



The Town of

*Angier*

North Carolina

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**Annual Comprehensive  
Financial Report**

*For the Fiscal Year Ended June 30, 2023*

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## FINANCIAL SECTION



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## Independent Auditor's Report

To the Honorable Mayor and  
Members of the Board of Commissioners  
Town of Angier, North Carolina

### Report on the Audit of Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Angier, North Carolina as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Town of Angier's basic financial statements as listed in the table of contents.

In our opinion, based upon our audit, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Town of Angier as of June 30, 2023, and the respective changes in financial position, and cash flows thereof and the respective budgetary comparison for the General Fund and American Rescue Plan 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 Town of Angier and to meet our other 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. The financial statements of Town of Angier's ABC Board were not audited in accordance with *Governmental Auditing Standards*.

### ***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 Town of Angier's ability to continue as a going concern for the 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 of 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 GAAS and *Governmental Auditing Standards* will always detect 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 GAAS and *Governmental Auditing Standards* we

- exercised professional judgement and maintained 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 Town of Angier'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 Town of Angier'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, and the Other Post Employment Benefit and Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contributions, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset (Liability) and Contributions, presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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 consist 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 opinions on the financial statements that collectively comprise the Town of Angier's basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, 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 by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2023, on our consideration of the Town of Angier's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that 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 the effectiveness of Town of Angier's 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 Town of Angier's internal control over financial reporting and compliance.

*Thompson, Price, Scott, Adams & Co., PA*

Wilmington, North Carolina

*October 19, 2023*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

## Management's Discussion and Analysis

As management of Town of Angier, we offer readers of Town of Angier's (the "Town") financial statements this narrative overview and analysis of the financial activities of the Town 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 Town's financial statements, which follow this narrative.

The Management Discussion and Analysis ("MD&A") is an opportunity for management to proactively address any issues that might be affecting the unit's financial status or questions that might be posed by readers of the financial statements. A thoughtful discussion and analysis of economic, financial, or budgetary factors that might influence the Town should be presented.

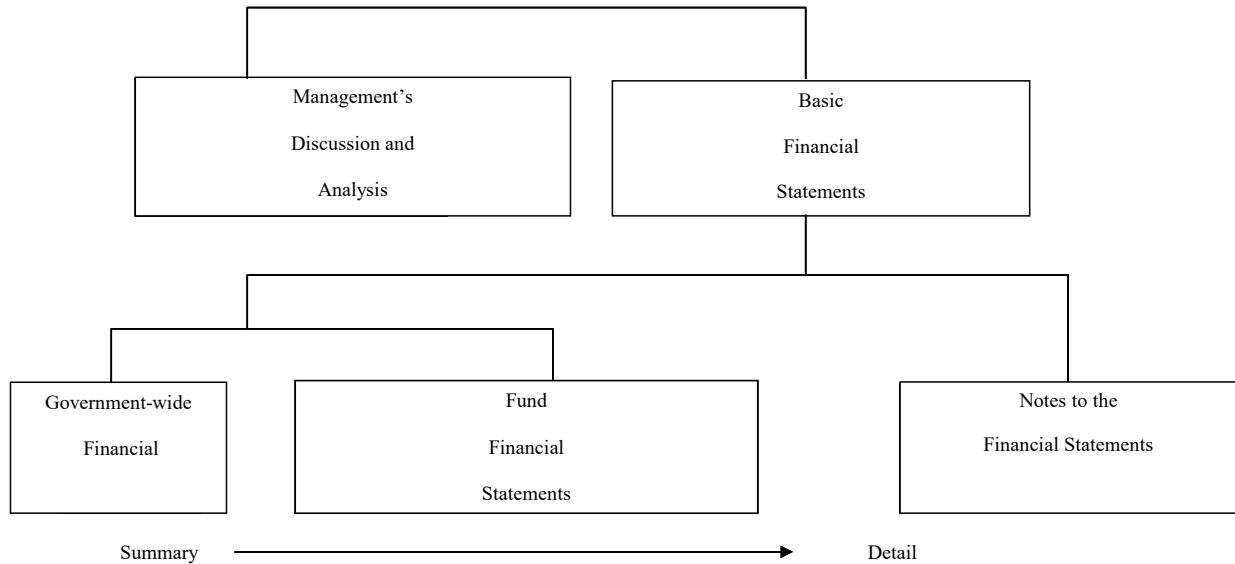
### Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by approximately \$20,205,611 (net position).
- The Town's total net position increased by \$921,152. Increase in governmental activities amounts to \$768,708 and an increase in the business-type activities amounts to \$152,444.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$6,056,456 a increase of \$824,455 in comparison with the prior year. Approximately 28 percent of this total amount, or \$1,667,759 is non spendable or restricted.
- At June 30, 2023, the Town's total debt was \$7,861,261. The decrease of the Town's debt, \$498,761, was the result of principal payments.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Town of Angier's basic financial statements. The Town'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 Town 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 Town of Angier.

**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 Town'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 Town'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 Town's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the Notes is the required supplemental information. This section contains funding information about the Town's Pension Plans.

### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the Town'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 Town's financial status as a whole.

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

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include most of the Town's basic services such as public safety, streets, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the Town charges customers to provide. These include the water services offered by the Town of Angier.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

### **Fund Financial Statements**

The fund financial statements (see Figure 1) provide a more detailed look at the Town'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 Town of Angier, 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 Town's budget ordinance. All of the funds of the Town of Angier 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 Town'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 more or less financial resources available to finance the Town's programs. The relationship between 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.

The Town of Angier adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The 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.

**Proprietary Funds** - Town of Angier has one kind of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Angier uses enterprise funds to account for its water activity. 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.

**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.

**Other Information** - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Angier's progress in funding its obligation to provide pension benefits to its employees.

**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.

**Government Wide Financial Analysis**

**Town of Angier's Net Position**

**Figure 2**

|                                   | Governmental<br>Activities |              | Business-Type<br>Activities |               | Total         |               |
|-----------------------------------|----------------------------|--------------|-----------------------------|---------------|---------------|---------------|
|                                   | 2023                       | 2022         | 2023                        | 2022          | 2023          | 2022          |
| Current and other assets          | \$ 8,244,598               | \$ 6,547,941 | \$ 5,665,130                | \$ 7,027,809  | \$ 13,909,728 | \$ 13,575,750 |
| Capital assets                    | 5,088,319                  | 5,017,060    | 13,825,363                  | 11,794,457    | 18,913,682    | 16,811,517    |
| Total assets                      | 13,332,917                 | 11,565,001   | 19,490,493                  | 18,822,266    | 32,823,410    | 30,387,267    |
| Deferred outflows of resources    | 1,147,995                  | 844,543      | 337,967                     | 238,724       | 1,485,962     | 791,488       |
| Long-term liabilities outstanding | 2,513,928                  | 1,713,004    | 7,914,373                   | 7,757,330     | 10,428,301    | 9,470,334     |
| Other liabilities                 | 2,230,786                  | 1,302,346    | 1,137,865                   | 535,960       | 3,368,651     | 1,838,306     |
| Total liabilities                 | 4,744,714                  | 3,015,350    | 9,052,238                   | 8,293,290     | 13,796,952    | 11,308,640    |
| Deferred inflows of resources     | 257,904                    | 684,608      | 48,905                      | 192,827       | 306,809       | 303,337       |
| Net Position:                     |                            |              |                             |               |               |               |
| Net investment                    |                            |              |                             |               |               |               |
| in capital assets                 | 4,881,910                  | 4,694,708    | 6,466,550                   | 4,032,787     | 11,348,460    | 8,727,495     |
| Restricted                        | 1,356,831                  | 557,019      | -                           | -             | 1,356,831     | 557,019       |
| Unrestricted                      | 3,239,552                  | 3,457,859    | 4,260,767                   | 6,542,086     | 7,500,319     | 9,999,945     |
| Total net position                | \$ 9,478,293               | \$ 8,709,586 | \$ 10,727,317               | \$ 10,574,873 | \$ 20,205,610 | \$ 19,284,459 |

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town of Angier exceeded liabilities and deferred inflows by \$20,205,610 as of June 30, 2023. The Town's net position increased by \$921,151 for the fiscal year ended June 30, 2023. However, the largest portion \$11,348,460 (56%) reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment). The Town of Angier uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Angier's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Town of Angier's net position, \$1,356,831 (7%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$7,500,319 (37%) is unrestricted.

The primary aspects of the Town's financial operations that influenced the total unrestricted governmental net position was continued diligence in the collection of property taxes by accomplishing a tax collection percentage of 99.66%.

**Town of Angier  
Changes in Net Position  
Figure 3**

|  | Governmental<br>Activities |                  | Business-Type<br>Activities |                  | Total             |                   |
|--|----------------------------|------------------|-----------------------------|------------------|-------------------|-------------------|
|  | 2023                       | 2022             | 2023                        | 2022             | 2023              | 2022              |
| <b>Revenues:</b>   |                            |                  |                             |                  |                   |                   |
| Program revenues   |                            |                  |                             |                  |                   |                   |
| Charges for services   | \$ 935,289                 | \$ 1,098,795     | \$ 3,809,804                | \$ 3,627,474     | \$ 4,745,093      | \$ 4,726,269      |
| Operating grants and contributions                                     | 322,712                    | 465,547          | -                           | -                | 322,712           | 465,547           |
| Capital grants and contributions                                       | 683,358                    | -                | -                           | 84,014           | 683,358           | 84,014            |
| General revenues:  |                            |                  |                             |                  |                   |                   |
| Property taxes   | 3,211,530                  | 2,430,802        | -                           | -                | 3,211,530         | 2,430,802         |
| Other taxes  | 2,245,919                  | 1,872,673        | -                           | -                | 2,245,919         | 1,872,673         |
| Other  | 590,360                    | 214,797          | 227,997                     | 316,978          | 818,357           | 531,775           |
| <b>Total revenues</b>  | <b>7,989,168</b>           | <b>6,082,614</b> | <b>4,037,801</b>            | <b>4,028,466</b> | <b>12,026,969</b> | <b>10,111,080</b> |
| <b>Expenses:</b>   |                            |                  |                             |                  |                   |                   |
| General government   | 1,491,705                  | 2,727,297        | -                           | -                | 1,491,705         | 2,727,297         |
| Public safety  | 2,035,847                  | 1,647,034        | -                           | -                | 2,035,847         | 1,647,034         |
| Transportation   | 1,116,355                  | 1,227,757        | -                           | -                | 1,116,355         | 1,227,757         |
| Economic and physical development                                      | 617,944                    | 528,595          | -                           | -                | 617,944           | 528,595           |
| Cultural and recreation  | 1,695,684                  | 831,980          | -                           | -                | 1,695,684         | 831,980           |
| Library  | 213,083                    | 248,117          | -                           | -                | 213,083           | 248,117           |
| Interest on long-term debt   | 49,843                     | 5,388            | -                           | -                | 49,843            | 5,388             |
| Water  | -                          | -                | 3,885,357                   | 3,923,763        | 3,885,357         | 3,923,763         |
| <b>Total expenses</b>  | <b>7,220,461</b>           | <b>7,216,168</b> | <b>3,885,357</b>            | <b>3,923,763</b> | <b>11,105,818</b> | <b>11,139,931</b> |
| Increase (decrease) in net position before transfers and special items | 768,707                    | (1,133,554)      | 152,444                     | 104,703          | 921,151           | (1,028,851)       |
| Transfers  | -                          | -                | -                           | -                | -                 | -                 |
| Increase (decrease) in net position                                    | 768,707                    | (1,133,554)      | 152,444                     | 104,703          | 921,151           | (1,028,851)       |
| Net position, beginning  | 8,709,586                  | 9,843,140        | 10,574,873                  | 10,470,170       | 19,284,459        | 20,313,310        |
| Total net position, ending   | \$ 9,478,293               | \$ 8,709,586     | \$ 10,727,317               | \$ 10,574,873    | \$ 20,205,610     | \$ 19,284,459     |

**Governmental activities.** Governmental activities increased the Town's net position by \$768,707. This increase in the Town's governmental activities net position can be attributed to increase in revenues.

**Business-type activities.** Business-type activities increased the Town of Angier net position by \$152,444. The increase in the Town's business-type activities can be attributed to the increase in revenues.

**Financial Analysis of the Town's Funds**

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

**Governmental Funds.** The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town of Angier's financing requirements. Specifically, fund balance available for appropriation 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 Town of Angier. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,836,410 while total fund balance reached \$5,066,827. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures, which were \$5,937,125. Unassigned fund balance represents 71% of total General Fund expenditures, while total fund balance represents 85% of that same amount.

At June 30, 2023, the governmental funds of Town of Angier reported a combined fund balance of \$6,056,456 an increase of \$824,455 from last year. Total fund balance for all governmental funds represents 84% of total Governmental Funds expenditures.

**General Fund Budgetary Highlights:**

During the fiscal year, the Town 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.

*Proprietary Funds.* The Town of Angier's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water and Sewer Fund at the end of the fiscal year amounted to \$4,260,767. The total change in net position for the Water and Sewer Fund was an increase of \$152,444 from the prior year.

**Capital Asset and Debt Administration**

**Capital assets.** Town of Angier's investment in capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$18,913,682 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, and vehicles.

Major capital assets transactions during the year include:

- Playground Equipment
- John Deer Z930M Z Trak

**Town of Angier's Capital Assets  
(net of depreciation)  
Figure 4**

|                                  | Governmental<br>Activities |                     | Business-Type<br>Activities |                      | Total                |                      |
|----------------------------------|----------------------------|---------------------|-----------------------------|----------------------|----------------------|----------------------|
|                                  | 2023                       | 2022                | 2023                        | 2022                 | 2023                 | 2022                 |
| Land                             | \$ 2,265,627               | \$ 1,998,798        | \$ 614,903                  | \$ 614,903           | \$ 2,880,530         | \$ 2,613,701         |
| Buildings and plant systems      | 1,833,734                  | 1,974,241           | -                           | -                    | 1,833,734            | 1,974,241            |
| Infrastructure                   | 440,453                    | 455,884             | -                           | -                    | 440,453              | 455,884              |
| Equipment                        | 158,669                    | 93,049              | 166,894                     | 141,461              | 325,563              | 234,510              |
| Plant and distribution system    | -                          | -                   | 7,475,415                   | 7,816,881            | 7,475,415            | 7,816,881            |
| Vehicles and motorized equipment | 289,334                    | 394,586             | 427,120                     | 526,663              | 716,454              | 921,249              |
| Computer equipment               | -                          | -                   | 14,977                      | 26,035               | 14,977               | 26,035               |
| Intangible assets                | -                          | -                   | 1,595,217                   | 1,651,789            | 1,595,217            | 1,651,789            |
| Construction in progress         | 100,502                    | 100,502             | 3,530,837                   | 1,016,725            | 3,631,339            | 1,117,227            |
| <b>Total</b>                     | <b>\$ 5,088,319</b>        | <b>\$ 5,017,060</b> | <b>\$ 13,825,363</b>        | <b>\$ 11,794,457</b> | <b>\$ 18,913,682</b> | <b>\$ 16,811,517</b> |

Additional information on the Town of Angier's capital assets can be found in the notes to the financial statements within Section III, A (4) Detail Notes on All Funds, Assets, Capital Assets.

**Long-term Debt.** As of June 30, 2023, the Town of Angier had total debt outstanding of \$7,871,262. The entire amount of the Town's debt represents installment purchases for government activities, as we currently have no debt backed by the full faith and credit of the Town (bonded), or Utility (revenue bonds).

**Town of Angier's Outstanding Debt  
Figure 5**

|  | Governmental<br>Activities |                   | Business-type<br>Activities |                     | Total               |                     |
|--|----------------------------|-------------------|-----------------------------|---------------------|---------------------|---------------------|
|  | 2023                       | 2022              | 2023                        | 2022                | 2023                | 2022                |
| General obligation bonds               | \$ -                       | \$ -              | \$ 323,586                  | \$ 424,512          | \$ 323,586          | \$ 424,512          |
| Direct Placement Installment purchases | 204,338                    | 320,993           | 58,800                      | 70,037              | 263,138             | 391,030             |
| Capital leases                         | 193,662                    | 287,358           | -                           | -                   | 193,662             | 287,358             |
| Revolving loan                         | -                          | -                 | 1,037,875                   | 1,138,122           | 1,037,875           | 1,138,122           |
| Revenue bonds                          | -                          | -                 | 6,053,000                   | 6,129,000           | 6,053,000           | 6,129,000           |
| <b>Total</b>                           | <b>\$ 398,000</b>          | <b>\$ 608,351</b> | <b>\$ 7,473,261</b>         | <b>\$ 7,761,671</b> | <b>\$ 7,871,261</b> | <b>\$ 8,370,022</b> |

The Town of Angier's total debt decreased by \$498,760 during the current fiscal year. North Carolina general statutes limit 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 Town of Angier is \$49,317,019. Additional information regarding the Town of Angier's long-term debt can be found in the notes of the Basic Financial Statements within Section III, B (6b) Detail Notes on All Funds, Liabilities, Long Term Obligations, Changes in General Long-Term Liabilities.



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

The Town's elected and appointed officials considered many factors when setting the fiscal year 2023-2024 budget. In adopting the annual budget for fiscal year 2023-2024, they recognized the challenge of keeping tax rates low while maintaining high quality services.

The following economic factors demonstrate the growth and prosperity of the town, which influenced the formation of the budget:

- Local Option Sales Tax distributions increased \$208,479 over fiscal year 2022.
- Due to growth and diligent collection of property taxes, the town exceeded the previous year's ad valorem revenue by \$783,765.
- With 2,344 single-family lots approved, the town should add to ad valorem revenues by approximately \$3 million dollars over the next few years.

### **Budget Highlights for the Fiscal Year Ending June 30, 2023**

**Governmental Activities:** The FY 2022-2023 Adopted budget was amended throughout the fiscal year, leading to a budgetary increase of 16%, which amounts to \$1,109,475.

The resulting General Fund Net Position increased by \$21,174, in part due to an increase in revenues from previous years. The increase in ad valorem revenues was \$780,728 and the collection of other taxes increased \$373,243.

The revenues budgeted for FY 2023-2024 were moderately aggressive due to the continued rise in Local Option Sales Tax collection and the increase of real property within the town.

**Business Activities:** The budget for fiscal year 2022-2023 was amended throughout the year, leading to a budgetary increase of 11% or \$367,822. The town used these funds to purchase meters, a John Deere Z track tractor and other operational needs due to an increase in utility customers.

### **Requests for Information**

This report is designed to provide an overview of the Town's finances for those with an interest in this area. You can also visit our website for additional financial information at [www.angier.org](http://www.angier.org). Questions concerning this report should be directed to:

Elizabeth Yokley-Krige  
Town of Angier  
Town Manager  
[Eyokley-krige@angier.org](mailto:Eyokley-krige@angier.org)

## BASIC FINANCIAL STATEMENTS

**Town of Angier, North Carolina**  
**Statement of Net Position**  
**June 30, 2023**

|   | Primary Government         |                             |                      | Component Units             |
|---|----------------------------|-----------------------------|----------------------|-----------------------------|
|   | Governmental<br>Activities | Business-type<br>Activities | Total                | Town of Angier<br>ABC Board |
| <b>ASSETS</b>   |                            |                             |                      |                             |
| Cash and cash equivalents   | \$ 5,381,937               | \$ 5,035,066                | \$ 10,417,003        | \$ 773,670                  |
| Restricted cash   | 2,162,888                  | 108,192                     | 2,271,080            | -                           |
| Taxes receivable, net   | 13,107                     | -                           | 13,107               | -                           |
| Accounts receivable, net  | 167,439                    | 467,057                     | 634,496              | -                           |
| Due from other governments  | 327,635                    | 47,947                      | 375,582              | -                           |
| Prepays   | -                          | 6,868                       | 6,868                | -                           |
| Inventories   | -                          | -                           | -                    | 499,972                     |
| Right to use leased assets, net of amortization                     | 191,592                    | -                           | 191,592              | -                           |
| Capital assets:   |                            |                             |                      |                             |
| Land, non-depreciable improvements, and<br>construction in progress | 2,366,129                  | 4,145,740                   | 6,511,869            | 252,000                     |
| Other capital assets, net of depreciation                           | 2,722,190                  | 9,679,623                   | 12,401,813           | 507,024                     |
| Total assets  | <u>13,332,917</u>          | <u>19,490,493</u>           | <u>32,823,410</u>    | <u>2,032,666</u>            |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                               |                            |                             |                      |                             |
| Pension deferrals - LGERS   | 942,112                    | 297,509                     | 1,239,621            | 54,079                      |
| Pension deferrals - LEO   | 77,765                     | -                           | 77,765               | -                           |
| OPEB deferrals  | 128,118                    | 40,458                      | 168,576              | -                           |
| Total deferred outflows   | <u>1,147,995</u>           | <u>337,967</u>              | <u>1,485,962</u>     | <u>54,079</u>               |
| <b>LIABILITIES</b>  |                            |                             |                      |                             |
| Accounts payable and accrued liabilities                            | 257,696                    | 811,159                     | 1,068,855            | 195,846                     |
| Accrued interest  | 2,777                      | 27,339                      | 30,116               | -                           |
| Noncurrent liabilities due within one year                          |                            |                             |                      |                             |
| Compensated absences payable  | 100,000                    | 20,000                      | 120,000              | -                           |
| Current-portion of long-term liabilities                            | 34,083                     | 279,367                     | 313,450              | -                           |
| Current-portion of lease liabilities                                | 110,483                    | -                           | 110,483              | -                           |
| Noncurrent liabilities due in more than one year:                   |                            |                             |                      |                             |
| Compensated absences payable  | 84,403                     | 14,470                      | 98,873               | -                           |
| Note payable  | 170,255                    | 7,193,894                   | 7,364,149            | -                           |
| Lease liability   | 83,179                     | -                           | 83,179               | -                           |
| Net pension liability - LGERS                                       | 1,397,721                  | 441,385                     | 1,839,106            | 77,288                      |
| Total pension liability - LEOSSA                                    | 283,002                    | -                           | 283,002              | -                           |
| Net OPEB liability  | 495,368                    | 156,432                     | 651,800              | -                           |
| Liabilities to be paid from restricted assets                       |                            |                             |                      |                             |
| Customer Deposits   | -                          | 108,192                     | 108,192              | -                           |
| American Rescue Plan Funds  | 1,725,747                  | -                           | 1,725,747            | -                           |
| Total liabilities   | <u>4,744,714</u>           | <u>9,052,238</u>            | <u>13,796,952</u>    | <u>273,134</u>              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                |                            |                             |                      |                             |
| Pension deferrals - LGERS   | 13,611                     | 4,298                       | 17,909               | 3,817                       |
| Pension deferrals - LEO   | 103,037                    | -                           | 103,037              | -                           |
| OPEB deferrals  | 141,256                    | 44,607                      | 185,863              | -                           |
| Total deferred inflows  | <u>257,904</u>             | <u>48,905</u>               | <u>306,809</u>       | <u>3,817</u>                |
| <b>NET POSITION</b>   |                            |                             |                      |                             |
| Net investment in capital assets                                    | 4,881,911                  | 6,352,102                   | 11,234,013           | 759,024                     |
| Restricted:   |                            |                             |                      |                             |
| Stabilization by State Statute                                      | 595,875                    | -                           | 595,875              | -                           |
| Streets   | 282,267                    | -                           | 282,267              | -                           |
| Public Safety   | 478,689                    | -                           | 478,689              | -                           |
| Working Capital   | -                          | -                           | -                    | 124,361                     |
| Unrestricted  | 3,239,552                  | 4,375,215                   | 7,614,767            | 926,409                     |
| Total net position  | <u>\$ 9,478,294</u>        | <u>\$ 10,727,317</u>        | <u>\$ 20,205,611</u> | <u>\$ 1,809,794</u>         |

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

**Town of Angier, North Carolina  
Statement of Activities  
For the Year Ended June 30, 2023**

| Functions/Programs   | Expenses             | Program Revenues     |                                    |                                  | Net (Expense) Revenue and Changes in Net Position |                          |                      |                          |
|--|----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|----------------------|--------------------------|
|  |                      | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government                                |                          |                      | Component Unit           |
|  |                      |                      |                                    |                                  | Governmental Activities                           | Business-type Activities | Total                | Town of Angier ABC Board |
| <b>Primary government:</b>                                   |                      |                      |                                    |                                  |   |                          |                      |                          |
| Governmental activities:                                     |                      |                      |                                    |                                  |   |                          |                      |                          |
| General government   | \$ 1,491,704         | \$ 489,163           | \$ -                               | \$ -                             | \$ (1,002,541)                                    | \$ -                     | \$ (1,002,541)       | \$ -                     |
| Public safety  | 2,035,847            | 82,167               | 146,861                            | -                                | (1,806,819)                                       | -                        | (1,806,819)          | -                        |
| Transportation   | 1,116,355            | -                    | 171,540                            | 683,358                          | (261,457)   | -                        | (261,457)            | -                        |
| Economic and physical development                            | 617,944              | 274,527              | 4,311                              | -                                | (339,106)   | -                        | (339,106)            | -                        |
| Cultural and recreational                                    | 1,695,684            | 89,432               | -                                  | -                                | (1,606,252)                                       | -                        | (1,606,252)          | -                        |
| Library  | 213,083              | -                    | -                                  | -                                | (213,083)   | -                        | (213,083)            | -                        |
| Interest on long-term debt                                   | 49,843               | -                    | -                                  | -                                | (49,843)  | -                        | (49,843)             | -                        |
| Total governmental activities                                | <u>7,220,460</u>     | <u>935,289</u>       | <u>322,712</u>                     | <u>683,358</u>                   | <u>(5,279,101)</u>                                | <u>-</u>                 | <u>(5,279,101)</u>   | <u>-</u>                 |
| Business-type activities:                                    |                      |                      |                                    |                                  |   |                          |                      |                          |
| Water Fund   | 3,885,357            | 3,809,804            | -                                  | -                                | -   | (75,553)                 | (75,553)             | -                        |
| Total business-type activities                               | <u>3,885,357</u>     | <u>3,809,804</u>     | <u>-</u>                           | <u>-</u>                         | <u>-</u>  | <u>(75,553)</u>          | <u>(75,553)</u>      | <u>-</u>                 |
|  | <u>\$ 11,105,817</u> | <u>\$ 4,745,093</u>  | <u>\$ 322,712</u>                  | <u>\$ 683,358</u>                | <u>(5,279,101)</u>                                | <u>(75,553)</u>          | <u>(5,354,654)</u>   | <u>-</u>                 |
| Component units:   |                      |                      |                                    |                                  |   |                          |                      |                          |
| ABC Board  | \$ 4,228,295         | \$ 4,217,834         | \$ -                               | \$ -                             | -   | -                        | -                    | (10,461)                 |
| Total component units  | <u>\$ 4,228,295</u>  | <u>\$ 4,217,834</u>  | <u>\$ -</u>                        | <u>\$ -</u>                      | <u>\$ -</u>                                       | <u>\$ -</u>              | <u>\$ -</u>          | <u>(10,461)</u>          |
| General revenues:  |                      |                      |                                    |                                  |   |                          |                      |                          |
| Taxes:   |                      |                      |                                    |                                  |   |                          |                      |                          |
| Property taxes, levied for general purpose                   |                      |                      |                                    |                                  | 3,211,530   | -                        | 3,211,530            | -                        |
| Local option sales tax                                       |                      |                      |                                    |                                  | 1,533,252   | -                        | 1,533,252            | -                        |
| Other taxes and licenses                                     |                      |                      |                                    |                                  | 712,667   | -                        | 712,667              | -                        |
| Grants and contributions not restricted to specific programs |                      |                      |                                    |                                  | -   | -                        | -                    | -                        |
| Investment earnings, unrestricted                            |                      |                      |                                    |                                  | 262,162   | 135,086                  | 397,248              | 674                      |
| Miscellaneous, unrestricted                                  |                      |                      |                                    |                                  | 328,198   | 92,911                   | 421,109              | -                        |
| Transfers  |                      |                      |                                    |                                  | -   | -                        | -                    | -                        |
| Total general revenues, special items, and transfers         |                      |                      |                                    |                                  | <u>6,047,809</u>                                  | <u>227,997</u>           | <u>6,275,806</u>     | <u>674</u>               |
| Change in net position                                       |                      |                      |                                    |                                  | <u>768,708</u>                                    | <u>152,444</u>           | <u>921,152</u>       | <u>(9,787)</u>           |
| Net position, beginning                                      |                      |                      |                                    |                                  | <u>8,709,586</u>                                  | <u>10,574,873</u>        | <u>19,284,459</u>    | <u>1,819,581</u>         |
| Total net position, ending                                   |                      |                      |                                    |                                  | <u>\$ 9,478,294</u>                               | <u>\$ 10,727,317</u>     | <u>\$ 20,205,611</u> | <u>\$ 1,809,794</u>      |

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

**Town of Angier, North Carolina**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

|  | <u>Major</u>        |                                      | <u>NonMajor</u>                         | <u>Total Governmental</u> |
|--|---------------------|--------------------------------------|---|---------------------------|
|  | <u>General Fund</u> | <u>American Rescue<br/>Plan Fund</u> | <u>Other<br/>Governmental<br/>Funds</u> |                           |
| <b>ASSETS</b>  |                     |                                      |   |                           |
| Cash and cash equivalents  | \$ 4,446,381        | \$ -                                 | \$ 935,556                              | \$ 5,381,937              |
| Restricted cash  | 282,267             | 1,880,621                            | -                                       | 2,162,888                 |
| Taxes receivable, net  | 13,107              | -                                    | -                                       | 13,107                    |
| Accounts receivable, net   | 167,439             | -                                    | -                                       | 167,439                   |
| Due from other governments   | 327,635             | -                                    | -                                       | 327,635                   |
| Due from other funds   | 100,801             | -                                    | -                                       | 100,801                   |
| Total assets   | <u>5,337,630</u>    | <u>1,880,621</u>                     | <u>935,556</u>                          | <u>8,153,807</u>          |
| <b>LIABILITIES AND FUND BALANCES</b>                               |                     |                                      |   |                           |
| Liabilities:   |                     |                                      |   |                           |
| Accounts payable and accrued liabilities                           | 257,696             | -                                    | -                                       | 257,696                   |
| Unearned revenues  | -                   | 1,725,747                            | -                                       | 1,725,747                 |
| Due to other funds   | -                   | -                                    | 100,801                                 | 100,801                   |
| Total liabilities  | <u>257,696</u>      | <u>1,725,747</u>                     | <u>100,801</u>                          | <u>2,084,244</u>          |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                               |                     |                                      |   |                           |
| Property taxes receivable  | 13,107              | -                                    | -                                       | 13,107                    |
| Total deferred inflows of resources                                | <u>13,107</u>       | <u>-</u>                             | <u>-</u>                                | <u>13,107</u>             |
| Fund balances:   |                     |                                      |   |                           |
| Restricted   |                     |                                      |   |                           |
| General government   | -                   | 154,874                              | 156,054                                 | 310,928                   |
| Public works   | -                   | -                                    | 478,689                                 | 478,689                   |
| Stabilized by state statute  | 595,875             | -                                    | -                                       | 595,875                   |
| Streets  | 282,267             | -                                    | -                                       | 282,267                   |
| Committed  |                     |                                      |   |                           |
| Parks and recreation   | 352,275             | -                                    | -                                       | 352,275                   |
| Streets  | -                   | -                                    | 200,012                                 | 200,012                   |
| Unassigned   | 3,836,410           | -                                    | -                                       | 3,836,410                 |
| Total fund balances  | <u>5,066,827</u>    | <u>154,874</u>                       | <u>834,755</u>                          | <u>6,056,456</u>          |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 5,337,630</u> | <u>\$ 1,880,621</u>                  | <u>\$ 935,556</u>                       |                           |

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.                   |                     |
| Gross capital assets at historical costs  | 9,421,130           |
| Accumulated depreciation  | (4,332,811)         |
| Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.       |                     |
| Right to use assets at historical costs   | 418,522             |
| Accumulated amortization  | (226,930)           |
| Deferred outflows of resources related to pensions and OPEB are not reported in the funds.  |                     |
| Pension deferrals - LGERS   | 942,112             |
| Pension deferrals - LEO   | 77,765              |
| OPEB deferrals  | 128,118             |
| Liabilities for earned revenues considered deferred inflows of resources in fund statements.  | 13,107              |
| Deferred inflows of resources related to pensions and OPEB are not reported in the funds.   |                     |
| Pension deferrals - LGERS   | (13,611)            |
| Pension deferrals - LEO   | (103,037)           |
| OPEB deferrals  | (141,256)           |
| Long-term debt included as net position below (includes the addition of long-term debt and principal payments during the year.)           |                     |
| Notes payable   | (204,338)           |
| Lease liability   | (193,662)           |
| Other long-term liabilities (accrued interest) are not due and payable in the current period and therefore are not reported in the funds. | (2,777)             |
| Net OPEB liability.   | (495,368)           |
| Net pension liability - LEOSSA.   | (283,002)           |
| Net pension liability - LGERS.  | (1,397,721)         |
| Compensated absences  | (184,403)           |
| Net position of governmental activities   | <u>\$ 9,478,294</u> |

**Town of Angier, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

|   | <b>Major Funds</b>  |                                  |                              | <b>Total Governmental Funds</b> |
|---|---------------------|----------------------------------|------------------------------|---------------------------------|
|   | <b>General Fund</b> | <b>American Rescue Plan Fund</b> | <b>Total Non-Major Funds</b> |                                 |
| <b>REVENUES</b>                                   |                     |                                  |                              |                                 |
| Ad valorem taxes                                  | \$ 3,208,658        | \$ -                             | \$ -                         | \$ 3,208,658                    |
| Other taxes and licenses                          | 46,911              | -                                | -                            | 46,911                          |
| Unrestricted intergovernmental                    | 2,199,008           | -                                | -                            | 2,199,008                       |
| Restricted intergovernmental                      | 248,462             | -                                | 683,358                      | 931,820                         |
| Permits and fees                                  | 845,857             | -                                | -                            | 845,857                         |
| Sales and services                                | 163,682             | -                                | -                            | 163,682                         |
| Investment earnings                               | 177,153             | 66,563                           | 18,446                       | 262,162                         |
| Miscellaneous                                     | 329,558             | -                                | -                            | 329,558                         |
| Total revenues                                    | <u>7,219,289</u>    | <u>66,563</u>                    | <u>701,804</u>               | <u>7,987,656</u>                |
| <b>EXPENDITURES</b>                               |                     |                                  |                              |                                 |
| Current:  |                     |                                  |                              |                                 |
| General government                                | 1,252,908           | -                                | -                            | 1,252,908                       |
| Public safety                                     | 1,828,962           | -                                | -                            | 1,828,962                       |
| Transportation                                    | 952,052             | -                                | 84,535                       | 1,036,587                       |
| Economic and physical development                 | 855,271             | -                                | -                            | 855,271                         |
| Culture and recreation                            | 551,822             | -                                | 1,164,195                    | 1,716,017                       |
| Library   | 213,083             | -                                | -                            | 213,083                         |
| Debt service:                                     |                     |                                  |                              |                                 |
| Principal   | 233,005             | -                                | -                            | 233,005                         |
| Interest  | 50,022              | -                                | -                            | 50,022                          |
| Total expenditures                                | <u>5,937,125</u>    | <u>-</u>                         | <u>1,248,730</u>             | <u>7,185,855</u>                |
| Excess (deficiency) of revenues over expenditures | <u>1,282,164</u>    | <u>66,563</u>                    | <u>(546,926)</u>             | <u>801,801</u>                  |
| <b>OTHER FINANCING SOURCES</b>                    |                     |                                  |                              |                                 |
| Lease proceeds                                    | 22,654              | -                                | -                            | 22,654                          |
| Transfer (to)/from other funds                    | (1,283,644)         | -                                | 1,283,644                    | -                               |
| Total other financing sources and uses            | <u>(1,260,990)</u>  | <u>-</u>                         | <u>1,283,644</u>             | <u>22,654</u>                   |
| Net change in fund balance                        | 21,174              | 66,563                           | 736,718                      | 824,455                         |
| Fund balances - beginning                         | 5,045,653           | 88,311                           | 98,037                       | 5,232,001                       |
| Fund balances - ending                            | <u>\$ 5,066,827</u> | <u>\$ 154,874</u>                | <u>\$ 834,755</u>            | <u>\$ 6,056,456</u>             |

**Town of Angier, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

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

|   |                  |                |
|---|------------------|----------------|
| Net changes in fund balance - total government funds  | \$               | 824,455        |
| <p>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 capital outlays increases exceeded the book value of capital outlay decreases in fiscal year.</p>                                     |                  |                |
| Capital outlay expenditures which were capitalized  | 379,337          |                |
| Depreciation expense for governmental assets  | <u>(308,078)</u> | 71,259         |
| Right to used leased assets capital outlay expenditures   | 22,654           |                |
| Amortization expense for intangible assets  | <u>(117,061)</u> | (94,407)       |
| Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position   |                  | 7,589          |
| Benefit payments paid and administrative expense for the LEOSSA are deferred outflows of resources on the Statement of Net Position   |                  | 11,255         |
| Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities  |                  | 244,069        |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:  |                  |                |
| (Increase)Decrease in unavailable revenue for tax revenues  |                  | 2,872          |
| <p>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.</p> |                  |                |
| Principal payments on long-term debt  | 233,005          |                |
| Loan proceeds   | (22,654)         |                |
| (Increase)Decrease in accrued interest payable  | <u>179</u>       | 210,530        |
| <p>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.</p>   |                  |                |
| Compensated absences  | 891              |                |
| Pension expense   | (454,947)        |                |
| Other postemployment benefits   | <u>(54,858)</u>  | (508,914)      |
| Total changes in net position of governmental activities  | <u>\$</u>        | <u>768,708</u> |

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

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

|   | General Fund       |                  |                     | Variance<br>With Final<br>Positive<br>(Negative) |
|---|--------------------|------------------|---------------------|--|
|   | Original<br>Budget | Final<br>Budget  | Actual              |  |
| <b>Revenues:</b>                        |                    |                  |                     |  |
| Ad valorem taxes                        | \$ 3,318,918       | \$ 3,254,417     | \$ 3,208,658        | \$ (45,759)                                      |
| Other taxes and licenses                | 19,500             | 40,870           | 46,911              | 6,041  |
| Unrestricted intergovernmental revenues | 1,600,500          | 2,208,416        | 2,199,008           | (9,408)  |
| Restricted intergovernmental revenues   | 232,849            | 276,689          | 248,462             | (28,227)   |
| Permits and fees                        | 619,885            | 786,886          | 845,857             | 58,971   |
| Sales and services                      | 31,054             | 89,407           | 163,682             | 74,275   |
| Investment earnings                     | 18,000             | 118,884          | 177,153             | 58,269   |
| Miscellaneous                           | 74,700             | 230,401          | 329,558             | 99,157   |
| Total revenues                          | <u>5,915,406</u>   | <u>7,005,970</u> | <u>7,219,289</u>    | <u>213,319</u>                                   |
| <b>Expenditures</b>                     |                    |                  |                     |  |
| <b>Current:</b>                         |                    |                  |                     |  |
| General government                      | 1,001,875          | 1,314,300        | 1,252,908           | 61,392   |
| Public safety                           | 1,945,782          | 1,873,704        | 1,828,962           | 44,742   |
| Transportation                          | 864,532            | 1,141,223        | 952,052             | 189,171  |
| Economic and physical development       | 874,467            | 1,148,495        | 855,271             | 293,224  |
| Cultural and recreational               | 478,073            | 562,854          | 551,822             | 11,032   |
| Library                                 | 209,757            | 214,752          | 213,083             | 1,669  |
| <b>Debt service:</b>                    |                    |                  |                     |  |
| Principal retirement                    | 116,488            | 255,906          | 233,005             | 22,901   |
| Interest                                | 5,738              | 55,000           | 50,022              | 4,978  |
| Total expenditures                      | <u>5,496,712</u>   | <u>6,566,234</u> | <u>5,937,125</u>    | <u>629,109</u>                                   |
| Revenues over (under) expenditures      | 418,694            | 439,736          | 1,282,164           | 842,428  |
| <b>Other financing sources (uses)</b>   |                    |                  |                     |  |
| Fund balance appropriated               | 586,106            | 878,409          | -                   | 878,409  |
| Lease proceeds                          | -                  | -                | 22,654              | (22,654)   |
| Transfers (to)/from other funds         | (1,004,800)        | (1,318,145)      | (1,283,644)         | (34,501)   |
| Total other financing sources and uses  | <u>(418,694)</u>   | <u>(439,736)</u> | <u>(1,260,990)</u>  | <u>821,254</u>                                   |
| Net change in fund balance              | <u>\$ -</u>        | <u>\$ -</u>      | 21,174              | <u>\$ 21,174</u>                                 |
| Fund balances - beginning               |                    |                  | 5,045,653           |  |
| Fund balances - ending                  |                    |                  | <u>\$ 5,066,827</u> |  |

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



**Town of Angier, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - American Rescue Plan Fund**  
**For the Year Ended June 30, 2023**

|                                       | American Rescue Plan Fund |                  |                   | Variance<br>With Final<br>Positive<br>(Negative) |
|---------------------------------------|---------------------------|------------------|-------------------|--|
|                                       | Original<br>Budget        | Final<br>Budget  | Actual            |  |
| Revenues:                             |                           |                  |                   |  |
| Restricted intergovernmental revenues | \$ 1,814,057              | \$ 1,814,057     | \$ -              | \$ (1,814,057)                                   |
| Investment earnings                   | -                         | -                | 66,563            | 66,563   |
| Total revenues                        | <u>1,814,057</u>          | <u>1,814,057</u> | <u>66,563</u>     | <u>(1,747,494)</u>                               |
| Expenditures                          |                           |                  |                   |  |
| Current:                              |                           |                  |                   |  |
| General government                    | <u>1,814,057</u>          | <u>1,814,057</u> | -                 | <u>1,814,057</u>                                 |
| Total expenditures                    | <u>1,814,057</u>          | <u>1,814,057</u> | -                 | <u>1,814,057</u>                                 |
| Net change in fund balance            | <u>\$ -</u>               | <u>\$ -</u>      | 66,563            | <u>\$ 66,563</u>                                 |
| Fund balances - beginning             |                           |                  | 88,311            |  |
| Fund balances - ending                |                           |                  | <u>\$ 154,874</u> |  |

**Town of Angier, North Carolina**  
**Statement of Fund Net Position**  
**Proprietary Funds**  
**June 30, 2023**

Exhibit 7

|   | Water and Sewer<br>Fund |
|---|-------------------------|
| <b>Assets</b>                                 |                         |
| Current assets:                               |                         |
| Cash and cash equivalents                     | \$ 5,035,066            |
| Restricted cash and cash equivalents          | 108,192                 |
| Accounts receivable (net) - billed            | 254,114                 |
| Accounts receivable (net) - unbilled          | 212,943                 |
| Due from other governments                    | 47,947                  |
| Prepays                                       | 6,868                   |
| Total current assets                          | 5,665,130               |
| Capital assets:                               |                         |
| Land and other non-depreciable assets         | 4,145,740               |
| Other capital assets, net of depreciation     | 9,679,623               |
| Capital assets (net)                          | 13,825,363              |
| Total assets                                  | 19,490,493              |
| Deferred outflows of resources                |                         |
| Pension deferrals - LGERS                     | 297,509                 |
| OPEB deferrals                                | 40,458                  |
| Total deferred outflows                       | 337,967                 |
| <b>Liabilities</b>                            |                         |
| Current liabilities:                          |                         |
| Accounts payable & accrued liabilities        | 811,159                 |
| Accrued Interest                              | 27,339                  |
| Customer deposits                             | 108,192                 |
| Compensated absences - current                | 20,000                  |
| General obligation bonds payable - current    | 104,919                 |
| Installment purchases - current               | 114,448                 |
| Revenue bond payable - current                | 60,000                  |
| Total current liabilities                     | 1,246,057               |
| Noncurrent liabilities:                       |                         |
| Compensated absences - noncurrent             | 14,470                  |
| General obligation bonds payable - noncurrent | 218,667                 |
| Installment purchases - noncurrent            | 982,227                 |
| Revenue bond payable - noncurrent             | 5,993,000               |
| Net pension liability - LGERS                 | 441,385                 |
| Other postemployment benefits                 | 156,432                 |
| Total noncurrent liabilities                  | 7,806,181               |
| Total liabilities                             | 9,052,238               |
| Deferred inflows of resources:                |                         |
| Pension deferrals - LGERS                     | 4,298                   |
| OPEB deferrals                                | 44,607                  |
| Total deferred inflows                        | 48,905                  |
| <b>Net Position</b>                           |                         |
| Net investment in capital assets              | 6,352,102               |
| Unrestricted                                  | 4,375,215               |
| Total net position                            | \$ 10,727,317           |

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

**Town of Angier, North Carolina**  
**Statement of Revenues and Expenditures and**  
**Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

Exhibit 8

|  | <b>Water and<br/>Sewer Fund</b> |
|--|---------------------------------|
| Operating revenues:                    |                                 |
| Charges for services                   | \$ 3,670,576                    |
| Water and sewer taps                   | 139,228                         |
| Other operating revenues               | 92,911                          |
| Total Operating Revenues               | 3,902,715                       |
| Operating expenses:                    |                                 |
| Water operations                       | 2,185,481                       |
| Sewer operations                       | 341,266                         |
| Water treatment and distribution       | 656,075                         |
| Depreciation                           | 529,342                         |
| Total operating expenses               | 3,712,164                       |
| Total Operating Income (Loss)          | 190,551                         |
| Nonoperating Revenues(Expenses):       |                                 |
| Investment earnings                    | 135,086                         |
| Interest and other charges             | (173,193)                       |
| Total Nonoperating Revenues (Expenses) | (38,107)                        |
| Income (loss) before transfers         | 152,444                         |
| Transfers from (to) other funds        | -                               |
| Changes in net position                | 152,444                         |
| Net position, beginning                | 10,574,873                      |
| Net position, ending                   | \$ 10,727,317                   |

**Town of Angier, North Carolina**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

Exhibit 9

|   | Water Fund   |
|---|--------------|
| <b>Cash Flows From Operating Activities:</b>  |              |
| Cash Received from Customers/others   | \$ 3,818,258 |
| Cash paid to suppliers for goods and services   | (1,539,623)  |
| Cash paid to employees for services   | (839,009)    |
| Net cash provided by (used for) operating activities  | 1,439,626    |
| <b>Cash Flows from (use by) capital and related financing activities:</b>                             |              |
| Transfers to other funds  | -            |
| Net cash flows provided (used) by capital financing activities  | -            |
| <b>Cash Flows from (use by) capital and related financing activities:</b>                             |              |
| Principal repayments on long-term debt  | (288,140)    |
| Debt proceeds   | -            |
| Acquisition of capital assets   | (2,560,248)  |
| Interest expense  | (173,193)    |
| Net cash flows provided (used) by capital financing activities  | (3,021,581)  |
| <b>Cash Flows from (used for) investing activities:</b>   |              |
| Interest income   | 135,086      |
| Net cash flows provided (used) by noncapital financing activities                                     | 135,086      |
| Net increase (decrease) in cash and cash equivalents  | (1,446,869)  |
| Cash and cash equivalents, beginning of year  | 6,590,127    |
| Cash and cash equivalents, end of year  | \$ 5,143,258 |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b> |              |
| Operating Income (Loss)   | \$ 190,551   |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities:        |              |
| Depreciation expense  | 529,342      |
| Changes in Assets and Liabilities:  |              |
| (Increase) decrease in accounts receivable  | (102,258)    |
| (Increase) decrease in prepaids   | 17,801       |
| Increase (decrease) in accounts payable and accrued liabilities                                       | 719,301      |
| Increase (decrease) in net pension liability  | 324,488      |
| Increase (decrease) in OPEB liability   | (10,741)     |
| (Increase) decrease in deferred outflows of resources for pensions                                    | (103,858)    |
| Increase (decrease) in deferred inflows of resources for pensions                                     | (164,975)    |
| (Increase) decrease in deferred outflows of resources for OPEB  | 4,615        |
| Increase (decrease) in deferred inflows of resources for OPEB   | 21,053       |
| Increase (decrease) in accrued vacation pay   | 14,307       |
| Net cash provided (used) by operating activities  | \$ 1,439,626 |

## NOTES TO THE FINANCIAL STATEMENTS

**Town of Angier, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

**I. Summary of Significant Accounting Policies**

The accounting policies of the Town of Angier, NC and its discretely presented component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

The Town of Angier (the "Town") is a municipal corporation that is governed by an elected mayor and a four-member board. As required by generally accepted accounting principles, these financial statements present the Town of Angier and its component unit, a legally-separate entity for which the Town is financially accountable. The discretely presented component unit presented below is reported in a separate column in the Town's financial statements in order to emphasize that it is legally separate from the Town.

Angier ABC Board

The members of the ABC Board's governing board are appointed by the Town. In addition, the ABC Board is required by State statute to distribute its surpluses to the General Fund of the Town. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund (discrete presentation). Complete financial statements for the ABC Board may be obtained from the entity's administrative offices at Angier ABC Board, 305 N Raleigh St, Angier, NC. 27501.

**B. Basis of Presentation**

*Government-wide Statements*: The statement of net position and the statement of activities display information about the primary government and its component unit. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements*: The fund financial statements provide information about the Town's funds. Separate statements for each fund category – *governmental* and *proprietary* – are presented. The Town has no Fiduciary Funds to report. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

The Town reports the following major governmental fund:

**General Fund.** The General Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance and construction, and sanitation services.

**American Rescue Plan Fund.** The American Rescue Plan Fund maintains two distributions from the American Rescue Plan Act (ARPA); \$862,873 and \$862,873 within FY 2023 and FY 2024 respectively. Intentions for ARPA money is to subsidize the additional capacity purchase for wastewater treatment through Harnett County Regional Water.

**Municipal Building Capital Project Fund.** The Municipal Building Capital Project Fund is intended to capture the Town of Angier new municipal building. The project began during FY 2023 with design schematics completed and all necessary geological testing completed as well. Given the initial project cost of approximately \$8.4 million and the end result approximately \$16.9 million, the decision was made to table the project until supply-chain issues settled as well as inflation.

The Town reports the following major enterprise funds:

**Water Fund and Sewer Fund.** These two separate funds are used to account for the Town's water and sewer operations.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the Town are maintained during the year using the modified accrual basis of accounting.

*Government-wide and Proprietary Fund Financial Statements.* The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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, including special assessments. 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 Town enterprise funds are charges to customers for sales and services. The Town also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales 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.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource 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 in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the 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.

Sales taxes and certain intergovernmental revenues, such as the beer and wine tax, collected and held by the State at year-end on behalf of the Town are recognized as revenue. Sales taxes are considered a shared revenue for the Town of Angier because the tax is levied by Harnett County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, American Rescue Plan Fund, and the Enterprise Fund. All annual appropriations lapse at the fiscal-year end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for the multi-year funds. All amendments must be approved by the governing board. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Equity

1. Deposits and Investments

All deposits of the Town and the ABC Board are made in board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Town and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Town and the ABC board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the Town 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 Town and the ABC Board's investments are reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. The NCCMT Term Portfolio is bond fund, has no rating and is measured at fair value. As of June 30, 2023, The Term portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

2. Cash and Cash Equivalents

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The ABC board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents.



3. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town 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 Town has established a schedule of discounts that apply to taxes which are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

4. 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.

5. Inventory and Prepaid Items

The inventories of the ABC Board are valued at cost (first in, first out), which approximates market. The Town's General Fund inventory consists of expendable supplies that are recognized as expenditures when purchased. If significant, the amount of inventory on hand at year end is reported on the balance sheet in the governmental funds. However, in the Government-wide Statement Activities the cost of these inventories is expensed as the items are used.

The inventories of the City's enterprise funds, and those of the ABC Board consist of materials and supplies held for subsequent use. The cost of these inventories is expensed when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used.

6. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization cost for the Town's assets is \$5,000. All other purchased or constructed capital assets are reported at cost or estimated historical cost. 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. All other purchased or constructed capital assets are reported at cost or estimate historical cost. General infrastructure assets acquired prior to July 1, 2003, consist of the road network and water and sewer system assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| <u>Asset Class</u>                     | <u>Estimated<br/>Useful Life</u> |
|--|----------------------------------|
| Infrastructure                         | 20 years                         |
| Buildings                              | 33-40 years                      |
| Maintenance and construction equipment | 10 years                         |
| Medium and heavy motor vehicles        | 5 years                          |
| Automobiles and light trucks           | 5 years                          |
| Furniture and equipment                | 10 years                         |
| Computer software                      | 5 years                          |
| Computer equipment                     | 5 years                          |

Property, plant, and equipment of the Town of Angier and the Town of Angier ABC Board are depreciated using the straight-line method over the following estimated useful lives:

| <u>Asset Class</u>                 | <u>Estimated<br/>Useful Life</u> |
|------------------------------------|----------------------------------|
| Buildings and improvements         | 5-40 years                       |
| Furniture, fixtures, and equipment | 3-10 years                       |

7. 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 a future period and so will not be recognized as an expense or expenditure until then. The Town does have two items that meet this criterion, pension deferrals and OPEB deferrals for the 2023 fiscal year. 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 Town has only three items that meet the criterion for this category - property taxes receivable, pension deferrals, and OPEB deferrals for the 2023 fiscal year.

8. 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.

9. Compensated Absences

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

Both the Town and the ABC Board's sick leave policies provide 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 purposes. Since the Town does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

10. Restricted Assets

The Town adopted enabling legislation on October 1, 1990 related to sewer fees charges to commercial and institutional customers. The fees collected for this purpose can only be used for Waste Water Treatment Plant expansion. Customer deposits held by the Town before any services are supplied are restricted to the service for which the deposit was collected. Powell Bill funds are also classified as restricted cash because they can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through 136-41.4.

Town of Angier Restricted Cash

Governmental Activities:

|                            |                  |
|----------------------------|------------------|
| Powell Bill                | \$ 282,267       |
| American Rescue Plan Funds | <u>1,880,621</u> |

|                               |                     |
|-------------------------------|---------------------|
| Total governmental activities | <u>\$ 2,162,888</u> |
|-------------------------------|---------------------|

Business-Type Activities:

|                                |                   |                   |
|--------------------------------|-------------------|-------------------|
| Water and Sewer Fund           | Customer deposits | <u>108,192</u>    |
| Total Business-Type Activities |                   | <u>\$ 108,192</u> |

|                       |                     |
|-----------------------|---------------------|
| Total Restricted Cash | <u>\$ 2,271,080</u> |
|-----------------------|---------------------|

## 11. Net Position/Fund Balances

### Net Position

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

### Fund Balances

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 Balance** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Restricted Fund Balance** – 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 Public Safety – portion of fund balance that is restricted by revenue source for certain emergency telephone system expenditures.

Restricted for Streets – Powell Bill portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures and municipal vehicle tax collections that are restricted for maintaining, repairing, constructing, widening, or improving public streets in the town that do not form part of the State highway system. This amount represents the balance of total unexpended Powell Bill funds and municipal vehicle tax collections.

**Committed Fund Balance** – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town of Angier's governing board (highest level of decision-making authority). The governing body can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

**Assigned Fund Balance** – portion of fund balance that the Town of Angier intends to use for specific purposes.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.

**Unassigned Fund Balance** – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only Governmental Fund that reports a positive unassigned fund balance amount.

The Town of Angier 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 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 Town.

The Town of Angier has also adopted a minimum fund balance policy for the general fund which instructs management to conduct the business of the Town in such a manner that available fund balance is at least equal to or greater than 10% of budgeted expenditures. Any portion of the general fund balance in excess of 10% of budgeted expenditures may be appropriated for one-time expenditures and may not be used for any purpose that would obligate the Town in a future budget.

## 12. Defined Benefit Cost-Sharing Plans

For 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 (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Town's employer contributions are recognized when due and the Town has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

## II. Stewardship, Compliance, and Accountability

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

#### 1. Noncompliance with North Carolina General Statutes

None.

#### 2. Contractual Violations

None.

#### 3. Excess of Expenditures over Appropriations

None.

## III. Detail Notes on All Funds

### A. Assets

#### 1. Deposits

All the deposits of the Town and the ABC Board 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 Town's or ABC board's agents in these units' names. 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 Town or ABC Board, these deposits are considered to be held by the Town's or ABC Boards agents in their names. 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 Town or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Pooling Method, the potential exists for under-collateralization, and 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 Town and the ABC Board have 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 Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2023, the Town's deposits had a carrying amount of \$2,289,421 and a bank balance of \$2,329,912. \$250,000 of which was covered by federal depository insurance. The rest of which was covered under the pooling method. The ABC Board's deposits had a carrying amount of \$772,870 and a bank balance of 937,067. All of the bank balance was covered by federal depository insurance. At June 30, 2023, the Town's petty cash fund totaled \$260. The ABC's petty cash fund totaled \$800.

2. Investments

At June 30, 2023, the Town of Angier had \$10,398,402 invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAM by Standard and Poor's. The Town has no policy regarding credit risk.

3. Receivables - Allowances for Doubtful Accounts

The amounts presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2023 were as follows:

|                                  | Accounts          | Taxes and<br>Related<br>Accrued<br>Interest | Due From Other<br>Governments | Total             |
|----------------------------------|-------------------|---|-------------------------------|-------------------|
| <b>Governmental Activities:</b>  |                   |   |                               |                   |
| General Fund                     | \$ 167,439        | \$ 23,517                                   | \$ 327,635                    | \$ 518,591        |
| American Rescue Plan Fund        | -                 | -   | -                             | -                 |
| Total receivables                | 167,439           | 23,517                                      | 327,635                       | 518,591           |
| Allowance for doubtful accounts  | -                 | (10,410)                                    | -                             | (10,410)          |
| Total Governmental Activities    | <u>\$ 167,439</u> | <u>\$ 13,107</u>                            | <u>\$ 327,635</u>             | <u>\$ 508,181</u> |
| <b>Business-Type Activities:</b> |                   |   |                               |                   |
| Water and Sewer Fund             | \$ 621,430        | \$ -  | \$ 47,947                     | \$ 669,377        |
| Total receivables                | 621,430           | -   | 47,947                        | 669,377           |
| Allowance for doubtful accounts  | (154,373)         | -   | -                             | (154,373)         |
| Total Business-Type Activities   | <u>\$ 467,057</u> | <u>\$ -</u>                                 | <u>\$ 47,947</u>              | <u>\$ 515,004</u> |

4. Capital Assets**Primary Government**

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

|  | <b>Beginning<br/>Balances</b> | <b>Increases</b>  | <b>Decreases</b> | <b>Ending<br/>Balances</b> |
|--|-------------------------------|-------------------|------------------|----------------------------|
| <b>Governmental activities:</b>                  |                               |                   |                  |                            |
| <b>Capital assets not being depreciated:</b>     |                               |                   |                  |                            |
| Land   | \$ 1,998,798                  | \$ 266,829        | \$ -             | \$ 2,265,627               |
| Construction in progress                         | 100,502                       | -                 | -                | 100,502                    |
| Total capital assets not being depreciated       | <u>2,099,300</u>              | <u>266,829</u>    | <u>-</u>         | <u>2,366,129</u>           |
| <b>Capital assets being depreciated:</b>         |                               |                   |                  |                            |
| Buildings  | 4,089,457                     | -                 | -                | 4,089,457                  |
| Infrastructure                                   | 822,438                       | -                 | -                | 822,438                    |
| Equipment  | 803,424                       | 105,308           | -                | 908,732                    |
| Vehicles   | 1,227,174                     | 7,200             | -                | 1,234,374                  |
| Total capital assets being depreciated           | <u>6,942,493</u>              | <u>112,508</u>    | <u>-</u>         | <u>7,055,001</u>           |
| <b>Less accumulated depreciation for:</b>        |                               |                   |                  |                            |
| Buildings  | 2,115,216                     | 140,507           | -                | 2,255,723                  |
| Infrastructure                                   | 366,554                       | 15,431            | -                | 381,985                    |
| Equipment  | 710,375                       | 39,688            | -                | 750,063                    |
| Vehicles   | 832,588                       | 112,452           | -                | 945,040                    |
| Total accumulated depreciation                   | <u>4,024,733</u>              | <u>\$ 308,078</u> | <u>\$ -</u>      | <u>4,332,811</u>           |
| Total capital assets being depreciated, net      | <u>2,917,760</u>              |                   |                  | <u>2,722,190</u>           |
| <b>Governmental activity capital assets, net</b> | <u>\$ 5,017,060</u>           |                   |                  | <u>\$ 5,088,319</u>        |

Depreciation expense was charged to functions/programs of the primary government as follows:

|                                 |                   |
|---------------------------------|-------------------|
| General Government              | \$ 106,015        |
| Public Safety                   | 68,850            |
| Transportation                  | 95,281            |
| Economic & Physical Development | 21,452            |
| Cultural and recreational       | 16,480            |
| Total Depreciation Expense      | <u>\$ 308,078</u> |

**Business-Type Activities:**

|  | Beginning<br>Balances | Increases  | Decreases | Ending<br>Balances   |
|--|-----------------------|------------|-----------|----------------------|
| <b>Water and Sewer Fund</b>                  |                       |            |           |                      |
| <b>Capital assets not being depreciated:</b> |                       |            |           |                      |
| Land   | \$ 614,903            | \$ -       | \$ -      | \$ 614,903           |
| Construction in progress                     | 1,016,725             | 2,514,112  | -         | 3,530,837            |
| Total capital assets not being depreciated   | 1,631,628             | 2,514,112  | -         | 4,145,740            |
| <b>Capital assets being depreciated:</b>     |                       |            |           |                      |
| Plant and Distribution Systems               | 15,246,883            | -          | -         | 15,246,883           |
| Intangible assets                            | 2,177,612             | -          | -         | 2,177,612            |
| Equipment and furniture                      | 164,036               | 46,136     | -         | 210,172              |
| Vehicles and motorized equipment             | 1,415,838             | -          | -         | 1,415,838            |
| Computer equipment                           | 116,888               | -          | -         | 116,888              |
| Total capital assets being depreciated       | 19,121,257            | 46,136     | -         | 19,167,393           |
| <b>Less accumulated depreciation for:</b>    |                       |            |           |                      |
| Plant and Distribution Systems               | 7,430,002             | 341,466    | -         | 7,771,468            |
| Intangible assets                            | 525,823               | 56,572     | -         | 582,395              |
| Equipment and furniture                      | 22,575                | 20,703     | -         | 43,278               |
| Vehicles and motorized equipment             | 889,175               | 99,543     | -         | 988,718              |
| Computer Equipment                           | 90,853                | 11,058     | -         | 101,911              |
| Total accumulated depreciation               | 8,958,428             | \$ 529,342 | \$ -      | 9,487,770            |
| Total capital assets being depreciated, net  | 10,162,829            |            |           | 9,679,623            |
| <b>Water Fund capital assets, net</b>        | <b>\$ 11,794,457</b>  |            |           | <b>\$ 13,825,363</b> |

**Discretely Presented Component Unit:**

Activity for the ABC Board for the year ended June 30, 2023, was as follows:

|  | Beginning<br>Balances | Increases | Decreases | Ending<br>Balances |
|--|-----------------------|-----------|-----------|--------------------|
| <b>Capital assets not being depreciated:</b> |                       |           |           |                    |
| Land   | \$ 252,000            | \$ -      | \$ -      | \$ 252,000         |
| Total capital assets not being depreciated   | 252,000               | -         | -         | 252,000            |
| <b>Capital assets being depreciated:</b>     |                       |           |           |                    |
| Buildings                                    | 768,993               | -         | -         | 768,993            |
| Furniture and equipment                      | 147,854               | 12,030    | -         | 159,884            |
| Total capital assets being depreciated       | 916,847               | 12,030    | -         | 928,877            |
| <b>Less accumulated depreciation for:</b>    |                       |           |           |                    |
| Buildings                                    | 258,443               | 19,919    | -         | 278,362            |
| Furniture and equipment                      | 139,655               | 3,836     | -         | 143,491            |
| Total accumulated depreciation               | 398,098               | \$ 23,755 | \$ -      | 421,853            |
| Total capital assets being depreciated, net  | 518,749               |           |           | 507,024            |
| <b>Water Fund capital assets, net</b>        | <b>\$ 770,749</b>     |           |           | <b>\$ 759,024</b>  |

## 5. Right to Use Leased Assets

The Town has recorded two right to use leased assets. The assets are right to use assets for leased equipment and leased vehicles. The related leases are discussed in the Leases subsection of the Liabilities section of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

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

|  | Beginning<br>Balances | Increases          | Decreases   | Ending<br>Balances |
|--|-----------------------|--------------------|-------------|--------------------|
| <b>Capital assets not being depreciated:</b> |                       |                    |             |                    |
| Leased vehicles                              | \$ 366,860            | \$ 22,654          | \$ -        | \$ 389,514         |
| Leased equipment                             | 29,008                | -                  | -           | 29,008             |
| Total right of use assets                    | 395,868               | 22,654             | -           | 418,522            |
| <b>Less accumulated amortization for</b>     |                       |                    |             |                    |
| Leased vehicles                              | 100,200               | 107,392            | -           | 207,592            |
| Leased equipment                             | 9,669                 | 9,669              | -           | 19,338             |
| Total accumulated amortization               | 109,869               | 117,061            | -           | 226,930            |
| <b>Right to use assets, net</b>              | <b>\$ 285,999</b>     | <b>\$ (94,407)</b> | <b>\$ -</b> | <b>\$ 191,592</b>  |

B. Liabilities1. Pension Plan and Postemployment Obligationsa. Local Governmental Employees' Retirement System

*Plan Description.* The Town 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 for the State of North Carolina. The State's Annual Comprehensive Financial Report 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, 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. 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 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. The Town employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town's contractually required contribution rate for the year ended June 30, 2023, was 13.10% of compensation for law enforcement officers and 12.10% for general employees, 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 Town were \$321,142 for the year ended June 30, 2023.

*Refunds of Contributions* – Town 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 Town reported a liability of \$1,839,106 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 asset 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 Town's proportion of the net pension asset was based on a projection of the Town'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, 2022 (measurement date), the Town's proportion was .03260%, which was an increase of .00084% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Town recognized pension expense of \$553,040. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <b>Deferred Outflows of</b> |           | <b>Deferred Inflows of Resources</b> |        |
|---|-----------------------------|-----------|--------------------------------------|--------|
|   | <b>Resources</b>            |           | <b>Deferred Inflows of Resources</b> |        |
| Differences between expected and actual experience  | \$                          | 79,245    | \$                                   | 7,770  |
| Changes of assumptions  |                             | 183,501   |                                      | -      |
| Net difference between projected and actual earnings on pension plan investments                            |                             | 607,844   |                                      | -      |
| Changes in proportion and differences between Town's contributions and proportionate share of contributions |                             | 47,889    |                                      | 10,139 |
| Town's contributions subsequent to the measurement date   |                             | 321,142   |                                      | -      |
| Total   | \$                          | 1,239,621 | \$                                   | 17,909 |

\$1,239,621 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ended</b> |            |
|-------------------|------------|
| <b>June 30</b>    |            |
| 2024              | \$ 302,963 |
| 2025              | 241,587    |
| 2026              | 66,433     |
| 2027              | 289,587    |
| 2028              | -          |
| Thereafter        | -          |

*Actuarial Assumptions*. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                           |  |
|---------------------------|--|
| Inflation                 | 2.5 percent  |
| Salary Increases          | 3.25 to 8.25 percent, including inflation and productivity factor          |
| Investment rate of return | 6.50 percent, net of position 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, valuation were based on the results of an actuarial experience study 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 return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors 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 of return for each major asset class as of June 30, 2022 are summarized in the following table:

| <b>Asset Class</b>   | <b>Target<br/>Allocation</b> | <b>Long-Term Expected Real Rate<br/>of Return</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 Protection | 6.0%                         | 2.7%  |
| Total                | <u>100%</u>                  |   |

The information above is based on 30 year expectations developed with the consulting actuary for the 2022 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 Town’s proportionate share of the net pension asset to changes in the discount rate.* The following presents the Town’s proportionate share of the net pension asset calculated using the discount rate of 6.50 percent, as well as what the Town’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<br/>(5.50%)</b> | <b>Discount Rate ( 6.50%)</b> | <b>1% Increase<br/>(7.50%)</b> |
|---|---------------------------------|-------------------------------|--------------------------------|
| Town’s proportionate share of the net pension liability (asset) | \$3,319,349                     | \$1,839,106                   | \$619,299                      |

*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 for the State of North Carolina.

**b. Law Enforcement Officers Special Separation Allowance**

*Plan Description*

The Town of Angier administers a public employee retirement system (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the Town’s qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85 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 Town law enforcement officers are covered by the Separation Allowance. At December 31, 2021, the Separation Allowance’s membership consisted of:

|                             |           |
|-----------------------------|-----------|
| Retirees receiving benefits | 1         |
| Active plan members         | 17        |
| Total                       | <u>18</u> |

*Summary of Significant Accounting Policies*

*Basis of Accounting* – The Town 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 following criteria which are outlined in GASB Statement 73.

*Actuarial Assumptions*

The entry age actuarial cost method was used in the December 31, 2021 valuation. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                  |   |
|------------------|---|
| Inflation        | 2.5 percent   |
| Salary increases | 3.25 to 7.75 percent, including inflation and productivity factor |
| Discount rate    | 4.31 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.

*Contributions*

The Town 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 Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The Town paid \$11,255 as benefits came due for the reporting period.

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

At June 30, 2023, the Town reported a total pension liability of \$283,002. The total pension liability was measured as of June 30, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the Town recognized pension expense of \$33,277.

|  | <b><u>Deferred Outflows of Resources</u></b> |               | <b><u>Deferred Inflows of Resources</u></b> |                |
|--|--|---------------|---|----------------|
| Differences between expected and actual experience                               | \$   | 26,976        | \$  | 49,004         |
| Changes of assumptions and other inputs  |  | 50,789        |   | 54,033         |
| Benefit payments and administrative expenses subsequent to the measurement date. |  | -             |   | -              |
| Total  | <b>\$</b>                                    | <b>77,765</b> | <b>\$</b>                                   | <b>103,037</b> |

\$0 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:

| <b><u>Year Ended</u></b> |                           |
|--------------------------|---------------------------|
| 2024                     | (1,111)                   |
| 2025                     | (1,890)                   |
| 2026                     | (4,446)                   |
| 2027                     | (5,837)                   |
| 2028                     | (5,483)                   |
| Thereafter               | (6,505)                   |
|                          | <b><u>\$ (25,272)</u></b> |

*Sensitivity of the Town's total pension liability to changes in the discount rate.* The following presents the Town's total pension liability calculated using the discount rate of 4.31 percent, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31 percent) or 1-percentage-point higher (5.31 percent) than the current rate:

|   | <b>1% Decrease</b> | <b>Discount Rate</b> | <b>1% Increase</b> |
|---|--------------------|----------------------|--------------------|
|   | <b>(3.31%)</b>     | <b>(4.31%)</b>       | <b>(5.31%)</b>     |
| Town's proportionate share of the net pension liability (asset) | \$307,758          | \$283,002            | \$260,205          |

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

|  | <b>2023</b>       |
|--|-------------------|
| Beginning balance  | \$ 300,847        |
| Service Cost   | 27,930            |
| Interest on the total pension liability  | 6,642             |
| Changes of benefit terms   | -                 |
| Differences between expected and actual experience in the measurement of the total pension liability | 12,028            |
| Changes of assumptions or other inputs   | (53,190)          |
| Benefit payments   | (11,255)          |
| Other changes  |                   |
| Ending balance of the total pension  | <u>\$ 283,002</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 for the period January 1, 2010 through December 31, 2014.

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

Following is information related to the proportionate share and pension expense for all pension plans:

|  | <b>LGERS</b> | <b>LEOSSA</b> | <b>Total</b> |
|--|--------------|---------------|--------------|
| Pension Expense  | \$ 553,040   | \$ 33,277     | \$ 586,317   |
| Pension Liability  | 1,839,106    | 238,002       | 2,077,108    |
| Proportionate share of the net pension liability   | 0.032600%    | N/A           |              |
| <b>Deferred of Outflows of Resources</b>   |              |               |              |
| Differences between expected and actual experience   | 79,245       | 26,976        | 106,221      |
| Changes of assumptions   | 183,501      | 50,789        | 234,290      |
| Net difference between projected and actual earnings on plan investments                             | 607,844      | -             | 607,844      |
| Changes in proportion and differences between contributions and proportionate share of contributions | 47,889       | -             | 47,889       |
| Benefit payments and administrative costs paid subsequent to   | 321,142      | -             | 321,142      |
|  | <hr/>        | <hr/>         | <hr/>        |
| Totals   | 1,239,621    | 77,765        | 1,317,386    |
| <b>Deferred of Inflows of Resources</b>  |              |               |              |
| Differences between expected and actual experience   | 7,770        | 49,004        | 56,774       |
| Changes of assumptions   | -            | 54,033        | 54,033       |
| Net difference between projected and actual earnings on plan investments                             | -            | -             | -            |
| Changes in proportion and differences between contributions and proportionate share of contributions | 10,139       | -             | 10,139       |
|  | <hr/>        | <hr/>         | <hr/>        |
| Totals   | 17,909       | 103,037       | 120,946      |

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

*Plan Description* – The Town 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 Town. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Town has also elected to have employees not engaged in law enforcement to participate in the Supplemental Retirement Income Plan. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report 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 Town to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. The law enforcement officers may also make voluntary contributions to the plan.

Contributions for the year ended June 30, 2023 were \$474,347, which consisted of \$320,214 from the Town and \$154,133 from the employees. The Town has elected to make contributions for each non-law enforcement employee. Also, the non-law enforcement employees may make voluntary contributions to the plan. No amounts were forfeited.

d. Other Postemployment Benefit

Healthcare Benefits

*Plan Description.* Under the terms of a Town resolution, the Town administers a single employer defined benefit Healthcare Plan (the HCB Plan). The plan provides postemployment healthcare benefits to retirees of the Town, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least twenty years of creditable service with the Town, have not reached age 65 and are not eligible to receive Medicare benefits. The Town pays the full cost of coverage for employee's benefits through private insurers and employees have the option of purchasing dependent coverage at the Town's group rates. Employees who retire with a minimum of 20 years of creditable service are eligible for postemployment coverage. Retirees who qualify for coverage receive the same benefits as active employees. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental Plan after qualifying for Medicare. The Town Council may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at June 30, 2021 valuation date.

|   |                   |
|---|-------------------|
|   | <u>Employees:</u> |
| Inactive Employees Currently Receiving Benefits             | 1                 |
| Inactive Members Entitled to but not yet Receiving Benefits | -                 |
| Active plan members   | <u>43</u>         |
| Total   | <u><u>44</u></u>  |

*Funding Policy.* By Town resolution, the Town pays the full cost of the coverage for the healthcare benefits to qualified retirees. The Town has chosen to fund the healthcare benefits on a pay as you go basis. Postemployment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due. In fiscal year ended, June 30, 2023, the Town was not required to make contributions in the fiscal year.

**Total OPEB Liability**

The Town's total OPEB liability of \$651,800 was measured as of June 30, 2021 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                   | 2.5 percent  |
| Salary increases            | 3.25 to 8.41 percent, including inflation                      |
| Discount rate               | 3.54 percent   |
| Healthcare cost trend rates | 7.00% For 2021 decreasing to an ultimate rate of 4.50% by 2031 |

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of the measurement date.

**Change in the Total OPEB Liability**

|  | <b>Total OPEB<br/>Liability</b> |
|--|---------------------------------|
| <b>Balance at July 1, 2022</b>                     |                                 |
| <b>Change for the year</b>                         | \$ 696,553                      |
| Service cost                                       | 60,384                          |
| Interest   | 16,243                          |
| Changes of benefit terms                           | -                               |
| Differences between expected and actual experience | 3,428                           |
| Changes in assumptions or other inputs             | (114,823)                       |
| Benefit payments                                   | <u>(9,985)</u>                  |
| <b>Net changes</b>                                 | <u>(44,753)</u>                 |
| <b>Balance at June 30, 2023</b>                    | <u><u>\$ 651,800</u></u>        |

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

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2021 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 Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current discount rate (3.54 percent):

|                      | <b>1% Decrease<br/>(2.54%)</b> | <b>Discount Rate<br/>(3.54%)</b> | <b>1% Increase<br/>(4.54%)</b> |
|----------------------|--------------------------------|----------------------------------|--------------------------------|
| Total OPEB liability | \$ 733,030                     | \$ 651,800                       | \$ 580,172                     |

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the total OPEB liability of the Town, as well as what the Town'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:

|                      | <b>1% Decrease</b> | <b>Discount Rate</b> | <b>1% Increase</b> |
|----------------------|--------------------|----------------------|--------------------|
| Total OPEB liability | \$ 552,620         | \$ 651,800           | \$ 773,384         |



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

For the year ended June 30, 2023, the Town recognized OPEB expense of \$72,182. Contributions made after the measurement date of the net pension/OPEB liability/collective net pension/OPEB liability but before the end of the employer's or governmental nonemployer contributing entity's reporting period will be recognized as a reduction of the net pension/OPEB liability or collective net pension/OPEB liability in the subsequent fiscal period rather than in the current fiscal period. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | <b>Deferred<br/>Outflows Of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|---|---|--|
| Differences between expected and actual experience                                | \$ 65,095                                     | \$ 73,643                                    |
| Changes of assumptions  | 103,481                                       | 112,220                                      |
| Benefit payments and administrative costs made subsequent to the measurement date | -   | -  |
| Total   | <u>\$ 168,576</u>                             | <u>\$ 185,863</u>                            |

\$0 reported as deferred outflows of resources related to OPEB 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, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ended<br/>June 30</b> |                    |
|-------------------------------|--------------------|
| 2024                          | \$ (4,445)         |
| 2025                          | (4,445)            |
| 2026                          | (4,445)            |
| 2027                          | (2,285)            |
| 2028                          | (1,013)            |
| Thereafter                    | (941)              |
|                               | <u>\$ (17,574)</u> |

e. Other Employment Benefits

The Town has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the Town, the Town does not determine the number of eligible participants. The Town has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The Town considers these contributions to be immaterial.

3. Deferred Outflows and Inflows of Resources

The Town has several deferred outflows of resources. Deferred outflows of resources is comprised of the following:

| Source   | Amount              |
|--|---------------------|
| Differences between expected and actual experience   | \$ 171,316          |
| Change of assumptions  | 337,771             |
| Net difference between projected and actual earnings on pension plan investments                         | 607,844             |
| Change in proportion and differences between Town contributions and proportionate share of contributions | 47,889              |
| Town contributions subsequent to the measurement date  | 321,142             |
| Total  | <u>\$ 1,485,962</u> |

Deferred inflows of resources at year-end is comprised of the following:

|   | Statement of<br>Net Position | General Fund<br>Balance Sheet |
|---|------------------------------|-------------------------------|
| Taxes receivable (General Fund) less penalties  | \$ -                         | \$ 13,107                     |
| Differences between expected and actual experience  | 130,417                      |                               |
| Net difference between projected and actual earnings on pension plan investments                          | -                            |                               |
| Changes in assumptions  | 166,253                      | -                             |
| Changes in proportion and differences between Town contributions and proportionate share of contributions | 10,139                       | -                             |
| Total   | <u>\$ 306,809</u>            | <u>\$ 13,107</u>              |

4. Risk Management

The Town 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. The Town participates in two self-funded risk-financing pools administered by the North Carolina League of Municipalities. Through these pools, the Town obtains general liability and auto liability coverage of \$1 million per occurrence, property coverage up to the total insurance values of the property policy, and workers' compensation coverage up to statutory limits, and employee health coverage with no lifetime limit. Claims liabilities are reported when it is possible that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include amounts for material claims that have been incurred but are not ("IBNR"), based on actuarial computations. At June 30, 2023, the Town did not have any material IBNRs reported in liabilities.

The Town carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years. The Town does not carry flood insurance because it is not in a designated flood zone.

In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The finance officer and tax collector are each individually bonded for \$100,000 and \$100,000 respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$10,000.

Town of Angier ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The ABC Board has property, general liability, auto liability, workers' compensation, and employee health coverage. The ABC Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years for the ABC store.

### 5. Claims, Judgments, and Contingent Liabilities

No claims or judgments exists at June 30, 2023.

### 6. Long Term Obligations

#### a. Leases

On 07/01/2021, Angier, NC entered into a 43 month lease as Lessee for the use of Vehicle - Dodge WDEE75. An initial lease liability was recorded in the amount of \$184,453. As of 06/30/2023, the value of the lease liability is \$82,313. Angier, NC is required to make monthly fixed payments of \$4,369. The lease has an interest rate of 1.0110%. The value of the right to use asset as of 06/30/2023 of \$184,453.

On 07/01/2021, Angier, NC entered into a 44 month lease as Lessee for the use of Vehicle - 2021 Chevrolet. An initial lease liability was recorded in the amount of \$79,857. As of 06/30/2023, the value of the lease liability is \$37,612. Angier, NC is required to make monthly fixed payments of \$1,808. The lease has an interest rate of 1.0110%. The value of the right to use asset as of 06/30/2023 of \$58,111.

On 07/01/2021, Angier, NC entered into a 44 month lease as Lessee for the use of Vehicle - 2020 Chevrolet. An initial lease liability was recorded in the amount of \$66,618. As of 06/30/2023, the value of the lease liability is \$31,376. Angier, NC is required to make monthly fixed payments of \$1,508. The lease has an interest rate of 1.0110%. The value of the right to use asset as of 06/30/2023 of \$48,491.

On 07/01/2021, Angier, NC entered into a 44 month lease as Lessee for the use of Vehicle - Chevrolet Silverado. An initial lease liability was recorded in the amount of \$35,932. As of 06/30/2023, the value of the lease liability is \$16,923. Angier, NC is required to make monthly fixed payments of \$813. The lease has an interest rate of 1.0110%. The value of the right to use asset as of 06/30/2023 of \$26,140.

On 07/01/2021, Angier, NC entered into a 36 month lease as Lessee for the use of Equipment Schedule No. L10080. An initial lease liability was recorded in the amount of \$29,008. As of 06/30/2023, the value of the lease liability is \$9,744. Angier, NC is required to make monthly fixed payments of \$816. The lease has an interest rate of 0.8450%. The value of the right to use asset as of 06/30/2023 of \$19,339.

On 06/30/2023, Angier, NC entered into a 48 month lease as Lessee for the use of Enterprise Lease Fleet. An initial lease liability was recorded in the amount of \$22,654. As of 06/30/2023, the value of the lease liability is \$15,692. Angier, NC is required to make monthly fixed payments of \$624. The lease has an interest rate of 0.8450%. The value of the right to use asset as of 06/30/2023 of \$15,462.

| Years Ending June 30: | <u>Principal</u> |         |         | <u>Interest</u> |       |         | <u>Total</u> |  |  |
|-----------------------|------------------|---------|---------|-----------------|-------|---------|--------------|--|--|
|                       | 2024             | \$      | 117,599 | \$              | 1,280 | \$      | 118,879      |  |  |
| 2025                  |                  | 74,819  |         | 256             |       | 75,075  |              |  |  |
| 2026                  |                  | 1,244   |         | 5               |       | 1,249   |              |  |  |
|                       | \$               | 193,662 | \$      | 1,541           | \$    | 195,203 |              |  |  |

b. Installment Purchase

The Town is indebted under installment purchase agreements as follows:

Serviced by the General Fund:

The Town entered into a \$167,622 installment financing loan with First Bank in fiscal year 2022 for the purchase of a Leaf Truck. The promissory note provides for 7 annual payments of \$26,588, plus interest of 2.65% beginning in fiscal year 2023. Balance at June 30, 2023 is \$145,538. 145,538

The Town entered into a \$162,212 installment financing loan with First Bank in fiscal year 2022 for the purchase of a Boom Truck. The Town has split the cost of the loan and payments of the loan between General Fund and Water & Sewer Fund with 50/50 split. The General Fund split of the loan will provide annual payments of \$12,302 for 7 years with interest rate of 1.5%. Balance at June 30, 2023 is \$58,801. 58,801

|  |            |
|--|------------|
|  | \$ 204,339 |
|--|------------|

Serviced by the Water & Sewer Fund:

The Town entered into a \$162,212 installment financing loan with First Bank in fiscal year 2022 for the purchase of a Boom Truck. The Town has split the cost of the loan and payments of the loan between General Fund and Water & Sewer Fund with 50/50 split. The Water & Sewer split of the loan will provide annual payments of \$12,302 for 7 years with interest rate of 1.5%. Balance at June 30, 2023 is \$58,800. \$ 58,800

The Town entered into a \$1,600,000 installment financing contract with BB&T on June 19, 2017 for the construction of the Water Tank. The underlying promissory note provides for thirty semi-annual payments of \$65,541.69, plus accrued interest at 2.77%, commencing December 19, 2017. The note is secured by the equipment and the moneys on deposit from time to time in the Project Fund. Balance at June 30, 2023 is \$1,037,875. \$ 1,037,875

|  |              |
|--|--------------|
|  | \$ 1,096,675 |
|--|--------------|

Total Water and Sewer Fund

| Years Ending June 30:      | Governmental Activities |           | Business-Type Activities |            |
|----------------------------|-------------------------|-----------|--------------------------|------------|
|                            | Principal               | Interest  | Principal                | Interest   |
| 2024                       | \$ 34,083               | \$ 4,807  | \$ 114,448               | \$ 31,902  |
| 2025                       | 34,859                  | 4,031     | 117,498                  | 27,937     |
| 2026                       | 35,670                  | 3,220     | 120,629                  | 25,887     |
| 2027                       | 36,491                  | 2,399     | 123,844                  | 22,757     |
| 2028                       | 37,334                  | 1,558     | 126,358                  | 19,541     |
| 2028-2032                  | 25,903                  | 698       | 493,899                  | 51,879     |
| Total Principal & Interest | \$ 204,339              | \$ 16,713 | \$ 1,096,676             | \$ 179,904 |

d. General Obligation Indebtedness

The Town's general obligation bonds issued to finance the construction of facilities utilized in the operations of the water and sewer system and which are being retired by its resources are reported as long-term debt in the Water and Sewer Fund. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the Town. Principal and interest requirements are appropriated when due.

General obligation bonds payable at June 30, 2023 are comprised of the following individual issues serviced by the Water and Sewer Fund:

|  |                   |
|--|-------------------|
| \$1,311,000 Refunding Bonds issued December 13, 2011, interest at 3.57%, with annual principal and interest payments due through June 1, 2026. | \$ 323,586        |
| Total General Obligation Bonds   | <u>\$ 323,586</u> |

Annual debt service requirements to maturity for long-term obligations are as follows:

| Years Ending June 30:      | <u>Business-Type Activities</u> |                  |
|----------------------------|---------------------------------|------------------|
|                            | <u>Principal</u>                | <u>Interest</u>  |
| 2024                       | \$ 104,919                      | \$ 11,552        |
| 2025                       | 107,870                         | 7,806            |
| 2026                       | 110,797                         | 3,955            |
| Total Principal & Interest | <u>\$ 323,586</u>               | <u>\$ 23,313</u> |

e. Revenue Bond

Water and Sewer Revenue Bonds, Series 2021A, issued for water and sewer system improvements. Interest rate of 1.5%. Payments of \$237,004 per year will commence in fiscal year 2024. Balance at June 30, 2023 is \$3,349,000. \$ 3,349,000

Water and Sewer Revenue Bonds, Series 2021B, issued for water and sewer system improvements. Interest rate of 1.5%. Payments of \$ commence fiscal year 2022. Balance at June 30, 2023 is \$2,704,000. \$ 2,704,000

|                     |                     |
|---------------------|---------------------|
| Total Revenue Bonds | <u>\$ 6,053,000</u> |
|---------------------|---------------------|

The future payments of the revenue bond for the years ending June 30, 2023 are as follows:

| Years Ending June 30: | <u>Business-Type Activities</u> |                     |
|-----------------------|---------------------------------|---------------------|
|                       | <u>Principal</u>                | <u>Interest</u>     |
| 2024                  | \$ 225,000                      | \$ 124,461          |
| 2025                  | 230,000                         | 119,750             |
| 2026                  | 236,000                         | 114,933             |
| 2027                  | 360,000                         | 109,911             |
| 2028                  | 367,000                         | 102,637             |
| 2029-2033             | 2,078,000                       | 397,506             |
| 2034-2038             | 2,098,000                       | 159,430             |
| 2039-2043             | 459,000                         | 14,857              |
| Total                 | <u>\$ 6,053,000</u>             | <u>\$ 1,143,484</u> |

The Town is in compliance with the covenants as to rates, fees, rentals, and charges in Section 5 of the Bond Order, authorizing the issuance of the Water and Sewer Revenue Bonds, Series 2010 since its adoption in 2010, and Water and Sewer Revenue Bonds, Series 2012 since its adoption in 2012. Section 5.01 of the Bond Order requires the debt service coverage ratio to be no less than 110%. The debt service coverage ratio calculation for the year ended June 30, 2023 is as follows:

|   |                    |
|---|--------------------|
| Operating revenues  | \$ 3,902,715       |
| Operating expenses *  | <u>(3,182,822)</u> |
| Operating income  | 719,893            |
| Non-operating revenues (expenses) **                          | <u>87,829</u>      |
| Income available for debt service                             | <u>807,722</u>     |
| Debt service, principal and interest paid (Revenue Bond only) | <u>200,936</u>     |
| Debt service coverage ratio                                   | 401.98%            |

\* Per rate covenants, this does not include the depreciation expense of \$529,342.

\*\* Per rate covenants, this does not include revenue bond interest paid of \$125,936.

The Town has pledged future water and sewer customer revenues, net of specified operating expenses, to repay \$2,704,000 million in Sewer System Revenue Bonds issued in 2021 and the \$3,349,000 in Sewer System Revenue Bonds issued in 2022. Proceeds from the bonds provided financing to construct improvements to the Town's sanitary sewer system and acquire entitlements to capacity in a regional sanitary sewer system. The bonds are payable solely from water and sewer customer net revenues and are payable through 2040. Annual principal and interest payments on the bonds are expected to require less than 25 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$7,196,484.

f. Changes in Long-Term Liabilities

|  | Beginning<br>Balance | Increases           | Decreases         | Ending<br>Balance   | Current<br>Portion |
|--|----------------------|---------------------|-------------------|---------------------|--------------------|
| <b>Governmental activities:</b>        |                      |                     |                   |                     |                    |
| Direct placement installment purchases | \$ 320,993           | \$ -                | \$ 116,655        | \$ 204,338          | \$ 34,083          |
| Lease liability                        | 287,358              | 22,654              | 116,350           | 193,662             | 110,483            |
| Total OPEB Liability                   | 529,381              | -                   | 34,013            | 495,368             | -                  |
| Net pension liability (LGRS)           | 370,174              | 1,027,547           | -                 | 1,397,721           | -                  |
| Total pension liability (LEO)          | 300,847              | -                   | 17,845            | 283,002             | -                  |
| Compensated absences                   | 185,294              | 101,925             | 102,816           | 184,403             | 100,000            |
| Total                                  | <u>\$ 1,994,047</u>  | <u>\$ 1,152,126</u> | <u>\$ 387,679</u> | <u>\$ 2,758,494</u> | <u>\$ 244,566</u>  |
| <b>Business-type activities:</b>       |                      |                     |                   |                     |                    |
| Direct placement installment purchases | \$ 70,037            | \$ -                | \$ 11,237         | \$ 58,800           | \$ 11,405          |
| General obligation bonds               | 424,512              | -                   | 100,926           | 323,586             | 103,043            |
| Revolving loan                         | 1,138,122            | -                   | 100,247           | 1,037,875           | 104,919            |
| Revenue Bonds                          | 6,129,000            | -                   | 76,000            | 6,053,000           | 60,000             |
| Net pension liability (LGRS)           | 116,897              | 324,488             | -                 | 441,385             | -                  |
| Total OPEB Liability                   | 167,173              | -                   | 10,741            | 156,432             | -                  |
| Compensated absences                   | 20,163               | 16,413              | 2,106             | 34,470              | 20,000             |
| Total                                  | <u>\$ 8,065,904</u>  | <u>\$ 340,901</u>   | <u>\$ 301,257</u> | <u>\$ 8,105,548</u> | <u>\$ 299,367</u>  |

Compensated absences for governmental activities are typically liquidated in the General Fund.

At June 30, 2023, the Town of Angier had a legal debt margin of \$49,317,019.

C. Interfund Balances and Activity

Transfers are used to move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations; including amounts provided as matching funds for various grant programs.

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

|  |                     |
|--|---------------------|
| From the General Fund to the HWY 210 Street Extension Project to cover expenditures. | \$ 100,801          |
| Transfers from General Fund to Water Fund  | 147,943             |
| Transfers from General Fund to Water Capital Project Fund                            | 25,000              |
| Transfers from Wake County Elevated Tank Project to General Fund                     | 172,943             |
| Transfers from General Fund to nonmajor governmental funds                           | 736,718             |
| Total  | <u>\$ 1,183,405</u> |

D. Net Investment in Capital Assets

|                                  | <u>Governmental</u> | <u>Business-type</u> |
|----------------------------------|---------------------|----------------------|
| Capital Assets                   | \$ 5,088,319        | \$ 13,825,363        |
| Right to use assets              | 191,592             | -                    |
| Less: long-term debt             | (398,001)           | (7,473,261)          |
| Net investment in capital assets | <u>\$ 4,881,910</u> | <u>\$ 6,352,102</u>  |

E. Fund Balance

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation:

|  |                     |
|--|---------------------|
| <b>Total fund balance - General Fund</b> | <b>\$ 5,066,827</b> |
| <b>Less:</b>                             |                     |
| <b>Stabilization by State Statute</b>    | 595,875             |
| <b>Streets - Powell Bill</b>             | 282,267             |
| <b>Remaining Fund Balance</b>            | <b>\$ 4,188,685</b> |

The Town of Angier has adopted a minimum fund balance policy for the General Fund. Management is directed to maintain an Unassigned Fund Balance of the General Fund as reported in the Town's Annual Comprehensive Financial Report of equal or greater than 50% of actual General Fund expenditures as reported in the Annual Comprehensive Financial Report for the year audited.

V. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The Town 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.

VII. Significant Effects of Subsequent Events

There are no subsequent events that would have a material affect on the financial statements. Subsequent events have been analyzed through the date that the financial statements were available to be issued.

REQUIRED  
SUPPLEMENTAL FINANCIAL  
DATA

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This section contains additional information required by  
generally accounting principals.

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Schedule of the Proportionate Share of the Net Pension  
Asset – Local Government Employees’ Retirement System

Schedule of Contributions – Local Government Employees’ Retirement System

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

Schedule of Total Pension Liability as a Percentage of Covered Payroll

Schedule of Changes in Net OPEB Liability and Related Ratios



**Town of Angier, North Carolina**  
**Angier's Proportionate Share of Net Pension Liability (Asset)**  
**Required Supplementary Information**  
**Last Ten Fiscal Years\***

**Local Government Employees' Retirement System**

|   | <u>2023</u>  | <u>2022</u>  | <u>2021</u>  | <u>2020</u>  | <u>2019</u>  | <u>2018</u>  | <u>2017</u>  | <u>2016</u>  | <u>2015</u>  | <u>2014</u>  |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Town's proportion of the net pension liability (asset) (%)  | 0.03260%     | 0.03176%     | 0.02909%     | 0.02268%     | 0.02477%     | 0.02433%     | 0.02377%     | 0.02305%     | 0.0219%      | 0.0221%      |
| Town's proportion of the net pension liability (asset) (\$)   | \$ 1,839,106 | \$ 487,071   | \$ 1,039,510 | \$ 619,373   | \$ 587,629   | \$ 371,695   | \$ 504,479   | \$ 103,446   | \$ (129,154) | \$ 266,390   |
| Town's covered-employee payroll   | \$ 2,246,237 | \$ 2,083,790 | \$ 1,902,303 | \$ 1,623,943 | \$ 1,514,778 | \$ 1,395,017 | \$ 1,344,769 | \$ 1,232,700 | \$ 1,127,617 | \$ 1,086,921 |
| Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 81.87%       | 23.37%       | 54.64%       | 38.14%       | 38.79%       | 26.64%       | 37.51%       | 8.39%        | ( 11.45%)    | 24.51%       |
| Plan fiduciary net position as a percentage of the total pension liability**                                    | 84.14%       | 95.51%       | 88.61%       | 90.86%       | 91.63%       | 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.

**Town of Angier's Contributions  
Required Supplementary Information  
Last Ten Fiscal Years**

**Local Government Employees' Retirement System**

|  | <u>2023</u>  | <u>2022</u>  | <u>2021</u>  | <u>2020</u>  | <u>2019</u>  | <u>2018</u>  | <u>2017</u>  | <u>2016</u>  | <u>2015</u>  | <u>2014</u>  |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually required contribution                                  | \$ 321,142   | \$ 260,904   | \$ 217,131   | \$ 175,809   | \$ 123,194   | \$ 112,717   | \$ 105,903   | \$ 92,837    | \$ 88,260    | \$ 80,509    |
| Contributions in relation to the contractually required contribution | 321,142      | 260,904      | 217,131      | 175,809      | 123,194      | 112,717      | 105,903      | 92,837       | 88,260       | 80,509       |
| Contribution deficiency (excess)                                     | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  |
| Town's covered-employee payroll                                      | \$ 2,568,877 | \$ 2,246,237 | \$ 2,083,790 | \$ 1,902,303 | \$ 1,623,943 | \$ 1,514,778 | \$ 1,395,017 | \$ 1,344,769 | \$ 1,232,700 | \$ 1,127,617 |
| Contributions as a percentage of covered-employee payroll            | 12.50%       | 11.62%       | 10.42%       | 9.24%        | 7.59%        | 7.44%        | 7.59%        | 6.90%        | 7.16%        | 7.14%        |

**Town of Angier, North Carolina**  
**Schedule of Changes in Total Pension Liability**  
**Law Enforcement Officers' Special Separation Allowance**  
**June 30, 2023**

|  | <b>2023</b>       | <b>2022</b>       | <b>2021</b>       | <b>2020</b>       | <b>2019</b>       | <b>2018</b>       | <b>2017</b>       |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Beginning balance  | \$ 300,847        | \$ 276,507        | \$ 265,989        | \$ 230,338        | \$ 193,256        | \$ 168,706        | \$ 155,163        |
| Service Cost   | 27,930            | 28,318            | 16,437            | 15,305            | 16,354            | 13,667            | 12,247            |
| Interest on the total pension liability  | 6,642             | 5,228             | 8,481             | 8,321             | 6,107             | 6,512             | 5,539             |
| Differences between expected and actual experience in the measurement of the total pension liability | 12,028            | 9,966             | (85,087)          | 8,185             | 24,012            | (8,527)           | -                 |
| Changes of assumptions or other inputs   | (53,190)          | (7,917)           | 82,375            | 7,303             | (9,391)           | 12,898            | (4,243)           |
| Benefit payments   | (11,255)          | (11,255)          | (11,688)          | (3,463)           | -                 | -                 | -                 |
| Ending balance of the total pension liability  | <u>\$ 283,002</u> | <u>\$ 300,847</u> | <u>\$ 276,507</u> | <u>\$ 265,989</u> | <u>\$ 230,338</u> | <u>\$ 193,256</u> | <u>\$ 168,706</u> |

The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31.

**Town of Angier, North Carolina**  
**Schedule of Total Pension Liability as a Percentage of Covered Payroll**  
**Law Enforcement Officers' Special Separation Allowance**  
**June 30, 2023**

|  | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>2017</b> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total pension liability                                    | \$ 283,002  | \$ 300,847  | \$ 276,507  | \$ 265,989  | \$ 230,338  | \$ 193,256  | \$ 168,706  |
| Covered payroll  | 857,767     | 901,978     | 752,707     | 669,677     | 631,253     | 585,947     | 549,801     |
| Total pension liability as a percentage of covered payroll | 32.99%      | 33.35%      | 36.74%      | 39.72%      | 36.49%      | 32.98%      | 30.68%      |

Notes to the schedules:

Town of Angier has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

**Town of Angier, North Carolina**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**Healthcare Benefits Plan**  
**For the Year Ended June 30, 2023\***

|   | 2023       | 2022       | 2021       | 2020       | 2019       | 2018       |
|---|------------|------------|------------|------------|------------|------------|
| <b>Total OPEB Liability</b>   |            |            |            |            |            |            |
| Service cost  | \$ 60,384  | \$ 27,699  | \$ 20,413  | \$ 19,736  | \$ 20,404  | \$ 22,054  |
| Interest  | 16,243     | 6,249      | 7,403      | 10,868     | 9,373      | 7,649      |
| Changes of benefit terms  | -          | 241,341    | -          | -          | -          | -          |
| Differences between expected and actual experience                    | 3,428      | 72,668     | 6,618      | (118,142)  | (3,270)    | (1,116)    |
| Changes of assumptions  | (114,823)  | 96,866     | 36,102     | 2,527      | (9,962)    | (16,030)   |
| Benefit payments  | (9,985)    | (6,592)    | (6,591)    | -          | (876)      | (5,900)    |
| <b>Net change in total OPEB liability</b>                             | (44,753)   | 438,232    | 63,945     | (85,011)   | 15,669     | 6,657      |
| <b>Total OPEB liability - beginning</b>                               | 696,553    | 258,322    | 194,377    | 279,388    | 263,719    | 257,062    |
| <b>Total OPEB liability - ending</b>                                  | \$ 651,800 | \$ 696,554 | \$ 258,322 | \$ 194,377 | \$ 279,388 | \$ 263,719 |
| Town's covered-employee payroll                                       | 2,082,672  | 2,082,672  | 1,294,913  | 1,294,913  | 1,225,782  | 1,225,782  |
| Town's OPEB liability as a percentage of its covered-employee payroll | 31.30%     | 33.45%     | 19.95%     | 15.01%     | 22.79%     | 21.51%     |

\* Plan measurement date is the reporting date. Employer measurement date is one year prior to reporting date.

**Notes to Schedule**

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

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

## GENERAL FUND

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The General Fund accounts for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.

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Town of Angier, North Carolina  
General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2023

|  | Final<br>Budget     | Actual           | Variance<br>Positive<br>(Negative) |
|--|---------------------|------------------|------------------------------------|
| Revenues:                                |                     |                  |                                    |
| Ad Valorem Taxes:                        |                     |                  |                                    |
| Taxes                                    |                     | \$ 3,195,448     |                                    |
| Penalties and Interest                   |                     | 13,210           |                                    |
| Total                                    | <u>\$ 3,254,417</u> | <u>3,208,658</u> | <u>\$ (45,759)</u>                 |
| Other Taxes and Licenses:                |                     |                  |                                    |
| Vehicle licenses                         |                     | 46,911           |                                    |
| Total                                    | <u>40,870</u>       | <u>46,911</u>    | <u>6,041</u>                       |
| Unrestricted Intergovernmental revenues: |                     |                  |                                    |
| Local option sales taxes                 |                     | 1,533,252        |                                    |
| Motor fuel tax refund                    |                     | 54,273           |                                    |
| Utility franchise tax                    |                     | 285,323          |                                    |
| Beer and wine tax                        |                     | 25,363           |                                    |
| ABC profit distribution                  |                     | 300,797          |                                    |
| Total                                    | <u>2,208,416</u>    | <u>2,199,008</u> | <u>(9,408)</u>                     |
| Restricted Intergovernmental:            |                     |                  |                                    |
| Powell Bill allocation                   |                     | 171,540          |                                    |
| County SRO grant                         |                     | 72,611           |                                    |
| Solid waste disposal tax                 |                     | 4,311            |                                    |
| Total                                    | <u>276,689</u>      | <u>248,462</u>   | <u>(28,227)</u>                    |
| Permits and Fees:                        |                     |                  |                                    |
| Police/magistrate fees                   |                     | 82,167           |                                    |
| Garbage fees                             |                     | 274,527          |                                    |
| Building permits                         |                     | 484,663          |                                    |
| Planning fees and permits                |                     | 4,500            |                                    |
| Total                                    | <u>786,886</u>      | <u>845,857</u>   | <u>58,971</u>                      |
| Sales and Services:                      |                     |                  |                                    |
| Recreation department fees               |                     | 89,432           |                                    |
| Charter school services                  |                     | 74,250           |                                    |
| Total                                    | <u>89,407</u>       | <u>163,682</u>   | <u>74,275</u>                      |
| Investment Earnings: Interest            | <u>118,884</u>      | <u>177,153</u>   | <u>58,269</u>                      |
| Miscellaneous:                           |                     |                  |                                    |
| Library revenues                         |                     | 37,049           |                                    |
| Depot revenues                           |                     | 10,000           |                                    |
| Miscellaneous                            |                     | 70,279           |                                    |
| Development fees                         |                     | 202,715          |                                    |
| Booster club proceeds                    |                     | 9,515            |                                    |
| Total                                    | <u>230,401</u>      | <u>329,558</u>   | <u>99,157</u>                      |
| Total Revenues                           | <u>7,005,970</u>    | <u>7,219,289</u> | <u>213,319</u>                     |

Town of Angier, North Carolina  
General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2023

|   | Final<br>Budget | Actual    | Variance<br>Positive<br>(Negative) |
|---|-----------------|-----------|------------------------------------|
| Expenditures:                           |                 |           |                                    |
| General Government:                     |                 |           |                                    |
| Administration:                         |                 |           |                                    |
| Salaries and employee benefits          |                 | 584,350   |                                    |
| Other operating expenditures            |                 | 255,759   |                                    |
| Total administration                    | 888,600         | 840,109   | 48,491                             |
| Finance:                                |                 |           |                                    |
| Salaries and employee benefits          |                 | 161,658   |                                    |
| Other operating expenditures            |                 | 228,487   |                                    |
| Capital outlay                          |                 | 22,654    |                                    |
| Total finance                           | 425,700         | 412,799   | 12,901                             |
| Total general government                | 1,314,300       | 1,252,908 | 61,392                             |
| Public Safety:                          |                 |           |                                    |
| Police:                                 |                 |           |                                    |
| Salaries and employee benefits          |                 | 1,506,638 |                                    |
| Other operating expenditures            |                 | 322,324   |                                    |
| Total public safety                     | 1,873,704       | 1,828,962 | 44,742                             |
| Transportation:                         |                 |           |                                    |
| Streets and highways:                   |                 |           |                                    |
| Salaries and employee benefits          |                 | 119,384   |                                    |
| Other operating expenditures            |                 | 786,583   |                                    |
| Capital outlay                          |                 | 30,269    |                                    |
| Total streets and highways              | 947,828         | 936,236   | 11,592                             |
| Powell Bill:                            |                 |           |                                    |
| Other operating expenditures            |                 | 15,816    |                                    |
| Total Powell Bill                       | 193,395         | 15,816    | 177,579                            |
| Total transportation                    | 1,141,223       | 952,052   | 189,171                            |
| Economic and physical development:      |                 |           |                                    |
| Planning, zoning, and inspections:      |                 |           |                                    |
| Salaries and employee benefits          |                 | 350,271   |                                    |
| Other operating benefits                |                 | 238,171   |                                    |
| Capital outlay                          |                 | 266,829   |                                    |
| Total economic and physical development | 1,148,495       | 855,271   | 293,224                            |
| Cultural and recreation:                |                 |           |                                    |
| Parks and recreation:                   |                 |           |                                    |
| Salaries and employee benefits          |                 | 249,856   |                                    |
| Other operating expenditures            |                 | 202,661   |                                    |
| Capital outlay                          |                 | 82,240    |                                    |
| Total parks and recreation              | 541,616         | 534,757   | 6,859                              |



Town of Angier, North Carolina  
General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2023

|                                      | Final<br>Budget | Actual       | Variance<br>Positive<br>(Negative) |
|--------------------------------------|-----------------|--------------|------------------------------------|
| Depot:                               |                 |              |                                    |
| Other operating expenditures         |                 | 17,065       |                                    |
| Total depot                          | 21,238          | 17,065       | 4,173                              |
| Total cultural and recreation        | 562,854         | 551,822      | 11,032                             |
| Library:                             |                 |              |                                    |
| Salaries and employee benefits       |                 | 33,588       |                                    |
| Other operating expenditures         |                 | 179,495      |                                    |
| Total library                        | 214,752         | 213,083      | 1,669                              |
| Debt Service:                        |                 |              |                                    |
| Principal retirement                 |                 | 116,655      |                                    |
| Principal retirement-lease           |                 | 116,350      |                                    |
| Interest and other charges           |                 | 50,022       |                                    |
| Total Debt Service                   | 310,906         | 283,027      | 27,879                             |
| Total Expenditures                   | 6,566,234       | 5,937,125    | 629,109                            |
| Revenues over Expenditures           | 439,736         | 1,282,164    | 842,428                            |
| Other financing sources (uses):      |                 |              |                                    |
| Lease proceeds                       |                 | 22,654       |                                    |
| Appropriated fund balance            | 878,409         | -            |                                    |
| Transfers (to)/from Other Funds:     | (1,318,145)     | (1,283,644)  |                                    |
| Total Other Financing Sources (Uses) | (439,736)       | (1,260,990)  | (821,254)                          |
| Net change in fund balance           | \$ -            | 21,174       | \$ 21,174                          |
| Fund balances:                       |                 |              |                                    |
| Beginning of year, July 1            |                 | 5,045,653    |                                    |
| End of year, June 30                 |                 | \$ 5,066,827 |                                    |

**Town of Angier, North Carolina**  
**Special Revenue Fund - American Rescue Plan Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2023**

|                            | Final<br>Budget     | Actual            | Variance<br>Favorable<br>(Unfavorable) |
|----------------------------|---------------------|-------------------|--|
| Revenues                   |                     |                   |  |
| Grant revenue              |                     | \$ -              |  |
| Investment earnings        |                     | 66,563            |  |
| Total revenues             | <u>\$ 1,814,057</u> | <u>66,563</u>     | <u>\$ (1,747,494)</u>                  |
| Expenditures               |                     |                   |  |
| Operating                  |                     | -                 |  |
| Total expenditures         | <u>1,814,057</u>    | <u>-</u>          | <u>1,814,057</u>                       |
| Revenues over expenditures | <u>-</u>            | <u>66,563</u>     | <u>66,563</u>                          |
| Net change in fund balance | <u>\$ -</u>         | <u>66,563</u>     | <u>\$ 66,563</u>                       |
| Fund balance - beginning   |                     | <u>88,311</u>     |  |
| Fund balance - ending      |                     | <u>\$ 154,874</u> |  |

**Town of Angier, North Carolina**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2023**

|  | <u>Special Revenue Fund</u> |                    | <u>Capital Project Funds</u> |                             |   |                                     |                                       | Total Nonmajor<br>Governmental<br>Funds |
|--|-----------------------------|--------------------|------------------------------|-----------------------------|---|-------------------------------------|---------------------------------------|---|
|  | Angier Main Street          | Municipal Building | Junny Rd/Willow<br>St.       | SW Drainage<br>Project Fund | Hwy 210/Park<br>Street<br>Sidewalk<br>Extension | Munitions<br>Training Field<br>Fund | Angier<br>Elementary<br>Drainage Fund |   |
| Assets:                                |                             |                    |                              |                             |   |                                     |                                       |   |
| Cash and cash equivalents              | \$ 1,773                    | \$ 2,022           | \$ 93,669                    | \$ 463,006                  | \$ 205,371                                      | \$ 154,032                          | \$ 15,683                             | \$ 935,556                              |
| Total Assets                           | <u>1,773</u>                | <u>2,022</u>       | <u>93,669</u>                | <u>463,006</u>              | <u>205,371</u>                                  | <u>154,032</u>                      | <u>15,683</u>                         | <u>935,556</u>                          |
| Liabilities and Fund Balances:         |                             |                    |                              |                             |   |                                     |                                       |   |
| Current liabilities:                   |                             |                    |                              |                             |   |                                     |                                       |   |
| Due to other funds                     | -                           | -                  | -                            | -                           | 100,801   | -                                   | -                                     | 100,801                                 |
| Total liabilities                      | <u>-</u>                    | <u>-</u>           | <u>-</u>                     | <u>-</u>                    | <u>100,801</u>                                  | <u>-</u>                            | <u>-</u>                              | <u>100,801</u>                          |
| Fund Balances:                         |                             |                    |                              |                             |   |                                     |                                       |   |
| Restricted                             |                             |                    |                              |                             |   |                                     |                                       |   |
| General government                     | -                           | 2,022              | -                            | -                           | -   | 154,032                             | -                                     | 156,054                                 |
| Public works                           | -                           | -                  | -                            | 463,006                     | -   | -                                   | 15,683                                | 478,689                                 |
| Committed                              |                             |                    |                              |                             |   |                                     |                                       |   |
| Streets                                | 1,773                       | -                  | 93,669                       | -                           | 104,570   | -                                   | -                                     | 200,012                                 |
| Total fund balances                    | <u>1,773</u>                | <u>2,022</u>       | <u>93,669</u>                | <u>463,006</u>              | <u>104,570</u>                                  | <u>154,032</u>                      | <u>15,683</u>                         | <u>834,755</u>                          |
| Total liabilities and fund<br>balances | <u>\$ 1,773</u>             | <u>\$ 2,022</u>    | <u>\$ 93,669</u>             | <u>\$ 463,006</u>           | <u>\$ 205,371</u>                               | <u>\$ 154,032</u>                   | <u>\$ 15,683</u>                      | <u>\$ 935,556</u>                       |

**Town of Angier, North Carolina  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2023**

|                                      | Special Revenue Fund |                    |                     | Capital Project Funds    |   |                               |                                 | Total Nonmajor Governmental Funds |
|--------------------------------------|----------------------|--------------------|---------------------|--------------------------|---|-------------------------------|---------------------------------|-----------------------------------|
|                                      | Angier Main Street   | Municipal Building | Junny Rd/Willow St. | SW Drainage Project Fund | Hwy 210/Park Street Sidewalk Extension Project Fund | Munitions Training Field Fund | Angier Elementary Drainage Fund |                                   |
| Revenues:                            |                      |                    |                     |                          |   |                               |                                 |                                   |
| Restricted intergovernmental         | \$ 1,190             | \$ -               | \$ 53,204           | \$ -                     | \$ 613,773  | \$ -                          | \$ 15,191                       | \$ 683,358                        |
| Investment earnings                  | -                    | 273                | -                   | 12,107                   | 5,386   | 188                           | 492                             | 18,446                            |
| Total revenues                       | <u>1,190</u>         | <u>273</u>         | <u>53,204</u>       | <u>12,107</u>            | <u>619,159</u>                                      | <u>188</u>                    | <u>15,683</u>                   | <u>701,804</u>                    |
| Expenditures:                        |                      |                    |                     |                          |   |                               |                                 |                                   |
| Transportation                       | -                    | -                  | 84,535              | -                        | -   | -                             | -                               | 84,535                            |
| Culture and recreation               | -                    | -                  | -                   | 226                      | 1,163,969   | -                             | -                               | 1,164,195                         |
| Total Expenditures                   | <u>-</u>             | <u>-</u>           | <u>84,535</u>       | <u>226</u>               | <u>1,163,969</u>                                    | <u>-</u>                      | <u>-</u>                        | <u>1,248,730</u>                  |
| Revenues Over (Under) Expenditures   | <u>1,190</u>         | <u>273</u>         | <u>(31,331)</u>     | <u>11,881</u>            | <u>(544,810)</u>                                    | <u>188</u>                    | <u>15,683</u>                   | <u>(562,609)</u>                  |
| Other Financing Sources (Uses):      |                      |                    |                     |                          |   |                               |                                 |                                   |
| Transfers in (out)                   | -                    | -                  | 125,000             | 451,125                  | 553,675   | 153,844                       | -                               | 1,283,644                         |
| Total other financing sources (uses) | <u>-</u>             | <u>-</u>           | <u>125,000</u>      | <u>451,125</u>           | <u>553,675</u>                                      | <u>153,844</u>                | <u>-</u>                        | <u>1,283,644</u>                  |
| Net change in Fund Balance           | 1,190                | 273                | 93,669              | 463,006                  | 8,865   | 154,032                       | 15,683                          | 736,718                           |
| Fund balances:                       |                      |                    |                     |                          |   |                               |                                 |                                   |
| Beginning of Year, July 1            | 583                  | 1,749              | -                   | -                        | 95,705  | -                             | -                               | 98,037                            |
| End of year, June 30                 | <u>\$ 1,773</u>      | <u>\$ 2,022</u>    | <u>\$ 93,669</u>    | <u>\$ 463,006</u>        | <u>\$ 104,570</u>                                   | <u>\$ 154,032</u>             | <u>\$ 15,683</u>                | <u>\$ 834,755</u>                 |

**Town of Angier, North Carolina**  
**Special Revenue Fund - Angier Main Street**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2023**

|                            | Final<br>Budget | Actual   | Variance<br>Favorable<br>(Unfavorable) |
|----------------------------|-----------------|----------|--|
| Revenues                   |                 |          |  |
| Grant revenue              |                 | \$ 1,190 |  |
| Total revenues             | \$ -            | 1,190    | \$ 1,190                               |
| Expenditures               |                 |          |  |
| Banking fees               |                 | -        |  |
| Total expenditures         | -               | -        | -                                      |
| Revenues over expenditures | -               | 1,190    | 1,190                                  |
| Net change in fund balance | \$ -            | 1,190    | \$ 1,190                               |
| Fund balance - beginning   |                 | 583      |  |
| Fund balance - ending      |                 | \$ 1,773 |  |

**Town of Angier, North Carolina**  
**Municipal Building Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|   | Project<br>Authorization | Prior<br>Years     | Actual<br>Current<br>Year | Total to<br>Date   | Variance<br>Favorable<br>(Unfavorable) |
|---|--------------------------|--------------------|---------------------------|--------------------|--|
| Revenues:                               |                          |                    |                           |                    |  |
| Grant revenue                           | \$ -                     | \$ -               | \$ -                      | \$ -               | \$ -                                   |
| Investment earnings                     | 272                      | -                  | 273                       | 273                | 1                                      |
| Total Revenues                          | <u>272</u>               | <u>-</u>           | <u>273</u>                | <u>273</u>         | <u>1</u>                               |
| Expenditures:                           |                          |                    |                           |                    |  |
| Culture and recreation                  |                          |                    |                           |                    |  |
| Pre-construction phase and construction | 1,013,717                | 1,115,254          | -                         | 1,115,254          | (101,537)                              |
| Total Expenditures                      | <u>1,013,717</u>         | <u>1,115,254</u>   | <u>-</u>                  | <u>1,115,254</u>   | <u>(101,537)</u>                       |
| Revenues over expenditures              | <u>(1,013,445)</u>       | <u>(1,115,254)</u> | <u>273</u>                | <u>(1,114,981)</u> | <u>(101,536)</u>                       |
| Other Financing Sources (Uses):         |                          |                    |                           |                    |  |
| Transfers in (out)                      | 1,013,445                | 1,117,003          | -                         | 1,117,003          | 103,558                                |
| Total Other Financing<br>Sources (Uses) | <u>1,013,445</u>         | <u>1,117,003</u>   | <u>-</u>                  | <u>1,117,003</u>   | <u>103,558</u>                         |
| Net change in fund balance              | <u>\$ -</u>              | <u>\$ 1,749</u>    | <u>273</u>                | <u>2,022</u>       | <u>\$ 2,022</u>                        |
| Fund balance - beginning                |                          |                    | <u>1,749</u>              |                    |  |
| Fund balance - ending                   |                          |                    | <u>\$ 2,022</u>           |                    |  |

**Town of Angier, North Carolina**  
**Junny Rd/Willow St. - Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|  | Project<br>Authorization | Prior<br>Years | Actual<br>Current<br>Year | Total to<br>Date | Variance<br>Favorable<br>(Unfavorable) |
|--|--------------------------|----------------|---------------------------|------------------|--|
| Revenues:  |                          |                |                           |                  |  |
| Grant revenue - NCDOT                            | \$ -                     | \$ -           | \$ 53,204                 | \$ 53,204        | \$ 53,204                              |
| Investment earnings                              | -                        | -              | -                         | -                | -                                      |
| Total Revenues                                   | <u>-</u>                 | <u>-</u>       | <u>53,204</u>             | <u>53,204</u>    | <u>53,204</u>                          |
| Expenditures:                                    |                          |                |                           |                  |  |
| Transportation                                   |                          |                |                           |                  |  |
| Administration, Engineering, and<br>construction | 125,000                  | -              | 84,535                    | 84,535           | 40,465                                 |
| Total Expenditures                               | <u>125,000</u>           | <u>-</u>       | <u>84,535</u>             | <u>84,535</u>    | <u>40,465</u>                          |
| Revenues over expenditures                       | <u>(125,000)</u>         | <u>-</u>       | <u>(31,331)</u>           | <u>(31,331)</u>  | <u>93,669</u>                          |
| Other Financing Sources (Uses):                  |                          |                |                           |                  |  |
| Transfers in (out)                               | 125,000                  | -              | 125,000                   | 125,000          | -                                      |
| Total Other Financing<br>Sources (Uses)          | <u>125,000</u>           | <u>-</u>       | <u>125,000</u>            | <u>125,000</u>   | <u>-</u>                               |
| Net change in fund balance                       | <u>\$ -</u>              | <u>\$ -</u>    | 93,669                    | <u>\$ 93,669</u> | <u>\$ 93,669</u>                       |
| Fund balance - beginning                         |                          |                | <u>-</u>                  |                  |  |
| Fund balance - ending                            |                          |                | <u>\$ 93,669</u>          |                  |  |

**Town of Angier, North Carolina**  
**SW Drainage Project Fund - Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|  | Project<br>Authorization | Prior<br>Years | Actual<br>Current<br>Year | Total to<br>Date  | Variance<br>Favorable<br>(Unfavorable) |
|--|--------------------------|----------------|---------------------------|-------------------|--|
| Revenues:  |                          |                |                           |                   |  |
| Grant revenue                                    | \$ 400,000               | \$ -           | \$ -                      | \$ -              | \$ (400,000)                           |
| Investment earnings                              | -                        | -              | 12,107                    | 12,107            | 12,107                                 |
| Total Revenues                                   | <u>400,000</u>           | <u>-</u>       | <u>12,107</u>             | <u>12,107</u>     | <u>(387,893)</u>                       |
| Expenditures:                                    |                          |                |                           |                   |  |
| Culture and recreation                           |                          |                |                           |                   |  |
| Administration, Engineering, and<br>construction | 851,125                  | -              | 226                       | 226               | 850,899                                |
| Total Expenditures                               | <u>851,125</u>           | <u>-</u>       | <u>226</u>                | <u>226</u>        | <u>850,899</u>                         |
| Revenues over expenditures                       | <u>(451,125)</u>         | <u>-</u>       | <u>11,881</u>             | <u>11,881</u>     | <u>463,006</u>                         |
| Other Financing Sources (Uses):                  |                          |                |                           |                   |  |
| Transfers in (out)                               | 451,125                  | -              | 451,125                   | 451,125           | -                                      |
| Total Other Financing<br>Sources (Uses)          | <u>451,125</u>           | <u>-</u>       | <u>451,125</u>            | <u>451,125</u>    | <u>-</u>                               |
| Net change in fund balance                       | <u>\$ -</u>              | <u>\$ -</u>    | 463,006                   | <u>\$ 463,006</u> | <u>\$ 463,006</u>                      |
| Fund balance - beginning                         |                          |                | -                         |                   |  |
| Fund balance - ending                            |                          |                | <u>\$ 463,006</u>         |                   |  |



**Town of Angier, North Carolina**  
**Hwy 210 Park Street - Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|  | Project<br>Authorization | Prior<br>Years   | Actual<br>Current<br>Year | Total to<br>Date  | Variance<br>Favorable<br>(Unfavorable) |
|--|--------------------------|------------------|---------------------------|-------------------|--|
| <b>Revenues:</b>                                 |                          |                  |                           |                   |  |
| Grant revenue                                    | \$ 613,772               | \$ 234,372       | \$ 613,773                | \$ 848,145        | \$ 234,373                             |
| Investment earnings                              | -                        | 24               | 5,386                     | 5,410             | 5,410                                  |
| Total Revenues                                   | <u>613,772</u>           | <u>234,396</u>   | <u>619,159</u>            | <u>853,555</u>    | <u>239,783</u>                         |
| <b>Expenditures:</b>                             |                          |                  |                           |                   |  |
| Culture and recreation                           |                          |                  |                           |                   |  |
| Administration, Engineering, and<br>construction | 1,418,280                | 415,127          | 1,163,969                 | 1,579,096         | (160,816)                              |
| Total Expenditures                               | <u>1,418,280</u>         | <u>415,127</u>   | <u>1,163,969</u>          | <u>1,579,096</u>  | <u>(160,816)</u>                       |
| Revenues over expenditures                       | <u>(804,508)</u>         | <u>(180,731)</u> | <u>(544,810)</u>          | <u>(725,541)</u>  | <u>78,967</u>                          |
| <b>Other Financing Sources (Uses):</b>           |                          |                  |                           |                   |  |
| Transfers in (out)                               | 804,508                  | 276,436          | 553,675                   | 830,111           | 25,603                                 |
| Total Other Financing<br>Sources (Uses)          | <u>804,508</u>           | <u>276,436</u>   | <u>553,675</u>            | <u>830,111</u>    | <u>25,603</u>                          |
| Net change in fund balance                       | <u>\$ -</u>              | <u>\$ 95,705</u> | 8,865                     | <u>\$ 104,570</u> | <u>\$ 104,570</u>                      |
| Fund balance - beginning                         |                          |                  | <u>95,705</u>             |                   |  |
| Fund balance - ending                            |                          |                  | <u>\$ 104,570</u>         |                   |  |

**Town of Angier, North Carolina**  
**Munitions Training Field Fund - Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|  | Project<br>Authorization | Prior<br>Years | Actual<br>Current<br>Year | Total to<br>Date  | Variance<br>Favorable<br>(Unfavorable) |
|--|--------------------------|----------------|---------------------------|-------------------|--|
| Revenues:  |                          |                |                           |                   |  |
| Grant revenue                                    | \$ -                     | \$ -           | \$ -                      | \$ -              | \$ -                                   |
| Investment earnings                              | -                        | -              | 188                       | 188               | 188                                    |
| Total Revenues                                   | <u>-</u>                 | <u>-</u>       | <u>188</u>                | <u>188</u>        | <u>188</u>                             |
| Expenditures:                                    |                          |                |                           |                   |  |
| Culture and recreation                           |                          |                |                           |                   |  |
| Administration, Engineering, and<br>construction | 153,844                  | -              | -                         | -                 | 153,844                                |
| Total Expenditures                               | <u>153,844</u>           | <u>-</u>       | <u>-</u>                  | <u>-</u>          | <u>153,844</u>                         |
| Revenues over expenditures                       | <u>(153,844)</u>         | <u>-</u>       | <u>188</u>                | <u>188</u>        | <u>154,032</u>                         |
| Other Financing Sources (Uses):                  |                          |                |                           |                   |  |
| Transfers in (out)                               | 153,844                  | -              | 153,844                   | 153,844           | -                                      |
| Total Other Financing<br>Sources (Uses)          | <u>153,844</u>           | <u>-</u>       | <u>153,844</u>            | <u>153,844</u>    | <u>-</u>                               |
| Net change in fund balance                       | <u>\$ -</u>              | <u>\$ -</u>    | 154,032                   | <u>\$ 154,032</u> | <u>\$ 154,032</u>                      |
| Fund balance - beginning                         |                          |                | -                         |                   |  |
| Fund balance - ending                            |                          |                | <u>\$ 154,032</u>         |                   |  |

**Town of Angier, North Carolina**  
**Angier Elementary Drainage Fund - Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|  | Project<br>Authorization | Prior<br>Years | Actual<br>Current<br>Year | Total to<br>Date | Variance<br>Favorable<br>(Unfavorable) |
|--|--------------------------|----------------|---------------------------|------------------|--|
| Revenues:  |                          |                |                           |                  |  |
| Grant revenue                                    | \$ 14,907                | \$ -           | \$ 15,191                 | \$ 15,191        | \$ 284                                 |
| Investment earnings                              | -                        | -              | 492                       | 492              | 492                                    |
| Total Revenues                                   | <u>14,907</u>            | <u>-</u>       | <u>15,683</u>             | <u>15,683</u>    | <u>776</u>                             |
| Expenditures:                                    |                          |                |                           |                  |  |
| Culture and recreation                           |                          |                |                           |                  |  |
| Administration, Engineering, and<br>construction | 14,907                   | -              | -                         | -                | 14,907                                 |
| Total Expenditures                               | <u>14,907</u>            | <u>-</u>       | <u>-</u>                  | <u>-</u>         | <u>14,907</u>                          |
| Revenues over expenditures                       | <u>-</u>                 | <u>-</u>       | <u>15,683</u>             | <u>15,683</u>    | <u>15,683</u>                          |
| Other Financing Sources (Uses):                  |                          |                |                           |                  |  |
| Transfers in (out)                               | -                        | -              | -                         | -                | -                                      |
| Total Other Financing<br>Sources (Uses)          | <u>-</u>                 | <u>-</u>       | <u>-</u>                  | <u>-</u>         | <u>-</u>                               |
| Net change in fund balance                       | <u>\$ -</u>              | <u>\$ -</u>    | 15,683                    | <u>\$ 15,683</u> | <u>\$ 15,683</u>                       |
| Fund balance - beginning                         |                          |                | -                         |                  |  |
| Fund balance - ending                            |                          |                | <u>\$ 15,683</u>          |                  |  |

## PROPRIETARY FUNDS

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Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

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**Town of Angier, North Carolina**  
**Water and Sewer Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2023**

|   | 2023                |                   | Variance<br>Positive<br>(Negative) |
|---|---------------------|-------------------|------------------------------------|
|   | Final<br>Budget     | Actual            |                                    |
| Revenues:   |                     |                   |                                    |
| Operating Revenues  |                     |                   |                                    |
| Water and sewer sales   |                     | \$ 3,670,576      |                                    |
| Reconnection fees   |                     | 87,480            |                                    |
| Miscellaneous revenue   |                     | 38,937            |                                    |
| Other fees  |                     | 53,974            |                                    |
| Taps and connection fees  |                     | 51,748            |                                    |
| Total operating revenues  | <u>\$ 3,714,979</u> | <u>3,902,715</u>  | <u>\$ 187,736</u>                  |
| Nonoperating Revenues   |                     |                   |                                    |
| Interest on Investments   | <u>92,187</u>       | <u>126,417</u>    | <u>34,230</u>                      |
| Total Revenues  | <u>3,807,166</u>    | <u>4,029,132</u>  | <u>221,966</u>                     |
| Expenditures:   |                     |                   |                                    |
| Operating expenditures:   |                     |                   |                                    |
| Salaries and employee benefits  |                     | 923,898           |                                    |
| Water operations  |                     | 1,176,694         |                                    |
| Sewer operations  |                     | 341,266           |                                    |
| Smith Drive Regional Pump Station   |                     | 605,221           |                                    |
| Lagoon Department   |                     | 50,854            |                                    |
| Total   | <u>3,525,990</u>    | <u>3,097,933</u>  | <u>428,057</u>                     |
| Capital Outlay  | <u>50,000</u>       | <u>46,136</u>     | <u>3,864</u>                       |
| Debt Service  |                     |                   |                                    |
| Principal   |                     | 288,140           |                                    |
| Interest  |                     | 173,193           |                                    |
| Total Debt Service  | <u>461,774</u>      | <u>461,333</u>    | <u>441</u>                         |
| Total Expenditures  | <u>4,037,764</u>    | <u>3,605,402</u>  | <u>432,362</u>                     |
| Revenues Over (Under) Expenditures  | <u>(230,598)</u>    | <u>423,730</u>    | <u>654,328</u>                     |
| Other financing sources (uses):   |                     |                   |                                    |
| Transfers from (to) other funds   | <u>421,217</u>      | <u>147,943</u>    | <u>273,274</u>                     |
| Total other financing sources (uses)  | <u>421,217</u>      | <u>147,943</u>    | <u>273,274</u>                     |
| Revenues and Other Sources Over<br>(Under) Expenses and Other Uses                                | <u>190,619</u>      | <u>571,673</u>    | <u>381,054</u>                     |
| Appropriated Fund Balance   | <u>(190,619)</u>    | <u>-</u>          | <u>190,619</u>                     |
| Revenues, Other Sources and Appropriated<br>Fund Balance Over (Under) Expenditures and Other Uses | <u>\$ -</u>         | <u>\$ 571,673</u> | <u>\$ 571,673</u>                  |

**Town of Angier, North Carolina**  
**Water and Sewer Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2023**

|  | 2023            |            | Variance<br>Positive<br>(Negative) |
|--|-----------------|------------|------------------------------------|
|  | Final<br>Budget | Actual     |                                    |
| <b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:</b> |                 |            |                                    |
| Revenues, Other Sources and Appropriated                                       |                 |            |                                    |
| Fund Balance Over (Under)  |                 |            |                                    |
| Expenditures and Other Uses  |                 | \$ 571,673 |                                    |
| Reconciling items:   |                 |            |                                    |
| Depreciation   |                 | (529,342)  |                                    |
| Capital outlay   |                 | 46,136     |                                    |
| Principal retirement   |                 | 288,140    |                                    |
| Capital contributions  |                 | -          |                                    |
| Investment earnings from capital projects                                      |                 | 8,669      |                                    |
| Transfers from capital projects  |                 | (147,943)  |                                    |
| (Increase) decrease in accrued vacation pay                                    |                 | (14,307)   |                                    |
| (Increase) decrease in net pension liability                                   |                 | (324,488)  |                                    |
| Increase (decrease) in deferred outflows of resources for pensions             |                 | 103,858    |                                    |
| Increase (decrease) in deferred outflows of resources for OPEB                 |                 | (4,615)    |                                    |
| (Increase) decrease in deferred inflows of resources for pensions              |                 | 164,975    |                                    |
| (Increase) decrease in deferred inflows of resources for OPEB                  |                 | (21,053)   |                                    |
| (Increase) decrease in accrued OPEB  |                 | 10,741     |                                    |
| Total reconciling items  |                 | (419,229)  |                                    |
| Change in net position   |                 | \$ 152,444 |                                    |

## CAPITAL PROJECTS FUNDS

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Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds

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**Town of Angier, North Carolina**  
**Capital Projects Fund - Elevated Water Storage Tank Replacement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|  | Project<br>Authorization | Prior<br>Years | Current<br>Year    | Total to<br>Date   | Variance<br>Positive<br>(Negative) |
|--|--------------------------|----------------|--------------------|--------------------|------------------------------------|
| <b>Revenues:</b>                                 |                          |                |                    |                    |                                    |
| Grant revenue                                    | \$ 2,456,250             | \$ -           | \$ -               | \$ -               | \$ (2,456,250)                     |
| Total Revenues                                   | <u>2,456,250</u>         | <u>-</u>       | <u>-</u>           | <u>-</u>           | <u>(2,456,250)</u>                 |
| <b>Expenditures:</b>                             |                          |                |                    |                    |                                    |
| Administration, engineering, and<br>construction | 2,456,250                | -              | 10,829             | 10,829             | 2,445,421                          |
| Total Expenditures                               | <u>2,456,250</u>         | <u>-</u>       | <u>10,829</u>      | <u>10,829</u>      | <u>2,445,421</u>                   |
| Revenues over expenditures                       | <u>-</u>                 | <u>-</u>       | <u>(10,829)</u>    | <u>(10,829)</u>    | <u>(10,829)</u>                    |
| <b>Other financing sources (uses):</b>           |                          |                |                    |                    |                                    |
| Transfers  | -                        | -              | -                  | -                  | -                                  |
| Total Other Financing Sources                    | <u>-</u>                 | <u>-</u>       | <u>-</u>           | <u>-</u>           | <u>-</u>                           |
| Net change in fund                               | <u>\$ -</u>              | <u>\$ -</u>    | <u>(10,829)</u>    | <u>\$ (10,829)</u> | <u>\$ (10,829)</u>                 |
| Fund balance, beginning                          |                          |                | <u>-</u>           |                    |                                    |
| Fund balance, ending                             |                          |                | <u>\$ (10,829)</u> |                    |                                    |



**Town of Angier, North Carolina**  
**Capital Projects Fund - Water Distribution Core Replacement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|  | Project<br>Authorization | Prior<br>Years | Current<br>Year | Total to<br>Date | Variance<br>Positive<br>(Negative) |
|--|--------------------------|----------------|-----------------|------------------|------------------------------------|
| Revenues:  |                          |                |                 |                  |                                    |
| NCDEQ  | \$ 4,250,000             | \$ -           | \$ -            | \$ -             | \$ (4,250,000)                     |
| Investment earnings                              | -                        | -              | -               | -                | -                                  |
| Total Revenues                                   | <u>4,250,000</u>         | <u>-</u>       | <u>-</u>        | <u>-</u>         | <u>(4,250,000)</u>                 |
| Expenditures:                                    |                          |                |                 |                  |                                    |
| Administration, engineering, and<br>construction | 4,250,000                | -              | 208             | 208              | 4,249,792                          |
| Total Expenditures                               | <u>4,250,000</u>         | <u>-</u>       | <u>208</u>      | <u>208</u>       | <u>4,249,792</u>                   |
| Revenues over expenditures                       | <u>-</u>                 | <u>-</u>       | <u>(208)</u>    | <u>(208)</u>     | <u>(208)</u>                       |
| Other financing sources (uses):                  |                          |                |                 |                  |                                    |
| Transfers  | -                        | -              | -               | -                | -                                  |
| Loan proceeds                                    | -                        | -              | -               | -                | -                                  |
| Total Other Financing Sources                    | <u>-</u>                 | <u>-</u>       | <u>-</u>        | <u>-</u>         | <u>-</u>                           |
| Net change in fund                               | <u>\$ -</u>              | <u>\$ -</u>    | <u>(208)</u>    | <u>\$ (208)</u>  | <u>\$ (208)</u>                    |
| Fund balance, beginning                          |                          |                | -               |                  |                                    |
| Fund balance, ending                             |                          |                | <u>\$ (208)</u> |                  |                                    |

**Town of Angier, North Carolina**  
**Capital Projects Fund - Pump Stations & Force Main**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|                                 | Project<br>Authorization | Prior<br>Years      | Current<br>Year    | Total to<br>Date   | Variance<br>Positive<br>(Negative) |
|---------------------------------|--------------------------|---------------------|--------------------|--------------------|------------------------------------|
| Revenues:                       |                          |                     |                    |                    |                                    |
| Investment earnings             | \$ -                     | \$ 723              | \$ 6,026           | \$ 6,749           | \$ 6,749                           |
| Total Revenues                  | <u>-</u>                 | <u>723</u>          | <u>6,026</u>       | <u>6,749</u>       | <u>6,749</u>                       |
| Expenditures:                   |                          |                     |                    |                    |                                    |
| Administration                  | 3,876,283                | 740,179             | 2,451,496          | 3,191,675          | 684,608                            |
| Total Expenditures              | <u>3,876,283</u>         | <u>740,179</u>      | <u>2,451,496</u>   | <u>3,191,675</u>   | <u>684,608</u>                     |
| Revenues over expenditures      | <u>(3,876,283)</u>       | <u>(739,456)</u>    | <u>(2,445,470)</u> | <u>(3,184,926)</u> | <u>691,357</u>                     |
| Other financing sources (uses): |                          |                     |                    |                    |                                    |
| Transfers                       | 635,200                  | -                   | -                  | -                  | (635,200)                          |
| Loan proceeds                   | 3,241,083                | 3,349,000           | -                  | 3,349,000          | 107,917                            |
| Total Other Financing Sources   | <u>3,876,283</u>         | <u>3,349,000</u>    | <u>-</u>           | <u>3,349,000</u>   | <u>(527,283)</u>                   |
| Net change in fund              | <u>\$ -</u>              | <u>\$ 2,609,544</u> | <u>(2,445,470)</u> | <u>\$ 164,074</u>  | <u>\$ 164,074</u>                  |
| Fund balance, beginning         |                          |                     | 2,609,544          |                    |                                    |
| Fund balance, ending            |                          |                     | <u>\$ 164,074</u>  |                    |                                    |

**Town of Angier, North Carolina**  
**Water Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|  | Project<br>Authorization | Prior<br>Years   | Current<br>Year    | Total to<br>Date | Variance<br>Positive<br>(Negative) |
|--|--------------------------|------------------|--------------------|------------------|------------------------------------|
| Revenues:  |                          |                  |                    |                  |                                    |
| NC-DEQ   | \$ 100,000               | \$ 91,742        | \$ -               | \$ 91,742        | \$ 8,258                           |
| Investment earnings                                  | -                        | -                | 2,643              | 2,643            | 2,643                              |
| Total Revenues                                       | <u>100,000</u>           | <u>91,742</u>    | <u>2,643</u>       | <u>94,385</u>    | <u>10,901</u>                      |
| Expenditures:  |                          |                  |                    |                  |                                    |
| Administration                                       | 10,000                   | 7,728            | -                  | 7,728            | 7,728                              |
| Construction   | 90,000                   | -                | 51,579             | -                | 51,579                             |
| Total Expenditures                                   | <u>100,000</u>           | <u>7,728</u>     | <u>51,579</u>      | <u>7,728</u>     | <u>59,307</u>                      |
| Revenues over expenditures                           | <u>-</u>                 | <u>84,014</u>    | <u>(48,936)</u>    | <u>35,078</u>    | <u>70,208</u>                      |
| Other Financing Sources:                             |                          |                  |                    |                  |                                    |
| Transfers (to)from                                   | -                        | -                | 25,000             | 25,000           | 25,000                             |
| Total Other Financing Sources                        | <u>-</u>                 | <u>-</u>         | <u>25,000</u>      | <u>25,000</u>    | <u>25,000</u>                      |
| Revenues and other sources over (under) expenditures | <u>\$ -</u>              | <u>\$ 84,014</u> | <u>\$ (23,936)</u> | <u>\$ 35,078</u> | <u>\$ 70,208</u>                   |

**Town of Angier, North Carolina**  
**Capital Projects Fund - Wake County Elevated Tank Project**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2023**

|                               | Project<br>Authorization | Prior<br>Years | Current<br>Year  | Total to<br>Date    | Variance<br>Positive<br>(Negative) |
|-------------------------------|--------------------------|----------------|------------------|---------------------|------------------------------------|
| Revenues:                     |                          |                |                  |                     |                                    |
| Investment earnings           | \$ -                     | \$ -           | \$ -             | \$ -                | \$ -                               |
| Total Revenues                | <u>-</u>                 | <u>-</u>       | <u>-</u>         | <u>-</u>            | <u>-</u>                           |
| Other Financing Sources:      |                          |                |                  |                     |                                    |
| Transfers (to)from            |                          | -              | (172,943)        | (172,943)           | (172,943)                          |
| Total Other Financing Sources | <u>-</u>                 | <u>-</u>       | <u>(172,943)</u> | <u>(172,943)</u>    | <u>(172,943)</u>                   |
| Revenues over expenditures    | <u>-</u>                 | <u>-</u>       | <u>(172,943)</u> | <u>(172,943)</u>    | <u>(172,943)</u>                   |
| Net change in fund balance    | <u>\$ -</u>              | <u>\$ -</u>    | <u>(172,943)</u> | <u>\$ (172,943)</u> | <u>\$ (172,943)</u>                |
| Fund balance, beginning       |                          |                | <u>172,943</u>   |                     |                                    |
| Fund balance, ending          |                          |                | <u>\$ -</u>      |                     |                                    |

## OTHER SCHEDULES

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This section includes additional information on property taxes.

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- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy

**Town of Angier  
General Fund  
Schedule of Ad Valorem Taxes Receivable  
June 30, 2023**

| <u>Fiscal Year</u>                      | <u>Uncollected<br/>Balance<br/>July 1, 2022</u> | <u>Additions</u>           | <u>Collections<br/>And Credits</u> | <u>Uncollected<br/>Balance<br/>June 30, 2023</u>         |
|---|---|----------------------------|------------------------------------|--|
| 2022-2023                               | \$ -  | \$ 3,293,620               | \$ 3,282,519                       | \$ 11,101  |
| 2021-2022                               | 6,295   | -                          | 3,376                              | 2,919  |
| 2020-2021                               | 2,246   | -                          | 331                                | 1,915  |
| 2019-2020                               | 2,447   | -                          | 640                                | 1,807  |
| 2018-2019                               | 1,658   | -                          | 45                                 | 1,613  |
| 2017-2018                               | 1,003   | -                          | 8                                  | 995  |
| 2016-2017                               | 1,058   | -                          | (12)                               | 1,070  |
| 2015-2016                               | 1,546   | -                          | 68                                 | 1,478  |
| 2014-2015                               | 645   | -                          | 26                                 | 619  |
| 2013-2014                               | 1,472   | -                          | 1,472                              | -  |
| <b>TOTALS</b>                           | <u><u>\$ 18,370</u></u>                         | <u><u>\$ 3,293,620</u></u> | <u><u>\$ 3,288,473</u></u>         | <u><u>23,517</u></u>                                     |
|   |   |                            |                                    | <u><u>(10,410)</u></u>                                   |
|   |   |                            |                                    | <u><u>\$ 13,107</u></u>                                  |
| <br><u>Reconcilement with revenues:</u> |   |                            |                                    |  |
|   |   |                            |                                    | \$ 3,208,658   |
|   |   |                            |                                    | Reconciling items:                                       |
|   |   |                            |                                    | Penalties and Interest (13,210)                          |
|   |   |                            |                                    | Releases/Adjustments/Write Offs 93,025                   |
|   |   |                            |                                    | <u>79,815</u>  |
|   |   |                            |                                    | Total Reconciling Items                                  |
|   |   |                            |                                    | Total Collections and Credits <u><u>\$ 3,288,473</u></u> |

**Town of Angier, North Carolina**  
**Analysis of Current Tax Levy**  
**Town - Wide Levy**  
**For the Fiscal Year Ended June 30, 2023**

|                                     | Town - wide           |         |                     | Total Levy   |                                 |
|-------------------------------------|-----------------------|---------|---------------------|--|---------------------------------|
|                                     | Property<br>Valuation | Rate    | Amount<br>of Levy   | Property<br>excluding<br>Registered<br>Motor<br>Vehicles | Registered<br>Motor<br>Vehicles |
| Original levy:                      |                       |         |                     |  |                                 |
| Property Taxes at Current Year Rate | \$ 621,437,736        | \$ 0.53 | \$ 3,293,620        | \$ 2,992,796   | \$ 300,824                      |
| Total Original Levy                 | <u>621,437,736</u>    |         | <u>3,293,620</u>    | <u>2,992,796</u>   | <u>300,824</u>                  |
| Total for Year                      | <u>\$ 621,437,736</u> |         | 3,293,620           | 2,992,796  | 300,824                         |
| Uncollected taxes at June 30, 2023  |                       |         | <u>(11,101)</u>     | <u>(11,101)</u>  | -                               |
| Current year's taxes collected      |                       |         | <u>\$ 3,282,519</u> | <u>\$ 2,981,695</u>                                      | <u>\$ 300,824</u>               |
| Current levy collection percentage  |                       |         | <u>99.66%</u>       | <u>99.63%</u>  | <u>100.00%</u>                  |

## COMPLIANCE SECTION





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## **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 Auditor's Report**

To the Honorable Mayor  
and Members of the Board of Commissioners  
Angier, 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 accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Angier for the year ended June 30, 2023, and the related notes to the financial statement, which collectively comprises the Town of Angier basic financial statements, and have issued our report thereon dated October 19, 2023. The financial statements of the Town of Angier's ABC Board were not audited in accordance with *Government Auditing Standards*.

#### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Angier 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 the Town of Angier internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

#### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Angier'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. 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., PA*  
Wilmington, North Carolina  
October 19, 2023

Town of Angier, North Carolina  
Schedule of Findings and Responses  
For the Fiscal 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 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    Xno
- Significant Deficiency(s) identified?                    \_\_\_yes    Xno

Noncompliance material to financial statements noted?                    \_\_\_yes    Xno

Town of Angier, North Carolina  
Schedule of Findings and Responses  
For the Fiscal Year Ended June 30, 2023

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**Section II - Financial Statement Findings**

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**None.**

Town of Angier, North Carolina  
Summary Schedule of Prior Audit Findings  
For the Fiscal Year Ended June 30, 2023

**None.**