



June 6, 2023

To: Honorable Mayor and Town Council  
Ryan Spitzer, Town Manager  
Lisa Snyder, Town Clerk

From: Christopher Tucker, Finance Director [CMT](#)

RE: Council Information – Finance Report and Notifications through April 2023

For the Council's information at the June 13, 2023 Council Meeting, please find attached the finance report and notifications through April 30, 2023.

**Notifications:**

Please also find attached a Contribution-Based Benefit Cap notification from the NC Retirement System as required by statute.

**Town of Pineville**  
**Revenue Report (Budget vs. Actual) - General Fund**  
**For the Month Ending April 2023**

	<u>Budget</u>	<u>Actual</u>	<u>% of Budget</u>
<b>Revenues</b>			
Ad Valorem Taxes	\$ 8,737,727	\$ 9,000,921	103.01%
Tourism Revenues	1,375,288	1,661,949	120.84%
Franchise Taxes	1,000,000	558,966	55.90%
Sales Taxes	2,416,049	2,157,123	89.28%
Storm Water Fees	450,000	338,070	75.13%
Powell Bill	269,000	264,756	98.42%
Other	3,921,118	4,393,359	112.04%
Appropriated Fund Balance	2,535,695	-	0.00%
Transfers from Other Funds	983,061	823,335	83.75%
Total	<u>\$ 21,687,938</u>	<u>\$ 18,080,546</u>	<u>83.37%</u>
<b>Expenditures</b>			
Governing Board	\$ 293,545	\$ 278,664	94.93%
Administration	3,129,939	3,323,398	106.18%
Human Resources	310,181	172,526	55.62%
IT	189,755	95,947	50.56%
Zoning	872,348	234,099	26.84%
Police	6,728,923	4,946,485	73.51%
Fire	3,113,374	1,842,670	59.19%
Public Works	1,491,844	972,565	65.19%
Storm Water	504,601	216,974	43.00%
Powell Bill	725,145	285,265	39.34%
Cemetery	4,000	250	6.25%
Sanitation	692,160	469,383	67.81%
Recreation	789,203	478,675	60.65%
Cultural/Tourism	1,442,920	1,214,014	84.14%
Transfers to Other Funds	1,300,000	1,262,764	97.14%
Contingency	100,000	-	0.00%
OPEN ENCUMBRANCES @ 4/30/23	-	401,895	
Total	<u>\$ 21,687,938</u>	<u>\$ 16,195,574</u>	<u>74.68%</u>

**Town of Pineville**  
**Revenue Report (Budget vs. Actual) - Electric Fund**  
**For the Month Ending April 2023**

	<u>Budget</u>	<u>Actual</u>	<u>% of Budget</u>
<b>Revenues</b>			
Electric Charges	14,433,000	10,575,588	73.27%
Fund Balance Appropriated	1,783,000	-	0.00%
Total	<u>16,216,000</u>	<u>10,575,588</u>	<u>65.22%</u>
<b>Expenditures</b>			
Administration & Billing Support	1,051,739	375,920	35.74%
Purchased electricity	9,152,000	6,070,797	66.33%
Operations and Maintenance	6,012,261	3,634,933	60.46%
OPEN ENCUMBRANCES @ 4/30/23	-	<b>1,685,658</b>	
Total	<u>16,216,000</u>	<u>11,767,307</u>	<u>72.57%</u>

**Town of Pineville**  
**Revenue Report (Budget vs. Actual) - ILEC Fund**  
**For the Month Ending April 2023**

	<u>Budget</u>	<u>Actual</u>	<u>% of Budget</u>
<b>Revenues</b>			
Operating Revenues	1,282,700	1,439,352	112.21%
Fund Balance Appropriated	665,135	-	0.00%
<b>Total Revenue</b>	<u>1,947,835</u>	<u>1,439,352</u>	<u>73.89%</u>
<b>Expenditures</b>			
Operating Transfer Out	213,300	177,750	83.33%
Operating Expenses	1,266,535	1,009,804	79.73%
Plant under Construction	468,000	127,493	27.24%
<b>Total</b>	<u>1,947,835</u>	<u>1,315,047</u>	<u>67.51%</u>

**Town of Pineville**  
**Revenue Report (Budget vs. Actual) - CLEC Fund**  
**For the Month Ending April 2023**

	<u>Budget</u>	<u>Actual</u>	<u>% of Budget</u>
<b>Revenues</b>			
Operating Revenues	1,040,450	1,119,575	107.60%
Transfer from ILEC	213,300	177,750	83.33%
Fund Balance Appropriated	36,555	-	0.00%
Total Revenue	<u>1,290,305</u>	<u>1,297,325</u>	<u>100.54%</u>
<b>Expenditures</b>			
Operating Expenses	1,082,805	1,025,418	94.70%
Plant under Construction	207,500	86,788	41.83%
Total	<u>1,290,305</u>	<u>1,112,206</u>	<u>86.20%</u>



**North Carolina**  
Total Retirement Plans



*Dale R. Folwell, CPA*  
STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

RECEIVED  
5-26-23

5/18/2023

96021 - TOWN OF PINEVILLE  
ATTN: CHIEF FINANCIAL OFFICER OR BUDGET ADMINISTRATOR  
PO BOX 249  
PINEVILLE, NC 28134

Dear 96021 - TOWN OF PINEVILLE:

During the 2014 General Assembly session, contribution-based benefit cap legislation was enacted effective January 1, 2015. This legislation was created to control the practice of "pension spiking," in which a member's compensation substantially increases, resulting in a monthly retirement benefit that is significantly greater than the member and employer contributions would fund. The Contribution-Based Benefit Cap (CBBC) approach was created to protect each system for current and future retirees and to prevent all employers in the Retirement Systems from absorbing the additional liabilities caused by compensation decisions made by other employers. This legislation applies to members who retire on and after January 1, 2015, with an average final compensation of \$100,000 or higher (adjusted annually for inflation), and will directly impact only a small number of those individuals. It requires the member's last employer to pay the additional contribution required to fund the member's benefit in excess of the cap. [G.S. 135-5(a3); 135-4(jj); 128-27(a3); and 128-26(y)]

In order to assist employing agencies with planning and budgeting to comply with the CBBC provisions, we are required to report monthly to each employer a list of those members for whom the employer made a contribution to the Retirement System in the preceding month that are most likely to require an additional employer contribution should they elect to retire in the following 12 months. This letter and the attached report serve as our required monthly notification to your agency under this provision. [G.S. 135-8(f)(2)(f) and G.S.128-30(g)(2)(b)]

The chief financial officer of your agency is required to provide a copy of the attached report to the chief executive of your agency, as well as to the governing body, including any board which exercises financial oversight. Additionally, the chief financial officer of a public school system is required to provide a copy of the report to the local board of education and notify the board of county commissioners of the county in which the local administrative unit is located that the report was received and how many employees were listed in the report. [G.S. 115C-436(c); 135-8(j); and 128-30(j)]

For the purpose of determining the employees of your agency that are likely to require an additional employer contribution should they elect to retire in the following 12 months, the Retirement System modified the criteria used in the CBBC calculation. This allows for a broad list of potential employees, including those whose compensation average may approach the threshold and attempts to provide your agency with prior notification of a potential cost. The attached report

lists employees of your agency who may be eligible to retire in the next 13 months (at either a reduced or unreduced benefit), whose salary is \$115,000.00 or greater, and whose estimated monthly retirement benefit exceeds the CBBC based on information in the employee's most recent annual benefits statement. In addition, a lower CBBC Factor (i.e., TSERS is 4.2 and LGERS is 4.4) is applied.

This list is not exhaustive, and members included on this list may or may not exceed the CBBC upon retirement, depending on a number of factors such as the member's average final compensation, the member's age at retirement, and membership service. This is merely a notification of a potential cost that your agency may be required to pay, in the form of a lump-sum payment, due after the member retires.

For those employees hired on or after January 1, 2015, the employer is not required to pay the additional contribution to fund the member's benefit in excess of the Contribution-Based Benefit Cap. The employer has the option to pay all or part of the contribution required in excess of the CBBC; the employee also has the option to pay all or part of the contribution. However, should neither of you choose to pay this additional contribution, the employee's retirement benefit will be capped.

You can calculate the likelihood of whether the retirement benefit of a member listed on the attached report will exceed the CBBC with information available on our website at <https://www.myncretirement.com/employers/employer-training/pension-spiking>.

If you have any questions or need assistance in calculating the likelihood of a potential CBBC liability, please contact us at the address or telephone number listed below.

Sincerely,

Retirement Systems Division  
N.C. Department of State Treasurer

623 PENSPK



**North Carolina**  
Total Retirement Plans

**North Carolina Department of State Treasurer**  
Retirement Systems Division  
3200 Atlantic Ave, Raleigh, NC 27604  
1-877-NCSECURE (1-877-627-3287) toll-free • Fax (919) 855-5800  
www.myncretirement.com

*Dale R. Folwell, CPA*

STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA



**CONTRIBUTION-BASED BENEFIT CAP REPORT**

Agency	Member ID	Name
96021-TOWN OF PINEVILLE	946241	MILLER, RICHARD W

Members  
Hired Before  
Jan 1, 2015

\* PLEASE FORWARD TO YOUR CHIEF FINANCIAL OFFICER OR BUDGET ADMINISTRATOR