

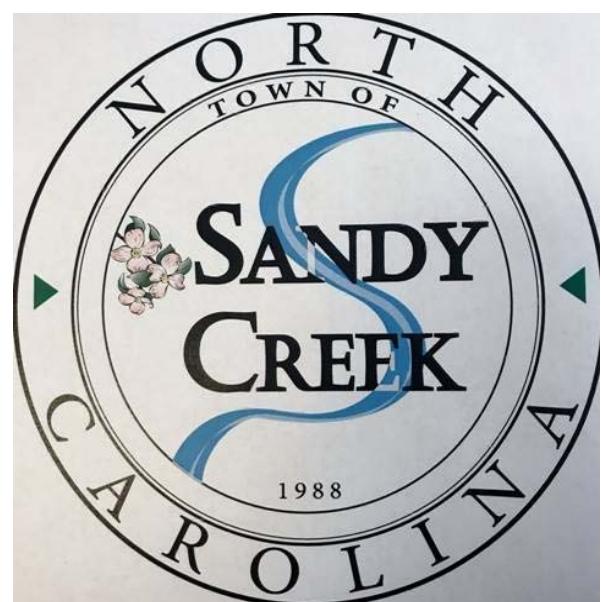
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By SLGFD at 4:50 pm, Feb 02, 2022

TOWN OF SANDY CREEK, NORTH CAROLINA

Report of Audit

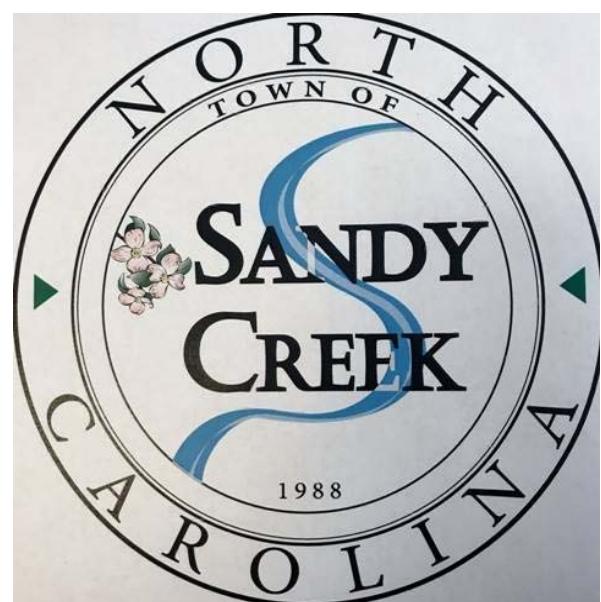
For the Fiscal Year Ended June 30, 2021



TOWN OF SANDY CREEK, NORTH CAROLINA

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FINANCIAL SECTION

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Independent Auditor's Report

To the Honorable Mayor
And Members of the Town Council
Sandy Creek, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Sandy Creek, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Sandy Creek, North Carolina as of June 30, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Town of Sandy Creek, North Carolina. The individual fund statements, budgetary schedules, and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund statements, budgetary schedules, and other schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, the individual fund statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

W Greene, PLLC

Whiteville, North Carolina
December 30, 2021

Management's Discussion and Analysis

As management of the Town of Sandy Creek, we offer readers of the Town of Sandy Creek's financial statements this narrative overview and analysis of the financial activities of the Town of Sandy Creek for the fiscal year ended June 30, 2021. 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.

Financial Highlights

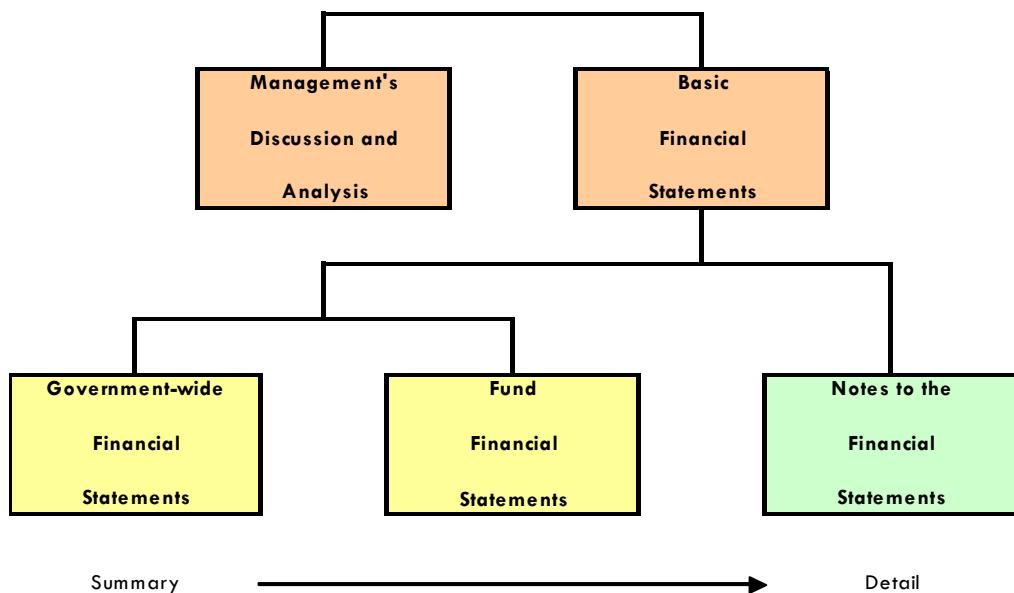
- The assets and deferred outflows of resources of the Town of Sandy Creek exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$725,023 (net position).
- The government's total net position increased \$86,172.
- As of the close of the current fiscal year, the Town of Sandy Creek's governmental funds reported ending fund balances of \$665,264, with an increase of \$105,488 in fund balance. Approximately 6.29% of this total amount, or \$41,847 is nonspendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$623,394 or 761.56 percent of total general fund expenditures for the fiscal year.
- The Town's tax collection rate was 96.90%.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Town of Sandy Creek'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 Sandy Creek.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (pages 18 through 21) 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 (pages 22 through 27) 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 two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the budgetary comparison 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 North Carolina General Statutes also can be found in this part of the statements.

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 include governmental activities. The governmental activities include most of the Town's basic services such as administration and street maintenance. Property taxes, other taxes and state and federal grant funds finance most of these activities.

The government-wide financial statements are on pages 18 through 21 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 Sandy Creek, 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 Town of Sandy Creek are governmental funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. All 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 are more or less financial resources available to finance the Town's programs. The relationship between government 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 Sandy Creek 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.

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. The notes to the financial statements are on pages 28 through 39 of this report.

Interdependence with Other Entities – The Town depends on financial resources flowing from, or associated with, both the federal government and the State of North Carolina. Because of this dependency, the Town 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.

Management's Discussion and Analysis (Continued)

Government-Wide Financial Analysis

	Governmental Activities	
	2021	2020
Current and other assets	\$ 668,492	\$ 570,447
Capital assets	56,871	72,568
Deferred outflows of resources	-	-
Total assets and deferred outflows of resources	<u>725,363</u>	<u>643,015</u>
Long-term liabilities outstanding	-	-
Other liabilities	340	4,164
Deferred inflows of resources	-	-
Total liabilities and deferred inflows of resources	<u>340</u>	<u>4,164</u>
Net position:		
Net investment in capital assets	56,871	68,830
Restricted	41,847	26,727
Unrestricted	626,305	543,294
Total net position	<u>\$ 725,023</u>	<u>\$ 638,851</u>

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 Sandy Creek exceeded liabilities and deferred inflows by \$725,023 as of June 30, 2021. The Town's net position increased by \$86,172 for the fiscal year ended June 30, 2021. However, a large portion (7.84%) reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt still outstanding that was issued to acquire those items. The Town of Sandy Creek uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Sandy Creek's net investment in its 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 Sandy Creek's net position \$41,847 represents sources that are subject to external restrictions on how they may be used. The remaining balance of \$626,305 is unrestricted.

Several particular aspects of the Town's financial operations positively influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes by maintaining a tax collection percentage of 96.90%. The statewide average in fiscal year 2021 was 98.96%.

Management's Discussion and Analysis (Continued)

The Town of Sandy Creek's Changes in Net Position
Figure 3

	Governmental Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 2,480	\$ 478
Operating grants and contributions	15,254	15,197
Capital grants and contributions	-	-
General Revenues		
Property taxes	42,715	44,121
Other taxes	113,822	95,145
Investment earnings	21	91
Miscellaneous	5,697	22,512
Total revenues	179,989	177,544
Expenses:		
General Government	77,122	89,533
Public Safety	7,648	10,104
Streets	9,046	30,778
Interest on Long-Term Debt	1	255
Total expenses	93,817	130,670
Increase(Decrease) in net position before transfers	86,172	46,874
Transfers	-	-
Change in net position	86,172	46,874
Net Position, beginning	638,851	591,977
Net position, June 30	\$ 725,023	\$ 638,851

Governmental activities. Governmental activities increased the Town's net position by \$86,172. Key element of this increase is as follows:

- Increase in other tax revenues.
- Decrease in overall expenditures.

Financial Analysis of the Town's Funds

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

Governmental Funds. The focus of the Town of Sandy Creek'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 Sandy Creek's financing requirements.

The general fund is the chief operating fund of the Town of Sandy Creek. At the end of the current fiscal year, Town of Sandy Creek's fund balance available in the General Fund was \$642,492, while total fund balance reached \$665,264. The Town currently has an available fund balance of 784.89 percent of total General Fund expenditures, while total fund balance represents 812.70 percent of the same amount.

At June 30, 2021, the governmental funds of Town of Sandy Creek reported a fund balance of \$665,264, with a net increase in fund balance of \$105,488.

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.

Revenues were more than the budgeted amounts primarily because the Town received more intergovernmental funds than were anticipated. Overall, expenditures were less than budgeted amounts.

Capital Asset and Debt Administration

Capital assets. The Town of Sandy Creek's investment in capital assets for its governmental activities as of June 30, 2021, totals \$56,871 (net of accumulated depreciation). These assets include buildings, land, vehicles, infrastructure, and equipment. There were no major capital assets purchased during the year.

Management's Discussion and Analysis (Continued)

The Town of Sandy Creek's Capital Assets (Net of depreciation)

Figure 4

	Governmental Activities	
	2021	2020
Land	\$ 12,000	\$ 12,000
Buildings	18,621	22,469
Vehicles and Equipment	-	4,349
Infrastructure	26,250	33,750
Total	\$ 56,871	\$ 72,568

Additional information on the Town's capital assets can be found on page 36 in the Notes to the Financial Statements.

Long-term Debt. As of June 30, 2021, the Town of Sandy Creek had total debt outstanding of \$0.

Outstanding Debt

Figure 5

Town of Sandy Creek's Outstanding Debt

	Governmental Activities	
	2021	2020
Installment Purchases	\$ -	\$ 3,738
General Obligation Debt	-	-
Total	\$ -	\$ 3,738

The Town of Sandy Creek's total debt decreased by \$3,738 during the fiscal year, entirely due to a decrease in the installment purchase debt which was paid off during the 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 Sandy Creek is \$1,333,693.

Additional information regarding the Town of Sandy Creek's long-term debt can be found beginning on page 38 in the Notes to the Financial Statements.

Management's Discussion and Analysis (Continued)

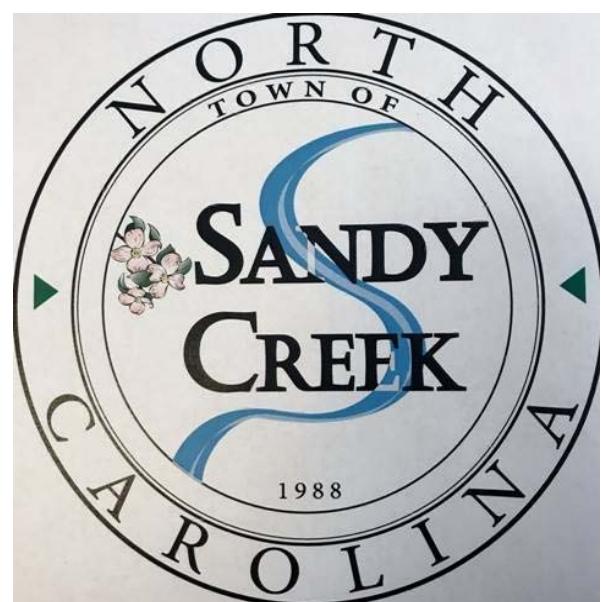
Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities. Total proposed revenues are estimated to be \$172,025 while budgeted expenses are \$172,025. The budget does not include a property tax increase, keeping the property tax rate \$0.25 per \$100 valuation.

Requests for Information

This report is designed to provide an overview of the Town finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the following:

**Director of Finance
Town of Sandy Creek
114 Sandy Creek Drive
Leland, North Carolina 28451
(910) 655-3153
tclerksandycreek@aol.com**



Basic Financial Statements

TOWN OF SANDY CREEK, NORTH CAROLINA

Statement of Net Position

June 30, 2021

	<u>Primary Government</u>		
	Governmental		
	Activities		<u>Total</u>
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 623,757	\$ 623,757	
Receivables (net):			
Ad Valorem Taxes	2,679	2,679	
Interest	209	209	
Due from Other Governments	22,772	22,772	
Restricted Cash and Cash Equivalents	19,075	19,075	
 Total Current Assets	 668,492	 668,492	
Noncurrent Assets:			
Capital Assets			
Land, Nondepreciable Improvements, and Construction in Progress	12,000	12,000	
Other Capital Assets, Net of Depreciation	44,871	44,871	
 Total Noncurrent Assets	 56,871	 56,871	
 Total Assets	 725,363	 725,363	

TOWN OF SANDY CREEK, NORTH CAROLINA

Statement of Net Position (Continued)

June 30, 2021

	<u>Primary Government</u>	<u>Governmental</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable and			
Accrued Liabilities	\$ 340	\$ 340	
Current Portion of Long-Term Liabilities	-	-	
Total Current Liabilities	<u>340</u>	<u>340</u>	
Long-Term Liabilities:			
Due in More Than One year			
Total Liabilities	<u>340</u>	<u>340</u>	
NET POSITION			
Net Investment in Capital Assets	56,871	56,871	
Restricted for:			
Transportation	19,075	19,075	
Stabilization by State Statute	22,772	22,772	
Unrestricted	<u>626,305</u>	<u>626,305</u>	
Total Net Position	<u>\$ 725,023</u>	<u>\$ 725,023</u>	

TOWN OF SANDY CREEK, NORTH CAROLINA

Statement of Activities

For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
General Government	\$ 77,122	\$ -	\$ 4,358	\$ -	
Public Safety	7,648	2,480	798	-	
Transportation	9,046	-	10,098	-	
Interest on long-term debt	1	-	-	-	
Total Governmental Activities	93,817	2,480	15,254	-	
Total Primary Government	\$ 93,817	\$ 2,480	\$ 15,254	\$ -	

TOWN OF SANDY CREEK, NORTH CAROLINA

Statement of Activities (Continued)
For the Year Ended June 30, 2021

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Functions/Programs	Governmental Activities	Totals
Primary Government:		
Governmental Activities:		
General Government	\$ (72,764)	\$ (72,764)
Public Safety	(4,370)	(4,370)
Transportation	1,052	1,052
Interest on long-term debt	(1)	(1)
Total Governmental Activities	(76,083)	(76,083)
Total Primary Government	(76,083)	(76,083)
General Revenues:		
Property Taxes, Levied for General Purpose	42,715	42,715
Other Taxes and Licenses	113,822	113,822
Investment Earnings	21	21
Miscellaneous	5,697	5,697
Transfers	-	-
Total General Revenues and Transfers	162,255	162,255
Change in Net Position	86,172	86,172
Net Position - Beginning	638,851	638,851
Net Position - End of Year	\$ 725,023	\$ 725,023

TOWN OF SANDY CREEK, NORTH CAROLINA

Balance Sheet

Governmental Funds

June 30, 2021

	<u>Major Fund</u>		Total
	General Fund	Governmental Funds	
ASSETS			
Cash and Cash Equivalents	\$ 623,757	\$ 623,757	
Restricted Cash	19,075	19,075	
Receivables (net):			
Ad Valorem Taxes	2,679	2,679	
Due from Other Governments	<u>22,772</u>	<u>22,772</u>	
Total Assets	<u>668,283</u>	<u>668,283</u>	
LIABILITIES			
Accounts Payable and Accrued Liabilities	<u>340</u>	<u>340</u>	
Total Liabilities	<u>340</u>	<u>340</u>	
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Receivable	2,679	2,679	
Total Deferred Inflows of Resources	<u>2,679</u>	<u>2,679</u>	
FUND BALANCES			
Restricted			
Stabilization by State Statute	22,772	22,772	
Streets	19,075	19,075	
Assigned			
Subsequent Year's Expenditures:	23	23	
Unassigned	<u>623,394</u>	<u>623,394</u>	
Total Fund Balances	<u>665,264</u>	<u>665,264</u>	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 668,283</u>	<u>\$ 668,283</u>	

TOWN OF SANDY CREEK, NORTH CAROLINA

Balance Sheet (Continued)

Governmental Funds

June 30, 2021

	Total Governmental Funds
<hr/>	
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Total Governmental Fund Balance	\$ 665,264
 Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Gross capital assets at historical costs	\$ 418,781
Accumulated depreciation	<u>(361,910)</u> 56,871
 Other long-term assets (accrued interest receivable from taxes) are not available to pay for current-period expenditures and and therefore are deferred	
Accrued interest - taxes	<u>209</u> 209
 Liabilities for earned revenues considered deferred inflows of resources in fund statements.	
Ad valorem taxes	<u>2,679</u> 2,679
 Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Installment purchases	<u>-</u> -
Net position of governmental activities	<u>\$ 725,023</u>

TOWN OF SANDY CREEK, NORTH CAROLINA
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2021

	Major Fund	Total	
	General Fund	Governmental Funds	
Revenues			
Ad Valorem Taxes	\$ 50,072	\$ 50,072	
Unrestricted Intergovernmental	113,822	113,822	
Restricted Intergovernmental	15,254	15,254	
Permits and Fees	2,480	2,480	
Investment Earnings	21	21	
Miscellaneous	5,697	5,697	
Total Revenues	187,346	187,346	
Expenditures			
Current			
General Government	76,473	76,473	
Public Safety	100	100	
Transportation	1,546	1,546	
Debt Service			
Principal	3,738	3,738	
Interest and Other charges	1	1	
Capital Outlay			
Administration	-	-	
Transportation	-	-	
Total Expenditures	81,858	81,858	
Excess (Deficiency) of Revenues Over Expenditures	105,488	105,488	
Other Financing Sources (Uses)			
Transfers from Other Funds	-	-	
Transfers to Other Funds	-	-	
Installment Purchase Obligations Issued	-	-	
Sale of Capital Assets	-	-	
Total Other Financing Sources (Uses)	-	-	
Net Change in Fund Balance	105,488	105,488	
Fund Balance - Beginning of Year	559,776	559,776	
Fund Balance - End of Year	\$ 665,264	\$ 665,264	

TOWN OF SANDY CREEK, NORTH CAROLINA
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Governmental Funds
 For the Year Ended June 30, 2021

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

Net changes in fund balances - total governmental funds	\$ 105,488
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures which were capitalized	-
Depreciation expense	<u>(15,697)</u>

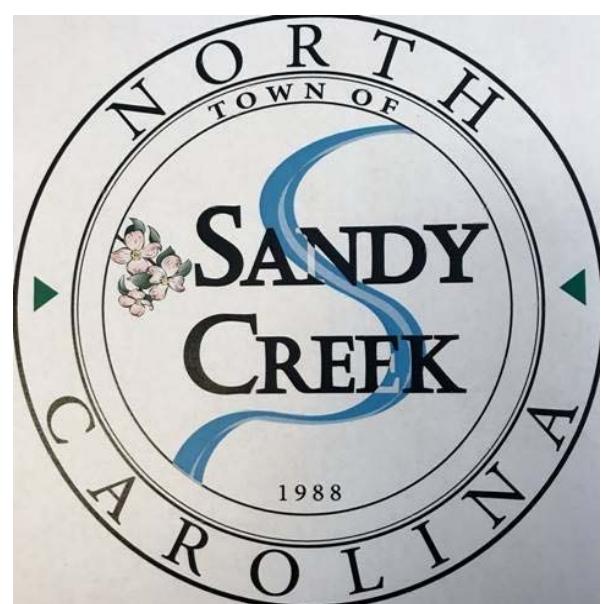
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.

Change in unavailable revenue for tax revenues	(5,848)
Interest earned on ad valorem taxes	<u>(1,509)</u>

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.

Debt issuance	-
Debt retirement	<u>3,738</u>

Total changes in net position of governmental activities	<u>\$ 86,172</u>
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TOWN OF SANDY CREEK, NORTH CAROLINA

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

For the Year Ended June 30, 2021

General Fund				Variance with Final Budget
	Original Budget	Final Budget	Actual Amounts	
Revenues				
Ad Valorem Taxes	\$ 44,092	\$ 44,092	\$ 50,072	\$ 5,980
Unrestricted Intergovernmental	92,197	92,197	113,822	21,625
Restricted Intergovernmental	15,197	15,197	15,254	57
Permits and Fees	478	478	2,480	2,002
Investment Earnings	-	-	21	21
Miscellaneous	758	758	5,697	4,939
Total Revenues	152,722	152,722	187,346	34,624
Expenditures				
General Government	127,637	128,137	76,473	51,664
Public Safety	1,000	1,000	100	900
Transportation	19,000	19,000	1,546	17,454
Debt Service	5,085	4,585	3,739	846
Total Expenditures	152,722	152,722	81,858	70,864
Revenues Over (Under) Expenditures	-	-	105,488	105,488
Other Financing Sources (Uses)				
Transfers from Other Funds	-	-	-	-
Transfers to Other Funds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Installment Purchase Obligations Issued	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				
	-	-	105,488	105,488
Appropriated Fund Balance	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	105,488	\$ 105,488
Fund Balance - Beginning of Year			559,776	
Fund Balance - End of Year			\$ 665,264	

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements

For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Sandy Creek, North Carolina conform to generally accepted accounting principles as applicable to governments. The Town does not have any discretely presented component units. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Town of Sandy Creek is a municipal corporation is governed by an elected mayor and a five-member council. As required by generally accepted accounting principles, these financial statements present the Town.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues 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. A separate statement for each fund category – *governmental* – is presented. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as non-major funds.

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 general administrative.

The Town has no nonmajor governmental funds.

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus. The government-wide 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. Nonexchange 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.

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 a 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.

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Sales taxes and certain intergovernmental revenues, such as the utilities franchise 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 Sandy Creek because the tax is levied by Brunswick 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 is 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 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. 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 budget 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 are made in board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Town may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Town 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 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's investments are generally reported at fair value. The NCCMT – Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. Because the NCCMT Government has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)****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.

3. Restricted Assets

Powell Bill funds are 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.

<u>Town of Sandy Creek Restricted Cash</u>	
Governmental Activities	
General Fund	
Streets	\$ 19,075
Total Governmental Activities	<u>19,075</u>
Total Restricted Cash	<u>\$ 19,075</u>

4. 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, 2020. As allowed by State Law, the Town has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

5. 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.

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)****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 costs are as follows: land, \$5,000; buildings, improvements, \$15,000; infrastructure, \$20,000; furniture and equipment, \$1,000; and vehicles, \$10,000. 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 estimated historical 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:

Asset Class	Estimated Useful Lives
Infrastructure	30
Buildings	25
Vehicles	5
Equipment and Furniture	10
Improvements	25

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 has no items that meets this criterion. 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 one item that meets the criterion for this category – property taxes receivable.

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

8. Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Compensated Absences

The vacation policy of the Town provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the Town's government-wide activities, an expense and a liability for compensated absences and the salary-related payments are recorded 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 that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The Town's sick leave policy provides for an unlimited accumulation of the number of days 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 benefit 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. Net Position/Fund Balances

Net Position

Net position in government-wide financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents 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.

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balances (Continued)

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 Streets – Powell Bill portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents the balance of the total unexpended Powell Bill funds.

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of Town of Sandy Creek's governing body (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 similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned Fund Balance – portion of fund balance that Town of Sandy Creek 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. The governing body approves the appropriation.

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balances (Continued)

Unassigned fund balance – portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

II. DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All the deposits of the Town 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 agents in this unit's name. 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, these deposits are considered to be held by the Town's agents in its name. 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 has 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, 2021, the Town's deposits had a carrying amount of \$632,717 and a bank balance of \$609,065. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. At June 30, 2021, the Town's petty cash fund totaled \$40.

2. Investments

At June 30, 2021, the Town of Sandy Creek had \$10,075 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.

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

II. DETAIL NOTES ON ALL FUNDS (Continued)**A. Assets (Continued)****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, 2021 are net of the following allowances for doubtful accounts.

Fund	06/30/2021
General Fund:	
Taxes receivable	\$ 300
Total General Fund	300
Total	\$ 300

4. Capital Assets**Primary Government**

Capital asset activity for the Primary Government for the year ended June 30, 2021, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 12,000	\$ -	\$ -	\$ 12,000
Construction in Progress	-	-	-	-
Total capital assets not being depreciated	12,000	-	-	12,000
Capital assets being depreciated:				
Buildings	96,198	-	-	96,198
Infrastructure	225,000	-	-	225,000
Equipment and Vehicles	85,583	-	-	85,583
Total capital assets being depreciated	406,781	-	-	406,781
Less accumulated depreciation for:				
Buildings	73,729	3,848	-	77,577
Infrastructure	191,250	7,500	-	198,750
Equipment and Vehicles	81,234	4,349	-	85,583
Total accumulated depreciation	346,213	15,697	-	361,910
Total capital assets being depreciated, net	60,568			44,871
Governmental activity capital assets, net	\$ 72,568			\$ 56,871

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

II. DETAIL NOTES ON ALL FUNDS (Continued)**A. Assets (Continued)****4. Capital Assets (Continued)**

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

General Government	\$ 649
Public Safety	7,548
Transportation	7,500
Total	<u>\$ 15,697</u>

B. Liabilities**1. Deferred Outflows and Inflows of Resources**

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

	Statement of Net Position	General Fund Balance Sheet
Taxes Receivable (General Fund)	\$ -	\$ 2,679
Total	\$ -	\$ 2,679

2. 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 three 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 insured values of the property policy, workers' compensation coverage up to statutory limits. The pools are reinsured through commercial companies for single occurrence claims against general liability, auto liability and property in excess of \$500,000 and \$300,000 up to statutory limits for worker's compensation. The property liability pool has an aggregate limit for the total property losses in a single year, with the reinsurance limit based upon a percentage of the total insurance values. The Town does not carry any flood insurance as it is not in a flood plain.

The Town carries commercial coverage for all other risks of loss. There have been no significant reductions in the insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years. 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 is bonded for \$50,000. The remaining employees that have access to funds are bonded under a blanket bond for \$25,000.

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

II. DETAIL NOTES ON ALL FUNDS (Continued)**B. Liabilities (Continued)****3. Claims, Judgements and Contingent Liabilities**

At June 30, 2021, the Town did not have any litigation pending.

4. Long-Term Obligations**a. Installment Purchases****Governmental Activities**

On February 15, 2016, the Town entered into an installment/purchase contract for the purchase of a 2016 Ford Explorer SUV. The contract is paid in monthly installments of \$553 including interest at 3.29% for 60 months. This debt was paid off during the current fiscal year.

b. Changes in Long-Term Liabilities

	Balance 07/01/20	Increases	Decreases	Balance 06/30/21	Current Portion of Balance
Governmental activities:					
Installment Purchase	\$ 3,738	\$ -	\$ 3,738	\$ -	\$ -
Governmental activity long-term liabilities	\$ 3,738	\$ -	\$ 3,738	\$ -	\$ -

C. Net Investment in Capital Assets

	Governmental	
Capital Assets	\$	56,871
less: long-term debt		-
Add: unexpended debt proceeds		-
Net Investment in Capital Assets	\$	56,871

TOWN OF SANDY CREEK, NORTH CAROLINA

Notes to the Financial Statements (Continued)

For the Year Ended June 30, 2021

II. DETAIL NOTES ON ALL FUNDS (Continued)**D. Fund Balance**

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

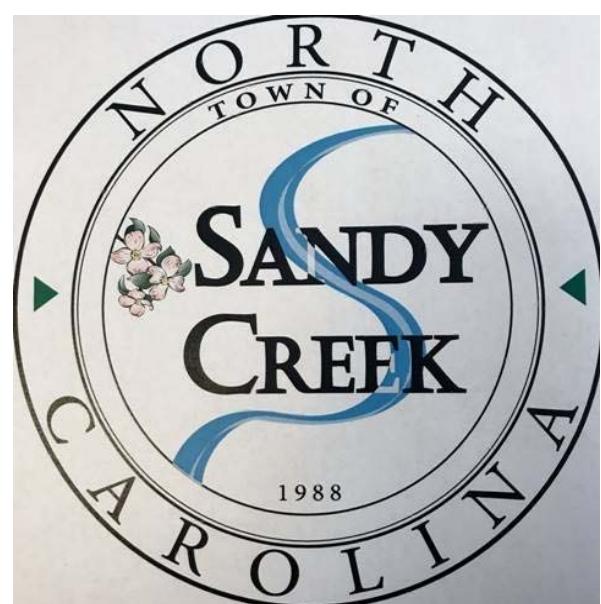
<i>Total fund balance – General Fund</i>	\$	665,264
Less:		
Stabilization by State Statute		22,772
Streets		19,075
Appropriated Fund Balance in 2021-2022 budget		23
Remaining Fund Balance	\$	623,394

III. 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.

IV. SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 30, 2021, which is the date the financial statements were available to be issued.



Major Governmental Funds

General Fund

TOWN OF SANDY CREEK, NORTH CAROLINA

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Ad Valorem Taxes			
Taxes	\$ 47,850		
Penalties and Interest	2,222		
Total Ad Valorem Taxes	\$ 44,092	50,072	\$ 5,980
Unrestricted Intergovernmental			
Local Option Sales Tax	104,127		
Utility Franchise Tax	7,035		
Video Franchise Tax	459		
Telecom Tax	885		
Beer and Wine Tax	1,316		
Total Unrestricted Intergovernmental	92,197	113,822	21,625
Restricted Intergovernmental			
Powell Bill Allocation	10,098		
Grants	4,924		
Solid Waste Disposal Tax	232		
Total Restricted Intergovernmental	15,197	15,254	57
Permits and Fees			
Permits	2,480		
Zoning Fees	-		
Total Permits and Fees	478	2,480	2,002
Investment Earnings			
General	21		
Total Investment Earnings	-	21	21
Miscellaneous			
Other	5,697		
Total Miscellaneous	758	5,697	4,939
Total Revenues	152,722	187,346	34,624

TOWN OF SANDY CREEK, NORTH CAROLINA

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance (Continued)

Budget and Actual

For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual	Variance Positive (Negative)
Expenditures			
General Government			
Administration			
Salaries and Employee Benefits		25,966	
Other Expenditures		45,524	
Total Administration	122,637	71,490	51,147
Elections			
Other Expenditures		-	
Total Elections	-	-	-
Legal			
Other Expenditures		3,370	
Total Legal	5,500	3,370	2,130
Public Buildings			
Salaries and Employee Benefits		-	
Other Expenditures		1,613	
Total Public Buildings	-	1,613	(1,613)
Total General Government	128,137	76,473	51,664
Public Safety			
Other Expenditures		100	
Total Public Safety	1,000	100	900
Transportation			
Other Expenditures		1,546	
Total Transportation	19,000	1,546	17,454
Debt Service			
Principal Retirement		3,738	
Interest and Fees		1	
Total Debt Service	4,585	3,739	846
Total Expenditures	152,722	81,858	70,864
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	-	105,488	105,488

TOWN OF SANDY CREEK, NORTH CAROLINA

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance (Continued)

Budget and Actual

For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual	Variance Positive (Negative)
Other Financing Sources (Uses)			
Transfers From Other Funds		-	-
Installment Purchase Proceeds		-	-
Sale of Capital Assets		-	-
Total Other Financing Sources (Uses)	<hr/>	<hr/>	<hr/>
Fund Balance Appropriated	<hr/>	<hr/>	<hr/>
Net Change in Fund Balance	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Fund Balance - Beginning of Year	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Fund Balance - End of Year	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Other Schedules

TOWN OF SANDY CREEK, NORTH CAROLINA

General Fund

Schedule of Ad Valorem Taxes Receivable

June 30, 2021

Fiscal Year	Uncollected	Additions	Collections	Uncollected
	Balance 7-1-20	and Adjustments	and Credits	Balance 6-30-21
2020-21	\$ -	\$ 41,682	\$ 40,391	\$ 1,291
2019-20	2,452	-	1,587	865
2018-19	242	-	4	238
2017-18	1,356	-	1,052	304
2016-17	1,235	-	1,070	165
2015-16	1,140	-	1,116	24
2014-15	901	-	878	23
2013-14	751	-	721	30
2012-13	761	-	733	28
2011-12	425	-	414	11
2010-11	421	-	421	-
	\$ 9,684	\$ 41,682	\$ 48,387	\$ 2,979

Less: Allowance for Uncollectible Accounts:

General Fund 300

Ad Valorem Taxes Receivable - Net

\$ 2,679

Reconcilement with Revenues

Ad Valorem Taxes - General Fund 50,072

Reconciling Items:

Interest and Penalties Collected (2,222)

Taxes Released 535

Taxes Written Off 2

Total Collections and Credits \$ 48,387

TOWN OF SANDY CREEK, NORTH CAROLINA

Analysis of Current Tax Levy

Town-Wide Levy

June 30, 2021

	Town-Wide			Total Levy		
	Property Valuation	Rate Per \$100	Amount of Levy	Property Excluding Registered Motor Vehicles		Registered Motor Vehicles
				Motor Vehicles	Motor Vehicles	
Original Levy:						
Property Taxed at						
Current Year's Rate	\$ 16,668,364	0.2500	\$ 41,671	\$ 35,156	\$ 6,515	
Penalties	-		4	4		
	16,668,364		41,675	35,160		6,515
Discoveries:						
Current Year Taxes	4,800	0.2500	12	12		-
Penalties	-		-	-		-
	4,800		12	12		-
Abatements:						
Property Taxes -						
Current Year's Rate	(2,000)	0.2500	\$ (5)	\$ (5)		-
	(2,000)		\$ (5)			
Total Property Valuations	\$ 16,671,164					
Net Levy			41,682	35,167	6,515	
Uncollected Taxes at June 30, 2021			1,291	1,291		-
Current Year's Taxes Collected			\$ 40,391	\$ 33,876	\$ 6,515	
Current Levy Collection Percentage			96.90%	96.33%	100.00%	

