

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD

**Financial Statements for the
Year Ended December 31, 2024 and
Independent Auditor's Report**

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD

**Financial Statements for the
Year Ended December 31, 2024
Independent Auditor's Report**

BOARD MEMBERS (2024)

Shawn Lucas, Chair

Kurt H. Bland, Vice Chair

Daniel Baker, Treasurer

Charles A. Allen IV

Charles William Hughes III

T. Reid Pell

Dennis Pitts

Chad Poole

C. Peyton Wynne

BOARD ADMINISTRATOR

Margaret Geiger, Board Administrator

LEGAL COUNSEL

North Carolina Department of Justice

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD

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NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

Management's discussion and analysis introduces the basic financial statements and provides an analytical overview of the financial activities of the Board. This section of the Board's financial report represents the Board's financial activity and performance. Please read it in conjunction with the financial statements which follow this section.

Overview of the Financial Statements

This financial report consists of the following primary sections: Management's Discussion and Analysis and the Financial Statements. The Financial Statements include notes to the financial statements that provide detail of the information included in the financial statements. The financial statements, notes to the financial statements, and this discussion are the responsibility of Board management.

The financial statements of the Board report information about the Board using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about the activities of the Board. All activities of the Board are accounted for within the proprietary (enterprise) fund.

The *Statement of Net Position* presents the current and long-term portions of assets and liabilities separately. Current assets are those that are available to pay for expenses in the next year. Current liabilities are those payable in the next year. The Board had no long-term assets nor long-term liabilities at year end. Net position consists of net investment in capital assets, restricted net position and unrestricted net position. The Board had no capital assets at year end. The Board had no restricted net position at year end.

The *Statement of Revenues, Expenses, and Changes in Net Position* presents information on how the Board's assets changed as a result of its operations. The Board's revenues are classified as operating or non-operating revenues. Revenues are recognized when earned, regardless of the timing of cash flows. Expenses are recorded when a liability has been incurred, regardless of the timing of cash flows. Non-operating revenues are classified as nonoperating in the financial statements.

The *Statement of Cash Flows* presents information on how the Board's cash changed as a result of its financial activities. These statements provide information relative to the Board's sources and uses of cash funds for operating activities, capital financing activities, and investing activities.

The *Notes to the Financial Statements* provide detail of the information included in the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. They are an integral part of the financial statements and should be read in conjunction with them.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Summary, Highlights, and Analysis

Net position is an indicator of the fiscal health of the Board. Assets exceeded liabilities by \$146,564 for the year ended December 31, 2024, and \$206,123 for the year ended December 31, 2023. The largest component of net position was cash and cash equivalents held with the North Carolina Department of State Treasurer. Cash and cash equivalents represented 157.35% of total net position for the year ended December 31, 2024, and 138.35% of total net position for the year ended December 31, 2023. Current assets consist of cash and cash equivalents. Current liabilities consist of accounts payable that are due to vendors, accounts payable that are due to other state agencies, and unearned revenue from license fees paid in advance. The Board had no long-term assets nor long-term liabilities. Net position consists of unrestricted net assets.

The following is a comparative summary of the Statements of Net Position.

	Current Year as of December 31, 2024	Prior Year as of December 31, 2023	Amount of Change *****	Percentage Change
Current assets	\$ 214,367	\$ 285,163	\$ (70,796)	-24.83%
Total assets	<u>\$ 214,367</u>	<u>\$ 285,163</u>	<u>\$ (70,796)</u>	<u>-24.83%</u>
Current liabilities	\$ (67,803)	\$ (79,040)	\$ 11,237	-14.22%
Total liabilities	<u>\$ (67,803)</u>	<u>\$ (79,040)</u>	<u>\$ 11,237</u>	<u>-14.22%</u>
Unrestricted	\$ 146,564	\$ 206,123	\$ (59,559)	-28.89%
Total net position	<u>\$ 146,564</u>	<u>\$ 206,123</u>	<u>\$ (59,559)</u>	<u>-28.89%</u>

***** An increase in assets, decrease in liabilities, and increase in net position are denoted as a positive, and a decrease in assets, increase in liabilities, and decrease in net position are denoted as a negative in the 'amount of change' column above.

During 2024, the Board's net position decreased by \$59,559 or 28.89%, due primarily to a decrease in revenues and an increase in expenses.

The following is a comparative summary of the Statements of Revenues, Expenses, and Changes in Net Position.

	The year ended December 31, 2024	The year ended December 31, 2023	Amount of Change ****	Percentage Change
Operating revenues	\$ 159,045	\$ 172,027	\$ (12,982)	\$ -7.55%
Operating expenses	(229,327)	(203,302)	(26,025)	12.80%
Non-operating revenue	10,723	9,947	776	7.80%
Change in net position	<u>\$ (59,559)</u>	<u>\$ (21,328)</u>	<u>\$ (38,231)</u>	<u>\$ 179.25%</u>
Ending net position	<u>\$ 146,564</u>	<u>\$ 206,123</u>	<u>\$ (59,559)</u>	<u>\$ -28.89%</u>

**** An increase in net position, increase in revenues, decrease in expenses, and increase in non-operating revenue are denoted as a positive in the 'amount of change' column above. A decrease in net position, decrease in revenues, increase in expenses, and decrease in non-operating revenue are denoted as a negative in the 'amount of change' column above.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Summary, Highlights, and Analysis

Operating revenues consist of those revenues that result from the ongoing principal operations of the Board. Operating revenues consist primarily of license fees and includes activities that have characteristics of exchange transactions.

The following is a comparative breakdown of operating revenues.

	The year ended December 31, 2024	The year ended December 31, 2023	Amount of Change ***	Percentage Change
Individual application fees	\$ 200	\$ 500	\$ (300)	-60.00%
Corporate application fees	600	1,100	(500)	-45.45%
Individual renewal fees	86,900	88,600	(1,700)	-1.92%
Corporate renewal fees	53,800	57,000	(3,200)	-5.61%
Reinstatement fees	4,800	9,250	(4,450)	-48.11%
Late fees	4,050	6,900	(2,850)	-41.30%
Exam application fees	2,400	1,500	900	60.00%
Examination fees	4,500	3,760	740	19.68%
Civil penalties		900	(900)	-100.00%
Reimbursements from licensees	690	1,025	(335)	-32.68%
Seal income	325	700	(375)	-53.57%
Decal income	780	576	204	35.42%
Miscellaneous income		216	(216)	-100.00%
Total	\$ 159,045	\$ 172,027	\$ (12,982)	-7.55%

*** An increase in revenues are denoted as a positive, and a decrease in revenues are denoted as a negative in the 'amount of change' column above.

During 2024, the operating revenues of the Board decreased by \$12,982, or 7.55%, due primarily to a decrease in renewal fees, late fees, and reinstatement fees.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Summary, Highlights, and Analysis

Operating expenses consist of those expenses that result from the ongoing principal operations of the Board. Operating expenses are all expense transactions incurred other than those related to capital and noncapital financing or investing activities.

The following is a comparative breakdown of operating expenses.

	The year ended December 31, 2024	The year ended December 31, 2023	Amount of Change **	Percentage Change
Bd per diem-incl meals/transportation	\$ 4,850	\$ 8,833	\$ (3,983)	-45.09%
Office expense	3,343	2,000	1,343	67.15%
Seal expense	343	527	(184)	-34.91%
Contracted management services	83,820	83,820	0	0.00%
Professional fees	81,467	72,922	8,545	11.72%
Website expense	18,800	7,750	11,050	142.58%
Printing and copying expenses	3,764	2,073	1,691	81.57%
Mailing/postage expenses	2,151	2,618	(467)	-17.84%
Telephone expense	1,080	1,080	0	0.00%
Exam expense-incl exam consultation	21,592	9,079	12,513	137.82%
Investigation expense	2,708	6,229	(3,521)	-56.53%
Public law awareness		1,000	(1,000)	-100.00%
Credit card processing & bank charges	4,683	4,491	192	4.28%
Miscellaneous expenses	726	880	(154)	-17.50%
Total	\$ 229,327	\$ 203,302	\$ 26,025	12.80%

** An increase in expenses are denoted as a positive, and a decrease in expenses are denoted as a negative in the 'amount of change' column above.

During 2024, the operating expenses of the Board increased by \$26,025, or 12.80%, due primarily to an increase in website expense, legal fees and exam consultation expense. The Board is writing its own licensing examination. The costs related to this includes writing and reviewing exam questions, and exam layout design by subject matter experts (SME).

The following is a comparative breakdown of non-operating revenue.

	The year ended December 31, 2024	The year ended December 31, 2023	Amount of Change *	Percentage Change
Interest income	\$ 10,723	\$ 9,947	\$ 776	7.80%
Total	\$ 10,723	\$ 9,947	\$ 776	7.80%

* An increase in non-operating revenues are denoted as a positive, and a decrease in non-operating revenues are denoted as a negative in the 'amount of change' column above.

During 2024, the non-operating revenues of the Board increased by \$776, or 7.80%, due primarily to an increase in the rate of return earned.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic and Other Factors Impacting Future Periods

The Board is working on writing its own licensing examination and incurred increased expenses during the year ended December 31, 2024. The costs related to this included writing and reviewing exam questions, and exam layout design by subject matter experts (SME). The Board anticipates that revenues and expenses of the Board in the upcoming year will be comparable to preceding years.

Contacting the Board's Management

This financial report is designed to provide a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. For questions or additional information, contact: North Carolina Irrigation Contractors' Licensing Board, 3733 Benson Drive, Raleigh, NC 27609.

HAWLEY, C.P.A., P.A.
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INDEPENDENT AUDITOR'S REPORT

Members of the Board
North Carolina Irrigation Contractors' Licensing Board
Raleigh, North Carolina

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the North Carolina Irrigation Contractors' Licensing Board (Board), an independent state board which is a nonmajor enterprise fund of the primary government of the State of North Carolina, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, the accompanying financial statements present fairly, in all material respects, the respective financial position of the North Carolina Irrigation Contractors' Licensing Board as of December 31, 2024, and the results of its operations, changes in financial position, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

The Board's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for one year after the date that the financial statements are issued.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

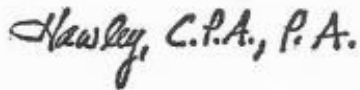
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

INDEPENDENT AUDITOR'S REPORT (CONCLUDED)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

A handwritten signature in black ink that reads "Hawley, C.P.A., P.A." in a cursive script.

Hawley, C.P.A., P.A.

Angier, North Carolina

March 27, 2025

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD
STATEMENT OF NET POSITION
YEAR ENDED DECEMBER 31, 2024

	December 31, 2024
	Proprietary- Enterprise Fund
ASSETS	
Current assets:	
Cash and cash equivalents (STIF) (Notes 1 and 2)	\$ 214,367
Total current assets	214,367
TOTAL ASSETS	\$ 214,367
LIABILITIES AND NET POSITION	
Current liabilities:	
Accounts payable (Note 3)	\$ 6,303
Due to other state agencies (Note 3)	6,000
Unearned revenue (Note 1)	55,500
Total current liabilities	67,803
TOTAL LIABILITIES	67,803
NET POSITION (NOTE 1)	
Unrestricted net position	146,564
TOTAL NET POSITION	146,564
TOTAL LIABILITIES AND NET POSITION	\$ 214,367

See notes to financial statements.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024

		2024
		Proprietary- Enterprise Fund
OPERATING REVENUES:		
Fees, licenses, and fines:		
Individual application fees	\$	200
Corporate application fees		600
Individual renewal fees		86,900
Corporate renewal fees		53,800
Reinstatement fees		4,800
Late fees		4,050
Exam application fees		2,400
Examination fees (including test fees)		4,500
Reimbursement of expenses by licensees		690
Sales and services:		
Seal income		325
Decal income		780
Total operating revenues	\$	159,045
OPERATING EXPENSES:		
Personal services (and board members expenses):		
Board per diem expenses (including meals and transportation)	\$	4,850
Supplies and materials:		
Office expenses (supplies and various office related costs)		3,343
Seal expense		343
Services:		
Contracted management services - administrative fees (Note 4)		83,820
Professional fees (including legal and accounting)		81,467
Exam expenses (including exam consultation)		21,592
Website expense		18,800
Printing and copying expenses (including decal costs)		3,764
Mailing/postage expenses		2,151
Telephone expense		1,080
Investigation expense		2,708
Credit card processing fees (including bank charges)		4,683

See notes to financial statements.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>
	<u>Proprietary- Enterprise Fund</u>
OPERATING EXPENSES (CONTINUED):	
Other expenses:	
Miscellaneous expenses	726
Total operating expenses	<u>\$ 229,327</u>
Operating income	\$ (70,282)
NON-OPERATING REVENUES (EXPENSES):	
Interest income	<u>\$ 10,723</u>
Total non-operating revenues	10,723
Change in net position	<u>\$ (59,559)</u>
Net position - beginning of year	<u>206,123</u>
Net position - end of year	<u><u>\$ 146,564</u></u>

See notes to financial statements.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

	2024
	Proprietary- Enterprise Fund
Cash flows from operating activities:	
Cash received from fees and other revenues	\$ 146,245
Cash payments for operating expenses	(227,764)
Net cash provided (used) by operating activities	\$ (81,519)
Cash flows from investing activities:	
Interest on investments	\$ 10,723
Net cash provided by investing activities	\$ 10,723
Net increase (decrease) in cash	\$ (70,796)
Cash - beginning of year	285,163
Cash - end of year	\$ 214,367
Reconciliation of operating income	
to net cash provided by operating activities:	
Operating income (loss)	\$ (70,282)
Adjustments to reconcile operating income	
to net cash provided by operating activities:	
Changes in assets and liabilities:	
Accounts payable	\$ 5,163
Due to other state agencies	(3,600)
Unearned revenue	(12,800)
Total adjustments	\$ (11,237)
Net cash provided (used) by operating activities	\$ (81,519)

See notes to financial statements.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Note 1 - Nature of Activities and Significant Accounting Policies

Description of Organization and Purpose

The North Carolina Irrigation Contractors' Licensing Board (the "Board") is an independent State board (which was created on January 1, 2009 pursuant to North Carolina General Statute). It is an occupational licensing board and is authorized by Chapter 89G of the North Carolina General Statutes. The Board is composed of nine members who are appointed by the Governor of the State of North Carolina, the North Carolina Commissioner of Agriculture, the President of the University of North Carolina System, and the Board of Directors of the North Carolina Chapter of the American Society of Landscape Architects. The Board is a nonmajor enterprise fund of the primary government of the State of North Carolina and is reported as such in the State's Annual Comprehensive Financial Report (ACFR).

The Board is established to maintain minimum standards for services provided by irrigation contractors.

The Board's operations are financed with self-generated revenues from fees charged to examinees and licensees.

Financial Reporting Entity

The concept underlying the definition of the financial reporting entity is that elected officials are accountable to their constituents for their actions. As required by accounting principles generally accepted in the United States of America (GAAP), the financial reporting entity includes both the primary government and all of its component units. An organization other than a primary government serves as a nucleus for a reporting entity when it issues separate financial statements. The accompanying financial statements present all funds and activities for which the Board is responsible.

For financial reporting purposes, the Board is a nonmajor enterprise fund of the primary government of the State of North Carolina and is reported as such in the State's Annual Comprehensive Financial Report (ACFR). These financial statements for the Board are separate and apart from those of the State of North Carolina and do not present the financial position of the State nor changes in the State's financial position and cash flows.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards.

All activities of the Board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Basis of Accounting

The basic financial statements of the Board are prepared using the economic resource measurement focus and the accrual basis of accounting. The economic resource measurement focus measures all assets that are available to the entity, not only cash or soon to be assets. Both long-term assets and long-term liabilities are measured and depreciation is recorded as a cost of operations. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when a liability has been incurred, regardless of the timing of cash flows. Fees received for the various licenses are deemed earned when the license period begins.

The Statement of Revenues, Expenses, and Changes in Net Position classify the Board's revenues as operating or non-operating revenues. Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Board. Operating revenues consist primarily of license fees and includes activities that have characteristics of exchange transactions. Operating expenses are all expense transactions incurred other than those related to capital and noncapital financing or investing activities as defined by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*. Non-operating revenues and expenses consist of those revenues and expenses that are related to investing, capital, and non-capital financing activities; and are classified as non-operating in the financial statements.

Cash and cash equivalents (STIF)

This classification consists of short-term investment funds (STIF) deposited by the Board with the cash accounts of the North Carolina State Treasurer. The short-term investment funds (STIF) is considered a cash equivalent because these funds are immediately available for expenditure.

Unearned Revenue

The Board's fees are assessed and collected on a calendar year which corresponds with the Board's financial accounting period. License fees received in the latter part of the year are unearned and recognized as revenue over the period(s) to which they relate.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Net Position

Investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation. The Board had no capital assets at year end.

Restricted net position - This component of net position consists of net position which the Board is legally or contractually obligated to spend in accordance with restrictions imposed by external parties. The Board had no restricted net position.

Unrestricted net position - This component of net position consists of net position that does not meet the definition of *restricted or investment in capital assets*.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Deposits

Cash and cash equivalents [Cash in State Treasurer Short Term Investment Fund (STIF)]

Pursuant to North Carolina General Statute 147-69.3(b), the Board voluntarily deposits to the North Carolina Short Term Investment Fund (STIF). Disbursements, if applicable, are through the issuance of warrants by the Board. Investments of the Short Term Investment Fund are limited to those authorized for the State's General Fund, generally high quality money market investments and United States Government/agency securities. FDIC insurance and deposit collateralization rules do not apply.

Deposit and investments risks associated with the State Treasurer's Investment Pool (which includes the State Treasurer's Short-Term Investment Fund) are included in the State of North Carolina's Annual Comprehensive Financial Report. An electronic version of the financial report is available on the Office of the State Controller's internet home page at <https://www.osc.nc.gov/public-information/reports>.

At December 31, 2024, the Board's deposits with the State Treasurer STIF account had a carrying value and fair market value of \$214,367 (including undeposited receipts, if any), and a bank balance of \$208,032.

NORTH CAROLINA IRRIGATION CONTRACTORS' LICENSING BOARD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Note 3 - Accounts Payable

Accounts payable consists of amounts due to vendors in the ordinary operations of the Board. Accounts payable due in the ordinary operations of the Board which are due to other state agencies (if any) are reported separately.

	December 31, 2024	
Due to Vendors	\$	6,303
Due to Other State Agencies		6,000
Total Accounts Payable	\$	<u>12,303</u>

Note 4 - Contracted Management Services

The Board does not have any employees. The Board contracts with a management consultant service to provide services for the Board. The contract includes all services related to the process of licensure application and renewal and various other administrative duties. The Board also reimburses the management service for telephone, copying, postage and miscellaneous office supplies and expenses. Payments to the management service totaled \$94,982 (consisting of \$83,820 in management fees and \$11,162 in expense reimbursements) during the year ended December 31, 2024.

Note 5 - Risk Management

The Board 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. These exposures to loss are handled by participation in state-administered risk programs and self retention of certain risks. The Board has not purchased any commercial insurance coverage. There have been no significant reductions in insurance coverage from coverage in the prior year, and no insurance claims were filed during the last three years.

Note 6 - Contingencies

The Board is involved in occasional disciplinary hearings throughout the year which arise in the ordinary course of its operations. In the opinion of management of the Board, the results of such actions during the year under audit do not materially affect the Board's operations, changes in financial position, or cash flows for the year herein ended.

Note 7 - Subsequent Events

Subsequent events have been evaluated through March 27, 2025, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

This audit required approximately 86 audit hours at a cost of \$8,695.