



The Town of
Angier
North Carolina

**Annual Comprehensive
Financial Report**
For the Fiscal Year Ended June 30, 2022

Prepared by the Town of Angier Finance Department
Hans Kalwitz, Finance Director

TOWN OF ANGIER, NORTH CAROLIA
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TOWN OF ANGIER

Angier

December 22, 2022

Honorable Mayor, Members of the Town Council And Citizens of the Town of Angier:

The Annual Comprehensive Financial Report (ACFR) of the Town of Angier for the fiscal year ended June 30, 2021, is submitted by the Town's Finance Department, and it is the comprehensive publication of the town's financial position at June 30, 2022, and results of operations for the fiscal year then ended for all funds of the Town. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accounts. This report is published to fulfill that requirement for the fiscal year ended June 30, 2022, and to provide complete and further accountability to citizens and other interested parties by providing a comprehensive report in lieu of the minimum basic financial statement requirements.

Responsibility for both the accuracy of the presented data, and the completeness and the fairness of the presentation, including all disclosures, rests with the town. We believe the enclosed data and presentation is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the Town's funds over the last fiscal year.

The Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is written to complement the MD&A and should be read in conjunction with it.

Profile of the Town

The Town of Angier, incorporated in 1901, is located in northeast Harnett County, approximately 21 miles from downtown Raleigh, the State Capital. Angier, the Town of Crepe Myrtles, is a town of quietness, security and tremendous opportunity for its residents. Despite the substantial growth in this area, Angier is still the kind of town where you know your neighbors. The Town covers approximately 3.80 square miles and has a population of 5,700 (staff estimate).

The Town operates under a council-manager form of government. The governing body is comprised of a Mayor and a four-member Town Council, elected on a nonpartisan basis for staggered four-year terms. The Mayor is elected on an at large basis and the Council members are elected by ward. The Town Council has policy-making and legislative authority and is responsible for the budget approval and appointment of the Town Manager, Town Attorney and Town Clerk. The Town Manager is responsible for implementing Council policies and Town Ordinances, managing daily operations and appointing department directors.

Angier is a *full service* town providing police, water distribution, sanitary sewer collection, street maintenance including curbs, gutters, sidewalks and other infrastructure, recreation and cultural activities, engineering, household sanitation services including recycling, planning and community development,

code compliance and general administration, finance and human resources. Additionally, Angier and Harnett County have formed collaborative partnerships to provide several services including economic development, inspections, code enforcement, fire marshal services, E-911 emergency services, tax billing and collections, and election board services. This report includes all of the Town's activities in delivering and administering these services.

Accounting System and Budgetary Control

The diverse nature of governmental operations and the necessity of assuring legal compliance preclude recording and summarizing all governmental financial transactions and balances in a single accounting entity. Therefore, from an accounting and financial management viewpoint, a governmental unit is a combination of several distinctly different fiscal and accounting entities, each having a separate set of accounts and functioning independently of each other. Each accounting entity is accounted for in a separate "fund".

A fund is defined as a fiscal accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The Town's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's utilities and other enterprises are reported on the accrual basis.

The Town's accounting system is organized and operated on a "fund" basis and each fund is classified in one of two categories and further identified as one of five major types of funds:

Classification	Fund Type
Governmental Funds	General
Proprietary Funds	Special Revenue
	Capital Project
	Enterprise
	Capital Reserve

Governmental Funds: These funds are, in essence, accounting segregations of financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are to be paid; and the differences between governmental fund assets and liabilities, the fund equity, is referred to as "Fund Balance". The primary measurement focus is upon determination of financial position and changes in financial position, which is supported by the statement of revenues, expenditures, and changes in fund balances. It may be supported or supplemented by more detailed schedules of revenues, expenditures, transfers, and other changes in fund balance.

Proprietary Funds: These funds are sometimes referred to as "income determination", "nonexpendable", or "commercial type" funds and are used to account for a government's on-going organizations and activities, which are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business and quasi business activities - where net income and capital maintenance are measured - are accounted for through proprietary funds.

The generally accepted accounting principles here are those applicable to similar businesses in the private sector, and the measurement focus is upon determination of net income, financial position, and changes in financial position.

Budgetary Control: The City's financial management software provides the information for effective fiscal management. Through utilization of budgetary accounting methods, effective budgetary control and accountability can be maintained. The Annual Budget, which is adopted for legal control at the functional level but controlled at the department level, authorizes and provides the basis for the City's financial management. The total adopted appropriations constitute the maximum expenditure authorization during the fiscal year and can only be amended by action of the City Council. Expenditures are controlled at the department level for all General, Special Revenue, Capital Projects and Enterprise funds.

Budgetary control is maintained at this level by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders, which would result in an overrun of departmental operating balances, are not released until additional appropriations are made available.

Open encumbrances at June 30, 2022, are treated as commitments, rather than expenditures, and such encumbered funds are appropriated for expenditure in fiscal year 2022-2023.

Economic Condition and Outlook

The Town of Angier boasts an excellent quality of life. We are a progressive and friendly community that offers small-town living, plus all of the benefits of being in close proximity to metropolitan areas of Raleigh, Durham, Chapel Hill and Research Triangle Part (RTP) and nearby North Carolina State University, Duke University, and the University of North Carolina at Chapel Hill. Our great location, affordable land and outstanding workforce make Angier one of the best places in the region to begin or expand a business or industry.

Southwest of Angier, we have Campbell University. The main campus is located in Buies Creek with a law school located in Raleigh. Founded in 1887, the University is the second largest private four-year university in North Carolina and is composed of more than 7,000 students. The university is a private, co-educational university with Baptist roots that offers more than 150 majors, tracks, and concentrations in the liberal arts, sciences, and professions. The university offers professional degrees in law, pharmacology and health sciences, business, education and divinity as well as a wide variety of undergraduate degrees. Campbell has opened the College of Osteopathic Medicine, the first of its kind in North Carolina. Additional health science programs have also been introduced, including the Physician Assistant Program, Master of Public Health and plans for a Doctor of Physical Therapy degree program. This will greatly enhance medical training in the region and state.

Over the past few years, the Board has focused much attention on ensuring the long-term financial viability of the Town and maintaining the capital infrastructure investment during this current economic environment. Due to the strength of the Town's economy in prior years, the Town has been able to sustain what it considers to be quality development. The results of these planning processes will aid in moving the Town toward its mission and vision.

The Town's Planning Department continues to see development requests as the wave of growth pushes towards Angier from Southern Wake County. During the past few fiscal years, 3,587 single-family lots were approved in Angier's jurisdiction. Using the staff estimates and projects, these lots will represent 68% of Angier's latest official population estimate at build out; given an average of 2.5 persons per household. This new development will also continue to increase the overall property tax value for the

Town in the coming years. During the following fiscal years, additional property tax revenue projections are \$4,684,935.

Long Term Financial Planning and Initiatives

The Town of Angier continues to prepare for the future through various initiatives that will enhance the services provided by the Town. Angier is recognized for its quality of life. Careful planning for growth has been based on values for an attractive community, a strong commitment to environmental protection, adequate public facilities in advance of growth and a variety of local recreational opportunities while maintaining a strong financial position. The Town Board has committed to essential goals and initiatives.

The Town maintains fund balance sufficient to maintain consistent cash flow, generate interest income, eliminate the need for short term borrowings, and provides flexibility for unanticipated opportunities and needs during emergencies or disasters. In addition, fiscally responsible budgeting has been key in maintaining and improving the Town's outstanding Council rating of 80, which is equivalent to a rating of A3/A by national rating agencies.

Major Initiatives:

During the year, the Town was involved in several projects as directed by the Town Commissioners and Town Manager. These projects are based on staff budget requests and Commissioner's funding priorities. Upon budget approval, staff maintains and implements programs, policies and activities that support the achievement of the goals and initiatives, which reflect the Town's continued commitment to quality of life while maintaining its unique personality.

Financial Information:

Budget Control: In government, much more than in business, the budget is an integral part of a unit's accounting system and daily operations. The North Carolina General Statutes require all governmental units to adopt a balanced budget by July 1 of each year. The Town's budget ordinance, adopted by the Town Council, creates a legal limit on spending authorizations. Budgetary control is facilitated by the use of a requisition encumbrance and purchase order system that ensures the adequacy of funds prior to the placement of orders or the award of contracts.

Internal Control: The Town is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the town are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. We believe that the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Other Information:

Independent Audit: The General Statutes of North Carolina require an annual independent financial audit of all local government units in the State. Thompson, Price, Scott, Adams & Co. has examined the financial records of the Town and their opinion has been included in this report. Their examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures, as they considered necessary in the

circumstances. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the compliance section.

As a recipient of federal and state assistance, the Town is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Angier for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. Angier has received this prestigious award since 2011. In order to be awarded a Certificate of Achievement, a government must publish a legible and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments: This report is the work of the efficient and dedicated staff of the Finance Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report and to the entire Town staff for their cooperation and assistance. Credit is also due to the mayor and the members of the Town Board for their unwavering support of the highest standards of professionalism in the management of Angier's finances.

Respectfully submitted,



Gerald D. Vincent
Town Manager



Hans Kalwitz
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Angier
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

Town of Angier

Members of Town Council

Robert (Bob) K. Smith
Mayor

Jim Kazakavage
Commissioner

George C. Price, Jr
Commissioner (1/5/21 –
present)

Loru Hawley
Mayor Pro-Tem (12/1/20 –
present)

Alan Coats
Commissioner

Appointed and Administrative Staff

Gerald D. Vincent
Town Manager

Veronica Hardaway
Town Clerk

Dan Hartzog, Jr.
Town Attorney

Hans Kalwitz
Finance Director

Henry Cook
Public Works Director

Sean Johnson
Planning Director

Garland L. Thompson
Chief of Police

Derek McLean
Parks & Rec. Director

Katherine Warren
Library Director

Planning Board Members

Courtney Jusnes

Christina Kazakavage

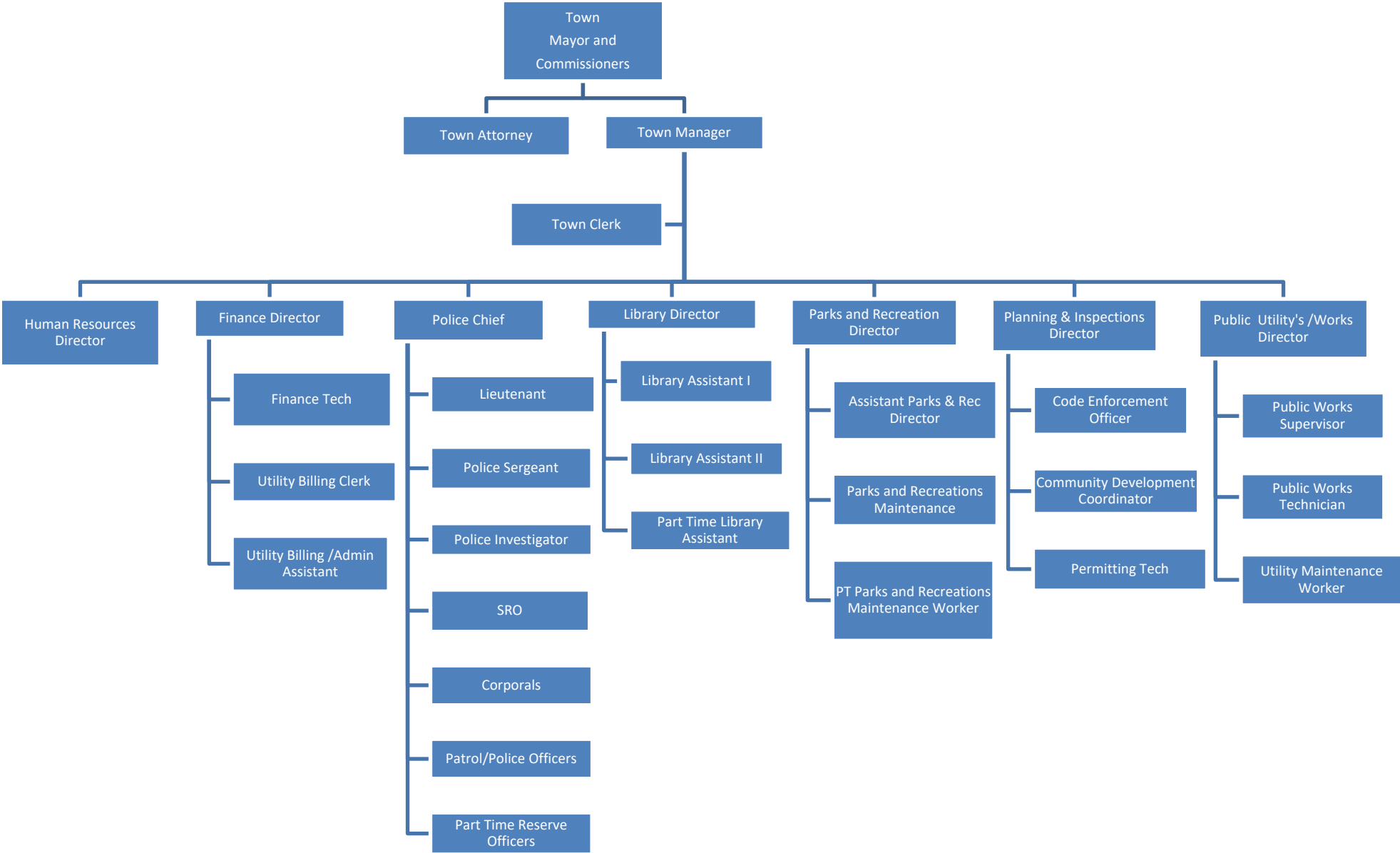
Robert Frey

Myron Patterson

Lee Marshall

Haley Plumley

Town of Angier Organization Chart



The History of *Angier*

Angier, the Town of Crepe Myrtles, is a town of quietness, security and tremendous opportunity for its residents. Despite the substantial growth in this area, Angier is still the kind of town where you know your neighbors.



Jacob Calvin Williams
1834-1912

J.C. Williams, who grew up in the area that is now Angier, is credited with being the "Father" of the town. "Jake" was one of the eight children of Jacob Williams, and often called Jake-of-all. His ancestry has been traced all the way 'pack to the sixteenth century to the Isle of Wales, Scotland.

Jacob Calvin (Jake) married Nancy Norris of the Holly Springs section of Wake County and settled down to farm. He acquired a considerable amount of land. The first Harnett County Census in 1860 listed his holdings at 1300 acres. When the War between the States broke out in April 1861, the Williams men put down plows and picked up guns to defend their homes. Jake served with Clingman's Brigade, Hokes Division, Company C, 3 1 st North Carolina Regiment. Records show that Jake was captured in 1864 and served time at Ft. Delaware.



Nancy E. Norris Williams
1835-1903

After his release, Jake returned home to rebuild his life. In 1872 he bought seven hundred and fifty acres of land for \$3,000.00 from A.D. Cutts. The town of Angier is now located on some of that land. He and Nancy settled down on what is now North Broad Street. There they raised seven sons.

It was Jake Williams' farm that the railroad, which put Angier on the map, was built in 1899. The railroad was little more than a tramway leading from Apex, in Wake County, to the Jake Williams' farm in Harnett County. It was first known and chartered as the Cape Fear and Northern Railroad; later, about 1906, the line was extended to Durham and the name changed to the Durham and Southern.



The purpose of the railroad was to haul lumber and logs. The area around Angier had a vast sweep of fine saw timber, from short and long straw pines. The trees had been bled by the turpentine workers, leaving long stems of southern pine ready to be cut and sawed into lumber. When the turpentine business came to an end, workers and their families moved south to find unbled timber; and a new era began. A new way of making a living and supporting a family began—saw milling. No longer was the ox cart and mule-drawn wagon efficient to move lumber and logs. Now the building of the railroad was hailed as a step forward. Farming was becoming more important; growing cotton and tobacco took the place of sawmill work as that era came to a close.



**Jonathan Cicero Angier
1857-1911**

The late Col. John C. Angier married the niece of the late Washington Duke whose "golden leaf" had found its way north after the war. The demand for more tobacco is said to have been the impetus for Mr. Duke and his sons to establish the American Tobacco Company.

Col. Angier owned and operated a lumber plant in Cary and decided to build a railroad down along the pine ridge from Apex to Harnett County. Supposedly with the backing of the Dukes, he built a railroad to the farm of Jake Williams where a "Y" was also built for turning the engine around. In time, a station house was erected for the train crew to stay at night and daily round trips were made to Apex.

Jake and his son Benton operated a general store and a turpentine distillery. Goods were transported to and from Raleigh or Dunn by two or four-horse wagons. The coming of the railroad was a boon to farmers, merchants and lumbermen.

After much discussion and numerous suggestions, the station house was named Angier to honor Johnathan C. Angier who played a major part in bringing the railroad to the area.

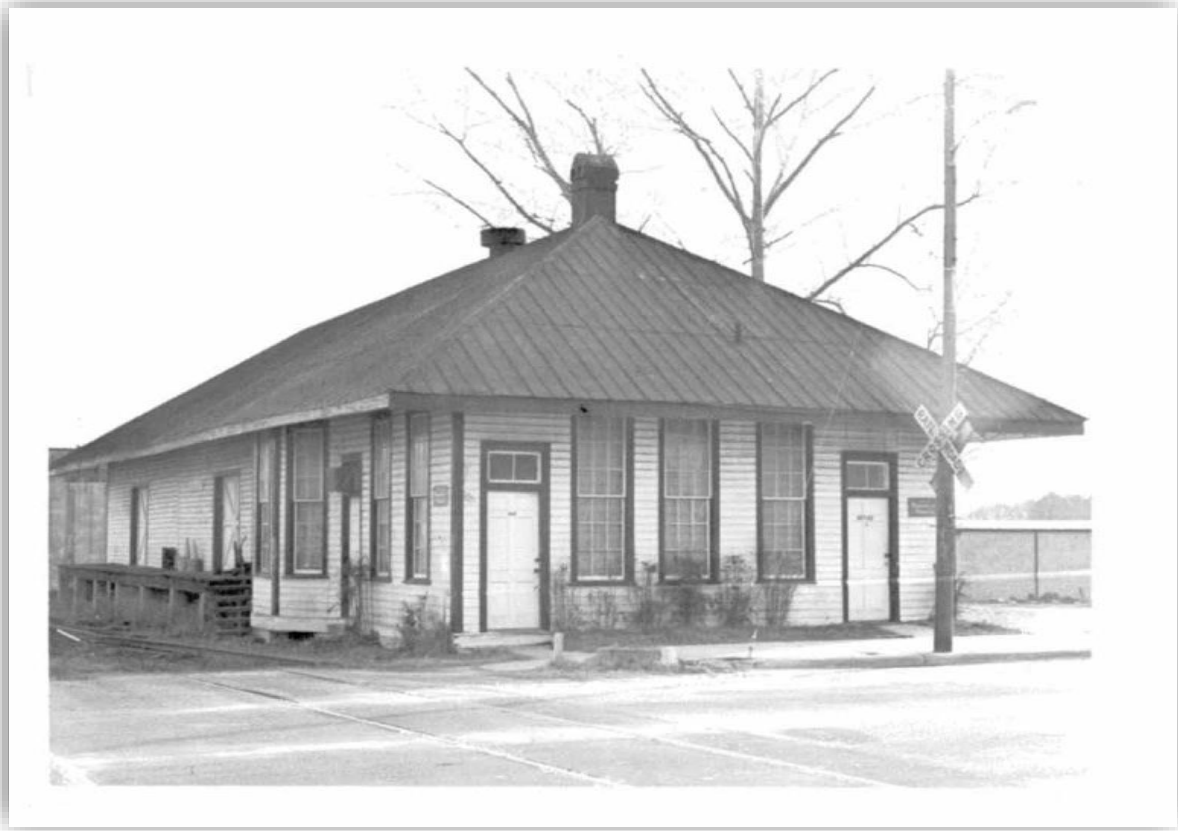
In July 1899, Jake Williams secured a noted surveyor, Daniel E. Green, to map and plot the land surrounding his home and the newly erected depot. Streets were laid off and named and Angier had its beginnings. By act of the North Carolina Legislature of 1901 the town received its charter.

During the 1930's, The Angier Woman's Club undertook a project to have crepe myrtles planted on roadsides leading into town from all directions. The trees make a spectacular show during June, July and August. The town chose "The Town of the Crepe Myrtles" as its slogan. Every year a Crepe Myrtle Festival is held in September with food, crafts and entertainment for all.

The Durham and Southern railroad which had run through the center of town since 1899, had its last run from Apex to Dunn on July 5, 1979. No longer was the railroad the cheapest way to transport goods to and from the industries of Angier and was no longer realizing a profit. Mayor Jack Marley and other town officials requested that railroad officials donate to the town the depot and the one hundred foot right of way within town limits. That was done and so ended another era.

Today Angier is one of the fastest growing areas in Harnett County; it has been called the bedroom of the Research Triangle Park. Angier is located twenty miles south of Raleigh, nine miles north of Lillington, the Harnett County seat, and ten miles west of Interstate 40, on NC 210.

Then



Now



Then



Now



Then



Now



FINANCIAL SECTION



Thompson, Price, Scott, Adams & Co., P.A.
4024 Oleander Drive Suite 103
Wilmington, North Carolina 28403
Telephone (910) 791-4872
Fax (910) 239-8294

Independent Auditor's Report

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

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, 2022, 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, 2022, 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.

We audited the financial statements of the Town of Angier's ABC Board, which represent 100 percent, 100 percent, and 100 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component unit. as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended.

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 Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory information and the statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists; we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, 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

December 22, 2022

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, 2022. 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.

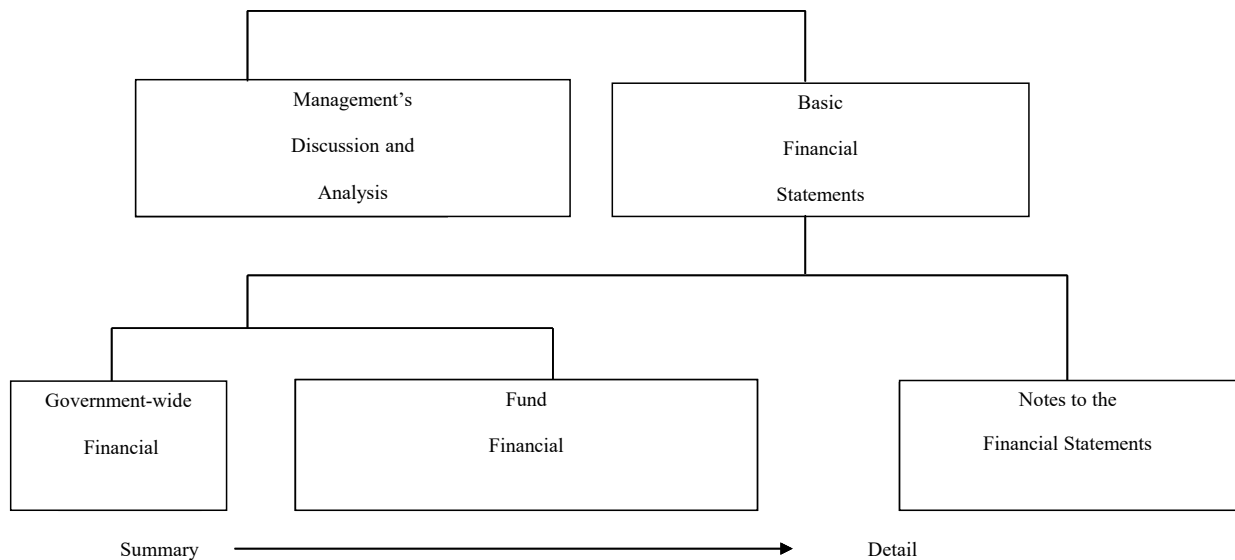
Financial Highlights

- 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 \$19,284,459 (net position).
- The Town's total net position decreased by \$1,028,851. Decrease in governmental activities amounts to \$1,133,554 and an increase in the business-type activities amounts to \$104,703.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$5,232,001 an decrease of \$933,596 in comparison with the prior year. Approximately 12 percent of this total amount, or \$644,334 is non spendable or restricted.
- At June 30, 2022, the Town's total debt was \$8,370,022. The increase of the Town's debt, \$3,670,298, was the result of additional revenue bonds.

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 8) 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 Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 6,547,941	\$ 6,245,812	\$ 7,027,809	\$ 4,644,582	\$ 13,575,750	\$ 10,890,394
Capital assets	5,017,060	4,764,861	11,794,457	11,078,827	16,811,517	15,843,688
Total assets	11,565,001	11,010,673	18,822,266	15,723,409	30,387,267	26,734,082
Deferred outflows of resources	844,543	625,477	238,724	166,011	1,083,267	791,488
Long-term liabilities outstanding	1,713,004	1,455,076	7,757,330	4,730,738	9,470,334	6,185,814
Other liabilities	1,302,346	157,668	535,960	565,441	1,838,306	723,109
Total liabilities	3,015,350	1,612,744	8,293,290	5,296,179	11,308,640	6,908,923
Deferred inflows of resources	684,608	180,266	192,827	123,071	877,435	303,337
Net Position:						
Net investment in capital assets	4,694,708	4,598,194	4,032,787	6,545,771	8,727,495	11,143,965
Restricted	557,019	957,700	-	-	557,019	957,700
Unrestricted	3,457,859	4,287,246	6,542,086	3,924,399	9,999,945	8,211,645
Total net position	\$ 8,709,586	\$ 9,843,140	\$ 10,574,873	\$ 10,470,170	\$ 19,284,459	\$ 20,313,310

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 \$19,284,459 as of June 30, 2022. The Town's net position decreased by \$1,028,851 for the fiscal year ended June 30, 2022. However, the largest portion \$8,727,495 (45%) 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, \$557,019 (3%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$9,999,945 (52%) 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 99.74%.

Town of Angier
Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues						
Charges for services	\$ 1,098,795	\$ 895,754	\$ 3,627,474	\$ 3,627,474	\$ 4,726,269	\$ 4,523,228
Operating grants and contributions	465,547	509,707	-	-	465,547	509,707
Capital grants and contributions	-	-	84,014	7,728	84,014	7,728
General revenues:						
Property taxes	2,430,802	2,256,841	-	-	2,430,802	2,256,841
Other taxes	1,872,673	1,403,718	-	-	1,872,673	1,403,718
Other	214,797	330,596	316,978	349,908	531,775	680,504
Total revenues	6,082,614	5,396,616	4,028,466	3,985,110	10,111,080	9,381,726
Expenses:						
General government	2,727,297	773,452	-	-	2,727,297	773,452
Public safety	1,647,034	1,585,539	-	-	1,647,034	1,585,539
Transportation	1,227,757	859,496	-	-	1,227,757	859,496
Economic and physical development	528,595	379,919	-	-	528,595	379,919
Cultural and recreation	831,980	408,814	-	-	831,980	408,814
Library	248,117	223,888	-	-	248,117	223,888
Interest on long-term debt	5,388	6,718	-	-	5,388	6,718
Water	-	-	3,923,763	3,973,216	3,923,763	3,973,216
Total expenses	7,216,168	4,237,826	3,923,763	3,973,216	11,139,931	8,211,042
Increase (decrease) in net position before transfers and special items	(1,133,554)	1,158,790	104,703	(445,612)	(1,028,851)	1,170,684
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	(1,133,554)	1,158,790	104,703	(445,612)	(1,028,851)	1,170,684
Net position, beginning, previously reported	9,843,140	8,684,350	10,470,170	10,773,019	20,313,310	19,457,369
Prior period adjustment	-	-	-	142,763	-	142,763
Net position, beginning, restated	9,843,140	8,684,350	10,470,170	10,915,782	20,313,310	19,600,132
Total net position, ending	\$ 8,709,586	\$ 9,843,140	\$ 10,574,873	\$ 10,470,170	\$ 19,284,459	\$ 20,770,816

Governmental activities. Governmental activities decreased the Town's net position by \$1,133,554. This decrease in the Town's governmental activities net position can be attributed to increase in expenses.

Business-type activities. Business-type activities increased the Town of Angier net position by \$104,703. The increase in the Town's business-type activities can be attributed to the increase in capital grants.

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 \$4,489,630 while total fund balance reached \$5,045,653. 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 \$6,194,572. Unassigned fund balance represents 82% of total General Fund expenditures, while total fund balance represents 87% of that same amount.

At June 30, 2022, the governmental funds of Town of Angier reported a combined fund balance of \$5,232,001 a decrease of \$933,596 from last year. Total fund balance for all governmental funds represents 68% 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 \$6,542,086. The total change in net position for the Water and Sewer Fund was an increase of \$104,703 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, 2022, totaled \$16,811,517 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, and vehicles.

Major capital assets transactions during the year include:

- Boom Truck
- Dump Truck

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

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 1,998,798	\$ 1,937,502	\$ 614,903	\$ 614,903	\$ 2,613,701	\$ 2,552,405
Buildings and plant systems	1,974,241	2,007,488	-	-	1,974,241	2,007,488
Infrastructure	455,884	475,983	-	-	455,884	475,983
Equipment	93,049	94,112	141,461	7,077	234,510	101,189
Plant and distribution system	-	-	7,816,881	8,129,000	7,816,881	8,129,000
Vehicles and motorized equipment	394,586	149,274	526,663	403,303	921,249	552,577
Computer equipment	-	-	26,035	37,094	26,035	37,094
Intangible assets	-	-	1,651,789	1,610,904	1,651,789	1,610,904
Construction in progress	100,502	100,502	1,016,725	276,546	1,117,227	377,048
Total	\$ 5,017,060	\$ 4,764,861	\$ 11,794,457	\$ 11,078,827	\$ 16,811,517	\$ 15,843,688

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, 2022, the Town of Angier had total debt outstanding of \$8,370,022. 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 Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ -	\$ -	\$ 424,512	\$ 521,407	\$ 424,512	\$ 521,407
Direct Placement Installment purchases	320,993	166,667	70,037	-	391,030	166,667
Capital leases	287,358	-	-	-	287,358	-
Revolving loan	-	-	1,138,122	1,235,650	1,138,122	1,235,650
Revenue bonds	-	\$ -	6,129,000	2,776,000	6,129,000	2,776,000
Total	\$ 608,351	\$ 166,667	\$ 7,761,671	\$ 4,533,057	\$ 8,370,022	\$ 4,699,724

The Town of Angier's total debt increased by \$3,670,298 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 \$36,575,713. 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 2021-2022 budget and tax rates that support the governmental activities and fees that will be charged for the business-type activities.

In adopting the Annual Budget for fiscal year 2021-2022, the Town realized that there will always be challenges. The Town is the leading catalyst responsible for initiating and delivering on three very broadly defined community, neighborhood and economic quality of life goals:

- Create, guide and sustain Angier as being a livable, safe and prosperous community
- Add competitive value and quality to the services and programs provided to our citizens, businesses and visitors through prudent and accountable financial stewardship, expanding public-private partnerships and importantly, trusting and empowering employees to improve productivity and increase innovation and
- Seek out and create opportunities for the Town to grow while keeping the desire of our citizens to have a high level of quality services with minimum staffing and low taxes/utility rates.

The following pivotal economic indicators reflect the growth and prosperity of the Town:

- Local Option Sales Tax distributions increased by 30.34 % (\$327,612) in comparison to FY 2021.
- The Town's continued high collection rate of property taxes coupled with growth had proven to exceed prior year Ad Valorem collection by 7.71% (\$173,961).
- 3,587 Single-Family lots approved, through which \$4,684,935 additional annual tax revenue will be generated within the following few fiscal years.

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities: The FY 2021-2022 Adopted Budget was amended throughout the fiscal year, leading to a budgetary increase of 41.90% (\$2,124,839). A couple attributable factors for such amendments are Ad Valorem and Local Option Sales Tax revenue received beyond their original budgeted amount; \$137,551 and \$216,946 respectively. Yet, referring to Exhibit 5, there were revenue variances that had not been amended to reflect. The unrestricted intergovernmental revenues has a \$60,410 variance, much of which concerns the Town being a bit too conservative in amending this revenue.

The resulting General Fund net position decreased by \$1,133,464 in part due to reverting Administrative salaries back to the General Fund as well as transfers out for projects. To elaborate, the Municipal Building capital project amounted to approximately \$1,115,254 and has been momentarily tabled. Albeit a significant decrease, the General Fund revenues exceeded FY 2020-2021 by \$685,998 of which contributing factors were Ad Valorem and Local Option Sales Tax (amounts aforementioned). Despite the decrease in net position, the General Fund expenditures for the most part experienced a positive variance. While reviewing Exhibit 5, one may note that Public Safety resulted in a \$203,132 positive variance; reason for which is because there was lapse salary and associated savings within fringe benefits.

Subsequently, the revenues budgeted for FY 2022-2023 are moderately aggressive relative to the FY 2021-2022 Budget (un-amended); resulting in an increase of 28.20% (\$1,430,136). Reason for a bit more aggressive budgeting is due to an expected rise in approved single-family lots as well as the positive correlation to the increase in Local Option Sales Tax distributions.

Business – The FY 2021-2022 Adopted Budget was amended throughout the fiscal year, leading to a budgetary increase of 10.21% (\$420,061). This increase is primarily due to budget amendments that allowed for the purchase of a Boom truck, the relocation of an annex building, and additional operational items due to customer base growth.

Regardless the increase in revenue, that which was budgeted for FY 2022-2023 were significantly lower to the FY 2021-2022 Budget (un-amended); resulting in a decrease of -18.42% (-\$761,594). Reason for such a decrease was due to less Fund Balance Appropriated used. When factoring out Fund Balance Appropriated, there is a nominal positive revenue difference and is due to an in-town sewer flat rate change from \$16.00 to \$16.40, the out-of-town sewer flat rate change from \$32.00 to \$32.80, as well as an expected rise of utility customers; corresponding with the influx of residents.

As discuss within "Governmental Activities" section of Budget Highlights, the Water & Sewer Fund continues to absorb its' share of operational costs. Understanding this, and regardless of the slight increase in revenue, during FY 2021-2022 the Water & Sewer Fund experience an increase of \$104,703 in net position, even when factoring the final \$600,000 litigation payment.

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 at www.angier.org. Questions concerning any of the information found in this report or requests for additional information should be directed to:

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BASIC FINANCIAL STATEMENTS

Town of Angier, North Carolina
Statement of Net Position
June 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Town of Angier ABC Board
ASSETS				
Cash and cash equivalents	\$ 4,753,290	\$ 3,788,227	\$ 8,541,517	\$ 793,906
Restricted cash	1,047,007	2,801,900	3,848,907	-
Taxes receivable, net	10,235	-	10,235	-
Accounts receivable, net	115,525	413,013	528,538	-
Due from other governments	335,885	-	335,885	-
Prepays	-	24,669	24,669	-
Inventories	-	-	-	501,089
Right to use leased assets, net of amortization	285,999	-	285,999	-
Capital assets:				
Land, non-depreciable improvements, and construction in progress	2,099,300	1,631,628	3,730,928	252,000
Other capital assets, net of depreciation	2,917,760	10,162,829	13,080,589	518,749
Total assets	<u>11,565,001</u>	<u>18,822,266</u>	<u>30,387,267</u>	<u>2,065,744</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferrals - LGERS	613,229	193,651	806,880	46,590
Pension deferrals - LEO	88,582	-	88,582	-
OPEB deferrals	142,732	45,073	187,805	-
Total deferred outflows	<u>844,543</u>	<u>238,724</u>	<u>1,083,267</u>	<u>46,590</u>
LIABILITIES				
Accounts payable and accrued liabilities	155,474	91,706	247,180	232,549
Accrued interest	2,956	27,339	30,295	-
Noncurrent liabilities due within one year				
Compensated absences payable	55,000	20,163	75,163	-
Current-portion of long-term liabilities	116,655	288,410	405,065	-
Current-portion of lease liabilities	109,388	-	109,388	-
Noncurrent liabilities due in more than one year:				
Compensated absences payable	130,294	-	130,294	-
Due in more than one year	204,338	7,473,260	7,677,598	-
Lease liability	177,970	-	177,970	-
Net pension liability - LGERS	370,174	116,897	487,071	24,691
Total pension liability - LEOSSA	300,847	-	300,847	-
Net OPEB liability	529,381	167,173	696,554	-
Liabilities to be paid from restricted assets				
Customer Deposits	-	108,342	108,342	-
American Rescue Plan Funds	862,873	-	862,873	-
Total liabilities	<u>3,015,350</u>	<u>8,293,290</u>	<u>11,308,640</u>	<u>257,240</u>
DEFERRED INFLOWS OF RESOURCES				
Pension deferrals - LGERS	536,033	169,273	705,306	35,513
Pension deferrals - LEO	73,987	-	73,987	-
OPEB deferrals	74,588	23,554	98,142	-
Total deferred inflows	<u>684,608</u>	<u>192,827</u>	<u>877,435</u>	<u>35,513</u>
NET POSITION				
Net investment in capital assets	4,694,708	4,032,787	8,727,495	770,749
Restricted:				
Stabilization by State Statute	451,410	-	451,410	-
Streets	96,819	-	96,819	-
Public Safety	8,790	-	8,790	-
Working Capital	-	-	-	122,590
Unrestricted	3,457,859	6,542,086	9,999,945	926,242
Total net position	<u>\$ 8,709,586</u>	<u>\$ 10,574,873</u>	<u>\$ 19,284,459</u>	<u>\$ 1,819,581</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, 2022

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
Primary government:								
Governmental activities:								
General government	\$ 2,727,297	\$ 688,379	\$ -	\$ -	\$ (2,038,918)	\$ -	\$ (2,038,918)	\$ -
Public safety	1,647,034	27,446	144,577	-	(1,475,011)	-	(1,475,011)	-
Transportation	1,227,757	-	320,970	-	(906,787)	-	(906,787)	-
Economic and physical development	528,595	233,875	-	-	(294,720)	-	(294,720)	-
Cultural and recreational	831,980	97,288	-	-	(734,692)	-	(734,692)	-
Library	248,117	51,807	-	-	(196,310)	-	(196,310)	-
Interest on long-term debt	5,388	-	-	-	(5,388)	-	(5,388)	-
Total governmental activities	<u>7,216,168</u>	<u>1,098,795</u>	<u>465,547</u>	<u>-</u>	<u>(5,651,826)</u>	<u>-</u>	<u>(5,651,826)</u>	<u>-</u>
Business-type activities:								
Water Fund	<u>3,323,763</u>	<u>3,627,474</u>	<u>-</u>	<u>84,014</u>	<u>-</u>	<u>387,725</u>	<u>387,725</u>	<u>-</u>
Total business-type activities	<u>3,323,763</u>	<u>3,627,474</u>	<u>-</u>	<u>84,014</u>	<u>-</u>	<u>387,725</u>	<u>387,725</u>	<u>-</u>
	<u>\$ 10,539,931</u>	<u>\$ 4,726,269</u>	<u>\$ 465,547</u>	<u>\$ 84,014</u>	<u>(5,651,826)</u>	<u>387,725</u>	<u>(5,264,101)</u>	<u>-</u>
Component units:								
ABC Board	<u>\$ 3,950,456</u>	<u>\$ 4,139,123</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>188,667</u>
Total component units	<u>\$ 3,950,456</u>	<u>\$ 4,139,123</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>188,667</u>
General revenues:								
Taxes:								
Property taxes, levied for general purpose					2,430,802	-	2,430,802	-
Local option sales tax					1,407,340	-	1,407,340	-
Other taxes and licenses					465,333	-	465,333	-
Grants and contributions not restricted to specific programs					-	-	-	-
Investment earnings, unrestricted					7,501	4,886	12,387	675
Miscellaneous, unrestricted					207,296	312,092	519,388	-
Extraordinary item - Litigation settlement					-	(600,000)	(600,000)	-
Total general revenues, special items, and transfers					<u>4,518,272</u>	<u>(283,022)</u>	<u>4,235,250</u>	<u>675</u>
Change in net position					<u>(1,133,554)</u>	<u>104,703</u>	<u>(1,028,851)</u>	<u>189,342</u>
Net position, beginning					<u>9,843,140</u>	<u>10,470,170</u>	<u>20,313,310</u>	<u>1,630,239</u>
Total net position, ending					<u>\$ 8,709,586</u>	<u>\$ 10,574,873</u>	<u>\$ 19,284,459</u>	<u>\$ 1,819,581</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, 2022

	Major			NonMajor	Total Governmental Funds
	General Fund	American Rescue Plan Fund	Municipal Building Capital Project Fund	Other Governmental Funds	
ASSETS					
Cash and cash equivalents	\$ 4,595,255	\$ -	\$ 61,747	\$ 96,288	\$ 4,753,290
Restricted cash	96,819	950,188	-	-	1,047,007
Taxes receivable, net	10,235	-	-	-	10,235
Accounts receivable, net	114,529	996	-	-	115,525
Due from other governments	335,885	-	-	-	335,885
Total assets	<u>5,152,723</u>	<u>951,184</u>	<u>61,747</u>	<u>96,288</u>	<u>6,261,942</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	96,835	-	59,998	-	156,833
Unearned revenues	-	862,873	-	-	862,873
Total liabilities	<u>96,835</u>	<u>862,873</u>	<u>59,998</u>	<u>-</u>	<u>1,019,706</u>
DEFERRED INFLOWS OF RESOURCES					
Property taxes receivable	10,235	-	-	-	10,235
Total deferred inflows of resources	<u>10,235</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,235</u>
Fund balances:					
Restricted					
General government	-	87,315	-	-	87,315
Public safety	8,790	-	-	-	8,790
Stabilized by state statute	450,414	996	-	-	451,410
Streets	96,819	-	-	-	96,819
Committed					
General government	-	-	1,749	-	1,749
Streets	-	-	-	96,288	96,288
Unassigned	4,489,630	-	-	-	4,489,630
Total fund balances	<u>5,045,653</u>	<u>88,311</u>	<u>1,749</u>	<u>96,288</u>	<u>5,232,001</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,152,723</u>	<u>\$ 951,184</u>	<u>\$ 61,747</u>	<u>\$ 96,288</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.	5,017,060
Deferred outflows of resources related to pensions and OPEB are not reported in the funds.	
Pension deferrals - LGERS	613,229
Pension deferrals - LEO	88,582
OPEB deferrals	142,732
Liabilities for earned revenues considered deferred inflows of resources in fund statements.	10,235
Deferred inflows of resources related to pensions and OPEB are not reported in the funds.	
Pension deferrals - LGERS	(536,033)
Pension deferrals - LEO	(73,987)
OPEB deferrals	(74,588)
Long-term debt included as net position below (includes the addition of long-term debt and principal payments during the year.)	(320,993)
Other long-term liabilities (accrued interest) are not due and payable in the current period and therefore are not reported in the funds.	(2,956)
Net OPEB liability.	(529,381)
Net pension liability - LEOSSA.	(300,847)
Net pension liability - LGERS.	(370,174)
Compensated absences	(185,294)
Net position of governmental activities	<u>\$ 8,709,586</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 Balance
Governmental Funds
For the Year Ended June 30, 2022

	Major Funds			Total Non-Major Funds	Total Governmental Funds
	General Fund	American Rescue Plan Fund	Municipal Building Capital Project Fund		
REVENUES					
Ad valorem taxes	\$ 2,429,590	\$ -	\$ -	\$ -	\$ 2,429,590
Other taxes and licenses	38,026	-	-	-	38,026
Unrestricted intergovernmental	1,940,497	-	-	-	1,940,497
Restricted intergovernmental	311,347	-	-	158,278	469,625
Permits and fees	783,839	-	-	-	783,839
Sales and services	84,894	-	-	-	84,894
Investment earnings	7,501	-	-	-	7,501
Miscellaneous	327,430	-	-	-	327,430
Total revenues	<u>5,923,124</u>	<u>-</u>	<u>-</u>	<u>158,278</u>	<u>6,081,402</u>
EXPENDITURES					
Current:					
General government	1,459,335	16,169	1,115,254	-	2,590,758
Public safety	1,651,778	-	-	-	1,651,778
Transportation	1,553,981	-	-	190	1,554,171
Economic and physical development	536,692	-	-	-	536,692
Culture and recreation	548,232	-	-	333,409	881,641
Library	231,939	-	-	-	231,939
Debt service:					
Principal	202,912	-	-	-	202,912
Interest	9,703	-	-	-	9,703
Total expenditures	<u>6,194,572</u>	<u>16,169</u>	<u>1,115,254</u>	<u>333,599</u>	<u>7,659,594</u>
Excess (deficiency) of revenues over expenditures	<u>(271,448)</u>	<u>(16,169)</u>	<u>(1,115,254)</u>	<u>(175,321)</u>	<u>(1,578,192)</u>
OTHER FINANCING SOURCES					
Loan proceeds	644,596	-	-	-	644,596
Transfer (to)/from other funds	<u>(1,125,203)</u>	<u>-</u>	<u>1,117,003</u>	<u>8,200</u>	<u>-</u>
Total other financing sources and uses	<u>(480,607)</u>	<u>-</u>	<u>1,117,003</u>	<u>8,200</u>	<u>644,596</u>
Net change in fund balance	(752,055)	(16,169)	1,749	(167,121)	(933,596)
Fund balances - beginning	5,797,708	104,480	-	263,409	6,165,597
Fund balances - ending	<u>\$ 5,045,653</u>	<u>\$ 88,311</u>	<u>\$ 1,749</u>	<u>\$ 96,288</u>	<u>\$ 5,232,001</u>

Town of Angier, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2022

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

Net changes in fund balance - total government funds \$ (933,596)

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.

Capital outlay expenditures which were capitalized	\$ 528,920	
Depreciation expense for governmental assets	<u>(276,721)</u>	252,199

Right to used leased assets capital outlay expenditures	395,868	
Amortization expense for intangible assets	<u>(109,869)</u>	285,999

Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position		5,010
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Benefit payments paid and administrative expense for the LEOSSA are deferred outflows of resources on the Statement of Net Position		11,255
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Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		198,287
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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		1,212
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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.

Principal payments on long-term debt	202,912	
Loan proceeds	(644,596)	
(Increase)Decrease in accrued interest payable	<u>4,315</u>	(437,369)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.

Compensated absences	(61,564)	
Pension expense	(240,225)	
Other postemployment benefits	<u>(214,762)</u>	(516,551)

Total changes in net position of governmental activities		<u><u>\$ (1,133,554)</u></u>
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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, 2022

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 2,285,446	\$ 2,422,997	\$ 2,429,590	\$ 6,593
Other taxes and licenses	39,000	39,000	38,026	(974)
Unrestricted intergovernmental revenues	1,547,242	1,880,087	1,940,497	60,410
Restricted intergovernmental revenues	142,143	306,017	311,347	5,330
Permits and fees	696,048	773,988	783,839	9,851
Sales and services	59,600	85,269	84,894	(375)
Investment earnings	8,212	8,212	7,501	(711)
Miscellaneous	133,400	321,403	327,430	6,027
Total revenues	<u>4,911,091</u>	<u>5,836,973</u>	<u>5,923,124</u>	<u>86,151</u>
Expenditures				
Current:				
General government	1,163,217	1,192,017	1,459,335	(267,318)
Public safety	1,562,045	1,854,910	1,651,778	203,132
Transportation	1,290,184	1,619,435	1,553,981	65,454
Economic and physical development	507,871	600,082	536,692	63,390
Cultural and recreational	451,518	588,034	548,232	39,802
Library	236,057	256,232	231,939	24,293
Debt service:				
Principal retirement	83,334	209,984	202,912	7,072
Interest	6,450	9,800	9,703	97
Total expenditures	<u>5,300,676</u>	<u>6,330,494</u>	<u>6,194,572</u>	<u>135,922</u>
Revenues over (under) expenditures	(389,585)	(493,521)	(271,448)	222,073
Other financing sources (uses)				
Fund Balance Appropriated	544,585	540,685	-	540,685
Loan proceeds	-	81,106	644,596	(563,490)
Transfers (to)/from other funds	(155,000)	(128,270)	(1,125,203)	996,933
Total other financing sources and uses	<u>389,585</u>	<u>493,521</u>	<u>(480,607)</u>	<u>974,128</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(752,055)	<u>\$ (752,055)</u>
Fund Balances - beginning			5,797,708	
Fund Balances - ending			<u>\$ 5,045,653</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, 2022

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Restricted intergovernmental revenues	1,830,227	1,830,227	-	(1,830,227)
Total revenues	<u>1,830,227</u>	<u>1,830,227</u>	<u>-</u>	<u>(1,830,227)</u>
Expenditures				
Current:				
General government	1,830,227	1,830,227	16,169	1,814,058
Total expenditures	<u>1,830,227</u>	<u>1,830,227</u>	<u>16,169</u>	<u>1,814,058</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(16,169)	<u>\$ (16,169)</u>
Fund Balances - beginning			104,480	
Fund Balances - ending			<u>\$ 88,311</u>	

Town of Angier, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2022

Exhibit 7

	Water and Sewer Fund
Assets	
Current Assets:	
Cash and cash equivalents	\$ 3,788,227
Restricted cash and cash equivalents	2,801,900
Accounts receivable (net) - billed	265,551
Accounts receivable (net) - unbilled	147,462
Prepays	24,669
Total Current Assets	7,027,809
Capital assets:	
Land and other non-depreciable assets	1,631,628
Other capital assets, net of depreciation	10,162,829
Capital assets (net)	11,794,457
Total Assets	18,822,266
Deferred Outflows of Resources	
Pension deferrals - LGERS	193,651
OPEB deferrals	45,073
Total deferred outflows	238,724
Liabilities	
Current Liabilities:	
Accounts payable & accrued liabilities	91,706
Accrued Interest	27,339
Customer deposits	108,342
Compensated absences - current	20,163
General obligation bonds payable - current	100,926
Installment purchases - current	111,484
Revenue bond payable - current	76,000
Total Current Liabilities	535,960
Noncurrent liabilities:	
General obligation bonds payable - noncurrent	323,586
Installment purchases - noncurrent	1,096,674
Revenue bond payable - noncurrent	6,053,000
Net pension liability - LGERS	116,897
Other postemployment benefits	167,173
Total noncurrent liabilities	7,757,330
Total Liabilities	8,293,290
Deferred Inflows of Resources:	
Pension deferrals - LGERS	169,273
OPEB deferrals	23,554
Total deferred inflows	192,827
Net Position	
Net investment in capital assets	4,032,787
Unrestricted	6,542,086
Total Net Position	\$ 10,574,873

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, 2022

Exhibit 8

	Water and Sewer Fund
Operating revenues:	
Charges for services	\$ 3,474,034
Water and sewer taps	153,440
Other operating revenues	312,092
Total Operating Revenues	3,939,566
Operating expenses:	
Water operations	1,484,072
Sewer operations	690,924
Water treatment and distribution	537,165
Depreciation	524,401
Total operating expenses	3,236,562
Total Operating Income (Loss)	703,004
Nonoperating Revenues(Expenses):	
Investment earnings	4,886
Interest and other charges	(87,201)
Total Nonoperating Revenues (Expenses)	(82,315)
Income (loss) before Contributions, transfers and extraordinary items	620,689
Capital contributions	84,014
Transfers from (to) other funds	-
Extraordinary item - Litgation settlement	(600,000)
Changes in net position	104,703
Net position, beginning	10,470,170
Netet position, ending	\$ 10,574,873

Town of Angier, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

Exhibit 9

	Water Fund
Cash Flows From Operating Activities:	
Cash Received from Customers/others	\$ 4,140,449
Cash paid to suppliers for goods and services	(2,227,895)
Cash paid to employees for services	(736,522)
Cash paid for litigation settlement	(600,000)
Net cash provided by (used for) operating activities	576,032
Cash Flows from (use by) capital and related financing activities:	
Capital contributions	
Federal and State grants	84,014
Principal repayments on long-term debt	(294,491)
Debt proceeds	3,523,106
Acquisition of capital assets	(1,240,031)
Interest expense	(87,201)
Net cash flows provided (used) by capital financing activities	1,985,397
Cash Flows from (used for) investing activities:	
Interest income	4,886
Net cash flows provided (used) by noncapital financing activities	4,886
Net increase (decrease) in cash and cash equivalents	2,566,315
Cash and cash equivalents, beginning of year	4,023,812
Cash and cash equivalents, end of year	\$ 6,590,127
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ 703,004
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	524,401
Litigation settlement	(600,000)
Changes in Assets and Liabilities:	
(Increase) decrease in accounts receivable	200,883
(Increase) decrease in prepaids	(17,795)
Increase (decrease) in accounts payable and accrued liabilities	(192,651)
Increase (decrease) in net pension liability	(132,586)
Increase (decrease) in OPEB liability	15,347
(Increase) decrease in deferred outflows of resources for pensions	(37,376)
Increase (decrease) in deferred inflows of resources for pensions	165,634
(Increase) decrease in deferred outflows of resources for OPEB	(35,337)
Increase (decrease) in deferred inflows of resources for OPEB	(3,601)
Increase (decrease) in accrued vacation pay	(13,891)
Net cash provided (used) by operating activities	\$ 576,032

NOTES TO THE FINANCIAL STATEMENTS

Town of Angier, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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); \$862,873.33 and \$862,873.33 within FY 2022 and FY 2023 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 2022 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, 2022, 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, 2021. 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 inventories of the ABC Board consist of materials and supplies held for subsequent use. The cost of these inventories are expensed when consumed rather than 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 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 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 2022 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 2022 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	\$ 96,819
American Rescue Plan Funds	950,188

Total governmental activities	<u>\$ 1,047,007</u>
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Business-Type Activities:

Water and Sewer Fund	Customer deposits	\$ 108,342
	Wastewater Treatment Expansion	2,693,558

Total Business-Type Activities	<u>\$ 2,801,900</u>
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Total Restricted Cash	<u><u>\$ 3,848,907</u></u>
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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, 2022, the Town's deposits had a carrying amount of \$7,898,693 and a bank balance of \$8,024,785. \$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 \$793,106 and a bank balance of \$971,427. All of the bank balance was covered by federal depository insurance. At June 30, 2022, the Town's petty cash fund totaled \$260. The ABC's petty cash fund totaled \$800.

2. Investments

At June 30, 2022, the Town of Angier had \$4,491,471 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, 2022 were as follows:

	<u>Accounts</u>	<u>Taxes and Related Accrued Interest</u>	<u>Due From Other Governments</u>	<u>Total</u>
Governmental Activities:				
General Fund	\$ 114,529	\$ 18,370	\$ 335,885	\$ 468,784
American Rescue Plan Fund	996	-	-	996
Total receivables	115,525	18,370	335,885	469,780
Allowance for doubtful accounts	-	(8,135)	-	(8,135)
Total Governmental Activities	<u>\$ 115,525</u>	<u>\$ 10,235</u>	<u>\$ 335,885</u>	<u>\$ 461,645</u>
Business-Type Activities:				
Water and Sewer Fund	\$ 415,862	-	-	\$ 415,862
Total receivables	415,862	-	-	415,862
Allowance for doubtful accounts	(2,849)	-	-	(2,849)
Total Business-Type Activities	<u>\$ 413,013</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 413,013</u>

4. Capital Assets**Primary Government**

Capital asset activity for the Primary Government for the year ended June 30, 2022, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,937,502	\$ 61,296	\$ -	\$ 1,998,798
Construction in progress	100,502	-	-	100,502
Total capital assets not being depreciated	<u>2,038,004</u>	<u>61,296</u>	<u>-</u>	<u>2,099,300</u>
Capital assets being depreciated:				
Buildings	3,985,121	104,336	-	4,089,457
Infrastructure	822,438	-	-	822,438
Equipment	772,146	31,278	-	803,424
Vehicles	895,164	332,010	-	1,227,174
Total capital assets being depreciated	<u>6,474,869</u>	<u>467,624</u>	<u>-</u>	<u>6,942,493</u>
Less accumulated depreciation for:				
Buildings	1,977,633	137,583	-	2,115,216
Infrastructure	346,455	20,099	-	366,554
Equipment	678,034	32,341	-	710,375
Vehicles	745,890	86,698	-	832,588
Total accumulated depreciation	<u>3,748,012</u>	<u>\$ 276,721</u>	<u>\$ -</u>	<u>4,024,733</u>
Total capital assets being depreciated, net	<u>2,726,857</u>			<u>2,917,760</u>
Governmental activity capital assets, net	<u>\$ 4,764,861</u>			<u>\$ 5,017,060</u>

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

General Government	\$ 69,180
Public Safety	124,524
Transportation	41,508
Economic & Physical Development	27,672
Cultural and recreational	13,837
Total Depreciation Expense	<u>\$ 276,721</u>

Business-Type Activities:

	Beginning Balances	Increases	Decreases	Ending Balances
Water and Sewer Fund				
Capital assets not being depreciated:				
Land	\$ 614,903	\$ -	\$ -	\$ 614,903
Construction in progress	276,546	740,179	-	1,016,725
Total capital assets not being depreciated	891,449	740,179	-	1,631,628
Capital assets being depreciated:				
Plant and Distribution Systems	15,213,748	33,135	-	15,246,883
Intangible assets	2,084,612	93,000	-	2,177,612
Equipment and furniture	19,723	144,313	-	164,036
Vehicles and motorized equipment	1,186,434	229,404	-	1,415,838
Computer equipment	116,888	-	-	116,888
Total capital assets being depreciated	18,621,405	499,852	-	19,121,257
Less accumulated depreciation for:				
Plant and Distribution Systems	7,084,748	345,254	-	7,430,002
Intangible assets	473,708	52,115	-	525,823
Equipment and furniture	12,646	9,929	-	22,575
Vehicles and motorized equipment	783,131	106,044	-	889,175
Computer Equipment	79,794	11,059	-	90,853
Total accumulated depreciation	8,434,027	\$ 524,401	\$ -	8,958,428
Total capital assets being depreciated, net	10,187,378			10,162,829
Water Fund capital assets, net	\$ 11,078,827			\$ 11,794,457

Discretely Presented Component Unit:

Activity for the ABC Board for the year ended June 30, 2022, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 252,000	\$ -	\$ -	\$ 252,000
Total capital assets not being depreciated	252,000	-	-	252,000
Capital assets being depreciated:				
Buildings	768,993	-	-	768,993
Furniture and equipment	147,854	-	-	147,854
Total capital assets being depreciated	916,847	-	-	916,847
Less accumulated depreciation for:				
Buildings	238,524	19,919	-	258,443
Furniture and equipment	137,824	1,831	-	139,655
Total accumulated depreciation	376,348	\$ 21,750	\$ -	398,098
Total capital assets being depreciated, net	540,499			518,749
Water Fund capital assets, net	\$ 792,499			\$ 770,749

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, 2022, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Leased vehicles	\$ -	\$ 366,860	\$ -	\$ 366,860
Leased equipment	-	29,008	-	29,008
Total right of use assets	-	395,868	-	395,868
Less accumulated amortization for				
Leased vehicles	-	100,200	-	100,200
Leased equipment	-	9,669	-	9,669
Total accumulated amortization	-	109,869	-	109,869
Right to use assets, net	\$ -	\$ 285,999	\$ -	\$ 285,999

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.

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, 2022, was 11.35% of compensation for law enforcement officers and 12.04% 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 \$260,904 for the year ended June 30, 2022.

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, 2022, the Town reported a liability of \$487,071 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 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, 2021 (measurement date), the Town's proportion was .03176%, which was an increase of .00267% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Town recognized pension expense of \$242,872. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of		
	Resources		Deferred Inflows of Resources
Differences between expected and actual experience	\$	154,954	\$ -
Changes of assumptions		306,004	-
Net difference between projected and actual earnings on pension plan investments		-	695,877
Changes in proportion and differences between Town's contributions and proportionate share of contributions		85,018	9,429
Town's contributions subsequent to the measurement date		260,904	-
Total	\$	806,880	\$ 705,306

\$260,904 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, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	
June 30	
2023	\$ 77,295
2024	18,342
2025	(42,024)
2026	(212,943)
2027	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary Increases	3.50 to 8.10 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, 2020, valuation were based on the results of an actuarial experience study for the period January 1, 2010, through December 31, 2014.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

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

Sensitivity of the 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:

	<u>1 % Decrease</u> <u>(5.50%)</u>	<u>Discount Rate</u> <u>(6.50%)</u>	<u>1% Increase</u> <u>(7.50%)</u>
Town's proportionate share of the net pension liability (asset)	\$1,890,766	\$487,071	(\$668,090)

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, 2020, the Separation Allowance’s membership consisted of:

Retirees receiving benefits	1
Active plan members	<u>15</u>
Total	<u><u>16</u></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, 2020 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	2.25 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, 2020.

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, 2022, the Town reported a total pension liability of \$300,847. The total pension liability was measured as of June 30, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2022, the Town recognized pension expense of \$38,024.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 22,833	\$ 62,596
Changes of assumptions and other inputs	65,749	11,391
Benefit payments and administrative expenses subsequent to the measurement date.	-	-
Total	<u>\$ 88,582</u>	<u>\$ 73,987</u>

\$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:

Year Ended	
2023	4,478
2024	4,662
2025	3,883
2026	1,327
2027	(64)
Thereafter	309
	<u>\$ 14,595</u>

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 2.25 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 (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease (1.25 %)	Discount Rate (2.25%)	1% Increase (3.25%)
Town's proportionate share of the net pension liability (asset)	\$326,235	\$300,847	\$277,355

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

	2022
Beginning balance	\$ 276,507
Service Cost	28,318
Interest on the total pension liability	5,228
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	9,966
Changes of assumptions or other inputs	(7,917)
Benefit payments	(11,255)
Other changes	-
Ending balance of the total pension	<u>\$ 300,847</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, 2020 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:

	LGERS	LEOSSA	Total
Pension Expense	\$ 242,872	\$ 38,024	\$ 280,896
Pension Liability	487,071	300,847	787,918
Proportionate share of the net pension liability	0.031760%	N/A	
Deferred of Outflows of Resources			
Differences between expected and actual experience	154,954	22,833	177,787
Changes of assumptions	306,004	65,749	371,753
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	85,018	-	85,018
Benefit payments and administrative costs paid subsequent to	260,904	-	260,904
	<hr/>	<hr/>	<hr/>
Totals	806,880	88,582	895,462
Deferred of Inflows of Resources			
Differences between expected and actual experience	-	62,596	62,596
Changes of assumptions	-	11,391	11,391
Net difference between projected and actual earnings on plan investments	695,877	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	9,429	-	9,429
	<hr/>	<hr/>	<hr/>
Totals	705,306	73,987	83,416

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, 2022 were \$155,635, which consisted of \$103,932 from the Town and \$51,793 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>
Retirees and dependents receiving benefits	1
Terminated plan 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, 2021, the Town was not required to make contributions in the fiscal year.

Total OPEB Liability

The Town's total OPEB liability of \$696,554 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, 2021 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	2.16 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

	Total OPEB Liability
Balance at July 1, 2021	
Change for the year	\$ 258,322
Service cost	27,699
Interest	6,249
Changes of benefit terms	241,341
Differences between expected and actual experience	72,668
Changes in assumptions or other inputs	96,866
Benefit payments	<u>(6,592)</u>
Net changes	<u>438,232</u>
Balance at June 30, 2022	<u><u>\$ 696,554</u></u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.21% to 2.16%.

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 (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current discount rate (2.16 percent):

	1% Decrease (1.16 %)	Discount Rate (2.16 %)	1% Increase (3.16 %)
Total OPEB liability	\$ 785,324	\$ 696,554	\$ 618,027

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:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 589,744	\$ 696,554	\$ 827,727

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$282,582. 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, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 70,333	\$ 85,709
Changes of assumptions	117,472	12,433
Benefit payments and administrative costs made subsequent to the measurement date	-	-
Total	<u>\$ 187,805</u>	<u>\$ 98,142</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, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2023	\$ 7,293
2024	7,293
2025	7,293
2026	7,580
2027	9,453
Thereafter	50,751
	<u>\$ 89,663</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	\$ 248,120
Change of assumptions	489,225
Net difference between projected and actual earnings on pension plan investments	-
Change in proportion and differences between Town contributions and proportionate share of contributions	85,018
Town contributions subsequent to the measurement date	260,904
Total	<u>\$ 1,083,267</u>

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

	Statement of Net Position	General Fund Balance Sheet
Taxes receivable (General Fund) less penalties	\$ -	\$ 10,235
Differences between expected and actual experience	148,305	
Net difference between projected and actual earnings on pension plan investments	695,877	
Changes in assumptions	23,824	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	9,429	-
Total	<u>\$ 877,435</u>	<u>\$ 10,235</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, 2022, 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, 2022.

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 Vehicles estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$184,453 with accumulated amortization of \$101,070 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$66,025.

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 Vehicles estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$79,857 with accumulated amortization of \$43,493 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$27,317.

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 Vehicles estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$66,618 with accumulated amortization of \$36,255 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$11,362.

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 Vehicles estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$35,932 with accumulated amortization of \$19,584 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$12,258.

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 Computer Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$29,008 with accumulated amortization of \$19,339 is included with Computer Equipment on the Lease Class activities table found below. Angier, NC has the option to purchase the Computer Equipment for \$48.

Years Ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 109,388	\$ 2,375	\$ 111,763
2024	110,483	1,280	111,763
2025	67,487	256	67,743
	<u>\$ 287,358</u>	<u>\$ 3,911</u>	<u>\$ 291,269</u>

b. Installment Purchase

The Town is indebted under installment purchase agreements as follows:

Serviced by the General Fund:

The Town entered into a \$1,250,000 installment financing contract with First Citizens Bank & Trust Company on June 25, 2007 for the renovation and expansion of the Jack Marley Town Park and improvements to the intersection of Highway 210 and 55. The underlying promissory note provides for 15 annual payments of \$83,333.33, plus accrued interest at 3.87% commencing July 25, 2008. The note is secured by the real and personal property of the Park under a deed of trust. Balance at June 30, 2022 is \$83,334. \$ 83,334

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, 2022 is \$167,622. 167,622

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, 2022 is \$70,037. 70,037

	Total General Fund	\$ 320,993
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Serviced by the Utility 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, 2022 is \$70,037. \$ 70,037

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, 2022 is \$1,138,122. \$ 1,138,122

	Total Utility Fund	\$ 1,208,159
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Annual debt service payments of the installment purchases as of June 30, 2022, including interest of \$3,225 for governmental activities and \$171,712 for business-type activities of are as follows:

Years Ending June 30:	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 116,655	\$ 5,569	\$ 111,484	\$ 31,902
2024	34,083	4,807	114,448	27,937
2025	34,859	4,031	117,498	25,887
2026	35,670	3,220	120,629	22,757
2027	36,491	2,399	123,844	19,541
2028-2032	63,236	2,256	620,257	51,879
Total Principal & Interest	\$ 320,993	\$ 22,282	\$ 1,208,159	\$ 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, 2022 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.	\$ 424,512
Total General Obligation Bonds	<u>\$ 424,512</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>
2023	\$ 100,926	\$ 15,155
2024	104,919	11,552
2025	107,870	7,806
2026	110,797	3,955
Total Principal & Interest	<u>\$ 424,512</u>	<u>\$ 38,468</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 \$237,023 per year will commence in fiscal year 2024. Balance at June 30, 2022 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%. Annual variable payments commence fiscal year 2022. Balance at June 30, 2022 is \$2,780,000. \$ 2,780,000

Total Revenue Bonds \$ 6,129,000

The future payments of the revenue bond for the years ending June 30, 2022 are as follows:

Years Ending June 30:	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 76,000	\$ 125,936
2024	225,000	124,461
2025	230,000	119,750
2026	236,000	114,933
2027	360,000	109,911
2028-2032	1,913,000	436,592
2033-2037	2,407,000	436,592
2038-2042	682,000	29,520
Total	<u>\$ 6,129,000</u>	<u>\$ 1,497,694</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, 2022 is as follows:

Operating revenues	\$ 3,939,566
Operating expenses *	<u>(2,712,161)</u>
Operating income	1,227,405
Non-operating revenues (expenses) **	<u>21,798</u>
Income available for debt service	<u>1,249,203</u>
Debt service, principal and interest paid (Revenue Bond only)	109,099
Debt service coverage ratio	1145.02%

* Per rate covenants, this does not include the depreciation expense of \$524,401.

** Per rate covenants, this does not include revenue bond interest paid of \$20,099.

The Town has pledged future water and sewer customer revenues, net of specified operating expenses, to repay \$2,780,000 million in Sewer System Revenue Bonds issued in 2021 and the \$3,349,000 in Sewer System Revenue Bonds issued in 2021. 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 \$7,626,694.

f. Changes in Long-Term Liabilities

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Governmental activities:					
Direct placement installment purchases	\$ 166,667	\$ 248,728	\$ 94,402	\$ 320,993	\$ 116,655
Lease liability	-	395,868	108,510	287,358	109,388
Total OPEB Liability	196,325	333,056	-	529,381	-
Net pension liability (LGERS)	790,028	-	419,854	370,174	-
Total pension liability (LEO)	276,507	24,340	-	300,847	-
Compensated absences	123,730	115,094	53,530	185,294	55,000
Total	<u>\$ 1,553,257</u>	<u>\$ 1,117,086</u>	<u>\$ 676,296</u>	<u>\$ 1,994,047</u>	<u>\$ 281,043</u>
Business-type activities:					
Direct placement installment purch	\$ -	\$ 81,106	\$ 11,069	\$ 70,037	\$ 11,237
General obligation bonds	521,407	-	96,895	424,512	100,926
Revolving loan	1,235,650	-	97,528	1,138,122	111,484
Revenue Bonds	2,776,000	3,442,000	89,000	6,129,000	76,000
Net pension liability (LGERS)	249,482	81	132,586	116,977	-
Total OPEB Liability	61,997	105,175	-	167,172	-
Compensated absences	34,054	12,429	26,320	20,163	20,163
Total	<u>\$ 4,878,590</u>	<u>\$ 3,640,791</u>	<u>\$ 453,398</u>	<u>\$ 8,065,983</u>	<u>\$ 319,810</u>

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

At June 30, 2022, the Town of Angier had a legal debt margin of \$36,575,713.

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, 2022, consist of the following:

From the General Fund to the Municipal Building Capital Project Fund to cover expenditures.	\$ 1,117,003
From General Fund to Hwy 210/Park Street Sidwalk Extension Project Extension Fund to cover expenditures.	<u>8,200</u>
Total	<u><u>\$ 1,125,203</u></u>

D. Net Investment in Capital Assets

	<u>Governmental</u>	<u>Business-type</u>
Capital Assets	\$ 5,017,060	\$ 11,794,457
Right to use assets	285,999	-
Less: long-term debt	<u>(608,351)</u>	<u>(7,761,670)</u>
Net investment in capital assets	<u><u>\$ 4,694,708</u></u>	<u><u>\$ 4,032,787</u></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:

Total fund balance - General Fund	\$ 5,045,653
Less:	
Stabilization by State Statute	450,414
Streets - Powell Bill	96,819
Public Safety	8,790
Remaining Fund Balance	\$ 4,489,630

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

This section contains additional information required by
generally accounting principals.

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 Nine Fiscal Years*

Local Government Employees' Retirement System

	<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) (%)	0.03176%	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) (\$)	\$ 487,071	\$ 1,039,510	\$ 619,373	\$ 587,629	\$ 371,695	\$ 504,479	\$ 103,446	\$ (129,154)	\$ 266,390
Town's covered-employee payroll	\$ 2,083,790	\$ 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	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**	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 Nine Fiscal Years**

Local Government Employees' Retirement System

	<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	\$ 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	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>
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
Contributions as a percentage of covered-employee payroll	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, 2022

	2022	2021	2020	2019	2018	2017
Beginning balance	276,507	265,989	230,338	193,256	168,706	155,163
Service Cost	28,318	16,437	15,305	16,354	13,667	12,247
Interest on the total pension liability	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	9,966	(85,087)	8,185	24,012	(8,527)	-
Changes of assumptions or other inputs	(7,917)	82,375	7,303	(9,391)	12,898	(4,243)
Benefit payments	(11,255)	(11,688)	(3,463)	-	-	-
Ending balance of the total pension liability	<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, 2022

	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 300,847	\$ 276,507	\$ 265,989	\$ 230,338	\$ 193,256	\$ 168,706
Covered payroll	901,978	752,707	669,677	631,253	585,947	549,801
Total pension liability as a percentage of covered payroll	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, 2022*

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 27,699	\$ 20,413	\$ 19,736	\$ 20,404	\$ 22,054
Interest	6,249	7,403	10,868	9,373	7,649
Changes of benefit terms	241,341	-	-	-	-
Differences between expected and actual experience	72,668	6,618	(118,142)	(3,270)	(1,116)
Changes of assumptions	96,866	36,102	2,527	(9,962)	(16,030)
Benefit payments	(6,592)	(6,591)	-	(876)	(5,900)
Net change in total OPEB liability	438,232	63,945	(85,011)	15,669	6,657
Total OPEB liability - beginning	258,322	194,377	279,388	263,719	257,062
Total OPEB liability - ending	\$ 696,554	\$ 258,322	\$ 194,377	\$ 279,388	\$ 263,719
Town's covered-employee payroll	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	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>
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

GENERAL FUND

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.

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, 2022

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad Valorem Taxes:			
Taxes		\$ 2,420,430	
Penalties and Interest		9,160	
Total	<u>2,422,997</u>	<u>2,429,590</u>	<u>\$ 6,593</u>
Other Taxes and Licenses:			
Vehicle licenses		38,026	
Total	<u>39,000</u>	<u>38,026</u>	<u>(974)</u>
Unrestricted Intergovernmental revenues:			
Local option sales taxes		1,407,340	
Motor fuel tax refund		131,541	
Utility franchise tax		270,701	
Beer and wine tax		20,987	
Harnett county recreation funds		-	
ABC profit distribution		109,928	
Total	<u>1,880,087</u>	<u>1,940,497</u>	<u>60,410</u>
Restricted Intergovernmental:			
Powell Bill allocation		162,692	
County SRO grant		70,327	
Charter school SRO grant		74,250	
Cares Act grant		-	
Solid waste disposal tax		4,078	
Harnett County grassroots		-	
Total	<u>306,017</u>	<u>311,347</u>	<u>5,330</u>
Permits and Fees:			
Police/magistrate fees		27,446	
Garbage fees		233,875	
Recycling fees		-	
Building permits		520,393	
Planning fees and permits		2,125	
Development fees		-	
Total	<u>773,988</u>	<u>783,839</u>	<u>9,851</u>
Sales and Services:			
Recreation department fees		84,894	
Total	<u>85,269</u>	<u>84,894</u>	<u>(375)</u>
Investment Earnings: Interest	<u>8,212</u>	<u>7,501</u>	<u>(711)</u>
Miscellaneous:			
Library revenues		51,807	
Depot revenues		12,394	
Miscellaneous		97,368	
Development fees		115,300	
Booster club proceeds		50,561	
Total	<u>321,403</u>	<u>327,430</u>	<u>6,027</u>
Total Revenues	<u>5,836,973</u>	<u>5,923,124</u>	<u>86,151</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, 2022

	Final Budget	Actual	Variance Positive (Negative)
Expenditures:			
General Government:			
Administration:			
Salaries and employee benefits		689,932	
Other operating expenditures		373,535	
Capital outlay		395,868	
Total general government	<u>1,192,017</u>	<u>1,459,335</u>	<u>(267,318)</u>
Public Safety:			
Police:			
Salaries and employee benefits		1,224,754	
Other operating expenditures		427,024	
Total public safety	<u>1,854,910</u>	<u>1,651,778</u>	<u>203,132</u>
Transportation:			
Streets and highways:			
Salaries and employee benefits		81,768	
Other operating expenditures		817,378	
Capital outlay		368,530	
Total streets and highways	<u>1,268,393</u>	<u>1,267,676</u>	<u>717</u>
Powell Bill:			
Other operating expenditures		270,666	
Capital outlay		15,639	
Total Powell Bill	<u>351,042</u>	<u>286,305</u>	<u>64,737</u>
Total transportation	<u>1,619,435</u>	<u>1,553,981</u>	<u>65,454</u>
Economic and physical development:			
Planning, zoning, and inspections:			
Salaries and employee benefits		265,912	
Other operating benefits		209,484	
Capital outlay		61,296	
Total economic and physical development	<u>600,082</u>	<u>536,692</u>	<u>63,390</u>
Cultural and recreation:			
Parks and recreation:			
Salaries and employee benefits		193,544	
Other operating expenditures		181,974	
Capital outlay		96,986	
Total parks and recreation	<u>505,935</u>	<u>472,504</u>	<u>33,431</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, 2022

	Final Budget	Actual	Variance Positive (Negative)
Depot:			
Other operating expenditures		75,728	
Total depot	82,099	75,728	6,371
Total cultural and recreation	588,034	548,232	39,802
Library:			
Salaries and employee benefits		171,265	
Other operating expenditures		60,674	
Total library	256,232	231,939	24,293
Debt Service:			
Principal retirement		94,402	
Principal retirement-lease		108,510	
Interest and other charges		9,703	
Total Debt Service	219,784	212,615	7,169
Total Expenditures	6,330,494	6,194,572	135,922
Revenues over Expenditures	(493,521)	(271,448)	222,073
Other financing sources (uses):			
Fund Balance Appropriated		-	
Lease proceeds		395,868	
Loan proceeds		248,728	
Transfers (to)/from Other Funds:		(1,125,203)	
Total Other Financing Sources (Uses)	493,521	(480,607)	(974,128)
Net change in fund balance	\$ -	(752,055)	\$ (752,055)
Fund balances:			
Beginning of year, July 1		5,797,708	
End of year, June 30		\$ 5,045,653	

Town of Angier, North Carolina
Special Revenue Fund - ARP/Cares Act Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Grant revenue		\$ -	
Investment earnings		-	
Total revenues	<u>\$ 1,830,227</u>	<u>-</u>	<u>\$ (1,830,227)</u>
Expenditures			
Operating		16,169	
Total expenditures	<u>1,830,227</u>	<u>16,169</u>	<u>1,814,058</u>
Revenues over expenditures	<u>-</u>	<u>(16,169)</u>	<u>(16,169)</u>
Net change in fund balance	<u>\$ -</u>	<u>(16,169)</u>	<u>\$ (16,169)</u>
Fund balance - beginning		104,480	
Fund balance - ending		<u>\$ 88,311</u>	

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, 2022

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Grant revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Culture and recreation					
Pre-construction phase	502,308	-	500,560	500,560	1,748
Construction	614,695	-	614,694	614,694	1
Total Expenditures	<u>1,117,003</u>	<u>-</u>	<u>1,115,254</u>	<u>1,115,254</u>	<u>1,749</u>
Revenues over expenditures	<u>(1,117,003)</u>	<u>-</u>	<u>(1,115,254)</u>	<u>(1,115,254)</u>	<u>(1,749)</u>
Other Financing Sources (Uses):					
Transfers in (out)	<u>1,117,003</u>	<u>-</u>	<u>1,117,003</u>	<u>1,117,003</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,117,003</u>	<u>-</u>	<u>1,117,003</u>	<u>1,117,003</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,749	<u>1,749</u>	<u>\$ (1,749)</u>
Fund balance - beginning			<u>-</u>		
Fund balance - ending			<u>\$ 1,749</u>		

Town of Angier, North Carolina
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2022

	<u>Angier Main Street</u>	<u>Hwy 210/Park Street Sidewalk Extension Project Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Assets:			
Cash and cash equivalents	\$ 583	\$ 95,705	\$ 96,288
Restricted cash	-	-	-
Accounts receivable	-	-	-
Total Assets	<u>583</u>	<u>95,705</u>	<u>96,288</u>
Liabilities and Fund Balances:			
Current liabilities:			
Deferred revenues	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Restricted			
General government	-	-	-
Public Works	-	-	-
Committed			
Streets	583	95,705	96,288
Total fund balances	<u>583</u>	<u>95,705</u>	<u>96,288</u>
Total liabilities and fund balances	<u>\$ 583</u>	<u>\$ 95,705</u>	<u>\$ 96,288</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, 2022

	<u>Angier Main Street</u>	<u>Hwy 210/Park Street Sidewalk Extension Project Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:			
Restricted intergovernmental	\$ -	\$ 158,278	\$ 158,278
Investment earnings	-	-	-
Total revenues	<u>-</u>	<u>158,278</u>	<u>158,278</u>
Expenditures:			
General government	-	-	-
Transportation	190	-	190
Culture and recreation	-	333,409	333,409
Total Expenditures	<u>190</u>	<u>333,409</u>	<u>333,599</u>
Revenues Over (Under) Expenditures	<u>(190)</u>	<u>(175,131)</u>	<u>(175,321)</u>
Other Financing Sources (Uses):			
Transfers in (out)	-	8,200	8,200
Total other financing sources (uses)	<u>-</u>	<u>8,200</u>	<u>8,200</u>
Net change in Fund Balance	(190)	(166,931)	(167,121)
Fund balances:			
Beginning of Year, July 1	<u>773</u>	<u>262,636</u>	<u>263,409</u>
End of year, June 30	<u>\$ 583</u>	<u>\$ 95,705</u>	<u>\$ 96,288</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, 2022

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

Town of Angier, North Carolina
Hwy 210 Park Street
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2022

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Grant revenue	\$ 516,006	\$ 76,094	\$ 158,278	\$ 234,372	\$ (281,634)
Investment earnings	-	24	-	24	24
Total Revenues	<u>516,006</u>	<u>76,118</u>	<u>158,278</u>	<u>234,396</u>	<u>(281,610)</u>
Expenditures:					
Culture and recreation					
Engineering	88,039	81,718	667	82,385	5,654
Construction	445,127	-	332,742	332,742	112,385
Total Expenditures	<u>533,166</u>	<u>81,718</u>	<u>333,409</u>	<u>415,127</u>	<u>118,039</u>
Revenues over expenditures	<u>(17,160)</u>	<u>(5,600)</u>	<u>(175,131)</u>	<u>(180,731)</u>	<u>(399,649)</u>
Other Financing Sources (Uses):					
Transfers in (out)	<u>257,920</u>	<u>268,236</u>	<u>8,200</u>	<u>276,436</u>	<u>18,516</u>
Total Other Financing Sources (Uses)	<u>257,920</u>	<u>268,236</u>	<u>8,200</u>	<u>276,436</u>	<u>18,516</u>
Net change in fund balance	<u>\$ 240,760</u>	<u>\$ 262,636</u>	(166,931)	<u>95,705</u>	<u>\$ (381,133)</u>
Fund balance - beginning			<u>262,636</u>		
Fund balance - ending			<u>\$ 95,705</u>		

PROPRIETARY FUNDS

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.

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, 2022

	2022		Variance Positive (Negative)
	Final Budget	Actual	
Revenues:			
Operating Revenues			
Water and sewer sales		\$ 3,474,034	
Reconnection fees		113,220	
Miscellaneous revenue		119,188	
Other fees		192,904	
Taps and connection fees		40,220	
Total operating revenues	<u>\$ 2,999,959</u>	<u>3,939,566</u>	<u>\$ 939,607</u>
Nonoperating Revenues			
Interest on Investments	<u>35,400</u>	<u>4,163</u>	<u>(31,237)</u>
Total Revenues	<u>3,035,359</u>	<u>3,943,729</u>	<u>908,370</u>
Expenditures:			
Operating expenditures:			
Salaries and employee benefits		694,712	
Water operations		1,137,202	
Sewer operations		384,892	
Smith Drive Regional Pump Station		473,646	
Lagoon Department		63,519	
Total	<u>3,190,464</u>	<u>2,753,971</u>	<u>436,493</u>
Capital Outlay	<u>524,240</u>	<u>499,852</u>	<u>24,388</u>
Debt Service			
Principal		294,491	
Interest		87,201	
Total Debt Service	<u>424,217</u>	<u>381,692</u>	<u>42,525</u>
Total Expenditures	<u>4,138,921</u>	<u>3,635,515</u>	<u>503,406</u>
Revenues Over (Under) Expenditures	<u>(1,103,562)</u>	<u>308,214</u>	<u>1,411,776</u>
Other financing sources (uses):			
Transfers from (to) other funds	172,948	-	172,948
Litigation settlement	(600,000)	(600,000)	-
Total other financing sources (uses)	<u>(427,052)</u>	<u>(600,000)</u>	<u>172,948</u>
Revenues and Other Sources Over (Under) Expenses and Other Uses	<u>(1,530,614)</u>	<u>(291,786)</u>	<u>1,238,828</u>
Appropriated Fund Balance	<u>1,530,614</u>	<u>-</u>	<u>(1,530,614)</u>
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ (291,786)</u>	<u>\$ (291,786)</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, 2022

	2022		Variance Positive (Negative)
	Final Budget	Actual	
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues, Other Sources and Appropriated			
Fund Balance Over (Under)			
Expenditures and Other Uses		\$ (291,786)	
Reconciling items:			
Depreciation		(524,401)	
Capital outlay		499,852	
Principal retirement		294,491	
Capital contributions		84,014	
Investment earnings from capital projects		723	
(Increase) decrease in accrued vacation pay		13,891	
(Increase) decrease in net pension liability		132,586	
Increase (decrease) in deferred outflows of resources for pensions		37,376	
Increase (decrease) in deferred outflows of resources for OPEB		35,337	
(Increase) decrease in deferred inflows of resources for pensions		(165,634)	
(Increase) decrease in deferred inflows of resources for OPEB		3,601	
(Increase) decrease in accrued OPEB		(15,347)	
Total reconciling items		<u>396,489</u>	
Change in net position		<u><u>\$ 104,703</u></u>	

CAPITAL PROJECTS FUNDS

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

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, 2022

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Investment earnings	\$ -	\$ -	\$ 723	\$ 723	\$ 723
Total Revenues	<u>-</u>	<u>-</u>	<u>723</u>	<u>723</u>	<u>723</u>
Expenditures:					
Administration	3,876,283	-	740,179	740,179	3,136,104
Total Expenditures	<u>3,876,283</u>	<u>-</u>	<u>740,179</u>	<u>740,179</u>	<u>3,136,104</u>
Revenues over expenditures	<u>(3,876,283)</u>	<u>-</u>	<u>(739,456)</u>	<u>(739,456)</u>	<u>3,136,827</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>-</u>	<u>3,349,000</u>	<u>3,349,000</u>	<u>(527,283)</u>
Net change in fund	<u>\$ -</u>	<u>\$ -</u>	<u>2,609,544</u>	<u>\$ 2,609,544</u>	<u>\$ 2,609,544</u>
Fund balance, beginning			-		
Fund balance, ending			<u>\$ 2,609,544</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, 2022

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
NC-DEQ	\$ 100,000	\$ 7,728	\$ 84,014	\$ 91,742	\$ 8,258
Investment earnings	-	-	-	-	-
Total Revenues	<u>100,000</u>	<u>7,728</u>	<u>84,014</u>	<u>91,742</u>	<u>8,258</u>
Expenditures:					
Administration	10,000	7,728	-	7,728	7,728
Construction	90,000	-	-	-	-
Total Expenditures	<u>10,000</u>	<u>7,728</u>	<u>-</u>	<u>7,728</u>	<u>7,728</u>
Revenues over expenditures	<u>90,000</u>	<u>-</u>	<u>84,014</u>	<u>84,014</u>	<u>15,986</u>
Revenues and other sources over (under) expenditures	<u>\$ 90,000</u>	<u>\$ -</u>	<u>\$ 84,014</u>	<u>\$ 84,014</u>	<u>\$ 15,986</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, 2022

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

OTHER SCHEDULES

This section includes additional information on property taxes.

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

**Town of Angier
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2022**

Fiscal Year	Uncollected Balance July 1, 2021	Additions	Collections And Credits	Uncollected Balance June 30, 2022
2021-2022	\$ -	\$ 2,423,141	\$ 2,416,846	6,295
2020-2021	6,683	-	4,437	2,246
2019-2020	2,977	-	530	2,447
2018-2019	1,788	-	130	1,658
2017-2018	1,152	-	149	1,003
2016-2017	1,237	-	179	1,058
2015-2016	1,689	-	143	1,546
2014-2015	775	-	130	645
2013-2014	1,628	-	156	1,472
2012-2013	1,654	-	1,654	-
TOTALS	\$ 19,583	\$ 2,423,141	\$ 2,424,354	18,370
Less: Allowance for uncollectable taxes				<u>(8,135)</u>
Ad valorem taxes - General Fund				<u>\$ 10,235</u>
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				\$ 2,429,590
Reconciling items:				
Penalties and Interest				(9,160)
Releases/Adjustments/Write Offs				3,924
Total Reconciling Items				<u>(5,236)</u>
Total Collections and Credits				<u>\$ 2,424,354</u>

Town of Angier, North Carolina
Analysis of Current Tax Levy
Town - Wide Levy
For the Fiscal Year Ended June 30, 2022

	Town - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property Taxes at Current Year Rate	\$ 457,196,415	\$ 0.53	\$ 2,423,141	\$ 2,146,352	\$ 276,789
Total Original Levy	<u>457,196,415</u>		<u>2,423,141</u>	<u>2,146,352</u>	<u>276,789</u>
Total for Year	<u>\$ 457,196,415</u>		2,423,141	2,146,352	276,789
Uncollected taxes at June 30, 2022			<u>(6,295)</u>	<u>(6,295)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 2,416,846</u>	<u>\$ 2,140,057</u>	<u>\$ 276,789</u>
Current levy collection percentage			<u>99.74%</u>	<u>99.71%</u>	<u>100.00%</u>

STATISTICAL SECTION

(UNAUDITED)

This part of the Town of Angier's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

These tables contain trend information to help the reader understand how the government's financial performance and well-being have change over time.

Revenue Capacity

These tables contain information to help the reader asses the government's most significant local revenue source, the property tax.

Debt Capacity

These tables present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the financial statements for the relevant fiscal year.

Town of Agnier
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

Table 1

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Governmental Activities:											
Net investment in capital assets	\$ 3,570,120	\$ 3,511,863	\$ 3,658,984	\$ 3,876,977	\$ 4,514,953	\$ 4,571,391	\$ 4,547,565	\$ 4,630,833	\$ 4,705,666	\$ 4,598,194	\$ 4,694,708
Restricted	717,185	627,391	637,917	642,750	584,742	721,605	739,784	737,367	515,699	957,700	557,019
Unrestricted	2,482,411	2,684,113	2,837,241	2,764,072	2,709,303	2,727,596	3,306,972	3,181,228	3,462,985	4,278,456	3,457,859
Total net position	<u>\$ 6,769,716</u>	<u>\$ 6,823,367</u>	<u>\$ 7,134,142</u>	<u>\$ 7,283,799</u>	<u>\$ 7,808,998</u>	<u>\$ 8,020,592</u>	<u>\$ 8,594,321</u>	<u>\$ 8,549,428</u>	<u>\$ 8,684,350</u>	<u>\$ 9,834,350</u>	<u>\$ 8,709,586</u>
Business-Type Activities:											
Net investment in capital assets	\$ 6,737,470	\$ 6,810,476	\$ 6,605,087	\$ 6,524,943	\$ 6,309,595	\$ 4,840,017	\$ 5,928,380	\$ 6,083,395	\$ 6,527,814	\$ 6,545,771	4,032,787
Restricted	-	-	-	-	-	-	-	-	-	-	-
Unrestricted	3,024,489	3,533,525	3,750,179	3,985,698	4,064,166	5,403,716	4,404,865	4,238,897	4,245,205	3,924,399	6,542,086
Total net position	<u>\$ 9,761,959</u>	<u>\$ 10,344,001</u>	<u>\$ 10,355,266</u>	<u>\$ 10,510,641</u>	<u>\$ 10,373,761</u>	<u>\$ 10,243,733</u>	<u>\$ 10,333,245</u>	<u>\$ 10,322,292</u>	<u>\$ 10,773,019</u>	<u>\$ 10,470,170</u>	<u>\$ 10,574,873</u>
Primary Government:											
Net investment in capital assets	\$ 10,307,590	\$ 10,322,339	\$ 10,264,071	\$ 10,401,920	\$ 10,824,548	\$ 9,411,408	\$ 10,475,945	\$ 10,714,228	\$ 11,233,480	\$ 11,143,965	\$ 8,727,495
Restricted	717,185	627,391	637,917	642,750	584,742	721,605	739,784	737,367	515,699	957,700	\$ 557,019
Unrestricted	5,506,900	6,217,638	6,587,420	6,749,770	6,773,469	8,131,312	7,711,837	7,420,782	7,708,190	8,202,855	9,999,945
Total net position	<u>\$ 16,531,675</u>	<u>\$ 17,167,368</u>	<u>\$ 17,489,408</u>	<u>\$ 17,794,440</u>	<u>\$ 18,182,759</u>	<u>\$ 18,264,325</u>	<u>\$ 18,927,566</u>	<u>\$ 18,872,377</u>	<u>\$ 19,457,369</u>	<u>\$ 20,304,520</u>	<u>\$ 19,284,459</u>

Town of Angier
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:											
Governmental Activities:											
General government	\$ 608,020	\$ 627,668	\$ 650,203	\$ 723,631	\$ 798,140	\$ 962,349	\$ 943,178	\$ 999,885	\$ 958,480	\$ 773,452	\$ 2,727,297
Public safety	881,738	818,602	899,190	929,244	991,466	1,076,873	1,212,597	1,134,157	1,364,422	1,585,539	1,647,034
Transportation	894,675	842,763	582,127	663,442	988,430	749,548	856,134	800,383	980,011	859,496	1,227,757
Economic and physical development	132,146	120,213	174,149	133,334	110,989	109,617	197,590	243,808	407,786	379,919	528,595
Library	212,532	152,528	139,931	139,954	151,253	143,550	175,982	173,698	232,037	223,888	831,980
Cultural and recreational	375,479	416,432	403,930	421,279	404,931	425,080	447,159	401,081	424,401	408,814	248,117
Interest on long-term debt	40,240	36,319	34,341	30,630	26,714	22,285	13,886	10,881	9,900	6,718	5,388
Total governmental activities expenses	<u>\$ 3,144,830</u>	<u>\$ 3,014,525</u>	<u>\$ 2,883,871</u>	<u>\$ 3,041,514</u>	<u>\$ 3,471,923</u>	<u>\$ 3,489,302</u>	<u>\$ 3,846,526</u>	<u>\$ 3,763,893</u>	<u>\$ 4,377,037</u>	<u>\$ 4,237,826</u>	<u>\$ 7,216,168</u>
Business-Type Activities:											
Water and sewer	\$ 1,570,259	\$ 1,775,358	\$ 2,012,755	\$ 2,052,708	\$ 2,208,941	\$ 2,301,460	\$ 2,415,870	\$ 2,515,089	\$ 2,953,371	\$ 3,973,216	\$ 3,323,763
Total business-type activities	1,570,259	1,775,358	2,012,755	2,052,708	2,208,941	2,301,460	2,415,870	2,515,089	2,953,371	3,973,216	3,323,763
Total primary government expenses	<u>\$ 4,715,089</u>	<u>\$ 4,789,883</u>	<u>\$ 4,896,626</u>	<u>\$ 5,094,222</u>	<u>\$ 5,680,864</u>	<u>\$ 5,790,762</u>	<u>\$ 6,262,396</u>	<u>\$ 6,278,982</u>	<u>\$ 7,330,408</u>	<u>\$ 8,211,042</u>	<u>\$ 10,539,931</u>
Program Revenues:											
Governmental Activities:											
Charges for services:											
General government	\$ 32,024	\$ 33,238	\$ 4,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 186,629	\$ 407,658	\$ 688,379
Public safety	1,820	1,518	1,976	2,505	2,006	1,426	550	550	13,381	26,671	27,446
Transportation	255,696	282,967	308,415	322,890	328,351	335,351	371,150	371,161	377,903	-	-
Economic and physical development	54,465	114,167	101,849	108,789	108,789	83,677	64,668	127,225	155,940	391,971	233,875
Library	8,143	7,982	8,411	8,296	7,597	7,056	5,768	5,768	15,261	41,864	51,807
Cultural and recreational	46,285	42,617	47,819	47,990	49,072	52,475	40,280	40,280	23,005	27,590	97,288
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	134,431	150,101	144,010	185,131	187,818	228,786	174,802	261,797	234,563	509,707	465,547
Capital grants and contributions	108,722	57,152	130,216	35,922	533,576	121,132	76,094	98,381	-	-	-
Total governmental activities program revenues	<u>\$ 641,586</u>	<u>\$ 689,742</u>	<u>\$ 747,496</u>	<u>\$ 711,523</u>	<u>\$ 1,192,097</u>	<u>\$ 810,894</u>	<u>\$ 795,869</u>	<u>\$ 905,162</u>	<u>\$ 1,006,682</u>	<u>\$ 1,405,461</u>	<u>\$ 1,564,342</u>
Business-Type Activities:											
Charges for services:											
Water and sewer	\$ 1,533,449	\$ 1,658,133	\$ 1,694,226	\$ 1,737,079	\$ 1,745,482	\$ 1,916,286	\$ 2,154,339	\$ 2,154,327	\$ 3,341,538	\$ 3,169,968	\$ 3,627,474
Operating grants and contributions	219,549	484,420	333,716	414,973	322,990	251,707	359,599	358,915	-	7,728	-
Capital grants and contributions	1,623,612	181,184	-	97,394	-	-	-	110,429	-	-	84,014
Total business-type activities program revenues	<u>3,376,610</u>	<u>2,323,737</u>	<u>2,027,942</u>	<u>2,249,446</u>	<u>2,068,472</u>	<u>2,167,993</u>	<u>2,513,938</u>	<u>2,623,671</u>	<u>3,341,538</u>	<u>3,177,696</u>	<u>3,711,488</u>
Total primary government program revenues	<u>\$ 4,018,196</u>	<u>\$ 3,013,479</u>	<u>\$ 2,775,438</u>	<u>\$ 2,960,969</u>	<u>\$ 3,260,569</u>	<u>\$ 2,978,887</u>	<u>\$ 3,309,807</u>	<u>\$ 3,528,833</u>	<u>\$ 4,348,220</u>	<u>\$ 4,583,157</u>	<u>\$ 5,275,830</u>
Net (expense) revenue:											
Governmental activities	\$ (2,503,244)	\$ (2,324,783)	\$ (2,136,375)	\$ (2,329,991)	\$ (2,279,826)	\$ (2,678,408)	\$ (3,050,657)	\$ (2,858,731)	\$ (3,370,355)	\$ (2,832,365)	\$ (5,651,826)
Business-type activities	1,806,351	548,379	15,187	196,738	(140,469)	(133,467)	98,068	108,582	388,167	(795,520)	387,725
Total primary government net revenue (expense)	<u>\$ (696,893)</u>	<u>\$ (1,776,404)</u>	<u>\$ (2,121,188)</u>	<u>\$ (2,133,253)</u>	<u>\$ (2,420,295)</u>	<u>\$ (2,811,875)</u>	<u>\$ (2,952,589)</u>	<u>\$ (2,750,149)</u>	<u>\$ (2,982,188)</u>	<u>\$ (3,627,885)</u>	<u>\$ (5,264,101)</u>
General Revenues and Other Changes in Net Position:											
Governmental Activities:											
Taxes:											
Property taxes, levied for general purpose	\$ 1,519,820	\$ 1,522,625	\$ 1,618,658	\$ 1,614,630	\$ 1,731,489	\$ 1,784,595	\$ 1,918,362	\$ 1,919,166	\$ 1,997,158	\$ 2,256,841	\$ 2,430,802
Other taxes	65,037	57,552	29,741	20,853	18,886	20,183	20,505	21,020	923,991	1,403,718	1,872,673
Grants & contributions not restricted to specific programs	733,685	772,684	766,390	914,883	978,513	1,102,110	1,121,433	1,121,433	498,836	-	-
Unrestricted investment earnings	6,226	4,658	3,260	2,472	2,510	5,918	69,370	71,010	51,302	7,169	7,501
Gain (loss) on sale of assets	18,580	2,010	-	2,955	15,801	(8,229)	34,312	34,316	-	-	-
Miscellaneous	12,197	10,905	21,101	26,139	13,783	22,180	23,697	17,803	33,333	323,427	207,296
Transfers	88,000	8,000	8,000	-	-	-	-	110,429	-	-	-
Total governmental activities	<u>2,443,545</u>	<u>2,378,434</u>	<u>2,447,150</u>	<u>2,581,932</u>	<u>2,760,982</u>	<u>2,926,757</u>	<u>3,187,679</u>	<u>3,295,177</u>	<u>3,504,620</u>	<u>3,991,155</u>	<u>4,518,272</u>
Business-Type Activities:											
Other taxes	-	37,566	-	-	-	-	-	-	-	-	-
Grants & contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	-	-
Unrestricted investment earnings	5,443	4,097	4,078	3,249	3,589	3,439	7,480	62,183	17,404	15,101	4,886
Gain (loss) on sale of assets	46	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	45,156	334,807	312,092
Capital contributed	-	-	-	-	-	-	-	-	-	-	-
Extraordinary item - Litigation settlement	-	-	-	-	-	-	-	-	-	-	(600,000)
Transfers	(88,000)	(8,000)	(8,000)	-	-	-	-	(110,429)	-	-	-
Total business-type activities	<u>(82,511)</u>	<u>33,663</u>	<u>(3,922)</u>	<u>3,249</u>	<u>3,589</u>	<u>3,439</u>	<u>7,480</u>	<u>(48,246)</u>	<u>62,560</u>	<u>349,908</u>	<u>(283,022)</u>
Total primary government	<u>\$ 2,361,034</u>	<u>\$ 2,412,097</u>	<u>\$ 2,443,228</u>	<u>\$ 2,585,181</u>	<u>\$ 2,764,571</u>	<u>\$ 2,930,196</u>	<u>\$ 3,195,159</u>	<u>\$ 3,246,931</u>	<u>\$ 3,567,180</u>	<u>\$ 4,341,063</u>	<u>\$ 4,235,250</u>
Change in Net Position											
Governmental activities change in net position	\$ (59,699)	\$ 53,651	\$ 310,775	\$ 193,700	\$ 444,401	\$ 248,349	\$ 93,047	\$ 436,446	\$ 134,265	\$ 1,158,790	\$ (1,133,554)
Business-type change in net position	1,723,840	582,042	11,265	155,375	(136,880)	(130,028)	18,223	60,336	593,490	(445,612)	104,703
Net Position											
Governmental activities	\$ 6,769,716	\$ 6,823,367	\$ 7,134,142	\$ 7,327,842	\$ 7,772,243	\$ 8,020,592	\$ 8,113,639	\$ 8,550,085	\$ 8,684,350	\$ 9,843,140	\$ 8,709,586
Business-type activities	9,761,959	10,344,001	10,355,266	10,510,641	10,373,761	10,243,733	10,261,956	10,322,292	10,915,782	10,470,170	10,574,873
Total net position	<u>\$ 16,531,675</u>	<u>\$ 17,167,368</u>	<u>\$ 17,489,408</u>	<u>\$ 17,838,483</u>	<u>\$ 18,146,004</u>	<u>\$ 18,264,325</u>	<u>\$ 18,460,310</u>	<u>\$ 18,872,377</u>	<u>\$ 19,600,132</u>	<u>\$ 20,313,310</u>	<u>\$ 19,284,459</u>

Town of Angier
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(accrual basis of accounting)

Table 3

Fiscal Year	Property Tax	Tax Rate
2012	1,518,362	0.530
2013	1,520,942	0.530
2014	1,613,759	0.530
2015	1,612,968	0.530
2016	1,728,678	0.530
2017	1,785,191	0.530
2018	1,859,149	0.530
2019	1,920,355	0.530
2020	2,010,471	0.530
2021	2,258,719	0.530
2022	2,423,141	0.530

Notes:

(1) - Town of Angier only levies a property tax.

Town of Angier
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Fund:											
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Unreserved	-	-	-	-	-	-	-	-			
Total General Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			
All Other Governmental Funds:											
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Unreserved, reported in:											
Special revenue funds	-	-	-	-	-	-	-	-			
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

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	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Fund:											
Fund Balance:											
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,035	\$ -	\$ -			
Restricted	508,385	412,139	449,864	626,476	584,742	715,128	718,616	716,200	500,508	583,408	556,023
Committed	-	-	-	-	47,063	50,081	53,095	167,076	167,076	-	-
Assigned	50,614	45,986	45,029	32,777	151,821	246,082	156,687	340,800	-	-	-
Unassigned	2,550,637	2,826,402	3,035,227	3,101,606	2,867,778	2,879,320	3,686,185	3,377,277	4,062,583	5,214,300	4,489,630
Total General Fund	<u>\$ 3,109,636</u>	<u>\$ 3,284,527</u>	<u>\$ 3,530,120</u>	<u>\$ 3,760,859</u>	<u>\$ 3,651,404</u>	<u>\$ 3,963,646</u>	<u>\$ 4,614,583</u>	<u>\$ 4,601,353</u>	<u>\$ 4,730,167</u>	<u>\$ 5,797,708</u>	<u>\$ 5,045,653</u>

All Other Governmental Funds:											
Fund Balance:											
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	208,800	215,252	188,053	16,274	6,471	6,477	21,168	21,167	15,191	119,673	88,311
Committed	1	-	-	9,926	850	-	-	-	5,914	263,409	96,288
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	1,749
Total Other Governmental Funds	<u>\$ 208,801</u>	<u>\$ 215,252</u>	<u>\$ 188,053</u>	<u>\$ 26,200</u>	<u>\$ 7,321</u>	<u>\$ 6,477</u>	<u>\$ 21,168</u>	<u>\$ 21,167</u>	<u>\$ 21,105</u>	<u>\$ 383,082</u>	<u>\$ 186,348</u>

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Reserved											
Unreserved											
Nonspendable	-	-	-	-	-	73,035	-	-	-	-	-
Restricted	717,185	627,391	637,917	642,750	591,213	721,605	739,784	737,367	515,699	703,081	644,334
Committed	1	-	-	9,926	47,913	50,081	53,095	167,076	172,990	263,409	96,288
Assigned	50,614	45,986	45,029	32,777	151,821	246,082	156,687	340,800	-	-	-
Unassigned	2,550,637	2,826,402	3,035,227	3,101,606	2,867,778	2,879,320	3,686,185	3,377,277	4,062,583	5,214,300	4,491,379

Town of Angier
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrued basis of accounting)

Table 5

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues											
Ad valorem taxes	\$ 1,509,640	\$ 1,562,447	\$ 1,621,154	\$ 1,630,275	\$ 1,731,443	\$ 1,792,108	\$ 1,921,021	\$ 1,925,193	\$ 1,996,778	\$ 2,253,188	\$ 2,429,590
Other taxes and licenses	57,344	57,552	29,741	20,853	18,886	20,183	20,505	21,020	21,812	24,077	38,026
Unrestricted intergovernmental	754,432	785,788	782,614	931,137	995,413	1,124,536	1,160,200	1,160,200	1,401,015	1,595,692	1,940,497
Restricted intergovernmental	204,605	185,306	267,056	213,922	714,274	337,116	219,371	314,197	233,342	623,289	469,625
Permits and fees	311,981	398,652	412,240	434,184	414,034	401,445	498,925	498,936	596,773	721,735	783,839
Sales and services	38,460	36,267	41,719	40,390	42,472	43,125	33,080	33,080	23,005	24,240	84,894
Investment earnings	6,654	4,941	3,430	2,603	2,630	6,017	69,370	71,010	51,302	7,169	7,501
Miscellaneous	51,755	50,371	31,188	32,781	18,080	28,863	29,400	29,399	52,647	143,573	327,430
Total revenues	<u>2,934,871</u>	<u>3,081,324</u>	<u>3,189,142</u>	<u>3,306,145</u>	<u>3,937,232</u>	<u>3,753,393</u>	<u>3,951,872</u>	<u>4,053,035</u>	<u>4,376,674</u>	<u>5,392,963</u>	<u>6,081,402</u>
Expenditures											
General government	584,698	606,798	668,187	759,756	774,882	988,637	926,906	957,225	922,484	749,213	2,590,758
Public safety	887,674	778,467	859,338	971,089	1,054,957	981,411	1,216,444	1,225,051	1,341,781	1,426,636	1,651,778
Transportation	624,039	628,029	877,295	787,229	1,386,020	739,394	674,425	677,122	969,810	766,795	1,554,171
Powell Bill	345,708	218,472	39,259	31,508	284,188	23,149	294,388	55,724	-	-	-
Economic and physical development	125,995	114,883	114,159	134,585	112,734	104,888	245,794	185,161	394,860	314,733	536,692
Culture and recreation	240,144	267,147	256,912	281,991	298,593	363,674	346,953	307,397	351,375	386,794	881,641
Library	210,109	151,924	137,780	140,292	150,882	141,353	170,765	171,984	229,960	226,266	231,939
Debt service											
Principal	114,517	121,621	156,330	168,951	182,150	164,237	123,871	123,871	92,385	83,333	202,912
Interest and other charges	43,236	39,315	37,337	33,626	29,710	25,232	16,890	16,890	13,047	9,675	9,703
Total expenditures	<u>3,176,120</u>	<u>2,926,656</u>	<u>3,146,597</u>	<u>3,309,027</u>	<u>4,274,116</u>	<u>3,531,975</u>	<u>3,777,772</u>	<u>3,720,425</u>	<u>4,315,702</u>	<u>3,963,445</u>	<u>7,659,594</u>
Excess of revenues over (under) expenditures	(241,249)	154,668	42,545	(2,882)	(336,884)	221,418	174,100	332,610	60,972	1,429,518	(1,578,192)
Other financing sources (uses)											
Transfers in	88,000	8,000	8,000	-	-	-	-	110,429	-	-	-
Transfers out	-	-	-	-	-	-	-	(6,289)	-	-	-
Insurance Recovery	15,000	16,664	-	-	-	-	-	-	-	-	-
Sale of capital assets	20,373	2,010	-	3,820	17,036	-	34,312	34,316	67,783	-	-
Installment purchase obligations	64,811	-	167,849	28,963	141,000	28,565	-	-	-	-	644,596
Total other financing sources (uses)	<u>188,184</u>	<u>26,674</u>	<u>175,849</u>	<u>32,783</u>	<u>158,036</u>	<u>28,565</u>	<u>34,312</u>	<u>138,456</u>	<u>67,783</u>	<u>-</u>	<u>644,596</u>
Net change in fund balance	<u>\$ (53,065)</u>	<u>\$ 181,342</u>	<u>\$ 218,394</u>	<u>\$ 29,901</u>	<u>\$ (178,848)</u>	<u>\$ 249,983</u>	<u>\$ 208,412</u>	<u>\$ 471,066</u>	<u>\$ 128,755</u>	<u>\$ 1,429,518</u>	<u>\$ (933,596)</u>
Capital Outlay Expenditures which were capitalized	242,487	83,865	449,897	363,426	875,827	213,211	392,587	212,111	283,553	78,128	528,920
Debt service as a percentage of noncapital expenditures	5.4%	5.7%	7.2%	6.9%	6.2%	5.7%	4.2%	4.0%	2.6%	2.4%	3.0%

Notes:

(1) - In previous years, Library was included in Culture and Recreation.

**Town of Angier
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Table 6

Fiscal Year	Real Property	Personal Property	Public Service Company	Total Assessed Value	Ratio of Assessed Value to Estimated Actual Value (1)	Property Tax Rate (2)
2011	244,306,166	33,444,194	4,736,266	282,486,626	100%	0.530
2012	247,562,767	34,058,683	4,775,887	286,397,337	100%	0.530
2013	248,769,174	35,175,378	7,029,030	290,973,582	100%	0.530
2014	261,310,854	14,609,195	4,344,209	280,264,258	100%	0.530
2015	274,189,366	14,086,139	4,704,126	292,979,631	100%	0.530
2016	282,763,270	13,257,517	4,568,906	300,589,693	100%	0.530
2017	291,555,074	16,894,453	4,748,856	313,198,383	100%	0.530
2018	301,234,740	18,240,948	4,659,594	324,135,282	100%	0.530
2019	317,637,501	19,762,007	5,481,920	342,881,428	100%	0.530
2020	341,217,785	18,296,896	5,494,543	365,009,224	100%	0.530
2021 (3)	360,755,352	20,316,313	8,785,614	389,857,279	100%	0.530
2022 (3)	384,221,374	20,245,147	8,823,206	413,289,727	100%	0.530

Notes:

- (1) Assessed value is established by the Harnett County and Wake County tax departments at 100% estimated market value.
- (2) Rate per \$100 of assessed valuation.
- (3) A revaluation of all property is required every eight (8) years by North Carolina statute. The last revaluation occurred for Wake County and Harnett County in CY 2021 and CY 2022 respectively.

**Town of Angier
Property Tax Rates
Direct and Overlapping (1) Property Tax Rates
Last Ten Fiscal Years**

Table 7

Fiscal Year	Town of Angier	Harnett County	Wake County (3)	Total Direct and Overlapping Rates	
				Harnett County Residents	Wake County Residents
2011	0.530	0.725	0.534	1.255	1.064
2012	0.530	0.725	0.534	1.255	1.064
2013	0.530	0.725	0.534	1.255	1.064
2014	0.530	0.750	0.578	1.28	1.108
2015	0.530	0.750	0.6145	1.28	1.145
2016	0.530	0.750	0.6005	1.28	1.131
2017	0.530	0.750	0.615	1.28	1.131
2018	0.530	0.750	0.6544	1.28	1.1844
2019	0.530	0.750	0.7207	1.28	1.251
2020 (2)	0.530	0.750	0.60	1.28	1.130
2021	0.530	0.750	0.60	1.28	1.130
2022	0.530	0.750	0.60	1.28	1.130

Notes:

- (1) Overlapping rates are those of local and county governments that apply to property owners within the Town of Angier.
- (2) A revaluation of all property is required every eight (8) years by North Carolina statute. The last revaluation occurred for Wake County in CY 2020. Harnett County revaluation has taken place during CY 2022.
- (3) The Town of Angier expanded into Wake County in 2004.

Town of Angier
Principal Property Taxpayers
June 30, 2022

Table 8

Taxpayer	2022			2010 (1)		
	Taxable Assessed	Rank	Percentage of Total	Taxable Assessed	Rank	Percentage of Total
	Value		Taxable Assessed	Value		Taxable Assessed
DUKE ENERGY PROGRESS	\$ 5,798,995	1	1.81%			
PIEDMONT NATURAL GAS	1,095,873	2	0.34%			
FOOD LION STORES	771,460	3	0.24%			
CAROLINA TELEPHONE	627,704	4	0.20%			
JIMMIE AND CONNIE JOHNSON	317,500	5	0.10%			
KENNETH AND ANNETTA JOHNSON	198,130	6	0.06%			
DON LANE PROPERTIES	109,773	7	0.03%			
BOB STAFFORD	94,990	8	0.03%			
DON LANE PROPERTIES				\$ 4,295,908	1	1.66%
DUKE ENERGY PROGRESS				2,402,764	2	0.93%
CAROLINA TELEPHONE				2,333,685	3	0.90%
JIMMIE AND CONNIE JOHNSON				637,530	4	0.25%
FOOD LION STORES				382,191	5	0.15%
BOB STAFFORD				137,900	6	0.05%
KENNETH AND ANNETTA JOHNSON				62,110	7	0.02%
Totals	<u>\$ 9,014,425</u>		<u>2.81%</u>	<u>\$ 10,252,088</u>		<u>3.96%</u>
Total Assessed Value	<u>\$ 319,566,525</u>			<u>\$ 258,298,190</u>		

Source: Harnett County Tax Departments Statistics and Reports - Top Taxpayers

Notes: (1) Earliest data available from Harnett County

**Town of Angier
Property Tax Levies and Collections
Last Ten Fiscal Years**

Table 9

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections and Credits in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2011-2012	1,518,362	1,462,478	96.32%	55,884	1,518,362	100.00%
2012-2013	1,520,942	1,492,458	98.13%	26,830	1,519,288	99.89%
2013-2014	1,613,759	1,590,124	98.54%	22,007	1,612,131	99.90%
2014-2015	1,612,968	1,607,463	99.66%	4,730	1,612,193	99.95%
2015-2016	1,728,678	1,722,041	99.62%	4,948	1,726,989	99.90%
2016-2017 (2)	1,785,191	1,782,461	99.85%	1,493	1,783,954	99.93%
2017-2018	1,813,843	1,809,657	99.77%	3,034	1,812,691	99.94%
2018-2019	1,957,553	1,953,329	99.78%	2,436	1,955,765	99.91%
2019-2020	2,010,471	2,006,385	99.80%	1,109	2,007,494	99.85%
2020-2021	2,258,719	2,252,036	99.70%	3,706	2,255,742	99.87%
2021-2022	2,423,141	2,416,846	99.74%	-	2,416,846	99.74%

Notes:

- A revaluation of all property is required every eight (8) years by North Carolina statute. The last revaluation occurred for Harnett County in 2022.
- (1)
- A revaluation of all property is required every eight (8) years by North Carolina statute. The last revaluation occurred for Wake County in 2021.
- (2)

Town of Angier
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 10

Fiscal Year	Governmental Activities		Business-Type Activities				Total Primary Government	Per Capita
	GO Bonds	Installment Purchases	GO Bonds	Revolving Loan	Installment Purchases	Revenue Bonds		
2011	-	1,080,137	1,301,000	90,000	-	1,240,000 (1)	3,711,137	846
2012	-	1,030,431	1,259,423	75,000	-	3,147,000 (2)	5,511,854	1,226
2013	-	908,811	1,188,619	60,000	-	3,132,000	5,289,430	1,163
2014	-	920,216	1,115,144	45,000	-	3,093,000	5,173,360	1,097
2015	-	780,341	1,039,006	30,000	-	3,052,000	4,901,347	1,010
2016	-	739,191	960,214	15,000	-	3,010,000	4,724,405	958
2017	-	603,520	878,780	-	1,600,000	2,967,000	6,049,300	1,226
2018	-	460,876	794,213	-	1,512,636	2,922,000	5,689,725	1,112
2019	-	342,385	706,532	-	1,422,835	2,875,000	5,346,752	1,034
2020	-	250,000	615,757	1,330,529	-	2,827,000	5,023,286	929
2021	-	166,667	521,408	1,235,650	-	2,776,000	4,699,725	867
2022	-	320,993	424,512	1,138,122	70,037	6,129,000	8,082,664	1,336

Notes:

(1) - Revenue bonds issued for Phase I of Water and Sewer improvements.

(2) - Revenue bonds issued for Phase I and Phase II of Water and Sewer improvements.

**Town of Angier
 Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years**

Table 11

Fiscal Year	General Obligation Bonds	Percentage of Assessed Property Value	Per Capita
2011	1,301,000	0.46%	297
2012	1,259,423	0.45%	280
2013	1,188,619	0.42%	261
2014	1,115,144	0.39%	236
2015	1,039,006	0.37%	214
2016	960,214	0.33%	195
2017	878,780	0.30%	178
2018	794,213	0.27%	155
2019	706,532	0.22%	137
2020	615,757	0.18%	114
2021	521,407	0.14%	96
2022	424,512	0.11%	70

Note: Details regarding the Town's debt can be found in the notes to the financial statements.

**Town of Angier
Direct and Overlapping Governmental Activities Debt
As of June 30, 2022**

Table 12

<u>Governmental Unit</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable to</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes - Harnett County	\$ 127,974,386	4.53%	\$ 5,796,796
Subtotal, overlapping debt			5,796,796
Town of Angier direct debt			320,993 (3)
Total direct and overlapping debt			<u>\$ 6,117,789</u>

Notes:

(1) - Amount represents General Obligation Debt of Harnett County, North Carolina, reported in the FY2021 ACFR. The FY2022 ACFR is not available as of 01/03/2023. The Town is a Municipal Government within Harnett County.

(2) - The percentage of overlapping debt applicable to the town is estimated using FY 2021 assessed property values. The applicable percentage represents the town's total assessed value divided by Harnett County's total assessed value.

(3) - Includes all governmental general obligation and installment financing debt as of 6/30/22.

**Town of Angier
Legal Debt Margin Information
Last Ten Fiscal Years**

Table 13

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Debt limit	\$ 21,921,031	\$ 22,716,446	\$ 23,277,887	\$ 22,939,241	\$ 22,421,141	\$ 23,702,492	\$ 23,960,725	\$ 25,055,871	\$ 29,547,968	\$ 30,096,737	\$ 33,927,205	\$ 36,575,713
Total net debt applicable to limit	<u>2,471,137</u>	<u>2,364,855</u>	<u>2,157,430</u>	<u>2,080,474</u>	<u>1,895,347</u>	<u>1,714,405</u>	<u>3,082,300</u>	<u>2,767,725</u>	<u>2,471,752</u>	<u>865,757</u>	<u>1,812,634</u>	<u>1,812,634</u>
Legal debt margin	<u>\$ 19,449,894</u>	<u>\$ 20,351,591</u>	<u>\$ 21,120,457</u>	<u>\$ 20,858,767</u>	<u>\$ 20,525,794</u>	<u>\$ 21,988,087</u>	<u>\$ 20,878,425</u>	<u>\$ 22,288,146</u>	<u>\$ 27,076,216</u>	<u>\$ 29,230,980</u>	<u>\$ 32,114,571</u>	<u>\$ 34,763,079</u>
Total net debt applicable to limit as a percentage of debt limit	11.27%	10.41%	9.27%	9.07%	8.45%	7.23%	12.86%	11.05%	8.37%	2.88%	5.34%	4.96%

Legal Debt Margin Calculated for Fiscal Year 2021 (1)

Assessed Value	\$ 413,289,727
Debt Limit (8% of total assessed value)	36,575,713
Debt applicable to limit:	
General obligation bonds	7,761,671
Non bonded debt	250,000
Less statute exclusion for water bonds	<u>6,199,037</u>
Total net debt applicable to limit	<u>1,812,634</u>
Legal Debt Margin	<u>\$ 34,763,079</u>

Notes:

(1) - Under North Carolina general statutes, the legal debt limit should not exceed 8% of total assessed property value. By law, the statute provides exclusions for bonded debt which has been issued for water and sewer systems, provided the criteria for excluding the debt has been satisfied by the unit of government.

Town of Angier
Pledge-Revenue Coverage
Last Ten Fiscal Years

Table 14

Fiscal Year	Sewer Revenue Bonds					Debt Service		Coverage
	Water and Sewer Charges	Other Non-Operating Revenues	Total Charges	Less Operating Expenses	Net Available Revenue	Principal	Interest	
2012	1,731,833	3,258,654	4,990,487	1,460,051	3,530,436	3,302,577	132,898	1.03
2013	2,124,130	60,086	2,184,216	1,619,887	564,329	100,804	169,885	2.08
2014	2,003,704	28,316	2,032,020	1,846,612	185,408	127,476	166,483	0.63
2015	2,110,082	45,219	2,155,301	1,891,064	264,237	132,138	161,827	0.90
2016	2,022,461	49,600	2,072,061	2,052,310	19,751	135,792	156,997	0.07
2017	2,123,533	47,687	2,171,220	2,148,501	22,719	139,434	152,030	0.08
2018	2,479,672	41,700	2,521,372	2,177,793	343,579	224,482	183,441	0.84
2019	2,589,405	34,266	2,623,671	2,331,648	292,023	231,081	175,972	0.72
2020	3,341,538	27,136	3,368,674	2,777,399	591,275	231,081	175,972	1.45
2021	3,504,775	7,728	3,512,503	3,190,616	321,887	240,230	168,286	0.79
2022	3,939,566	84,014	4,023,580	3,236,562	787,018	240,230	182,600	1.86

Town of Angier
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 15

Fiscal Year	Angier		Median Household	Housing Units (1)	Median Age (4)	School	Unemployment
	Population (1)	Income (1)	Income (1)			Enrollment (2)	Rate (3)
2010	4,350		N/A	N/A	35.0	425	10.8%
2011	4,385		N/A	N/A	34.0	425	11.8%
2012	4,495		N/A	N/A	34.0	424	11.2%
2013	4,547		N/A	N/A	34.0	438	10.5%
2014	4,718		N/A	N/A	34.0	450	7.2%
2015	4,851		N/A	N/A	34.0	452	6.2%
2016	4,934		N/A	N/A	34.0	454	5.4%
2017	5,091	\$	45,428	N/A	33.4	425	4.0%
2018	5,118	\$	44,821	N/A	N/A	426	3.6%
2019	5,170	\$	53,489	2,216	N/A	430	3.3%
2020	5,407	\$	53,609	2,324	34	430	5.4%
2021	5,419	\$	54,612	2,309	31.9	428	4.1%
2022	6,051	\$	58,967	2,450	31.9	329	4.9%

Fiscal Year	Harnett County		Median Household	Housing Units (1)	Median Age (1)	School	Unemployment
	Population (1)	Income (1)	Income (1)			Enrollment (2)	Rate (3)
2017	132,754	\$	50,323	50,542	33.9	N/A	5.1%
2018	133,114	\$	45,709	54,879	N/A	N/A	5.1%
2019	133,434	\$	54,040	55,591	N/A	N/A	3.8%
2020	135,936	\$	53,943	56,412	34	N/A	7.6%
2021	137,357	\$	54,430	56,702	34	N/A	5.5%
2022	138,288	\$	58,583	54,804	34.7	N/A	4.4%

Fiscal Year	Wake County		Median Household	Housing Units (1)	Median Age (1)	School	Unemployment
	Population (1)	Income (1)	Income (1)			Enrollment (2)	Rate (3)
2017	1,072,203	\$	73,577	411,632	35.8	N/A	4.0%
2018	1,092,636	\$	74,355	445,518	N/A	N/A	3.6%
2019	1,111,193	\$	79,829	455,657	N/A	N/A	2.8%
2020	1,132,648	\$	81,518	464,300	36	N/A	7.1%
2021	1,141,511	\$	84,089	468,682	36.2	N/A	4.1%
2022	1,175,094	\$	92,501	487,639	36.4	N/A	3.2%

Notes:

- (1) 2017 statistics provided by the United States Census Bureau: <https://www.census.gov>
 2018 statistics provided by North Carolina census data: <https://northcarolina.hometownlocator.com/nc>
 2019 statistics provided by North Carolina census data: <https://northcarolina.hometownlocator.com/nc>
 2020 statistics provided by North Carolina census data: <https://northcarolina.hometownlocator.com/nc/harnett/angier.cfm>
 2021 statistics provided by North Carolina census data: <https://northcarolina.hometownlocator.com/nc/harnett/angier.cfm>
 2022 statistics provided by North Carolina census data: <https://northcarolina.hometownlocator.com/nc/harnett/angier.cfm>
 2022 statistics provided by: <https://worldpopulationreview.com/us-counties/nc/wake-county-population>
- (2) 2017 and 2018 statistics provided by Angier Elementary School administration
 2019 statistics provided through: <https://www.publicschoolreview.com/angier-elementary-school-profile/27501>
 2020 statistics provided through: <https://www.publicschoolreview.com/angier-elementary-school-profile/27501>
- (3) 2017, 2018, 2019, 2020, & 2021 statistics for Angier provided by North Carolina unemployment data:
<https://www.homefacts.com/unemployment/North-Carolina/>
 2017, 2018, 2019, 2020, & 2021 statistics for Harnett and Wake counties provided by North Carolina government data:
<https://d4.nccommerce.com/LausSelection.aspx>
 2021 unemployment statistics source: https://www.bestplaces.net/economy/city/north_carolina/angier
 2022 unemployment rate source: <https://data.rgi.com/unemployment/harnett-county-nc/CN3708500000000/>
- (4) 2021 statistics source: <http://www.city-data.com/city/Angier-North-Carolina.html>

**Town of Angier
Principal Employers
Current Year and Ten Years Ago**

Table 16

Employer	2020 (2)		2011 (1)	2022 (3)	
	Employees	Rank	Employees	Rank	Employees
Harnett County Schools	1000+	1	1000+	1	1000+
Campbell University	1000+	2	500-999	2	1000+
Food Lion Distribution Center	1000+	3	500-999	3	1000+
County of Harnett	1000+	4	500-999	4	1000+
Harnett Health System (Betsy Johnson)	500-999	5	500-999	5	500-999
Wal-Mart Associates, Inc.	500-999	6	100-249	8	250-499
Carlie C's Operation Center, Inc.	250-499	7		6	250-499
NC Department of Public Safety	250-499	8	250-499	N/A	N/A
Rooms to Go	250-499	9		7	250-499
Champion Home Builders Inc	100-249	10		9	100-249
Saab Barracuda, LLC		11	100-249	10	100-249
Edwards Brothers, Inc.		12	250-499	N/A	N/A
Central Carolina Community College				11	100-249
Godwin Manufacturing				12	100-249
Grey Metal South		13	100-249	N/A	N/A

(1) - This information reports Harnett County's principal employers. The Town of Angier's data is not available.

(2) These are the principal employers, as reported in the FY 2020 CAFR for Harnett County. The FY 2021 CAFR is not available.

(3) <http://harnettedc.org/top-employers.asp>

Town of Angier
Full-time Equivalent Town Government Employees by Function
Last Ten Fiscal Years

Table 17

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government:										
Governing Body	5	5	5	5	5	5	5	5	5	5
Administration	4	4	4	4	4	3.5	3.5	3.5	3	3
Finance	-	-	-	-	-	1.5	2	2	4	4
Library	2	2	2	2	2	2	3	3	3	3
Economic and Physical Development:										
Planning and Zoning	1	1	1	1	1	1	2	2	4	3
Public Safety:										
Law Enforcement Officers	12	12	13	14	14	12	12	12	15	15
Public Works:										
Streets	0.66	0.67	1.34	1.34	1.34	1.34	1.34	1.34	4	3.66
Water	4.16	4.17	4.34	4.84	4.84	3	3	3	4.5	3.67
Sewer	3.16	3.17	3.34	3.84	3.84	4.34	4.34	4.34	4.5	3.67
Parks & Recreation	3	3	3	3	3	3	3	3	4	3
Total	35	35	37	39	39	37	39	39	51	47

**Town of Angier
Operating Indicators by Function
Last Ten Years**

Table 18

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function:												
Public Safety:												
Physical arrests	262	236	145	207	164	164	189	127	169	156	139	160
Traffic violations	1,150	872	558	741	436	811	670	350	440	513	297	340
Highways and Streets:												
Street resurfacing (miles)	1.67	1.83	1	0	0	0	0	1.39	0	0	0	22
Potholes repaired	12	12	10	12	12	14	20	16	16	16	16	14
Code Enforcement/Inspections:												
Building permits	272	226	306	342	332	369	331	320	318	526	651	675
Sanitation:												
Yard waste collected (tons/year)	241.02	271.07	276.93	264.36	263.41	484.01	274.22	N/A	N/A	N/A	N/A	N/A
Household/appliances (tons/year)	75.24	83.44	87.37	91.04	106.79	118.38	100.05	N/A	N/A	N/A	N/A	N/A
Recycle pick-up fee	3	3	3.1	3.3	3.3	3.3	3.3	4.0	4.0	4.14	4.88	4.67
Trash pick-up fee	8.5	8.5	8.75	9.3	9.3	9.3	9.3	9.60	9.60	9.94	9.94	8.31
Culture and Recreation:												
Athletic field permits issued	3	2	3	8	22	28	31	48	48	56	63	84
Youth participation:												
Fall soccer	315	308	298	265	252	360	374	322	322	316	370	589
Football and cheerleading	146	152	144	150	112	107	92	106	106	118	96	141
Basketball	238	265	278	255	238	252	274	276	276	280	152	262
Baseball	614	592	583	580	517	543	484	473	473	19	592	695
Water:												
Water customers	2642	2581	2511	2567	2637	2706	2772	2834	2931	3188	3385	3418
Average water bill	66.15	66.47	58.12	57.79	63.64	66.37	68.72	63.1	65.58	67.30	70.22	70.59
Water main breaks	10	12	14	24	20	22	23	20	21	20	15	14

**Town of Angier
Capital Asset Statistics by Function
Last Ten Fiscal Years**

Table 19

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety:												
Police stations	1	1	1	1	1	1	1	1	1	1	1	1
Police patrol units	15	15	21	18	19	19	19	19	19	19	19	17
Sanitation:												
Collection trucks	2	2	2	3	3	3	3	3	3	3	3	3
Highways and Streets:												
Streets (miles)	24.37	24.37	24.37	24.37	24.37	24.37	24.66	24.66	24.66	24.66	27.58	27.58
Traffic signals	2	2	2	2	2	2	2	2	2	2	2	2
Culture and Recreation:												
Parks acreage	26.5	27.1	27.1	27.1	27.1	27.1	27.1	27.1	27.1	27.1	27.1	27.1
Parks acreage	1	1	1	1	1	1	1	1	1	1	1	1
Baseball fields	6	5	5	5	5	5	5	5	5	5	5	5
Tennis courts	1	1	1	1	1	1	1	1	1	1	1	1
Water:												
Water mains (feet):												
4" water line	7,043	7,043	7,043	7,043	7,043	7,043	7,043	7,043	7,043	7,043	7,043	7,043
6" water line	123,302	123,302	123,302	123,302	123,302	123,302	123,302	125,853	125,853	125,853	125,853	125,853
8" water line	51,800	51,800	51,800	51,800	51,800	51,800	51,800	65,276	65,276	65,276	65,276	65,276
10" water line	8,711	8,711	8,711	8,711	8,711	8,711	8,711	8,711	8,711	8,711	8,711	8,711
12" water line	37,019	37,019	37,019	37,019	37,019	37,019	37,019	37,019	37,019	37,019	37,019	37,019
20" water line	5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967	5,967
Total	233,842	233,842	233,842	233,842	233,842	233,842	233,842	249,869	249,869	249,869	249,869	249,869
Sewer:												
8" sewer lines (feet)	121,651	121,651	121,651	121,651	121,651	121,651	121,651	126,591	126,591	126,591	126,591	126,591
16" sewer line (feet)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,718	1,718	1,718	1,718	1,718

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 units each major fund, and the aggregate remaining fund information of the Town of Angier for the year ended June 30, 2022, 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 December 22, 2022. 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
December 22, 2022

Town of Angier, North Carolina
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2022

Section I. Summary of Auditor's Results

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, 2022Schedule

Section II - Financial Statement Findings

None.

Town of Angier, North Carolina
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2022

Finding: 2021-001
Status: Corrected