

**CITY OF CENTREVILLE
CENTREVILLE, ALABAMA**

**ANNUAL REPORT
SEPTEMBER 30, 2024**

**DON WALLACE, CPA, PC
CERTIFIED PUBLIC ACCOUNTANT
NORTHPORT, ALABAMA**

**City of Centreville
Annual Report
September 30, 2024**

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July 24, 2025

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor Mike Oakley
Members of the City Council
City of Centreville, Alabama

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Centreville, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

We do not express an opinion on the financial statements of the City of Centreville. Because of the significance of the matter described in the Basis for Disclaimer of Opinion, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the City.

Basis for Disclaimer of Opinion

The City implemented a new accounting information system during the year ended September 30, 2024, which resulted in numerous misstatements in the general ledger, failure to properly allocate payroll and other expenses and to offset reimbursements. There were material amounts of penalties incurred for payroll taxes and other expenses, for which management has been in the process of trying to get abatements. We also noted inconsistencies in application of utility billing in customer accounts, resulting in an undetermined amount of fees and charges that should have been collected during the period, including affects on sanitation billing. As a result of these matters, we were unable to determine whether any additional adjustments might have been found necessary for the amounts included in the financial statements.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-8, Budget Comparison Schedules, and the Schedules of Funding progress be presented to supplement the basic financial statements. Such information, although not 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. I 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 financial statements, and other knowledge I obtained during the audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Don Wallace CPA

Don Wallace, CPA, PC

MEMBER:
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
ALABAMA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

**City of Centreville
Annual Report
September 30, 2024
Management's Discussion & Analysis**

This section of the City of Centreville's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended September 30, 2024. Please read it in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- Combined tax revenues and licenses decreased 3.1% over the previous year, while utility system revenues decreased by 5%. Intergovernmental, fine and other revenue also decreased. Governmental expenditures increased 9%, while utility system expenses increased by 6.8%. The City's General Fund Balance decreased \$572,096.
- Net Pension Liability is recorded in the Government-Wide financial statements per GASB 68. The total government liability through RSA is recorded at \$742,977, an increase of 11%.
- Governmental net assets decreased by \$461,661. Business-type net assets decreased by \$353,682, resulting in an overall decrease of \$815,343 for the year.
- Combined long-term debt was \$5,250,050, after new equipment debt of \$249,885 and repayments of \$331,031. Governmental debt was \$871,050, while business-type debt was \$4,379,000. Net income available for debt service in the Water Works and Sewer Board of was 77% of the estimated amount required under its debt service ratio.
- Total depreciation charges were \$179,205 for governmental activities, \$402,501 for utilities and \$37,744 for the park for the year.
- During review of payroll activity, it was noted that IRS penalties and interest of \$19,971.63 and \$10,492.55 were charged or assessed during the fiscal year for the City and Board, respectively. A total of \$5,244.93 in penalties associated with late filing of utility tax payments with the state were incurred between October 2023 and March 2025, along with smaller fees related to other tax payments. The Board was also charged with \$15,347.22 in late fees on its WEX account from October 2023 through January 2025, of which \$1,703.69 were subsequently abated.
- Revenue from late and other utility fees decreased over 50%, while a review of customer accounts indicated policies and procedures related to cutoffs, late charges, and reconnect fees were not consistently followed.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – Management's Discussion and Analysis, Basic Financial Statements, Required Supplementary Information, and Combining Statements for nonmajor governmental funds. The Basic Financial Statements include two types of statements that present different views of the City:

- The first two statements are "government-wide", which provide short and long-term information about the City's overall financial status.
- The remaining statements are "fund financial statements" that focus on individual parts of the government, reporting operations in more detail than the government-wide statements.

The financial statements also include Notes that explain some of the information in the report and provide further detailed data. Required Supplementary Information includes the Schedule of Funding Progress.

**City of Centreville
Annual Report
September 30, 2024
Management's Discussion & Analysis**

Government-Wide Financial Statements

Report information about the City as a whole, using methods similar to those of private-sector companies. Report Net Assets – the difference between assets and liabilities – as one way to measure financial health.

Fund Financial Statements

Provide more detail about the most significant funds, not the City as a whole. Funds keep track of specific sources of funding. Some funds are required by law, others by bond covenants or resolution.

Centreville currently has Governmental and Business-Type activities reflected in its financial statements. The Governmental funds include the City's basic services, such as police and administration. Sales and Franchise taxes finance most of these activities. The Business-type activity includes the Sewer.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

A comparison of the City's assets and liabilities is shown below.

	Governmental Activities		Business-Type Activities		Total Activities	
	<u>9/30/24</u>	<u>9/30/23</u>	<u>9/30/24</u>	<u>9/30/23</u>	<u>9/30/24</u>	<u>9/30/23</u>
<u>Assets</u>						
Current	\$1,379,169	\$1,729,934	\$ 741,537	\$1,076,339	\$2,120,706	\$2,806,273
Restricted	41,286	39,673	465,343	453,409	506,629	493,082
Capital	1,391,619	1,252,181	8,462,555	8,676,582	9,854,174	9,928,763
Total Assets	<u>2,812,074</u>	<u>3,021,788</u>	<u>9,669,435</u>	<u>10,206,330</u>	<u>12,481,509</u>	<u>13,228,118</u>
<u>Liabilities</u>						
Current	387,789	281,105	401,722	398,528	789,511	679,633
Long-Term	1,181,756	1,036,493	4,676,469	4,862,876	5,858,225	5,899,369
Total Liabilities	<u>1,569,545</u>	<u>1,317,598</u>	<u>5,078,191</u>	<u>5,261,404</u>	<u>6,647,736</u>	<u>6,579,002</u>
<u>Net Assets</u>						
Investment in net capital assets	520,569	537,783	3,971,310	4,098,582	4,491,879	4,636,365
Restricted	777,793	613,043	399,537	382,903	1,177,330	995,946
Unrestricted	-55,833	553,364	220,397	463,441	164,564	1,016,805
Total Net Assets	<u>1,242,529</u>	<u>1,704,190</u>	<u>4,591,244</u>	<u>4,944,926</u>	<u>5,833,773</u>	<u>6,649,116</u>

Combined net assets of the City decreased by \$815,343 to \$5,833,773. A net total of \$4,491,879 are invested in capital assets. Another \$1,177,330 are held in restricted funds, leaving an unrestricted balance of \$164,564. The net assets of Governmental activities decreased by \$461,661, while net assets of the Business-type activities decreased by \$353,682. Depreciation charges were \$179,205 and \$440,245, respectively.

Assets and liabilities of the Business-type activities were 88% dominated by the Water Works and Sewer Board. Net assets invested in capital assets decreased by \$127,272.

**City of Centreville
Annual Report
September 30, 2024
Management's Discussion & Analysis**

A comparison of the changes in net assets is shown below.

	Governmental Activities		Business-Type Activities		Total Activities	
Year Ended:	<u>9/30/24</u>	<u>9/30/23</u>	<u>9/30/24</u>	<u>9/30/23</u>	<u>9/30/24</u>	<u>9/30/23</u>
<u>Revenues</u>						
Taxes	\$1,112,391	\$1,154,576	\$ 0	\$ 0	\$1,112,391	\$1,154,576
Licenses & Permits	330,234	333,563	0	0	330,234	333,563
Intergovernmental Support	282,561	339,034	0	49,423	282,561	388,457
Charges for Service	498,090	465,087	1,606,496	1,694,718	2,104,586	2,159,805
Fines & Forfeitures	117,277	149,500	0	0	117,277	149,500
Rental	61,800	67,000	0	0	61,800	67,000
Donations/Other	75,705	80,892	13,481	11,541	89,186	92,433
Total Revenues	<u>2,478,058</u>	<u>2,589,652</u>	<u>1,619,977</u>	<u>1,755,682</u>	<u>4,098,035</u>	<u>4,345,334</u>
<u>Expenses</u>						
Administrative	788,341	711,063	0	0	788,341	711,063
Street	1,045,296	978,517	0	0	1,045,296	978,517
Police	919,868	673,315	0	0	919,868	673,315
Court	134,857	101,128	0	0	134,857	101,128
Culture & Recreation	2,905	172,691	37,744	37,744	40,649	210,435
Water & Sewer	0	0	1,935,915	1,812,540	1,935,915	1,812,540
Fire Protection	48,452	61,340	0	0	48,452	61,340
Total Expenditures	<u>2,939,719</u>	<u>2,698,054</u>	<u>1,973,659</u>	<u>1,850,284</u>	<u>4,913,378</u>	<u>4,548,338</u>
Changes before other items	-461,661	-108,402	-353,682	-94,602	-815,343	-203,004
PPA/Equity transfers	0	0	0	0	0	0
Change in Net Assets	<u>-461,661</u>	<u>-108,402</u>	<u>-353,682</u>	<u>-94,602</u>	<u>-815,343</u>	<u>-203,004</u>

The overall decrease in net assets was \$815,343, as every revenue category declined, while expenses increased, including depreciation of \$619,450. Overall revenues decreased by 6%, while expenses increased by 8%. Expenses for governmental activities and business-type expenses increased. Net assets of governmental activities decreased by \$461,661, while business-type net assets decreased by \$353,682.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed the year, the governmental funds reported a combined fund balance of \$1,133,890. Included in the year's \$407,346 decrease in fund balance are \$869,622 of sales and use taxes, \$330,234 in licenses and permits and \$498,090 in sanitation service revenues. Taxes, business licenses and permits, garbage collection fees, and intergovernmental were the primary sources of revenue. Without those revenues, the City's ability to provide services such as the police, street maintenance and general administration would not be achieved.

**City of Centreville
Annual Report
September 30, 2024
Management's Discussion & Analysis**

BUDGET ANALYSIS

A comparison of budget to actual results follows.

	Budget	Actual
General Fund		
Revenues	\$ 2,446,620	\$2,219,548
Disbursements (less)	-2,469,620	-2,791,644
Net transfers	0	0
Change in fund balance	<u>-23,000</u>	<u>-572,096</u>
Water & Sewer Fund		
Revenues	1,728,040	1,619,977
Expenses (less)	-1,703,475	-1,935,915
Transfers	0	0
Change in net assets	<u>24,565</u>	<u>-315,938</u>

CAPITAL ASSET ADMINISTRATION

After recording capital outlays of \$279,845 in governmental activities and \$226,218 in proprietary activities, and related depreciation charges of \$619,450, net capital asset balances decreased to \$9,854,174. The capital asset summary for the fiscal year ended September 30, 2024 is as follows:

	<u>9/30/24</u>	<u>9/30/23</u>
<u>Capital Assets, Net of Depreciation</u>		
Governmental Activities:		
Land	\$ 18,500	\$ 18,500
Buildings	582,894	602,594
Infrastructure	218,918	250,483
Equipment	571,307	419,402
Governmental capital assets, net	<u>1,391,619</u>	<u>1,290,979</u>
Proprietary Activities: Park		
Buildings	271,037	284,910
Improvements	34,506	39,921
Park Equipment	62,281	80,737
Park capital assets, net	<u>367,824</u>	<u>405,568</u>
Proprietary Activities: Water & Sewer		
Land & improvements	38,532	41,836
Buildings	131,822	113,377
Utility System	7,474,294	7,706,493
Machinery & equipment	450,083	409,308
Water & Sewer capital assets, net	<u>8,094,731</u>	<u>8,271,014</u>

**City of Centreville
Annual Report
September 30, 2024
Management's Discussion & Analysis**

DEBT ADMINISTRATION

The Town had the following long-term debt for the year ended September 30, 2024.

<u>Activity</u>		<u>10-1-23</u>	<u>Additions</u>	<u>Retirements</u>	<u>9-30-24</u>
Governmental	\$	753,196	249,885	132,031	\$ 871,050
Business-Type		4,578,000	0	199,000	4,379,000

Total interest expense for the year was \$56,939 for governmental and \$127,960 for business-type activities.

ECONOMIC FACTORS

The City of Centreville is located off Highway 82 in Bibb County, between Tuscaloosa and Montgomery. The northern part of the county has experienced manufacturing related growth, and as the county seat, the City hopes to see future growth as a result of residential and commercial growth along the highway. The City of Centreville is a member of the Alabama League of Municipalities and participates in the Alabama Municipal Insurance Corporation. The City has approximately 1,200 utility customers, including commercial and residential, and a total population of approximately 2,700 persons.

CONTACTING THE CITY'S MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Centreville, City Clerk, 1270 Walnut Street, Centreville, AL 35042.

CITY OFFICIALS AS OF SEPTEMBER 30, 2024

Mayor:	Mike Oakley	
City Clerk:	Megan Batte	
Police Chief:	Rodney Smith	
Superintendent:	Larry Oikle	
Council:	Mike Nichols, Pro Tem	
	Don Mack	Brad Colburn
	Linda Lawrence	Diane Epperson
Water Works & Sewer Board:	Jerome Chism, Chair	
	Kent Watkins	Josh Colburn
	Linda Lawrence	Beth Downs

(Jimmy Martin replaced Jerome Chism in July 2024. Barry Cooner & Seth Young replaced Beth Downs & Kent Watkins in September 2024)

**GOVERNMENT-WIDE
FINANCIAL
STATEMENTS**

City of Centreville
Statement of Net Assets
September 30, 2024

	Governmental Activities	Business-Type Activities	Total Government
<u>ASSETS</u>			
Current:			
Cash	\$ 1,061,070	\$ 410,006	\$ 1,471,076
General Receivables	82,331	237,452	319,783
Court Receivables, net	121,836	0	121,836
Due from other funds	84,320	59,301	143,621
Prepaid assets	<u>29,612</u>	<u>34,778</u>	<u>64,390</u>
	<u>1,379,169</u>	<u>741,537</u>	<u>2,120,706</u>
Noncurrent:			
Capital:			
Nondepreciable	18,500	93,309	111,809
Depreciable, net	<u>1,373,119</u>	<u>8,369,246</u>	<u>9,742,365</u>
	<u>1,391,619</u>	<u>8,462,555</u>	<u>9,854,174</u>
Other Assets: Bond investments	<u>41,286</u>	<u>465,343</u>	<u>506,629</u>
Total assets	<u>2,812,074</u>	<u>9,669,435</u>	<u>12,481,509</u>
<u>LIABILITIES</u>			
Current:			
Accounts payable	52,738	22,362	75,100
Payroll liabilities	108,087	14,476	122,563
Accrued absences	25,153	13,553	38,706
Accrued interest payable	0	57,011	57,011
Due to other funds	59,301	84,320	143,621
Current portion of long-term debt	<u>142,510</u>	<u>210,000</u>	<u>352,510</u>
	<u>387,789</u>	<u>401,722</u>	<u>789,511</u>
Noncurrent:			
Customer meter deposits	0	39,657	39,657
RSA pension liability, net	453,216	289,761	742,977
Bond premium, unamortized	0	178,051	178,051
Long-term debt	<u>728,540</u>	<u>4,169,000</u>	<u>4,897,540</u>
	<u>1,181,756</u>	<u>4,676,469</u>	<u>5,858,225</u>
Total liabilities	<u>1,569,545</u>	<u>5,078,191</u>	<u>6,647,736</u>
<u>NET ASSETS</u>			
Investment in net capital assets	520,569	3,971,310	4,491,879
Restricted for:			
Capital projects	127,391	0	127,391
Road & bridge	422,892	0	422,892
Fire protection	79,054	0	79,054
Other restricted	148,456	399,537	547,993
Unrestricted (deficit)	<u>-55,833</u>	<u>220,397</u>	<u>164,564</u>
Total net assets	<u>1,242,529</u>	<u>4,591,244</u>	<u>5,833,773</u>

City of Centreville
Statement of Activities
Year Ended September 30, 2024

FUNCTION/PROGRAM	PROGRAM REVENUES				Net Revenue (Expense)
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	
Governmental activities:					
Administration	\$ 788,341	\$ 61,800	\$ 10,000	\$ 0	\$ -716,541
Street	1,045,296	498,090	35,284	66,620	-445,302
Police	919,868	66,967	28,413	0	-824,488
Court	134,857	50,310	0	0	-84,547
Culture & recreation	2,905	510	0	0	-2,395
Fire protection	48,452	7,084	50,651	0	9,283
Total governmental	<u>2,939,719</u>	<u>684,761</u>	<u>124,348</u>	<u>66,620</u>	<u>-2,063,990</u>
Business-type activities:					
Water Works & Sewer	1,935,915	1,606,496	0	0	-329,419
Park & recreation	37,744	0	0	0	-37,744
Total business-type	<u>1,973,659</u>	<u>1,606,496</u>	<u>0</u>	<u>0</u>	<u>-367,163</u>
Government-wide	<u>4,913,378</u>	<u>2,291,257</u>	<u>124,348</u>	<u>66,620</u>	<u>-2,431,153</u>
		Governmental Activities	Business-Type Activities	Total	
Net program revenue		<u>\$ -2,063,990</u>	<u>-367,163</u>	<u>-2,431,153</u>	
<u>GENERAL REVENUES</u>					
Taxes:					
Sales & use		869,622	0	869,622	
Ad valorem		139,548	0	139,548	
Gasoline		49,232	0	49,232	
Other taxes		53,989	0	53,989	
Business licenses & permits		330,234	0	330,234	
Intergovernmental:					
TVA distribution		46,544	0	46,544	
Other distributions		2,568	0	2,568	
Financial excise		13,557	0	13,557	
Capital grant		28,924	0	28,924	
Miscellaneous		<u>68,111</u>	<u>13,481</u>	<u>81,592</u>	
Total general revenues		<u>1,602,329</u>	<u>13,481</u>	<u>1,615,810</u>	
Change in net assets		-461,661	-353,682	-815,343	
Beginning net assets		<u>1,704,190</u>	<u>4,944,926</u>	<u>6,649,116</u>	
Ending net assets		<u>1,242,529</u>	<u>4,591,244</u>	<u>5,833,773</u>	

The accompanying notes are an integral part of the financial statements.

FUND
FINANCIAL STATEMENTS

**City of Centreville
Governmental Funds
Balance Sheet
September 30, 2024**

	General Fund	Fire Dept. Fund	Nonmajor Funds	Total Governmental
<u>ASSETS</u>				
Cash	\$ 84,546	\$ 81,251	\$ 575,199	\$ 740,996
Cash – ARPA	192,671	0	0	192,671
Cash – court funds	13,731	0	113,672	127,403
Due from other funds	84,320	0	0	84,320
General receivables	72,365	0	9,966	82,331
Court receivables, net	121,836	0	0	121,836
Prepaid expenses	29,612	0	0	29,612
Total assets	<u>599,081</u>	<u>81,251</u>	<u>698,837</u>	<u>1,379,169</u>
<u>LIABILITIES</u>				
Accounts payable	43,556	2,197	98	45,851
Court payables	6,887	0	0	6,887
Payroll liabilities	108,087	0	0	108,087
Accrued absences	25,153	0	0	25,153
Due to other funds	59,301	0	0	59,301
Total liabilities	<u>242,984</u>	<u>2,197</u>	<u>98</u>	<u>245,279</u>
<u>FUND BALANCE</u>				
Non-Spendable	29,612	0	0	29,612
Restricted	0	79,054	698,739	777,793
Unrestricted:				
Assigned	0	0	0	0
Unassigned	326,485	0	0	326,485
Total fund balance	<u>356,097</u>	<u>79,054</u>	<u>698,739</u>	<u>1,133,890</u>

City of Centreville
Governmental Funds
Statement of Revenues, Expenditures & Change in Fund Balance
Year Ended September 30, 2024

	General Fund	Fire Dept. Fund	Nonmajor Funds	Total Governmental
<u>REVENUES</u>				
Taxes	\$ 1,112,391	\$ 0	\$ 0	\$ 1,112,391
Licenses & franchises	330,234	0	0	330,234
Charges for services	498,090	7,019	0	505,109
Intergovernmental support	101,082	50,651	138,955	290,688
Fines & forfeitures	47,840	0	50,310	98,150
Other	129,911	65	11,510	141,486
Total revenues	<u>2,219,548</u>	<u>57,735</u>	<u>200,775</u>	<u>2,478,058</u>
<u>EXPENDITURES</u>				
Administration	825,888	0	0	825,888
Street	1,002,244	0	8,775	1,011,019
Police	857,096	0	18,336	875,432
Court	101,541	0	31,597	133,138
Culture & recreation	4,875	0	1,759	6,634
Fire protection	0	33,293	0	33,293
Total expenditures	<u>2,791,644</u>	<u>33,293</u>	<u>60,467</u>	<u>2,885,404</u>
Changes before transfers	-572,096	24,442	140,308	-407,346
Transfers from (to) other funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in fund balance	-572,096	24,442	140,308	-407,346
Beginning fund balance	928,193	54,612	558,431	1,541,236
Ending fund balance	<u>356,097</u>	<u>79,054</u>	<u>698,739</u>	<u>1,133,890</u>

City of Centreville
Reconciliation of Fund Balance and Net Assets
Year Ended September 30, 2024

Governmental Fund Balance- September 30, 2024	\$ 1,133,890
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Amounts reported for governmental activities in the
Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$2,824,329	1,391,619
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Net Pension Liability and related Deferred Inflows and Outflows	-453,216
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Long-term liabilities and accrued interest are not due and payable in the current period and therefore are not reported in the funds: This is the amount of long-term liabilities, net of discounts/costs	<u>-829,764</u>
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Net Assets of Governmental Activities	<u>1,242,529</u>
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City of Centreville
Reconciliation of the Statement of Revenues, Expenditures &
Change in Fund Balance to the Statement of Activities
Year Ended September 30, 2024

Change in fund balances – total governmental funds \$ -407,346

Governmental funds report payments on long-term debt as expenditures, rather than decreases in liabilities and interest expense in the Statement of Activities. This is the amount of principal payments on long-term debt during the year, including changes in bond costs, discounts. 133,644

Proceeds from long-term debt are not included as revenues in the Statement of Activities. This is the amount of new loans for equipment, netted against asset additions in the reconciliation below. -249,885

Changes in net RSA actuarial valuation -38,714

Amounts reported for governmental activities in the Statement of Activities are different because governmental funds report capital outlays as expenditures, rather than as depreciated in the Statement of Activities. This is the amount by which capital outlays of \$279,845 exceeded depreciation of \$179,205 in the current year, 100,640

Changes in net assets – governmental activities -461,661

Reconciliation of Fund Disbursements to Program Expenses:

	Admin	Street	Police	Court	Fire Depart	Cultural & Rec	TOTAL
Disbursements	825,888	1,011,019	875,432	133,138	33,293	6,634	2,885,404
Add: Depreciation	14,388	77,443	60,326	1,719	22,794	2,535	179,205
Add: NPL changes	9,678	9,679	19,357	0	0	0	38,714
Less: Debt Reduction	-61,613	-52,845	-19,186	0	0	0	-133,644
Less: Capital assets	0	0	-16,061	0	-7,635	-6,264	-29,960
Program Expenses	<u>788,341</u>	<u>1,045,296</u>	<u>919,868</u>	<u>134,857</u>	<u>48,452</u>	<u>2,906</u>	<u>2,939,719</u>

**City of Centreville
Proprietary Funds
Combining Balance Sheet
September 30, 2024**

<u>ASSETS</u>	<u>Water Works & Sewer</u>	<u>Park & Recreation</u>	<u>Total</u>
Current Assets:			
Cash- unrestricted	\$ 360,100	\$ 16	\$ 360,116
Receivables - net	237,452	0	237,452
Due from City	59,301	0	59,301
Prepaid expenses & inventory	34,778	0	34,778
Total Current Assets	691,631	16	691,647
Restricted Assets:			
Cash- restricted for deposits	49,890	0	49,890
Capital Assets:			
Nondepreciable	93,309	0	93,309
Depreciable, net	8,001,422	367,824	8,369,246
Total Capital Assets	8,094,731	367,824	8,462,555
Other Assets:			
Unamortized bond discounts	65,806	0	65,806
Bond investments	399,537	0	399,537
Total Other Assets	465,343	0	465,343
Total Assets	9,301,595	367,840	9,669,435
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	22,362	0	22,362
Payroll liabilities	14,476	0	14,476
Accrued absences	13,553	0	13,553
Accrued interest	57,011	0	57,011
Due to City	84,320	0	84,320
Current portion of long-term debt	210,000	0	210,000
Total Current Liabilities	401,722	0	401,722
Noncurrent Liabilities:			
Customer deposits	39,657	0	39,657
Bond premium, net	178,051	0	178,051
RSA Pension Liability, net	289,761	0	289,761
Bonds/Notes payable, long-term portion	4,169,000	0	4,169,000
Total Noncurrent Liabilities	4,676,469	0	4,676,469
Total Liabilities	5,078,191	0	5,078,191
<u>NET ASSETS</u>			
Investment in net capital assets	3,603,486	367,824	3,971,310
Restricted	399,537	0	399,537
Unrestricted	220,381	16	220,397
Total Net Assets	4,223,404	367,840	4,591,244

City of Centreville
Proprietary Funds
Combining Statement of Revenues, Expenses & Changes in Net Assets
Year Ended September 30, 2024

	<u>Water & Sewer Board</u>	<u>Park & Recreation</u>	<u>Total</u>
<u>OPERATING REVENUES</u>			
Charges for Services:			
Water	\$ 1,227,090	\$ 0	\$ 1,227,090
Sewer	323,644	0	323,644
Other fees	35,999	0	35,999
Miscellaneous/Donations	19,763	0	19,763
<u>TOTAL OPERATING REVENUES</u>	<u>1,606,496</u>	<u>0</u>	<u>1,606,496</u>
<u>OPERATING EXPENSES</u>			
Payroll & benefits	560,012	0	560,012
Health insurance	153,082	0	153,082
System repairs & maintenance	79,603	0	79,603
Lagoon repairs and operations	29,147	0	29,147
Materials & supplies	96,107	0	96,107
Utilities & telephone	123,163	0	123,163
Insurance	30,312	0	30,312
Fuel, oil & truck expenses	84,089	0	84,089
Office & computer	56,489	0	56,489
Legal & accounting	15,410	0	15,410
Bad debt expense	27,805	0	27,805
Professional fees	58,672	0	58,672
Depreciation	402,501	37,744	440,245
Equipment expense	12,701	0	12,701
Penalties & interest	27,805	0	27,805
Other operating expense	12,801	0	12,801
Total Operating Expenses	<u>1,767,544</u>	<u>37,744</u>	<u>1,805,288</u>
 Operating Income (Loss)	 <u>-161,048</u>	 <u>-37,744</u>	 <u>-198,792</u>
<u>NONOPERATING ITEMS</u>			
Interest income	13,481	0	13,481
Amortization expense	-4,700	0	-4,700
RSA actuarial credit (costs)	-35,711	0	-35,711
Interest expense	-127,960	0	-127,960
Net Non-operating Items	<u>-154,890</u>	<u>0</u>	<u>-154,890</u>
 Change in Net Assets	 -315,938	 -37,744	 -353,682
Beginning Net Assets	4,539,342	405,584	4,944,926
Ending Net Assets	<u>4,223,404</u>	<u>367,840</u>	<u>4,591,244</u>

**City of Centreville
Proprietary Funds
Combining Statement of Cash Flows
Year Ended September 30, 2024**

	<u>Water & Sewer Board</u>	<u>Park & Recreation</u>	<u>Total</u>
<u>CASH FLOWS FROM OPERATING</u>			
Receipts from Customers/User Fees	\$ 1,569,441	\$ 0	\$ 1,569,441
Other receipts	19,763	0	19,763
Payments:			
Personnel costs	-733,435	0	-733,435
Utilities & telephone	-123,163	0	-123,163
System maintenance & operations	-178,074	0	-178,074
Insurance	-26,980	0	-26,980
Materials & supplies	-96,107	0	-96,107
Fuel & truck	-94,832	0	-94,832
Professional & Other	-79,610	0	-79,610
Net cash provided (used) by operations	182,921	0	182,921
<u>CASH FLOWS FROM CAPITAL & RELATED FINANCING</u>			
Purchase of equipment/system assets	-226,218	0	-226,218
Principal payments on long-term debt	-199,000	0	-199,000
Interest paid on long-term debt	-132,837	0	-132,837
Net cash used by capital & related financing	-558,055	0	-558,055
<u>CASH FLOWS FROM INVESTING</u>			
Interest Income	13,481	0	13,481
<u>CASH FLOWS FROM OTHER FINANCING</u>			
Changes in due from other funds	0	0	0
Transfers from (to) Other Funds	0	0	0
Net cash provided (used) by financing	0	0	0
Net Increase (Decrease) in cash	-361,653	0	-361,653
Beginning Cash Balance	771,643	16	771,659
Ending Cash Balance	409,990	16	410,006
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATIONS</u>			
Operating Income	-161,048	-37,744	-198,792
Depreciation	402,501	37,744	440,245
Changes in operating assets/liabilities			
Receivables	-30,183	0	-30,183
Prepaid assets	3,332	0	3,332
Payroll liabilities	-3,053	0	-3,053
Accounts payable	-29,228	0	-29,228
Customer meter deposits	600	0	600
Net Cash Flows From Operations	182,921	0	182,921

City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. These principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

1.A. FINANCIAL REPORTING ENTITY

The City's financial reporting entity is comprised of the following in accordance with financial accountability defined by the GASB:

Primary Government:	City of Centreville
Blended Component Units:	Water Works and Sewer Board Park and Recreation Board

The City is a municipality that operates under a Mayor-Council form of government, with a five-member City Council. The primary government financial statements presented in this report include the Water Works and Sewer Board, which also issues a separate audit report for its specified activities.

1.B BASIS OF PRESENTATION

Government-Wide Financial Statements

The statement of net assets and statement of activities display information about the reporting government as a whole, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues and expenditures. Funds of the City consist of governmental funds, with an emphasis placed on major funds, and a proprietary fund for sewer service. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The funds of the City are described below:

General Fund – the primary operating fund of the City and always classified as a major fund. It is used to account for all activities except those legally required to be accounted for in other funds.

Special Revenue Funds – are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for certain purposes.

**City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024**

Proprietary Fund – is used to account for the activities of the water and sewer service provided to the citizens of the City, and the municipal ball park that is operated by a nonprofit entity.

Governmental Funds

General	See above for description
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Special Revenue Funds:

Volunteer Fire Department	City's volunteer fire department, including funds received through Bibb County, federal or state grants.
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Street 7-cent Gas Tax	Accounts for revenues from the State of Alabama 7¢ gas excise tax and related expenditures for street repairs, maintenance and utilities.
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Street 4-cent Gas Tax	Accounts for revenues from the State of Alabama 4¢ and 5¢ gas excise taxes and related expenditures for street improvements.
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Capital Improve. Fund	Accounts for revenues from the State of Alabama Oil and Gas Windfall Trust funds and related expenditures for capital purposes.
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Corrections, etc	Accounts for court fines designated for municipal court operations, training, or other law enforcement concerns.
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Proprietary Funds

Enterprise Funds:

Water Works & Sewer Accounts for the operations of the City's water and sewer system.

Park & Recreation	Accounts for leasing operations of the City's ball park.
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1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are included on their balance sheets. Their operating statements present sources and uses of available expendable financial resources in a given period. These funds use fund balance as their measure of resources.

**City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024**

- b. The proprietary funds utilize the “economic resources” measurement focus. Also referred to as enterprise funds, they report assets, liabilities, and results of operations in a manner consistent with “for profit” business activities, including the depreciation of fixed assets.

Basis of Accounting

In the government-wide statements activities are presented using the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this method, revenues are recognized when “measurable and available”. Expenditures (including capital outlays) are recorded when the related fund liability is incurred. Proprietary funds are presented using the accrual basis of accounting.

Estimates

The preparation of financial statements in conformity with generally 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.

1.D. ASSETS, LIABILITIES, AND EQUITY

Cash & Investments

For the purpose of the Statement of Net Assets, cash includes all demand, savings, and certificates of deposit of the City with an original maturity of three months or less. Investments are carried at fair value, based on quoted market price.

Fixed Assets

The City has adopted a fixed asset capitalization policy for the purpose of depreciating acquisition of assets with a cost of \$1,500 or more. Assets are depreciated over their estimated useful life, using the straight-line method. Repairs that significantly extend the useful lives of assets are capitalized in the fixed asset section of the financial statements. General capital assets are initially recorded as expenditures in the governmental funds. Those assets are capitalized and depreciated in the government-wide statements, in the same manner as proprietary funds.

**City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024**

Estimated useful lives are as follows:

Buildings	40 years
Utility Systems & Infrastructure	40-50 years
Improvements	10-15 years
Machinery & Equipment	5-10 years
Furniture & Fixtures	5-7 years

Interfund Receivables & Payables

Those transactions that occur between individual funds that may result in amounts owed between funds are classified as “due to and from other funds”. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets.

Equity Classifications - Government-Wide Statements

Equity is classified as net assets and displayed in 3 components:

- a. Invested in capital assets, net of related debt.
- b. Restricted net assets – those with constraints placed on the use either by (1) external groups such as grantors, creditors, or laws and regulations, or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – all other net assets that do not meet the definition of “restricted” or “invested in capital assets”.
- d. Fund Statements
- e. Governmental fund equity is classified as fund balance. Fund balance is further classified as Non-spendable, Restricted and Unrestricted in accordance with GASB 54. Unrestricted is further divided into Committed, Assigned and Unassigned per GASB 54. Proprietary fund equity is presented as retained earnings.

1.E. REVENUES, EXPENDITURES, AND EXPENSES

Key components of the Statement of Activities in the Government-wide financial statements include governmental programs such as administration, police & court, street & highway, senior and park programs, and proprietary activities of the sewer system.

Revenue Recognition

Governmental fund revenues are recognized as being available within 60 days in the governmental funds financial statements. Significant categories of governmental revenues include sales and property tax, franchise/business licenses, court fines and sanitation fees. Proprietary funds account for operations that are primarily financed by user charges. Those revenues are recognized when earned.

**City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024**

Contracts with Customers

The Board records water revenue from contracts with customers in accordance with ASU 2014-09, Revenue from Contracts with Customers (Topic 606). The Board must identify the contract with the customer, identify the performance obligations, determine the price, allocate the transaction price to the performance obligations and recognize revenue when the Town satisfies the obligation, or as it is earned.

The Board has evaluated the nature of its contracts with customers and determined that further disaggregation of revenue from contracts with customers into more granular categories beyond what is presented in the Statements of Net Position and Revenues, Expenses and Changes in Net Position was not necessary. The Board generally satisfies its obligations on its contracts with customers as services are rendered and transaction prices are fixed. The Board has made no significant judgements in applying the revenue guidance prescribed in ASC 606 that affect the determination of the amount and timing of revenue from contracts with customers.

Expenditure Recognition

Governmental funds focus on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. Long-term debt expenses are recognized when paid, while depreciation is not recognized in the governmental funds. Proprietary expenses are recognized when incurred. In the government-wide statements, expenses are classified by function for governmental or business-type activities. In the fund financial statements, expenditures are classified by character (function, debt service or capital outlay) for governmental funds, and by Operating and Non-Operating for proprietary funds.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

By its nature as a local government, the City is subject to various federal, state and local laws and contractual regulations. An analysis of the City's compliance with laws and demonstration of stewardship over resources is as follows:

2.A. FUND ACCOUNTING REQUIREMENTS

The City complies with all state and local laws requiring the use of separate funds, including the following:

State Gasoline Excise Tax Funds	Required by State of Alabama
Capital Improvement Fund	Required by State of Alabama
Corrections & related funds	Required by State of Alabama

2.B. BUDGETS AND APPROPRIATIONS

Under laws of the State of Alabama, the City is required to adopt a budget for all major funds. Budgets have been adopted for fiscal year 2024 and are presented for the combined General and Sales Tax funds.

City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024

2.C. SPENDING POLICY & LIQUIDITY

The City would typically use restricted fund balances first, followed by committed or assigned resources. The City reserves the right to selectively spend unassigned resources first to defer the use of other classified funds.

The City and its utility system strive to keep a three-month operating reserve based upon cash to expenditures. Both areas of City government were in excess of such a reserve. The City continues to monitor its revenue and results of operations to comply with state laws, bond covenants and to maintain financial stability.

2.D. SUBSEQUENT REVIEW

Management has evaluated events and transactions that have occurred between September 30, 2024 and July 24, 2025, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 3: DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

3.A. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2024:

	10/1/23	Additions	Disposals	9/30/24
<u>GOVERNMENTAL ACTIVITIES</u>				
Land	\$ 18,500	\$ 0	\$ 0	\$ 18,500
Buildings	1,449,722	6,264	0	1,455,986
Infrastructure	824,924	0	0	824,924
Furniture & equipment	1,642,957	273,581	0	1,916,538
Total, at historical cost	<u>3,936,103</u>	<u>279,845</u>	<u>0</u>	<u>4,215,948</u>
Accumulated Depreciation:				
Buildings	847,128	25,964	0	873,092
Infrastructure	574,441	31,565	0	606,006
Furniture & equipment	1,223,555	121,676	0	1,345,231
Total Depreciation	<u>2,645,124</u>	<u>179,205</u>	<u>0</u>	<u>2,824,329</u>
Governmental Capital Assets, net	<u>1,290,979</u>	<u>100,640</u>	<u>0</u>	<u>1,391,619</u>

Depreciation expense charged to governmental activities was allocated as follows:

Administration	\$ 14,388
Street	77,443
Police	60,326
Court	1,719
Park	1,403
Historical/Cultural	1,132
Fire protection	22,794
Total depreciation expense	<u>179,205</u>

City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024

PROPRIETARY ACTIVITY:

PARK & RECREATION:

	10/1/23	Additions	Disposals	9/30/24
Buildings	\$ 416,183	\$ 0	\$ 0	\$ 416,183
Improvements	93,223	0	0	93,223
Park equipment	262,302	0	0	262,302
Total, at historical cost	<u>771,708</u>	<u>0</u>	<u>0</u>	<u>771,708</u>
Accumulated Depreciation:				
Buildings	131,273	13,873	0	145,146
Improvements	53,302	5,415	0	58,717
Park equipment	181,565	18,456	0	200,021
Total Depreciation	<u>366,140</u>	<u>37,744</u>	<u>0</u>	<u>403,884</u>
Proprietary Capital Assets, net	<u>405,568</u>	<u>-37,744</u>	<u>0</u>	<u>367,824</u>

WATER WORKS AND SEWER BOARD:

	10/1/23	Additions	Disposals	9/30/24
Land and improvements	\$ 93,309	\$ 0	\$ 0	\$ 93,309
Building	200,742	25,944	0	226,686
Utility system - Water	7,115,088	106,054	0	7,221,142
Utility system - Sewer	7,895,260	0	0	7,895,260
Machinery and vehicles	837,454	94,220	0	931,674
Furniture and equipment	77,380	0	0	77,380
Totals, at historical cost	<u>16,219,233</u>	<u>226,218</u>	<u>0</u>	<u>16,445,451</u>
Less: Accumulated depreciation	<u>7,948,219</u>	<u>402,501</u>	<u>0</u>	<u>8,350,720</u>
Net fixed assets	<u>8,271,014</u>	<u>-176,283</u>	<u>0</u>	<u>8,094,731</u>

3.B. LONG-TERM DEBT AS OF SEPTEMBER 30, 2024

Governmental Activities

Bancorp lease payable, \$2,556.00 per month	\$ 124,566
First US Bank, note payable, \$5,095.38/month, with interest at 3.6% for 60 months, final payment due 6-30-2028	211,655
First US Bank, note payable, \$977/month, with interest at 3.6% for 60 months, final payment due 6-15-2026	19,829
Regions Bank, bonds payable, \$7,348 maximum per month, including interest of 1.75-3.6%, final payment due 4-1-2031	<u>515,000</u>
Total Debt	871,050
Less: Current portion	<u>-142,510</u>
Long-Term Debt	<u>728,540</u>

Interest paid for the year was \$56,939.

**City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024**

Future expected principal payments are expected to be as follows:

	<u>Principal</u>	<u>Interest</u>
September 30, 2025	\$ 142,510	\$ 49,202
September 30, 2026	150,848	40,864
September 30, 2027	153,261	26,727
September 30, 2028	165,130	14,858
September 30, 2029	104,301	14,547
September 30, 2030	75,000	13,176
September 30, 2031	<u>80,000</u>	<u>8,176</u>
Total	<u>871,050</u>	<u>167,550</u>

Proprietary Activities: Water Works and Sewer Board

The Board had the following long-term debt as of September 30:

Series 2019 Bonds Payable – Bank of New York Original issue of \$3,045,000, with interest payable semi-annually on May 1 and Nov 1, with interest from 3-4%	\$2,540,000
State Revolving Fund – ADWFA Original issue of \$1,405,000, less debt forgiveness of \$350,000, with interest payable semi-annually on February 15 and August 15 at 2.25%	640,000
USDA Bonds Payable – Series 2022 \$1,237,000 Water and Sewer Revenue Bonds with 2.375% interest, principal and interest due annually on January 1. Final payment 1-1-2062	<u>1,199,000</u>
Total bonds and notes	<u>4,379,000</u>

Interest expense is estimated to be \$125,000-100,000 for the next five years. Interest payments are due monthly and semi-annually as required. Total interest expense for the year was \$127,960 and accrued interest was \$57,011.

Unamortized Loan Costs Asset & Bond Premium

Unamortized bond expenses related to the Series 2019 bonds were valued at \$65,806 at yearend and are shown on the Statement of Financial Position as an Other Asset. Bond Premiums related to the issuance of the 2019 bonds were \$178,051, which will be amortized in future periods against interest expense and are recorded as an Other Long-Term Liability.

City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024

Future expected principal payments (proprietary) are expected to be as follows:

	USDA 2024		
	<u>Revenue Bonds</u>	<u>SRF Loan</u>	<u>Series 2019 Bond</u>
September 30, 2025	20,000	50,000	140,000
September 30, 2026	20,000	55,000	150,000
September 30, 2027	21,000	55,000	150,000
September 30, 2028	21,000	55,000	160,000
September 30, 2029	22,000	55,000	165,000
September 30, 2030	22,000	60,000	170,000
September 30, 2031	23,000	60,000	180,000
September 30, 2032	23,000	60,000	190,000
September 30, 2033	24,000	60,000	190,000
September 30, 2034	24,000	65,000	195,000
September 30, 2035	25,000	65,000	205,000
September 30, 2036	26,000	0	210,000
September 30, 2037	26,000	0	215,000
September 30, 2038	27,000	0	220,000
Thereafter	<u>975,000</u>	<u>0</u>	<u>0</u>
TOTALS	<u>1,199,000</u>	<u>640,000</u>	<u>2,540,000</u>

Debt Service Ratio

Pursuant to the Series 2019 Bond & SRF Agreements, the Utilities Board must maintain net operating income plus depreciation and interest expense in an amount equal to or greater than maximum debt service. The Board's 2024 adjusted net income of \$254,934 is 77% of the maximum debt service of \$330,000.

The Board is reviewing steps to address collection policies and adjust rates to help maintain proper debt service ratios, including the debt service for the USDA funding.

Net activity during the year for bonds payable was as follows:

	<u>Government</u>	<u>Proprietary</u>
Balance at 10/1/2023	\$ 753,196	\$ 4,578,000
Additions (premium)	249,885	0
Less: Payments	<u>-132,031</u>	<u>-199,000</u>
Balance at 9/30/2024	871,050	4,379,000
Less: Current portion	<u>-142,510</u>	<u>-210,000</u>
Long-term debt	<u>728,540</u>	<u>4,169,000</u>

**City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024**

NOTE 4: INSURANCE

Insurance coverage for the fiscal year ended September 30, 2024, was reviewed with the City Clerk and the agent handling the insurance for the City of Centreville. The City has maintained adequate coverage for all physical properties, as well as liability and employees' insurance coverage.

NOTE 5: DEPOSITS WITH FINANCIAL INSTITUTIONS

As of September 30, 2024, the City had the deposits with First Financial Bank, First US Bank and Regions Bank. These banking institutions are participants in the Security for Alabama Funds Enhancement Program (SAFE). Under the SAFE program, funds in excess of \$100,000 are collateralized by pledging securities directly to the State Treasurer for the SAFE collateral pool. Under Section 41-14A of the Code of Alabama, both institutions are a Qualified Public Depository. This Program is mandatory for banks to hold public deposits.

NOTE 6: ALLOCATION OF EXPENSES

Expenditures in the General Fund for payroll, utilities and insurance are attributed directly to their respective departments. If necessary, some expenses may be allocated based on a percentage of payroll for the respective departments.

NOTE 7: RECEIVABLES

As of September 30, 2024, the City reflected general receivables of \$82,331 for monthly sales and other related taxes collected and remitted in the following month, which are deemed collectible in full. Additional receivables are recorded for outstanding court fines based on an estimate of 50% of total outstanding fines. Allowance for uncollectible dockets receivable is based on an estimate of receivables in excess of 36 months in arrears as follows:

Court Dockets Receivable	\$304,590
Less: Allowance for doubtful accounts	<u>-182,754</u>
Net Receivables	<u>121,836</u>

The City's Water Works and Sewer Board had the following balances in accounts receivable for services as of September 30, 2024, net of an allowance for doubtful accounts based on aging of receivables in excess of 120 days:

Accounts Receivable	\$ 463,873
Allowance for Doubtful Accounts	<u>-226,421</u>
Net Receivables	<u>237,452</u>

After adjustments, bad debt expense recognized for the year was \$27,805.

NOTE 8: PROPERTY TAX

Property is assessed and property taxes are collected by Bibb County. Property is assessed and property taxes attach as an enforceable lien on property as of October 1 of each fiscal year. The taxes are due and payable October 1 of the subsequent fiscal year and delinquent after January 1.

City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024

Property tax revenues are accounted for using the modified accrual basis of accounting. Tax collections received by the county tax collectors are remitted to the City on a monthly basis. All amounts remitted to the City within the bill-paying period are included in revenue. Taxes collected by the county tax collectors within the fiscal year but remitted to the City after the fiscal year-end are accrued.

NOTE 6: RETIREMENT PLAN DESCRIPTION

The Employees' Retirement System of Alabama, an agency multiple-employer plan, was established as of October 1, 1945, under the provisions of Act 515, Acts of Alabama 1945, for the purpose of providing retirement allowances and other specified benefits for State employees, State police, and on an elective basis to all cities, counties, towns and quasi-public organizations. The responsibility for general administration and operation of the ERS is vested in the Board of Control, which consists of 13 trustees. The Plan is administered by the RSA. Title 36-Chapter 27 of the Code of Alabama grants authority to establish and amend the benefit terms of the ERS Board of Control. The Plan issues a publicly available financial report that can be obtained at www.rsa-al.gov.

State law establishes retirement benefits as well as death and disability benefits and any ad hoc increase in postretirement benefits for the ERS. Benefits vest after 10 years of creditable service. Vested employees may retire with full benefits at age 60 with 10 years or more creditable service or after 25 or 30 years of service, regardless of age, are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the retiree receiving payment under the method that yields the highest monthly benefit. Under the Formula method, members are allowed 2.0125% of their average final compensation (highest 3 of the last 10 years) for each year of service.

Act 377 of the Legislature of 2012 established a new tier of benefits (Tier 2) for members hired on or after 1-1-2013. Tier 2 members are eligible to retire after age 62 with 10 years or more creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the retiree receiving payment under the method that yields the highest monthly benefit. Under the Formula method, Tier 2 members are allowed 1.65% of their average final compensation (highest 5 of the last 10 years) for each year of service.

Members are eligible for disability retirement if they have 10 years of credible service, are currently in service, and determined by the RSA Medical Board to be permanently incapacitated from further performance of duty. Preretirement death benefits are calculated and paid to the beneficiary on the member's age, service credit, employment status and eligibility for retirement.

The ERS serves approximately 1,027 local participating employers. The ERS membership includes approximately 86,811 active participants as of September 30, 2023.

**City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024**

Contributions. Covered members of the ERS contributed 5% of earned compensation until September 30, 2011. From October 2011 through September 2012, covered members were required to contribute 7.25%, with 7.5% thereafter. Certified law enforcement members of the ERS contributed 6% of earned compensation until September 30, 2011. From October 2011 through September 2012, covered members were required to contribute 8.25%, with 8.5% thereafter. Tier 2 covered members contribute 6% by statute, while Tier 2 law enforcement officers contribute 7%.

The ERS establishes rates based upon an actuarially determined rate, necessary to finance the costs of benefits earned during the year, with additional amounts to finance unfunded pension liability, pre-retirement death benefit and administrative costs of The Plan. For the year ended September 30, 2024, the Town's active employee contribution rate was 5-6% of covered payroll, and the Board's average contribution rate to cover normal and accrued liability costs was 10.14%. The Board's contractually required contribution rate for the year was 10.4% for Tier 1 employees. Total employer contributions to the pension plan from the City were \$63,943, with an additional \$36,469 from the Board for total contributions of \$100,412.

Net Pension Liability

The City's net pension liability is consolidated with the Board by the RSA, so the following statistical information presents combined data (with allocated balances to the Board noted and based on percentage of payroll for the current period). The Net pension liability was measured on September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2022 rolled forward using standard roll-forward techniques as shown in the following table:

		Expected	Actual Pre-Plan Changes	Actual After Plan Changes
a.	Total Pension Liability (TPL) @ 9-30-22	\$2,787,833	\$2,898,626	\$2,898,626
b.	Discount Rate	7.45%	7.45%	7.45%
c.	Entry Age Normal Cost for FY 2023	95,253	95,253	95,253
d.	Transfers Among Employers	0	0	0
e.	Actual Benefit Pymts & Refunds for FY 2023	-163,863	-163,863	-163,863
f.	TPL as of 9-30-23 = (a*1b)+b-(c*1.05)	\$2,920,813	3,039,860	3,039,860
g.	Difference between Expected & Actual Results		119,047	
h.	Less Liability Transfers		0	
i.	Experience Gain or Loss		119,047	
j.	Difference between Actual TPL before and after plan benefit changes (gain) loss			0

Discount rate. The discount rate used to measure the TPL was the long-term rate of return, 7.45%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will remain at their current rate and that the employer contributions will be made in accordance with the funding policy adopted by the ERS.

Sensitivity of the NPL to changes in the discount rate.

	1% decrease (6.45%)	Current % (7.45%)	1% increase (8.45%)
Town's Net Pension Liability (Asset)	\$1,466,549	\$1,083,159	\$762,443

City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024

Changes in Net Pension Liability Table:	Increases (Decreases)		
	<u>TPL</u>	<u>Net Position</u>	<u>NPL</u>
Balances at 9-30-2022	\$2,787,833	\$1,728,897	\$1,058,936
Changes for the year:			
Service Cost	95,253		95,253
Interest	201,590		201,590
Changes in Benefit terms	0		0
Changes in Assumptions	0		0
Difference between expected and actual	119,047		119,047
Contributions – employer		99,345	-99,345
Contributions – employee		67,665	-67,665
Net investment income		224,657	-224,657
Benefit payments, including refunds	-163,863	-163,863	0
Transfers among employers	0	0	0
Net changes	252,027	227,804	24,223
Balances at 9-30-2023	\$3,039,860	\$1,956,701	\$1,083,159

Pension Plan Fiduciary Net Position. Detailed information about the plan’s fiduciary net position is available in the separately issued RSA Comprehensive Annual Report for FY 2024. The supporting actuarial information is included in the GASB 68 report for the ERS prepared as of September 30, 2023.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For FY 2024, the Board recognized net pension expense of \$72,179, including related RSA pension charges of \$35,711. At 9-30-2024 the City reported overall net pension expense of \$174,837, and overall deferred outflows and deferred inflows related to pensions as follows:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Difference between expected and actual experience	298,845	116,615
Changes of assumptions	1,293	19,464
Net difference between projected and actual earnings on plan investments	75,711	0
Employer contributions subsequent to the measurement date	<u>100,412</u>	<u>0</u>
Total	<u>476,261</u>	<u>136,079</u>

**City of Centreville
Centreville, Alabama
Notes to the Financial Statements
September 30, 2024**

Amounts reported as deferred outflows and inflows of resources to pensions will be recognized in pension expenses as follows:

Year ended September 30:	
2025	35,079
2026	55,623
2027	89,854
2028	23,083
2029	27,617
Thereafter	8,514

Allocation of Net Pension Liability, Deferred Outflows and Deferred Inflows

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net Pension Liability</u>
Board	\$185,742	\$ 53,071	\$ 422,432
City	<u>290,519</u>	<u>83,008</u>	<u>660,727</u>
Total	<u>476,261</u>	<u>136,079</u>	<u>1,083,159</u>

The City's participation in the RSA system is for the long-term interest of its employees and is therefore reported in the financial statements as a net long-term liability managed by RSA.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

City of Centreville
Required Supplementary Information
9-30-2024

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$95,253	\$81,406	\$74,895	\$71,547	\$76,897	\$60,448	\$70,566	\$40,690	\$ 50,669	\$52,163
Interest	201,590	189,619	173,491	178,418	149,265	161,674	153,327	168,635	160,438	153,617
Changes of benefit terms	0	2,182	39,988	0	0	0	0	0	0	0
Differences between expected and actual results	119,047	38,558	164,962	-214,441	280,777	-253,404	155,383	-308,345	2,354	0
Changes of assumptions	0	0	-33,369	0	0	9,057	0	184,093	0	0
Benefit payments, including refunds of employee contributions	-163,863	-138,317	-156,748	-129,681	-126,973	-131,079	-324,828	-104,361	-117,656	-123,363
Transfers among employers	0	0	19,656	43,706	0	3,638	-43,612	0	0	0
Net change in pension liability	252,027	173,448	282,875	-50,451	379,966	-149,666	10,836	-19,288	95,805	82,417
Total pension liability, beginning	<u>2,787,833</u>	<u>2,614,385</u>	<u>2,331,510</u>	<u>2,381,961</u>	<u>2,001,995</u>	<u>2,151,661</u>	<u>2,140,825</u>	<u>2,160,113</u>	<u>2,064,308</u>	<u>1,981,891</u>
Total pension liability, ending	<u>\$3,039,860</u>	<u>\$2,787,833</u>	<u>\$2,614,385</u>	<u>\$2,331,510</u>	<u>\$2,381,961</u>	<u>\$2,001,995</u>	<u>\$2,151,661</u>	<u>\$2,140,825</u>	<u>2,160,113</u>	<u>2,064,308</u>
Plan fiduciary net position										
Contributions – employer	\$99,345	\$79,312	\$81,704	\$65,105	\$59,739	\$63,596	\$38,107	\$63,144	\$53,889	\$46,103
Contributions – member	67,665	62,079	40,719	37,640	34,842	34,072	19,995	32,680	34,155	30,056
Net investment income	224,657	-255,306	360,967	87,807	38,666	130,185	178,970	143,929	16,931	158,242
Benefit payments, including ref	-163,863	-138,317	-156,748	-129,681	-126,973	-131,079	-324,828	-104,361	-117,656	-123,363
Transfers among employers	0	0	19,656	43,706	0	3,638	-43,612	0	-23,260	0
Net change in fiduciary position	227,804	-250,232	346,298	104,577	6,274	100,412	-131,368	135,392	-35,941	111,038
Plan net position – beginning	<u>1,728,897</u>	<u>1,979,129</u>	<u>1,632,831</u>	<u>1,528,254</u>	<u>1,521,980</u>	<u>1,421,658</u>	<u>1,552,936</u>	<u>1,417,544</u>	<u>1,453,485</u>	<u>1,342,447</u>
Plan net position – ending	<u>\$1,956,701</u>	<u>\$1,728,897</u>	<u>\$1,979,129</u>	<u>\$1,632,831</u>	<u>\$1,528,254</u>	<u>\$1,521,980</u>	<u>\$1,421,658</u>	<u>\$1,552,936</u>	<u>\$1,417,544</u>	<u>\$1,453,485</u>
NET PENSION LIABILITY	\$1,083,159	\$1,058,936	\$635,256	\$698,679	\$853,707	\$480,015	\$730,093	\$587,889	\$742,569	\$610,823
Plan Position as a Percent of TPL	64.37%	62.02%	75.70%	70.03%	64.16%	76.02%	66.07%	72.54%	65.62%	70.41%
Covered employee payroll	\$875,399	\$918,570	\$800,985	\$706,890	\$604,084	\$651,501	\$514,401	\$625,363	\$444,376	\$576,477
NPL as a % of covered payroll	110%	115%	80%	98%	142%	73.7%	142%	94%	167%	106%

The accompanying notes are an integral part of the financial statements.

City of Centreville
Required Supplementary Information
9-30-2024

SCHEDULE OF EMPLOYER CONTRIBUTIONS										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined Contribution	\$174,837	\$133,404	\$96,105	\$77,291	\$96,460	\$64,253	\$79,086	\$70,686	\$62,286	\$57,229
Contributions in relation to the actuarially determined contribute	100,412	103,142	87,552	105,020	62,053	90,558	65,508	38,107	63,144	53,889
Contribution Deficiency (Excess)	74,425	30,262	8,553	-27,729	34,407	-26,305	13,578	5,886	1,805	13,548
Covered employee payroll	875,399	875,399	918,570	800,985	706,890	734,874	653,050	514,401	625,363	444,376
Contributions as a percentage of covered payroll	11%	12%	10%	14%	8%	12.3%	10.0%	7%	10%	12%

NOTES TO SCHEDULE:

Actuarially determined contribution rates are calculated as of September 30, three years prior to the end of the fiscal year in which contributions are reported. Contributions for FY 2024 were based on the FY 2021 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age
Amortization method	Level percent closed
Remaining amortization period	26 years
Asset valuation method	5-year smoothed market
Inflation	2.5%
Salary increases	3.25-6.0% including inflation
Investment rate of return	7.45%, net of pension investment expense, including inflation

City of Centreville - General Fund
Schedule of Resources & Charges
Budget vs Actual
Year Ended September 30, 2024

	Budget	Actual
Fund Balance – Beginning	\$928,193	928,193
<u>RESOURCES</u>		
Taxes:		
Sales & Use tax	830,000	869,622
Ad Valorem tax, real & personal	150,000	139,548
Tobacco tax	30,000	24,664
Alcohol tax	30,000	24,687
Gasoline tax	55,000	49,232
Lodging tax	5,000	4,638
Business licenses & franchises	330,000	317,012
Building permits	15,000	13,222
Intergovernmental:		
TVA	58,000	46,544
Opioid settlement	2,500	2,244
Financial excise	20,000	13,557
Police grant	48,000	28,413
Other grants	80,000	10,000
Other	320	324
Garbage collection	625,000	498,090
Municipal court:		
Fees & fines (net)	95,000	47,840
Building Rent	61,800	61,800
Reimbursements, other	11,000	68,111
Total Resources	2,446,620	2,219,548
Available for appropriation	3,374,813	3,147,741
<u>CHARGES</u>		
General government:		
Salaries & labor	269,850	162,419
Payroll tax, retirement, penalties	64,000	45,272
Health insurance	63,000	40,519
Legal & professional	34,000	51,157
Office supplies & computer	44,000	108,693
Insurance	57,000	101,625
Utilities & telephone	25,590	39,802
Repairs & maintenance	13,200	19,908
Dues, training & travel	23,500	13,648
Debt service	0	81,898
Collection fees	0	55,137
Equipment	0	13,858
Economic development	15,000	18,750

City of Centreville - General Fund
Schedule of Resources & Charges
Budget vs Actual
Year Ended September 30, 2024

	Budget	Actual
Other expenses	4,500	20,497
Event expenses	12,500	6,825
Total general government	626,140	780,008
Police & Court:		
Salaries	420,000	450,343
Payroll tax, retirement, penalties	133,560	125,528
Health insurance	83,167	112,349
Professional fees	8,400	13,663
Gas, oil and maintenance	35,000	53,583
E-911 dispatching	27,720	35,579
Jail	18,388	15,216
Equipment & repairs	27,000	49,009
Utilities & telephone	36,590	43,038
Debt service	25,000	26,412
Police supplies & uniforms	19,150	8,762
Dues & training	7,360	24,575
Miscellaneous	3,000	580
Total Police	844,335	958,637
Senior Center:		
Program fees	5,125	4,875
DHR Building:		
Operations and repairs	30,000	45,880
Street & Sanitation:		
Salaries	141,000	125,505
Payroll tax, retirement, penalties	39,690	34,983
Health insurance	50,100	31,310
Landfill use	500,000	517,496
Street lights	51,180	79,603
Debt service	8,400	35,985
Materials & supplies	27,000	72,681
Operations & repairs	35,500	11,602
Street repair & paving	25,000	26,794
Equipment	86,150	66,285
Total Street & Sanitation	964,020	1,002,244
Total charges to appropriations	2,469,620	2,791,644
Fund balance- Ending	905,193	356,097

City of Centreville
Water Works and Sewer Board
Schedule of Resources & Charges
Budget vs Actual
Year Ended September 30, 2024

	<u>Budget</u>	<u>Actual</u>
<u>OPERATING REVENUES</u>		
Charges for Services:		
Water	\$1,334,600	1,227,090
Sewer	322,440	323,644
Other charges	64,000	35,999
Other revenues	7,000	19,763
Net Operating Revenues	<u>1,728,040</u>	<u>1,606,496</u>
<u>OPERATING EXPENSES</u>		
Payroll & benefits	537,800	560,012
Group insurance	110,000	153,082
Repairs & maintenance	175,000	94,128
Lagoon maintenance/operations	37,000	29,147
Utilities	110,500	117,932
Insurance	73,000	30,312
Materials & supplies	139,000	96,107
Fuel & truck	74,000	84,089
Office supplies & postage	26,500	56,489
Director fees, travel & ed	9,000	4,126
Telephone & pager	20,000	5,231
Legal & accounting	17,000	15,410
Engineering	30,000	44,147
Depreciation	256,100	402,501
Equipment expense	20,000	12,701
Bad debt expense	0	27,805
Penalties & interest	0	25,650
Other	1,500	8,675
Total Operating Expenses	<u>1,642,400</u>	<u>1,767,544</u>
Operating Income (Loss)	<u>85,640</u>	<u>-161,048</u>
<u>NONOPERATING ITEMS</u>		
Interest and other	0	13,481
RSA actuarial expense	0	-35,711
Amortization expense	0	-4,700
Interest expense	-61,075	-127,960
Nonoperating Items	<u>-61,075</u>	<u>-154,890</u>
Net Income (Loss)	24,565	-315,938
Beginning Net Assets		<u>4,539,342</u>
Ending Net Assets		<u>4,223,404</u>

**OTHER
SUPPLEMENTARY
INFORMATION**

**City of Centreville
Volunteer Fire Department Fund
Schedule of Resources & Charges
Year Ended September 30, 2024**

Beginning fund balance		\$ 54,612
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RESOURCES

County tax allocations	28,651	
Grants	22,000	
Donations/Fees	7,019	
Other	<u>65</u>	
Total resources		<u>57,735</u>
Amount available for appropriation		112,347

CHARGES

Fire protection:		
Supplies & equipment	12,397	
Repairs & maintenance	5,765	
Professional fees	8,900	
Uniforms	2,674	
Utilities	1,150	
Miscellaneous	<u>2,407</u>	
Total charges		<u>33,293</u>
Ending fund balance		<u>79,054</u>

**City of Centreville
Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2024**

	Street 7 Cent Gas Tax	4 & 5 Cent & Rebuild Gas Taxes	Corrections & Special Court Funds	Capital Improvement	Historic Preservation	Total Nonmajor
<u>ASSETS</u>						
Cash	\$112,333	\$300,989	\$113,672	\$127,391	\$34,486	\$688,871
Receivables, net	<u>3,255</u>	<u>6,315</u>	<u>396</u>	<u>0</u>	<u>0</u>	<u>9,966</u>
Total assets	<u>115,588</u>	<u>307,304</u>	<u>114,068</u>	<u>127,391</u>	<u>34,486</u>	<u>698,837</u>
<u>LIABILITIES</u>						
Accounts payable	0	0	98	0	0	98
Due to other funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	0	0	98	0	0	98
<u>FUND BALANCE</u>						
Fund balance	<u>115,588</u>	<u>307,304</u>	<u>113,970</u>	<u>127,391</u>	<u>34,486</u>	<u>698,739</u>
Total liabilities & fund balance	<u>115,588</u>	<u>307,304</u>	<u>114,068</u>	<u>127,391</u>	<u>34,486</u>	<u>698,837</u>

The accompanying notes are an integral part of the financial statements.

City of Centreville
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures & Change in Fund Balance
September 30, 2024

	Street 7 Cent Gas Tax	4 & 5 Cent & Rebuild Gas Taxes	Corrections & Special Court Funds	Capital Improvement	Historic Preservation	Total Nonmajor
<u>REVENUES</u>						
State fuel taxes	\$ 35,188	\$66,347	\$ 0	\$ 0	\$ 0	\$ 101,535
Alabama Trust Fund	0	0	0	28,816	0	28,816
Agency funding	0	0	8,604	0	0	8,604
Corrections & fines	0	0	50,310	0	0	50,310
Other	96	273	10,523	108	510	11,510
Total revenues	<u>35,284</u>	<u>66,620</u>	<u>69,437</u>	<u>28,924</u>	<u>510</u>	<u>200,775</u>
<u>EXPENDITURES</u>						
Administration	0	0	0	0	0	0
Streets	0	8,775	0	0	0	8,775
Police	0	0	18,336	0	0	18,336
Court operations	0	0	31,597	0	0	31,597
Culture & recreation	0	0	0	0	1,759	1,759
Total expenditures	<u>0</u>	<u>8,775</u>	<u>49,933</u>	<u>0</u>	<u>1,759</u>	<u>60,467</u>
Excess of revenues over expenditures	35,284	57,845	19,504	28,924	-1,249	140,308
<u>OTHER FINANCING SOURCES</u>						
Transfers in (out)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balance	35,284	57,845	19,504	28,924	-1,249	140,308
Beginning fund balance	<u>80,304</u>	<u>249,459</u>	<u>94,466</u>	<u>98,467</u>	<u>35,735</u>	<u>558,431</u>
Ending fund balance	<u>115,588</u>	<u>307,304</u>	<u>113,970</u>	<u>127,391</u>	<u>34,486</u>	<u>698,739</u>

The accompanying notes are an integral part of the financial statements.

