%	2.94%	4.74%	5.62%	4.86%

Notes:

Debt includes Installment proceeds and Notes payable

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed Valuation	\$ 3,205,064,077
8%	256,405,126
Less applicable debt	(11,886,191)
Debt margin	<u>\$ 244,518,935</u>



City of New Bern, North Carolina

Demographic and Economic Statistics  
Last Ten Fiscal Years  
(Unaudited)

Table 18

Fiscal Year Ended June 30	Population (1)	Per Capita Personal Income (2)	Personal Income (3) (in thousands of dollars)	Public School Enrollment (4)	Unemployment Rate (5)
2014	30,291	22,555	4,100,424	14,472	7.1%
2015	30,070	23,335	4,121,440	14,297	6.3%
2016	30,101	23,511	4,195,496	14,120	4.9%
2017	29,590	24,062	4,340,800	14,002	4.3%
2018	29,942	25,878	4,345,888	13,778	3.1%
2019	30,113	27,224	4,529,336	13,584	4.0%
2020	29,994	27,224	4,743,930	13,113	4.8%
2021	31,291	29,459	4,943,453	12,542	4.8%
2022	31,346	32,039	5,449,986	12,713	3.8%
2023	31,539	(6)	(6)	12,612	3.8%

Notes:

(1) Population provided US Census Bureau. (2017 is estimate)

<https://www.census.gov/quickfacts/fact/table/newberncitynorthcarolina/INC910220>

(2) Provided by U.S Census

<https://www.census.gov/quickfacts/fact/table/newberncitynorthcarolina/INC910220>

(3) Bureau of Economic Analysis, U.S. Department of Commerce. Figures are as of the end of the calendar year ended during the fiscal year.

<https://apps.bea.gov/iTable/iTable.cfm?reqid=99&step=1#reqid=99&step=1&isuri=1>

(4) Craven County Public Schools

<https://www.publicschoolreview.com/north-carolina/craven-county-schools/3703310-school-district>

(5) Provided by U.S Bureau of Labor Statistics

<https://d4.nccommerce.com/LausSelection.aspx>

(6) Information is not presently available

City of New Bern, North Carolina

Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)

Table 19

Employer	2023			Employer	2014		
	Employees	Rank	Percentage of Total County Employment		Employees	Rank	Percentage of Total County Employment
Department of Defense (1)	5,456	1	13.43%	Department of Defense (1)	5194	1	13.63%
CaroliinaEast Health Systems	2,890	2	7.11%	CaroliinaEast Health Systems	2180	2	5.72%
BSH Home Appliances	1,521	4	3.74%	Craven County Schools	1961	3	5.14%
Craven County Schools	1,466	3	3.61%	BSH Home Appliances	950	4	2.49%
State of North Carolina	784	5	1.93%	State of North Carolina	923	5	2.42%
Moen Incorporated	705	6	1.74%	Wal-Mart	830	6	2.18%
Craven County	685	7	1.69%	Moen Incorporated	665	7	1.74%
Wal-Mart	537	8	1.32%	Craven County	607	8	1.59%
Craven Community College	529	9	1.30%	City of New Bern	475	9	1.25%
City of New Bern	495	10	1.22%	Craven Community College	420	10	1.10%
	<u>15,068</u>		<u>37.09%</u>		<u>14,205</u>		<u>37.27%</u>

Source: Craven County Economic Development, NC Department of Commerce LEAD County Profile

City of New Bern, North Carolina

Full-Time Equivalent City Government Employees By Functions/Programs  
Last Ten Fiscal Years  
(Unaudited)

Table 20

Functions/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government:										
Governing Board	1	1	1	-	-	-	-	-	-	-
Administration	4	4	4	5	5	5	4	4	5	5
Information Technology	8	8	7	7	7	7	7	7	8	10
Finance:										
Accounting	10	10	9	9	9	9	9	10	10	10
Warehouse	4	4	3	3	3	4	4	4	4	4
Tax Collection	1	-	-	-	-	-	-	-	-	-
Human Resources:	6	6	5	5	5	5	5	5	5	5
Police:	112	116	109.5	113	115	117.5	117.5	117.5	118.5	119.5
E911 Support	-	-	-	2	2	2	2	2	2	2
Fire:	67	67	67	66	73	73	73	73	75	75
Parks and Recreation:										
Administration	2	2	3	5	7	7	8	8	8	8
Facilities	-	-	-	11	9	9	8	8	8	9
West New Bern Recreation Center	5	5	4	-	-	-	-	-	-	-
Stanley White Recreation Center	4	4	4	-	-	-	-	-	-	-
Parks	14	14	13	13	13	13	13	13	14	14
Aquatics	-	-	-	-	-	-	-	-	-	-
Athletics	3.0	3.0	3	-	-	-	-	-	-	-
Planning & Inspections:										
Planning & Inspections	17	17	15	16	16	16	16	16	19	17
GIS	-	-	-	-	-	-	-	-	-	-
Public Works:										
Administration	3	3	3	3	3	3	4	4	5	5
Garage	4	4	4	4	4	4	5	5	5	5
Public Buildings	6	6	6	6	6	6	6	6	7	7
Streets	25	25	21	21	21	20	19	20	20	20
Cemeteries	-	-	-	-	-	-	-	-	-	-
Leaf & Limb	7	7	7	7	7	8	-	-	-	-
Stormwater	5	5	6	6	6	6	6	6	6	6
Water:										
Water Resources Administration	7	7	7	6	6	6	6	6	6	7
Water Treatment	11	11	11	12	12	12	12	12	12	12
Water Distribution System Maintenance	30	30	27	25	25	19	19	19	22	22
Sewer:										
Sewer Treatment	21	20	19	19	19	20	20	20	20	20
Sewer Collection System Maintenance	14	14	12	16	16	20	21	21	21	20

**Full-Time Equivalent City Government Employees By Functions/Programs  
Last Ten Fiscal Years  
(Unaudited)**

**Table 19 (cont.)**

Electric:										
Electric Administration	7	7	6	6	6	6	7	8	12	12
Utility Billing	5	-	-	-	-	-	-	-	-	-
Utility Service	10	-	-	-	-	-	-	-	-	-
Distribution O&M	36	36	34	34	34	34	34	34	37	37
Power Supply	4	4	3	4	4	5	5	5	6	6
Communications Control	6	7	7	7	7	7	7	7	7	7
Utility Business Office	16	30	29	27	27	27	27	27	25	25
Solid Waste:										
Solid Waste	-	-	-	-	-	-	8	8	8	8
Other:										
Emergency Telephone System (E911)	2	2	1.5	-	-	-	-	-	-	-
Metropolitan Planning Organization	-	-	2	2	2	2	2	2	2	2
<b>Total</b>	<b>477</b>	<b>479</b>	<b>453</b>	<b>460</b>	<b>469</b>	<b>472.5</b>	<b>474.5</b>	<b>477.5</b>	<b>497.5</b>	<b>499.0</b>

**Source:** Prior years budget records

**Note:**

\* Information is not readily available

**Operating Indicators By Function/Program**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Police:</b>										
Calls for service	42,819	43,113	42,525	45,002	46,160	45,403	46,020	44,299	44,905	42,073
Conduct DUI/Traffic Check Points	118	157	48	34	54	42	22	29	25	20
Answer 90% of 911 call in 10 seconds	97.50%	96.05%	96.02%	96.21%	96.06%	97.61%	96.16%	96.05%	96.65%	97.43%
Dispatch Emergency call in 90 seconds	91.15%	72.35%	89.80%	70.15%	78.50%	80.00%	46.40%	63.87%	72.13%	71.34%
Dispatch Non-Emergent call in 15 minutes	75.00%	74.40%	76.10%	99.79%	99.91%	99.80%	93.80%	94.94%	94.23%	92.24%
Maintain 100% state certification for sworn and non-sworn	96.78%	98.78%	96.78%	100.00%	100.00%	100.00%	0.00%	96.81%	95.34%	100.00%
Conduct directed traffic enforcement	**	**	362	196	370	1,361	1,888	1,884	2,366	1,319
Conduct directed radar enforcement campaigns	4	21	****	12	230	580	712	942	1,610	713
Arrests	1,750	1,595	1,545	1,497	1,774	1,478	1,290	1,328	1,408	1,140
<b>Fire:</b>										
Calls for service	1,115	1,223	1,251	1,485	1,683	1,962	1,770	2,058	2,283	2,459
Value of Endangered Property	50,260,192	13,718,938	122,605,907	11,477,095	40,955,210	180,755,380	282,268,870	233,515,975	266,174,522	54,626,161
Value of Property Loss	\$ 2,611,003	\$ 656,825	\$ 1,201,657	\$ 1,691,425	\$ 10,326,546	\$ 1,765,436	\$ 1,616,775	\$ 1,863,460	\$ 3,482,262	\$ 1,420,001
Fire Inspections	1,519	1,566	1,420	1,606	1,743	1,978	1,946	1,693	1,504	1,895
Fire Investigations	36	33	31	27	30	27	44	41	45	37
People Educated by Fire Education Programs	8,657	9,929	11,065	13,697	9,360	8,453	2,179	4,712	6,939	11,353
Child Passenger Safety Seat Inspections	268	227	236	220	173	189	42	91	72	105
Permits Issued	126	91	113	131	101	58	75	108	95	121
Firefighter Training Hours	19,176	19,522	18,503	18,568	19,803	29,051	19,502	23,858	23,597	21,290
<b>Recreation program attendance:</b>										
Athletics	99,000	99,500	100,000	0	0	0	40,000	15,000	15,000	20,000
Centers & Parks	285,500	306,000	310,000	0	0	0	344,000	250,000	300,000	325,000
Other Programs	97,225	100,000	105,000	0	0	0	55,000	25,000	25,000	25,000
<b>Planning &amp; Development:</b>										
Total building permits	529	511	317	290	517	774	258	795	661	386
Total value of all permits	\$40,634,053	\$32,604,601	\$65,763,473	\$33,242,973	\$120,929,581	\$102,353,540	\$102,527,556.00	\$102,120,217	\$93,207,761	\$82,749,373
<b>Public service:</b>										
Garbage collected (ton)	7,854	8,135	8,521	8,303	8,561	8,814	3,087	9,094	9,067	9,118
Recycle collected (ton) ***	2,191	2,222	2,185	2,188	2,102	1,626	576.92	1,758	1,848	2,118
<b>Stormwater</b>										
Calls for service	178	264	355	248	216	209	150	232	93	138
Yearly rainfall	37.14*	54.91*	67.15*	63.14*	55.81*	39.08*	47.75*	65.13*	42.97*	49.65*
Stormwater fee	\$2.10 / ERU	\$2.10 / ERU	\$2.10 / ERU	\$2.10 / ERU	\$2.10 / ERU	\$2.10 / ERU	n/a	n/a	n/a	n/a
Residential ERU's	12,516	12,756	12,906	12,966	13,182	12,753	n/a	n/a	n/a	n/a
Commercial ERU's	20,452	20,006	19,923	19,420	22,972	14,290	n/a	n/a	n/a	n/a

Source: Various City records

Note: \* Includes Hurricane Irene Loss

\*\* Data not available

\*\*\* Numbers are derived from Craven County Recycling tonnages.

Only totals were available, however based on the percentage of households in the city to county.

33.53% was used from the total collected to generate an approximate City value.

\*\*\*\* Tracking Changes Amended, stats unavailable



Capital Asset Statistics By Function/Program  
Last Ten Fiscal Years  
(Unaudited)

Function/Program	Fiscal Year					Fiscal Year				
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023

Police:	5	5	5	5	5	5	5	5	5	5
Buildings/Land										
Fire & Rescue:										
Fire Stations	3	3	3	3	3	3	3	3	3	3
Fire Training Academy Building	1	1	1	1	1	1	1	1	1	1
Fire Training Academy Classroom	1	1	1	1	1	1	1	1	1	1
Parks & Recreation:										
Acreage	350	360	363	363	1251	1254	1254	1254	1254	1254
Parks	23	24	24	24	25	25	25	27	27	27
Frisbee Golf Course	1	1	1	1	1	1	1	1	1	1
Baseball/Softball Diamonds	10	10	10	10	10	10	10	10	10	10
Soccer/Football Fields	2	2	2	2	2	2	2	2	2	2
Basketball Courts	4	4	4	4	6	6	6	6	7	7
Tennis Courts	4	4	4	4	4	4	2	2	2	2
Pickleball Courts	0	0	0	0	0	0	0	6	6	6
Swimming pools	1	1	1	1	1	1	1	1	1	1
Parks with Playground Equipment	11	12	13	13	13	13	13	13	13	14
Picnic Shelters	10	10	11	11	11	11	14	15	15	14
Recreation Center	3	3	2	2	2	2	2	1	1	1
Community Centers	0	0	0	0	0	0	0	0	0	4
Natural Sites	4	4	4	4	4	4	4	4	4	4
Gymnasium	2	2	2	2	2	2	2	1	1	1
Spray Ground	1	1	1	1	2	2	2	1	1	1
Dog Park	1	1	1	1	1	1	1	2	2	2
Boat Launch/Ramp/Pier	8	10	11	11	11	11	15	15	15	15
Picnic Tables	90	95	98	98	98	98	104	118	118	118
Park Benches	130	138	143	143	143	143	148	172	172	172
Multi-purpose Fields	2	2	2	3	3	3	3	3	3	3
Walking Trails	6	6	6	6	7	7	7	10	10	10
Outdoor Restrooms	9	9	9	10	10	10	11	10	10	10
Public Parking Lots	11	11	12	12	12	12	14	14	14	14
Public Art	5	5	5	5	6	6	6	6	6	6
Horseshoe Courts	3	3	3	3	9	9	9	9	9	9
Outdoor Volleyball Courts	2	2	2	2	2	2	2	2	2	2
Bike Racks	25	25	25	25	25	25	27	27	27	27
Wastewater:										
Sanitary Sewers (miles)	414.88	417.58	419.11	437.02	438.42	440.55	441.96	445.95	78.5	78.5
*Storm Sewers (miles)	74.35	74.62	77.56	76.94	76.94	78.48	78.5	78.5	3.815	3.815
*Average Daily Flow	3.89	3.88	4.25	4.26	4.19	4.79	4.79	3.962	0	0
Electric:										
Average Daily Purchased Usage (kWh)	1,254,574	1,304,406	1,251,181	1,293,925	1,253,520	1,253,520	1,253,520	1,253,520	1122	1122
Mile of Distribution Lines	520	630	550	550	550	550	550	550	550	550
Source	Various City records									

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## Compliance Section

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***Thompson, Price, Scott, Adams & Co, P.A.***

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Alan W. Thompson, CPA

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Gregory S. Adams, CPA

**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 Auditors' Report**

To the Honorable Mayor and  
Members of the City Council  
City of New Bern, 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, 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 City of New Bern, North Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprises City of New Bern's basic financial statements, and have issued our report thereon dated November 21, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered City of New Bern'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 City of New Bern'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 the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified no deficiencies in internal control that we consider to be significant deficiencies.

Members

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### Report on Compliance and Other Matters

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

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.  
Whiteville, NC  
November 21, 2023



**Thompson, Price, Scott, Adams & Co, P.A.**

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**Report On Compliance With Requirements Applicable To Each Major Federal  
Program And Internal Control Over Compliance In Accordance With OMB  
Uniform Guidance and the State Single Audit Implementation Act**

**Independent Auditors' Report**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of New Bern, North Carolina, compliance with the types of compliance requirements described 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 New Bern's major federal programs for the year ended June 30, 2023. City of New Bern's major federal 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 New Bern complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and 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 City of New Bern 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 provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of New Bern's compliance with the compliance requirements referred to above.

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### 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 City of New Bern federal programs.

### Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of New Bern'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, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance 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 judgment made by a reasonable user of the report on compliance about City of New Bern's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 City of New Bern'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 City of New Bern'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, but not for the purpose of expressing an opinion on the effectiveness of City of New Bern'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, noncompliance 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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 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

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses 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. However, material weaknesses or significant deficiencies 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.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.

Whiteville, NC

November 21, 2023



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**Report On Compliance With Requirements Applicable To Each Major State  
Program And Internal Control Over Compliance In Accordance With  
OMB Uniform Guidance and the State Single Audit Implementation Act**

**Independent Auditors' Report**

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the City of New Bern, North Carolina, compliance with the types of compliance requirements described 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 City of New Bern's major State programs for the year ended June 30, 2023. City of New Bern'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, City of New Bern complied, in all material respects, with the types of 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, 2023.

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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and 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 City of New Bern 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 provides a reasonable basis for our opinion on compliance for each major State program. Our audit does not provide a legal determination of City of New Bern's compliance with the compliance requirements referred to above.

Members

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### 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 City of New Bern State programs.

### Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of New Bern'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, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance 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 judgment made by a reasonable user of the report on compliance about City of New Bern's compliance with the requirements of each major State program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 City of New Bern'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 City of New Bern'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, but not for the purpose of expressing an opinion on the effectiveness of City of New Bern'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, noncompliance 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance 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 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 Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses 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. However, material weaknesses or significant deficiencies 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.

*Thompson, Price, Scott, Adams & Co., P.A.*

---

Thompson, Price, Scott, Adams & Co., P.A.  
Whiteville, NC  
November 21, 2023



**City of New Bern, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

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**Section I. Summary of Auditor's Results**

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Financial Statements

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

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☐ Yes

☒ No

Significant deficiency(ies) identified

☐ Yes

☒ No

Noncompliance material to financial statements noted

☐ Yes

☒ No

Federal Awards

Internal control over major Federal programs:

Material Weakness(es) identified?

☐ Yes

☒ No

Significant Deficiency(s)

☐ Yes

☒ No

Type of auditor's report issued on compliance for major Federal

Unmodified

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

☐ Yes

☒ No

Identification of major Federal programs:

<u>CFDA #</u>	<u>Program Name</u>
21.027	Coronavirus State and Local Fiscal Recovery Fund
14.218	CDBG Entitlement Cities

Dollar threshold used to distinguish between Type A and Type B Program

\$ 750,000

Auditee qualified as low-risk auditee?

☐ Yes

☒ No

State Awards

Internal control over major State programs:

Material Weakness(es) identified?

☐ Yes

☒ No

Significant Deficiency(s)

☐ Yes

☒ No

Type of auditor's report issued on compliance for major State programs:

Unmodified

**City of New Bern, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

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**Section I. Summary of Auditor's Results (continued)**

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Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act

☐ Yes

☒ No

Identification of major State programs:

Program Name

Powell Bill

Dollar threshold used to determine a State Major Program

\$ 500,000

Auditee qualified as State low-risk auditee?

☐ Yes

☒ No

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**Section II – Financial Statement Findings**

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None reported.

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**Section III – Federal Award Findings and Questioned Costs**

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None Reported.

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**Section IV – State Award Findings and Questioned Costs**

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None Reported.

**Aldermen**

Sabrina Bengel  
Jameesha Harris  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Jeffrey T. Odham



300 Pollock Street, P.O. Box 1129  
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Dana E. Outlaw  
Mayor  
Foster Hughes  
City Manager  
Brenda E. Blanco  
City Clerk

**City of New Bern, North Carolina  
Corrective Action Plan  
For the Year Ended June 30, 2023**

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**Section II – Financial Statement Findings**

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None Reported.

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**Section III – Federal Award Findings and Questioned Costs**

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None Reported.

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**Section IV – State Award Findings and Questioned Costs**

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None Reported.

**City of New Bern, North Carolina**  
**Summary Schedule of Prior Year's Findings**  
**For the Year Ended June 30, 2023**

Finding: 2022-001  
Status: Corrected.

Finding: 2022-002  
Status: Corrected.

**City of New Bern, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2023**

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Provided to Subrecipients	Local Expenditures
<b>Federal Grants:</b>						
<b>Cash Programs:</b>						
<u>U.S. Dept. of Housing and Urban Development</u>						
Direct Assistance						
CDBG Entitlement Cities	14.218	B-14-MC-37-0024	\$ 292,308	\$ -	\$ -	\$ -
CDBG Entitlement Cities	14.218.119		139,547	-	-	-
Total CDBG			431,855	-	-	-
<u>U.S. Department of the Interior</u>						
Passed-through N.C. Department of Natural and Cultural Resources						
Historic Preservation Fund Grants-In-Aid	15.904		7,000	-	-	-
<u>U.S. Environmental Protection Agency</u>						
Brownfields Multipurpose, Assessment, Revolving Loan Fund	66.818		2,790	-	-	-
<u>U.S. Department of Justice</u>						
Passed-through N.C. Department of Public Safety						
Bulletproof Vest Program	16.607		30,293	-	-	-
Equitable Sharing Program	16.922		35,813	-	-	-
			66,106	-	-	-
<u>U.S. Department of Transportation</u>						
Passed-through N.C. Department of Transportation						
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	36230.42.9.6	55,110	-	-	-
Metropolitan Planning Program	20.205-5	50341.1.16	155,614	-	-	-
Total Highway Planning and Construction			210,724	-	-	-
State and Community Highway Safety	20.600	22021.6.11	14,986	-	-	-
State and Community Highway Safety	20.600	22022.6.2	12,627	-	-	-
Total State and Community Highway Safety			27,613	-	-	-
<u>U.S. Department of Treasury</u>						
Coronavirus State and Local Fiscal Recovery Fund	21.027		6,698,691	-	-	-
Passed-through N.C. Department of Environmental Quality						
Coronavirus State and Local Fiscal Recovery Fund	21.027	n/a	-	34,890	-	-
			6,698,691	34,890	-	-
<u>U.S. Department of Homeland Security</u>						
Passed-through N.C. Department of Public Safety						
Disaster Grants - Public Assistance	97.036	4393DR-NC	2,349,688	-	-	-
DHS Firefighters Grant	97.044		304,451	-	-	-
Total Disaster Grants - Public Assistance			2,654,139	-	-	-
Hazard Mitigation Grant	97.039		24,179	-	-	-
Total Federal Awards			\$ 10,123,097	\$ 34,890	\$ -	\$ -
<b>State Grants:</b>						
<b>Cash Assistance:</b>						
<u>N.C. Department of Transportation:</u>						
Powell Bill		DOT-4 32570	\$ -	\$ 1,105,565	\$ -	\$ -
<u>N.C. Department of Commerce</u>						
Rural Economic Development Grant			-	20,000	-	-
<u>N.C. Department of Public Safety</u>						
NC Office of Recovery and Resiliency (NCORR)						
Special Appropriation			-	222,730	-	-
NC Sheriffs Association						
Internet Crimes Against Children Grant			-	7,241	-	-



**City of New Bern, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2023**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>	<u>Local Expenditures</u>
<u>N.C. Department of Environmental Quality</u>						
ElectricCities of NC			-	980	-	-
Resilient Coastal Communities Foundation			-	45,000	-	-
<u>Golden LEAF Foundation</u>						
Golden LEAF Grant			-	24,259	-	-
<u>N.C. Department of Natural &amp; Cultural Resources</u>						
NC Land and Water Fund			-	99,072	-	-
<b>Total Federal and State Awards</b>			<b>\$ 10,123,097</b>	<b>\$ 1,559,737</b>	<b>\$ -</b>	<b>\$ -</b>

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the City of New Bern under the programs of the federal government and the State of North Carolina for the year ended June 30, 2023. The information in this SEFSA 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. Because the Schedule presents only a selected portion of the operations of the City of New Bern, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of New Bern.

**Note 2: Summary of Significant Accounting Policies**

Expenditures reported in the SEFSA are reported 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.

**Note 3: Indirect Cost Rate**

The City of New Bern has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 4: FEMA Disaster Grant Expenditures**

Expenditures reported for Disaster Grant - Public Assistance (CFDA 97.036) are for projects that were obligated as of FY 23, which include expenditures incurred in prior years that were covered by local funds and reimbursed by FEMA funds in FY 23.

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

MPO's Long Range Plan Funding Strategy

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> N/A
<b>Department:</b> Development Services	<b>Person Submitting Item:</b> Deanna Trebil, MPO Administrator
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	Presentation on a funding strategy for the MPO's Long Range Plan Update.
<b>Actions Needed by Board:</b>	No action
<b>Backup Attached:</b>	Memo, PowerPoint presentation
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**



## MEMORANDUM

**To:** Mayor Jeffrey T. Odham and Board of Aldermen

**From:** Deanna Trebil, MPO Administrator

**Date:** December 12, 2023

**Subject:** Presentation on Long Range Plan Funding Strategy

---

A Metropolitan Transportation Plan (MTP) identifies the New Bern Area's transportation needs across various modes and provides a vision and a course of action for the next 25 years to improve the transportation network to support the growth and development of the region and its people and businesses. Adopting a fiscally constrained, long-range transportation plan for the region is one of the many steps in the planning process that helps the local jurisdictions and stakeholder agencies coordinate their approach and prioritize which projects are the most important to advance in the near term. The New Bern Area MPO is federally required to have a valid MTP to receive funding from NCDOT for any projects on the State Transportation Improvement Program and is required to be updated every five years.

The current plan, Envision 2045 – New Bern Area MPO, was adopted March 2021 and a new plan must be approved by March 24, 2026. Due to the complexity of this type of plan, it usually takes at least a year and a half to complete and is estimated at \$125,000.

A funding strategy has been identified and recommended as follows utilizing FY23, FY24 and FY25 planning funds.

FY24 funding has been committed from each member agency as part of the current year's budget. FY25 funding will be included as part of the upcoming budget, which will be presented to the Transportation Advisory Committee in January 2024. NCDOT notified the MPO that the FY25 budget will be reduced by \$23,400, which will limit funding that could be used towards the MTP update.

Each member agency previously approved the FY23 budget, which has an available balance of \$72,500 (\$58,000-federal funds; \$14,500-local match). The MPO could use this available balance towards this project if each member agency is willing to contribute their local share as previously approved to fund the local match.

Based on the population of each member agency, the \$14,500 local match is shared as follows:

<b>Member Agency</b>	<b>Cost Share</b>
New Bern	\$8,044.60
Bridgeton	\$121.80
Trent Woods	\$1,180.30
River Bend	\$861.30
Craven County	\$4,292.00
<b>TOTAL</b>	<b>\$14,500.00</b>

Staff's recommendation is to consider funding New Bern's cost share in the amount of \$8,044.60 to maximize the available federal funding to update the Long-Range Plan. If in agreement, the Budget Amendment allocating funds will be presented for approval at a future meeting.

Please contact me at 639-7592 or via email at [trebil.deanna@newbernnc.gov](mailto:trebil.deanna@newbernnc.gov) if you require additional information.



## MPO Long Range Plan Funding Strategy

December 12, 2023

1

### Long Range Plan

- Also known as Metropolitan Transportation Plan
- Identifies projects needed to support the growth and development of the region
- Provides vision for next 25 years
- Identifies improvements for all modes of transportation
- Federally required to be updated every 5 years

NEW BERN  
NORTH CAROLINA

2



## Envision 2045 – New Bern Area MPO

- Current plan was adopted March 2021
- New plan must be adopted by March 2026
- No funding available until new plan adopted

NEW BERN  
NORTH CAROLINA

3

## Recommended Funding Strategy

- Estimate  $\pm$  \$125,000
- FY 23 Funds - \$72,500
  - Federal \$58,000
  - Local Match \$14,500
- FY 24 Funds - \$39,000
- FY 25 Funds - \$13,500

Agency	Cost Share
New Bern	\$8,044.60
Bridgeton	\$121.80
Trent Woods	\$1,180.30
River Bend	\$861.30
Craven County	\$4,292.00

NEW BERN  
NORTH CAROLINA

4

## Alternative Funding Strategy

- FY 25 Funds reduced by  $\pm$  \$28,000
  - Estimate  $\pm$  \$125,000
    - FY 24 Funds - \$39,000
    - FY 25 Funds - \$34,000\*
    - FY 26 Funds - \$34,000\*
    - FY 27 Funds - \$18,000\*
- \*No funding available for additional studies

## Recommendation

To support appropriating New Bern's local share match of \$8,044.60 towards the MPO's Long Range Plan Update with a Budget Amendment to be presented at a future meeting

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Conduct a Public Hearing and Consider Adopting an Ordinance to Annex a Portion of Tax Parcel ID 8-209-13001

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> 4
<b>Department:</b> City Clerk	<b>Person Submitting Item:</b> Brenda Blanco
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	Weyerhaeuser NR Company seeks to annex a portion of Tax Parcel ID 8-209-13001 in the West New Bern area. Portions of the parcel have previously been annexed. After conducting the hearing, the Board is to consider the request.
<b>Actions Needed by Board:</b>	Conduct a public hearing and consider adopting the ordinance
<b>Backup Attached:</b>	Memo, ordinance, map
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**

Aldermen

Rick Prill  
Hazel Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



300 Pollock Street, P.O. Box 1129  
New Bern, NC 28563-1129  
(252) 636-4000

Jeffrey T. Odham  
Mayor

Foster Hughes  
City Manager  
Brenda E. Blanco  
City Clerk  
Kimberly A. Ostrom  
Director of Finance

**TO:** Mayor and Board of Aldermen

**FROM:** Brenda E. Blanco, City Clerk

**DATE:** December 01, 2023

**SUBJECT:** Conduct a Public Hearing and Consider Annexing a Portion of Tax Parcel 8-209-13001

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**Background**

Weyerhaeuser NR Company petitioned the City to annex a portion of Tax Parcel 8-209-13001 totaling approximately 3.23 acres. The City previously approved the annexation of a portion of this parcel. After conducting the hearing, the Board is to consider the request for this 3-acre section.



Ordinance No. \_\_\_\_\_

Prepared by and return to:

Jaimee Bullock Mosley  
DAVIS HARTMAN WRIGHT LLP  
209 Pollock Street  
New Bern, NC 28560

**AN ORDINANCE ANNEXING TO THE CITY OF NEW BERN PROPERTY OF WEYERHAEUSER NR COMPANY, CONSISTING OF 3.23 ACRES, MORE OR LESS, LOCATED NORTH OF US HIGHWAY 70 IN NUMBER 8 TOWNSHIP, AND BEING A PORTION OF CRAVEN COUNTY TAX PARCEL 8-209-13001.**

THAT WHEREAS, Weyerhaeuser NR Company filed a petition requesting the annexation to the City of New Bern of property it owns, which is more particularly described on Exhibit A attached hereto and incorporated herein by reference, consisting of 3.23 acres, more or less, which said parcel is located north of US Highway 70 in Number 8 Township, Craven County, North Carolina, and being identified as a portion of Craven County Tax Parcel 8-209-13001, the boundaries of which are illustrated on the annexation map prepared by the City of New Bern Development Services staff, which is attached hereto as Exhibit B, and incorporated herein by reference; and

WHEREAS, said petition was referred to the City Clerk for an investigation as to the sufficiency thereof; and

WHEREAS, the City Clerk certified the sufficiency of the petition in writing to the Board of Aldermen; and

WHEREAS, the Board of Aldermen called for a public hearing on the question of annexation of said territory; and

WHEREAS, pursuant thereto, notice of a public hearing to be held at 6:00 p.m. on December 12, 2023, in the City Hall Courtroom was duly caused to be published as required by law in the *Sun Journal*, a newspaper having general circulation in the City; and

WHEREAS, on December 12, 2023, at 6:00 p.m., a public hearing on the question of

annexation of the subject area was held by the Board of Aldermen of the City of New Bern, at which time all interested parties were given an opportunity to be heard; and

WHEREAS, it was then determined by the Board of Aldermen that the petition filed met the requirements of the General Statutes of North Carolina, and that the area described in the petition should be annexed; and

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

Section 1. That the subject petition meets the requirements of §160A-31 of the General Statutes of North Carolina.

Section 2. That the property owned by Weyerhaeuser NR Company, the boundaries of which are more particularly described on Exhibit A attached hereto and incorporated herein by reference, consisting of 3.23 acres, more or less, which said parcel is located at located north of US Highway 70 in Number 8 Township, Craven County, North Carolina and being identified as a portion of Craven County Tax Parcel 8-209-13001, be and the same is hereby annexed to the City of New Bern. A survey of the property being annexed appears of record in Map Book H, Page 113 G&H of the Craven County Registry.

Section 3. That the effective date of annexation shall be midnight on December 12, 2023.

Section 4. That the area to be annexed be and the same is hereby made a part of Ward 4 of the City of New Bern.

Section 5. That this ordinance shall be recorded forthwith in the Office of the Register of Deeds of Craven County.

ADOPTED THIS DECEMBER 12, 2023.

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JEFFREY T. ODHAM, MAYOR

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BRENDA E. BLANCO, CITY CLERK



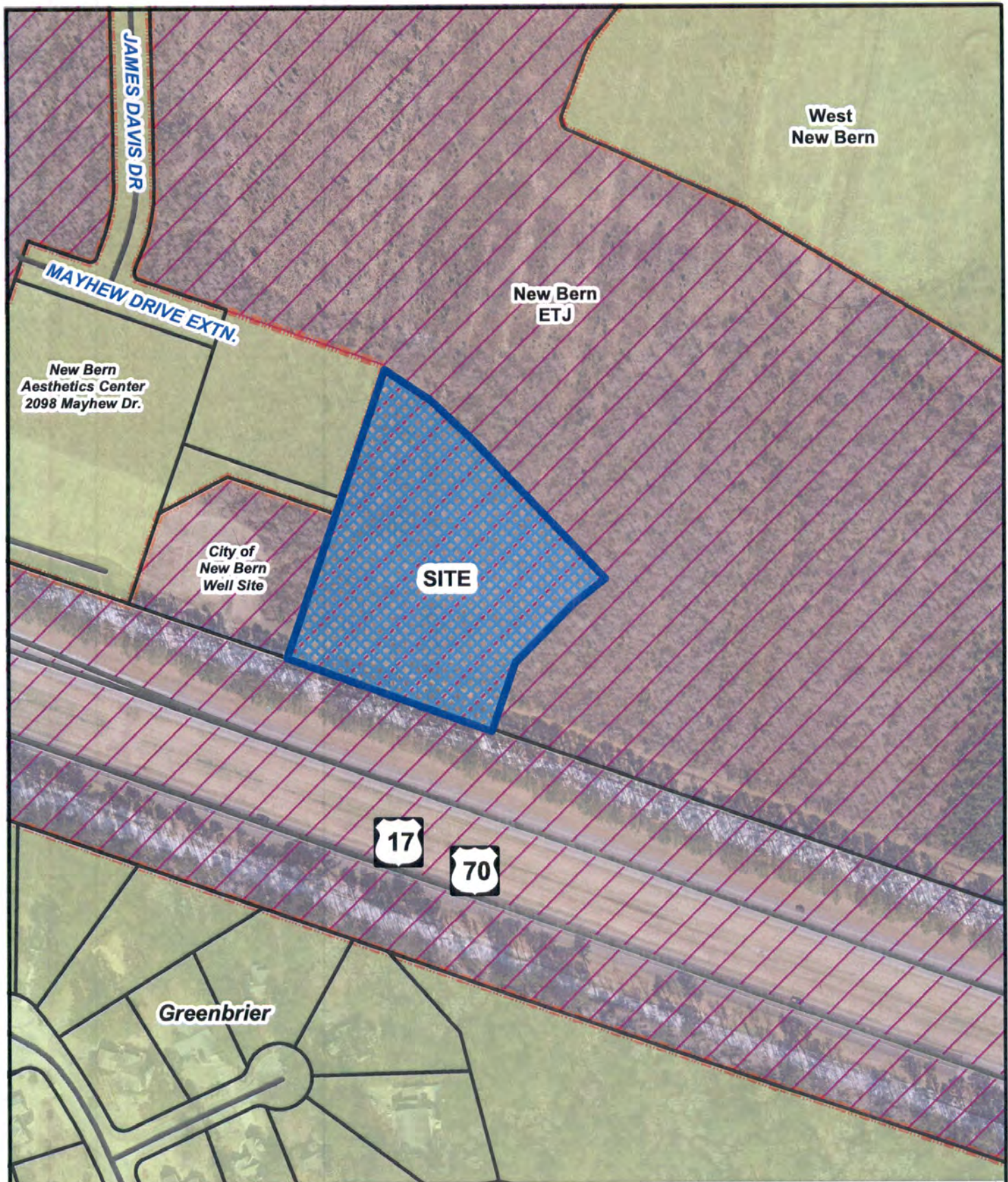
## EXHIBIT A

That certain tract of land being in the Number 8 Township, Craven County, City of New Bern, North Carolina, said tract being a portion of the property described in Deed Book 2687 Page 346 and Deed Book 2687 Page 339 and Map Book H page 113 G&H of the Craven County Register of Deeds and shown on a map titled "Subdivision Plat Kyrios, LLC Parcel C" dated October 11, 2023 and being more fully described as follows:

Commencing at an 1" open end pipe, said pipe being on the northern right of way of US Highway 70 (370' Public R/W) labeled (Tie) said pipe being South 79°28'21" East a distance of 518.70 feet from an iron rod set, said iron rod having NC Grid NAD 83(2011) coordinates of North 505839.89 feet and East 2559831.21 feet, said iron rod also being South 72°12'52" East a distance of 819.86 feet from an iron rod set with NC Grid NAD 83(2011) coordinates of North 506090.32 feet and East 2559050.53 feet which is South 73°41'24" East 1518.32 feet from NCGS Voltage with NC Grid NAD 83(2011) coordinates of North 506,516.72 feet and East 2557593.31 feet, said 1" open end pipe being the **Point of Beginning**.

Thence from the **Point of Beginning**; and with the common line between City of New Bern (Deed Book 2646 Page 373,) and Weyerhaeuser Real Estate Company North 18°46'56" East, a distance of 230.72 feet to a 5/8" rebar set; thence continuing North 18°46'56" East, a distance of 25.00 feet to a 1" open end pipe found; thence continuing North 18°46'56" East, a distance of 143.09 feet to a 5/8" rebar set on the southern right of way Mayhew Drive extension (61' Public R/W); thence continuing North 18°46'56" East, a distance of 62.27 to a point on the northern right of way of Mayhew Drive extension; thence on a curve to the right with said northern right of way along the arc of said curve a distance of 149.18 feet, said curve having a radius of 530.50 feet, a delta angle of 16°06'44", and a chord bearing and distance of South 52°14'18" East 148.69 feet to a point; thence South 44°10'56" East a distance of 270.70 feet to a point at the beginning of a curve to the left; thence along the arc of said curve a distance of 32.91 feet, said curve having a radius of 369.50 feet a delta angle of 05°06'11" and a chord bearing and distance of South 46°44'02" East 32.90 feet to a point; thence leaving said northern right of way South 40°42'53" West a distance of 61.00 feet to a 5/8" rebar set on the southern right of way of said Mayhew Drive Extension; thence leaving said right of way South 45°49'08" West a distance of 123.34 feet to a 5/8" rebar set; thence South 20°12'22" West a distance of 111.13 feet to a 5/8" rebar set on the northern right of way of US Highway 70; thence with said right of way North 70°57'36" West a distance of 303.00 feet to a concrete right of way monument; thence North 70°56'36" West a distance of 27.34 feet the **Point of Beginning**. Containing 140,384 Sq. Ft. or 3.23 Acres all as shown on a map titled "Subdivision Plat Kyrios, LLC Parcel C" dated October 11, 2023.





Proposed Annexation: Mayhew Dr. Extn. 2 - 2.61 Acres: Tax ID: 8-209-13001 (part)



Existing New Bern Limits

Proposed Annexation Area



Scale: 1 = 250 ft



EXHIBIT B



North Carolina  
Craven County

**OATH OF OFFICE OF MAYOR PRO TEMPORE**

I, \_\_\_\_\_, do solemnly swear that I will support the Constitution of the United States; so help me God.

\_\_\_\_\_

I, \_\_\_\_\_, do solemnly swear that I will support and maintain the Constitution and Laws of the United States and the Constitution and Laws of North Carolina, not inconsistent therewith; and that I will faithfully discharge the duties of my office as Mayor Pro Tempore; so help me, God.

\_\_\_\_\_

I, \_\_\_\_\_, do solemnly and sincerely swear that I will be faithful and bear true allegiance to the State of North Carolina and to the constitutional powers and authorities which are or may be established for the government thereof; and that I will endeavor to support, maintain and defend the Constitution of said State, not inconsistent with the Constitution of the United States, to the best of my knowledge and ability; so help me, God.

\_\_\_\_\_

The foregoing oaths were administered by me and sworn to and subscribed before me this the 12<sup>th</sup> day of December, 2023.

\_\_\_\_\_  
BRENDA E. BLANCO, CITY CLERK

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Discussion of old BP building change in scope of work

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> 1
<b>Department:</b> Administration	<b>Person Submitting Item:</b> Foster Hughes, City Manager
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	This city owned facility, located at 2602 Oaks Road, was previously used for storage and as a workshop for Public Works staff. This property was substantially damaged during Hurricane Florence. At the last meeting, several options were discussed but no direction was given other than to table until the December 12th meeting.
<b>Actions Needed by Board:</b>	Provide direction to the City Manager on moving forward with this item.
<b>Backup Attached:</b>	Potential project list
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**

**Aldermen**

Rick Prill  
Hazel B. Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



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Jeffrey T. Odham  
Mayor

Foster Hughes  
City Manager  
Brenda E. Blanco  
City Clerk  
Kimberly A. Ostrom  
Director of Finance

**To:** Mayor and Board of Aldermen  
**From:** Foster Hughes, City Manager  
**Date:** December 8, 2023  
**Subject:** Discussion of old BP Building Change in Scope of Work

**Background Information:**

The City was recently notified by FEMA that \$955,812.07 was allocated toward the rebuilding of the old BP building, located at 2602 Oaks Road. The building was previously used as a storage and workshop for Public Works staff. This property was substantially damaged during Hurricane Florence. During the November 14<sup>th</sup> meeting, the Manager reviewed several options. The Aldermen also provided their input on potential projects.

The Board gave direction to table this item until December 12<sup>th</sup> for further discussion on a proposed change in scope of work.

**Recommendation:**

Provide direction to the City Manager on moving forward with a change in scope of work on the BP project.



## DISCUSSION ON BP BUILDING CHANGE IN SCOPE OF WORK



In a previous board meeting, we discussed that FEMA had awarded the city \$955,812.07 to rebuild the old BP building at 2602 Oaks Road. We discussed a change in scope of work for this project. With a change in scope, the City would perform any asbestos abatement, remove the building and parking lot, and seed. The estimated cost would be approximately \$20,000, which would come from the FEMA allocated funds. A variety of projects were discussed at the time. Since then, a few other potential projects have been reviewed. Potential projects are listed below.

### Potential Projects:

- Amphitheater – Martin Marietta Park
- Fire Station – West New Bern
- Fire Truck (Fire-Rescue)
- Grounds Maintenance Facility (Parks & Recreation)
- Public Works Facility
- Skid Steer Mulcher (Public Works)

### Amphitheater

- An amphitheater is listed in the Master Plan for Martin Marietta Park. When the master plan was written (2018), the estimated cost of an amphitheater was approximately \$1 million. Since that time, the estimated cost is approximately \$2 million.
- Currently there is only a concept plan for an amphitheater.
- There are no construction plans.
- Previously, there was discussion on leasing out the amphitheater to a concert promoter. In speaking with major promoters, they typically perform a market study in areas of interest. No market study has been conducted. Previous discussions with promoters have shown no interest without a firm design and a firm plan to construct a suitable facility.
- If built for the purpose of bringing in regional and national acts, and promoters have no interest in leasing the amphitheater, the City would need additional staff, funding etc. to book the venue and manage it.
- Currently, there is no consistent track record of admission-based concerts in the area.

### **Fire Station**

- Based on current construction costs, the cost to build a new station could be between \$4 and \$6 million.
- There is no designated property for a new fire station.
- Staff has been working on a concept plan to be reviewed by the Board of Aldermen at a future date.
- Estimated time for construction drawings and construction would be approximately two years.

### **Fire Truck**

- The FY24 budget includes one fire truck. During the budget work session, there was discussion on adding a 2<sup>nd</sup> truck instead of rebuilding the 21-year-old one. We said we would revisit when pricing came in.
- The most recent quote for new truck would cost: \$986,661.00 (*\$870,661 if paid within 30 days of signing contract*)
- FEMA allows funds to be used to purchase fire trucks.
- When the fire truck is sold for surplus at end of life, FEMA would be paid the sales price.

### **Grounds Maintenance Facility**

- Grounds Maintenance – This division of Parks and Recreation is currently located on a ¼ acre tract of land with 2 buildings. The division has outgrown the space with limited room for equipment and vehicle storage.
- Space is limited at Glenburnie Park.
- Suitable land out of the flood zone is limited.
- A concept plan and assessment for future needs is in the beginning stages.

### **Public Works Facility**

- One plan was to build a new Public Works Facility beside Water Resources on Hwy 55. Once built, this would allow Parks and Recreation to move into the old Public Works facility.
- General price estimates to construct a new facility are approximately \$3.5 million.

### **Skid Steer Mulcher (Public Works)**

- Staff are still reviewing the need for this equipment.
- Quote is approximately \$150,000.

### **City Manager Recommendation:**

- Request change in scope of work to purchase an additional fire truck for Fire-Rescue.

### **Additional projects for consideration:**

- Resurface Lincoln Street, Hillmont Rd, Alabama Ave, and Beaufort Street in Ward 5.
- Add additional parking at Pleasant Hill Community Center.
- Use remaining funds to pave additional streets.

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Adopt Resolution Approving Sewer Use Agreement with the Owners of 684 West Thurman Road.

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> 3
<b>Department:</b> Water Resources	<b>Person Submitting Item:</b> Jordan Hughes
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Date of Public Hearing:</b> N/A

<b>Explanation of Item:</b>	Standard sewer use agreement that is required when service is requested for a property that is currently located outside of the New Bern municipal limits. The proposed development on this site is a new veterinary office.
<b>Actions Needed by Board:</b>	Adopt Resolution Approving Sewer Use Agreement with the owners of 684 West Thurman Road.
<b>Backup Attached:</b>	Memo from Jordan Hughes, copy of Sewer Use Agreement, map of property, and draft resolution for approving the Agreement.
<b>Is item time sensitive?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Cost of Agenda Item:</b> N/A
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**





## **MEMORANDUM**

**TO:** Mayor and Board of Aldermen  
**FROM:** Jordan B. Hughes P.E., Director of Water Resources  
**DATE:** December 1, 2023  
**SUBJECT:** Recommendation to Approve Sewer Use Agreement for  
684 West Thurman Road

### **Background Information:**

The owners of 684 West Thurman Road are proposing to develop a veterinary office on the subject property, which is currently outside of the New Bern municipal limits. The proposed development will have a calculated average daily sewer demand of 720 gallons per day (GPD). To facilitate the proposed development, a standard sewer service connection can be provided to the property without the need for a main extension.

Per Section 74-74 of the City of New Bern Code of Ordinances, any proposed development located outside of the New Bern municipal limits requesting water and sewer capacity shall be required to enter into a written water and sewer use agreement with the City. The purpose of this agreement is to formally outline the roles and responsibilities of both, the City and the owners in establishing service for the proposed project.

### **Recommendation:**

The sewer use agreement for this project has been prepared by City Attorney and executed by the owners. In order to allow the owners to proceed with the proposed construction, City Staff is recommending the Board of Aldermen approve the enclosed sewer use agreement.

Attached please find a copy of the sewer use agreement and a draft resolution for approving the agreement.

Please contact me if there are any questions or if additional information should be required.

**RESOLUTION**

**BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:**

That the Agreement dated December 12, 2023, by and between the City of New Bern and Real Dogtors, LLC., a copy of which is attached hereto and incorporated herein by reference, be and the same is hereby approved, and the Mayor and the City Clerk are hereby authorized and directed to execute the same, in duplicate originals, for and on behalf of the City.

ADOPTED THIS 12<sup>th</sup> DAY OF DECEMBER 2023.

\_\_\_\_\_  
JEFFREY T. ODHAM, MAYOR

\_\_\_\_\_  
BRENDA E. BLANCO, CITY CLERK



**NORTH CAROLINA**

**CRAVEN COUNTY**

**AGREEMENT**

THIS AGREEMENT ("Agreement") is made and entered into this 13<sup>th</sup> day of November 2023, by and between the CITY OF NEW BERN, a North Carolina municipal corporation ("City"), and REAL DOGTORS, LLC, a North Carolina limited liability company ("Owner").

**WITNESSETH:**

THAT WHEREAS, Owner owns a tract or parcel of land located within Craven County, North Carolina, and more specifically described in Exhibit A attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, Owner intends to use or develop the Property as a veterinary clinic requiring permitted sewerage treatment capacity of 720 gallons per day; and

WHEREAS, Owner desires to annex the Property into the City, and to connect to the City Sewer System so that the City might provide such services to the Property, subject to certain terms and conditions contained herein; and

WHEREAS, the City and Owner have reached an agreement with respect to said provision of such utility services to the Property and wish to reduce said agreement to writing.

NOW, THEREFORE, IT IS MUTUALLY AGREED by and between the City and Owner as follows:

**1. Definitions**

1.1. Certain terms having specific definitions are used in this Agreement, and these terms and definitions, unless the context clearly indicates to the contrary, are as set forth in this Section 1. The defined terms appearing in this Section are set forth in the Agreement in the exact capitalized form as they appear between the quotation marks. When the same term is used in this Agreement with the meaning as assigned herein, it shall appear in the identical capitalized form. Otherwise, the meaning shall be as used in the context of the sentence in which it appears and not necessarily that as defined herein.

1.1.1. "Agreement" – means this Agreement between Developer and the City.

1.1.2. "Owner" – means REAL DOGTORS, LLC, a North Carolina limited liability company.

1.1.3. "Force Majeure" – means any delay or default in performing hereunder if such delay or default is caused by conditions beyond such party's control without its fault or negligence, including, but not limited to acts of god, government restrictions (including the denial or cancellation of any license or permit), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected, provided that, as a condition to the claim of non-liability, the party experiencing the difficulty shall give the other prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

1.1.4. "City" – means the City of New Bern, a municipal corporation duly established and existing pursuant to the laws of the State of North Carolina.

1.1.5. "Property" – means the real property owned by Owner located in the City of New Bern, Craven County, North Carolina, more specifically described on Exhibit A attached hereto and incorporated herein by reference.

1.1.6. "Property Sewer System" – means the unified system of pipes, conduits, lift stations, force mains, and appurtenances for collecting and transmitting sewage and other wastewater from residences, commercial establishments or any other buildings within the Property. It shall also include the rights-of-way, easements, and land parcels dedicated for the construction, operation, and maintenance of such system.

1.1.7. "City Sewer System" – means the unified system of pipes, conduits, lift stations, force mains, and appurtenances for collecting and transmitting sewage that are owned and maintained by the City of New Bern.

1.1.8. "Connection Location" – means the specific location and configuration as identified by the City, where the Owner shall cause for the Property Systems to be connected to the City Systems.

1.1.9. "NCDEQ" – means the North Carolina Department of Environment Quality.

## **2. City Obligations**

2.1. The City shall provide sewer service to the Property in an amount not to exceed 720 gallons per day (average monthly flow) of permitted sewer flow.

2.2. The City's obligation herein to provide sewer service to the Property is solely based upon permitted sewer flow, and not actual sewer flow. Additionally, the City's obligation to provide sewer service to the Property does not constitute a transfer or sale of the City's sewer treatment capacity to Owner. Owner shall have no ownership interest in the City's sewer treatment capacity, other than Owner's contract rights established herein.

2.3. The City shall allow for the connection of the Property Sewer System to the City Sewer System at the Connection Locations as identified below:

2.3.1 The Connection Location for sewer shall be a standard service connection provided by the City along West Thurman Road.

2.4. The City shall have no obligation to pay for, fund, or finance any portion of the construction of the Property Sewer System.

2.5. The City represents and warrants that it shall reserve and guarantee sufficient sewer collection and treatment capacity to fulfill its obligations established herein pursuant to the terms and conditions contained herein, SUBJECT ALWAYS to a force majeure, and the rights of the State of North Carolina, or any agency or department thereof, to restrict or preclude the City's ability to comply with its obligations hereunder. In the event of a force majeure, or any limitation or moratorium imposed on the City by the State of North Carolina or any agency or department thereof that limits or precludes the City's ability to comply with its obligations hereunder, the City shall use reasonable efforts and proceed in good faith to cure its inability to comply with the terms of this Agreement as promptly as reasonably possible.

2.6. It is specifically understood and agreed between the Parties that every obligation assumed herein by the City is subject to the limitation "to the extent that it may legally do so."

### **3. Owner Obligations**

3.1 Prior to performing any land disturbing activities on the Property, the Owner shall petition the Board of Alderman of the City of New for annexation of the Property. This action shall be performed by the Owner prior to obtaining a City of New Bern building permit and/or a City of New Bern sewer availability letter.

3.2. Owner understands and agrees that all sewer users within the Property will pay user rates, user system development fees, user connection fees, and any other applicable fees and charges established in the City Code as are established and fixed from time to time by the Board of Aldermen. Owner further understands and agrees that all sewer users within the Property will

become City sewer customers subject to all of the rules and regulations applicable to City sewer customers as the same are established and fixed from time to time by the Board of Alderman of the City.

**4. Miscellaneous**

4.1. If any of the provisions of this Agreement shall be held by a court of competent jurisdiction to be unconstitutional or unenforceable, the decision of such court shall not affect or impair any of the remaining provisions of this Agreement, and the parties shall, to the extent they deem to be appropriate, take such actions as are necessary to correct any such unconstitutional or unenforceable provision. It is hereby declared to be the intent of the parties to this Agreement that this Agreement would have been approved and executed had such an unconstitutional or unenforceable provision been excluded therefrom.

4.2. This Agreement shall be enforceable by each party hereto by all remedies available at law or in equity, including but not limited to specific performance. Failure or delay to exercise any right, remedy or privilege hereunder shall not operate as a waiver of such right, remedy or privilege nor prevent subsequent enforcement thereof.

4.3. This Agreement shall be executed by the Parties hereto in duplicate originals, each of which, when executed, shall constitute one and the same Agreement and one of which shall be retained by each party.

4.4. This Agreement shall be governed in accordance with the laws of the State of North Carolina.

4.5. Each party agrees that from and after the date of execution hereof, each will, upon the request of the other, execute and deliver such other documents and instruments and take such other actions as may be reasonably required to carry out the purpose and intent of this Agreement.

4.6. This Agreement may not be modified or amended except by subsequent written agreement authorized and executed by each party.

4.7. This Agreement is solely for the benefit of the identified parties to the Agreement and is not intended to give any rights, claims, or benefits to third parties or to the public at large.

4.8. Owner may not assign this Agreement without the express written consent of the City.

IN TESTIMONY WHEREOF, the City has caused this instrument to be executed as its act and deed by the Mayor, and its corporate seal to be hereunto affixed, and attested by its City Clerk, all by the authority of its Board of Aldermen; and Owner has executed or caused this document to be executed by them, all as of the day and year first above written.

**CITY OF NEW BERN**

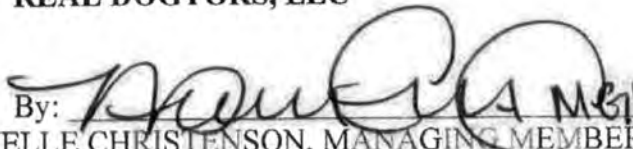
By: \_\_\_\_\_  
JEFFREY T. ODHAM, MAYOR

ATTEST:

\_\_\_\_\_  
BRENDA E. BLANCO, CITY CLERK

(CORPORATE SEAL)

**REAL DOGTORS, LLC**

By:  \_\_\_\_\_  
MICHELLE CHRISTENSON, MANAGING MEMBER



I, \_\_\_\_\_, a notary public in and for said county and state, do hereby certify that on the \_\_\_\_ day of \_\_\_\_\_, 2023, before me personally appeared JEFFREY T. ODHAM with whom I am personally acquainted, who, being by me duly sworn, says that he is the Mayor and that BRENDA BLANCO is the City Clerk of the City of New Bern, the municipal corporation described in and which executed the foregoing instrument; that he knows the common seal of said municipal corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the municipal corporation was subscribed thereto by the said Mayor; that the said common seal was affixed, all by order of the Board of Aldermen of said municipal corporation; and that the said instrument is the act and deed of said municipal corporation.

WITNESS my hand and notarial seal, this the \_\_\_\_ day of \_\_\_\_\_, 2023.

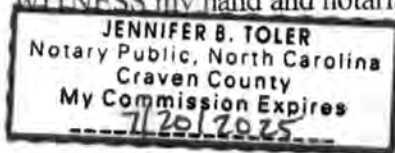
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

\_\_\_\_\_  
NORTH CAROLINA  
Craven COUNTY

This is to certify that on the 13<sup>th</sup> day of November, 2023, before me personally appeared Midreille Christenson with whom I am personally acquainted, who, being by me duly sworn, says:

WITNESS my hand and notarial seal, this 13<sup>th</sup> day of November, 2023.



Jennifer B. Toler  
NOTARY PUBLIC

My commission expires:

7/20/2025

EXHIBIT A

684 WEST THURMAN ROAD  
CRAVEN COUNTY PARCEL ID: 7-109-017

All that certain tract or parcel of land lying and being situate in Number Seven (7) Township, Craven County, North Carolina, being more particularly described as follows:

Lot 1 (6.10 +/- acres) as depicted on a plat entitled "Survey and Division for the Estate of Sandra S. Buick," dated November 23, 2010 and prepared by James C. Simmons, Jr. PLS as recorded in Plat Cabinet H, Slide 181 F, in the Office of the Register of Deeds of Craven County, said survey incorporated herein by reference for a more accurate, detailed and precise description of the aforesaid property.





## Craven County GIS 684 West Thurman Road

Craven County does NOT warrant the information shown on this map and should be used ONLY for tax assessment purposes. Printed on November 28, 2023 at 2:36:56 PM

1 inch = 281 feet





## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting a Resolution Approving a Grant from the NC Department of Public Safety, Emergency Management Program for the purchase of a underwater Remote Operated Vehicle (ROV)

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b>
<b>Department:</b> Police	<b>Person Submitting Item:</b> Chief Patrick Gallagher
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	The ROV will aid first responders and other emergency management officials in Eastern North Carolina in a variety of assignments ranging from evidence recovery and search and rescue missions. The ROV will reduce risk to personnel from unnecessary risk posed to them by diving in confined spaces and other hazardous conditions. The ROV is valued at \$72,077.60.
<b>Actions Needed by Board:</b>	Approval of Memorandum of Agreement and signature by Mayor
<b>Backup Attached:</b>	Memo, Resolution
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b> \$0
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Additional Notes:**



Founded 1797

# NEW BERN

## NEW BERN POLICE DEPARTMENT

P.O. Box 1129, New Bern, NC 28563-1129  
(252) 672-4100

*Police and Community Come Together Here*



Patrick L. Gallagher  
Chief of Police

**To:** Mayor Jeffrey T. Odham and the Board of Aldermen  
**From:** Chief Patrick Gallagher  
**Date:** November 16, 2023  
**Subject:** Acceptance of North Carolina Emergency Management Underwater ROV Grant

The New Bern Police Department is seeking approval to accept a non-matching grant in the amount of \$72,077.60 for the purchase of an underwater Remote Operated Vehicle (ROV). The ROV will aid first responders and other emergency management officials in Eastern North Carolina in a variety of assignments ranging from evidence recovery and search and rescue missions. The ROV will reduce risk to personnel from unnecessary risk posed to them by diving in confined spaces and other hazardous conditions.

We recommend approval of this grant.



A Nationally Accredited Agency

Integrity – Motivation – Professionalism – Accountability – Commitment – Trust



## **RESOLUTION**

WHEREAS, the Chief of Police and the City Manager have recommended the adoption of a Memorandum of Agreement ("MOA") with the North Carolina Department of Public Safety, Emergency Management (NCEM) to accept a grant for the purchase of an underwater remote operated vehicle; and

WHEREAS the Board deems it advisable to approve said MOA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of New Bern that the MOA with the North Carolina Department of Public Safety, Emergency Management (NCEM), a copy of which is attached hereto and incorporated herein by reference, is hereby approved, and the Mayor and City Manager are authorized to execute said agreement in duplicate originals or electronically.

ADOPTED THIS 12<sup>th</sup> DAY OF DECEMBER 2023.

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JEFFREY T. ODHAM, MAYOR

---

BRENDA E. BLANCO, CITY CLERK



**NC Department of Public Safety**  
EMERGENCY MANAGEMENT

Roy Cooper, Governor

Eddie M. Buffaloe Jr., Secretary  
William C. Ray, Director

## **Homeland Security Grant Program (HSGP)**

**Fiscal Year 2023**

AL#: 97.067

Grant #: EMW-2023-SS-00034

### **Memorandum of Agreement (MOA)**

**between**

**RECIPIENT**

State of North Carolina  
Department of Public Safety  
Emergency Management (NCEM)  
1636 Gold Star Dr  
Raleigh, NC 27607

**SUBRECIPIENT**

City of New Bern Police Department  
601 George Street  
New Bern, NC 28563-  
Tax ID/EIN #: 56-6000235  
UEID #:

**MOA #:** 2340005

**Cost center:** 1502-7A38-3H13

**Award amount:** \$72,077.60

**Period of performance (POP):** September 1, 2023 to February 28, 2026

#### **1. Purpose**

The purpose of this Memorandum of Agreement (MOA) is to establish responsibilities and procedures to implement the terms and conditions of the US Department of Homeland Security (DHS) Homeland Security Grant Program (HSGP). More information about HSGP is available at: <https://www.fema.gov/grants/preparedness/homeland-security>. This MOA is to set forth terms by which RECIPIENT shall provide HSGP funding to SUBRECIPIENT to fund projects related to Homeland Security Planning, Operations, Equipment, Training and Exercises. For a more detailed description of the approved scope of work see Attachment 1. The scope of work is the approved Application as submitted by SUBRECIPIENT with any amendments approved by RECIPIENT.

This MOA is to set forth terms by which RECIPIENT shall provide HSGP funding to SUBRECIPIENT to fund projects related to meeting DHS National Priorities as identified in the Department of Homeland Security Notice of Funding Opportunity (NOFO) for FY2023 HSGP. See Attachment 1 for a detailed description of the approved scope of work for the approved project(s) for this grant. The scope of work is the approved Application as submitted by SUBRECIPIENT with any amendments approved by RECIPIENT.

#### **2. Program Authorization and Regulations**

This MOA is authorized under the provisions of: (1) Section 2002 of the *Homeland Security Act of 2002* (Pub. L. No. 107-296, as amended) (6 U.S.C. § 603), (2) Consolidated Appropriations Act, 2023 (Pub. L. No. 117-328), (3) FY 2023 HSGP NOFO, (4) applicable *FEMA Grant Programs Directorate Information Bulletins*, and (5) *NC Emergency Management Act*, North Carolina General Statutes (N.C.G.S.) Chapter 166A.

The funds awarded under this grant must be used in compliance with all applicable federal, state, local and tribal laws and regulations. By accepting this award, SUBRECIPIENT agrees to use these funds in a manner consistent with all applicable laws and regulations.

**3. Projects managed by RECIPIENT (NCEM) on behalf of SUBRECIPIENT - Return of Funds**

\_\_\_ By initialing, SUBRECIPIENT requests that RECIPIENT (NCEM on behalf of State of North Carolina) retains all funds awarded to SUBRECIPIENT under this grant. SUBRECIPIENT desires for NCEM and/or its assigns to conduct the activities described in Attachment 1 of this MOA on its behalf. These activities are related to planning, making equipment purchases, and conducting training and exercises to improve prevention, protection, preparedness, response, and recovery capabilities. SUBRECIPIENT relieves itself from the requirements set forth in this MOA with respect to all funds returned to RECIPIENT. NCEM agrees to assume responsibility for all requirements set forth in this MOA with respect to all funds assigned to SUBRECIPIENT, if SUBRECIPIENT checks this box.

**4. Assignment of Funds by SUBRECIPIENT to Designated Third Party (not NCEM)**

\_\_\_ By initialing, SUBRECIPIENT agrees to assign all funds awarded under this grant to a third party:

By signature of this MOA (at DESIGNATED THIRD PARTY on signatory page), the designated third party agrees to assume responsibility for all requirements set forth in this MOA with respect to all funds assigned to SUBRECIPIENT.

**5. Funding**

All terms and conditions of this MOA are dependent upon and subject to the allocation of funds from DHS and NCEM for the purposes set forth, and the MOA shall automatically terminate if funds cease to be available.

Allowable costs shall be determined in accordance with applicable DHS Program Guidelines, which include, but may not be limited to, the FY2023 HSGP NOFO, 2 CFR 200 Subpart E, Federal Acquisition Regulations (FAR) Part 31.2, OMB Circulars A-21, and applicable DHS and FEMA financial management guidance available at <https://www.dhs.gov/dhs-grants> and <https://www.fema.gov/grants/guidance-tools>. Allowable costs are also subject to the approval of the State Administrative Agent (SAA) for the State of North Carolina, the Secretary of the Department of Public Safety.

**6. Funding Eligibility Criteria**

Federal funds administered through RECIPIENT (NCEM on behalf of State of North Carolina) are available to local governments to assist in the cost of developing and maintaining a comprehensive homeland security response program.

Local government entities are defined in N.C.G.S. 159-44 as: “counties; cities, towns, and incorporated villages; consolidated city-counties, as defined by G.S. 160B-2(1); sanitary districts; mosquito control districts; hospital districts; merged school administrative units described in G.S. 115C-513; metropolitan sewerage districts; metropolitan water districts; metropolitan water and sewerage districts; county water and sewer districts; regional public transportation authorities; and special airport districts.” Federally recognized tribes are also included as eligible local government pass-through entities per the FY23 HSGP NOFO.

Continued HSGP funding is contingent upon completion of all HSGP funding requirements. The following eligibility criteria must be adhered to during the entire duration of the grant program.

SUBRECIPIENT must:

- A. Be established as a state agency or as a local government entity as defined above by appropriate resolution/ordinance.
- B. Have a Unique Identity ID (UEID) prior to any funds being released. UEID may be obtained from <http://www.sam.gov>.
- C. Ensure their organization is registered with the System for Award Management (SAM) and that their organization maintains an active SAM registration, i.e. renewed annually. Every applicant is required to have their name, address, and UEID up to date in SAM, and the UEID used in SAM must be the same one used to apply for all FEMA awards. SAM information can be found at <http://www.sam.gov>. Future payments will be

contingent on the information provided in SAM; therefore it is imperative that the information is correct, and that an active SAM registration is properly maintained.

- D. Complete any procurement(s) and expenditures no later than 02/28/2026.
- E. Submit requests for reimbursement (RFR) with all required documentation attached. Requests for reimbursement will not be processed unless/until annual progress report submissions are current. See paragraph 8.C. below.

## 7. Compensation

RECIPIENT agrees that it will pay SUBRECIPIENT compensation for eligible services rendered by SUBRECIPIENT. Payment to SUBRECIPIENT for expenditures under this MOA will be reimbursed after SUBRECIPIENT's RFR is submitted and approved for eligible scope of work activity. Grant funds will be disbursed (according to the approved project budget) upon receipt of evidence that funds have been invoiced, products or services received (i.e., invoices, contracts, itemized expenses, etc.), and proof of payment is provided. Final RFR must be submitted no later 03/31/26, unless period of performance (POP) is extended. The original signed copy of this MOA must be signed by the Official(s) authorized to sign below and returned to RECIPIENT no later than 45 days after the MOA has been submitted for execution.

This MOA shall be effective upon return of execution from SUBRECIPIENT and final approval by RECIPIENT. Upon final approval of this MOA by RECIPIENT, POP for this grant is 09/01/23 - 02/28/26. Grant funds will be disbursed upon receipt of evidence that funds have been invoiced, products or services received, and proof of payment is provided. Any unexpended grant funds remaining after end of POP revert to RECIPIENT.

### SUBRECIPIENT:

- A. Understands and acknowledges that total funding level available under this MOA will not exceed the awarded amount \$72,077.60. SUBRECIPIENT acknowledges that they are further prohibited from sub-granting these funds. Attachment 1 and any approved amendments constitute the approved scope of work for this grant award.
- B. Understands and agrees that funding shall be subject to the availability of appropriated funds, pursuant to N.C.G.S 143C-1-1. However, in the event of MOA termination due to lack of adequate appropriated funds, RECIPIENT will ensure that it will pay for services and goods acquired and obligated on or before the notice of agreement termination.
- C. Must meet all funding requirements contained herein. Non-compliance may result in denial of reimbursement request(s) or suspension/revocation of grant funds awarded for this project. See also paragraph 37 below regarding compliance.

## 8. Conditions

Funding is contingent upon completion of all funding requirements. The following conditions must be adhered to during the entire duration of the grant program.

### A. SUBRECIPIENT must:

- i. Complete any procurements, expenditures, and receipt of goods or services within the POP.
- ii. No Match Requirement. SUBRECIPIENT is not required to provide matching funds in cash or in-kind for this award.
- iii. Submit requests for reimbursement with all required documentation attached. Once RECIPIENT is satisfied that SUBRECIPIENT has provided all required documentation, the requested distributions can be processed for payment. The distributions of funds will be coded to cost center 1502-7A38-3H13 in the North Carolina Accounting System (NCAS). See SUBRECIPIENT paragraph 11.G .

- B. Required Documents/Forms. SUBRECIPIENT must submit the following documents to RECIPIENT ([hsgp@ncdps.gov](mailto:hsgp@ncdps.gov)) upon execution of this MOA. This is not required if SUBRECIPIENT has previously submitted these documents to RECIPIENT for this or any other grant; however, if any of these documents are not current, SUBRECIPIENT must submit updated document(s):

- i. W-9 (09 NCAC 03M .0202)



- ii. Electronic Payment / Vendor Verification Form (09 NCAC 03M .0202)
- iii. Conflict of Interest Policy (G.S. 143C-6-23.(b))
- iv. Sworn (Notarized) No Overdue Tax Debt Certification (G.S. 143C-6-23.(c))
- v. SUBRECIPIENT Procurement Policy

- C. Annual Progress Reports. Provide annual progress reports to RECIPIENT ([hsdp@ncdps.gov](mailto:hsdp@ncdps.gov)) using the Annual Progress Report form (Attachment 2) by: 07/31/24; 07/31/25; and, with final RFR submitted per SUBRECIPIENT paragraph 11.G. below.

Even if there are no expenditures an annual progress report must be submitted by SUBRECIPIENT to update their progress toward completion of approved scope of work specified in Attachment 1 and any approved amendments. If SUBRECIPIENT closes their award prior to end of POP no further annual reports are required.

- D. Nationwide Cybersecurity Review (NCSR). SUBRECIPIENT is required to complete the NCSR, administered by the MS-ISAC, during the first year of this grant award POP and annually thereafter through the last year of this grant award POP.

Three NCSRs are required as follows, even if the project is completed prior to 2026:

- The first NCSR for 2023 is required to be completed between 10/01/2023 and 02/28/2024.
- The second NCSR for 2024 is required to be completed between 10/01/2024 and 02/28/2025.
- The third NCSR for 2025 is required to be completed between 10/01/2025 and 02/28/2026.

## 9. Supplantation

Subrecipients are required to assure and certify that these grant funds will not be used to supplant or replace local or state funds or other resources that would otherwise have been available for homeland security activities. Subrecipients may be required to supply documentation certifying that a reduction in non-federal resources occurred for reasons other than the receipt or expected receipt of federal funds.

## 10. Scope of Work

SUBRECIPIENT shall implement the HSGP project specified in Attachment 1 and as described in the approved project application, including the project objective SUBRECIPIENT selected in the application. That application is hereby incorporated by reference into this MOA.

Documentation to be provided throughout POP:

- A. Annual reports, per paragraph 8.C. above.
- B. Annual NCSR, per paragraph 8.D. above.
- C. SUBRECIPIENT-involved legal action that pertains to any goods or services purchased with grant funds.
- D. Copies of any audits and corrective actions pertaining to these grant funds or any other funds provided to SUBRECIPIENT by RECIPIENT.
- E. After-action report from exercises in accordance with Homeland Security Exercise and Evaluation Program Doctrine (HSEEP).
- F. Training course roster, description and syllabus.
- G. All legible and complete invoices and receipts detailing the expenditures associated with the project. Receipts must contain the following information:
  - i. Name and address of the vendor or establishment providing the product or service.
  - ii. Vendor/Payee invoice number, account number, and any other unique meaningful identifying number.
  - iii. Date product received or service provided.
  - iv. Itemized description of all products or services.
  - v. Unit price of products or services (if applicable).
  - vi. Total amount of eligible expenditures.
  - vii. Copy of executed contract/subcontract agreement (if applicable).



viii. Proof of payment of expenses associated with the project.

H. Any other documentation requested by RECIPIENT.

## 11. Responsibilities

### RECIPIENT:

- A. RECIPIENT shall provide funding to SUBRECIPIENT to perform the activities as described herein.
- B. RECIPIENT shall conduct a review of the project to ensure that it is in accordance with HSGP requirements.
- C. RECIPIENT shall monitor the completion of the approved scope of work as specified in Attachment 1 and any approved amendments.
- D. RECIPIENT has obligated the funding for this MOA within 45 days of acceptance of the federal award by signing this MOA.
- E. RECIPIENT shall provide required annual progress report form (Attachment 2) and provide reimbursement request forms required for reimbursement subsequent to execution of this MOA (See SUBRECIPIENT paragraph 11.G.).

### SUBRECIPIENT:

- A. This MOA must be signed and returned to RECIPIENT within 30 days after SUBRECIPIENT receives this MOA. The grant shall be effective upon return of the MOA.
- B. SUBRECIPIENT shall expend FY 2023 HSGP funds in accordance with the FY2023 HSGP NOFO, the grant application, and this MOA.
- C. Procurement.
  - i. SUBRECIPIENT shall utilize State of North Carolina and/or local procurement policies and procedures for the expenditure of funds, and conform to applicable state and federal law and the standards identified in 2 CFR 200.317 – 200.327.
  - ii. SUBRECIPIENT must follow procurement procedures and policies as outlined in the applicable FY2023 HSGP NOFO, Appendix II of 2 CFR Part 200-Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, and the 2023 FEMA Preparedness Grants Manual. SUBRECIPIENT shall comply with all applicable laws, regulations and program guidance. SUBRECIPIENT must comply with the most recent version of the funding administrative requirements, cost principles, and audit requirements.
  - iii. Administrative and procurement practices must conform to applicable federal requirements. A non-exclusive list of regulations commonly applicable to DHS grants are listed below, codified in the following guidance: 15 CFR Part 24; Federal Acquisition Regulations (FAR), Part 31.2; 28 CFR Part 23 “Criminal Intelligence Systems Operating Policies”; 49 CFR Part 1520 “Sensitive Security Information”; Public Law 107-296, The Critical Infrastructure Act of 2002; Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000 et. seq.; Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 et. seq.; Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794; The Age Discrimination Act of 1975, as amended, 20 U.S.C. 6101 et. seq.; Cash Management Improvement Act (CMIA) and its implementing regulations at 31 CFR Part 205; FEMA Grant Programs Directorate, Grants Management Division, Match Guidance; Certifications and Assurances regarding Lobbying 31 U.S.C. 1352, Drug-Free Workplace Act, as amended, 41 U.S.C. 701 et. seq. and Certification Regarding Drug-Free Workplace Requirements, Debarment and Suspension Executive Orders 12549 and 12689 and certification regarding debarment, suspension and other responsibility matters; 28 CFR Parts 66, 67, 69, 70 and 83; and Grant Award and Special Conditions documents.
  - iv. Mini-Brooks Act. Subrecipients that are governmental entities or otherwise subject to the requirements of the Local Government Commission (LGC) per 20 NCAC 03 are required under North Carolina law to follow rules and regulations in the “Mini-Brooks Act”, G.S. 143-64.31, for the procurement of certain professional services performed by architects, engineers, surveyors, and construction managers at risk.
  - v. Conflicts of Interest. See paragraph 11.M.iii. below.
  - vi. Complete all procurement by February 28, 2026.

- D. Comply with current federal laws and suspension and debarment regulations pursuant to 2 CFR 200.213 – 200.214, 2 CFR Part 180 and U.S. Office of Management and Budget (OMB) Guidance, which requires in pertinent part that when a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded.

SUBRECIPIENT shall be responsible to ensure that it has checked the federal System for Awards Management (SAM), <https://sam.gov/content/exclusions> and the State Debarred Vendors Listing, <https://ncadmin.nc.gov/documents/nc-debarred-vendors>, to verify that contractors or subrecipients have not been suspended or debarred from doing business with the federal government.

- E. Per 09 NCAC 03M, agencies shall not disburse any state financial assistance to an entity that is on the Suspension of Funding List (SOFL). OSBM maintains the SOFL. The SOFL is updated on a weekly basis. SUBRECIPIENT is prohibited under this MOA from procurement, and/or contracting with any entity listed on the SOFL using these grant funds.

- F. Indirect Costs. No indirect or administrative costs will be charged to this award. See 2 CFR 200.332(a).

- G. Requests for Reimbursement (RFR). Submit RFR for items or services received to: [hsgp@ncdps.gov](mailto:hsgp@ncdps.gov). RECIPIENT will reimburse SUBRECIPIENT for eligible costs as outlined in the applicable DHS program guidelines and FY2023 HSGP NOFO. SUBRECIPIENT must take possession of all purchased equipment and receive any grant-eligible service prior to seeking reimbursement from RECIPIENT. SUBRECIPIENT must submit request for reimbursement within 60 days of payment of invoice. Requests for reimbursement submitted more than 60 days after SUBRECIPIENT payment of invoice may be denied.

RFR must include sufficient documentation that approved expenditures have been properly invoiced and paid by SUBRECIPIENT, and that the products and/or services have in fact been received by SUBRECIPIENT. RFRs must also include a cost report form (supplied by the RECIPIENT) and a summary of all expenditures included in the RFR completed by SUBRECIPIENT. Summary of expenditures should include at a minimum: vendor name, date of purchase, invoice number, total invoice amount, and reimbursable amount.

- H. Funds Management. SUBRECIPIENT agrees that funds paid through this grant shall be accounted for in a separate fund and accounting structure within SUBRECIPIENT's central accounting and grant management system. SUBRECIPIENT agrees to manage all accounts payable disbursements, check register disbursements and related transactions in a detailed manner that supports fully transparent accounting of all financial transactions associated with the funding for this grant.

- i. Expenditures for travel mileage, meals, lodging and other travel expenses incurred in the performance of this grant shall be reasonable and supported by documentation. State rates should be used as guidelines. International travel shall not be eligible under this MOA. Subrecipient must have an acceptable local travel regulation plan or accept the state travel regulations. Refer to 2 CFR 200.475 for travel costs.
- ii. If eligible, SUBRECIPIENT shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this grant, pursuant to N.C.G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reported expenditures.

- I. Maintain Required Subrecipient File Documentation as specified in this MOA (Attachment 3). SUBRECIPIENT is required to maintain all records of this grant for three years after termination of the grant, or audit if required, or longer where required by law, as outlined below. SUBRECIPIENT must meet the record retention requirements in 2 CFR 200.334 and must maintain a file for each HSGP grant award. However, if any litigation, claim or audit has been initiated prior to the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The following files must be available for review by NCEM staff for site visits, project closeout and audits:

- i. Resolution/ordinance establishing SUBRECIPIENT as a state or local government entity.
- ii. Award letter, MOA, and supporting attachments.
- iii. Completed appropriate reports with specifications, solicitations, competitive quotes or proposals, basis for selection decisions, purchase orders, contracts, invoices and proof(s) of payment.
- iv. Audit findings and corrective action plans.

- J. Property and Equipment. SUBRECIPIENT shall have sole responsibility for the maintenance, insurance, upkeep, and replacement of any equipment procured pursuant to this MOA as follows:
- i. Only allowable equipment listed in the Authorized Equipment List (AEL) for HSGP are eligible for purchases from this grant.
  - ii. Property and equipment purchased with HSGP funds shall be titled to SUBRECIPIENT, unless otherwise specified by NCEM, DHS and/or FEMA. SUBRECIPIENT shall be responsible for the custody and care of any property and equipment purchased with HSGP funds furnished for use in connection with this MOA, and shall reimburse RECIPIENT for any loss or damage to said property until the property is disposed of in accordance with HSGP Program requirements. RECIPIENT will not be held responsible for any property purchased under this MOA.
  - iii. SUBRECIPIENT must utilize all property and equipment as intended in their project application to NCEM. Any variation from this intended use must be requested in writing and approved by NCEM.
  - iv. RECIPIENT and SUBRECIPIENT shall take an initial physical inventory of any equipment. Equipment is defined as tangible, non-expendable property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. SUBRECIPIENT may have property management guidelines that are more restrictive, requiring a unit of equipment with a value of less than \$5,000 to be inventoried. If so, such equipment purchased under this award allocation shall be included on the report submitted to RECIPIENT. The grant summary, cost reports with backup documentation, certificate of title, and any other SUBRECIPIENT reports or inventory reports that include information regarding the grant, vendor, invoice number, cost per item, number of items, description, location, condition and identification number may be used to meet this requirement.
  - v. SUBRECIPIENT must ensure a control system exists to ensure adequate safeguards to prevent loss, damage or theft. SUBRECIPIENT shall be responsible for replacing or repairing equipment which is willfully or negligently lost, stolen, damaged, or destroyed. Any loss, damage or theft of the property must be investigated and fully documented and made part of the official project records.
  - vi. SUBRECIPIENT or equipment owner must ensure adequate maintenance procedures exist to keep the equipment in good condition.
  - vii. Use. Per 2 CFR 200.313, during the time that equipment is used on the project or program for which it was acquired, SUBRECIPIENT must also make the equipment available for use on other projects or programs currently or previously supported by this or other federal grants, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by DHS that financed the equipment and second preference must be given to other programs or projects under grants from other federal awarding agencies. NCEM, in conjunction with DHS and/or FEMA, will determine and direct how equipment will be redeployed.
- K. Disposition Procedures. Unless otherwise directed by RECIPIENT, DHS and/or FEMA, SUBRECIPIENT may dispose of the equipment when the original or replacement equipment acquired under the grant award is no longer needed for the original project or program, or for other activities currently or previously supported by a federal awarding agency. However, SUBRECIPIENT must notify RECIPIENT ([hsgp@ncdps.gov](mailto:hsgp@ncdps.gov)) prior to disposing of any equipment purchased with grant funds. Items with a fair market value of less than \$5,000 may be retained, transferred or otherwise disposed of with prior approval of NCEM and in accordance with disposition requirements in 2 CFR 200.313. Unless otherwise directed by NCEM, DHS and/or FEMA, items with a current per unit standard federal or fair market value in excess of \$5,000 may be retained but may not be transferred or otherwise disposed of without prior NCEM approval in accordance with disposition requirements in 2 CFR 200.313. SUBRECIPIENT must provide documentation that includes the method used to determine current fair market value. This applies for the lifetime of the equipment purchased with federal grant funds, even if the federal grant is closed.
- L. Communications equipment. In an effort to align communications technologies with current statewide communications plans, systems, networks, strategies and emerging technologies, the NCEM Communications Branch requires that purchases made with grant funds meet the standards identified in Attachment 6.
- M. The purchase or acquisition of any additional materials, equipment, accessories or supplies, or the provision of any training, exercise or work activities beyond that identified in the approved scope of work specified in



Attachment 1 and any approved amendments, shall be the sole responsibility of SUBRECIPIENT and shall not be reimbursed under this MOA.

N. Conflicts of Interest.

- i. State Law. Per N.C.G.S. § 143C-6-23(b), SUBRECIPIENT is required to file with RECIPIENT a copy of SUBRECIPIENT's policy addressing conflicts of interest that may arise involving SUBRECIPIENT's management employees and the members of its board of directors or other governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as SUBRECIPIENT's employees or members of its board or other governing body, from RECIPIENT's disbursing of grant funds, and shall include actions to be taken by SUBRECIPIENT or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. **The policy shall be filed before RECIPIENT may disburse any grant funds.**
- ii. Federal Law – Grant Administration. Per 2 CFR 200.112 and the 2023 FEMA Preparedness Grants Manual, all subrecipients must disclose in writing to NCEM, and attempt to avoid, any real or potential conflict of interest that may arise during the administration of a federal grant award. For purposes of this MOA, conflicts of interest may arise in situations where a subrecipient employee, officer, or agent, any members of his or her immediate family, or his or her partner has a family relationship, close personal relationship, business relationship, or professional relationship, with anybody at DHS, FEMA and/or NCEM involved in the administration of this grant award.
- iii. Federal Law – Procurement. Per 2 CFR 200.318 and the 2023 FEMA Preparedness Grants Manual, all subrecipients that are non-federal entities other than states are required to maintain written standards of conduct covering conflicts of interest and governing the actions of their employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such conflicts of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the subrecipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, subrecipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the subrecipient. All subrecipients must disclose in writing to NCEM, and attempt to avoid, any real or potential conflicts of interest with respect to procurement, contracting and subcontracting with funds provided under this grant award. Upon request, subrecipients must also provide a copy of their standards of conduct policy covering conflicts of interest with respect to procurement, contracting and subcontracting with funds provided under this grant award.

O. Environmental Planning and Historic Preservation (EHP) Compliance. Subrecipients proposing projects that could impact the environment, including, but not limited to, the construction of communication towers, modification or renovation of existing buildings, structures, and facilities, or new construction including replacement of facilities, must participate in the DHS/FEMA EHP review process. For details: <https://www.fema.gov/grants/preparedness/preparedness-grants-ehp-compliance>. See paragraph 16. below.

P. All materials publicizing or resulting from award activities, including websites, social media and TV/radio, shall contain this acknowledgement: "This project was supported by a federal award from the US Department of Homeland Security, Department of Public Safety, North Carolina Emergency Management." Use of DHS seal(s), logo(s) and flags must be approved by DHS. Printed as a legend, either below or beside the logo(s) shall be the words "Funded by US Department of Homeland Security".

Q. Comply with the applicable federal statutes, regulations, policies, guidelines, requirements and certifications as outlined in the FY 2023 HSGP NOFO and Subaward Notification.

R. DHS Standard Terms and Conditions

SUBRECIPIENT must comply with all applicable provisions of the FY23 DHS Standard Terms and Conditions (Attachment 5). This applies to all new federal financial assistance awards funded in FY23. These terms and

conditions flow down to subrecipients unless an award term or condition specifically indicates otherwise. The United States has the right to seek judicial enforcement of these obligations. All legislation and digital resources are referenced with no digital links. The FY23 DHS Standard Terms and Conditions is housed on dhs.gov at [www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions](http://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions).

- S. **Closeout Reporting Requirements.** In accordance with 2 CFR 200.344, SUBRECIPIENT must submit to RECIPIENT, no later than 90 calendar days after the end date of the POP, all financial, performance, and other reports as required by the terms and conditions of the federal award, this MOA and FY23 DHS Standard Terms and Conditions (Attachment 4) incorporated by reference herein, for the performance of the activities.

Documentation required

- i. A complete accounting of how all grant funds were used.
  - ii. A Certification stating the funds were used for the purpose appropriated.
  - iii. A closeout letter indicating that the approved scope of work is complete.
  - iv. Any other closeout documentation requested by RECIPIENT.
  - v. SUBRECIPIENT agrees that all program activity results information reported shall be subject to review and authentication and SUBRECIPIENT will provide access to work papers, receipts, invoices and reporting records, if requested by RECIPIENT, as RECIPIENT executes any audit internal audit responsibilities.
  - vi. Once the complete final performance and financial status report package has been received and evaluated by RECIPIENT, SUBRECIPIENT will receive official notification of MOA close-out from RECIPIENT.
  - vii. The notification will inform SUBRECIPIENT that RECIPIENT is officially closing the MOA and retaining all MOA files and related material for a period of five (5) years or until all audit exceptions have been resolved, whichever is longer.
- T. Provide a list at project closeout to designated NCEM Grants Manager and NCEM Grants Management Branch ([ncemgrants1@ncdps.gov](mailto:ncemgrants1@ncdps.gov)), DPR Chair as applicable, and Branch Office of all items purchased through this grant. This information is to be reported on the "Grant- Funded Typed Resource Report" (Attachment 3) or similar spreadsheet. See FEMA Resource Typing Library Tool (RTLTL): <https://rtltoolkit.fema.gov/Public>

## 12. Taxes

SUBRECIPIENT shall be considered to be an independent subrecipient and as such shall be responsible for ALL taxes. There shall be no reimbursement for taxes incurred by SUBRECIPIENT under this grant.

If eligible, SUBRECIPIENT shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this grant, pursuant to N.C.G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reported expenditures.

## 13. Warranty

As an independent subrecipient, SUBRECIPIENT will hold RECIPIENT harmless for any liability and personal injury that may occur from or in connection with the performance of this MOA to the extent permitted by the North Carolina Tort Claims Act. Nothing in this MOA, express or implied, is intended to confer on any other person any rights or remedies in or by reason of this MOA. This MOA does not give any person or entity other than the parties hereto any legal or equitable claim, right or remedy. This MOA is intended for the sole and exclusive benefit of the parties hereto. This MOA is not made for the benefit of any third person or persons. No third party may enforce any part of this MOA or shall have any rights hereunder. This MOA does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this MOA. Nothing herein shall be construed as a waiver of the sovereign immunity of the State of North Carolina.

## 14. State of North Carolina Reporting Requirements per NCGS 143C-6-23 and 09 NCAC 03M

North Carolina state law (N.C.G.S. 143C-6-23 and 09 NCAC 03M) requires every nongovernmental entity (including non-profit organizations) that receives state or federal pass-through grant funds from state agencies to file annual reports on how those grant funds were used no later than three months after the end of the non-state entity's fiscal year. **Government entities including counties and local governments are not required to file these reports.** Refer to "State Grant Compliance Reporting Forms" on the following website for instructions and applicable forms for nongovernmental subrecipients (including non-profit organizations) to meet these requirements:



<https://www.ncdps.gov/our-organization/emergency-management/emergency-management-grants/grants-management-compliance>.

## 15. Audit Requirements

For all federal grant programs, SUBRECIPIENT is responsible for obtaining audits in accordance with 2 CFR 200 Subpart F.

Per 2 CFR 200.501, a subrecipient that receives a combined \$750,000 or more in funding from all federal funding sources, even those passed through a state agency, must have a single audit conducted in accordance with 2 CFR 200.514 and GAGAS within 9 months of the subrecipient's fiscal year end. must:

- A. Post the single audit conducted in accordance with 2 CFR 200.514 and GAGAS to the Federal Audit Clearinghouse <https://harvester.census.gov/facweb/>.
- B. Submit to DPS Internal Audit ([DPS\\_GrantComplianceReports@ncdps.gov](mailto:DPS_GrantComplianceReports@ncdps.gov)) a single audit prepared and completed in accordance with GAGAS. This can, at the option of SUBRECIPIENT, be the same single audit submitted to the Federal Audit Clearinghouse in paragraph 15.A. above.
- C. Make copies of the single audit available to the public.

Per 09 NCAC 03M.0205, a non-state entity that is not exempt from the requirements of SUBCHAPTER 03M – UNIFORM ADMINISTRATION OF STATE AWARDS OF FINANCIAL ASSISTANCE per 09 NCAC 03M.0201, that receives a combined \$500,000 or more in North Carolina state funding or federal funding passed through a state agency must within 9 months of the non-state entity's fiscal year end submit to DPS Internal Audit ([DPS\\_GrantComplianceReports@ncdps.gov](mailto:DPS_GrantComplianceReports@ncdps.gov)) a single audit prepared and completed in accordance with Generally Accepted Government Auditing Standards (GAGAS): <https://www.gao.gov/yellowbook>.

If SUBRECIPIENT is a unit of local government in North Carolina, SUBRECIPIENT may be subject to the audit and reporting requirements in N.C.G.S. 159-34, Local Government Finance Act – Annual Independent Audit, rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of grant funding received by the SUBRECIPIENT and are subject to change (see [Local Government Commission](#) for more information). See also 20 NCAC 03 (Local Government Commission).

## 16. Construction and Renovation, and Infrastructure Projects

All construction and renovation projects require EHP review. Recipients and subrecipients are encouraged to have completed as many steps as possible for a successful EHP review in support of their proposal for funding (e.g., coordination with their State Historic Preservation Office to identify potential historic preservation issues and to discuss the potential for project effects, compliance with all state and local EHP laws and requirements). Projects for which the recipient believes an Environmental Assessment (EA) may be needed, as defined in [DHS Instruction Manual 023-01-001-01, Rev 01, FEMA Directive 108-1, and FEMA Instruction 108-1-1](#), must also be identified to the FEMA HQ Preparedness Officer within six months of the award and completed EHP review materials must be submitted no later than 12 months before the end of the POP. EHP policy guidance and the EHP Screening Form, can be found online at: <https://www.fema.gov/media-library/assets/documents/90195>. EHP review materials should be sent to [hsgp@ncdps.gov](mailto:hsgp@ncdps.gov).

**Written approval must be provided by FEMA prior to the use of any HSGP funds for construction or renovation.** When applying for construction funds, subrecipients must submit evidence of approved zoning ordinances, architectural plans, and any other locally required planning permits. Additionally, subrecipients are required to submit a SF-424C form with budget information for the construction project, and an SF-424D form for standard assurances for the construction project.

Subrecipients using funds for construction projects must comply with:

- A. Davis-Bacon Act (codified as amended at 40 U.S.C. §§ 3141 et seq.). See 6 U.S.C. § 609(b)(4)(B) (cross-referencing 42 U.S.C. § 5196(j)(9), which cross-references Davis-Bacon). Subrecipients must ensure that their contractors or subcontractors for construction projects pay workers no less than the prevailing wages for laborers and mechanics employed on projects of a character like the contract work in the civil subdivision of the state in which the work is to be performed. Additional information regarding compliance with the Davis-Bacon Act,

including Department of Labor (DOL) wage determinations, is available online at <https://www.dol.gov/whd/govcontracts/dbra.htm>.

#### B. Build America, Buy America Act (BABAA)

If funding from this grant program is used for an “infrastructure” project, all iron, steel, manufactured products & construction materials used in the project must be produced in the U.S. per the *Build America, Buy America Act* (BABAA), unless an approved waiver applies, including the Small Projects Waiver, which waives the BABAA requirements for all projects that do not exceed the federal simplified acquisition threshold (currently set at \$250,000). Recipients and subrecipients of this grant must also ensure that all contracts (including purchase orders) subject to BABAA include a required contract clause and self-certification of compliance pursuant to *FEMA Interim Policy #207-22-0001: Buy America Preference in FEMA Financial Assistance Programs for Infrastructure*.

Contractors and their subcontractors who apply or bid for an award for an infrastructure project subject to the domestic preference requirement in BABAA shall file the required certification to the non-federal entity with each bid or offer for an infrastructure project unless a domestic preference requirement is waived by FEMA. Contractors and subcontractors certify that no federal financial assistance funding for infrastructure projects will be provided unless all the iron, steel, manufactured projects, and construction materials used in the project are produced in the United States. BABAA, Pub. L. No. 117-58, §§ 70901-52. Contractors and subcontractors shall also disclose any use of federal financial assistance for infrastructure projects that does not ensure compliance with BABAA domestic preference requirement. Such disclosures shall be forwarded to the recipient who, in turn, will forward the disclosures to FEMA, the federal awarding agency; subrecipients will forward disclosures to the pass-through entity, who will, in turn, forward the disclosures to FEMA.

#### 17. **Subrecipient Monitoring**

See Attachment 7 for subrecipient monitoring.

#### 18. **Points of Contact**

To provide consistent and effective communication between SUBRECIPIENT and RECIPIENT, each party shall appoint a principal representative(s) to serve as its central point(s) of contact (POC) responsible for coordinating and implementing this MOA. The NCEM contacts shall be: Assistant Director for Homeland Security, Assistant Director - Administration, the NCEM Grants Management Branch staff, and the NCEM Field Branch staff. SUBRECIPIENT point(s) of contact shall be the person(s) designated by SUBRECIPIENT in the approved application (Attachment 1), unless otherwise specified by SUBRECIPIENT. Each party shall keep the other apprised of changes to their POC.

All confidential information of either party disclosed to the other party in connection with the services provided hereunder will be treated by the receiving party as confidential and restricted in its use to only those uses contemplated by the terms of this MOA. Any information to be treated as confidential must be clearly marked as confidential prior to transmittal to the other party. Neither party shall disclose to third parties, the other party's confidential information without written authorization to do so from the other party. Specifically excluded from such confidential treatment shall be information that:

- A. As of the date of disclosure and/or delivery, is already known to the party receiving such information.
- B. Is or becomes part of the public domain, through no fault of the receiving party.
- C. Is lawfully disclosed to the receiving party by a third party who is not obligated to retain such information in confidence.
- D. Is independently developed at the receiving party by someone not privy to the confidential information.

#### 19. **Public Records Access**

While this information under federal control is subject to requests made pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. §552 et. seq., all determinations concerning the release of information of this nature are made on a case-by-case basis by the FEMA FOIA Office.

Information maintained by RECIPIENT in connection with this MOA and grant award is subject to the North Carolina Public Records Act, Chapter 132 of the North Carolina General Statutes and is subject to public records requests through NCDPS.

## **20. Contracting/Subcontracting**

If SUBRECIPIENT contracts/subcontracts any or all purchases or services under this MOA, then SUBRECIPIENT agrees to include in the contract/subcontract that the contractor/subcontractor is bound by the terms and conditions of this MOA. SUBRECIPIENT and any contractor/subcontractor agree to include in the contract/subcontract that the contractor/subcontractor shall hold NCEM harmless against all claims of whatever nature arising out of the contractors/subcontractor's performance of work under this MOA.

**If SUBRECIPIENT contracts/subcontracts any or all purchases or services required under this MOA, a copy of the executed contract/subcontract agreement must be submitted to NCEM along with the RFR in accordance with SUBRECIPIENT responsibilities in paragraph 11.G. above.** A contractual arrangement shall in no way relieve SUBRECIPIENT of its responsibilities to ensure that all funds issued pursuant to this grant be administered in accordance with all state and federal requirements. SUBRECIPIENT is bound by all special conditions of this grant award as set out in the grant application and the grant award letter Subaward Agreement incorporated by reference herein, as well as all terms, conditions, and restrictions of the FY2023 HSGP NOFO referenced herein.

## **21. Antitrust Laws**

All signatories of this MOA will comply with all applicable state and federal antitrust laws.

## **22. Prohibition on purchasing certain telecommunications - John S. McCain National Defense Authorization Act for Fiscal Year 2019 – Public Law 115-232, section 889 – 2 CFR 200.16**

Effective August 13, 2020, FEMA grant recipients and subrecipients may not use any FEMA funds under open or new awards to procure certain covered telecommunications equipment or services.

### ***Definitions***

Per section 889(f)(2)-(3) of the FY 2019 NDAA and 2 C.F.R. § 200.216, covered telecommunications equipment or services means:

- A. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of such entities);
- B. For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
- C. Telecommunications or video surveillance services provided by such entities or using such equipment; or
- D. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the People's Republic of China.

Examples of the types of products covered by this prohibition include phones, internet, video surveillance, and cloud servers when produced, provided, or used by the entities listed in the definition of "covered telecommunications equipment or services." See 2 C.F.R. § 200.471. **FEMA Policy #405-143-1** Guidance is available in FEMA Policy #405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services issued May 10, 2022.

## **23. Divestment and Do-Not-Contract Rules**

The State of North Carolina, through the Department of State Treasurer, follows several divestment and do-not-contract mandates. Information about each of these mandates is available at: <https://www.nctreasurer.com/about/transparency/commitment-transparency/divestment-and-do-not-contract-rules>.



SUBRECIPIENT may not contract with any vendors on any of these designated divestment and do-not-contract lists using HSGP grant funds, and SUBRECIPIENT must comply with all other requirements of these divestment and do-not-contract laws.

#### **24. Acknowledgement of Federal Funding from DHS**

Subrecipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposal, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.

#### **25. Lobbying Prohibition**

SUBRECIPIENT certifies, to the best of its knowledge and belief, that:

- A. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person or employee of any state or federal agency, a member of the NC General Assembly, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representative of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### **26. Assurance of Compliance with Civil Rights Act of 1964 – Title VI, Civil Rights Act of 1968, and Related Provisions**

During the performance of this agreement, SUBRECIPIENT for itself, its assignees and successors in interest agrees as follows:

- A. Age Discrimination Act of 1975  
Subrecipients must comply with the requirements of the Age Discrimination Act of 1975, Public Law 94-135 (1975) (codified as amended at Title 42, U.S. Code, section 6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.
- B. Americans with Disabilities Act of 1990  
Subrecipients must comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, Pub. L. 101-336 (1990) (codified as amended at 42 U.S.C. sections 12101 - 12213), which prohibits Subrecipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities.
- C. Civil Rights Act of 1964 - Title VI  
Subrecipients must comply with the requirements of Title VI of the Civil Rights Act of 1964 (codified as amended at 42 U.S.C. section 2000d et seq.), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. DHS implementing regulations for the Act are found at 6 C.F.R. Part 21 and 44 C.F.R. Part 7.

**D. Civil Rights Act of 1968**

Subrecipients must comply with Title VIII of the Civil Rights Act of 1968, Pub. L. 90-284, as amended through Pub. L. 113-4, which prohibits Subrecipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (see 42 U.S.C. section 3601 et seq.), as implemented by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units - i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) - be designed and constructed with certain accessible features. (See 24 C.F.R. Part 100, Subpart D.)

**E. Education Amendments of 1972 (Equal Opportunity in Education Act) - Title IX**

Subrecipients must comply with the requirements of Title IX of the Education Amendments of 1972, Pub. L. 92-318 (1972) (codified as amended at 20 U.S.C. section 1681 et seq.), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance. DHS implementing regulations are codified at 6 C.F.R. Part 17 and 44 C.F.R. Part 19.

**F. Limited English Proficiency (Civil Rights Act of 1964 - Title VI)**

Subrecipients must comply with Title VI of the Civil Rights Act of 1964, (42 U.S.C. section 2000d et seq.) prohibition against discrimination on the basis of national origin, which requires that Subrecipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance:

<https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited> and additional resources on <http://www.lep.gov>. Guidance for Department-Supported Organizations to Provide Meaningful Access to People with Limited English Proficiency | Homeland Security CRCL announced that DHS has published new Guidance for Subrecipients of DHS financial assistance in the Federal Register.

**G. Nondiscrimination in Matters Pertaining to Faith-Based Organizations**

It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. Subrecipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

**H. Rehabilitation Act of 1973**

Subrecipients must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (1973) (codified as amended at 29 U.S.C. section 794), which provides that no otherwise qualified handicapped individuals in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

**I. Whistleblower Protection Act**

Subrecipients must comply with the statutory requirements for whistleblower protections (if applicable) at 10 U.S.C section 2409, 41 U.S.C. section 4712, and 10 U.S.C. section 2324, 41 U.S.C. sections 4304 and 4310.

**27. Assurance of Compliance with Privacy Act**

SUBRECIPIENT agrees:

A. To comply with the provisions of the Privacy Act of 1974, 5 U.S.C. §552A and regulations adopted there under, when performance under the program involves the design, development, or operation of any system or records on individuals to be operated by the Subrecipient, its third-party subrecipients, contractors, or their employees to accomplish a DHS function.

B. To notify DHS when the Subrecipient or any of its third-party contractors, subcontractors, subrecipients, or their



employees anticipate a system of records on behalf of DHS in order to implement the program, if such system contains information about individuals name or other identifier assigned to the individual. A system of records subject to the Act may not be used in the performance of this MOA until the necessary and applicable approval and publication requirements have been met.

- C. To include in every solicitation and in every third-party contract, sub-grant, and when the performance of work, under that proposed third-party contract, sub-grant, or sub-agreement may involve the design, development, or operation of a system of records on individuals to be operated under that third-party contract, sub grant, or to accomplish a DHS function, a Privacy Act notification informing the third party contractor, or subrecipient, that it will be required to design, develop, or operate a system of records on individuals to accomplish a DHS function subject to the Privacy Act of 1974, 5 U.S.C. §552a, and applicable DHS regulations, and that a violation of the Act may involve the imposition of criminal penalties; and
- D. To include the text of Sections 30 parts A through C in all third-party contracts, and sub grants under which work for this MOA is performed or which is awarded pursuant to this MOA, or which may involve the design, development, or operation of a system of records on behalf of the DHS.

## **28. Best Practices for Collection and Use of Personally Identifiable Information**

Subrecipients who collect personally identifiable information (PII) are required to have a publicly available privacy policy that describes standards on the usage and maintenance of the PII they collect. DHS defines PII as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. Subrecipients may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy Template as useful resources respectively.

## **29. Certification Regarding Drug-Free Workplace Requirements (Subrecipients Other Than Individuals)**

Subrecipients must comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 2 C.F.R. Part 3001, which adopts the Governmentwide implementation (2 C.F.R. Part 182) of Sec. 5152-5158 of the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101-8106).

## **30. Term of this Agreement**

Regardless of actual execution date, this MOA shall be in effect from the start of the POP on 09/01/2023 to the end of the POP.

## **31. Statement of Assurances**

SUBRECIPIENT must complete either Office of Management and Budget (OMB) Standard Form 424B Assurances – Non-Construction Programs, or OMB Standard Form 424D Assurances – Construction Programs, or both, as applicable.

- A. Subrecipients that only have construction work and do not have any non-construction work need only submit the construction form (i.e., SF-424D) and not the non-construction form (i.e., SF-424B), and vice versa. However, subrecipients who have both construction and non-construction work under this grant must submit both the construction and non-construction forms.
- B. SUBRECIPIENT must complete the appropriate form(s) and submit to NCEM Grants Management Branch ([hsgp@ncdps.gov](mailto:hsgp@ncdps.gov)) upon execution of this MOA. SUBRECIPIENT must still complete the appropriate form(s) even if certain assurances in the form may not directly apply to SUBRECIPIENT's specific program to ensure that all possible situations are covered.

## **32. Situs**

This MOA shall be governed by the laws of North Carolina and any claim for breach or enforcement shall be filed in State Court in Wake County, North Carolina.

## **33. Other Provisions/Severability**

Nothing in this MOA is intended to conflict with current federal, state, local, or tribal laws or regulations. If a term of this MOA is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this MOA shall remain in full force and effect.

**34. Entire Agreement**

This MOA and any annexes, exhibits and amendments annexed hereto and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral and written statements or agreements.

**35. Modification**

This MOA may be amended only by written amendments duly executed by RECIPIENT and SUBRECIPIENT.

**36. Termination**

The terms and conditions of this MOA, as modified with the consent of all parties, will remain in effect until February 28, 2026. Either party upon thirty days advance written notice to the other party may terminate this MOA. Upon approval by DHS, FEMA and the issuance of the Grant Adjustment Notice, if this MOA is extended, the termination date for the extension will be the date listed in the applicable DHS, Grant Adjustment Notice, incorporated by reference herein. If DHS suspends or terminates funding in accordance with 2 CFR 200.340 and the 20223 HSGP NOFO, incorporated by reference herein, SUBRECIPIENT shall reimburse NCEM for said property and/or expenses.

**37. Compliance**

SUBRECIPIENT shall comply with applicable federal, state, local and/or tribal statutes, regulations, ordinances, licensing requirements, policies, guidelines, reporting requirements, certifications and other regulatory matters for the conduct of its business and purchase requirements performed under this MOA. This includes all requirements contained in the applicable FY 2023 HSGP NOFO referenced in paragraph 2. above. SUBRECIPIENT shall be wholly responsible for the purchases made under this MOA and for the supervision of its employees and assistants. Failure to comply with the specified terms and conditions of this MOA may result in the return of funds and any other remedy for noncompliance specified in 2 CFR 200.339, and/or termination of the award per 2 CFR 200.340. Additional conditions may also be placed upon SUBRECIPIENT for noncompliance with the specified terms and conditions of this MOA, including (but not limited to) additional monitoring. See Attachment 6 for subrecipient monitoring.

**38. Execution and effective date**

This grant shall become effective upon return of the original grant award letter and MOA, properly executed on behalf of SUBRECIPIENT, to NCEM on behalf of RECIPIENT and will become binding upon execution of all parties to this MOA. The conditions of this MOA are effective upon signature by all parties.

This MOA shall be in effect from 09/01/2023 through the end of the POP. Failure to provide applicable cost reports, proofs of payment and/or a de-obligation request letter within 30 days of the end of the POP may result in automatic de-obligation of grant funds.

**39. Attachments**

All attachments to this Agreement are incorporated as if set out fully herein.

- A. In the event of any inconsistency or conflict between the language of this MOA and the attachments hereto, the language of such attachments shall be controlling, but only to the extent of such conflict or inconsistency.
- B. This MOA includes the following attachments or documents incorporated by reference as if fully set out herein:
  - Attachment 1      Scope of Work
  - Attachment 2      Annual Progress Report Form
  - Attachment 3      Grant-Funded Typed Resource Report
  - Attachment 4      DHS Standard Terms and Conditions
  - Attachment 5      Required Subrecipient File Documentation
  - Attachment 6      NCEM Communications Branch Memo
  - Attachment 7      Subrecipient Monitoring

**AUTHORIZED SIGNATURE WARRANTY**

THE UNDERSIGNED REPRESENT AND WARRANT THAT THEY ARE AUTHORIZED TO BIND THEIR PRINCIPALS TO THE TERMS OF THIS MOA. IN WITNESS WHEREOF, RECIPIENT AND SUBRECIPIENT HAVE EACH EXECUTED THIS MOA AND THE PARTIES AGREE THAT THE MOA IS EFFECTIVE AS OF THE POP START DATE, EVEN IF THIS MOA IS SIGNED BY ANY PARTIES AFTER THAT DATE.

**For RECIPIENT:****Approved**

By: William Ray  
**William C. Ray, Director & Deputy  
Homeland Security Advisor  
North Carolina Department of Public Safety  
Division of Emergency Management**

Date: 10/17/2023 | 11:17:59 EDT

**For SUBRECIPIENT:****Approved**

By: Foster Hughes

Date: 10/23/2023 | 08:33:05 CDT

By: [Signature]

Date: 10/23/2023 | 12:47:26 EDT

By: \_\_\_\_\_

Date: \_\_\_\_\_

**For DESIGNATED THIRD PARTY (only required for turnbacks to third party in paragraph 4 of MOA):****Approved**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to Form: Will Polk

By: \_\_\_\_\_  
**William Polk, Deputy General Counsel  
Reviewed for the North Carolina  
Department of Public Safety to fulfill the  
purposes of the DHS Homeland Security  
Grant Program**

Date: 10/16/2023 | 13:18:37 EDT

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting a Resolution Approving a Contract for Sound Thinking (Shot-Spotter)

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> N/A
<b>Department:</b> Police	<b>Person Submitting Item:</b> Chief Patrick Gallagher
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	After presenting this technology to the BOA and public input sessions held at the Omega Center, the NBPD wishes the Board to approve a contract with Sound Thinking. The full implementation of this contract is \$148,500 over three years. The first year's contract will be funded through ARP funds at a total of \$49,500.
<b>Actions Needed by Board:</b>	Approve the signing of the Sound Thinking Contract.
<b>Backup Attached:</b>	Memorandum to the BOA, Sound Thinking (Shot Spotter) Contract, Resolution
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b> \$148,500.00
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Additional Notes:**



Founded 1797

# NEW BERN

## NEW BERN POLICE DEPARTMENT

P.O. Box 1129, New Bern, NC 28563-1129  
(252) 672-4100

*Police and Community Come Together Here*



Patrick L. Gallagher  
Chief of Police

**To:** Mayor Jeffrey T. Odham and the Board of Aldermen  
**From:** Chief Patrick Gallagher  
**Date:** November 28, 2023  
**Subject:** Sound Thinking (Shot Spotter) Contract

Our analysis of police response data has determined the need to move forward with the implementation of the Shot Spotter technology. On October 10, 2023, I presented that data to the Board of Alderman through a PowerPoint presentation. The location of the program was determined by need, with the highest concentration of gun related calls for service in the Duffyfield, Craven Terrace and Trent Court areas.

On November 9, 2023, a public hearing was held at the Omega Center where representatives from Sound Thinking (Shot Spotter), along with the New Bern Police Department, provided information and responded to questions. The community response for the program was positive.

The contract is for 3 years for \$148,500. The first year's cost is \$49,500 that will be paid through ARP funds sponsored by Alderman Aster.

The contract has been vetted by Attorney Scott Davis for legal sufficiency.



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## **RESOLUTION**

WHEREAS, the Chief of Police and the City Manager have recommended the adoption of a contract with SoundThinking, Inc. (ShotSpotter) for a three-year period at a cost of \$49,500 each year; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of New Bern that the contract with SoundThinking, Inc., a copy of which is attached hereto and incorporated herein by reference, is hereby approved, and the City Manager is authorized to execute said agreement in duplicate originals.

ADOPTED THIS 12<sup>th</sup> DAY OF DECEMBER 2023

\_\_\_\_\_  
JEFFREY T. ODHAM, MAYOR

\_\_\_\_\_  
BRENDA E. BLANCO, CITY CLERK

**SOUNDTHINKING™ MASTER SERVICES AGREEMENT**



**SoundThinking, Inc.**  
**39300 Civic Center Dr., Ste. 300**  
**Fremont, CA 94538**  
**+1.888.274.6877**  
**[info@soundthinking.com](mailto:info@soundthinking.com)**  
**[www.soundthinking.com](http://www.soundthinking.com)**

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This Master Services Agreement (this "Agreement") is entered into by and between SoundThinking™, Inc. (referred to herein as "SoundThinking"), with offices located at 39300 Civic Center Dr., Suite 300, Fremont, CA 94538, and the City of New Bern, North Carolina (hereinafter referred to as "Customer"), with offices located at 300 Pollock St., New Bern, NC 28560, effective as of the last date of signature herein. SoundThinking and Customer may also be referred to in this Agreement individually as a "Party" or collectively as the "Parties".

This Agreement and its exhibits define the deliverables, implementation, and support services for the SoundThinking Subscription Services to be provided under this Agreement and identified in SoundThinking's Proposal attached hereto as Exhibit A.

In consideration of the Parties' mutual covenants and promises set forth in this Agreement, the Parties agree as follows:

## 1. EXHIBITS

The following exhibits ("Exhibits") and Addenda are attached to, and incorporated in this Agreement:

- A. Exhibit A SoundThinking Proposal ID #NEWBRN110123
- B. Addendum One - ShotSpotter® Supplemental Terms

## 2. DEFINITIONS

All capitalized terms not otherwise defined in this Agreement shall have the meanings set forth below:

- A. Insight means the internet portal to which Customer will have access to Reviewed Alerts with respect to the ShotSpotter® Gunshot Detection, Location, and Forensics System.
- B. CaseBuilder™, CaseBuilder™ Subscription Services, CaseBuilder™ Software, or CaseBuilder™ System means the SoundThinking case management software.
- C. CaseBuilder™|Crime Gun, CaseBuilder™|Crime Gun Subscription Services, CaseBuilder™|Crime Gun Software, or CaseBuilder™|Crime Gun System means SoundThinking's gun crime tracking and analysis case management tool.
- D. Confidential Information means that information designated by either Party as confidential or proprietary as further defined in Section 6 of this Agreement.
- E. CrimeTracer™, CrimeTracer™ Subscription Services, CrimeTracer™ Software, or CrimeTracer™ System means the law enforcement search engine and information platform which enables customers to search data from agencies across the U.S.
- F. Coverage Area means the area in square miles covered by the ShotSpotter® Subscription Services as set forth in Exhibit A and any increase to the Coverage Area as agreed to in writing between the Parties.

- G. ResourceRouter™, ResourceRouter™ Subscription Services, ResourceRouter™ Software, or ResourceRouter™ System means the SoundThinking crime forecasting and patrol/task force management system.
- H. ShotSpotter®, ShotSpotter® System, ShotSpotter® Software, or ShotSpotter® Subscription Services means the ShotSpotter® Gunshot Detection, Location, and Forensic Analysis Service.
- I. ShotSpotter Data means the data, information, and electronic files created, generated, modified, compiled, displayed, stored or kept in the course of providing the ShotSpotter Subscription Services, including, without limitation, information in Reviewed Alerts accessible through the ShotSpotter Subscription Services and/or Software.
- J. Software or SoundThinking Software means collectively the SoundThinking applications identified in Exhibit A and the Addenda to this Agreement to which Customer will have access under this Agreement on a subscription basis. The term Software shall also mean any new applications supplemental to the Subscription Services provided by SoundThinking to Customer subsequent to the execution date of this Agreement, and if purchased by Customer, the SoundThinking API Subscription License.
- K. Subscription Services or SoundThinking Subscription Services means collectively the services provided to Customer on a subscription basis under this Agreement to access, and SoundThinking's maintenance of, the Software.
- L. System means collectively the Software and Subscription Services provided under this Agreement.

### **3. SUBSCRIPTION SERVICES**

- A. SoundThinking will implement the applicable Subscription Services set forth in Exhibit A and the Addenda to this Agreement.

### **4. INITIAL TERM AND RENEWAL**

The initial term of the Subscription Services shall be for a period of thirty-six (36) months commencing on the date that the Subscription Services are made available to the Customer ("go live"). Based on the Subscription Services provided under this Agreement, there may be more than one go live date.

The Subscription Services may be renewed for successive periods of one year each (or multiple years as mutually agreed upon in writing by the Parties), in accordance with the following procedure. SoundThinking shall provide Customer with a renewal notice stating the renewal fees, terms, and conditions for the next successive renewal term approximately ninety (90) days prior to the expiration date of the then current term. Customer acknowledges that the Subscription Services fees, terms and conditions, and service levels hereunder are subject to change and that such fees, terms and conditions, and service levels may vary from those applicable to this Agreement in successive renewal terms. Annual Subscription fees are subject to increase at a rate of 5% for Customers whose annual subscription fee is less than the current SoundThinking list price.



If Customer fails to renew prior to expiration of the then current subscription term, the Subscription Services will terminate in accordance with Section 5.C and the Customer's access to the Subscription Services will be disabled. With respect to ShotSpotter, at its discretion, SoundThinking may remove the ShotSpotter Service and any components from the Coverage Area at that time. If SoundThinking does not remove the ShotSpotter Service from the Coverage Area, Customer may reinstate the ShotSpotter Subscription Services at a later date by renewing this Agreement and payment of the applicable reactivation and ShotSpotter Subscription Services renewal fees; however, Customer will not have access to any Reviewed Alerts that they would have had access to during the lapsed period.

## 5. LICENSE AND OWNERSHIP

In consideration for and subject to the payment of the annual Subscription Services fees as set forth in Exhibit A, Customer is granted a non-transferrable, non-exclusive and terminable license ("License") to use the applicable SoundThinking Subscription Services, and ShotSpotter® Data for the Customer's own internal purposes and, if applicable, permitting citizens to access the public facing components of the relevant Subscription Services as set forth in this Section 5 and the Addenda to this Agreement. Please read the terms and conditions of this Agreement carefully. By using any SoundThinking Subscription Services, you agree to be bound by the terms and conditions of this Agreement and its Addenda. If you do not agree to these terms, you must notify SoundThinking and discontinue any use of the SoundThinking Subscription Services.

### A. License and Restrictions.

Software and Subscription Services. The Software is the proprietary product of SoundThinking, licensed to Customer on an annual subscription basis. The SoundThinking Software may incorporate components supplied to SoundThinking under license by third-party suppliers, and may be protected by United States patent, trade secret, copyright law and international treaty provisions. All such rights in and to the Software and Subscription Services any part thereof is the property of SoundThinking or, if applicable, its suppliers. All right and title to the SoundThinking computer programs, including, but not limited to related documentation, technology, know-how and processes embodied in or made available to Customer in connection with the Subscription Services, patent rights, copyrights, trade secret rights, trademarks, and services marks remain with SoundThinking. Customer may not make any copies of the written materials or documentation that accompany any component of the Software, or use them, or any other information concerning the Subscription Services that SoundThinking has designated as confidential, for any purpose other than bona fide use of the Subscription Services or Software for in accordance with the terms of this Agreement, nor allow anyone else to do so. Customer shall not: (i) modify, adapt, alter, translate, copy, perform, or display (publicly or otherwise) or create compilations, derivative, new, or other works based, in whole or in part, on the Software, or on the Subscription Services; (ii) merge, combine, integrate, or bundle the Software, in whole or in part, with other software, hardware, data, devices, systems, technologies, products, services, functions, or capabilities; (iii) transfer, distribute, make available the Subscription Services, or Software to any person other than Customer; or (iv) sell, resell, sublicense, lease, rent, or loan the Subscription Services or Software, in whole or in part. No component of the Subscription Services, or Software may be used to operate a service bureau, rental or time-sharing arrangement.

Nothing in this Agreement shall be construed as granting any right or title to any SoundThinking Software, the ShotSpotter Data, or any component thereof, or any other intellectual property of SoundThinking or its suppliers to Customer.

Customer shall not alter, remove or obscure any copyright, patent, trademarks, confidential, proprietary, or restrictive notices or markings on any component of the Subscription Services, Software or any documentation.

Use, duplication, or disclosure by applicable U.S. government agencies is subject to restrictions as set forth in the provisions of DFARS 48 CFR 252.227-7013 or FAR 48 CFR 52.227-14, as applicable.

**B. Export.**

Customer acknowledges that the ShotSpotter System has been determined by the United States Department of State to be a controlled commodity, software and/or technology subject to the United States Export Administration Regulations of the U.S. Department of Commerce. Customer is specifically prohibited from the export, or re-export, transfer, consignment, shipment, delivery, downloading, uploading, or transmitting in any form, any ShotSpotter Software, ShotSpotter Subscription Services, ShotSpotter Data, documentation, or any component thereof or underlying information or technology related thereto, to any third party, government, or country for any end uses except in strict compliance with applicable U.S. export controls laws, and only with the express prior written agreement of SoundThinking. In the event that such written agreement is provided, Customer shall be responsible for complying with all applicable export laws and regulations of the United States and destination country, including, but not limited to the United States Export Administration Regulations of the U.S. Department of Commerce, including the sanctions laws administered by the U.S. Department of Treasury, Office of Foreign Assets Control (OFAC), the U.S. Anti-Boycott regulations, and any applicable laws of Customer's country. In this respect, no resale, transfer, or re-export of the ShotSpotter System or any ShotSpotter System component exported to Customer pursuant to a license from the U.S. Department of Commerce may be resold, transferred, or reported without prior authorization by the U.S. Government. Customer agrees not to export, re-export or engage in any "deemed export," or to transfer or deliver, or to disclose or furnish, to any foreign (non- U.S.) government, foreign (non-U.S.) person or third party, or to any U.S. person or entity, any of the ShotSpotter System, or ShotSpotter System components, Data, Software, Services, or any technical data or output data or direct data product thereof, or any service related thereto, in violation of any such restrictions, laws or regulations, or without all necessary registrations, licenses and or approvals. Customer shall bear all expenses relating to any necessary registrations, licenses or approvals.

In addition to the restrictions and requirements set forth above, the Customer shall not export, or re-export, transfer, consign, ship, deliver, download, upload, or transmit in any form, the CaseBuilder, CaseBuilder|Crime Gun, CrimeTracer, or ResourceRouter Subscription Services, Software, documentation, or any component thereof or underlying information or technology related thereto to any third party, government, or country for any end uses except in strict compliance with applicable U.S. export controls laws, and only with the express prior written agreement of SoundThinking. In the event that such written agreement is provided, Customer shall be responsible for complying with all applicable export laws and regulations of the United States and

destination country, including, but not limited to the United States Export Administration Regulations of the U.S. Department of Commerce, including the sanctions laws administered by the U.S. Department of Treasury, Office of Foreign Assets Control (OFAC), the U.S. Anti-Boycott regulations, and any applicable laws of the import country.

In addition to the foregoing, Customer shall not disclose, discuss, download, ship, transfer, deliver, furnish, or otherwise export or re-export any such item(s) to or through: (a) any person or entity on the U.S. Department of Commerce Bureau of Industry and Security's List of Denied Persons or Bureau of Export Administration's anti-proliferation Entity List; (b) any person on the U.S. Department of State's List of Debarred Parties; (c) any person or entity on the U.S. Treasury Department Office of Foreign Asset Control's List of Specially Designated Nationals and Blocked Persons; or (d) any third party or for any end-use prohibited by law or regulation, as any and all of the same may be amended from time to time, or any successor thereto.

**C. Termination.**

Customer agrees that its right to use any of the applicable Subscription Services, or Software, provided hereunder, including ShotSpotter Data, will terminate following thirty (30) day's prior written notice due to a material breach of the terms of this Agreement, including failure to pay any sums to SoundThinking when due, or failure to renew the applicable Subscription Services prior to expiration of the then current subscription term unless such breach has been cured within said thirty (30) day period. In the event of a breach of SoundThinking's intellectual property rights, SoundThinking at its sole discretion may terminate this Agreement immediately upon written notice to Customer. In the event of termination for any reason, Customer's access to the applicable Subscription Services and Software will terminate and be disabled. With respect to ShotSpotter, Customer's access to ShotSpotter Data will also terminate; and SoundThinking will cease delivering Reviewed Alerts for ShotSpotter. Customer agrees that SoundThinking shall not be liable to Customer nor to any third party for any suspension of the Subscription Services resulting from Customer's nonpayment of the Subscription Services fees as described in this section.

**D. Modification to, or Discontinuation of the Subscription Services.**

Upon reasonable notice to Customer, SoundThinking reserves the right at its discretion to modify, temporarily or permanently, the Subscription Services (or any part thereof). In the event that SoundThinking modifies the Subscription Services in a manner which removes or disables a feature or functionality on which Customer materially relies, SoundThinking, at Customer's request, shall use commercially reasonable efforts to restore such functionality to Customer. In the event that SoundThinking is unable to substantially restore such functionality, Customer shall have the right to terminate the Agreement and receive a pro-rata refund of the annual Subscription Services fees paid under the Agreement for the subscription term in which this Agreement is terminated. Customer acknowledges that SoundThinking reserves the right to discontinue offering the Subscription Services at the conclusion of Customer's then current term. Customer agrees that SoundThinking shall not be liable to Customer or to any third party for any modification of the Subscription Services as described in this section.

**E. New Applications.**

From time to time, at SoundThinking's discretion, SoundThinking may release to its customer base, new applications supplemental to the Subscription Services. Customer's use of such new applications shall be subject to the license, warranty, intellectual property, and support terms of this Agreement. Prior to general release, SoundThinking may request Customer to act as a pre-release test site for new applications, or major upgrades. Provided that Customer agrees in writing to such request, SoundThinking will provide a pre-release package explaining the details and requirements for Customer's participation.

**F. No Use by Third Parties.**

Except as otherwise expressly set forth in this Agreement, use by anyone other than Customer of the Subscription Services, Software, documentation, or ShotSpotter Data is prohibited, unless pursuant to a valid assignment of this Agreement as set forth in Section 20 of this Agreement.

**6. CONFIDENTIALITY AND PROPRIETARY RIGHTS**

**A. SoundThinking Confidential Information.**

Customer acknowledges and agrees that the source code, technology, and internal structure of the SoundThinking Software, ShotSpotter Data, and SoundThinking Subscription Services, as well as documentation, operations manual(s) and training material(s), are the confidential information and proprietary trade secrets of SoundThinking, the value of which would be destroyed by disclosure to the public. Use by anyone other than Customer of the Subscription Services, documentation, and ShotSpotter Data is prohibited, unless pursuant to a valid assignment under this Agreement. Unless prohibited by applicable law, the terms and conditions of this Agreement, including pricing and payment terms shall also be treated as SoundThinking's confidential information. Customer shall not disassemble, decompile, or otherwise reverse engineer or attempt to reconstruct, derive, or discover any source code, underlying ideas, algorithms, formulae, routines, file formats, data structures, programming, routines, interoperability interfaces, drawings, or plans from the Software, or any data or information created, compiled, displayed, or accessible through the Subscription Services, in whole or in part. Customer agrees during the term of this Agreement, and thereafter, to hold the confidential information and proprietary trade secrets of SoundThinking in strict confidence and to not permit any person or entity to obtain access to it except as required for the Customer's exercise of the license rights granted under this Agreement. Nothing in this Agreement is intended to or shall limit any rights or remedies under applicable law relating to trade secrets, including the Uniform Trade Secrets Act as enacted in applicable jurisdictions.



**B. Customer Confidential Information**

During the term of this Agreement or any subsequent renewals, SoundThinking agrees to maintain Customer information designated by the Customer as confidential to which SoundThinking gains access in the performance of its obligations under this Agreement, and not disclose such Customer Confidential Information to any third parties except as may be required by law. SoundThinking agrees that Customer's Confidential Information shall be used solely for the purpose of performing SoundThinking's obligations under this Agreement.

**C. Obligations of the Parties.**

The receiving Party's ("Recipient") obligations under this section shall not apply to any of the disclosing Party's ("Discloser") Confidential Information that Recipient can document: (a) was in the public domain at or subsequent to the time such Confidential Information was communicated to Recipient by Discloser through no fault of Recipient; (b) was rightfully in Recipient's possession free of any obligation of confidence at or subsequent to the time such Confidential Information was communicated to Recipient by such Discloser; (c) was developed by employees or agents of Recipient independently of and without reference to any of Discloser's Confidential Information; or (d) was communicated by Discloser to an unaffiliated third party free of any obligation of confidence. A disclosure by Recipient of any Discloser Confidential Information (a) in response to a valid order by a court or other governmental body; (b) as otherwise required by law; or (c) necessary to establish the rights of either party under this Agreement shall not be considered to be a breach of this Agreement by the Recipient; provided, however, that Recipient shall provide prompt prior written notice thereof to the Discloser to enable Discloser to seek a protective order or otherwise prevent such disclosure. The Recipient shall use reasonable controls to protect the confidentiality of and restrict access to all Confidential Information of the Discloser to those persons having a specific need to know for the purpose of performing the Recipient's obligations under this Agreement. The Recipient shall use controls no less protective than Recipient uses to secure and protect its own confidential, but not "Classified" or otherwise Government-legended, information. Upon termination of this Agreement the Recipient, as directed by the Discloser, shall either return the Discloser's Confidential Information, or destroy all copies thereof and verify such destruction in writing to the Discloser.

Unless the Recipient obtains prior written consent from the Discloser, the Recipient agrees that it will not reproduce, use for purposes other than those expressly permitted in this Agreement, disclose, sell, license, afford access to, distribute, or disseminate any information designated by the Discloser as confidential.

**7. LIMITED WARRANTIES**

- A. SoundThinking warrants that the Software will function in substantial conformity with the SoundThinking documentation accompanying the Software and Subscription Services. The Software covered under this warranty consists exclusively of ShotSpotter Dispatch, ShotSpotter Respond, and ShotSpotter Insight applications and user interface; CaseBuilder; CaseBuilder|Crime Gun; CrimeTracer; and ResourceRouter Software and Subscription Services that are made available to the Customer under this Agreement as identified in Exhibit A or any subsequent amendment to this Agreement. Additional limited warranties as applicable are set forth in the



Addenda attached to this Agreement and incorporated herein.

- B. SoundThinking further warrants that the Subscription Services, and Software shall be free of viruses, Trojan horses, worms, spyware, or other malicious code or components.
- C. SoundThinking does not warrant or represent, expressly or implicitly, that any of its Subscription Services or Software will be uninterrupted or error free; or that any SoundThinking-supplied network will remain in operation at all times or under all conditions.
- D. Any and all warranties, express or implied, of fitness for high-risk purposes requiring fail-safe performance are hereby expressly disclaimed.
- E. The Parties acknowledge and agree that the Subscription Services are not consumer goods, and are not intended for sale to or use by or for personal, family, or household use.

**EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 7, AND THE APPLICABLE ADDENDA TO THIS AGREEMENT SOUNDTHINKING MAKES AND CUSTOMER RECEIVES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF NON-INFRINGEMENT, QUALITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

#### **8. CUSTOMER OBLIGATIONS.**

Customer acknowledges and agrees that SoundThinking's duties, including warranty obligations, and ability to perform its obligations to Customer under this Agreement shall be predicated and conditioned upon Customer's timely performance of and compliance with Customer's obligations hereunder, including, but not limited to:

- A. Customer agrees to pay all sums due under this Agreement when they are due pursuant to the payment terms in Exhibit A.

Customer's address for invoicing:

City of New Bern

Attn: Accounting Division

PO Box 1129

New Bern, NC 28563-1129

Email: accountspayable@newbernnc.gov

- B. Customer agrees to use reasonable efforts to timely perform and comply with all of Customer's obligations allocated to Customer under this Agreement, and its Addenda.
- C. Customer shall not permit any alteration, modification, substitution, or supplementation of any SoundThinking Subscription Services or web portal, or the combining, connection, merging, bundling, or integration of the SoundThinking Subscription Services or web portal into or with any other system, equipment, hardware, software, technology, function, or capability, without SoundThinking's express prior written consent.
- D. Unless otherwise expressly agreed in advance in writing by SoundThinking, Customer shall not authorize or appoint any contractors, subcontractors, original equipment manufacturers, value

added integrators, systems integrators, or other third parties to operate, or have access to any part of the Subscription Services or Software.

- E. In order to use the Subscription Services, Customer must have and maintain access to the World Wide Web to enable a secure https connection from the Customer's workstation(s) to SoundThinking's hosted services, either directly or through devices that access Web-based content. Customer must also provide all equipment necessary to make such (and maintain such) connection.
- F. Should criminal background checks or fingerprinting for SoundThinking employees performing any Services under this Agreement or an Addendum hereto be required by Customer, or Federal or State regulations, such background checks or fingerprinting will be conducted by Customer.
- G. Customer shall be responsible for the accuracy, quality, appropriateness, and legality of all Customer data, any other Customer business information used in any Subscription Services.
- H. SoundThinking will assist the Customer in initially setting up passwords and user names for Customer's employees, agents, or representatives to whom Customer designates access to the applicable Subscription Services ("Authorized Users"). Thereafter, Customer shall be responsible for assigning passwords and user names for each of its Authorized Users. Customer shall be responsible for maintaining the confidentiality and use of Customer's password and user names and shall not allow passwords and/or user names to be shared by Authorized Users; nor shall Customer permit any unauthorized users to access the Subscription Services. The maximum number of Authorized Users for the applicable Subscription Services is set forth in Exhibit A. Each Authorized User identification may only be used to access the applicable Subscription Services during one (1) concurrent login session.
- I. Customer shall comply with all applicable laws, rules and regulations relating to the goods and services provided hereunder.

## 9. INTELLECTUAL PROPERTY INFRINGEMENT

SoundThinking will, at its expense, defend and indemnify Customer from and against losses, suits, damages, liability, and expenses (including reasonable attorney fees) arising out of a claim asserted in a lawsuit or action against the Customer by a third party unrelated to the Customer, in which such third party asserts a claim that the Subscription Services and/or Software, when used in accordance with SoundThinking's user documentation, infringes any United States patent which was issued by the U.S. Patent and Trademark Office, or United States copyright which was registered by the U.S. Copyright Office, as of the effective date of Customer's agreement to license the applicable SoundThinking Subscription Services and Software (collectively "Action"), provided that Customer provides SoundThinking with reasonably prompt notice of any such Action, or circumstances of which Customer becomes aware that could reasonably be expected to lead to such Action including but not limited to any cease and desist demands or warnings, and further provided that Customer cooperates with SoundThinking and its defense counsel in the investigation and defense of such Action.

SoundThinking shall have the right to choose counsel to defend such suit and/or action, and to control the settlement (including determining the terms and conditions of settlement) and the defense thereof. Customer may participate in the defense of such action at its own expense.

This Section 9 shall not apply and SoundThinking shall have no obligation to defend and indemnify Customer in the event the Customer or a third party modifies, alters, substitutes, or supplements any of the Subscription Services, or Software, or to the extent that the claim of infringement arises from or relates to the integration, bundling, merger, or combination of any of the same with other hardware, software, systems, technologies, or components, functions, capabilities, or applications not licensed by SoundThinking as part of the Subscription Services, nor shall it apply to the extent that the claim of infringement arises from or relates to meeting or conforming to any instruction, design, direction, or specification furnished by the Customer, nor to the extent that the Subscription Services or Software are used for or in connection with any purpose, application, or function other than in accordance with the SoundThinking documentation accompanying the Subscription Services or Software.

If, in SoundThinking's opinion, any of the Subscription Services, or Software may, or are likely to become, the subject of such a suit or action, does become the subject of a claim asserted against Customer in a lawsuit which SoundThinking is or may be obliged to defend under this section, or is determined to infringe the foregoing patents or copyrights of another in a final, non-appealable judgment subject to SoundThinking's obligations under this section, then SoundThinking may in full and final satisfaction of any and all of its obligations under this section, at its option: (1) procure for Customer the right to continue using the affected Subscription Services or Software, (2) modify or replace such Subscription Services or Software to make it or them non-infringing, or (3) refund to Customer a pro-rata portion of the annual Subscription Services fees paid for the affected Subscription Services for the term in which the Agreement is terminated.

**This Section 9 states the entire liability of SoundThinking and is Customer's exclusive remedy for or relating to infringement or claims or allegations of infringement of any patent, copyright, or other intellectual property rights in or to any SoundThinking Subscription Services, SoundThinking Software or any component thereof. This section is in lieu of and replaces any other expressed, implied, or statutory warranty against infringement of any and all intellectual property rights.**

#### **10. INDEMNIFICATION AND LIMITATION OF LIABILITY**

SoundThinking shall, at its expense, indemnify, defend, save, and hold Customer harmless from any and all claims, lawsuits, or liability, including attorneys' fees and costs, arising out of, in connection with, any loss, damage, or injury to persons or property to the extent of the gross negligence, or wrongful act, error, or omission of SoundThinking, its employees, agents, or subcontractors as a result of SoundThinking's or any of its employees, agents, or subcontractor's performance pursuant to this Agreement. SoundThinking shall not be required to indemnify Customer for any claims or actions caused to the extent of the negligence or wrongful act of Customer, its employees, agents, or contractors. Notwithstanding the foregoing, if a claim, lawsuit, or liability results from or is contributed to by the actions or omissions of Customer, or its employees, agents, or contractors, SoundThinking's obligations under this provision shall be reduced to the extent of such actions or omissions based upon the principle of comparative fault.

**In no event shall either Party, or any of its affiliates or any of its/their respective directors, officers, members, attorneys, employees, or agents, be liable to the other Party under any legal or equitable**

theory or claim, for lost profits, lost revenues, lost business opportunities, exemplary, punitive, special, indirect, incidental, or consequential damages, each of which is hereby excluded by agreement of the Parties, regardless of whether such damages were foreseeable or whether any Party or any entity has been advised of the possibility of such damages.

Except for its Intellectual Property infringement indemnity obligations under Section 9 of this Agreement, SoundThinking's cumulative liability for all losses, claims, suits, controversies, breaches or damages for any cause whatsoever arising out of or related to this Agreement, whether in contract, tort, by way of indemnification or under statute, and regardless of the form of action or legal theory shall not exceed (i) two (2) times the amount of the annual subscription fee(s) for the twelve (12) month period in which the claim arises, or (ii) the amount of insurance maintained by SoundThinking available to cover the loss, whichever is greater. The foregoing limitations shall apply without regard to any failure of essential purpose of any remedies given herein.

#### **11. DEFAULT AND TERMINATION; REMEDIES**

Either Party may terminate this Agreement in the event of a material breach of the terms and conditions of this Agreement upon thirty (30) days' prior written notice to the other Party; provided that the Party alleged to be in breach has not cured such breach within said thirty (30) day period.

In addition to the termination provisions in Section 5.C for failure to pay annual Subscription Services fees, upon the occurrence of a material breach of Customer's obligations under this Agreement not susceptible to cure as provided in the preceding paragraph, SoundThinking may at its option, effective immediately upon written notice to Customer, either: (i) terminate SoundThinking's future obligations under this Agreement, terminate Customer's License to use the Subscription Services and Software, or (ii) accelerate and declare immediately due and payable all remaining charges for the remainder of the Agreement and proceed in any lawful manner to obtain satisfaction of the same.

#### **12. TAXES**

Unless otherwise included as a line item in Exhibit A, the fees due under this Agreement exclude any sales, use, value added or similar taxes that may be imposed in connection with this Agreement. Customer agrees that it shall be solely responsible for payment, or reimbursement to SoundThinking as applicable, of all sales, use, value added or similar taxes imposed upon this Agreement by any level of government, whether due at the time of sale or asserted later as a result of audit of the financial records of either Customer or SoundThinking. If exempt from such taxes, Customer shall provide to SoundThinking written evidence of such exemption. Customer shall also pay any personal property taxes levied by government agencies based upon Customer's use or possession of the items acquired or licensed in this Agreement.

#### **13. NOTICES**

Any notice or other communication required or permitted to be given under this Agreement shall be in writing delivered to the address set forth in this Agreement by certified mail return receipt; overnight delivery services; delivered in person; or via email with read receipt. A Party's address may be changed by written notice to the other Party.



**Notices to Customer:**

City of Newbern  
Attn: Chief of Police  
PO Box 1129  
New Bern, NC 28560  
Email: [gallagherp@newbernnc.gov](mailto:gallagherp@newbernnc.gov)

**Notices to SoundThinking:**

SoundThinking, Inc.  
Attn: CFO  
39300 Civic Center Dr., Ste. 300  
Fremont, CA 94538  
[accounting@soundthinking.com](mailto:accounting@soundthinking.com)

**14. FORCE MAJEURE**

In no event shall SoundThinking be liable for any delay or default in its performance of any obligation under this Agreement caused directly or indirectly by an act or omission of Customer, or persons acting under its direction and/or control, fire, flood, act of God, an act or omission of civil or military authority of a state or nation, strike, lockout, or other labor disputes, inability to secure, delay in securing, or shortage of labor, materials, supplies, transportation, or energy, failures, outages or denial of services of wireless, power, telecommunications, or computer networks, acts of terrorism, sabotage, vandalism, hacking, natural disaster or emergency, war, riot, embargo, or civil disturbance, breakdown or destruction of plant or equipment, or arising from any cause whatsoever beyond SoundThinking's reasonable control. At SoundThinking's option and following notice to Customer, any of the foregoing causes shall be deemed to suspend such obligations of SoundThinking so long as any such cause shall prevent or delay performance, and SoundThinking agrees to make, and Customer agrees to accept performance of such obligations whenever such cause has been remedied.

**15. ENTIRE AGREEMENT**

This Agreement and its Exhibits and Addenda represent the entire agreement and understanding of the Parties and a final expression of their agreements with respect to the subject matter of this Agreement and supersedes all prior written or oral agreements, representations, understandings, or negotiations with respect to the matters covered by this Agreement.

**16. GOVERNING LAW**

The validity, performance, and construction of this Agreement shall be governed by the laws of the state of North Carolina, without giving effect to the conflict of law principles thereof. The United Nations Convention on Contracts for the International Sale of Goods is expressly disclaimed and shall not apply.

**17. NO WAIVER**

No term or provision of this Agreement shall be deemed waived, and no breach excused unless such waiver or consent is in writing and signed by both Parties. Any consent by either Party to, or waiver of, a breach by the other, whether expressed or implied, shall not constitute a consent to, waiver of, or excuse for any other, different, prior, or subsequent breach.

The failure of either Party to enforce at any time any of the provisions of this Agreement shall not constitute a present or future waiver of any such provisions or the right of either Party to enforce each and every provision.



**18. SEVERABILITY**

If any term, clause, sentence, paragraph, article, subsection, section, provision, condition, or covenant of this Agreement is held to be invalid or unenforceable, for any reason, it shall not affect, impair, invalidate or nullify the remainder of this Agreement, but the effect thereof shall be confined to the term, clause, sentence, paragraph, article, subsection, section, provision, condition or covenant of this Agreement so adjudged to be invalid or unenforceable.

**19. DISPUTE RESOLUTION**

If the Parties disagree as to any matter arising under this Agreement or the relationship and dealings of the Parties hereto, then at the request of either Party, SoundThinking and Customer shall promptly consult with one another and make diligent, good faith efforts to resolve the disagreement by negotiation prior to either Party taking legal action. If such negotiations do not resolve the dispute within sixty (60) days of the initial request, either Party may take appropriate legal action.

**20. ASSIGNMENT**

This Agreement may not be assigned or transferred by either Party, nor any of the rights granted herein, in whole or in part, by operation of law or otherwise, without the other Party's express prior written consent, which shall not be unreasonably withheld. Provided, however, that SoundThinking may assign or transfer this Agreement and/or SoundThinking's rights and obligations hereunder, in whole or in part, in the event of a merger or acquisition of all or substantially all of SoundThinking's assets. No assignee for the benefit of Customer's creditors, custodian, receiver, trustee in bankruptcy, debtor in possession, sheriff, or any other officer of a court, or other person charged with taking custody of Customer's assets or business, shall have any right to continue or to assume or to assign these without SoundThinking's express consent.

**21. COMPLIANCE WITH LAWS**

During the term of this Agreement SoundThinking will comply with all applicable local, state, and federal laws, statutes and regulations.

**22. EQUAL EMPLOYMENT OPPORTUNITY**

SoundThinking is committed to equal-employment principles, and the provisions outlined in the Equal Opportunity Clauses of Executive Order 11246, (41 CFR 60-1.4), section 503 of the Rehabilitation Act of 1973, (41 CFR 60-741.5(a)), section 402 of the Vietnam Era Veterans Readjustment Act of 1974, (41 CFR 60-250.5(a)), and, the Jobs for Veterans Act of 2003, (41 CFR 60-300.5(a)) as well as any other regulations pertaining to these orders. SoundThinking's decisions and criteria governing its hiring and employment practices are made in a non-discriminatory manner, without regard to age, race, color, national origin, citizenship status, gender (including pregnancy, childbirth or medical condition related to pregnancy or childbirth), gender identity or expression, sex, religion, creed, physical or mental disability, medical condition, legally protected genetic information, marital status, veteran status, military status, sexual orientation, or any other factor determined to be an unlawful basis for such decisions by federal, state, or local statutes.

**23. GENERAL PROVISIONS**

- A. This Agreement and its Addenda shall be binding on and inure to the benefit of the Parties and any permitted successors and assigns; however, nothing in this paragraph shall be construed as a consent to any assignment by either Party except as provided in Section 20 of this Agreement.
- B. This Agreement shall not become a binding contract until signed by an authorized representative of each Party, effective as of the date of signature.
- C. This Agreement and its Addenda may be executed in any number of identical counterparts, each of which shall be deemed a duplicate original.
- D. The provisions of this Agreement and Addenda shall not be construed in favor of or against either Party because that Party or its legal counsel drafted this Agreement, but shall be construed as if all Parties prepared this Agreement.
- E. An electronic signature copy of this Agreement and its Exhibits, Addenda, notices and documents prepared under this Agreement shall be considered an original. The Parties agree that any document in electronic format or any document reproduced from an electronic format shall not be denied legal effect, validity, or enforceability, and shall meet any requirement to provide an original or hard copy.
- F. This Agreement is made for the benefit of the Parties, and is not intended to benefit any third party or be enforceable by any third party. The rights of the Parties to terminate, rescind, or agree to any amendment, waiver, variation or settlement under or relating to this Agreement are not subject to the consent of any third party.

**SIGNATURE PAGE FOLLOWS**

EACH PARTY'S ACCEPTANCE HEREOF IS EXPRESSLY LIMITED TO THE TERMS OF THIS AGREEMENT, INCLUDING ITS EXHIBITS AND ADDENDA, AND NO DIFFERENT OR ADDITIONAL TERMS CONTAINED IN ANY CONFIRMATION, PURCHASE ORDER, AMENDMENT OR OTHER BUSINESS FORM, WRITING OR MATERIAL SHALL HAVE ANY FORCE OR EFFECT UNLESS EXPRESSLY AGREED TO IN WRITING BY THE PARTIES.

**CITY OF NEW BERN, NC**

**SOUNDTHINKING, INC.**

\_\_\_\_\_  
Accepted By (Signature)

\_\_\_\_\_  
Accepted By (Signature)

**Foster Hughes**

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

**City Manager**

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

**November , 2023**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**EXHIBIT A – SOUNDTHINKING PROPOSAL**

SoundThinking Proposal No.: NEWBRN110123  
(Attached on Following Pages)



**Price Proposal for Subscription-Based  
Gunshot Detection, Location, and Forensic Analysis Service  
for New Bern Police Department, NC**

**November 6, 2023**

**Proposal ID: NEWBRN110123**

Submitted by: Deborah Leclerc – Account Executive  
978.808.0929 mobile  
650.887.2106 fax  
dleclerc@soundthinking.com

SoundThinking, Inc.  
39300 Civic Center Drive, Suite 300  
Fremont, California 94538  
888.274.6877  
www.soundthinking.com



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## Executive Summary

### Introduction

SoundThinking™ is pleased to present this proposal in response to the New Bern Police Department's request. A component of our SafetySmart™ platform, the proposed ShotSpotter® solution is designed to identify, locate, and track active gunfire, and will support the Department's efforts to more effectively respond to and investigate gunfire incidents. The proposed solution is deployed across the country and serves agencies of all sizes that are committed to leveraging our real-time gunfire intelligence to reduce gun violence and build community trust.

The ShotSpotter gunshot detection, alert, and analysis services provide what would be otherwise unobtainable, critical real-time gunfire intelligence. The core capabilities of the ShotSpotter solution are:

**DETECT** – ShotSpotter detects and locates gunfire incidents to enable a fast, precise response to over 90% of shooting incidents within the targeted areas. This has a powerful deterrent effect and disrupts the gun violence cycle.

**PROTECT** – ShotSpotter alerts allow first responders to respond swiftly to find victims and save lives. Cities with ShotSpotter report a 3.5-minute reduction in transport time for gunshot victims. In addition, ShotSpotter helps protect officers by providing them with comprehensive data on the actual amount of gunfire activity that occurs in the neighborhoods they patrol and provides critical situational awareness when responding to specific incidents.

**CONNECT** – By applying community policing-oriented best practices, ShotSpotter provides a unique opportunity for law enforcement agencies to connect with vulnerable communities. Rapid response to gunfire incidents in communities that have been most impacted by gun violence builds positive attitudes towards law enforcement and leads to more constructive engagements and cooperation.

ShotSpotter has become an indispensable crime-fighting tool for these agencies, in light of the community dynamics that fuel gun violence and the well-documented challenges of relying solely on 9-1-1 calls for service:

- **Under-reporting of persistent gunfire:** Nationwide, on average, less than 20% of gunfire incidents are reported to 9-1-1. Why don't residents call? The answer is complex, but typically involves the following concerns:
  - Recognition: "Was that gunfire, fireworks, or something else?"
  - Retaliation: "If they find out I called, will they come after me?"
  - Resignation: "No one came the last time I called..."

Without ShotSpotter, most law enforcement agencies are working with an 80% to 90% deficiency in their gun violence-related intelligence.

- **Late and inaccurate information:** When a citizen reports a gunfire incident, the 9-1-1 call typically comes several minutes after the event occurred, and based on analysis, the location provided is usually mislocated by 750 feet (on average). As a result, valuable time and resources are wasted trying to locate the incident, diminishing the opportunity to identify suspects and witnesses, recover evidence, and most importantly, render life-saving aid to victims.

The ability to receive near real-time gunfire intelligence data provides law enforcement agencies with a critical advantage in their efforts to reduce and prevent gun violence and improve officer safety. Specific results include:

- Officers can more quickly and accurately go directly to the scene of the shooting
- Situational awareness is vastly improved over what is available when relying solely on the 9-1-1 system
- Law enforcement has a better chance of arriving before the shooter has left the scene
- Officers are more likely to find evidence in the form of shell casings (which, in conjunction with NIBIN/IBIS, provide valuable investigative leads) and/or other ground truth that can aid in the investigation
- Officers are more likely to find witnesses who may have information that can aid in the investigation
- Community engagement is heightened, which often translates into more information from the community (e.g., tip lines, field interviews, etc.)
- Enhanced targeted enforcement (precision policing)
- More court-admissible and scientifically sound forensic evidence is available to strengthen prosecutions of the worst offenders

### Supporting Citizens in New Bern with Data for Good

Exposure to gunfire impacts people in many ways, including increased risks of physical pain, psychiatric disorders, and substance abuse. For these reasons, many cities are developing a public health approach to violence prevention. Precision data about where and when gun violence occurs can provide prompt interventions to people in need of services and support. With timely and accurate gunfire location data, community violence intervention groups and mental health professionals can more quickly aid youth and families in crisis to more effectively prevent future violence and other negative outcomes.

**Community Partnerships:** SoundThinking's "Data for Good" program helps law enforcement agencies identify violence prevention offices, schools, city and county public health departments, and other community organizations with which they can share their ShotSpotter gunfire data, analytics, heatmaps, and dashboards. These tools indicate where gunfire (and therefore potential trauma) is occurring so the appropriate community resources can deploy immediate and lasting support and help address the core issues that drive crime.

**Proactive Community Engagement:** ShotSpotter data can augment community outreach efforts to help the Department work more closely within the community to prevent crime from occurring, as well as enhance response and follow-through when incidents occur. Strategies to build relationships within the community include resource drives, PAL programs, and monthly community meetings.

**Refocus on Geographic Policing:** ShotSpotter InSight enables designated users to analyze detected shooting incidents, with details of hot spots and specific days/times incidents occur. The results can help agencies determine directed patrols for specific beats and sectors. <https://www.shotspotter.com/blog/hotspot-analysis-vs-directed-patrol-a-patrol-strategies-overview/>

We appreciate your consideration of our proposal. SoundThinking is committed to your success and we look forward to partnering with you to make ShotSpotter a key component of your efforts to reduce gun crime in the City of New Bern.

## Company History

SoundThinking is a public safety technology company that combines transformative solutions and strategic advisory services for sound decisions, to make neighborhoods safer and improve community confidence. SoundThinking was founded in 1995 (as ShotSpotter, Inc.) and has been providing gunshot detection solutions since its inception. SoundThinking is the world leader in gunshot detection, with over 1,000 square miles operational; more than fourteen-million incidents reviewed; and 40 issued patents. SoundThinking is a publicly traded corporation (NASDAQ: SSTI) with approximately 300 full-time employees and is headquartered in Fremont, California.

The following table provides an overview of SoundThinking's history and growth.

1995	<ul style="list-style-type: none"> <li>SoundThinking (formerly ShotSpotter) founded by Dr. Robert Showen. With over 30 years of acoustic and geophysics experience, it was Dr. Showen's vision to help curb gunfire that led him to design the ShotSpotter gunshot detection system.</li> </ul>
1996	<ul style="list-style-type: none"> <li>The US Patent Office granted SoundThinking its first patent</li> </ul>
2010	<ul style="list-style-type: none"> <li>Ralph Clark joined SoundThinking as President and CEO</li> </ul>
2011	<ul style="list-style-type: none"> <li>SoundThinking opened the Incident Review Center (IRC) allowing SoundThinking to publish or dismiss detected gunshots with a higher level of accuracy</li> </ul>
2014	<ul style="list-style-type: none"> <li>Cape Town, South Africa became SoundThinking's first international SaaS customer</li> </ul>
2016	<ul style="list-style-type: none"> <li>SoundThinking formed our Customer Success Team to assist all customers in maximizing the value of the ShotSpotter service</li> </ul>
2017	<ul style="list-style-type: none"> <li>SoundThinking achieved a World Class Net Promoter Score (NPS) of 55%</li> <li>SoundThinking became a publicly traded company (NASDAQ: SSTI)</li> </ul>
2018	<ul style="list-style-type: none"> <li>SoundThinking acquired HunchLab technology and introduced a proactive patrol management solution (formerly Connect, now ResourceRouter™)</li> <li>SoundThinking won the Noble Technology Award from National Organization of Black Law Enforcement Executives</li> <li>SoundThinking won AST Homeland Security Award for Best Gunshot Detection System</li> <li>The City of Chicago expanded ShotSpotter coverage to over 100 miles and reported a 26% decrease in shootings from the previous year</li> <li>Kruger National Park in South Africa went live with ShotSpotter in the park's iconic Intensified Protection Zone (IPZ)</li> </ul>
2019	<ul style="list-style-type: none"> <li>SoundThinking received approval from the Oakland City Council and unanimous approval for use of its gunshot detection technology from the Oakland Privacy Advisory Commission (PAC)</li> <li>SoundThinking welcomed its 100th customer</li> <li>SoundThinking deployed its first sensors in Malaysia in an effort to reduce blast fishing, save the coral reef, and ensure local food security</li> </ul>
2020	<ul style="list-style-type: none"> <li>SoundThinking acquired LEEDS, LLC and assumed responsibility for case management within the New York Police Department. With this strategic acquisition, SoundThinking added case management technology to its SafetySmart platform.</li> <li>Rangers from Kruger National Park reported nearly 60% reduction in the number of rhinos killed within the ShotSpotter coverage area</li> </ul>
2021	<ul style="list-style-type: none"> <li>SoundThinking won the AST Homeland Security Award for Best Gunshot Detection System for fourth consecutive year</li> <li>The US Patent Office granted SoundThinking its 40<sup>th</sup> patent</li> <li>SoundThinking published its one millionth gunshot alert</li> <li>SoundThinking introduced two new applications: CaseBuilder™ and CaseBuilder Crime Gun™ focused on gun crime management</li> </ul>



2022	<ul style="list-style-type: none"> <li>• SoundThinking acquired Forensic Logic, LLC and their COPLINK X solution (now CrimeTracer™), an investigative search engine and analytics tool</li> <li>• SoundThinking introduced our Data for Good program, designed to use ShotSpotter data to identify communities experiencing high levels of gunfire violence and assist community providers to deliver timely support and intervention</li> <li>• SoundThinking certified a "Great Place to Work"</li> </ul>
2023	<ul style="list-style-type: none"> <li>• SoundThinking introduced our SafetySmart Platform, a suite of products that provide law enforcement agencies with better information, to enable better decisions, and drive better outcomes</li> <li>• SoundThinking acquired SafePointe, an intelligent weapons detection provider. SafePointe extends the power of our SafetySmart Platform with a proven artificial intelligence-based, low profile, contactless weapons detection solution</li> </ul>

## SoundThinking's SafetySmart Platform

The SafetySmart Platform brings together specialized software and objective data to help law enforcement and civic leadership better protect their communities by ensuring the right resources are provided when and where they are needed most. As a trusted partner to many law enforcement agencies, SoundThinking has been both a firsthand witness and participant in the evolution of policing as it faces increasing challenges, such as staffing shortages, aging technologies, and exponential growth in data (as well as the need to access, analyze, and share data). In response to these challenges, SoundThinking has developed our SafetySmart Platform that provides a range of tools beyond gunshot detection to help law enforcement agencies operate and collaborate more efficiently.



The SafetySmart Platform brings the power of digital transformation to law enforcement. Together or separately, these data-driven solutions act as a force multiplier and help drive deeper community engagement by delivering better information, enabling better decisions, and driving better outcomes, for more efficient, effective, and equitable policing.



## ShotSpotter Service Overview

### How ShotSpotter Works

Based on an analysis of known gunfire-related crimes, the SoundThinking team designs and deploys networked sensors within the targeted coverage area. These acoustic arrays detect and locate gunshot activity within the coverage area and report that information to SoundThinking's Incident Review Center (IRC) which is staffed 24/7/365. ShotSpotter uses a two-factor incident review process to minimize false alerts. The first tier is performed by sophisticated AI software, to filter out any incidents that do not meet the minimum threshold for human review as potential gunfire incidents (e.g., helicopter noise, fireworks, etc.). The incidents that meet the minimum threshold for human review are then received at our IRC. The IRC review process is performed by a team of highly trained acoustic experts. In addition to examining the incident audio, SoundThinking's acoustic experts also examine the visual characteristics of the detected pulses and the incident, such as the number of participating sensors, the wave form, pulse alignment, and the direction of sound. The IRC review results in either publishing (Gunshot or Probable Gunshot) or dismissal (Non-Gunshot) of the incident with a high level of precision.

If the reviewer classifies the incident as a gunshot, the reviewer sends an alert, including location information and an audio snippet, to law enforcement agencies via a password-protected application on a mobile phone, in-car laptop, or computer. In addition to the dot-on-the-map and audio, ShotSpotter provides details such as number of shots fired, whether multiple shooters were involved, and whether high-capacity and/or fully automatic weapons were used. SoundThinking designed this entire process (i.e., recording the impulsive sound, two-factor review, and publishing alerts to authorized users) to be completed in less than 60 seconds (but is often completed within 25 to 30 seconds).

ShotSpotter customers receive a contextually rich, detailed gunfire alert that enables a fast, precise, and safer response to gunfire incidents. In addition, ShotSpotter alerts can also trigger other technology platforms such as cameras that can pan and zoom in the direction of an event. SoundThinking has successfully interfaced ShotSpotter with a wide range of third-party applications such as CAD, RMS, License Plate Readers, drones, and other applications.

ShotSpotter helps law enforcement agencies by directing resources to the precise location of more than 90% of gunfire incidents. ShotSpotter rapidly notifies first responders of shootings via dispatch centers, in-vehicle computers, and smart phones. Instant alerts enable first responders to aid victims, collect evidence, and identify witnesses. ShotSpotter's actionable intelligence can then be used to prevent future crimes by positioning law enforcement when and where crime is likely to occur. ShotSpotter gunshot detection and location services are delivered as an easily implemented Software as a Service (SaaS) solution, with no requirement for customer investment in or maintenance of expensive hardware or software. SoundThinking hosts, secures, monitors, and maintains the ShotSpotter infrastructure. Contracts are based on an affordable one-year or multi-year subscription agreement, and the subscription includes unlimited licenses for the proposed SoundThinking applications.

### ShotSpotter Application

The ShotSpotter application is used by Call Takers, Dispatchers, and Patrol Officers in the field. Real-time notifications of gunfire incidents are delivered to this app and includes the following data:

- Incident location (dot on the map, per the incident latitude and longitude)
- Type of gunfire (single round, multiple round)

- Unique identification number
- Date and time of the muzzle blast (trigger time)
- Nearest address of the gunfire location <sup>1</sup>
- Number of shots
- District identification
- Beat identification



**Figure 1. ShotSpotter App in Dispatch View**

A SoundThinking analyst may add other contextual information such as the possibility of multiple shooters, high-capacity weapons, full-automatic weapons, and the shooter's location related to a building (front yard, back yard, street, etc.). The report also includes an audit trail of the time the alert was published, acknowledged, and closed at the customer facility. All notes entered by Call Takers and Dispatchers added to the alert are time- and date-stamped with the operator's ID. For Patrol Officers, the alert includes an audio snippet of the incident.

<sup>1</sup> Based on the reverse geo-verification of the incident latitude and longitude, using commercially available GIS sources such as Google or customer-provided GIS data.



Figure 2. ShotSpotter App in Respond View

## InSight™

InSight™ enables customers to explore details about prior gunshot incidents in their ShotSpotter coverage area and use the data for investigation and analysis. Crime analysts, investigators, and command staff can view, filter, sort, report, and transform historical gunshot data into meaningful insights, ultimately informing strategies for reducing gun violence.

InSight enables users to find and identify the incidents using an extensive array of filters for date, time, location, keywords, single vs. multiple gunshots, patrol areas, as well as shapes drawn on the map. The shape filters narrow a search for shooting incidents within a radius of a known address, across several blocks, or look for and monitor activity on both sides of a jurisdictional border. Saved reports retain common filter settings for quick retrieval (e.g., "District 4 Gunfire – Last 28 days").



Figure 3. InSight App

InSight shows how a shooting event unfolded by watching a shot-by-shot animation that details the location and sequence of each shot. The software also highlights other nearby incidents that may be potentially related based on its relative distance and time of occurrence.

InSight comes with a set of reports that make it easy to share incident data throughout an agency:

- The Investigative Lead Summary report give details of a shooting incident including audio, location, sequence, and timing of each shot fired. This report is often used to share incident audio and details with colleagues, aid investigators with collecting evidence at the scene of a shooting and conducting better interviews of witnesses, suspects, and victims, or attach to a case file.
- The Multi-Incident report provides a summary of shooting incidents broken out by single, multiple, and probable gunshot incidents as well as any non-gunfire incidents if they were included in the search. The summary is followed by details for each incident including the date, time, location, number of rounds, CAD ID, ShotSpotter ID, and other details.

For customized, ad hoc reporting and analysis, InSight can export incident data to other off-the-shelf products such as Microsoft Excel, Tableau, Google Earth, ArcGIS, and other tools.

## Mobile Alerts

The ShotSpotter smartphone application delivers real-time gunfire alert data to smart phones and smart watches, available for use on iPhones and Android platforms. The ShotSpotter app displays the gunfire location as a dot-on-a-map and the data also includes the number of rounds fired and access to the incident audio.



Figure 4. Smartwatch Notification



Figure 5. ShotSpotter Smartphone App



## Investigative Lead Summary

The ShotSpotter Investigative Lead Summary (ILS) is an on-demand report that provides useful details about the location, timing, and sequence of each shot fired during an incident. The ILS is very valuable on scene, helping law enforcement find shell casings, confirm witness accounts, and identify suspects. ILS reports are available immediately after an incident occurs through a single click of a button within the mobile, web, or desktop ShotSpotter and InSight applications.

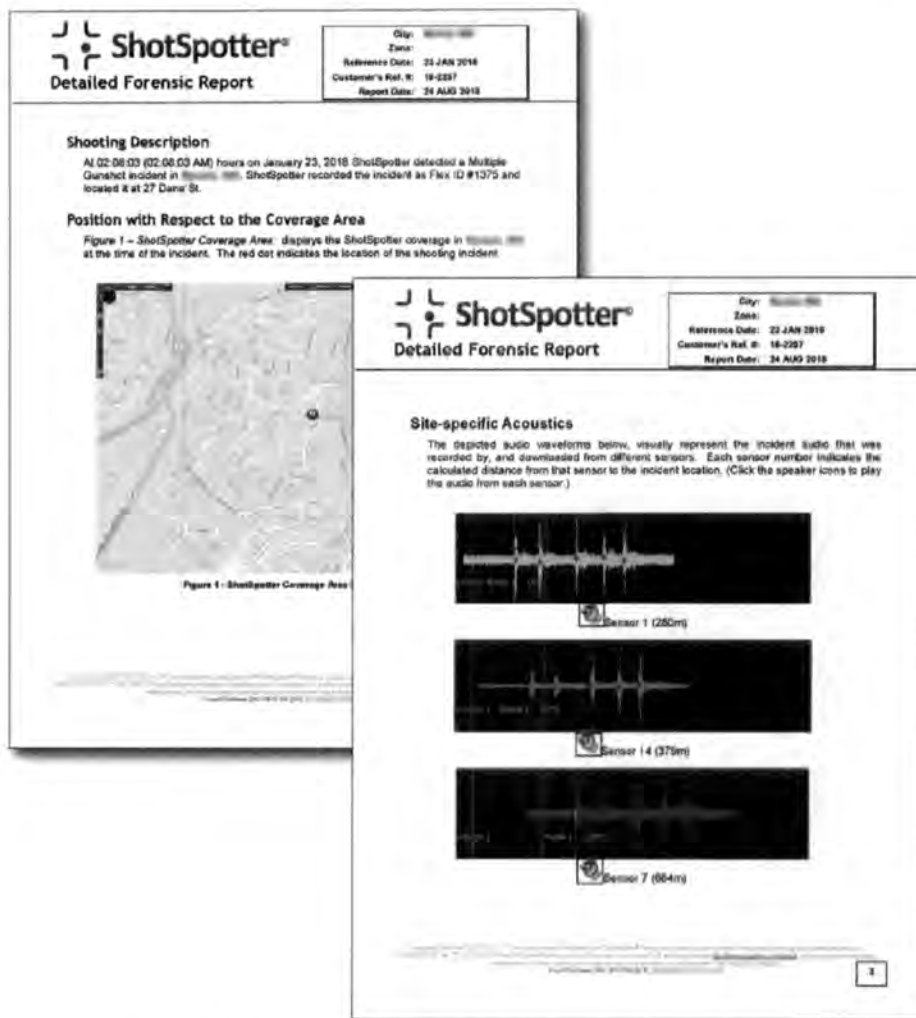
The ILS will fulfill the majority of law enforcement agency needs, particularly in situations where a report is not intended for presentation to court (since the ILS report is electronically produced, it is not court admissible).



Figure 6. ShotSpotter Investigative Lead Summary (ILS)

## Detailed Forensic Reports and Expert Witness Testimony

In nearly all the criminal proceedings in which our experts have been called to testify, SoundThinking has produced detailed, round-by-round analysis of the timing and location of the shots fired by one or more weapons. To the best of our knowledge, no other acoustic-based gunshot detection system has been accepted in a court of law as providing this kind of forensic evidence.



**Figure 7. ShotSpotter Detailed Forensic Report (DFR)**

SoundThinking data supports detailed forensic analysis of gunfire incidents, including:

- Weapon type (e.g., automatic vs. semi-automatic)
- Number of rounds fired
- Possibility of multiple shooters

Unlike the ILS, the DFR is a court-admissible document prepared by our forensic engineers. The DFR is intended to be used by attorneys as part of a court case for the exact, verified timing, sequence and location of each shot fired. Secondly, DFRs are available for use by law enforcement to obtain search warrants or to investigate Officer Involved Shootings. DFRs are

available upon written request, and our goal is to deliver all DFRs within ten business days of the request.

To support prosecutions, audio snippets provide powerful demonstrative evidence to prosecutors and allow jurors to gain a deeper understanding of the victims' experience of the incident. For prosecutors who wish to have a SoundThinking expert witness testify regarding a DFR, to help interpret and clarify crime scene activity derived from ShotSpotter data, or provide other forensic consultation services, these services are available for an hourly fee.

In 20 states and in the District of Columbia, SoundThinking evidence and SoundThinking expert witness testimony have been successfully admitted in over 200 court cases. ShotSpotter forensic evidence has prevailed in 25 Frye and Daubert challenges throughout the United States.

## ShotCast

ShotCast provides a video summary report of shooting incidents detected by ShotSpotter that can be shared on the internet, social media, broadcast news, and other media outlets. SoundThinking created ShotCast to help Public Information Officers (PIOs) expedite and simplify the process of informing the public of gunfire incidents in their neighborhoods. ShotCast can improve media coverage of gun violence, and, when incorporated into a broader communication strategy, can help educate the public, increase transparency and awareness about the impact of gun violence, and promote community engagement in public safety.

ShotCast video summaries include the actual gunfire audio and key details of the incident (location, time, and more) presented in a high-quality video format that PIOs can incorporate into various types of news coverage.



Figure 8. ShotCast Video

### Notifications API (Optional)

The Notifications API (available as a separately priced option) allows client applications to receive accurate, timely details about ShotSpotter gunfire alerts, including precise latitude and longitude (geolocation), GPS-synchronized timestamps, incident audio, and situational context provided by the 24/7/365 Incident Review Center. Typical interfaces include:

- Video Management Systems (VMS)
- Computer-Aided Dispatch (CAD) systems
- Records Management Systems (RMS)
- Automated License Plate Readers (ALPRs)
- Crime analysis and statistics packages (including COMPSTAT software)

Each Notifications API license pack is available for an annual subscription fee that includes:

- Up to three (3) interfaces
- Establishing an instance of the API for the Department on SoundThinking-hosted servers
- Consulting with the Department and third parties to ensure the API operates according to the API specifications
- 24/7 alerts to up to three third-party interfaces
- Supporting the third party and Department as systems are upgraded

Additional API licenses can be purchased in packs of three interfaces.

### ResourceRouter™ (Optional)



**ResourceRouter™**

ResourceRouter, our subscription-based risk-forecasting and resource management solution is available as a separately priced option. ResourceRouter supports the Department's crime reduction and community engagement initiatives and is offered as an extension of ShotSpotter.

ResourceRouter uses data to intelligently place resources, such as patrol officers or community intervention workers, in the right place at the right time to drive crime prevention while fostering positive engagement with the community. ResourceRouter leverages ShotSpotter's robust reporting platform (ShotSpotter InSight), to deliver near real-time insights into patrol and/or community intervention activity with the ability to overlay real-time gunshot detection information and provide measurable outcomes that can be shared with internal and external partners. In addition to citywide patrol plans for all crime types, for agencies that have deployed ShotSpotter, ResourceRouter can also uniquely provide gun crime forecasts in ShotSpotter coverage zones that far exceed traditional patrol methods in reducing violent crime.

As a result of deploying ResourceRouter, the Department can be more effective and efficient, improving public trust and community safety.

## Onboarding Services

Concurrent with the sensor design and deployment activities, SoundThinking will provide a series of onboarding services to prepare the Police Department to maximize the value of the ShotSpotter service. These standard onboarding steps will be refined to best serve the Department team and ShotSpotter users. SoundThinking onboarding services are designed to:

- Ensure successful ShotSpotter service activation (go-live)
- Ensure full use of the features and functions available with the ShotSpotter service
- Ensure that the Department's Best Practices are refined, as needed, to respond most effectively to the gun crime intelligence data being delivered for the coverage area
- Track and monitor the efficacy of the ShotSpotter service

SoundThinking has assembled a Customer Success Team of professionals with more than 275 years of combined law enforcement experience. The mission of this team of Consultants, Trainers, and Analysts is to maximize customer success with the ShotSpotter service. This team is available to our customers both pre- and post-production to advise, train, and guide them on the most effective use of the tools and services available with the ShotSpotter solution. The following provides a high-level overview of SoundThinking's standard Customer Onboarding Services, which will be tailored to support the Department.

## Getting Started

Prior to contract execution, a SoundThinking Customer Success Director will work with the Department's project team to plan the onboarding process, beginning with an onsite Customer Kick-Off Meeting with all stakeholders. The teams will review the program objectives, lay out the key implementation steps, agree on a targeted activation date (go-live), and establish a protocol for ongoing communication throughout the onboarding process. SoundThinking will schedule biweekly status calls with the Department's Program Manager and other project leaders to maintain regular communication throughout the implementation process.

## Best Practices

Early in the Customer Onboarding Process, SoundThinking's Customer Success team, led by the assigned Customer Success Director, will work with the Department's Program Manager and other project leaders to schedule and conduct a series of Best Practices sessions. These sessions will assist the Department in establishing response protocols and procedures to manage the gunshot alerts and gun crime intelligence data that will be provided upon activation of the ShotSpotter service. SoundThinking will customize and conduct these sessions for each of the following groups of users involved in the gun violence reduction program in the targeted coverage area:

- Program Management
- Dispatch/Communications
- Field Operations/Patrol
- Investigations
- Prosecution
- Intelligence & Crime Analysis



## User Training

SoundThinking will assign a Customer Success Director to the Department to ensure that we deliver consistent, quality best practices training based on the Department's needs to maximize the value of our service. The Customer Success Director will remain engaged with the Department for the duration of our relationship. In preparation for the planned cutovers, SoundThinking will assign a Trainer to the Department to train each group of users on the SoundThinking applications, including ShotSpotter, Dispatch, Administrative Portal, and InSight. The Trainer will conduct a Training Orientation with the Department's Program Manager to ensure all users are properly trained on the relevant applications. SoundThinking's Trainer will work with the Department to tailor a training program that addresses the unique needs and/or scheduling constraints of the Department users. The training will be performed through a combination of remote instructor-led live training, train-the-trainer, and on-line recorded computer-based training.

## Agency Metrics/KPIs (Key Performance Indicators)

Customer Success team members, led by the assigned Customer Success Director, will work with the Department's Program Manager and Command staff to review, define, and adopt a set of agency metrics, or Key Performance Indicators (KPIs), to establish and monitor the efficacy of the ShotSpotter service and related agency Best Practices. It is important to ensure that the agency and all stakeholders have visibility (and routines in place) to track the program metrics or KPIs needed to monitor the status of the program and to make informed decisions regarding resources, response protocols, and the best practices to drive success.

## Onsite Support During Service Activation (Go-Live)

On the day of ShotSpotter service activation to a live production status, the Customer Success Director will be on site to ensure that the transition is smooth, that the established best practices are being implemented as planned, and that user questions are answered quickly. Prior to cutover, SoundThinking's team will facilitate an introduction to the SoundThinking Support organization to review the support process and introduce the designated Technical Support Engineer to the Department. Following service activation, the designated Technical Support Engineer will facilitate a series of Status Calls with the Department to review the performance of the service. The Customer Success Director will continue to work with the Department to review and results being achieved by each group of users involved in the gun violence reduction program.

## Ongoing Customer Support

Customers can use the monthly scorecard in the InSight app to communicate details on system performance and our service, including the number of Gunshot Alerts, Misses, Mislocated Incidents, Misclassified Incidents, and other useful metrics. A designated SoundThinking Technical Support Engineer reviews service requests and reported issues monthly and is available to discuss and address any concerns.

SoundThinking standard customer support includes 24/7 assistance with user accounts, software interface, tools, features, incident (re)classification, and review. Tier 1 Support is provided by our Incident Review Center (IRC). IRC staff have extensive experience with SoundThinking applications and provide real-time support of basic issues, and first level of support for information gathering and triage for advanced troubleshooting by Tier 2 Support. The Tier 2 Support Team comprises technically advanced, experienced Customer Support professionals who are responsible for advanced levels of troubleshooting and analysis, IT support, mapping issues, etc.

Support Level	Tier 1 Support (IRC)	Tier 2 Support (Customer Support)
Features	<ul style="list-style-type: none"> <li>Login support</li> <li>Report a misclassification</li> <li>Report a missed incident</li> <li>Report a mislocated incident</li> <li>Basic audio request</li> <li>General/application questions</li> <li>Request for ILS</li> </ul>	<p>Normal Support:</p> <ul style="list-style-type: none"> <li>Analysis of missed gunshots</li> <li>Detailed audio search</li> <li>Performance analysis</li> <li>Interface issues</li> </ul> <p>Critical Support:</p> <ul style="list-style-type: none"> <li>System outage</li> </ul>
Hours of Operation	24/7/365	<p>Normal Support: 5 am – 11 pm Pacific Time Zone Escalation: 24/7/365</p>

## Proposed Coverage Area

ShotSpotter is deployed to provide coverage for a specified area, bounded by a specific coverage area perimeter. SoundThinking will design the coverage area based upon the Department's requirements and based upon analysis of historical crime data. The area delineated by a blue boundary in the image below is a rough estimate of the proposed coverage area based on the Department's specifications; please note, the final coverage area may vary. SoundThinking will collaborate with Department stakeholders to determine the final coverage boundaries and any resulting adjustments to the proposal to address the Department's needs and priorities.



Figure 9. Proposed ShotSpotter Coverage Area = 1.0 square mile

## Pricing

ShotSpotter is deployed to provide coverage for a specified area. SoundThinking offers our Lower Tier Pricing program to smaller communities. This pricing includes a one-time Service Initiation and Onboarding fee, as well as a reduced subscription fee for coverage areas of up to two square miles. SoundThinking will locate the proposed one square mile coverage area based upon the Department's requirements. The pricing presented below assumes a simplified design for the proposed ShotSpotter coverage area, one that targets the City's highest crime area(s), while avoiding a highly customized coverage area. SoundThinking will collaborate with Department stakeholders to determine the final coverage area location and related boundaries.

### 1.0 mi<sup>2</sup> Coverage Area: Three-Year Term

Contract Term	Coverage Area Size	One-Time Service Initiation & Onboarding Fee	Annual Subscription Fee*	Total
3 Years	mi <sup>2</sup>	Included	\$49,500	\$148,500

\*The ShotSpotter current annual subscription fee for cities the size of New Bern is \$49,500 per square mile. Please note, this rate is available for coverage areas up to a total of two (2) square miles. Any coverage beyond two (2) square miles will be at SoundThinking's standard annual subscription rate of \$70,000 per square mile, plus a one-time Service Initiation Fee of \$10,000 per square mile.

## Forensic Consultation Services

Forensic Consultation Service Fee (Expert Witness Services) **\$350/hour**

Expert Witness Testimony Services are available upon request and billed separately at the above rate.

## Payment Terms

Payment for the subscription shall be as follows:

### Three-Year Payment Terms

• 50% of Year 1 fee due upon execution of agreement	\$24,750
• 50% of Year 1 fee due upon ShotSpotter service activation (live) status	\$24,750
• 100% of Year 2 fee due prior to first anniversary of ShotSpotter live status	\$49,500
• 100% of Year 3 fee due prior to second anniversary of ShotSpotter live status	\$49,500

Expert Witness Testimony Services are available upon request and billed separately at the above rate.

## Pricing Assumptions

This pricing is submitted based on the following assumptions:

- Services will be delivered under the terms of the SoundThinking Master Services Agreement and its Exhibits and Addenda, to which this Proposal will be attached as Exhibit A.
- The New Bern Police Department will provision network access to meet SoundThinking minimum specifications and requirements for all computers (PCs and MDCs) that will access the ShotSpotter service.
- This pricing does not include any state or local taxes; if taxes are applicable, we will be happy to provide an amended quote upon request.
- This proposal and all pricing contained herein remains valid for ninety (90) days from the date of this proposal.

**Optional Additional Services****Notifications API Annual Subscription Fee**

Contract Term	Notifications API License Pack Annual Subscription Fee	Total
3 Years	\$9,500	\$28,500

**Notifications API Pricing Assumptions**

- The services will be delivered under the terms of the SoundThinking Master Services Agreement to which this Proposal will be attached as Exhibit A.
- The optional Notifications API License is a recurring annual subscription fee which includes up to three interfaces. Fee does not include costs required from other vendors to implement or support the planned interfaces.





## **ADDENDUM ONE - SHOTSPOTTER® SUPPLEMENTAL TERMS**

This Addendum One ("Addendum One") to the SoundThinking™, Inc. Master Services Agreement (the "Agreement") by and between SoundThinking, Inc. ("SoundThinking") and the City of New Bern, NC ("Customer") is effective as of the last date of signature below.

The following provisions are expressly added to and made a part of the Agreement for the purposes of further defining the ShotSpotter® Subscription Services and terms of use. All terms and conditions of the Agreement shall remain in full force and effect. In the event of a conflict between this Addendum One and the Agreement, this Addendum One shall control:

In consideration of the Parties' mutual covenants and promises set forth in this Addendum One, the Parties Agree as follows:

### **Section 2 DEFINITIONS**

#### **ShotSpotter**

Insight means the internet portal to which Customer will have access to Reviewed Alerts with respect to the ShotSpotter® Gunshot Detection, Location, and Forensics System.

Coverage Area means the area in square miles covered by the ShotSpotter Services as set forth in Exhibit A and increase to the Coverage Area as agreed to in writing between the Parties.

Reviewed Alerts means the data reviewed by SoundThinking's incident review staff related to gunfire incidents detected by the ShotSpotter Gunshot Detection, Location, and Forensic Analysis Service.

### **Section 3 SUBSCRIPTION SERVICES**

#### **ShotSpotter**

- B. SoundThinking will install the ShotSpotter System in the Coverage Area specified in Exhibit A attached to the Agreement. SoundThinking will host the Subscription Services and may update the functionality and Software of the Subscription Services from time to time at its sole discretion and in accordance with the Agreement and this Addendum One.
- C. SoundThinking will be responsible for determining the location(s) for installation of acoustic sensor(s) (the "Sensors") that detect gunshot-like sounds, and obtaining permission from the premises owner/property manager/lessee. SoundThinking owns, and is responsible for maintenance of the Sensors.
- D. The ShotSpotter System acoustic Sensor may use wired, wireless, or cellular wireless communications which necessitates the existence of a real-time data communications channel from each Sensor to the SoundThinking hosted servers via a commercial carrier.



The unavailability or deterioration of the quality of such wired, wireless, or wireless cellular communications may impact the ability of SoundThinking to provide the Subscription Services. In such circumstances SoundThinking will use commercially reasonable efforts to obtain alternate wired or wireless cellular communications or adjust the coverage area as necessary. In the event SoundThinking is unable to do so, SoundThinking will terminate the ShotSpotter Subscription Services and refund a pro-rata portion of the annual Subscription Services fee to Customer.

- E. SoundThinking will provide Customer with user documentation, online help, written or recorded video training material, and other applicable documentation (as available).
- F. SoundThinking will provide reasonable efforts to respond via email to requests for support relating to incident classification as defined in the Support Level Matrix provided at Attachment A.
- G. During the term of the Agreement, SoundThinking will provide real-time gunfire analysis and alert services. After an explosive (or impulsive) sound triggers enough Sensors that an incident is detected and located, audio from the incident is sent to SoundThinking's Incident Review Center (IRC) via secure, high-speed network connections for real-time qualification. Within seconds, a SoundThinking professional reviewer analyzes audio data and recordings to confirm gunfire or explosions. The qualified alert is then sent directly to the Customer's dispatch center, PSAP, mobile/patrol officers, and any other relevant safety or security personnel, as determined by the Customer. The SoundThinking IRC will review gunfire incidents as further defined in Attachment A to this Addendum One.
- H. The ShotSpotter Subscription Services shall consist of (i) providing access to the Customer of Reviewed Alerts delivered via the Insight password-protected internet portal and user interface supplied by SoundThinking; (ii) providing Customer access to historical Reviewed Alerts and incident information via the ShotSpotter Software; and (iii) other services as specified in the Agreement and its Exhibits or this Addendum One.
- I. SoundThinking will use commercially reasonable efforts to respond to support requests as set forth in the Support Level Matrix provided at Attachment A to this Addendum One. These requests may be made to SoundThinking through one of the following methods: 1) email to [support@soundthinking.com](mailto:support@soundthinking.com); 2) Live Chat through the ShotSpotter Subscription Services applications; 3) A phone call to SoundThinking's Customer Support organization at 888.274.6877, option 4. These are the only methods SoundThinking will receive and respond to support requests.

Tier 1 (as defined in the Support Matrix included at Attachment A). A SoundThinking Customer Support specialist will be responsible for receiving Customer reports of missed incidents, or errors in the Subscription Services, and, to the extent practicable over email or telephone, making commercially reasonable efforts to assist the Customer in resolving the Customer's reported problems. In the event the problem cannot be resolved within 24 hours, requiring further research and troubleshooting, SoundThinking will use commercially reasonable efforts to resolve the issue within seventy-two (72) hours of



receipt of the report. In the event that the ShotSpotter Subscription Service is fully nonfunctional, and it is not due to power outage or other reasons that are outside of SoundThinking's control, SoundThinking will work continuously to restore functionality of the Subscription Services in accordance with the standard ShotSpotter user documentation provided with the Subscription Services as soon as reasonably possible, and no later than seventy-two (72) hours of receipt of the report.

**J. FORENSIC REPORTS.**

- i. Investigative Lead Summary ("ILS"). SoundThinking provides an on-demand report available through the ShotSpotter Respond Application. The Investigative Lead Summary (ILS) provides useful details about the approximate location, timing, and sequence of each shot fired during an incident. The ILS is very valuable on scene, helping law enforcement find shell casings, confirm witness accounts, and identify suspects. ILS reports are available immediately after an incident occurs via the mobile, web, or desktop ShotSpotter Respond application (machine-generated). The ILS is not a court-admissible document.
- ii. Detailed Forensic Report ("DFR"). If requested by Customer, SoundThinking will provide a DFR for any ShotSpotter-detected incidents, including Reviewed Alerts. The DFR is intended to be a court-admissible document used by attorneys as part of a court case for the exact, verified timing, sequence and location of each shot fired. Secondly, the DFR is available for use by law enforcement to obtain a search warrant or to investigate an Officer Involved Shooting.

DFRs must be requested in writing and addressed to the SoundThinking Customer Support Department. Requests may be submitted via the Forensics Services page under the Law Enforcement tab on SoundThinking's website ([www.soundthinking.com](http://www.soundthinking.com)). SoundThinking will use commercially reasonable efforts to provide a DFR within ten (10) business days of receipt of the request.

**K. EXPERT WITNESS SERVICES.**

SoundThinking offers reasonable expert witness services, including Reviewed Alerts, for an hourly fee as set forth in Exhibit A of the Agreement, as well as reimbursement of all travel and per diem costs. If requested to provide such services, SoundThinking will invoice the Customer for the number of hours expended to prepare for and provide expert witness testimony, and actual travel expenses, upon completion of the services. Customer understands that SoundThinking undertakes to provide individuals whose qualifications are sufficient for such services, but does not warrant that any person or his or her opinion will be accepted by every court. SoundThinking requires at least fourteen (14) days prior notice of such a requirement in writing from the Customer. Customer must include dates, times, specific locations, and a point of contact for SoundThinking personnel. Due to the nature of legal proceedings, SoundThinking cannot guarantee that its services described in this section shall produce the outcome, legal or otherwise, which Customer desires. Payment for expert witness services described shall be due and payable when services are rendered regardless of the outcome of the proceedings.

## Section 5 LICENSE AND OWNERSHIP

### ShotSpotter Data

#### A. Rights in Data.

SoundThinking shall own and have the unrestricted right to use the ShotSpotter Data, as that term is defined in the Agreement, for internal purposes such as research or product development. SoundThinking may provide, license, or sell the ShotSpotter Data on an aggregated basis to third parties (excluding press or media) to be used for research or analytical purposes, or for law enforcement and/or security purposes.

SoundThinking will not release or disseminate to any person or entity ShotSpotter Data related to or consisting of specific forensic or law enforcement sensitive incident information pertaining to any active inquiry, investigation, or prosecution, unless in response to a valid order or subpoena issued by a court or other governmental body, or as otherwise required by law. SoundThinking will not release, sell, license, or otherwise distribute the gunfire alert ShotSpotter Data to the press or media without the prior express written consent of an authorized representative of the Customer.

Customer shall have the unrestricted right to download, make copies of, distribute, and use the ShotSpotter Data within its own organization, exclusively for its own internal purposes, and for purposes of detecting and locating gunfire, routine archival recordkeeping, evidence preservation, and investigative, or evidentiary, and prosecutorial purposes, and for community engagement and community services initiatives. Customer shall not provide to, license the use of, or sell the ShotSpotter Data to any third parties, which restriction will not pertain to the collaboration with other law enforcement agencies for the purposes of investigating and prosecuting crimes detected by the ShotSpotter Subscription Service; (ii) government or non-governmental entities focused on the support of victims of gun crime in the local community; or (iii) entities focused on local community outreach and/or violence intervention.

## Section 6 CONFIDENTIALITY AND PROPRIETARY RIGHTS

### SoundThinking Privacy Policy

#### A. SoundThinking Privacy Policy.

With respect to the ShotSpotter Subscription Services, SoundThinking has structured its technology, processes and policies in such a way as to minimize the risk of privacy infringements from audio surveillance while still delivering important public safety benefits to its customers. These efforts to maintain privacy include the following:

- 1) SoundThinking will not provide extended audio to customers beyond the audio snippet (1 second of ambient noise prior to a gunshot, the gunshot audio itself,



and 1 second after the incident). SoundThinking will vigorously resist any subpoena or court order for extended audio that goes beyond an audio snippet.

- 2) SoundThinking will not provide a list or database of the precise location of Sensors to police or the public if requested and will challenge any subpoenas for this location data.

## **Section 7 LIMITED WARRANTIES**

### **ShotSpotter Subscription Services and Software Additional Limited Warranties and Disclaimers**

- A. The ShotSpotter Subscription Services are not designed, sold, or intended to be used to detect, intercept, transmit, or record oral or other communications of any kind. SoundThinking cannot control how the ShotSpotter Subscription Services are used, and, accordingly, SoundThinking does not warrant or represent, expressly or implicitly, that use of the ShotSpotter Subscription Services will comply or conform to the requirements of federal, state, or local statutes, ordinances, and laws, or that use of the ShotSpotter Subscription Services will not violate the privacy rights of third parties. Customer shall be solely responsible for using the ShotSpotter Subscription Services in full compliance with applicable law and the rights of third persons.
- B. SoundThinking does not warrant or represent, expressly or implicitly, that the ShotSpotter System or its use will: result in the prediction or prevention of crime, apprehension or conviction of any perpetrator of any crime, or detection of any criminal; prevent any loss, death, injury, or damage to property due to any reason including the discharge of a firearm or other weapon; or in all cases result in a Reviewed Alert for all firearm discharges within the designated coverage area; or that the ShotSpotter-supplied network will remain in operation at all times or under all conditions.
- C. SoundThinking expressly disclaims, and does not undertake or assume any duty, obligation, or responsibility for any decisions, actions, reactions, responses, failure to act, or inaction, by Customer as a result of or in reliance on, in whole or in part, the ShotSpotter Subscription Services, or Reviewed Alerts provided by SoundThinking, or for any consequences or outcomes, including any death, injury, or loss or damage to any property, arising from or caused by any such decisions, actions, reactions, responses, failure to act, or inaction. It shall be the sole and exclusive responsibility of the Customer to determine appropriate decisions, actions, reactions, or responses, including whether or not to dispatch emergency responder resources. The Customer hereby expressly assumes all risks and liability associated with any and all action, reaction, response, and dispatch decisions, and for all consequences and outcomes arising from or caused by any decisions made or not made by the Customer in reliance, in whole or in part, on the ShotSpotter Subscription Services provided by SoundThinking, including any death, injury, or loss or damage to any property.





EXCEPT AS EXPRESSLY SET FORTH IN SECTION 7 OF THE AGREEMENT AND THIS ADDENDUM ONE, SOUNDTHINKING MAKES AND CUSTOMER RECEIVES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF NON-INFRINGEMENT, QUALITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

THE PARTIES HERETO HAVE EXECUTED THIS ADDENDUM ONE CONTEMPORANEOUSLY WITH THE AGREEMENT.

CITY OF NEW BERN, NC

SOUNDTHINKING, INC.

\_\_\_\_\_  
Accepted By (Signature)

\_\_\_\_\_  
Accepted By (Signature)

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



## ATTACHMENT A – SERVICE LEVEL AGREEMENT

### ShotSpotter® Gunshot Detection, Location System

#### Reviewed Alert Service Levels

##### Summary

Under the terms and conditions of the SoundThinking Master Services Agreement and this Addendum One between SoundThinking, Inc. ("SoundThinking") and Customer, SoundThinking commits to meet or exceed the following Service Level Agreement (SLA) standards as it provides its ShotSpotter Gunshot Location Services<sup>1</sup>:

Service	SLA and Measurement
Gunshot Detection & Location	90% of unsuppressed, outdoor gunfire incidents, using standard, commercially available rounds greater than .25 caliber, inside the Coverage Area will be detected and located within 25 meters of the actual gunshot location.
Reviewed Alerts	90% of gunshot incidents will be reviewed and published in less than 60 seconds.
Service Availability	The ShotSpotter Gunshot Location System service will be available to the Customer 99.9% of the time with online access to ShotSpotter data, excluding scheduled maintenance windows.

##### Gunshot Detection & Location Performance

The ShotSpotter System will detect and accurately locate to within 25 meters of the actual gunshot location 90% of unsuppressed, outdoor gunshots fired inside the contracted coverage area using standard, commercially available rounds greater than .25 caliber.

##### Reviewed Alerts Service

SoundThinking's real-time Incident Review Center (IRC) will review at least 90% of all gunfire incidents within 60 seconds. This human review is intended to confirm or change the machine classification of the incident type, and, depending on the reviewer's confidence level that the incident is or may be gunfire, will result in an alert ("Reviewed Alert") sent to the Customer's dispatch center, patrol car mobile data terminals (MDT), and officer smartphones (via the ShotSpotter App), based on the following criteria:

Incident Type	Action
High confidence incident is gunfire	Reviewed Gunfire Alert, (Single Gunshot "SG" or Multiple Gunshots "MG") sent to Customer's dispatch center, patrol car mobile data terminals (MDT), and officer smartphones (via the ShotSpotter Respond App)
Uncertain if incident is gunfire or not	Reviewed Probable Gunfire ("PG") Alert sent to Customer's dispatch center, patrol car MDTs, and officer smartphones
Low confidence incident is gunfire	<b>No alert</b> will be sent; incident available for Customer review in the incident history available through Insight

<sup>1</sup> See attached "ShotSpotter – Definition of Key Terms" for a complete definition of terms associated with this SLA and further details in the expanded definitions listed below the Summary. The basis for this SLA and performance measurement will be total gunshot incidents as defined by the Definition of Key Terms.



Reviewed Alerts are sent to the Customer's dispatch center, patrol car MDTs, and officer smartphones. Information in a Reviewed Alert will include the following:

- "Dot on the map" with latitude and longitude indicating the location of the incident.
- Parcel address closest to location of the incident.
- When available, additional situational awareness data points may be included, such as:
  - Qualitative data on the type/severity of incident: Fully automatic, High Capacity
  - Other comments (if any)

The ShotSpotter Respond App, and Insight provide the Customer with full and immediate access to incident history including information SoundThinking uses in its internal review process. This information includes, among other things, the initial incident classification and any reclassifications of an incident, incident audio wave forms, and incident audio files. This data access is available as long as the Customer is under active subscription.

#### **Service Availability**

The ShotSpotter System<sup>2</sup> will be able to detect gunfire and available to users with online access to ShotSpotter data 99.9% of the time, on a 24x7 by 365 day per year basis, excluding: a) scheduled maintenance periods which will be announced to Customer in advance; b) select holidays; and c) third party network outages beyond SoundThinking's control.

#### **Customer SLA Credits**

Each Service Level measurement shall be determined quarterly, the results of which will be reviewed during the periodic account review meetings with Customer. For each calendar quarter that SoundThinking does not meet at least two of the three above standards, a fee reduction representing one free week of service (for the affected Coverage Area) for each missed quarter shall be included during a future Customer renewal.

#### **Service Level Exclusions and Modifications**

SoundThinking takes commercially reasonable efforts to maintain Service Levels at all times. However, Service Level performance during New Year's Eve and Independence Day and the 48-hour periods before and after these holidays, are specifically excluded from Service Level standards. During these excluded periods, because of the large amount of fireworks activity, SoundThinking uses fireworks suppression techniques<sup>3</sup>.

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<sup>2</sup> ShotSpotter Subscription Service includes all database, applications, and communications services hosted by SoundThinking, Inc. at our data center and specifically exclude Customer's internal network or systems or 3<sup>rd</sup> party communications networks, e.g. Verizon, AT&T, Sprint/T-Mobile, or Customer's Internet Service Provider.

<sup>3</sup> SoundThinking will put the ShotSpotter System into "fireworks suppression mode" during this period in order to reduce the non-gunfire incidents required for human classification. SoundThinking will formally inform the Customer prior to the System being placed in fireworks suppression mode and when the mode is disabled. While in fireworks suppression mode, the incident alerts determined to be fireworks are not sent to the reviewer nor the Customer dispatch center, patrol car MDTs, and officer smartphones; however, these non-gunfire incidents will continue to be stored in the database for use if required at a later time.



The SoundThinking sensors send incident information to the SoundThinking cloud via third party cellular, wireless or wired networks. SoundThinking is not responsible for outages on the third-party networks.

#### Service Failure Notification

Should SoundThinking identify any condition (disruption, degradation or failure of network, cloud, servers, sensors etc.) that impacts SoundThinking's ability to meet the Gunshot Detection & Location standard (above), SoundThinking will proactively notify the Customer with: a) a brief explanation of the condition; b) how the Customer's service is affected; and c) the approximate timeframe for resolution. SoundThinking will also notify the Customer once any such condition is resolved.

#### Customer Responsibilities

The purpose of the Reviewed Alert service is to provide incident data to the Customer, reviewed, analyzed and classified in the manner described above. However, it is the sole responsibility of the Customer to interpret the data provided, and to determine any appropriate follow-up reaction or response, including whether or not to dispatch emergency responder resources based on a Reviewed Alert. SoundThinking does not assume any obligation, duty or responsibility for reaction, response, or dispatch decisions, which are solely and exclusively the responsibility of Customer, or for the consequences or outcomes of any decisions made or not made by the Customer in reliance, in whole or in part, on any services provided by SoundThinking.

Customer must inform SoundThinking when Verified Incidents of gunfire are missed by the ShotSpotter System in order to properly calculate Performance Rate, as defined below.

Customer is responsible for providing any required workstations, mobile devices and internet access for the Customer's dispatch center, patrol car MDTs, and officer smartphones, or Insight.

### Support Level Matrix

Support Level	Tier 1 Support (IRC)	Tier 2 Support (Customer Support)
Features	<ul style="list-style-type: none"><li>• Login support</li><li>• Report a misclassification</li><li>• Report a missed incident</li><li>• Report a mislocated incident</li><li>• Basic audio request</li><li>• General/application questions</li><li>• Request for ILS</li></ul>	<p>Normal Support:</p> <ul style="list-style-type: none"><li>• Analysis of missed gunshots</li><li>• Detailed audio search</li><li>• Performance analysis</li><li>• Integration issues</li></ul> <p>Critical Support:</p> <ul style="list-style-type: none"><li>• System outage</li></ul>
Hours of Operation	24x7x365	Normal Support: 5 am – 11 pm Pacific Time Zone Escalation: 24x7x365



### ShotSpotter – Definition of Key Terms

The ShotSpotter System will provide data for correct detection and accurate location for ninety percent (90%) of detectable (outdoor, unsuppressed) community gunfire which occurs within a coverage area, the "Coverage Area", provided the measurement is Statistically Significant, as defined below. This performance rate shall be calculated as a percentage as follows:

$$\text{Performance Rate} = \frac{\text{NumberAccuratelyLocated}}{(\text{NumberAccuratelyLocated} + \text{NumberNotDetected} + \text{NumberMislocated})}$$

where the "Performance Rate" is a number expressed as a percentage, "NumberAccuratelyLocated" is the number of "Gunfire Incidents" occurring within the Coverage Area during the specified period for which the ShotSpotter System produced an Accurate Location, NumberMislocated is the number of Verified Incidents (a "Verified Incident" is an incident where Customer has physical or other credible evidence that gunfire took place) for which the ShotSpotter System produced an inaccurate location (i.e., a Mislocated Incident), and NumberNotDetected is the number of Verified Incidents for which the ShotSpotter System failed to report a location at all (i.e., Missed Incidents).

An "Accurate Location" shall mean an incident located by the ShotSpotter System to a latitude/longitude coordinate that lies within a 25-meter radius of the confirmed shooter's location (25 meters = approximately 82 feet). "Detectable Gunfire" incidents are unsuppressed discharges of ballistic firearms which occur fully outdoors in free space (i.e. not in doorways, vestibules, windows, vehicles, etc.) using standard commercially available rounds of caliber greater than .25.

ShotSpotter Review Period is measured as the period commencing when the Incident Review Center (IRC) receives the alert and the first audio download to the time it is published to the customer.

ShotSpotter System performance is guaranteed after a "Statistically Significant" set of incidents has been detected in accordance with timeframes set forth herein and following DQV and commercial system acceptance. The ShotSpotter System is designed to detect gunfire which is typically well distributed throughout the Coverage Area; however, performance should not be construed to mean that 90% of gunfire fired at any given location within the Coverage Area will be detected and located within the guaranteed accuracy.

The ShotSpotter System is not a "point protection" system and is therefore not designed to consistently detect gunfire at every single location within the Coverage Area, but rather to Accurately Locate 90% of the Detectable Incidents in aggregate throughout the entire Coverage Area. There may be certain locations within the Coverage Area where obstacles and ambient noise impede and/or overshadow the propagation of acoustic energy such that locating the origin at those positions is inconsistent or impossible. The Performance Rate calculation is thus specifically tied to the Community Gunfire across the entire Coverage Area.

Statistically Significant shall be defined as measurements and calculations which shall be performed as follows: (a) Across an entire Coverage Area; (b) Aggregating over a period of at least 30 days under weather conditions seasonally normal for the area; and (c) Provided that the total number of gunfire incidents being counted is equal to or greater than: (i) thirty (30) incidents for systems of up to three (3) square miles of Coverage Area, or (ii) ten (10) incidents multiplied by the number of square miles of Coverage Area for systems where one or more Coverage Areas are three (3) square miles or larger.



## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting a Resolution Approving the Substantial Amendment to FY2020 Annual Action Plan of the Community Development Block Grant (CDBG) Program

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b>
<b>Department:</b> Development Services	<b>Person Submitting Item:</b> D'Aja Fulmore, Community Development Coordinator
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b> 11/28/2023

<b>Explanation of Item:</b>	The City of New Bern previously adopted its FY 2020 and 2021 Annual Action Plans and Budgets for the use of CDBG funds. In accordance with CDBG program regulations, the City is allowed to make substantial amendments to its Annual Action Plans and Budgets in accordance with the City's Citizen Participation Plan. A public hearing was held on these changes on November 28, 2023, and a vote to adopt resolutions on these changes is necessary on December 12, 2023.
<b>Actions Needed by Board:</b>	Adopt Resolutions
<b>Backup Attached:</b>	Memo, Resolutions
<b>Is item time sensitive?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**



## MEMORANDUM

**TO:** Mayor Jeffrey Odham, City of New Bern Board of Aldermen

**FROM:** D'Aja Fulmore, Community Development Coordinator

**DATE:** December 12, 2023

**SUBJECT:** Consider Adopting Resolutions Approving the Substantial Amendment to FY 2020 & 2021 Annual Action Plans of the Community Development Block Grant (CDBG) Program.

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### Purpose:

The purpose of this agenda item is to consider adopting resolutions approving the substantial amendments to the City of New Bern's FY 2020 and 2021 Annual Action Plans for the use of Community Development Block Grant (CDBG) funds.

The Board of Aldermen held a public hearing on the substantial amendments on November 28, 2023, in the City Hall courtroom. The substantial amendments have been on display from October 27, 2023, to December 11, 2023.

### Background Information:

The City of New Bern previously adopted its FY 2020 and 2021 Annual Action Plans and Budgets for the use of CDBG funds. In accordance with CDBG program regulations, the City is allowed to make substantial amendments to its Annual Action Plans and Budgets in accordance with the City's Citizen Participation Plan.

The City has determined that it is necessary to amend the CDBG program project descriptions for the previously approved Annual Action Plans. The funds will remain the same, but a new scope of work will be added.

The substantial amendments to the CDBG Annual Action Plans are proposed as follows:

- **FY 2020 Program Year:** IDIS # 34 - Housing Rehabilitation in the Five Points Area:  
The City is amending the project scope by changing it to the following:

- **Original Language:**

"Funds will be given to the Redevelopment Commission to begin the rehabilitation work on a rental property located in the Greater Five Points area. This will begin a 2-phase renovation process that will span two program years. (Multi-year activity)"

- **Proposed Language:**

"Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity."

The line-item budget amount will not change.

- **FY 2021 Program Year:** IDIS # 37 - Housing Rehabilitation in the Five Points Area:  
The City is amending the project scope by changing it to the following:

- **Original Language:**

"This is Year 2 of a multi-year activity. The City Redevelopment Commission is purchasing an existing vacant residence. The house will be moved to a new site on a residential street. The house will be rehabilitated and brought up to code standards. It will be a rental property owned by the Redevelopment Commission." (Multi-year activity)

- **Proposed Language:**

"Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity."

The line-item budget amount will not change.

**Recommendation:**

Consider Adopting Resolutions Approving the Substantial Amendment to FY 2020 & 2021 Annual Action Plans of the Community Development Block Grant (CDBG) Program.

If you have any questions or need additional information, please contact D'Aja Fulmore at 252-639-7586 or Chris Seaberg at 252-639-7580.

## **RESOLUTION**

**BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:**

**WHEREAS**, the City of New Bern, Craven County, NC is a recipient of Federal Community Development Block Grant (CDBG) funds under the Housing and Community Development Act of 1974, as amended; and

**WHEREAS**, the U.S. Department of Housing and Urban Development (HUD) has previously approved the City of New Bern's FY2020 Community Development Block Grant (CDBG) Programs; and

**WHEREAS**, the City previously allocated FY2020 CDBG funds to the Redevelopment Commission for the rehabilitation work on a rental property located in the Greater Five Points area; and

**WHEREAS**, there is a need to amend the project scope by changing it to the following: Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City; and

**WHEREAS**, HUD permits grant recipients to revise and amend their previously approved budgets and annual action plans to address current needs; and

**WHEREAS**, the City of New Bern's Department of Development Services has determined that the proposed changes to the FY2020 CDBG Program constitute a substantial amendment, and the City has complied with its Citizen Participation Plan.

**NOW THEREFORE, BE IT RESOLVED** that the document entitled "City of New Bern FY2020 Substantial Amendment," a copy of which is attached hereto and incorporated herein by reference, be and the same is hereby adopted and approved, as the "City of New Bern FY2020 Substantial Amendment" and the Mayor is hereby authorized to sign any related documents on behalf of the City and is authorized to submit these Substantial Amendments to the U.S. Department of HUD.

ADOPTED this 12<sup>th</sup> DAY OF DECEMBER 2023.

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JEFFREY T. ODHAM, MAYOR

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BRENDA E. BLANCO, CITY CLERK

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# **CITY OF NEW BERN**

*303 First Street, New Bern, NC 28560*

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## **FY 2020 Annual Action Plan - Substantial Amendment # 2**

*For Submission to HUD for the  
Community Development Block Grant (CDBG) Program  
and CARES Act for COVID-19 Relief (CDBG-CV) Funding*

*December 12, 2023*

**Mayor:**

Jeffrey T. Odham

**City Manager:**

Foster Hughes

**Director of Development  
Services:**

Jessica Rhue



# **NEW BERN**

**CITY OF NEW BERN**





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Citizen Participation

**Substantial Amendment # 2:**

*The City of New Bern has prepared a substantial amendment to its FY 2020 Annual Action Plan. The amendment to its FY 2020 Annual Action Plan is the following: IDIS Activity # 34 - Housing Rehabilitation in the Five Points Area: The City is amending the project scope by changing it to the following: "Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity." The line-item budget amount will not change.*

**CARES Act Substantial Amendment:**

*The City of New Bern has prepared a substantial amendment to its FY 2020 Annual Action Plan. The purpose substantial amendment will enable the City to access the CARES Act funds. The City received two (2) allocations of the Community Development Block Grant - Coronavirus (CDBG-CV) funds. The first allocation received by the City was \$152,252 and in the third round of funding, the City received an allocation of \$194,483 for a total allocation of \$346,735 CDBG-CV funds. The City of New Bern is amending its FY 2020 Annual Action Plan by amending and adding the following projects/activities for the CARES Act funds: CDBG-CV-20-01 CV-CDBG-CV Administration – increase this project/activity budget by \$19,448 for a new project/activity budget of \$34,673; and CDBG-CV-20-02 CV-Rent, Mortgage, and Utility Assistance – increase this project/activity budget by \$175,035 for a new project/activity budget of \$312,062. In addition, the City has added mortgage assistance to pay for back mortgage payments to this project/activity description.*

## **Executive Summary**

### **AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)**

#### **1. Introduction**

The City of New Bern, North Carolina is a Federal entitlement community under the U.S. Department of Housing & Urban Development's (HUD) Community Development Block Grant (CDBG) Program. In compliance with the HUD regulations, the City of New Bern has prepared this

FY 2020 Annual Action Plan for the period of July 1, 2020 through June 30, 2021. This Annual Action Plan is a strategic plan for the implementation of the City's Federal Programs for housing, community, and economic development within the City of New Bern. This is the second Annual Action Plan under the City's FY 2019-2023 Five-Year Consolidated Plan.

The FY 2020 Annual Action Plan is a collaborative effort of the City of New Bern, the community at large, social service agencies, housing providers, community development agencies, and economic development groups. The planning process was accomplished through public meetings, statistical data, review of the City's Comprehensive Plan, and other community plans.

**Revised Available Funds:**

During the FY 2020 Program Year, the City of New Bern will receive the following Federal funds:

- **CDBG:** \$258,775.00
- **CDBG-CV Funds -** \$346,735.00
- **Total:** \$605,510.00

**FY 2020 CDBG Programs Budget:**

The City of New Bern proposes to undertake the following activities with the FY 2020 CDBG Funds:

- **CD-20-01 General Administration -** \$51,723.00
- **CD-20-02 Housing Rehabilitation in the Five Points Area -** \$107,052.00
- **CD-20-03 Duffyfield Stormwater Project -** \$100,000.00

**Revised FY 2020 CDBG-CV Programs Budget:**

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, was signed into law on Friday, March 27, 2020. HUD received \$3.064 billion in funds through the CARES Act for the Community Development Block Grant (CDBG-CV), Emergency Solutions Grant (ESG-CV), and Housing Opportunities for Persons With AIDS (HOPWA-CV) programs. The City of New Bern anticipates receiving CARES Act funds and allocating them using the FY 2020 Annual Action Plan.

The City of New Bern proposes to undertake the following activities with the FY 2020 CDBG-CV Grant funds:

- **CV-20-01 CV-CDBG-CV Administration -** \$34,673.00
- **CV-20-02 CV-Rent, Mortgage, and Utility Assistance -** \$312,062.00

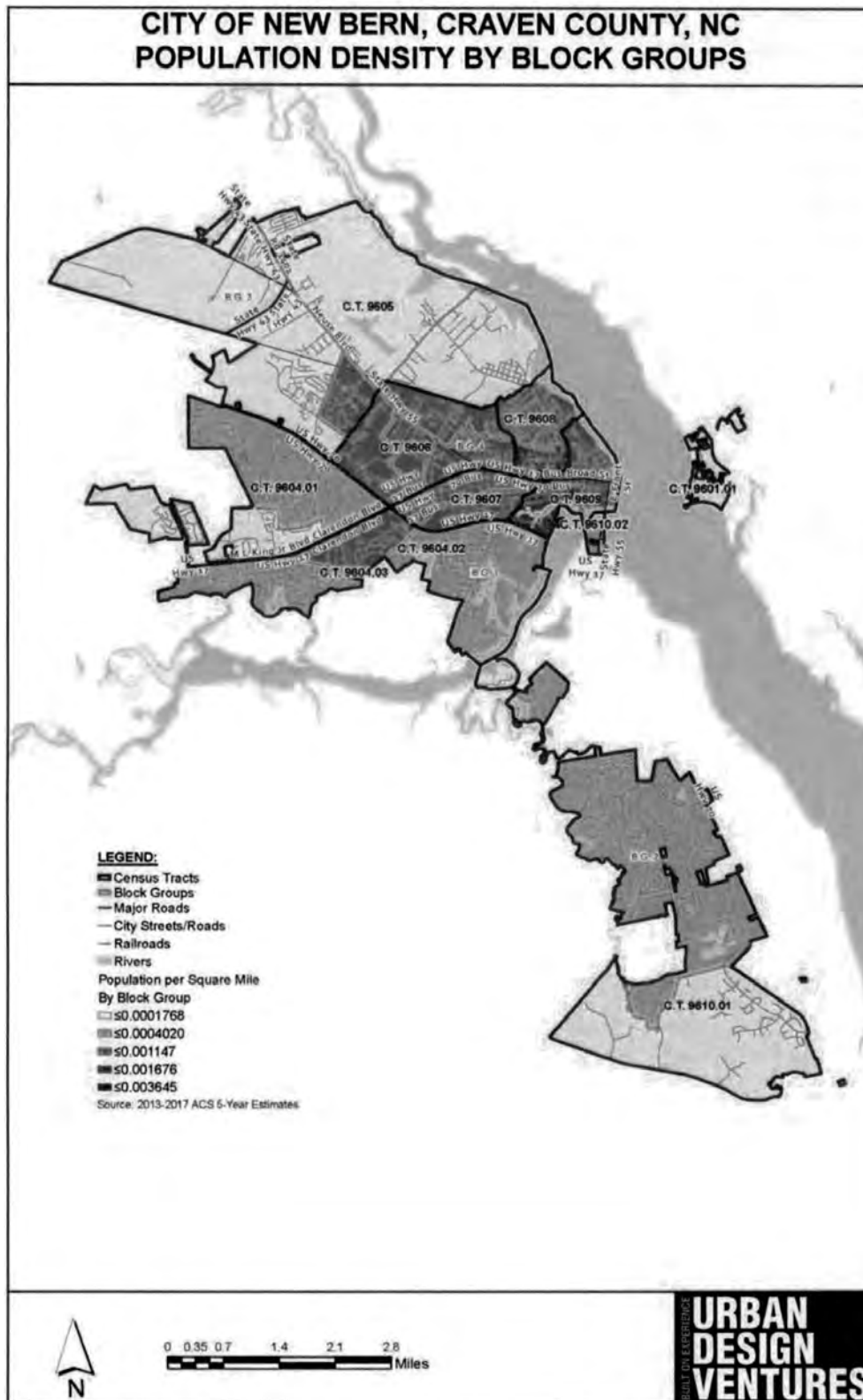
**Maps**

The following maps which illustrate the demographic characteristics of the City of New Bern:

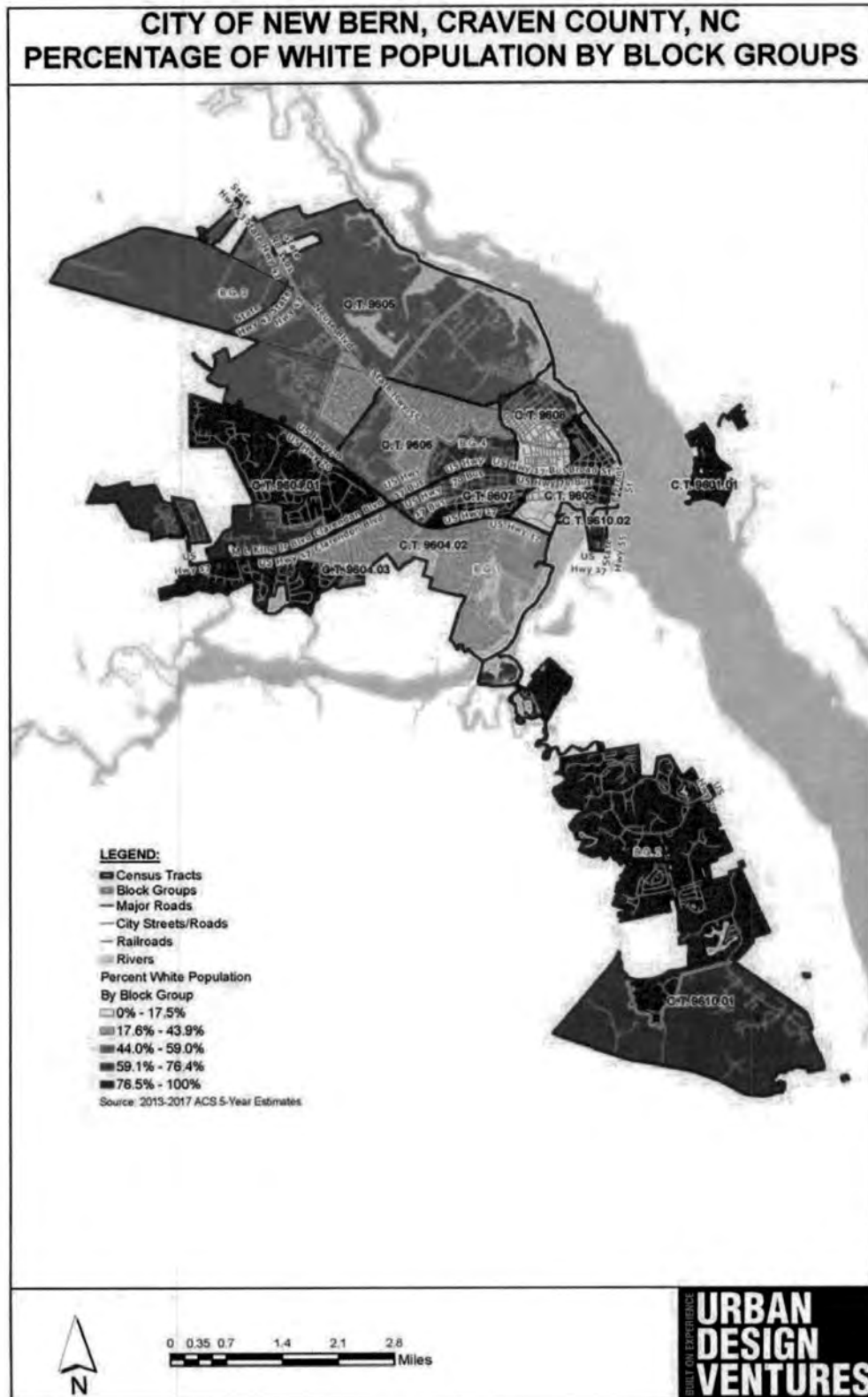
- Percent White Population by Block Group
- Percent Minority Population by Block Group
- Number of People Aged 65+ by Block Group
- Percent Population Age 65+ by Block Group
- Population Density by Block Group
- Housing Density by Block Group
- Percent Owner-Occupied Housing Units by Block Group
- Percent Renter-Occupied Housing Units by Block Group
- Percent Vacant Housing Units by Block Group
- Low/Moderate Income Percentage by Block Group
- Low/Moderate Income and High Minority Concentration by Block Group



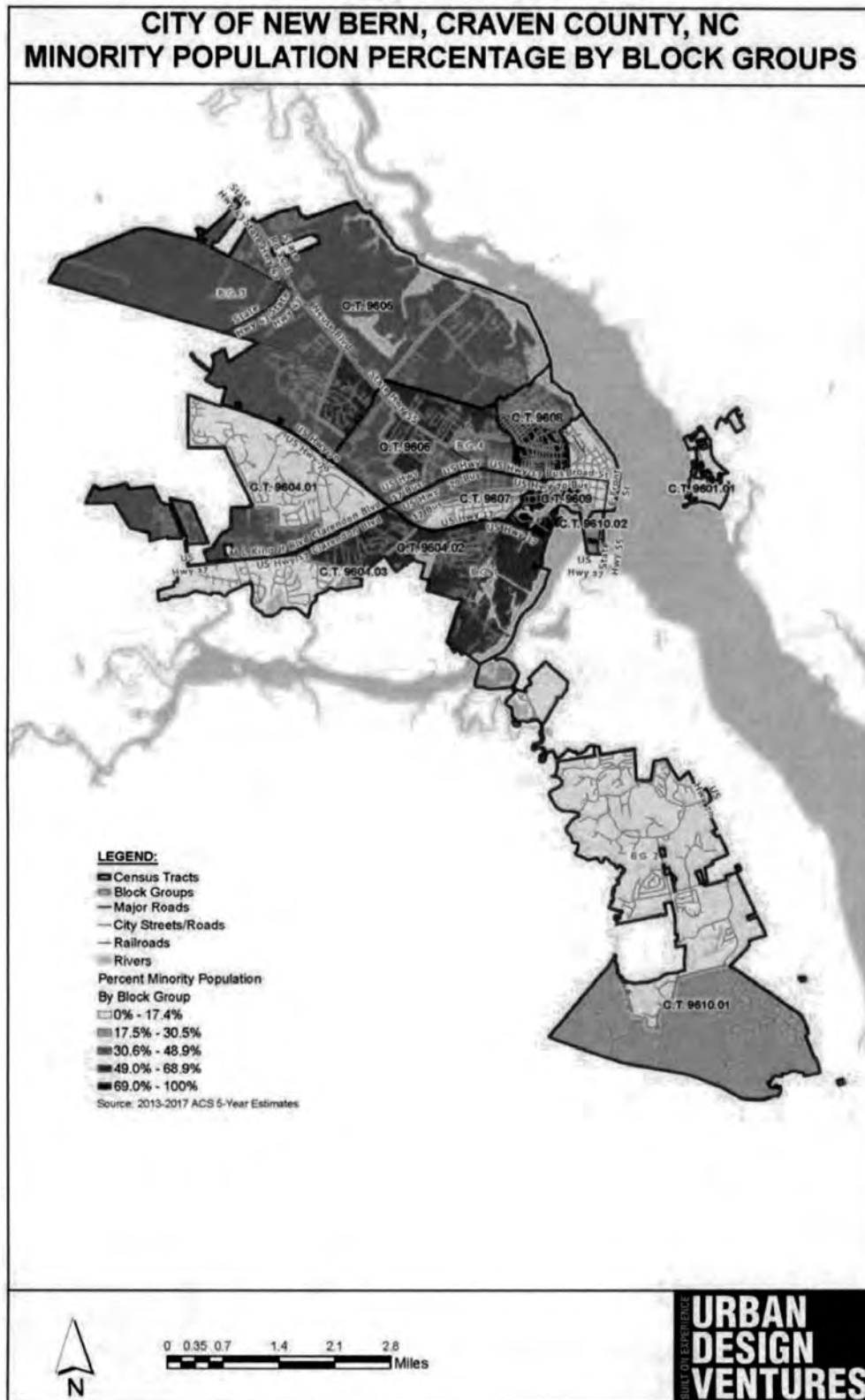
# Population Density by Block Group



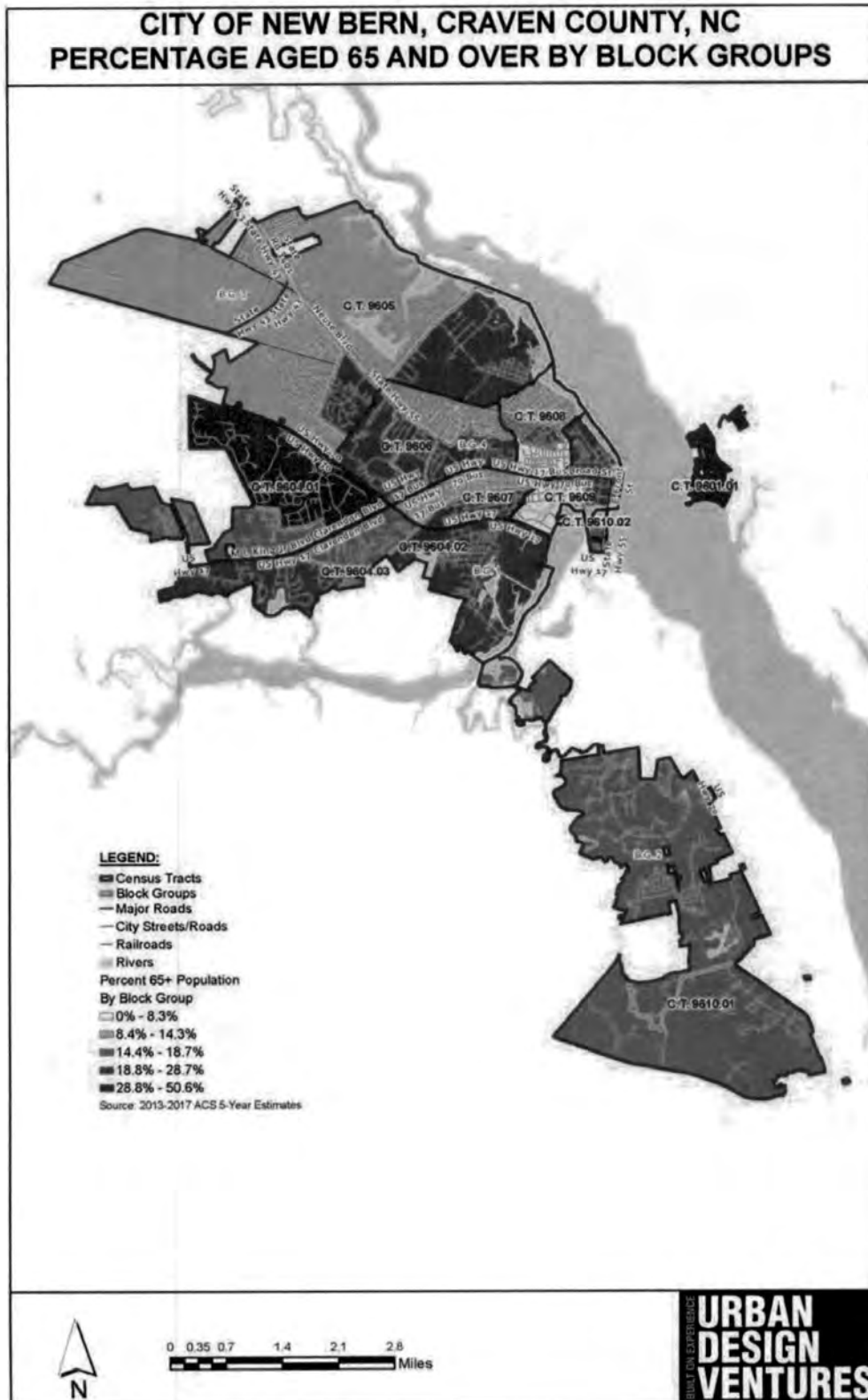
## Percent White Population by Block Group



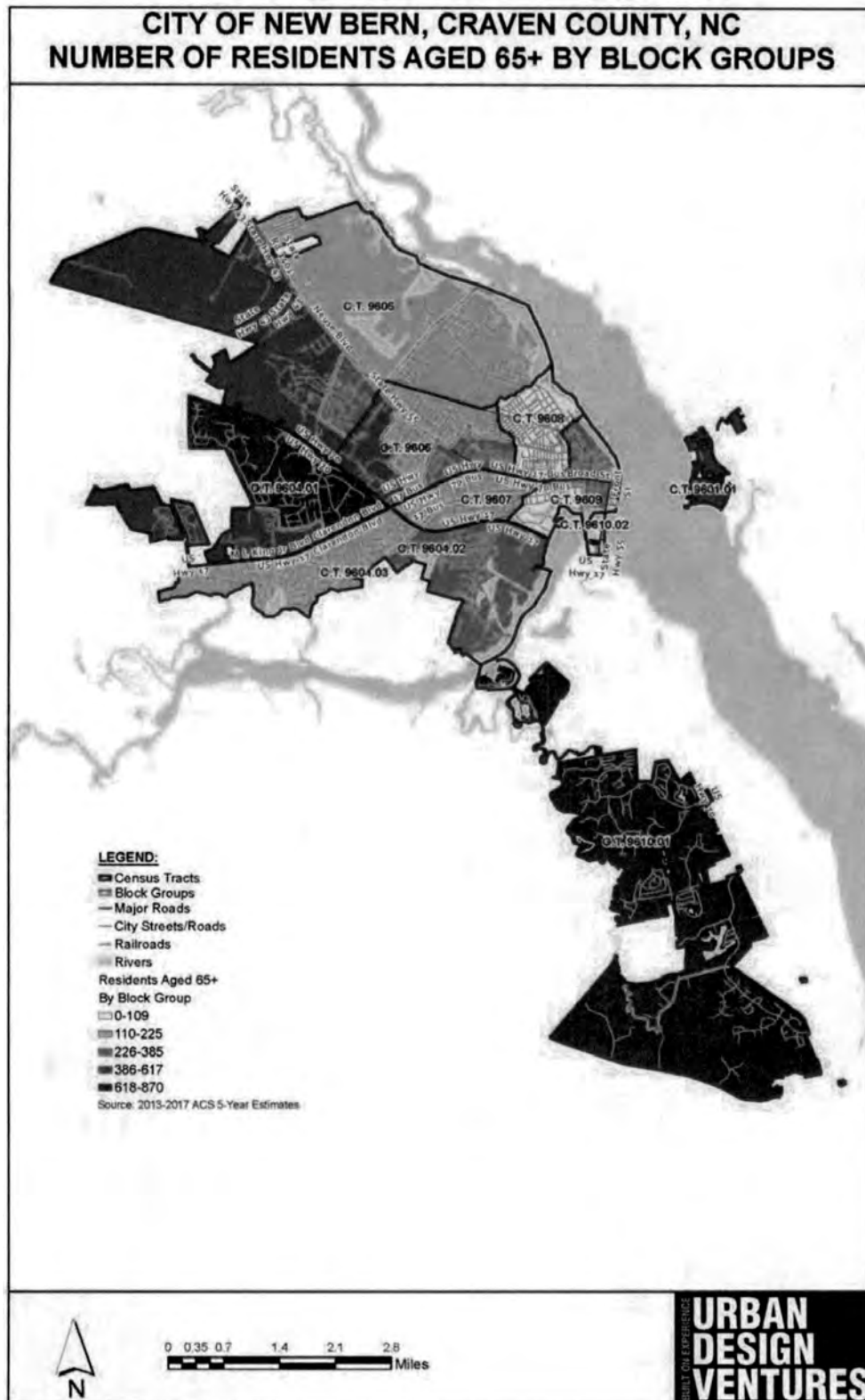
## Percent Minority Population by Block Group



# Percent Population Age 65+ by Block Group

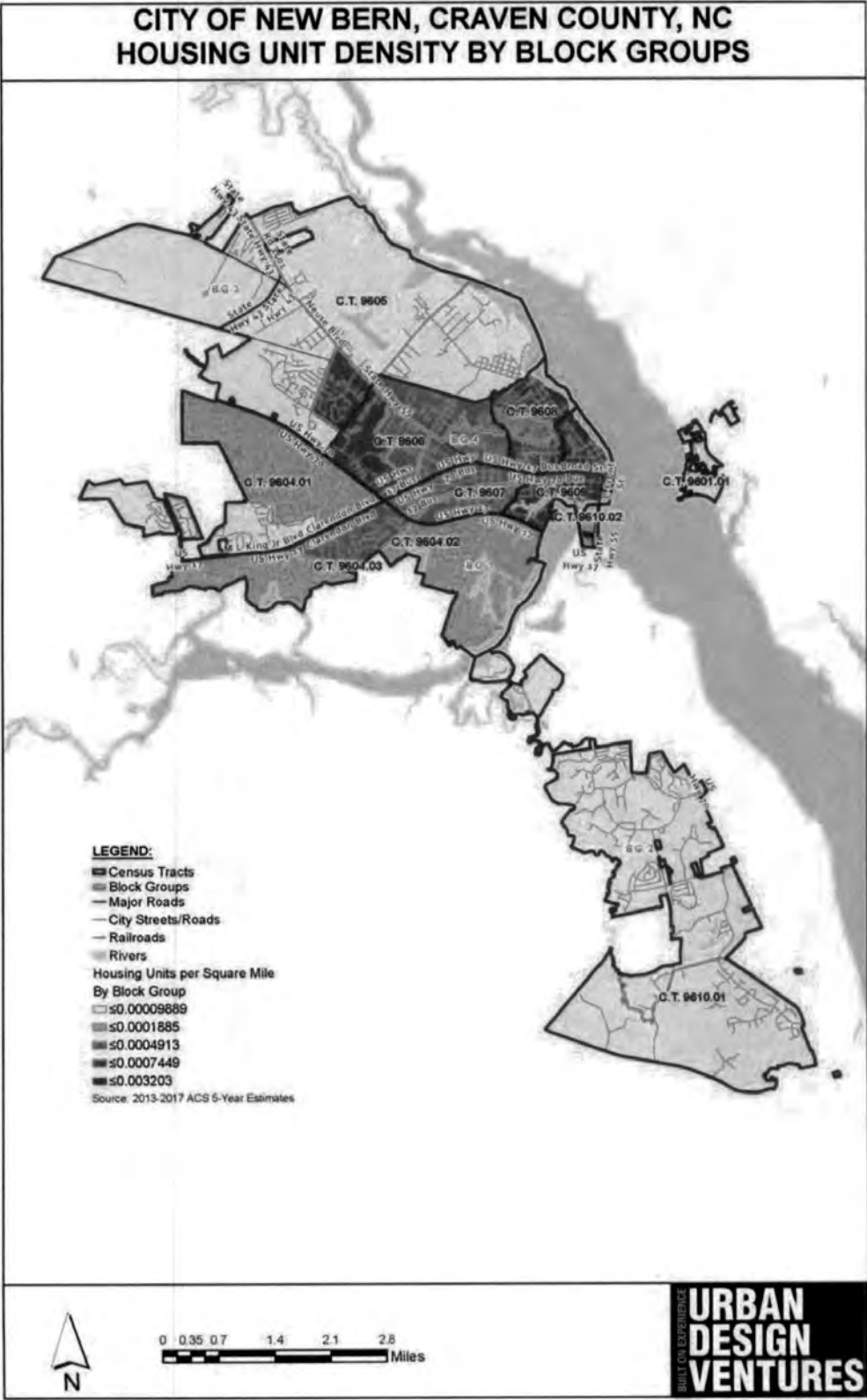


# Population Age 65+ by Block Group

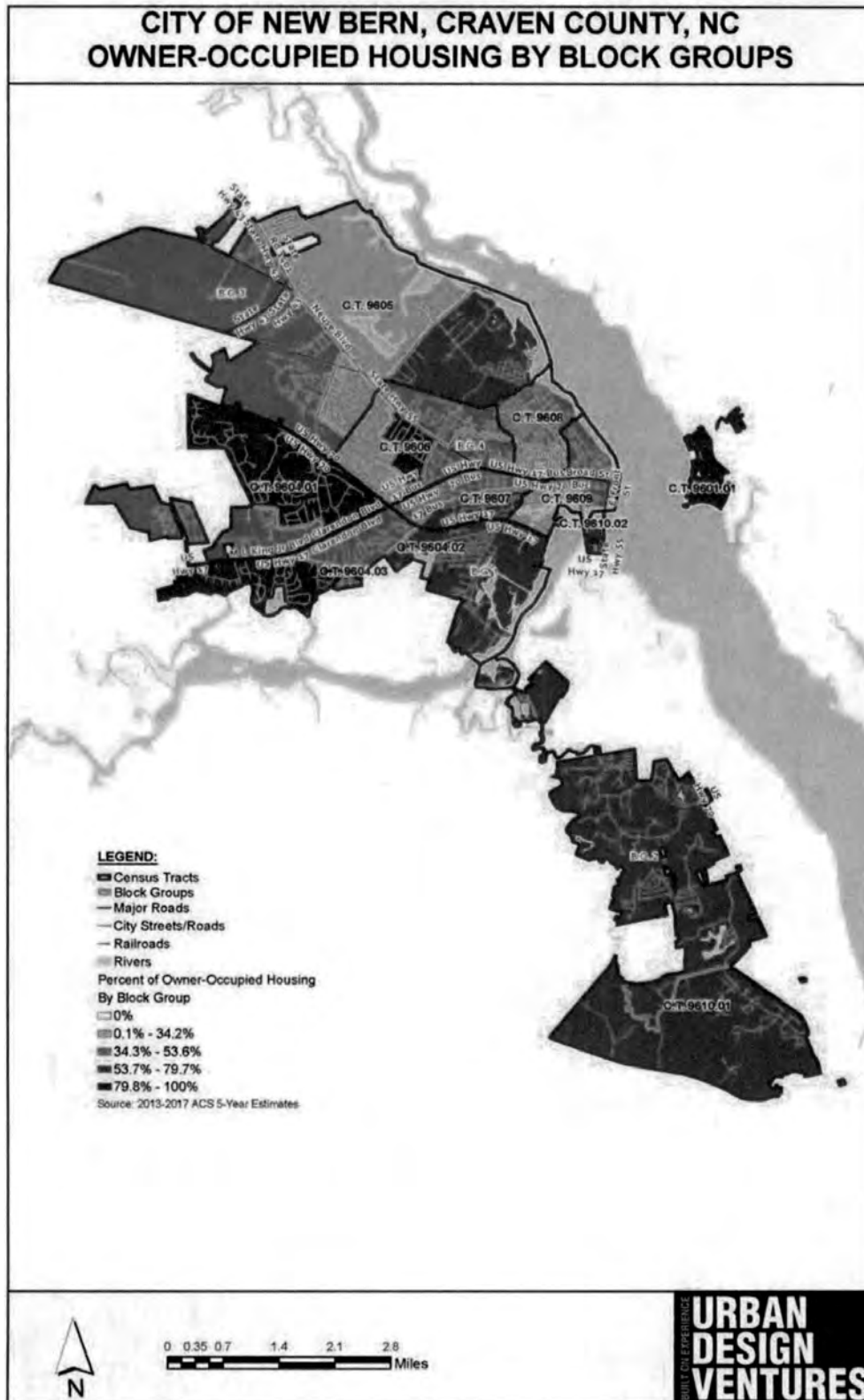




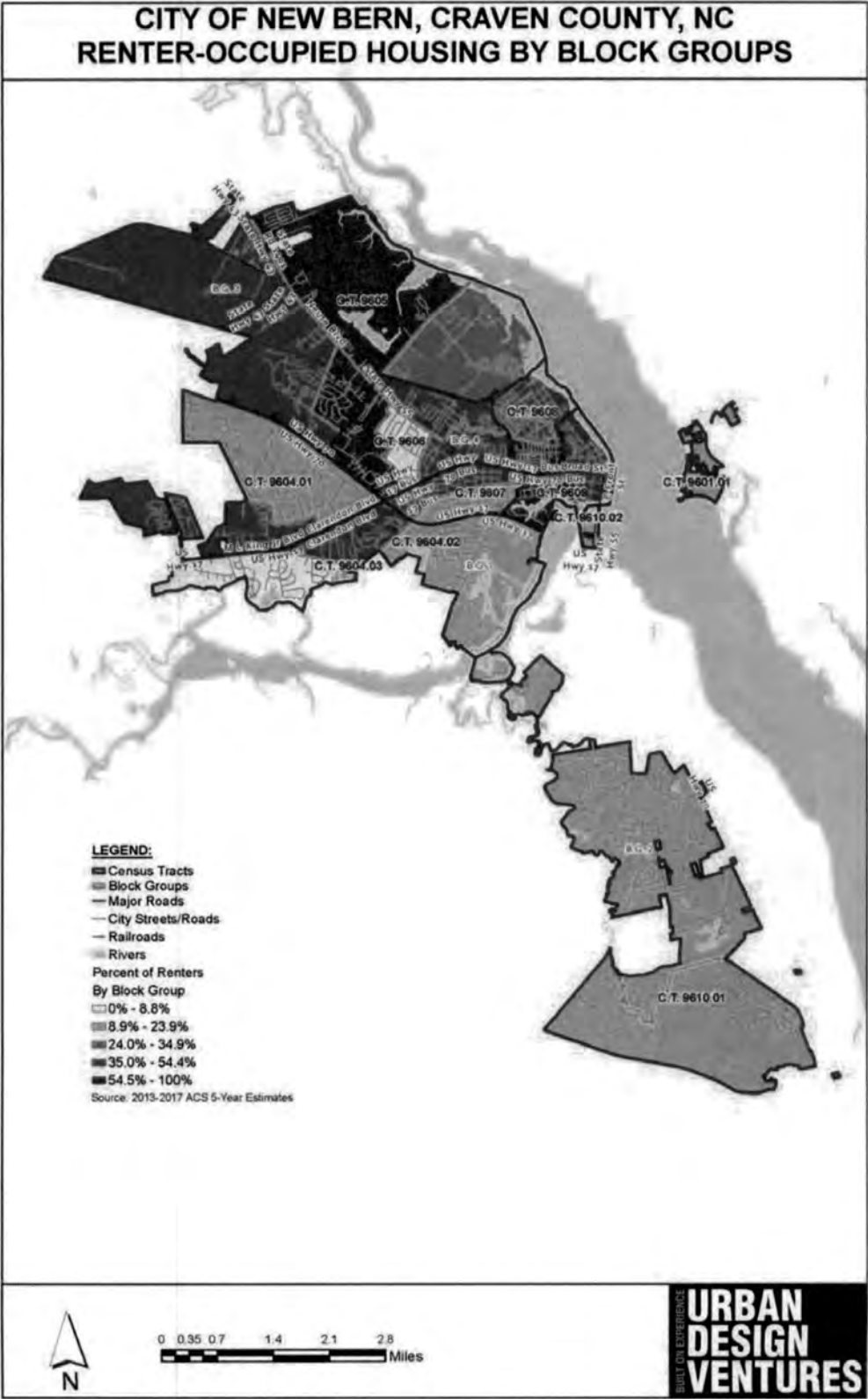
Housing Density by Block Group



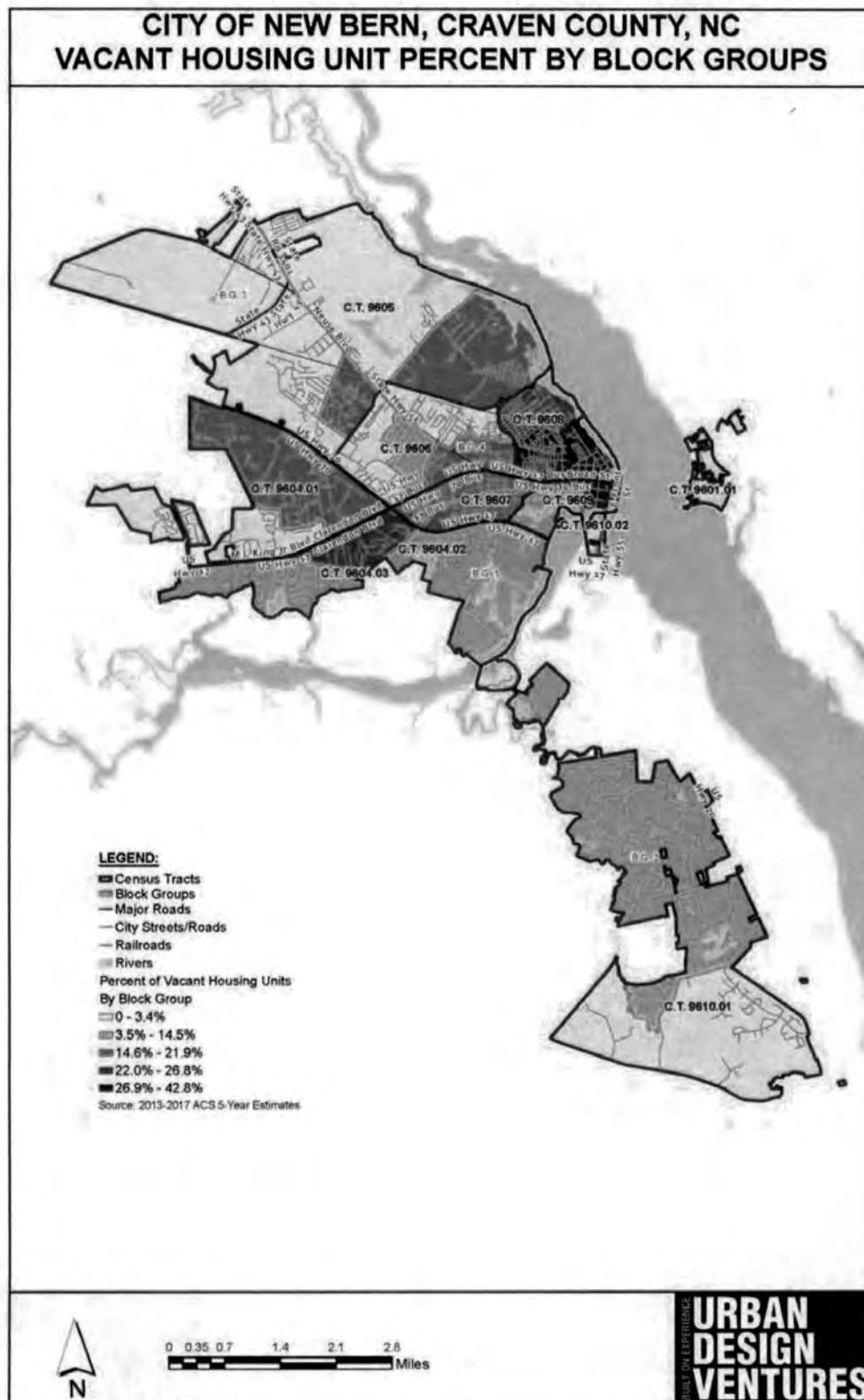
# Percent Owner-Occupied Housing Units by Block Group



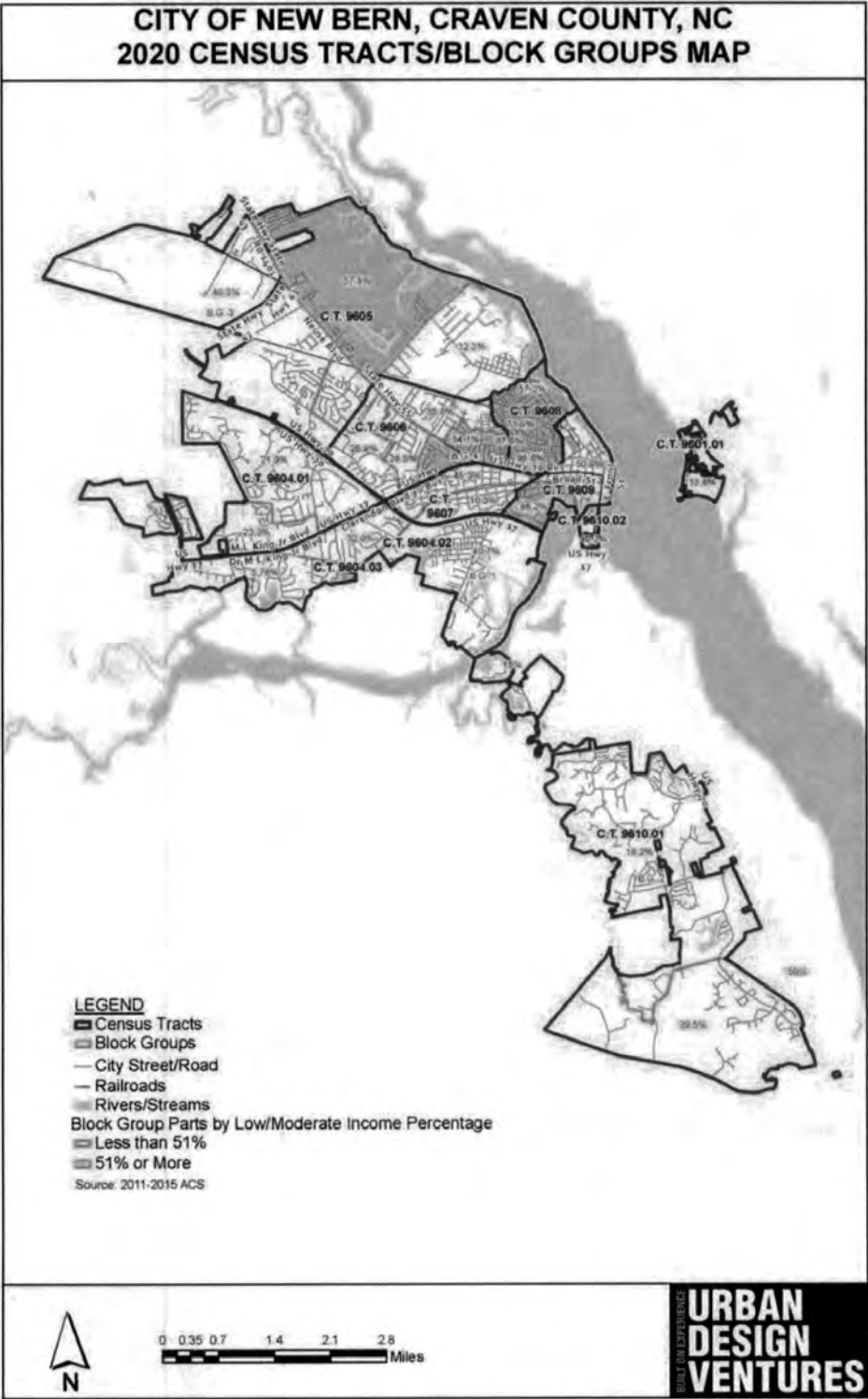
Percent Renter-Occupied Housing Units by Block Group



## Percent Vacant Housing Units by Block Group

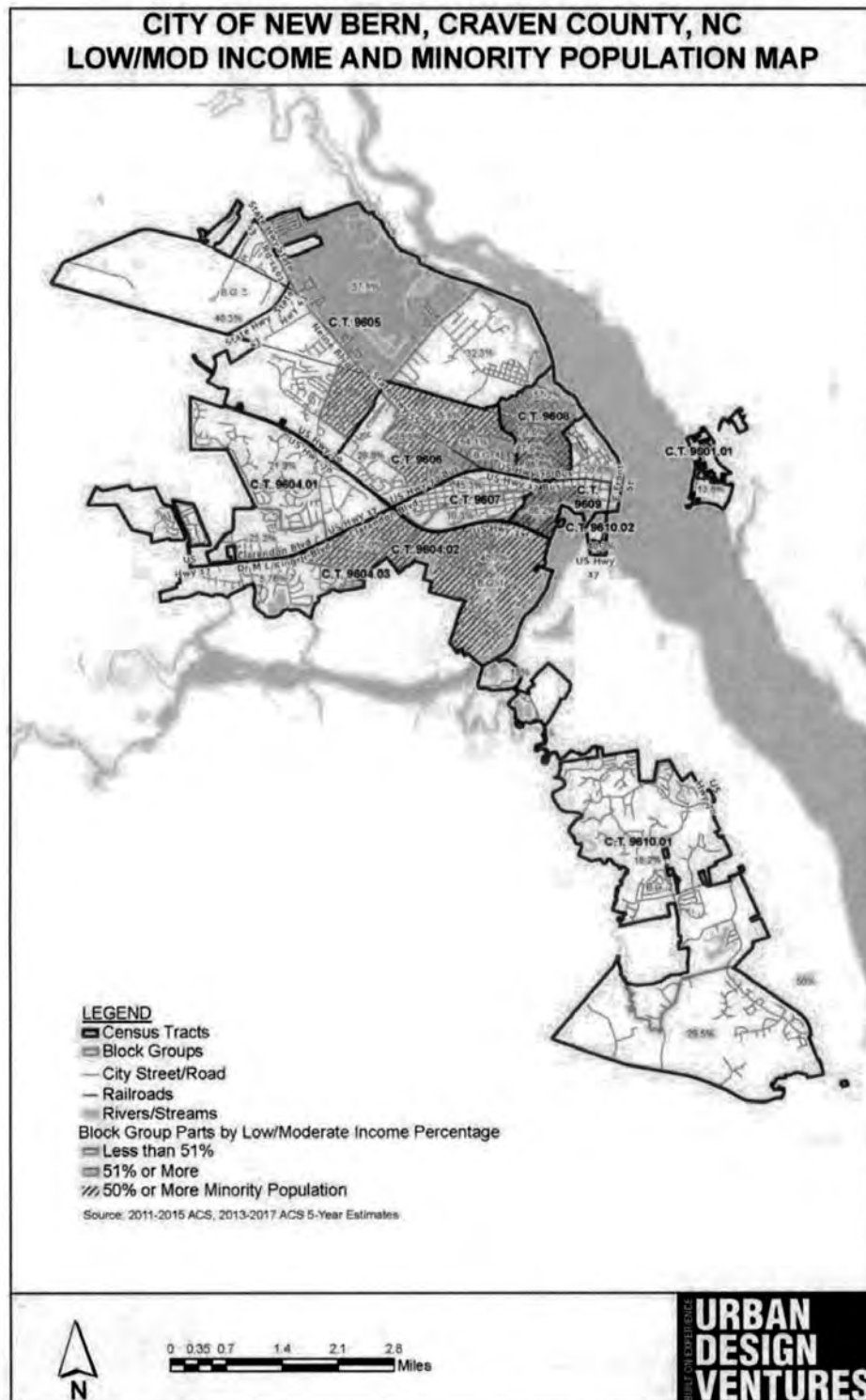


Low/Moderate Income Percentage by Block Group





## Low/Moderate Income Percentage w/ Minority Overlay by Block Group



## 2. Summarize the objectives and outcomes identified in the Plan

*This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.*

The “Vision” of this Five-Year Consolidated Plan is to serve as a consolidated planning document, an application, and a strategic plan for the City of New Bern. The following goals and objectives have been identified for the five-year period of FY 2019 through FY 2023.

This is the City of New Bern’s second Five Year Consolidated Plan as an entitlement community. The “Vision” of this Five Year Consolidated Plan is to serve as a consolidated planning document, an application, and a strategic plan for the City of New Bern. As part of the Five Year Consolidated Plan, the community must develop goals and objectives. The following strategies with subsequent goals and priorities have been identified for the City of new Bern for the period of FY 2019 through FY 2023 for the use of Community Development Block Grant (CDBG) funds:

### **HOUSING STRATEGY - HSS**

#### **Goal:**

Improve, preserve, and expand the supply of affordable housing for low- and moderate-income persons and families living in the City of New Bern.

#### **Objectives:**

- **HSS-1 Homeownership** - Promote and assist in developing homeownership opportunities for low- and moderate-income persons & families.
- **HSS-2 Housing Construction** - Promote and assist in the development of affordable housing, both rental and sales housing.
- **HSS-3 Housing Rehabilitation** - Promote and assist in the preservation of existing owner and renter occupied housing stock in the City.
- **HSS-4 Fair Housing** - Affirmatively further fair housing by promoting fair housing choice throughout the City of New Bern.

### **HOMELESS STRATEGY - HOM**

#### **Goal:**

Improve the living conditions and services for homeless persons and families in the City of New Bern and eliminate unfair housing practices that may lead to homelessness.

**Objectives:**

- **HOM-1 Housing** - Promote and assist in developing housing opportunities for homeless persons and families, and those who are at-risk of becoming homeless.
- **HOM-2 Operations/Support** - Promote and assist in program support services for the homeless.
- **HOM-3 Homeless Prevention** - Promote and assist in anti-eviction and prevention of unfair housing practices which may contribute to homelessness.
- **HOM-4 Rapid Rehousing** - Promote and assist in providing housing options for residents of the City of New Bern displaced by natural disasters or evictions.

**SPECIAL NEEDS STRATEGY - SNS****Goal:**

Improve, preserve, and expand facilities for persons with special needs and the disabled in the City of New Bern.

**Objectives:**

- **SNS-1 Housing** - Promote and assist to increase the supply of affordable, decent, safe, sound, and accessible housing for the elderly, persons with disabilities, and persons with other special needs through rehabilitation of existing housing and new construction of accessible housing.
- **SNS-2 Social Services** - Promote and assist in supporting social service programs and facilities for the elderly, persons with disabilities, and persons with other special needs.
- **SNS-3 Accessibility** - Promote and assist in making accessibility improvements to owner occupied housing through rehabilitation and improve renter occupied housing by promoting reasonable accommodations for the physically disabled.

**COMMUNITY DEVELOPMENT STRATEGY - CDS****Goal:**

Improve, preserve, and create new public and community facilities, infrastructure, and public services to ensure the quality of life for all residents of the City of New Bern.

**Objectives:**

- **CDS-1 Infrastructure** - Improve the City's infrastructure through reconstruction and new construction of streets, walks, curbs, ADA ramps, retaining walls, sewer, water, storm water management, bridges, bike trails, green infrastructure, etc.

- **CDS-2 Community Facilities** - Improve the City's parks, recreational centers, community centers, and public community facilities through rehabilitation and new construction.
- **CDS-3 Public Services** - Improve and increase public safety programs for the youth, the elderly, disabled, and target income population, including food programs and social/welfare programs throughout the City.
- **CDS-4 Public Transit** - Promote the development of additional bus routes, bus shelters, and improve public transportation for low- and moderate-income persons.
- **CDS-5 Clearance** - Remove and eliminate slum and blighting conditions through demolition of vacant and abandoned structures throughout the City.
- **CDS-6 Architectural Barriers** - Remove architectural barriers and make public and community facilities accessible to the physically disabled.
- **CDS-7 Public Safety** - Improve public safety through upgrades to facilities, purchase of new equipment, fire fighting and prevention, crime prevention, community policing, and ability to respond to emergency situations.

#### **ECONOMIC DEVELOPMENT STRATEGY - EDS**

##### **Goal:**

Increase and promote job creation, job retention, self-sufficiency, education, job training, technical assistance, and economic empowerment of low- and moderate-income residents of the City of New Bern.

##### **Objectives:**

- **EDS-1 Employment** - Support and encourage new job creation, job retention, employment, and job training services.
- **EDS-2 Financial Assistance** - Support business and commercial growth through expansion and new development with technical assistance and low interest loan programs.
- **EDS-3 Redevelopment Program** - Plan and promote the development and redevelopment of vacant commercial and industrial sites, and facilities, and the revitalization efforts in the Greater Five Points Redevelopment Area and other residential neighborhoods.

#### **ADMINISTRATION, PLANNING, AND MANAGEMENT STRATEGY - APM**

##### **Goal:**

Provide sound and professional planning, administration, oversight and management of Federal, state, and local funded programs.

**Objectives:**

- **APM-1 Overall Coordination** - Provide program management and oversight for the successful administration of Federal, state, and local funded programs, including planning services for special studies, environmental clearance, fair housing, performance evaluation, monitoring; and compliance with all Federal, state, and local laws and regulations.

**3. Evaluation of past performance**

*This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.*

Each year, the City of New Bern prepares and submits its CAPER to HUD within ninety (90) days after the start of the new program year. The FY 2018 CAPER is the most recent CAPER to be completed by the City of New Bern. The CAPER was approved by HUD on October 30, 2019. The City obligated 100% of its CDBG funds for the benefit of low- and moderate-income persons. The City expended \$0.00 for public service activities, which was below the 15% public services cap. The City obligated \$48,500.00, which met the 20% administrative cap at 19.03%. The City's drawdown ratio was 2.38, which is above the 1.5 HUD requirement. The City of New Bern has substantially amended its FY 2016, 2017, and 2018 Annual Action Plans to reallocate funding to the Duffyfield Stormwater project. The City intends to expend all of its funds on the project in a timely manner before the FY 2019 CAPER period, though the COVID-19 pandemic has caused delays in project construction.

**4. Summary of Citizen Participation Process and consultation process**

*Summary from citizen participation section of plan.*

The Annual Action Plan has many components to gather citizen participation which includes: citizen participation plan; requests for proposals for funding (RFP's) from agencies/organizations; citizen participation process; Consultation Process; and the development of the annual action plan. Each component of this plan principally serves the needs of the low- and moderate-income population in the City. The City emailed out CDBG funding applications to its list of agencies/organizations. This list is updated regularly.

The City developed the plan based on citizen input, the information obtained from agencies/organizations, and meetings with other City staff and departments. A "draft plan" and budget are annually prepared and placed on public display for a 30-day review and comment period. This is advertised in a local newspaper of general circulation in the City, with the times, dates, and locations where the plan may be examined. A public hearing on the plan was also advertised and conducted. Citizen, agency, and organization comments were either incorporated



into the plan or if not included, the reason why the comments were not accepted are included in the plan.

The City of New Bern held a virtual public needs hearing on August 17, 2020. This hearing provided residents, agencies, and organizations with the opportunity to discuss the City's CDBG Program and to provide suggestions for future priorities and activities. The City of New Bern advertised the public needs hearing in the "Sun Journal" on Monday, August 6, 2020.

The Second Public Hearing Notice was published on Friday, August 28, 2020 in the "Sun Journal" and the Second Public Hearing was held on Tuesday, September 8, 2020. During the Second Public Hearing, the residents were given the opportunity to comment on the draft version of the FY 2020 Annual Action Plan.

The "FY 2020 Annual Action Plan" was on display for a 30-day period beginning Friday, August 28, 2020 and ending Monday, September 28, 2020. The availability for review of the "draft plan" was advertised in the local newspapers and the plan was on display at the City of New Bern's website [https://www.newbernnc.gov/departments/development\\_services/index.php](https://www.newbernnc.gov/departments/development_services/index.php).

**Schedule:**

The following schedule was used in the preparation of the FY 2020 Action Plan:

- **Publish Notice of Needs Hearing** – Monday, August 6, 2020
- **First Public Hearing** – Thursday, August 17, 2020 at 5:00 PM in the Development Services Office and virtually
- **Publish Notice of Display of Draft and Public Hearing in the Newspaper** – Friday, August 28, 2020
- **Annual Action Plan on Display** – Friday, August 28, 2020
- **Second Public Hearing** – Friday, August 28, 2020 at 6:00 PM in the City Hall Courtroom before the Board of Aldermen
- **End of Annual Action Plan on Display** – Monday, September 28, 2020
- **Board of Aldermen Adopts FY 2020 Annual Action Plan** – Tuesday, September 22, 2020
- **Submission of Annual Action Plan to HUD on or before** – October 2, 2020

A more detailed analysis and description of the citizen participation process is contained in Section PR-15 Citizen Participation.

**CARES Act Substantial Amendment:**

The City of New Bern placed the FY 2020 Annual Action Plan - Substantial Amendment on its website for public display from Monday, February 1, 2021 through Wednesday, February 17, 2021. The City held a Public Hearing on the Substantial Amendment on Tuesday, February 9, 2021 at 6:00 PM. The public hearing was held in the City Hall Courtroom, 300 Pollock Street, New Bern, NC 28560. The

purpose of the Public Hearing was to present the Substantial Amendment to the residents for the FY 2020 CDBG-CV funds.

**Substantial Amendment # 2:**

The City of New Bern placed the FY 2020 Annual Action Plan - Substantial Amendment on its website for public display from Friday, October 27, 2023 through Monday, December 11, 2023. The City held a Public Hearing on the Substantial Amendment on Tuesday, November 28, 2023 at 6:00 PM. The public hearing was held in the City Hall Courtroom, 300 Pollock Street, New Bern, NC 28560. The purpose of the Public Hearing was to present the Substantial Amendment to the residents.

**5. Summary of public comments**

*This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.*

A public hearing was held to seek input from interested residents and community organizations for the FY 2020 funds on Thursday, August 17, 2020 at 5:00 PM at the Development Services Office and virtually. The City of New Bern advertised in the "Sun Journal" on Monday, August 6, 2020. There was a total of two (2) persons in attendance including the City staff.

The FY 2020 Annual Action Plan was placed on public display on Friday, August 28, 2020 and a Second Public Hearing was held in the City Hall Courtroom before the Board of Aldermen on Tuesday, September 8, 2020 at 6:00 PM. A newspaper notice announcing that these documents were placed on public display was published on Friday, August 28, 2020 in the "Sun Journal," a newspaper of general circulation in the area. Comments that were received at the Second Public Hearing are included in the Citizen Participation Section of the Annual Action Plan, which also includes the newspaper ads, sign-in sheets, agendas, and summaries of the meeting minutes.

**CARES Act Substantial Amendment:**

Comments received at the Public Hearing and during the display period are included in the Citizen Participation section at the end of this plan.

**6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments and suggestions that were received have been accepted and incorporated into the planning documents.

**CARES Act Substantial Amendment:**

The City of New Bern accepted all comments.

**7. Summary**

The FY 2020 Annual Action Plan for the City of New Bern includes the City's CDBG Program and outlines which activities the City will undertake during the program year beginning July 1, 2020 and ending June 30, 2021. This is the City's second year of the FY 2019-2023 Five-Year Consolidated Plan.

During the FY 2020 Program Year, the City of New Bern, North Carolina anticipates the following Federal financial resources:

- **CDBG: \$258,775.00**
- **CDBG-CV Funds - \$152,252.00**
- **Total: \$411,027.00**

During the FY 2020 CDBG and CDBG-CV Program Year, the City of New Bern proposes to address the following strategies from its Five-Year Consolidated Plan:

- Housing Strategy;
- Community Development Strategy; and
- Administration, Planning, and Management Strategy

A "draft" of the FY 2020 Annual Action Plan was placed on public display on the City's website at [https://www.newbernnc.gov/departments/development\\_services/index.php](https://www.newbernnc.gov/departments/development_services/index.php). The display period started on Friday, August 28, 2020 through Monday, September 28, 2020 for a 30-day display period. In addition, the City put the draft Plan on its website ([https://www.newbernnc.gov/departments/development\\_services/index.php](https://www.newbernnc.gov/departments/development_services/index.php)). The Final Public Hearing was held on Thursday, August 17, 2020 at 5:00 PM in the City Hall Courtroom before the Board of Alderman to discuss the proposed activities and solicit resident comments. Upon completion of the 30-day comment period, the City of New Bern submitted the FY 2020 Annual Action Plan to the U.S. Department of Housing and Urban Development Greensboro Office on or before October 2, 2020.

**CARES Act Substantial Amendment:**

The City of New Bern is amending its FY 2020 Annual Action Plan to access the CARES Act funds. The City will receive two (2) allocations of the Community Development Block Grant - Coronavirus (CDBG-CV) funds. The first allocation received by the City was \$152,252 and in the third round of funding, the City received an allocation of \$194,483 for a total allocation of \$346,735 CDBG-CV

funds. The City of New Bern amended its FY 2020 Annual Action Plan by adding the following projects/activities for the CARES Act funds:

**FY 2020 CDBG-CV Budget -**

- **CV-20-01 CV-CDBG-CV Administration** - \$34,673.00
- **CV-20-02 CV-Rent, Mortgage, and Utility Assistance** - \$312,062.00
- **Total CDBG-CV: \$346,735.00**

To expedite the disbursement of the City's FY 2020 CDBG-CV funds, via 24 CFR 5.110, the CARES Act authorizes HUD to grant waivers to the public notice, public comment, and citizen participation plan requirements found in 24 CFR 91.105I(2) and (k), 24 CFR 91.115I(2) and (i) and 24 CFR 91.401. In accordance with the City of New Bern's Citizen Participation Plan and HUD's regulatory requirement waivers (which reduce the minimum 30-day public comment period to a 5-day period).

The City of New Bern amended its Citizen Participation Plan by adding a section on Emergency Disasters to address the City's inability to hold open public hearings in person. The City amended the language to allow virtual public hearings through conference calls or an online video conference call platform as long as the public is able to provide public comments during the virtual public hearing. The City is not able to place its documents on public display because of the coronavirus distancing order by the Governor of North Carolina. The City attached the plan to the City's website at <http://www.newbern-nc.org> and at the following location during normal operational hours: Office of the Department of Development Services, 303 First Street, New Bern, NC 28560.

A copy of the Substantial Amendment was on public display for viewing on the City's website and at the Office of the Department of Development Services for a period of at least 5 days beginning on Monday, February 1, 2021 and ending on Wednesday, February 17, 2021.

**Substantial Amendment # 2:**

A copy of the Substantial Amendment was on public display for viewing on the City's website and at the Office of the Department of Development Services for a period of at least 30 days beginning on Friday, October 27, 2023 and ending on Monday, December 11, 2023.

The Substantial Amendment was reviewed and adopted at the City's Board of Alderman meeting on Tuesday, December 12, 2023. The FY 2020 Action Plan – Substantial Amendment was re-submitted in IDIS to HUD after it was approved by City's Board of Alderman.

**PR-05 Lead & Responsible Agencies – 91.200(b)****1. Agency/entity responsible for preparing/administering the Consolidated Plan**

*Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.*

Agency Role	Name	Department/Agency
Lead Agency	New Bern	Development Services Department
CDBG Administrator	New Bern	Development Services Department

**Table 1 – Responsible Agencies****Narrative (optional)**

The City's Development Services Department is the Lead Agency that maintains and administers the City's CDBG funds and responsibilities. The City prepares the Five-Year Consolidated Plans, Annual Action Plans, Environmental Review Records (ERR's), the Consolidated Annual Performance and Evaluation Reports (CAPER), monitoring, pay requests, contracting, IDIS, and oversight of the programs on a day to day basis. In addition, the City of New Bern has retained the services of a private planning consulting firm to assist the City on an as needed basis.

**Consolidated Plan Public Contact Information**

Ms. D'Aja Fulmore  
 Community Development Coordinator  
 City of New Bern's Development Services Department  
 Economic and Community Development Office  
 303 First Street, PO Box 1129, New Bern, NC 28563  
 Phone: (252) 639-7586  
 Fax: (252) 636-2146  
 Email: [fulmored@newbernnc.gov](mailto:fulmored@newbernnc.gov)  
 Website: <http://www.newbernnc.gov>



**AP-10 Consultation – 91.100, 91.200(b), 91.215(l)****1. Introduction**

While preparing the FY 2020 Annual Action Plan, the City of New Bern consulted with the Housing Authority of the City of New Bern, Twin Rivers Opportunities, Inc., social services and housing agencies, and member organizations of Region 13 of the North Carolina Balance of State Continuum of Care.

**Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))**

The City of New Bern works with the following agencies to enhance coordination:

- **The Housing Authority of the City of New Bern** – Improvements to public housing communities.
- **Twin Rivers Opportunities, Inc.** – Section 8 Housing Choice Vouchers.
- **Social Services Agencies** – funds to improve services to low and moderate income persons.
- **Housing Providers** – funds to rehabilitate and develop affordable housing and provide housing options for low- and moderate-income households.
- **Community and Economic Development Agencies** – funds to improve services to low and moderate income persons.

As part of the CDBG application planning process, local agencies/organizations are invited to submit proposals for CDBG funds for eligible activities. These groups participate in the planning process by attending the public hearings, consultation via phone and/or email, and submission of funding applications.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

The leadership of Region 13 is responsible for acting as a member of the Balance of State CoC Steering Committee, the Coordinated Entry lead for the Region, the Point-in-Time and Housing Inventory Count lead for the region, and reviewing projects and processing state ESG grants for the regional geography.

Currently, Religious Community Services conducts its own referrals for services, and receives information from other agencies, shelters, police departments, hospitals, and churches. Once referred, Religious Community Services places Veterans first in their Emergency Shelters, and

follows up by filling beds with other families or individuals. All referrals to Religious Community Services through other entities are required to check with the local police department first. Religious Community Services has recently opened a Veterans transitional shelter in the area to complement its family emergency and transitional housing shelters.

The Point in Time Counts for Sheltered and Unsheltered homeless persons are completed on a designated date twice a year in the months of January and July. The results of the counts are available to the public on the North Carolina Balance of State CoC website.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

**ESG** – Coastal Women's Shelter and Religious Community Services receives ESG funds from the state. ESG funds for member counties and cities in the North Carolina Balance of State CoC are administered through the North Carolina Department of Health and Human Services Division of Aging and Adult Services. The CoC is consulted by NCDHHS regarding past program performance and involvement of ESG applicants. The CoC provides input on ESG applications and rates, ranks and reviews projects. This includes homeless service providers, Community Action Partnerships (CAPs), local/county/state governments, Housing & Redevelopment Authorities, and domestic violence, aging, mental health, and faith-based organizations.

**Develop Performance Standards and Evaluate Outcomes** – The North Carolina Balance of State CoC's written standards focus on a Housing First Model and follow the best practices of that model. The written standards utilize several strategies to increase the number of people who exit Emergency Shelter, Transitional Housing, and Rapid Re-housing to Permanent Housing destinations. Evaluations of these standards will be based on the length-of-time homeless measure of an individual or family who resides in emergency shelter, transitional housing, or rapid re-housing. The CoC seeks to make progress on the turnover rate of individuals and families, the targeting of individuals and families based on risk, and the number of positive exits into Permanent Housing.

**HMIS** – Throughout different times of the year, the CoC and the HMIS Lead work together to assess data quality throughout the CoC. This includes working on the Annual Homeless Assessment Report (AHAR), the Point In Time (PIT) count, project reviews/ranking, and working with individuals programs while completing their Annual Performance Reports (APRs). The system ensures data quality by requiring many of the universal data elements upon enrolling a participant into a program. Additionally, the system has an alert system with exit date reminders. The work flow of data entry has been updated to improve data quality. The HMIS Lead supports users through the staffing of a Help Desk and ongoing training opportunities. Agency users are able to run self-reports to assess their program's data quality. CoC-funded organizations are motivated

to provide good data quality, because the CoC has moved toward a data-driven project review and ranking system. Projects with poor data quality are more likely to show poor outcomes, which can impact their funding.

2. Describe Agencies, groups, organizations, and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

1. Agency/Group/Organization	City of New Bern
Agency/Group/Organization Type	Other government - Local Grantee Department
What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy Community Development Strategy
How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of New Bern was the lead entity on the Five Year Consolidated Plan. The City reviewed its program and funded activities that met the goals and objectives as outlined in the City's Five Year Consolidated Plan.
2. Agency/Group/Organization	New Bern Housing Authority
Agency/Group/Organization Type	Housing PHA
What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Non-Homeless Special Needs Anti-poverty Strategy Lead-based Paint Strategy Community Development Strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Housing Authority of the City of New Bern was contacted to determine the housing needs of its very low-income clients. The City reviewed its program and funded activities that met the goals and objectives as outlined in the City's Five Year Consolidated Plan to address these housing needs.
3.	<b>Agency/Group/Organization</b>	<b>Habitat for Humanity of Craven County</b>
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Community Development Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Habitat for Humanity participated in the First Public Hearing to discuss the needs of City residents.
4.	<b>Agency/Group/Organization</b>	<b>TWIN RIVERS OPPORTUNITIES, INC</b>
	<b>Agency/Group/Organization Type</b>	Housing PHA Services - Housing



<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy
<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Twin Rivers Opportunities, Inc. was contacted to determine the housing needs of its very low-income clients.
<b>5. Agency/Group/Organization</b>	<b>Religious Community Services</b>
<b>Agency/Group/Organization Type</b>	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services - Victims Publicly Funded Institution/System of Care
<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy



<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Religious Community Services was contacted to determine the needs of the community as a result of the COVID-19 pandemic. Religious Community Services will be the subrecipient for CDBG-CV funds.
<b>6. Agency/Group/Organization</b>	<b>City of New Bern Redevelopment Commission</b>
<b>Agency/Group/Organization Type</b>	Services-Housing Redevelopment Authority
<b>What section of the Plan was addressed by Consultation?</b>	Economic Development Anti-poverty Strategy Community Development Strategy
<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City of New Bern Redevelopment Commission submitted a request for funding to rehabilitate rental housing. The City of New Bern will allocate FY 2020 CDBG funds to the project.
<b>7. Agency/Group/Organization</b>	<b>CRAVEN COUNTY</b>
<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Other government - County Regional organization Planning organization

<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
<b>8. Agency/Group/Organization</b>	<b>North Carolina Department of Health and Human Services</b>
<b>Agency/Group/Organization Type</b>	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Services-Education Publicly Funded Institution/System of Care Other government - State Regional organization Planning organization
<b>What section of the Plan was addressed by Consultation?</b>	Lead-based Paint Strategy Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	NCDHHS was contacted for health and lead-based paint statistics and information.
<b>9. Agency/Group/Organization</b>	<b>CenturyLink</b>
<b>Agency/Group/Organization Type</b>	Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide

10.	What section of the Plan was addressed by Consultation?	Broadband Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	CenturyLink was contacted to determine the broadband access needs of the community.
	Agency/Group/Organization	Spectrum
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide
	What section of the Plan was addressed by Consultation?	Broadband Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Spectrum was contacted to determine the broadband access needs of the community.

Table 2 – Agencies, groups, organizations who participated

**Identify any Agency Types not consulted and provide rationale for not consulting**

All agency types were consulted and contacted during the planning process.

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	North Carolina Balance of State Continuum of Care	The City of New Bern is located in Region 13 of the North Carolina Balance of State Continuum of Care. The goals of the City and the Consortium of Care are complementary.
Annual and Five Year Capital Plans	The Housing Authority of the City of New Bern	The Housing Authority of the City of New Bern is the lead agency providing public housing assistance in the City of New Bern. The goals of the City and the Housing Authority are complementary.
FY 2019-2023 Five Year Consolidated Plan	City of New Bern, NC	The FY 2020 Annual Action Plan adopts the goals of the FY 2019-2023 Five Year Consolidated Plan. The activities undertaken during this program year will fall under one of the goals outlined in the Five Year Consolidated Plan.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Greater Five Points Transformation Plan	City of New Bern Redevelopment Commission	They are incorporated in the Five Year Consolidated Plan and the Annual Action Plans.
The New Bern Gateway Renaissance Plan	City of New Bern Redevelopment Commission	They are incorporated in the Five Year Consolidated Plan and the Annual Action Plans.
Emergency Management Plan	Craven County Emergency Manager	They are incorporated in the Five Year Consolidated Plan and the Annual Action Plans.
State Broadband Plan	North Carolina Department of Information Technology	They are incorporated in the Five Year Consolidated Plan and the Annual Action Plans.

Table 3 – Other local / regional / federal planning efforts

**Narrative (optional)**

The City of New Bern's Department of Development Services' Economic and Community Development Office is the administrating agency for the CDBG and CDBG-CV programs. Close coordination is maintained with other City departments such as the Public Works, Parks & Recreation, Public Utilities, Administration, Police and Fire Departments, the City of New Bern Housing Authority, Twin Rivers Opportunities, Inc., and the City of New Bern Redevelopment Commission, as well as County departments such as the Eastern Carolina Council, Craven County Economic Development, Craven County Schools, and the North Carolina Balance of State Continuum of Care. Coordination with various non-profit organizations, such as the Coastal Women's Shelter, Religious Community Services of New Bern, Interfaith Refugee Ministries, and NCWorks helped aid the planning process and develop priorities. The City works closely with the Craven County Commissioners and County staff to address projects and activities that extend beyond the City limits. The City and the County agencies have a good working relationship.



**AP-12 Participation – 91.105, 91.200(c)****1. Summary of citizen participation process/Efforts made to broaden citizen participation**  
**Summarize citizen participation process and how it impacted goal-setting**

This Annual Action Plan was developed in accordance with the City's Citizen Participation Plan. The Citizen Participation Plan was revised to account for virtual display drafts and public hearing as a result of COVID-19. The City of New Bern advertised for a needs hearing in "The Sun Journal" on August 6, 2020. On Thursday, August 17, 2020, the City of New Bern held a virtual public needs hearing.

A "draft" of the FY 2020 Annual Action Plan was placed on public display on the City's website at ([https://www.newbernnc.gov/departments/development\\_services/index.php](https://www.newbernnc.gov/departments/development_services/index.php)). The display period started on Friday, August 28, 2020 and ended on Monday, September 28, 2020 for a 30-day display period. A second public hearing was held on Tuesday, September 8, 2020 to discuss the proposed activities and solicit resident comments. Upon completion of the public comment period, the City of New Bern submitted the FY 2020 Annual Action Plan to the U.S. Department of Housing and Urban Development Greensboro Office on or before October 2, 2020.

**CARES Act Substantial Amendment:**

The City put the "draft" FY 2020 Annual Action Plan – Substantial Amendment on public display on the City's website: at <http://www.newbern-nc.org> and at the following location during normal operational hours: Office of the Department of Development Services, 303 First Street, New Bern, NC 28560.

The display period started on Monday, February 1, 2021 through Wednesday, February 17, 2021 for at least a 5-day display period. A public hearing was held on Tuesday, February 9, 2021 at 6:00 P.M. to discuss the proposed CARES Act activities and solicit resident comments on the substantial amendment. Upon completion of the public comment period, the City of New Bern submitted the FY 2020 Annual Action Plan – Substantial Amendment to the U.S. Department of Housing and Urban Development Greensboro Office on or before Friday, February 26, 2021.

**Substantial Amendment # 2:**

The City put the "draft" FY 2020 Annual Action Plan – Substantial Amendment on public display on the City's website: at <http://www.newbern-nc.org> and at the following location during normal operational hours: Office of the Department of Development Services, 303 First Street, New Bern, NC 28560.



The display period started on Friday, October 27, 2023 and ending on Monday, December 11, 2023 for at least a 30-day display period. A public hearing was held on Tuesday, November 28, 2023 at 6:00 P.M. to discuss the proposed substantial amendment and solicit resident comments. Upon completion of the public comment period, the City of New Bern submitted the FY 2020 Annual Action Plan – Substantial Amendment to the U.S. Department of Housing and Urban Development Greensboro Office on or before Monday, December 18, 2023.

### Citizen Participation Outreach

#	Mode of Outreach	Target of Outreach	Summary of Response / Attendance	Summary of Comments Received	Summary of Comments Not Accepted and Reasons	URL (If applicable)
1.	Newspaper Ad #1	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Agencies / Organizations	None.	None.	None.	Not Applicable.
2.	Public Meeting #1	Minorities Persons with disabilities Non-targeted /broad community Residents of Public and Assisted Housing Agencies / Organizations	The City held a public needs hearing on Monday, August 17 at 6:00 PM. There was a total of two (2) attendees in addition to City staff. See meeting summary comments, the sign-in sheets, and agendas for the Public Hearings in the Exhibit Section.	See the Public Hearing comments in the Exhibit section of the FY 2020 Annual Action Plan.	All comments were accepted.	Not Applicable.

#	Mode of Outreach	Target of Outreach	Summary of Response / Attendance	Summary of Comments Received	Summary of Comments Not Accepted and Reasons	URL (if applicable)
3.	Internet Outreach	Minorities Persons with disabilities Non-targeted /broad community Residents of Public and Assisted Housing Agencies / Organizations	None.	None.	None.	<a href="https://www.newbernnc.gov/departments/development_services/index.php">https://www.newbernnc.gov/departments/development_services/index.php</a>
4.	Newspaper Ad #2	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Agencies / Organizations	None.	None.	None.	Not Applicable.
5.	Public Hearing #2	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	The City held its Second Public Hearing on September 8, 2020 to discuss the Draft FY 2020 Annual Action Plan.	See the Second Public Hearing comments in the Appendix section of the	None.	<a href="https://www.newbernnc.gov/departments/development_services/index.php">https://www.newbernnc.gov/departments/development_services/index.php</a>

#	Mode of Outreach	Target of Outreach	Summary of Response / Attendance	Summary of Comments Received	Summary of Comments Not Accepted and Reasons	URL (If applicable)
		Social Services and Housing Agencies		FY 2020 Annual Action Plan.		
6.	CARES Act Substantial Amendment - Newspaper Ad	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Agencies/Organizations	On Friday, January 29, 2021, the City of New Bern published the CARES Act Substantial Amendment Public Hearing Notice in the newspaper.	None.	None.	Not Applicable.
7.	CARES Act Substantial Amendment - Public Meeting	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Agencies/Organizations	The CARES Act Substantial Amendment Public Meeting was held on Tuesday, February 9, 2021 at 6:00 PM to discuss the CARES Act Substantial Amendment for the City.	Meeting minutes can be found in the appendix section of this Annual Action Plan – Substantial Amendment.	All comments were accepted.	Not Applicable.
8.	CARES Act Substantial Amendment - Internet Outreach	Minorities Persons with disabilities Non-targeted/broad community	None.	None.	None.	<a href="http://www.newbern-nc.org">http://www.newbern-nc.org</a>

#	Mode of Outreach	Target of Outreach	Summary of Response / Attendance	Summary of Comments Received	Summary of Comments Not Accepted and Reasons	URL (if applicable)
6.	<b>Substantial Amendment # 2 - Newspaper Ad</b>	Residents of Public and Assisted Housing				
		Minorities	On Thursday, October 26, 2023, the City of New Bern published the Substantial Amendment Public Hearing Notice in the newspaper.	None.	None.	Not Applicable.
		Persons with disabilities				
		Non-targeted/broad community				
		Residents of Public and Assisted Housing				
7.	<b>Substantial Amendment # 2 - Public Meeting</b>	Agencies/Organizations	The Substantial Amendment Public Meeting was held on Tuesday, November 28, 2023 at 6:00 PM to discuss the Substantial Amendment for the City.	Meeting minutes can be found in the appendix section of this Annual Action Plan – Substantial Amendment.	All comments were accepted.	Not Applicable.
		Minorities				
		Persons with disabilities				
		Non-targeted/broad community				
8.	<b>Substantial Amendment # 2 - Internet Outreach</b>	Residents of Public and Assisted Housing	None.	None.	None.	<a href="http://www.newbern-nc.org">http://www.newbern-nc.org</a>
		Agencies/Organizations				
		Minorities				
		Persons with disabilities				
		Non-targeted/broad community				

#	Mode of Outreach	Target of Outreach	Summary of Response / Attendance	Summary of Comments Received	Summary of Comments Not Accepted and Reasons	URL (If applicable)
		Residents of Public and Assisted Housing				

Table 4 – Citizen Participation Outreach



## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

The following financial resources are identified for the FY 2020 Annual Action Plan to address the priority needs and goals/strategies identified in the City of New Bern's FY 2019-2023 Five-Year Consolidated Plan.

The City of New Bern is receiving \$258,775 in CDBG funds and \$152,252 in CDBG-CV funds for the FY 2020 program year. The program year goes from July 1, 2020 through June 30, 2021. These funds will be used to address the following strategies:

- Housing Strategy;
- Community Development Strategy; and
- Administration, Planning, and Management Strategy

The accomplishments of these projects/activities will be reported in the FY 2020 Consolidated Annual Performance and Evaluation Report (CAPER).

#### CARES Act Substantial Amendment:

The following financial resources are identified for the FY 2020 Annual Action Plan – Substantial Amendment to address the priority needs and goals/strategies identified in the City of New Bern's Five Year Consolidated Plan using the CARES Act funds.

The City will receive two (2) allocations of the Community Development Block Grant - Coronavirus (CDBG-CV) funds. The first allocation received by the City was \$152,252 and in the third round of funding, the City received an allocation of \$194,483 for a total allocation of \$346,735 CDBG-CV funds.

**Anticipated Resources**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public – federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$258,775.00	\$0.00	\$0.00	<b>\$258,775.00</b>	\$803,524.00	Three (3) projects/activities were funded based on the FY 2020 CDBG allocation.
		Admin and Planning Housing Other To prevent, prepare for and respond to the coronavirus.	\$346,735.00	\$0.00	\$0.00	<b>\$346,735.00</b>	\$0.00	Two (2) projects/activities were funded based on the FY 2020 CDBG-CV allocation.

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

In addition to the entitlement funds, the City of New Bern anticipates the following Federal resources may be available to local non-profit organizations to undertake the housing strategies identified in the Five Year Consolidated Plan.

- Supportive Housing Program
- Low-Income Housing Tax Credit Program (LIHTC)
- Section 8 Rental Assistance Program
- Public Housing Capital Fund Program
- Rental Assistance Demonstration (RAD)

Private and non-Federal resources that may be available to the City of New Bern in FY 2020 to address needs identified in the FY 2019-2023 Five Year Consolidated Plan are listed below.

- **EDA Workforce Development Grant** – The United States Economic Development Administration fields a competitive application for workforce development funding.
- **Golden LEAF Funding** – This North Carolina grant supports workforce development in rural areas of the state of North Carolina that were once dependent on agriculture and tobacco farming.
- **Tobacco Trust Fund Grant** – The North Carolina Tobacco Trust Fund (NCTTFC) was created to assist current and former tobacco farmers, former quota holders, persons engaged in tobacco-related business, and individuals displaced from tobacco-related employment that were affected by the major tobacco settlement in 1998. These funds are used for projects that support employment for these groups.
- **Federal Home Loan Bank Affordable Housing Program (AHP)** – Congress has mandated that ten (10%) of the Federal Home Loan Bank's profits be allocated to provide affordable housing. The FHLB encourages its members to work with public agencies and non-profit housing development organizations in creating highly leveraged affordable housing initiatives. Both sales and rental housing are eligible.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The City of New Bern owns 118 vacant lots in the Greater Five Points Area. The City intends to build affordable housing on these lots. The lots are scattered throughout the Area. Some are buildable and meet the zoning requirements, others are not and will be transferred by sale or donation to adjacent property owners.

**Discussion**

Not Applicable.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1.	HSS-1 Homeownership	2019	2023	Affordable Housing	Greater Five Points Low- and Moderate-Income Areas	Housing	CDBG: \$107,052	Homeowner Housing Added: 1 Household Housing Unit
2.	HOM-3 Homeless Prevention	2019	2023	Homeless	Low- and Moderate-Income Areas	Homeless	CDBG-CV: \$312,062	Homelessness Prevention: 76 Persons Assisted
3.	CDS-1 Infrastructure	2019	2023	Non-Housing Community Development	Greater Five Points Low- and Moderate-Income Areas	Community Development	CDBG: \$100,000	Other: 1 Other
4.	APM-1 Overall Coordination	2019	2023	Administration	Greater Five Points Low- and Moderate-Income Areas	Administration, Planning, and Management	CDBG: \$51,763 CDBG-CV: \$34,673	Other: 2 Other

Table 5 – Goals Summary

**Goal Descriptions**

1.	<b>Goal Name</b>	<b>HSS-1 Homeownership</b>
	<b>Goal Description</b>	Promote and assist in developing homeownership opportunities for low- and moderate-income persons & families.
2.	<b>Goal Name</b>	<b>HOM-3 Homeless Prevention</b>
	<b>Goal Description</b>	Promote and assist in anti-eviction and prevention of unfair housing practices which may contribute to homelessness.
3.	<b>Goal Name</b>	<b>CDS-1 Infrastructure</b>
	<b>Goal Description</b>	Improve the City's infrastructure through reconstruction and new construction of streets, walks, curbs, ADA ramps, retaining walls, sewer, water, storm water management, bridges, bike trails, green infrastructure, etc.
4.	<b>Goal Name</b>	<b>APM-1 Overall Coordination</b>
	<b>Goal Description</b>	Provide program management and oversight for the successful administration of Federal, state, and local funded programs, including planning services for special studies, environmental clearance, fair housing, performance evaluation, monitoring; and compliance with all Federal, state, and local laws and regulations.

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):**

The City of New Bern will utilize its FY 2020 CDBG and FY 2020 CDBG-CV funds to assist the following households:

- **Median Income** – 19 households
- **Low Income** – 20 households
- **Extremely Low Income** – 38 households



## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

The FY 2020 Annual Action Plan outlines the needs, resources, priorities and proposed activities of the City of New Bern to be undertaken with the FY 2020 Community Development Block Grant (CDBG) and the FY 2020 Community Development Block Grant - Coronavirus (CDBG-CV). The City of New Bern has participated in CDBG as an Entitlement recipient since 2014.

The City's Development Services Department is the Lead Agency that maintains and administers New Bern CDBG funds and responsibilities, including completion of the Annual Action Plan. The planning process actively encouraged participation of City housing and community service organizations, including the Housing Authority of the City of New Bern, Twin Rivers Opportunities, Inc., affordable housing providers, service agencies that assist the low- and moderate-income and principally low- and moderate-income clientele, advocates, and others.

The City of New Bern encourages citizens to provide input and participate in planning, implementation and assessment of the CDBG program. The FY 2020 Annual Action Plan was developed through public hearings, the use of existing data from previously approved plans and studies, consultation with local non-profit agencies, and discussions with other City of New Bern departments. For-profit, non-profit, community and faith-based organizations were engaged throughout the prior year to assess City needs and priorities.

The City of New Bern proposes to undertake the following activities with FY 2020 CDBG and CDBG-CV funds:

#### Projects

#	Project Name
1.	Administration
2.	Housing Rehabilitation in the Five Points Area
3.	Duffyfield Stormwater Project
4.	CV-CDBG-CV Administration
5.	CV-Rent, Mortgage, and Utility Assistance

Table 6 - Project Information

**Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

The City of New Bern has allocated its CDBG and CDBG-CV funds based on principally benefiting Low/Mod income persons; or an activity in which predominantly low- and moderate-income areas or which has a presumed benefit; or an activity with an income requirement of low- and moderate-income persons. All allocated funding has been utilized in a timely manner and within budget.

Many of the obstacles to addressing underserved needs are outside of the City's control. The largest obstacle is the lack of local, state, and federal resources available to the City of New Bern to adequately address these needs. This reduction in funds, combined with increasing numbers of individuals in need of housing, social service, homeless, or infrastructure support, unfortunately means that the City of New Bern is at a disadvantage in addressing underserved needs in the community. However, the City of New Bern maintains close cooperation with the County, the Housing Authority, housing providers, economic development agencies, and social service providers, to address any underserved needs in the City.

The proposed activities and projects for FY 2020 are located in areas of the City with the highest percentages of low- and moderate-income persons, and those block groups with a higher than average percentage of minority persons. The following census tracts and block groups have at least 51% of the households with low- and moderate-incomes:

- C.T. 9605, B.G. 2
- C.T. 9606, B.G. 4
- C.T. 9608, B.G. 1
- C.T. 9608, B.G. 2
- C.T. 9608, B.G. 3
- C.T. 9608, B.G. 4
- C.T. 9609, B.G. 2

## AP-38 Project Summary

### Introduction

The City of New Bern proposes to undertake the following activities with the FY 2020 CDBG and CDBG-CV funds:

### Project Summary Information

1.	<b>Project Name</b>	<b>Administration</b>
	<b>Target Area</b>	Low- and Moderate-Income Areas; Greater Five Points
	<b>Goals Supported</b>	APM-1 Overall Coordination
	<b>Needs Addressed</b>	Administration, Planning, and Management Priority
	<b>Funding</b>	CDBG: \$51,723
	<b>Description</b>	Overall program administration of the CDBG Programs, including: staff salaries, wages, and benefits; related costs to administer the programs including supplies, materials, mailings, duplications, etc.; monitoring and oversight; advertising and public hearing costs; market studies; planning activities and the preparation of the Annual Action Plan, Environmental Review Record, Consolidated Annual Performance and Evaluation Report, Fair Housing, etc.
	<b>Target Date</b>	6/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1 Organization
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	The Matrix Code is 21A General Program Administration.
2.	<b>Project Name</b>	<b>Housing Rehabilitation in the Five Points Area</b>
	<b>Target Area</b>	Greater Five Points
	<b>Goals Supported</b>	HSS-1 Homeownership
	<b>Needs Addressed</b>	Housing Priority
	<b>Funding</b>	CDBG: \$107,052

	<b>Description</b>	Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity.
	<b>Target Date</b>	6/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1 Household Housing Unit
	<b>Location Description</b>	Greater Five Points Neighborhood
	<b>Planned Activities</b>	The National Objective is Low/Mod Housing Benefit (LMH). The HUD Matrix Code is 14A Rehabilitation; Single-Unit Residential.
3.	<b>Project Name</b>	<b>Duffyfield Stormwater Project</b>
	<b>Target Area</b>	Greater Five Points
	<b>Goals Supported</b>	CDS-1 Infrastructure
	<b>Needs Addressed</b>	Community Development Priority
	<b>Funding</b>	CDBG: \$100,000
	<b>Description</b>	Funds will be used for the Phase II study of the Duffyfield Stormwater Project. This is for engineering, permitting and possible acquisition services of properties within the project area. The project scope is TBD. (Multi-year Activity)
	<b>Target Date</b>	6/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1 Other.
	<b>Location Description</b>	Duffyfield Neighborhood, City Block bounded by Biddle Street, East Street, F Street, and Railroad; City Block bounded by B Street, F Street, and Railroad; City Block bounded by Biddle Street, F Street, Fowlers Lane, and G Street; City Block bounded by Fowlers Lane, F Street, K Street, and G Street; City Block bounded by F Street, Murry Street, Sampson Street, Bloomfield Street, and K Street.
	<b>Planned Activities</b>	The National Objective is Low/Mod Area Benefit (LMA). The HUD Matrix Code is 03I Flood Drainage Improvements.

4.	<b>Project Name</b>	<b>CV-CDBG-CV Administration</b>
	<b>Target Area</b>	Low/Mod Areas
	<b>Goals Supported</b>	APM-1 Overall Coordination
	<b>Needs Addressed</b>	Administration, Planning, and Management Priority
	<b>Funding</b>	CDBG-CV: \$34,673
	<b>Description</b>	Funds for the administration of the CDBG-CV grant.
	<b>Target Date</b>	6/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1 Other
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	The Matrix Code is 21A General Program Administration.
5.	<b>Project Name</b>	<b>CV-Rent, Mortgage, and Utility Assistance</b>
	<b>Target Area</b>	Low/Mod Areas
	<b>Goals Supported</b>	HOM-3 Homeless Prevention
	<b>Needs Addressed</b>	Homeless Priority
	<b>Funding</b>	CDBG-CV: \$312,062
	<b>Description</b>	CDBG-CV funds will be used to fund two (2) non-profit organizations, Religious Community Services (RCS) and Catholic Charities. These organizations both will run a rent, mortgage, and utility assistance program to help stabilize low-income households who are behind in their payments because of Covid-19 pandemic. This assistance will only cover 3 months of back payments. RCS will receive \$185,785 in CDBG-CV funds from the 1 <sup>st</sup> and 3 <sup>rd</sup> rounds of CDBG-CV funds. Catholic Charities will receive \$126,277 in CDBG-CV funds from the 3 <sup>rd</sup> round of CDBG-CV funds.
	<b>Target Date</b>	6/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	175 Households
	<b>Location Description</b>	Citywide



**Planned Activities**

The National Objective is Low/Mod Income Housing (LMH).  
The HUD Matrix Code is 05Q Subsistence Payments.

**Table 7 – Project Summary**

**AP-50 Geographic Distribution – 91.220(f)**

*Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed*

The following information provides a profile of the population, age, and racial/ethnic composition of the City of New Bern. This information was obtained from the U.S. Census Bureau American Factfinder website, <http://data.census.gov>. The 2014-2018 American Community Survey 5-Year Estimates were used to analyze the social, economic, housing, and general demographic characteristics of the City of New Bern. The 5-year estimates are the most recent data available for the City. The 2010 U.S. Census data is included when necessary.

**Population**

Key points are:

- Between 1990 and 2010, the population increased by approximately 43.6%
- The City population was 23,367 in the 2000 Census
- The City's population was 30,113 in 2018 according to the 2014-2018 ACS (a 28.9% increase)
- Population changes due to Hurricane Florence have not yet been recorded in the Census

**Age**

Key points are:

- Median age in New Bern is 37.5 years of age
- Youth under age 18 account for 21.9% of the total population

**Race/Ethnicity**

Composition from the 2014-2018 American Community Survey:

- 57.1% of population is White
- 32.3% of population is Black or African American
- 5.9% of population is Asian
- 1.8% of population is Two or More Races
- 6.8% is Hispanic or Latino

**Income Profile**

The current Median Income for a family of four (4) in the City of Craven County, North Carolina Metropolitan Statistical Area (MSA) is \$66,200 according to HUD's FY 2020 Income Limits. The following is a summary of income statistics for the City of New Bern:

- At the time of the 2014-2018 American Community Survey, the median household income in the City of New Bern was \$42,222 which was lower than the State of North Carolina (\$52,413).

- 37.9% of households have earnings received from Social Security income.
- 24.8% of households have earnings, received from retirement income.
- 7.3% of households have earnings received from public assistance.
- 41.6% of female-headed households with children were living in poverty.
- 33.0% of all youth under 18 years of age were living in poverty.

### **Low/Mod Income Profile**

The low- and moderate-income profile for City of New Bern is a measurement of the area's needs. The City of New Bern has an overall low- and moderate-income percentage of 40.66%.

### **Economic Profile**

The following illustrates the economic profile for the City of New Bern as of the 2014-2018 American Community Survey:

- 34.2% of the employed civilian population had occupations classified as management, professional, or related.
- 19.7% of the employed civilian population had occupations classified as sales and office.
- 23.0% were in the service sector.
- The educational, health, and social service industries represented 24.0% of those employed.
- 20.3% of workers were considered in the government class of employment.

According to the U.S. Labor Department, the preliminary unemployment rate for the City of New Bern in May of 2020 was 12.4%. New Bern's unemployment rate was lower than the May of 2020 rates of the State of North Carolina (12.7%) and the national percentage of 13.3%.

### **Geographic Distribution**

Target Area	Percentage of Funds
Low- and Moderate-Income Areas	20%
Greater Five Points	80%

**Table 8 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

The proposed activities and projects for FY 2020 are located in areas of the City with the highest percentages of low- and moderate-income persons, and those block groups with a higher than average percentage of minority persons. The following census tracts and block groups have at least 51% of the households with low- and moderate-incomes:

- C.T. 9605, B.G. 2
- C.T. 9606, B.G. 4

- C.T. 9608, B.G. 1
- C.T. 9608, B.G. 2
- C.T. 9608, B.G. 3
- C.T. 9608, B.G. 4
- C.T. 9609, B.G. 2

The total amount of FY 2020 CDBG funds available is \$258,775 of which 20.0% (\$51,723) is for administration and 80.0% (\$207,052) is allocated for project activities. Of the \$258,775 allocated for project activities, all of it is allocated to projects that will benefit low- and moderate-income persons giving the City a 100% low- and moderate-income benefit percentage for FY 2020.

### Discussion

The geographic locations and the public benefit for the FY 2020 CDBG Activities are as follows:

- **Administration** – 303 First Street, New Bern, NC 28560
- **Housing Rehabilitation in the Five Points Area** – Greater Five Points Neighborhood, New Bern, NC 28562 – Low/Mod Income Housing Benefit (LMH)
- **Duffyfield Stormwater Project** – Duffyfield Neighborhood, City Block bounded by Biddle Street, East Street, F Street, and Railroad; City Block bounded by B Street, F Street, and Railroad; City Block bounded by Biddle Street, F Street, Fowlers Lane, and G Street; City Block bounded by Fowlers Lane, F Street, K Street, and G Street; City Block bounded by F Street, Murry Street, Sampson Street, Bloomfield Street, and K Street, New Bern, NC 28560 – Low/Mod Income Area Benefit (LMA)

The geographic locations and the public benefit for the FY 2020 CDBG-CV Activities are as follows:

- **CV-20-01 CV-CDBG-CV Administration** – 303 First Street, New Bern, NC 28560
- **CV-20-02 CV-Rent, Mortgage, and Utility Assistance** – 919 George Street, New Bern, NC 28560 and 502 Middle St, New Bern, NC 28560; Low/Mod Income Client Benefit (LMC)

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

The City of New Bern is utilizing its CDBG and CDBG-CV funds to support the following housing activities during this program year:

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	176
Special-Needs	0
<b>Total:</b>	<b>176</b>

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	175
The Production of New Units	0
Rehab of Existing Units	1
Acquisition of Existing Units	0
<b>Total:</b>	<b>176</b>

Table 10 - One Year Goals for Affordable Housing by Support Type

#### Discussion

The City of New Bern will fund the following projects with FY 2020 CDBG and CDBG-CV funds:

- **CD-20-02 Housing Rehabilitation in the Five Points Area** - Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity. (1 Household Housing Unit)
- **CV-20-02 CV-Rent, Mortgage, and Utility Assistance** - CDBG-CV funds will be used to fund two (2) non-profit organizations, Religious Community Services (RCS) and Catholic Charities. These organizations both will run a rent, mortgage, and utility assistance program to help stabilize low-income households who are behind in their payments because of Covid-19 pandemic. This assistance will only cover 3 months of back payments. (175 Households)



## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The Housing Authority of the City of New Bern's mission is:

- Providing affordable housing opportunities in a safe environment
- Revitalizing and maintaining neighborhoods
- Providing opportunities for low and moderate-income homeownership
- Forming effective partnerships to maximize housing, social, and economic opportunities
- Continuing its partnership with the City of New Bern for the revitalization of communities
- Pursuing funding for the development of affordable housing for the residents of New Bern

The Housing Authority of the City of New Bern is not rated as a "troubled" agency by HUD.

The Housing Authority of the City of New Bern owns and professionally manages family communities and elderly/disabled rental apartments. NBHA had one (1) public housing development: Trent Court. NBHA had also previously owned a second property: Craven Terrace. This property was sold. Before Hurricane Florence hit the City, NBHA had a total of 218 public housing units, with 11 accessible units. After Hurricane Florence caused flooding in many of the units in Trent Court, the Housing Authority was left with 110 units, of which 4 are accessible. NBHA also owns and manages Section 8 Housing for elderly residents in New Bern Towers. There are 106 units in New Bern Towers. There are currently 54 people on the public housing waiting list, which was opened on August 1st and will remain open until the 31st, although NBHA is considering extending the closing date.

Twin Rivers Opportunities, Inc. assists families who wish to live in privately owned housing and receive rental subsidy through the Housing Choice Voucher Program instead of NBHA. Twin Rivers Opportunities, Inc. administers 998 as of July 30, 2020, 39 of which are for residents that were displaced from Trent Court. There are currently 800 households on the waiting list for Housing Choice Vouchers.

### **Actions planned during the next year to address the needs to public housing**

The work items for the Housing Authority's properties are as follows:

#### **Trent Court:**

- The housing will be demolished in two phases. The first phase will include the 108 flood-damaged units. The rest of the Trent Court units will be demolished in the second phase.
- Greenspace will be developed along the Riverwalk.
- The Trent Court site will be developed with a mix of lofts, condominiums, market rate rentals, retail, and affordable housing.

#### **New Bern Towers:**

- Upgrade Lighting for the Parking Lot

- Security Cameras
- Add Ceiling Fans
- Building Pressure Wash

The Housing Authority will expend its FY 2020 Capital Fund on the following projects:

- Roof Repairs

The Housing Authority was awarded a LIHTC to construct new affordable housing which will have units dedicated to persons displaced from Trent Court on Carolina Avenue. The project will entail the construction of 84 new units, and the Housing Authority is in the process of purchasing the land.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

According to the Annual Plan for 2020, NBHA's progress in meeting their mission and goals states that NBHA set the goal of cooperating with the City of New Bern and other neighborhood partners to promote neighborhood revitalization and economic development in designated areas of the City, as evidenced by the resident input in the development of the Gateway Renaissance Plan and Greater Five Points Transformation Plan. New Bern Towers has an active resident council that expresses needs for both the New Bern Towers community and the public housing under the Housing Authority of the City of New Bern as a whole. Trent Court formerly had an active resident council, but Hurricane Florence caused the council to disband, and the residents of Trent Court have struggled to restore it. The Housing Authority of the City of New Bern was awarded LIHTC funds to provide housing for those displaced by Trent Court on Carolina Avenue, which will be an improvement over the living conditions in those apartments once completed.

The Housing Authority of the City of New Bern does not support any homeownership initiatives. NBHA previously held homeownership classes in Trent Court and Craven Terrace, and these classes had active participation. However, these classes have ceased since Craven Terrace was sold.

Twin Rivers Opportunities, Inc. runs the Family Self-Sufficiency (FSS) Program. The program gives Section 8 voucher holders the opportunity to set and reach goals that they set for themselves and their families, as well as save a significant amount of money. Section 8 voucher holders may also use their vouchers to realize the American dream of becoming a homeowner. Both of these opportunities are available to Section 8 holders who choose to become participants in Section 8's Family Self-Sufficiency Program. There are two parts to the program. The first part of the program is the Self-Sufficiency program where participants have the opportunity to work towards and meet goals that they set for their families as well as save money that will become theirs when they have completed their goals. The second part of the program is the Homeownership Program. In this part of the program, a Section 8 participant can choose to use his or her Section 8 voucher to assist with the purchase and payment of a home.

**If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

The Housing Authority of the City of New Bern is not designated as a troubled housing authority.

**Discussion**

The Housing Authority of the City of New Bern is continuing to meet its goals by securing funding through RAD and CNI for the revitalization of the Greater Five Points area. The Housing Authority will also continue to apply for funding for additional affordable housing.

Trent Court, one the Housing Authority's public housing communities, was severely affected by Hurricane Florence. The residents displaced by the Hurricane have been given Section 8 Housing Choice Vouchers. Twin Rivers Opportunities, Inc., will ensure the placement of these residents.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

The North Carolina Coalition to End Homelessness is collaborative applicant for the North Carolina Balance of State Continuum of Care. The 79 counties covered by the Continuum of Care are divided into 13 regions. The City of New Bern falls under the purview of Region 13 of the CoC, which is known as the Housing Alliance of Coastal Carolina (HACC) and includes Carteret, Craven, Jones, Onslow, and Pamlico Counties.

The leadership of Region 13 is responsible for acting as a member of the Balance of State CoC Steering Committee, the Coordinated Entry lead for the Region, the Point-in-Time and Housing Inventory Count lead for the region, and reviewing projects and processing state ESG grants for the regional geography.

The City of New Bern works closely with the homeless service providers within the City to identify and resolve issues of homelessness within the community. The Department of Development Services partners with statewide entities, as well as the local service providers including Religious Community Services, Coastal Women's Shelter, and Reviving Lives Ministries.

The 2020 Point-In-Time count revealed that 21 homeless individuals resided in Craven County. There was no data available for the City of New Bern specifically. All 21 of the homeless persons counted were recorded in Emergency Shelter.

The following shelters were open in the City of New Bern during FY 2019.

- Religious Community Services - Emergency Crisis Shelter
- Religious Community Services - Families in Transition
- Religious Community Services - Veterans Transition Shelter
- Women's Coastal Shelter - Domestic Violence Shelter
- Reviving Lives Ministries - Addiction Recover Shelter

The FY 2020 CoC awards have not yet been announced.

**Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including: Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The Point In Time Count for Craven County in 2020 counted a total of 21 homeless persons and 18 homeless households. Of these, only 0 persons were unsheltered. There were no persons in transitional housing, and 21 persons that were housed in emergency shelter. There was one (1) homeless family with children, and no chronically homeless families with children. There was one (1) unaccompanied youth that were homeless in 2020. Of the 21 homeless people counted, nine (42.9%) were considered chronically homeless. There were two (2) homeless Veterans, and two (2) of the homeless Veterans was considered



chronically homeless. This indicates a need for greater outreach and shelter/housing options for these special needs groups.

**Families with children** – The Point In Time count for 2017 counted 4 homeless households with children in Craven County, for a total of 15 persons. Numbers were lower in 2018 at 4 homeless households and 9 persons. County breakdowns were unavailable for 2019. In 2020, there was 1 homeless household with 3 persons.

**Veterans and their families** – There are large numbers of Veterans and support systems because of the nearby military base in Havelock. The NCWorks Career Center works both employment and housing issues for homeless Veterans. Homeless Veterans often require additional services, with mental health services being the most commonly cited need. The number of homeless Veterans in Craven County has decreased from 4 in 2017, to 4 in 2018, and 2 in 2020. County breakdowns were unavailable for 2019.

**Unaccompanied youth** – Teens aging out of foster care, and young adults in the 18-24 transition stage can be hard to locate. Many of them are staying with friends and family temporarily and are technically homeless. Unaccompanied youth may also move between different shelters. There were 2 unaccompanied youth counted in the 2017 Point In Time count, 5 unaccompanied youth counted in 2018, and 1 unaccompanied youth counted in 2020 for Craven County. County breakdowns were unavailable for 2019.

According to the NC Balance of State CoC Application for 2019, the CoC restructured its board to greater represent the diverse groups that make up the homeless population. The CoC utilizes Coordinated Entry to track the various subpopulations and divides them up into 13 local referral zones across the 79 counties that the CoC serves. Much of the area served by the CoC is rural, and the CoC creates advertisements and hotlines to target these subpopulations and allow them to access the Coordinated Entry process.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The 2020 Point In Time Count saw a return to typical levels for homelessness in Craven County following Hurricane Florence. Though many of the barriers to emergency housing in the City of New Bern and Craven County had been removed in response to Hurricane Florence, it remains a challenge to rapidly re-house families. The Point In Time count for 2016 counted 3 homeless households with children in Craven County, for a total of 8 persons. There were 4 homeless households with children in Craven County, for a total of 15 persons. Numbers were lower in 2018 at 4 homeless households and 9 persons. County breakdowns were unavailable for 2019. In 2020, there was 1 homeless household with 3 persons. There were 21 homeless persons counted overall, and all 21 homeless persons counted were in emergency shelters.

Religious Community Services provides much of the shelter space for individuals and families in the County while also partnering with Craven Community College for job training and Craven-Pamlico Re-Entry to assist ex-offenders with housing, transportation, and vocational skills. NCWorks provides job training and assists in housing homeless veterans. Coastal Women's Shelter partners with local landlords to provide stable housing and keep children of families experiencing domestic violence in the same schools to assist



these children in maintaining stability. Crossroads is the major mental health provider in the area, but the need for mental health care far surpasses the amount of assistance that Crossroads can provide. Religious Community Services has the following emergency shelter beds for homeless populations:

- **Homeless Families** – 4 beds
- **Homeless Women** – 6 beds
- **Homeless Veterans** – 5 beds

The Coastal Women's Shelter prioritizes providing safe, affordable housing for victims of domestic violence. The shelter has 19 total beds, 3 of which are infant cribs. The Coastal Women's Shelter will work with trusted landlords to place people in housing, but there is a shortage of trusted landlords.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The North Carolina Balance of State CoC's written standards focus on a Housing First model and follow the best practices of that model. The written standards utilize several strategies to increase the number of people who exist Emergency Shelter, Transitional Housing, and Rapid Re-housing to Permanent Housing destinations. Evaluations of these standards will be based on the length-of-time homeless of an individual or family in Emergency Shelter, Transitional Housing, or Rapid Re-Housing. The CoC will seek to make progress on the turnover rate of individuals and families, the targeting of individuals and families based on risk, and the number of positive exits into Permanent Housing

The CoC Steering Committee has approved written standards that conform to best practices for Street Outreach, Emergency Shelter, Transitional Housing, Prevention and Rapid Rehousing, Permanent Supportive Housing, and Coordinated Entry Programs on September 6, 2016. There are additional policies for follow-ups to those that have exited Rapid Re-Housing, Anti-Discrimination, and Emergency Transfers based on the Violence Against Women Act (VAWA). The Balance of State CoC provides additional guidance to rural Continuums of Care

The number of homeless Veterans in Craven County has decreased from 11 in 2016, to 4 in 2017, and 2 in 2020. In addition to housing, there is a need for wrap around services for veterans. These services largely include mental health care and recovery systems for those with addictions. There are a number of instances of PTSD in the area due to the presence of the military base. Crossroads provides addiction counseling for Veterans, but they are limited to three (3) day emergency shelter stays. Volunteers will transport Veterans with addictions to Crossroads for these services. Twin Rivers Opportunities, Inc. recently received 10 VASH vouchers for Veterans. Of these, 2 are being utilized to house families, and 8

are committed to families but available units have not yet been found.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

Discharge policies at local hospitals are designed to prevent those leaving the hospitals from being referred to Religious Community Services. Religious Community Services supports homeless in the community through operating emergency shelters and food and clothing services for those in need. By providing other supportive services, Religious Community Services intends to assist people who may be extremely low income and help feed and clothe them so that other family income may go to rent.

Local services such as Craven-Pamlico Re-Entry Council, Children's Developmental Services Agency, and Carolina East Health work with various populations that are at-risk of becoming homeless. Wraparound services are necessary to prevent homelessness and encourage self-sufficiency. Discharge policies are also put in place to direct low-income individuals who are at risk of homelessness to services that may assist them. There is a need for additional caseworkers to expand these services.

## Discussion

The City of New Bern will provide funding for the following activity in FY 2020 using CDBG-CV funds to address the needs of individuals and families with children who are homeless or imminent at risk of becoming homeless:

- **CV-20-02 CV-Rent, Mortgage, and Utility Assistance** – CDBG-CV funds will be used to fund two (2) non-profit organizations, Religious Community Services (RCS) and Catholic Charities. These organizations both will run a rent, mortgage, and utility assistance program to help stabilize low-income households who are behind in their payments because of Covid-19 pandemic. This assistance will only cover 3 months of back payments.

**AP-75 Barriers to affordable housing – 91.220(j)****Introduction:**

Eastern North Carolina lags behind the urban centers of the state economically. As a result, low- and moderate-income people have less income, and housing affordability is a greater issue in the area for all residents. Residents in protected classes can face even more housing affordability challenges, particularly when they cannot prove discrimination.

The most common fair housing complaint in the City of New Bern, as is the case nationally, is on the basis of disability. In Eastern North Carolina, there have been multiple instances of residents that faced evictions because landlords were unwilling to provide reasonable accommodations.

Transportation is a common barrier to affordable housing in the area. The local public transit system is unreliable. To access services and employment, residents must live near service providers and employers.

One of the major barriers to affordable housing in the City of New Bern is that cases go largely unreported. Though there are likely more instances of discrimination in the area, very few complaints are filed and little data is available on the types of complaints.

Hurricane Florence has also affected access to fair housing in the region. Many affordable housing units were destroyed in the Hurricane. This has resulted in the relocation of low- and moderate-income people. Following these relocations, people often find themselves farther away from the services.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

The City of New Bern intends to address housing affordability issues with the construction of new affordable housing. New construction will increase the supply for housing for low- and moderate-income persons. Additional units will also be targeted to housing those displaced by Hurricane Florence.

The Housing Authority of the City of New Bern provides reasonable accommodations for its residents upon request. There is a need for additional accessibility improvements, which the City will undertake over the course of the Five Year Consolidated Plan.

The City of New Bern intends to partner with CARTS, the local transit agency, to improve services and transit-related infrastructure. CARTS has adopted a strategic transit plan to increase ridership, which the City will support with supplemental infrastructure projects.

To address the issue of unreported complaints, the City will conduct education and outreach on fair housing so that residents can know their rights and be aware of the instances when those rights are violated.

**Discussion:**

The City of New Bern proposes to undertake the following activities during the FY 2020 Program Year to affirmatively further fair housing:

- **CD-20-02 Housing Rehabilitation** - Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi year activity.
- **CV-20-02 CV-Rent, Mortgage, and Utility Assistance** – CDBG-CV funds will be used to fund two (2) non-profit organizations, Religious Community Services (RCS) and Catholic Charities. These organizations both will run a rent, mortgage, and utility assistance program to help stabilize low-income households who are behind in their payments because of Covid-19 pandemic. This assistance will only cover 3 months of back payments.
- The City of New Bern will continue to work with the New Bern Housing Authority and Twin River Opportunities, Inc. to address issues of accessible housing.
- The City continues to work with Twin Rivers Opportunities, Inc. to mitigate the concentration of minority households and Section 8 Voucher holders.
- The City of New Bern continues to collaborate with Twin Rivers Opportunities, Inc. to implement strategies to provide consistent communication about the Section 8 Housing Choice Voucher program.
- The City of New Bern will partner with local agencies and groups to raise Fair Housing awareness and conduct fair housing trainings. Past groups that have conducted trainings include Legal Aid of North Carolina and the North Carolina Housing Coalition.



## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

The City of New Bern has developed the following actions which address the obstacles to meeting underserved needs, fosters affordable housing, reduces lead-based paint hazards, reduces the number of families living in poverty, develops institutional structures, and enhances coordination between public and private housing and social service agencies.

### **Actions planned to address obstacles to meeting underserved needs**

The City of New Bern allocated FY 2020 CDBG-CV funds to principally benefit low- and moderate-income persons through:

- **CV-20-02 CV-Rent, Mortgage, and Utility Assistance** – CDBG-CV funds will be used to fund two (2) non-profit organizations, Religious Community Services (RCS) and Catholic Charities. These organizations both will run a rent, mortgage, and utility assistance program to help stabilize low-income households who are behind in their payments because of Covid-19 pandemic. This assistance will only cover 3 months of back payments.

Despite efforts made by the City of New Bern and social service providers, a number of significant obstacles remain to meeting underserved needs. With funding resources being scarce, funding becomes the greatest obstacle for the City of New Bern to meet its underserved needs. Insufficient funding lessens the ability to fund many worthwhile public service programs, activities, and agencies. Through its planning efforts, the City will use its limited resources to address the City of New Bern's greatest needs and improve the quality of life for its residents. The following obstacles need to be overcome in order to meet underserved needs:

- Lack of decent, safe, sound, and affordable owner and renter housing.
- High cost of construction and rehabilitation work, exacerbated by Hurricane Florence.
- Aging in place population who need accessibility improvements.
- Need major rehabilitation of the City's aging housing stock.
- The increasing number of vacant and abandoned properties, exacerbated by Hurricane Florence.
- Low wages in the service and retail sector job market.
- Displaced residents from Hurricane Florence.
- Continued social pressures due to the recovery from Hurricane Florence.

### **Actions planned to foster and maintain affordable housing**

To foster and maintain affordable housing, the City proposes the following Five-Year Goals and Strategies:

- **HSS-1 Homeownership** - Promote and assist in developing homeownership opportunities for low- and moderate-income persons & families.



- **HSS-2 Housing Construction** - Promote and assist in the development of affordable housing, both rental and sales housing.
- **HSS-3 Housing Rehabilitation** - Promote and assist in the preservation of existing owner and renter occupied housing stock in the City.
- **HSS-4 Fair Housing** - Affirmatively further fair housing by promoting fair housing choice throughout the City of New Bern.

The City will partner with the Housing Authority of the City of New Bern, Twin Rivers Opportunities, Inc. and other fair housing agencies to promote fair housing in the city, through fair housing trainings, education, and promotions.

The City of New Bern will continue to work with the City's Human Rights Commission during this program year to again provide education and outreach.

### **Actions planned to reduce lead-based paint hazards**

According to the 2014-2018 American Community Survey, 54.2% of the housing units in the City of New Bern were built before 1980 and are therefore at risk for containing lead-based paint. According to the North Carolina Department of Health and Human Services' 2017 Lead Surveillance Report, 1,962 children were tested in Craven County for elevated blood lead levels. Of those tested, sixteen (16) had a blood lead level of 5-9 µg/dL or greater. With 0.8% of children tested having blood lead levels greater than 5 µg/dL, Craven County compares favorably to the rest of North Carolina, which averages 1.3% of children tested having blood lead levels greater than 5 µg/dL.

The revised Federal Lead-Based Paint Regulations published on September 15, 1999 (24 CFR Part 35) have had a significant impact on many activities – rehabilitation, tenant based rental assistance, and property acquisition – supported by the CDBG program. The City of New Bern will comply with Title 24, Part 35: Lead-Based Paint Poisoning Prevention in Certain Residential Structures (Current Rule).

The City of New Bern reviewed the Blood Lead Level Screening Plan provided through the North Carolina Department of Health and Human Services – North Carolina Childhood Lead Poisoning Prevention Program (CLPPP). Additionally, the City reviewed the Blood Lead Level testing data provided through the Center for Disease Control and Prevention – Childhood Lead Poisoning Prevention Program.

If the City of New Bern will ensure that the following will be done in conjunction with its Housing Rehabilitation activities:

- Applicants for rehabilitation funding receive the required lead-based paint information and understand their responsibilities.
- Staff properly determines whether proposed projects are exempt from some or all lead-based paint requirements.

- The level of federal rehabilitation assistance is properly calculated and the applicable lead-based paint requirements determined.
- Properly qualified personnel perform risk management, paint testing, lead hazard reduction, and clearance services when required.
- Required lead hazard reduction work and protective measures are incorporated into project rehabilitation specifications.
- Risk assessment, paint testing, lead hazard reduction, and clearance work are performed in accordance with the applicable standards established in 24 CFR Part 35.
- Required notices regarding lead-based paint evaluation, presumption, and hazard reduction are provided to occupants and documented.
- Program documents establish the rental property owner's responsibility to perform and document ongoing lead-based paint maintenance activities, when applicable.
- Program staff monitors owner compliance with ongoing lead-based paint maintenance activities, when applicable.

In addition, in conjunction with its Housing Rehabilitation activities, the City will to ensure that:

- Applicants for rehabilitation funding receive the required lead-based paint information and understand their responsibilities.
- Staff properly determines whether proposed projects are exempt from some or all lead-based paint safety requirements.
- The level of federal rehabilitation assistance is properly calculated and the applicable lead-based paint requirements determined.

### **Actions planned to reduce the number of poverty-level families**

According to the 2014-2018 American Community Survey, 15.4% of all people in the City of New Bern have incomes below the poverty level. Additionally, 40.3% of female headed households with no husband present live in poverty. Individuals living on the threshold of poverty were faced with a collection of obstacles that prevent them from escaping their situation. Some may need adequate affordable housing, job skills training, day care for children, treatment for medical or substance abuse issues or they may be children and adults with educational needs.

The City allocates its Community Development Block Grant program to improve the living environments of low to moderate-income persons, specifically improving the lives of low- to moderate-income youth in order to break the cycle of poverty.

During this program year, the City of New Bern will fund the following activities to address the needs of individuals and households who live in poverty:

- **CD-20-02 Housing Rehabilitation** - Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi year activity.
- **CV-20-02 CV-Rent, Mortgage, and Utility Assistance** – CDBG-CV funds will be used to fund two (2) non-profit organizations, Religious Community Services (RCS) and Catholic Charities. These organizations both will run a rent, mortgage, and utility assistance program to help stabilize low-income households who are behind in their payments because of Covid-19 pandemic. This assistance will only cover 3 months of back payments.

### **Actions planned to develop institutional structure**

The City of New Bern works with the following agencies to enhance coordination:

- **City of New Bern – Development Services** - oversees the CDBG and HOME programs.
- **Housing Authority of the City of New Bern** - oversees the improvements to public housing communities.
- **Twin Rivers Opportunities, Inc.** - oversees the Section 8 Housing Choice Voucher Program and the development of scattered site affordable housing.
- **Social Services Agencies** - the City provides funds to address the needs of low- and moderate-income persons.
- **Housing Providers** - the City provides funds to rehabilitate and develop affordable housing for low- and moderate-income families and individuals.
- **North Carolina Balance of State CoC** - oversees the Continuum of Care Network for 79 counties including Craven County. For planning purposes, the CoC is divided into thirteen (13) regions. Craven County is located in Region 13.

As part of the CDBG application planning process, local agencies, and organization are invited to submit proposals for CDBG funds for eligible activities.

The Development Services Department continues to look for gaps in the institutional structure. Maintaining and enhancing communication amongst all community and economic development stakeholders, is essential in addressing the needs identified in the City of New Bern's Five-Year Consolidated Plan.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

**Public Institutions:** The City will act as a clearinghouse and facilitator for many of the activities described in the annual action plan. As the local unit of government, the City is empowered to apply for and administer certain types of grants. Support from the City, expressed as a certification of consistency or some other instrument, may be all that is required for some activities. Other activities will involve the more direct participation of the City for funding, acquisition of land or buildings, or in convening meetings

of various agencies to iron out differences or strategies on how to seize opportunities. The City will continue to administer the CDBG program.

The Housing Authority of the City of New Bern administers public housing. Twin Rivers Opportunities, Inc. administers Section 8 Rental Assistance Programs in the City. This Authority is responsible for the management and maintenance of public housing units. The Housing Authority will continue in its efforts to modernize these public housing units in order to provide decent, affordable housing in the City.

**Non-Profit Organizations:** Non-profit housing agencies play a role in the implementation of this plan. Through the construction of new housing, and the rehabilitation of existing units, these agencies access financing sources such as the Low Income Housing Tax Credit, Greenleaf Funding, and charitable contributions that increase the supply of affordable housing. While some groups focus on the rehabilitation of single units for resale to first time homebuyers, others have attempted to create assisted rental developments. In the future, the union of such groups with social service agencies that serve specific special needs populations will address the Five Year Consolidated Plan strategy for creation of supportive housing and affordable housing opportunities.

Non-profit educational institutions provide an important partnership for the City. Craven Community College is currently partnering with the City of New Bern on the construction of the VOLT Center. Craven Community College will provide job and vocational training at the center, which is located in the Greater Five Points Redevelopment Area.

Social service agencies are a link between the provision of housing and the population it is intended to serve. The agencies work directly with providers of services to persons with special needs including: mental health, mental retardation, elderly, drug and alcohol addiction and families that are at-risk of becoming homeless. Although these agencies cannot provide housing, they can direct housing efforts where needed and are integral in the planning of housing and services for target populations. Emergency shelters, including the Religious Community Services and Coastal Women's Shelter, will continue to provide shelter for the homeless.

**Private Industry:** Several lending institutions cooperate with the City to provide funding for downtown improvements. Those lending institutions play an important role by providing financing that would not otherwise be available. Additionally, the private businesses located in the area contributed to the Hurricane cleanup in Downtown New Bern.

## **Discussion:**

### **Monitoring:**

The Monitoring Plan represents the City of New Bern's strategy for overseeing the activities of entities that carry out CDBG assisted activities. The Monitoring Plan identifies the following:

- The organizations to be monitored



- The issues to be explored and the methodology to be utilized in conducting the monitoring
- Identification of the specific Development Services staff members that will assume responsibility for monitoring
- The follow-up measures to be followed in communicating the results of the monitoring to affected organizations and the methods that will be utilized to obtain feedback from affected organizations

The CDBG monitoring will be carried out at two (2) separate levels. First, the City will conduct an internal monitoring to review the homeowner rehab program and to ensure that the CDBG Program is being administered in accordance with CDBG and other federal regulatory and statutory requirements. Second, the City will conduct an external monitoring to review the activities of its sub-recipients.

The purpose of the City's monitoring efforts is:

- to identify and correct issues that prevent the City from achieving full compliance with the regulatory requirements of the CDBG Program and other Federal requirements before deficiencies lead to HUD monitoring findings, and
- to learn more about the strengths and weaknesses of the various organizations that plays a role in the City's CDBG program and to use this knowledge as the basis for structuring future CDBG activities.



## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

#### Introduction:

The City of New Bern receives an annual allocation of CDBG funds. Since the City receives this federal allocation, the questions below have been completed, as they are applicable.

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	\$0.00
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	\$0.00
3. The amount of surplus funds from urban renewal settlements	\$0.00
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	\$0.00
5. The amount of income from float-funded activities	\$0.00
<b>Total Program Income</b>	<b>\$0.00</b>

#### Other CDBG Requirements

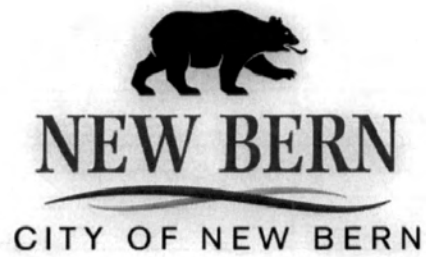
1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit – A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	<b>100.00%</b>

#### CDBG Percentages:

- **Administrative Percentage:** 20.0%
- **Public Service Percentage:** 0.0%
- **Low and Moderate-Income Percentage:** 100.0%
- No Slum and Blight Activities.

**CDBG-CV Percentages:**

- **Administrative Percentage: 10.0%**
- **Public Service Percentage: 100.0%**
- **Low and Moderate-Income Percentage: 100.0%**



# **SF 424 FORMS**

# Application for Federal Assistance SF-424

\* 1. Type of Submission:

- ☐ Preapplication  
☒ Application  
☐ Changed/Corrected Application

\* 2. Type of Application:

- ☒ New  
☐ Continuation  
☐ Revision

\* If Revision, select appropriate letter(s):

\* Other (Specify):

\* 3. Date Received:

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

B-20-MC-37-0025

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

\* a. Legal Name:

City of New Bern

\* b. Employer/Taxpayer Identification Number (EIN/TIN):

56-6000235

\* c. Organizational DUNS:

0755472080000

d. Address:

\* Street1:

303 First Street

Street2:

\* City:

New Bern

County/Parish:

Craven County

\* State:

NC: North Carolina

Province:

\* Country:

USA: UNITED STATES

\* Zip / Postal Code:

28560-5505

e. Organizational Unit:

Department Name:

Dept. of Development Services

Division Name:

Community & Economic Dev.

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Ms.

\* First Name:

D'Aja

Middle Name:

\* Last Name:

Fulmore

Suffix:

Title:

Community Development Coordinator

Organizational Affiliation:

\* Telephone Number:

252-639-7586

Fax Number:

\* Email:

fulmored@newbernnc.gov

**Application for Federal Assistance SF-424**

**\* 9. Type of Applicant 1: Select Applicant Type:**

C: City or Township Government

**Type of Applicant 2: Select Applicant Type:**

**Type of Applicant 3: Select Applicant Type:**

**\* Other (specify):**

**\* 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

**11. Catalog of Federal Domestic Assistance Number:**

14.218

**CFDA Title:**

Community Development Block Grant (CDBG)/Entitlement Grant

**\* 12. Funding Opportunity Number:**

N/A

**\* Title:**

N/A

**13. Competition Identification Number:**

**Title:**

**14. Areas Affected by Project (Cities, Counties, States, etc.):**

Add Attachment

Delete Attachment

View Attachment

**\* 15. Descriptive Title of Applicant's Project:**

FY 2020 Annual Action Plan for the Community Development Block Grant Program

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments



**Application for Federal Assistance SF-424****16. Congressional Districts Of:**\* a. Applicant \* b. Program/Project 

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

**17. Proposed Project:**\* a. Start Date: \* b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="258,775.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="258,775.00"/>

**\* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .
- ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☒ c. Program is not covered by E.O. 12372.

**\* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

☒ \*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix:  \* First Name:

Middle Name:

\* Last Name:

Suffix:

\* Title: \* Telephone Number:  Fax Number: \* Email: 

\* Signature of Authorized Representative:

\* Date Signed:

## ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009  
Expiration Date: 01/31/2019

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.


**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. § 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	City Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
City of New Bern	09/23/2020

**Application for Federal Assistance SF-424**

**\* 1. Type of Submission:**

☐ Preapplication  
☒ Application  
☐ Changed/Corrected Application

**\* 2. Type of Application:**

☐ New  
☐ Continuation  
☒ Revision

**\* If Revision, select appropriate letter(s):**

A: Increase Award

**\* Other (Specify):**

**\* 3. Date Received:**

**4. Applicant Identifier:**

**5a. Federal Entity Identifier:**

**5b. Federal Award Identifier:**

B-20-MW-37-0025

**State Use Only:**

**6. Date Received by State:**

**7. State Application Identifier:**

**8. APPLICANT INFORMATION:**

**\* a. Legal Name:** City of New Bern

**\* b. Employer/Taxpayer Identification Number (EIN/TIN):**

56-6000235

**\* c. Organizational DUNS:**

0755472080000

**d. Address:**

**\* Street1:**

303 First Street

**Street2:**

**\* City:**

New Bern

**County/Parish:**

Craven County

**\* State:**

NC: North Carolina

**Province:**

**\* Country:**

USA: UNITED STATES

**\* Zip / Postal Code:**

28560-5505

**e. Organizational Unit:**

**Department Name:**

Dept. of Development Services

**Division Name:**

Community & Economic Dev.

**f. Name and contact information of person to be contacted on matters involving this application:**

**Prefix:**

Ms.

**\* First Name:**

D'Aja

**Middle Name:**

**\* Last Name:**

Fulmore

**Suffix:**

**Title:**

Community Development Coordinator

**Organizational Affiliation:**

**\* Telephone Number:**

252-639-7586

**Fax Number:**

**\* Email:**

fulmored@newbernnc.gov



**Application for Federal Assistance SF-424**

**\* 9. Type of Applicant 1: Select Applicant Type:**

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

**\* 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

**11. Catalog of Federal Domestic Assistance Number:**

14.218

CFDA Title:

Community Development Block Grant (CDBG)/Entitlement Grant

**\* 12. Funding Opportunity Number:**

N/A

\* Title:

N/A

**13. Competition Identification Number:**

Title:

**14. Areas Affected by Project (Cities, Counties, States, etc.):**

Add Attachment

Delete Attachment

View Attachment

**\* 15. Descriptive Title of Applicant's Project:**

FY 2020 Annual Action Plan for the Community Development Block Grant (CDBG) CARES Act Funding.

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments



**Application for Federal Assistance SF-424****16. Congressional Districts Of:**\* a. Applicant \* b. Program/Project 

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

**17. Proposed Project:**\* a. Start Date: \* b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="346,735.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="346,735.00"/>

**\* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on
- ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
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**\* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

**21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ \*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**Prefix: \* First Name: Middle Name: \* Last Name: Suffix: \* Title: \* Telephone Number: Fax Number: \* Email: 

\* Signature of Authorized Representative:

\* Date Signed:

## ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009  
Expiration Date: 01/31/2019

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.


**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

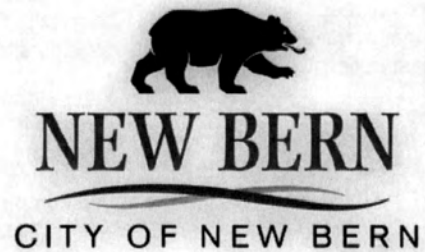
**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
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11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
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14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
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17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	TITLE City Manager
APPLICANT ORGANIZATION City of New Bern	DATE SUBMITTED 02/23/2021



# **CERTIFICATIONS**



## CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

**Affirmatively Further Fair Housing** --The jurisdiction will affirmatively further fair housing.

**Uniform Relocation Act and Anti-displacement and Relocation Plan** -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

**Anti-Lobbying** --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

**Authority of Jurisdiction** --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

**Consistency with plan** --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

**Section 3** -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.

  
Signature of Authorized Official

9/23/2020  
Date

City Manager  
Title



## **Specific Community Development Block Grant Certifications**

The Entitlement Community certifies that:

**Citizen Participation** -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

**Community Development Plan** -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

**Following a Plan** -- It is following a current consolidated plan that has been approved by HUD.

**Use of Funds** -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) FY 2020, FY 2021, & FY 2022 [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.


**Excessive Force** -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

**Compliance with Anti-discrimination laws** -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

**Lead-Based Paint** -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

**Compliance with Laws** -- It will comply with applicable laws.

  
\_\_\_\_\_  
Signature of Authorized Official

9/23/2020  
Date

City Manager  
Title

## **APPENDIX TO CERTIFICATIONS**

### **INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:**

#### **Lobbying Certification**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

## CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

**Affirmatively Further Fair Housing** --The jurisdiction will affirmatively further fair housing.

**Uniform Relocation Act and Anti-displacement and Relocation Plan** -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

**Anti-Lobbying** --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

**Authority of Jurisdiction** --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

**Consistency with plan** --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

**Section 3** -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.

  
Signature of Authorized Official

9/23/2020  
Date

City Manager  
Title

## **Specific Community Development Block Grant Certifications**

The Entitlement Community certifies that:

**Citizen Participation** -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

**Community Development Plan** -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

**Following a Plan** -- It is following a current consolidated plan that has been approved by HUD.

**Use of Funds** -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) FY 2020 [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

**Excessive Force** -- It has adopted and is enforcing:

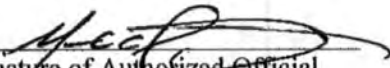
1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.



**Compliance with Anti-discrimination laws** -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

**Lead-Based Paint** -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

**Compliance with Laws** -- It will comply with applicable laws.

  
\_\_\_\_\_  
Signature of Authorized Official

9/23/2020  
Date

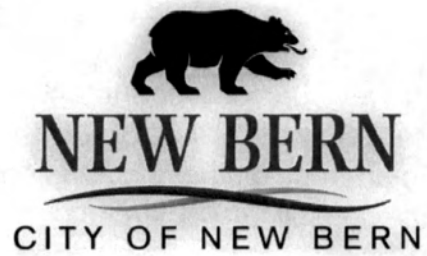
City Manager  
\_\_\_\_\_  
Title

## **APPENDIX TO CERTIFICATIONS**

### **INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:**

#### **Lobbying Certification**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



# RESOLUTION

**RESOLUTION**

BE IT RESOLVED BY THE BOARD OF ALDERMAN OF THE CITY OF NEW BERN:

WHEREAS, under Title I of the Housing and Community Development Act of 1974, as amended, the Secretary of the U.S. Department of Housing and Urban Development is authorized to extend financial assistance to communities in the prevention or elimination of slums or urban blight, or activities which will benefit low- and moderate-income persons, or other urgent community development needs; and

WHEREAS, the U.S. Department of Housing and Urban Development has advised the City of New Bern that under Fiscal Year 2020, the City is eligible to apply for an entitlement grant under the Community Development Block Grant (CDBG) Program in the amount of \$258,814, a CDBG-CV Program in the amount of \$152,252; and

WHEREAS, the City of New Bern's Department of Development Services has prepared an Annual Action Plan for Fiscal Year 2020, which proposes how the entitlement grant funds will be expended to address the housing and community development needs identified in the City's Five Year Consolidated Plan; and

WHEREAS, a draft of the FY 2020 Annual Action Plan was on public display from August 28, 2020 through September 21, 2020 and the City held a series of public meetings and hearings on the said Plan and the comments of various agencies, groups, and citizens were taken into consideration in the preparation of the final document

NOW THEREFORE, BE IT RESOLVED:

SECTION 1. That the FY 2020 Annual Action Plan for the Fiscal Year 2020 CDBG and CDBG-CV Programs is hereby in all respects APPROVED and the City Clerk is hereby directed to file a copy of said Annual Action Plan for Fiscal Year 2020 with the official minutes of this meeting of this Board; and

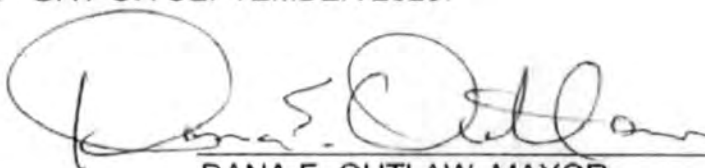
SECTION 2. That the City is COGNIZANT of the conditions that are imposed in the undertaking and carrying out of the Community Development Block Grant Program with Federal financial assistance, including those relating to (a) the relocation of site occupants; (b) the prohibition of discrimination because of race, color, age, religion, sex, disability, familial status, or national origin, and other assurances as set forth under the certifications; and

SECTION 3. That the Mayor, on behalf of the City of New Bern, North Carolina, is AUTHORIZED to file an application for financial assistance with the U.S. Department of Housing and Urban Development which has indicated its willingness to make available funds to carry out the CDBG Program in the amount of \$258,814 and CDBG-CV Program

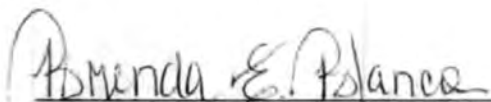
in the amount of \$152,252; and its further AUTHORIZED to act as the authorized representative of the City of New Bern to sign any and all documents in regard to these programs; and

SECTION 4. That the Mayor, on behalf the City of New Bern, North Carolina, is AUTHORIZED to provide assurances and/or certifications as required by the Housing and Community Development Act of 1974, as amended; and any other supplemental or revised data which the U.S. Department of Housing and Urban Development may request in review of the City's Application.

ADOPTED THIS 22<sup>nd</sup> DAY OR SEPTEMBER 2020.

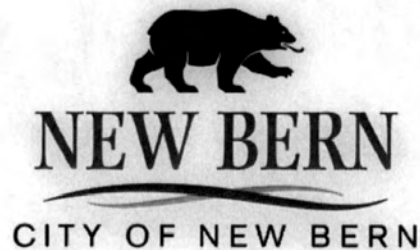
A handwritten signature in black ink, appearing to read "Dana E. Outlaw", written over a horizontal line.

DANA E. OUTLAW, MAYOR

A handwritten signature in black ink, appearing to read "Brenda E. Blanco", written over a horizontal line.

BRENDA E. BLANCO, CITY CLERK





# **CARES ACT SUBSTANTIAL AMENDMENT RESOLUTION**

## RESOLUTION

WHEREAS, the City of New Bern, North Carolina is a recipient of grant funds under the Community Development Block Grant (CDBG) Program and Community Development Block Grant - Coronavirus (CDBG-CV) Program administered by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, the City of New Bern had previously approved budgets and Annual Action Plan for the FY 2020 CDBG Program; and

WHEREAS, through the March 27, 2020 passage of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, the City of New Bern will receive an allocation of CDBG-CV Round #1 funds in the amount of \$152,252 and \$194,483 in CDBG-CV Round # 3 funds; and

WHEREAS, the City of New Bern has to amend its FY 2020 Annual Action Plan to be able to include the FY 2020 CDBG-CV funds in its FY 2020 Annual Action Plan; and

WHEREAS, HUD permits grant recipients to revise and amend its previous budgets and Annual Action Plans; and

WHEREAS, in accordance with the Federal Regulations governing the CDBG Program certain changes and revisions to the Annual Action Plans may be considered a substantial amendment as outlined in the New Bern's Citizen Participation Plan; and

WHEREAS, it has been determined that the proposed changes and revisions to the FY 2020 CDBG Program are a substantial amendment and the City's Citizen Participation Plan has been followed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

Section 1. The amendment to the FY 2019 Annual Action Plan is hereby approved as presented, which includes the following:

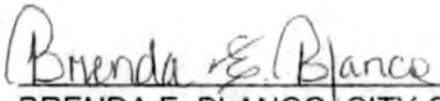
- a) CDBG-CV-20-01 CV-CDBG-CV Administration – increase this project/activity budget by \$19,448 for a new project/activity budget of \$34,673.
- b) CDBG-CV-20-02 CV-Rent, Mortgage, and Utility Assistance – increase this project/activity budget by \$175,035 for a new project/activity budget of \$312,062. In addition, the City has added mortgage assistance to pay for back mortgage payments to this project/activity description. This project/activity will be run by Religious Community Services (RCS) and Catholic Charities. RCS

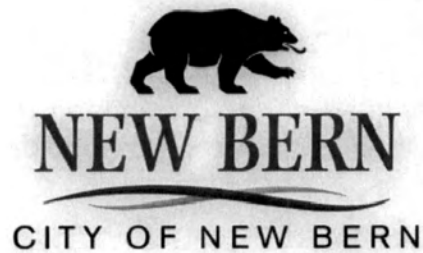
will receive \$185,785 in CDBG-CV funds from the 1st and 3rd rounds of CDBG-CV funds. Catholic Charities will receive \$126,277 in CDBG-CV funds from the 3rd round of CDBG-CV funds.

Section 2. That the Mayor is hereby authorized to sign any related documents on behalf of the City and is authorized to submit the amended FY 2020 Annual Actions Plan to the U.S. Department of Housing and Urban Development.

ADOPTED THIS 23<sup>rd</sup> DAY OF FEBRUARY 2021.

  
DANA E. OUTLAW, MAYOR

  
BRENDA E. BLANCO, CITY CLERK



# **UPDATED CITIZEN PARTICIPATION PLAN RESOLUTION**

**CITY OF NEW BERN  
COMMUNITY DEVELOPMENT BLOCK GRANT  
CITIZEN PARTICIPATION PLAN  
AMENDED SEPTEMBER 22, 2020**

**1. Introduction**

The Citizen Participation Plan provides for and encourages citizens, organizations, businesses and other stakeholders to participate in the development of the Consolidated Plan, any substantial amendments to the consolidated plan, and the annual performance report. This plan describes how the City of New Bern encourages and promotes participation through the establishment of policies and procedures for participation in the implementation of the Community Development Block Grant (CDBG).

The City of New Bern is required to adopt a Citizen Participation Plan that meets HUD's minimum requirements as set forth in the regulations for "Consolidated Submission for Community Planning and Development Programs" (24 CFR 91 Subpart B). In carrying out these requirements the City of New Bern understands that participation on the part of its citizens, organizations, businesses and other stakeholders is vital to the effectiveness of all Consolidated Plan activities.

The Citizen Participation Plan outlines procedures by which each of the requirements set forth in 91:105 of the Federal Regulations are carried out. This Plan is effective as of May 12, 2020 and remains in effect until such time as all activities assisted are completed, or until superseded by a new Plan.

**2. Goals of the Citizen Participation Plan**

- A. To provide for involvement of citizens, organizations, businesses and other stakeholders in the identification of community development needs and housing; review of proposed activities and assessment of program performance in accordance with the schedule that is adopted each year.
- B. To enable the City to respond to the needs of its citizens through community development and housing programs, policies and plans.
- C. To encourage citizens, particularly very low, low and moderate income persons, residents of blighted neighborhoods, members of minority groups, nonprofit agencies, public housing residents, the business and civic community, and special populations, to submit their comments, questions and proposals regarding the City of New Bern's Community Development Program.



### 3. Development of the Consolidated Plan

The Citizen Participation Plan requires that before adoption of the Consolidated Plan the City will provide the following information:

- A. The amount of assistance the City expects to receive from any grant funds and program income.
- B. The range of activities that may be undertaken including the estimated amount that will benefit very low, low-and-moderate income persons.
- C. The City's plans to minimize displacement.
- D. The City's specific action steps to end chronic homelessness.
- E. The City's long-term and short-term objectives for neighborhood revitalization strategies.
- F. The percentage of funds dedicated to target areas.
- G. The City's public hearing calendar and process for developing and submitting the Consolidated Plan.
- H. Provisions for receiving public comments on the proposed Plan.

### 4. The Participation Process

The participation process will be conducted both at a community wide-level and in neighborhoods where redevelopment activity is proposed or underway. The community wide process involves consultations with businesses, developers, community and faith-based organizations, and other interested citizens concerning housing and redevelopment issues.

- A. Agency Consultation Process:** Agency consultations will be a part of the ongoing process that includes service providers, advocacy groups and coordinating bodies responsible for providing services, especially to populations with special housing needs. City staff will meet throughout the year with a number of local housing, social service, homeless, and economic development agencies to determine the housing needs of specific populations and groups. The City also will consult with local health agencies to examine lead-based paint hazards within the local community.
- B. Public Housing Residents:** The City will consult with the New Bern Housing Authority (NBHA) staff, Board, and residents of public and assisted housing developments to provide information about consolidated plan activities related to

its developments and surrounding communities so that the housing authority can make this information available at their annual public hearing required under the Comprehensive Grant program.

The City also will consult with NBHA to define and address the housing needs of its residents. The NBHA resident councils will also be informed of the Community and Economic Development Division's planned activities and benefits. This consultation also helps to ensure that activities with regard to local illegal drug activity elimination, neighborhood improvement programs, resident programs and services funded under the public housing program are coordinated to achieve comprehensive community development goals.

**C. Neighborhood Based Citizen Committees:** The City will meet with citizen's groups such as neighborhood associations and residents' councils, primarily in redevelopment areas. The City may also meet with other neighborhood associations and citizen groups as needed.

**D. Community Development Advisory Committee (CDAC):** The Board of Aldermen will appoint a committee to advise the staff and to assure that the citizen participation plan encourages the participation of all its citizens, including minorities and non-English speaking persons, as well as persons with disabilities. The CDAC will consist of private citizens appointed for three (3) year terms.

This process and schedule will be the established operating procedure for citizen participation and may be affected from one fiscal year to the next in regard to the date of the public hearings, which is at the discretion of Board of Aldermen, as well as the timetable for the City of New Bern budget development.

## **5. Consolidated Plan Public Meetings**

Each year the City will schedule at least two (2) public meetings for the development of an annual Action Plan for the City's housing and community development programs. The first of these will be held in the community as a "listening session" and the last as a public hearing at a Board of Aldermen meeting. The State of North Carolina's Open Meeting Law will be followed.

**A. First Public Meeting:** The first meeting or ("listening session will occur at the beginning of the planning process to review past program performance, to obtain views on community development and housing needs and to identify general strategic priorities for projected funding. The purpose of this meeting is to let very low, low- and moderate-income persons and residents of blighted neighborhoods offer their perceptions of problems within their neighborhoods and in the community at large and present proposals aimed at solving the problems. This meeting will take place at a community facility located within the areas where housing and community development activities are underway or

planned. Other meetings may be scheduled for the purpose of receiving input on housing needs and program priorities and funding.

- B. Public Hearing:** The public hearing is held after staff has drafted the proposed annual budget and Consolidated Plan (or annual Action Plan) but prior to Board of Aldermen approval of the Plan. This public hearing will be held in the City Hall Courtroom.
- C. Public Notice:** Notices of all public meetings will be advertised in the Sun Journal, no later than 10 days prior to the hearing. Public notices will indicate the date, time and location of the hearing, and the topics to be covered. The City will also post informational flyers about the public meeting at the New Bern-Craven County Public Library and recreation and community centers. Mailings (electronic where appropriate) will be sent to interested persons and entities and the public meeting notices will be posted on the City of New Bern's website at <https://www.newbernnc.gov>.
- D. Accessibility:** All public meetings will be held at locations providing accessibility for persons with physical disabilities and take place in locations convenient to residents.

## **6. Public Comment Period**

The Consolidated Plan and each annual Action Plan will be made available in draft form to receive public comments at least thirty (30) days before final approval by the Board of Aldermen.

The draft Consolidated Plan will be available at the New Bern-Craven County Public library. The library is open weekend and evening hours and is accessible to the physically challenged. Copies of the draft Plan will also be available at the Development Services Department, the City Hall, and the Stanley White Recreation Center. The draft plan will also be posted the City's website at <https://www.newbernnc.gov>.

The proposed plan will include public comments made either orally or in writing. A summary of these comments or views and a summary of any comments or views not accepted and the rationale for not accepting the comments will be attached to the final Consolidated Plan. Written responses will be provided to all written comments including complaints and grievances and/or proposals submitted during the Citizen Participation Planning process. The City will make every reasonable effort to provide a written response to all written comments within fifteen days of receipt of the comment. A concise summary of citizen participation and consultation process, including efforts to broaden public participation, will be included in the Consolidated or annual Action Plan.

## **7. Adequate and Timely Information**

All aspects of citizen participation in the City of New Bern government are conducted in an open manner, with freedom of access for all interested persons or groups. Information pertinent to the activities of the Community and Economic Development Division will be circulated to the public and made available for review in the Development Services Department during normal business hours of the City. This information will be made public subject to all applicable laws regarding confidentiality and person privacy in the Community Development office. Access to all documents is open except where prohibited by law. There may be a reproduction cost charged to persons requesting personal copies of Community Development documents. Every attempt is made to respond to written requests for information within 15 days of receipt.

## **8. Non-English Speaking Persons**

Where a significant number of very low, low and moderate income residents of blighted neighborhoods speak and read a primary language other than English, public hearing notices and basic information summaries will be produced and made available in the appropriate language(s).

Also, bilingual opportunities when appropriate will be made available at the public hearings. Informational material will be sent as appropriate to non-profit and social service organizations that serve non-English speaking residents.

## **9. Persons with Disabilities**

The Community and Economic Development Division will take steps to ensure that individuals with disabilities are able to participate in the public hearing and the consolidated planning process.

For public hearings in the City Hall Courtroom, persons with disabilities should contact (252) 639-7586. It is the responsibility of the Community and Economic Development Department to request this service when required.

## **10. Annual Performance Assessment and Reports**

The Consolidated Annual Performance and Evaluation Report (CAPER) is a summary of Community Development Block Grant accomplishments for the past fiscal year. The CAPER will be sent to HUD ninety days after the completion of the program year. Prior to its submission, the Community and Economic Development Division will inform the public of the CAPER's availability for comment through the Sun Journal, the City's website (<https://www.newbernnc.gov>), and electronic notices.



Citizens will have 15 days to examine the report and provide comments prior to its submission to HUD. A summary of all comments or views will be attached to the CAPER submitted to HUD.

## **11. Program Amendments**

From time to time, the Consolidated Plan may be substantially amended to reflect changes in program activities and priorities. The following are considered substantial changes:

- A. Addition of a new activity or new priority (see D. below for threshold) not previously described,
- B. Cancellation of an activity category or deletion of a priority,
- C. A change in the purpose, scope, location, or beneficiaries of an activity, and
- D. A substantial change in the allocation or distribution of funds is defined as when the dollar amount of that change is equal to or greater than 20% of the City's current fiscal year federal budget by source (e.g., CDBG is undergoing a substantial change when 20% or more of that year's CDBG allocation plus CDBG program income is affected).

Prior to amending the Consolidated Plan, citizens will be given reasonable notice of, and opportunity to comment on, such proposed changes and the re-use of funds. The process to substantially amend the plan will include a minimum 10-day public notice prior to a public hearing (held in accordance with section 5c above) and a thirty-day (30) comment period to receive citizen comments on the proposed amendment prior to implementation.

Citizens' comments, orally or in writing, will be considered. A summary of the comments and the rationale for not accepting any comments will be attached to the substantial amendment of the Consolidated Plan.

## **12. Technical Assistance**

Technical assistance will be provided to citizen organizations and very low, low- and moderate-income persons upon request.

Examples of assistance include information on the CDBG law, neighborhood planning, review of accomplishments, briefings on community development requirements and opportunities, development of neighborhood goals and objectives, and design of neighborhood proposals.



### **13. Complaint Procedure**

Written or oral complaints or grievances concerning the Consolidated Planning process or the CDBG program should first be directed to the City's Community and Economic Development Division. It is the policy of the City to provide a procedure for the acknowledgement, presentation, consideration, investigation, and disposition of complaints received concerning Community Development programs.

The Community and Economic Development Division will make every effort to respond to all complaints within fifteen (15) days of receipt by sending a written response. Should the complainant not be satisfied, the complainant may arrange a meeting with the Development Services Director to discuss the complaint. If the complaint can still not be satisfied, a written complaint may be submitted in writing to the City Manager. Any citizen may make an oral or written petition to the Board of Aldermen to discuss problems not resolved at the staff level.

### **14. Relocation Plan and Anti-Displacement Policy**

Displacement will be minimized but when it is unavoidable, any person(s) displaced due to the activities of the Consolidated Plan programs will receive relocation assistance and relocation payments in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act). The Community Development staff will provide information and assistance one-on-one to prospective displaced persons.

### **15. Declaration of an Emergency**

When a Declaration of an Emergency has been ordered by the President of the United States, or the Governor of North Carolina, and regulatory flexibility is permitted by HUD, the City of New Bern will follow the following process concerning public hearings and public display of plans when necessary for public health reasons. These Emergency procedures will apply to the Five Year Consolidated Plan/Annual Action Plan amendments and initial Plan submissions, as permitted through regulatory waiver authority or programmatic flexibility:

- A. If the City is unable to hold open public hearings in person, the City will be allowed to instead hold virtual public hearings through conference calls or an online video conference call platforms as long as the public is able to provide public comments during the virtual public hearing.
- B. If the City is not able to publicly place the plans on public display at the locations referenced in the Citizen Participation Plan, the City will put the plans on the City's website (<https://www.newbernnc.gov>) and will also email copies of the plans to any person who will request a copy of the plans via email upon request.

- C. If the City Council is unable to conduct an open public forum type meeting, the City then can approve the plans at a City Council meeting through an on-line virtual City Council meeting, if an in-person Council meetings are not happening because of the Emergency.
- D. The public comment period for substantial amendments to the Five Year Consolidated Plan/Annual Action Plan will be five (5) days.
- E. The public comment period for the FY 2020 Five Year Consolidated Plan/Annual Action Plan submission will be five (5) days.
- F. All other requirements relative to the City's Citizen Participation Plan for Consolidated Plans remain in effect, including the consultation requirements, as required by 24 CFR 91.105.

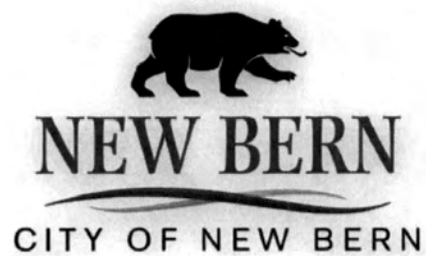
ADOPTED THIS 22<sup>nd</sup> DAY OF SEPTEMBER 2020.



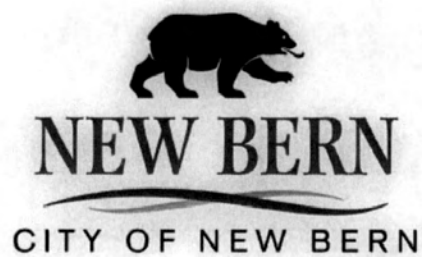
DANA E. OUTLAW, MAYOR

**COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION  
DEVELOPMENT SERVICES DEPARTMENT  
CITIZEN PARTICIPATION ACTIVITIES  
JANUARY 1<sup>st</sup> THROUGH JUNE 30<sup>th</sup>**

<b>Monthly</b>	<b>Community Development Advisory Committee Meeting</b>
<b>February - March</b>	Public Meetings and Listening Sessions to receive comments for development of Citizen Participation Plan, Consolidated Plan and Annual Action Plan.  Conduct Needs Assessment to develop priorities for Annual Action Plan
<b>End of February</b>	Public Hearing to receive input from citizens on proposed Citizen Participation Plan
<b>April</b>	National Community Development Week- Proclamation to be adopted by Board or Aldermen to raise awareness of community and economic development programs.  Public Comment period and Public Hearing on Consolidated Plan and Annual Action Plan.
<b>Middle of May</b>	Information booth at DUFFEST.
<b>July</b>	Public information meeting - Community and Economic Development Programs.
<b>October</b>	Information booth at MUMFEST.
<b>January - February</b>	Public Meetings and Listening Sessions to receive comments for development of Annual Action Plan.
<b>March - April</b>	National Community Development Week- Proclamation to be adopted by Board or Aldermen to raise awareness of community and economic development programs.
<b>April - May</b>	Public comment period and Public Hearing on Consolidated Plan amendment (if needed) and Annual Action Plan.
<b>May</b>	Information Booth at DUFFEST.



# **COMMUNITY OUTREACH**



# **FIRST PUBLIC HEARING**



**PUBLIC HEARING NOTICE  
CITY OF NEW BERN, NC  
FY 2020 CDBG PROGRAM**

Notice is hereby given that the City of New Bern, Craven County, NC will hold a public hearing on Monday, August 17, 2020 at 6:00 PM, prevailing time, in the Offices of the Development Services Department, 303 First Street, New Bern, North Carolina 28563. The Public Hearing will be virtual through Microsoft Teams. The conference call-in number is 1 - 302 - 202-1110 and the conference code is 352428. The New Bern Development Services Offices are accessible to persons with physical disabilities. If special arrangements need to be made to accommodate residents in order for them to participate in the public hearing, please call Ms. D'Aja Fulmore at (252) 639-7586, or by email address at [FulmoreD@newbernnc.gov](mailto:FulmoreD@newbernnc.gov) or 711 for the hearing impaired, to make those arrangements.

The purpose of this public hearing is to discuss the City's Community Development Block Grant (CDBG) Program needs and the CDBG Covid Virus funds under the CARES Act. In particular, the housing, community development, public services and economic development needs of the City of New Bern. This information will be utilized by the City in its preparation of the FY 2020 Annual Action Plan including the use of FY CDBG-CV funds. The U.S. Department of Housing and Urban Development (HUD) has allocated \$ 258,814.00 in CDBG entitlement funds for FY 2020 and FY 2020 CDBG-CV funds in the amount of \$ 152,252.00. In order to receive those funds, the City of New Bern must prepare a One Year Annual Action Plan for the use of Federal funds. At least 70% of the CDBG funds must benefit low- and moderate-income persons living in the City of New Bern. The City will be preparing its CDBG application and it intends to afford residents, local agencies, and interested parties the opportunity to become involved in the planning process.

The following types of activities may be eligible for funding under the CDBG program: acquisition of property; disposition costs; improvements to public facilities, including the removal of architectural barriers; demolition and environmental clean-up; public services that are a new or a quantifiable increase in the level of service; interim assistance; relocation payments for persons displaced as a result of a CDBG activity; rehabilitation of houses; code enforcement; special economic development activities; special activities undertaken by a community based development organization; home ownership assistance for purchase; planning; environmental; program administration; audit; and other miscellaneous activities.

If the City would undertake an activity that would result in the displacement of families or individuals, then the City would utilize its policy for minimizing such displacement. Furthermore, the City is responsible for replacing all low- and moderate-income housing units that may be demolished or converted as a result of CDBG funds.

All interested residents are encouraged to attend this public hearing and they will be given the opportunity to present oral or written testimony concerning the needs of the City of New Bern and the use of CDBG funds to address those needs over the next fiscal year. Written comments may be addressed to Ms. Amanda Ohlensehlen, Economic and Community Development Manager, City of New Bern, 303 First Street, New Bern, NC 28563, or emailed to [ohlensehlerna@newbernnc.gov](mailto:ohlensehlerna@newbernnc.gov).

Hon. Dana E. Outlaw  
Mayor, City of New Bern



# Sun Journal

## CLASSIFIEDS

To Place an Ad, Call 888-328-4802 or visit our website at [www.encyclassifieds.com](http://www.encyclassifieds.com)

### LEGAL NOTICES

#### NOTICE TO CREDITORS NORTH CAROLINA, CRAVEN COUNTY 28-5-136

All persons, firms and corporations having claims against the Estate of **MICHAEL JASON IRELAND**, Deceased, of Craven County, North Carolina, are notified to present the same to the personal representative listed below on or before **MARCH 27, 2020**, or this notice will be pleaded in bar of recovery. All debtors of said estate are asked to make immediate payment.

This the 2nd day of March, 2020.

Annette Ireland Clay, Administrator of the  
Estate of Michael Jason Ireland  
c/o Ernest C. Richardson, III  
503 Peltack St.  
New Bern, NC 28562

March 2, 9, 16, 23, 2020 (adv)

#### NOTICE OF SALE OF PERSONAL PROPERTY

Pursuant to N.C.G.S. Chapter 44A, Article 4, Plaza Mini Storage, pursuant to N.C.G.S. 44A-43 hereby gives Notice of Sale of Personal Property pursuant to the enforcement of a lien for unpaid rent at The Plaza Mini Storage. Name and Address of lienor:

PLAZA MINI STORAGE  
406 McCotter Blvd.  
Havelock, N.C. 28532

#### STATEMENT OF SALE

Various items of personal property located at The Plaza Mini Storage belonging to: **Jeffrey Walker, Teddie Rios Jr., Nicholas McCarthy, Charles George (2 units), Christine Carl, Charles Goodbrook, Beverly Arlie, Timothy Livingston, Annelise George, Heather Parrish, McClellan Johnson, Melissa Miss, Padric Saxeas, Julie Ranson, Rachel Ambrose, Naomi Lynch, Robert McCarthy, Scott Dudley, Stephanie Bryant, Kenneth Matthews, Roger Herring, Bryant Hall, James Danaher, Gregory Wilson, Marissa Stewart, Sandee Jones, Brandon Groves, Anthony Lambert (2 units), Lawrence Gilbert, Bridget Hatterson, and Clara Bell** are being sold pursuant to the assertion of a lien for unpaid rental, on **MARCH 26, 2020 AT 10:00 A.M., 406 MCCOTTER BOULEVARD, HAVELock, N.C. 28532**

March 2, 9, 2020 (adv)

#### NOTICE OF A PUBLIC HEARING CITY OF NEW BERN, NORTH CAROLINA FY 2020 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDRG)

Notice is hereby given that the City of New Bern, North Carolina will hold a public hearing on Tuesday, March 17, 2020 at 6:00 PM, prevailing time, in the Conference Room of the City of New Bern's Development Services Office, located at 303 First Street, New Bern, North Carolina 28560. The Conference Room of the Department of Development Services is accessible to persons with physical disabilities. If special arrangements need to be made to accommodate any resident so they will be able to participate in the public hearing, including translation services, please call Ms. D'Anne Fulmer, Community Development Coordinator for the City of New Bern at (252) 639-7546, to make those arrangements, or for anyone who may have a hearing impediment, please contact 7-1-1 for Relay North Carolina TDD.

The purpose of this public hearing is to gather information to determine the needs for the City of New Bern as the City prepares its City's FY 2020 Annual Action Plan to address those needs. The City must submit the plan to the U.S. Department of Housing and Urban Development for the use of Community Development Block Grant (CDBG) Entitlement Funds. The hearing will be used to solicit the views and comments of individuals and organizations concerning the housing, community and economic development, and fair housing needs in the City of New Bern.

The City of New Bern has been notified by the U.S. Department of HUD that it is eligible to receive a CDBG entitlement grant in the amount of \$258,814 for FY 2020. In order to receive those funds, the City of New Bern must prepare its Annual Action Plan on how it proposes to spend those funds. At least 70% of the CDBG funds must primarily benefit low- and moderate-income persons living in the City of New Bern. The City in its preparation of the CDBG application, intends to afford residents, local agencies, and interested parties the opportunity to become involved in the planning process. If interested in being added to the CDBG application mailing list, please contact Ms. D'Anne Fulmer, Community Development Coordinator, at (252) 639-7546.

The following types of activities may be eligible for funding under the CDBG program: acquisition of property; disposition costs; improvements to public facilities (including the removal of architectural barriers); demolition and environmental clean-up; public services that are new or a quantifiable increase in the level of service; interim assistance; relocation payments for persons displaced as a result of a CDBG activity; rehabilitation of houses; code enforcement; special economic development activities; special activities undertaken by a community based development organization; home ownership assistance for purchase; planning; environmental reviews; program administration; audit and other miscellaneous activities.

If the City would undertake an activity that would result in the displacement of families or individuals, then the City would utilize its policy for minimizing such displacement. Furthermore, the City is responsible for replacing all low- and moderate-income housing units that may be demolished or converted as a result of the expenditure of CDBG funds.

All interested residents are encouraged to attend this public hearing and they will be given the opportunity to present oral or written testimony concerning the needs of the City of New Bern and the use of its CDBG funds to address those needs. Written or oral comments should be directed to Ms. D'Anne Fulmer, Community Development Coordinator, 303 First Street, PO Box 1129, New Bern, NC 28563 or via phone at (252) 639-7546.

Honorable Dana Outlaw  
Mayor, City of New Bern, NC

March 2, 2020 (adv)

### LEGAL NOTICES

#### AMENDED NOTICE OF FORECLOSURE SALE 17 SP 84

Under and by virtue of the power of sale contained in a certain Deed of Trust made by **LINDSAY R. KEENAN** (PRESENT RECORD OWNER(S): Lindsay Keenan) to A. Grant Whitney, Trustee(s), dated the 28th day of June, 2013, and recorded in Book 3026, Page 124, in Craven County Registry, North Carolina, default having been made in the payment of the note thereby secured by the said Deed of Trust and the undersigned, Substitute Trustee Services, Inc. having been substituted as Trustee in said Deed of Trust by an instrument duly recorded in the Office of the Register of Deeds of Craven County, North Carolina and the holder of the note endorsing said indebtedness having directed that the Deed of Trust be foreclosed, the undersigned Substitute Trustee will offer for sale at the COURTHOUSE DOOR IN THE CITY OF NEW BERN, CRAVEN COUNTY, NORTH CAROLINA, ON THE CUSTOMARY LOCATION DESIGNATED FOR FORECLOSURE SALES, AT 10:30 AM ON MARCH 16, 2020 and will sell to the highest bidder for cash the following real estate situated in the Township of Number Eight (8), in the County of Craven, North Carolina, and being more particularly described as follows:

All that certain lot or parcel of land situated in Number Eight (8) Township, Craven County, North Carolina and more particularly described as follows:

That certain lot or parcel of land lying and being situate in the City of New Bern, Number Eight Township, Craven County, North Carolina, designated as Lot Number 24 on that certain map or plat entitled "A Revision of the Robin Hood Homes in Sherwood Forest" which said map or plat was prepared by James F. Blue, C.E. dated August 19, 1959, and which said map is recorded in the Office of the Register of Deeds of Craven County in Map Book 7 at Page 108, to which said map reference is hereby made for a more particular description of the said Lot Number 24 in said subdivision. Together with improvements located thereon; said property being located at 2407 Thomas Avenue, New Bern, North Carolina.

This conveyance is made subject to those certain restrictive and protective covenants and the utility easement set forth in that certain document executed by T. H. Eubanks, et al. dated September 27, 1959, and appearing of record in the Office of the Register of Deeds of Craven County in Book 570 at Page 402.

Trustee may, in the Trustee's sole discretion, delay the sale for up to one hour as provided in N.C.G.S. §45-21.23.

Should the property be purchased by a third party, that party must pay the excise tax, as well as the court costs of Forty-Five Cents (\$0.45) per One Hundred Dollars (\$100.00) required by N.C.G.S. §7A-308(a)(1).

The property to be offered pursuant to this notice of sale is being offered for sale, transfer and conveyance "AS IS, WHERE IS." Neither the Trustee nor the holder of the note secured by the deed of trust/security agreement, or both, being foreclosed, nor the officers, directors, attorneys, employees, agents or authorized representative of either the Trustee or the holder of the note make any representation or warranty relating to the title or any physical, environmental, health or safety conditions existing in, on, at or relating to the property being offered for sale, and any and all responsibilities or liabilities arising out of or in any way relating to any such condition expressly are disclaimed. Also, this property is being sold subject to all taxes, special assessments, and prior liens or prior encumbrances of record and any recorded releases. Said property is also being sold subject to applicable Federal and State laws.

A deposit of five percent (5%) of the purchase price, or seven hundred fifty dollars (\$750.00), whichever is greater, is required and must be tendered in the form of certified funds at the time of the sale.

If the trustee is unable to convey title to this property for any reason, the sole remedy of the purchaser is the return of the deposit. Reasons of such inability to convey include, but are not limited to, the filing of a bankruptcy petition prior to the confirmation of the sale and reinstatement of the loan without the knowledge of the trustee. If the validity of the sale is challenged by any party, the trustee, in its sole discretion, if they believe the challenge to have merit, may request the court to declare the sale to be void and return the deposit. The purchaser will have no further remedy.

#### Additional Notice for Residential Property with Less than 15 rental units, including Single-Family Residential Real Property

An order for possession of the property may be issued pursuant to N.C.G.S. § 45-21.29 in favor of the purchaser and against the party or parties in possession by the clerk of superior court of the county in which the property is sold.

Any person who occupies the property pursuant to a rental agreement entered into or renewed on or after October 1, 2007, may after receiving the notice of foreclosure sale, terminate the rental agreement by providing written notice of termination to the landlord, to be effective on a date stated in the notice that is at least 10 days but not more than 90 days, after the sale date contained in this notice of sale, provided that the mortgagee has not cured the default at the time the tenant provides the notice of termination. Upon termination of a rental agreement, the tenant is liable for rent due under the rental agreement prorated to the effective date of the termination.

SUBSTITUTE TRUSTEE SERVICES, INC.  
SUBSTITUTE TRUSTEE  
c/o Hatcher Law Firm LLP  
P.O. Box 1628  
4317 Ramsey Street  
Fayetteville, North Carolina 28511  
Phone No: (910)864-3068  
<https://www.hatcherslawfirm.com>  
Case No: 1204818 (FC-187)

March 2, 9, 2020 (adv)

### LEGAL NOTICES

#### NOTICE OF FORECLOSURE SALE 26 SP 8

Under and by virtue of the power of sale contained in a certain Deed of Trust made by **CHRISTOPHER P. ERDMAN**, Rachel L. Erdman a/a Rachel E. Erdman (PRESENT RECORD OWNER(S): Christopher P. Erdman and Rachel L. Erdman) to William R. Escola, Trustee(s), dated September 24, 2007, and recorded in Book No. 2652, at Page 845 in Craven County Registry, North Carolina, default having been made in the payment of the promissory note secured by the said Deed of Trust and the undersigned, Substitute Trustee Services, Inc. having been substituted as Trustee in said Deed of Trust by an instrument duly recorded in the Office of the Register of Deeds of Craven County, North Carolina and the holder of the note endorsing said indebtedness having directed that the Deed of Trust be foreclosed, the undersigned Substitute Trustee will offer for sale at the COURTHOUSE DOOR IN NEW BERN, CRAVEN COUNTY, NORTH CAROLINA, ON THE CUSTOMARY LOCATION DESIGNATED FOR FORECLOSURE SALES, AT 10:30 AM ON MARCH 16, 2020 and will sell to the highest bidder for cash the following real estate situated in Havelock in the County of Craven, North Carolina, and being more particularly described as follows:

All that certain lot or parcel of land situated in Number Six (6) Township, Craven County, North Carolina and more particularly described as follows: Being Lot Number 5, Section 5, Addition 1, of Kester Heights Subdivision, a map on plat of which is recorded in Map Book 5 at Page 98 in the Office of the Register of Deeds of Craven County, North Carolina, reference to which is hereby made for greater certainty of description. Together with improvements located thereon; said property being located at 104 Sandy Lane, Havelock, North Carolina.

This conveyance is made subject to the building conditions and restrictive covenants recorded in Book 681 at Page 249 in the Craven County Registry.

The Deed of Trust was modified by the following:

A Loan Modification recorded on September 1, 2017, Document No. 10012275, in Book No. 3512, at Page 1273.

Trustee may, in the Trustee's sole discretion, delay the sale for up to one hour as provided in N.C.G.S. §45-21.23.

Should the property be purchased by a third party, that party must pay the excise tax, as well as the court costs of Forty-Five Cents (\$0.45) per One Hundred Dollars (\$100.00) required by N.C.G.S. §7A-308(a)(1).

The property to be offered pursuant to this notice of sale is being offered for sale, transfer and conveyance "AS IS, WHERE IS." Neither the Trustee nor the holder of the note secured by the deed of trust/security agreement, or both, being foreclosed, nor the officers, directors, attorneys, employees, agents or authorized representative of either the Trustee or the holder of the note make any representation or warranty relating to the title or any physical, environmental, health or safety conditions existing in, on, at or relating to the property being offered for sale, and any and all responsibilities or liabilities arising out of or in any way relating to any such condition expressly are disclaimed. Also, this property is being sold subject to all taxes, special assessments, and prior liens or prior encumbrances of record and any recorded releases. Said property is also being sold subject to applicable Federal and State laws.

A deposit of five percent (5%) of the purchase price, or seven hundred fifty dollars (\$750.00), whichever is greater, is required and must be tendered in the form of certified funds at the time of the sale.

If the trustee is unable to convey title to this property for any reason, the sole remedy of the purchaser is the return of the deposit. Reasons of such inability to convey include, but are not limited to, the filing of a bankruptcy petition prior to the confirmation of the sale and reinstatement of the loan without the knowledge of the trustee. If the validity of the sale is challenged by any party, the trustee, in its sole discretion, if it believes the challenge to have merit, may request the court to declare the sale to be void and return the deposit. The purchaser will have no further remedy.

#### Additional Notice for Residential Property with Less than 15 rental units, including Single-Family Residential Real Property

An order for possession of the property may be issued pursuant to N.C.G.S. § 45-21.29 in favor of the purchaser and against the party or parties in possession by the clerk of superior court of the county in which the property is sold.

Any person who occupies the property pursuant to a rental agreement entered into or renewed on or after October 1, 2007, may after receiving the notice of foreclosure sale, terminate the rental agreement by providing written notice of termination to the landlord, to be effective on a date stated in the notice that is at least 10 days but not more than 90 days, after the sale date contained in this notice of sale, provided that the mortgagee has not cured the default at the time the tenant provides the notice of termination. Upon termination of a rental agreement, the tenant is liable for rent due under the rental agreement prorated to the effective date of the termination.

SUBSTITUTE TRUSTEE SERVICES, INC.  
SUBSTITUTE TRUSTEE  
c/o Hatcher Law Firm  
P.O. Box 1628  
4317 Ramsey Street  
Fayetteville, North Carolina 28511  
Phone No: (910)864-3068  
<https://www.hatcherslawfirm.com>  
Firm Case No: 1752 - 2586

March 2, 9, 2020 (adv)

## LOST SOMETHING?

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2020 Annual Action Plan Public Hearing - August 17, 2020  
 Dev serv, virtual - Microsoft Teams

Name	Address	Email	Comment/Concern
Mike Williams	Habitat for Humanity	mwilliams@cravencountyhabitat.org	<ul style="list-style-type: none"> <li>• Wanted to know timeline on Entitlement funds.</li> <li>• Shelter needed, homeownership people still recovering from disaster, low income housing need for repairs</li> </ul>
Tony Gatlin (city staff)	(Attended)	gatlint@newbernnc.gov	N/A
Amanda Ohlensehlen (city staff)	(Attended)	<del>ohlensehlen@newbernnc.gov</del> ohlensehlenA@newbernnc.gov	N/A
D'Agia Fulmore (city staff)	(Attended)	fulmored@newbernnc.gov	N/A

2020 Annual Action Plan Public Hearing

Antoinette Boskey	Habit for Humanity	<del>a.boskey</del> @craven county habitat.org	<ul style="list-style-type: none"><li>• Repairs for low-income homeowners deferred maintenance storm-related people can't afford it</li><li>• Bend water better so it doesn't affect communities</li></ul>
			<ul style="list-style-type: none"><li>• Lack of housing from storm</li><li>• Lack of housing from COVID</li><li>• Housing #1</li></ul>

**2020 Annual Action Plan Public Hearing**

**Needs Assessment- Public Comments**

**August, 17, 2020- Virtual Meeting, Dev Services, Microsoft Teams, Conference Call**

**Mike Williams, Habitat for Humanity**

"I would like to know the timeline on the Annual Action Plan process."

"This community needs shelter. Homeownership is still needed for those who are still recovering from Hurricane Florence. Also, we need low-income housing options. We also need assistance to be given to those who are low-income who need home repairs. Home maintenance continues to be an issue."

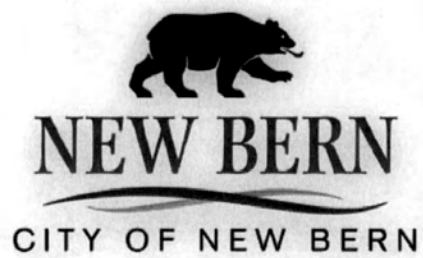
**Antoinette Boskey, Habitat for Humanity**

"This community needs repairs for low-income homeowners. I notice there is a lot of deferred maintenance, some of which is storm-related. The problem is that people simply cannot afford it. Also, in the Duffyfield community, I feel like we should be working to find ways to bend the water a bit so that we don't see so much catastrophic flooding."

"Additional concerns include lack of housing due to Hurricane Florence and a lack of housing due to COVID-19."

"Housing is our number 1 priority."





# **SECOND PUBLIC HEARING**

Page : 1 of 2 08/25/2020 17:25:40

Order Number : 15514913  
PO Number :  
Customer : 89029 City of New Bern - LEGALS  
Contact : Accounts Payable  
Address1 : PO Box 1129  
Address2 :  
City St Zip : New Bern NC 28563  
Phone : (252) 639-2717  
Fax : (252) 636-4108  
Printed By : Gwen Landry  
Entered By : Gwen Landry  
Keywords : 2020 AAP Second Hearing  
Notes :  
Fones :

Ad Number : 17029844  
Ad Key :  
Salesperson : GL - Gwen Landry  
Publication : New Bern Sun Journal  
Section : Classifieds  
Sub Section : Classifieds  
Category : 015 Legal Notices  
Dates Run : 08/28/2020-08/28/2020  
Days : 1  
Size : 2 x 9.88, 89 lines  
Words : 724  
Ad Rate : L1  
Ad Price : 381.39  
Amount Paid : 0.00  
Amount Due : 381.39

**NOTICE OF PUBLIC HEARING AND DISPLAY  
OF THE FY 2020 ANNUAL ACTION PLAN AND  
THE AMENDED CITIZEN PARTICIPATION PLAN  
CITY OF NEW BERN, NORTH CAROLINA**

To expedite the disbursement of the City's FY 2020 CDBG and FY 2020 CDBG-CV funds, via 24 CFR 5.110, the CARES Act authorizes HUD to grant waivers to the public notice, public comment, and citizen participation plan requirements found in 24 CFR 91.1051(2) and (k), 24 CFR 91.1151(2) and (i) and 24 CFR 91.401. The City of New Bern's Citizen Participation Plan is being revised to conform to HUD's new regulatory requirements, including waivers which were granted to reduce the minimum 30-day public comment period to a 5-day period, and a virtual public hearing may be held instead of an in-person hearing. City buildings remain partially closed to the public to protect public health during the COVID-19 pandemic and personal attendance at public meetings and public hearings normally conducted in City Hall is not currently permitted.

Notice is hereby given that the City of New Bern, Craven County, NC will hold a public hearing on Tuesday, September 8, 2020 at 6:00 PM, in the:

**City Hall Courtroom  
300 Pollock Street  
New Bern, NC 28560**

If special arrangements need to be made to accommodate residents with disabilities in order for them to participate in the public hearing, including a Spanish or Karen interpreter, please call Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, at (252) 639-7586, or by email at fulmored@newbernnc.gov. To make arrangements for the hearing impaired, call 7-1-1 for Relay North Carolina TDD.

The purpose of the public hearing is to present the City of New Bern's FY 2020 Annual Action Plan for the use of Community Development Block Grant (CDBG) funds and CDBG Covid Virus funds under the CARES Act (CDBG-CV). The City intends to submit its FY 2020 Annual Action Plan in the amount of \$258,814 for FY 2020 CDBG funds and FY 2020 CDBG-CV funds in the amount of \$152,252. The FY 2020 CDBG and CDBG-CV Plans will be submitted to HUD on or before September 30, 2020.

In order to obtain the views of residents, public agencies, and other interested parties, the City of New Bern will place its FY 2020 Annual Action Plan on display from August 28, 2020 through September 28, 2020, at the following locations during normal operational hours:

**Office of the Department of Development Services  
303 First Street  
New Bern, NC 28560**

Order Number : 15514913  
 PO Number :  
 Customer : 89029 City of New Bern - LEGALS  
 Contact : Accounts Payable  
 Address1 : PO Box 1129  
 Address2 :  
 City St Zip : New Bern NC 28563  
 Phone : (252) 639-2717  
 Fax : (252) 636-4108  
 Printed By : Gwen Landry  
 Entered By : Gwen Landry  
 Keywords : 2020 AAP Second Hearing  
 Notes :  
 Fones :

Ad Number : 17029844  
 Ad Key :  
 Salesperson : GL - Gwen Landry  
 Publication : New Bern Sun Journal  
 Section : Classifieds  
 Sub Section : Classifieds  
 Category : 015 Legal Notices  
 Dates Run : 08/28/2020-08/28/2020  
 Days : 1  
 Size : 2 x 9.88, 89 lines  
 Words : 724  
 Ad Rate : L1  
 Ad Price : 381.39  
 Amount Paid : 0.00  
 Amount Due : 381.39

**New Bern-Craven County Public Library**

400 Johnson Street  
 New Bern, NC 28560

The Community Development Block Grant (CDBG) and CDBG Covid Virus funds under the CARES Act (CDBG-CV) budget for FY 2020 can be accessed at the City of New Bern website: <http://www.newbern-nc.org>.

These plans will be available for examination during normal business hours of operation for a period of thirty (30) days until August 28, 2020. The FY 2020 CDBG and FY 2020 CDBG-CV Annual Action Plan and the Amended Citizen Participation Plan will be submitted to the Board of Aldermen on September 28, 2020 at which time these documents will be presented to the City of New Bern Board of Aldermen for approval at its regular Board Meeting.

The Proposed FY 2020 Annual Action Plan and FY 2020 CDBG-CV Plan were prepared after conducting a public hearing on housing and community development needs, meetings with housing provider agencies, meetings with the City's staff and officials, and in accordance with City's Five Year Consolidated Plan.

If the City would undertake an activity that would result in the displacement of families or individuals, then the City would utilize its policy for minimizing such displacement. Furthermore, the City is responsible for replacing all low- and moderate-income housing units that may be demolished or converted as a result of CDBG Funds.

All interested persons, groups, and organizations are encouraged to attend this public hearing and will be given the opportunity to present oral or written testimony concerning the proposed plans and uses of Federal funds under the FY 2020 Annual Action Plan and FY 2020 CDBG-CV Plan. Written comments may be addressed to Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, 303 First Street, New Bern, NC 28560, (252) 639-7586. Persons with learning and/or speech impediments may contact the City via 7-1-1.

**Hon. Dana E. Outlaw, Mayor, City of New Bern, NC**

August 28, 2020 (adv)

Page : 1 of 2 09/01/2020 11:51:25

Order Number : 15515046  
PO Number :  
Customer : 89029 City of New Bern - LEGALS  
Contact : Accounts Payable  
Address1 : PO Box 1129  
Address2 :  
City St Zip : New Bern NC 28563  
Phone : (252) 639-2717  
Fax : (252) 636-4108

Printed By : Gwen Landry  
Entered By : Gwen Landry

Keywords : Correction Notice  
Notes :  
Fones :

Ad Number : 17030328  
Ad Key :  
Salesperson : GL - Gwen Landry  
Publication : New Bern Sun Journal  
Section : Classifieds  
Sub Section : Classifieds  
Category : 015 Legal Notices  
Dates Run : 09/03/2020-09/03/2020  
Days : 1  
Size : 2 x 9.99, 90 lines  
Words : 708  
Ad Rate : L1  
Ad Price : 385.12  
Amount Paid : 0.00  
Amount Due : 385.12

#### **CORRECTION NOTICE**

**THIS NOTICE IS A CORRECTION TO THE PREVIOUS  
PUBLISHED NOTICE OF AUGUST 28, 2020.**

#### **NOTICE OF PUBLIC HEARING AND DISPLAY OF THE FY 2020 ANNUAL ACTION PLAN AND THE AMENDED CITIZEN PARTICIPATION PLAN CITY OF NEW BERN, NORTH CAROLINA**

To expedite the disbursement of the City's FY 2020 CDBG and FY 2020 CDBG-CV funds, via 24 CFR 5.110, the CARES Act authorizes HUD to grant waivers to the public notice, public comment, and citizen participation plan requirements found in 24 CFR 91.1051(2) and (k), 24 CFR 91.1151(2) and (i) and 24 CFR 91.401. The City of New Bern's Citizen Participation Plan is being revised to conform to HUD's new regulatory requirements, including waivers which were granted to reduce the minimum 30-day public comment period to a 5-day period, and a virtual public hearing may be held instead of an in-person hearing.

Notice is hereby given that the City of New Bern, Craven County, NC will hold a public hearing on Tuesday, September 8, 2020 at 6:00 PM, in the:

**City Hall Courtroom  
300 Pollock Street  
New Bern, NC 28560**

If special arrangements need to be made to accommodate residents with disabilities in order for them to participate in the public hearing, including a Spanish or Karen interpreter, please call Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, at (252) 639-7586, or by email at fulmored@newbernnc.gov. To make arrangements for the hearing impaired, call 7-1-1 for Relay North Carolina TDD.

The purpose of the public hearing is to present the City of New Bern's FY 2020 Annual Action Plan for the use of Community Development Block Grant (CDBG) funds and CDBG Covid Virus funds under the CARES Act (CDBG-CV). The City intends to submit its FY 2020 Annual Action Plan in the amount of \$258,814 for FY 2020 CDBG funds and FY 2020 CDBG-CV funds in the amount of \$152,252. The FY 2020 CDBG and CDBG-CV Plans will be submitted to HUD on or before September 30, 2020.

In order to obtain the views of residents, public agencies, and other interested parties, the City of New Bern will place its FY 2020 Annual Action Plan and Amended Citizen Participation Plan on display from August 28, 2020 through September 21, 2020, at the following locations during normal operational hours:

**Office of the Department of Development Services  
303 First Street**

**Order Number** : 15515046  
**PO Number** :  
**Customer** : 89029 City of New Bern - LEGALS  
**Contact** : Accounts Payable  
**Address1** : PO Box 1129  
**Address2** :  
**City St Zip** : New Bern NC 28563  
**Phone** : (252) 639-2717  
**Fax** : (252) 636-4108  
**Printed By** : Gwen Landry  
**Entered By** : Gwen Landry  
**Keywords** : Correction Notice  
**Notes** :  
**Links** :

**Ad Number** : 17030328  
**Ad Key** :  
**Salesperson** : GL - Gwen Landry  
**Publication** : New Bern Sun Journal  
**Section** : Classifieds  
**Sub Section** : Classifieds  
**Category** : 015 Legal Notices  
**Dates Run** : 09/03/2020-09/03/2020  
**Days** : 1  
**Size** : 2 x 9.99, 90 lines  
**Words** : 708  
**Ad Rate** : L1  
**Ad Price** : 385.12  
**Amount Paid** : 0.00  
**Amount Due** : 385.12

New Bern, NC 28560

**New Bern-Craven County Public Library**

400 Johnson Street  
New Bern, NC 28560

The Community Development Block Grant (CDBG) and CDBG Covid Virus funds under the CARES Act (CDBG-CV) budget for FY 2020 can be accessed at the City of New Bern website: <http://www.newbern-nc.org>.

These plans will be available for examination during normal business hours of operation until September 21, 2020. The FY 2020 CDBG and FY 2020 CDBG-CV Annual Action Plan and the Amended Citizen Participation Plan will be submitted to the Board of Aldermen on September 22, 2020 at which time these documents will be presented to the City of New Bern Board of Aldermen for approval at its regular Board Meeting.

The Proposed FY 2020 Annual Action Plan and FY 2020 CDBG-CV Plan were prepared after conducting a public hearing on housing and community development needs, meetings with housing provider agencies, meetings with the City's staff and officials, and in accordance with City's Five Year Consolidated Plan.

If the City would undertake an activity that would result in the displacement of families or individuals, then the City would utilize its policy for minimizing such displacement. Furthermore, the City is responsible for replacing all low- and moderate-income housing units that may be demolished or converted as a result of CDBG Funds.

All interested persons, groups, and organizations are encouraged to attend this public hearing and will be given the opportunity to present oral or written testimony concerning the proposed plans and uses of Federal funds under the FY 2020 Annual Action Plan, FY 2020 CDBG-CV Plan, and Amended Citizen Participation Plan. Written comments may be addressed to Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, 303 First Street, New Bern, NC 28560, (252) 639-7586. Persons with learning and/or speech impediments may contact the City via 7-1-1.

**Hon. Dana E. Outlaw, Mayor, City of New Bern, NC**

September 3, 2020 (adv)



**Aldermen**

Sabrina Bengel  
Jameesha Harris  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Jeffrey T. Odham



300 Pollock Street, P.O. Box 1129  
New Bern, NC 28563-1129  
(252) 636-4000

**Dana E. Outlaw**  
Mayor

**Mark A. Stephens**  
City Manager

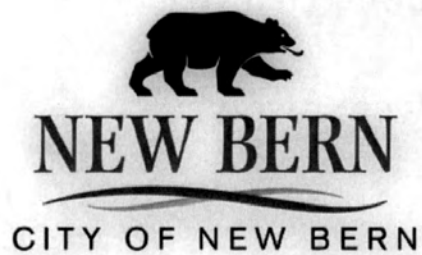
**Brenda E. Blanco**  
City Clerk

**Mary M. Hogan**  
Director of Finance

**September 8, 2020- CDBG 2020 Annual Action Plan**

**Board of Aldermen Public Hearing**

**No public comments were received.**



# **SUBSTANTIAL AMENDMENT PUBLIC HEARING**

Page : 1 of 2 01/27/2021 10:37:14

Order Number : 15518061  
PO Number :  
Customer : 89029 City of New Bern - LEGALS  
Contact : Accounts Payable  
Address1 : PO Box 1129  
Address2 :  
City St Zip : New Bern NC 28563  
Phone : (252) 639-2717  
Fax : (252) 636-4108  
Printed By : Gwen Landry  
Entered By : Gwen Landry  
Keywords : CARES & FY 2020 Annual Action Plan  
Notes :  
Fones :

Ad Number : 17040309  
Ad Key :  
Salesperson : GL - Gwen Landry  
Publication : New Bern Sun Journal  
Section : Classifieds  
Sub Section : Classifieds  
Category : 015 Legal Notices  
Dates Run : 01/29/2021-01/29/2021  
Days : 1  
Size : 2 x 10.88, 98 lines  
Words : 786  
Ad Rate : L1  
Ad Price : 414.91  
Amount Paid : 0.00  
Amount Due : 414.91

**NOTICE OF PUBLIC HEARING  
CITY OF NEW BERN, NORTH CAROLINA**

**CARES ACT FUNDING AND THE  
FY 2020 ANNUAL ACTION PLAN - SUBSTANTIAL AMENDMENT**

As a Federal Entitlement, the City of New Bern, North Carolina ("City") receives funding from the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant Program (CDBG). On March 27, 2020 the U.S. Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136. According to the allocation of funds under that Act, the City of New Bern is a recipient of CDBG-CV funds. The City received two (2) allocations of the Community Development Block Grant - Coronavirus (CDBG-CV) funds. The first allocation received by the City was \$152,252 and in the third round of funding, the City received an allocation of \$194,483 for a total allocation of \$346,735 CDBG-CV funds.

The purpose of this public hearing is to present a substantial amendment to the City of New Bern's FY 2020 Annual Action Plan for the use of CDBG-CV funds.

To expedite the disbursement of the City's FY 2020 CDBG-CV funds, via 24 CFR 5.110, the CARES Act authorized HUD to grant waivers to the public notice, public comment, and citizen participation plan requirements found in 24 CFR 91.1051(2) and (k), 24 CFR 91.1151(2) and (i) and 24 CFR 91.401. In accordance with the City of New Bern's Citizen Participation Plan and HUD's regulatory requirement, waivers were granted which reduces the required 30-day public comment period to a minimum 5-day period, a public hearing will be held at **6:00 P.M. PREVAILING TIME ON TUESDAY, FEBRUARY 9, 2021** in the City Hall Courtroom, 300 Pollock Street, New Bern, NC 28560. City Hall Courtroom is accessible to persons with physical disabilities. If special arrangements need to be made to accommodate residents in order for them to participate in the public hearing, including translation services, please call Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, at (252) 639-7586, or by email at [fulmored@newbernnc.gov](mailto:fulmored@newbernnc.gov), to make those arrangements by February 8, 2021. For persons with hearing impairments, please call 7-1-1 for TDD.

The City of New Bern adopted its FY 2020 Annual Action Plan and Budget for the use of CDBG funds on September 22, 2020. In accordance with CDBG program regulations, the City is allowed to make substantial amendments to its Annual Action Plan and Budget in accordance with the City's Citizen Participation Plan.

The City has determined that it is necessary to amend the approved FY 2020 CDBG program budget. The funds are proposed for new projects/activities, and/or an increase in funding for previously approved

Order Number : 15518061  
 PO Number :  
 Customer : 89029 City of New Bern - LEGALS  
 Contact : Accounts Payable  
 Address1 : PO Box 1129  
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 Words : 786  
 Ad Rate : L1  
 Ad Price : 414.91  
 Amount Paid : 0.00  
 Amount Due : 414.91

projects/activities.

This is considered a substantial amendment in accordance with the City's Citizen Participation Plan as the following applies: new activities are proposed for funding and some previously approved activities have an increase in the budget amount and scope of the activity.

The substantial amendment to the FY 2020 Annual Action Plan is proposed as follows:

**FY 2020 CDBG-CV ACTIVITIES:**

- **CDBG-CV-20-01 CV-CDBG-CV ADMINISTRATION** - increase this project/activity budget by \$19,448 for a new project/activity budget of \$34,673.
- **CDBG-CV-20-02 CV-RENT, MORTGAGE, AND UTILITY ASSISTANCE** - increase this project/activity budget by \$175,035 for a new project/activity budget of \$312,062. In addition the City has added mortgage assistance to pay for back mortgage payments to this project/activity description.

The FY 2020 Annual Action Plan - Substantial Amendment is on public display for viewing by the public for a period of at least 5 days beginning on Monday, February 1, 2021 and ending on Wednesday, February 17, 2021. Residents may view the substantial amendment at the City of New Bern's website (<http://www.newbern-nc.org>) and at the following location during normal operational hours:

**OFFICE OF THE DEPARTMENT OF DEVELOPMENT SERVICES**  
**303 First Street**  
**New Bern, NC 28560**

All interested residents are encouraged to participate in this public hearing and they will be given the opportunity to present oral or written testimony concerning the proposed amendment to the use of CDBG-CV funds under the FY 2020 Annual Action Plan. All comments received by February 17, 2021 will be considered by the City of New Bern prior to submittal of the substantial amendment to the City of New Bern Board of Aldermen at their Tuesday, February 23, 2021 meeting. Once approved, the City intends to submit the substantial amendment to HUD on or before February 26, 2021.

Written comments or oral comments may be addressed to Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, 303 First Street, New Bern, NC 28560, (252)639-7586 or via email to [fulmored@newbernnc.gov](mailto:fulmored@newbernnc.gov). Persons with hearing and/or speech impediments may contact the City via 711.

**Hon. Dana E. Outlaw, Mayor, City of New Bern, NC**

## **City of New Bern Board of Aldermen Meeting**

*Tuesday, February 9, 2021: 6:00pm, City Hall, 300 Pollock Street, New Bern, NC*

This meeting opened at 6:00pm and roll call was taken by the Board of Aldermen.

At 7:00pm, the Board of Aldermen introduced Item 10 on the Board of Aldermen's agenda, to

*Conduct a Public Hearing on Amending the 2020 Annual Action Plan for the Community Development Block Grant Program*

Amanda Ohlensehlen, Community and Economic Development Manager greeted the Mayor and Board of Aldermen before making a presentation of the Substantial Amendment of the 2020 Annual Action Plan. Mrs. Ohlensehlen explained the definition of a substantial amendment and told the Board that the City has received an allocation of \$194,483 from HUD's third round of CDBG-CV funding that needed to be included in the 2020 Annual Action Plan, along with a small reduction in the 2020's allocation from \$258,814 to \$258,775. Mrs. Ohlensehlen explained that the total allocation of CDBG-CV funds received from HUD is \$346,735 and that this funding will be used to fund two nonprofit organizations, including Religious Community Services and Catholic Charities. Mrs. Ohlensehlen explained that these organizations will act as subrecipients to carry out an emergency rent, mortgage, and utility assistance program to low-moderate households with delinquent bills due to COVID-19. Mrs. Ohlensehlen provided the CDBG 2020 Annual Action Plan Summary, which included \$258,775 as the Entitlement Fund. Of this fund, \$51,723 will be used for General Administration, \$107,052 will be used for Housing Rehabilitation, and \$100,000 will be used for the Duffyfield Stormwater Project. Mrs. Ohlensehlen also showed the summary displaying \$346,735 for the CDBG-CV fund, of which \$34,673 will be used for General Administration and \$312,062 will be used for Rent, Mortgage, and Utility Assistance.

*The Public Hearing opened at 7:10pm to receive public comment.*

Alderman Johnnie Ray Kinsey asked Mrs. Ohlensehlen if the money given to these organizations would be used directly by the organization for anything or if the money would go directly towards helping citizens. Mrs. Ohlensehlen explained that the organizations will use 10% of funding given for their administrative costs and the remainder of funds would be used to address the needs of citizens.

Alderman Jeffery Odham asked Mrs. Ohlensehlen if the City was still having a hard time finding homes that could meet requirements for the CDBG Minor Housing Repair program. Mrs. Ohlensehlen responded, stating that a previous substantial amendment had been approved reallocating unspent funds that had remained over the years because of the inability to find homes that met requirements for the program.



Citizen, James Woods of 1903 Country Club Road, came forward and asked how the nonprofit organizations selected to receive CDBG-CV funds qualified to administer the rent, mortgage, and utility assistance programs.

Mrs. Ohlensehlen and D'Aja Fulmore, Community Development Coordinator, explained that the City worked to identify nonprofit agencies who have a substantial amount of history administering this type of program and these agencies were required to go through an evaluation process.

Citizen, James Woods, explained that he has a nonprofit organization, and he was unaware that he could receive these funds. Mr. Woods also asked what qualifies a homeowner to receive funds to rehab their properties.

Mrs. Ohlensehlen responded, stating that an evaluation process had taken place that involved nonprofit agencies submitting applications and being evaluated by their capacity to administer the program. Ms. Fulmore stated she had been in contact with the executive directors of the nonprofit agencies who submitted applications to collect pertinent agency information.

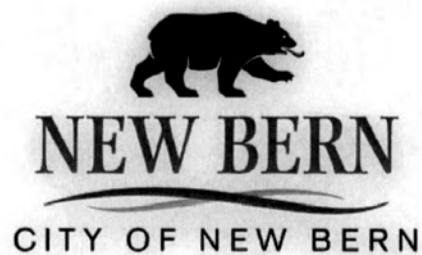
Mr. Woods responded telling the Board that he is a citizen of New Bern who has rental properties, and he has not been receiving the grant as a resident. Mr. Woods stated that he does not understand why the Redevelopment Commission will receive CDBG money to conduct housing rehabilitation within the City, but he cannot directly receive money for his properties. Mr. Woods stated that he feels the least amount is being done to contact citizens so they can apply. Alderwoman Jameesha Harris asked Mrs. Ohlensehlen to explain the process of advertising. Mrs. Ohlensehlen explained that all CDBG information is advertised in the newspaper, on the website, and placed on display at the Development Services offices. Alderwoman Sabrina Bengel asked how citizens can apply for the housing rehabilitation program. Mrs. Ohlensehlen stated that the previous housing rehabilitation program was for citizens and resulted in an accumulation of unspent funds, as there was a shortage of applicants who could meet requirements. Mrs. Ohlensehlen explained that the 2020 Annual Action Plan proposes using these funds in partnership with the Redevelopment Commission to rehabilitate a home to make it ready for a new renter and increase the City's housing stock.

Alderman Odham asked if the City is required to funnel CDBG-CV funding to a nonprofit or if the City could directly administer this program. Mrs. Ohlensehlen stated that it is most advantageous to provide this funding to the selected subrecipient agencies, as these agencies already have experience administering this type of program.

Alderwoman Barbara Best stated that the Minor Housing Rehabilitation program needs to be activated with at least \$100,000 going towards that program to help citizens repair their homes. Mrs. Ohlensehlen responded, explaining that the CDBG allocation is not large enough to accommodate all projects suggested but CDBG staff has been working hard to get the most out of the funding that is provided.

Citizen James Wood asked what the difference is between the Redevelopment Commission receiving funds to rehabilitate a home versus him being able to receive these funds and rehabilitate his home.

Jeff Ruggieri, director of Development Services came forward to explain that Mr. Woods could apply to become a community redevelopment agency by going through the Federal process. Mr. Ruggieri also explained that just because someone has a nonprofit agency does not mean they can begin building and rehabilitating homes and receiving the federal funding to do so.



**SUBSTANTIAL  
AMENDMENT # 2 -  
PUBLIC HEARING**

**NOTICE OF PUBLIC HEARING  
CITY OF NEW BERN, NORTH CAROLINA  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
SUBSTANTIAL AMENDMENT TO FY 2020 & 2021 PROGRAM YEARS**

Notice is hereby given by the City of New Bern, Craven County, NC that it will hold a public hearing on **Tuesday, November 14, 2023 at 6:00 PM**, prevailing time, in the courtroom on the second floor of City Hall, 300 Pollock Street, New Bern, NC 28560. City Hall and the City Hall Courtroom are accessible to persons with physical disabilities. If special arrangements need to be made to accommodate residents with disabilities in order for them to participate in the public hearing, including a Spanish or Karen interpreter, please call Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, at (252) 639-7586, or by email at [fulmored@newbernnc.gov](mailto:fulmored@newbernnc.gov). To make arrangements for the hearing impaired, call 7-1-1 for Relay North Carolina TDD.

The purpose of this public hearing is to present substantial amendments to the City of New Bern's FY 2020 and 2021 Annual Action Plans for the use of Community Development Block Grant (CDBG) funds.

The City of New Bern previously adopted its FY 2020 and 2021 Annual Action Plans and Budgets for the use of CDBG funds. In accordance with CDBG program regulations, the City is allowed to make substantial amendments to its Annual Action Plans and Budgets in accordance with the City's Citizen Participation Plan.

The City has determined that it is necessary to amend the CDBG program year budgets for the previously approved Annual Action Plans. The funds will remain the same but new scope will be added.

These are considered substantial amendments in accordance with the City's Citizen Participation Plan as the following applies: the scope of previously approved projects/activities are being changed.

The substantial amendments to the CDBG Annual Action Plans are proposed as follows:

**FY 2020 Program Year**

**IDIS # 34 - Housing Rehabilitation in the Five Points Area:** The City is amending the project scope by changing it to the following: "Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity." The line-item budget amount will not change.

**FY 2021 Program Year**

**IDIS # 37 - Housing Rehabilitation in the Five Points Area:** The City is amending the project scope by changing it to the following: "Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity." The line-item budget amount will not change.

Copies of the Substantial Amendments will be on public display for a period of 30 days from Friday, October 27, 2023 to Monday, November 27, 2023. Copies are available at the following locations and may be viewed between normal business hours of 8:00 AM to 5:00 PM:

**City Clerks' Office**

City Hall, 300 Pollock Street, New Bern, NC 28560

**Office of the Department of Development Services**

303 First Street, New Bern, NC 28560

**New Bern-Craven County Public Library**

400 Johnson Street, New Bern, NC 28560

All interested residents are encouraged to attend this public hearing and they will be given the opportunity to present oral or written testimony concerning the Substantial Amendments for the FY 2020 and 2021 CDBG Programs. All comments received during the period of display will be presented to the City Council at its Regular Meeting on Tuesday, November 28, 2023 at 6:00 PM. Written comments may be addressed to Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, 303 First Street, New Bern, NC 28563, or emailed to [fulmored@newbernnc.gov](mailto:fulmored@newbernnc.gov). Persons with hearing and/or speech impediments may contact the City via 7-1-1.

**Hon. Jeffrey Odham**  
**Mayor, City of New Bern, NC**



## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting a Resolution Approving the Substantial Amendment to FY 2021 Annual Action Plan of the Community Development Block Grant (CDBG) Program

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b>
<b>Department:</b> Development Services	<b>Person Submitting Item:</b> D'Aja Fulmore, Community Development Coordinator
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b> 11/28/2023

<b>Explanation of Item:</b>	The City of New Bern previously adopted its FY 2020 and 2021 Annual Action Plans and Budgets for the use of CDBG funds. In accordance with CDBG program regulations, the City is allowed to make substantial amendments to its Annual Action Plans and Budgets in accordance with the City's Citizen Participation Plan. A public hearing was held on these changes on November 28, 2023, and a vote to adopt resolutions on these changes is necessary on December 12, 2023.
<b>Actions Needed by Board:</b>	Adopt Resolutions
<b>Backup Attached:</b>	Memo, Resolutions
<b>Is item time sensitive?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**



## **MEMORANDUM**

**TO:** Mayor Jeffrey Odham, City of New Bern Board of Aldermen

**FROM:** D'Aja Fulmore, Community Development Coordinator

**DATE:** December 12, 2023

**SUBJECT:** Consider Adopting Resolutions Approving the Substantial Amendment to FY 2020 & 2021 Annual Action Plans of the Community Development Block Grant (CDBG) Program.

---

### Purpose:

The purpose of this agenda item is to consider adopting resolutions approving the substantial amendments to the City of New Bern's FY 2020 and 2021 Annual Action Plans for the use of Community Development Block Grant (CDBG) funds.

The Board of Aldermen held a public hearing on the substantial amendments on November 28, 2023, in the City Hall courtroom. The substantial amendments have been on display from October 27, 2023, to December 11, 2023.

### Background Information:

The City of New Bern previously adopted its FY 2020 and 2021 Annual Action Plans and Budgets for the use of CDBG funds. In accordance with CDBG program regulations, the City is allowed to make substantial amendments to its Annual Action Plans and Budgets in accordance with the City's Citizen Participation Plan.

The City has determined that it is necessary to amend the CDBG program project descriptions for the previously approved Annual Action Plans. The funds will remain the same, but a new scope of work will be added.

The substantial amendments to the CDBG Annual Action Plans are proposed as follows:

- **FY 2020 Program Year:** IDIS # 34 - Housing Rehabilitation in the Five Points Area:  
The City is amending the project scope by changing it to the following:

- **Original Language:**

"Funds will be given to the Redevelopment Commission to begin the rehabilitation work on a rental property located in the Greater Five Points area. This will begin a 2-phase renovation process that will span two program years. (Multi-year activity)"

- **Proposed Language:**

"Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity."

The line-item budget amount will not change.

- **FY 2021 Program Year:** IDIS # 37 - Housing Rehabilitation in the Five Points Area:  
The City is amending the project scope by changing it to the following:

- **Original Language:**

"This is Year 2 of a multi-year activity. The City Redevelopment Commission is purchasing an existing vacant residence. The house will be moved to a new site on a residential street. The house will be rehabilitated and brought up to code standards. It will be a rental property owned by the Redevelopment Commission." (Multi-year activity)

- **Proposed Language:**

"Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity."

The line-item budget amount will not change.

**Recommendation:**

Consider Adopting Resolutions Approving the Substantial Amendment to FY 2020 & 2021 Annual Action Plans of the Community Development Block Grant (CDBG) Program.

If you have any questions or need additional information, please contact D'Aja Fulmore at 252-639-7586 or Chris Seaberg at 252-639-7580.

## RESOLUTION

**BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:**

**WHEREAS**, the City of New Bern, Craven County, NC is a recipient of Federal Community Development Block Grant (CDBG) funds under the Housing and Community Development Act of 1974, as amended; and

**WHEREAS**, the U.S. Department of Housing and Urban Development (HUD) has previously approved the City of New Bern's FY2021 Community Development Block Grant (CDBG) Programs; and

**WHEREAS**, the City previously allocated FY2021 CDBG funds to the Redevelopment Commission for the purchase of an existing vacant residential house to be moved to a new site and rehabilitated to a rental property located in the Greater Five Points area; and

**WHEREAS**, there is a need to amend the project scope by changing it to the following: Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City; and

**WHEREAS**, HUD permits grant recipients to revise and amend their previously approved budgets and annual action plans to address current needs; and

**WHEREAS**, the City of New Bern's Department of Development Services has determined that the proposed changes to the FY2021 CDBG Program constitute a substantial amendment, and the City has complied with its Citizen Participation Plan.

**NOW THEREFORE, BE IT RESOLVED** that the document entitled "City of New Bern FY2021 Substantial Amendment," a copy of which is attached hereto and incorporated herein by reference, be and the same is hereby adopted and approved, as the "City of New Bern FY2021 Substantial Amendment" and the Mayor is hereby authorized to sign any related documents on behalf of the City and is authorized to submit these Substantial Amendments to the U.S. Department of HUD.

ADOPTED this 12<sup>th</sup> DAY OF DECEMBER 2023.

---

JEFFREY T. ODHAM, MAYOR

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BRENDA E. BLANCO, CITY CLERK

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# **CITY OF NEW BERN**

*303 First Street, New Bern, NC 28560*

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## **FY 2021 Annual Action Plan - Substantial Amendment # 1**

*For Submission to HUD for the  
Community Development Block Grant (CDBG) Program*

*December 12, 2023*

**Mayor:**

Jeffrey T. Odham

**City Manager:**

Foster Hughes

**Director of**

**Development Services:**

Jessica Rhue



# **NEW BERN**

**CITY OF NEW BERN**





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**PART IV. APPENDIX**

SF 424 Forms

Certifications

Resolution

Updated Citizen Participation Plan

Citizen Participation

**Substantial Amendment # 1:**

*The City of New Bern has prepared a substantial amendment to its FY 2021 Annual Action Plan. The amendment to its FY 2021 Annual Action Plan is the following: IDIS Activity # 37 - Housing Rehabilitation in the Five Points Area: The City is amending the project scope by changing it to the following: "Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity." The line-item budget amount will not change.*

## **Executive Summary**

### **AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)**

#### **1. Introduction**

The City of New Bern, North Carolina is a Federal entitlement community under the U.S. Department of Housing & Urban Development's (HUD) Community Development Block Grant (CDBG) Program. In compliance with the HUD regulations, the City of New Bern has prepared this FY 2021 Annual Action Plan for the period of July 1, 2021 through June 30, 2022. This Annual Action Plan is a strategic plan for the implementation of the City's Federal Programs for housing, community, and economic development within the City of New Bern. This is the third Annual Action Plan under the City's FY 2019-2023 Five-Year Consolidated Plan.

The FY 2021 Annual Action Plan is a collaborative effort of the City of New Bern, the community at large, social service agencies, housing providers, community development agencies, and economic development groups. The planning process was accomplished through public meetings, statistical data, review of the City's Comprehensive Plan, and other community plans.

#### **Available Funds:**

During the FY 2021 Program Year, the City of New Bern will receive the following Federal funds:

- **CDBG: \$268,768.00**
- **Total: \$268,768.00**

**FY 2021 CDBG Programs Budget:**

The City of New Bern proposes to undertake the following activities with the FY 2021 CDBG Funds:

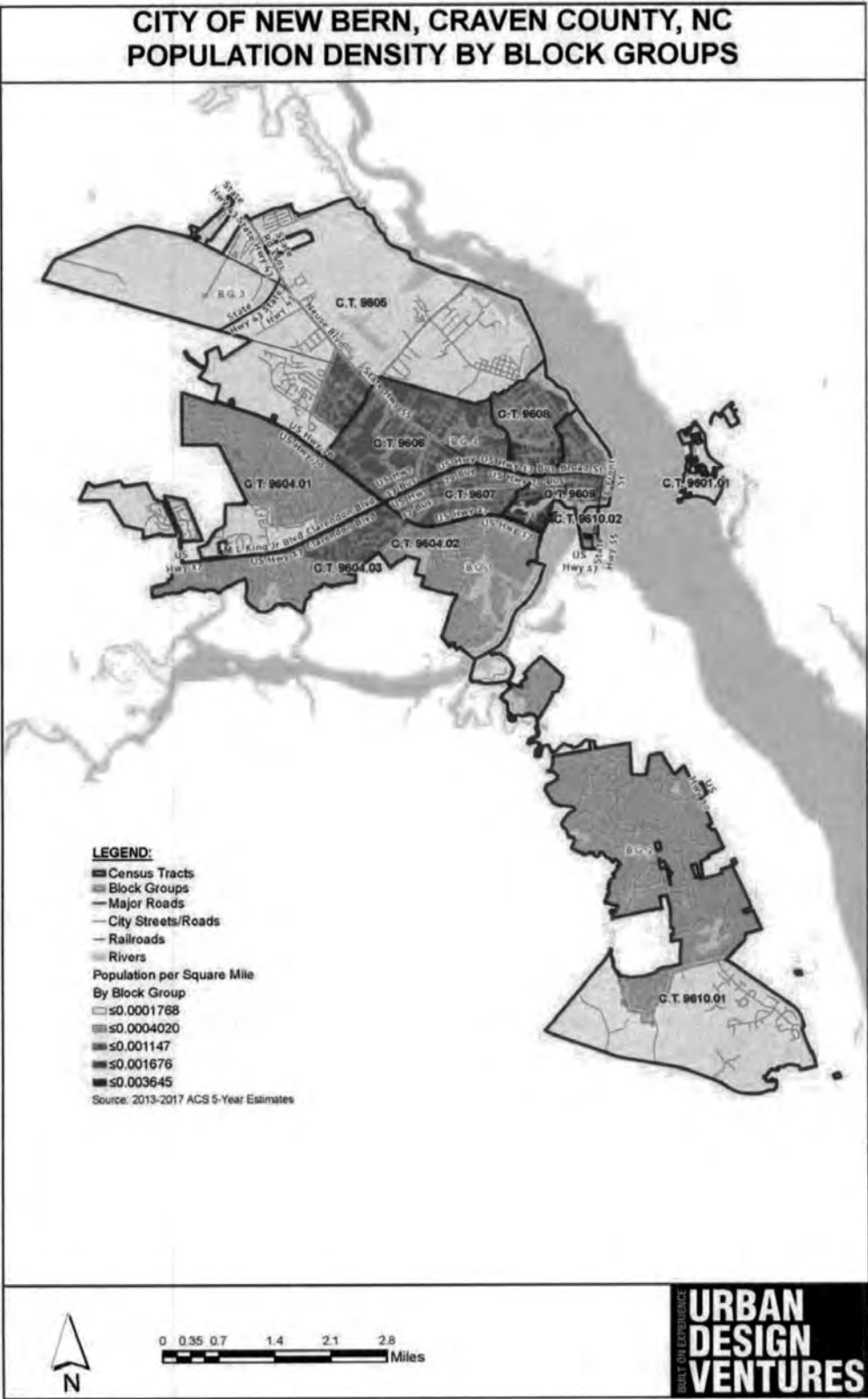
- **CD-21-01 General Administration - \$53,753.00**
- **CD-21-02 Housing Rehabilitation in the Five Points Area - \$125,000.00**
- **CD-21-03 Duffyfield Stormwater Project - \$90,015.00**

**Maps**

The following maps which illustrate the demographic characteristics of the City of New Bern:

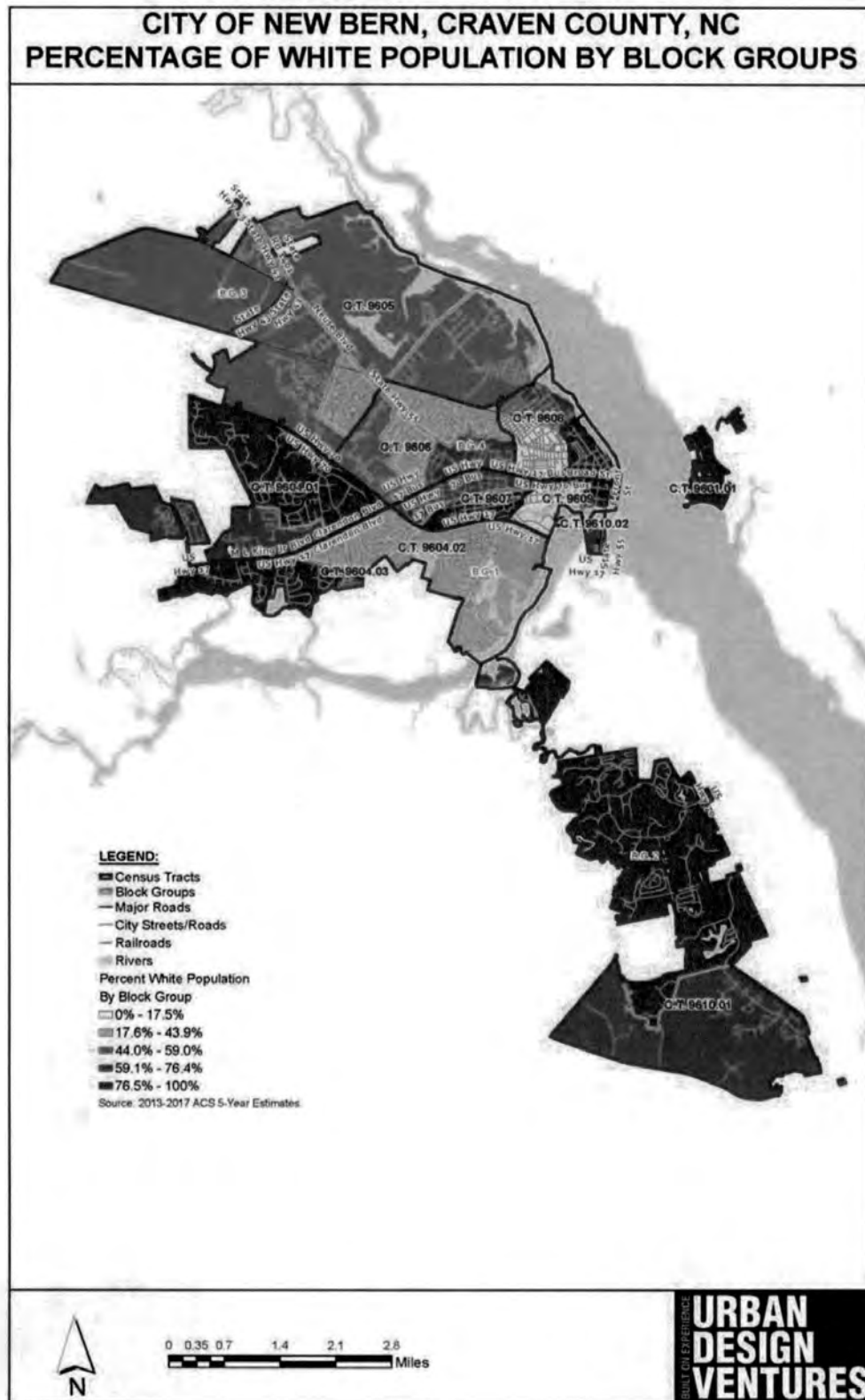
- Percent White Population by Block Group
- Percent Minority Population by Block Group
- Number of People Aged 65+ by Block Group
- Percent Population Age 65+ by Block Group
- Population Density by Block Group
- Housing Density by Block Group
- Percent Owner-Occupied Housing Units by Block Group
- Percent Renter-Occupied Housing Units by Block Group
- Percent Vacant Housing Units by Block Group
- Low/Moderate Income Percentage by Block Group
- Low/Moderate Income and High Minority Concentration by Block Group

Population Density by Block Group

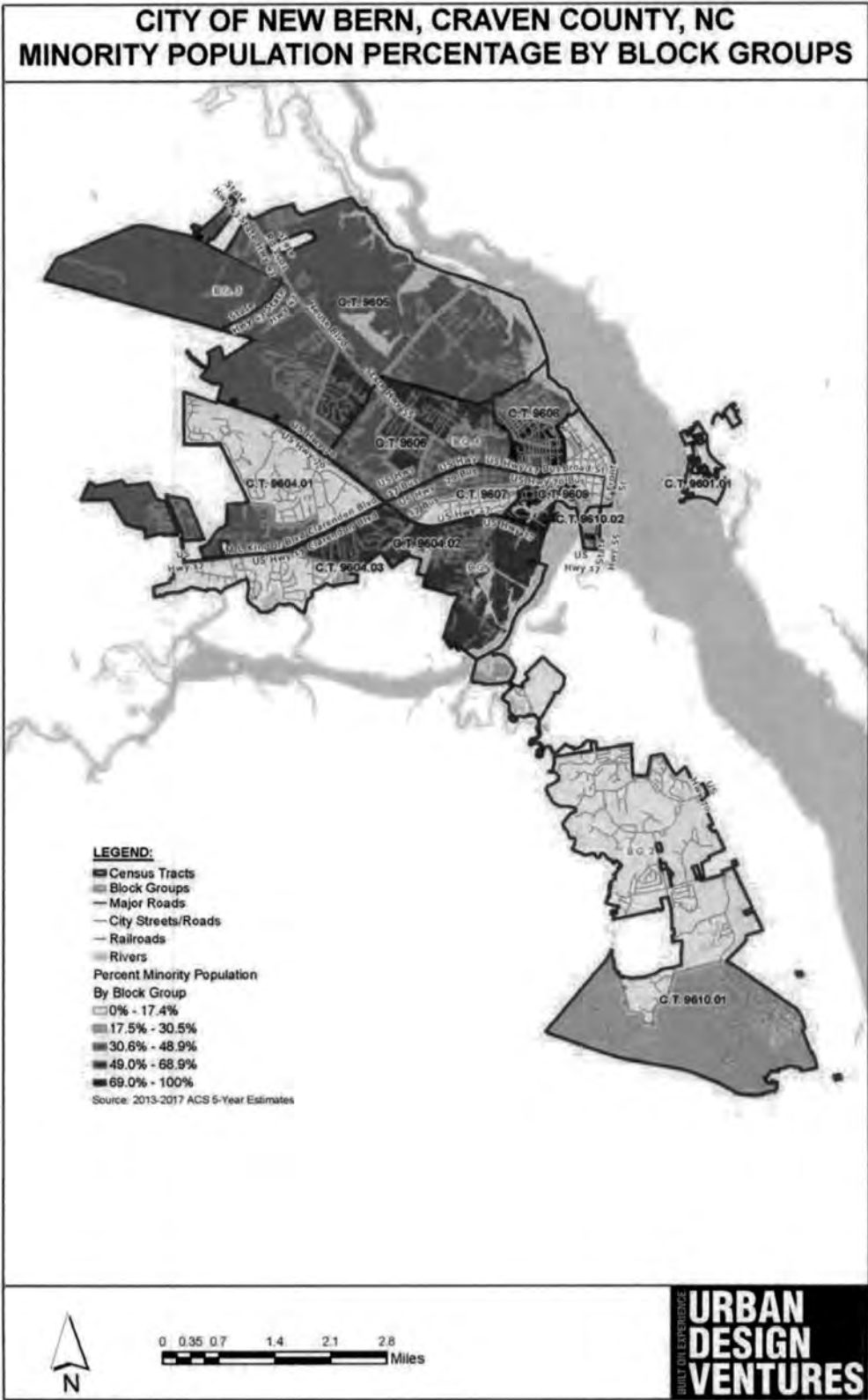




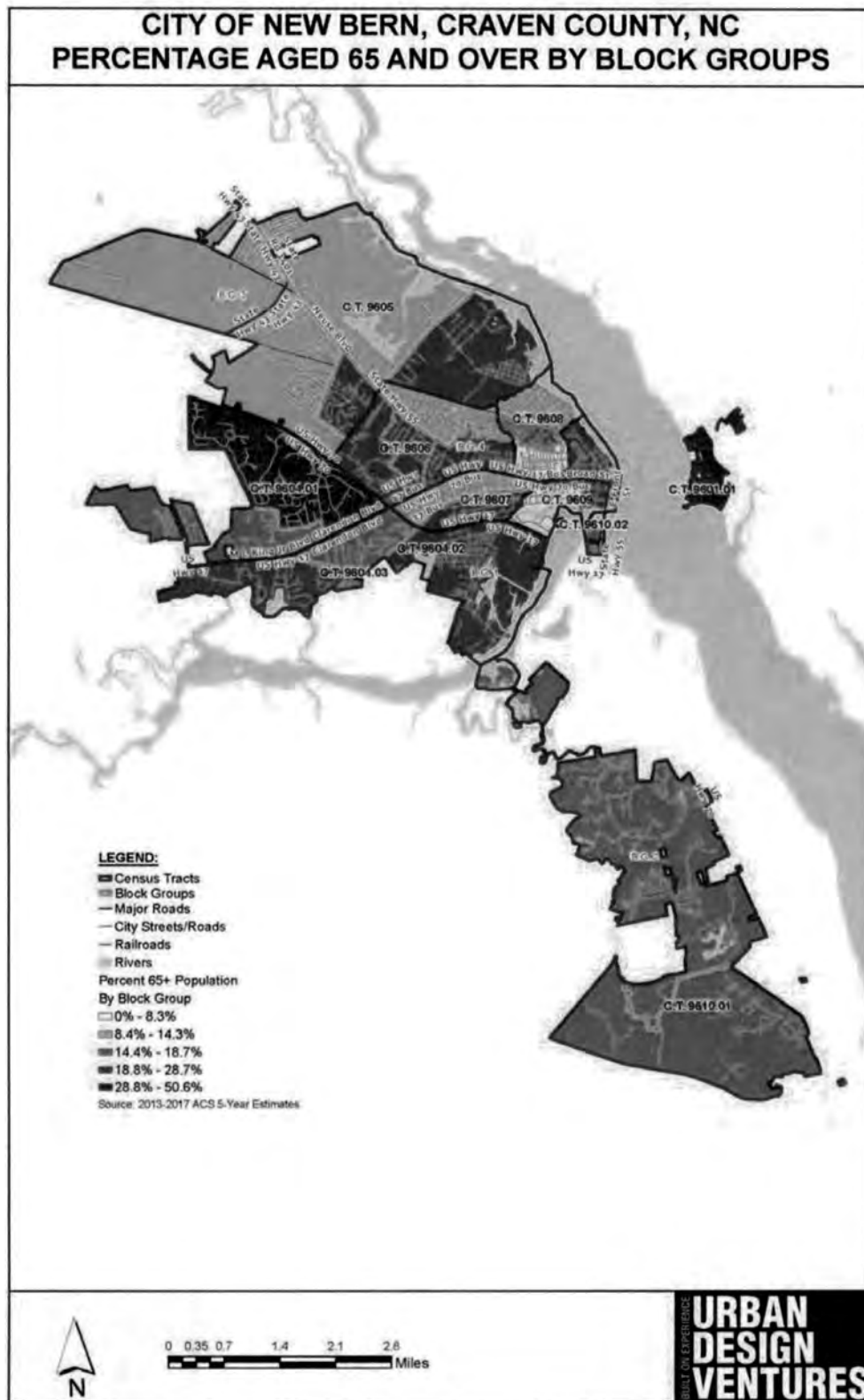
## Percent White Population by Block Group



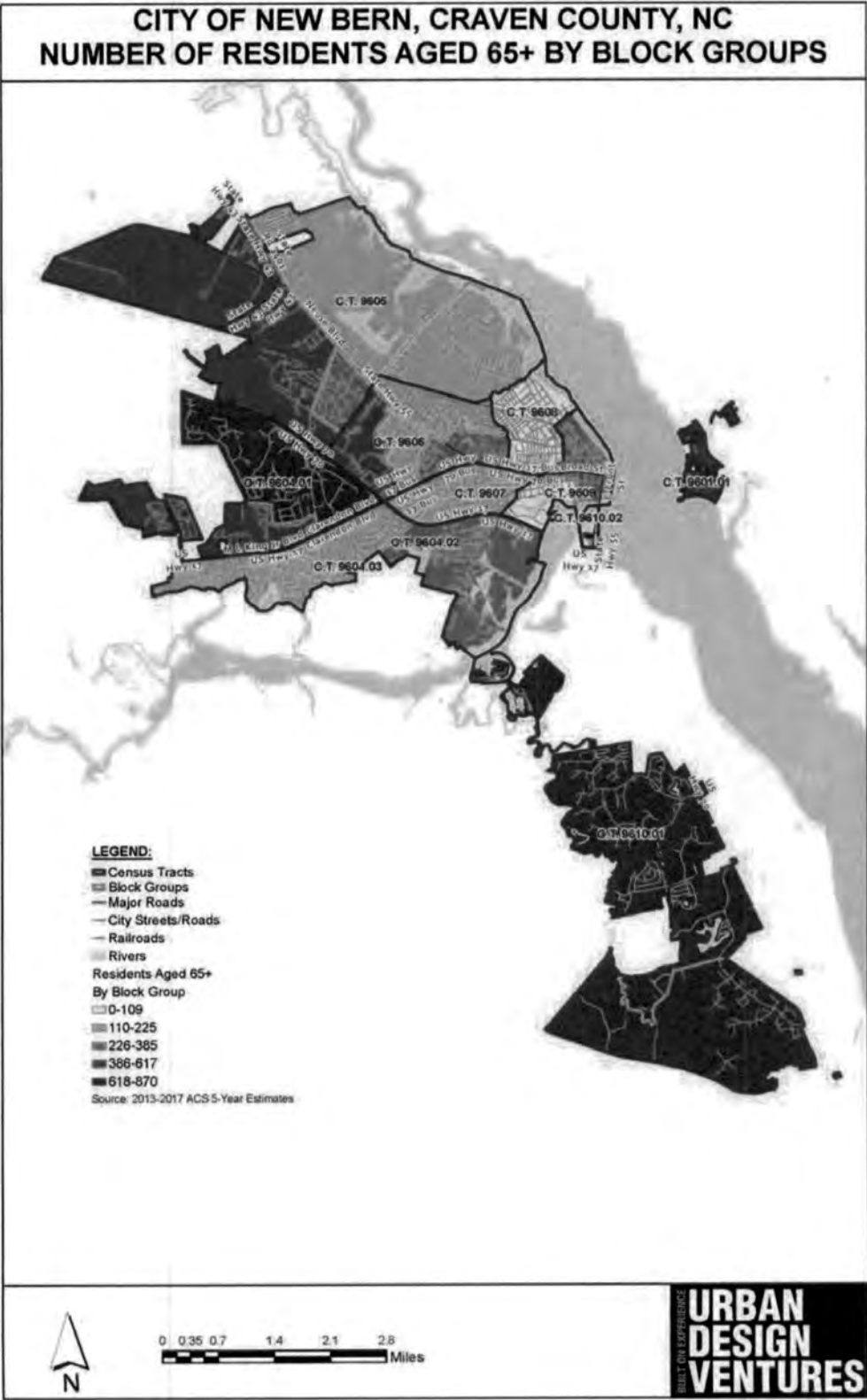
Percent Minority Population by Block Group



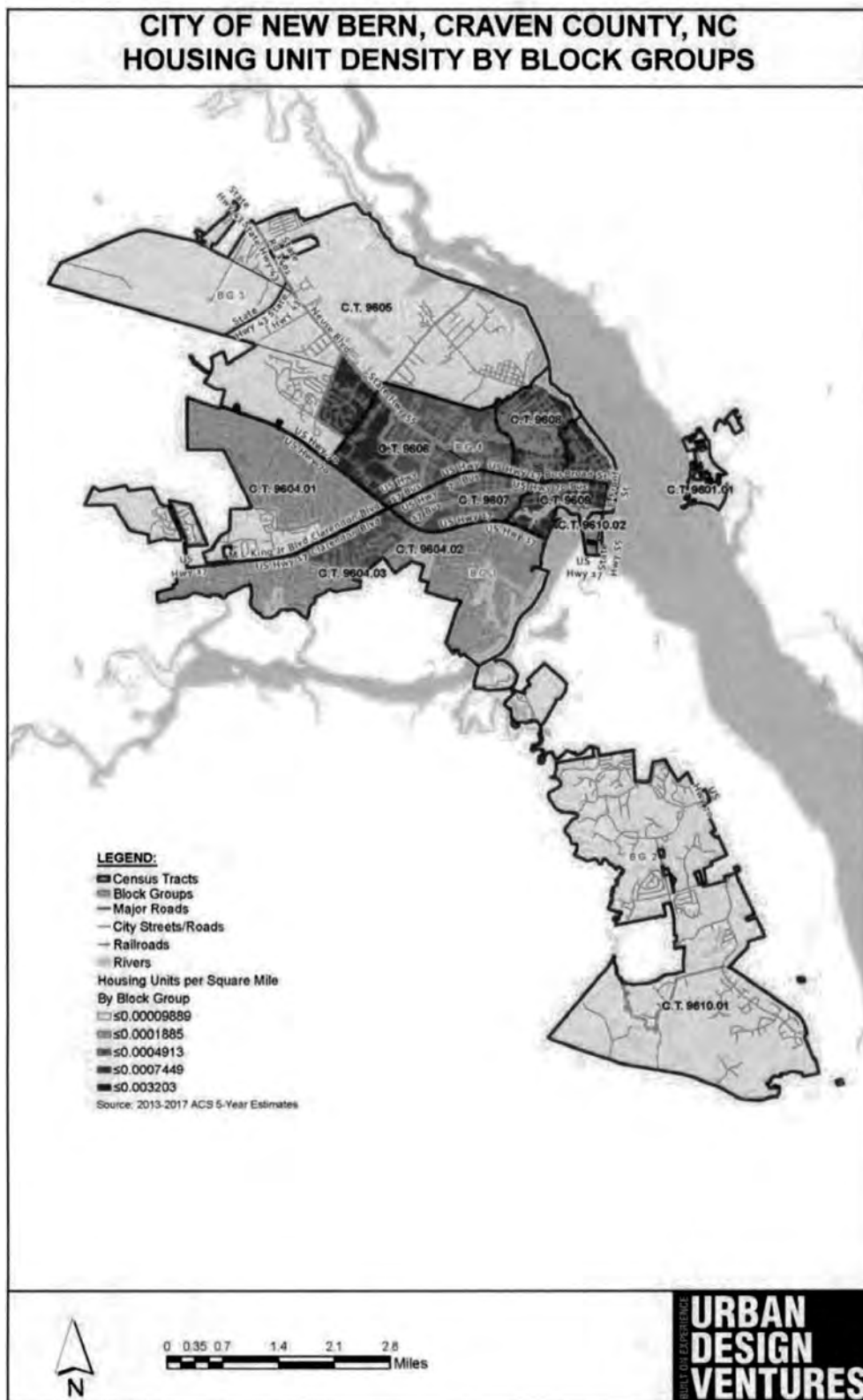
## Percent Population Age 65+ by Block Group



Population Age 65+ by Block Group



## Housing Density by Block Group

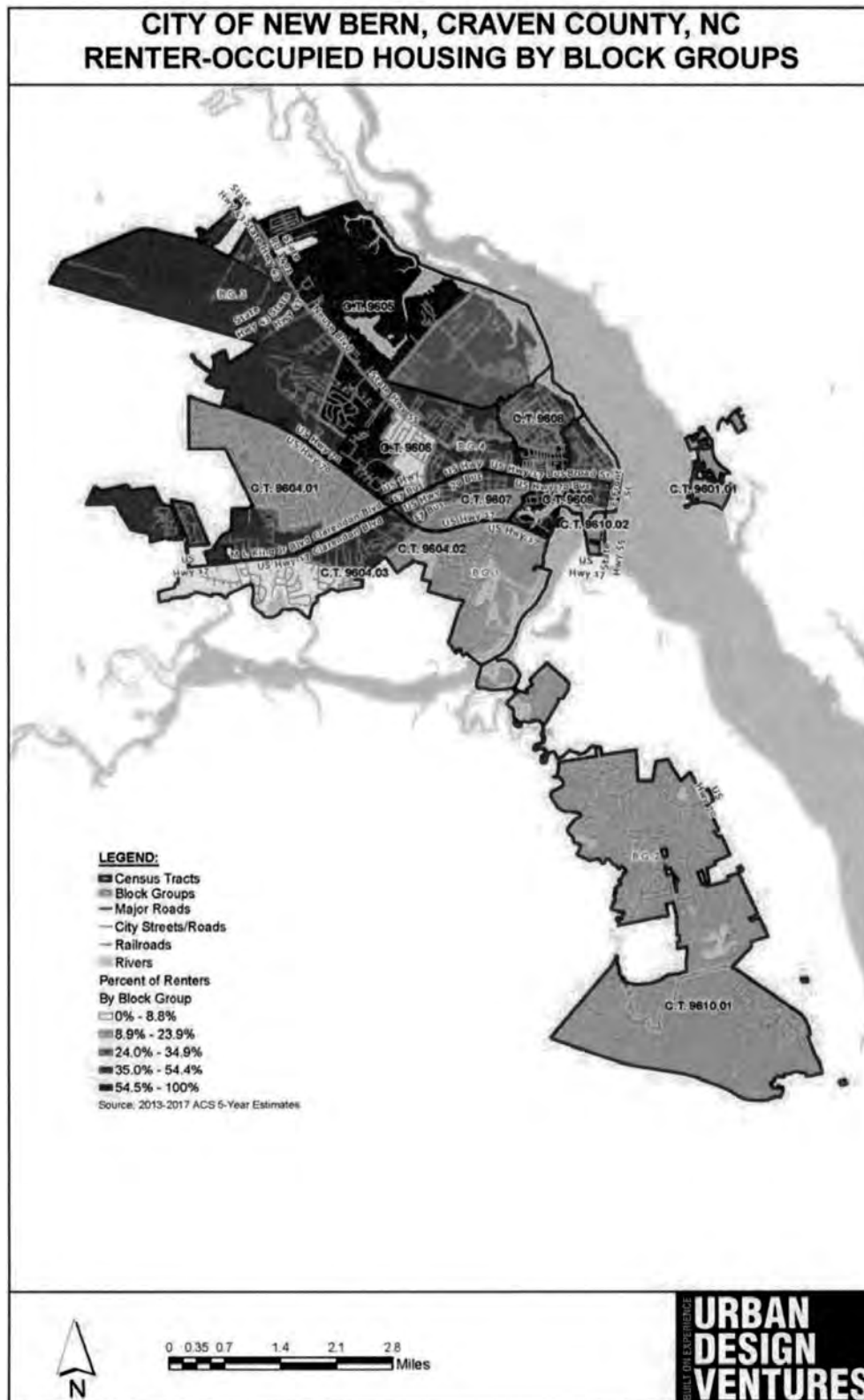




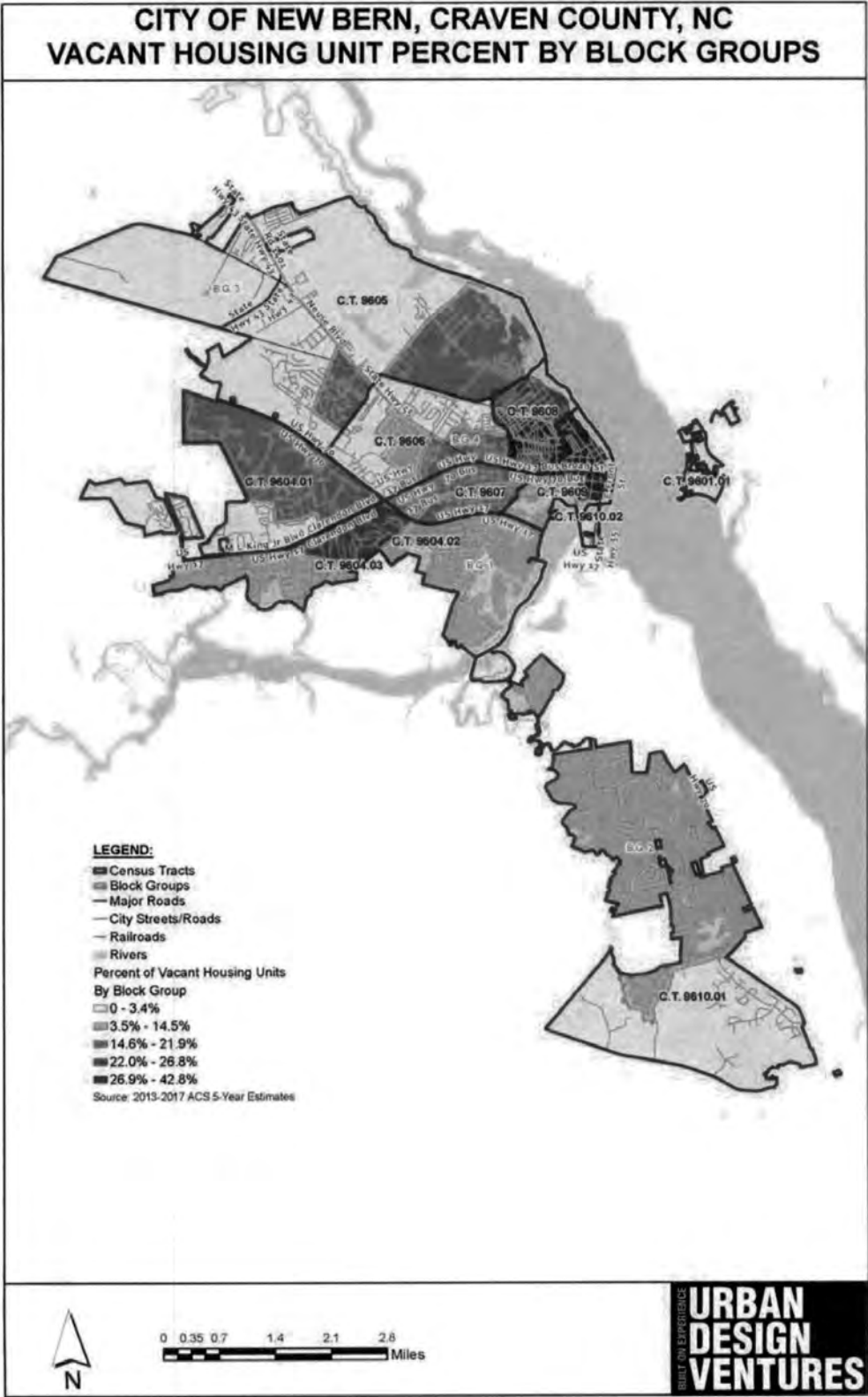
Percent Owner-Occupied Housing Units by Block Group



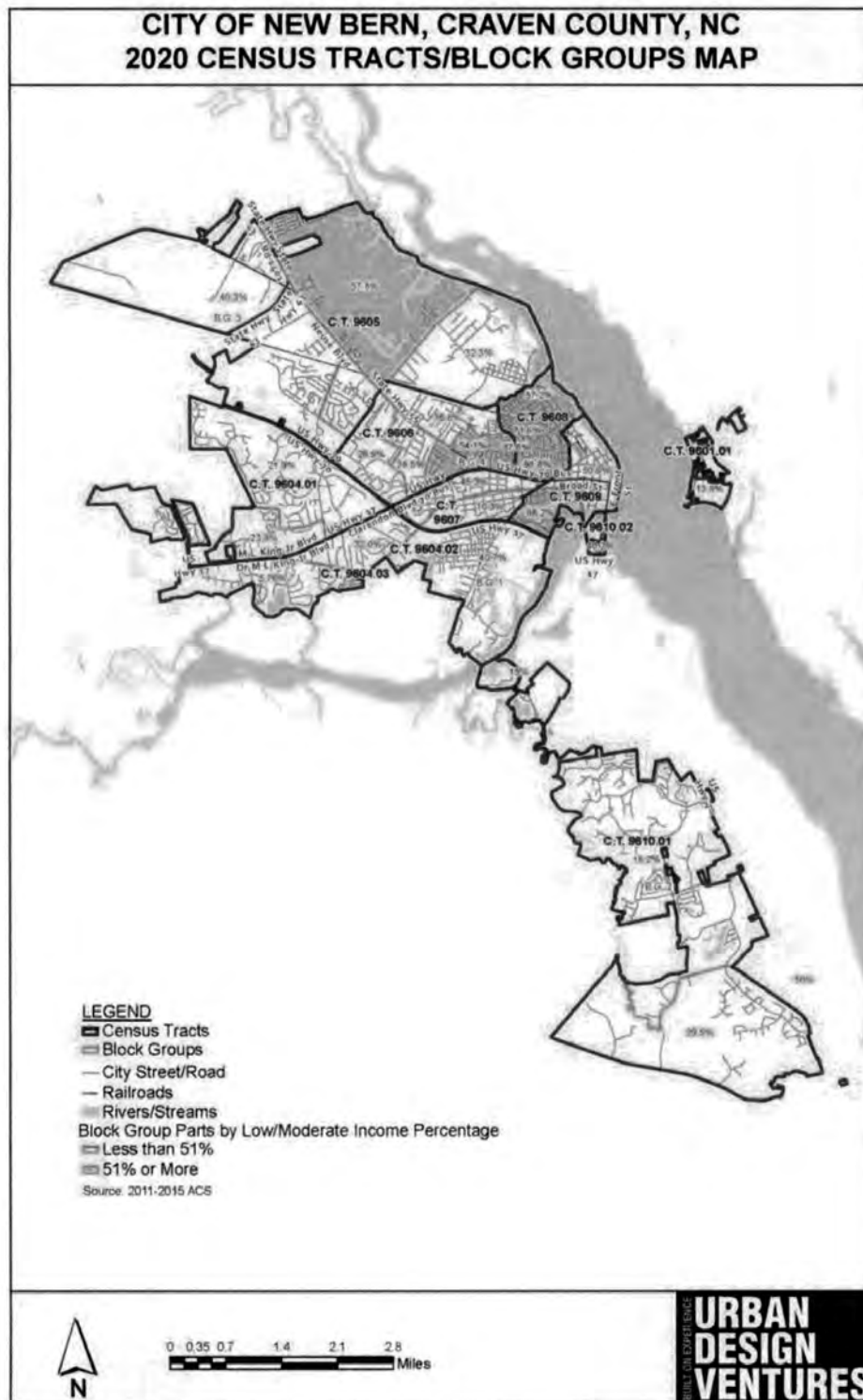
## Percent Renter-Occupied Housing Units by Block Group



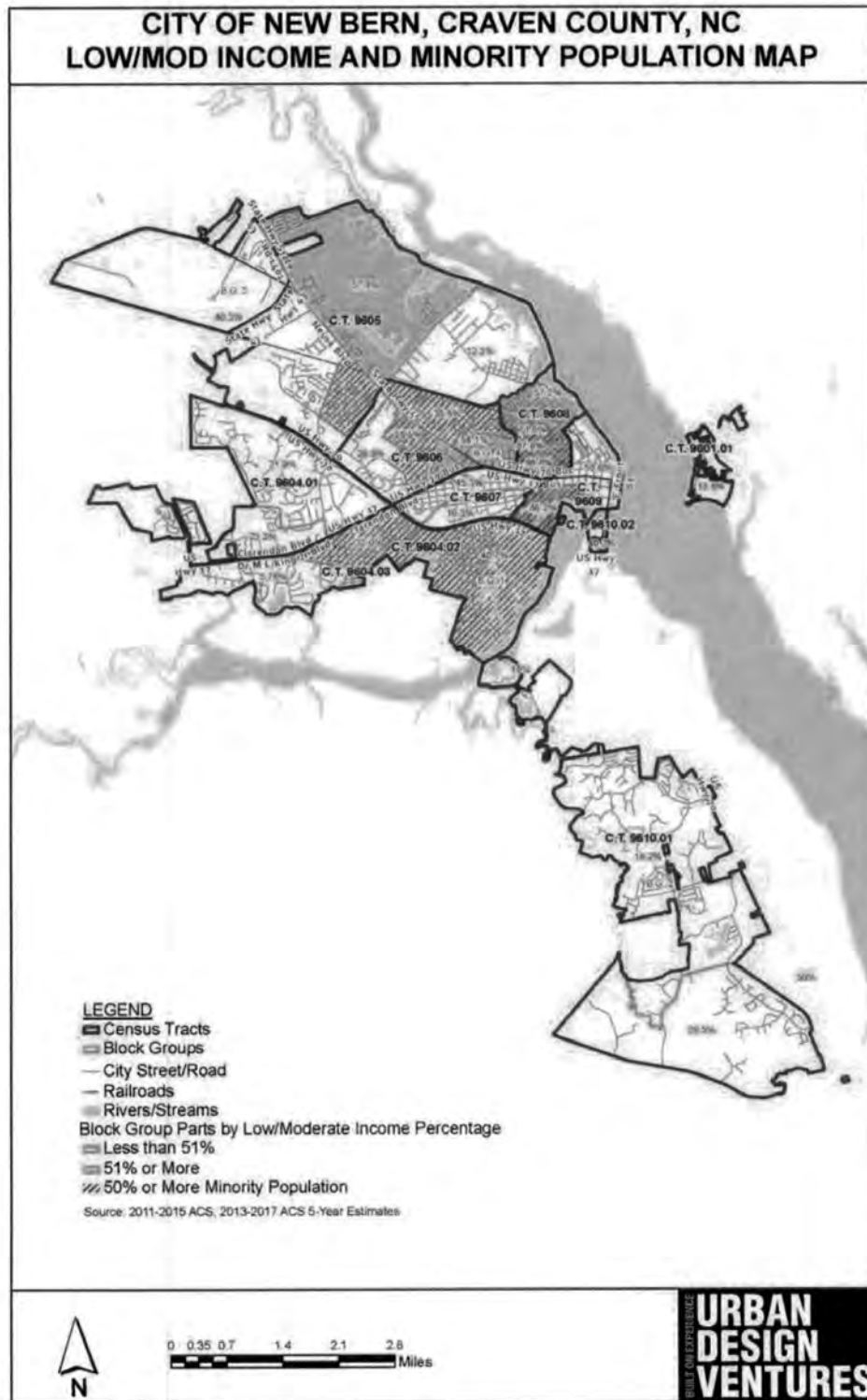
Percent Vacant Housing Units by Block Group



## Low/Moderate Income Percentage by Block Group



## Low/Moderate Income Percentage w/ Minority Overlay by Block Group





## 2. Summarize the objectives and outcomes identified in the Plan

*This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.*

This is the City of New Bern's third Five Year Consolidated Plan as an entitlement community. The "Vision" of this Five Year Consolidated Plan is to serve as a consolidated planning document, an application, and a strategic plan for the City of New Bern. As part of the Five Year Consolidated Plan, the community must develop goals and objectives. The following strategies with subsequent goals and priorities have been identified for the City of New Bern for the period of FY 2019 through FY 2023 for the use of Community Development Block Grant (CDBG) funds:

### **HOUSING STRATEGY - HSS**

#### **Goal:**

Improve, preserve, and expand the supply of affordable housing for low- and moderate-income persons and families living in the City of New Bern.

#### **Objectives:**

- **HSS-1 Homeownership** - Promote and assist in developing homeownership opportunities for low- and moderate-income persons & families.
- **HSS-2 Housing Construction** - Promote and assist in the development of affordable housing, both rental and sales housing.
- **HSS-3 Housing Rehabilitation** - Promote and assist in the preservation of existing owner and renter occupied housing stock in the City.
- **HSS-4 Fair Housing** - Affirmatively further fair housing by promoting fair housing choice throughout the City of New Bern.

### **HOMELESS STRATEGY - HOM**

#### **Goal:**

Improve the living conditions and services for homeless persons and families in the City of New Bern and eliminate unfair housing practices that may lead to homelessness.

#### **Objectives:**

- **HOM-1 Housing** - Promote and assist in developing housing opportunities for homeless persons and families, and those who are at-risk of becoming homeless.

- **HOM-2 Operations/Support** - Promote and assist in program support services for the homeless.
- **HOM-3 Homeless Prevention** - Promote and assist in anti-eviction and prevention of unfair housing practices which may contribute to homelessness.
- **HOM-4 Rapid Rehousing** - Promote and assist in providing housing options for residents of the City of New Bern displaced by natural disasters or evictions.

#### **SPECIAL NEEDS STRATEGY - SNS**

##### **Goal:**

Improve, preserve, and expand facilities for persons with special needs and the disabled in the City of New Bern.

##### **Objectives:**

- **SNS-1 Housing** - Promote and assist to increase the supply of affordable, decent, safe, sound, and accessible housing for the elderly, persons with disabilities, and persons with other special needs through rehabilitation of existing housing and new construction of accessible housing.
- **SNS-2 Social Services** - Promote and assist in supporting social service programs and facilities for the elderly, persons with disabilities, and persons with other special needs.
- **SNS-3 Accessibility** - Promote and assist in making accessibility improvements to owner occupied housing through rehabilitation and improve renter occupied housing by promoting reasonable accommodations for the physically disabled.

#### **COMMUNITY DEVELOPMENT STRATEGY - CDS**

##### **Goal:**

Improve, preserve, and create new public and community facilities, infrastructure, and public services to ensure the quality of life for all residents of the City of New Bern.

##### **Objectives:**

- **CDS-1 Infrastructure** - Improve the City's infrastructure through reconstruction and new construction of streets, walks, curbs, ADA ramps, retaining walls, sewer, water, storm water management, bridges, bike trails, green infrastructure, etc.
- **CDS-2 Community Facilities** - Improve the City's parks, recreational centers, community centers, and public community facilities through rehabilitation and new construction.

- **CDS-3 Public Services** - Improve and increase public safety programs for the youth, the elderly, disabled, and target income population, including food programs and social/welfare programs throughout the City.
- **CDS-4 Public Transit** - Promote the development of additional bus routes, bus shelters, and improve public transportation for low- and moderate-income persons.
- **CDS-5 Clearance** - Remove and eliminate slum and blighting conditions through demolition of vacant and abandoned structures throughout the City.
- **CDS-6 Architectural Barriers** - Remove architectural barriers and make public and community facilities accessible to the physically disabled.
- **CDS-7 Public Safety** - Improve public safety through upgrades to facilities, purchase of new equipment, fire fighting and prevention, crime prevention, community policing, and ability to respond to emergency situations.

#### **ECONOMIC DEVELOPMENT STRATEGY - EDS**

##### **Goal:**

Increase and promote job creation, job retention, self-sufficiency, education, job training, technical assistance, and economic empowerment of low- and moderate-income residents of the City of New Bern.

##### **Objectives:**

- **EDS-1 Employment** - Support and encourage new job creation, job retention, employment, and job training services.
- **EDS-2 Financial Assistance** - Support business and commercial growth through expansion and new development with technical assistance and low interest loan programs.
- **EDS-3 Redevelopment Program** - Plan and promote the development and redevelopment of vacant commercial and industrial sites, and facilities, and the revitalization efforts in the Greater Five Points Redevelopment Area and other residential neighborhoods.

#### **ADMINISTRATION, PLANNING, AND MANAGEMENT STRATEGY - APM**

##### **Goal:**

Provide sound and professional planning, administration, oversight and management of Federal, state, and local funded programs.

##### **Objectives:**

- **APM-1 Overall Coordination** - Provide program management and oversight for the successful administration of Federal, state, and local funded programs, including planning

services for special studies, environmental clearance, fair housing, performance evaluation, monitoring; and compliance with all Federal, state, and local laws and regulations.

### **3. Evaluation of past performance**

*This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.*

Each year, the City of New Bern prepares and submits its CAPER to HUD within ninety (90) days after the start of the new program year. The FY 2019 CAPER is the most recent CAPER to be completed by the City of New Bern. The CAPER was approved by HUD. The City obligated 100% of its CDBG funds for the benefit of low- and moderate-income persons. The City expended \$0.00 for public service activities, which was below the 15% public services cap. The City obligated \$46,960.00, which met the 20% administrative cap. The City's drawdown ratio was 2.76, which is above the 1.5 HUD requirement. The City of New Bern has substantially amended prior year Annual Action Plans to reallocate funding to the Duffyfield Stormwater project. The City intends to expend all of its funds on the project in a timely manner before the FY 2020 CAPER period, though the COVID-19 pandemic has caused delays in project construction.

### **4. Summary of Citizen Participation Process and consultation process**

*Summary from citizen participation section of plan.*

The Annual Action Plan has many components to gather citizen participation which includes: citizen participation plan; citizen participation process; Consultation Process; and the development of the annual action plan. Each component of this plan principally serves the needs of the low- and moderate-income population in the City.

The City developed the plan based on citizen input, the information obtained from agencies/organizations, and meetings with other City staff and departments. A "draft plan" and budget are annually prepared and placed on public display for a 30-day review and comment period. This is advertised in a local newspaper of general circulation in the City, with the times, dates, and locations where the plan may be examined. A public hearing on the plan was also advertised and conducted. Citizen, agency, and organization comments were either incorporated into the plan or if not included, the reason why the comments were not accepted are included in the plan.

The City of New Bern held a needs public hearing on March 1, 2021 at 6:00 PM. The public hearing was able to be attended in person or virtually. This hearing provided residents, agencies, and organizations with the opportunity to discuss the City's CDBG Program and to provide suggestions for future priorities and activities. The City of New Bern advertised the public needs hearing in the "Sun Journal" on Thursday, February 18, 2021.

The Second Public Hearing Notice was published on Thursday, April 28, 2021 in the "Sun Journal" and the Second Public Hearing was held on Tuesday, April 27, 2021 at 6:00 PM. During the Second Public Hearing, the residents were given the opportunity to comment on the draft version of the FY 2021 Annual Action Plan.

The "FY 2021 Annual Action Plan" was on display for a 30-day period beginning Friday, April 9, 2021 and ending Monday, May 10, 2021. The availability for review of the "draft plan" was advertised in the local newspapers and the plan was on display at the City of New Bern's website [https://www.newbernnc.gov/departments/development\\_services/index.php](https://www.newbernnc.gov/departments/development_services/index.php).

#### **Schedule:**

The following schedule was used in the preparation of the FY 2021 Action Plan:

- **Publish Notice of Needs Hearing** – Thursday, February 18, 2021
- **First Public Hearing** – Monday, March 1, 2021 at 6:00 PM in the Development Services Office and virtually
- **Publish Notice of Display of Draft and Public Hearing in the Newspaper** – Thursday, April 8, 2021
- **Annual Action Plan on Display** – Friday, April 9, 2021
- **Second Public Hearing** – Tuesday, April 27, 2021 at 6:00 PM in the Craven Community College, Orringer Auditorium before the Board of Aldermen
- **End of Annual Action Plan on Display** – Monday, May 10, 2021
- **Board of Aldermen Adopts FY 2021 Annual Action Plan** – Tuesday, May 11, 2021
- **Submission of Annual Action Plan to HUD on or before** – May 17, 2021

A more detailed analysis and description of the citizen participation process is contained in Section PR-15 Citizen Participation.

#### **Substantial Amendment # 1:**

The City of New Bern placed the FY 2021 Annual Action Plan - Substantial Amendment on its website for public display from Friday, October 27, 2023 through Monday, December 11, 2023. The City held a Public Hearing on the Substantial Amendment on Tuesday, November 28, 2023 at 6:00 PM. The public hearing was held in the City Hall Courtroom, 300 Pollock Street, New Bern, NC 28560. The purpose of the Public Hearing was to present the Substantial Amendment to the residents.



**5. Summary of public comments**

*This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.*

A public hearing was held to seek input from interested residents and community organizations for the FY 2021 funds on Monday, March 1, 2021 at 6:00 PM at the Development Services Office and virtually. The City of New Bern advertised in the "Sun Journal" on Thursday, February 18, 2021. There was a total of seven (7) persons in attendance including two (2) City staff members.

The FY 2021 Annual Action Plan was placed on public display on Friday, April 9, and a Second Public Hearing was held in the Craven Community College, Orringer Auditorium before the Board of Aldermen on Tuesday, April 27, 2021 at 6:00 PM. A newspaper notice announcing that these documents were placed on public display was published on Thursday, April 8, 2021 in the "Sun Journal," a newspaper of general circulation in the area. Comments that were received at the Second Public Hearing are included in the Citizen Participation Section of the Annual Action Plan, which also includes the newspaper ads, sign-in sheets, agendas, and summaries of the meeting minutes.

**6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments and suggestions that were received have been accepted and incorporated into the planning documents.

**7. Summary**

The FY 2021 Annual Action Plan for the City of New Bern includes the City's CDBG Program and outlines which activities the City will undertake during the program year beginning July 1, 2021 and ending June 30, 2022. This is the City's third year of the FY 2019-2023 Five-Year Consolidated Plan.

During the FY 2021 Program Year, the City of New Bern, North Carolina anticipates the following Federal financial resources:

- **CDBG: \$268,768.00**
- **Total: \$268,768.00**

During the FY 2021 CDBG and CDBG-CV Program Year, the City of New Bern proposes to address the following strategies from its Five-Year Consolidated Plan:

- Housing Strategy;
- Community Development Strategy; and
- Administration, Planning, and Management Strategy

A “draft” of the FY 2021 Annual Action Plan was placed on public display on the City’s website at [https://www.newbernnc.gov/departments/development\\_services/index.php](https://www.newbernnc.gov/departments/development_services/index.php). The display period started on Friday, April 9, 2021 through Monday, May 10, 2021 for a 30-day display period. In addition, the City put the draft Plan on its website ([https://www.newbernnc.gov/departments/development\\_services/index.php](https://www.newbernnc.gov/departments/development_services/index.php)). The Final Public Hearing was held on Tuesday, April 27, 2021 at 6:00 PM in the Craven Community College, Orringer Auditorium before the Board of Alderman to discuss the proposed activities and solicit resident comments. Upon completion of the 30-day comment period, the City of New Bern submitted the FY 2021 Annual Action Plan to the U.S. Department of Housing and Urban Development Greensboro Office on or before May 17, 2021.

**Substantial Amendment # 1:**

A copy of the Substantial Amendment was on public display for viewing on the City’s website and at the Office of the Department of Development Services for a period of at least 30 days beginning on Friday, October 27, 2023 and ending on Monday, December 11, 2023.

The Substantial Amendment was reviewed and adopted at the City’s Board of Alderman meeting on Tuesday, December 12, 2023. The FY 2021 Action Plan – Substantial Amendment was re-submitted in IDIS to HUD after it was approved by City’s Board of Alderman.

**PR-05 Lead & Responsible Agencies – 91.200(b)****1. Agency/entity responsible for preparing/administering the Consolidated Plan**

*Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.*

Agency Role	Name	Department/Agency
Lead Agency	New Bern	Development Services Department
CDBG Administrator	New Bern	Development Services Department

**Table 1 – Responsible Agencies****Narrative (optional)**

The City's Development Services Department is the Lead Agency that maintains and administers the City's CDBG funds and responsibilities. The City prepares the Five-Year Consolidated Plans, Annual Action Plans, Environmental Review Records (ERR's), the Consolidated Annual Performance and Evaluation Reports (CAPER), monitoring, pay requests, contracting, IDIS, and oversight of the programs on a day to day basis. In addition, the City of New Bern has retained the services of a private planning consulting firm to assist the City on an as needed basis.

**Consolidated Plan Public Contact Information**

Ms. D'Aja Fulmore

Community Development Coordinator

City of New Bern's Development Services Department

Economic and Community Development Office

303 First Street, PO Box 1129, New Bern, NC 28563

Phone: (252) 639-7586

Fax: (252) 636-2146

Email: [fulmored@newbernnc.gov](mailto:fulmored@newbernnc.gov)

Website: <http://www.newbernnc.gov>

**AP-10 Consultation – 91.100, 91.200(b), 91.215(l)****1. Introduction**

While preparing the FY 2021 Annual Action Plan, the City of New Bern consulted with the Housing Authority of the City of New Bern, Twin Rivers Opportunities, Inc., social services and housing agencies, and member organizations of Region 13 of the North Carolina Balance of State Continuum of Care.

**Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))**

The City of New Bern works with the following agencies to enhance coordination:

- **The Housing Authority of the City of New Bern** – Improvements to public housing communities.
- **Twin Rivers Opportunities, Inc.** – Section 8 Housing Choice Vouchers.
- **Social Services Agencies** – funds to improve services to low and moderate income persons.
- **Housing Providers** – funds to rehabilitate and develop affordable housing and provide housing options for low- and moderate-income households.
- **Community and Economic Development Agencies** – funds to improve services to low and moderate income persons.

As part of the CDBG application planning process, local agencies/organizations are invited to submit proposals for CDBG funds for eligible activities. These groups participate in the planning process by attending the public hearings, consultation via phone and/or email, and submission of funding applications.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

The leadership of Region 13 is responsible for acting as a member of the Balance of State CoC Steering Committee, the Coordinated Entry lead for the Region, the Point-in-Time and Housing Inventory Count lead for the region, and reviewing projects and processing state ESG grants for the regional geography.

Currently, Religious Community Services conducts its own referrals for services, and receives information from other agencies, shelters, police departments, hospitals, and churches. Once referred, Religious Community Services places Veterans first in their Emergency Shelters, and

follows up by filling beds with other families or individuals. All referrals to Religious Community Services through other entities are required to check with the local police department first. Religious Community Services has recently opened a Veterans transitional shelter in the area to complement its family emergency and transitional housing shelters.

The Point in Time Counts for Sheltered and Unsheltered homeless persons are completed on a designated date twice a year in the months of January and July. The results of the counts are available to the public on the North Carolina Balance of State CoC website.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

**ESG** – Coastal Women's Shelter and Religious Community Services receives ESG funds from the state. ESG funds for member counties and cities in the North Carolina Balance of State CoC are administered through the North Carolina Department of Health and Human Services Division of Aging and Adult Services. The CoC is consulted by NCDHHS regarding past program performance and involvement of ESG applicants. The CoC provides input on ESG applications and rates, ranks and reviews projects. This includes homeless service providers, Community Action Partnerships (CAPs), local/county/state governments, Housing & Redevelopment Authorities, and domestic violence, aging, mental health, and faith-based organizations.

**Develop Performance Standards and Evaluate Outcomes** – The North Carolina Balance of State CoC's written standards focus on a Housing First Model and follow the best practices of that model. The written standards utilize several strategies to increase the number of people who exit Emergency Shelter, Transitional Housing, and Rapid Re-housing to Permanent Housing destinations. Evaluations of these standards will be based on the length-of-time homeless measure of an individual or family who resides in emergency shelter, transitional housing, or rapid re-housing. The CoC seeks to make progress on the turnover rate of individuals and families, the targeting of individuals and families based on risk, and the number of positive exits into Permanent Housing.

**HMIS** – Throughout different times of the year, the CoC and the HMIS Lead work together to assess data quality throughout the CoC. This includes working on the Annual Homeless Assessment Report (AHAR), the Point In Time (PIT) count, project reviews/ranking, and working with individuals programs while completing their Annual Performance Reports (APRs). The system ensures data quality by requiring many of the universal data elements upon enrolling a participant into a program. Additionally, the system has an alert system with exit date reminders. The work flow of data entry has been updated to improve data quality. The HMIS Lead supports users through the staffing of a Help Desk and ongoing training opportunities. Agency users are able to run self-reports to assess their program's data quality. CoC-funded organizations are motivated



to provide good data quality, because the CoC has moved toward a data-driven project review and ranking system. Projects with poor data quality are more likely to show poor outcomes, which can impact their funding.

**2. Describe Agencies, groups, organizations, and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities**

<b>1. Agency/Group/Organization</b>	<b>City of New Bern</b>
<b>Agency/Group/Organization Type</b>	Other government - Local Grantee Department
<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy Community Development Strategy
<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City of New Bern was the lead entity on the Five Year Consolidated Plan. The City reviewed its program and funded activities that met the goals and objectives as outlined in the City's Five Year Consolidated Plan.
<b>2. Agency/Group/Organization</b>	<b>New Bern Housing Authority</b>
<b>Agency/Group/Organization Type</b>	Housing PHA
<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Non-Homeless Special Needs Anti-poverty Strategy Lead-based Paint Strategy Community Development Strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Housing Authority of the City of New Bern was contacted to determine the housing needs of its very low-income clients. The City reviewed its program and funded activities that met the goals and objectives as outlined in the City's Five Year Consolidated Plan to address these housing needs.
<b>3.</b>	<b>Agency/Group/Organization</b>	<b>Habitat for Humanity of Craven County</b>
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Community Development Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Habitat for Humanity participated in the First Public Hearing to discuss the needs of City residents.
<b>4.</b>	<b>Agency/Group/Organization</b>	<b>TWIN RIVERS OPPORTUNITIES, INC</b>
	<b>Agency/Group/Organization Type</b>	Housing PHA Services - Housing

<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy
<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Twin Rivers Opportunities, Inc. was contacted to determine the housing needs of its very low-income clients.
<b>5. Agency/Group/Organization</b>	<b>Religious Community Services</b>
<b>Agency/Group/Organization Type</b>	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services - Victims Publicly Funded Institution/System of Care
<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy

How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Religious Community Services was contacted to determine the needs of the community.
6. Agency/Group/Organization	<b>City of New Bern Redevelopment Commission</b>
Agency/Group/Organization Type	Services-Housing Redevelopment Authority
What section of the Plan was addressed by Consultation?	Economic Development Anti-poverty Strategy Community Development Strategy
How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of New Bern Redevelopment Commission submitted a request for funding to rehabilitate rental housing. The City of New Bern will allocate FY 2021 CDBG funds to the project.
7. Agency/Group/Organization	<b>CRAVEN COUNTY</b>
Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Other government - County Regional organization Planning organization



<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Craven County was contacted to determine the needs of the community.
<b>8. Agency/Group/Organization</b>	<b>North Carolina Department of Health and Human Services</b>
<b>Agency/Group/Organization Type</b>	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Services-Education Publicly Funded Institution/System of Care Other government - State Regional organization Planning organization
<b>What section of the Plan was addressed by Consultation?</b>	Lead-based Paint Strategy Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	NCDHHS was contacted for health and lead-based paint statistics and information.
<b>9. Agency/Group/Organization</b>	<b>CenturyLink</b>
<b>Agency/Group/Organization Type</b>	Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide



10.	What section of the Plan was addressed by Consultation?	Broadband Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	CenturyLink was contacted to determine the broadband access needs of the community.
	Agency/Group/Organization	<b>Spectrum</b>
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide
	What section of the Plan was addressed by Consultation?	Broadband Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Spectrum was contacted to determine the broadband access needs of the community.
11.	Agency/Group/Organization	<b>Craven County Public Library</b>
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless Services-Education Services-Employment Other government - County Regional organization
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Craven County Public Library participated in the First Public Hearing to discuss the needs of City residents.

Table 2 – Agencies, groups, organizations who participated

**Identify any Agency Types not consulted and provide rationale for not consulting**

All agency types were consulted and contacted during the planning process.

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>
Continuum of Care	North Carolina Balance of State Continuum of Care	The City of New Bern is located in Region 13 of the North Carolina Balance of State Continuum of Care. The goals of the City and the Consortium of Care are complementary.
Annual and Five Year Capital Plans	The Housing Authority of the City of New Bern	The Housing Authority of the City of New Bern is the lead agency providing public housing assistance in the City of New Bern. The goals of the City and the Housing Authority are complementary.
FY 2019-2023 Five Year Consolidated Plan	City of New Bern, NC	The FY 2021 Annual Action Plan adopts the goals of the FY 2019-2023 Five Year Consolidated Plan. The activities undertaken during this program year will fall under one of the goals outlined in the Five Year Consolidated Plan.
Greater Five Points Transformation Plan	City of New Bern Redevelopment Commission	They are incorporated in the Five Year Consolidated Plan and the Annual Action Plans.
The New Bern Gateway Renaissance Plan	City of New Bern Redevelopment Commission	They are incorporated in the Five Year Consolidated Plan and the Annual Action Plans.
Emergency Management Plan	Craven County Emergency Manager	They are incorporated in the Five Year Consolidated Plan and the Annual Action Plans.
State Broadband Plan	North Carolina Department of Information Technology	They are incorporated in the Five Year Consolidated Plan and the Annual Action Plans.

**Table 3 – Other local / regional / federal planning efforts**

**Narrative (optional)**

The City of New Bern's Department of Development Services' Economic and Community Development Office is the administrating agency for the CDBG program. Close coordination is maintained with other City departments such as the Public Works, Parks & Recreation, Public Utilities, Administration, Police and Fire Departments, the City of New Bern Housing Authority,

Twin Rivers Opportunities, Inc., and the City of New Bern Redevelopment Commission, as well as County departments such as the Eastern Carolina Council, Craven County Economic Development, Craven County Schools, and the North Carolina Balance of State Continuum of Care. Coordination with various non-profit organizations, such as the Coastal Women's Shelter, Religious Community Services of New Bern, Interfaith Refugee Ministries, and NCWorks helped aid the planning process and develop priorities. The City works closely with the Craven County Commissioners and County staff to address projects and activities that extend beyond the City limits. The City and the County agencies have a good working relationship.

**AP-12 Participation – 91.105, 91.200(c)****1. Summary of citizen participation process/Efforts made to broaden citizen participation****Summarize citizen participation process and how it impacted goal-setting**

This Annual Action Plan was developed in accordance with the City's Citizen Participation Plan. The City of New Bern advertised for a needs hearing in "The Sun Journal" on Thursday, February 18, 2021. On Monday, March 1, 2021 at 6:00 pm, the City of New Bern held both an in person and a virtual public needs hearing.

A "draft" of the FY 2021 Annual Action Plan was placed on public display on the City's website at ([https://www.newbernnc.gov/departments/development\\_services/index.php](https://www.newbernnc.gov/departments/development_services/index.php)). The display period started on Friday, April 9, 2021 and ended on Monday, May 10, 2021 for a 30-day display period. A second public hearing was held on Tuesday, April 27, 2021 at 6:00 PM to discuss the proposed activities and solicit resident comments. Upon completion of the public comment period, the City of New Bern submitted the FY 2021 Annual Action Plan to the U.S. Department of Housing and Urban Development Pittsburgh Office on or before Monday, May 17, 2021.

**Substantial Amendment # 1:**

The City put the "draft" FY 2021 Annual Action Plan – Substantial Amendment on public display on the City's website: at <http://www.newbern-nc.org> and at the following location during normal operational hours: Office of the Department of Development Services, 303 First Street, New Bern, NC 28560.

The display period started on Friday, October 27, 2023 and ending on Monday, December 11, 2023 for at least a 30-day display period. A public hearing was held on Tuesday, November 28, 2023 at 6:00 P.M. to discuss the proposed substantial amendment and solicit resident comments. Upon completion of the public comment period, the City of New Bern submitted the FY 2021 Annual Action Plan – Substantial Amendment to the U.S. Department of Housing and Urban Development Greensboro Office on or before Monday, December 18, 2023.

**Citizen Participation Outreach**

#	Mode of Outreach	Target of Outreach	Summary of Response / Attendance	Summary of Comments Received	Summary of Comments Not Accepted and Reasons	URL (If applicable)
1.	Newspaper Ad #1	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Agencies / Organizations	None.	None.	None.	Not Applicable.
2.	Public Meeting #1	Minorities Persons with disabilities Non-targeted /broad community Residents of Public and Assisted Housing Agencies / Organizations	The City held a public needs hearing on Monday, March 1, 2021 at 6:00 pm. There was a total of five (5) attendees in addition to the two (2) City staff members. See meeting summary comments, the sign-in sheets, and agendas for the Public Hearings in the Exhibit Section.	See the Public Hearing comments in the Exhibit section of the FY 2021 Annual Action Plan.	All comments were accepted.	Not Applicable.
3.	Internet Outreach	Minorities Persons with disabilities Non-targeted /broad community Residents of Public and	None.	None.	None.	<a href="https://www.newbernnc.gov/departments/development/services/index.php">https://www.newbernnc.gov/departments/development/services/index.php</a>



#	Mode of Outreach	Target of Outreach	Summary of Response / Attendance	Summary of Comments Received	Summary of Comments Not Accepted and Reasons	URL (If applicable)
		Assisted Housing Agencies / Organizations				
4.	Newspaper Ad #2	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Agencies / Organizations	None.	None.	None.	Not Applicable.
5.	Public Hearing #2	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Social Services and Housing Agencies	The City held its Second Public Hearing on Tuesday, April 27, 2021 at 6:00 pm to discuss the Draft FY 2021 Annual Action Plan.	See the Second Public Hearing comments in the Appendix section of the FY 2021 Annual Action Plan.	None.	<a href="https://www.newbernnc.gov/departments/development_services/index.php">https://www.newbernnc.gov/departments/development_services/index.php</a>
6.	Substantial Amendment # 1 - Newspaper Ad	Minorities Persons with disabilities	On Thursday, October 26, 2023, the City of New Bern published the Substantial	None.	None.	Not Applicable.

#	Mode of Outreach	Target of Outreach	Summary of Response / Attendance	Summary of Comments Received	Summary of Comments Not Accepted and Reasons	URL (If applicable)
		Non-targeted/broad community Residents of Public and Assisted Housing Agencies/Organizations	Amendment Public Hearing Notice in the newspaper.			
7.	Substantial Amendment # 1 - Public Meeting	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Agencies/Organizations	The Substantial Amendment Public Meeting was held on Tuesday, November 28, 2023 at 6:00 PM to discuss the Substantial Amendment for the City.	Meeting minutes can be found in the appendix section of this Annual Action Plan – Substantial Amendment.	All comments were accepted.	Not Applicable.
8.	Substantial Amendment # 1 - Internet Outreach	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	None.	None.	None.	<a href="http://www.newbern-nc.org">http://www.newbern-nc.org</a>

Table 4 – Citizen Participation Outreach

## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

The following financial resources are identified for the FY 2021 Annual Action Plan to address the priority needs and goals/strategies identified in the City of New Bern's FY 2019-2023 Five-Year Consolidated Plan.

The City of New Bern is receiving \$268,768 in CDBG funds for the FY 2021 program year. The program year goes from July 1, 2021 through June 30, 2022. These funds will be used to address the following strategies:

- Housing Strategy;
- Community Development Strategy; and
- Administration, Planning, and Management Strategy

The accomplishments of these projects/activities will be reported in the FY 2021 Consolidated Annual Performance and Evaluation Report (CAPER).

**Anticipated Resources**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
<b>CDBG</b>	public – federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$268,768.00	\$0.00	\$0.00	<b>\$268,768.00</b>	\$534,756.00	Three (3) projects/activities were funded based on the FY 2021 CDBG allocation.

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

In addition to the entitlement funds, the City of New Bern anticipates the following Federal resources may be available to local non-profit organizations to undertake the housing strategies identified in the Five Year Consolidated Plan.

- Supportive Housing Program
- Low-Income Housing Tax Credit Program (LIHTC)
- Section 8 Rental Assistance Program
- Public Housing Capital Fund Program
- Rental Assistance Demonstration (RAD)

Private and non-Federal resources that may be available to the City of New Bern in FY 2021 to address needs identified in the FY 2019-2023 Five Year Consolidated Plan are listed below.

- **EDA Workforce Development Grant** – The United States Economic Development Administration fields a competitive application for workforce development funding.
- **Golden LEAF Funding** – This North Carolina grant supports workforce development in rural areas of the state of North Carolina that were once dependent on agriculture and tobacco farming.
- **Tobacco Trust Fund Grant** – The North Carolina Tobacco Trust Fund (NCTTFC) was created to assist current and former tobacco farmers, former quota holders, persons engaged in tobacco-related business, and individuals displaced from tobacco-related employment that were affected by the major tobacco settlement in 1998. These funds are used for projects that support employment for these groups.
- **Federal Home Loan Bank Affordable Housing Program (AHP)** – Congress has mandated that ten (10%) of the Federal Home Loan Bank's profits be allocated to provide affordable housing. The FHLB encourages its members to work with public agencies and non-profit housing development organizations in creating highly leveraged affordable housing initiatives. Both sales and rental housing are eligible.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The City of New Bern owns 118 vacant lots in the Greater Five Points Area. The City intends to build affordable housing on these lots. The lots are scattered throughout the Area. Some are buildable and meet the zoning requirements, others are not and will be transferred by sale or donation to adjacent property owners.

**Discussion**

Not Applicable.



## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1.	HSS-1 Homeownership	2019	2023	Affordable Housing	Greater Five Points Low- and Moderate-Income Areas	Housing	CDBG: \$125,000	Homeowner Housing Added: 1 Household Housing Unit
2.	CDS-1 Infrastructure	2019	2023	Non-Housing Community Development	Greater Five Points Low- and Moderate-Income Areas	Community Development	CDBG: \$90,015	Other: 1 Other
3.	APM-1 Overall Coordination	2019	2023	Administration	Greater Five Points Low- and Moderate-Income Areas	Administration, Planning, and Management	CDBG: \$53,753	Other: 1 Other

Table 5 – Goals Summary

**Goal Descriptions**

<b>1. Goal Name</b>	<b>HSS-1 Homeownership</b>
<b>Goal Description</b>	Promote and assist in developing homeownership opportunities for low- and moderate-income persons & families.
<b>2. Goal Name</b>	<b>CDS-1 Infrastructure</b>
<b>Goal Description</b>	Improve the City's infrastructure through reconstruction and new construction of streets, walks, curbs, ADA ramps, retaining walls, sewer, water, storm water management, bridges, bike trails, green infrastructure, etc.
<b>3. Goal Name</b>	<b>APM-1 Overall Coordination</b>
<b>Goal Description</b>	Provide program management and oversight for the successful administration of Federal, state, and local funded programs, including planning services for special studies, environmental clearance, fair housing, performance evaluation, monitoring; and compliance with all Federal, state, and local laws and regulations.

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):**

The City of New Bern will utilize its FY 2021 CDBG funds to assist the following households:

- **Median Income** – 1 household
- **Low Income** – 0 household
- **Extremely Low Income** – 0 household

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

The FY 2021 Annual Action Plan outlines the needs, resources, priorities and proposed activities of the City of New Bern to be undertaken with the FY 2021 Community Development Block Grant (CDBG). The City of New Bern has participated in CDBG as an Entitlement recipient since 2014.

The City's Development Services Department is the Lead Agency that maintains and administers New Bern CDBG funds and responsibilities, including completion of the Annual Action Plan. The planning process actively encouraged participation of City housing and community service organizations, including the Housing Authority of the City of New Bern, Twin Rivers Opportunities, Inc., affordable housing providers, service agencies that assist the low- and moderate-income and principally low- and moderate-income clientele, advocates, and others.

The City of New Bern encourages citizens to provide input and participate in planning, implementation and assessment of the CDBG program. The FY 2021 Annual Action Plan was developed through public hearings, the use of existing data from previously approved plans and studies, consultation with local non-profit agencies, and discussions with other City of New Bern departments. For-profit, non-profit, community and faith-based organizations were engaged throughout the year to assess City needs and priorities.

The City of New Bern proposes to undertake the following activities with FY 2021 CDBG funds:

#### Projects

#	Project Name
1.	Administration
2.	Housing Rehabilitation in the Five Points Area
3.	Duffyfield Stormwater Project

Table 6 - Project Information

#### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City of New Bern has allocated its CDBG funds based on principally benefiting Low/Mod income persons; or an activity in which predominantly low- and moderate-income areas or which has a presumed benefit; or an activity with an income requirement of low- and moderate-income persons. All allocated

funding has been utilized in a timely manner and within budget.

Many of the obstacles to addressing underserved needs are outside of the City's control. The largest obstacle is the lack of local, state, and federal resources available to the City of New Bern to adequately address these needs. This reduction in funds, combined with increasing numbers of individuals in need of housing, social service, homeless, or infrastructure support, unfortunately means that the City of New Bern is at a disadvantage in addressing underserved needs in the community. However, the City of New Bern maintains close cooperation with the County, the Housing Authority, housing providers, economic development agencies, and social service providers, to address any underserved needs in the City.

The proposed activities and projects for FY 2021 are located in areas of the City with the highest percentages of low- and moderate-income persons, and those block groups with a higher than average percentage of minority persons. The following census tracts and block groups have at least 51% of the households with low- and moderate-incomes:

- C.T. 9605, B.G. 2
- C.T. 9606, B.G. 4
- C.T. 9608, B.G. 1
- C.T. 9608, B.G. 2
- C.T. 9608, B.G. 3
- C.T. 9608, B.G. 4
- C.T. 9609, B.G. 2

## AP-38 Project Summary

### Introduction

The City of New Bern proposes to undertake the following activities with the FY 2021 CDBG funds:

### Project Summary Information

1.	<b>Project Name</b>	<b>Administration</b>
	<b>Target Area</b>	Low- and Moderate-Income Areas; Greater Five Points
	<b>Goals Supported</b>	APM-1 Overall Coordination
	<b>Needs Addressed</b>	Administration, Planning, and Management Priority
	<b>Funding</b>	CDBG: \$53,753.00
	<b>Description</b>	Overall program administration of the CDBG Programs, including: staff salaries, wages, and benefits; related costs to administer the programs including supplies, materials, mailings, duplications, etc.; monitoring and oversight; advertising and public hearing costs; market studies; planning activities and the preparation of the Annual Action Plan, Environmental Review Record, Consolidated Annual Performance and Evaluation Report, Fair Housing, etc.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1 Organization
	<b>Location Description</b>	Citywide
2.	<b>Planned Activities</b>	The Matrix Code is 21A General Program Administration.
	<b>Project Name</b>	<b>Housing Rehabilitation in the Five Points Area</b>
	<b>Target Area</b>	Greater Five Points
	<b>Goals Supported</b>	HSS-1 Homeownership
	<b>Needs Addressed</b>	Housing Priority
	<b>Funding</b>	CDBG: \$125,000.00
	<b>Description</b>	This is Year 2 of a multi-year activity. Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity.



3.	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1 Household Housing Unit
	<b>Location Description</b>	Greater Five Points Neighborhood
	<b>Planned Activities</b>	The National Objective is Low/Mod Housing Benefit (LMH). The HUD Matrix Code is 14A Rehabilitation; Single-Unit Residential.
	<b>Project Name</b>	<b>Duffyfield Stormwater Project</b>
	<b>Target Area</b>	Greater Five Points
	<b>Goals Supported</b>	CDS-1 Infrastructure
	<b>Needs Addressed</b>	Community Development Priority
	<b>Funding</b>	CDBG: \$90,015.00
	<b>Description</b>	This is Year 2 of a multi-year activity. CDBG Funds will be used for the design of Phases 2, 3 & 4 including construction drawings, permitting, and bidding. Phase 2 work also includes the acquisition of 2 parcels along Biddle Street and the excavation of a new linear wetland system. (Multi-year Activity)
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1 Other
	<b>Location Description</b>	Duffyfield Neighborhood, City Block bounded by Biddle Street, East Street, F Street, and Railroad; City Block bounded by B Street, F Street, and Railroad; City Block bounded by Biddle Street, F Street, Fowlers Lane, and G Street; City Block bounded by Fowlers Lane, F Street, K Street, and G Street; City Block bounded by F Street, Murry Street, Sampson Street, Bloomfield Street, and K Street.
	<b>Planned Activities</b>	The National Objective is Low/Mod Area Benefit (LMA). The HUD Matrix Code is 03I Flood Drainage Improvements.

Table 7 – Project Summary

## **AP-50 Geographic Distribution – 91.220(f)**

*Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed*

The following information provides a profile of the population, age, and racial/ethnic composition of the City of New Bern. This information was obtained from the U.S. Census Bureau American Factfinder website, <http://data.census.gov>. The 2015-2019 American Community Survey 5-Year Estimates were used to analyze the social, economic, housing, and general demographic characteristics of the City of New Bern. The 5-year estimates are the most recent data available for the City. The 2005-2010 ACS data is included when necessary.

### **Population**

Key points are:

- Between 1990 and 2010, the population increased by approximately 43.6%
- The City population was 28,073 in the 2005-2010 ACS
- The City's population was 29,895 in 2019 according to the 2015-2019 ACS (a 6.5% increase)
- Population changes due to Hurricane Florence have not yet been recorded in the Census

### **Age**

Key points are:

- Median age in New Bern is 40.4 years of age
- Youth under age 18 account for 20.8% of the total population

### **Race/Ethnicity**

Composition from the 2015-2019 American Community Survey:

- 58.9% of population is White
- 30.4% of population is Black or African American
- 5.9% of population is Asian
- 2.8% of population is Two or More Races
- 8.0% is Hispanic or Latino

### **Income Profile**

The current Median Income for a family of four (4) in the City of Craven County, North Carolina Metropolitan Statistical Area (MSA) is \$66,200 according to HUD's FY 2020 Income Limits. The following is a summary of income statistics for the City of New Bern:

- At the time of the 2015-2019 American Community Survey, the median household income in the City of New Bern was \$43,204 which was lower than the State of North Carolina (\$54,602).

- 39.1% of households have earnings received from Social Security income.
- 26.9% of households have earnings, received from retirement income.
- 8.1% of households have earnings received from public assistance.
- 43.9% of female-headed households with children were living in poverty.
- 35.0% of all youth under 18 years of age were living in poverty.

### **Low/Mod Income Profile**

The low- and moderate-income profile for City of New Bern is a measurement of the area's needs. The City of New Bern has an overall low- and moderate-income percentage of 40.66%.

### **Economic Profile**

The following illustrates the economic profile for the City of New Bern as of the 2015-2019 American Community Survey:

- 32.6% of the employed civilian population had occupations classified as management, business, science and arts.
- 20.3% of the employed civilian population had occupations classified as sales and office.
- 24.6% were in the service sector.
- Natural resources, construction, maintenance, production, transportation and material moving occupations represented 22.4% of those employed.
- 18.0% of workers were considered in the government class of employment.

According to the U.S. Labor Department, the preliminary unemployment rate for the City of New Bern in January of 2021 was 6.4%. New Bern's unemployment rate was higher than the January of 2021 rates of the State of North Carolina (5.9%) and the national percentage of 6.3%.

### **Geographic Distribution**

Target Area	Percentage of Funds
Low- and Moderate-Income Areas	20%
Greater Five Points	80%

**Table 8 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

The proposed activities and projects for FY 2021 are located in areas of the City with the highest percentages of low- and moderate-income persons, and those block groups with a higher than average percentage of minority persons. The following census tracts and block groups have at least 51% of the households with low- and moderate-incomes:

- C.T. 9605, B.G. 2

- C.T. 9606, B.G. 4
- C.T. 9608, B.G. 1
- C.T. 9608, B.G. 2
- C.T. 9608, B.G. 3
- C.T. 9608, B.G. 4
- C.T. 9609, B.G. 2

The total amount of FY 2021 CDBG funds available is \$268,768 of which 20.0% (\$53,753) is for administration and 80.0% (\$215,015) is allocated for project activities. Of the \$268,768 allocated for project activities, all of it is allocated to projects that will benefit low- and moderate-income persons giving the City a 100% low- and moderate-income benefit percentage for FY 2021.

### Discussion

The geographic locations and the public benefit for the FY 2021 CDBG Activities are as follows:

- **Administration** – 303 First Street, New Bern, NC 28560
- **Housing Rehabilitation in the Five Points Area** – Greater Five Points Neighborhood, New Bern, NC 28562 – Low/Mod Income Housing Benefit (LMH)
- **Duffyfield Stormwater Project** – Duffyfield Neighborhood, City Block bounded by Biddle Street, East Street, F Street, and Railroad; City Block bounded by B Street, F Street, and Railroad; City Block bounded by Biddle Street, F Street, Fowlers Lane, and G Street; City Block bounded by Fowlers Lane, F Street, K Street, and G Street; City Block bounded by F Street, Murry Street, Sampson Street, Bloomfield Street, and K Street, New Bern, NC 28560 – Low/Mod Income Area Benefit (LMA)

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

The City of New Bern is utilizing its CDBG funds to support the following housing activities during this program year:

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	1
Special-Needs	0
<b>Total:</b>	<b>1</b>

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	1
Acquisition of Existing Units	0
<b>Total:</b>	<b>1</b>

Table 10 - One Year Goals for Affordable Housing by Support Type

#### Discussion

The City of New Bern will fund the following projects with FY 2021 CDBG funds:

- CD-21-02 Housing Rehabilitation in the Five Points Area** - This is Year 2 of a multi-year activity. Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity. (1 Household Housing Unit)



## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The Housing Authority of the City of New Bern's mission is:

- Providing affordable housing opportunities in a safe environment
- Revitalizing and maintaining neighborhoods
- Providing opportunities for low and moderate-income homeownership
- Forming effective partnerships to maximize housing, social, and economic opportunities
- Continuing its partnership with the City of New Bern for the revitalization of communities
- Pursuing funding for the development of affordable housing for the residents of New Bern

The Housing Authority of the City of New Bern is not rated as a "troubled" agency by HUD.

The Housing Authority of the City of New Bern owns and professionally manages family communities and elderly/disabled rental apartments. NBHA had one (1) public housing development: Trent Court. NBHA had also previously owned a second property: Craven Terrace. This property was sold. Before Hurricane Florence hit the City, NBHA had a total of 218 public housing units, with 11 accessible units. After Hurricane Florence caused flooding in many of the units in Trent Court, the Housing Authority was left with 110 units, of which 4 are accessible. NBHA also owns and manages Section 8 Housing for elderly residents in New Bern Towers. There are 106 units in New Bern Towers. There are currently 72 persons on the public housing waiting list, and the waiting list remains open.

Twin Rivers Opportunities, Inc. assists families who wish to live in privately owned housing and receive rental subsidy through the Housing Choice Voucher Program instead of NBHA. Twin Rivers Opportunities, Inc. administers 998 as of April 1, 2021, 38 of which are for residents that were displaced from Trent Court. There are currently 1,100 households on the waiting list for Housing Choice Vouchers and the waiting list is open.

### **Actions planned during the next year to address the needs to public housing**

During this program year the Housing Authority will continue to maintain its 110 units. The Housing Authority is continuing to look for more buildable sites for affordable housing and to continue to promote its self-sufficiency programming for its residents.

The Housing Authority was awarded a LIHTC to construct new affordable housing which will have units dedicated to persons displaced from Trent Court on Carolina Avenue. The project will entail the construction of 84 new units. It is estimated that the project will be completed by November 16, 2021.

**Actions to encourage public housing residents to become more involved in management and participate in homeownership**

According to the Annual Plan for 2021, NBHA's progress in meeting their mission and goals states that NBHA set the goal of cooperating with the City of New Bern and other neighborhood partners to promote neighborhood revitalization and economic development in designated areas of the City, as evidenced by the resident input in the development of the Gateway Renaissance Plan and Greater Five Points Transformation Plan. New Bern Towers has an active resident council that expresses needs for both the New Bern Towers community and the public housing under the Housing Authority of the City of New Bern as a whole. Trent Court formerly had an active resident council, but Hurricane Florence caused the council to disband, and the residents of Trent Court have struggled to restore it. The Housing Authority of the City of New Bern was awarded LIHTC funds to provide housing for those displaced by Trent Court on Carolina Avenue, which will be an improvement over the living conditions in those apartments once completed.

The Housing Authority of the City of New Bern does not support any homeownership initiatives. NBHA previously held homeownership classes in Trent Court and Craven Terrace, and these classes had active participation. However, these classes have ceased since Craven Terrace was sold.

Twin Rivers Opportunities, Inc. runs the Family Self-Sufficiency (FSS) Program. The program gives Section 8 voucher holders the opportunity to set and reach goals that they set for themselves and their families, as well as save a significant amount of money. Section 8 voucher holders may also use their vouchers to realize the American dream of becoming a homeowner. Both of these opportunities are available to Section 8 holders who choose to become participants in Section 8's Family Self-Sufficiency Program. There are two parts to the program. The first part of the program is the Self-Sufficiency program where participants have the opportunity to work towards and meet goals that they set for their families as well as save money that will become theirs when they have completed their goals. The second part of the program is the Homeownership Program. In this part of the program, a Section 8 participant can choose to use his or her Section 8 voucher to assist with the purchase and payment of a home.

**If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

The Housing Authority of the City of New Bern is not designated as a troubled housing authority.

**Discussion**

The Housing Authority of the City of New Bern is continuing to meet its goals by securing funding through RAD and CNI for the revitalization of the Greater Five Points area. The Housing Authority will also continue to apply for funding for additional affordable housing.

Trent Court, one the Housing Authority's public housing communities, was severely affected by Hurricane Florence. The residents displaced by the Hurricane have been given Section 8 Housing Choice Vouchers. Twin Rivers Opportunities, Inc., will ensure the placement of these residents.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

The North Carolina Coalition to End Homelessness is collaborative applicant for the North Carolina Balance of State Continuum of Care. The 79 counties covered by the Continuum of Care are divided into 13 regions. The City of New Bern falls under the purview of Region 13 of the CoC, which is known as the Housing Alliance of Coastal Carolina (HACC) and includes Carteret, Craven, Jones, Onslow, and Pamlico Counties.

The leadership of Region 13 is responsible for acting as a member of the Balance of State CoC Steering Committee, the Coordinated Entry lead for the Region, the Point-in-Time and Housing Inventory Count lead for the region, and reviewing projects and processing state ESG grants for the regional geography.

The City of New Bern works closely with the homeless service providers within the City to identify and resolve issues of homelessness within the community. The Department of Development Services partners with statewide entities, as well as the local service providers including Religious Community Services, Coastal Women's Shelter, and Reviving Lives Ministries.

The 2020 Point-In-Time Count revealed that 21 homeless individuals resided in Craven County. There was no data available for the City of New Bern specifically. All 21 of the homeless persons counted were recorded in Emergency Shelter. The 2021 Point-In-Time Count is still be tabulated.

The following shelters were open in the City of New Bern during FY 2021.

- Religious Community Services - Emergency Crisis Shelter
- Religious Community Services - Families in Transition
- Religious Community Services - Veterans Transition Shelter
- Women's Coastal Shelter - Domestic Violence Shelter
- Reviving Lives Ministries - Addiction Recover Shelter

The FY 2021 CoC awards have not yet been announced.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including: Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The Point In Time Count for Craven County in 2020 counted a total of 21 homeless persons and 18 homeless households. Of these, only 0 persons were unsheltered. There were no persons in transitional housing, and 21 persons that were housed in emergency shelter. There was one (1) homeless family with children, and no chronically homeless families with children. There was one (1) unaccompanied youth that were homeless in 2020. Of the 21 homeless people counted, nine (42.9%) were considered chronically homeless. There were two (2) homeless Veterans, and two (2) of the homeless Veterans was considered

chronically homeless. This indicates a need for greater outreach and shelter/housing options for these special needs groups.

**Families with children** – The Point In Time count for 2017 counted 4 homeless households with children in Craven County, for a total of 15 persons. Numbers were lower in 2018 at 4 homeless households and 9 persons. County breakdowns were unavailable for 2019. In 2020, there was 1 homeless household with 3 persons.

**Veterans and their families** – There are large numbers of Veterans and support systems because of the nearby military base in Havelock. The NCWorks Career Center works both employment and housing issues for homeless Veterans. Homeless Veterans often require additional services, with mental health services being the most commonly cited need. The number of homeless Veterans in Craven County has decreased from 4 in 2017, to 4 in 2018, and 2 in 2020. County breakdowns were unavailable for 2019.

**Unaccompanied youth** – Teens aging out of foster care, and young adults in the 18-24 transition stage can be hard to locate. Many of them are staying with friends and family temporarily and are technically homeless. Unaccompanied youth may also move between different shelters. There were 2 unaccompanied youth counted in the 2017 Point In Time count, 5 unaccompanied youth counted in 2018, and 1 unaccompanied youth counted in 2020 for Craven County. County breakdowns were unavailable for 2019.

According to the NC Balance of State CoC Application for 2019, the CoC restructured its board to greater represent the diverse groups that make up the homeless population. The CoC utilizes Coordinated Entry to track the various subpopulations and divides them up into 13 local referral zones across the 79 counties that the CoC serves. Much of the area served by the CoC is rural, and the CoC creates advertisements and hotlines to target these subpopulations and allow them to access the Coordinated Entry process.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The 2020 Point In Time Count saw a return to typical levels for homelessness in Craven County following Hurricane Florence. Though many of the barriers to emergency housing in the City of New Bern and Craven County had been removed in response to Hurricane Florence, it remains a challenge to rapidly re-house families. The Point In Time count for 2016 counted 3 homeless households with children in Craven County, for a total of 8 persons. There were 4 homeless households with children in Craven County, for a total of 15 persons. Numbers were lower in 2018 at 4 homeless households and 9 persons. County breakdowns were unavailable for 2019. In 2020, there was 1 homeless household with 3 persons. There were 21 homeless persons counted overall, and all 21 homeless persons counted were in emergency shelters.

Religious Community Services provides much of the shelter space for individuals and families in the County while also partnering with Craven Community College for job training and Craven-Pamlico Re-Entry to assist ex-offenders with housing, transportation, and vocational skills. NCWorks provides job training and assists in housing homeless veterans. Coastal Women's Shelter partners with local landlords to provide stable housing and keep children of families experiencing domestic violence in the same schools to assist



these children in maintaining stability. Crossroads is the major mental health provider in the area, but the need for mental health care far surpasses the amount of assistance that Crossroads can provide. Religious Community Services has the following emergency shelter beds for homeless populations:

- **Homeless Families** – 4 beds
- **Homeless Women** – 6 beds
- **Homeless Veterans** – 5 beds

The Coastal Women's Shelter prioritizes providing safe, affordable housing for victims of domestic violence. The shelter has 19 total beds, 3 of which are infant cribs. The Coastal Women's Shelter will work with trusted landlords to place people in housing, but there is a shortage of trusted landlords.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The North Carolina Balance of State CoC's written standards focus on a Housing First model and follow the best practices of that model. The written standards utilize several strategies to increase the number of people who exist Emergency Shelter, Transitional Housing, and Rapid Re-housing to Permanent Housing destinations. Evaluations of these standards will be based on the length-of-time homeless of an individual or family in Emergency Shelter, Transitional Housing, or Rapid Re-Housing. The CoC will seek to make progress on the turnover rate of individuals and families, the targeting of individuals and families based on risk, and the number of positive exits into Permanent Housing.

The CoC Steering Committee has approved written standards that conform to best practices for Street Outreach, Emergency Shelter, Transitional Housing, Prevention and Rapid Rehousing, Permanent Supportive Housing, and Coordinated Entry Programs on September 6, 2016. There are additional policies for follow-ups to those that have exited Rapid Re-Housing, Anti-Discrimination, and Emergency Transfers based on the Violence Against Women Act (VAWA). The Balance of State CoC provides additional guidance to rural Continuums of Care.

The number of homeless Veterans in Craven County has decreased from 11 in 2016, to 4 in 2017, and 2 in 2020. In addition to housing, there is a need for wrap around services for veterans. These services largely include mental health care and recovery systems for those with addictions. There are a number of instances of PTSD in the area due to the presence of the military base. Crossroads provides addiction counseling for Veterans, but they are limited to three (3) day emergency shelter stays. Volunteers will transport Veterans with addictions to Crossroads for these services. Twin Rivers Opportunities, Inc. recently received 10 VASH vouchers for Veterans. Of these, 2 are being utilized to house families, and 8



are committed to families but available units have not yet been found.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

Discharge policies at local hospitals are designed to prevent those leaving the hospitals from being referred to Religious Community Services. Religious Community Services supports homeless in the community through operating emergency shelters and food and clothing services for those in need. By providing other supportive services, Religious Community Services intends to assist people who may be extremely low income and help feed and clothe them so that other family income may go to rent.

Local services such as Craven-Pamlico Re-Entry Council, Children's Developmental Services Agency, and Carolina East Health work with various populations that are at-risk of becoming homeless. Wraparound services are necessary to prevent homelessness and encourage self-sufficiency. Discharge policies are also put in place to direct low-income individuals who are at risk of homelessness to services that may assist them. There is a need for additional caseworkers to expand these services.

## **Discussion**

Not Applicable.

**AP-75 Barriers to affordable housing – 91.220(j)****Introduction:**

Eastern North Carolina lags behind the urban centers of the state economically. As a result, low- and moderate-income people have less income, and housing affordability is a greater issue in the area for all residents. Residents in protected classes can face even more housing affordability challenges, particularly when they cannot prove discrimination.

The most common fair housing complaint in the City of New Bern, as is the case nationally, is on the basis of disability. In Eastern North Carolina, there have been multiple instances of residents that faced evictions because landlords were unwilling to provide reasonable accommodations.

Transportation is a common barrier to affordable housing in the area. The local public transit system is unreliable. To access services and employment, residents must live near service providers and employers.

One of the major barriers to affordable housing in the City of New Bern is that cases go largely unreported. Though there are likely more instances of discrimination in the area, very few complaints are filed and little data is available on the types of complaints.

Hurricane Florence has also affected access to fair housing in the region. Many affordable housing units were destroyed in the Hurricane. This has resulted in the relocation of low- and moderate-income people. Following these relocations, people often find themselves farther away from the services.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

The City of New Bern intends to address housing affordability issues with the construction of new affordable housing. New construction will increase the supply for housing for low- and moderate-income persons. Additional units will also be targeted to housing those displaced by Hurricane Florence.

The Housing Authority of the City of New Bern provides reasonable accommodations for its residents upon request. There is a need for additional accessibility improvements, which the City will undertake over the course of the Five Year Consolidated Plan.

The City of New Bern is going to continue to partner with CARTS, the local transit agency, to improve services and transit-related infrastructure. CARTS has adopted a strategic transit plan to increase ridership, which the City will support with supplemental infrastructure projects.

To address the issue of unreported complaints, the City will conduct education and outreach on fair housing so that residents can know their rights and be aware of the instances when those rights are violated.

**Discussion:**

The City of New Bern proposes to undertake the following activities during the FY 2021 Program Year to affirmatively further fair housing:

- **CD-21-02 Housing Rehabilitation** - This is Year 2 of a multi-year activity. Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity.
- The City of New Bern will continue to work with the New Bern Housing Authority and Twin River Opportunities, Inc. to address issues of accessible housing.
- The City continues to work with Twin Rivers Opportunities, Inc. to mitigate the concentration of minority households and Section 8 Voucher holders.
- The City of New Bern continues to collaborate with Twin Rivers Opportunities, Inc. to implement strategies to provide consistent communication about the Section 8 Housing Choice Voucher program.
- The City of New Bern will partner with local agencies and groups to raise Fair Housing awareness and conduct fair housing trainings. Past groups that have conducted trainings include Legal Aid of North Carolina and the North Carolina Housing Coalition.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

The City of New Bern has developed the following actions which address the obstacles to meeting underserved needs, fosters affordable housing, reduces lead-based paint hazards, reduces the number of families living in poverty, develops institutional structures, and enhances coordination between public and private housing and social service agencies.

### **Actions planned to address obstacles to meeting underserved needs**

Despite efforts made by the City of New Bern and social service providers, a number of significant obstacles remain to meeting underserved needs. With funding resources being scarce, funding becomes the greatest obstacle for the City of New Bern to meet its underserved needs. Insufficient funding lessens the ability to fund many worthwhile public service programs, activities, and agencies. Through its planning efforts, the City will use its limited resources to address the City of New Bern's greatest needs and improve the quality of life for its residents. The following obstacles need to be overcome in order to meet underserved needs:

- Lack of decent, safe, sound, and affordable owner and renter housing.
- High cost of construction and rehabilitation work, exacerbated by Hurricane Florence.
- Aging in place population who need accessibility improvements.
- Need major rehabilitation of the City's aging housing stock.
- The increasing number of vacant and abandoned properties, exacerbated by Hurricane Florence.
- Low wages in the service and retail sector job market.
- Displaced residents from Hurricane Florence.
- Continued social pressures due to the recovery from Hurricane Florence.

### **Actions planned to foster and maintain affordable housing**

To foster and maintain affordable housing, the City proposes the following Five-Year Goals and Strategies:

- **HSS-1 Homeownership** - Promote and assist in developing homeownership opportunities for low- and moderate-income persons & families.
- **HSS-2 Housing Construction** - Promote and assist in the development of affordable housing, both rental and sales housing.
- **HSS-3 Housing Rehabilitation** - Promote and assist in the preservation of existing owner and renter occupied housing stock in the City.
- **HSS-4 Fair Housing** - Affirmatively further fair housing by promoting fair housing choice throughout the City of New Bern.

The City will partner with the Housing Authority of the City of New Bern, Twin Rivers Opportunities, Inc. and other fair housing agencies to promote fair housing in the city, through fair housing trainings, education, and promotions.

The City of New Bern will continue to work with the City's Human Rights Commission during this program year to again provide education and outreach.

### **Actions planned to reduce lead-based paint hazards**

According to the 2015-2019 American Community Survey, 35.9% of the housing units in the City of New Bern were built before 1980 and are therefore at risk for containing lead-based paint. According to the North Carolina Department of Health and Human Services' 2018 Lead Surveillance Report, 2,238 children (ages birth-6 years) were tested in Craven County for elevated blood lead levels. Of those tested, five (5) had a blood lead level of 5-9 µg/dL or greater. With 0.2% of children tested having blood lead levels greater than 5 µg/dL, Craven County compares favorably to the rest of North Carolina, which averages 0.4% of children tested having blood lead levels greater than 5 µg/dL.

The revised Federal Lead-Based Paint Regulations published on September 15, 1999 (24 CFR Part 35) have had a significant impact on many activities – rehabilitation, tenant based rental assistance, and property acquisition – supported by the CDBG program. The City of New Bern will comply with Title 24, Part 35: Lead-Based Paint Poisoning Prevention in Certain Residential Structures (Current Rule).

The City of New Bern reviewed the Blood Lead Level Screening Plan provided through the North Carolina Department of Health and Human Services – North Carolina Childhood Lead Poisoning Prevention Program (CLPPP). Additionally, the City reviewed the Blood Lead Level testing data provided through the Center for Disease Control and Prevention – Childhood Lead Poisoning Prevention Program.

If the City of New Bern will ensure that the following will be done in conjunction with its Housing Rehabilitation activities:

- Applicants for rehabilitation funding receive the required lead-based paint information and understand their responsibilities.
- Staff properly determines whether proposed projects are exempt from some or all lead-based paint requirements.
- The level of federal rehabilitation assistance is properly calculated and the applicable lead-based paint requirements determined.
- Properly qualified personnel perform risk management, paint testing, lead hazard reduction, and clearance services when required.
- Required lead hazard reduction work and protective measures are incorporated into project rehabilitation specifications.
- Risk assessment, paint testing, lead hazard reduction, and clearance work are performed in accordance with the applicable standards established in 24 CFR Part 35.



- Required notices regarding lead-based paint evaluation, presumption, and hazard reduction are provided to occupants and documented.
- Program documents establish the rental property owner's responsibility to perform and document ongoing lead-based paint maintenance activities, when applicable.
- Program staff monitors owner compliance with ongoing lead-based paint maintenance activities, when applicable.

In addition, in conjunction with its Housing Rehabilitation activities, the City will to ensure that:

- Applicants for rehabilitation funding receive the required lead-based paint information and understand their responsibilities.
- Staff properly determines whether proposed projects are exempt from some or all lead-based paint safety requirements.
- The level of federal rehabilitation assistance is properly calculated and the applicable lead-based paint requirements determined.

### **Actions planned to reduce the number of poverty-level families**

According to the 2015-2019 American Community Survey, 18.7% of all people in the City of New Bern have incomes below the poverty level. Additionally, 43.9% of female headed households with children with no husband present live in poverty. Individuals living on the threshold of poverty were faced with a collection of obstacles that prevent them from escaping their situation. Some may need adequate affordable housing, job skills training, day care for children, treatment for medical or substance abuse issues or they may be children and adults with educational needs.

The City allocates its Community Development Block Grant program to improve the living environments of low to moderate-income persons, specifically improving the lives of low- to moderate-income youth in order to break the cycle of poverty.

During this program year, the City of New Bern will fund the following activities to address the needs of individuals and households who live in poverty:

- **CD-21-02 Housing Rehabilitation** - This is Year 2 of a multi-year activity. The City Redevelopment Commission is purchasing an existing vacant residence. The house will be moved to a new site on a residential street. The house will be rehabilitated and brought up to code standards. It will be a rental property owned by the Redevelopment Commission. (Multi-year activity).

### **Actions planned to develop institutional structure**

The City of New Bern works with the following agencies to enhance coordination:

- **City of New Bern – Development Services** - oversees the CDBG program.
- **Housing Authority of the City of New Bern** - oversees the improvements to public housing communities.

- **Twin Rivers Opportunities, Inc.** - oversees the Section 8 Housing Choice Voucher Program and the development of scattered site affordable housing.
- **Social Services Agencies** - the City provides funds to address the needs of low- and moderate-income persons.
- **Housing Providers** - the City provides funds to rehabilitate and develop affordable housing for low- and moderate-income families and individuals.
- **North Carolina Balance of State CoC** - oversees the Continuum of Care Network for 79 counties including Craven County. For planning purposes, the CoC is divided into thirteen (13) regions. Craven County is located in Region 13.

As part of the CDBG application planning process, local agencies, and organization are invited to submit proposals for CDBG funds for eligible activities.

The Development Services Department continues to look for gaps in the institutional structure. Maintaining and enhancing communication amongst all community and economic development stakeholders, is essential in addressing the needs identified in the City of New Bern's Five-Year Consolidated Plan.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

**Public Institutions:** The City will act as a clearinghouse and facilitator for many of the activities described in the annual action plan. As the local unit of government, the City is empowered to apply for and administer certain types of grants. Support from the City, expressed as a certification of consistency or some other instrument, may be all that is required for some activities. Other activities will involve the more direct participation of the City for funding, acquisition of land or buildings, or in convening meetings of various agencies to iron out differences or strategies on how to seize opportunities. The City will continue to administer the CDBG program.

The Housing Authority of the City of New Bern administers public housing. Twin Rivers Opportunities, Inc. administers Section 8 Rental Assistance Programs in the City. This Authority is responsible for the management and maintenance of public housing units. The Housing Authority will continue in its efforts to modernize these public housing units in order to provide decent, affordable housing in the City.

**Non-Profit Organizations:** Non-profit housing agencies play a role in the implementation of this plan. Through the construction of new housing, and the rehabilitation of existing units, these agencies access financing sources such as the Low Income Housing Tax Credit, Greenleaf Funding, and charitable contributions that increase the supply of affordable housing. While some groups focus on the rehabilitation of single units for resale to first time homebuyers, others have attempted to create assisted rental developments. In the future, the union of such groups with social service agencies that serve specific special needs populations will address the Five Year Consolidated Plan strategy for creation of supportive housing and affordable housing opportunities.

Non-profit educational institutions provide an important partnership for the City. Craven Community College is currently partnering with the City of New Bern on the construction of the VOLT Center. Craven Community College will provide job and vocational training at the center, which is located in the Greater Five Points Redevelopment Area.

Social service agencies are a link between the provision of housing and the population it is intended to serve. The agencies work directly with providers of services to persons with special needs including: mental health, mental retardation, elderly, drug and alcohol addiction and families that are at-risk of becoming homeless. Although these agencies cannot provide housing, they can direct housing efforts where needed and are integral in the planning of housing and services for target populations. Emergency shelters, including the Religious Community Services and Coastal Women's Shelter, will continue to provide shelter for the homeless.

**Private Industry:** Several lending institutions cooperate with the City to provide funding for downtown improvements. Those lending institutions play an important role by providing financing that would not otherwise be available. Additionally, the private businesses located in the area contributed to the Hurricane cleanup in Downtown New Bern.

## **Discussion:**

### **Monitoring:**

The Monitoring Plan represents the City of New Bern's strategy for overseeing the activities of entities that carry out CDBG assisted activities. The Monitoring Plan identifies the following:

- The organizations to be monitored
- The issues to be explored and the methodology to be utilized in conducting the monitoring
- Identification of the specific Development Services staff members that will assume responsibility for monitoring
- The follow-up measures to be followed in communicating the results of the monitoring to affected organizations and the methods that will be utilized to obtain feedback from affected organizations

The CDBG monitoring will be carried out at two (2) separate levels. First, the City will conduct an internal monitoring to review the homeowner rehab program and to ensure that the CDBG Program is being administered in accordance with CDBG and other federal regulatory and statutory requirements. Second, the City will conduct an external monitoring to review the activities of its sub-recipients.

The purpose of the City's monitoring efforts is:

- to identify and correct issues that prevent the City from achieving full compliance with the regulatory requirements of the CDBG Program and other Federal requirements before deficiencies lead to HUD monitoring findings, and

- to learn more about the strengths and weaknesses of the various organizations that plays a role in the City's CDBG program and to use this knowledge as the basis for structuring future CDBG activities.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

#### Introduction:

The City of New Bern receives an annual allocation of CDBG funds. Since the City receives this federal allocation, the questions below have been completed, as they are applicable.

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(1)

*Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.*

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	\$0.00
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	\$0.00
3. The amount of surplus funds from urban renewal settlements	\$0.00
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	\$0.00
5. The amount of income from float-funded activities	\$0.00
<b>Total Program Income</b>	<b>\$0.00</b>

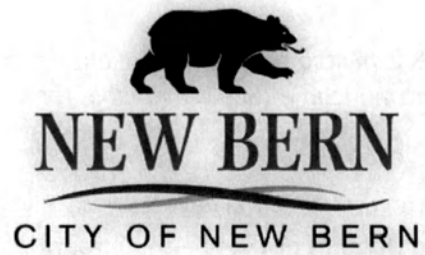
#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

#### CDBG Percentages:

- **Administrative Percentage:** 20.0%
- **Public Service Percentage:** 0.0%
- **Low and Moderate-Income Percentage:** 100.0%
- **No Slum and Blight Activities.**





# **SF 424 FORMS**

**Application for Federal Assistance SF-424**

**\* 1. Type of Submission:**

- ☐ Preapplication  
☒ Application  
☐ Changed/Corrected Application

**\* 2. Type of Application:**

- ☐ New  
☐ Continuation  
☒ Revision

**\* If Revision, select appropriate letter(s):**

A: Increase Award

**\* Other (Specify):**

**\* 3. Date Received:**

.

**4. Applicant Identifier:**

**5a. Federal Entity Identifier:**

**5b. Federal Award Identifier:**

B-21-MC-37-0025

**State Use Only:**

**6. Date Received by State:**

**7. State Application Identifier:**

**8. APPLICANT INFORMATION:**

**\* a. Legal Name:**

City of New Bern

**\* b. Employer/Taxpayer Identification Number (EIN/TIN):**

56-6000235

**\* c. Organizational DUNS:**

0755472080000

**d. Address:**

**\* Street1:**

303 First Street

**Street2:**

**\* City:**

New Bern

**County/Parish:**

Craven County

**\* State:**

NC: North Carolina

**Province:**

**\* Country:**

USA: UNITED STATES

**\* Zip / Postal Code:**

28560-5505

**e. Organizational Unit:**

**Department Name:**

Dept. of Development Services

**Division Name:**

Community & Economic Dev.

**f. Name and contact information of person to be contacted on matters involving this application:**

**Prefix:**

Ms.

**\* First Name:**

D'Aja

**Middle Name:**

**\* Last Name:**

Fulmore

**Suffix:**

**Title:**

Community Development Coordinator

**Organizational Affiliation:**

**\* Telephone Number:**

252-639-7586

**Fax Number:**

**\* Email:**

fulmored@newbernnc.gov

## Application for Federal Assistance SF-424

### \* 9. Type of Applicant 1: Select Applicant Type:

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

### \* 10. Name of Federal Agency:

U.S. Department of Housing and Urban Development

### 11. Catalog of Federal Domestic Assistance Number:

14.218

CFDA Title:

Community Development Block Grant (CDBG)/Entitlement Grant

### \* 12. Funding Opportunity Number:

N/A

\* Title:

N/A

### 13. Competition Identification Number:

Title:

### 14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

### \* 15. Descriptive Title of Applicant's Project:

FY 2021 Annual Action Plan for the Community Development Block Grant (CDBG) Funding.

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

**Application for Federal Assistance SF-424****16. Congressional Districts Of:**\* a. Applicant \* b. Program/Project 

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

**17. Proposed Project:**\* a. Start Date: \* b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="268,768.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="268,768.00"/>

**\* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on
- ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☒ c. Program is not covered by E.O. 12372.

**\* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

☒ \*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix:  \* First Name:

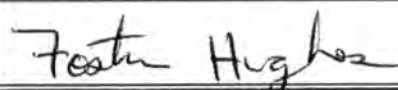
Middle Name:

\* Last Name:

Suffix:

\* Title: \* Telephone Number:  Fax Number: \* Email: 

\* Signature of Authorized Representative:

\* Date Signed:

# ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009  
Expiration Date: 01/31/2019

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

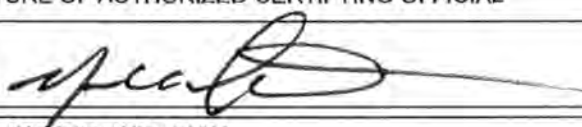
**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

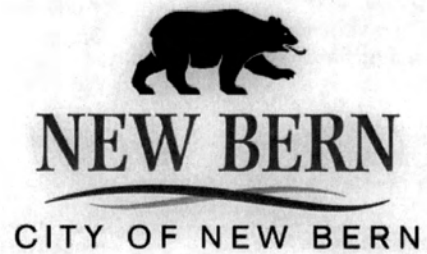
As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.



11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	TITLE City Manager
APPLICANT ORGANIZATION City of New Bern	DATE SUBMITTED 05/11/2021



# **CERTIFICATIONS**

## CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

**Affirmatively Further Fair Housing** --The jurisdiction will affirmatively further fair housing.

**Uniform Relocation Act and Anti-displacement and Relocation Plan** -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

**Anti-Lobbying** --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

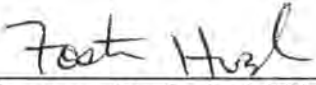
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

**Authority of Jurisdiction** --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

**Consistency with plan** --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

**Section 3** -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 75.

  
Signature of Authorized Official

8-4-2021  
Date

Interim City Manager  
Title

## **Specific Community Development Block Grant Certifications**

The Entitlement Community certifies that:

**Citizen Participation** -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

**Community Development Plan** -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

**Following a Plan** -- It is following a current consolidated plan that has been approved by HUD.

**Use of Funds** -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) FY 2020, FY 2021, & FY 2022 [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

**Excessive Force** -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

**Compliance with Anti-discrimination laws** -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

**Lead-Based Paint** -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

**Compliance with Laws** -- It will comply with applicable laws.

Josh Hurl  
Signature of Authorized Official

8-4-2021  
Date

Interim City Manager  
Title



### **OPTIONAL Community Development Block Grant Certification**

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

Joel Hurl  
Signature of Authorized Official

8-4-2021  
Date

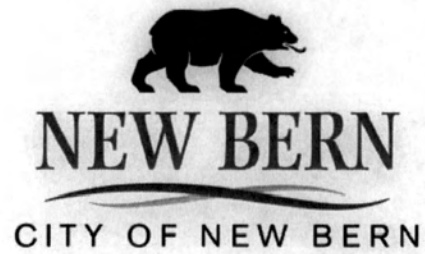
Interim City Manager  
Title

## **APPENDIX TO CERTIFICATIONS**

### **INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:**

#### **Lobbying Certification**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



# RESOLUTION

## RESOLUTION

BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

**WHEREAS**, under Title I of the Housing and Community Development Act of 1974, as amended, the Secretary of the U.S. Department of Housing and Urban Development is authorized to extend financial assistance to communities in the prevention or elimination of slums or urban blight, or activities which will benefit low-and-moderate income persons, or other urgent community development needs; and

**WHEREAS**, the U.S. Department of Housing and Urban Development has advised the City of New Bern that under Fiscal Year 2021, the City is eligible to apply for an entitlement grant under the Community Development Block Grant (CDBG) Program in the amount of \$264,866; and

**WHEREAS**, the City of New Bern's Department of Development Services has prepared an Annual Action Plan for Fiscal Year 2021, which proposes how the entitlement grant funds will be expended to address the housing and community development needs identified in the City's Five-Year Consolidated Plan; and

**WHEREAS**, a draft of the FY 2021 Annual Action Plan were on public display from April 9, 2021 through May 10, 2021 and the City held a series of public meetings and hearings on the said Plan and the comments of various agencies, groups, and citizens were taken into consideration in the preparation of the final document

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:**

**SECTION 1.** That the Annual Action Plan for the Fiscal Year 2021 CDBG Program, a copy of which is attached hereto and incorporated herein by reference, is hereby in all respects APPROVED and the City Clerk is hereby directed to file a copy of said Annual Action Plan for Fiscal Year 2021 with the Official Minutes of this Meeting of this Board

**SECTION 2.** That the City is COGNIZANT of the conditions that are imposed in the undertaking and carrying out of the Community Development Block Grant Program with Federal financial assistance, including those relating to (a) the relocation of site occupants, (b) the prohibition of discrimination because of race, color, age, religion, sex, disability, familial status, or national origin, and other assurances as set forth under the certifications.

**SECTION 3.** That the Mayor, on behalf of the City of New Bern, North Carolina, is AUTHORIZED to file an Application for financial assistance with the U.S. Department of Housing and Urban Development which has indicated its willingness to make available funds to carry out the CDBG Program in the amount of \$264,866; and its further

AUTHORIZED to act as the authorized representative of the City of New Bern to sign any and all documents in regard to these programs.

**SECTION 4.** That the Mayor, on behalf the City of New Bern, North Carolina, is AUTHORIZED to provide assurances and/or certifications as required by the Housing and Community Development Act of 1974, as amended; and any other supplemental or revised data which the U.S. Department of Housing and Urban Development may request in review of the City's Application.

ADOPTED THIS 11<sup>TH</sup> DAY OF MAY 2021.



DANA E. OUTLAW, MAYOR



BRENDA E. BLANCO, CITY CLERK





# **FIRST PUBLIC HEARING**

Page : 1 of 2 02/16/2021 09:32:16

Order Number : 15518454  
PO Number :  
Customer : 89029 City of New Bern - LEGALS  
Contact : Accounts Payable  
Address1 : PO Box 1129  
Address2 :  
City St Zip : New Bern NC 28563  
Phone : (252) 639-2717  
Fax : (252) 636-4108  
Printed By : Gwen Landry  
Entered By : Gwen Landry  
Keywords : FY 2021 CDBG Program  
Notes :  
Codes :

Ad Number : 17041629  
Ad Key :  
Salesperson : GL - Gwen Landry  
Publication : New Bern Sun Journal  
Section : Classifieds  
Sub Section : Classifieds  
Category : 015 Legal Notices  
Dates Run : 02/18/2021-02/18/2021  
Days : 1  
Size : 2 x 7.22, 65 lines  
Words : 578  
Ad Rate : L1  
Ad Price : 292.02  
Amount Paid : 0.00  
Amount Due : 292.02

#### PUBLIC HEARING NOTICE

##### CITY OF NEW BERN, NC FY 2021 CDBG PROGRAM

Notice is hereby given that the City of New Bern, Craven County, NC will hold a public hearing on **MONDAY, MARCH 1, 2021 AT 6:00 PM**, prevailing time, in the Offices of the Development Services Department, Conference Room, 303 First Street, New Bern, North Carolina 28563. Masks are required and social distancing will be conducted. The Public Hearing can also be attended virtual through Microsoft Teams or through a call-in number. The Microsoft Teams link is the following: <https://rb.gy/banbiy>. The conference call-in number is 1 - 302 - 202-1110 and the conference code is 352428. The New Bern Development Services Offices are accessible to persons with physical disabilities. If special arrangements need to be made to accommodate residents in order for them to participate in the public hearing, please call Ms. D'Aja Fulmore at (252) 639-7586, or by email address [FulmoreD@newbernnc.gov](mailto:FulmoreD@newbernnc.gov) or 711 for the hearing impaired, to make those arrangements.

The purpose of this public hearing is to discuss the City's Community Development Block Grant (CDBG) Program needs. In particular, the housing, community development, public services and economic development needs of the City of New Bern. This information will be utilized by the City in its preparation of the FY 2021 Annual Action Plan including the use of FY 2021 CDBG funds. Based on its 2020 allocation, the City of New Bern anticipates that it will receive an allocation of approximately \$258,814 in CDBG Entitlement funds. This amount is preliminary and is subject to change based on the approval of the Federal Budget for FY 2021. In order to receive those funds, the City of New Bern must prepare a One Year Annual Action Plan for the use of Federal funds. At least 70% of the CDBG funds must benefit low- and moderate-income persons living in the City of New Bern. The City will be preparing its CDBG application and it intends to afford residents, local agencies, and interested parties the opportunity to become involved in the planning process.

The following types of activities may be eligible for funding under the CDBG program: acquisition of property; disposition costs; improvements to public facilities, including the removal of architectural barriers; demolition and environmental clean-up; public services that are a new or a quantifiable increase in the level of service; interim assistance; relocation payments for persons displaced as a result of a CDBG activity; rehabilitation of houses; code enforcement; special economic development activities; special activities undertaken by a community based development organization; home ownership assistance for purchase; planning; environmental; program administration; audit; and other miscellaneous activities.

If the City would undertake an activity that would result in the displacement of families or individuals, then the City would utilize its policy for

Order Number : 15518454  
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Customer : 89029 City of New Bern - LEGALS  
Contact : Accounts Payable  
Address1 : PO Box 1129  
Address2 :  
City St Zip : New Bern NC 28563  
Phone : (252) 639-2717  
Fax : (252) 636-4108  
Printed By : Gwen Landry  
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Keywords : FY 2021 CDBG Program  
Notes :  
Fones :

Ad Number : 17041629  
Ad Key :  
Salesperson : GL - Gwen Landry  
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Section : Classifieds  
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Days : 1  
Size : 2 x 7.22, 65 lines  
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Amount Paid : 0.00  
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minimizing such displacement. Furthermore, the City is responsible for replacing all low- and moderate-income housing units that may be demolished or converted as a result of CDBG funds.

All interested residents are encouraged to attend this public hearing and they will be given the opportunity to present oral or written testimony concerning the needs of the City of New Bern and the use of CDBG funds to address those needs over the next fiscal year. Written comments may be addressed to Ms. Amanda Ohlensehlen, Economic and Community Development Manager, City of New Bern, 303 First Street, New Bern, NC 28563, or emailed to [ohlensehlerna@newbernnc.gov](mailto:ohlensehlerna@newbernnc.gov).

**Hon. Dana E. Outlaw**  
**Mayor, City of New Bern**

February 18, 2021 (adv)

**PUBLIC HEARING NOTICE  
CITY OF NEW BERN, NC  
FY 2021 CDBG PROGRAM**

Notice is hereby given that the City of New Bern, Craven County, NC will hold a public hearing on **Monday, March 1, 2021 at 6:00 PM**, prevailing time, in the Offices of the Development Services Department, Conference Room, 303 First Street, New Bern, North Carolina 28563. Masks are required and social distancing will be conducted. The Public Hearing can also be attended virtual through Microsoft Teams or through a call-in number. The Microsoft Teams link is the following: <https://rb.gy/banbiy>. The conference call-in number is 1 - 302 - 202-1110 and the conference code is 352428. The New Bern Development Services Offices are accessible to persons with physical disabilities. If special arrangements need to be made to accommodate residents in order for them to participate in the public hearing, please call Ms. D'Aja Fulmore at (252) 639-7586, or by email address [FulmoreD@newbernnc.gov](mailto:FulmoreD@newbernnc.gov) or 711 for the hearing impaired, to make those arrangements.

The purpose of this public hearing is to discuss the City's Community Development Block Grant (CDBG) Program needs. In particular, the housing, community development, public services and economic development needs of the City of New Bern. This information will be utilized by the City in its preparation of the FY 2021 Annual Action Plan including the use of FY 2021 CDBG funds. Based on its 2020 allocation, the City of New Bern anticipates that it will receive an allocation of approximately \$258,814 in CDBG Entitlement funds. This amount is preliminary and is subject to changed based on the approval of the Federal Budget for FY 2021. In order to receive those funds, the City of New Bern must prepare a One Year Annual Action Plan for the use of Federal funds. At least 70% of the CDBG funds must benefit low- and moderate-income persons living in the City of New Bern. The City will be preparing its CDBG application and it intends to afford residents, local agencies, and interested parties the opportunity to become involved in the planning process.

The following types of activities may be eligible for funding under the CDBG program: acquisition of property; disposition costs; improvements to public facilities, including the removal of architectural barriers; demolition and environmental clean-up; public services that are a new or a quantifiable increase in the level of service; interim assistance; relocation payments for persons displaced as a result of a CDBG activity; rehabilitation of houses; code enforcement; special economic development activities; special activities undertaken by a community based development organization; home ownership assistance for purchase; planning; environmental; program administration; audit; and other miscellaneous activities.

If the City would undertake an activity that would result in the displacement of families or individuals, then the City would utilize its policy for minimizing such displacement. Furthermore, the City is responsible for replacing all low- and moderate-income housing units that may be demolished or converted as a result of CDBG funds.

All interested residents are encouraged to attend this public hearing and they will be given the opportunity to present oral or written testimony concerning the needs of the City of New Bern and the use of CDBG funds to address those needs over the next fiscal year. Written comments may be addressed to Ms. Amanda Ohlensehlen, Economic and Community Development Manager, City of New Bern, 303 First Street, New Bern, NC 28563, or emailed to [ohlensehlena@newbernnc.gov](mailto:ohlensehlena@newbernnc.gov).

Hon. Dana E. Outlaw  
Mayor, City of New Bern



# Needs Assessment Public Hearing

Development Services

March 1, 2021

NAME	ADDRESS	EMAIL	PHONE
• Dr Gregory Holmes		dkg14holmes	732-310-5104
• Deedra Durocher	1704 High St.	<del>Deedra110@</del> <del>#gregory.net</del> DeedraDurocher@gmail.com	252-670-1907
	My Sister's House - 524 Roundtree St.		
• Mike Williams Habitat for Humanity	Virtual attendee		
• Cassandra Hunsucker Craven County - Public Library	Virtual attendee	cassandra.hunsucker@cperl.org	
• Kip Peregoy - Redevelopment Commission		Kperegoy@carolina colours.com	

## **Needs Assessment Public Hearing**

**March 1, 2021**

### **Development Services- Conference Room**

Deidra Durocher, formerly from Habitat for Humanity, stated “My Sister’s House” located at 524 Roundtree Street by the nonprofit agency *Tried by Fire* needs funding for renovations. Deidra explained the home will serve as transition home for women coming out of prison- women would be preselected for placement, 8 women max. Deidra explained she was attending the meeting to advocate for a small amount to be donated for renovation of house.

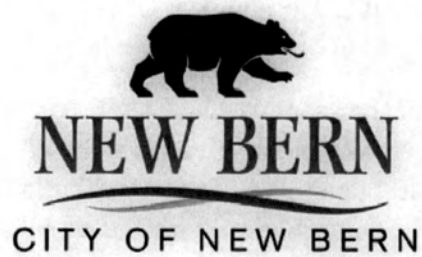
Deidra also stated that the Neuse River Community Development Association is at the moment struggling to redefine itself and could use any funding to help.

Dr. Gregory Holmes advocated for the second oldest AME African American church, stating that he is interested in preserving and converting to a learning center. Dr. Holmes also stated that he is working with Save a Lot supermarket company to do food baskets and get in the community. Dr. Holmes stated that he has been in conversation with the director of Development Services and would like to advocate for possible acquisition for a grocery store in the 5 Points area, which is a food desert.

Mike Williams, Habitat for Humanity, advocated for housing, stating that the Redevelopment Area needs repairs to their homes and his agency is willing to partner.

Cassandra Hunsucker of the Craven County Public Library attended but did not provide comment.

Kip Peregoy of the Redevelopment Commission advocated for funding to go to the Redevelopment Commission to assist with housing projects.



# **SECOND PUBLIC HEARING**

Page : 1 of 2 04/06/2021 10:01:50

Order Number : 15519380  
PO Number :  
Customer : 89029 City of New Bern - LEGALS  
Contact : Accounts Payable  
Address1 : PO Box 1129  
Address2 :  
City St Zip : New Bern NC 28563  
Phone : (252) 639-2717  
Fax : (252) 636-4108  
Printed By : Gwen Landry  
Entered By : Gwen Landry  
Keywords : FY 2021 Annual Action Plan  
Notes :  
Fones :

Ad Number : 17044780  
Ad Key :  
Salesperson : GL - Gwen Landry  
Publication : New Bern Sun Journal  
Section : Classifieds  
Sub Section : Classifieds  
Category : 015 Legal Notices  
Dates Run : 04/08/2021-04/08/2021  
Days : 1  
Size : 2 x 8.77, 79 lines  
Words : 555  
Ad Rate : L1  
Ad Price : 344.15  
Amount Paid : 0.00  
Amount Due : 344.15

**NOTICE OF PUBLIC HEARING AND DISPLAY  
OF THE FY 2021 ANNUAL ACTION PLAN  
CITY OF NEW BERN, NORTH CAROLINA**

Notice is hereby given that the City of New Bern, Craven County, NC will hold a public hearing on **TUESDAY, APRIL 27, 2021 AT 6:00 PM**, in the:

**Craven Community College  
Orringer Auditorium  
800 College Court  
New Bern, NC 28562**

Craven Community College's Orringer Auditorium is accessible to persons with physical disabilities. If special arrangements need to be made to accommodate residents with disabilities in order for them to participate in the public hearing, including a Spanish or Karen interpreter, please call Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, at (252) 639-7586, or by email at fulmored@newbernnc.gov. To make arrangements for the hearing impaired, call 7-1-1 for Relay North Carolina TDD.

The purpose of the public hearing is to present the City of New Bern's FY 2021 Annual Action Plan for the use of Community Development Block Grant (CDBG) funds. The City intends to submit its FY 2021 Annual Action Plan in the amount of \$264,866 for FY 2021 CDBG funds. The FY 2021 CDBG Plan will be submitted to HUD on or before May 17, 2021.

In order to obtain the views of residents, public agencies, and other interested parties, the City of New Bern will place its FY 2021 Annual Action Plan on display from April 9, 2021 through May 10, 2021, at the following locations during normal operational hours:

**City of New Bern City Hall  
City Clerks' Office  
300 Pollock Street  
New Bern, NC 28560**

**Office of the Department of Development Services  
303 First Street  
New Bern, NC 28560**

**New Bern-Craven County Public Library  
400 Johnson Street  
New Bern, NC 28560**

The Community Development Block Grant (CDBG) budget for FY 2021 can be accessed at the City of New Bern website: <https://www.newbernnc.gov/>.

**Order Number** : 15519380  
**PO Number** :  
**Customer** : 89029 City of New Bern - LEGALS  
**Contact** : Accounts Payable  
**Address1** : PO Box 1129  
**Address2** :  
**City St Zip** : New Bern NC 28563  
**Phone** : (252) 639-2717  
**Fax** : (252) 636-4108  
**Printed By** : Gwen Landry  
**Entered By** : Gwen Landry  
**Keywords** : FY 2021 Annual Action Plan  
**Notes** :  
**Attachments** :

**Ad Number** : 17044780  
**Ad Key** :  
**Salesperson** : GL - Gwen Landry  
**Publication** : New Bern Sun Journal  
**Section** : Classifieds  
**Sub Section** : Classifieds  
**Category** : 015 Legal Notices  
**Dates Run** : 04/08/2021-04/08/2021  
**Days** : 1  
**Size** : 2 x 8.77, 79 lines  
**Words** : 555  
**Ad Rate** : L1  
**Ad Price** : 344.15  
**Amount Paid** : 0.00  
**Amount Due** : 344.15

This plan will be available for examination during normal business hours of operation until May 10, 2021. The FY 2021 Annual Action Plan will be submitted to the Board of Aldermen on May 11, 2021 at which time these documents will be presented to the City of New Bern Board of Aldermen for approval at its regular Board Meeting.

The Proposed FY 2021 Annual Action Plan were prepared after conducting a public hearing on housing and community development needs, meetings with housing provider agencies, meetings with the City's staff and officials, and in accordance with City's Five-Year Consolidated Plan.

If the City would undertake an activity that would result in the displacement of families or individuals, then the City would utilize its policy for minimizing such displacement. Furthermore, the City is responsible for replacing all low- and moderate-income housing units that may be demolished or converted as a result of CDBG Funds.

All interested persons, groups, and organizations are encouraged to attend this public hearing and will be given the opportunity to present oral or written testimony concerning the proposed plans and uses of Federal funds under the FY 2021 Annual Action Plan. Written comments may be addressed to Ms. Amanda Ohlensehlen, Economic and Community Development Manager, City of New Bern, 303 First Street, New Bern, NC 28563, or emailed to [ohlensehlana@newbernnc.gov](mailto:ohlensehlana@newbernnc.gov). Persons with learning and/or speech impediments may contact the City via 7-1-1.

**Hon. Dana E. Outlaw**  
**Mayor, City of New Bern, NC**

April 8, 2021 (adv)



**NOTICE OF PUBLIC HEARING AND DISPLAY  
OF THE FY 2021 ANNUAL ACTION PLAN  
CITY OF NEW BERN, NORTH CAROLINA**

Notice is hereby given that the City of New Bern, Craven County, NC will hold a public hearing on **Tuesday, April 27, 2021 at 6:00 PM**, in the:

**City Hall Courtroom  
300 Pollock Street  
New Bern, NC 28560**

City Hall and the City Hall Courtroom are accessible to persons with physical disabilities. If special arrangements need to be made to accommodate residents with disabilities in order for them to participate in the public hearing, including a Spanish or Karen interpreter, please call Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, at (252) 639-7586, or by email at [fulmored@newbernnc.gov](mailto:fulmored@newbernnc.gov). To make arrangements for the hearing impaired, call 7-1-1 for Relay North Carolina TDD.

The purpose of the public hearing is to present the City of New Bern's FY 2021 Annual Action Plan for the use of Community Development Block Grant (CDBG) funds. The City intends to submit its FY 2021 Annual Action Plan in the amount of \$264,866 for FY 2021 CDBG funds. The FY 2021 CDBG Plan will be submitted to HUD on or before May 17, 2021.

In order to obtain the views of residents, public agencies, and other interested parties, the City of New Bern will place its FY 2021 Annual Action Plan on display from April 9, 2021 through May 10, 2021, at the following locations during normal operational hours:

**City of New Bern City Hall  
City Clerks' Office  
300 Pollock Street  
New Bern, NC 28560**

**Office of the Department of Development Services  
303 First Street  
New Bern, NC 28560**

**New Bern-Craven County Public Library  
400 Johnson Street  
New Bern, NC 28560**

The Community Development Block Grant (CDBG) budget for FY 2021 can be accessed at the City of New Bern website: <https://www.newbernnc.gov/>.

This plan will be available for examination during normal business hours of operation until May 10, 2021. The FY 2021 Annual Action Plan will be submitted to the Board of Aldermen on May 11, 2021 at which time these documents will be presented to the City of New Bern Board of Aldermen for approval at its regular Board Meeting.

The Proposed FY 2021 Annual Action Plan were prepared after conducting a public hearing on housing and community development needs, meetings with housing provider agencies, meetings with the City's staff and officials, and in accordance with City's Five Year Consolidated Plan.

If the City would undertake an activity that would result in the displacement of families or individuals, then the City would utilize its policy for minimizing such displacement. Furthermore, the City is responsible for replacing all low- and moderate-income housing units that may be demolished or converted as a result of CDBG Funds.

All interested persons, groups, and organizations are encouraged to attend this public hearing and will be given the opportunity to present oral or written testimony concerning the proposed plans and uses of Federal funds under the FY 2021 Annual Action Plan. Written comments may be addressed to Ms. Amanda Ohlensehlen, Economic and Community Development Manager, City of New Bern, 303 First Street, New Bern, NC 28563, or emailed to [ohlensehlana@newbernnc.gov](mailto:ohlensehlana@newbernnc.gov). Persons with learning and/or speech impediments may contact the City via 7-1-1.

**Hon. Dana E. Outlaw**  
**Mayor, City of New Bern, NC**

**City of New Bern Board of Aldermen Meeting/Public Hearing**

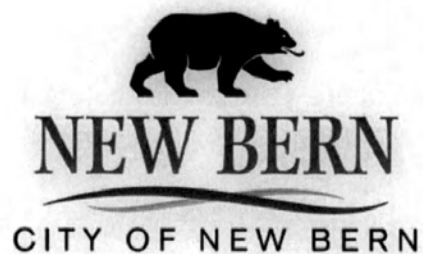
**Tuesday, April 27, 2021**

**Minutes**

At approximately 6:30pm, Amanda Ohlensehlen, Community and Economic Development Manager, stood up to give a presentation on the draft 2021 Annual Action Plan. Mrs. Ohlensehlen's presentation included key points from the plan, including the intended use of funding and proposed projects. Mrs. Ohlensehlen explained to the Board that the plan would remain on display to complete a 30-day advertisement period.

The Mayor and Board of Aldermen opened the public hearing at approximately 6:40pm.

No comments/questions were received.



# **SUBSTANTIAL AMENDMENT - PUBLIC HEARING**

**NOTICE OF PUBLIC HEARING  
CITY OF NEW BERN, NORTH CAROLINA  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
SUBSTANTIAL AMENDMENT TO FY 2020 & 2021 PROGRAM YEARS**

Notice is hereby given by the City of New Bern, Craven County, NC that it will hold a public hearing on **Tuesday, November 14, 2023 at 6:00 PM**, prevailing time, in the courtroom on the second floor of City Hall, 300 Pollock Street, New Bern, NC 28560. City Hall and the City Hall Courtroom are accessible to persons with physical disabilities. If special arrangements need to be made to accommodate residents with disabilities in order for them to participate in the public hearing, including a Spanish or Karen interpreter, please call Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, at (252) 639-7586, or by email at [fulmored@newbernnc.gov](mailto:fulmored@newbernnc.gov). To make arrangements for the hearing impaired, call 7-1-1 for Relay North Carolina TDD.

The purpose of this public hearing is to present substantial amendments to the City of New Bern's FY 2020 and 2021 Annual Action Plans for the use of Community Development Block Grant (CDBG) funds.

The City of New Bern previously adopted its FY 2020 and 2021 Annual Action Plans and Budgets for the use of CDBG funds. In accordance with CDBG program regulations, the City is allowed to make substantial amendments to its Annual Action Plans and Budgets in accordance with the City's Citizen Participation Plan.

The City has determined that it is necessary to amend the CDBG program year budgets for the previously approved Annual Action Plans. The funds will remain the same but new scope will be added.

These are considered substantial amendments in accordance with the City's Citizen Participation Plan as the following applies: the scope of previously approved projects/activities are being changed.

The substantial amendments to the CDBG Annual Action Plans are proposed as follows:

**FY 2020 Program Year**

**IDIS # 34 - Housing Rehabilitation in the Five Points Area:** The City is amending the project scope by changing it to the following: "Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity." The line-item budget amount will not change.

**FY 2021 Program Year**



**IDIS # 37 - Housing Rehabilitation in the Five Points Area:** The City is amending the project scope by changing it to the following: "Funds will be provided to the Redevelopment Commission to be used to rehabilitate a single-family home, which will be donated to Habitat for Humanity and sold to an eligible low- and moderate-income household in the Greater Five Points Area of the City. This is a multi-year activity." The line-item budget amount will not change.

Copies of the Substantial Amendments will be on public display for a period of 30 days from Friday, October 27, 2023 to Monday, November 27, 2023. Copies are available at the following locations and may be viewed between normal business hours of 8:00 AM to 5:00 PM:

**City Clerks' Office**

City Hall, 300 Pollock Street, New Bern, NC 28560

**Office of the Department of Development Services**

303 First Street, New Bern, NC 28560

**New Bern-Craven County Public Library**

400 Johnson Street, New Bern, NC 28560

All interested residents are encouraged to attend this public hearing and they will be given the opportunity to present oral or written testimony concerning the Substantial Amendments for the FY 2020 and 2021 CDBG Programs. All comments received during the period of display will be presented to the City Council at its Regular Meeting on Tuesday, November 28, 2023 at 6:00 PM. Written comments may be addressed to Ms. D'Aja Fulmore, Community Development Coordinator, City of New Bern, 303 First Street, New Bern, NC 28563, or emailed to [fulmored@newbernnc.gov](mailto:fulmored@newbernnc.gov). Persons with hearing and/or speech impediments may contact the City via 7-1-1.

**Hon. Jeffrey Odham**

**Mayor, City of New Bern, NC**

## **AGENDA ITEM COVER SHEET**

**Agenda Item Title:** Adopt a Resolution Authorizing the Execution of a MOU with RHA Co-Responder Program

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b>
<b>Department:</b> Police	<b>Person Submitting Item:</b> Chief Patrick Gallagher
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	New Bern Police Department's MOU with RHA Health Services-Co Responder Program
<b>Actions Needed by Board:</b>	Adopt a Resolution Authorizing the Execution of a MOU with RHA Co-Responder Program
<b>Backup Attached:</b>	Memorandum to BOA, MOU, Resolution
<b>Is item time sensitive?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<b>Cost of Agenda Item:</b> \$0.00
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Additional Notes:**



Founded 1797

# NEW BERN

## NEW BERN POLICE DEPARTMENT

P.O. Box 1129, New Bern, NC 28563-1129  
(252) 672-4100

*Police and Community Come Together Here*



Patrick L. Gallagher  
Chief of Police

**To:** Mayor Jeffrey T. Odham and Board of Aldermen  
**From:** Chief Patrick Gallagher  
**Date:** December 12, 2023  
**Subject:** Updated MOU with RHA – Co-Responder Program

The NBPd has partnered with the RHA Health Services, Inc. to add a mental health professional to our response protocols. We have developed a program where we can co-respond to persons in crisis and attempt to divert them from the criminal justice system to the more appropriate mental health system.

The original MOU was approved by the Board of Alderman on June 14, 2022. Since that time, the Police Department was awarded COPS Office Crisis Intervention Team Grant to fund the co-responder program. RHA Health Services, Inc. sub-recipient of the grant. The updated MOU provides guidelines for compensation to RHA Health Services, Inc. The guidelines include the following.

- The City of New Bern and RHA Health Services, Inc. will continue the existing partnership through contracting services with RHA Health Services, Inc for salaries and wages of three qualified professionals as well as equipment and travel as outlined in the grant.
- RHA Health Services, Inc. must submit a request for reimbursement for expenditures to the City of New Bern Finance Department by the 15<sup>th</sup> of each month for the prior month's expenditures.
- Both agencies agree to follow the conditions and requirements of the grant.
- RHA Health Services, Inc must adhere to all requirements contained in the MOU. Non-compliance may result in denial of reimbursement request(s).

The Co-Responder Program is designed to increase early identification and intervention for citizens with Behavioral Health (BH) or Intellectual and Development Disabilities (IDD) who have contact with law enforcement. The intent is to minimize the need to arrest persons in crisis due to behavioral health or intellectual disability. Diverting as many people as possible out of the criminal justice system and into the mental health system is the goal. This program also provides an opportunity to assist citizens of our community



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who are in crisis and help them get access to treatment and resources that can have a positive impact on their life in a supportive/compassionate and timely manner.

The goals of the Co-Responder Services Program are to:

1. Prevent unnecessary incarceration and/or hospitalization of individuals with behavioral health needs.
2. Provide alternative care in the least restrictive environment through a coordinated system wide approach.
3. Prevent unnecessary duplication of mental health services.
4. Facilitate the return of law enforcement units to patrol activities.
5. Focus on safety for all involved by utilizing a team approach with oversight by supervisory staff.



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# Memorandum of Understanding

*City of New Bern*

AND

*RHA Health Services, Inc.*

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This Memorandum of Understanding (MOU) represents an inter-agency agreement between City of New Bern and RHA Health Services, Inc., collectively referred to as "the Agencies." This MOU addresses the collaboration between the Agencies for Co-responder activities involving individuals who reside in the City of New Bern.

1. *New Bern Police Department* provides law enforcement support and activities to the citizens of the City of New Bern. At times, the individuals served/encountered by the New Bern Police Department are in need of or would be better served through the provision of mental health or substance use treatment (including opioids).
2. RHA Health Services, Inc. based out of New Bern, NC is a treatment and resource center for mental health services, substance use/addiction recovery support, and support for individuals who have behavioral health needs and co-occurring developmental disabilities.
3. This MOU is intended to outline generally the ways that the Agencies implement and manage Co-responder program and shared individuals.
4. It is jointly understood that:
  - a. City of New Bern through its Police Department will provide:
    - i. Adequate space and internet access for Co-responders.
    - ii. Orient RHA Co-responder staff to the New Bern Police Department and the City of New Bern.
    - iii. Officer support in responding to community calls or crisis events involving individuals with mental health, substance use, or intellectual/developmental disorders.
    - iv. Crisis safety assessments/clearing the scene prior to Co-responder staff responding to the situation.
    - v. Ongoing collaboration around diverting individuals with mental health, substance use, or intellectual/developmental disorders from incarceration to treatment services.
    - vi. Assistance with managing individuals served through this program who may also be charged with an offense.
    - vii. Training on the appropriate use of New Bern Police Department radio, including responding to calls and requesting assistance.
    - viii. The New Bern Police will adhere to all relevant and required statutory authority and limitations with respect to open records laws. If a conflict occurs as it relates to State or Federal medical information, legal review will ensure full compliance under HIPPA and other relevant privacy provisions outlined in legal code.
  - b. Staff at RHA Health Services, Inc. will:
    - i. Hire three Qualified Professionals for the Co-responder Program.
    - ii. Ensure RHA staff hired for the Co-responder programs meet all requirements for employment and have completed all RHA required trainings prior to any service delivery.
    - iii. Attend/participate in shift change/roll call activities to facilitate a working relationship with New Bern Police Department personnel.
    - iv. Attend/participate in all required New Bern Police Department trainings/orientation.
    - v. Respond to New Bern Police Department calls/crisis situations involving individuals with mental health, substance use, and/or intellectual/developmental disorders once site has been cleared/deemed safe for their response.



- vi. Link individuals to other services in the community necessary for decreasing/eliminating the need for a law enforcement response.
- vii. Keep track of statistical data including:
  - 1. Number of contacts
  - 2. Number of individuals enrolled in treatment as a result of contact
  - 3. Number of individuals served as a result of contact who completed treatment.
  - 4. Make all reasonable efforts to accommodate referred individuals
  - 5. Focus on safety for all involved by utilizing a team approach with oversight by supervisory staff
- c. Nothing in this Agreement will require, nor shall the Agreement be construed to require, New Bern Police Department to refer individuals to RHA Health Services, Inc., and New Bern Police Department may refer individual to any provider of Covered Services that they deem appropriate.
- d. Staff at the Agencies will use standard processes to communicate directly and securely with each other in order to coordinate patient care.
- e. The Agencies will use standard data-sharing processes to implement and manage referrals. This data may include but not be limited to: individual's demographics, medications, allergies, problem lists, procedures, alerts, as well as laboratory reports. Thus, the Agencies will have the ability to share data to enhance the individual's care, avoid duplicative services and support quality initiatives, benchmarking, and sharing of best practices.

#### **Accountability**

In the event that the Agencies have reason to believe that one or more of the expectations or activities included in this MOU are not taking place, the following steps shall occur:

- 1. A meeting shall be called with all parties present.
- 2. A mutually agreed upon resolution shall be discussed and agreed upon by all parties.
- 3. If necessary, an amendment shall be made to this MOU or a new MOU shall be developed between the City of New Bern and RHA Health Services, Inc.

#### **Compensation**

The New Bern Police Department was awarded the Department of Justice, COPS Office FY22 Community Policing Development (CPD) Implementation of Crisis Intervention Teams (CIT) grant. The grant will allow the Agencies to continue the partnership through contracting services with RHA Health Services for salaries and wages of three qualified professionals as well as equipment and travel. The Agencies agree to follow the conditions and requirements of the grant.

Payment to RHA Health Services for expenditures under this MOU will be reimbursed after a request for reimbursement is submitted and approved for eligible scope of work activity. Grant funds will be disbursed upon receipt of evidence that funds have been spent, products or services received (i.e., invoices, contracts, itemized expenses, etc.), and proof of payment is provided.

RHA Health Services must submit reimbursement requests (preferably as a single PDF), which includes a summary sheet showing individual transactions and the total amount requested, followed by supporting documentation for each transaction in the order as they appear on the summary sheet. This documentation can be payroll reports, invoices and copies of checks or other proof of payment etc. Reimbursement requests must be emailed to [grants@newbernnc.gov](mailto:grants@newbernnc.gov) no later than the 15<sup>th</sup> of each month for the prior month's expenditures.

RHA Health Services must adhere to all requirements contained in this MOU. Non-compliance may result in denial of reimbursement request(s) or suspension/revocation of grant funds awarded for this project.

#### **Updates**

This MOU shall be in effect from the dates executed, below, through October 31, 2024, and shall be reviewed annually. If upon annual review it is determined that items or provisions require the MOU to be revised, a new MOU reflecting such provisions will be prepared and signed by the authorized representatives. Additionally, this MOU can be updated with the agreement of all parties at any time.

#### ***City of New Bern***

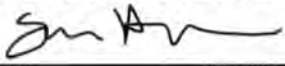
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Foster Hughes (date)  
City Manager

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Kimberly Ostrom (date)  
Director of Finance

#### ***RHA Health Services, Inc.***

 11/28/2023

Sara Huffman (date)  
Vice President  
RHA Health Services, Inc.

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting a Resolution for Amendment Number Three of the Pamlico Sound Regional Hazard Mitigation Plan, approved and adopted June 16, 2021, to support the City's 2023 FEMA Building Resilient Infrastructure and Communities (BRIC) application.

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b> Wards 1,4, & 5
<b>Department:</b> Development Services	<b>Person Submitting Item:</b> Christopher D. Seaberg, Community & Economic Development Manager
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	In preparation of the City's FY 2023 BRIC application for the New Bern Rail Corridor Planning Study, the NC Emergency Management – Hazard Mitigation team (NCEM-HM) reviewed the latest version of the Pamlico Sound Regional Hazard Mitigation Plan for support of the BRIC application and recommend an amendment to better support the effort. NCEM-HM staff found that the plan discusses mitigation actions specific to planning and flood prevention ordinances but does not specifically mention planning actions related to the rail corridor. City staff, with assistance from NCEM staff, drafted a recommended amendment to the Pamlico Sound Regional Hazard Mitigation Plan to better support the effort.
<b>Actions Needed by Board:</b>	Adopt Resolution
<b>Backup Attached:</b>	Memo, Resolution
<b>Is item time sensitive?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**



## MEMORANDUM

**TO:** Mayor Odham and Board of Aldermen

**FROM:** Christopher Seaberg, Community & Economic Development Manager

**DATE:** December 12, 2023

**SUBJECT:** Consider Adopting a Resolution for Amendment Three of the Pamlico Sound Regional Hazard Mitigation Plan; approved and adopted June 16, 2021, to support the City's 2023 FEMA Building Resilient Infrastructure and Communities (BRIC) application.

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On June 9, 2020, the City approved an Adoption Resolution of the Pamlico Sound Regional Hazard Mitigation Plan. Hazard Mitigation plans form the foundation of a community's long-term strategy to reduce disaster losses and break the cycle of disaster damage, reconstruction, and repetitive damage. Mitigation Plans are investment strategies that are developed through the planning process to identify and develop mitigation strategies that can be funded using a wide range of resources. FEMA makes funding available for planning through the Hazard Mitigation Assistance (HMA) grant programs: the Hazard Mitigation Grant Program (HMGP); the Building Resilient Infrastructure and Communities (BRIC) Program; and the Flood Mitigation Assistance (FMA) Program.

In preparation of the City's FY 2023 BRIC application for the New Bern Rail Corridor Planning Study, the NC Emergency Management – Hazard Mitigation team (NCEM-HM) reviewed the latest version of the Pamlico Sound Regional Hazard Mitigation Plan for support of the BRIC application and recommend an amendment to better support the effort. NCEM-HM staff found that the plan discusses mitigation actions specific to planning and flood prevention ordinances but does not specifically mention planning actions related to the rail corridor.

This issue can be remedied by adding the following recommended amendment to the Pamlico Sound Regional Hazard Mitigation Plan:

- A) Section Seven of the plan, Mitigation Action Plan identifies mitigation actions for New Bern. The table of actions on pdf page 309, (page 303 in the plan) Section 7

Craven County Mitigation Actions is hereby amended to include the following measures:

Mitigation Action C-25:

- Description: The City of New Bern will procure services to complete a flood study assessing the effectiveness of stormwater culverts running under railroad embankments and designing system improvements that will reduce flooding impacts on surrounding properties
- Hazard Addressed: Coastal Hazards, Hurricane & Tropical Storm, Flood
- Relative Priority: High
- Lead Agency/Department: City of New Bern, Citizens Advocating Resiliency and Education (C.A.R.E.) American Flood Coalition, Duffyfield Residents' Council, Historic Dryborough Neighborhood Association, Sound Rivers, NC Coastal Federation, The North Carolina Railroad Company, Norfolk Southern Railway Company
- Potential Funding Sources: BRIC, Local Funding
- Implementation Schedule: 2024-25
- Implementation Status: NEW Applying for funding 2023

Adoption of this amendment will demonstrate compliance with guidance from the North Carolina Department of Public Safety (DPS) and the Federal Emergency Management Agency (FEMA) concerning participation in the FEMA BRIC Program. This amendment applies only to New Bern and its involvement in various state and federal funding and mitigation programs.

Please contact Christopher Seaberg at 252-639-7580 if you have questions or need additional information.



## RESOLUTION

THAT WHEREAS, New Bern, NC participates in the Pamlico Sound Regional Hazard Mitigation Plan; and

WHEREAS, New Bern wishes to be an eligible participant in the Federal Emergency Management Agency's BRIC Program; and

WHEREAS, the North Carolina Department of Public Safety Division of Emergency Management, Hazard Mitigation Section has identified certain required amendments to the aforesaid plan to meet eligibility requirements; and

WHEREAS, the North Carolina Enhanced Hazard Mitigation Plan identifies certain goals, strategies and actions designed to address local government assistance demonstrating a coordinated and comprehensive statewide mitigation effort; and

WHEREAS, the State of North Carolina Enhanced Mitigation Plan is consistent with the guidance and requirements of the FEMA Unified Hazard Mitigation Assistance suite of programs providing assistance to local governments in securing funding through various programs is identified in the Goals, Strategies and Actions Sections of the NC Enhanced Hazard Mitigation Plan Approved February 13, 2023

### Section 2 Planning Process

Part 2.6.2 page 2-16 (pdf 45) addresses integration with FEMA's Unified Hazard Mitigation Assistance Program

### Section 5 Mitigation Strategy

Part 5.4.2.3 page 5-8 (pdf 474) addresses state assistance given to local governments in pursuit of funding sources including the UHMA suite of funding.

Mitigation Action NC-2 page 5-14 (pdf 480) identifies a comprehensive list of mitigation actions that NCEM-HM will pursue in partnership with local governments.

Project types that fall under this action could include, but are not limited to: Acquire properties that are located in areas vulnerable to hazards. Elevate properties that are located in areas vulnerable to flooding. Structural retrofits for structures that are vulnerable to wind events. Non-structural retrofits for structures that are vulnerable to earthquakes/geological events. Analyze building stock to identify potential structures that could be mitigated. Provide funds for purchase of conservation easements or purchase of land within floodplain. Identify properties to be acquired that will support mitigation by coordinating with other entities (such as the Clean Water Task Force) to leverage other funding sources for acquisition to support additional state mandated goals. Develop funding source (with hazard funds) targeted to areas most vulnerable to earthquakes, sinkholes, and landslide/geochemistry for acquisition and/or conservation easements. Promote safe room construction and help provide safe havens/rooms in areas with extremely vulnerable populations. Projects that include dam safety training for state personnel, increase in the number of dam inspections, increase in the submittal and testing of dam Emergency Action Plans, more timely review and issuance of

permits, improved coordination with state emergency preparedness officials, identification of dams to be repaired or removed, conducting dam safety awareness workshops and creation of dam safety videos and other outreach materials. Projects to provide technical, planning, design, and construction assistance for rehabilitation of eligible high hazard potential dams. Encourage applications for Advance Assistance funding and Capability and Capacity Building funding to allow communities to secure assistance with identifying and quantifying problems and solutions with the goal of preparing quality funding proposals/applications.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:

That in order to demonstrate compliance with guidance from the North Carolina Department of Public Safety (DPS) and the Federal Emergency Management Agency (FEMA) concerning participation in the FEMA BRIC Program, New Bern hereby adopts the following Amendment Number Three to the Pamlico Sound Regional Hazard Mitigation Plan adopted April 6, 2021. This amendment applies only to New Bern and its involvement in various state and federal funding and mitigation programs.

Amendment Three, Pamlico Sound Regional Hazard Mitigation Plan:

- A) Section Seven of the plan, Mitigation Action Plan identifies mitigation actions for New Bern. The table of actions on pdf page 309, (page 303 in the plan) Section 7 Craven County Mitigation Actions is hereby amended to include the following measures:

Mitigation Action C-25:

- Description: The City of New Bern will procure services to complete a flood study assessing the effectiveness of stormwater culverts running under railroad embankments and designing system improvements that will reduce flooding impacts on surrounding properties
- Hazard Addressed: Coastal Hazards, Hurricane & Tropical Storm, Flood
- Relative Priority: High
- Lead Agency/Department: City of New Bern, Citizens Advocating Resiliency and Education (C.A.R.E.) American Flood Coalition, Duffyfield Residents' Council, Historic Dryborough Neighborhood Association, Sound Rivers, NC Coastal Federation, The North Carolina Railroad Company, Norfolk Southern Railway Company
- Potential Funding Sources: BRIC, Local Funding
- Implementation Schedule: 2024-25
- Implementation Status: NEW Applying for funding 2023

These amendments will be incorporated into the next regularly scheduled update of the Pamlico Sound Regional Hazard Mitigation Plan.

ADOPTED THIS 12<sup>th</sup> DAY OF DECEMBER, 2023.

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JEFFREY T. ODHAM, MAYOR

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BRENDA E. BLANCO, CITY CLERK

## **AGENDA ITEM COVER SHEET**

### **Agenda Item Title:**

Consider Adopting an Amendment to the FY 2023-24 Annual Adopted Budget

<b>Date of Meeting:</b> 12/12/2023	<b>Ward # if applicable:</b>
<b>Department:</b> Finance	<b>Person Submitting Item:</b> Kim Ostrom, Director of Finance
<b>Call for Public Hearing:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Date of Public Hearing:</b>

<b>Explanation of Item:</b>	Amend the General Fund to appropriate \$8,290.91 for a fire grant match and grant writer's fee; amend Grant Fund to acknowledge receive of HSGP grant award of \$72,077.60
<b>Actions Needed by Board:</b>	Adopt Ordinance Amendment
<b>Backup Attached:</b>	Memo; Ordinance Amendment
<b>Is item time sensitive?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Cost of Agenda Item:</b>
<b>If this requires an expenditure, has it been budgeted and are funds available and certified by the Finance Director?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**Additional Notes:**

**Aldermen**

Rick Prill  
Hazel B. Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



300 Pollock Street, P.O. Box 1129  
New Bern, NC 28563-1129  
(252) 636-4000

Jeffrey T. Odham  
Mayor

Foster Hughes  
City Manager  
Brenda E. Blanco  
City Clerk  
Kimberly A. Ostrom  
Director of Finance

**TO:** City Manager, Honorable Mayor and Members of the Board of Aldermen

**FROM:** Kim Ostrom - Director of Finance

**DATE:** December 1, 2023

**RE:** Amendment to the FY 2023-24 Operating Budget

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**Current**

At the November 28, 2023 Board of Aldermen meeting, the Fire Department presented the 2022 Assistance to Firefighters Grant (AFG) awarded to the Craven County Firefighters Association in the amount of \$988,000, representing \$898,181.81 in federal funds with a required match of \$89,818.19. The match is divided among the 13 fire departments with each contributing \$6,909.09 toward the match and \$1,381.82 toward the grant writer's fee. The General Fund is amended to appropriate from fund balance the City's percentage of the matching requirement and grant writer's fee in the amount of \$8,290.91.

The Grants Fund is amended to acknowledge the NC Department of Public Safety Homeland Security Grant Program (HSGP) non-matching grant award in the amount of \$72,077.60 for the purchase of an underwater Remote Operated Vehicle (ROV) presented earlier this evening by the Police Department.

**Requested Action**

It is requested that the Board considers adopting the enclosed budget amendment at its meeting on December 12, 2023.



CITY OF NEW BERN, NORTH CAROLINA  
REQUESTED AMENDMENT TO  
Fiscal Year 2023-2024

FROM: Kim Ostrom, Director of Finance

Meeting Date: December 12, 2023

EXPLANATION:

At the November 28, 2023 Board of Aldermen meeting, the Fire Department presented the 2022 Assistance to Firefighters Grant (AFG) awarded to the Craven County Firefighters Association in the amount of \$988,000, representing \$898,181.81 in federal funds with a required match of \$89,818.19. The match is divided among the 13 fire departments with each contributing \$6,909.09 toward the match and \$1,381.82 toward the grant writer's fee. The General Fund is amended to appropriate from fund balance the City's percentage of the matching requirement and grant writer's fee in the amount of \$8,290.91. The Grants Fund is amended to acknowledge the NC Department of Public Safety Homeland Security Grant Program (HSGP) non-matching grant award in the amount of \$72,077.60 for the purchase of an underwater Remote Operated Vehicle (ROV) presented earlier this evening by the Police Department.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN  
THAT THE 2023-2024 ANNUAL BUDGET ORDINANCE IS AMENDED AS FOLLOWS:

Section 1 - Appropriations

Schedule A - GENERAL FUND

Increase: Fire

\$ 8,291

Schedule K - GRANTS FUND

Increase: Grants - Police

\$ 72,078

Section 2 - Estimated Revenues

Schedule A - GENERAL FUND

Increase: Fund Balance Appropriated

\$ 8,291

Schedule K - GRANTS FUND

Increase: Grants - Police

\$ 72,078

NATURE OF TRANSACTION:

  X   ADDITIONAL REVENUE AVAILABLE FOR APPROPRIATION  
       TRANSFER WITHIN ACCOUNTS OF SAME FUND  
  X   OTHER: FUND BALANCE APPROPRIATED

APPROVED BY THE BOARD OF ALDERMEN AND  
ENTERED ON MINUTES DATED DECEMBER 12, 2023  
AGENDA ITEM NUMBER \_\_\_\_\_

\_\_\_\_\_  
BRENDA E. BLANCO, CITY CLERK

Aldermen  
  
Rick Prill  
Hazel B. Royal  
Robert V. Aster  
Johnnie Ray Kinsey  
Barbara J. Best  
Robert Brinson, Jr.



Jeffrey T. Odham  
Mayor  
Foster Hughes  
City Manager  
Brenda E. Blanco  
City Clerk  
Kimberly A. Ostrom  
Director of Finance

Memorandum

TO: Alderman Johnnie Ray Kinsey  
  
FROM: Brenda Blanco, City Clerk  
  
DATE: June 16, 2023  
  
SUBJECT: Appointment to Planning and Zoning Board

Raymond Layton's term on the Planning and Zoning Board will expire June 30, 2023. He is ineligible for reappointment. You are asked to make a new appointment to fill Seat 4 for a three-year term that will expire on June 30, 2026.