FISCAL YEAR ENDING JUNE 30, 2020

2020

Comprehensive Annual Financial Report

TOWN OF WAKE FOREST ~ NORTH CAROLINA

TOWN *of*
WAKE FOREST

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2020

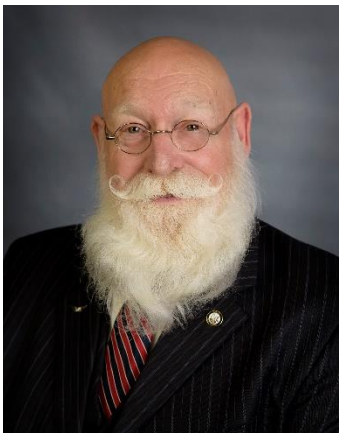
TOWN *of*
WAKE FOREST

Town of Wake Forest, North Carolina

Prepared by the Finance Department

TOWN OF WAKE FOREST
BOARD OF COMMISSIONERS

Mayor
Vivian Jones



Commissioner
Jim Dyer

Commissioner
Chad Sary

Commissioner
Liz Simpers

Commissioner
Bridget Wall-Lennon

Commissioner
Adam Wright

TOWN OF WAKE FOREST STAFF

Kipling D. Padgett
Town Manager

Candace Davis
Assistant to the Town Manager

Town Attorney
Eric Vernon

Virginia Jones
Human Resources Director

Deeda Harris
Town Clerk

Aileen J. Staples
Chief Financial Officer

Jeff Leonard
Police Chief

Courtney Tanner
Planning Director

Ruben Wall
Parks Recreation Director

Ron Early
Fire Chief

Magda Holloway
Public Works Director

Adam Oates
Chief Information Officer

Bill Crabtree
Communications and Public Affairs Director

J J Carr
Inspections Director

Mickey Rochelle
Public Facilities Manager

Lisa Hayes
Downtown Development Director

Jason Cannon
Economic Development Director

Deborah Dunn
Renaissance Centre Manager

ADVISORY BOARDS AND COMMISSIONS

Planning and Zoning Board
Ed Gary, Chairperson

Board of Adjustment
Will Hedrick, Chairperson

Cemetery Advisory Board
Alan O'Shaughnessy, Chairperson

Public Art Commission
Elizabeth Hayes, Vice-Chairperson

Cultural Resources Advisory Board
Diana Hoffmaster, Chairperson

Recreation Advisory Board
Shinica Thomas, Chairperson

Design Review Board
Jim Sherrer, Chairperson

Senior Center Advisory Board
Jetske Insinger, Chairperson

Greenway Advisory Board
Deanna Welker, Chairperson

Technical Advisory Board
Zee Khan, Chairperson

Historic Preservation Commission
Ellen Turco, Chairperson

Urban Forestry Advisory Board
Mindy Hidenfelter, Chairperson

Human Relations Council
Robin Smith, Chairperson

Youth In Government
Kasey Clift, Chairperson

TOWN OF WAKE FOREST, NORTH CAROLINA

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TOWN *of* WAKE FOREST

October 27, 2020

Honorable Mayor Vivian A. Jones
Members of the Governing Board and
Citizens of the Town of Wake Forest:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Town of Wake Forest (the "Town") for your review and use. This report was prepared by the Town's Finance Department, and it is the comprehensive publication of the Town's financial position and results of operations as of and for the fiscal year ended June 30, 2020. The Town, like all other local governments in the State, is required by state law to publish a complete set of financial statements within four months of the close of each fiscal year. However, this year due to COVID-19, the state extended the deadline to within seven months of June 30, 2020. 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 accountants. This report is published to fulfill that requirement and to provide further accountability to citizens and other interested parties by providing a more all-inclusive report in lieu of the minimum basic financial statement requirements.

This document provides financial detail and historical trends beyond the basic financial statements in the **Financial Section.** 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.

Beyond the basic financial statements, the report includes **Supplementary Information** which provides details on retirement health care, law enforcement special separation allowance and pension liability information. The **Statistical Section** provides trend information on financial performance, revenue capacity, debt capacity, demographic and economic indicators as well as operating information. A **Compliance Section** includes documentation on federal and state grants and award compliance along with reports from auditors and schedule of findings.

Town management is responsible for both the accuracy of the data along with the completeness and fairness of the report. To ensure reliability of the information Town management has established a comprehensive framework of internal controls. Internal controls protect the Town's assets from loss, theft and misuse and ensure that information is reliable for the preparation of this report. Because the cost of internal controls should not outweigh their benefits, the Town's controls have been designed to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. We believe to the best of our knowledge, this financial report is complete, accurate and reliable in all material aspects.

As noted earlier, the Town is required by state law to have an annual independent financial audit. A compliance audit on federal and state financial assistance is also required under the Federal Single Audit Act of 1984 and the State Single Audit Implementation Act. Cherry Bekaert LLP, Certified Public Accountants, has examined the financial records of the Town and their opinion can be found in the Report of the Independent Auditor included with the basic financial statements located at the beginning of the financial section of this document.

Profile of the Town

Wake Forest, incorporated in 1909, is a vibrant community located in northern Wake County that is part of the Triangle metropolitan area, which includes Raleigh, Durham and Chapel Hill. The Triangle area continues to be repeatedly ranked among the top places in the nation to raise a family, get an education, do business or retire.

While Wake Forest is in a growing region, its small-town charm and unique identity has been carefully maintained. The Town covers an area of 19.43 square miles and the extraterritorial or planning jurisdiction of the Town ("ETJ") covers an additional 3.47 square miles in Wake and Franklin counties located in the Piedmont region of the state. The Town adjoins the City of Raleigh, which is the state capital and the county seat, at the Town's southern boundary, just across US 1/Capital Boulevard. Residents enjoy 13.6 miles of developed and 50 miles of natural greenways and trails, excellent schools and access to higher education, all near Research Triangle Park ("RTP") and Raleigh-Durham International Airport ("RDU").

The Town operates under the council-manager form of government. The governing body is comprised of a Mayor and a five-member Board of Commissioners, elected on a nonpartisan, at-large basis for staggered four-year terms in odd-numbered years. The Board of Commissioners appoints members of various Town boards and commissions, the Town Manager and the Town Attorney. The Board of Commissioners enacts all general and technical ordinances including budgetary appropriations within a balanced budget, establishes a tax rate for supported Town programs and originates general management policies as recommended by the Town Manager. The Town Manager is responsible for implementing the Board's policies and Town Ordinances, managing daily operations and appointing department directors.

The Town provides its citizens with a full range of services, including police, leisure and recreational opportunities, land use development administration and management, solid waste collection and disposal, construction and maintenance of streets, curbs, gutters, sidewalks and other infrastructure. In addition, as a Public Power community, the Town operates Wake Forest Power, an electric utility providing residential and commercial service. Effective July 1, 2020, fire protection services transitioned to the town's organizational structure. Previously this service was provided through a contract with the Wake Forest Fire Department, a private non-profit entity. This report includes all the Town's activities in delivering and administering these services.

The Wake Forest Board of Commissioners is required to adopt an annual operating budget by July 1 each year. The Town is empowered to levy a property tax on both real and personal property located within its boundaries. The Town's budget ordinance creates a legal limit on spending authorizations and serves as the foundation for financial planning and control. The Town Manager is authorized by the budget ordinance to make transfers within funds to facilitate budget execution consistent with the Board of Commissioner's intent.

Local Economy

In March 2020, Wake Forest came to a standstill due to COVID-19, a pandemic that affected the economy not only locally, but nationally as well as world-wide. Despite the pandemic, Wake Forest continued to improve in fiscal year 2020 with 644 new building permits for new construction, additions and alterations. While retail sales across the state decreased, locally sales tax revenues increased over 4% over fiscal year 2019. The state government, healthcare and university employers in the area continued to provide stable employment. Due to sustained growth in the region, Wake Forest continues to benefit from above average economic indicators as compared to the rest of the state and nation. Wake Forest is the 10th fastest growing among North Carolina's 552 municipalities.

Southeastern Baptist Theological Seminary opened its doors in 1950 and is located on the former campus of Wake Forest College in downtown. The student body has grown to more than 4,700 students. The Seminary offers study in over 40 different undergraduate and post-graduate degree programs.

The Wireless Research Center (WRC) is an independent, private nonprofit research center dedicated to applied research and engineering. Located in Wake Forest, the WRC helps clients from around the world develop products and services that advance wireless technology innovation. The WRC fosters global collaboration among companies, industry groups, academic institutions and other research organizations.

The WRC has the staff, tools, facilities and experience to provide research, development, engineering, and testing of antenna, RF, and wireless technologies for clients. They work on a broad of range products from in-body sensors and implanted medical devices to satellites and space exploration. Clients range from consumers

and business enterprises, industrial, medical and public safety to agriculture, aviation and the U.S. Department of Defense.

As a strategic economic development tool for the town, the WRC has helped launch 20 new local businesses and further facilitated the launch of more than 80 others across the region through its partnership with RIoT. RIoT is a community of technologists, business leaders, policy makers and entrepreneurs who are promoting the Internet of Things industry. In addition, the number of small technology firms in town has more than tripled over the last 15 years.

As of June 30, 2020, the Town's estimated population was 47,220 - an increase of 4.3% from fiscal year ended June 30, 2019. Total growth has been 57% since 2011. Wake Forest's tax base has grown from $3.6 billion in 2011 to over $5.6 billion in 2020. The Town's tax base is approximately 24% commercial/industrial and 76% residential for fiscal year 2019 - 2020.

During the fiscal year, the Town issued the following number of permits: 560 for residential construction and 84 for commercial construction. Permits issued for residential and commercial new construction and alteration cost values of over $198 million, an increase of approximately 13% from fiscal year 2019.

The Town continues to make strategic public investments that will spur private development. The following developments in progress are direct results of that investment:

- PowerHouse Row is a project that consists of two multi-use buildings that faces South White Street and extends downtown Wake Forest's main street activity. The estimated investment of $13 million, which is part of many public and private investments in the Renaissance Area in the heart of Wake Forest. The first phase has been completed and includes approximately 9,800 square foot building with retail and restaurant spaces on the first floor with 18 to 20 apartments on the two upper floors.
- Wegmans Food Markets, a regional supermarket chain with 100 stores and one of the largest private companies in the United States announced plans during the fiscal year to build a store in Wake Forest. The store will be situated on the south side of Dr. Calvin Jones Highway/NC 98 Bypass between US 1/Capital Boulevard and Siena Drive, just west of Ligon Mill Road. Construction is underway with estimated completion and opening in 2021.
- Live-Work-Play Tech Park is a result of a joint land development agreement to develop 200 acres into a mixed-use technology park. Master plan includes office space, retail space and various housing units. Tech Park will be phased in over time and is envisioned as a sustained economic driver over the next 10 to 15 years.
- Loading Dock is a coworking and collaborative workspace incubator with existing Raleigh locations. This $2 million building revitalization project will introduce 24,000 square feet of entrepreneurial coworking an incubator space to the community in addition to the continuation of expanding and enhancing downtown Wake Forest. Private offices, coworking space, conference rooms, dining space, indoor and outdoor event space and mezzanine spaces are all included in this innovative space. Construction is slated to begin in late 2020 with projected opening date sometime in 2021.

The Board adopted a fiscal year 2020 budget based on growth patterns similar to 2019 with slightly increasing sales tax revenues and tax base. In planning for the future and keeping with the fourth goal of the strategic plan, focusing on fiscal strength, the Town continues to maintain a high priority on the delivery of quality services, infrastructure maintenance and financial stability.

Long Term Financial Planning and Major Initiatives

Our regional location, quality of life and small- town atmosphere continues to make Wake Forest a destination for people and businesses moving into our region. Careful planning for growth based on values for an attractive community, environmental stewardship and protection, adequate public facilities and a variety of cultural and recreational opportunities while maintaining a strong financial position.

The Town's strong fiscal management remains its hallmark. We continue to maintain sufficient unassigned (unreserved) fund balance to ensure consistent cash flow and provide flexibility for unanticipated opportunities and needs during emergencies or disasters. In addition, the Town's conservative philosophy and approach to budgeting has been key in maintaining its fiscal position as evidenced by its AAA and Aa1 ratings from three major credit rating agencies.

To be fiscally prudent going forward and manage the OPEB liability, the Town changed its policy for all employees hired on or after July 1, 2018. It will not provide medical and life insurance benefits upon retirement from the Town. This decision resulted in a significant decrease in our liability for June 30, 2020.

Some highlights of fiscal year 2019-2020 are as follows:

- Six (6) additional positions added to meet the demands of our growing community – two of these positions for Joyner Park Community Center which opened in October 2019.
- Aggressive fund balance appropriation - our policy affords us the opportunity for funding one-time items.
- After Board approval to proceed with fire department merger, meetings with appointed sub-committees commenced in October to facilitate a smooth transition in July 2020. Representatives from the Town and the fire department collaborated to address a range of transition topics, including Human Resources, Information Technology, Communications, Facilities, Capital Assets/Fleet and Equipment and Operations.
- Two major plan updates that will significantly determine the future of our community and overlap fiscal years kicked off in 2020. The Northeast Community Plan along with the Community Plan update will define and create a blueprint for our future.

The Town maintains a five-year capital improvement plan which serves as its planning document to ensure that its facilities, equipment and infrastructure are well maintained. This process provides the ability to plan for capital needs and allocate short and long-term resources appropriately. The plan also serves as the basis for determining future debt issuance. The following projects have been completed over the past year or are in progress:

- Joyner Park Community Center construction completed during the fiscal year. Includes 32,000 square foot facility with walking track, gymnasium for basketball, volleyball and pickleball; multi-purpose rooms; dance studio; and kitchen. Grand opening was held October 19, 2019.
- Northern Wake Senior Center was completed and was to open in March 2020, however, was delayed due to COVID-19. The $3.1 million construction project consisted of adding almost 9,000 square feet, interior renovations to approximately 80% of the existing center and a complete redecoration.
- Stadium Drive Complete Street project construction completed during the fiscal year.
- Priority Pedestrian Corridor project which includes Wait Avenue and Oak Avenue. Construction completed and final punch list items are underway currently.
- Downtown Improvements – Phase 3 consists of street and landscape improvements along South White Street: East Holding Avenue to Elm Avenue and East Owen Avenue: South White Street to Brooks Street. Total cost of the project is approximately $5.7 million, and construction was completed in December 2019.
- Underground fiber infrastructure construction started in February 2020. Project includes installing 25 route miles of fiber interconnecting 14 town facilities. Cost is approximately $2.5 million is expected to be complete by Spring 2021.
- Ligon Mill Operational Improvements – consists of widening the existing narrow corridor from two-lanes to a four-lane median divided highway with left-turn lanes, bike lanes, curb and gutter and extra wide sidewalks. Construction started in May 2020 and is expected to be completed by the end of 2021.

The Town actively monitors and manages its debt capacity and affordability. The Town has a formal policy which provides guidance and direction when considering the impact of future debt. Included in the recent debt model update are planned issuances through 2021.

With the general obligation bonds authorized by voter referendum passed in November 2014, the Town planned to issue these bonds in phases. The first and second phases were issued in March 2015 and June 2018 respectively and the final phase is planned for 2021. Additional planned future debt issuance includes a $2.5 million installment finance agreement for fiber optic infrastructure which was issued in July 2020 and annual installment financing agreements to fund vehicle and equipment needs.

The Board continues to conduct planning retreats to discuss current issues and long-range goals for the Town. These planning sessions provide staff with the guidance needed to carry out the board's policies and goals. The next retreat is scheduled for January or February 2021. Each year during the annual budget process, the goals, objectives and strategies are incorporated into an official spending plan. The Town's annual budget document can be found on the website at https://www.wakeforestnc.gov/budget.aspx.

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 Wake Forest for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 30th consecutive year in which the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The GFOA award is valid for a period of one year. We believe our current report continues to meet the program requirements and we are submitting to GFOA to determine its eligibility for another certificate.

In addition, the Town received the GFOA's Distinguished Budget Presentation Award for its annual budget document for six consecutive years. The Town has also received the Award for Outstanding Achievement in Popular Annual Financial Reporting for its Citizens' Financial Report for the fiscal years ended June 30, 2017, 2018 and 2019.

The preparation of this report would not have been possible without the skill, effort and dedicated service of the Finance Department. We appreciate the support and cooperation of Cherry Bekaert LLP. We sincerely appreciate the contributions of everyone who assisted with this report as well as the entire Town staff for their cooperation and assistance in prudent financial management throughout the year. In addition, we would also like to thank the Mayor and Board of Commissioners for their continued support, guidance and advice in planning and conducting the financial activities of the Town in a responsible and progressive manner.

Respectfully submitted,

Kipling D. Padgett

Kipling D. Padgett, ICMA-CM, CPM
Town Manager

Aileen J Staples

Aileen J. Staples
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Wake Forest
North Carolina

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

History of the Town of Wake Forest

The Town of Wake Forest grew up around a college founded by North Carolina Baptists in 1834. After purchasing a plantation, which originally belonged to Dr. Calvin Jones, the North Carolina Baptist Convention opened the doors of the college on February 3, 1834. Lots were sold around the campus until gradually a town developed. The first Town Charter was obtained in 1880 for the Town of Wake Forest College. It was not until February 20, 1909 – 29 years later – that the Town of Wake Forest was chartered.

When the college made plans to relocate in the 1950s, the campus was sold to the Southern Baptist Convention for use as a seminary, which opened in 1951. For the next five years Southeastern Baptist Seminary and Wake Forest College existed on the same campus. These dates – 1834, 1909, 1951 – are significant to the Town and consequently are represented on the town seal.

Wake Forest remained a quiet village throughout the 1960s and 70s. Along with most other Wake County towns, however, it began to experience significant growth in the 80s and 90s.

Tremendous progress and development continue today as easy access to Raleigh and the Research Triangle area, combined with the many amenities of small-town living, make Wake Forest a desirable destination for residential and commercial development. An emphasis on planned growth and professional management continue to ensure that the Town's unique personality is maintained and enhanced by the changes currently in progress.

Responsibilities of Town Government
By Department and Division

Legislative
The Legislative Department consists of the Board of Commissioners which is comprised of the Mayor and five Board members. All are elected by the registered voters of the Town of Wake Forest.

Administration
The Town Manager and his management team provide direction of all day to day municipal functions and implementing policies set by the Board of Commissioners.

Economic Development
Responsible for business recruitment, job opportunities and expansion for the Town.

Renaissance Centre for the Arts
Offers variety of cultural arts programming including theatre, concerts, film screenings, classes, workshops and related events.

Downtown Development
Responsible for public relations, business development, and marketing and promotion of the Downtown Renaissance area for the purpose of assisting Downtown Wake Forest in achieving its economic and cultural potential.

Communications
Responsible for the communications, marketing and public relations functions of the Town.

Human Resources
Responsible for directing and overseeing the personnel system, risk management and safety programs for the Town.

Finance
Responsible for financial management through the areas of billings and collections, customer service, cash management, payroll, purchasing and inventory control, accounts payable, financial reporting, debt management and of the operating and capital budgets.

Information Technology
Responsible for maintaining and administering the Town's centralized computer system. Staff is responsible for assisting departments with computer and network needs.

Planning
Responsible for the development and maintenance of all land management documents including Unified Development Ordinance and Community Plan; review of construction and land development; code enforcement and support of the Planning Board; Board of Adjustment; Historic Preservation Commissions, Design Review Board and the Greenways Advisory Board.

Inspections
Responsible for building inspections, code enforcement, minimum housing and fire inspections.

Engineering
Responsible for plan review, design work and construction inspection.

Parks and Recreation
Responsible for the maintenance of all Town parks and open space and for the provision and supervision of programs and activities designed to serve the population of the Wake Forest community. Town's parks include Holding Park, Forrest Park, H. L. Miller Park, Ailey M. Young Park, Alston-Massenburg Center Park, Flaherty Park, Joyner Park, Taylor Street Park, assorted school facilities, and the operation of a swimming pool. Staff support is also provided to the Recreation Advisory Board and Youth Advisory Board.

Public Facilities
Responsible for maintenance and housekeeping for the following Town buildings: Town Hall, the Community House, Alston-Massenburg Center, Police Station, Public Works Operations Center, and Senior Center.

Public Safety
Responsible for the protection of life and property, traffic control and enforcement, criminal investigation, and enforcement of local and state law. Fire services are provided through a contract with the Wake Forest Fire Department through June 30, 2020. Effective July 1, 2020 fire services will transition to a town department.

Public Works and Utilities Department

Administration - The Director and Administrative Specialist are responsible for the day to day operations of all divisions in Public Works and Wake Forest Power.

Fleet Maintenance - Responsible for the maintenance, repair and basic servicing of all Town vehicles and equipment including up fitting of Public Safety vehicles.

Solid Waste Division – Provides assistance with the distribution of rollout carts for the collection and disposal of residential refuse and recyclables. The Town contracts with a private firm for garbage collection and recycling service. The Town provides yard waste service.

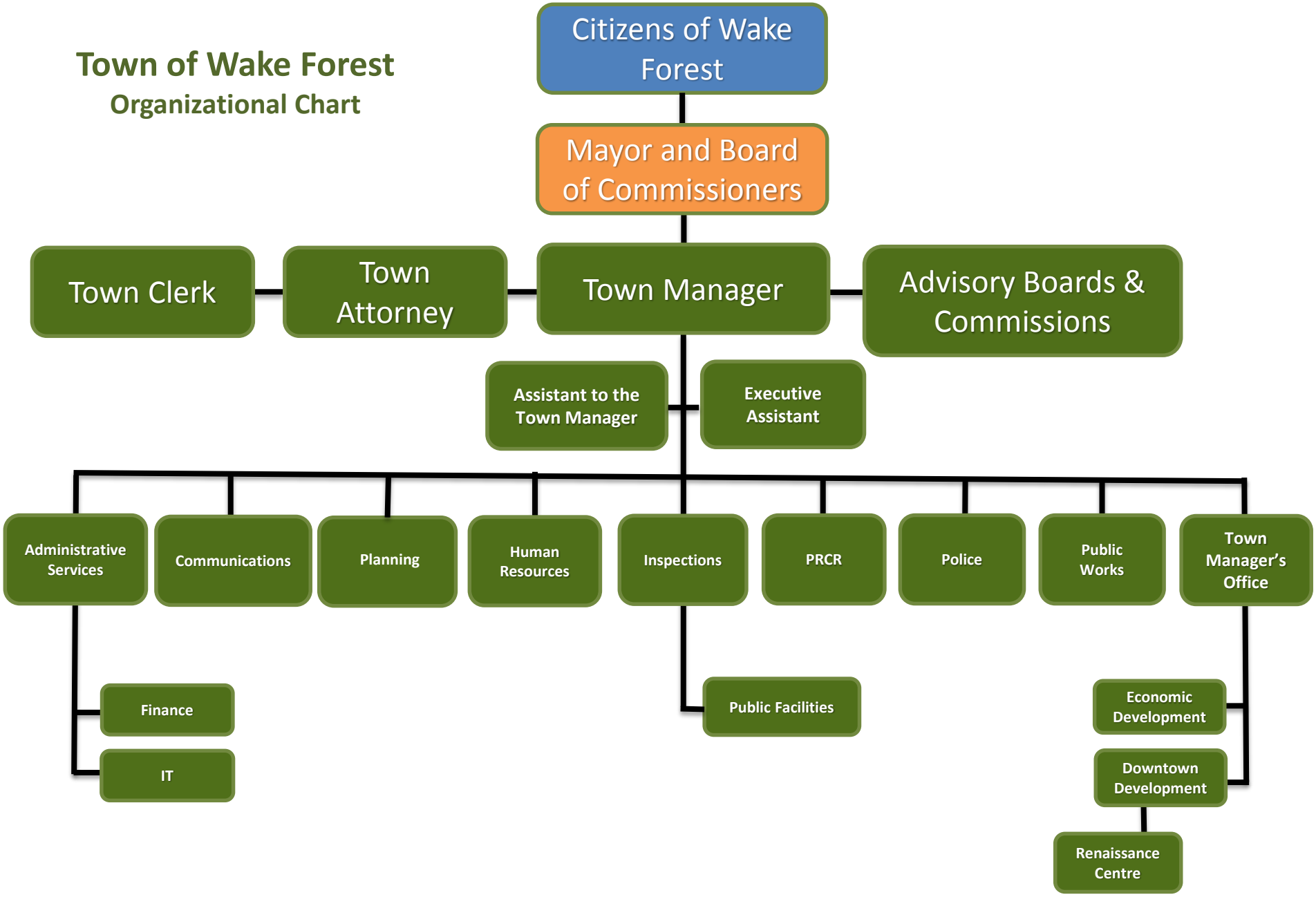
Streets Division - Charged with the construction, maintenance and repair of municipally owned streets. Also responsible for the maintenance and repair of the Town's three cemeteries located on North White Street, North Taylor Street and East Walnut Avenue which includes maintenance of the roadways in the cemetery on an as-needed basis.

Electric Operations Division - This division is charged with constructing, operating and maintaining the Town's electric distribution system, including power lines, substations and other equipment. Division is also responsible for tree trimming, system additions and conversions.

Urban Forestry Division - Responsible for day-to-day operations of urban forestry by maintaining a healthy tree infrastructure.

Town of Wake Forest

Organizational Chart



Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor

To the Honorable Mayor
Members of the Board of Commissioners
Town of Wake Forest, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wake Forest, North Carolina (the "Town") as of and for the year ended June 30, 2020, 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 basic 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 basic financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 Town'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 Town'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 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, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2020, and the respective changes in financial position, and where applicable, cash flows thereof, and the respective 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 and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, individual fund statements and schedules, other schedules, and statistical section, as listed in the table of contents, as well as the schedule of expenditures of federal and state awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund statements and schedules and other schedules for the years ended June 30, 2020 and 2019 and the schedule of expenditures of federal and state awards for the year ended June 30, 2020 are the responsibility of management and were derived from and relate 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, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2020 on our consideration of the Town'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 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 the Town's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Raleigh, North Carolina
October 27, 2020

Management's Discussion and Analysis

As management of the Town of Wake Forest (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2020. 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

In FY 2019-20, the Town maintained its strong financial position. Key indicators of this were overall positive budget variances, results within or better than expectations and continued growth in some key general revenues. The town's current bond ratings are AAA (Standard & Poor's & Fitch Ratings) and Aa1 (Moody's).

- The assets and deferred outflows of the Town exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $253,588,908 (*net position*) or a 5.8% increase from prior year.

- The Town's total net position increased by $13,956,334, primarily due to an increase in the governmental-type activities net position of $13,659,437. Business-type activities position increased $296,897 for the fiscal year.

- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balance of $14,474,485.

    - $4,209,253 or 29.08% is unassigned and available for spending at the Town's discretion
    - $4,179,939 or 28.88% is restricted by external agencies
    - $1,437,644 or 9.93% is committed for economic development purposes
    - $153,943 or 1.07% is considered non-spendable
    - $4,484,502 or 30.98% is assigned for specific purposes as identified by the Town

- The Town's total debt *decreased* by $5,750,528 (12%) during the current fiscal year. Along with retiring debt during the year, one (1) installment purchase agreement was issued:

    Installment Purchase Agreement:
    - $536,925 – Police Vehicles – April 2020 – 3-year term – 1.66%

    In addition, the Town refunded the Series 2009A Public Improvement Bonds which had an outstanding balance of $4,015,000. The new interest rate for the refunded debt is 1.79%, which resulted in savings of over $300,000.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town'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. The basic financial statements present two (2) different views of the Town using 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.

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, using the full accrual basis of accounting, in a manner like a private-sector business.

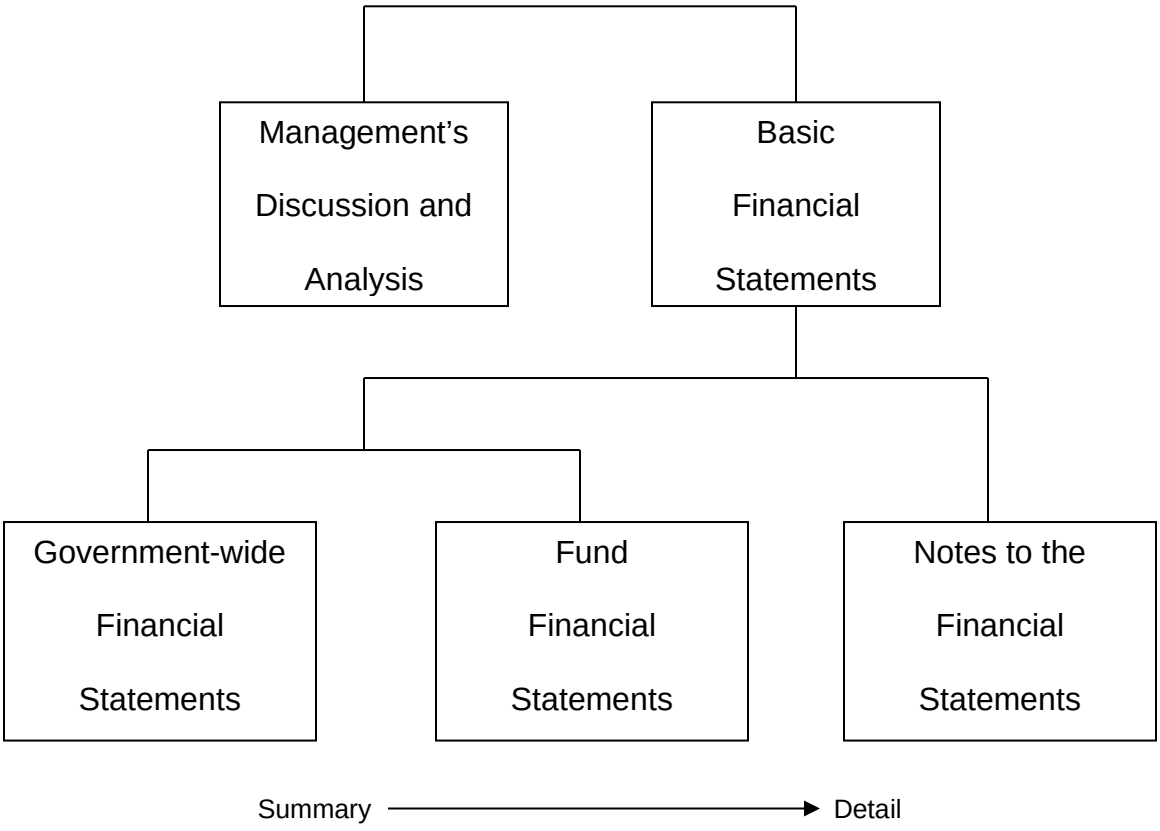
The next statements (Exhibits 3 through 8) are Fund Financial Statements. These statements focus on the activities of the individual parts of the Town's government. They provide more detail than the government-wide statements.

There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 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.

Required Components of Annual Financial Report

Figure 1



Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town's finances. The government-wide statements provide short and long-term information about the Town's overall financial status.

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 if applicable, 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; 2) business-type activities. The governmental activities include most of the Town's basic services such as general government, public safety, public works, environmental protection and cultural and recreation. Property taxes and intergovernmental revenues finance most of these activities. The business-type activities are those that the Town charges customers to provide which includes the municipally owned electric system known as Wake Forest Power.

In accordance with the Governmental Accounting Standards Board criteria for inclusion in the reporting entity, the Town has one component unit, Wake Forest Business and Industry Partnership, Inc. (BIP).

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

Fund Financial Statements

The fund financial statements 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, 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 the funds of the Town 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 are 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 adopts an annual appropriated 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 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.

The basic governmental fund financial statements can be found on Exhibits 3 through 5. Governmental funds considered to be non-major are presented as a single column in these statements.

Proprietary Funds – Proprietary funds provide the same type of information as the entity-wide financial statements, only in more detail. The Town of Wake Forest uses enterprise funds to account for its electric services. The Electric Fund is classified as a major fund.

The basic proprietary fund financial statements can be found on Exhibits 6 through 8 of this report.

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 included in the financial section of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found behind the notes to the financial statements and just before the individual fund statements in this report.

Government-Wide Financial Analysis

Net position over time may serve as one useful indicator of the Town's financial condition. At the end of the current fiscal year, the Town is able to report positive balances in both categories of net position, for the Town as a whole, as well as for its separate governmental and business-type activities.

The other post-employment liability ending balance at June 30, 2020 was $9,659,533, or a decrease of 51.5% compared to prior year, which is attributed to a change made effective July 1, 2018, in which this benefit will not be extended to employees hired after this date. The Town currently has no accumulated assets set aside for this allowance. We are, however, in the process of working with the North Carolina Department of State Treasurer to enter into the Ancillary Governmental Participant Investment Program (AGPIP), which is an investment pool established for participants to make related contributions.

Net Position
Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	$ 24,146,078	$ 30,593,489	$ 8,750,516	$ 9,961,565	$ 32,896,594	$ 40,555,054
Capital assets	273,502,835	262,390,632	21,562,134	22,151,524	295,064,969	284,542,156
Total asset	297,648,913	292,984,121	30,312,650	32,113,089	327,961,563	325,097,210
Deferred outflows of resources	4,137,076	4,386,502	549,095	618,317	4,686,171	5,004,819
Total assets and deferred outflows of resources	**301,785,989**	**297,370,623**	**30,861,745**	**32,731,406**	**332,647,734**	**330,102,029**
Long-term liabilities outstanding	51,533,452	63,466,442	6,339,080	8,378,982	57,872,532	71,845,424
Other liabilities	14,389,223	12,393,572	2,733,019	3,008,524	17,122,242	15,402,096
Total liabilities	65,922,675	75,860,014	9,072,099	11,387,506	74,994,774	87,247,520
Deferred inflows of resources	3,473,056	2,779,788	590,996	442,147	4,064,052	3,221,935
Total liabilities and deferred inflows of resources	**69,395,731**	**78,639,802**	**9,663,095**	**11,829,653**	**79,058,826**	**90,469,455**
Net investment in capital assets	236,048,865	240,687,066	17,396,780	17,105,343	253,445,645	257,792,409
Restricted	4,189,143	8,847,399	-	-	4,189,143	8,847,399
Unrestricted	(7,847,750)	(30,803,644)	3,801,870	3,796,410	(4,045,880)	(27,007,234)
Total net position	**$ 232,390,258**	**$ 218,730,821**	**$ 21,198,650**	**$ 20,901,753**	**$ 253,588,908**	**$ 239,632,574**

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The Town's assets and deferred outflows exceeded liabilities and deferred inflows by $253,588,908 as of June 30, 2020. However, the largest portion 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 assets. The Town uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the Town's net investment in its capital assets is reported net of the outstanding related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	$ 5,699,476	$ 5,311,088	$ 20,461,307	$ 20,988,155	$ 26,160,783	$ 26,299,243
Operating grants and contributions	1,693,156	1,231,411	-	-	1,693,156	1,231,411
Capital grants and contributions	8,329,346	50,014,475	-	-	8,329,346	50,014,475
General revenues						
Property taxes	29,419,885	27,789,480	-	-	29,419,885	27,789,480
Other taxes	46,985	55,488	-	-	46,985	55,488
Investment earnings	360,928	750,509	54,302	86,706	415,230	837,215
Other	12,819,193	12,748,991	98,584	77,422	12,917,777	12,826,413
Total revenues	58,368,969	97,901,442	20,614,193	21,152,283	78,983,162	119,053,725
Expenses:						
General government	12,354,370	14,345,028	-	-	12,354,370	14,345,028
Public safety	16,087,550	16,907,529	-	-	16,087,550	16,907,529
Transportation	6,012,292	8,234,442	-	-	6,012,292	8,234,442
Environmental protection	3,743,415	3,798,036	-	-	3,743,415	3,798,036
Cultural and recreation	5,294,637	2,574,238	-	-	5,294,637	2,574,238
Interest on long-term debt	1,217,268	1,257,960	-	-	1,217,268	1,257,960
Electric	-	-	20,317,296	19,680,445	20,317,296	19,680,445
Total expenses	44,709,532	47,117,233	20,317,296	19,680,445	65,026,828	66,797,678
Change in net position	13,659,437	50,784,209	296,897	1,471,838	13,956,334	52,256,047
Net position - July 1	218,730,821	167,901,446	20,901,753	19,429,907	239,632,574	187,331,353
Restatement	-	45,166	-	-	-	45,166
Net position - June 30	$ 232,390,258	$ 218,730,821	$ 21,198,650	$ 20,901,745	$ 253,588,908	$ 239,632,566

Governmental activities. Management acknowledges that 2020 has been a challenging year. The most notable factor has been the widespread Coronavirus (COVID-19). This pandemic has presented governments, businesses and other organizations alike, across the country with unforeseen challenges. The various shutdowns of businesses throughout the spring, as well as the limited mobility of the citizens has affected the town's sales tax, utility distribution and electric revenues. However, given our strong financial position, management practices, the willingness of all staff to operate as a united team, as well as the growth being experienced here in Wake County, the town has been able to successfully navigate these uncharted waters.

Governmental activities increased the Town's net position by $13,659,437 thereby accounting for 97.9% of the total growth in the net position of the Town. Key elements of this increase are as follows:

- Ad valorem taxes made up 50.4% of governmental activity revenue and continue to be a significant revenue source for funding local government operations. Current year ad valorem taxes increased 5.9% over the previous fiscal year due to continued growth.
- Utility franchise tax decreased $77,905 (2.9%) from previous year – this decrease was primarily due the fact there were only minor fluctuations in the seasons.
- Local option sales tax increased $348,437 (4.2%) over prior fiscal year – significant growth in this revenue was hindered as a result of the pandemic.
- Capital grants and contribution accounted for 14.4% of governmental activity revenues.
- Total governmental activity revenue *decreased* 40.4% while expenses *decreased* 5.2% from the previous fiscal year.

Business-type activities. Business-type activities increased the Town of Wake Forest's net position by $296,897. Key elements of this increase are as follows:

- Charges for services from the Sale of Power decreased slightly, 2.5%, compared to previous fiscal year ended June 30, 2019.
- Total business-type expenses *increased* $636,851 (3.1%) when compared to the previous fiscal year. This is primarily because of the credit for the changed in delivery leased facilities which was in the fiscal year ended June 30, 2019.

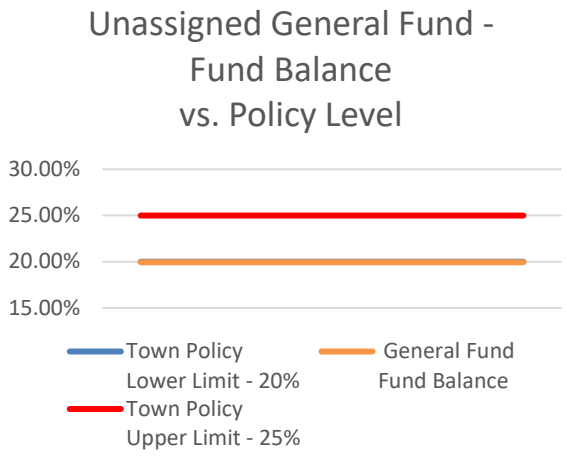
Financial Analysis of the Town's Funds

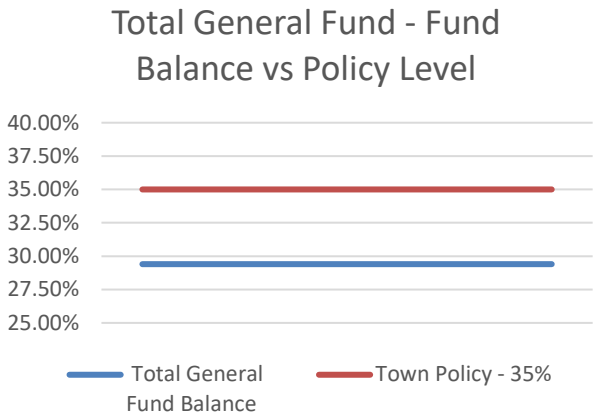
As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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's financing requirements.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, fund balance available in the General Fund was $10,780,934 while total fund balance was $15,897,208. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned (available) fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 19.9% of the total General Fund expenditures, while total fund balance represents 29.4% of that same amount.

Per the policy, unassigned fund balances at the close of each fiscal year should be between 20% - 25% of general fund expenditures and total fund balance should be at least 35% of general fund expenditures. If funds are available over and beyond the targeted amount as defined above, those funds may be transferred to capital reserve funds or capital project funds, at the Board of Commissioners discretion. The Board of Commissioners may, from time-to-time, appropriate fund balances that will reduce unassigned fund balances below the 20% – 25% policy for the purposes of a declared fiscal emergency or other such global purpose as to protect the long-term fiscal stability and security of the Town of Wake Forest. In such circumstances, the Town will work towards replenishing the unassigned fund balances to the policy level within 36 months from the date of the appropriation.





At June 30, 2020, the governmental funds of the Town reported a combined fund balance of $14,474,485 with a net *decrease* in fund balance of $9,000,176. The General Fund, Debt Service Fund, special revenue funds, capital project funds and future capital reserve funds are included in this combined amount. This decrease is largely attributed to construction on several projects related to the 2014 General Obligation bond referendum, namely the Joyner Park Community Center and Northern Wake Senior Center projects, as well as the fiber project and various other greenway improvements and street and sidewalk improvements.

General Fund (Unconsolidated) 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. Some differences between the original budget and the final amended budget are as follows:

- Ad valorem taxes received exceeded original budget estimates by $401,178 (1.4% increase) due to conservative budgeting regarding the collection rate along with growth in the tax base.
- Unrestricted intergovernmental revenues were less than the original estimates by $141,257 (1.2% decrease). This is attributed to decrease in utility distribution tax revenues from the previous fiscal year.
- Due to the town's conservative management practices the operating expenditures for the fiscal year was approximately $2.1 million or 4.2%, under amended budget expectations. In addition, several operating expenditures were curtailed at the onset of the pandemic which attributed to decreased spending.

Revenues were 1.4% less than the original budgeted amounts. These were directly related to program, event and participant revenues resulting from cancellations due to COVID-19. Expenditures were in compliance with budgetary requirements. Given the uncertainty of the pandemic the town's leadership took a proactive approach in managing expenditures. Management suspended all travel, in addition to delaying several capital related purchases.

The original budget planned to use $2,182,500 of appropriated fund balance and was amended during the year to $2,650,979 for one-time capital items. However, unconsolidated General Fund fund balance *decreased by* $1,262,524 for fiscal year 2019-2020 which is significantly less than projected.

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Electric Fund at the end of the fiscal year totaled to $3,801,934 and the total ending net position was $21,198,655.

The Electric Fund's net position increased $350,378, while the total proprietary fund's net position increased $296,902 during the fiscal year. Operating expenses in*creased 3.2*% while sale of power revenues de*creased 2.5%*. Electric revenues were affected by the pandemic as a result of Executive Order 142 issued by the governor. This order temporarily suspended residential utility service disconnections, as well as waived all penalties, fees and interest on amounts due during this period and provided users a period of six months after the order ends to satisfy the outstanding bill amounts.

The Proprietary Funds are discussed further in the business-type activities section.

Capital Asset and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental and business–type activities as of June 30, 2020 totaled $295,064,969 (net of accumulated depreciation). This represents a 3.7% increase from June 30, 2019. These assets include buildings, streets and sidewalks, land, machinery and equipment including vehicles, park facilities and electric system. Some of the major capital asset transactions during the year include the following:

- Streets, sidewalks and right of way additions - $655,916
- Northern Wake Senior Center - $4,974,013
- Joyner Park Community Center - $12,617,407
- Wake Forest Reservoir Improvements Phase 1 & 2 - $276,858
- Wake Forest Reservoir – Transfer from City of Raleigh - $5,124,830

Town of Wake Forest Capital Assets
(net of depreciation)
Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land, rights and easements	$ 60,695,419	$ 55,090,454	$ 1,451,949	$ 1,451,949	$ 62,147,368	$ 56,542,403
Buildings and system	22,783,226	13,351,045	2,025,407	2,095,249	24,808,633	15,446,294
Other improvements	160,831,172	156,276,712	16,607,478	16,824,942	177,438,650	173,101,654
Equipment and furniture	2,119,013	1,752,411	756,130	824,468	2,875,143	2,576,879
Vehicles and motorized equipment	4,110,417	4,346,050	721,170	954,916	4,831,587	5,300,966
Construction in progress	22,963,588	31,573,958	-	-	22,963,588	31,573,958
Total	$ 273,502,835	$ 262,390,630	$ 21,562,134	$ 22,151,524	$ 295,064,969	$ 284,542,154

See Note 5 of this report for additional information regarding the Town's capital assets.

Long-term Debt. As of June 30, 2020, the Town had total bonded debt outstanding of $25,110,000 and governmental activities installment purchase related debt of $12,924,277. The outstanding revenue bond debt totals $1,059,309 which represents the balance owed on the electric substation constructed in 2014 for the John B. Cole substation improvements. The Electric Fund also has installment purchase agreement debt of $3,106,103, which includes rolling stock and equipment from prior fiscal years along with the building purchased in October 2018.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to eight (8%) percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Town is $409,834,902. These statutory limits exceed the Town's realistic debt capacity.

As of June 30, 2020, the Town has $4,920,000 in authorized and unissued bonds remaining from the November 2014 bond referendum.

Town of Wake Forest Outstanding Debt
General Obligation and Revenue Bonds
Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds	$ 25,110,000	$ 27,050,000	$ -	$ -	$ 25,110,000	$ 27,050,000
Revenue bonds	-	-	1,059,309	1,309,714	1,059,309	1,309,714
Installment Purchase	12,924,277	15,854,036	3,106,103	3,736,467	16,030,380	19,590,503
Total	$ 38,034,277	$ 42,904,036	$ 4,165,412	$ 5,046,181	$ 42,199,689	$ 47,950,217

Additional information regarding the Town of Wake Forest's long-term debt can be found in Note 10 of this report.

Budget Highlights for the Fiscal Year Ending June 30, 2021

Governmental Activities: The 2020-2021 Adopted Budget *increased* (10.5%) from the 2019-2020 Amended Budget, this also increased 16.7% over the 2019-2020 Adopted Budget. The foundation of this budget is the strategic plan which sets the roadmap for all decisions over the next few years. The budget endeavors to achieve the four key goals in the strategic plan by maintaining current service levels, enhancing infrastructure and providing for employees. Performance pay (merit), market adjustments and career ladder funds for eligible departments were

included. Seventeen (17) new positions were included in the approved budget. Of these positions, six are directly related to the Wake Forest Fire Department merger, which is discussed below. In addition, there were two position reclassifications.

The Town's tax rate has been reduced from $.52 to $.495 for the coming fiscal year. This reduction is the result of the property tax revaluation along with the shift of solid waste fee to a user fee. The revenue-neutral tax rate was calculated to be $.4613. There was a projected increase of between $.02 to $.03 related to the Wake Forest Fire Department merger effective July 1, 2020. In addition, the rate is inclusive of $.015 for transportation initiatives and $.005 for affordable and workforce housing. The final budget for the General Fund totaled $56.05 million. In addition, the Downtown Municipal Service District tax rate remains unchanged at $.14. Despite the appearance of renewed fiscal growth and other positive changes in economic conditions, the Town will continue to focus on financial sustainability. The budget represents the fundamental philosophy of being conservative with revenue projections and maintaining fiscal constraint on the expenditure side.

As part of the town's commitment to focus on economic development a 501(c)(3) was formed in 2017, known as the Wake Forest Business and Industry Partnership (BIP). In efforts to strengthen reporting on this endeavor the related staff members have been moved out of the General Fund into the BIP special revenue fund.

Effective July 1, 2020 the Wake Forest Fire Department merged with the Town of Wake Forest. The fire department operates five fire stations, with 84 paid personnel, 24 part-time employees and 30 volunteers, which were included in the merger. In addition to the cost of operations, this merger resulted in increases to personnel expenditures (salaries, retirement, 401k, health insurance, fire rescue squad pension, etc.). In addition, included in the budget is the purchase of an additional ladder truck estimated to cost $1.4M.

Effective January 1, 2021 the town will be charging a solid waste user fee of $21 and included on the monthly water and sewer bills. The City of Raleigh offers this service to all the merger towns through an interlocal agreement. Since 2008, the cost of providing this service has been covered in the property tax revenue.

Decision making will still require much care and prudence as we continue to focus on providing the core services our citizens expect. Prioritizing how our resources are utilized is critical as we make long term plans for capital investments, as well as addressing future debt service and additional upcoming legislative mandates.

This budget document incorporates a performance management system, which accurately defines departmental goals and objectives, as well as measures of workload effectiveness. In addition, a five-year financial forecast has been included, which will assist in the evaluation of current and future fiscal conditions that will enable the Board of Commissioners to make policy and programmatic decisions that could have a long-term effect on the town.

Business–type Activities: Utility rates were unchanged in the Electric Fund with the Adopted 2020-2021 Budget. The total budget is $22.7 million for the Electric Fund. One (1) new position was included in the approved budget. The town is currently engaged in an electric rate study. The study began during the FY 2019-2020, however, due to the pandemic the study, as well as any potential changes to the rates have been delayed. The results of the study will be shared with the town board during the Fall 2020, with any potential changes taken effect Spring/Summer 2021.

Effective July 1, 2005 the City of Raleigh operates the water and wastewater systems.

Requests for Information

This report is designed to provide an overview of the Town's 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 Chief Financial Officer, Town of Wake Forest, 301 S. Brooks Street Wake Forest, North Carolina 27587; (919) 435-9461 or astaples@wakeforestnc.gov.

TOWN *of* WAKE FOREST

TOWN OF WAKE FOREST, NORTH CAROLINA **Exhibit 1**

STATEMENT OF NET POSITION

JUNE 30, 2020

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	$ 14,775,788	$ 884,604	$ 15,660,392
Taxes receivables (net)	182,352	-	182,352
Accounts receivable (net)	5,882,628	2,398,892	8,281,520
Due from other governments	743,838	59	743,897
Due from other funds	-	3,800,669	3,800,669
Inventories	17,141	1,638,852	1,655,993
Prepaid expenses	136,802	27,440	164,242
Restricted cash and cash equivalents	1,658,169	-	1,658,169
Due within one year			
Note receivable-current portion	57,000	-	57,000
Due in more than one year			
Note receivable-noncurrent portion	692,360	-	692,360
Capital assets			
Land, improvements, and construction in progress	83,659,009	1,451,949	85,110,958
Other capital assets, net of depreciation	189,843,826	20,110,185	209,954,011
Total Assets	297,648,913	30,312,650	327,961,563
Deferred Outflows of Resources			
Contributions to LGERS pension plan in current fiscal year	1,422,785	150,340	1,573,125
Pension deferrals - LGERS	2,048,514	352,638	2,401,152
Law enforcement separation allowance deferrals	417,334	-	417,334
Other postemployment benefits deferrals	248,443	46,117	294,560
Total Deferred Outflows of Resources	4,137,076	549,095	4,686,171
Liabilities			
Accounts payable	4,847,536	1,516,422	6,363,958
Accrued interest payable	154,527	18,730	173,257
Due to other funds	3,800,669	-	3,800,669
Customer deposits	-	367,461	367,461
Due within one year			
Compensated absences	584,868	93,258	678,126
Bonds and notes payable	5,001,623	737,148	5,738,771
Due in more than one year		-	
Compensated absences	806,077	46,792	852,869
Total pension liability - LEO	3,461,581	-	3,461,581
Pension liability - LGERS	5,310,164	1,308,773	6,618,937
Total other postemployment liability	8,104,283	1,555,250	9,659,533
Bonds and notes payable	33,851,347	3,428,265	37,279,612
Total Liabilities	65,922,675	9,072,099	74,994,774
Deferred Inflows of Resources			
Prepaid taxes	59,763	-	59,763
Pension deferrals - LGERS	55,682	-	55,682
Other postemployment benefits deferrals	3,201,516	590,996	3,792,512
Law enforcement separation allowance deferrals	124,181	-	124,181
Grants	31,914	-	31,914
Total Deferred Inflows of Resources	3,473,056	590,996	4,064,052
Net Position			
Net investment in capital assets	236,048,865	17,396,780	253,445,645
Restricted for			
Stabilization by state statute	3,568,985	-	3,568,985
Downtown district	276,779	-	276,779
Public safety	317,892	-	317,892
Street and sidewalk improvements	16,283	-	16,283
Cultural and Recreation	9,204	-	9,204
Unrestricted	(7,847,750)	3,801,870	(4,045,880)
Total Net Position	$ 232,390,258	$ 21,198,650	$ 253,588,908

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

TOWN OF WAKE FOREST, NORTH CAROLINA **Exhibit 2**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental activities:							
General government	$ 12,354,370	$ 4,232,238	$ 1,460,656	$ 4,568	$ (6,656,908)	$ -	$ (6,656,908)
Public safety	16,087,550	44,000	79,275	3,386	(15,960,889)	-	(15,960,889)
Transportation	6,012,293	-	-	5,838,274	(174,019)	-	(174,019)
Environmental protection	3,743,415	-	-	-	(3,743,415)	-	(3,743,415)
Cultural and recreation	5,294,637	1,423,238	153,225	2,483,118	(1,235,055)	-	(1,235,055)
Interest on long-term debt	1,217,268	-	-	-	(1,217,268)	-	(1,217,268)
Total governmental activities	44,709,532	5,699,476	1,693,156	8,329,346	(28,987,555)	-	(28,987,555)
Business-type activities:							
Electric	20,317,296	20,461,307	-	-	-	144,011	144,011
Total business-type activities	20,317,296	20,461,307	-	-	-	144,011	144,011
Total	$ 65,026,828	$ 26,160,783	$ 1,693,156	$ 8,329,346	(28,987,555)	144,011	(28,843,544)
General revenues:							
Taxes:							
Property taxes, levied for general purpose					29,419,885	-	29,419,885
Other taxes and licenses					46,985	-	46,985
Unrestricted intergovernmental					11,365,093	-	11,365,093
Unrestricted investment earnings					360,928	54,302	415,230
Miscellaneous					1,454,100	98,584	1,552,684
Total general revenues					42,646,992	152,886	42,799,878
Change in net position					13,659,437	296,897	13,956,334
Net position-beginning					218,730,821	20,901,753	239,632,574
Net position-ending					$ 232,390,258	$ 21,198,650	$ 253,588,908

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

TOWN OF WAKE FOREST, NORTH CAROLINA **Exhibit 3**

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2020

	General	Debt Service Fund	Greenway Transportation Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 14,678,498	$ -	$ -	$ 97,290	$ 14,775,788
Receivables, net					
Taxes	182,352	-	-	-	182,352
Accounts	3,103,103	-	2,382,857	396,668	5,882,628
Due from other governments	681,516	61,533	145	645	743,839
Due from other funds	111,739	-	-	3,612,286	3,724,025
Inventories	17,141	-	-	-	17,141
Prepaid expenditures	136,802	-	-	-	136,802
Restricted cash and cash equivalents	590,671	46,521	-	1,020,977	1,658,169
Total Assets	$ 19,501,822	$ 108,054	$ 2,383,002	$ 5,127,866	$ 27,120,744
Liabilities					
Accounts payable and accrued liabilities	$ 2,945,832	$ -	$ 1,532,604	$ 369,100	$ 4,847,536
Due to other funds	416,667	-	5,820,186	1,287,841	7,524,694
Total Liabilities	3,362,499	-	7,352,790	1,656,941	12,372,230
Deferred Inflow of Resources					
Property taxes receivable	182,352	-	-	-	182,352
Prepaid taxes and other	59,763	-	-	-	59,763
Grants	-	-	-	31,914	31,914
Total deferred inflows of resources	242,115	-	-	31,914	274,029
Fund Balances					
Non Spendable					
Inventories	17,141	-	-	-	17,141
Prepayments	136,802	-	-	-	136,802
Restricted					
Stabilization by state statute	3,568,985	-	-	-	3,568,985
Downtown district	276,779	-	-	-	276,779
Public safety	313,892	-	-	4,000	317,892
Street and sidewalk improvements	-	-	16,283	-	16,283
Grants:					
Cultural and Recreation	-	-	-	9,204	9,204
Committed					
Economic development	-	-	-	1,437,644	1,437,644
Assigned					
Subsequent years expenditures	812,400	-	-	213,273	1,025,673
Debt service	-	108,054	-	-	108,054
Recreation improvements	-	-	-	2,180,928	2,180,928
Fire services	-	-	-	337,419	337,419
Roadway Projects	-	-	-	814,774	814,774
Asset Maintenance	-	-	-	17,654	17,654
Unassigned	10,771,209	-	(4,986,071)	(1,575,885)	4,209,253
Total fund balances	15,897,208	108,054	(4,969,788)	3,439,011	14,474,485
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 19,501,822	$ 108,054	$ 2,383,002	$ 5,127,866	$ 27,120,744

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

TOWN OF WAKE FOREST, NORTH CAROLINA

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS

JUNE 30, 2020

Fund balances-total governmental funds		$ 14,474,485
Amounts reported for governmental activities in the statement of net position are different because;		
Long-term assets, including notes receivable are not due and receivable in the current period and therefore are not reported in the governmental funds.		749,360
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	$ 350,886,769	
Less accumulated depreciation	(77,383,934)	273,502,835
Contributions to the LGERS pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position		1,422,785
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.		
Government bonds and notes payable	(38,034,278)	
Premiums received on bond issuance	(818,692)	
Compensated absences	(1,390,945)	
Other postemployment benefits & liability	(8,104,283)	
Total pension liability - LEOSSA	(3,461,581)	
Pension liability - LGERS	(5,310,164)	(57,119,943)
Liabilities for earned revenues considered deferred inflows of resources in fund statements.		182,352
Deferred inflows/outflows of resources related to pensions are not reported in the funds - LEOSSA & LGERS		2,285,984
Deferred inflows/outflows of resources related to pensions are not reported in the funds - Other postemployment benefits		(2,953,073)
Other liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Accrued interest expense payable		(154,527)
Net position of governmental activities		$ 232,390,258

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

TOWN OF WAKE FOREST, NORTH CAROLINA **Exhibit 4**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2020

	General	Debt Service Fund	Greenway Transportation Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Ad valorem taxes	$ 29,419,885	$ -	$ -	$ -	$ 29,419,885
Other taxes	46,985	-	-	-	46,985
Unrestricted intergovernmental	11,365,093	-	-	-	11,365,093
Restricted intergovernmental	137,512	923,774	2,626,836	493,948	4,182,070
Permits and fees	2,319,510	707,677	296,161	1,589,752	4,913,100
Sales and services	711,918	-	-	9,506	721,424
Miscellaneous	1,248,344	17,400	(8,135)	266,985	1,524,594
Investment earnings	198,359	6,545	8,132	93,981	307,017
Total revenues	45,447,606	1,655,396	2,922,994	2,454,172	52,480,168
Expenditures:					
Current:					
General government	12,833,816	71,799	-	187,346	13,092,961
Public safety	18,857,942	-	-	147	18,858,089
Transportation	2,311,478	-	-	-	2,311,478
Environmental protection	3,853,434	-	-	-	3,853,434
Cultural and recreation	3,734,209	-	50,001	26,255	3,810,465
Capital outlay	2,012,190	-	4,848,303	6,547,740	13,408,233
Debt service:					
Bond principal	-	5,650,000	-	-	5,650,000
Bond interest	-	862,529	-	-	862,529
Installment note principal	-	3,466,684	-	-	3,466,684
Installment note interest	-	413,396	-	-	413,396
Total expenditures	43,603,069	10,464,408	4,898,304	6,761,488	65,727,269
Revenues under expenditures	1,844,537	(8,809,012)	(1,975,310)	(4,307,316)	(13,247,101)
Other financing sources (uses):					
Transfers in	2,022,959	4,905,020	233,387	2,296,941	9,458,307
Transfers out	(5,760,315)	-	-	(3,697,992)	(9,458,307)
Issuance of debt	536,925	3,710,000	-	-	4,246,925
Total other financing sources (uses)	(3,200,431)	8,615,020	233,387	(1,401,051)	4,246,925
Net change in fund balances	(1,355,894)	(193,992)	(1,741,923)	(5,708,367)	(9,000,176)
Fund balance - beginning of year	17,253,102	302,046	(3,227,865)	9,147,378	23,474,661
Fund balance - end of year	$ 15,897,208	$ 108,054	$ (4,969,788)	$ 3,439,011	$ 14,474,485

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

TOWN OF WAKE FOREST, NORTH CAROLINA

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - RECONCILIATION

FOR THE YEAR ENDED JUNE 30, 2020

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ (9,000,176)
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.		
Expenditures for capital assets	$ 13,408,233	
Less current year depreciation	(8,019,690)	
The net effect of various miscellaneous transactions involving capital assets is to decrease net position	(114,611)	5,273,932
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		1,422,785
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Developer's contributed capital		5,838,274
Change in notes receivable		(37,753)
Change in unavailable revenue for tax and sanitation revenues		59,369
The issuance of 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 position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Amortization of bond premiums	55,491	
Issuance of debt	(4,246,925)	
Principal payments	5,101,684	
Bond refunding - principal payment	4,015,000	
		4,925,250
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		(124,523)
Pension Expense - LGERS		(2,457,856)
Pension Expense - LEOSSA		(320,048)
Other postemployment benefits expense		7,608,752
LEOSSA benefit payments and administration cost made in current fiscal year are not included in Statement of Activities		36,271
Other postemployment benefit payments and administration cost made in current fiscal year are not included in Statement of Activities		376,503
Change in accrued interest payable		58,657
Total changes in net position of governmental activities		$ 13,659,437

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

TOWN OF WAKE FOREST, NORTH CAROLINA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020

	Original	Final	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues:				
Ad valorem taxes	$ 28,938,840	$ 29,343,840	$ 29,340,018	$ (3,822)
Other taxes and licenses	58,255	58,255	46,985	(11,270)
Unrestricted intergovernmental	11,506,350	11,506,350	11,365,093	(141,257)
Restricted intergovernmental	75,680	75,680	135,994	60,314
Permits and fees	2,150,500	2,409,610	2,319,511	(90,099)
Sales and services	782,000	841,685	625,102	(216,583)
Miscellaneous	947,700	1,266,740	1,151,531	(115,209)
Investment earnings	275,000	275,000	193,032	(81,968)
Total revenues	44,734,325	45,777,160	45,177,266	(599,894)
Expenditures:				
Current				
General government	14,081,800	14,611,759	13,209,979	1,401,780
Public safety	17,995,190	20,001,265	19,818,764	182,501
Transportation	2,374,815	2,415,815	2,371,653	44,162
Environmental protection	3,937,430	3,878,260	3,853,434	24,826
Cultural and recreational	4,069,515	4,128,400	3,681,193	447,207
Total expenditures	42,458,750	45,035,499	42,935,023	2,100,476
Revenues over (under) expenditures	2,275,575	741,661	2,242,243	1,500,582
Other financing sources (uses):				
Transfers in (out)				
Debt Service Fund	(4,840,020)	(4,840,020)	(4,840,020)	-
Downtown District Special Tax	89,000	149,000	17,000	(132,000)
Wake Forest Business Improvement District	(120,000)	(120,000)	(23,095)	96,905
Police Special Revenue Fund	10,000	10,000	7,378	(2,622)
Wake Forest Renaissance Centre SRF	(373,130)	(373,130)	(341,530)	31,600
Grant and Special Revenue Fund	-	-	(56,981)	(56,981)
Public Arts Fund	-	40,750	(47,684)	(88,434)
Asset Maintenance Fund	(100,000)	(100,000)	(170,000)	(70,000)
Public Facilities Capital Project	(134,000)	(134,000)	18,412	152,412
Street Improvements	-	(124,800)	-	124,800
Greenways, Trails & Pedestrian Access	-	-	(188,748)	(188,748)
Recreation Capital Reserve	44,500	44,500	41,844	(2,656)
Cemetery Capital Reserve	-	48,000	57,315	9,315
General Capital Reserve	-	1,470,135	1,484,417	14,282
Installment note issuance	965,575	536,925	536,925	-
Appropriated fund balance	2,182,500	2,650,979	-	(2,650,979)
Total other financing sources (uses)	(2,275,575)	(741,661)	(3,504,767)	(2,763,106)

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

TOWN OF WAKE FOREST, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
Net change in fund balance	$ -	$ -	(1,262,524)	$ (1,262,524)
Fund balance - Beginning of year			16,483,044	
Fund balance - End of year			15,220,520	
A legally budgeted Downtown District Special Tax Fund is consolidated into the General Fund for reporting purposes:				
Ad valorem taxes			79,867	
Investment earnings			2,590	
Transfer to Debt Service Fund			(17,000)	
Transfer to General Fund			(65,000)	
Fund balance - beginning of year			276,322	
A legally budgeted Police Department Special Fund is consolidated into the General Fund for reporting purposes:				
Donations			14,470	
Forfeited currency			1,518	
Investment earnings			2,738	
Operating expenditures			(22,750)	
Fund balance - beginning of year			317,916	
A legally budgeted Wake Forest Renaissance Centre Fund is consolidated into the General Fund for reporting purposes:				
Sales and services			86,816	
Donations			175	
Events revenue			82,168	
Operating expenditures			(522,910)	
Transfer from General Fund			341,529	
Fund balance - beginning of year			22,535	
A legally budgeted Public Arts Fund is consolidated into the General Fund for reporting purposes:				
Operating expenditures			(129,766)	
Transfer from General Fund			52,185	
Fund balance - beginning of year			153,285	
Fund balance - end of year (Exhibit 4)			$ 15,897,208	

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

TOWN OF WAKE FOREST, NORTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION

JUNE 30, 2020

	Electric Fund
Assets	
Current assets:	
Cash and cash equivalents	$ 884,604
Accounts receivable, net	2,398,951
Due from other Funds	3,800,669
Inventories	1,638,852
Prepaid expenditures	27,440
Subtotal	8,750,516
Noncurrent assets:	
Capital assets:	
Land and other non-depreciable assets	1,451,949
Other capital assets, net of depreciation	20,110,185
Capital assets (net)	21,562,134
Subtotal-noncurrent assets	21,562,134
Total assets	30,312,650
Deferred Outflows of Resources:	
Contributions to pension plan - LGERS	150,340
Pension deferrals - LGERS	352,638
Other post employment benefit deferrals	46,117
Total deferred outflows of resources	549,095
Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	1,516,422
Customer deposits	367,461
Accrued interest payable	18,730
Compensated absences	140,050
Bonds and notes payable	737,148
Total current liabilties	2,779,811
Noncurrent liabilities:	
Pension liability - LGERS	1,308,773
Total other postemployment benefits liability	1,555,250
Bonds and notes payable	3,428,265
Total noncurrent liabilties	6,292,288
Total liabilities	9,072,099
Deferred Inflows of Resources	
Other post employment benefit deferrals	590,996
Total deferred inflows of resources	590,996
Net Position	
Net investment in capital assets	17,396,721
Unrestricted	3,801,929
Total net position	$ 21,198,650

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

Exhibit 7

TOWN OF WAKE FOREST, NORTH CAROLINA

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2020

		Electric Fund
Operating revenues:		
Charges for services	$	19,019,670
Other operating revenues		1,502,588
Total operating revenues		20,522,258
Operating expenses:		
Electric operations		6,229,893
Electric power purchases		12,506,266
Depreciation		1,456,050
Total operating expenses		20,192,209
Operating income		330,049
Nonoperating revenues (expenses):		
Investment earnings		54,302
Interest expense		(125,086)
Gain on capital asset disposals		37,632
Total nonoperating revenues (expenses)		(33,152)
Income before transfers		296,897
Transfers from other funds		61,414
Transfers to other funds		(61,414)
Total transfers		-
Change in net position		296,897
Net position, beginning of year		20,901,753
Net position, end of year	$	21,198,650

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

TOWN OF WAKE FOREST, NORTH CAROLINA
ENTERPRISE FUNDS
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2020

	Totals
Cash flows from operating activities:	
Cash received from customers	$ 20,335,798
Cash paid for goods and services	(15,612,469)
Cash paid to employees for services	(4,042,918)
Customer deposits received	101,341
Customer deposits returned	(72,122)
Net cash provided by operating activities	709,630
Cash flows from noncapital financing activities:	
Advances to other funds	(3,800,669)
Net cash used by noncapital financing activities	(3,800,669)
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(868,495)
Proceeds of sale of capital assets	37,632
Principal paid on bond maturities and equipment notes	(880,769)
Interest paid on bond maturities and equipment notes	(130,174)
Net cash provided by (used by) capital and related financing activities	(1,841,806)
Cash flows from investing activities:	
Interest on investments	54,302
Net increase in cash and cash equivalents	(4,878,543)
Cash and cash equivalents:	
Beginning of year	5,763,147
End of year	$ 884,604

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

TOWN OF WAKE FOREST, NORTH CAROLINA
ENTERPRISE FUNDS
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2020

	Totals
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 330,049
Adjustments to reconcile operating income to to net cash provided by operating activities	
Depreciation	1,456,050
Changes in assets and liabilities:	
Decrease in accounts receivable	172,818
Increase in prepaid expenses	(27,440)
Increase in inventory	(12,201)
Increase in deferred outflows of resources for pensions (contributions)	(37,252)
Decrease in deferred outflows for pensions	124,241
Decrease in pension liability	245,829
Decrease in accounts payable and accrued liabilities	(194,739)
Increase in customer deposits	29,219
Increase in accrued vacation pay	11,602
Decrease in deferred inflows of resources - pensions	(11,483)
Increase in deferred outflows of resources - OPEB	(6,290)
Increase in deferred inflows resources - OPEB	148,849
Decrease in other postemployment liability	(1,519,621)
Total adjustments	379,581
Net cash provided by operating activities	$ 709,630

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

Note 1—Summary of significant accounting policies

The financial statements of the Town of Wake Forest (the "Town") have been prepared in conformity with generally accepted accounting principles as applied to government units. The following is a summary of the more significant accounting policies:

(a) Reporting Entity - The Town, a political subdivision of Wake County, is a municipal corporation governed by an elected mayor and a five-member commission. The Town's basic financial statements include all funds over which the Town has accountability. The Wake Forest Business and Industry Partnership, Inc. (BIP), a North Carolina 501 (c) 3 non-profit was formed to promote economic development in the Town of Wake Forest. An agreement for the services between the Town and the BIP was entered into on January 26, 2017. The BIP is the only component unit for the Town as of June 30, 2020. The BIP will serve as a mechanism for the Town to issue future debt for economic development.

(b) Basis of Presentation

Government-wide Statements - The statement of net position and the statement of activities include the financial activities of the Town. 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. 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 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 nonmajor 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. Nonoperating revenues, such as subsidies result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

The government reports the following major governmental fund:

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes and state-shared revenues. The primary expenditures are for public safety, streets, sanitation, parks and recreation, and general governmental services. Additionally, the Town has legally adopted a Downtown District Special Tax Fund, Wake Forest Renaissance Centre, Police Department and Public Arts Special Fund. Under GASB 54 guidance these four funds are consolidated in the General Fund. The budgetary comparisons for the Downtown District Special Tax Fund, Police Department Special Fund, Wake Forest Renaissance Centre Fund and Public Arts Fund have been included in the supplemental information.

Note 1—Summary of significant accounting policies (continued)

Debt Service Fund – The Debt Service Fund is used to account for all governmental related debt extinguishment, which includes both principal and interest payments.

Greenways Transportation & Pedestrian Access Fund - The Greenway Transportation & Pedestrian Access Fund is used to account for design, construction and improvements to greenways, trails, bike paths and pedestrian accesses throughout town.

The government reports the following major proprietary funds:

Electric Fund - The Electric Fund is used to account for electric operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Electric Fund is composed of two sub-funds: Electric Operations and Electric Capital Reserve, which are consolidated for financial reporting purposes.

The Town reports the following nonmajor governmental funds:

Special Revenue Funds - Special Revenue funds are used to account for resources set aside for specific purposes. The Town has two special revenue funds: the Futures Fund which is used to account for resources set aside for economic development and the Grants and Special Revenue Fund which is used to account for federal, state and private grants, as well as other miscellaneous resources received.

Capital Project Funds - Capital project funds are used to account for financial resources to be used for the acquisition or construction of major facilities (other than those financed by proprietary funds). The Town has seven (7) non-major capital project funds: Recreation Capital Reserve, Cemetery Capital Reserve, Public Facilities, Parks and Recreation Improvement, Asset Maintenance, Street Improvements and General Capital Reserve.

(c) Measurement Focus, Basis of Accounting and Financial Statement Presentation
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 and 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.

Note 1—Summary of significant accounting policies (continued)

(c) Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

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 nonoperating 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's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund 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 nonoperating revenues and expenses.

Governmental Fund Financial Statements - Governmental fund financial statements 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 property taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable 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, Wake County is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts in the County, including the Town of Wake Forest. Property taxes are due when vehicles are registered. The billed taxes 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 utilities distribution, 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 Wake Forest because the tax is levied by Wake County and then remitted by the State. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. 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.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is charges between the Town's Electric Fund and various other functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Note 1—Summary of significant accounting policies (continued)

(d) Budgetary Data

Budgets are adopted as required by North Carolina General Statutes. Annual budget ordinances are adopted for the general, special revenue and enterprise funds. All annual appropriations lapse at fiscal year-end. Project ordinances, which may cover more than one year, are adopted for the capital project and capital reserve funds. All budgets are prepared using the modified accrual basis of accounting, which is consistent with the accounting system used to record transactions. Supplemental appropriations that amend the total expenditures of any fund require an ordinance of the Board of Commissioners. The Town Manager is authorized by the budget ordinance to transfer appropriations between objects of expenditure within a functional area without limitation and without a report being required and may transfer appropriations up to $50,000 between functional areas within a fund with an official reporting of such transfers to the Board. Any interfund transfer not included in the original budget or any appropriation from a contingency account must be approved by the Board of Commissioners. During the year several immaterial amendments to the original budget were necessary. 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

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 and loan whose principal office is located in North Carolina. The Town may also establish time deposits in the form of 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 banker's acceptances; and the North Carolina Capital Management Trust (NCCMT). The Town's investments are reported at fair value as determined by quoted market prices. The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. The NCCMT-Term Portfolio is a bond fund, has no rating and is measured at fair value. As of June 30, 2020, the Term Portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have weighted average maturity of less than 90 days, they are presented as an investment with maturity of less than 6 months.

Cash and Cash Equivalents - The Town pools moneys from several funds to facilitate disbursement and investment and maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Restricted Assets - Money in the Downtown District Special Tax Fund and the Police Department Special Fund is classified as restricted assets because its use is restricted to the Downtown District Special Tax Fund and the Police Department Special Fund per N.C. G.S. Chapter 159, Article 3. Funds in the Grants and Special Revenue Fund are restricted by the external and/or awarding agency for the specific purpose of the award.

Note 1—Summary of significant accounting policies (continued)

Govermental Activities	
General Fund:	$ -
Other Major Governmental Funds:	
Debt Service	46,521
Downtown Disctrict	276,779
Public Safety	313,892
Other Nonmajor Govermental Funds:	
Economic Development	1,020,977
Total Governmental Activities	1,658,169
Total Restricted Cash	$ 1,658,169

Ad Valorem Taxes Receivable - In accordance with North Carolina General Statutes (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 September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of the previous January 1.

Allowances for Doubtful Accounts - An allowance for doubtful accounts is maintained on the ad valorem taxes receivable and customer accounts receivable for electric operations. The allowance for ad valorem taxes receivable is estimated by analyzing the percentage of receivables that are written off in prior years. The allowance for customer accounts receivable for electric operations is estimated at the amount of accounts receivable that have not been written off that exceeds 120 days. The direct write-off method is used by the Town on all other types of receivables. Under this method, all accounts considered uncollectible at June 30th have been charged against operations.

Inventories - Inventories are maintained for general and enterprise fund supplies. They are at cost (weighted average), which approximates market. The inventories of the Town's General and Enterprise Funds consist of materials and supplies for consumption. In each case the cost is recorded as an expense when the inventory is consumed.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of $5,000 or more. Such assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at their estimated fair value at the date of donation rather than fair value. Those received in service concession arrangement are reported at acquisition value rather than fair value. General infrastructure assets acquired prior to July 1, 2003 consist of the road network that was 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.

Note 1—Summary of significant accounting policies (continued)

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

Asset Class	Estimated Useful Lives
Infrastructure	40 years
Equipment and vehicles	3-10 years
Water and sewer systems	30-40 years
Buildings and improvements	10-30 years
Land improvements	10 to 40 years
Furniture and fixtures	5 to 8 years

Deferred Outflows 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 four items that meet the criterion for this category – contributions made to the LGERS pension plan in the current fiscal year, LGERS pension deferrals, LEOSSA deferrals and OPEB deferrals.

Deferred Inflows of Resources - 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 five items that meet the criterion for this category - prepaid taxes, property tax receivable, advance grant funding, deferrals of LGERS pension expense, LEOSSA deferrals and other post-employment benefits deferrals.

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. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium 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 the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amounts of debt issuances are 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 net proceeds received, are reported as debt service expenditures.

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 and proprietary funds, 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.

Note 1—Summary of significant accounting policies (continued)

The Town's sick leave policy provides for 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 has no obligation for the sick leave until it is actually taken, no provision has been made in the accompanying financial statements.

Net Position/Fund Balances

Net Position - Net position in government-wide and proprietary fund 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.

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.

Inventories - portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Prepayments – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid expenses, which are not spendable resources.

Restricted Fund Balance
This classification includes amounts of fund balance restricted by or subject to externally enforceable legal restrictions, including, but not limited to creditors, grantors, contributors, or other governments through enabling legislation.

Restricted for Stabilization by State Statute - portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].

Restricted for Downtown District - portion of fund balance that is restricted by revenue source for certain downtown district expenditures.

Restricted for Public Safety - portion of fund balance that is restricted by revenue source for certain public safety expenditures.

Note 1—Summary of significant accounting policies (continued)

Restricted for Street and Sidewalk Improvements - portion of fund balance that is restricted by revenue source for street construction and maintenance.

Restricted for Grants – portion of fund balance that is restricted revenue source for various grant award received which are restricted by external agency.

Committed Fund Balance
This classification includes amounts of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town's Board of Commissioners, the highest level of decision-making authority. Any changes or removal of specific purpose requires majority action by the Board either through board resolution or ordinance. The governing body approves the appropriation; however, the budget ordinance authorizes the manager to modify the appropriations by resource or appropriation within funds up to $50,000.

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.

Committed for economic development – portion of fund balance committed by the Board for future economic development projects.

Assigned Fund Balance
This classification includes amounts of fund balance that reflect a government's intended use of resources through authority delegated by the Town's Board of Commissioners to the Town Manager or another member of the management team.

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

Assigned for debt service – portion of fund balance that will be used to make future debt payments.

Assigned for recreation improvements - portion of fund balance that has been budgeted by the Board for recreation improvements.

Assigned for fire services – portion of fund balance that will be used for fire service related construction and equipment purchases.

Assigned for roadway projects – portion of fund balance that is to be used for transportation related construction and improvements.

Assigned for asset maintenance – portion of fund balance that will be used for improvements to town assets.

Note 1—Summary of significant accounting policies (continued)

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 fund that reports a positive unassigned fund balance amount. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The Town has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Chief Financial Officer will use resources in the following hierarchy: bond proceeds, federal funds, state funds, local non-Town funds, Town funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Chief Financial Officer has the authority to deviate from this policy if it is in the best interest of the Town.

The Town's original fund balance policy adopted in September 2004 was amended in February 2016 and requires that the Town maintain an unassigned General Fund balance between 20 and 25 percent of General Fund expenditures and a total fund balance of at least 35 percent of General Fund expenditures. Amounts in excess of this minimum may be used for construction projects or major capital outlay when the Town wishes to avoid the issuance of debt, purchase of real property, emergency work after disasters or for maintaining a stable tax rate when economically dependent revenues (i.e. sales taxes) are less than budgeted amounts.

(f) Pensions

The Town participates in a cost-sharing, multi-employer, a defined benefit pension plan that is administered by the State; the Local Government Employees' Retirement System (LGERS). For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the 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 of Wake Forest's employer contributions are recognized when due and the Town of Wake Forest 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.

Note 2—Stewardship, compliance, and accountability

Deficit in Fund Balance of Individual Fund – The Greenways, Trails and Pedestrian Access (GTP) Fund, Street Improvements and Public Facilities Capital Project Fund had a deficit fund balance at June 30, 2020, in the amount of $4,969,788, $544,666 and $762,405, respectively. The deficits for the GTP and Public Facilities fund were expenditures paid which are related to authorized but unissued debt. The Town's anticipated plan for eliminating these deficits will be through future debt issuance. The deficit for the Street Improvements fund was related to additional work performed on the Downtown Streetscape project, for which remaining budget was available. This deficit will be funded with general revenues in the subsequent year.

Note 3—Deposits and investments

Deposits - All of the Town's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage are collateralized with securities held by the Town's agent in the Town's name. Under the Pooling Method, which is a collateral

Note 3—Deposits and investments (continued)

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 agent in the Town's 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 amount 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, 2020, the carrying amount of the Town's deposits was $4,582,410 and the bank balance was $5,100,512. Of the bank balance, $1,250,000 was covered by federal depository insurance and $3,850,512 was covered under the Pooling Method. At June 30, 2020, the Town had $2,850 of petty cash and change funds on hand.

Investments - The Town's investment policy states that investment securities purchased by the Town shall be held in third-party safekeeping by an institution designated as primary agent.

At June 30, 2020, the Town's investment balances were as follows:

Investment Type	Valuation Measurement Method	Book Value at 06/30/2020	Maturities Less Than 1 Year	Maturities 1 to 2 Years	Maturities 2 to 3 Years	Maturities 3+ Years	Rating
US Government Agenices	Fair Value - Level 1	$ 2,563,488	$ 2,363,102	$ 200,386	$ -	$ -	AAA
NCCMT - Government Portfolio	Amortized Cost	1,159,257	1,159,257	-	-	-	AAAm
NCCMT - Term Portfolio	Fair Value - Level 1	9,010,556	9,010,556	-	-	-	Unrated
Totals		$ 12,733,301	$ 12,532,915	$ 200,386	$ -	$ -	

Interest Rate Risk - The Town's policy states that all investments shall have maturities not to exceed three (3) years as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Rate Risk – The Town has no formal policy regarding credit risk, but has internal management procedures that limits the Town's investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated.

Custodial Credit Risk – The Town's investment policy states that investment securities purchased by the Town shall be held in third-party safekeeping by an institution designated as primary agent. Generally, the Town invests available cash in North Carolina Capital Management Trust's or other investment earnings account as allowed by North Carolina General Statute. The Town's investment in the N.C. Capital Management Trust Government Portfolio carried a credit rating of AAAm by Standard & Poor's as of June 30, 2020.

Note 3—Deposits and investments (continued)

All investments will be purchased "payment-versus-delivery" and if certificated will be held by the Chief Financial Officer in the name of the Town. All non-certificated investments will be held in book-entry form in the name of the Town with the Town's third party custodian (safekeeping agent). The Town may deposit Town funds into: any Board approved official depository, if such funds are secured in accordance with NCGS-159 (31).

Level of fair value hierarchy: Level 1 debt securities are valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

Note 4—Receivables – allowance for doubtful accounts

The amounts presented in the Statement of Net Position are net of allowance for doubtful accounts in the following amounts:

General Fund	Allowance for uncollectible property taxes receivable	$ 86,603
Electric Fund	Allowance for uncollectible customer receivables	44,545

*The remainder of the page was left blank intentionally

Note 5—Capital assets

Capital asset activity for the year ended June 30, 2020, was as follows:

GOVERNMENTAL ACTIVITIES	Balance June 30, 2019	Additions	Transfers	Deletions	Balance June 30, 2020
Capital assets not being depreciated:					
Land	$ 14,512,875	$ 5,500,658	$ -	$ 32,057	$ 19,981,476
Land rights and easements	40,577,579	136,364	-	-	40,713,943
Construction in progress	31,573,959	8,271,329	(16,849,367)	32,331	22,963,590
Total capital assets not being depreciated	86,664,413	13,908,351	(16,849,367)	64,388	83,659,009
Capital assets being depreciated:					
Buildings	18,199,293	-	10,036,366	-	28,235,659
Improvements	44,083,780	2,167,439	6,702,832	-	52,954,051
Infrastructure	167,986,423	1,449,888	105,864	-	169,542,175
Equipment and furniture	6,449,725	830,169	4,305	-	7,284,199
Vehicles and motorized equipment	8,799,459	890,660	-	478,440	9,211,679
Total capital assets being depreciated	245,518,680	5,338,156	16,849,367	478,440	267,227,763
Less Accumulated Depreciation for:					
Buildings	4,848,248	604,185	-	-	5,452,433
Improvements	14,829,317	1,677,032	-	-	16,506,349
Infrastructure	40,964,174	4,194,531	-	-	45,158,705
Equipment and furniture	4,697,314	467,872	-	-	5,165,186
Vehicles and motorized equipment	4,453,410	1,076,070	-	428,216	5,101,264
Total accumulated depreciation	69,792,463	8,019,690	-	428,216	77,383,937
Total capital assets being depreciated, net	175,726,217				189,843,826
Governmental activity capital assets, net	$ 262,390,630				$ 273,502,835

Depreciation expense was charged to	
Functions/programs as follows:	$ 1,073,243
General government	768,529
Public safety	4,569,332
Public works	169,038
Environmental protection	1,439,548
Cultural and recreational	$ 8,019,690
Total	

Note 5—Capital assets (continued):

Business-type Activities	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets not being depreciated				
Land	$ 1,451,949	$ -	$ -	$ 1,451,949
Total capital assets not being depreciated	1,451,949	-	-	1,451,949
Capital assets being depreciated				
Utility improvements	31,489,677	726,260	-	32,215,937
Buildings	2,095,249	-	-	2,095,249
Equipment and furniture	2,481,181	140,400	73,692	2,547,889
Vehicles and motorized equipment	2,252,486	-	-	2,252,486
Total capital assets being depreciated	38,318,593	866,660	73,692	39,111,561
Less accumulated depreciation for				
Utility improvements	14,664,735	943,724	-	15,608,459
Buildings	-	69,842	-	69,842
Equipment and furniture	1,656,713	208,738	73,692	1,791,759
Vehicles and motorized Equipment	1,297,570	233,746	-	1,531,316
Total accumulated depreciation	17,619,018	1,456,050	73,692	19,001,376
Total capital assets being depreciated, net	20,699,575			20,110,185
Business-type activity capital assets, net	$ 22,151,524			$ 21,562,134

Construction Commitments - The identification of possible commitments is the responsibility of the Finance Department. Once identified, the department involved with the project and the Finance Department evaluates the financial statement impact by evaluating the funding and timing of the contracts.

Open Construction Commitments

Project	Contract Amount	Expensed	Remaining
Stadium Drive Complete Streets	$ 7,022,703	$(6,499,032)	$ 523,671
Ligon Mill Operational Improvements	3,178,352	(211,345)	2,967,007
Wake Forest Reservoir Decommission	134,760	(55,610)	79,150
Ligon Mill Road Bridge Replacements	58,000	-	58,000
Ailey Young Park Improvements	174,600	(164,796)	9,804
Taylor Street Police Station	36,140	(3,375)	32,765
Ailey Young Park Dam/Stream Restoration	733,186	(607,978)	125,208
Ailey Young Home Rehabilitation	91,557	(52,571)	38,986
Fiber Project	2,743,970	(766,479)	1,977,491
	$ 14,173,268	$(8,361,186)	$ 5,812,082

Note 6—Pension plan obligations

(a) Local Government 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 by 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 Employee's Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR 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, or 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.

Funding Policy **–** Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Town of Wake Forest employees are required to contribute six (6%) percent of their annual covered salary. The Town is required to contribute at an actuarially determined rate. For the Town, the current rate for employees not engaged in law enforcement and for law enforcement officers is 9.05% and 9.70%, respectively, of annual covered payroll. The contribution requirements of employees and of the Town are established and may be amended by the North Carolina General Assembly. The Town's contributions to LGERS for the years ended June 30, 2020, 2019 and 2018 and were $1,573,125, $1,249,326 and $1,129,234, respectively. The contributions made by the Town equaled the required contributions for each year.

Note 6—Pension plan obligations (continued)

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 30th the Town reported a liability of $6,618,937 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability 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 employees, actuarially determined. At June 30, 2019 the Town's proportion was .24237%, which was an increase of .00851% from its proportion measured as of June 30, 2018 at 0.23770%.

For the year ended June 30, 2020, the Town recognized pension expense of $2,911,040. At June 30, 2020, 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	$ 1,133,329	$ -
Changes of assumptions	1,078,777	-
Net difference between projected and actual earnings on pension plan investments	161,445	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	14,286	42,367
Town contributions subsequent to the measurement date	1,573,125	-
Total	$ 3,960,962	$ 42,367

$1,573,125 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	$ 1,157,108
2021	358,578
2022	646,408
2023	183,376
2024	-
Thereafter	-
	$ 2,345,470

Note 6—Pension plan obligations (continued)

Actuarial Assumptions – The total pension liability in the December 31, 2018 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	7.0 percent, net of pension 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, 2018 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, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.00%	1.40%
Global Equity	42.00%	5.30%
Real Estate	8.00%	4.30%
Alternatives	8.00%	8.90%
Credit	7.00%	6.00%
Inflation Protection	6.00%	4.00%
Total	100.00%	

Note 6—Pension plan obligations (continued)

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 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 annualize 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 7.0%. 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 liability to changes in the discount rate – The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00%, 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 (6.0 percent) or one percentage point higher (8.0 percent) than the current rate:

	1 % Decrease (6.0%)	Discount Rate (7.0%)	1 % Increase (8.0%)
Town's proportionate share of the net pension liability (asset)	15,138,716	6,618,937	(462,728)

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

(b) Law Enforcement Officers Special Separation Allowance

Plan Description

The Town of Wake Forest 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. The Separation Allowance is equal to .85% 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 law enforcement officers of the Town are covered by the Separation Allowance. At December 31, 2019 the Separation Allowance's membership consisted of:

Note 6—Pension plan obligations (continued)

Retirees receiving benefits	1
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	72
Total	73

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, 2018 valuation. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount rate	3.26 percent
Cost of Living Adjustment	N/A

The discount rate is based on the S&P Municipal Bond 20 Year High Grade Rate Index.

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. There were no contributions made by employees.

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

At June 30, 2020, the Town reported a total pension liability of $3,461,581. The total pension liability was measured as of December 31, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the Town recognized pension expense of $320,048.

Note 6—Pension plan obligations (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 204,066	$ -
Changes of assumptions	198,528	124,181
Benefit payments and administrative expenses subsequent to the measurement date	14,740	-
Total	$ 417,334	$ 124,181

$14,740 reported as deferred outflows of resources related to pensions 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, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Year ended June 30:		
2021	$ 90,107	$ 30,146
2022	90,107	30,146
2023	90,107	30,051
2024	79,754	20,385
2025	39,133	13,453
Thereafter	28,126	-
	$ 417,334	$ 124,181

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 3.26 percent, as well as what the Town's pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.26 percent) or 1 percentage point higher (4.26 percent) than the current rate:

	1 % Decrease (2.26%)	Discount Rate (3.26%)	1 % Increase (4.26%)
Total pension liability	$ 3,775,537	$ 3,461,581	$ 3,174,974

Note 6—Pension plan obligations (continued)

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

Total Pension Liability as of December 31, 2018	$3,063,359
Changes for the year:	
Service Cost	147,393
Interest on the total pension liability	111,193
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	44,798
Changes of assumptions or other inputs	112,042
Benefit payments	(17,204)
Other changes	-
Net changes	398,222
Total Pension Liability as of December 31, 2019	$3,461,581

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, 2018 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 Related to Pensions

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

	LGERS	LEOSSA	Total
Pension Expense	$ 2,911,040	$ 320,048	$ 3,231,088
Pension Liability	6,618,937	3,461,581	10,080,517
Proportionate share of the net pension liability	0.24237%	n/a	
Deferred Outflows of Resources			
Differences between expected and actual experience	1,133,329	204,066	1,337,395
Changes of assumptions	1,078,777	198,528	1,277,305
Net difference between projected and actual earnings on plan investments	161,445	-	161,445
Changes in proportion and differences between contributions and proportionate share of contributions	14,286	-	14,286
Benefit pyaments and administrative costs paid subsequent to the measurement date	1,573,124	2,464	1,575,588
Deferred Outflows of Resources			
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	124,181	124,181
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	42,367	-	42,367
Benefit pyaments and administrative costs paid subsequent to the measurement date	-	-	-

Note 6—Pension plan obligations (continued)

(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 Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR 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 5% 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, 2020 were $413,946, which consisted of $268,216 from the Town and $145,730 from the law enforcement officers.

(d) Supplemental Retirement Income Plan for all Other Employees

Plan Description - All other employees of the Town (excluding Law Enforcement Officers) are members of the Town's 401(k) plan, a defined contribution pension plan as described above.

Funding Policy - The Town contributes each month an amount equal to 5% of eligible employee's salary, and all amounts contributed are vested immediately. Also, the employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2020 were $866,184, which consisted of $546,087 from the Town and $320,097 from employees.

(e) Other Postemployment Benefit (OPEB) – Healthcare Benefits

Plan Description - Under a Town resolution July 1, 2008, the Town provides healthcare benefits through the Healthcare Benefits Plan (HCB Plan) as a single-employer defined benefit plan to cover retirees of the Town who participate in the North Carolina Local Government Employees' Retirement System (System) and have met certain service requirements with the Town. Employees hired after April 15, 2003 who have 20 or more years of continuous creditable service with the Town at the time of their retirement will receive full benefits; those with 15-19 years of continuous creditable service with the Town will receive one-half of the benefits. Employees hired prior to April 15, 2003 who have 15 or more years of service at retirement will receive full benefits; those with 5-14 years of service will receive one-half of the benefits. This resolution was amended on May 15, 2018 by the Town Board, employees hired on or after July 1, 2018 will no longer be eligible to receive this benefit. Also, the Town's retirees can purchase coverage for their dependents at the Town's group rates. The Town Board may amend the benefit provisions. A separate report was not issued for the plan.

Note 6—Pension plan obligations (continued)

Retired employees' years of creditable service - continuous	Date Hired: Pre-April 15, 2003	Date Hired: After-April 15, 2003 but before July 1, 2018	Date Hired: After July 1, 2018
20+ years	Full Benefits	Full Benefits	No Benefits
15 - 19 years	Full Benefits	Half Benefits	No Benefits
5 - 14 years	Half Benefits	No Benefits	No Benefits
up to 5 years	No Benefits	No Benefits	No Benefits

Membership of the HCB Plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	32	3
Terminated plan members entitled to but not yet receiving benefits	-	-
Active plan members	150	73
Total	182	76

Funding Policy - The Board of Commissioners established the contribution requirements of plan members and this may be amended by the Board. The town operates two plans (1) base plan and (2) buy-up plan. For the base plan employees can choose to cover only their spouse or only their child(ren). Employees pay $466 and $311 per month for dependent coverage, respectively, and $933 per month for family coverage. Under the buy-up plan employees pay $512 and $342, respectively, and $1,025 per month for family coverage. The Town has chosen to fund the healthcare benefits on a pay as you go basis.

Total OPEB Liability

The Town's total OPEB liability of $9,659,533 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Salary increases	3.50 to 7.75 percent, including inflation for General Employees 3.50 to 7.35 percent, including inflation for Law Enforcement Officers
Discount rate	3.50 percent
Healthcare cost trend rates	Pre-medicare: 7.00 percent for 2019 decreasing to an ultimate rate of 4.50 percent by 2026 Medicare: 5.00 percent for 2019 decreasing to an ultimate rate of 4.50 percent by 2021

Note 6—Pension plan obligations (continued)

The discount rate is based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by The Bond Buyer.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2018	**$19,912,937**
Changes for the year	
Service cost	1,079,017
Interest	769,604
Changes of benefit terms	(10,345,798)
Differences between expected and actual experience	(1,254,861)
Changes in assumptions or other inputs	(241,361)
Net benefit payment and implicit subsidy credit	(260,005)
Net changes	**(10,253,404)**
Balance at June 30, 2019	**$ 9,659,533**

Mortality rates were based on the RP-2014 Healthy Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 to December 31, 2014, adopted by LGERS.

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 calculate using a discount rate that is 1-percentage-point lower (2.5 percent) or 1-percentage-point higher (4.5 percent) than the current discount rate:

	1% Decrease (2.5%)	Current Discount Rate (3.5%)	1% Increase (4.5%)
Total OPEB liability	$ 10,776,511	$ 9,659,533	$ 8,671,993

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	Current Discount Rate	1% Increase
Total OPEB liability	$ 8,459,178	$ 9,659,533	$ 11,092,089

Note 6—Pension plan obligations (continued)

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

For the year ended June 30, 2020, the Town recognized OPEB expense/(revenue) of ($9,068,913). At June 30, 2020, 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	$ -	$ 1,117,457
Changes of assumptions	-	2,675,055
Benefit payments and administrative expenses subsequent to the measurement date	294,560	-
Total	$ 294,560	$ 3,792,512

$294,560 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 OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

Year ended June 30:	
2021	$ (571,736)
2022	(571,736)
2023	(571,736)
2024	(571,736)
2025	(571,736)
Thereafter	(933,832)
	($3,792,512)

(f) Other Employment Benefit

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. 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 twelve (12) highest months' salary in a row during the twenty-four (24) months prior to the employee's death, but the benefit may not exceed $50,000 or be less than $25,000. All death benefit payments are made from the Death Benefit Plan. The Town has no liability beyond the payment of monthly contributions. 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. Because the benefit payments are made by the Death Benefit Plan and not by the Town, the Town does not determine the number of eligible participants. The Town's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.10% and 0.14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

Note 7—Deferred outflows and inflows of resources

Deferred outflows of resources at year-end are comprised of the following:

	Total
Contributions to pension plan in current fiscal year	
General Fund	$ 1,422,785
Electric Fund	150,340
Subtotal	1,573,125
OPEB Deferrals	
General Fund	248,443
Electric Fund	46,117
Subtotal	294,560
Pension Deferrals	
General Fund	2,048,514
Electric Fund	352,638
Subtotal	2,401,152
LEOSSA made subsequent to measurement date	417,334
Total	$ 4,686,171

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

	Total
Prepaid taxes not yet earned	$ 49,100
Law enforcement separation allowance deferrals	124,181
Prepaid other	10,663
Grant deferral	31,914
Pension deferrals	55,682
OPEB deferrals	3,792,512
Total	$4,064,052

Note 8—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 (2) self-funded risk financing pools administered by the North Carolina League of Municipalities (NCLM). Through these pools, the Town obtains general liability coverage in the amount of $3,000,000 per occurrence, auto liability coverage in the amount of $2,000,000 combined single limit, property coverage up to the total insurance values of the property policy and workers' compensation coverage up to the statutory limits. The Town contracts with a preferred provider organization (PPO) to provide employee health insurance coverage. The pools are reinsured through commercial companies for single occurrence claims against general liability and auto liability in excess of $1,000,000. The pools are reinsured through commercial companies for single occurrence claims against

Note 8—Risk management (continued)

property in excess of $500,000 and statutory limits for workers' compensation in excess of $1,000,000. 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.

There are exclusions to the town's policy which bar coverage for all 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 four (4) fiscal years. The Town does not carry flood insurance because flood plain maps show insignificant property values within flood plains.

In accordance with G.S. 159-29, Town's employees with access to $100 or more at any given time of the Town's funds are performance bonded through a commercial fidelity bond with limits of $100,000. The Chief Financial Officer and the tax collector are individually bonded for $100,000 each. Government crime coverage provides $5,000 per occurrence for theft of money and securities inside or outside the premises.

Note 9—Claims, judgments and contingent liabilities

At June 30, 2020, the Town was a defendant to various lawsuits. In the opinion of the Town's management and the Town's attorney, the ultimate effect of these legal matters will not have a material adverse effect on the Town's financial position.

Note 10—Long-term debt

(a) General Obligation Bonds

The Town's general obligation bonds serviced by the governmental funds were issued for the acquisition of parks and recreation facilities, greenways, street and sidewalk improvements. In addition, general obligation bonds have been issued to refund general obligation bonds. 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.

Bonds payable at June 30, 2020 are comprised of the following individual issues:

Serviced by the General Fund:

$4,330,000 Series 2015 Public Improvement Bonds with annual installments of $220,000 due annually on April 1 through April 1, 2021 plus interest and $215,000 due annually on October 1 through October 1, 2035 plus interest from 2.0 to 3.25 percent	$	3,230,000
$5,125,000 Series 2016 Refunding Bonds with annual installments of $428,000 to $503,000 due annually on April 1 through April 1, 2027 plus interest of 2.05 percent		3,160,000
$15,850,000 Series 2018B Public Improvement Bonds with annual installments of $420,000 to $835,000 due annually on June 1, through June 1, 2038 plus 2.98 percent		15,010,000

$3,710,000 Series 2019 Refunding Bonds with annual installments of $338,000 to $392,000 due annually on February 1 through February 1, 2030 plus 1.79 percent	3,710,000
Total	$ 25,110,000

At June 30, 2020, the Town of Wake Forest had bonds authorized but unissued of $4,920,000 and a legal debt margin of $409,834,902.

Unissued Bond Authorization:	Purpose	Amount
	Streets and Sidewalks	$ 3,155,000
	Greenway Improvements	1,765,000
		$ 4,920,000

Annual debt service requirements to maturity for general obligation bonds at June 30, 2020 are as follows:

	Governmental Activities	
	Principal	Interest
Year Ending June 30:		
2021	$ 1,920,000	$ 743,736
2022	1,912,000	698,913
2023	1,899,000	661,269
2024	1,885,000	598,826
2025	1,871,000	557,529
2026-2030	7,888,000	1,936,072
2031-2035	5,245,000	885,585
2036-2040	2,490,000	160,813
Total	$25,110,000	$6,242,743

Note 10—Long-term debt (continued)

(b) Revenue Bonds

$2,500,000 Electric Revenue Bond, Series 2014, issued for system improvements. Principal installments are due semiannually on February 1 and August 1 of $112,630 and $137,633 through 2024 which includes interest at 2.24%	$ 1,059,309

The Town is in compliance with the covenants as to rates, fees, rentals and charges in Section 5.02 of the Bond Order, authorizing the issuance of the Electric System Revenue Bond, Series 2014. Section 5.02 (a) requires the debt service coverage ratio to be no less than 120%. The debt service coverage ratio calculation for the year ended June 30, 2020, is as follows:

Operating revenues	$20,512,273
Operating expenses (less depreciation)	19,847,059
Net revenues available for debt service	$ 665,214
Debt service, principal and interest paid (revenue bond only)	$ 274,261
Debt service coverage ratio	243%

The Town has pledged future electric revenues, net of specified operating expenses, to repay $2,500,000 in electric revenue bonds issued in June 2014. Proceeds from the bonds provided financing for an electric substation, substation improvements, and installation of street lights. The bonds are payable solely from electric customer net revenues and are payable through 2024 for the Series 2014 bonds. Annual principal and interest payments on the bonds are expected to require less than 376 percent of net revenues. The total principal and interest remaining to be paid on the bonds is $1,113,392. Principal and interest paid for the current year and total customer net revenues were $274,261 and $665,214.

Annual debt service requirements to maturity for revenue bonds at June 30, 2020 are as follows:

	Business-Type Activities	
	Principal	Interest
Year Ending June 30:		
2021	$ 256,045	$ 22,303
2022	261,813	16,535
2023	267,710	10,638
2024	273,741	4,607
2025	-	-
2026-2030	-	-
Total	$ 1,059,309	$ 54,083

Note 10—Long-term debt (continued)

c) Installment Notes

The Town has several direct placement installment obligations outstanding at June 30, 2020. For each loan, the respective building, property, equipment, improvements (streets) and/or vehicles are pledged as collateral while the debt is outstanding:

	Governmental Activities
$9,800,000 direct placement installment obligation with BB&T for the New Town Hall issued July 23, 2008; semi-annual payments of $326,667, plus interest at 3.72%, the building and property are pledged as collateral for a 15 year period. *(Rate reduced to 2.70% - April 2012)*	$ 2,286,659
$1,023,170 direct placement installment obligation to BB&T for vehicles and equipment which are pledged as collateral issued on March 7, 2017; semi-annual payments of $132,895 which includes interest at 1.72%.	245,298
$2,900,000 direct placement installment obligation with BB&T for Holding Park Pool - Phase II renovations issued on September 20, 2017; semi-annual payments of $147,066 to $186,325 which includes interest at 2.85%.	2,142,804
$2,400,000 direct placement installment obligation with BB&T for street improvements issued on May 3, 2018; semi-annual payments of $152,543 to $190,680 which includes interest at 3.39%.	1,800,000
$1,000,000 direct placement installment obligation with BB&T for 353 South White Street issued on May 3, 2018; semi-annual payments of $112,833 to $126,611 which includes interest at 3.10%.	555,556
$5,500,000 direct placement installment obligation with PNC Bank for downtown street improvements issued on April 25, 2019; semi-annual payments of $392,857 which includes interest at 2.74%.	4,714,286
$1,068,550 direct placement installment obligation with PNC Bank for vehicles and equipment issued on December 29, 2017; semi-annual payments of $184,282 which includes interest at 1.95%.	181,190
$536,925 direct placement installment obligation with BB&T (Truist) for police vehicles issued on April 8, 2020; semi-annual payments of $92,105 which includes interest at 1.66%.	536,924
$683,650 direct placement installment obligation with BB&T for vehicles and equipment issued on May 30, 2019; semi-annual payments of $110,336 to $117,609 which includes interest at 2.57%.	461,560
Total	$12,924,277

	Business-Type Activities
$833,235 direct placement installment obligation with BB&T for the vehicles and equipment issued December 15, 2017; semi-annual payments of between $131,103 and $140,799, plus interest at 1.77%.	$ 131,103
$3,500,000 direct placement installment obligation with Regions Capital Advantage for 5031 Unicon Drive issued October 18, 2018; semi-annual payments of $350,000, plus interest at 2.94%.	2,975,000
	$ 3,106,103

Annual debt service requirements to maturity for installment notes at June 30, 2020 are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
Year Ending June 30:				
2021	$ 3,081,623	$ 338,798	$ 481,103	$ 86,053
2022	2,663,956	260,291	350,000	74,603
2023	2,322,101	188,301	350,000	64,313
2024	1,702,372	126,707	350,000	54,023
2025	1,375,714	82,334	350,000	43,733
2026-2030	1,778,511	54,768	1,225,000	72,030
Total	$12,924,277	$1,051,199	$ 3,106,103	$ 394,755

Note 10—Long-term debt (continued)

Changes in Long-Term Liabilities - Long-term liability activity for the year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020	Amounts Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General obligation bonds	$ 27,050,000	$ 3,710,000	$ 5,650,000	$ 25,110,000	$ 1,920,000
Premiums on issuance	874,183	-	55,491	818,692	50,111
Total bonds payable	27,924,183	3,710,000	5,705,491	25,928,693	1,970,111
Installment Notes	15,854,036	536,925	3,466,684	12,924,277	3,081,623
Compensated absences	1,266,421	709,391	584,868	1,390,945	584,868
Total pension liability - LEO*	3,063,359	3,461,581	3,063,359	3,461,581	-
Pension obligation - LGERS	4,576,114	734,050	-	5,310,164	-
Other post employment benefits	16,835,222	8,104,283	16,835,222	8,104,283	-
Governmental activity long-term liabilities	69,519,335	17,256,230	29,655,624	57,119,943	5,636,602
Business-Type Activities:					
Revenue bonds	$ 1,309,714	$ -	$ 250,405	$ 1,059,309	$ 256,045
Installment notes	3,736,467	-	630,364	3,106,103	481,103
Compensated absences	128,447	104,861	93,258	140,050	93,258
Pension obligation - LGERS	1,062,944	245,829	-	1,308,773	-
Other post employment benefits	3,077,715	1,555,250	3,077,715	1,555,250	-
Business-type activity long-term liabilities	9,315,287	1,905,940	4,051,742	7,169,485	830,406
Total long-term liabilities	$ 78,834,622			$ 64,289,428	$ 6,467,008

Compensated absences, net pension obligations, and net other postemployment benefit obligations for governmental activities typically have been liquidated in the General Fund.

Note 11—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	$15,897,208
Less:	
Inventories	17,141
Prepayments	136,802
Stabilization by State Statute	3,568,985
Downtown District	276,779
Public Safety	313,892
Assigned for subsequent year's expenditures	812,400
Remaining fund balance	$10,771,209

Note 11—Fund balance (continued)

Outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Encumbrances – General Fund	$ 135,815
Capital Projects	6,595,100

Note 12—Interfund balances and transfers

A summary of interfund transfers follows:

	Transfers Out							
	General Fund	Downtown District Special Tax	Police Department Special Revenue Fund	Cemetery Capital Reserve	Streets Improvement Fund	Recreation Capital Reserve	General Capital Reserve	Total Transfers In
Transfers In:								
General Fund	$ -	$ 17,000	$ 7,378	$ 57,315	$ -	$ 41,844	$1,484,418	$ 1,607,955
Debt Service Fund	4,840,020	65,000	-	-	-	-	-	4,905,020
Wake Forest Renaissance Centre	341,528	-	-	-	-	-	-	341,528
Grants and Special Revenue	59,860	-	-	-	-	-	-	59,860
Parks Improvement		-	-	-	-	2,065,277	-	2,065,277
Asset Maintenance	170,000	-	-	-	-	-	-	170,000
Wake Forest Business & Industry Partnership	23,095	-	-	-	-	-	-	23,095
Public Art Fund	47,685	-	-	-	4,500	-	-	52,185
GTP	188,748	-	-	-	-	-	44,639	233,387
Total Transfers Out	$ 5,670,936	$ 82,000	$ 7,378	$ 57,315	$ 4,500	$ 2,107,121	$1,529,057	$ 9,458,307

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 for matching funds for various grant programs.

Balances advanced to/from other funds at June 30, 2020, consist of the following:

Receivable Fund	Payable	Amount
General Fund	Electric Fund	$416,667

The amounts payable to the Futures Fund relate to a loan made to the General Fund for the purchase of the Suntrust Building located at 353 South White Street for economic development purposes. The General Fund will pay this loan within seven (7) year plus interest at 3.10% beginning in FY 2019-2020.

The interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. As of June 30, 2020, to cover cash deficits in capital projects funds,

Note 12—Interfund balances and transfers (continued)

$3,800,668 was transferred from Electric Fund's cash balance to respective funds. This will be reversed subsequent to June 30 and is not considered a payable or permanent transfer.

Note 13—Jointly governed organization

The Town is a member of the North Carolina Eastern Municipal Power Agency (the "Agency"). The Agency was formed to enable municipalities that own electric distribution systems to finance, construct, own, operate, and maintain generation and transmission facilities through the Agency. The Town receives power from the Agency and is contractually allocated a .7262% interest in the Agency, with the balance being shared by the thirty-two (32) other local governments. Each participating government appoints one commissioner to the Agency's governing board. The Town is obligated to purchase all of its power supply requirements from the Agency. Except for the power supply purchase requirements, no local government participant has any obligation, entitlement, or residual interest. On July 31, 2015, the NCEMPA completed the sale of most of its electricity generating assets to Duke Energy. These proceeds were used to defease the NCEMPA's outstanding revenue bonds. The NCEMPA entered into contractual agreements with its member cities and Duke Energy. Under these arrangements, the NCEMPA will supply wholesale power to its members and will purchase this power from Duke Energy. In addition to payments made for electric power, NCEMPA members will make payments for their share of the debt service on the NCEMPA's new revenue bonds.

The Town's gross purchases of power for the fiscal year ended June 30, 2020 were $12,506,266, which is higher in comparison to the previous year.

Note 14—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 of grant monies by 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 monies.

Coronavirus "COVID-19" - As a result of the spread of COVID-19 in early 2020, economic uncertainties have arisen, which are likely to negatively impact operating results of the Town through the next fiscal year. These uncertainties include, but are not limited to, a decrease in property and sales taxes, and other sources of revenue. We are taking a conservative approach to spending and believe that this in conjunction with our reserve, unrestricted fund balances, and receipt of the CARES Act grant funding are sufficient to continue operations. However, we acknowledge that the full financial impact cannot be reasonably estimated at this time.

Note 15—Merger of water and sewer system with the City of Raleigh

The Water and Sewer Utility System of the Town was transferred to the City of Raleigh effective July 1, 2005. Under the terms of the agreement, Raleigh assumed full responsibility for the provision of water and sewer services in Wake Forest, including responsibility for Wake Forest's water and sewer utility systems and related equipment and property rights. Upon the transfer, Raleigh assumed immediate and sole duty and responsibility for financing, operating, maintaining, improving and expanding the water and sewer systems serving Wake Forest's existing and future corporate limits and Urban Services Area. The Town transferred ownership of all facilities, property, land, equipment, financial assets, information and data subject to the agreement with Raleigh.

Note 16—Note receivable

The Town entered into an agreement with the Wireless Research Center of North Carolina whereby the Town would advance loan funds to the Wireless Research Center up to $975,000 for the purpose of economic development. The loan funds are for the purpose of covering operating expenses during the startup period. As of June 30, 2020, the Town had advanced funding in the amount of $749,360. This loan agreement was modified in March 2016. Under the original terms of the loan, interest only payments began January 1, 2012 and continued on the first day of each calendar month thereafter until December 31, 2016 at such time the entire outstanding principal balance was due. The terms of the loan modification, interest at the rate of 2.5% per annum with the balance of the loan in December 2016 to convert to a 10 year balloon payment with a 20 year amortization. Accordingly, the amounts advanced at June 30, 2020 have been recorded in the government-wide financial statements.

Note 17—Subsequent events

Previously the Town contracted with the Wake Forest Fire Department, Inc. (a private not for profit corporation) to provide fire protection services. During the current fiscal year the results and recommendations of a feasibility study were presented to the Board of Commissioners at their respective September and October meetings, in which the Board of Commissioners approved resolutions authorizing the consolidation and transition of fire services to the Town of Wake Forest from the Wake Forest Fire Department, Inc. effective July 1, 2020.

Since 2017, the Town has been planning an underground fiber construction project that will interconnect 14 Town facilities through approximately 25 route miles of new fiber. The Town entered into a contract for construction in January 2020. Subsequent to June 30, 2020, the Town entered into an agreement with Truist Bank (formerly BB&T Governmental Finance) for an amount not to exceed $2,500,000 to fund the underground fiber construction project. This is a seven-year installment note with an interest rate of 2.17% The Town closed on the installment purchase contract on July 15, 2020.

The Town entered into an installment purchase agreement with BB&T Governmental Finance in May 2018 for street improvements. After June 30, 2020, the Town refinanced/refunded the remaining principal which was $1,800,000. The interest was modified to 2.13% from 3.39% resulting in savings of approximately $65,000 over the remaining life of the loan. The Town closed on the installment purchase contract on July 15, 2020.

Due to COVID-19, vehicles and equipment ordered during FY 2019-2020 were delayed. As a result, the delivery of these did not occur until after July 1, 2020 and respective financing was delayed coinciding with the delivery. Subsequent to June 30, 2020, the Town entered into an agreement with Truist Bank (formerly BB&T Governmental Finance) for an amount not to exceed $738,170 to fund vehicles and equipment included in the FY 2019 -2020 budget. This is a four-year installment note with an interest rate of 1.04%. The Town closed on the installment purchase contract on September 3, 2020.

TOWN OF WAKE FOREST, NORTH CAROLINA

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2020

	2020	2019	2018	2017
Beginning balance	$ 3,063,359	$ 2,807,287	$ 2,307,794	$ 2,173,245
Service cost	147,393	154,143	123,548	129,868
Interest on the total pension liability	111,193	88,638	88,992	77,503
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	44,798	153,644	105,342	-
Changes of assumptions or other inputs	112,042	(135,763)	186,201	(68,232)
Benefit payments	(17,204)	(4,590)	(4,590)	(4,590)
Other changes	-	-	-	-
Ending balances of the total pension liability	$ 3,461,581	$ 3,063,359	$ 2,807,287	$ 2,307,794

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

*This report will eventually report ten years of information.

TOWN OF WAKE FOREST, NORTH CAROLINA
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE
OF COVERED PAYROLL
REQUIRED SUPPLEMENTARY INFORMATION
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
June 30, 2020

	2020	2019	2018	2017
Total pension liability	$ 3,461,581	$ 3,063,359	$ 2,807,287	$ 2,307,794
Covered payroll	5,209,710	4,840,560	4,513,029	4,591,100
Total pension liability as a percentage of covered payroll	66.44%	63.29%	62.20%	50.27%

Notes to the schedules:

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

*This report will eventually report ten years of information.

TOWN OF WAKE FOREST, NORTH CAROLINA

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2020

	2020	2019	2018
Total OPEB Liability			
Service cost	$ 1,079,017	$ 1,146,420	$ 1,301,212
Interest on TOL and Cash Flows	769,604	693,368	603,065
Changes of benefit terms	(10,345,798)	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(1,254,861)	(9,287)	(3,024)
Changes of assumptions or other inputs	(241,361)	(1,275,315)	(2,229,299)
Benefit payments	(260,005)	(235,691)	(226,089)
Other changes	-	-	-
Net change in total OPEB Liability	(10,253,404)	319,495	(554,135)
Total OPEB Liabililty - beginning	19,912,937	19,593,442	20,147,577
Total OPEB Liaibility - ending	$ 9,659,533	$ 19,912,937	$ 19,593,442
Covered payroll	$ 15,697,734	$ 12,845,162	$ 12,845,162
Total OPEB liability as a percentage of covered payroll	61.53%	155.02%	152.54%

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:

Fiscal Year	Rate
2020	3.50%
2019	3.89%
2018	3.56%

TOWN OF WAKE FOREST, NORTH CAROLINA

TOWN OF WAKE FOREST PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION

LAST SEVEN FISCAL YEARS

Local Government Employees' Retirement System

	2020	2019	2018	2017	2016	2015	2014
Wake Forest's proportion of the net pension liability (asset) (%)	0.2424%	0.2377%	0.2292%	0.2282%	0.2321%	0.2308%	0.2236%
Wake Forest's proportion of the net pension liability (asset) ($)	$ 6,618,937	$ 5,639,058	$ 3,501,388	$ 4,844,017	$ 1,041,516	$ (1,361,016)	$ 2,695,239
Wake Forest's covered payroll	$ 14,677,142	$ 13,681,997	$ 12,545,629	$ 12,125,728	$11,768,783	$11,932,156	$ 11,159,640
Wake Forest's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	45.10%	41.22%	27.91%	39.95%	8.85%	-11.41%	24.15%
Plan fiduciary net position as a percentage of the total pension liability (2)	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

(1) The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30th.

(2) This will be the same percentage for all participant employers in the LGERS plan. Based on components of Net Pension liability Calculation in LGERS most recent financial audit.

TOWN OF WAKE FOREST, NORTH CAROLINA
TOWN OF WAKE FOREST CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION

LAST SEVEN FISCAL YEARS

Local Government Employees' Retirement System

	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 1,573,124	$ 1,249,325	$ 1,129,234	$ 1,004,600	$ 878,135	$ 897,824	$ 869,753
Contributions in relation to the contractually required contribution	1,573,124	1,249,325	1,129,234	1,004,600	878,135	897,824	869,753
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Wake Forest's covered payroll	$ 16,180,204	$ 14,677,142	$ 13,681,997	$ 12,545,629	$ 12,125,728	$ 11,768,783	$ 11,932,156
Contributions as a percentage of covered payroll	9.72%	8.51%	8.25%	8.01%	7.24%	7.63%	7.29%

TOWN *of* WAKE FOREST

TOWN *of* WAKE FOREST

TOWN OF WAKE FOREST, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Ad valorem taxes:				
Current year taxes	$ 29,242,100	$ 29,328,999	$ 86,899	$ 27,655,736
Prior years taxes	29,240	(34,257)	(63,497)	18,713
Penalties and interest	72,500	45,276	(27,224)	38,849
Total	29,343,840	29,340,018	(3,822)	27,713,298
Other taxes and licenses:				
Gross receipts tax on short-term rental property	58,255	46,985	(11,270)	55,488
Total	58,255	46,985	(11,270)	55,488
Unrestricted intergovernmental:				
Local option sales taxes	8,448,500	8,594,400	145,900	8,245,963
Beer and wine tax	160,000	160,326	326	157,255
Utility franchise tax				
Piped natural gas	90,000	77,686	(12,314)	95,982
Electricity	2,260,000	2,047,072	(212,928)	2,082,999
Telecommunications	100,000	72,922	(27,078)	90,824
Video Programming	420,000	384,476	(35,524)	390,256
Other unrestricted intergovernmental	27,850	28,211	361	27,042
Total	11,506,350	11,365,093	(141,257)	11,090,321
Restricted intergovernmental:				
County grants	75,680	135,994	60,314	75,676
Total	75,680	135,994	60,314	75,676
Permits and fees:				
Building permits	1,503,900	1,461,555	(42,345)	1,332,052
Fire inspection and prevention	19,500	21,812	2,312	24,527
Utility and street inspection fees	125,000	92,099	(32,901)	174,785
Vehicle licenses	173,000	187,594	14,594	115,847
Business registration fee	3,500	2,048	(1,452)	2,058
Other permits and fees	584,710	554,403	(30,307)	482,552
Total	2,409,610	2,319,511	(90,099)	2,131,821
Sales and services:				
Solid waste fees	-	(133)	(133)	112,045
Recreation fees	631,000	451,028	(179,972)	597,767
Cemetery	32,500	35,200	2,700	31,800
Other sales and services	178,185	139,007	(39,178)	189,256
Total	841,685	625,102	(216,583)	930,868
Miscellaneous:				
ABC revenue	203,705	232,073	28,368	205,947
Miscellaneous revenue	1,063,035	919,458	(143,577)	743,412
Total	1,266,740	1,151,531	(115,209)	949,359
Investment earnings	275,000	193,032	(81,968)	315,010
Total revenues	45,777,160	45,177,266	(599,894)	43,261,841

TOWN OF WAKE FOREST, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Expenditures:				
General government:				
Governing body:				
Salaries and employee benefits	$ 283,825	$ 282,489	$ 1,336	$ 238,822
Professional services	398,000	397,998	2	324,856
Contributions	29,750	29,750	-	81,710
Operating expenditures	133,100	129,654	3,446	26,500
Total	844,675	839,891	4,784	671,888
Town Manager's Office				
Administration:				
Salaries and employee benefits	346,490	339,919	6,571	329,192
Professional services	5,000	1,000	4,000	48,350
Operating expenditures	62,315	42,217	20,098	71,213
Total	413,805	383,136	30,669	448,755
Economic Development:				
Salaries and employee benefits	201,560	194,748	6,812	185,933
Professional services	35,000	25,050	9,950	16,500
Operating expenditures	117,600	86,963	30,637	80,671
Total	354,160	306,761	47,399	283,104
Downtown Development				
Salaries and employee benefits	187,950	185,910	2,040	146,429
Professional services	83,620	52,287	31,333	28,750
Operating expenditures	267,035	198,188	68,847	140,603
Capital Outlay	-	-	-	6,970
Total	538,605	436,385	102,220	322,752
Communications:				
Salaries and employee benefits	497,230	488,694	8,536	403,345
Operating expenditures	415,940	368,017	47,923	456,777
Capital Outlay	18,705	18,704	1	113,168
Total	931,875	875,415	56,460	973,290
Human Resources:				
Salaries and employee benefits	450,225	448,359	1,866	428,874
Professional services	22,700	3,610	19,090	16,565
Operating expenditures	151,340	130,819	20,521	135,316
Total	624,265	582,788	41,477	580,755
Administrative Services				
Finance:				
Salaries and employee benefits	774,245	754,449	19,796	789,847
Professional services	52,000	51,985	15	43,590
Operating expenditures	480,015	393,702	86,313	388,159
Capital outlay	-	-	-	0
Total	1,306,260	1,200,136	106,124	1,221,596

TOWN OF WAKE FOREST, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Information Technology				
Salaries and employee benefits	$ 533,970	$ 519,551	$ 14,419	$ 575,765
Professional services	7,560	-	7,560	5,685
Operating expenditures	545,935	475,265	70,670	471,729
Capital outlay	353,170	346,249	6,921	114,353
Total	1,440,635	1,341,065	99,570	1,167,532
Inspections				
Inspections:				
Salaries and employee benefits	1,591,840	1,549,886	41,954	1,518,406
Operating expenditures	191,630	109,923	81,707	156,426
Capital outlay	-	-	-	48,000
Total	1,783,470	1,659,809	123,661	1,722,832
Public Facilities:				
Salaries and employee benefits	361,785	361,572	213	328,358
Professional services	-	-	-	1,080
Operating expenditures	1,662,295	1,466,107	196,188	1,231,443
Capital outlay	69,500	61,088	8,412	6,895
Total	2,093,580	1,888,767	204,813	1,567,776
Planning				
Salaries and employee benefits	1,155,620	1,078,956	76,664	1,188,864
Professional services	362,389	69,116	293,273	170,685
Operating expenditures	584,770	540,760	44,010	417,329
Contributions	10,000	10,000	-	10,000
Total	2,112,779	1,698,832	413,947	1,786,878
Public Works				
Public Works Administration:				
Salaries and employee benefits	243,120	242,821	299	342,237
Operating expenditures	51,080	41,888	9,192	110,157
Capital Outlay	9,800	9,775	25	-
Total	304,000	294,484	9,516	452,394
Urban Forestry				
Salaries and employee benefits	146,020	145,945	75	-
Operating expenditures	37,250	31,760	5,490	-
Total	183,270	177,705	5,565	-
Engineering:				
Salaries and employee benefits	827,460	809,519	17,941	582,223
Professional services	274,950	208,056	66,894	44,948
Operating expenditures	80,450	70,215	10,235	79,624
Capital outlay	59,910	58,213	1,697	88,961
Total	1,242,770	1,146,003	96,767	795,756
Fleet Maintenance:				
Salaries and employee benefits	298,845	275,990	22,855	266,344
Operating expenditures	124,765	90,912	33,853	101,254
Capital outlay	14,000	11,900	2,100	-
Total	437,610	378,802	58,808	367,598
Total general government	14,611,759	13,209,979	1,401,780	12,362,906

TOWN OF WAKE FOREST, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Public safety:				
Police:				
Salaries and employee benefits	$ 9,455,755	$ 9,443,153	$ 12,602	$ 8,301,280
Operating expenditures	1,722,090	1,581,211	140,879	1,775,805
Capital outlay	981,790	976,193	5,597	811,100
Total	12,159,635	12,000,557	159,078	10,888,185
Fire:				
Professional services	112,250	109,710	2,540	-
Operating expenditures	124,725	103,842	20,883	-
Fire Services Contract	7,586,280	7,586,280	-	5,766,810
HazMat Services Contract	18,375	18,375	-	19,500
Total	7,841,630	7,818,207	23,423	5,786,310
Total public safety	20,001,265	19,818,764	182,501	16,674,495
Transportation:				
Streets:				
Salaries and employee benefits	1,138,940	1,128,334	10,606	1,112,643
Operating expenditures	1,216,400	1,183,144	33,256	1,053,655
Capital outlay	60,475	60,175	300	321,248
Total transportation	2,415,815	2,371,653	44,162	2,487,546
Environmental protection:				
Solid Waste:				
Salaries and employee benefits	675,490	667,845	7,645	614,159
Contracted services	2,739,660	2,739,304	356	2,516,297
Operating expenditures	463,110	446,285	16,825	495,899
Capital outlay	-	-	-	48,279
Total environmental protection	3,878,260	3,853,434	24,826	3,674,634
Cultural and recreational:				
Parks and recreation:				
Salaries and employee benefits	2,038,910	1,907,043	131,867	1,758,215
Professional services	600	-	600	1,889
Operating expenditures	1,575,710	1,304,257	271,453	1,308,278
Contributions	-	-	-	-
Capital outlay	513,180	469,893	43,287	207,789
Total cultural and recreational	4,128,400	3,681,193	447,207	3,276,171
Total expenditures	45,035,499	42,935,023	2,100,476	38,475,752
Revenues under expenditures	741,661	2,242,243	1,500,582	4,786,089

TOWN OF WAKE FOREST, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Other financing sources (uses):				
Transfers in (out):				
Debt Service Fund	$ (4,840,020)	$ (4,840,020)	$ -	$ (4,376,185)
Downtown District Special Tax	149,000	17,000	(132,000)	22,401
Futures Fund	-	-	-	(75,000)
Wake Forest Business Improvement District (BIP)	(120,000)	(23,095)	96,905	-
Wake Forest Renaissance Centre SRF	(373,130)	(341,530)	31,600	(316,942)
Grant & Special Revenue Fund	-	(56,980)	(56,980)	(38,577)
Public Arts Fund	40,750	(47,685)	(88,435)	-
Asset Maintenance Fund	(100,000)	(170,000)	(70,000)	(40,000)
Public Facilities Capital Project	(134,000)	18,412	152,412	(9,590)
Police Special Revenue Fund	10,000	7,378	(2,622)	-
Holding Park Pool Renovations	-	-	-	(11,771)
Street Improvements Fund	(124,800)	-	124,800	-
Greenways, Trails & Pedestrian Access	-	(188,748)	(188,748)	(16,500)
Recreation Capital Reserve	44,500	41,844	(2,656)	170,707
Cemetery Fund Capital Reserve	48,000	57,315	9,315	-
General Capital Reserve	1,470,135	1,484,417	14,282	44,000
Installment note issuance	536,925	536,925	-	683,650
Appropriated fund balance	2,650,979	-	(2,650,979)	-
Total other financing sources (uses)	(741,661)	(3,504,767)	(2,763,106)	(3,963,807)
Net change in fund balance	$ -	(1,262,524)	$ (1,262,524.00)	822,282
Fund balance - Beginning of year		16,483,044		15,660,762
Fund balance - End of year		$ 15,220,520		$ 16,483,044

TOWN OF WAKE FOREST, NORTH CAROLINA

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Restricted intergovernmental:				
Powell Bill allocation	$ 923,770	$ 923,774	$ 4	$ 879,928
Total	923,770	923,774	4	879,928
Permits and fees:				
Vehicle licenses	692,000	707,677	15,677	619,531
Total	692,000	707,677	15,677	619,531
Miscellaneous:				
Miscellaneous revenue	17,400	17,400	-	-
Total	17,400	17,400	-	-
Investment earnings	15,500	6,546	(8,954)	14,937
Total revenues	1,648,670	1,655,397	6,727	1,514,396
Expenditures:				
Debt service:				
Bond principal	2,001,600	1,635,000	366,600	2,067,000
Bond interest	810,635	804,220	6,415	909,555
Installment note principal	3,471,575	3,466,684	4,891	3,380,080
Installment note interest	427,935	413,396	14,539	347,043
Total debt service	6,711,745	6,319,300	392,445	6,703,678
Total expenditures	6,711,745	6,319,300	392,445	6,703,678
Revenues under expenditures	(5,063,075)	(4,663,903)	399,172	(5,189,282)
Other financing sources (uses):				
Transfers in:				
Downtown District Special Tax	65,000	65,000	-	60,000
General Fund	4,840,020	4,840,020	-	4,376,185
Appropriated fund balance	230,005	-	(230,005)	-
Total other financing sources (uses)	5,135,025	4,905,020	(230,005)	4,436,185
Debt refunding:				
Principal payments	(3,710,000)	(3,710,000)	-	-
Refunding bonds issued	3,781,950	4,145,109	363,159	-
	71,950	435,109	363,159	-
Net change in fund balance	$ -	(193,992)	$ (193,992.00)	(753,097)
Fund balance - Beginning of year		302,046		1,055,143
Fund balance - End of year		$ 108,054		$ 302,046

Schedule 3

TOWN OF WAKE FOREST, NORTH CAROLINA
SPECIAL REVENUE FUND
DOWNTOWN DISTRICT SPECIAL TAX
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Ad valorem taxes	$ 78,925	$ 79,867	$ (942)	$ 76,181
Investment earnings	4,000	2,590	1,410	4,228
Total revenues	82,925	82,457	468	80,409
Other financings sources (uses):				
Transfers (in) out:				
General Fund	74,000	17,000	57,000	22,401
Debt Service fund	65,000	65,000	-	60,000
Appropriated Fund Balance	(56,075)	-	(56,075)	-
Total other financing sources (uses):	82,925	82,000	925	82,401
Net change in fund balance	$ -	457	$ 457	(1,992)
Fund Balances:				
Beginning of year		276,322		278,314
End of year		$ 276,779		$ 276,322

Schedule 4

TOWN OF WAKE FOREST, NORTH CAROLINA

SPECIAL REVENUE FUND

POLICE DEPARTMENT SPECIAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Donations	$ 16,860	$ 14,470	$ (2,390)	$ 14,819
Forfeited currency				
State Controlled Substances Tax	1,500	1,518	18	1,916
Investment earnings	2,800	2,738	(62)	4,477
Miscellaneous	-	-	-	4,100
Total revenues	21,160	18,726	(2,434)	25,312
Expenditures:				
Federal Asset Forfeiture	-	-	-	36,575
State Controlled Substances Tax	1,500	-	1,500	13,327
Miscellaneous	16,860	15,372	1,488	-
Donations	6,500	7,378	(878)	12,015
Total expenditures	24,860	22,750	2,110	61,917
Other financings sources (uses):				
Appropriated Fund Balance	(3,700)	-	(3,700)	-
Net change in fund balance	$ -	(4,024)	$ (4,024)	(36,605)
Fund Balances:				
Beginning of year		317,916		354,521
End of year		$ 313,892		$ 317,916
Project Reconciliation:				
State Controlled Substances Tax		$ 72,010		$ 69,903
Miscellaneous Projects		101,678		100,921
Donations		140,204		147,092
		$ 313,892		$ 317,916

TOWN OF WAKE FOREST, NORTH CAROLINA
SPECIAL REVENUE FUND
WAKE FOREST RENAISSANCE CENTRE
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Sales and services	$ 175,500	$ 86,816	$ (88,684)	$ 119,789
Donations	10,000	175	(9,825)	-
Miscellaneous	1,000	-	(1,000)	-
Events revenue	103,610	82,168	(21,442)	99,740
Total revenues	290,110	169,159	(120,951)	219,529
Expenditures:				
Personnel	363,130	341,529	21,601	316,942
Operating expenses	300,110	181,381	118,729	193,932
Total expenditures	663,240	522,910	140,330	510,874
Revenues over (under) expenditures	(373,130)	(353,751)	19,379	(291,345)
Other Financing Sources:				
Transfer in (out):				
General Fund	373,130	341,529	31,601	316,942
Special Revenue Fund	-	-	-	(9,385)
Total other financing sources	373,130	341,529	31,601	307,557
Net change in fund balance	$ -	(12,222)	$ (12,222)	16,212
Fund balances:				
Beginning of year		22,535		6,323
End of year		$ 10,313		$ 22,535

Schedule 6

TOWN OF WAKE FOREST, NORTH CAROLINA
SPECIAL REVENUE FUND
PUBLIC ARTS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

		Actual		
	Budget	Prior Years	Current Year	Total to Date
Revenues:				
State Grant	$ 25,000	$ 25,000	$ -	$ 25,000
Total revenues	25,000	25,000	-	25,000
Expenditures:				
Operating expenses:				
Joyner Park	225,000	14,400	110,600	125,000
Wake County Murals	37,510	17,976	3,534	21,510
Other:				
Temporary Art	6,000	31,339	14,217	45,556
Miscellaneous Public Art Projects	35,000	500	1,415	1,915
Total expenditures	303,510	64,215	129,766	193,981
Revenues over (under) expenditures	(278,510)	(39,215)	(129,766)	(168,981)
Other Financing Sources:				
Transfer in:				
Capital Project Funds	278,510	192,500	52,185	244,685
Total other financing sources	278,510	192,500	52,185	244,685
Net change in fund balance	$ -	$ 153,285	(77,581)	$ 75,704
Fund balances:				
Beginning of year			153,285	
End of year			$ 75,704	

TOWN OF WAKE FOREST, NORTH CAROLINA

CAPITAL PROJECTS FUND

GREENWAY TRANSPORTATION PEDESTRIAN ACCESS

SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

	Project Authorization	Actual			
		Prior Years	Current Year	Closed Projects	Total to Date
Revenues:					
Federal grants					
Smith and Sanford Creek Greenway	$ 3,757,920	$ 3,711,522	$ (26,107)	$ -	$ 3,685,415
Priority Pedestrian Corridors	2,496,000	2,020,910	551,924	-	2,572,834
Dunn Creek Greenway-Downtown Connector	665,440	572,296	-	-	572,296
Ligon Mill Road - Operational Improvements	2,028,000	113,260	318,952	-	432,212
Stadium Drive - Complete Streets	6,601,150	4,011,067	1,540,812	-	5,551,879
Smith Creek Greenway - Phase 2	343,580	-	54,582	-	54,582
Smith Creek Greenway - Phase 3	170,000	-	42,955	-	42,955
Richland Creek Stream Repair	12,699	12,699	-	-	12,699
Dunn & Richland Creek Greenway Stream Repair	2,468	2,468	-	-	2,468
Durham Road Operational Improvements	-	-	-	-	-
Sub-total federal grants	16,077,257	10,444,222	2,483,118	-	12,927,340
State grants					
Stadium Drive - Complete Streets	100,000	-	100,000	-	100,000
Richland Creek Stream Repair	4,233	4,233	-	-	4,233
Dunn & Richland Creek Greenway Stream Repair	823	823	-	-	823
Sub-total state grants	105,056	5,056	100,000	-	105,056
Wake County grants					
Smith Creek Greenway - Phase 2	941,000	166,964	43,719	-	210,683
Sub-total Wake County grants	941,000	166,964	43,719	-	210,683
Investment earnings					
Smith and Sanford Creek Greenway	-	28,638	(8,429)	-	20,209
Priority Pedestrian Corridors	-	16,886	1,302	-	18,188
Dunn Creek Greenway - Downtown Connector	-	6,343	1,045	-	7,388
Greenway and Park Signage	-	7,373	-	-	7,373
Ligon Mill Road Operation Improvements	-	31,363	3,031	-	34,394
Stadium Drive - Complete Streets	-	530	-		530
Dunn Creek Greenway - Boardwalk Rehab	-	3,757	-	-	3,757
Richland Creek Stream Repair	-	-	10,736	-	10,736
Traffic Signals - Friendship Chapel	-	-	1,283	-	1,283
Traffic Signals - Heritage Lake Road/Heritage Club	-	1,581	-	(1,581)	-
Wake Forest Reservoir - Phase 1 & 2	-	5,735	(5,735)	-	-
Wake Forest Reservoir - Decommission	-	-	6,481	-	6,481
Smith Creek Stream Bank Repair	-	1,054	-		1,054
Sub-total investment earnings	-	103,260	9,714	(1,581)	111,393
Payment in Lieu of Taxes (PILOT)					
Ligon Mill Road Operation Improvements	272,000	271,127	-	-	271,127
Priority Pedestrian Corridors	48,500	48,379	-	-	48,379
Rogers Branch Road Extension	115,000	-	156,466	-	156,466
Rogers Road Grade Separation	128,000	-	127,804	-	127,804
Smith Creek Greenway - Phase 2	-	-	11,891	-	11,891
Ligon Mill Road Pedestrian Underpass	73,000	73,000	-	-	73,000
Sub-total payment in lieu of taxes	636,500	392,506	296,161	-	688,667
Miscellaneous Revenues					
Ligon Mill Additional Services	-	551	-	-	551
Ligon Mill Road Operation Improvements	-	3	-	-	3
Priority Pedestrian Corridors	20,500	20,450	-	-	20,450
Smith and Sanford Creek Greenway	-	800	-	-	800

TOWN OF WAKE FOREST, NORTH CAROLINA

CAPITAL PROJECTS FUND

GREENWAY TRANSPORTATION PEDESTRIAN ACCESS

SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual			
	Project Authorization	Prior Years	Current Year	Closed Projects	Total to Date
Dunn Creek Greenway - Downtown Connector	$ -	$ 800	$ 42,593	$ -	$ 43,393
Traffic Signals - Heritage Lake Road/Heritage Club	-	25,000	-	(25,000)	-
Traffic Signals - Friendship Chapel	-	1,000	12,500	-	13,500
Stadium Drive - Complete Streets	400,000	397,916	(22,216)	-	375,700
Ailey Young Park Improvements	-	84,000	(84,000)	-	-
Brewer Circle	41,500	-	41,407	-	41,407
Other Miscellaneous	-	(2)	(1)	-	(3)
Sub-total miscellaneous revenues	462,000	530,518	(9,717)	(25,000)	495,801
Sales Tax Refund					
Smith and Sanford Creek Greenway	4,150	-	-	-	-
Sub-total sales tax refund	4,150	-	-	-	-
Total revenues	18,225,963	11,642,526	2,922,995	(26,581)	14,538,940
Expenditures:					
Capital outlay:					
Smith Creek/Sanford Creek Greenway	7,471,070	5,746,650	6,814	-	5,753,464
Other improvements:					
Priority Pedestrian Corridors	3,800,000	2,659,880	872,690	-	3,532,570
Dunn Creek Greenway - Downtown Connector	1,286,500	954,593	8,569	-	963,162
Stadium Drive Complete Streets	10,608,765	6,100,659	2,946,342	-	9,047,001
Greenway and Park Signage	514,625	537,725	-	-	537,725
Ligon Mill Road Operational Improvement	4,992,000	938,921	287,119	-	1,226,040
Dunn Creek Greenway - Boardwalk Rehab	73,500	77,176	-	-	77,176
Richland Creek Stream Repair	116,932	106,670	9,473		116,143
Traffic Signals - Friendship Chapel	14,590	-	-	-	-
Traffic Signals - Heritage Club	-	50,000	-	(50,000)	-
Wake Forest Reservoir - Phase 1 & 2	358,500	329,055	(32,333)	-	296,722
Wake Forest Reservoir - Decommission	-	-	111,660	-	111,660
Smith Creek Stream Bank Repair	200,000	163,221	-	-	163,221
Ailey Young Park Improvements	175,000	164,796	-	-	164,796
Dunn Creek Greenway - Phase 3	653,000	571,017	111,675	-	682,692
Smith Creek Greenway - Phase 2	1,602,825	351,476	138,952	-	490,428
Smith Creek Greenway - Phase 3	413,755	187,197	143,564	-	330,761
Harris Round Roundabout	-	283,918	-	-	283,918
Ligon Mill Road Underpass	323,000	15,000	-	-	15,000
Durham Road Operational Improvements	395,000	277,998	67,525	-	345,523
Brick Street	-	-	3,460	-	3,460
Brewer Circle	341,500	6,024	214,792	-	220,816
Rogers Branch Road Extension	115,000	-	8,003	-	8,003
Rogers Road Grade Separation	128,000	-	-	-	-
Dunn & Richland Creek Greenway Stream Repair	3,291	-	-	-	-
Sub-total other improvements	26,115,783	13,775,326	4,891,491	(50,000)	18,616,817
Total expenditures	33,586,853	19,521,976	4,898,305	(50,000)	24,370,281
Revenues under expenditures	$ (15,360,890)	$ (7,879,450)	$ (1,975,310)	$ 23,419	$ (9,831,341)

TOWN OF WAKE FOREST, NORTH CAROLINA

CAPITAL PROJECTS FUND

GREENWAY TRANSPORTATION PEDESTRIAN ACCESS

SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual			
	Project Authorization	Prior Years	Current Year	Closed Projects	Total to Date
Other financing sources:					
Transfers in:					
General Capital Reserve Fund					
Smith and Sanford Creek Greenway	$ 700,000	$ -	$ 10,169	$ -	$ 10,169
Dunn Creek Greenway - Downtown Connector	300,000	-	15,950	-	15,950
Richland Creek Stream Repair	-	-	18,520	-	18,520
Stadium Drive Complete Streets	51,915	9,092	-	-	9,092
Sub-total General Capital Reserve Fund	1,051,915	9,092	44,639	-	53,731
General Fund					
Smith and Sanford Creek Greenway	1,028,000	46,500	26,107	-	72,607
Priority Pedestrian Corridors	200,000	-	-	-	-
Dunn Creek Greenway - Downtown Connector	5,560	-	-	-	-
Greenway and Park Signage	50,000	66,500	-	-	66,500
Ligon Mill Road Operational Improvements	1,513,000	-	-	-	-
Stadium Drive Complete Streets	2,059,700	-	-	-	-
Brick Street	-	-	3,460	-	3,460
Richland Creek Stream Repair	100,000	25,424	44,531	-	69,955
Wake Forest Reservoir - Decommission	-	-	114,650	-	114,650
Sub-total General Fund	4,956,260	138,424	188,748	-	327,172
Transfers out:					
Special Revenue Fund					
Smith and Sanford Creek Greenway	-	(34,000)	-	-	(34,000)
Sub-total Special Revenue Fund	-	(34,000)	-	-	(34,000)
Bond Proceeds					
Smith and Sanford Creek Greenway	1,981,000	1,981,000	-	-	1,981,000
Priority Pedestrian Corridors	1,035,000	555,000	-	-	555,000
Dunn Creek Greenway - Downtown Connector	315,500	315,500	-	-	315,500
Greenway and Park Signage	464,625	430,625	-	-	430,625
Ligon Mill Road - Operational Improvements	1,179,000	844,000	-	-	844,000
Dunn Creek Greenway - Boardwalk Rehab	73,500	-	-	-	-
Traffic Signals - Franklin Street	-	987		-	987
Traffic Signals - Heritage Lake Road/Heritage Club	-	23,419	-	(23,419)	-
Traffic Signals - Friendship Chapel	14,590	14,588	-	-	14,588
Wake Forest Reservoir Ph1 & 2	292,000	292,000	-	-	292,000
Wake Forest Reservoir - Decommission	66,500	-	-	-	-
Stadium Drive Complete Streets	1,396,000	-	-	-	-
Smith Creek Stream Bank Repair	200,000	-	-	-	-
Dunn Creek Greenway - Phase 3	653,000	-		-	-
Smith Creek Greenway - Phase 2	318,245	-	-	-	-
Smith Creek Greenway - Phase 3	243,755	-	-	-	-
Ligon Mill Road Underpass	250,000	-	-	-	-
Durham Road Operational Improvements	395,000	-	-	-	-
Ailey Young Park Improvements	175,000	-	-	-	-
Brewer Circle	300,000	-	-	-	-
Sub-total Bonds Proceeds	9,352,715	4,457,119	-	(23,419)	4,433,700

TOWN OF WAKE FOREST, NORTH CAROLINA

CAPITAL PROJECTS FUND

GREENWAY TRANSPORTATION PEDESTRIAN ACCESS

SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual			
	Project Authorization	Prior Years	Current Year	Closed Projects	Total to Date
Bond Proceeds - Premium					
Smith and Sanford Creek Greenway	$ -	$ 17,268	$ -	$ -	$ 17,268
Priority Pedestrian Corridors	-	50,114	-	-	50,114
Dunn Creek Greenway - Downtown Connector	-	8,634	-	-	8,634
Wake Forest Reservoir - Phase 1 & 2	-	4,934	(212)	-	4,722
Wake Forest Reservoir - Decommission	-	-	212	-	212
Sub-total Bonds Proceeds Premium	-	80,950	-	-	80,950
Total other financing sources	15,360,890	4,651,585	233,387	(23,419)	4,861,553
Net change in fund balance	$ -	$ (3,227,865)	(1,741,923)	$ -	$ (4,969,788)
Fund balances:					
Beginning of year			(3,227,865)		
End of year			$ (4,969,788)		

TOWN OF WAKE FOREST, NORTH CAROLINA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2020

	Capital Project Funds					
	Asset Maintenance	Public Facilities Projects	Parks and Recreation Improvements	Street Improvements	Recreation Capital Reserve	Cemetery Capital Reserve
Assets						
Cash and cash equivalents	$ -	$ -	$ 97,290	$ -	$ 1,923,017	$ -
Restricted cash and cash equivalents	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Accounts receivable	128,453	148,037	-	-	-	-
Total assets	$ 128,453	$ 148,037	$ 97,290	$ -	$ 1,923,017	$ -
Liabilities						
Accounts payable	$ 43,712	$ -	$ 97,290	$ 218,300	$ -	$ -
Due to other funds	67,087	888,528	-	326,366	-	-
Total liabilities	110,799	888,528	97,290	544,666	-	-
Deferred inflows						
Grants	-	21,914	-	-	-	-
Fund balances:						
Restricted:						
Public Safety	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Committed:						
Economic development	-	-	-	-	-	-
Assigned:						
Subsequent years expenditures	-	-	-	-	-	-
Recreation improvements	-	-	-	-	2,180,928	-
Fire Department						
Roadway Projects						
Asset Maintenance	17,654					
Unassigned:	-	(762,405)	-	(544,666)	(257,911)	-
Total fund balances	17,654	(762,405)	-	(544,666)	1,923,017	-
Total liabilities, deferred inflows and fund balances	$ 128,453	$ 148,037	$ 97,290	$ -	$ 1,923,017	$ -

General Capital Reserve	Total Capital Projects Funds	Special Revenue Fund: Wake Forest Business & Industry Fund	Special Revenue Fund: Futures Fund	Special Revenue Fund: Grants and Special Revenue Funds	Total Special Revenue Funds	Total Nonmajor Governmental Funds
$ 1,272,602	$ 3,292,909	$ -	$ -	$ -	$ -	$ 3,292,909
-	-	-	1,020,977	-	1,020,977	1,020,977
-	-	-	-	645	645	645
-	-	-	416,667	-	416,667	416,667
92,864	369,354	-	-	27,314	27,314	396,668
$ 1,365,466	$ 3,662,263	$ -	$ 1,437,644	$ 27,959	$ 1,465,603	$ 5,127,866
$ -	359,302	$ -	$ -	$ 9,798	$ 9,798	$ 369,100
-	1,281,981	-	-	5,860	5,860	1,287,841
-	1,641,283	-	-	15,658	15,658	1,656,941
-	21,914	-	-	10,000	10,000	31,914
-	-	-	-	4,000	4,000	4,000
-	-	-	-	9,204	9,204	9,204
-	-	-	1,437,644	-	1,437,644	1,437,644
213,273	213,273	-	-	-	-	213,273
-	2,180,928	-	-	-	-	2,180,928
337,419	337,419				-	337,419
814,774	814,774				-	814,774
	17,654				-	17,654
-	(1,564,982)	-	-	(10,903)	(10,903)	(1,575,885)
1,365,466	1,999,066	-	1,437,644	2,301	1,439,945	3,439,011
$ 1,365,466	$ 3,662,263	$ -	$ 1,437,644	$ 27,959	$ 1,465,603	$ 5,127,866

TOWN OF WAKE FOREST, NORTH CAROLINA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2020

	Capital Project Funds				
	Asset Maintenance	Public Facilities Projects	Parks and Recreation Improvements	Recreation Capital Reserve	Street Improvements
Revenues:					
Investment earnings	$ -	$ 55,086	$ 3,649	$ 28,267	$ 19,803
Federal grant	-	-	-	-	-
State grant	369,038	-	-	-	-
Impact fees	-	-	-	1,336,422	-
Payment in lieu	-	-	-	-	-
Miscellaneous	3,625	207,129	-	-	42
Total revenues	372,663	262,215	3,649	1,364,689	19,845
Expenditures:					
Personnel	-	-	-	-	-
Professional services	49,539	157,238	145,879	-	256,515
Operating	3,625	-	-	-	-
Capital outlay	517,147	690,805	1,923,047	-	2,703,458
Total expenditures	570,311	848,043	2,068,926	-	2,959,973
Revenues over (under) expenditures	(197,648)	(585,828)	(2,065,277)	1,364,689	(2,940,128)
Other financing sources (uses):					
Transfers in	170,000	(18,412)	2,065,277	-	-
Transfers out	-	-	-	(2,107,121)	(4,500)
Total other financing sources (uses)	170,000	(18,412)	2,065,277	(2,107,121)	(4,500)
Net change in fund balances	(27,648)	(604,240)	-	(742,432)	(2,944,628)
Fund balances:					
Beginning of year	45,302	(158,165)	-	2,665,449	2,399,962
End of year	$ 17,654	$ (762,405)	$ -	$ 1,923,017	$ (544,666)

Schedule 9

Cemetery Capital Reserve	General Capital Reserve	Total Capital Projects Funds	Special Revenue Funds: Wake Forest Business & Industry Fund	Special Revenue Funds: Futures Fund	Special Revenue Funds: Grants and Special Revenue Funds	Total Grants and Special Revenue Funds	Total Nonmajor Governmental Funds
$ 468	$ 22,310	$ 129,583	$ -	$ 17,905	$ -	$ 17,905	$ 147,488
-	-	-	-	-	11,339	11,339	11,339
-	-	369,038	-	-	58,484	58,484	427,522
-	387,017	1,723,439	-	-	-	-	1,723,439
-	(133,688)	(133,688)	-	-	-	-	(133,688)
-	-	210,796	4,826	57,000	5,452	67,278	278,074
468	275,639	2,299,168	4,826	74,905	75,275	155,006	2,454,174
-	-	-	-	-	63,631	63,631	63,631
-	-	609,171	175,671	-	-	175,671	784,842
-	-	3,625	-	-	44,527	44,527	48,152
-	-	5,834,457	-	-	30,408	30,408	5,864,865
-	-	6,447,253	175,671	-	138,566	314,237	6,761,490
468	275,639	(4,148,085)	(170,845)	74,905	(63,291)	(159,231)	(4,307,316)
-	-	2,216,865	23,095	-	56,981	80,076	2,296,941
(57,315)	(1,529,056)	(3,697,992)	-	-	-	-	(3,697,992)
(57,315)	(1,529,056)	(1,481,127)	23,095	-	56,981	80,076	(1,401,051)
(56,847)	(1,253,417)	(5,629,212)	(147,750)	74,905	(6,310)	(79,155)	(5,708,367)
56,847	2,618,883	7,628,278	147,750	1,362,739	8,611	1,519,100	9,147,378
$ -	$ 1,365,466	$ 1,999,066	$ -	$ 1,437,644	$ 2,301	$ 1,439,945	$ 3,439,011

TOWN OF WAKE FOREST, NORTH CAROLINA **Schedule 10**

CAPITAL PROJECTS FUND

PARKS AND RECREATION IMPROVEMENTS

SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date
Revenues:				
Miscellaneous revenue - Senior Center	$ 17,900	$ 18,067	$ -	$ 18,067
Investment earnings				
Northern Wake Senior Center Expansion	108,885	45,959	1,589	47,548
Joyner Park Development	141,115	164,561	2,060	166,621
Total revenues	267,900	228,587	3,649	232,236
Expenditures:				
Operating:				
Northern Wake Senior Center Expansion	10,000	4,869	2,562	7,431
Joyner Park Development	10,000	310	5,545	5,855
	20,000.00	5,179	8,107	13,286
Capital outlay:				
Professional services				
Northern Wake Senior Center Expansion	474,100	388,275	77,245	465,520
Joyner Park Development	1,222,930	1,063,757	60,526	1,124,283
Subtotal	1,697,030	1,452,032	137,771	1,589,803
Capital outlay-improvements				
Northern Wake Senior Center Expansion	4,608,200	3,788,963	712,099	4,501,062
Joyner Park Development	11,525,000	10,276,320	1,210,948	11,487,268
Subtotal	16,133,200	14,065,283	1,923,047	15,988,330
Total expenditures	17,850,230	15,522,494	2,068,925	17,591,419
Revenues under expenditures	(17,582,330)	(15,293,907)	(2,065,276)	(17,359,183)
Other financing sources:				
Bond Proceeds				
Northern Wake Senior Center Expansion	3,100,000	3,100,000	-	3,100,000
Joyner Park Development	11,100,000	11,100,000	-	11,100,000
Total Bond Proceeds	14,200,000	14,200,000	-	14,200,000
Bond Premium				
Northern Wake Senior Center Expansion	143,785	143,781	-	143,781
Joyner Park Development	514,815	514,829	-	514,829
Total Bond Proceeds	658,600	658,610	-	658,610

TOWN OF WAKE FOREST, NORTH CAROLINA **Schedule 10**

CAPITAL PROJECTS FUND

PARKS AND RECREATION IMPROVEMENTS

SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date
Transfer in - General Fund				
Northern Wake Senior Center Expansion	$ -	$ 10,400	$ -	$ 10,400
Joyner Park Development	125,000	-	-	-
Total Transfer In - General Fund	125,000	10,400	-	10,400
Transfer in - Capital Reserve				
Northern Wake Senior Center Expansion	1,752,730	566,897	790,317	1,357,214
Joyner Park Development	988,000	-	1,274,959	1,274,959
Total Transfer In - Capital Reserve	2,740,730	566,897	2,065,276	2,632,173
Transfer out - Special Revenue Fund (Public Arts)				
Northern Wake Senior Center Expansion	(31,000)	(31,000)	-	(31,000)
Joyner Park Development	(111,000)	(111,000)	-	(111,000)
Total Transfer In - Capital Reserve	(142,000)	(142,000)	-	(142,000)
Total other financing sources	17,582,330	15,293,907	2,065,276	17,359,183
Net change in fund balance	$ -	$ -	-	$ -
Fund balances:				
Beginning of Year			-	
End of Year			$ -	

TOWN OF WAKE FOREST, NORTH CAROLINA **Schedule 11**

CAPITAL PROJECTS FUND
STREET IMPROVEMENTS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual		
	Project Authorization	Prior Years	Current Year	Total to Date
Revenues:				
Investment earnings	$ -	$ 10,807	$ 19,802	$ 30,609
State grant	100,000	100,000	-	100,000
Miscellaneous revenues	-	44,042	43	44,085
Total revenues	100,000	154,849	19,845	174,694
Expenditures:				
Capital outlay:				
Professional services				
Road Connections - 2018	150,000	9,180	-	9,180
Street Rehabilitation - 2018	225,000	31,461	-	31,461
Downtown Streetscape - 2018	1,130,000	879,135	256,515	1,135,650
Subtotal Professional Services	1,505,000	919,776	256,515	1,176,291
Capital outlay-improvements				
Road Connections - 2018	1,050,000	938,945	-	938,945
Street Rehabilitation - 2018	1,528,000	1,278,705	-	1,278,705
Downtown Streetscape - 2018	4,617,000	2,517,461	2,703,458	5,220,919
Subtotal Capital Outlay Improvements	7,195,000	4,735,111	2,703,458	7,438,569
Total expenditures	8,700,000	5,654,887	2,959,973	8,614,860
Revenues under expenditures	(8,600,000)	(5,500,038)	(2,940,128)	(8,440,166)
Other financing sources:				
Installment Purchase				
Road Connections - 2018	850,000	850,000	-	850,000
Street Rehabilitation - 2018	1,403,000	1,410,000	-	1,410,000
Downtown Streetscape - 2018	5,647,000	5,640,000	-	5,640,000
Total Installment Purchase	7,900,000	7,900,000	-	7,900,000
Transfer in - General Fund				
Road Connections - 2018	250,000	-	-	-
Street Rehabilitation - 2018	250,000	-	-	-
Total Transfer In - General Fund	500,000	-	-	-

TOWN OF WAKE FOREST, NORTH CAROLINA **Schedule 11**

CAPITAL PROJECTS FUND
STREET IMPROVEMENTS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date
Transfer in - Capital Reserve				
Road Connections - 2018	$ 100,000	$ -	$ -	$ -
Street Rehabilitation - 2018	100,000	-	-	-
Total Transfer In - Capital Reserve	200,000	-	-	-
Transfer out - Special Revenue Fund				
Downtown Streetscape - 2018	$ -	$ -	4,500	4,500
Total Transfer Out - Special Revenue Fund	-	-	4,500	4,500
Total other financing sources	8,600,000	7,900,000	(4,500)	7,895,500
Net change in fund balance	$ -	$ 2,399,962	(2,944,628)	$ (544,666)
Fund balances:				
Beginning of Year			2,399,962	
End of Year			$ (544,666)	

TOWN OF WAKE FOREST, NORTH CAROLINA **Schedule 12**

CAPITAL PROJECTS FUND
ASSET MAINTENANCE
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual		
	Project Authorization	Prior Years	Current Year	Total to Date
Revenues:				
Restricted Intergovernmental:				
Ailey Young Dam Renovation	$ 582,105	$ 144,667	$ 369,038	$ 513,705
Other Revenue:				
Ailey Young Dam Renovation	61,000	2,391	3,626	6,017
Total revenues	643,105	147,058	372,664	519,722
Expenditures:				
Operating:				
Ailey Young Dam Renovation	61,000	2,392	3,625	6,017
Capital outlay:				
Professional services				
Ailey Young Dam Renovation	252,050	144,667	49,539	194,206
Subtotal	252,050	144,667	49,539	194,206
Capital outlay-improvements				
Town Hall Renovations	119,000	109,392	4,977	114,369
Police Station - Taylor Street	90,000	4,305	41,629	45,934
Ailey Young Dam Renovation	623,655	-	470,542	470,542
Subtotal	832,655	113,697	517,148	630,845
Total expenditures	1,145,705	260,756	570,312	831,068
Revenues under expenditures	(502,600)	(113,698)	(197,648)	(311,346)
Other financing sources:				
Transfer in - General Fund				
Town Hall Renovations	119,000	119,000	-	119,000
Police Station - Taylor Street	90,000	40,000	-	40,000
Ailey Young Dam Renovation	293,600	-	170,000	170,000
Total Transfer In - General Fund	502,600	159,000	170,000	329,000
Total other financing sources	502,600	159,000	170,000	329,000
Net change in fund balance	$ -	$ 45,302	(27,648)	$ 17,654
Fund balances:				
Beginning of Year			45,302	
End of Year			$ 17,654	

TOWN OF WAKE FOREST, NORTH CAROLINA **Schedule 13**

CAPITAL PROJECTS FUND
PUBLIC FACILITIES CAPITAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date
Revenues:				
Restricted Intergovernmental:				
Renaissance Centre Renovations	$ 348,530	$ 344,935	$ -	$ 344,935
Ailey Young Home Improvements	100,000	23,000	56,200	79,200
Other Revenue:				
Ailey Young Home Improvements	10,000	10,500	-	10,500
Fiber Infrastructure Project	815,000	-	206,015	206,015
Total revenues	1,273,530	378,435	262,215	640,650
Expenditures:				
Operating:				
Renaissance Centre Renovations	-	2,605	-	2,605
Subtotal	-	2,605	-	2,605
Capital outlay:				
Professional services				
Operations Center Expansion	200,000	49,700	-	49,700
Renaissance Centre Renovations	-	11,323	-	11,323
Fiber Infrastructure Project	675,000	137,400	157,238	294,638
Subtotal	875,000	198,423	157,238	355,661
Capital outlay-improvements				
Ailey Young Home Improvements	244,000	32,567	65,108	97,675
Renaissance Centre Renovations	995,800	965,895	-	965,895
Fiber Infrastructure Project	2,890,000	-	625,697	625,697
Subtotal	4,129,800	998,462	690,805	1,689,267
Total expenditures	5,004,800	1,199,490	848,043	2,047,533
Revenues under expenditures	(3,731,270)	(821,055)	(585,828)	(1,406,883)
Other financing sources:				
Transfer in - General Fund				
Renaissance Centre Renovations	647,270	653,300	(18,412)	634,888
Ailey Young Home Improvements	134,000	9,590	-	9,590
Fiber Infrastructure Project	250,000	-	-	-
Total Transfer In - General Fund	1,031,270	662,890	(18,412)	644,478

TOWN OF WAKE FOREST, NORTH CAROLINA **Schedule 13**

CAPITAL PROJECTS FUND

PUBLIC FACILITIES CAPITAL PROJECTS

SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual		
	Project Authorization	Prior Years	Current Year	Total to Date
Transfer in - Capital Reserve				
Operations Center Expansion	$ 200,000	$ -	$ -	$ -
Total Transfer In - Capital Reserve	200,000	-	-	-
Installment Purchase				
Fiber Infrastructure Project	2,500,000	-	-	-
Total Installment Purchase	2,500,000	-	-	-
Total other financing sources	3,731,270	662,890	(18,412)	644,478
Net change in fund balance	$ -	$ (158,165)	(604,240)	$ (762,405)
Fund balances:				
Beginning of Year			(158,165)	
End of Year			$ (762,405)	

Schedule 14

TOWN OF WAKE FOREST, NORTH CAROLINA

CAPITAL PROJECTS FUND
RECREATION CAPITAL RESERVE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual			
	Project Authorization	Prior Years	Current Year	Closed Projects	Total to Date
Revenues:					
Impact fees	$ 3,489,600	$ 3,350,406	$ 1,336,422	$ (684,957)	$ 4,001,871
Investment earnings	150,000	52,648	28,267	(52,648)	28,267
Miscellaneous	1,000	-	-	-	-
Total revenues	3,640,600	3,403,054	1,364,689	(737,605)	4,030,138
Other financing sources (uses):					
Transfers in (out):					
General Fund	250,000	-	-	-	-
General Fund	(252,600)	(170,707)	(41,844)	170,707	(41,844)
Capital Project Fund	(3,638,000)	(566,898)	(2,065,277)	566,898	(2,065,277)
Total financing sources (uses)	(3,640,600)	(737,605)	(2,107,121)	737,605	(2,107,121)
Net change in fund balance	$ -	$ 2,665,449	(742,432)	$ -	$ 1,923,017
Fund balances:					
Beginning of year			2,665,449		
End of year			$ 1,923,017		

Schedule 15

TOWN OF WAKE FOREST, NORTH CAROLINA
CAPITAL PROJECTS FUND
CEMETERY CAPITAL RESERVE
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual			
	Project Authorization	Prior Years	Current Year	Closed Projects	Total to Date
Revenues:					
Donations	$ 150,000	$ 55,118	$ -	$ -	$ 55,118
Investment earnings	115,000	1,729	468	-	2,197
Total revenues	265,000	56,847	468	-	57,315
Other financing uses					
Transfer out:					
General Fund	(265,000)	-	(57,315)	-	(57,315)
Net change in fund balance	$ -	$ 56,847	(56,847)	$ -	$ -
Fund balances:					
Beginning of year			56,847		
End of year			$ -		

Schedule 16

TOWN OF WAKE FOREST, NORTH CAROLINA

CAPITAL PROJECTS FUND
GENERAL CAPITAL RESERVE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

	Project Authorization	Actual: Prior Years	Actual: Current Year	Actual: Closed Projects	Actual: Total to Date
Revenues:					
Payments in lieu	$ 838,220	$ 948,462	$ (133,688)	$ -	$ 814,774
Greenway fees	20,690	18,520	-	-	18,520
Fire Impact Fees	1,435,000	1,478,819	387,017	(44,000)	1,821,836
Investment earnings	160,000	108,290	22,310	-	130,600
Donations	205,000	22,232	-	-	22,232
Development proceeds	86,560	86,560	-	-	86,560
Total revenues	2,745,470	2,662,883	275,639	(44,000)	2,894,522
Other financing sources (uses):					
Transfers in (out):					
General Fund					
Fire Department	(1,435,000)	(44,000)	(1,484,417)	44,000	(1,484,417)
Other	(306,595)	-	-	-	-
Capital Projects Fund	(1,003,875)	-	(44,639)	-	(44,639)
Total other financing sources (uses)	(2,745,470)	(44,000)	(1,529,056)	44,000	(1,529,056)
Net change in fund balance	$ -	$ 2,618,883	(1,253,417)	$ -	$ 1,365,466
Fund balances:					
Beginning of year			2,618,883		
End of year			$ 1,365,466		

TOWN OF WAKE FOREST, NORTH CAROLINA
SPECIAL REVENUE FUND
GRANTS AND SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual			
	Project Authorization	Prior Years	Current Year	Closed Projects	Total to Date
Revenues:					
Restricted Intergovernmental:					
Federal Grants					
Police Department	$ 11,505	$ 3,385	$ 7,955	$ (3,385)	$ 7,955
Park, Recreation and Cultural Resources	12,500	10,000	-	-	10,000
Urban Forestry	-	2,500	-	-	2,500
State Grants					
Downtown Development	144,340	113,931	30,408	-	144,339
Planning	12,600	-	5,100	-	5,100
Police Department	79,395	121,518	19,442	(79,275)	61,685
Solid Waste	8,650	-	6,920	-	6,920
Urban Forestry	-	10,000	-	(10,000)	-
Total Restricted Intergovernmental	268,990	261,334	69,825	(92,660)	238,499
Donations:					
Planning Department	2,500	-	2,500	-	2,500
Solid Waste	1,000	-	-	-	-
Renaissance Centre	32,700	19,750	2,950	-	22,700
Total donations	36,200	19,750	5,450	-	25,200
Other Revenues:					
Park, Recreation and Cultural Resources	9,098	13,610	-	(9,506)	4,104
Urban Forestry	-	7,590	-	-	7,590
Renaissance Centre	850	7,685	-	-	7,685
Total other revenues	9,948	28,885	-	(9,506)	19,379
Total revenues	315,138	309,969	75,275	(102,166)	283,078
Expenditures:					
Personnel:					
Police Department	121,915	113,712	63,630	(49,630)	127,712
Renaissance Centre	3,730	-	-	-	-
Subtotal - Personnel	125,645	113,712	63,630	(49,630)	127,712
Operations:					
Police Department	27,010	12,906	16,159	(12,240)	16,825
Planning Department	21,000	2,251	11,349	-	13,600
Park, Recreation and Cultural Resources	25,963	45,480	-	(25,661)	19,819
Solid Waste	11,580	-	6,920	-	6,920
Renaissance Centre	49,205	30,466	10,100	-	40,566
Urban Forestry	-	17,689	-	(10,100)	7,589
Subtotal - Operations	134,758	108,792	44,528	(48,001)	105,319

TOWN OF WAKE FOREST, NORTH CAROLINA
SPECIAL REVENUE FUND
GRANTS AND SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual			
	Project Authorization	Prior Years	Current Year	Closed Projects	Total to Date
Capital Outlay:					
Downtown Development	$ 144,340	$ 113,932	$ 30,408	$ -	$ 144,340
Police Department	8,000	60,479	-	(60,479)	-
Subtotal - Capital Outlay	152,340	174,411	30,408	(60,479)	144,340
Total expenditures	412,743	396,915	138,566	(158,110)	377,371
Revenues under expenditures	(97,605)	(86,946)	(63,291)	55,944	(94,293)
Other financing sources:					
Transfer in - General Fund					
Police Department	54,520	51,489	47,360	(32,824)	66,025
Planning Department	5,900	3,400	2,500	-	5,900
Park, Recreation and Cultural Resources	4,365	22,250	(2,879)	(16,155)	3,216
Public Works	1,930	-	-	-	-
Renaissance Centre	-	-	10,000	-	10,000
Urban Forestry	-	100	-	(100)	-
Total Transfer In - General Fund	66,715	77,239	56,981	(49,079)	85,141
Transfer in - Special Revenue Fund					
Police Department	11,505	8,933	-	(6,865)	2,068
Renaissance Centre	19,385	9,385	-	-	9,385
Total Transfer In - Special Revenue Fund	30,890	18,318	-	(6,865)	11,453
Capital Contributions	-	-	-	-	-
Total other financing sources	97,605	95,557	56,981	(55,944)	96,594
Net change in fund balance	$ -	$ 8,611	(6,310)	$ -	$ 2,301
Fund balances:					
Beginning of Year			8,611		
End of Year			$ 2,301		

TOWN OF WAKE FOREST, NORTH CAROLINA
SPECIAL REVENUE FUND
FUTURES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

	Budget Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date
Revenues:				
Investment earnings	$ 454,750	$ 434,374	$ 17,905	$ 452,279
Miscellaneous revenues	117,000	57,000	57,000	114,000
Total revenues	571,750	491,374	74,905	566,279
Expenditures:				
Professional services	264,500	119,452	-	119,452
Operating	1,326,250	1,214,653	-	1,214,653
Total expenditures	1,590,750	1,334,105	-	1,334,105
Revenues under expenditures	(1,019,000)	(842,731)	74,905	(767,826)
Other financing sources (uses)				
Transfer In - General Fund	4,628,870	2,405,470	-	2,405,470
Transfer out				
General Fund	(500,000)	-	-	-
Special Revenue Fund (Business & Industry Partnership)	(200,000)	(200,000)	-	(200,000)
Appropriated Fund Balance	(2,909,870)	-	-	-
Total other financing sources	1,019,000	2,205,470	-	2,205,470
Net change in fund balance	$ -	$ 1,362,739	74,905	$ 1,437,644
Fund balances:				
Beginning of Year			1,362,739	
End of Year			$ 1,437,644	

TOWN OF WAKE FOREST, NORTH CAROLINA
SPECIAL REVENUE FUND
WAKE FOREST BUSINESS & INDUSTRY PARTNERSHIP (BIP)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual		
	Budget Authorization	Prior Years	Current Year	Total to Date
Revenues:				
Donations	$ 4,830	$ -	$ 4,826	$ 4,826
Total revenues	4,830	-	4,826	4,826
Expenditures:				
Professional services	162,925	52,250	110,671	162,921
Operating	65,000	-	65,000	65,000
Total expenditures	227,925	52,250	175,671	227,921
Revenues under expenditures	(223,095)	(52,250)	(170,845)	(223,095)
Other financing sources				
Transfer In - Futures Fund	200,000	200,000	-	200,000
Transfer In - General Fund	23,095	-	23,095	23,095
Total other financing sources	223,095	200,000	23,095	223,095
Net change in fund balance	$ -	$ 147,750	(147,750)	$ -
Fund balances:				
Beginning of Year			147,750	
End of Year			$ -	

TOWN OF WAKE FOREST, NORTH CAROLINA
ELECTRIC FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON - GAAP)

FOR THE YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Operating revenues:				
Charges for services	$ 20,333,700	$ 19,019,592	$ (1,314,108)	$ 19,510,748
Other operating revenues	-			
Sales tax	1,454,550	1,345,952	(108,598)	1,351,097
Reconnect charges	135,000	95,763	(39,237)	126,310
Miscellaneous	125,000	60,952	(64,048)	49,977
Total operating revenues	22,048,250	20,522,259	(1,525,991)	21,038,132
Nonoperating revenues:				
Investment earnings	72,500	46,364	(26,136)	79,692
Sale of assets	50,000	37,632	(12,368)	27,445
Total nonoperating revenues	122,500	83,996	(38,504)	107,137
Total revenues	22,170,750	20,606,255	(1,564,495)	21,145,269
Expenditures:				
Electric operations:				
Salaries and employee benefits	4,191,495	4,059,116	132,379	3,182,767
Power purchases for resale	12,510,140	12,506,266	3,874	11,590,898
Utility sales tax	2,115,000	2,113,972	1,028	2,140,092
Repairs and maintenance	243,000	219,199	23,801	136,086
Other operating expenditures	1,142,790	896,774	246,016	938,425
Total electric operations	20,202,425	19,795,327	407,098	17,988,268
Debt service:				
Principal retirement	880,770	880,769	1	928,778
Interest and fees	129,185	130,173	(988)	103,862
Total debt service	1,009,955	1,010,942	(987)	1,032,640
Capital outlay	1,109,370	868,495	240,875	4,031,293
Total expenditures	22,321,750	21,674,764	646,986	23,052,201
Revenues over expenditures	(151,000)	(1,068,509)	917,509	(1,906,932)

TOWN OF WAKE FOREST, NORTH CAROLINA
ELECTRIC FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON - GAAP)

FOR THE YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Other financing sources (uses):				
Transfer in (out):				
Electric capital reserve fund	$ 151,000	$ 61,414	$ 89,586	$ (429,788)
Installment purchase	-	-	-	3,500,000
Total other financing sources (uses)	151,000	61,414	89,586	3,070,212
Revenues over expenditures and other financing uses	$ -	(1,007,095)	$ 1,007,095	1,163,280
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Reconciling items:				
Depreciation		(1,456,050)		(1,364,634)
Capital outlay		868,495		4,031,293
Interfund transfers		61,414		429,788
Debt issuance		-		(3,500,000)
Principal retirement		880,769		928,778
Book value of disposed asset		-		27,325
Increase/(Decrease) in inventory		12,202		76,532
Increase/(Decrease) in accrued interest		4,087		(10,852)
Increase in accrued vacation pay		(11,602)		(18,601)
Increase in pension expense		(471,674)		(237,824)
Deferred outflows of resources for contributions made to pension plan in current fiscal year		150,339		113,087
Increase in accrued other postemployment benefits		1,400,633		(48,958)
Increase deferred inflows of resources - OPEB		(148,848)		(136,021)
Increase deferred outflows of resources - OPEB		6,289		11,639
Capital project funds:				
Investment earnings		7,938		7,014
Total reconciling items		1,303,992		308,566
Change in net position		$ 296,897		$ 1,471,846

Schedule 21

TOWN OF WAKE FOREST, NORTH CAROLINA
ELECTRIC CAPITAL PROJECTS FUND CAPITAL RESERVE
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON - GAAP)

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020

		Actual		
	Project Authorization	Prior Years	Current Year	Total to Date
Revenues:				
Investment earnings	$ 170,000	$ 11,800	$ 7,938	$ 19,738
Other financing sources (uses):				
Transfers in (out)				
Electric Fund	830,000	926,280	-	926,280
Electric Fund	(1,000,000)	-	(61,414)	(61,414.00)
Total other financing sources (uses)	(170,000)	926,280	(61,414)	864,866
Revenues and other financing sources over other financing uses	$ -	$ 938,080	$ (53,476)	$ 884,604

TOWN OF WAKE FOREST, NORTH CAROLINA
SCHEDULE OF AD VALOREM TAXES RECEIVABLE

JUNE 30, 2020

Fiscal Year	Uncollected Balance June 30, 2019	Additions	Collections And Credits	Uncollected Balance June 30, 2020
2019-2020	$ -	$ 29,491,642	$ 29,403,822	$ 87,820
2018-2019	44,198		16,418	27,780
2017-2018	18,812	-	4,140	14,672
2016-2017	13,422	-	1,941	11,481
2015-2016	10,270	-	580	9,690
2014-2015	4,875	-	795	4,080
2013-2014	10,904	-	740	10,164
2012-2013	12,547	-	867	11,680
2011-2012	17,919	-	407	17,512
2010-2011	14,085	-	(30)	14,115
2009-2010	(2,839)	-	(2,839)	-
	$ 144,193	$ 29,491,642	$ 29,426,840	208,995
	Less allowance for uncollectible ad valorem tax receivable			(86,604)
	Ad valorem taxes receivable - net			$ 122,391

General Fund Taxes Receivable per the fund financial statements (Exhibit 3)	$ 182,352
Less: Downtown Municipal Service District Taxes Receivable	(7,948)
Less: Vehicle License Fee Receivable	(52,013)
General Fund Ad Valorem Taxes Receivable	$ 122,391

Revenue reconciliation:

Ad valorem taxes - General Fund	$ 29,340,018
Add (deduct):	
Releases allowed	134,937
Taxes written off	(2,839)
Penalties and interest	(45,276)
Total collections and credits	$ 29,426,840

Schedule 23

TOWN OF WAKE FOREST, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
TOWN-WIDE LEVY

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Town - Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	$ 5,685,814,167	0.52	$ 29,566,234	$ 26,994,437	$ 2,571,796
Penalties	-		21,475	21,475	-
Total	5,685,814,167		29,587,709	27,015,912	2,571,796
Discoveries:					
Prior year taxes	-		38,870	38,870	-
Less: abatements	(25,949,423)	0.52	(134,937)	(134,937)	-
Total property valuation	$ 5,659,864,744				
Net levy			29,491,642	26,919,845	2,571,796
Less: uncollected taxes at June 30, 2020			87,820	74,644	13,176
Current year's taxes collected			$ 29,403,822	$ 26,845,201	$ 2,558,620
Current levy collection percentage			99.70%	99.72%	99.49%

Schedule 24

TOWN OF WAKE FOREST, NORTH CAROLINA
GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS AND MATURITY SCHEDULE

JUNE 30, 2020

Fiscal Year	Governmental Funds	
	Principal	Principal and Interest
2020-2021	$ 1,920,000	$ 743,736
2021-2022	1,912,000	698,913
2022-2023	1,899,000	661,269
2023-2024	1,885,000	598,826
2024-2025	1,871,000	557,529
2025-2026	1,857,000	495,629
2026-2027	1,841,000	433,785
2027-2028	1,405,000	380,276
2028-2029	1,397,000	335,577
2029-2030	1,388,000	290,805
2031-2032	1,050,000	245,873
2032-2033	1,050,000	206,775
2033-2034	1,050,000	175,813
2034-2035	1,050,000	144,313
2035-2036	1,045,000	112,813
2036-2037	830,000	79,888
2037-2038	830,000	53,950
2038-2039	830,000	26,975
Total	$ 25,110,000	$ 6,242,744

TOWN *of* WAKE FOREST

TOWN *of* WAKE FOREST

TOWN OF WAKE FOREST, NORTH CAROLINA

NET POSITION BY CATEGORY

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

June 30, 2020

	2011	2012	2013	2014
Governmental activities				
Net investment in capital assets	$ 112,448,969	$ 112,059,645	$ 115,919,685	$ 120,837,511
Restricted for:				
Stabilization by State Statute	5,424,734	3,753,434	2,757,473	4,111,501
Inspections (HB 255)	-	-	-	-
Downtown District	-	222,608	224,269	236,256
Public Safety	-	208,258	267,904	267,986
Street and sidewalk improvements	-	-	-	478,867
Equipment and vehicles	-	-	-	-
Holding park pool renovations	-	-	-	26,373
Greenways	-	-	-	-
Public Works				
Community Development				
Cultural and Recreation	-	-	-	-
Unrestricted	4,887,874	6,352,719	8,353,849	5,087,465
Subtotal governmental activities net position	122,761,577	122,596,664	127,523,180	131,045,959
Business-type activities				
Net investment in capital assets	14,324,918	13,998,797	14,129,141	12,716,267
Unrestricted	2,591,519	3,053,159	3,465,391	5,069,470
Subtotal business-type activities net position	16,916,437	17,051,956	17,594,532	17,785,737
Primary Government				
Net investment in capital assets	126,773,887	126,058,442	130,048,826	133,553,778
Restricted for:				
Stabilization by State Statute	5,424,734	3,753,434	2,757,473	4,111,501
Inspections (HB 225)	-	-	-	-
Downtown District	-	222,608	224,269	236,256
Public Safety	-	208,258	267,904	267,986
Street improvements	-	-	-	478,867
Holding Park Pool Renovations	-	-	-	26,373
Equipment and vehicles	-	-	-	-
Greenways	-	-	-	-
Public Works	-	-	-	-
Community Development	-	-	-	-
Cultural and Recreation	-	-	-	-
Unrestricted	7,479,393	9,405,878	11,819,240	10,156,935
Total primary government net position	$ 139,678,014	$ 139,648,620	$ 145,117,712	$ 148,831,696

Table 1

2015	2016	2017	2018	2019	2020
$ 131,248,516	$ 144,053,526	$ 161,330,230	$ 172,179,914	$ 240,687,066	$ 236,048,865
3,721,637	3,617,882	4,208,575	5,201,309	3,697,546	3,568,985
-	-	163,450	351,107	-	-
243,525	255,346	266,635	278,314	276,322	276,779
297,346	343,673	334,069	355,564	317,916	317,892
1,481,070	954,214	1,983,593	2,745,290	3,224,084	16,283
224,833	969,307	-	219,155	683,654	-
-	-	-	-	-	-
2,330,480	2,221,896	469,387	1,030,449	637,496	-
				2,879	-
				1,149	-
-	11,742	173,755	13,356,391	6,353	9,204
7,157,318	1,568,337	(993,658)	(27,816,047)	(30,803,644)	(7,847,750)
146,704,725	153,995,923	167,936,036	167,901,446	218,730,821	232,390,258
13,789,268	15,786,945	16,911,360	16,982,591	17,105,343	17,396,780
3,909,794	3,798,069	3,336,296	2,447,316	3,796,410	3,801,870
17,699,062	19,585,014	20,247,656	19,429,907	20,901,753	21,198,650
145,037,784	159,840,471	178,241,590	189,162,505	257,792,409	253,445,645
3,721,637	3,617,882	4,208,575	5,201,309	3,697,546	3,568,985
-	-	163,450	351,107	-	-
243,525	255,346	266,635	278,314	276,322	276,779
297,346	343,673	334,069	355,564	317,916	317,892
1,481,070	954,214	1,983,593	2,745,290	3,224,084	16,283
-	-	-	-	-	-
224,833	969,307	-	219,155	683,654	-
2,330,480	2,221,896	469,387	1,030,449	637,496	-
-	-	-	-	2,879	-
-	-	-	-	1,149	-
-	11,742	173,755	13,356,391	6,353	9,204
11,067,112	5,366,406	2,342,638	(25,368,731)	(27,007,234)	(4,045,880)
$ 164,403,787	$ 173,580,937	$ 188,183,692	$ 187,331,353	$ 239,632,574	$ 253,588,908

TOWN OF WAKE FOREST, NORTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

June 30, 2020

	2011	2012	2013	2014
Expenses				
Governmental activities:				
General Government	$ 9,814,820	$ 9,629,543	$ 9,524,312	$ 10,466,637
Public Safety	10,478,094	10,697,935	11,228,188	12,809,633
Transportation	4,370,908	4,052,075	4,119,839	4,436,052
Environmental Protection	2,520,645	2,554,192	2,666,922	2,787,905
Cultural and Recreational	2,502,178	2,644,989	2,819,826	3,250,469
Interest on long-term debt	909,477	932,318	995,852	809,270
Subtotal governmental activities expense	30,596,122	30,511,052	31,354,939	34,559,966
Business-type activities:				
Water and sewer	147,731	126,995	74,309	60,395
Electric	17,327,845	16,908,508	17,486,017	17,964,027
Subtotal business-type activities expenses	17,475,576	17,035,503	17,560,326	18,024,422
Total primary government expenses	48,071,698	47,546,555	48,915,265	52,584,388
Program Revenues				
Governmental activities:				
Charges for Services				
General Governmental	1,206,061	1,240,682	1,901,453	1,767,013
Public Safety	298,319	272,903	624,000	444,838
Transportation	73,665	73,334	36,873	19,403
Environmental Protection	267,115	210,471	191,383	168,524
Cultural and Recreational	625,252	566,154	1,119,803	805,310
Operating Grants and Contributions				
General Governmental	144,937	342,982	-	-
Public Safety	116,649	75,676	82,944	85,197
Transportation	686,375	738,982	770,703	796,640
Environmental Protection	3,057	-	54,028	37,184
Cultural and Recreational	-	-	-	-
Capital Grants and Contributions				
General Governmental	-	-	-	-
Public Safety	62,117	-	16,960	264,256
Transportation	1,487,487	-	3,612,138	3,397,026
Environmental Protection	46,999	-	-	-
Cultural and Recreational	291,521	284,861	142,693	427,543
Subtotal governmental activities program revenues	5,309,554	3,806,045	8,552,978	8,212,934

Continued on next page

Table 2

2015	2016	2017	2018	2019	2020
$ 10,288,616	$ 11,422,995	$ 12,869,405	$ 13,074,362	$ 14,299,862	$ 12,354,370
13,193,519	15,997,273	14,515,834	15,553,468	16,907,529	16,087,550
5,090,607	1,785,023	2,276,688	5,606,567	8,234,442	6,012,293
2,661,631	3,081,207	3,312,425	3,594,622	3,798,036	3,743,415
3,759,071	1,951,732	6,865,664	4,432,829	2,574,238	5,294,637
775,312	748,481	604,099	625,012	1,257,960	1,217,267
35,768,756	34,986,711	40,444,115	42,886,860	47,072,067	44,709,532
44,045	27,761	11,907	-	-	-
19,503,601	18,172,784	19,562,897	20,200,887	19,680,438	20,317,296
19,547,646	18,200,545	19,574,804	20,200,887	19,680,438	20,317,296
55,316,402	53,187,256	60,018,919	63,087,747	66,752,505	65,026,828
2,183,403	(2,985,095)	2,456,723	2,874,041	2,641,893	4,232,238
608,598	641,804	544,319	685,319	406,705	44,000
28,655	18,663	91,773	126,506	174,785	-
172,421	174,647	185,245	174,764	143,845	-
1,181,893	987,346	1,601,675	1,124,097	1,943,860	1,423,238
-	-	7,994	5,070	17,589	1,460,656
75,676	78,823	75,676	75,676	122,239	79,275
810,220	946,028	852,302	868,086	879,928	-
2,264	-	-	-	-	-
2,834	20,975	80,330	755,194	211,655	153,225
-	-	-	-	28,731	4,568
99,564	65,450	5,680	20,865	-	3,386
15,342,778	7,870,624	10,193,724	8,328,200	49,687,277	5,838,274
-	11,000	-	-	-	-
2,756	13,541	3,347,745	20,222	298,467	2,483,118
20,511,062	7,843,806	19,443,186	15,058,040	56,556,974	15,721,978

TOWN OF WAKE FOREST, NORTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

June 30, 2020

	2011	2012	2013	2014
Business-type activities:				
Charges for Services -				
Electric	18,453,796	17,033,633	17,987,671	18,068,548
Operating Grants and Contributions -				
Water and sewer	311	31	-	-
Subtotal business-type activities program	18,454,107	17,033,664	17,987,671	18,068,548
Total primary government program revenues	23,763,661	20,839,709	26,540,649	26,281,482
Net (Expense) Revenue				
Governmental activities	(25,286,568)	(26,705,007)	(22,801,961)	(26,347,032)
Business-type activities:				
Water and sewer	(147,420)	(126,964)	(74,309)	(60,395)
Electric	1,125,951	125,125	501,654	104,521
Total primary government net expense	(24,308,037)	(26,706,846)	(22,374,616)	(26,302,906)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes, levied for general purpose	18,590,117	19,271,260	20,062,610	21,387,601
Other taxes and licenses	86,027	113,292	92,347	110,789
Unrestricted intergovernmental	6,254,703	6,671,559	7,070,415	7,527,964
Unrestricted investment earnings	67,390	68,575	139,553	69,369
Miscellaneous	402,927	415,408	516,424	766,922
Special items	-	-	-	-
Transfers	10,765	-	1,460	7,166
Subtotal governmental activities	25,411,929	26,540,094	27,882,809	29,869,811
Business type activities:				
Unrestricted investment earnings	152,522	132,409	82,968	65,167
Unrestricted intergovernmental	-	-	-	-
Miscellaneous	56,346	4,949	33,723	89,078
Transfers and Special items	(10,765)	-	(1,460)	(7,166)
Subtotal business-type activities	198,103	137,358	115,231	147,079
Total primary government	25,610,032	26,677,452	27,998,040	30,016,890
Change in Net Position				
Governmental activities	125,361	(164,913)	5,080,848	3,522,779
Business-type activities	1,176,634	135,519	542,576	191,205
Total primary Government	$ 1,301,995	$ (29,394)	$ 5,623,424	$ 3,713,984

Table 2

2015	2016	2017	2018	2019	2020
19,501,560	19,946,073	19,948,850	20,670,944	20,988,155	20,461,307
-	-	-	-	-	-
19,501,560	19,946,073	19,948,850	20,670,944	20,988,155	20,461,307
40,012,622	27,789,879	39,392,036	35,728,984	77,545,129	36,183,285
(15,257,694)	(27,142,905)	(21,000,929)	(27,828,820)	9,484,907	(28,987,554)
(44,045)	(27,761)	(11,907)	-	-	-
(2,041)	1,773,289	385,953	470,057	1,307,717	144,011
(15,303,780)	(25,397,377)	(20,626,883)	(27,358,763)	10,792,624	(28,843,543)
22,496,254	23,681,908	24,545,443	25,966,222	27,789,480	29,419,885
47,957	64,894	70,711	75,096	55,488	46,985
8,773,026	9,464,778	9,845,432	10,308,211	11,090,320	11,365,093
67,633	110,600	177,663	293,076	750,509	360,928
607,247	1,111,923	1,447,361	1,048,382	1,658,671	1,454,100
507,768	-	-	-	-	-
-	-	-	-	-	-
32,499,885	34,434,103	36,086,610	37,690,987	41,344,468	42,646,991
49,047	38,254	33,004	35,208	86,707	54,302
1,177	-	-	-	-	-
162,559	102,170	255,592	423,602	77,422	98,584
-	-	-	-	-	-
212,783	140,424	288,596	458,810	164,129	152,886
32,712,668	34,574,527	36,375,206	38,149,797	41,508,597	42,799,877
17,242,191	7,291,198	15,085,681	9,862,167	50,829,375	13,659,437
166,697	1,885,952	662,642	928,867	1,471,846	296,897
$ 17,408,888	$ 9,177,150	$ 15,748,323	$ 10,791,034	$ 52,301,221	$ 13,956,334

TOWN OF WAKE FOREST, NORTH CAROLINA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

June 30, 2020

	2011	2012	2013
General Fund			
Non Spendable			
Inventories	$ 16,327	$ 16,327	$ 17,169
Prepaid Expenditures	535	-	-
Restricted:			
Stabilization by State Statute	5,424,734	3,753,434	2,757,473
Inspections (HB 255)	-	-	-
Downtown District		222,608	224,269
Public Safety		208,258	267,904
Equipment and vehicles			
Assigned:			
Subsequent years expenditures	1,660,745	921,000	935,130
Unassigned	4,838,882	6,349,345	7,726,822
Total General Fund	$ 11,941,223	$ 11,470,972	$ 11,928,767
All Other Governmental Funds			
Committed:			
Economic Development	$ -	$ -	$ 900,053
Street improvements	2,068,159	2,513,318	897,352
Recreation improvements	113,239	-	-
Restricted:			
Street improvements	-	-	-
Holding park pool renovations	-	-	-
Parks and recreation	-	-	-
Equipment and vehicles	-	-	-
Public Safety			
Street and sidewalk improvements			
Greenways	-	-	-
Grants	-	-	-
Assigned:			
Subsequent years expenditures	611,431	2,455,268	1,830,896
Debt service	-	-	-
Recreation improvements	1,320,649	1,081,765	726,880
Cemetery improvements	104,092	104,193	104,330
Fire Department	-	-	-
Roadway projects	-	-	-
Asset maintenance	-	-	-
Unassigned	(799,734)	(1,067,899)	-
Total all other Governmental Funds	$ 3,417,836	$ 5,086,645	$ 4,459,511

Note (1): Changes from 2016 to 2017 were primarily due to expenditures for the 2014 bond related projects. In addition, there was significant activity for projects funded by federal grant, as well as those which will be funded
Note (2): Changes from 2017 to 2018 were mainly due to GO bond issuance in June 2018.

2014	2015	2016	2017	2018	2019	2020
$ 15,099	$ 13,281	$ 15,942	$ 12,958	$ 16,710	$ 15,069	$ 17,141
-	-	74,031	69,775	100,850	124,878	136,802
4,111,501	3,721,637	3,617,882	4,208,575	5,201,309	3,697,546	3,568,985
-	-	-	163,450	351,107	-	-
236,256	243,525	255,346	266,635	278,314	276,322	276,779
267,986	297,346	343,673	334,069	354,521	317,916	313,892
	224,833	969,307	-	219,155	683,654	-
1,383,860	894,170	1,161,500	1,481,115	1,597,145	2,182,500	812,400
5,634,102	7,633,804	8,013,074	9,521,082	8,360,653	9,955,217	10,771,209
$ 11,648,804	$ 13,028,596	$ 14,450,755	$ 16,057,659	$ 16,479,764	$ 17,253,102	$ 15,897,208
$ 923,451	$ 946,850	$ 1,030,500	$ 1,082,750	$ 1,418,720	$ 1,510,489	$ 1,437,644
-	-	-	-	-	-	-
-	-	-	-	-	-	-
478,867	1,287,047	954,214	1,983,593	2,745,290	-	-
26,373	-	-	-	-	-	-
-	-	-	-	13,341,012	-	-
-	194,023	-	-	-	-	-
						4,000
					3,224,084	16,283
-	2,330,480	2,221,896	469,387	1,030,449	637,496	-
-	-	11,742	173,755	16,422	10,381	9,204
2,353,473	3,058,811	1,242,997	1,728,468	-	-	213,273
-	-	-	-	1,055,143	302,046	108,054
833,558	1,365,216	1,665,395	1,630,042	2,431,103	2,901,051	2,180,928
104,408	74,048	69,372	69,699	56,046	56,847	-
-	-	-	-	1,218,444	1,434,819	337,419
-	-	-	-	835,124	948,462	814,774
-	-	-	-	49,948	45,302	17,654
(293,207)	-	-	(3,979,125)	(4,270,147)	(4,849,418)	(6,561,956)
$ 4,426,923	$ 9,256,475	$ 7,196,116	$ 3,158,569	$ 19,927,554	$ 6,221,559	$ (1,422,723)

TOWN OF WAKE FOREST, NORTH CAROLINA
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

June 30, 2020

	2011	2012	2013	2014
Revenues				
Ad Valorem Taxes	$18,655,904	$19,314,239	$20,062,793	$ 21,364,309
Other Taxes	84,844	87,495	92,347	110,789
Unrestricted Intergovernmental	6,254,703	6,671,559	7,070,415	7,527,964
Restricted Intergovernmental	1,339,445	1,442,501	1,121,653	2,233,503
Permits and Fees	1,679,309	1,625,891	3,151,923	2,530,344
Sales and Services	796,759	758,893	710,031	746,997
Miscellaneous	465,688	440,520	527,072	757,487
Investment Earnings	67,390	68,575	122,770	52,589
Total revenues	29,344,042	30,409,673	32,859,004	35,323,982
Expenditures				
General Government	8,821,715	9,255,647	8,705,491	9,245,621
Public Safety	9,679,055	9,899,361	10,418,124	11,896,289
Transportation	2,162,019	1,811,031	1,734,057	1,836,957
Environmental Protection	2,420,516	2,461,981	2,577,759	2,700,114
Cultural and Recreational	1,605,629	1,742,995	2,003,892	2,369,564
Capital outlay	3,782,821	7,697,205	5,371,207	6,180,462
Debt service:				
Bond Principal	1,015,000	1,010,000	1,005,000	1,005,000
Bond Interest	628,763	572,513	542,188	511,988
Installment note principal	877,659	1,238,404	1,957,402	2,465,139
Installment note interest	334,913	372,133	361,021	321,270
Total expenditures	31,328,090	36,061,270	34,676,141	38,532,404
Excess of revenues over (under) expenditures	(1,984,048)	(5,651,597)	(1,817,137)	(3,208,422)
Other Financing Sources (Uses)				
Transfers in	913,836	5,597,826	1,453,347	356,367
Transfers (out)	(903,071)	(5,597,826)	(1,451,887)	(349,201)
Special Item	-	-	-	-
Installment note proceeds	321,060	6,850,155	1,603,825	2,888,705
Bond premium/(issuance costs)	-	-	-	-
Bond issuance	-	-	-	-
Insurance recovery - Shop Fire 2016*	-	-	-	-
Total other financing sources (uses)	331,825	6,850,155	1,605,285	2,895,871
Net changes in fund balances	(1,652,223)	1,198,558	(211,852)	(312,551)
Fund balance - beginning of year (as previously reported)	17,011,282	15,359,059	16,557,617	16,388,278
Adjustments to beginning fund balance	-	-	42,513	-
Fund balance - beginning of year (as restated)	17,011,282	15,359,059	16,600,130	16,388,278
Fund balance - end of year	$15,359,059	$16,557,617	$16,388,278	$ 16,075,727
Debt service as a percentage of noncapital expenditures	10.37%	11.26%	13.19%	13.30%

(1) Debt service percentage for FY 2020 is skewed because it includes debt service expenditures related to refunded General Obligation bonds.

Table 4

2015	2016	2017	2018	2019	2020
$22,496,254	$23,681,908	$24,545,443	$25,966,222	$27,789,480	$ 29,419,885
47,957	64,894	70,711	75,096	55,488	46,985
8,740,874	9,464,778	9,845,432	10,308,211	11,090,320	11,365,093
1,029,571	1,162,325	4,674,540	2,679,743	6,089,714	4,182,070
3,592,120	3,200,322	3,867,619	4,333,204	4,260,255	4,913,100
847,584	967,433	800,167	776,303	1,050,656	721,424
489,816	892,367	1,045,895	941,708	1,659,716	1,524,594
50,849	151,696	187,357	316,625	692,804	307,017
37,295,025	39,585,723	45,037,164	45,397,112	52,688,433	52,480,168
9,387,662	9,987,406	10,114,354	10,915,763	12,127,881	13,092,961
12,586,385	15,344,482	13,730,482	14,386,094	15,963,299	18,858,089
1,986,906	1,982,830	2,009,350	2,109,389	2,166,297	2,311,478
2,863,636	2,982,465	3,158,944	3,426,135	3,626,355	3,853,434
2,840,566	2,866,153	3,097,344	3,281,932	3,635,384	3,810,465
2,532,617	3,102,334	12,251,028	14,105,263	27,581,846	13,408,233
1,000,000	1,215,000	1,253,000	1,245,000	2,067,000	5,650,000
475,375	538,038	410,917	379,189	909,555	862,529
2,795,093	2,884,020	2,881,069	2,945,536	3,380,080	3,466,684
295,441	257,952	212,440	230,681	347,043	413,396
36,763,681	41,160,680	49,118,928	53,024,982	71,804,740	65,727,269
531,344	(1,574,957)	(4,081,764)	(7,627,870)	(19,116,307)	(13,247,101)
277,878	2,916,749	1,693,359	5,928,103	5,960,025	9,458,307
(277,878)	(2,916,749)	(1,693,360)	(5,928,103)	(5,960,025)	(9,458,307)
507,768	-	-	-	-	-
792,750	871,700	1,023,170	-	-	-
47,482	-	-	770,970	-	-
4,330,000	65,057	-	24,048,550	6,183,650	4,246,925
-	-	627,952	-	-	-
5,678,000	936,757	1,651,121	24,819,520	6,183,650	4,246,925
6,209,344	(638,200)	(2,430,643)	17,191,650	(12,932,657)	(9,000,176)
16,075,727	22,285,071	21,646,871	19,216,228	36,407,318	23,474,661
-	-	-	(560)	-	-
16,075,727	22,285,071	21,646,871	19,215,668	36,407,318	23,474,661
$22,285,071	$21,646,871	$19,216,228	$36,407,318	$23,474,661	$ 14,474,485
13.34%	12.86%	12.90%	12.33%	15.16%	19.86%

TOWN OF WAKE FOREST, NORTH CAROLINA
GOVERNMENT-WIDE REVENUES
LAST TEN FISCAL YEARS

June 30, 2020

	Program Revenues		
Fiscal Year	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
2011	$ 20,924,208	$ 951,329	$ 1,888,124
2012	19,397,177	1,157,671	284,861
2013	21,861,183	907,675	3,771,791
2014	21,273,636	919,021	4,088,825
2015	23,676,530	890,994	15,445,098
2016	18,783,438	1,045,826	7,960,615
2017	24,828,585	1,016,302	13,547,149
2018	25,655,671	1,704,026	8,369,287
2019	26,299,243	1,231,411	50,014,475
2020	26,160,783	1,693,156	8,329,346

* Miscellaneous for June 30, 2015 includes an special item of $507,768 which is a litigation settlement for the Town Hall building located at 301 S. Brooks Street.

*Charges for Services for June 30, 2016 includes a bond refunding amount of $5,125,000 for the 2006 Public Improvements Bond $9,200,000 issuance

*Capital Grants and Contributions for June 30, 2019 includes a significant addition of streets acceptances.

*Charges for Services for June 30, 2020 includes a bond refunding amount of $4,015,000 for the 2009A Public Improvements Bond $7,300,000 issuance.

General Revenue				
Taxes	Unrestricted Intergovernmental	Unrestricted Investment Earnings	Miscellaneous	Total
$ 18,676,144	$ 6,254,703	$ 219,912	$ 459,273	$ 49,373,693
19,384,552	6,671,559	200,984	420,357	47,517,161
20,154,957	7,070,415	222,521	550,147	54,538,689
21,498,390	7,527,964	134,536	856,000	56,298,372
22,544,211	8,774,203	116,680	1,277,574	72,725,290
23,746,802	9,464,778	148,854	1,214,093	62,364,406
24,616,154	9,845,432	210,667	1,702,953	75,767,242
26,041,318	10,308,211	328,284	1,471,984	73,878,781
27,844,968	11,090,320	837,216	1,736,093	119,053,726
29,466,870	11,365,093	415,230	1,552,684	78,983,162

TOWN OF WAKE FOREST, NORTH CAROLINA
GENERAL GOVERNMENTAL REVENUES BY SOURCES (1)
LAST TEN FISCAL YEARS

June 30, 2020

Fiscal Year	Taxes	Intergovernmental	Permits and Fees	Sales and Services	Investment Earnings	Miscellaneous Revenues	Total
2011	$ 24,995,451	$ 1,117,009	$ 1,114,255	$ 796,759	$ 58,183	$ 307,744	$ 28,389,401
2012	26,073,293	1,339,589	1,204,262	758,893	54,424	422,909	29,853,370
2013	27,225,555	907,675	1,853,691	710,031	34,831	422,787	31,154,570
2014	29,071,809	888,290	1,803,280	695,300	25,870	460,782	32,945,331
2015	31,283,682	984,848	2,292,774	847,584	24,310	489,816	35,923,014
2016	33,211,580	930,429	2,052,949	967,433	46,407	828,639	38,037,437
2017	34,461,586	947,925	2,513,613	800,167	90,837	923,876	39,738,004
2018	36,349,529	970,325	2,966,351	776,303	188,209	814,512	42,065,229
2019	38,935,288	982,520	2,751,351	1,050,656	338,653	1,068,017	45,126,485
2020	40,831,963	1,061,286	3,027,187	711,918	204,904	1,265,744	47,103,002

Notes:

(1) Includes General Fund, Special Revenue Funds (Wake Forest Renaissance Centre, Downtown District Special Tax, Police Department Special Fund) and Debt Service Fund.

(2) Taxes include Ad Valorem, Sales Tax, Beer & Wine and Utility Distribution

Table 7

TOWN OF WAKE FOREST, NORTH CAROLINA
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN FISCAL YEARS

June 30, 2020

Fiscal Year	General Government	Public Safety	Transportation	Environmental Protection	Cultural and Recreational	Debt Service	Fiscal Year Total
2011	$ 10,130,934	$ 10,147,037	$ 2,377,888	$ 2,420,516	$ 1,871,215	$ 2,856,335	$ 29,803,925
2012	10,421,497	10,321,288	2,301,523	2,468,976	1,836,625	3,193,050	30,542,959
2013	9,081,076	10,836,218	2,343,492	2,940,893	2,190,341	3,865,611	31,257,631
2014	11,428,809	12,420,494	2,155,007	2,700,114	2,486,889	4,303,397	35,494,710
2015	9,788,541	13,286,150	2,255,542	2,977,093	2,835,107	4,565,909	35,708,342
2016	10,751,122	15,883,240	2,079,603	3,399,391	2,582,951	4,895,010	39,591,317
2017	10,113,394	13,719,419	2,009,350	3,158,944	3,073,887	4,757,426	36,832,420
2018	10,909,253	14,333,034	2,109,389	3,426,135	3,223,971	4,800,406	38,802,188
2019	12,036,115	15,881,411	2,166,297	3,626,355	3,579,256	6,703,678	43,993,112
2020	12,833,820	18,857,942	2,311,478	3,853,434	3,734,209	10,464,409	52,055,292

(1) Does not include capital outlay expenditures

TOWN OF WAKE FOREST, NORTH CAROLINA
GOVERNMENT-WIDE EXPENSES BY FUNCTION
LAST TEN FISCAL YEARS

June 30, 2020

Fiscal Year	General Government	Public Safety	Transportation	Environmental Protection
2011	$ 9,814,820	$ 10,478,094	$ 4,370,908	$ 2,520,645
2012	9,629,543	10,697,935	4,052,075	2,554,192
2013	9,524,312	11,228,188	4,119,839	2,666,922
2014	10,466,637	12,809,633	4,436,052	2,787,905
2015	10,288,616	13,193,519	5,090,607	2,661,631
2016	11,422,995	15,997,273	1,785,023	3,081,207
2017	12,869,405	14,515,834	2,276,688	3,312,425
2018	13,074,362	15,553,468	5,606,567	3,594,622
2019	14,299,862	16,907,529	8,234,442	3,798,036
2020	12,354,370	16,087,550	6,012,293	3,743,415

Table 8

Cultural and Recreation	Interest on Long-term Debt	Water and Sewer	Electric	Total
$ 2,502,178	$ 909,477	$ 147,731	$ 17,327,845	$ 48,071,698
2,644,989	932,318	126,995	16,908,508	47,546,555
2,819,826	995,852	74,309	17,486,017	48,915,265
3,250,469	809,270	60,395	17,964,027	52,584,388
3,759,071	775,312	44,045	19,503,601	55,316,402
1,951,732	748,481	27,761	18,172,784	53,187,256
6,865,664	604,099	11,907	19,562,897	60,018,919
4,432,829	625,012	-	20,200,887	63,087,747
2,574,238	1,257,960	-	19,680,438	66,752,505
5,294,636	1,217,268	-	20,317,296	65,026,828

TOWN OF WAKE FOREST, NORTH CAROLINA
ASSESSED VALUES OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS

June 30, 2020

Fiscal Year	Tax Year Ended December 31	Real Property	Personal Property	Public Service Company	Total Assessed Value	Total Direct Tax Rate	Ratio of Assessed Value to Estimated Actual Value
2011	2010	$ 3,221,774,225	$ 345,392,571	$ 30,995,165	$ 3,598,161,961	$ 0.510	100%
2012	2011	3,373,651,564	348,998,438	30,021,371	3,752,671,373	0.510	100%
2013	2012	3,454,767,428	413,935,518	33,118,426	3,901,821,372	0.510	100%
2014	2013	3,578,577,402	531,310,563	32,184,022	4,142,071,987	0.510	100%
2015	2014	3,772,983,301	478,751,321	35,032,002	4,286,766,624	0.520	100%
2016	2015*	3,938,881,667	533,343,249	45,164,560	4,517,389,476	0.520	100%
2017	2016	4,062,038,937	587,751,713	53,461,252	4,703,251,902	0.520	100%
2018	2017	4,338,087,926	594,060,969	45,195,145	4,977,344,040	0.520	100%
2019	2018	4,639,886,284	636,546,681	46,632,737	5,323,065,702	0.520	100%
2020	2019	4,932,636,055	677,262,332	49,964,357	5,659,864,744	0.520	100%

Notes:

(1) Assessed value is established by Wake County Tax Department at 100% estimated market value.

(2) A revaluation of all property is required every eight (8) years by State Statute. Wake County elected in 2016 to conduct revaluation every four year. The last revaluation occurred as of December 31, 2016.

*Amount does not agree to that fiscal year's CAFR; amount was adjusted in subsequent fiscal year reporting

Table 10

TOWN OF WAKE FOREST, NORTH CAROLINA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

June 30, 2020

Fiscal Year	Town of Wake Forest	Wake County	Combined Tax Rate Per $100 of Assessed Value
2011	$ 0.510	$ 0.534	$ 1.044
2012	0.510	0.534	1.044
2013	0.510	0.534	1.044
2014	0.510	0.578	1.088
2015	0.520	0.615	1.135
2016	0.520	0.601	1.121
2017	0.520	0.615	1.135
2018	0.520	0.615	1.135
2019	0.520	0.654	1.174
2020	0.520	0.721	1.241

TOWN OF WAKE FOREST, NORTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

June 30, 2020

	2020			2011		
Taxpayer	**Taxable Assessed Valuation**	**Rank**	**Percentage of Total Assessed Valuation**	**Taxable Assessed Valuation**	**Rank**	**Percentage of Total Assessed Valuation**
Wake Forest Apartments LLC	$ 39,620,368	1	0.70%	$ -	-	0.00%
Legacy Wake Forest LLC	36,335,954	2	0.64%	-	-	0.00%
Caveness Partners LLC	35,075,009	3	0.62%	21,105,703	3	0.59%
Wake Forset Crossing Owner LLC	32,500,382	4	0.57%	-	-	0.00%
Crossroads Holdings LLC	27,664,604	5	0.49%	25,750,418	1	0.72%
Wake EMC	27,348,386	6	0.48%	-	-	0.00%
WMCI Raleigh IV LLC	26,803,533	7	0.47%	22,765,335	2	0.63%
Heritage Gardens LLC	25,090,020	8	0.44%	-	-	0.00%
1-800 Pack Rat LLC	22,855,523	9	0.40%	-	-	0.00%
Waypoint CapCreek MF Owner LLC	22,813,286	10	0.40%	-	-	0.00%
Gateway Forest LLC	21,701,353	11	0.38%	19,821,500	4	0.55%
Time Warner Entertainment	15,570,084	16	0.28%	-	-	0.00%
Heritage Wake Forest Inc	-	-	0.00%	18,195,894	6	0.51%
Lowes Home Center Inc	10,341,466	28	0.18%	17,795,951	7	0.49%
Factory LLC	-	-	0.00%	19,677,441	5	0.55%
Walmart Real Estate Business Trust	12,996,710	19	0.23%	16,683,583	8	0.46%
MLC Automotive LLC	-	-	0.00%	-	-	0.00%
Cresent State Bank	-	-	0.00%	16,471,503	9	0.46%
Moshakos Wake Forest LLC	-	-	0.00%	15,835,950	10	0.44%
Total	$ 356,716,678		6.30%	$ 161,795,825		4.50%
Total Assessed Value	$ 5,659,864,744			$ 3,598,161,961		

Source: Wake County Revenue Department

Table 12

TOWN OF WAKE FOREST, NORTH CAROLINA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATIONS BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS

June 30, 2020

Fiscal Year	Principal	Interest (1)	Total Debt Service	Total General Governmental Expenditures (2)	Ratio of Debt Service to General Governmental Expenditures
2011	$ 1,015,000	$ 628,763	$ 1,643,763	$ 29,477,326	5.6%
2012	1,010,000	572,513	1,582,513	29,919,509	5.3%
2013	1,005,000	542,188	1,547,188	31,257,631	4.9%
2014	1,005,000	511,988	1,516,988	35,578,285	4.3%
2015	1,000,000	475,375	1,475,375	35,833,160	4.1%
2016	1,215,000	538,038	1,753,038	39,889,279	4.4%
2017	1,253,000	410,917	1,663,917	39,602,453	4.2%
2018	1,245,000	379,189	1,624,189	42,113,437	3.9%
2019	2,067,000	909,556	2,976,556	45,801,709	6.5%
2020	1,635,000	862,529	2,497,529	50,052,482	5.0%

(1) Excludes bond issuance and other costs.

(2) Includes both General Fund and Debt Service Fund

(3) Does not include principal and interest payment made to refund debt

TOWN OF WAKE FOREST, NORTH CAROLINA

Property Tax Levies and Collections

LAST TEN FISCAL YEARS

JUNE 30, 2019

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy
2011	$ 18,576,563	$ -	$ 18,576,563
2012	19,204,045	-	19,204,045
2013	19,955,115	-	19,955,115
2014	21,184,179	-	21,184,179
2015	22,357,927	-	22,357,927
2016	23,561,063	-	23,561,063
2017	24,578,867	-	24,578,867
2018	25,954,547	-	25,954,547
2019	27,738,784	-	27,738,784
2020	29,491,642	-	29,491,642

Table 13

Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
$ 18,353,347	98.80%	$ 190,738	$ 18,544,085	99.83%
19,007,310	98.98%	155,998	19,163,308	99.79%
19,760,773	99.03%	192,650	19,953,423	99.99%
21,076,021	99.49%	178,348	21,254,369	100.00%
22,314,249	99.80%	123,541	22,437,790	100.00%
23,523,354	99.84%	64,105	23,587,459	100.00%
24,544,133	99.86%	53,285	24,597,418	100.00%
25,922,302	99.88%	52,628	25,974,930	100.00%
27,694,586	99.84%	32,795	27,727,381	99.96%
29,403,822	99.70%	23,018	29,426,840	99.78%

TOWN OF WAKE FOREST, NORTH CAROLINA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

June 30, 2020

Fiscal Year	(1) Population	(2) Per Capita Personal Income	(3) Median Age	(4) Wake County School Enrollment	(5) Wake County Unemployment Rate	(6) Wake Forest Unemployment Rate
2011	30,329	$ 29,723	32.9	143,289	8.7%	6.6%
2012	31,774	41,440	34.2	146,687	7.9%	5.9%
2013	33,703	32,060	35.0	149,528	7.3%	5.4%
2014	35,609	33,711	35.0	154,381	5.1%	3.9%
2015	37,046	32,474	34.2	159,984	4.8%	4.0%
2016	39,012	33,124	34.7	157,180	4.3%	3.6%
2017	41,157	34,845	36.2	159,549	3.8%	3.6%
2018	43,287	35,752	35.5	160,429	3.9%	3.9%
2019	45,264	37,315	35.0	160,471	3.6%	3.6%
2020	47,220	39,102	35.0	176,000	6.6%	6.8%

Sources:

(1) Wake Forest Business & Industry Partnership - 2019 Community Profile (discoverwakeforest.org)

(2) North Carolina Department of Commerce and/or Census.gov - Information is calculated on the county level. Information is not maintained at the Town level. Information is estimated.

(3) Wake Forest Business & Industry Partnership - 2019 Community Profile (discoverwakeforest.org)

(4) Wake Forest Business & Industry Partnership - 2019 Community Profile (discoverwakeforest.org)

(5) North Carolina State Employment Security Commission for Wake County and/or US Bureau of Labor & Statistics

(6) North Carolina State Employment Security Commission for Wake County and/or US Bureau of Labor & Statistics

****** Information not available.

Table 15

TOWN OF WAKE FOREST, NORTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

June 30, 2020

Fiscal Year	Debt Limit	Less: Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2011	$ 287,852,957	$ 24,595,011	$ 263,257,946	8.54%
2012	300,213,710	29,196,762	271,016,948	9.73%
2013	312,145,710	27,802,641	284,343,069	8.91%
2014	331,365,759	27,256,751	304,109,008	8.23%
2015	342,941,335	49,354,418	293,586,917	14.39%
2016	361,391,158	46,192,088	315,199,070	12.78%
2017	376,260,152	43,081,189	333,178,963	11.45%
2018	398,187,525	47,119,203	351,068,320	11.83%
2019	425,845,256	47,824,037	378,021,219	11.23%
2020	452,789,180	42,954,278 (1)	409,834,902	9.49%

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed value	$ 5,659,864,744
Debt Limit (8% of total assessed value)	452,789,180
Debt applicable to limit	42,954,278
Legal debt margin	$ 409,834,902
Percentage of debt to debt limit	9.49%

(1) Debt Applicable to Limit includes $25,110,000 outstanding bonded debt, $4,920,000 authorized and unissued bonded debt and $12,924,278 general long-term installment notes.

*$30,000 from 2016 refunding rescinded in July 2018. It was removed from Authorized and Unissued total. Therefore, it is not included in the Total Debt Applicable to Limit.

TOWN OF WAKE FOREST, NORTH CAROLINA
RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

JUNE 30, 2020

Fiscal Year	(1) Population	Assessed Value	Gross Bonded Debt	Debt Payable From Enterprise Revenues
2011	30,329	$ 3,598,161,961	$ 15,775,000	$ -
2012	31,774	3,752,671,373	14,765,000	-
2013	33,703	3,901,821,373	13,760,000	-
2014	35,609	4,142,071,987	12,942,690	-
2015	37,046	4,286,766,624	16,303,389	-
2016	39,012	4,517,389,476	15,134,232	-
2017*	41,157	4,703,251,902	13,862,075	-
2018	43,287	4,977,344,040	30,048,889	-
2019	45,264	5,323,065,702	27,924,183	-
2020	47,220	5,659,864,744	25,928,692	-

(1) Compiled by the Town of Wake Forest Planning Department

*2017 figure is different than reported in previous year; this number should have included the bond premium also.

Table 16

Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita	Gross Bonded Debt per Capita
$ 15,775,000	0.44%	$ 520	$ 520
14,765,000	0.39%	465	465
13,760,000	0.35%	408	408
12,942,690	0.31%	365	365
16,303,389	0.38%	440	440
15,134,232	0.34%	388	388
13,862,075	0.29%	337	337
30,048,889	0.60%	694	694
27,924,183	0.52%	617	617
25,928,692	0.46%	549	549

Table 17

TOWN OF WAKE FOREST, NORTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2020

Jurisdiction	Bonded Debt		Percentage Applicable to Town (2)	Amount Applicable to Town
Direct:				
Town of Wake Forest	$ 38,852,969	(1)	100.00%	$ 38,852,969
Overlapping: (3)				
Wake County	$ 1,580,690,000	(4)	3.47%	54,912,554
			Total	$ 93,765,523

(1) Includes all governmental activities debt.

(2) Based on total assessed values.

(3) Overlapping debt does not include the debt of the Special Airport District of Durham and Wake Counties as these bonds are payable by the Airport Authority out of Airport revenues.

(4) Wake County Revenue Department

Table 18

TOWN OF WAKE FOREST, NORTH CAROLINA
COMMERCIAL ACTIVITY
LAST TEN FISCAL YEARS

June 30, 2020

Fiscal Year	Commercial		Residential		Total	
	Number	Value	Number	Value	Number	Value
2011	47	$ 6,122,922	415	$ 68,864,397	462	$ 74,987,319
2012	67	10,282,212	585	70,591,023	652	80,873,235
2013	94	27,164,939	501	100,873,993	595	128,038,932
2014	89	29,873,213	419	74,795,239	508	104,668,452
2015	102	33,338,472	561	102,480,602	663	135,819,074
2016	99	36,132,937	537	88,031,763	636	124,164,700
2017	105	32,799,902	835	128,088,592	940	160,888,494
2018	122	79,275,153	1,066	160,171,714	1,188	239,446,867
2019	106	29,452,682	831	145,850,175	937	175,302,857
2020	84	74,307,043	560	124,260,431	644	198,567,474

(1) Compiled by the Town of Wake Forest Planning and Inspections Department

TOWN OF WAKE FOREST, NORTH CAROLINA
EMPLOYEE POSITION AUTHORIZATION BY DEPARTMENT (1)
LAST TEN FISCAL YEARS

JUNE 30, 2020

Fiscal Year	Admin	Comm	(2) Downtown Development	Economic Development	Finance	Human Resources	IT	Planning	(3) Inspections	Police
2011	3.0	2.0	0.0	0.0	17.0	4.0	4.0	22.0	0.0	67.0
2012	3.0	2.0	0.0	0.0	18.0	4.0	4.0	21.0	0.0	70.0
2013	4.0	2.0	0.0	0.0	18.0	4.0	5.0	21.0	0.0	75.0
2014	3.0	2.0	1.0	0.0	18.0	4.0	5.0	7.0	14.0	83.0
2015	3.0	3.0	1.0	0.0	18.0	4.0	5.0	8.0	14.0	84.0
2016	3.0	3.0	1.0	0.0	17.0	4.0	5.0	8.0	14.0	84.0
2017	4.0	3.0	1.0	1.0	18.0	4.0	6.0	8.0	15.0	91.0
2018	4.0	3.0	5.0	1.0	18.0	5.0	6.0	9.0	16.0	91.0
2019	4.0	4.0	5.0	1.0	18.0	5.0	6.0	11.0	16.0	105.0
2020	4.0	5.0	5.0	1.0	18.0	5.0	6.0	11.0	16.0	105.0

(1) Permanent full time and part time positions only as of June 30th. Excludes temporary, part-time and seasonal employees.

(2) Renaissance Centre employees have been included in Downtown Development since FY 2018. They were part of Parks & Recreation in previous years.

(3) Planning and Inspections employee reporting was separated in FY 2014.

Table 19

Engineering	Pub Works Admin	Fleet	Streets	Solid Waste	Parks & Recreation	Public Facilities	Electric	Tree Trimming	Year Total
7.0	3.0	5.0	17.0	9.0	15.0	1.0	22.0	0.0	198.0
7.0	3.0	5.0	17.0	9.0	15.0	1.0	22.0	0.0	201.0
7.0	3.0	5.0	17.0	9.0	15.0	2.0	19.0	3.0	209.0
7.0	3.0	5.0	20.0	9.0	17.0	2.0	19.0	3.0	222.0
7.0	3.0	5.0	20.0	9.0	19.0	3.0	19.0	3.0	228.0
7.0	3.0	5.0	20.0	9.0	19.0	3.0	20.0	3.0	228.0
7.0	2.0	6.0	20.0	9.0	23.0	3.0	20.0	3.0	244.0
7.0	2.0	6.0	20.0	12.0	23.0	4.0	21.0	5.0	258.0
6.0	5.0	6.0	20.0	12.0	21.0	4.0	21.0	5.0	275.0
7.0	5.0	6.0	20.0	12.0	23.0	4.0	24.0	5.0	282.0

TOWN OF WAKE FOREST, NORTH CAROLINA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

June 30, 2020

Fiscal Year	Property Tax	Sales Tax	Utility Sales Distribution (1)
2011	$ 18,579,520	$ 4,559,143	$ 1,550,178
2012	19,240,193	4,991,298	1,528,114
2013	19,988,279	5,285,774	1,581,534
2014	21,290,422	5,700,274	1,661,397
2015	22,422,548	6,218,974	2,335,449
2016	23,610,065	6,755,795	2,540,817
2017	24,470,851	7,187,102	2,479,157
2018	25,882,092	7,601,465	2,530,451
2019	27,713,298	8,245,963	2,660,061
2020	29,340,018	8,594,400	2,582,156

(1) Formerly Franchise Tax.

Table 20

Motor Vehicle Licenses	Rental Vehicle Tax	Beer & Wine Tax	Total
$ 99,371	$ 36,920	$ 125,782	$ 24,950,914
219,629	31,791	131,394	26,142,419
324,888	38,731	125,512	27,344,718
485,076	39,867	139,022	29,316,058
456,574	47,957	154,318	31,635,820
423,335	64,894	146,483	33,541,389
452,948	70,711	156,017	34,816,786
518,424	75,096	152,848	36,760,376
735,378	55,488	157,255	39,567,443
895,271	46,985	160,326	41,619,156

TOWN OF WAKE FOREST, NORTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

June 30, 2020

	Governmental Activities		Business-Type Activities				(1)	
Fiscal Year	General Obligation Bonds	Installment Financings	General Obligation Bonds	Installment Financings	Revenue Bonds	Total Primary Government	Debt Per Capita	Percentage of Personal Income
2011*	$ 15,875,091	$ 8,820,011	$ -	$ 3,650,588	$ 1,643,761	$ 29,889,360	$ 986	3.32%
2012*	14,857,545	14,431,762	-	3,022,730	1,463,932	33,683,424	1,060	2.56%
2013*	13,964,473	14,078,185	-	2,367,799	1,277,315	31,483,299	934	2.91%
2014	12,942,690	14,501,751	-	1,773,071	3,583,652	32,801,164	921	2.73%
2015*	16,303,390	12,499,409	-	1,178,344	3,140,053	33,121,196	894	2.75%
2016	15,134,232	10,487,088	-	583,616	2,702,403	28,907,339	741	2.24%
2017	13,682,000	8,629,189	-	-	2,251,773	24,562,963	597	1.71%
2018	29,117,000	13,052,203	-	686,933	1,788,017	44,644,153	1,031	2.88%
2019	27,924,183	15,854,036	-	3,736,466	1,309,715	48,824,401	1,079	2.89%
2020	25,928,692	12,924,277	-	3,106,103	1,059,309	43,018,381	911	2.33%

Notes:

(1) See Table 14 for population data and per capita personal income.

(2) Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

*Amount does not agree to that fiscal year's CAFR; amount was adjusted in subsequent fiscal year reporting

TOWN OF WAKE FOREST, NORTH CAROLINA
MISCELLANEOUS STATISTICS

June 30, 2020

Date of Incorporation	February 20, 1909	
Form of Government	Council-Manager	
Miles of City-owned Streets	129.93	
Fire Protection (Combination: Paid/Volunteer)		
Number of Stations	5	
Number of Full-Time & Part-Time	108	
Number of Volunteers	40	
Police Protection		
Number of Stations	6	
Number of Full-time Sworn Officers	81	
Utility System: Electric		
Number of Customers	6,788	
Residential Rates:	Basic Customer Charge	$15.95
	Energy Charge	$0.1131 per kwh
Community Facilities:		
Parks	0 Private	12 Public
Pools	0 Private	1 Public
Sprayground	0 Private	1 Public
Tennis Courts	0 Private	2 Public
Golf Courses	0 Semi-private	0 Public
Pickleball Court	0 Private	1 Public

Cultural Activities:

*Wake Forest Renaissance Centre (WFRC)
*Wake Forest Birthplace Museum
*Wake Forest Historic District
*Arts Wake Forest
*Wake Forest Biennal Historical Homes Tour
*Wake Forest Historical Association bi-monthly programs
*Friday Night on White Street
*Unity In the Community
*Wake Forest Dance Festival
*Arbor Day Celebration
*Wake Forest Christmas Parade
*Halloween Spooktacular
*Art Galleries in Downtown Wake Forest
*Wake Forest Mardi Gras - community festival
*Forest Moon Theatre events at WFRC
*Mid-day Concerts at Town Hall Plaza
*Virtual Art Exhibit - RC
*Good Neighbor Day community music, art, and food festival
*Public Power Week

	2020		2011	
Principal Employers*:	Number of Employees	Rank	Number of Employees	Rank
Wake County Public School System	1251	1	683	1
CenturyLink	439	2	375	3
Southeastern Baptist Theological Seminary, Inc.	435	3	345	4
Wal-mart	400	4	388	2
Chik Fil A	309	5		
Town of Wake Forest	291	6	178	7
Lowes Foods	205	7		
Target Corporation	200	8	233	5
Sam's Club	185	9	-	-
Pack-Rat	170	9		
Lowe's Home Improvement	170	11	175	8
Rex Healthcare (Wake Forest & Wakefield)	165	12	-	-
Home Depot	164	13	106	9
Hillside Nursing Center of Wake Forest, Inc.	160	14	-	-
Franklin Academy	152	15	-	-
Texas Roadhouse	123	16	-	-
Publix	120	17	-	-
Kohl's	110	18		
Moffat Pipe	80	19		
Carolina Ale House	60	20	-	-

* Source - Wake Forest Economic Development. Numbers are approximate

TOWN *of* WAKE FOREST

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor 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*

To the Honorable Mayor
Members of the Board of Commissioners
Town of Wake Forest, 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 financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wake Forest, North Carolina (the "Town"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated October 27, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered the Town's 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's 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 Town's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a 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 to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's basic 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 financial statements. 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 results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cherry Bekaert LLP

Raleigh, North Carolina
October 27, 2020

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor on Compliance with Requirements Applicable for Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Uniform Guidance and the State Single Audit Implementation Act

To the Honorable Mayor
Members of the Board of Commissioners
Town of Wake Forest, North Carolina

Report on Compliance for Each Major Federal Program

We have audited the Town of Wake Forest, North Carolina's (the "Town") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2020. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Cherry Bekaert LLP

Raleigh, North Carolina
October 27, 2020

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor on Compliance with Requirements Applicable for Each Major State Program and on Internal Control over Compliance in Accordance with the Uniform Guidance and the State Single Audit Implementation Act

To the Honorable Mayor
Members of the Board of Commissioners
Town of Wake Forest, North Carolina

Report on Compliance for Each Major State Program

We have audited the Town of Wake Forest, North Carolina's (the "Town") compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina,* issued by the Local Government Commission that could have a direct and material effect on the Town's major state program for the year ended June 30, 2020. The Town's major state program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Town's major state program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") as described in the audit manual for Governmental Audits in North Carolina, and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major State Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on the major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Cherry Bekaert LLP

Raleigh, North Carolina
October 27, 2020

TOWN OF WAKE FOREST, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

Section I—Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	_____ yes	___X___ no	
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ yes	___X___	none reported
• Noncompliance material to financial statements noted?	_____ yes	___X___ no	

Federal Awards

Internal control over major federal programs:

• Material weakness(es) identified?	_____ yes	___X___ no	
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ yes	___X___	none reported
• Noncompliance material to federal awards noted?	_____ yes	___X___ no	

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes ___X___ no

Identification of major federal programs:

CFDA Numbers	Names of Federal Program or Cluster
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee? ___X___ yes _____ no

Section I—Summary of Auditor's Results (continued)

State Awards

Internal control over major state programs:

• Material weakness(es) identified?	_____ yes	___X___ no	
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ yes	___X___ no	none reported
• Noncompliance material to state awards noted?	_____ yes	___X___ no	

Type of auditor's report issued on compliance for major state programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act	_____ yes	___X___ no

Identification of major state programs:

Program Name

Non-State System Street-Aid Allocation Fund (Powell Bill)

TOWN OF WAKE FOREST, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

Section II—Findings Related to the Audit of the Basic Financial Statements

None reported.

Section III—Federal and State Award Findings and Questioned Costs

None reported.

TOWN OF WAKE FOREST, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2020

None noted.

TOWN OF WAKE FOREST, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/Program Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Federal (Direct and Pass-Through) Expenditures	State Expenditures	Local Expenditures
FEDERAL GRANTS:					
U.S. Department of Transportation					
Passed through N.C. Department of Transportation:					
Priority Pedestrian Corridors - Sidewalk Projects	20.205-1	WBS 41821.1.38	$ 551,924	$ -	$ 320,766
Dunn Creek Greenway - Downtown Connector	20.205-1	WBS 41821.1.41	-	-	-
Ligon Mill Road Operational Improvements	20.205-1	WBS 42379.1.3	318,952	-	(31,832)
Stadium Drive - Complete Streets	20.205-1	WBS 55056.1.1	1,540,812	-	1,405,530
Smith and Sanford Creek Greenway	20.205-1	WBS 46229.1.1	-	-	-
Durham Road Operational Improvements	20.205-1	STPDA-0527 (019)	-	-	67,525
Total U.S. Department of Transportation			2,411,688	-	1,761,989
U.S. Department of Justice					
Office of Justice Programs:					
Bulletproof Vest Partnership - 2019	16.607	N/A	-	7,729	7,729
Total U.S. Department of Justice			-	7,729	7,729
U.S. Environmental Protection Agency					
Passed through N.C. Department of Environmental Quality					
319 Nonpoint Source Pollution Implementation Grant	66.460	Contract 7082	-	233,787	-
Total U.S. Environemtal Protection Agency			-	233,787	-
Total Federal Grants			2,411,688	241,516	1,769,718
STATE OF NORTH CAROLINA FINANCIAL ASSISTANCE					
N.C. Department of Transportation					
Non-State System Street-Aid Allocation Fund (Powell Bill)	N/A	WBS 32570	-	923,774	-
High Impact/Low Cost	N/A	47891	-	100,000	-
Passed through N.C. Governor's Highway Safety Program					
Traffic Safety Unit (2020)	20.600	PT-20-06-17	-	19,433	48,465
Total NC Department of Transportation			-	1,043,206	48,465
N.C. Department of Commerce					
Building Reuse Program (Downtown Revitalization)	N/A	2017-053-1257-1534	-	30,408	-
Total NC Department of Commerce			-	30,408	-
N.C. Department of Justice					
Passed throught Attorney General of North Carolina					
Ailey Young Dam Restoration	N/A	TWF 015	-	31,153	4,265
Total NC Department of Justice			-	31,153	4,265
N.C. Department of Natural and Cultural Resources					
Ailey Young House Rehabilitation	N/A	N/A	-	55,086	10,023
Passed through N.C. Clean Water Management Trust Fund					
Smith Creek Greenway - Phase 2	N/A	2016-089	-	54,582	84,369
Smith Creek Greenway - Phase 3	N/A	2016-089	-	42,955	100,609
Passed through State Historic Preservation Office					
Archaeological Investigation at Ailey Young House	N/A	N/A	-	5,100	1,149
Wake Forest Architectural Survey Update	N/A	N/A		-	5,100

TOWN OF WAKE FOREST, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/Program Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Federal (Direct and Pass-Through) Expenditures	State Expenditures	Local Expenditures
Total NC Department of Natural and Cultural Resources			-	157,723	201,250
N.C. Department of Environmental Quality					
Recycling Education for Wake Forest Residents	N/A	Contract 7924	-	6,920	-
Passed through North Carolina General Assembly					
Agency's Water Resources Development Project	N/A	Contract 7246	-	110,684	143,816
Total NC Department of Environmental Quality			-	117,604	143,816
Total State of North Carolina Financial Assistance			-	1,380,094	397,796
Total Federal & State of North Carolina Financial Assistance			$ 2,411,688	$ 1,621,610	$ 2,167,514

Notes to the Schedule of Expenditures of Federal and State Financial Awards

Note 1*:* The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and state grant activity of the Town of Wake

Note 2*: Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost*

Note 3: The town did not incur any any passed-through subrecipient expenditures during the fiscal year ended June 30, 2020.

TOWN *of* WAKE FOREST