

TOWN OF CARRBORO, NORTH CAROLINA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Major Funds				Total Governmental Funds
	General Fund	American Rescue Plan Act Special Revenue Fund	Capital Projects Fund	Nonmajor Funds	
ASSETS					
Cash and cash equivalents	\$ 21,495,953	\$ -	\$ 7,221,156	\$ 1,905,028	\$ 30,622,137
Taxes receivable, net	108,221	-	-	-	108,221
Accounts receivable, net	56,882	-	-	-	56,882
Due from other governments	2,966,079	-	1,461,294	221,835	4,649,208
Lease receivable	344,746	-	-	-	344,746
Notes receivable, net	-	-	-	86,819	86,819
Inventories	5,968	-	-	-	5,968
Prepaid items	405,342	-	-	-	405,342
Restricted cash	986,292	468,553	100,858	-	1,555,703
Total assets	<u>\$ 26,369,483</u>	<u>\$ 468,553</u>	<u>\$ 8,783,308</u>	<u>\$ 2,213,682</u>	<u>\$ 37,835,026</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 1,362,472	\$ 103,238	\$ 801,648	\$ 56,490	\$ 2,323,848
Payable from restricted assets, customer deposits and performance bonds	41,976	-	-	-	41,976
Revenues received in advance	70,509	-	-	-	70,509
Due to component unit	67,097	-	-	-	67,097
Total liabilities	<u>1,542,054</u>	<u>103,238</u>	<u>801,648</u>	<u>56,490</u>	<u>2,503,430</u>
DEFERRED INFLOWS OF RESOURCES	<u>398,912</u>	<u>-</u>	<u>-</u>	<u>168,015</u>	<u>566,927</u>
FUND BALANCES					
Nonspendable:					
Inventories	5,968	-	-	-	5,968
Prepaid items	405,342	-	-	-	405,342
Leases	31,778	-	-	-	31,778
Restricted:					
Stabilization by state statute	4,817,420	-	-	-	4,817,420
Powell Bill (streets)	944,316	-	-	-	944,316
Capital projects	-	-	100,858	-	100,858
Committed:					
Economic and physical development	-	365,315	-	602,792	968,107
Capital projects	-	-	7,880,802	531,514	8,412,316
Affordable housing	-	-	-	697,276	697,276
Energy efficiency	-	-	-	157,595	157,595
Assigned:					
Subsequent year's expenditures	4,117,371	-	-	-	4,117,371
Unassigned	14,106,322	-	-	-	14,106,322
Total fund balances	<u>24,428,517</u>	<u>365,315</u>	<u>7,981,660</u>	<u>1,989,177</u>	<u>34,764,669</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 26,369,483</u>	<u>\$ 468,553</u>	<u>\$ 8,783,308</u>	<u>\$ 2,213,682</u>	<u>\$ 37,835,026</u>

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

TOWN OF CARRBORO, NORTH CAROLINA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

	Total Governmental Funds
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Total fund balances - governmental funds	\$ 34,764,669
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	67,015,935
Other long-term assets (accrued interest receivable from taxes) are not available to pay for current period expenditures and therefore are deferred inflows of resources in the funds.	22,171
Deferred outflows of resources related to pensions are not reported in the fund statements.	5,129,548
Deferred outflows of resources related to OPEB are not reported in the fund statements.	2,536,573
Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.	253,959
Some liabilities, including long-term obligations, are not due and payable in the current period and, therefore, are not reported in the funds.	(31,643,888)
Deferred inflows of resources related to pensions are not reported in the fund statements.	(374,680)
Deferred inflows of resources related to OPEB are not reported in the fund statements.	(6,736,659)
Net pension liability - LGERS	(7,116,450)
Total pension liability - LEO	(2,382,835)
Total OPEB liability	(16,121,510)
Other long-term liabilities (accrued interest) are not due and payable in the current period and, therefore, are not reported in the funds.	(130,307)
Net position of governmental activities	\$ 45,216,526

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

TOWN OF CARRBORO, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General Fund	(Formerly Major) Revolving Loan Fund	(Formerly Major) Bond Fund	American Rescue Plan Act Special Revenue Fund	Capital Projects Fund		
Revenues:							
Ad valorem taxes	\$ 15,841,637	\$ -	\$ -	\$ -	\$ -	\$ 400,009	\$ 16,241,646
Local option sales taxes	7,184,467	-	-	-	-	-	7,184,467
Other taxes and licenses	1,924,913	-	-	-	-	-	1,924,913
Unrestricted intergovernmental	1,695,440	-	-	-	-	-	1,695,440
Restricted intergovernmental	903,230	-	-	6,349,792	9,589,309	351,952	17,194,283
Permits and fees	1,253,946	-	-	-	-	-	1,253,946
Sales and services	345,897	-	-	-	-	-	345,897
Investment earnings	737,138	-	-	231,265	309,613	69,359	1,347,375
Other	304,050	-	-	-	-	111,968	416,018
Total revenues	30,190,718	-	-	6,581,057	9,898,922	933,288	47,603,985
Expenditures:							
General government	8,278,106	-	-	-	-	-	8,278,106
Public safety	8,052,480	-	-	-	-	-	8,052,480
Planning	1,822,343	-	-	-	-	-	1,822,343
Transportation	2,148,148	-	-	-	-	-	2,148,148
Public works	4,280,486	-	-	-	-	-	4,280,486
Economic and physical development	-	-	-	-	-	624,128	624,128
Parks and recreation	1,836,170	-	-	-	-	-	1,836,170
Capital outlay	433,730	-	-	-	18,518,020	134,662	19,086,412
Debt service:							
Principal	1,437,674	-	-	-	-	-	1,437,674
Interest and other charges	428,262	-	-	-	-	-	428,262
Total expenditures	28,717,399	-	-	-	18,518,020	758,790	47,994,209
Excess (deficiency) of revenues over (under) expenditures	1,473,319	-	-	6,581,057	(8,619,098)	174,498	(390,224)
Other financing sources (uses):							
Transfers to other funds	(2,920,383)	-	-	(6,370,433)	(649,000)	-	(9,939,816)
Transfers from other funds	6,370,433	-	-	-	3,173,158	237,000	9,780,591
Total other financing sources (uses)	3,450,050	-	-	(6,370,433)	2,524,158	237,000	(159,225)
Net change in fund balances	4,923,369	-	-	210,624	(6,094,940)	411,498	(549,449)
Fund balance (deficit), as previously reported	19,546,432	261,733	(144,572)	154,691	14,076,600	1,460,518	35,355,402
Error Correction (Note 5)	(41,284)	-	-	-	-	-	(41,284)
Change in reporting entity (Note 5)	-	(261,733)	144,572	-	-	117,161	-
Fund balance, beginning as restated	19,505,148	-	-	154,691	14,076,600	1,577,679	35,314,118
Fund balance, end of year	\$ 24,428,517	\$ -	\$ -	\$ 365,315	\$ 7,981,660	\$ 1,989,177	\$ 34,764,669

TOWN OF CARRBORO, NORTH CAROLINA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Total net change in fund balances - governmental funds	\$	(549,449)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures, however, in the Statement of Activities, the cost of these assets is capitalized and allocated over their estimated useful lives and reported as depreciation and amortization expense:

Capital outlay	\$ 19,226,776	
Depreciation expense	(2,312,038)	
Amortization expense	<u>(44,040)</u>	16,870,698

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(120,031)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. 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	\$ 1,437,674	
Change in accrued interest payable	<u>14,146</u>	1,451,820

The governmental funds report current year contributions to the Town's defined benefit pension and OPEB plans whereas the Statement of Activities reports pension and OPEB expense. These amounts represent the differences between current year contributions and expenses for the applicable plan:

Pension expense - LGERS	\$ (598,457)	
Pension expense - LEOSSA	(192,218)	
OPEB expense	<u>976,741</u>	186,066

The receipt of contributions towards deposits on joint construction project provides current financial resources to the funds. This transaction does not have an effect on net position. This amount is the net effect of these differences in the treatment of such contributions received.

Receipt of joint capital project deposit from Orange County		(9,589,309)
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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.

Amortization of bond premiums	\$ 4,866	
Change in compensated absences	<u>2,645</u>	<u>7,511</u>

Total changes in net position of governmental activities		<u>\$ 8,257,306</u>
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TOWN OF CARRBORO, NORTH CAROLINA

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Ad valorem taxes	\$ 15,800,200	\$ 15,800,200	\$ 15,841,637	\$ 41,437
Local option sales taxes	6,044,000	6,044,000	7,184,467	1,140,467
Other taxes and licenses	1,798,261	1,798,261	1,924,913	126,652
Unrestricted intergovernmental	1,351,000	1,351,000	1,695,440	344,440
Restricted intergovernmental	164,298	1,643,610	903,230	(740,380)
Permits and fees	1,175,222	1,175,222	1,253,946	78,724
Sales and services	245,700	245,700	345,897	100,197
Investment earnings	15,000	21,700	737,138	715,438
Other revenues	267,509	267,509	304,050	36,541
Total revenues	26,861,190	28,347,202	30,190,718	1,843,516
Expenditures				
Current:				
General government	7,538,673	8,537,415	7,587,153	950,262
Public safety	7,655,173	8,124,540	8,052,480	72,060
Planning	1,728,344	1,921,073	1,822,343	98,730
Transportation	2,168,917	3,910,664	2,148,148	1,762,516
Public works	4,189,998	4,287,374	4,280,486	6,888
Parks and recreation	2,040,544	2,060,080	1,836,170	223,910
Non-departmental	2,109,261	2,742,980	1,124,683	1,618,297
Debt service	1,821,530	1,821,530	1,865,936	(44,406)
Total expenditures	29,252,440	33,405,656	28,717,399	4,688,257
Excess (deficiency) of revenues over (under) expenditures	(2,391,250)	(5,058,454)	1,473,319	6,531,773
Other financing sources (uses)				
Transfers from other funds	-	6,370,433	6,370,433	-
Transfers to other funds	(141,000)	(2,920,383)	(2,920,383)	-
Sale of capital assets	60,000	60,000	-	(60,000)
Fund balance appropriated	2,472,250	1,548,404	-	(1,548,404)
Total other financing sources	2,391,250	5,058,454	3,450,050	(1,608,404)
Excess of revenues and other financing sources over expenditures	-	-	4,923,369	4,923,369
Net change in fund balance	\$ -	\$ -	4,923,369	\$ 4,923,369
Fund balance, beginning of year, as previously reported			19,546,432	
Error correction (Note 5)			(41,284)	
			19,505,148	
Fund balance, end of year			\$ 24,428,517	

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

TOWN OF CARRBORO, NORTH CAROLINA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024**

	Major Enterprise Funds	Nonmajor Fund	Total Enterprise Funds
	Stormwater Utility Enterprise Fund	Parking Enterprise Fund	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,576,896	\$ 2,910	\$ 2,579,806
Accounts receivable	76,274	-	76,274
Total current assets	<u>2,653,170</u>	<u>2,910</u>	<u>2,656,080</u>
Noncurrent assets:			
Capital assets:			
Other capital assets, net of depreciation	602,083	-	602,083
Total noncurrent assets	<u>602,083</u>	<u>-</u>	<u>602,083</u>
Total assets	<u>3,255,253</u>	<u>2,910</u>	<u>3,258,163</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals	90,956	-	90,956
OPEB deferrals	51,767	-	51,767
Total deferred outflows of resources	<u>142,723</u>	<u>-</u>	<u>142,723</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	84,708	-	84,708
Current portion of compensated absences	11,984	-	11,984
Current portion of total OPEB liability	7,412	-	7,412
Total current liabilities	<u>104,104</u>	<u>-</u>	<u>104,104</u>
Long-term liabilities:			
Net pension liability - LGERS	145,234	-	145,234
Total OPEB liability	321,598	-	321,598
Total long-term liabilities	<u>466,832</u>	<u>-</u>	<u>466,832</u>
Total liabilities	<u>570,936</u>	<u>-</u>	<u>570,936</u>
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	3,144	-	3,144
OPEB deferrals	137,483	-	137,483
Total deferred inflows of resources	<u>140,627</u>	<u>-</u>	<u>140,627</u>
NET POSITION			
Investment in capital assets	602,083	-	602,083
Unrestricted	2,084,330	2,910	2,087,240
Total net position	<u>\$ 2,686,413</u>	<u>\$ 2,910</u>	<u>\$ 2,689,323</u>

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

TOWN OF CARRBORO, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Major Enterprise Funds</u>	<u>Nonmajor Fund</u>	<u>Total Enterprise Funds</u>
	<u>Stormwater Utility Enterprise Fund</u>	<u>Parking Enterprise Fund</u>	
Operating revenues			
Charges for services	\$ 1,013,980	\$ -	\$ 1,013,980
Total operating revenues	<u>1,013,980</u>	<u>-</u>	<u>1,013,980</u>
Operating expenses			
Personnel services	450,640	-	450,640
Depreciation and amortization	55,335	-	55,335
Other current charges	228,421	149,033	377,454
Total operating expenses	<u>734,396</u>	<u>149,033</u>	<u>883,429</u>
Operating income (loss)	279,584	(149,033)	130,551
Nonoperating revenues			
Investment earnings	85,224	-	85,224
Interest and other charges	780	-	780
Total nonoperating revenues	<u>86,004</u>	<u>-</u>	<u>86,004</u>
Income (loss) before transfers	365,588	(149,033)	216,555
Transfers			
Transfers from general fund	-	159,225	159,225
Total transfers	<u>-</u>	<u>159,225</u>	<u>159,225</u>
Change in net position	365,588	10,192	375,780
Net position (deficit), beginning of year, as previously presented	<u>2,322,226</u>	<u>(7,282)</u>	<u>2,314,944</u>
Error correction (Note 5)	(1,401)	-	(1,401)
Net position (deficit), beginning of year, restated	<u>2,320,825</u>	<u>(7,282)</u>	<u>2,313,543</u>
Net position, end of year	<u>\$ 2,686,413</u>	<u>\$ 2,910</u>	<u>\$ 2,689,323</u>

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

TOWN OF CARRBORO, NORTH CAROLINA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Major Enterprise	Nonmajor Fund	Total Enterprise
	Funds	Parking	
	Stormwater Utility Enterprise Fund	Enterprise Fund	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 1,003,550	\$ -	\$ 1,003,550
Cash paid for goods and services	(185,094)	(156,315)	(341,409)
Cash paid to or on behalf of employees for services	(357,741)	-	(357,741)
Net cash provided by (used in) operating activities	<u>460,715</u>	<u>(156,315)</u>	<u>304,400</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from other funds	-	159,225	159,225
Net cash provided by noncapital financing activities	<u>-</u>	<u>159,225</u>	<u>159,225</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment earnings	86,004	-	86,004
Net cash provided by investing activities	<u>86,004</u>	<u>-</u>	<u>86,004</u>
Net increase in cash and cash equivalents	546,719	2,910	549,629
Cash and cash equivalents:			
Beginning of year	<u>2,030,177</u>	<u>-</u>	<u>2,030,177</u>
End of year	<u><u>\$ 2,576,896</u></u>	<u><u>\$ 2,910</u></u>	<u><u>\$ 2,579,806</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 279,584	\$ (149,033)	\$ 130,551
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	55,335	-	55,335
Change in assets, deferred outflows and inflows of resources, and liabilities:			
Decrease in accounts receivable	(10,430)	-	(10,430)
Increase (decrease) in accounts payable and accrued liabilities	43,327	(7,282)	36,045
Decrease in accrued vacation pay	(7,735)	-	(7,735)
Decrease in deferred outflows of resources for pensions	(5,798)	-	(5,798)
Increase in deferred inflows of resources for pensions	2,555	-	2,555
Decrease in deferred outflows of resources for OPEB	(9,108)	-	(9,108)
Increase in deferred inflows of resources for OPEB	14,288	-	14,288
Increase in net pension liability	16,457	-	16,457
Increase in total OPEB liability	82,240	-	82,240
Net cash provided by (used in) operating activities	<u><u>\$ 460,715</u></u>	<u><u>\$ (156,315)</u></u>	<u><u>\$ 304,400</u></u>

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