

Remote Access Option for General Public via Zoom:

<https://us02web.zoom.us/j/85948891960> ; Meeting ID: 859 4889 1960

	<i>Pg #</i>	<i>Presenter</i>
1. Call to Order		Mayor Fitzsimmons
2. Approval/Adjustments to the Agenda		Mayor Fitzsimmons
3. Conflicts of Interest Statement		Mayor Fitzsimmons
4. Consent Agenda		Town Manager Coffey
A. October 24, 2022 Town Council Regular Meeting Minutes	3	
B. Monthly Tax Report	7	
C. Budget Amendment: Police	12	
D. Renewal of Tailgate Market Memorandum of Understanding	14	
5. Town Manager’s Report	22	Town Manager Coffey
6. General Public Comments (see below for additional information)		Mayor Fitzsimmons
7. Discussion & Action Items		
A. FY 2021-2022 Audit Presentation	23	Dan Mullinax
B. Weaverville ABC Audit Presentation	152	Rob Chason
C. Voluntary Annexation Petition – 171 Monticello Road	182	Town Attorney Jackson
D. Initial Consideration of Conditional District – 171 Monticello Road	189	Planning Director Eller
E. Water Request – 480/484 Reems Creek Road	197	Public Works Dir. Pennell
F. Recreation Complex Site Design Proposal and Budget Amendment	204	Public Works Dir. Pennell
G. Town Council Board and Committee Assignments	210	Mayor Fitzsimmons
H. Quarterly Report – Police Department	211	Police Chief Davis
I. Quarterly Report – Fire Department	220	Fire Chief Harris
8. Adjournment		Mayor Fitzsimmons

General public comments may be submitted during the meeting or in writing in advance on any meeting topic or any other item of interest related to the Town of Weaverville. Normal rules of decorum apply to all comments and duplicate comments are discouraged. The general public comments section of the meeting will be limited to 20 minutes. Comments during the meeting are generally limited to 3 minutes. You must be recognized before giving your comment. Written comments timely received will be provided to Town Council and read during the 20-minute general public comment period as time allows. Written comments are limited to no more than 450 words and can be submitted as follows: (1) by putting your written comment in a drop box at Town Hall (located at front entrance and back parking lot) at least 6 hours prior to the meeting, (2) by emailing to public-comment@weavervillenc.org at least 6 hours prior to the meeting, (3) by mailing your written comment (received not later than Monday’s mail delivery) to: Town of Weaverville, PO Box 338, Weaverville, NC, 28787, Attn: Public Comments. For more information please call (828)645-7116.

**WEAVERVILLE TOWN COUNCIL REGULAR MEETING – NOVEMBER 21, 2022, AT 6PM
REMOTE ELECTRONIC MEETING LOGIN CREDENTIALS**

The Weaverville Town Council has elected to continue to provide the general public with remote electronic access to its regular monthly meetings.

This **NOTICE OF REMOTE ELECTRONIC MEETING** is provided to inform the public that the **Weaverville Town Council regular monthly meeting on Monday, November 21, 2022, at 6:00 p.m. will be held as an in-person meeting (Council Chambers/Community Room at Town Hall, 30 South Main Street) with remote attendance by the general public allowed via Zoom.** For those members of the public wishing to attend remotely via Zoom the following information is provided.

A virtual waiting room will be enabled and participants will be allowed entry into the meeting just prior to the start of the meeting. The instructions to access this meeting are:

To join the meeting by computer, go to this link <https://us02web.zoom.us/j/85948891960>
You may be asked for permission to access your computer’s video and audio. If so, click “allow.” You will then be asked for the Meeting ID which is: 859 4889 1960. You will first enter a virtual waiting room. The host will admit you into the meeting just prior to the start of the meeting.

To join the meeting by phone, call: (253) 215-8782 or (301)715 8592
You will then be asked for the Meeting ID which is: 859 4889 1960 . There is no password for this meeting, so if asked for one just press the # button.

Guidelines and Instructions for General Public Comment: A portion of the meeting will be set aside for general public comments. Town adopted Rules for Public Comment will apply. Normal rules of decorum apply to all comments and duplicate comments are discouraged. Public comments may be submitted during the in-person meeting or in writing in advance, but will not be taken from those attending remotely. The public comments section of the meeting will be limited to approximately 20 minutes, but may be extended by Town Council if time allows. You must be recognized before giving your comment and must make comments from the podium. Individual comments during the meeting are generally limited to 3 minutes. Written comments timely received will be provided to Town Council and read into the record during the meeting as time allows. Written comments are limited to no more than 450 words and can be submitted as follows: (1) by emailing to public-comment@weavervillenc.org at least 6 hours prior to the meeting, (2) by putting your written comment in a drop box at Town Hall (located at front entrance and back parking lot) at least 6 hours prior to the meeting, (3) by mailing your written comment (received not later than with the mail delivery on the meeting day) to: Town of Weaverville, PO Box 338, Weaverville, NC, 28787, Attn: Public Comments. For more information please call (828)645-7116.

To view the agenda and related materials, please visit the Town’s website at <https://www.weavervillenc.org>.

Access to the Meeting Recording: A recording of the meeting will be available for one or two months, depending on storage capacity, beginning about 24 hours after the meeting. To access the recording visit the Town’s website at <https://www.weavervillenc.org> or the Town’s YouTube channel at https://www.youtube.com/channel/UcKBK1doIGY_O6_vJiqimFUQ, or call the Town Clerk at (828)645-7116.

Patrick Fitzsimmons, Mayor
11/17/2022



MINUTES

**Town of Weaverville
State of North Carolina**

**Town Council Regular Meeting
Monday, October 24, 2022**

The Town Council for the Town of Weaverville met for its regular monthly meeting on Monday, October 24, 2022, at 6:00 p.m. in Council Chambers within Town Hall at 30 South Main Street, Weaverville, NC, with remote electronic access by the general public via zoom.

Councilmembers present were: Vice Mayor Jeff McKenna, and Councilmembers Doug Jackson, Andrew Nagle, John Chase, and Michele Wood. Mayor Patrick Fitzsimmons and Councilmember Catherine Cordell were absent.

Staff members present were: Town Manager Selena Coffey, Town Attorney Jennifer Jackson, Clerk/Planning Director James Eller, Finance Officer Tonya Dozier, Deputy Clerk Grace Keith, Police Chief Ron Davis, Fire Chief Scottie Harris, Public Works Director Dale Pennell, and Water Treatment Plant Supervisor Randall Wilson.

1. Call to Order

Vice Mayor Jeff McKenna called the meeting to order at 6:00 p.m.

2. Approval/Adjustments to the Agenda

Councilmember Jackson motioned to approve the agenda with Discussion Items 9A and 9B having been removed at request of the applicant. Councilmember Wood seconded the motion. All voted in favor of the motion to approve the agenda with that change. Motion passed unanimously.

3. Public Hearing – Code Amendment – Ch. 20 – Retail Uses in C-1 District

Vice Mayor McKenna declared the public hearing open. Planning Director Eller noted that the public hearing had been properly noticed and then presented Council with information regarding the proposed text amendment to Town Code Section 20-3205 concerning retail uses in the C-1 district. Mr. Eller stated that on the September 6, 2022, the Planning Board unanimously concluded that the proposed amendment is consistent with the Town's Comprehensive Plan and reasonable and recommended adoption of the same. Mr. Eller indicated that no written comments were received. No one was present at the meeting or via Zoom that wished to provide any comment, so Vice Mayor McKenna closed the public hearing.

4. Public Hearing – Sidewalk Priority List and Updates to Comprehensive Land Use Plan

Vice Mayor McKenna declared the public hearing open. Mr. Eller noted that the public hearing had been properly noticed and presented information on the proposed sidewalk priority list that is intended to provide a list of streets upon which sidewalks will be required as a part of development approvals at the developers' expense and does not obligate the Town to install any sidewalks. The Planning Board reviewed the sidewalk priority list and provided a unanimous favorable

recommendation for the list and its inclusion within the Comprehensive Land Use Plan. Mr. Eller also discussed the proposed updates to the Town's Comprehensive Land Use Plan ("CLUP"), including specifically an updated Table of Stated Goals, Responsibilities, and Priorities, and an updated Fact Sheet containing the most current Town-related demographic data. The updated priorities were preliminarily reviewed by Town Council and the Planning Board in their joint meeting on July 19, 2022. On September 6, 2022, the Planning Board formally reviewed the proposed updates to the CLUP and unanimously recommends that Town Council amend the CLUP to include the attached updated Table of Stated Goals, Responsibilities, and Priorities and updated Fact Sheet. No written comments were received in advance of the meeting, and no one was present at the meeting or on Zoom that wished to provide any comment. Vice Mayor McKenna closed the public hearing.

5. Consent Agenda

Councilmember Chase moved for the approval of the Consent Agenda. Councilmember Wood seconded the motion. All voted in favor of the motion to approve all action requested in the Consent Agenda listed below. Motion passed 5-0.

- A. **September 26, 2022 Town Council Minutes** – *Minutes approved as presented*
- B. **September 20, 2022 Town Council Workshop Minutes** – *Minutes approved as presented*
- C. **July 19, 2022 Town Council/Planning Board Joint Meeting Minutes** – *Minutes approved as presented*
- D. **Monthly Tax Report** – *Information only*
- E. **Budget Amendment – Police and Public Works** – *Budget Amendment approved*
- F. **Road Closure Ordinance** – *Road Closure Ordinance adopted for Christmas Parade*
- G. **Rules of Procedure for Town Council** – *Rules of Procedure adopted*
- H. **Code Amendment – Animal Control Appeals Board** – *Ordinance Amending Town Code adopted*
- I. **Board Appointments** – *Ryan Gagliardi appointed as an alternate member of the Planning Board to serve an unexpired term that is due to expire September 2024; Brent Koenig appointed as an alternate member of the Board of Adjustment to serve an unexpired term that is due to expire September 2025*

6. Town Manager's Report

Town Manager Coffey presented her Manager's report to Council which included the introduction of the new Fire Chief, as well as information related to the System Development Fee Study, an update on the Recreation Complex, the Veterans Day program, November Town Council Workshop, U.S. Cellular Tower, a follow-up to a question regarding use of solar panels for charging electric vehicles, and the Christmas Parade. The Town Manager also let Town Council know the Fireworks quote for the 4th of July celebration came in 10% higher than last year and that the fireworks agreement would be executed unless Town Council had input to the contrary or wished to discontinue the fireworks display on July 4th.

7. General Public Comment

General public comments may be submitted either during the meeting or in writing in advance of the meeting. Normal rules of decorum apply to all comments. The general public comments section of the meeting will be limited to 20 minutes and priority will be given to those commenters in attendance. Individuals presenting comments during the meeting are generally limited to 3 minutes. Written comments that are timely received will be provided to Town Council and read into the record during the 20-minute general public comment period as time allows. Written comments are limited to no more than 450 words and can be submitted as follows: (1) by emailing to public-comment@weavervillenc.org at least 6 hours prior to the meeting, (2) by putting your written

comment in a drop box at Town Hall (located at front entrance and back parking lot) at least 6 hours prior to the meeting, (3) by mailing your written comment (must be received not later than Monday's mail delivery) to: Town of Weaverville, PO Box 338, Weaverville, NC, 28787, Attn: Public Comments. For more information please call (828) 645-7116.

Terry Yeager, of Elk Lane, spoke about his positive experience in the Citizen's Academy Program.

8. Discussion & Action Items

A. Voluntary Annexation Petition – 171 Monticello Road

[Item removed from the agenda at the request of applicant.]

B. Initial Consideration of Conditional District – 171 Monticello Road

[Item removed from the agenda at the request of applicant.]

C. Code Amendment – Ch. 20 – Retail Uses in C-1 Zoning District

Planning Director Eller presented Town Council with a proposed Ordinance which, if adopted, would amend Town Code Section 20-3205 concerning retail uses in the C-1 district. Mr. Eller stated that on the September 6, 2022, the Planning Board unanimously concluded that the proposed amendment is consistent with the Town's Comprehensive Plan and reasonable and recommended adoption of the same. Mr. Eller noted that since the public hearing on the matter was held earlier in the meeting, action was now eligible by Council.

Council Member Jackson motioned to adopt the Ordinance Amending Weaverville Town Code Chapter 20 Concerning Certain Retail Uses in the C-1 Zoning District. Councilmember Chase seconded the motion. All voted in favor. Motion passed 5-0.

D. Sidewalk Priority List

Planning Director Eller presented a proposed sidewalk priority list that is intended to provide a list of streets upon which sidewalks will be required as a part of development approvals at the developers' expense. He also made it clear that this list does not establish a sidewalk improvement program in which the Town agrees to undertake to install any of these sidewalks. Mr. Eller noted that having received a favorable recommendation from the Planning Board and having held the public hearing on the matter earlier in the meeting, action was now eligible by Council.

Councilmember Chase moved to adopt the Sidewalk Priority List and include it as part of the Comprehensive Land Use Plan with subsequent annual review. Motion passed 5-0.

E. Comprehensive Land Use Plan Updates

Mr. Eller provided information related to the annual review of the Comprehensive Land Use Plan (CLUP) including an updated Table of Stated Goals, Responsibilities and Priorities, the updated Fact Sheet containing the current demographic data, and the Sidewalk Priority List.

Council Member Nagle motioned to amend the Comprehensive Land Use Plan to include the updated Table of Stated Goals, Responsibilities and Priorities, the updated Fact Sheet containing the current demographic data, and the recently approved Sidewalk Priority List. All voted in favor of the motion. Motion passed 5-0.

F. Quarterly Report – Planning Department

Mr. Eller presented the Town Council with the quarterly report regarding Planning.

G. Quarterly Report – Finance Department

Ms. Dozier presented the Town Council with the quarterly report regarding Finance.

Councilmember Nagle left the meeting at approximately 6:35 pm.

9. Closed Session

At approximately 6:45 pm, Councilmember Jackson motioned to enter closed session as allowed by N.C.G.S. § 143-318.11(a)(5) in order to establish or to instruct the Town's staff concerning the position to be taken by or on behalf of the Town in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease. The motion passed with a vote of 4-0, with Councilmember Nagle not participating in the vote.

[CLOSED SESSION]

At approximately 7:03 pm Councilmember John Chase motioned to exit closed session and reenter open session at approximately. All voted in favor of the motion. Motion passed 4-0, with Councilmember Nagle not participating in the vote.

10. Adjournment.

Without objection, Vice Mayor McKenna declared the meeting adjourned. Meeting adjourned at approximately 7:05 pm.

James Eller, Town Clerk

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: November 21, 2022
SUBJECT: Monthly Tax Report
PRESENTER: Finance Director
ATTACHMENTS: Monthly Tax Report

DESCRIPTION/SUMMARY OF REQUEST:

Buncombe County provides the following monthly tax report for October 2022. This report is provided for information only.

No action is requested or required.

**Town of Weaverville
MONTHLY TAX REPORT
FY 2022-2023**

**Tax Year 2022
Summary for YTD September 2022:**

Original Billed Amts	\$	3,986,152
Abs Adj (Adjustments by Assessor)	\$	(245)
Bill Releases	\$	(32)
Discovery Levy	\$	5,720
Additional Levy	\$	-
Net Levy	\$	3,991,594
Total Current Year Collections	\$	822,836
% Collected		20.61%
Total Left to be Collected:	\$	3,168,758
Prior Years Tax Paid	\$	799
Prior Years Interest Paid	\$	61

Report Parameters:

Date Sent to Finance Start: Min - October 1, 2022

Date Sent to Finance End: Max - October 31, 2022

Abstract Type: BUS,IND,PUB,REI,RMV

Tax District: WEAVERVILLE

Levy Type: Admin Expense, Advertisement Fee, Attorney Fee, Collection Fee 5, Collection Fee 9, Cost, Docketing Expense, EXPENSE, FEE INTEREST, Garnishment Fee, Interest, LATE LIST PENALTY, Legal Ad Expense, NSF Penalty, Postage Expense, Sheriff Service Fee, SPECIAL ASSESSMENT, TAX, VEHICLE FEE, WEAVERVILLE TAX

Tax Year: 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006, 2005, 2004

Year For: 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006, 2005, 2004, 2003

Collapse Districts: N

Default Sort-By: Tax Year

Grouping: Tax District,Levy Type

Fiscal Year Activity from July 1, 20XX to October 31, 2022								Activity from October 1, 2022 to October 31, 2022				
Tax Year	Orig. Billed Amt (\$)	Abs. Adj (\$)	Bill Releases (\$)	Disc. Levy (\$)	Net Levy (\$)	Amt Collect. (\$)	Unpaid Balance (\$)	Amt Collect. (\$)	Abs. Adj (\$)	Bill Releases (\$)	Disc. Levy (\$)	
		Assessor Refunds (\$)	Net Collections (\$)	Additional Levy (\$)	Collection Fee Amt (\$)	% Coll.	% Uncoll.			Assessor Refunds (\$)	Additional Levy (\$)	
TAX DISTRICT: WEAVERVILLE LEVY TYPE: Interest												
2021	0.00	0.00	0.00	0.00	0.00	4,869.35	0.00	0.00	0.00	0.00	0.00	
		0.00	4,869.35	0.00	0.00	NA	NA			0.00	0.00	
2020	0.00	0.00	0.00	0.00	0.00	11,389.19	0.00	13.52	0.00	0.00	0.00	
		0.00	11,389.19	0.00	0.00	NA	NA			0.00	0.00	
2019	0.00	0.00	0.00	0.00	0.00	4,892.70	0.00	0.00	0.00	0.00	0.00	
		0.00	4,892.70	0.00	0.00	NA	NA			0.00	0.00	
2018	0.00	0.00	0.00	0.00	0.00	316.01	0.00	0.00	0.00	0.00	0.00	
		0.00	316.01	0.00	0.00	NA	NA			0.00	0.00	
2017	0.00	0.00	0.00	0.00	0.00	39.57	0.00	0.00	0.00	0.00	0.00	
		0.00	39.57	0.00	0.00	NA	NA			0.00	0.00	
2016	0.00	0.00	0.00	0.00	0.00	64.92	0.00	0.00	0.00	0.00	0.00	
		0.00	64.92	0.00	0.00	NA	NA			0.00	0.00	
2015	0.00	0.00	0.00	0.00	0.00	100.08	0.00	0.00	0.00	0.00	0.00	
		0.00	100.08	0.00	0.00	NA	NA			0.00	0.00	
2014	0.00	0.00	0.00	0.00	0.00	6.70	0.00	0.00	0.00	0.00	0.00	
		0.00	6.70	0.00	0.00	NA	NA			0.00	0.00	
2013	0.00	0.00	0.00	0.00	0.00	1,020.36	0.00	0.00	0.00	0.00	0.00	

		0.00	1,020.36	0.00	0.00	NA	NA			0.00	0.00
2012	0.00	0.00	0.00	0.00	0.00	730.74	0.00	0.00	0.00	0.00	0.00
		0.00	730.74	0.00	0.00	NA	NA			0.00	0.00
2011	0.00	0.00	0.00	0.00	0.00	12.59	0.00	0.00	0.00	0.00	0.00
		0.00	12.59	0.00	0.00	NA	NA			0.00	0.00
Sub.	0.00	0.00	0.00	0.00	0.00	23,442.21	0.00	13.52	0.00	0.00	0.00
		0.00	23,442.21	0.00	0.00	NA	NA			0.00	0.00
TAX DISTRICT: WEAVERVILLE		LEVY TYPE: LATE LIST PENALTY									
2022	2,555.97	0.92	0.80	733.13	3,287.38	1,338.86	1,948.52	17.47	0.00	0.00	0.00
		0.00	1,338.86	0.00	0.00	40.73 %	59.27 %			0.00	0.00
2021	1,320.31	65.20	0.54	3,159.35	4,413.92	4,379.27	34.65	0.00	0.00	0.00	0.00
		0.00	4,379.27	0.00	0.00	99.21 %	0.79 %			0.00	0.00
2020	1,211.84	478.88	0.96	6,083.77	7,047.59	6,669.09	378.50	6.92	0.00	0.00	0.00
		0.00	6,669.09	231.82	0.00	94.63 %	5.37 %			0.00	0.00
Sub.	5,088.12	545.00	2.30	9,976.25	14,748.89	12,387.22	2,361.67	24.39	0.00	0.00	0.00
		0.00	12,387.22	231.82	0.00	83.99 %	16.01 %			0.00	0.00
TAX DISTRICT: WEAVERVILLE		LEVY TYPE: TAX									
2022	3,986,151.82	245.24	32.24	5,719.53	3,991,593.87	822,836.12	3,168,757.75	173,172.66	0.00	0.00	0.00
		0.00	822,836.12	0.00	0.00	20.61 %	79.39 %			0.00	0.00
2021	3,717,652.88	3,168.26	34.73	14,153.16	3,729,129.89	3,724,339.19	4,790.70	0.00	0.00	0.00	0.00
		5.92	3,724,345.11	526.84	0.00	99.87 %	0.13 %			0.00	0.00
2020	3,354,216.35	5,999.72	59.94	22,850.56	3,373,734.01	3,370,675.36	3,058.65	10.91	0.00	0.00	0.00
		1,451.48	3,372,126.84	2,726.76	0.00	99.91 %	0.09 %			0.00	0.00
2013	73,342.49	0.00	1,623.13	0.00	71,719.36	71,719.36	0.00	0.00	0.00	0.00	0.00
		0.00	71,719.36	0.00	0.00	100 %	0 %			0.00	0.00
2012	68,037.63	0.00	1,498.22	0.00	66,539.41	66,539.41	0.00	0.00	0.00	0.00	0.00
		0.00	66,539.41	0.00	0.00	100 %	0 %			0.00	0.00
2011	82.56	0.00	0.00	0.00	82.56	82.56	0.00	0.00	0.00	0.00	0.00
		0.00	82.56	0.00	0.00	100 %	0 %			0.00	0.00
Sub.	11,199,483.73	9,413.22	3,248.26	42,723.25	11,232,799.10	8,056,192.00	3,176,607.10	173,183.57	0.00	0.00	0.00
		1,457.40	8,057,649.40	3,253.60	0.00	71.72 %	28.28 %			0.00	0.00
TAX DISTRICT: WEAVERVILLE		LEVY TYPE: WEAVERVILLE TAX									
2019	49,954.82	0.00	191.19	0.00	49,763.63	43,545.59	6,218.04	0.00	0.00	0.00	0.00
		0.00	43,545.59	0.00	0.00	87.50 %	12.50 %			0.00	0.00
2018	1,576.57	0.00	3.29	0.00	1,573.28	914.17	659.11	0.00	0.00	0.00	0.00
		0.00	914.17	0.00	0.00	58.11 %	41.89 %			0.00	0.00
2017	771.97	0.00	2.21	0.00	769.76	145.15	624.61	0.00	0.00	0.00	0.00
		0.00	145.15	0.00	0.00	18.86 %	81.14 %			0.00	0.00

2016	217.62	0.00	2.56	0.00	215.06	168.06	47.00	0.00	0.00	0.00	0.00
		0.00	168.06	0.00	0.00	78.15 %	21.85 %			0.00	0.00
2015	201.36	0.00	8.59	0.00	192.77	160.43	32.34	0.00	0.00	0.00	0.00
		0.00	160.43	0.00	0.00	83.22 %	16.78 %			0.00	0.00
2014	2,126.15	0.00	5.98	0.00	2,120.17	23.32	2,096.85	0.00	0.00	0.00	0.00
		0.00	23.32	0.00	0.00	1.10 %	98.90 %			0.00	0.00
2013	570.35	0.00	0.00	0.00	570.35	1.15	569.20	0.00	0.00	0.00	0.00
		0.00	1.15	0.00	0.00	0.20 %	99.80 %			0.00	0.00
2012	752.46	0.00	111.58	0.00	640.88	204.72	436.16	0.00	0.00	0.00	0.00
		0.00	204.72	0.00	0.00	31.94 %	68.06 %			0.00	0.00
2011	1,636.85	0.00	0.00	0.00	1,636.85	0.00	1,636.85	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0 %	100 %			0.00	0.00
2010	277.25	0.00	0.00	0.00	277.25	0.00	277.25	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0 %	100 %			0.00	0.00
Sub.	58,085.40	0.00	325.40	0.00	57,760.00	45,162.59	12,597.41	0.00	0.00	0.00	0.00
		0.00	45,162.59	0.00	0.00	78.19 %	21.81 %			0.00	0.00
Total	11,262,657.25	9,958.22	3,575.96	52,699.50	11,305,307.99	8,137,184.02	3,191,566.18	173,221.48	0.00	0.00	0.00
		1,457.40	8,138,641.42	3,485.42	0.00	71.77 %	28.23 %			0.00	0.00

Signature (Tax Collector) _____

TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM

Date of Meeting: November 21, 2022
Subject: Budget Amendment – Police
Presenter: Town Finance Director
Attachments: Budget Amendment Form

Description/Summary of Request:

A portion of each quarterly distribution the Town receives from the ABC Store must be allocated to Alcohol Education, and Law Enforcement activities. For the quarter ending 9/30/2022 the Town received **\$3,337.82** for Alcohol Education and **\$2,384.15** for Law Enforcement.

The Town collected an additional **\$1,950.00** in Cops for Kids donations in November 2022, bringing the fiscal year-to-date total to **\$2,350.00**.

The attached budget amendment is necessary in order to include these funds in the Fiscal Year 2022-2023 budget.

Action Requested:

Town Manager recommends approval of the attached Budget Amendment.

Budget Amendment FY 2022-2023

Town of Weaverville

What expense accounts are to be increased?

<u>Account</u>	<u>Account Description</u>	<u>Transfer Amount</u>
010-430-431-26400	Police - Alcohol Ed & Prevention	\$3,337.82
010-430-431-26450	Police - ABC Law Enforcement	\$2,384.15
010-430-431-26608	Cops for Kids (Expenditure)	\$1,950.00

What expense account(s) are to be decreased or additional revenue expected to offset expense?

<u>Account</u>	<u>Account Description</u>	<u>Transfer Amount</u>
010-004-300-06045	ABC Store - Alcohol Education	\$3,337.82
010-004-300-06050	ABC Store - Police Dept Revenue	\$2,384.15
010-004-300-09028	Cops for Kids (Revenue)	\$1,950.00

Justification: Please provide a brief justification for this budget amendment. *ABC Store distribution for Q1 FY 2023; Cops for Kids donations received Nov 2022.*

_____	_____
Authorized by Finance Officer	Date
_____	_____
Authorized by Town Manager	Date
_____	_____
Authorized by Town Council (if applicable)	Date

Budget Ordinance Section 7:

- B. The Budget Officer or his/her designee is hereby authorized to distribute departmental funds based upon the line item budgets and make expenditures therefrom, in accordance with the Local Government Budget and Fiscal Control Act.
- C. The Budget Officer or his/her designee may authorize transfers between line items, expenditures and revenues, within a department or division without limitation and without a report being required.
- D. The Budget Officer or his/her designee may transfer amounts up to 5%, but not to exceed \$10,000 monthly, between departments, including contingency appropriations, but only within the same fund. The Budget Officer must make an official report on such transfers at a subsequent regular meeting of Town Council.
- E. The Budget Officer or his/her designee may not transfer any amounts between funds, except as approved by Town Council, as a budget amendment.

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: November 21, 2022

SUBJECT: Renewal of the Weaverville Tailgate Market Memorandum of Understanding

PRESENTER: Town Attorney Jennifer Jackson

ATTACHMENTS: Proposed Memorandum of Understanding

DESCRIPTION/SUMMARY OF REQUEST:

In December of 2021 Town Council approved a Memorandum of Understanding (MOU) with the Weaverville Tailgate Market concerning its use of the Community Center on their market days in 2022. This MOU was a one-year agreement that is due to expire at the end of December.

Attached is a proposed MOU that has been updated to provide another year of market events at the Community Center. This draft incorporates the amendments that Town Council approved in February and a few changes that have been proposed by staff and the Tailgate Market representatives. The additional changes are shown as highlighted in the attachment and are briefly described as follows:

- Allows regular markets (April through October) to operate inside and outside and reduces the number of outside vendors from 21 to 15 vendors plus vehicles
- Updates cleaning fees to fully cover those expenses and provides that cleaning fees are not charged if events are cancelled due to weather, facility issues, etc.
- Allows 2 A-frame type signs instead of a banner type sign in approved signage
- Provides that the term of the agreement coincides with the 2023 calendar year
- Highlights that early voting and election day voting will cause the cancellation of market events

COUNCIL ACTION REQUESTED:

Town Council approval of the Memorandum of Agreement with the Weaverville Tailgate Market. A proposed motion is as follows:

*I move that we approve the proposed **Memorandum of Understanding Between the Town of Weaverville and the Weaverville Tailgate Market.***

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE TOWN OF WEAVERVILLE AND
THE WEAVERVILLE TAILGATE MARKET**

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is entered into by and between the Town of Weaverville and the Weaverville Tailgate Market (collectively referred to as the Parties);

WHEREAS, the Town of Weaverville (hereinafter the “Town”) is a municipal corporation organized and existing under the laws of the State of North Carolina; and

WHEREAS, the Weaverville Tailgate Market (hereinafter “Tailgate Market”), is a non-profit corporation organized and existing under the laws of the State of North Carolina, and hosts tailgate and craft markets for local and regional vendors within the Weaverville area; and

WHEREAS, the Town owns and operates the Weaverville Community Center on Dottie Sherrill Knoll, located at 60 Lakeshore Drive, Weaverville, North Carolina (the “Community Center”);

WHEREAS, the Tailgate Market wishes to formalize a relationship between the Town and the Tailgate Market in order to provide for a regular schedule of market offerings at the Community Center;

NOW, THEREFORE, in consideration of the mutual covenants, promises and commitments herein, the Parties agree as follows:

SECTION 1. PURPOSE. The purpose of this MOU is to establish a general framework for cooperation and collaboration between the Town and the Tailgate Market. This MOU is non-binding but will assist in defining the relationship between the Parties in order to ensure that the goals of each are accomplished in a mutually supportive way.

SECTION 2. GUIDING PRINCIPLES AND ASSUMPTIONS.

- The Town wishes to support the agricultural community within the Town and surrounding areas by providing space for a regular schedule of tailgate market events.
- The Tailgate Market is an independent corporate entity and is not legally or financially affiliated with the Town. The Tailgate Market coordinates market events which offer the sale of agricultural products and/or craft and artisan products.
- Town Council is authorized to set fees on the use of its facilities and waive those fees as deemed appropriate and to partner with a non-profit corporate entity for the provisions of certain opportunities and programming.
- The Town may provide programming for certain holidays and special events and the Tailgate Market regular schedule is subject to cancellation for such events.
- The Community Center is an approved polling site and is subject to use by the Buncombe County Board of Elections for early voting and election day voting. **The Board of Elections use preempts all other Town or Tailgate Market events and will result in the cancellation of Tailgate Market events during early voting and election day voting.**

SECTION 3. TAILGATE MARKET ACTIVITIES AND OBLIGATIONS.

The Tailgate Market agrees to generally provide, on a weekly basis, market events available to the general public at the Community Center with said events being focused on the sale of local

and regional agricultural products and/or craft and artisan products. Subject to availability, the market events are to be generally held as follows:

A. WINTER MARKET and HOLIDAY MARKET –

- 1) The Winter Market shall be from January through March;
- 2) The Holiday Market shall be from November through December;
- 3) Wednesdays from 12 pm to 7 pm (includes set up and breakdown);
- 4) Albert Weaver Room, restrooms, patio, and up to eight (8) parking spaces in the lower non-brick parking area in the Community Center parking lot (designated parking spaces);
- 5) Maximum of 20 inside vendors arranged in the configuration shown on the attached Exhibit A;
- 6) The patio and designated parking spaces are limited to vendors that are not permitted inside;
- 7) Usage does not include Town tables or chairs, the fireplace, or kitchen;
- 8) All vendors must use adequate floor protection for their tables, chairs, and signage, such that the floor is protected from cuts, scratches, marring, and scuffing;
- 9) Access to the Town's guest Wi-Fi will be granted, if available;
- 10) Vendors are allowed to unload and load in the Community Center parking lot but must move their vehicles to any available designated parking spaces or the lower Lake Louise parking lot during the market;
- 11) Plants and other items that tend to be messy are not permitted indoors;

B. REGULAR MARKET –

- 1) April through October;
- 2) Wednesdays from 12 pm to 7 pm (includes set up and breakdown);
- 3) Albert Weaver Room, restrooms, patio, and up to 18 parking spaces in the lower non-brick parking area in the Community Center parking lot (designated parking spaces);
- 4) Maximum of 20 inside vendors arranged in the configuration shown on the attached Exhibit A;
- 5) Maximum of 15 outside vendors arranged in the configuration shown on the attached Exhibit B;
- 6) Usage does not include Town tables or chairs, the patio, or any indoor areas except for restrooms;
- 7) Access to the Town's outdoor guest Wi-Fi will be granted, if available;
- 8) Vendors are allowed to unload and load in the Community Center parking lot but must move their vehicles to the lower Lake Louise parking lot during the market, unless a vehicle is operating as a vendor in one of the spaces allowed;
- 9) Market activities must not impede reasonable pedestrian and vehicular access to the Community Center;

The following provisions apply to all markets:

Food sampling is allowed, subject to prompt cleanup of spills;

Tents and canopies must be properly weighted on all legs to avoid risk of damage and/or injury in a wind event;

Vendors must stay off of the sidewalks, grass, and mulched areas;

Long electrical extension cords are not allowed so that electrical and trip hazards are minimized.

The Tailgate Market agrees to submit a \$200.00 standing security deposit for the regular use of the Community Center and its grounds. The security deposit shall be applied towards any damage to the facility due to the Tailgate Market use of the facility and property but does not provide a cap for such charges.

In lieu of facility use fees the Tailgate Market agrees to provide \$90.00 per week for the Winter Markets and Holiday Markets and \$110.00 per week for the Regular Markets, to cover cleaning fees. Fees are subject to change to account for any adjustments in pricing from the cleaning company under contract with the Town. Cleaning shall cover the general cleaning of the Albert Weaver Room, if applicable, restrooms, and parking lot areas, if applicable. The Tailgate Market shall be responsible for returning patio furniture to its original positions and sweeping the patio (if used) and disposing of trash and recyclables by utilizing the trash and recyclable receptacles provided at the Community Center. Cleaning shall be scheduled and coordinated by the Town's Recreation Coordinator.

The Tailgate Market shall not be charged any cleaning fees for Market events that are cancelled due to weather, facility issues (including power outages), election activities, or Town-provided programming.

Signage for the Tailgate Market may only be placed on the Community Center property on the days that a market is to be held and is limited to two A-frame type signs and not more than 10 small ground signs on the Community Center property. Signs may be placed in the grassy and mulched areas as long as plantings are not disturbed. Signs not removed by the Tailgate Market will be collected by Town staff with a fee of \$20.00 being charged for removal and storage.

The Tailgate Market agrees to require all individuals or organizations operating under it to:

1. Comply with all law, rules and regulations governing the Community Center and its operations;
2. Comply with the non-discrimination provisions of this MOU;
3. Coordinate any scheduling changes with the Recreation Coordinator;
4. Make all reasonable efforts to ensure the security of the facilities and property and the safety of the event participants and attendees;
5. Be responsible for setting up and breaking down the room or property that is to be used for each event;
6. Ensure that the facilities and property are left clean and in good condition for the next program, with the understanding that basic cleaning will be provided for the Albert Weaver Room and the restrooms after each market;
7. Offer entry free of charge to the public.

The Tailgate Market agrees to maintain, at its expense, comprehensive liability insurance through an A-rated company recognized by the State of North Carolina and must have a combined single limit for bodily injury and property damage of not less than \$1,000,000, insuring the Tailgate Market against all claims, demands, and causes of action for injuries received or damages to property in connection with the use of the Community Center. The Tailgate Market agrees to add the Town as an additional insured on its policy and to provide the Town with a copy of said insurance policy annually and upon request.

SECTION 4. TOWN OBLIGATIONS.

The Town agrees to generally reserve the Community Center for Tailgate Market events as described above, subject to periodic cancellation due to facility issues and facility availability.

The Town agrees to waive any and all rental fees associated with regularly scheduled Tailgate Market events.

SECTION 5. COMPLIANCE WITH APPLICABLE LAW AND NON-DISCRIMINATION.

The Tailgate Market shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which hereafter are in force, pertaining to the Community Center and its use.

The Town of Weaverville opposes discrimination on the grounds of race, religion, religious beliefs or non-beliefs, color, national origin, ethnicity, limited English proficiency, income-level, sex, sexual orientation, gender identity or expression, age, or disability, and urges all of its contractors to adopt non-discrimination policies and practices, and to provide a fair opportunity for all individuals, including those individuals historically excluded and under-represented, to participate in their work forces and as subcontractors and vendors under Town contracts. The Tailgate Market agrees to honor these non-discrimination practices and not discriminate on any of the above-stated bases in the programs, services, and activities that it provides under this MOU.

SECTION 6. NOTICES. Any notice to either party hereunder must be in writing signed by the party giving it, and shall be deemed given when mailed postage prepaid by the US Postal Service first class, certified, or express mail, or other overnight mail service, or hand-delivered, when addressed as follows:

TO THE TOWN: Town Manager
30 South Main Street
Weaverville, NC, 28787

TO WCCHL: Weaverville Tailgate Market
777 Petersburg Road
Marshall, NC 28753

SECTION 7. TERM, TERMINATION, AND AMENDMENT.

The term of this MOU shall be for one year beginning January 1, 2023, but may be extended by mutual agreement of the parties.

The MOU shall immediately terminate in the event that the Tailgate Market dissolves or loses its non-profit tax-exempt status. If the Tailgate Market defaults in the performance of any obligation of condition stated herein, the Town may give notice to the Tailgate Market of such default and if the Tailgate Market does not cure any such default within 30 days after giving such notice then the Town may terminate this MOU on not less than 30 days' notice to Tailgate Market. This MOU can be terminated by either party upon six (6) months advanced written notice.

This MOU may be amended in writing signed by the authorized representative of both Parties.

APPROVED BY the Town of Weaverville this ____ day of _____, 2022.

APPROVED BY the Weaverville Tailgate Market on the ____ day of _____, 2022.

TOWN OF WEAVERVILLE

WEAVERVILLE TAILGATE MARKET

By: Patrick Fitzsimmons, Mayor

By: Lori Jenkins, President

EXHIBIT A

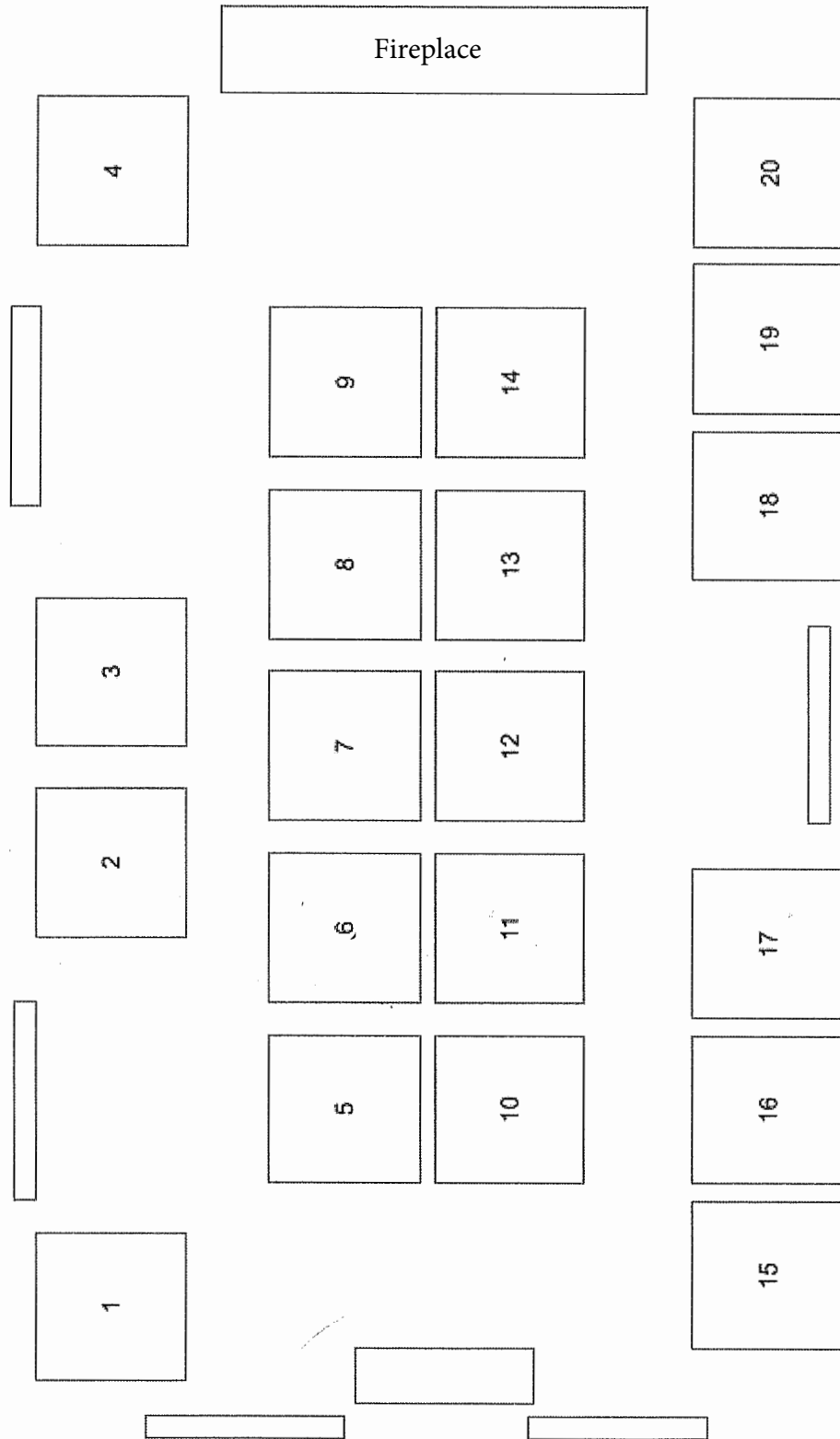
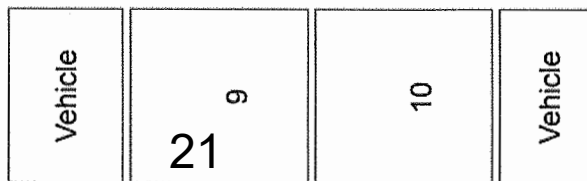
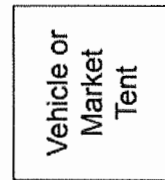
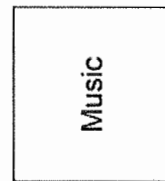
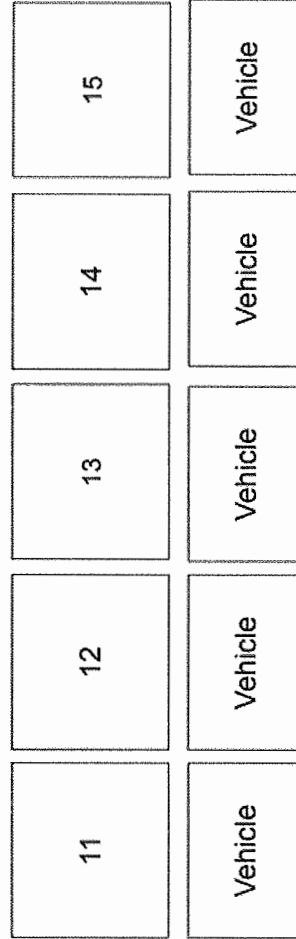
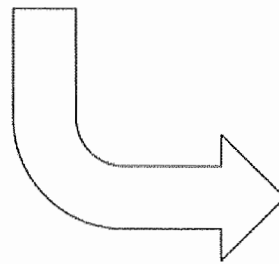
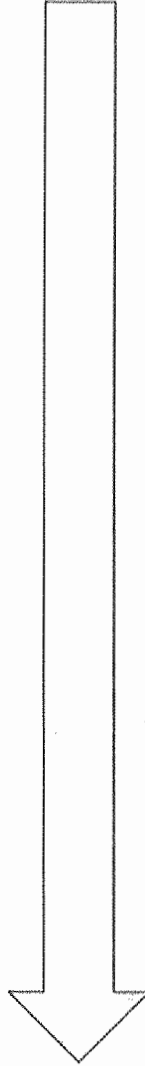
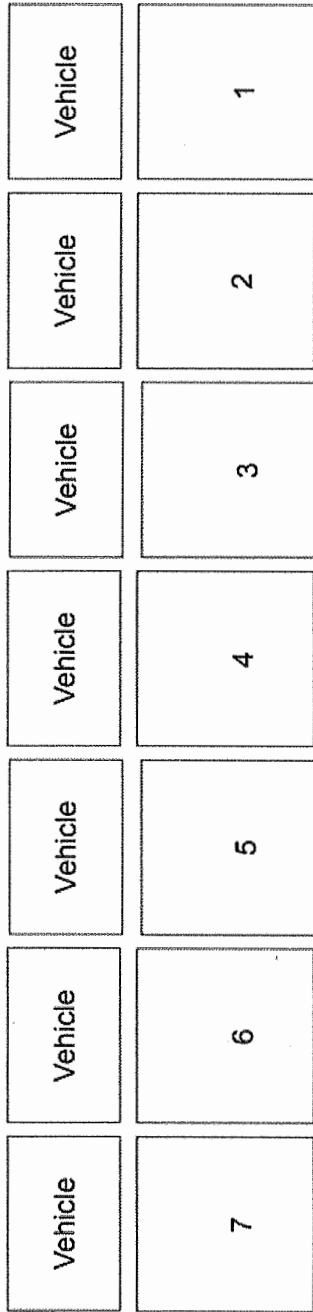
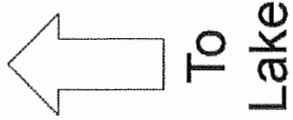


EXHIBIT B





November 2022

Certificate of Achievement Award for Excellence in Financial Reporting

The Town has once again been awarded the Government Finance Officers Certificate of Achievement for its annual comprehensive financial report for the fiscal year ended June 30, 2021. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. I would like to commend Finance Director Tonya Dozier for her continued excellent work in achieving this award and managing the Town's finances.

Christmas Parade

Plans are taking shape for the Town's annual Christmas Parade on Saturday, December 3 at 1pm. Instead of riding in the parade separately, Town Council will be riding on a decorated trailer pulled by a Public Works truck. Jan Lawrence has been chosen as the Grand Marshal for the parade this year.

Reminder of Meeting Dates during the Holidays

As a reminder, Town Council's workshop next month will be held on December 13 at 6pm and the regular meeting will be held on Monday, December 19 at 6pm.

Town Hall Audio System

As you are aware, we often receive complaints regarding our audio system during meetings at Town Hall. Unfortunately, staff has tried to muddle through in using the same system that was installed with the opening of the building in the early 2000s. I would like to get Town Council's input regarding an overall upgrade of this system. I have no doubt that the cost will be substantial, but I believe it is necessary to upgrade as opposed to continue to struggle along with a technologically outdated system.

Citizens Academy

We are gearing up for the 2023 Citizens Academy, which will begin in February 2023.

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: November 21, 2022
SUBJECT: FY 2021/2022 Audit Presentation
PRESENTER: Dan Mullinax – Gould Killian
ATTACHMENTS: Management Letter and Audit Report

DESCRIPTION/SUMMARY OF REQUEST:

The annual audit for the Town’s Fiscal Year 2021/2022 has been completed.

Dan Mullinax, of Gould Killian CPA Group, PA, will be at tonight’s meeting to present their findings and be available to answer questions that Town Council may have concerning the FY 2021/2022 audit.

AUDIT WRAP UP

October 31, 2022

The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Governing Board and Audit Committee) and, if appropriate, management of the Government and is not intended and should not be used by anyone other than these specified parties.





**GOULD KILLIAN
CPA GROUP, P.A.**
CERTIFIED PUBLIC ACCOUNTANTS

October 31, 2022

To the Members of Town Council
Town of Weaverville, North Carolina

Professional standards require us to communicate with you regarding matters related to the audit, that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. On April 28, 2022, we presented in the engagement letter an overview of our plan for the audit of the financial statements of Town of Weaverville (the Town) as of and for the year ended June 30, 2022, including a summary of our overall objectives for the audit, and the nature, scope, and timing of the planned audit work.

This communication is intended to elaborate on the significant findings from our audit, including our views on the qualitative aspects of the Town's accounting practices and policies, management's judgments and estimates, financial statement disclosures, and other required matters.

We are pleased to be of service to the Town and look forward to meeting with you to discuss our audit findings, as well as other matters that may be of interest to you, and to answer any questions you might have.

Respectfully,

Gould Killian CPA Group, P.A.

Asheville, North Carolina

Discussion Outline

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Results of Our Audit	2
Internal Control over Financial Reporting	3
Other Required Communications	4
Independence Communication	5
Significant Accounting & Reporting Matters	6

Status of Our Audit

We have completed our audit of the financial statements as of and for the year ended June 30, 2022. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. This audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

- The objective of our audit was to obtain reasonable - not absolute - assurance about whether the financial statements are free from material misstatements.
- The scope of the work performed was substantially the same as that described to you in our earlier Audit Planning communications.
- We have issued an unmodified opinion on the financial statements and released our report dated October 31, 2022.
- Our responsibility for other information in documents containing the Town's audited financial statements (e.g. management's discussion and analysis, budgetary comparisons, schedules of pension amounts) does not extend beyond the financial information identified in the audit report, and we are not required to perform procedures to corroborate such other information. However, in accordance with professional standards, we have read the information included by the Town and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements. Our responsibility also includes calling to management's attention any information that we believe is a material misstatement of fact. We have not identified any material inconsistencies or concluded there are any material misstatements of facts in the other information that management has chosen not to correct.
- All records and information requested by GK were freely available for our inspection.
- Management's cooperation was excellent. We received full access to all information that we requested while performing our audit, and we acknowledge the full cooperation extended to us by all levels of Town of Weaverville personnel throughout the course of our work.

Results of Our Audit

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES

The following summarizes the more significant required communications related to our audit concerning the Town's accounting practices, policies, and estimates:

The Town's significant accounting practices and policies are those included in Note 1 to the financial statements. These accounting practices and policies are appropriate, comply with generally accepted accounting principles and industry practice, were consistently applied, and are adequately described within Note 1 to the financial statements.

- A summary of recently issued accounting pronouncements is included in the Significant Accounting and Reporting Matters section of this report.
- One new accounting standard was adopted during the year. The Town implemented GASB Statement No. 87 - Leases, the effects of which are more fully described on page 6.
- The application of existing accounting policy was not changed during the fiscal year.
- We noted no transactions entered into by the Town during the fiscal year for which there is a lack of authoritative guidance or consensus.
- All significant transactions have been recognized in the financial statements in the proper period.

Significant estimates are those that require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain.

Significant accounting estimates include:

Depreciation methods as described in the Notes to the financial statements,

Allowances for uncollectible receivables, which are based upon management's judgments and the aging of receivables that may be uncollectible, and

Pension obligations, which are based on actuarial assumptions and methods, as well as the allocation of the overall plan data between the plan participants, and

Other post-employment benefits obligations, which are based on actuarial assumptions and methods.

- We evaluated the key factors and assumptions used to develop the significant estimates in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management did not make any significant changes to the processes or key assumptions used to develop the significant accounting estimates in FY 2022.

The financial statement disclosures are neutral, consistent, and clear.

CORRECTED AND UNCORRECTED MISSTATEMENTS

We have proposed several adjustments which have been made by management. Most of these are normal closing entries, which arise during our audit based on information provided to us by management. We assisted management with these adjustments, but do not consider them to be material because by nature, they are closing entries that management would have prepared and posted.

A list of all audit adjustments is available upon request.

There were no uncorrected misstatements or passed adjustments.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of Weaverville’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion 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.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We are required to communicate, in writing, to those charged with governance all material weaknesses and significant deficiencies that have been identified in the Town’s internal controls over financial reporting. The definitions of control deficiency, significant deficiency and material weakness follow:

Category	Definition
Deficiency in 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.
Significant Deficiency	A deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
Material Weakness	A deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Government’s financial statements will not be prevented, or detected and corrected on a timely basis.

In conjunction with our audit, we noted no deficiencies that we consider to be material weaknesses.

Other Required Communications

Following is a summary of other required items, along with specific discussion points as they pertain to the Town:

Requirement	Discussion Points
Significant changes to planned audit strategy or significant risks initially identified	There were no significant changes to the planned audit strategy or significant risks initially identified and previously communicated to those charged with governance.
Obtain information from those charged with governance relevant to the audit	There were no matters noted relevant to the audit, including, but not limited to: violations or possible violations of laws or regulations; risk of material misstatements, including fraud risks; or tips or complaints regarding the Government's financial reporting that we were made aware of as a result of our inquiry of those charged with governance.
If applicable, nature and extent of specialized skills or knowledge needed related to significant risks	There were no specialized skills or knowledge needed, outside of the core engagement team, to perform the planned audit procedures or evaluate audit results related to significant risks.
Consultations with other accountants	We are not aware of any consultations about accounting or auditing matters between management and other independent public accountants. Nor are we aware of opinions obtained by management from other independent public accountants on the application of generally accepted accounting principles.
Disagreements with management	There were no disagreements with management about matters, whether or not satisfactorily resolved, that individually or in aggregate could be significant to the Government's financial statements or to our auditor's report.
Significant difficulties encountered during the audit	There were no significant difficulties encountered during the audit.
If applicable, other matters significant to the oversight of the Government's financial reporting process, including complaints or concerns regarding accounting or auditing matters	There are no other matters that we consider significant to the oversight of the Government's financial reporting process that have not been previously communicated.
Representations requested from management	Please refer to the management representation letter obtained from management.

Independence Communication

Our engagement letter to you dated April 28, 2022 describes our responsibilities in accordance with professional standards with regard to independence and the performance of our services. This letter also stipulates the responsibilities of the Town with respect to independence as agreed to by the Town. Please refer to that letter for further information.

Significant Accounting & Reporting Matters

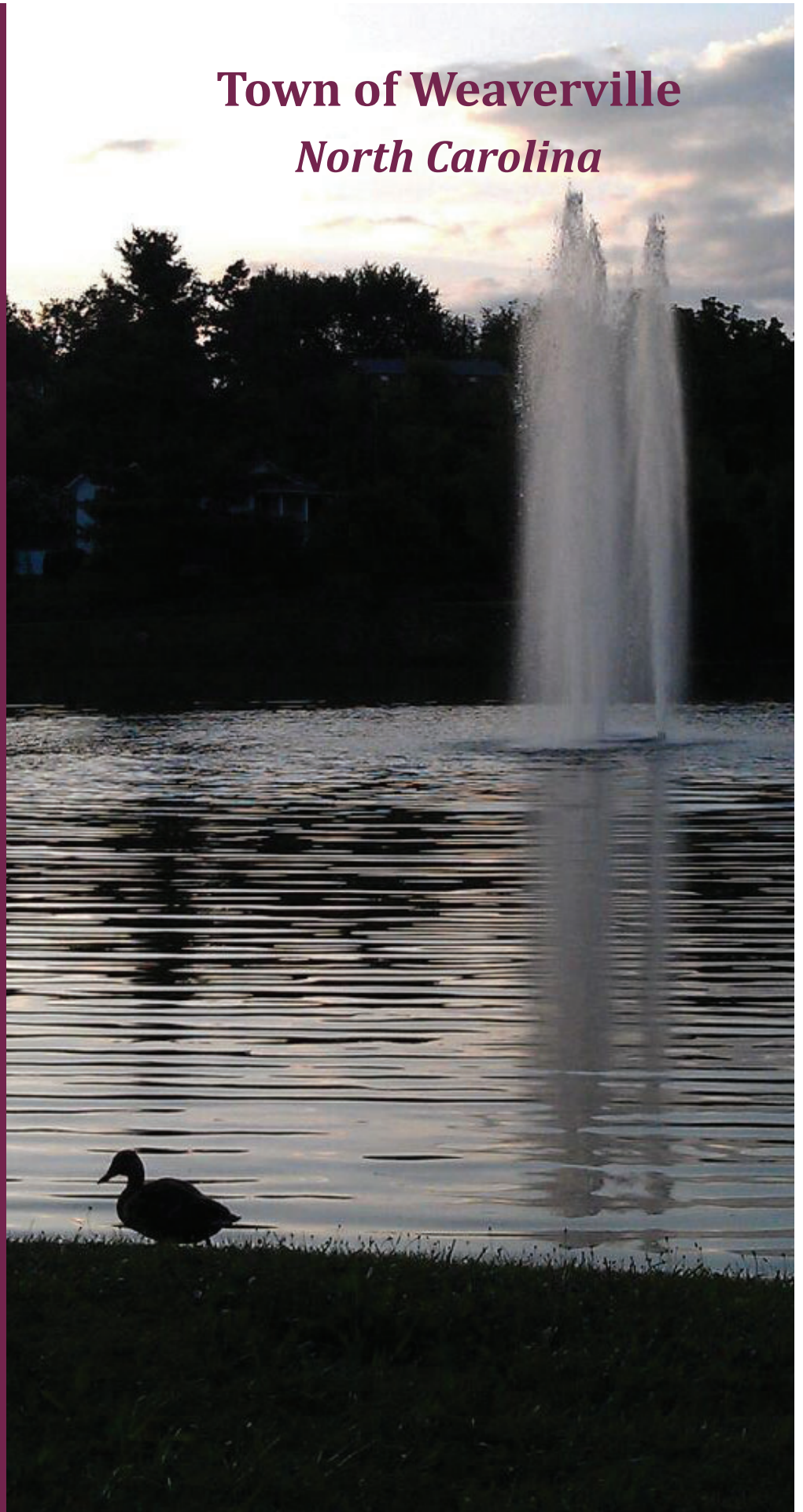
The Governmental Accounting Standards Board (GASB) has recently issued a new standard. We do not expect the new standard to have a significant effect on the Town's future financial reporting.

Recently issued statement is as follows:

- GASB No. 87 “Leases” -- This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract requirements. This new requirement increases the usefulness of governmental financial statements. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governmental leasing activities. The new standard brings governmental GAAP in line with GAAP for private and public companies, effective for fiscal years beginning after June 15, 2021. The Town implemented this standard during the fiscal year ending June 30, 2022.
- GASB No. 96 “Subscription Based Information Technology Arrangements” -- This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.
- GASB No. 101 “Compensated Absences” -- This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

**Annual Comprehensive Financial Report
Fiscal Year Ending June 30, 2022**

Town of Weaverville
North Carolina



Town of Weaverville, North Carolina
Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2022

Town Council
(As of June 30, 2022)

Patrick Fitzsimmons, Mayor
Jeff McKenna, Vice-Mayor
Doug Jackson
John Chase
Catherine Cordell
Michele Wood
Andrew Nagle

Town Manager
Selena D. Coffey

Finance Officer
Tonya Dozier

Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2022
Town of Weaverville, North Carolina

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Government-wide Financial Statements:

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INTRODUCTORY SECTION

Patrick Fitzsimmons
Mayor

Jeff McKenna
Vice Mayor

Doug Jackson
Councilmember

Andrew Nagle
Councilmember

The Town of
Weaverville
NORTH CAROLINA

30 South Main Street, Weaverville, N.C. 28787
www.weaverville.org • Phone (828) 645-7116 • Fax (828) 645-4776

John Chase
Councilmember

Catherine Cordell
Councilmember

Michele Wood
Councilmember

Selena D. Coffey
Town Manager

Letter of Transmittal

October 31, 2022

Honorable Mayor Fitzsimmons, Members of Town Council, and Citizens of the Town of Weaverville:

The Local Government Commission of the North Carolina State Treasurer's Office requires all general purpose local governments to file with their office by November 30 of each year a complete set of financial statements 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. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Town of Weaverville, North Carolina for the fiscal year ending June 30, 2022.

The report consists of management's representations concerning the finances of the Town of Weaverville. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient information for the preparation of the Town of Weaverville's financial statements in conformity with GAAP. The Town of Weaverville's internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The financial statements contained herein have been audited by Gould Killian CPA Group, P.A., a firm of licensed Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Weaverville for the fiscal year ended June 30, 2022 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used; and evaluating the overall financial statement presentation. The independent audit for the fiscal year ended June 30, 2022 concluded that there was reasonable basis for rendering an unmodified opinion of the Town of Weaverville's financial statements and that they are fairly presented in conformity with GAAP.

The independent auditor's report is presented as the first component of the financial section of this report. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

Town Profile

Weaverville is located in the mountains of Western North Carolina in the northern section of Buncombe County, approximately 10 miles north of Asheville. The town is situated on a ridge that borders the picturesque Reems Creek Valley shadowed by the Blue Ridge Mountains. This mountainous area was settled more than two hundred years ago by courageous pioneers who came to build homes and farm the land. In 1875 the town was officially founded.

Weaverville prides itself in providing its current population of approximately 5,400 citizens with convenient and reliable city services while maintaining its small town friendly atmosphere. The full range of services include police and fire protection; garbage and recycling collection; street maintenance within the Town's public street system; parks and recreation; planning and code enforcement; stormwater management; and water production and distribution.

Demographic Characteristics

The United States Department of Commerce, Bureau of the Census, has recorded the population of the Town to be as follows:

1980	1990	2000	2010	2021 Certified ¹
1,495	2,107	2,968	3,120	4,698

Town staff has estimated the population of the Town to be approximately 5,400 as of June 2022.

Population growth remains a consistent and stable contributor to the local economy. Based on the aforementioned population calculations, the Town's population has increased by 51% since the 2010 census. The Town continues to grow with approximately 25 residential units either approved or in some phase of the development review process at fiscal year-end June 30, 2022. This has the potential to increase the Town's population by another 54 residents or 1%. The Town has an ample water supply, as the Lawrence T. Sprinkle Jr. Water Treatment Facility is operating at approximately 65% capacity (including actual usage and commitments) and can support the minor additional growth in the residential sector that is routinely occurring. Plans are also in the works to keep up with future needs. Elected officials and key staff are exercising due diligence by analyzing available options for expanding the Town's water capacity. Interconnections with other water systems are being studied for emergency and supplemental water as well as an expansion of the Water Treatment Facility itself. Plans regarding the path forward for the Town's water system are expected to solidify over the coming months.

As additional residential units are completed and the population grows, Town staff believes that this will lead to further growth in the commercial sector. There has been sustained growth in this sector over the last few years, with several new commercial establishments recently completed and open for business, and several more in the planning phases. However, there continue to be some vacant sites available for commercial development within the Town. As our population increases, the demand for additional retail should grow which will lead to further development of these projects.

Governmental Structure

The Town of Weaverville has a Council/Manager form of government. Policy making and legislative authority are vested in the governing board of the Town consisting of a mayor and six council members that

¹ U.S. Census Bureau and N.C. Office of State Budget & Management

serve staggered four-year terms. Recognizing that the Town's leadership should expand to match the growth and diversity of the Town, Town Council adopted a charter amendment that resulted in the addition of a sixth councilmember and voting rights of the mayor after the municipal election in November of 2021. The Town Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the Town Manager and Town Attorney. The Town Manager operates as the chief executive officer and is responsible for carrying out the policies and ordinances of the Town Council and for overseeing the day-to-day operations of the government.

Vision for the Town of Weaverville, North Carolina

The Weaverville Town Council established the following "Vision for the Town" in their last strategic planning process:

Weaverville will strive to retain its small town atmosphere, while actively managing the growth that is inevitable near a large city.

Our town will be attractive to both young and old with a wide range of housing choices. We will reserve areas for neighborhoods and businesses while buffering one from the other. We seek an attractive town that is well-landscaped and accessible to pedestrians.

We will create a favorable atmosphere for the right types of business and industry, those that are environmentally friendly and provide a good living for our residents.

Strategic Long-Term Planning Goals

Town Council has initiated a process to update its Strategic Plan. While this ongoing process has not shifted the aforementioned vision, it has added a number of new potential goals for the upcoming 3-5 years, including:

- To provide town services to meet the needs of the community.
- To improve regional collaboration.
- To maintain balance in land use planning efforts.
- To promote a successful downtown.
- To increase legislative outreach.

Services Provided by the Town of Weaverville

The following services were provided by the Town during the past year:

Administration:

Town Management	Town Clerk
Planning & Code Enforcement	Legal Services
Utility Billing and Collections	Budget & Finance
Personnel Administration	

Police:

Administration
Criminal Investigations
Community Policing

Patrol
Auxiliary Force
Community Programs

Fire:

Fire Suppression
Fire Inspections
Public Education

Investigations
First Responders
Training & Safety

Public Works:

Sanitation Division

Garbage Collection
Appliance Collection
Leaf Collection

Recycling
Recycle Collection
Brush Collection

Streets & Stormwater Divisions

Streets & Sidewalks
Asphalt Patching
Right of Way Mowing
Parking Lot Maintenance
Street Lighting

Street Cleaning
Public Facility Landscaping
Snow/Ice Removal
Storm Drainage

Grounds Maintenance Division

Lake Louise Park
Playground/Walking Trails
Special Event Support
Town Hall/Clock Lot Grounds

Lake Equipment/Outdoor Fitness
Main Street Nature Park
Community Center grounds

Recreation:

Community Center Management
Events and Programs

Facility Rentals
Houses the Dry Ridge Museum

Water Resources:

Water Treatment
Water Distribution
Service Installation

Water Production
Meter Reading
Water Operations

Budget Process

The annual budget serves as the foundation of the Town of Weaverville's financial planning and fiscal control. All departments are required to submit requests to the Manager, who serves as the Budget Officer per state law, on or before the last day of April of each year. The Manager then uses these requests as the starting point for developing a proposed budget to be submitted to Town Council by each June 1. The

Council is required to hold at least one public hearing on the proposed budget and must adopt a final budget no later than each June 30, the close of the fiscal year. The Budget Ordinance, as adopted by the governing body, creates a legal limit on spending authorizations. For the Town of Weaverville, the Fiscal Year 2021-2022 Budget was adopted to include the General Fund and Enterprise Fund. Multi-year project ordinances are adopted for all Capital Projects funds. For internal accounting purposes, budgetary control is maintained by line item account (object class).

Factors Affecting Weaverville's Financial Condition

Population growth and growth in the residential and commercial sectors remain consistent and stable contributors to the local economy, and the need for Town services continues to grow as a result. As of fiscal year end, Buncombe County's unemployment rate continues to be less than the state's average. Job growth appears to be rebounding from the effects of the coronavirus pandemic in almost all sectors of the economy in our region.

Two apartment complexes have recently been completed and are now operating at full capacity. This has aided the Town's general revenues through increased tax base and its water revenue through increased water customers. Two more apartment complexes are also proposed in the area.

Although the majority of the Town's recent development growth has been in the residential sector, commercial development has continued to grow. The retail giant Marshall's recently completed construction within the Northridge Commons shopping center in Weaverville. As Marshall's construction was winding up, Highway 55, a fast food restaurant, just began construction within that same shopping center. There is a limited amount of additional commercial space in this center and the Town is excited to see what may develop there in the future. With anticipated development of additional commercial and retail developments in the near future, we believe that these are positive signs of continued growth and positive financial implications for the Town of Weaverville.

Awards and Acknowledgements

We expect the Government Finance Officers Association (GFOA) to award a Certificate of Achievement for Excellence in Financial Reporting to the Town of Weaverville for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This will be the 26th year that 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 annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

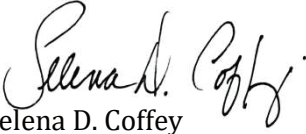
A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

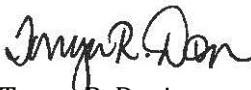
Conclusion

The Asheville region has, in the recent past, greatly profited from a vibrant and growing economy. While we expect accelerated growth, the Town realizes that it must continue to prepare for the potential impacts in our departmental service demands, and balance what will be significant impacts on the Town's finances. We must continue to work to keep our expenses as low as possible while maintaining high levels of the quality services provided to the Town's residents.

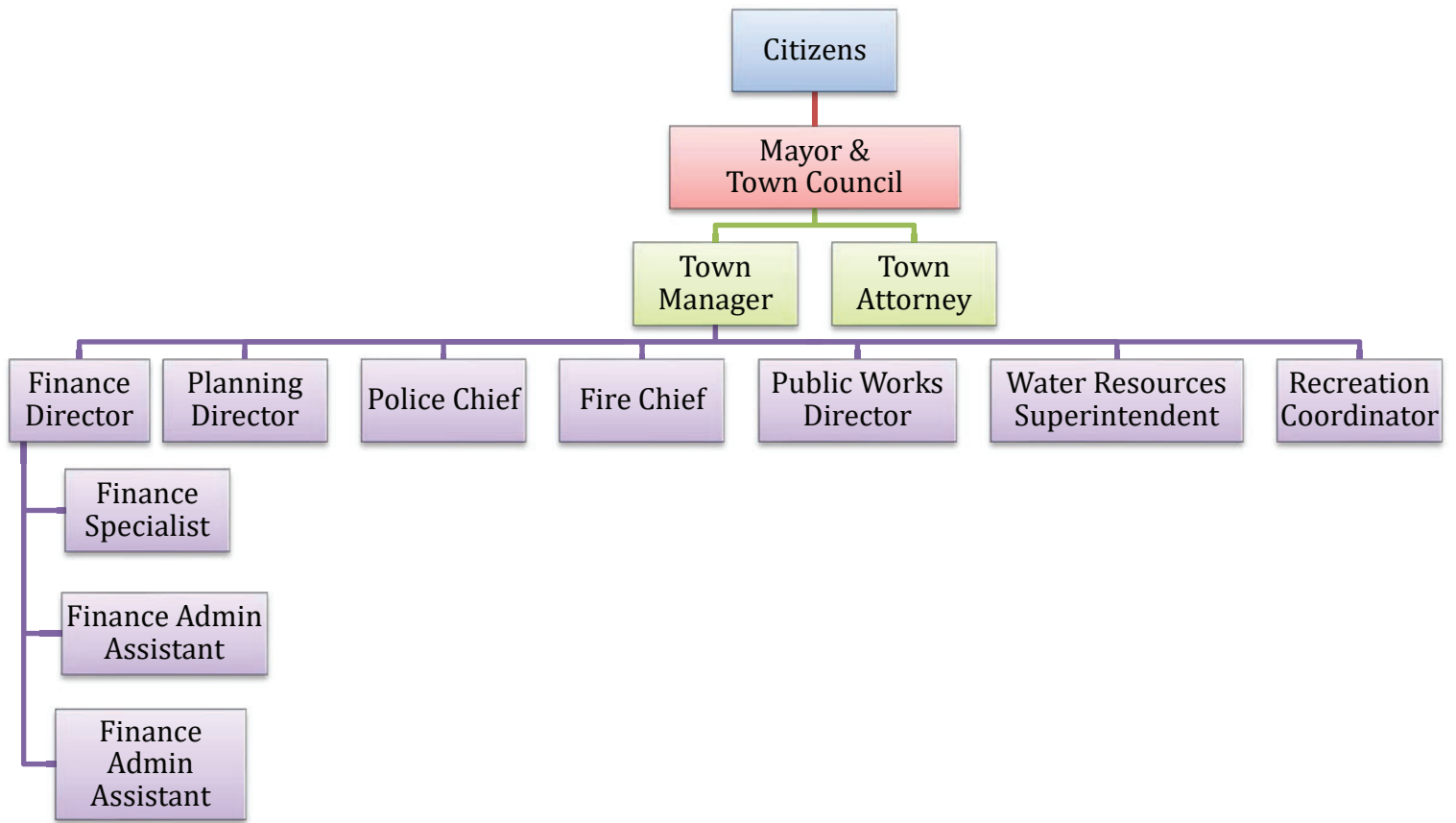
I would like to express appreciation to Finance Director Tonya Dozier for all of her work in compiling the information within this report and her work in monitoring and improving the Town's financial policies and procedures. We would also like to thank all of the Town's staff who assisted in the preparation of this report. Finally, Town Council deserves tremendous accolades for its work in overseeing the Town's finances and ensuring that all Town operations, policies and procedures are completed with the ultimate levels of transparency and financial accountability.

Respectfully submitted,

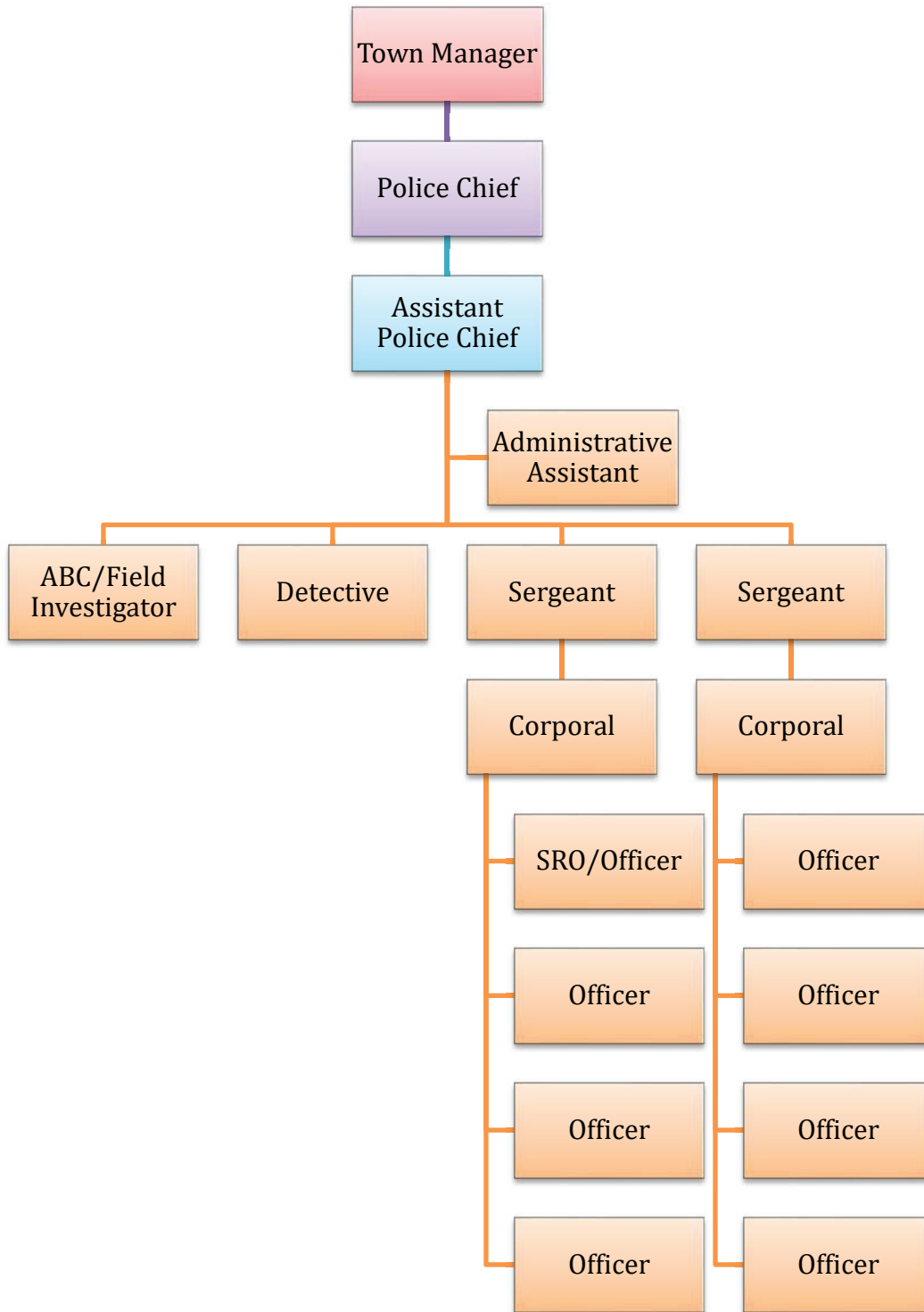

Selena D. Coffey
Town Manager


Tonya R. Dozier
Finance Officer

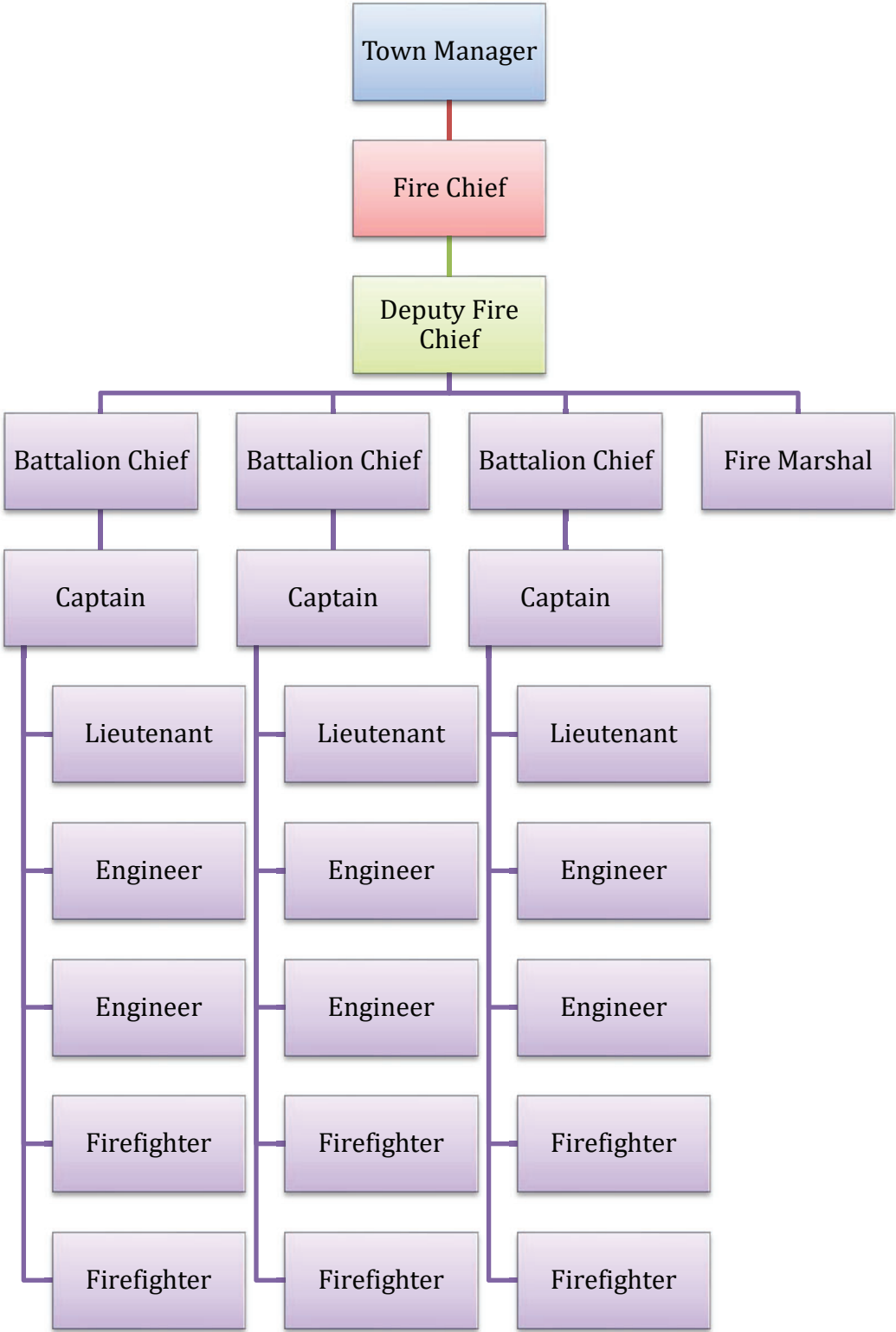
Administration
Organizational Chart



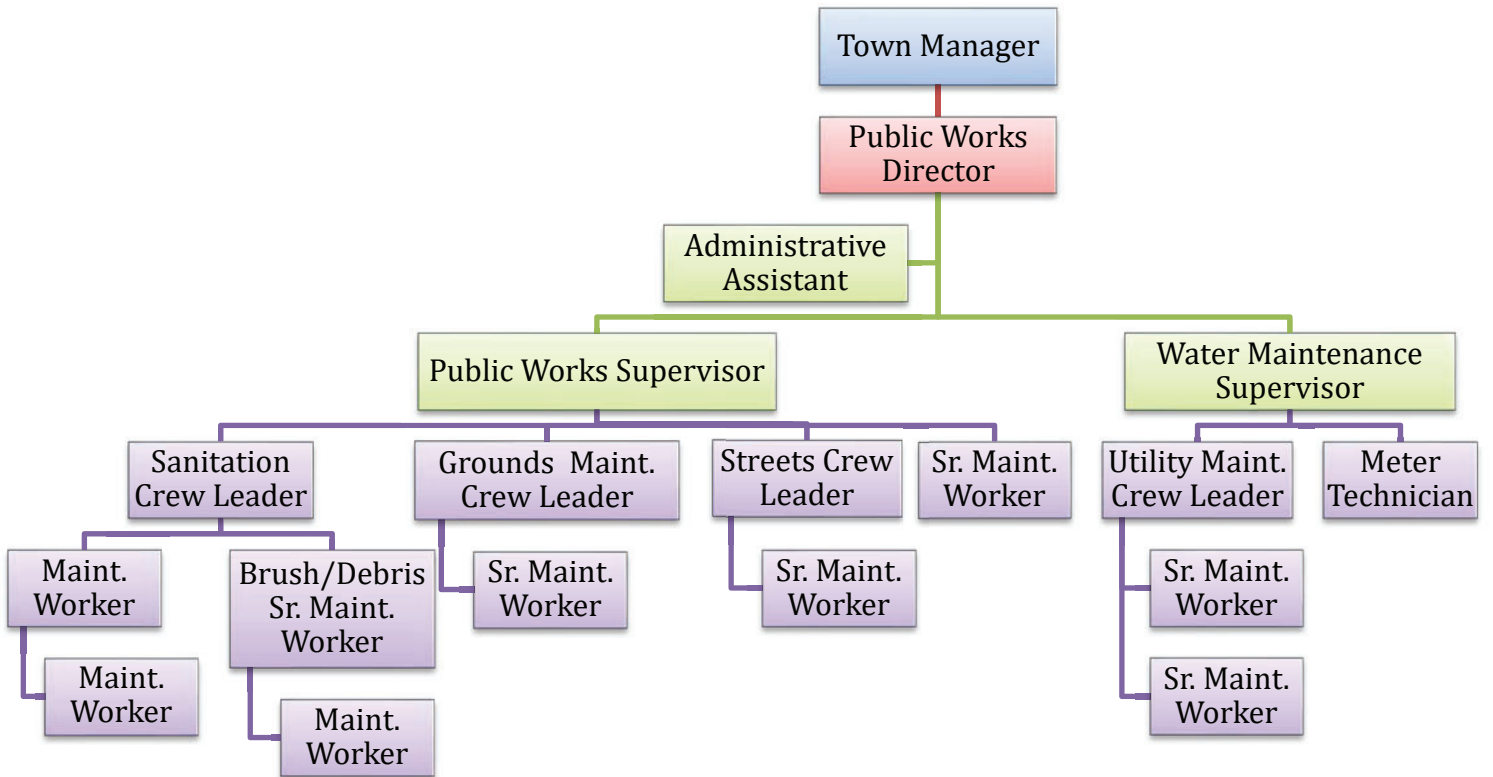
Police Department
Organizational Chart



Fire Department
Organizational Chart

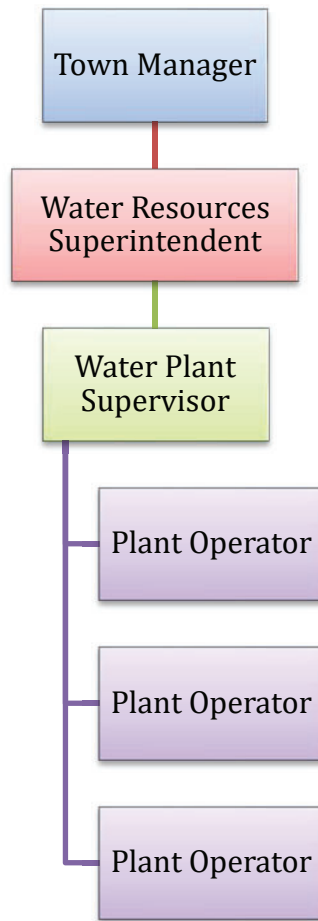


Public Works Department
Organizational Chart



Temporary Workers may or may not be hired out of a contract labor budget line item depending on season and availability

Water Treatment Plant
Organizational Chart



PRINCIPAL OFFICIALS

TOWN COUNCIL

Patrick Fitzsimmons, Mayor
Jeff McKenna, Vice Mayor
Doug Jackson, Council Member
Andrew Nagle, Council Member
John Chase, Council Member
Catherine Cordell, Council Member
Michele Wood, Council Member

TOWN MANAGER

Selena D. Coffey

TOWN ATTORNEY

Jennifer O. Jackson

FINANCE OFFICER

Tonya R. Dozier

POLICE DEPARTMENT CHIEF

Ron Davis

PUBLIC WORKS DIRECTOR

Dale Pennell

FIRE DEPARTMENT CHIEF

Ted Williams

PLANNING DIRECTOR/TOWN CLERK

James Eller

RECREATION COORDINATOR

Shelby Stovall

FINANCIAL SECTION



Independent Auditors' Report

To the Honorable Mayor
and Members of the Town Council
Weaverville, North Carolina

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the remaining fund information of the Town of Weaverville as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the remaining fund information of the Town of Weaverville, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Town of Weaverville ABC Board. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Town of Weaverville ABC Board, is based solely on the report of another auditor.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Weaverville and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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 Town's ability to continue as a

going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 16-24, the Law Enforcement Officers' Special Separation Allowance Schedules of Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on page 67, the Local Governmental Employees' Retirement System's schedules of the Town's Proportionate Share of the Net Pension Liability (Asset) and Contributions on pages 68 and 69, respectively, and the Other Postemployment Benefits Schedule of Changes in the Total OPEB Liability and Related Ratios on page 70 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries,

the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary 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 individual fund financial statements, budgetary schedules, and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the individual fund financial statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2022 on our consideration of the Town of Weaverville'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 the 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 of Weaverville's internal control over financial reporting and compliance.

Donald Killian CPA Group, P.A.

Asheville, North Carolina
October 31, 2022

Management's Discussion and Analysis

As management of the Town of Weaverville, we offer readers of the Town of Weaverville's financial statements this narrative overview and analysis of the financial activities of the Town of Weaverville for the fiscal year ended June 30, 2022. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

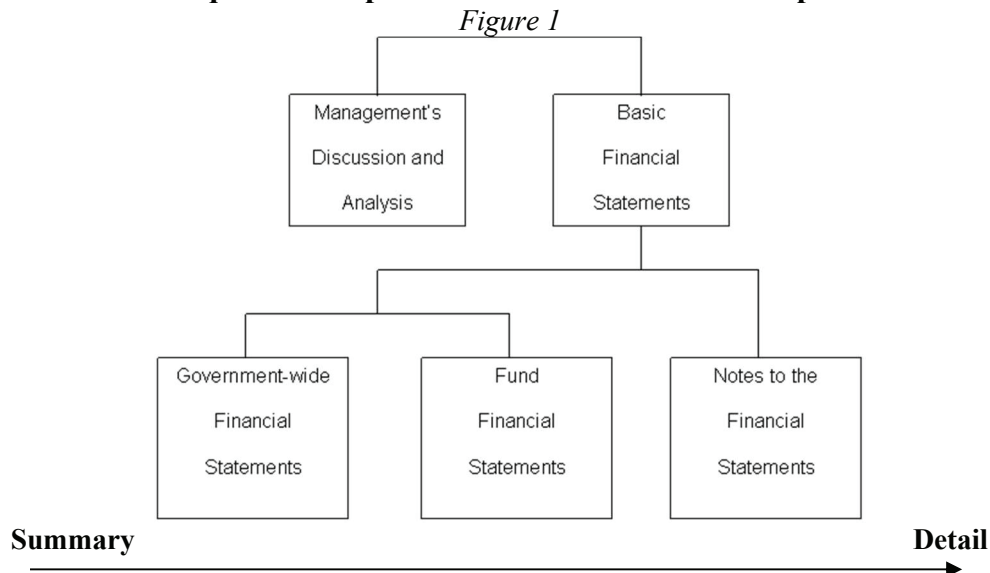
Financial Highlights

- The assets and deferred outflows of the Town of Weaverville exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$28,820,046 (*net position*).
- The government's total net position increased by \$2,105,575, which was primarily the result of increased revenues from governmental activities as well as business-type activities.
- As of the close of the current fiscal year, the Town of Weaverville's General Fund reported an ending fund balance of \$7,012,858, with a net increase of \$778,128 in fund balance. Approximately 14% of this total amount, or \$981,863, is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$5,283,760, or 94% of total general fund expenditures and transfers for the fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town of Weaverville's basic financial statements. The Town's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Town with the government-wide statements and the fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town of Weaverville.

Required Components of Annual Financial Report



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Town's financial status.

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the Governmental Funds Statements; 2) the Budgetary Comparison Statement; and 3) the Proprietary Fund Statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Town's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Town's financial status as a whole. The two government-wide statements report the Town's net position and how it has changed. Net position is the difference between the Town's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the Town's financial condition.

The government-wide statements are divided into three categories: 1) Governmental activities; 2) Business-type activities; and 3) Component units. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the Town charges customers to provide. These include the water and sewer services offered by the Town of Weaverville. The final category is the component unit. Although legally separate from the Town, the ABC Board is important to the Town. The Town exercises control over the Board by appointing its members and the Board is required to distribute its profits to the Town.

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

Fund Financial Statements

The fund financial statements (see Figure 1) provide a more detailed look at the Town's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Weaverville, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of the Town of Weaverville 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 more or less financial resources available to finance the Town's programs. The relationship between government activities (reported in the Statement of Net Position and the

Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Town of Weaverville adopts an annual budget for its General Fund and Fire Department Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds – The Town of Weaverville has one proprietary fund. The *Enterprise Fund* is used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Weaverville uses the enterprise fund to account for its water and sewer activity. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Weaverville's progress in funding its obligation to provide pension and other postemployment benefits to its employees.

Interdependence with Other Entities – The Town depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the Town is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

Government-Wide Financial Analysis

The Town of Weaverville's Net Position
Figure 2

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2022	2021	2022	2021	2022	2021	
Current and other assets	\$ 8,748,183	\$ 7,110,100	\$ 5,277,120	\$ 5,201,087	\$ 14,025,303	\$ 12,311,187	14%
Capital assets	13,147,251	12,925,593	9,967,958	10,000,594	23,115,209	22,926,187	1%
Total assets	<u>21,895,434</u>	<u>20,035,693</u>	<u>15,245,078</u>	<u>15,201,681</u>	<u>37,140,512</u>	<u>35,237,374</u>	5%
Deferred outflows of resources	1,949,809	1,715,763	335,966	280,343	2,285,775	1,996,106	
Long-term liabilities	3,315,128	4,278,733	3,868,777	4,568,476	7,183,905	8,847,209	-19%
Other liabilities	1,348,383	1,042,854	361,130	465,232	1,709,513	1,508,086	13%
Total liabilities	<u>4,663,511</u>	<u>5,321,587</u>	<u>4,229,907</u>	<u>5,033,708</u>	<u>8,893,418</u>	<u>10,355,295</u>	-14%
Deferred inflows of resources	1,460,762	139,054	252,061	24,660	1,712,823	163,714	946%
Net position:							
Net investment in capital assets	12,993,922	12,723,493	6,343,849	5,880,594	19,337,771	18,604,087	4%
Restricted	1,248,893	1,049,104	-	-	1,248,893	1,049,104	19%
Unrestricted	3,478,155	2,518,218	4,755,227	4,543,062	8,233,382	7,061,280	17%
Total net position	<u>\$ 17,720,970</u>	<u>\$ 16,290,815</u>	<u>\$ 11,099,076</u>	<u>\$ 10,423,656</u>	<u>\$ 28,820,046</u>	<u>\$ 26,714,471</u>	8%

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the Town of Weaverville exceeded liabilities and deferred inflows by \$28,820,046 as of June 30, 2022. The Town's net position increased by \$2,105,575 for the fiscal year ended June 30, 2022. The largest component of net position (67.1%) reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment less the debt related to those assets). The Town of Weaverville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Weaverville's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Town of Weaverville's net position (3.4%), \$981,863, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$8,500,412 (29.5%) is unrestricted.

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

- Continued diligence in the collection of property taxes, which resulted in a collection rate of 99.8% plus approximately \$48,250 in prior year taxes collected.
- Sales of assets resulted in proceeds of \$13,575.
- Distributions to the Town from the ABC Store were approximately 28% higher than budgeted, as a result of ABC's increased sales revenue during the coronavirus pandemic.
- Grant Revenue for the Public Works Department as well as CARES Act funds totaled approximately \$45,000.

Town of Weaverville's Changes in Net Position

Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
<i>Program revenues:</i>						
Charges for services	\$ 33,259	\$ 19,911	\$ 2,856,517	\$ 2,522,887	\$ 2,889,776	\$ 2,542,798
Operating grants and contributions	77,007	207,471	-	-	77,007	207,471
Capital grants and contributions	136,507	139,851	-	-	136,507	139,851
<i>General revenues:</i>						
Property taxes	3,979,654	3,577,985	-	-	3,979,654	3,577,985
Local option sales tax	1,786,030	1,536,284	-	-	1,786,030	1,536,284
Grants and contributions not restricted to specific programs	2,770,850	2,524,278	-	-	2,770,850	2,524,278
Unrestricted investment earnings	9,331	3,641	3,791	-	13,122	3,641
Miscellaneous	38,403	23,974	-	-	38,403	23,974
Gain on sale of property	13,575	21,131	-	26,993	13,575	48,124
<i>Total revenues</i>	<u>8,844,616</u>	<u>8,054,526</u>	<u>2,860,308</u>	<u>2,549,880</u>	<u>11,704,924</u>	<u>10,604,406</u>
Expenses:						
General government	1,057,776	970,726	-	-	1,057,776	970,726
Public safety	4,806,049	4,766,925	-	-	4,806,049	4,766,925
Transportation	503,847	550,460	-	-	503,847	550,460
Environmental protection	607,045	674,755	-	-	607,045	674,755
Culture and recreation	435,927	255,829	-	-	435,927	255,829
Water fund	-	-	2,184,888	1,976,838	2,184,888	1,976,838
Interest on long-term debt	3,817	8,305	-	-	3,817	8,305
<i>Total expenses</i>	<u>7,414,461</u>	<u>7,227,000</u>	<u>2,184,888</u>	<u>1,976,838</u>	<u>9,599,349</u>	<u>9,203,838</u>
Increase in net position	1,430,155	827,526	675,420	573,042	2,105,575	1,400,568
Net position, beginning	16,290,815	15,463,289	10,423,656	9,850,614	26,714,471	25,313,903
Net position, end of year	<u>\$ 17,720,970</u>	<u>\$ 16,290,815</u>	<u>\$ 11,099,076</u>	<u>\$ 10,423,656</u>	<u>\$ 28,820,046</u>	<u>\$ 26,714,471</u>

Governmental activities. Governmental activities increased the Town's net position by \$1,430,155, thereby accounting for approximately 70% of the growth in the net position of the Town of Weaverville. Town management continued to keep non-essential programs to a minimum and implemented cost saving strategies across Town departments. Management believes healthy investment in the Town will result in additional revenues, and in that vein added to the Town's net position by investing in capital assets, albeit less than in prior years. Continued efforts to maximize tax collections also contributed to the favorable net position, with tax collection now being performed by the county on behalf of the Town. Town management acknowledges that fiscal year 2022 was a successful year and plans on improving upon these approaches as a long-term strategy to realize continued fiscal health.

Business-type activities: Business-type activities increased the Town of Weaverville's net position by \$675,720. Water rates increased by 4% from the previous fiscal year, in order to continue planning for the future expansion of the Town's water system. System Development Fees continue to be a significant revenue source from new construction in both the residential and commercial sectors.

Financial Analysis of the Town's Funds

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

Governmental Funds. The focus of the Town of Weaverville's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town of Weaverville's financing requirements.

The General Fund is the chief operating fund of the Town of Weaverville. At the end of the current fiscal year, the Town of Weaverville's fund balance available for appropriation in the General Fund was \$6,176,542 while total fund balance reached \$7,012,858. The Governing Body of the Town of Weaverville has determined that the Town should maintain an available fund balance of a minimum 40% of General Fund revenues in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the Town. The Town currently has an available fund balance of 89% of General Fund revenues, while total fund balance represents 101% of the same amount.

General Fund Budgetary Highlights: During the fiscal year, the Town revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Actual revenues were more than budgeted amounts due to higher than anticipated ad valorem and sales tax collections, as well as increased ABC Store distributions. Expenditures were also held in check to comply with budgetary requirements.

Proprietary Funds. The Town of Weaverville's proprietary fund provides the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water Fund at the end of the fiscal year amounted to \$4,755,227. The total change in net position for the Water Fund was an increase of \$675,420. The change in net position in the Water Fund is primarily a result of the Town's growing customer base, higher water rates, increased System Development Fees on new construction, and continued replacement of manual-read water meters with automated water meters.

Capital Asset and Debt Administration

Capital assets. The Town of Weaverville's investment in capital assets for its governmental and business-type activities as of June 30, 2022, totals \$23,115,209 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, vehicles, furniture, plant and distribution systems, and town infrastructure.

Major capital asset transactions during the year include the following:

- Two new Hybrid SUV's for the Police Department at a cost of \$96,274 total.
- Fire Department radios, extrication tools, and other equipment totaling \$123,085.
- Two Utility Terrain Vehicles (UTV's) and other equipment for Public Works totaling \$67,949.
- Completion of the new Community Center at a total cost of \$3,502,605.
- A new trackhoe for the Water Department at a total cost of \$67,806.

**Town of Weaverville's Capital Assets
(Net of depreciation)**

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land and construction in progress	\$ 1,032,109	\$ 4,074,901	\$ 500,995	\$ 184,965	\$ 1,533,104	\$ 4,259,866
Buildings	7,403,696	4,075,817	-	-	7,403,696	4,075,817
Land improvements	295,105	309,343	-	-	295,105	309,343
Furniture, equipment and vehicles	1,366,727	1,336,186	552,192	564,765	1,918,919	1,900,951
Infrastructure	3,049,614	3,129,346	8,914,771	9,250,864	11,964,385	12,380,210
Total capital assets	<u>\$ 13,147,251</u>	<u>\$ 12,925,593</u>	<u>\$ 9,967,958</u>	<u>\$ 10,000,594</u>	<u>\$ 23,115,209</u>	<u>\$ 22,926,187</u>

Additional information on the Town's capital assets can be found in Note 2.A.4 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2022, the Town of Weaverville had total debt in the form of installment purchase contracts, water revenue bonds, and general obligation bonds outstanding of \$3,777,438.

Town of Weaverville's Outstanding Debt

General Obligation Bonds and Direct Placement Installment Purchases Payable and Bond Anticipation Note

Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds, net	\$ -	\$ -	\$ 1,486,000	\$ 1,660,000	\$ 1,486,000	\$ 1,660,000
Installment purchases payable	153,329	202,100	-	-	153,329	202,100
Water revenue bond	-	-	2,138,109	2,460,000	2,138,109	2,460,000
	<u>\$ 153,329</u>	<u>\$ 202,100</u>	<u>\$ 3,624,109</u>	<u>\$ 4,120,000</u>	<u>\$ 3,777,438</u>	<u>\$ 4,322,100</u>

Town of Weaverville's Outstanding Debt

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Town of Weaverville is approximately \$86,000,000.

Additional information regarding the Town of Weaverville's long-term debt can be found in Note 2.B.3 of this report.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of the Town.

- The Town has seen continued growth in both the housing and retail markets during FY 2022, and we expect that this will continue during FY 2023. In addition to the new Hobby Lobby store, the retail giant Marshall's recently opened next door, and a Highway 55 fast food restaurant just began construction within the same shopping complex.
- There are roughly 25 new residential units that have either been approved or are currently in the development review process.
- The Town's fund balance continues to remain strong, even after paying cash to construct a new Community Center at Lake Louise. Maintaining a substantial fund balance helps the Town avoid any drastic cuts to services and/or massive rate increases.

Budget Highlights for the Fiscal Year Ending June 30, 2023

Governmental Activities: The Town Council has adopted a budget for fiscal year 2022-2023 that sets the tax rate at \$0.35 per \$100 of valuation, which is the same rate from fiscal year 2021-2022. The adopted budget allocates funding for a new position in the Streets Division, which will be the first new position added to the Public Works Department in over 20 years. This new position will help with the newly mandated Stormwater Program. The adopted budget also includes funding for a new position in administration to help with Town Clerk duties and serve as the Communication Coordinator for the Town.

As part of Town Council's desire to continue pace with the Buncombe County living wage as determined by *Just Economic of WNC*, the adopted budget includes a new minimum living wage rate for all employees. Town Council also approved employee pay increases of 3-7% via a tiered merit program, with the highest increases going to those with the lowest annual wages. The adopted budget continues to provide appropriate health insurance for all full-time employees.

Capital expenditures in the budget include \$110,000 for the replacement of two Police patrol vehicles with hybrid sport utility vehicles, in accordance with the Town's vehicle replacement guidelines. Funding of \$543,000 is also included to continue the Town's street paving program, with \$118,000 of this amount offset by Powell Bill funds. The budget also includes funding for improvements to the restrooms at Lake Louise, as well as additional parking near the lake.

The Town continues to address Americans with Disabilities Act (ADA) improvements in the adopted budget as guided by the approved ADA Transition Plan, as well as stormwater management as guided by the Town's draft Stormwater Management Plan. The budget also continues funding of \$75,000 to the Capital Reserve Fund for the future purchase of a fire truck.

Business-type Activities: The Weaverville Water System is operated as an Enterprise Fund. Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private businesses, where the intent of the governing body is that user charges fund the cost of providing goods and services to the general public on a continuing basis. Each year the Town staff completes an analysis of Water Department finances to determine the financial stability of the department with an eye on future system requirements and changing growth patterns. This review includes an analysis of user charges to determine their adequacy in funding normal operations, capital improvement, and debt service payments, including payments on the USDA revenue bonds which were issued for a waterline extension project that was completed during fiscal year 2020-2021.

Water revenues from all sources during fiscal year 2022-2023 are budgeted at \$2,597,920, slightly lower than the actual amount of \$2,835,367 from the previous fiscal year. The decrease is attributed to lower system development fees expected. The budget for fiscal year 2022-2023 includes a water rate increase of 3% to help cover the cost of needed capital improvements at the water treatment plant, including two new generators, and to prepare for the anticipated expansion of the Town's water system. Continued growth in the Town's customer base has helped to meet the budgetary needs of the Water Department, without excessive rate increases. Water System Development fees have also proven to be a reliable and significant source of revenue for the Water Fund and are used to make debt service payments and fund the Capital Reserve Fund which was established for water related capital projects.

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 Tonya Dozier, Finance Officer, Town of Weaverville, PO Box 338, Weaverville, NC 28787. You can also call (828) 645-7116, visit our website www.weaverville.org or send an email to tdozier@weaverville.org for more information.

TOWN OF WEAVERVILLE, NORTH CAROLINA

Exhibit 1

STATEMENT OF NET POSITION
June 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Town of Weaverville ABC Board
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 6,506,005	\$ 4,726,932	\$ 11,232,937	\$ 582,624
Taxes receivable, net	23,372	-	23,372	-
Accounts receivable, net	-	523,943	523,943	-
Lease receivable	175,848	-	175,848	-
Due from other governments	1,016,575	-	1,016,575	-
Inventories	-	-	-	295,630
Prepaid items	86,763	-	86,763	21,483
Restricted cash and equivalents	939,620	26,245	965,865	-
Total current assets	8,748,183	5,277,120	14,025,303	899,737
Non-current assets:				
Capital assets:				
Land and construction in progress	1,032,109	500,995	1,533,104	-
Other capital assets, net	12,115,142	9,466,963	21,582,105	775,743
Total capital assets	13,147,251	9,967,958	23,115,209	775,743
Total assets	21,895,434	15,245,078	37,140,512	1,675,480
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferrals	1,499,689	233,868	1,733,557	86,173
OPEB deferrals	450,120	102,098	552,218	-
Total deferred outflows of resources	1,949,809	335,966	2,285,775	86,173
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	466,164	51,277	517,441	375,633
Payable from restricted cash:				
Deposits	65,605	26,245	91,850	-
Unearned revenues	641,697	-	641,697	-
Accrued interest payable	2,995	6,608	9,603	7,470
Current portion of long-term liabilities	171,922	277,000	448,922	93,000
Total current liabilities	1,348,383	361,130	1,709,513	476,103
Long-term liabilities:				
Net pension liability (LGERS)	770,122	154,176	924,298	48,462
Total pension liability (LEOSSA)	900,688	-	900,688	-
Total OPEB liability	1,416,837	297,605	1,714,442	-
Due in more than one year	227,481	3,416,996	3,644,477	683,771
Total long-term liabilities	3,315,128	3,868,777	7,183,905	732,233
Total liabilities	4,663,511	4,229,907	8,893,418	1,208,336
DEFERRED INFLOWS OF RESOURCES				
Leases	175,840	-	175,840	-
Pension deferrals	1,229,370	240,393	1,469,763	69,508
OPEB deferrals	55,552	11,668	67,220	-
Total deferred inflows of resources	1,460,762	252,061	1,712,823	69,508
NET POSITION				
Net investment in capital assets	12,993,922	6,343,849	19,337,771	18,599
Restricted for:				
Stabilization by State statute	1,016,575	-	1,016,575	-
Streets	228,149	-	228,149	-
Public safety	4,169	-	4,169	-
Working capital	-	-	-	137,605
Unrestricted	3,478,155	4,755,227	8,233,382	327,605
Total net position	\$ 17,720,970	\$ 11,099,076	\$ 28,820,046	\$ 483,809

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Exhibit 2

STATEMENT OF ACTIVITIES
For the year ended June 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Component Unit
					Governmental Activities	Business-type Activities		Town of Weaverville ABC Board
Primary government:								
Governmental Activities:								
General government	\$ 1,057,776	\$ 15,859	\$ -	\$ -	\$ (1,041,917)	\$ -	\$ (1,041,917)	\$ -
Public safety	4,806,049	17,400	77,007	-	(4,711,642)	-	(4,711,642)	-
Transportation	503,847	-	-	136,507	(367,340)	-	(367,340)	-
Environmental protection	607,045	-	-	-	(607,045)	-	(607,045)	-
Cultural and recreation	435,927	-	-	-	(435,927)	-	(435,927)	-
Interest on long-term debt	3,817	-	-	-	(3,817)	-	(3,817)	-
Total governmental activities	7,414,461	33,259	77,007	136,507	(7,167,688)	-	(7,167,688)	-
Business-type activities:								
Water fund	2,184,888	2,856,517	-	-	-	671,629	671,629	-
Total primary government	\$ 9,599,349	\$ 2,889,776	\$ 77,007	\$ 136,507	(7,167,688)	671,629	(6,496,059)	-
Component unit:								
Town of Weaverville ABC Board	\$ 3,525,399	\$ 3,576,653	\$ -	\$ -	-	-	-	51,254
Total component unit	\$ 3,525,399	\$ 3,576,653	\$ -	\$ -	-	-	-	51,254
General revenues:								
Taxes:								
Property taxes, levied for general purpose					3,979,654	-	3,979,654	-
Local option sales tax					1,786,030	-	1,786,030	-
Grants and contributions not restricted to specific programs					2,770,850	-	2,770,850	-
Gain on sale of assets					13,575	-	13,575	-
Unrestricted investment earnings					9,331	3,791	13,122	445
Miscellaneous					38,403	-	38,403	-
Total general revenues					8,597,843	3,791	8,601,634	445
Change in net position					1,430,155	675,420	2,105,575	51,699
Net position, beginning of year					16,290,815	10,423,656	26,714,471	432,110
Net position, end of year					\$ 17,720,970	\$ 11,099,076	\$ 28,820,046	\$ 483,809

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Exhibit 3

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	Major Fund	Major Fund	Major Fund	Non-Major Fund	Total
	General Fund	Fire Department Fund	American Rescue Plan Fund	General Capital Project Fund	Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 6,307,565	\$ 198,440	\$ -	\$ -	\$ 6,506,005
Restricted cash and cash equivalents	297,923	-	641,697	-	939,620
Taxes receivable, net	18,872	-	-	-	18,872
Due from other governments	749,545	267,030	-	-	1,016,575
Lease receivable	175,848	-	-	-	175,848
Prepaid items	86,763	-	-	-	86,763
Total assets	\$ 7,636,516	\$ 465,470	\$ 641,697	\$ -	\$ 8,743,683
LIABILITIES					
Accounts payable and accrued liabilities	\$ 363,341	\$ 102,823	\$ -	\$ -	\$ 466,164
Payable from restricted cash:					
Deposits	65,605	-	-	-	65,605
Unearned revenues	-	-	641,697	-	641,697
Total liabilities	428,946	102,823	641,697	-	1,173,466
DEFERRED INFLOWS OF RESOURCES					
Property taxes receivable	18,872	-	-	-	18,872
Leases	175,840	-	-	-	175,840
Total deferred inflows of resources	194,712	-	-	-	194,712
FUND BALANCES					
Non-Spendable					
Leases	8	-	-	-	8
Prepaid items	86,763	-	-	-	86,763
Restricted					
Stabilization by State statute	749,545	267,030	-	-	1,016,575
Streets	228,149	-	-	-	228,149
Public safety	4,169	-	-	-	4,169
Assigned					
Public safety	-	95,617	-	-	95,617
Subsequent year's expenditures	120,464	-	-	-	120,464
Unassigned	5,823,760	-	-	-	5,823,760
Total fund balances	7,012,858	362,647	-	-	7,375,505
Total liabilities, deferred inflows of resources and fund balances	\$ 7,636,516	\$ 465,470	\$ 641,697	\$ -	\$ 8,743,683

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Exhibit 3 (cont)

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:

Total fund balances of governmental funds		\$ 7,375,505
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Gross capital assets at historical cost	\$ 21,877,913	
Accumulated depreciation	<u>(8,730,662)</u>	13,147,251
Deferred outflows of resources related to pensions are not reported in the funds		1,499,689
Deferred outflows of resources related to OPEB are not reported in the funds		450,120
Earned revenues considered deferred inflows of resources in fund statements.		18,872
Other long-term assets are not available to pay for current-period expenditures and, therefore, are inflows of resources in the funds.		4,500
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds.		
Installment purchases	(153,329)	
Other postemployment benefits	(1,416,837)	
Compensated absences	(246,074)	
Total pension liability (LEOSSA)	(900,688)	
Net pension liability (LGRS)	<u>(770,122)</u>	(3,487,050)
Deferred inflows of resources related to pensions are not reported in the funds		(1,229,370)
Deferred inflows of resources related to OPEB are not reported in the funds		(55,552)
Other liabilities (accrued interest payable) are not due and payable in the current period and therefore are not reported in the funds		<u>(2,995)</u>
Net position of governmental activities		<u>\$ 17,720,970</u>

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2022

	Major Fund	Major Fund	Major Fund	Non-Major Fund	
	General Fund	Fire Department Fund	American Rescue Plan Fund	General Capital Project Fund	Total Governmental Funds
REVENUES					
Ad valorem taxes	\$ 3,975,822	\$ -	\$ -	\$ -	\$ 3,975,822
Local option sales tax	1,786,030	-	-	-	1,786,030
Unrestricted intergovernmental	878,662	1,846,906	-	-	2,725,568
Restricted intergovernmental	206,449	6,417	-	-	212,866
Permits and fees	21,140	600	-	-	21,740
Sales and services	11,519	-	-	-	11,519
Investment earnings	9,331	-	-	-	9,331
Miscellaneous	83,685	648	-	-	84,333
Total revenues	<u>6,972,638</u>	<u>1,854,571</u>	<u>-</u>	<u>-</u>	<u>8,827,209</u>
EXPENDITURES					
Current:					
General government	1,089,645	-	-	-	1,089,645
Public safety	2,234,294	2,481,603	-	-	4,715,897
Transportation	433,742	-	-	-	433,742
Environmental protection	583,182	-	-	-	583,182
Cultural and recreation	364,190	-	-	-	364,190
Capital outlay	-	-	-	459,812	459,812
Debt service:					
Principal	-	48,771	-	-	48,771
Interest	-	4,770	-	-	4,770
Total expenditures	<u>4,705,053</u>	<u>2,535,144</u>	<u>-</u>	<u>459,812</u>	<u>7,700,009</u>
Revenues over (under) expenditures	<u>2,267,585</u>	<u>(680,573)</u>	<u>-</u>	<u>(459,812)</u>	<u>1,127,200</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	13,575	-	-	-	13,575
Transfer from general fund	-	1,043,220	-	459,812	1,503,032
Transfer to capital project fund	(459,812)	-	-	-	(459,812)
Transfer to fire department fund	(1,043,220)	-	-	-	(1,043,220)
Total other financing sources (uses)	<u>(1,489,457)</u>	<u>1,043,220</u>	<u>-</u>	<u>459,812</u>	<u>13,575</u>
Net change in fund balances	778,128	362,647	-	-	1,140,775
Fund balance, beginning of year	<u>6,234,730</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,234,730</u>
Fund balances, end of year	<u>\$ 7,012,858</u>	<u>\$ 362,647</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,375,505</u>

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
June 30, 2022

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net changes in fund balances - total governmental funds \$ 1,140,775

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay expenditures which were capitalized.	\$ 832,951	
Depreciation expense for governmental assets.	<u>(611,293)</u>	221,658

Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities. 422,684

Benefit payments paid for the LEOSSA are not included in the Statement of Activities. 30,289

OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities. 37,578

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 3,832

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on long-term debt.	48,771	
Decrease in accrued interest payable.	<u>957</u>	49,728

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 used (accrued)	10,009	
Pension expense - LGERS	(295,937)	
Pension expense - LEOSSA	(103,175)	
OPEB expense	<u>(87,286)</u>	(476,389)

Total changes in net position of governmental activities \$ 1,430,155

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
For the year ended June 30, 2022

	General Fund			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Ad valorem taxes	\$ 3,646,056	\$ 3,646,056	\$ 3,975,822	\$ 329,766
Other taxes and licenses	1,476,027	1,476,027	1,786,030	310,003
Unrestricted intergovernmental	2,445,347	751,644	878,662	127,018
Restricted intergovernmental	98,500	162,019	206,449	44,430
Permits and fees	20,500	20,500	21,140	640
Sales and services	20,000	20,000	11,519	(8,481)
Investment earnings	1,400	1,400	9,331	7,931
Miscellaneous	5,000	21,582	83,685	62,103
Total revenues	<u>7,712,830</u>	<u>6,099,228</u>	<u>6,972,638</u>	<u>873,410</u>
EXPENDITURES				
Current:				
General government	1,116,012	1,213,780	1,089,645	124,135
Public safety	4,954,520	2,297,809	2,234,294	63,515
Transportation	956,456	1,046,707	433,742	612,965
Environmental protection	709,158	702,158	583,182	118,976
Cultural and recreation	433,382	443,382	364,190	79,192
Contingency	20,000	20,000	-	20,000
Debt service:				
Principal and interest	53,541	-	-	-
Total expenditures	<u>8,243,069</u>	<u>5,723,836</u>	<u>4,705,053</u>	<u>1,018,783</u>
Revenues over (under) expenditures	<u>(530,239)</u>	<u>375,392</u>	<u>2,267,585</u>	<u>1,892,193</u>
Other financing sources (uses):				
Appropriated fund balance	595,239	1,319,094	-	(1,319,094)
Sale of capital assets	10,000	10,000	13,575	3,575
Transfer to capital project fund	-	(586,266)	(459,812)	126,454
Transfer to fire department fund	-	(1,043,220)	(1,043,220)	-
Transfer to capital reserve	(75,000)	(75,000)	(75,000)	-
Total other financing sources (uses)	<u>530,239</u>	<u>(375,392)</u>	<u>(1,564,457)</u>	<u>(1,189,065)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>703,128</u>	<u>\$ 703,128</u>
Fund balance, beginning			<u>6,159,730</u>	
Fund balance, end of year			<u>6,862,858</u>	
A legally budgeted Capital Reserve Fund is consolidated into the General Fund for reporting purposes:				
Transfer from general fund			75,000	
Fund balance, beginning (Capital Reserve Fund)			75,000	
Fund balance, ending (Exhibit 4)			<u>7,012,858</u>	

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Exhibit 7

STATEMENT OF NET POSITION
PROPRIETARY FUND
June 30, 2022

	<u>Enterprise Fund</u>
	<u>Water Fund</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 4,726,932
Accounts receivable, net	523,943
Restricted cash and cash equivalents	26,245
Total current assets	<u>5,277,120</u>
Capital assets:	
Land and other non-depreciable assets	500,995
Other capital assets, net of depreciation	9,466,963
Capital assets, net	<u>9,967,958</u>
Total assets	<u>15,245,078</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension deferrals	233,868
OPEB deferrals	102,098
Total deferred outflows of resources	<u>335,966</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	36,751
Salaries and payroll taxes payable	14,526
Payable from restricted assets:	
Customer deposits	26,245
Accrued interest payable	6,608
Compensated absences, current	60,000
Bonds payable, current	217,000
Total current liabilities	<u>361,130</u>
Noncurrent liabilities:	
Compensated absences, net	9,887
Total OPEB liability	297,605
Bonds payable, net	3,407,109
Net pension liability	154,176
Total noncurrent liabilities	<u>3,868,777</u>
Total liabilities	<u>4,229,907</u>
DEFERRED INFLOWS OF RESOURCES	
Pension deferrals	240,393
OPEB deferrals	11,668
Total deferred inflow of resources	<u>252,061</u>
NET POSITION	
Net investment in capital assets	6,343,849
Unrestricted	4,755,227
Total net position	<u>\$ 11,099,076</u>

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Exhibit 8

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUND
 For the year ended June 30, 2022

	Enterprise Fund
	Water Fund
OPERATING REVENUES	
Charges for services	\$ 2,443,200
Other operating revenues	413,317
Total operating revenues	2,856,517
OPERATING EXPENSES	
Administration	238,121
Water treatment and distribution	1,400,771
Depreciation	463,666
Total operating expenses	2,102,558
Operating income	753,959
NONOPERATING REVENUES (EXPENSES)	
Investment earnings	3,791
Interest expense	(82,330)
Total nonoperating revenue, net	(78,539)
Change in net position	675,420
Net position, beginning of year	10,423,656
Net position, end of year	\$ 11,099,076

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Exhibit 9

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND
 For the year ended June 30, 2022

	<u>Enterprise Fund</u> <u>Water Fund</u>
Cash flows from operating activities:	
Cash received from customers	\$ 2,760,300
Cash paid for goods and services	(668,165)
Cash paid to or on behalf of employees for services	(1,101,757)
Net cash provided by operating activities	<u>990,378</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(431,030)
Interest paid on bond maturities	(82,417)
Principal payments on debt	(495,891)
Net cash used for capital and related financing activities	<u>(1,009,338)</u>
Cash flows from investing activities:	
Interest earned	<u>3,791</u>
Net decrease in cash and cash equivalents	(15,169)
Cash and cash equivalents, beginning of year	<u>4,768,346</u>
Cash and cash equivalents, end of year	<u>\$ 4,753,177</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	<u>\$ 753,959</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	463,666
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Increase in accounts receivable	(91,202)
Increase in deferred outflows of resources - pensions	(31,311)
Increase in deferred outflows of resources - OPEB	(24,312)
Increase in deferred inflows of resources - pensions	229,543
Decrease in deferred inflows of resources - OPEB	(2,142)
Decrease in accounts payable and accrued liabilities	(88,038)
Decrease in customer deposits	(5,015)
Decrease in salaries and payroll taxes payable	(27,963)
Increase in accrued compensated absences	845
Decrease in net pension liability	(223,605)
Increase in net OPEB liability	35,953
Total adjustments	<u>236,419</u>
Net cash provided by operating activities	<u>\$ 990,378</u>

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

TOWN OF WEAVERVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies

The accounting policies of the Town of Weaverville and its discretely presented component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Town of Weaverville is a municipal corporation, which is governed by an elected mayor and a five member council. As required by generally accepted accounting principles, these financial statements present the Town and its component unit, a legally separate entity for which the Town is financially accountable. The discretely presented component unit presented below is reported in a separate column in the Town's financial statements in order to emphasize that it is legally separate from the Town.

Town of Weaverville ABC Board

The members of the ABC Board's governing board are appointed by the Town. In addition, the ABC Board is required by State statute to distribute its surpluses to the General Fund of the Town. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund (discrete presentation). Complete financial statements for the ABC Board may be obtained from the entity's administrative offices at Town of Weaverville ABC Board, 7 Northridge Commons, Suite 101, Weaverville, NC 28787.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government and its component unit. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities, however interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Town's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The 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. As of June 30, 2021, the Town of Weaverville did not report any nonmajor governmental funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

The Town reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, state grants, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance and construction, and sanitation services. Additionally, the Town has legally adopted a Capital Reserve Fund. Under GASB 54 guidance the Capital Reserve Fund is consolidated in the General Fund. The budgetary comparison for the Capital Reserve Fund has been included in the supplemental information.

Fire Department Fund – This fund is used to account for the Town's fire department operations.

American Rescue Plan Fund – This fund accounts for the transactions related to the American Rescue Plan Funds.

The Town reports the following non-major governmental fund:

General Capital Project Fund – The capital project fund account for the acquisition and construction of major capital facilities.

The Town reports the following major enterprise fund:

Water Fund – This fund is used to account for the Town's water operations. This fund also covers acquisition and construction of major water capital facilities and infrastructure, which are accounted for in the Water Capital Project Funds that are combined with the Water Fund (the operating fund) for financial statement purposes. The non-GAAP budgetary comparison for the capital project funds have been included in the supplementary information. Additionally, the Town has legally adopted a Capital Reserve Fund. Under GASB 54 guidance the Capital Reserve Fund is consolidated in the Water Fund. The budgetary comparison for the Capital Reserve Fund has been included in the supplemental information.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the Town are maintained during the year using the modified accrual basis of accounting.

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from 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 funds are charges to customers for sales and services. The Town also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as a revenue, because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the beer and wine tax, collected and held by the State at year-end on behalf of the Town are recognized as revenue. Sales taxes

are considered a shared revenue for the Town of Weaverville because the tax is levied by Buncombe County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues which are unearned at year-end are recorded as unearned revenues.

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Fund. All annual appropriations lapse at the fiscal-year end. Project ordinances are adopted for the Water Capital Project Fund. The Water Capital Project fund is consolidated with the operating fund for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds. The Town Manager is authorized by the budget ordinance to transfer appropriations between departmental areas within a fund up to \$10,000 without limit and without approval by the governing board; however, any revisions that alter the total expenditures of any fund or that change departmental appropriations by more than \$10,000 must be approved by the governing board. During the year, several amendments to the original budget were necessary, the effects of which were not material. 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. Appropriations are adopted at the department level.

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

1. Deposits and Investments

All deposits of the Town and of the ABC Board are made in board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Town and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Town and the ABC Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the Town and the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT). The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. Because the NCCMT Portfolio has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

2. Cash and Cash Equivalents

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The ABC Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents.

3. Restricted Assets

Customer deposits held by the Town before any services are supplied are restricted to the service for which the deposit was collected. Powell Bill funds are also classified as restricted cash because they can be expended only for the purpose of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through 136-41.4.

Restricted Cash

Governmental activities:

General Fund - Powell Bill funds	\$ 228,149
General Fund - developer/rental deposits	65,605
General Fund - Cops for Kids	4,169
American Rescue Plan - Unassigned proceeds	641,697
Total governmental activities	<u>939,620</u>

Business-type activities:

Water Fund - customer deposits	<u>26,245</u>
Total business-type activities	<u>26,245</u>

Total Primary Government	<u><u>\$ 965,865</u></u>
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4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2021.

5. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

6. Lease Receivable

The Town's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the Town receives fixed monthly lease payments for a period of time defined in the agreement. The monthly payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

7. Inventories and Prepaid Items

Inventories of the ABC Board are valued at cost (first-in, first-out), which approximates market. The Town of Weaverville does not maintain an inventory of parts and supplies for the enterprise fund. The inventories of the ABC Board consist of materials and supplies held for

subsequent sale. The cost of these inventories is expensed when sold rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The ABC Board expenses these items when used.

8. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain amount and an estimated useful life in excess of one year. Minimum capitalization costs are as follows: all land, regardless of value; improvements other than buildings, \$5,000; buildings, improvements, substations, lines, and other plant and distribution systems, \$20,000; furniture and equipment, \$5,000; vehicles, \$5,000; and infrastructure, \$100,000. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. General infrastructure assets acquired prior to July 1, 2003, consist of the road network and water system assets that were acquired prior to July 1, 1980, and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

Asset Class	Estimated Useful Lives
Infrastructure	50
Buildings	50
Land improvements	50
Vehicles	6 - 15
Furniture and equipment	5 - 10
Computer equipment	3

Property, plant, and equipment of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

Asset Class	Estimated Useful Lives
Buildings	25
Furniture and equipment	5 - 15
Computer equipment	5

9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. As of June 30, 2022, the Town only has two items that meet this criterion, pension and OPEB deferrals for the 2022 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. As of June 30, 2022, the Town has several items that meet the criterion for this category – prepaid taxes, property taxes receivable, leases, and pension and OPEB deferrals.

10. 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 and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

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

11. 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.

The Town's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Town has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

12. Reimbursement for Pandemic-related Expenditures

In FY 2020/21, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for the eligible state, local, territorial, and tribal governments. The Town was allocated \$1,283,395 of fiscal recovery funds to be paid in two equal installments. The first installment of \$641,697 was received in July 2021. The second installment will be received in early 2022. The Town plans on using the funds for revenue replacement in Fiscal Year 2023. Revenue replacement funds will be transferred to the appropriate funds once the intended use of the funds is determined.

13. Net Position/Fund Balances**Net Position**

Net position in government-wide and proprietary fund financial statements is 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.

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

Leases – portion of fund balance that is not an available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

Restricted fund balance – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for stabilization by State statute – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding encumbrances are included within RSS. RSS is included as a component of restricted net position and restricted fund balance on the face of the balance sheet.

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

Restricted for public safety – portion of fund balance that is held on behalf of the Cops for Kids program.

Committed fund balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town of Weaverville's governing body (highest level of decision-making authority.) The governing body can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned fund balance – portion of fund balance that the Town of Weaverville intends to use for specific purposes.

Public safety – portion of fund balance that is intended to be used to provide fire protection services for the Town as well as certain unincorporated areas based on a service agreement with Buncombe County.

Subsequent year's expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however the budget ordinance authorizes the manager to modify the appropriation by resource or appropriation within funds up to \$10,000.

Unassigned fund balance – portion of total 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.

The Town has not adopted a formal revenue spending policy that provides guidance for programs with multiple revenue sources; however, the Finance 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 typically spent from restricted fund balance first, followed, in order, by committed fund balance, assigned fund balance and, lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this if it is in the best interest of the Town.

The Town has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the Town in such a manner that available fund balance is at least equal to a minimum of 20%, with a target goal of 40%, of General Fund revenues.

F. Defined Benefit Cost-Sharing Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Town's employer contributions are recognized when due and the Town has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

G. Estimates

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

Note 2 – Detail Notes on All Funds**A. Assets****1. Deposits**

All of the Town's and the ABC Board's deposits are insured or collateralized using one of two options. Under the Dedicated Method, all deposits over the federal depository insurance coverage level are collateralized with securities held by the Town's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town's and the ABC Board's agents in their names.

The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town, the ABC Board, or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Town and the ABC Board 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 deposits only in the Pooling Method depositories. 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. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2022, the Town's deposits had a carrying amount of \$4,198,233 and a bank balance of \$4,642,309. Of the bank balance, \$593,114 was covered by federal depository insurance and \$4,049,195 was covered by collateral held under the pooling method. At June 30, 2022, the Town's petty cash fund totaled \$350.

The carrying amount of deposits for the ABC Board was \$582,624 and the bank balance was \$576,108. The ABC Board's petty cash fund totaled \$2,024. Of the bank balance, \$250,000 was covered by federal depository insurance and \$326,108 was covered by collateral held under the pooling method.

2. Investments

At June 30, 2022, the Town had \$8,000,219 invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAM by Standard and Poor's. The Town has no policy regarding credit risk.

3. Receivables – Allowances for Doubtful Accounts

The amount presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2022 is net of the following allowances for doubtful accounts:

<u>Funds</u>	
General Fund - Taxes Receivable	\$ 1,200
Enterprise Fund - Uncollectible Accounts	<u>24,000</u>
Total	<u><u>\$ 25,200</u></u>

4. Due From Other Governments

Amounts due from other governments at June 30, 2022 consisted of the following:

Local option sales tax	\$ 465,909
Sales tax refunds	92,760
Utilities sales tax	105,000
Fire protection charges	267,030
ABC store distributions	52,050
DMV distribution - registered motor vehicle tax	<u>33,826</u>
	<u><u>\$ 1,016,575</u></u>

5. Lease Receivable

In January 2022, the Town entered into a lease with USCOC Of Greater North Carolina, LLC, a subsidiary of U.S. Cellular. Under the lease, the Company pays the Town \$1,854 per month for sixty months in exchange for the right to place a cell tower on land owned by the Town. The initial lease will automatically extend for an additional term of 5 years and rent shall increase ten percent, resulting in monthly payments of 2,040. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 5%, which management has determined to be the incremental borrowing rate of the Town.

In fiscal year 2022, the City recognized \$11,519 of lease revenue and \$4,432 of interest revenue under the lease.

6. Capital Assets**Primary Government**

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,032,109	\$ -	\$ -	\$ 1,032,109
Construction in progress	3,042,792	-	3,042,792	-
Total capital assets not being depreciated	<u>4,074,901</u>	<u>-</u>	<u>3,042,792</u>	<u>1,032,109</u>
Capital assets being depreciated:				
Buildings	6,080,833	3,510,363	-	9,591,196
Land improvements	484,046	-	-	484,046
Furniture, equipment, and vehicles	6,701,740	365,380	101,655	6,965,465
Infrastructure	3,805,097	-	-	3,805,097
Total capital assets being depreciated	<u>17,071,716</u>	<u>3,875,743</u>	<u>101,655</u>	<u>20,845,804</u>
Less accumulated depreciation for:				
Buildings	2,005,016	182,484	-	2,187,500
Land improvements	174,703	14,238	-	188,941
Furniture, equipment, and vehicles	5,365,554	334,839	101,655	5,598,738
Infrastructure	675,751	79,732	-	755,483
Total accumulated depreciation	<u>8,221,024</u>	<u>611,293</u>	<u>101,655</u>	<u>8,730,662</u>
Total capital assets being depreciated, net	<u>8,850,692</u>			<u>12,115,142</u>
Governmental activities capital assets, net	<u>\$ 12,925,593</u>			<u>\$ 13,147,251</u>

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

General government	\$ 44,563
Public safety	313,230
Transportation	129,946
Environmental protection	47,501
Cultural and recreational	76,053
Total depreciation expense	<u>\$ 611,293</u>

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
<i>Water Fund</i>				
Capital assets not being depreciated:				
Land	\$ 146,035	\$ -	\$ -	\$ 146,035
Construction in Progress	38,930	316,030	-	354,960
Total capital assets not being depreciated	<u>184,965</u>	<u>316,030</u>	<u>-</u>	<u>500,995</u>
Capital assets being depreciated:				
Plant and distribution systems	16,217,205	17,218	-	16,234,423
Furniture, equipment, and vehicles	1,764,307	97,782	-	1,862,089
Total capital assets being depreciated	<u>17,981,512</u>	<u>115,000</u>	<u>-</u>	<u>18,096,512</u>
Less accumulated depreciation for:				
Plant and distribution systems	6,966,341	353,311	-	7,319,652
Furniture, equipment, and vehicles	1,199,542	110,355	-	1,309,897
Total accumulated depreciation	<u>8,165,883</u>	<u>463,666</u>	<u>-</u>	<u>8,629,549</u>
Total capital assets being depreciated, net	<u>9,815,629</u>			<u>9,466,963</u>
Business-type activities capital assets, net	<u>\$ 10,000,594</u>			<u>\$ 9,967,958</u>

Construction Commitments

The Town had no construction commitments at June 30, 2022.

Discretely presented component unit

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

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets being depreciated:				
Building	\$ 1,479,898	\$ -	\$ -	\$ 1,479,898
Other improvements	43,590	-	-	43,590
Equipment and furniture	109,225	1,985	214	110,996
Computer equipment	30,367	-	-	30,367
Total capital assets being depreciated	<u>1,663,080</u>	<u>1,985</u>	<u>214</u>	<u>1,664,851</u>
Less accumulated depreciation for:				
Building	695,553	59,196	-	754,749
Other improvements	4,863	4,359	-	9,222
Equipment and furniture	91,137	6,073	214	96,996
Computer equipment	27,334	807	-	28,141
Total accumulated depreciation	<u>818,887</u>	<u>70,435</u>	<u>214</u>	<u>889,108</u>
Total capital assets being depreciated, net	<u>\$ 844,193</u>			<u>\$ 775,743</u>

B. Liabilities**1. Pension Plan and Postemployment Obligations****a. Local Governmental Employees' Retirement System**

1. Plan Description

The Town of Weaverville is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

2. 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 (age 55 for firefighters). 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 (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) 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.

3. Contributions

Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Town of Weaverville employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town of Weaverville's contractually required contribution rate for the year ended June 30, 2022, was 12.04% of compensation for law enforcement officers, 11.47% for general employees, and 11.47% for firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Town of Weaverville were \$511,846 for the year ended June 30, 2022.

4. 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.

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

At June 30, 2022, the Town reported a liability of \$924,298 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the

measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension 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 employers, actuarially determined. At June 30, 2022, the Town's proportion was 0.06027% (measured as of June 30, 2021), which was a decrease of .00311% from its proportion reported as of June 30, 2021 (measured as of June 30, 2020).

For the year ended June 30, 2022, the Town recognized pension expense of \$359,724. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 294,053	\$ -
Changes of assumptions and other inputs	580,695	-
Net difference between projected and actual earnings on pension plan investments	-	1,320,545
Changes in proportion and differences between Town contributions and proportionate share of contributions	15,469	120,630
Town contributions subsequent to the measurement date	511,846	-
Total	<u>\$ 1,402,063</u>	<u>\$ 1,441,175</u>

\$511,846 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, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2023	\$ 44,183
2024	(63,933)
2025	(127,112)
2026	(404,096)
2027	-
	<u>\$ (550,958)</u>

6. Actuarial Assumptions

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

Inflation	2.50 percent
Salary increases	3.25 percent to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.5 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, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns 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 weighing 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 rate of return for each major asset class as of June 30, 2021 and summarized in the following table:

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

The information above is based on 30 year expectations developed with the consulting actuary for the 2020 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

7. Discount rate

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

8. 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 6.50 percent, as well as what the Town’s proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	1% Decrease <u>(5.50%)</u>	Discount Rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
Town’s proportionate share of the net pension liability (asset)	\$ 3,588,049	\$ 924,298	\$ (1,267,814)

9. Pension plan fiduciary net position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

b. Law Enforcement Officers’ Special Separation Allowance

1. Plan Description

The Town of Weaverville administers a public employee retirement system (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the Town’s qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time Town law enforcement officers are covered by the Separation Allowance. At the valuation date of December 31, 2020, the Separation Allowance’s membership consisted of:

Retirees receiving benefits	3
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>16</u>
Total	<u>19</u>

2. 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 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 criteria which are outlined in GASB Statement 73.

3. Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2020 valuation. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	2.25 percent

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2020. The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five year period ending December 31, 2019.

Mortality Assumption: All mortality rates use Pub-2010 amount-weighted tables.

Mortality Projection: All mortality rates are projected from 2010 using generational improvement with Scale MP-2019.

Deaths after retirement (healthy): Mortality rates are based on the Safety Mortality Table for Retirees. Rates for all members are multiplied by 97% and Set Forward by 1 year.

Deaths before retirements: Mortality rates are based on the Safety Mortality Table for Employees.

Deaths after retirement (beneficiary): Mortality rates are based on the Below-median Teachers Mortality Table for Contingent Survivors. Rates for male members are Set Forward 3 years. Rates for female members are Set Forward 1 year. Because the contingent survivor tables have no rates prior to age 45, the Below-median Teachers Mortality Table for Employees is used for ages less than 45.

Deaths after retirement (disabled): Mortality rates are based on the Non-Safety Mortality Table for Disabled Retirees. Rates are Set Back 3 years for all ages.

4. Contributions.

The Town is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The Town paid \$59,809 as benefits came due during the reporting period.

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

At June 30, 2022, the Town reported a total pension liability of \$900,688. The total pension liability was measured as of December 31, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2021 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2022, the Town recognized a pension expense of \$103,175.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 163,838	\$ -
Changes of assumptions or other inputs	137,367	28,587
Benefit payments and administrative expenses made subsequent to the measurement date	30,289	-
Total	<u>\$ 331,494</u>	<u>\$ 28,587</u>

\$30,289 reported as deferred outflows of resources related to pensions resulting from benefit payments made subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2023	\$ 77,681
2024	71,842
2025	64,491
2026	53,951
2027	4,566
Thereafter	87
	<u>\$ 272,618</u>

Sensitivity of the Town's total pension liability to changes in the discount rate. The following presents the Town's total pension liability calculated using the discount rate of 2.25 percent, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total pension liability	\$ 974,517	\$ 900,688	\$ 833,129

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

	2022
Beginning balance	\$ 875,592
Service cost	41,100
Interest on the total pension liability	16,322
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	50,410
Change of assumptions or other inputs	(22,927)
Benefit payments	(59,809)
Other changes	-
Ending balance of the total pension liability	\$ 900,688

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	\$ 359,724	\$ 103,175	\$ 462,899
Pension liability	924,298	900,688	1,824,986
Proportionate share of the net pension liability	0.06027%	n/a	

Deferred outflows of resources:

Differences between expected and actual experience	\$ 294,053	\$ 163,838	\$ 457,891
Changes of assumptions and other inputs	580,695	137,367	718,062
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	15,469	-	15,469
Benefit payments paid subsequent to the measurement date	511,846	30,289	542,135
	\$1,402,063	\$ 331,494	\$1,733,557

Deferred inflows of resources:

Differences between expected and actual experience	\$ -	\$ -	\$ -
Changes of assumptions	-	28,588	28,588
Net difference between projected and actual earnings on plan investments	1,320,545	-	1,320,545
Changes in proportion and differences between contributions and proportionate share of contributions	120,630	-	120,630
	\$1,441,175	\$ 28,588	\$1,469,763

c. **Supplemental Retirement Income Plan for Law Enforcement Officers and General Employees**

1. Plan Description

The Town contributes to the Supplemental Retirement Income Plan (the 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 and general employees 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 Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

2. Funding Policy

Article 12E of G.S. Chapter 143 requires the Town to contribute each month an amount equal to five percent of each law enforcement officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers and general employees may make voluntary contributions to the plan for which the town will provide matching contributions up to six percent of each employee's salary.

The Town made contributions of \$216,729 for the reporting year. No amounts were forfeited.

d. **Other Postemployment Benefits**

Healthcare Benefits

1. Plan Description

Under the terms of a Town resolution, the Town administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). As of February 17, 2003, this plan provides postemployment benefits to retirees of the Town hired prior to July 1, 2017, provided they are eligible for unreduced benefits in the North Carolina Local Governmental Employees' Retirement System and have at least twenty years of creditable service with the Town. The Town pays for the retiree's group health insurance coverage through private insurers at the same percentage as current full-time employees until one of the following takes place: (1) The retiree is eligible for Medicare or Medicaid, or (2) the retiree goes to work where coverage is otherwise offered and available. Also, the Town's retirees can purchase coverage for their dependents at the Town's group rates.

Employees hired after July 1, 2017 are not eligible for postemployment healthcare benefits. The Town Council may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at June 30, 2020, the date of the latest actuarial valuation:

	General Employees:	Law Enforcement Officers:
Retirees receiving benefits	4	3
Terminated plan members entitled to but not receiving benefits	-	-
Active plan members	<u>28</u>	<u>12</u>
Total	<u>32</u>	<u>15</u>

2. Total OPEB Liability

The Town's total OPEB liability of \$1,714,442 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2020.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.5 percent
Salary increases	3.25 percent to 8.41 percent, including inflation
Discount rate	2.16 percent
Healthcare cost trend rates	
Pre-Medicare Medical and Prescription Drug	7.00 percent for 2020 decreasing to an ultimate rate of 4.50% by 2030
Dental	4.0 percent
Vision	2.5 percent

The Town selected a Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond Index published at the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the TOL.

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LHERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2020 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2020 valuation.

3. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2021	\$ 1,507,325
Changes for the year	
Service cost	52,883
Interest	33,510
Changes in benefit terms	-
Differences between expected and actual experience	20,681
Changes in assumptions or other inputs	188,321
Benefit payments	(88,278)
Net changes	<u>207,117</u>
Balance at June 30, 2022	<u>\$ 1,714,442</u>

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

4. Sensitivity of the total OPEB liability to changes in the discount rate.

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current discount rate:

	<u>1% Decrease (1.16%)</u>	<u>Discount Rate (2.16%)</u>	<u>1% Increase (3.16%)</u>
Total OPEB liability	\$ 1,884,397	\$ 1,714,442	\$ 1,561,689

5. 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:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB liability	\$ 1,527,818	\$ 1,714,442	\$ 1,934,561

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$101,774. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 146,591	\$ -
Changes of assumptions or other inputs	352,604	67,220
Benefit payments made subsequent to the measurement date	53,022	-
Total	<u>\$ 552,217</u>	<u>\$ 67,220</u>

\$53,022 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2023	\$ 64,043
2024	64,043
2025	64,043
2026	64,043
2027	64,043
Thereafter	111,760
	<u>\$ 431,975</u>

e. Other Employment Benefits

The Town has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the Town, the Town does not determine the number of eligible participants. The Town has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The Town considers these contributions to be immaterial.

2. Deferred Outflows and Inflows of Resources

The Town has several deferred outflows of resources. Deferred outflows of resources comprises the following:

Source	Amount
Contributions to the pension plan in the current fiscal year	\$ 511,846
Benefit payments made for LEOSSA subsequent to measurement date	30,289
Benefit payments made for OPEB subsequent to measurement date	53,023
Differences between expected and actual experience	604,482
Changes in assumptions or other inputs	1,070,666
Changes in proportion and differences between employer contributions and proportionate share of contributions	15,469
	\$ 2,285,775

Deferred inflows of resources at year-end comprises the following:

Source	Statement of Net Position	General Fund Balance Sheet
Taxes receivable, less penalties (General Fund)	\$ -	\$ 18,872
Lease receivable (General Fund)	175,840	175,840
Changes in assumptions or other inputs	95,808	-
Differences between expected and actual experience	1,320,545	-
Changes in proportion and differences between employer contributions and proportionate share of contributions (pension)	120,630	-
	\$ 1,712,823	\$ 194,712

Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town participates in two self-funded risk financing pools administered by the North Carolina League of Municipalities. Through these pools, the Town obtains general liability and auto liability coverage of \$5 million per occurrence, property coverage up to the total insurance values of the property and workers' compensation coverage up to statutory limits. The liability and property exposures are reinsured through commercial carriers for claims in excess of retentions as selected by the Board of Trustees each year. Specific information on the limits of the reinsurance, excess and stop loss policies purchased by the Board of Trustees can be obtained by contacting the Risk Management Services Department of the NC League of Municipalities. The pools are audited annually by certified public accountants, and the audited financial statements are available to the Town upon request.

The Town carries commercial insurance for risks of loss. Settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years and there have been no significant reductions in insurance coverage in the prior year. The Town does not carry flood insurance.

In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The finance officer and tax collector are individually bonded for \$250,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

The Weaverville ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The ABC Board has commercial property, general liability, auto liability, workmen's compensation and employee health coverage. The Board also has liquor legal liability insurance. There have been no significant reductions in insurance coverage from the prior year and settled claims have not exceeded coverage in any of the past three fiscal years. In accordance with G.S. 18B-700(i), each board member and the employees designated by the general manager and finance officer are bonded by a corporate surety in the amount of \$50,000.

3. Long-Term Obligations

a. Installment Purchase

In September 2014, the Town entered into a direct placement installment purchase contract with a financial institution in the amount of \$692,000 to finance the purchase of several fire trucks. The contract required annual principal payments beginning with a \$220,000 principal payment in September 2014 and then annual fixed payments of \$53,541, including interest at 2.36%, beginning in September 2015, through September 2024, and is being paid by the Fire Department Fund. The balance on this installment purchase contract as of June 30, 2022 was \$153,329. The equipment purchased with the debt proceeds is pledged as collateral for the debt.

Annual debt service payments of the installment purchases as of June 30, 2022, including \$7,293 of interest, are as follows:

Year ending June 30	Governmental Activities	
	Principal	Interest
2023	\$ 49,922	\$ 3,619
2024	51,100	2,440
2025	52,307	1,234
	<u>\$ 153,329</u>	<u>\$ 7,293</u>

b. General Obligation Indebtedness

General obligation bonds issued to finance the construction of facilities utilized in the operations of the water system and which are being retired by its resources are reported as long-term debt in the Water Fund. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the Town. Principal and interest requirements are appropriated when due.

In 2016, the Town refunded the remaining balance of its Series 2005 Water Refunding Bonds, which were payable semiannually until 2030 at an interest rate of 3%. The refunding reduces the interest rate to 2.06%, for an overall savings of \$369,377 in interest payments over the period of repayment.

General obligation bonds payable at June 30, 2022 are comprised of the following individual issue:

General Obligation Bonds

Serviced by the Water Fund:

Water Refunding direct placement bonds, 2016,
\$2,480,000 issue, interest at 2.06%
payable semiannually due
serially to 2030. \$ 1,486,000

Annual debt service requirements to maturity for long-term obligations are as follows:

Year ending June 30	Business-type Activities	
	Principal	Interest
2023	\$ 176,000	\$ 30,612
2024	178,000	26,986
2025	184,000	23,319
2026	191,000	19,529
2027	192,000	38,687
2028-2032	565,000	-
	<u>\$ 1,486,000</u>	<u>\$ 139,133</u>

c. Water Revenue Bond

During the fiscal year ending June 30, 2021, the \$2,500,000 bond anticipation note issued on February 14, 2020 was paid off with the proceeds of a \$2,500,000 in water revenue bond sold at a private negotiated sale to the United States Department of Agriculture. The bond requires annual payments beginning on June 1, 2021 until maturity in 2060, based on the maturity schedule below, including interest at 2.125% per annum.

Year Ending June, 30	Business-type Activities	
	Principal	Interest
2023	\$ 41,000	\$ 51,425
2024	43,000	50,554
2025	44,000	49,640
2026	45,000	48,705
2027	46,000	47,746
2028-2032	245,000	223,656
2033-2037	270,000	196,563
2038-2042	301,000	166,600
2043-2047	334,000	133,279
2048-2052	371,000	96,220
2053-2057	398,109	55,101
Total	<u>\$ 2,138,109</u>	<u>\$ 1,119,489</u>

At June 30, 2022, the Town of Weaverville had a legal debt margin of approximately \$86,000,000.

d. Discretely Presented Component Unit

In April 2009, the ABC Board entered into a \$1,500,000 note payable to a banking institution for the purpose of financing the ABC Board's acquisition and construction of the facilities in which it operates. The financing agreement required one interest only payment of \$73,500 beginning in the fiscal year 2010, followed by 19 annual principal and interest payments of \$123,007 with interest of 4.89%. On October 17, 2013, the ABC Board entered into a modification of the loan terms to require quarterly payments instead of annual. No other terms of the loan changed. The required quarterly payment is \$31,038. The loan matures in April 2029. The note payable is collateralized by all real and personal property of the ABC Board. The balance of the loan as of June 30, 2022 was \$732,192.

During the year ended June 30, 2010, the ABC Board entered into a loan with a banking institution in the amount of \$50,000. Loan payments commenced with interest only payments at 5.39% beginning in April 2010. Annual principal and interest payments of \$4,270 commenced in April 2011. On October 17, 2013, the ABC Board entered into a modification of the loan terms to require quarterly payments instead of annual. No other terms of the loan changed. The required quarterly payment is \$1,076. The loan matures in April 2029. The balance of this loan as of June 30, 2022 was \$24,952.

Interest expense for the year ended June 30, 2022 was \$39,008.

Annual debt service payments of the notes payable of the ABC Board as of June 30, 2022, including \$142,042 of interest, are as follows:

Year ending June 30	Discretely-Presented Component Unit	
	Principal	Interest
2023	\$ 93,000	\$ 35,455
2024	97,647	30,808
2025	102,527	25,928
2026	107,650	20,805
2027	113,030	15,425
2028-2029	243,290	13,621
	<u>\$ 757,144</u>	<u>\$ 142,042</u>

e. Changes in Long-Term Liabilities

The following is a summary of changes in the Town's long-term obligations for the year ended June 30, 2022:

	Balance July 1, 2021	Increase	Decrease	Balance June 30, 2022	Current Portion
Governmental Activities:					
Direct placement					
installment purchases	\$ 202,100	\$ -	\$ 48,771	\$ 153,329	\$ 49,922
Total pension liability (LEOSSA)	875,592	25,096	-	900,688	-
Net pension liability (LGERS)	1,887,056	-	1,116,934	770,122	-
Total OPEB liability	1,245,673	171,164	-	1,416,837	-
Compensated absences	256,083	111,925	121,934	246,074	122,000
Governmental activity long-term liabilities	<u>\$ 4,466,504</u>	<u>\$ 308,185</u>	<u>\$1,287,639</u>	<u>\$ 3,487,050</u>	<u>\$ 171,922</u>
Business-type Activities:					
Direct placement					
general obligation bonds	\$ 1,660,000	\$ -	\$ 174,000	\$ 1,486,000	\$ 176,000
Water revenue bond	2,460,000	-	321,891	2,138,109	41,000
Net pension liability (LGERS)	377,781	-	223,605	154,176	-
Total OPEB liability	261,652	35,953	-	297,605	-
Compensated absences	69,043	60,557	59,713	69,887	60,000
Business-type activity long-term liabilities	<u>\$ 4,828,476</u>	<u>\$ 96,510</u>	<u>\$ 779,209</u>	<u>\$ 4,145,777</u>	<u>\$ 277,000</u>

Compensated absences for governmental activities have typically been liquidated in the General Fund. Pension and OPEB liabilities have also typically been liquidated in the General Fund.

The following table summarizes long-term liability changes for the Weaverville ABC Board for the year ended June 30, 2022:

	Balance July 1, 2021	Increase	Decrease	Balance June 30, 2022	Current Portion
Component Unit:					
Notes payable	\$ 845,717	\$ -	\$ 88,573	\$ 757,144	\$ 93,000
Net pension liability (LGERS)	13,027	19,817	13,217	19,627	-
Compensated absences	101,485	-	53,023	48,462	-
Governmental activity long-term liabilities	<u>\$ 960,229</u>	<u>\$ 19,817</u>	<u>\$ 154,813</u>	<u>\$ 825,233</u>	<u>\$ 93,000</u>

C. Net Investment in Capital Assets

The following schedule provides a calculation of net investment in capital assets:

	<u>Governmental</u>	<u>Business-type</u>
Capital assets	\$ 13,147,251	\$ 9,967,958
Less: Long-term debt	153,329	3,624,109
Net investment in capital assets	<u>\$ 12,993,922</u>	<u>\$ 6,343,849</u>

D. 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	\$ 7,012,858
Less:	
Nonspendable items:	
Prepays and leases	86,771
Restricted for:	
Stabilization by state statute	749,545
Streets - Powell Bill	228,149
Public safety - Cops for Kids	4,169
Assigned:	
Appropriated fund balance in 2023 budget	120,464
Unassigned:	
Working capital/fund balance policy - minimum	<u>1,394,528</u>
Remaining fund balance	<u>\$ 4,429,232</u>

Note 3 – Joint Ventures

The Town and the members of the Town's fire department each appoint two members to the five-member local board of trustees for the Firefighter's Relief Fund. The State Insurance Commissioner appoints one additional member to the local board of trustees. The Firefighter's Relief Fund is funded by a portion of the fire and lightning insurance premiums which insurers remit to the State. The State passes these monies to the local board of the Firefighter's Relief Fund. The funds are used to assist firefighters in various ways. The Town obtains an ongoing financial benefit from the Fund for the on-behalf of payments for salaries and fringe benefits made to members of the Town's fire department by the board of trustees. During the fiscal year ended June 30, 2022, the Town reported no revenues and expenditures made through the Fireman's Relief Fund. The participating governments do not have any equity interest in the joint venture, so no equity has been reflected in the financial statements at June 30, 2022. The Firefighter's Relief Fund does not issue separate audited financial statements. Instead, the local board of trustees files an annual financial report with the State Firefighter's Association. This report can be obtained from the Association at 323 West Jones Street, Suite 401, Raleigh, North Carolina 27603.

Note 4 – Jointly Governed Organization

The Town, in conjunction with various other municipalities, participates in the Metropolitan Sewerage District. The participating governments established the District to provide sewerage services to the residents of participant communities. The Town appoints one member to the District's governing board. The Town collected and remitted to the District fees of \$1,183,858 during the fiscal year ended June 30, 2022. The Town's income for these collections totaled \$67,222.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WEAVERVILLE, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
LAST SIX FISCAL YEARS**

Schedule of Changes in Total Pension Liability

	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 875,592	\$ 598,291	\$ 560,099	\$ 551,717	\$ 445,528	\$ 429,610
Service cost	41,100	24,887	19,250	24,728	19,882	20,576
Interest on the total pension liability	16,322	18,492	19,299	16,732	16,852	15,177
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience						
in the measurement of the total pension liability	50,410	113,362	42,147	32,886	56,346	-
Change of assumptions or other inputs	(22,927)	182,669	17,305	(21,518)	31,028	(10,876)
Benefit payments	(59,809)	(62,109)	(59,809)	(44,446)	(17,919)	(8,959)
Other changes	-	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 900,688</u>	<u>\$ 875,592</u>	<u>\$ 598,291</u>	<u>\$ 560,099</u>	<u>\$ 551,717</u>	<u>\$ 445,528</u>

Schedule of Total Pension Liability as a Percentage of Covered Payroll

Total pension liability	\$ 900,688	\$ 875,592	\$ 598,291	\$ 560,099	\$ 551,717	\$ 445,528
Covered payroll	1,011,637	966,914	789,637	832,533	793,875	809,381
Total pension liability as a percentage of covered payroll	89.03%	90.56%	75.77%	67.28%	69.50%	55.05%

Notes to the schedules:

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

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

**TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS ***

Local Governmental Employees' Retirement System

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Town's proportionate share of the net pension liability (asset) (%)	0.06027%	0.06338%	0.06361%	0.05596%	0.05757%	0.05568%	0.06256%	0.06550%	0.06550%
Town's proportion of the net pension liability (asset) (\$)	\$ 924,298	\$ 2,264,837	\$ 1,737,139	\$ 1,327,563	\$ 879,510	\$ 1,181,716	\$ 280,767	\$ (386,284)	\$ 789,527
Town's covered payroll	4,016,598	3,962,465	3,727,895	3,392,959	3,213,620	3,200,610	3,029,056	3,000,672	2,928,477
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	23.01%	57.16%	46.60%	39.13%	27.37%	36.92%	9.27%	12.87%	26.96%
Plan fiduciary net position as a percentage of the total pension liability	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

TOWN OF WEAVERVILLE, NORTH CAROLINA

SCHEDULE OF TOWN'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS

Local Governmental Employees' Retirement System

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 511,846	\$ 417,871	\$ 365,452	\$ 297,773	\$ 263,255	\$ 240,416	\$ 220,033	\$ 216,523	\$ 213,648
Contribution in relation to the contractually required contribution	<u>511,846</u>	<u>417,871</u>	<u>365,452</u>	<u>297,773</u>	<u>263,255</u>	<u>240,416</u>	<u>220,033</u>	<u>216,523</u>	<u>213,648</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	\$ 4,410,433	\$ 4,016,598	\$ 3,962,465	\$ 3,727,895	\$ 3,392,959	\$ 3,213,620	\$ 3,200,610	\$ 3,029,056	\$ 3,000,672
Contributions as a percentage of covered payroll	11.61%	10.40%	9.22%	7.99%	7.76%	7.48%	6.87%	7.15%	7.12%

TOWN OF WEAVERVILLE, NORTH CAROLINA

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
REQUIRED SUPPLEMENTARY INFORMATION
LAST FIVE FISCAL YEARS

Schedule of Changes in Total OPEB Liability

Total OPEB Liability	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	\$ 52,883	\$ 55,166	\$ 51,082	\$ 67,686	\$ 72,844
Interest on the total OPEB liability	33,510	44,342	43,884	39,728	33,539
Changes of benefit terms	-	(109,247)	-	-	-
Differences between expected and actual experience in the measurement of the total OPEB liability	20,681	138,682	17,459	18,377	659
Change of assumptions or other inputs	188,321	206,911	44,884	(54,317)	(68,813)
Benefit payments	(88,278)	(79,867)	(67,553)	(51,267)	(22,053)
Other changes	-	-	-	-	-
Net change in total OPEB liability	<u>207,117</u>	<u>255,987</u>	<u>89,756</u>	<u>20,207</u>	<u>16,176</u>
Total OPEB liability - beginning	<u>1,507,325</u>	<u>1,251,338</u>	<u>1,161,582</u>	<u>1,141,375</u>	<u>1,125,199</u>
Total OPEB liability - ending	<u>\$ 1,714,442</u>	<u>\$ 1,507,325</u>	<u>\$ 1,251,338</u>	<u>\$ 1,161,582</u>	<u>\$ 1,141,375</u>
Covered payroll	\$ 2,465,123	\$ 2,465,123	\$ 3,044,266	\$ 3,044,266	\$ 2,903,226
Total OPEB liability as a percentage of covered payroll	69.55%	61.15%	41.10%	38.16%	39.31%

Notes to the schedule:

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

<u>Fiscal Year</u>	<u>Rate</u>
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
REVENUES			
Ad valorem taxes:			
Taxes		\$ 3,962,955	
Penalties and interest		12,867	
	\$ 3,646,056	3,975,822	\$ 329,766
Other taxes and licenses:			
Local option sales tax		1,786,030	
	1,476,027	1,786,030	310,003
Intergovernmental revenues:			
Unrestricted:			
Utilities sales tax		475,935	
Beer and wine tax		18,177	
ABC profit distribution		384,550	
	751,644	878,662	127,018
Restricted:			
Public works grants		136,507	
Police department grants		27,942	
ARC grant - downtown wi-fi project		42,000	
	162,019	206,449	44,430
Sales and services			
Cell tower lease revenue		11,519	
	20,000	11,519	(8,481)
Permits and fees:			
Parking enforcement fees		4,340	
Planning and zoning fees		16,800	
	20,500	21,140	640
Investment earnings	1,400	9,331	7,931
Other:			
Miscellaneous		33,971	
Interest on lease receivable		4,432	
Contributions		45,282	
	21,582	83,685	62,103
Total revenues	6,099,228	6,972,638	873,410
EXPENDITURES			
General government:			
Governing board:			
Salaries and employee benefits		116,477	
Community promotions		56,998	
Professional services		66,828	
Other operating expenses		102,445	
	385,191	342,748	42,443
Administration:			
Salaries and employee benefits		384,899	
Professional services		77,355	
Other operating expenses		169,992	
	701,975	632,246	69,729

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended June 30, 2022

	2022		
	Budget	Actual	Variance Positive (Negative)
Planning:			
Salaries and employee benefits		106,809	
Professional services		2,670	
Other operating expenses		5,172	
	126,614	114,651	11,963
Total general government	1,213,780	1,089,645	124,135
Public safety:			
Police:			
Salaries and employee benefits		1,544,762	
Supplies and materials		60,296	
Repairs and maintenance		36,996	
Insurance		49,936	
Other operating expenses		242,550	
Capital outlay		299,754	
Total public safety	2,297,809	2,234,294	63,515
Transportation:			
Streets:			
Salaries and employee benefits		239,506	
Contract services		26,795	
Utilities		46,041	
Supplies and materials		57,524	
Other operating expenses		32,002	
Capital outlay		19,798	
	861,419	421,666	439,753
Powell Bill:			
Salaries and benefits		12,076	
	185,288	12,076	173,212
Total transportation	1,046,707	433,742	612,965
Environmental protection:			
Sanitation:			
Salaries and benefits		360,297	
Supplies and materials		39,480	
Other operating expenses		139,595	
	647,098	539,372	107,726
Stormwater:			
Salaries and benefits		21,802	
Other operating expenses		5,610	
Capital outlay		16,398	
	55,060	43,810	11,250
Total environmental protection	702,158	583,182	118,976

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended June 30, 2022

	2022		
	Budget	Actual	Variance Positive (Negative)
Cultural and recreational:			
Recreation:			
Salaries and employee benefits		191,783	
Contract services		3,384	
Other operating expenses		69,651	
	329,260	264,818	64,442
Community Center			
Salaries and employee benefits		55,558	
Other operating expenses		43,814	
	114,122	99,372	14,750
Total cultural and recreational	443,382	364,190	79,192
Contingency	20,000	-	20,000
Total expenditures	5,723,836	4,705,053	1,018,783
Revenues over expenditures	375,392	2,267,585	1,892,193
Other financing sources (uses):			
Appropriated fund balance	1,319,094	-	(1,319,094)
Sale of capital assets	10,000	13,575	3,575
Transfer to capital project fund	(586,266)	(459,812)	126,454
Transfer to fire department fund	(1,043,220)	(1,043,220)	-
Transfer to capital reserve	(75,000)	(75,000)	-
Total other financing sources (uses)	(375,392)	(1,564,457)	(1,189,065)
Net change in fund balance	\$ -	703,128	\$ 703,128
Fund balance, beginning of year		6,159,730	
Fund balance, end of year		\$ 6,862,858	

TOWN OF WEAVERVILLE, NORTH CAROLINA

FIRE DEPARTMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the year ended June 30, 2022

	2022		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues:			
Unrestricted:			
Buncombe Co. - fire protection	\$ 1,693,703	\$ 1,846,906	\$ 153,203
Restricted:			
Fire department grants	-	6,417	6,417
Permits and fees:			
Fire inspection fees	-	600	600
Other:			
Contributions	1,452	648	(804)
Total revenues	1,695,155	1,854,571	159,416
EXPENDITURES			
Public safety:			
Salaries and employee benefits		2,005,318	
Capital outlay		163,354	
Other operating expenses		312,931	
Total public safety	2,684,834	2,481,603	203,231
Debt service:			
Principal		48,771	
Interest		4,770	
Total debt service	53,541	53,541	-
Total expenditures	2,738,375	2,535,144	203,231
Revenues under expenditures	(1,043,220)	(680,573)	362,647
Other financing sources (uses):			
Transfer from general fund	1,043,220	1,043,220	-
Net change in fund balance	\$ -	362,647	\$ 362,647
Fund balance, beginning of year		-	
Fund balance, end of year		\$ 362,647	

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL CAPITAL PROJECT FUND
COMMUNITY CENTER PROJECT

Schedule of Revenues and Expenditures - Budget and Actual
From inception and for the year ended June 30, 2022

	Project Authorization	Actual		Total
		Prior Years	Current Year	
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Architectural fees	257,575	227,335	27,500	254,835
Construction	2,817,680	2,550,986	266,694	2,817,680
Fixtures and equipment	271,103	146,993	124,110	271,103
Engineering and professional services	94,376	4,951	25,213	30,164
Phase 2 expenditures	268,998	-	16,295	16,295
Total expenditures	<u>3,709,732</u>	<u>2,930,265</u>	<u>459,812</u>	<u>3,390,077</u>
Revenues under expenditures	<u>(3,709,732)</u>	<u>(2,930,265)</u>	<u>(459,812)</u>	<u>(3,390,077)</u>
Other Financing Sources:				
Transfer from general fund	<u>3,709,732</u>	<u>2,930,265</u>	<u>459,812</u>	<u>3,390,077</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning of year			-	
Fund balance, end of year			<u>\$ -</u>	

TOWN OF WEAVERVILLE, NORTH CAROLINA

American Rescue Plan Fund
 Schedule of Revenues and Expenditures - Budget and Actual
 From inception and for the year ended June 30, 2022

		Actual		
Project Authorization	Prior Years	Current Year	Total	
Revenues:				
ARP Funds	\$ 1,283,395	\$ -	\$ -	\$ -
Expenditures:				
Unassigned ARP Expenditures	1,283,395	-	-	-
Revenues over expenditures	\$ -	\$ -	-	\$ -
Fund balance, beginning of year			-	
Fund balance, end of year			\$ -	

TOWN OF WEAVERVILLE, NORTH CAROLINA
GENERAL CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended June 30, 2022

	2022		
	Budget	Actual	Variance Positive (Negative)
Other financing sources (uses):			
Transfer from General Fund	\$ -	\$ 75,000	\$ 75,000
Net change in fund balance	\$ -	75,000	\$ 75,000
Fund balance, beginning of year		75,000	
Fund balance, end of year		\$ 150,000	

TOWN OF WEAVERVILLE, NORTH CAROLINA
WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2022

	2022		
	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES			
Charges for services		\$ 2,443,200	
Other operating revenues		413,317	
Total operating revenues	\$ 2,443,750	2,856,517	\$ 412,767
NON-OPERATING REVENUES			
Investment earnings	640	3,791	3,151
Total non-operating revenues	640	3,791	3,151
Total revenues	2,444,390	2,860,308	415,918
OPERATING EXPENDITURES			
Water administration:			
Salaries and employee benefits		175,326	
Professional services		31,634	
Supplies and materials		6,289	
Postage		12,949	
Telephone		5,237	
Insurance		9,975	
Other operating expenses		102	
Total water administration	267,338	241,512	25,826
Treatment and distribution:			
Salaries and employee benefits		898,468	
Professional services		24,172	
Contract services		203	
Water testing and maintenance		17,218	
Supplies and materials		201,623	
Training and travel		5,546	
Telephone		8,793	
Utilities		114,615	
Repairs and maintenance		2,666	
Insurance		19,410	
Sludge removal		52,013	
Water system improvement		39,708	
Non-capital equipment		27,974	
Capital outlay		115,000	
Total treatment and distribution	1,567,046	1,527,409	39,637
Debt service:			
Principal retirement		495,891	
Interest		82,417	
Total debt service	582,362	578,308	4,054
Contingency	15,000	-	15,000
Total expenditures	2,431,746	2,347,229	84,517

TOWN OF WEAVERVILLE, NORTH CAROLINA
WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2022

	2022		
	Budget	Actual	Variance Positive (Negative)
OTHER FINANCING SOURCES (USES)			
Appropriated fund balance	106,473	-	(106,473)
Transfer from capital projects	-	442,462	442,462
Transfer to capital reserve	(119,117)	(119,117)	-
Total other financing sources (uses)	(12,644)	323,345	335,989
Revenues and other sources over expenditures and other uses	\$ -	836,424	\$ 836,424
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Payment of debt principal		495,891	
Capital outlay		115,000	
Transfer to Water Line Replacement Fund		(442,462)	
Transfer from Capital Reserve Fund		119,117	
Decrease in accrued interest		87	
Increase in accrued compensated absence liability		(845)	
Increase in deferred outflows of resources - pensions		31,311	
Increase in deferred outflows of resources - OPEB		24,312	
Decrease in net pension liability		223,605	
Increase in net OPEB liability		(35,953)	
Increase in deferred inflows of resources - pensions		(229,543)	
Decrease in deferred inflows of resources - OPEB		2,142	
Depreciation		(463,666)	
Change in net position		\$ 675,420	

TOWN OF WEAVERVILLE, NORTH CAROLINA

WATER CAPITAL PROJECT FUND
WATERLINE EXTENSION PROJECT

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From inception and for the year ended June 30, 2022

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Construction	2,063,137	1,803,193	-	1,803,193
Engineering	405,000	368,981	-	368,981
Legal and administration	20,000	20,000	-	20,000
Interest	40,000	35,963	-	35,963
Total expenditures	2,528,137	2,228,137	-	2,228,137
Revenues under expenditures	(2,528,137)	(2,228,137)	-	(2,228,137)
Other Financing Sources:				
Long term debt issued	2,800,000	2,500,000	-	2,500,000
Transfer to water fund	(442,463)	-	(442,463)	(442,463)
Transfer from water capital reserve	170,600	170,600	-	170,600
Total other financing sources	2,528,137	2,670,600	(442,463)	2,228,137
Revenues and other sources over/ (under) expenditures	\$ -	\$ 442,463	\$ (442,463)	\$ -

TOWN OF WEAVERVILLE, NORTH CAROLINA

WATER CAPITAL PROJECT FUND
 WATER TREATMENT PLANT EXPANSION PROJECT
 Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 From inception and for the year ended June 30, 2022

	Project Authorization	Prior Years	Actual Current Year	Total
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Engineering	339,880	23,850	316,030	339,880
Revenues under expenditures	(339,880)	(23,850)	(316,030)	(339,880)
Other Financing Sources:				
Transfer from water capital reserve	339,880	23,850	316,030	339,880
Revenues and other sources over expenditures	\$ -	\$ -	\$ -	\$ -

TOWN OF WEAVERVILLE, NORTH CAROLINA

WATER CAPITAL RESERVE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP)
 For the year ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	(Negative)
Other financing sources (uses):			
Transfer from Water Fund	\$ 316,030	\$ 119,117	\$ (196,913)
Transfer to Capital Project Fund	(316,030)	(316,030)	-
Net change in fund balance	\$ -	(196,913)	\$ (196,913)
Fund balance, beginning of year		581,067	
Fund balance, end of year		\$ 384,154	

SUPPLEMENTAL FINANCIAL DATA

TOWN OF WEAVERVILLE, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
June 30, 2022

Fiscal Year	Uncollected Balance 6/30/2021	Additions	Collections And Credits	Uncollected Balance 6/30/2022
2021-2022	\$ -	\$ 3,917,245	\$ 3,911,161	\$ 6,084
2020-2021	50,535	-	46,861	3,674
2019-2020	6,792	-	574	6,218
2018-2019	1,429	-	770	659
2017-2018	625	-	-	625
2016-2017	47	-	-	47
2015-2016	102	-	70	32
2014-2015	2,047	-	(116)	2,163
2013-2014	570	-	-	570
2012-2013	2,390	-	2,390	-
	\$ 64,537	\$ 3,917,245	\$ 3,961,710	20,072
Less allowance for uncollectible ad valorem taxes receivable				(1,200)
Ad valorem taxes receivable, net				\$ 18,872
Reconcilement with Revenues:				
Taxes - Ad valorem - General Fund				\$ 3,975,822
Reconciling items:				
Amount written off for fiscal year 2012-2013				(2,390)
Interest collected				(12,867)
Other adjustments				1,145
Total collections and credits				\$ 3,961,710

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL FUND
ANALYSIS OF CURRENT TAX LEVY
For the year ended June 30, 2022

	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Original levy	\$ 1,115,504,000	0.00350	\$ 3,904,264	\$ 3,717,653	\$ 186,611
Penalties			-	-	-
Total			<u>3,904,264</u>	<u>3,717,653</u>	<u>186,611</u>
Discoveries:					
Current year taxes and penalties	4,480,287		15,681	15,681	-
Abatements	<u>(771,429)</u>		<u>(2,700)</u>	<u>(2,700)</u>	-
Total property valuation	<u>\$ 1,119,212,858</u>				
Net levy			3,917,245	3,730,634	186,611
Uncollected taxes at June 30, 2022			<u>6,084</u>	<u>6,084</u>	-
Current year's taxes collected			<u>\$ 3,911,161</u>	<u>\$ 3,724,550</u>	<u>\$ 186,611</u>
Current levy collection percentage			<u>99.84%</u>	<u>99.84%</u>	<u>100.00%</u>

STATISTICAL SECTION

TOWN OF WEAVERVILLE, NORTH CAROLINA
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 7,347,031	\$ 7,993,996	\$ 8,050,186	\$ 7,923,020	\$ 8,223,653	\$ 8,706,197	\$ 9,088,415	\$ 10,264,984	\$ 12,723,493	\$ 12,993,922
Restricted	916,438	619,271	736,093	889,635	651,736	670,368	790,806	792,934	1,049,104	981,863
Unrestricted	<u>3,478,950</u>	<u>3,331,318</u>	<u>3,145,332</u>	<u>3,541,535</u>	<u>4,088,152</u>	<u>4,481,604</u>	<u>5,253,493</u>	<u>4,405,368</u>	<u>2,518,218</u>	<u>3,745,185</u>
Total governmental activities net position	<u>\$ 11,742,419</u>	<u>\$ 11,944,585</u>	<u>\$ 11,931,611</u>	<u>\$ 12,354,190</u>	<u>\$ 12,963,541</u>	<u>\$ 13,858,169</u>	<u>\$ 15,132,714</u>	<u>\$ 15,463,286</u>	<u>\$ 16,290,815</u>	<u>\$ 17,720,970</u>
Business-type activities										
Net investment in capital assets	\$ 6,228,057	\$ 6,138,248	\$ 5,984,535	\$ 6,226,795	\$ 6,048,586	\$ 6,115,213	\$ 6,558,892	\$ 7,170,246	\$ 5,880,594	\$ 6,343,849
Unrestricted	<u>2,416,168</u>	<u>2,564,076</u>	<u>2,567,214</u>	<u>2,339,010</u>	<u>2,812,547</u>	<u>2,899,609</u>	<u>2,954,545</u>	<u>2,680,368</u>	<u>4,553,062</u>	<u>4,755,227</u>
Total business-type activities net position	<u>\$ 8,644,225</u>	<u>\$ 8,702,324</u>	<u>\$ 8,551,749</u>	<u>\$ 8,565,805</u>	<u>\$ 8,861,133</u>	<u>\$ 9,014,822</u>	<u>\$ 9,513,437</u>	<u>\$ 9,850,614</u>	<u>\$ 10,433,656</u>	<u>\$ 11,099,076</u>
Primary government										
Net investment in capital assets	\$ 13,575,088	\$ 14,132,244	\$ 14,034,721	\$ 14,149,815	\$ 14,272,239	\$ 14,821,410	\$ 15,647,307	\$ 17,435,230	\$ 18,604,087	\$ 19,337,771
Restricted	916,438	619,271	736,093	889,635	651,736	670,368	790,806	792,934	1,049,104	981,863
Unrestricted	<u>5,895,118</u>	<u>5,895,394</u>	<u>5,712,546</u>	<u>5,880,545</u>	<u>6,900,699</u>	<u>7,381,213</u>	<u>8,208,038</u>	<u>7,085,736</u>	<u>7,071,280</u>	<u>8,500,412</u>
Total primary government net position	<u>\$ 20,386,644</u>	<u>\$ 20,646,909</u>	<u>\$ 20,483,360</u>	<u>\$ 20,919,995</u>	<u>\$ 21,824,674</u>	<u>\$ 22,872,991</u>	<u>\$ 24,646,151</u>	<u>\$ 25,313,900</u>	<u>\$ 26,724,471</u>	<u>\$ 28,820,046</u>

Note: The Town began to report net position classification in accordance with GASB Statements 63 and 65 in 2013.

TOWN OF WEAVERVILLE, NORTH CAROLINA
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities										
General government	\$ 871,378	\$ 1,060,919	\$ 972,373	\$ 853,053	\$ 886,828	\$ 915,132	\$ 867,562	\$ 976,437	\$ 970,726	\$ 1,057,776
Public safety	3,164,552	3,181,904	3,187,340	3,444,875	3,490,042	3,737,201	4,177,269	4,641,137	4,766,925	4,806,049
Transportation	443,150	459,368	411,294	377,930	349,808	538,868	573,092	521,481	550,460	503,847
Environmental protection	490,032	560,224	545,538	605,969	711,637	517,387	472,460	632,257	674,755	607,045
Cultural and recreation	165,007	210,541	181,046	223,273	170,249	330,758	279,034	304,842	255,829	435,927
Interest on long term debt	121,910	61,303	53,241	49,720	37,857	30,006	19,602	14,159	8,305	3,817
Total governmental activities expenses	<u>5,256,029</u>	<u>5,534,259</u>	<u>5,350,832</u>	<u>5,554,820</u>	<u>5,646,421</u>	<u>6,069,352</u>	<u>6,389,019</u>	<u>7,090,313</u>	<u>7,227,000</u>	<u>7,414,461</u>
Business-type activities:										
Water fund	1,756,183	1,772,760	1,756,734	1,743,187	1,757,711	1,811,522	1,825,246	2,183,668	1,976,838	2,184,888
Total business-type activities	<u>1,756,183</u>	<u>1,772,760</u>	<u>1,756,734</u>	<u>1,743,187</u>	<u>1,757,711</u>	<u>1,811,522</u>	<u>1,825,246</u>	<u>2,183,668</u>	<u>1,976,838</u>	<u>2,184,888</u>
Total primary government expenses	<u>\$ 7,012,212</u>	<u>\$ 7,307,019</u>	<u>\$ 7,107,566</u>	<u>\$ 7,298,007</u>	<u>\$ 7,404,132</u>	<u>\$ 7,880,874</u>	<u>\$ 8,214,265</u>	<u>\$ 9,273,981</u>	<u>\$ 9,203,838</u>	<u>\$ 9,599,349</u>
Program Revenues										
Governmental activities:										
Charges for services										
General government	\$ 15,270	\$ 15,270	\$ 15,269	\$ 15,270	\$ 26,350	\$ 23,884	\$ 18,500	\$ 19,543	\$ 1,550	\$ 15,859
Public safety	46,268	30,384	18,438	26,465	900	300	800	-	18,361	17,400
Operating grants and contributions	81,131	93,407	42,828	22,548	220,621	38,859	47,858	18,699	207,471	77,007
Capital grants and contributions	105,081	106,054	106,971	106,776	106,302	106,428	104,952	103,879	139,851	136,507
Total governmental activities program revenues	<u>247,750</u>	<u>245,115</u>	<u>183,506</u>	<u>171,059</u>	<u>354,173</u>	<u>169,471</u>	<u>172,110</u>	<u>142,121</u>	<u>367,233</u>	<u>246,773</u>
Business-type activities:										
Charge for services										
Water	1,652,376	1,824,127	1,708,014	1,751,374	1,941,316	1,996,961	2,263,956	2,464,546	2,522,887	2,856,517
Total business-type activities:	<u>1,652,376</u>	<u>1,824,127</u>	<u>1,708,014</u>	<u>1,751,374</u>	<u>1,941,316</u>	<u>1,996,961</u>	<u>2,263,956</u>	<u>2,464,546</u>	<u>2,522,887</u>	<u>2,856,517</u>
Total primary government program revenues	<u>\$ 1,900,126</u>	<u>\$ 2,069,242</u>	<u>\$ 1,891,520</u>	<u>\$ 1,922,433</u>	<u>\$ 2,295,489</u>	<u>\$ 2,166,432</u>	<u>\$ 2,436,066</u>	<u>\$ 2,606,667</u>	<u>\$ 2,890,120</u>	<u>\$ 3,103,290</u>

(Continued on next page)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense) Revenue										
Governmental activities	\$ (5,008,279)	\$ (5,289,144)	\$ (5,167,326)	\$ (5,383,761)	\$ (5,292,248)	\$ (5,899,881)	\$ (6,216,909)	\$ (6,948,192)	\$ (6,859,767)	\$ (7,167,688)
Business-type activities	(103,807)	51,367	(48,720)	8,187	183,605	185,439	438,710	280,878	546,049	671,629
Total primary government expense	\$ (5,112,086)	\$ (5,237,777)	\$ (5,216,046)	\$ (5,375,574)	\$ (5,108,643)	\$ (5,714,442)	\$ (5,778,199)	\$ (6,667,314)	\$ (6,313,718)	\$ (6,496,059)
General Revenue and Other Changes in Net Position										
Governmental activities:										
Taxes	\$ 3,815,593	\$ 3,769,024	\$ 3,889,022	\$ 3,953,934	\$ 4,127,418	\$ 4,421,892	\$ 4,653,205	\$ 4,737,193	\$ 5,114,269	\$ 5,765,684
Grants and unrestricted contributions	1,470,911	1,611,206	1,669,515	1,751,222	1,828,482	1,941,897	2,324,207	2,381,318	2,524,278	2,770,850
Gain (loss) on sale of property	(7,578.00)	-	(58,767)	51,967	3,885	568,630	338,618	29,140	21,131	13,575
Investment earnings	24,452	5,953	4,800	16,144	27,452	73,589	152,290	90,724	3,641	9,331
Miscellaneous	30,879	105,127	13,114	33,103	27,976	26,166	23,134	40,389	23,974	38,403
Total government activities	5,334,257	5,491,310	5,517,684	5,806,370	6,015,213	7,032,174	7,491,454	7,278,764	7,687,293	8,597,843
Business-type activities:										
Gain on sale of property	14,412.00	-	2,474.00	3,154	-	-	-	3,284	26,993	-
Investment earnings	17,248	6,732	3,994	2,715	13,521	32,937	59,905	53,015	-	3,791
Total business-type activities	31,660	6,732	6,468	5,869	13,521	32,937	59,905	56,299	26,993	3,791
Total primary government	\$ 5,365,917	\$ 5,498,042	\$ 5,524,152	\$ 5,812,239	\$ 6,028,734	\$ 7,065,111	\$ 7,551,359	\$ 7,335,063	\$ 7,714,286	\$ 8,601,634
Change in Net Position										
Governmental activities	\$ 45,113	\$ 323,984	\$ 133,923	\$ 422,579	\$ 722,965	\$ 1,132,293	\$ 1,274,545	\$ 330,572	\$ 827,526	\$ 1,430,155
Business activities	83,027	(41,988)	14,655	14,056	197,126	218,376	498,615	337,177	573,042	675,420
Total primary government	\$ 128,140	\$ 281,996	\$ 148,578	\$ 436,635	\$ 920,091	\$ 1,350,669	\$ 1,773,160	\$ 667,749	\$ 1,400,568	\$ 2,105,575

Note: The Town began to report net position classification in accordance with GASB Statements 63 and 65 in 2013.

TOWN OF WEAVERVILLE, NORTH CAROLINA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 47,577	\$ 46,921	\$ 22,230	\$ 82,000	\$ 88,492	\$ 86,771
Restricted	916,438	619,271	736,093	889,635	651,736	670,368	790,806	792,934	1,049,104	981,863
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	289,710	240,359	72,773	275,000	323,600	777,504	194,933	238,220	595,239	120,464
Unassigned	3,890,602	3,903,142	4,256,578	4,508,900	5,265,972	5,519,421	6,946,831	6,381,593	4,501,895	5,823,760
Total General Fund	\$ 5,096,750	\$ 4,762,772	\$ 5,065,444	\$ 5,673,535	\$ 6,288,885	\$ 7,014,214	\$ 7,954,800	\$ 7,494,747	\$ 6,234,730	\$ 7,012,858

* Note: The Town began to report fund balance classification in accordance with GASB Statement 54 in 2011.

TOWN OF WEAVERVILLE, NORTH CAROLINA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Revenues										
Ad valorem taxes	\$ 2,731,714	\$ 2,673,180	\$ 2,744,627	\$ 2,852,225	\$ 2,973,623	\$ 3,146,825	\$ 3,322,075	\$ 3,364,052	\$ 3,571,162	\$ 3,975,822
Other taxes and licenses	1,086,231	1,097,423	1,108,108	1,135,729	1,163,041	1,275,968	1,324,253	1,370,946	1,536,284	1,786,030
Unrestricted intergovernmental revenues	1,470,911	1,611,206	1,669,515	1,751,222	1,827,864	1,941,175	2,323,917	2,381,218	2,489,117	2,725,568
Restricted intergovernmental revenues	166,057	173,275	126,566	109,224	326,923	145,287	152,810	122,578	347,322	212,866
Permits and fees	46,268	30,384	18,438	26,465	27,250	24,184	19,300	19,543	19,911	21,740
Sales and services	-	-	-	-	-	-	-	-	-	11,519
Investment earnings	24,452	5,953	4,800	16,114	27,452	73,589	152,290	90,724	3,641	9,331
Other revenues	66,304	146,583	49,594	59,777	25,438	26,888	23,425	40,489	59,135	84,333
Total Revenue	<u>5,591,937</u>	<u>5,738,004</u>	<u>5,721,648</u>	<u>5,950,756</u>	<u>6,371,591</u>	<u>6,633,916</u>	<u>7,318,070</u>	<u>7,389,550</u>	<u>8,026,572</u>	<u>8,827,209</u>
Expenditures										
Current										
General government	800,715	984,899	947,769	793,243	807,586	865,864	828,940	897,329	896,667	1,027,768
Public safety	2,692,509	2,706,134	2,810,037	3,007,254	2,965,402	3,227,198	3,690,123	4,076,515	4,149,537	4,472,585
Transportation	367,624	370,517	321,581	287,505	253,296	433,507	463,827	383,840	407,672	380,843
Environmental protection	423,712	491,741	475,327	524,619	627,195	440,629	397,878	544,056	624,382	568,132
Cultural and recreational	159,244	204,653	175,670	205,993	144,671	305,238	251,015	263,566	224,966	364,190
Capital outlay	345,146	964,804	1,049,345	117,020	549,967	746,875	687,982	1,432,670	2,714,840	832,950
Debt Service										
Principal retirement	747,733	283,614	591,461	417,182	421,632	426,025	356,116	283,404	284,333	48,771
Interest and fees	127,941	65,620	47,596	50,512	41,110	31,881	22,221	15,363	9,564	4,770
Total expenditures	<u>5,664,624</u>	<u>6,071,982</u>	<u>6,418,786</u>	<u>5,403,328</u>	<u>5,810,859</u>	<u>6,477,217</u>	<u>6,698,102</u>	<u>7,896,743</u>	<u>9,311,961</u>	<u>7,700,009</u>
Excess of revenues over (under) expenditures	<u>(72,687)</u>	<u>(333,978)</u>	<u>(697,138)</u>	<u>547,428</u>	<u>560,732</u>	<u>156,699</u>	<u>619,968</u>	<u>(507,193)</u>	<u>(1,285,389)</u>	<u>1,127,200</u>
Other Financing Sources										
Sale of property	-	-	201,564	51,967	3,885	568,630	338,618	29,140	25,372	13,575
Insurance recovery	-	-	2,022	8,696	3,156	-	-	-	-	-
Proceeds from debt	-	-	692,000	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>895,586</u>	<u>60,663</u>	<u>7,041</u>	<u>568,630</u>	<u>338,618</u>	<u>29,140</u>	<u>25,372</u>	<u>13,575</u>
Net change in fund balances	<u>\$ 279,952</u>	<u>\$ (72,687)</u>	<u>\$ (333,978)</u>	<u>\$ 198,448</u>	<u>\$ 608,091</u>	<u>\$ 725,329</u>	<u>\$ 958,586</u>	<u>\$ (478,053)</u>	<u>\$(1,260,017)</u>	<u>\$ 1,140,775</u>
Debt service as a percentage of non capital expenditures	15.12%	13.59%	12.90%	16.46%	6.84%	11.90%	6.29%	4.62%	4.45%	0.78%

TOWN OF WEAVERVILLE, NORTH CAROLINA
General Governmental Revenues By Source
General, Special Revenue and Capital Project Funds
Last Ten Fiscal Years

<u>Year Ended June 30:</u>	<u>Property Taxes</u>	<u>Permits and Fees</u>	<u>Inter- Governmental</u>	<u>Local Option Sales Tax</u>	<u>Investment Earnings</u>	<u>Other Revenues</u>	<u>Total</u>
2013	\$ 2,731,714	\$ 46,268	\$ 1,636,968	\$ 1,086,231	\$ 24,452	\$ 66,304	\$ 5,591,937
2014	2,673,180	30,384	1,784,481	1,097,423	5,953	146,583	5,738,004
2015	2,744,627	18,438	1,796,081	1,108,108	4,800	49,594	5,721,648
2016	2,852,225	26,465	1,860,446	1,135,729	16,114	59,777	5,950,756
2017	2,973,623	27,250	2,154,787	1,163,041	27,452	25,438	6,371,591
2018	3,146,825	24,184	2,086,462	1,275,968	73,589	26,888	6,633,916
2019	3,322,075	19,300	2,476,727	1,324,253	152,290	23,425	7,318,070
2020	3,364,052	19,543	2,503,796	1,370,946	90,724	40,489	7,389,550
2021	3,571,162	19,911	2,836,439	1,536,284	3,641	59,135	8,026,572
2022	3,975,822	21,740	2,938,434	1,786,030	9,331	95,852	8,827,209

Source: Audited annual financial reports of the Town of Weaverville, North Carolina

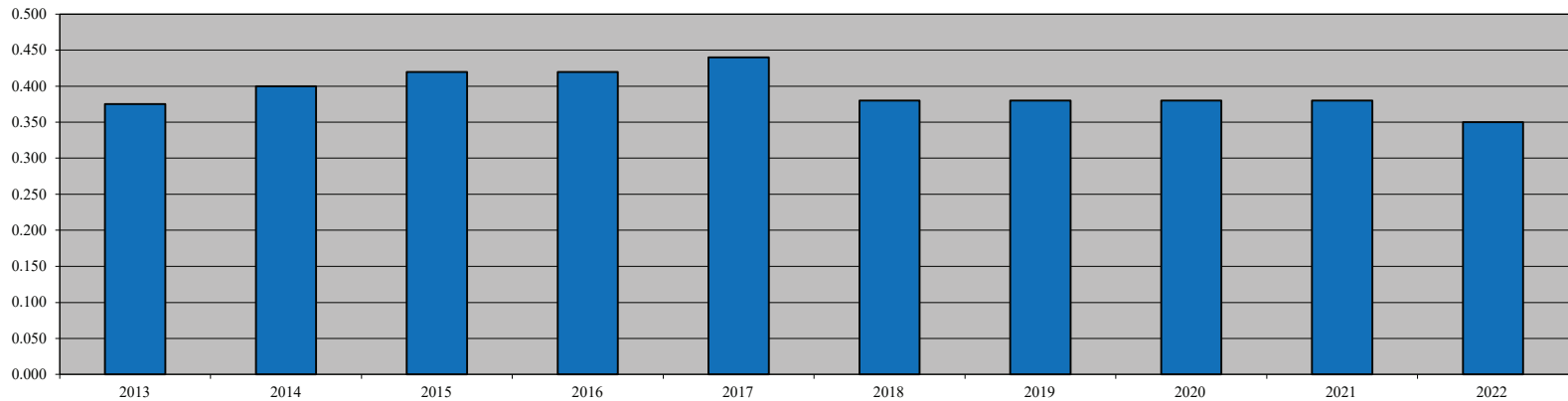
TOWN OF WEAVERVILLE, NORTH CAROLINA
Assessed Value of Taxable Property (Excluding Motor Vehicles)
Last Ten Fiscal Years
(in thousands)

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Public Service</u>	<u>Total</u>	<u>Tax Rate</u>	<u>Levy</u>
2013	\$ 577,789	\$ 116,986	\$ 4,874	\$ 699,649	\$ 0.38	\$ 2,624
2014	533,001	96,066	4,875	633,942	0.40	2,536
2015	538,431	91,105	4,743	634,279	0.42	2,680
2016	570,750	91,775	5,461	667,986	0.42	2,806
2017	551,067	80,025	5,248	636,340	0.44	2,800
2018	715,013	63,906	5,148	784,067	0.38	2,979
2019	747,444	75,731	4,953	828,128	0.38	3,156
2020	784,173	72,063	5,406	861,642	0.38	3,229
2021	802,016	129,186	5,983	937,185	0.38	3,563
2022	971,184	141,664	6,365	1,119,213	0.35	3,917

Note: Property in the Town of Weaverville is assessed by the Buncombe County Tax Office. The most recent revaluation occurred in 2021. Tax exempt property is not assessed by Buncombe County for tax purposes. Tax rates are per \$100 of assessed value and are the weighted average of all the individual direct rates applied. Actual value is assumed to be substantially the same as the assessed value.

TOWN OF WEAVERVILLE, NORTH CAROLINA
Property Tax Rates-Direct And All Overlapping Governments
Last Ten Fiscal Years
Per \$100 of Assessed Value

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
County of Buncombe	0.525	0.569	0.604	0.604	0.604	0.539	0.529	0.529	0.529	0.488
City of Asheville	0.420	0.460	0.475	0.475	0.475	0.429	0.429	0.429	0.429	0.403
Town of Biltmore Forest	0.330	0.385	0.385	0.385	0.395	0.330	0.330	0.345	0.345	0.345
Town of Weaverville	0.375	0.400	0.420	0.420	0.440	0.380	0.380	0.380	0.380	0.350
Town of Black Mountain	0.365	0.375	0.375	0.375	0.375	0.333	0.333	0.333	0.333	0.306
Town of Woodfin	0.265	0.305	0.305	0.305	0.305	0.280	0.280	0.330	0.330	0.330
Town of Montreat	0.370	0.410	0.410	0.410	0.410	0.410	0.410	0.430	0.430	0.430
Asheville School District	0.150	0.150	0.150	0.150	0.150	0.120	0.120	0.120	0.120	0.106
Fire Districts (average beginning in 2015)	0.075-0.150	0.090-0.150	0.118	0.118	0.117	0.118	0.132	0.133	0.133	0.130
Maximum Combined Rate	1.095	1.214	1.229	1.229	1.229	1.088	1.078	1.078	1.078	0.997



NOTE: Property was revalued and effective in fiscal years 2014, 2018, and 2022.

Source: Buncombe County Tax Department
Graph is Town of Weaverville data.

TOWN OF WEAVERVILLE, NORTH CAROLINA
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2021-2022			2012-2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Thermo Fisher / Kendro	\$ 38,793,753	1	3.47%	\$ 15,111,730	3	2.19%
CRE Rockwell / Baldor	34,874,659	2	3.12%	26,062,180	2	3.77%
Weaverville Plaza / IRC-MAB Acquisitions	16,491,700	3	1.47%	6,913,900	8	1.00%
Walmart	13,163,200	4	1.18%	13,358,700	4	1.93%
Arvato / Sonopress / King	10,671,200	5	0.95%	11,060,220	6	1.60%
Lowe's Home Centers	9,240,900	6	0.83%	11,093,320	5	1.60%
Brian Center / SMV Weaverville LLC	8,751,200	7	0.78%	55,642,860	1	8.05%
Ingles	8,624,600	8	0.77%			
SCG-Weaverville LLC	4,977,400	9	0.44%			
Hobby Lobby	4,651,500	10	0.42%			
Balcrank / Linter North America Corp.	3,958,000	11	0.35%	4,713,650	10	0.68%
Warrior Golf				5,056,070	9	0.73%
HMVHV				7,643,200	7	1.11%
Totals	\$ 154,198,112		13.78%	\$ 156,655,830		22.66%
 Total Overall Valuation	 \$1,119,212,858			 \$ 691,583,206		

Source: Weaverville Tax Department

TOWN OF WEAVERVILLE, NORTH CAROLINA
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 2,702,440	\$ 2,694,813	99.718%	\$ 6,875	\$ 2,701,688	99.91%
2014	2,574,476	2,568,590	99.771%	5,316	2,573,906	99.81%
2015	2,773,162	2,731,523	98.499%	39,476	2,770,999	99.89%
2016	2,805,674	2,801,001	99.833%	4,641	2,805,642	99.97%
2017	2,965,846	2,962,235	99.878%	3,564	2,965,799	99.88%
2018	3,138,242	3,135,107	99.900%	2,510	3,137,617	99.98%
2019	3,317,354	3,307,823	99.713%	8,872	3,316,695	99.98%
2020	3,397,606	3,347,656	98.530%	43,732	3,391,388	99.82%
2021	3,562,586	3,512,051	98.582%	46,861	3,558,912	99.90%
2022	3,917,245	3,911,161	99.845%	-	3,911,161	99.84%

Source: Audited annual financial reports of the Town of Weaverville, North Carolina.

TOWN OF WEAVERVILLE, NORTH CAROLINA
Ratios of Outstanding Debt by Type
Debt Per Capita
Last Ten Fiscal Years
(dollars in thousands)

Year Ended June 30	Population (Est.)	General Bonded Debt				Business-type Activities				Total Primary Government (1)	Percentage of Personal Income (2)	Per Capita
		Assessed Value of Taxable Property	Installment Purchases	Ratio of General Bonded Debt (Net) to Assessed Value of Taxable Property	Per Capita	General Obligation Bonds	Installment Purchase	General Bonded Debt (Net) Per Capita				
2013	3715	\$ 732,139	\$ 2,574	0.0035	\$ 694	\$ 2,795	-	\$ 753	\$ 5,369	unavailable	\$ 1,447	
2014	3763	652,170	2,290	0.0035	609	2,672	-	711	4,962	unavailable	1,320	
2015	3800	660,277	2,391	0.0036	629	2,548	-	671	4,939	unavailable	1,300	
2016	3833	668,018	1,974	0.0030	515	2,470	-	645	4,444	unavailable	1,160	
2017	3858	784,067	1,552	0.0020	390	2,311	-	581	3,863	unavailable	970	
2018	3911	825,853	1,126	0.0014	288	2,149	-	549	3,275	unavailable	837	
2019	3974	872,987	770	0.0009	194	1,989	-	501	2,759	unavailable	694	
2020	4027	894,106	486	0.0005	121	1,826	-	453	2,312	unavailable	574	
2021	4567	937,185	202	0.0002	44	1,660	-	363	1,862	unavailable	408	
2022	4698	1,119,213	153	0.0001	33	3,624	-	771	3,777	unavailable	804	

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

- (1) Includes general bonded debt and business-type activities debt.
- (2) Personal income data can be found in the Demographic and Economic Statistics Schedule.

TOWN OF WEAVERVILLE, NORTH CAROLINA
Ratio of Annual Debt Service Expenditures For
General Bonded Debt to Total General Government Expenditures
Last Ten Fiscal Years
(dollars in thousands)

Year Ended June 30:	Principal	Interest	Total Debt Service Expenditures	Total General Government Expenditures (1)	Percentage of Debt Service to Total General Government Expenditures
2013	\$ 748	\$ 128	\$ 876	\$ 5,665	15.463%
2014	284	66	350	6,072	5.764%
2015	591	48	639	6,419	9.955%
2016	417	50	467	5,403	8.643%
2017	422	41	463	5,811	8.643%
2018	426	32	458	6,477	7.071%
2019	356	22	378	6,698	5.643%
2020	283	15	298	7,290	4.088%
2021	284	10	294	9,311	3.158%
2022	48	4	52	7,700	0.675%

(1) Expenditures shown here include all governmental fund type expenditures.

Note: Excludes bond issuance and other costs and general obligation bonds reported in the enterprise funds.

TOWN OF WEAVERVILLE, NORTH CAROLINA
Computation of Direct and Underlying Debt
General Obligation Bonds
June 30, 2022

<u>Direct:</u>			
Town of Weaverville			
Governmental Activities Installment Obligations		\$	153,329
	Percent Applicable to the Town (1)		
<u>Underlying:</u>			
Buncombe County			
General Obligation Bonds	\$ 12,877,000	2.71%	348,837
Total direct and underlying bonded debt			\$ 502,166

(1) Percent applicable to the Town of Weaverville calculated using assessed valuation of Town divided by assessed valuation of the County taxing district.

Source: Buncombe County Tax Collector, North Carolina Annual
Comprehensive Financial Report, Year Ended June 30, 2021.

TOWN OF WEAVERVILLE, NORTH CAROLINA
Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed value of property	\$732,139	\$652,170	\$660,277	\$668,018	\$636,340	\$784,067	\$828,128	\$861,642	\$937,185	\$1,119,213
Debt limit, 8% of assessed value	58,571	52,174	52,822	53,441	50,907	62,725	66,250	68,931	74,975	89,537
Total net debt applicable to limit	5,394	4,962	4,939	4,444	3,863	3,275	2,758	4,812	4,322	3,777
Legal debt margin available	53,177	47,189	45,800	48,997	47,044	59,450	63,492	64,119	70,653	85,760
Total net debt applicable to the limit as a percentage of limit	9.21%	9.55%	9.39%	8.32%	7.59%	5.22%	4.16%	6.98%	5.76%	4.22%

Note: NC Statute GS159-55 limits the Town's outstanding debt to 8% of the appraised value of property subject to taxation.

TOWN OF WEAVERVILLE, NORTH CAROLINA

Demographic and Economic Statistics

Last Ten Fiscal Years as of June 30

June 30	Population (1)	Personal Income (thousands) (2)	Per Capita Personal Income (3)	Median Age (3)	Public School Enrollment (4)	Unemployment Rate (5)
2022	4,698	unavailable	\$ 32,481	55.0	521	3.3
2021	4,567	unavailable	\$ 36,517	53.5	594	4.6
2020	4,027	unavailable	36,629	53.2	595	6.5
2019	3,674	unavailable	35,782	52.0	582	3.4
2018	3,911	unavailable	35,582	42.6	592	3.1
2017	3,858	unavailable	30,378	42.6	601	3.9
2016	3,833	unavailable	29,374	46.0	582	4.1
2015	3,800	unavailable	unavailable	unavailable	593	5.0
2014	3,763	unavailable	26,424	41.0	613	5.0
2013	3,715	unavailable	25,665	40.6	620	6.8
2012	3,714	unavailable	25,142	42.5	620	7.9

Sources:

- (1) North Carolina Office of State Planning
- (2) Personal income information is a total for the year
- (3) North Carolina Office of State Planning (Buncombe County)
- (4) NC Department of Public Instruction (Average Daily Membership)
- (5) NC Department of Labor (Buncombe County)

TOWN OF WEAVERVILLE, NORTH CAROLINA

Principal Employers
Current Year and Nine Years Ago

Employer:	2022			2013		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Thermo Fisher	570	1	12.48%	560	2	20.00%
Walmart	315	2	6.90%	300	3	10.71%
Ingles	209	3	4.58%	220	4	7.86%
Lowes	176	4	3.85%	135	6	4.82%
Baldor	160	5	3.50%	147	5	5.25%
Publix	155	6	3.39%			
Brian Center	119	7	2.61%	100	8	3.57%
Buncombe County Schools	108	8	2.36%	116	7	4.14%
Conrad Industries	81	9	1.77%	74	9	2.64%
Town of Weaverville	71	10	1.55%	60	10	2.14%
Arvato / Sonopress			0.00%	625	1	22.32%
Total	1,964		43.00%	2,337		83.45%

The employers in Weaverville provide jobs for individuals from Buncombe, Madison, Yancey and Mitchell Counties in North Carolina and from Unicoi County in Tennessee.

TOWN OF WEAVERVILLE, NORTH CAROLINA
 Full-time Equivalent Town Government Employees by Function/Program
 Last Ten Fiscal Years

Function/Program

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>Administration</u>	5	5	6	6	6	6	6	6	6	7
Manager	1	1	1	1	1	1	1	1	1	1
Finance Officer	1	1	1	1	1	1	1	1	1	1
Adm. Assistant	1	1	1	1	0	0	0	1	1	1
Account Clerk/Tax	1	1	2	2	2	2	2	2	2	2
Zoning/Clerk	1	1	1	1	2	2	2	1	1	1
Recreation Coordinator										1
<u>Police</u>	15	15	15	15	15	15	16	17	17	17
Chief	1	1	1	1	1	1	1	1	1	1
Assistant Chief	1	1	1	0	0	0	1	1	1	1
Detective	1	1	1	2	2	2	1	1	1	1
Sergeant	2	2	2	2	2	2	2	2	2	2
Corporal	2	2	2	2	2	2	2	2	2	2
Officer	7	7	7	7	7	7	8	9	9	9
Reception	1	1	1	1	1	1	1	1	1	1
<u>Fire</u>	18	18	18	18	18	21	24	24	24	24
Chief	1	1	1	1	1	1	1	1	1	1
Dept. Chief	1	1	1	1	1	1	1	1	1	1
Fire Marshal	1	1	1	1	1	1	1	1	1	1
Battalion Chief	3	3	3	3	3	3	3	3	3	3
Captain	3	3	3	3	3	3	3	3	3	3
Lieutenant	0	0	0	0	0	0	3	3	3	3
Engineer	0	0	0	0	0	3	6	6	6	6
Fire Fighter	9	9	9	9	9	9	6	6	6	6
<u>Public Works</u>	22	22	22	23	22	22	22	22	22	22
Director	1	1	1	1	1	1	1	1	1	1
Adm. Assistant	1	1	1	1	0	0	0	0	0	0
Supervisor	2	2	2	2	2	2	2	2	2	2
Equipment II	1	1	1	1	1	1	1	1	1	1
Equipment I	3	3	3	3	3	3	3	3	3	3
Water Treat.	4	4	4	5	4	4	4	4	4	3
Meter Reader	1	1	1	1	1	1	1	1	1	1
Skilled Labor	4	4	4	4	6	6	6	6	6	6
Semi-Skilled	3	3	3	3	3	3	3	3	3	3
Water Tr. Supervisor	1	1	1	1	0	0	0	0	0	1
Water Tr. Superintendent	1	1	1	1	1	1	1	1	1	1
Total Employees	60	60	61	62	61	64	68	69	69	70

Source: Town Budget Office

Notes: A full-time employee is scheduled to work the following hours:

Administration: 1,950 hours annual

Police: 2,184 hours annual

Fire: 2,756 hours annual

Public Works: 2,080 hours annual

TOWN OF WEAVERVILLE, NORTH CAROLINA

Operating Indicators by Function/Program

Last Ten Calendar Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administration										
Zoning Permits	89	87	47	31	87	120	123	129	120	182
Tax Collection Rate	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%
Tax Rate	0.38	0.4	0.42	0.42	0.44	0.38	0.38	0.38	0.38	0.35
Police										
Dollar Value Stolen	\$ 57,340	\$ 203,724	\$ 180,388	\$ 287,855	\$ 81,539	\$ 367,119	\$ 390,364	\$ 151,002	\$ 450,495	\$ 135,151
Dollar Value Recovered	\$ 41,833	\$ 92,045	\$ 88,272	\$ 87,725	\$ 68,010	\$ 104,668	\$ 43,902	\$ 66,337	\$ 493,026	\$ 95,528
Criminal Activities	297	211	288	379	302	445	578	627	400	384
Total Activities	52,027	67,293	69,289	68,775	67,648	79,640	56,908	57,070	52,137	20,298
Patrol Miles Driven	124,653	123,039	110,448	114,781	120,319	117,992	98,302	104,127	100,708	179,384
Fire										
Vehicle Fires	12	13	6	10	11	8	5	11	7	3
Vehicle Loss	\$ 14,000	\$ 66,350	\$ 16,800	\$ 23,672	\$ 32,800	\$ 11,300	\$ 39,395	\$ 114,800	\$ 59,700	\$ 20,500
Structure Fires	8	15	11	11	40	20	9	8	8	2
Structure Loss	\$ 160,400	\$ 98,470	\$ 93,350	\$ 271,450	\$ 160,300	\$ 517,850	\$ 1,925,400	\$ 433,660	\$ 238,200	\$ 4,000
Total Calls	1,503	1,595	1,679	1,670	1,655	1,979	1,868	1,952	1,972	1,951
Public Works										
Solid Waste/Program Cost	\$ 375,544	\$ 299,625	\$ 312,952	\$ 505,910	\$ 349,462	\$ 597,730	\$ 550,671	\$ 629,319	\$ 526,601	\$ 462,187
Cost per Household	\$ 217.45	\$ 167.58	\$ 175.03	\$ 257.46	\$ 179.86	\$ 302.34	\$274.79	\$314.03	\$256.25	\$208.76
Cost per Ton Recyclables	\$ 224.35	\$ 162.00	\$ 169.21	\$ 273.53	\$ 280.02	\$ 135.65	\$153.48	\$142.86	\$139.43	\$145.62
Recovered Tons	361.1	388.2	407.6	427.9	449.3	457.9	431.0	458.0	531.0	548.0
Street Signs Installed	14	16	10	12	18	15	12	10	8	12
Paving Repairs	12	26	18	28	16	18	22	19	15	24

continued on next page

TOWN OF WEAVERVILLE, NORTH CAROLINA
 Operating Indicators by Function/Program
 Last Ten Calendar Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Water										
Water Mains										
Six inch	106,325	106,325	106,685	106,745	107,578	115,787	118,211	119,030	120,230	120,230
Eight inch	114,089	114,089	114,229	116,806	116,806	118,366	119,032	119,032	119,032	119,032
Ten inch	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795
Twelve inch	23,805	23,805	23,805	23,805	23,805	23,805	23,805	23,805	23,805	23,805
Twenty inch	21,400	21,400	21,400	21,400	21,400	21,400	21,400	21,400	21,400	21,400

Source: Various Town departments

TOWN OF WEAVERVILLE, NORTH CAROLINA
 Capital Asset Statistics by Function/Program
 Last Ten Calendar Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	15	15	15	15	15	18	18	18	18	18
Fire stations	1	1	1	1	1	1	1	1	1	1
Refuse collection										
Collection trucks	2	2	2	2	2	2	2	2	2	2
Other public works										
Streets (miles)	18.03	18.03	18.18	19.13	19.29	19.36	19.44	19.44	19.87	19.87
Streetlights	301	301	301	301	301	304	306	308	310	310
Traffic signals	12	12	12	12	12	12	12	12	12	12
Water										
Transmission lines (miles)	55.09	55.09	55.18	56.13	56.13	57.97	58	58.5	58.7	61.9
Fire hydrants	402	402	404	410	410	422	433	439	442	442
Storage capacity (thousands of gallons)	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950

Sources: Various Town Departments

Notes:

Traffic signals are maintained by North Carolina Department of Transportation.

Streetlights are provided by Duke Energy.

Town street total includes gravel and hard surface.

Police vehicles include support vehicles.

COMPLIANCE SECTION



**Report On Internal Control Over Financial Reporting And On Compliance
And Other Matters Based On An Audit Of Financial Statements
Performed In Accordance With *Government Auditing Standards***

Independent Auditors' Report

To the Honorable Mayor and
Members of the Town Council
Weaverville, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the 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, the discretely presented component unit, and each major fund of the Town of Weaverville, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprises the Town of Weaverville's basic financial statements, and have issued our report thereon dated October 31, 2022. Our report includes a reference to other auditors who audited the financial statements of the Town of Weaverville ABC Board, as described in our report on the Town of Weaverville's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Town of Weaverville ABC Board were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Weaverville's internal control over financial reporting (internal control) to determine the audit procedures that were appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Weaverville'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 entity'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 material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Weaverville, North Carolina's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

David Killian CPA Group, P.A.

Asheville, North Carolina
October 31, 2022

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: November 21, 2022
SUBJECT: Weaverville ABC Audit Presentation
PRESENTER: Rob Chason, ABC Board Chair
ATTACHMENTS: ABC Audit Report

DESCRIPTION/SUMMARY OF REQUEST:

The annual audit of the Weaverville Alcoholic Beverage Commission has been completed and Rob Chason, the Board Chair, will be at tonight's meeting to discuss the audit report with the Mayor and Town Council and to answer any questions regarding the same.

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)

Weaverville, North Carolina

FINANCIAL STATEMENTS

For the Years Ended June 30, 2022 and 2021

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
Weaverville, North Carolina

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BURLESON & EARLEY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Board of Directors
Weaverville ABC Board
Weaverville, North Carolina

Opinions

We have audited the accompanying financial statements of the Weaverville ABC Board, a component unit of the Town of Weaverville, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Weaverville ABC Board's basic financial statements as listed in the table of contents,

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Weaverville ABC Board as of June 30, 2022 and 2021, and the changes in financial position and, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Weaverville ABC 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 opinions.

Responsibilities of Management for the Financial Statements

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 Weaverville ABC Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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- 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 Weaverville ABC 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 Weaverville ABC 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Local Government Employees' Retirement System's Proportionate Share of Net Pension Liability (Asset) schedule and ABC Board's Contributions schedule 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 principally of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Weaverville ABC Board's basic financial statements. The Schedules of Store Expenses, Schedules of Administrative Expenses, Schedule of Distributions of Profits and Schedule of Revenues and Expenditures – Budget vs. Actual are presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedules of Store Expenses, Schedules of Administrative Expenses, Schedule of Distributions of Profits and Schedule of Revenues and Expenditures – Budget vs. Actual are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules of Store Expenses, Schedules of Administrative Expenses, Schedule of Distributions of Profits and Schedule of Revenues and Expenditures – Budget vs. Actual are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Burleson & Earley, P.A.

Certified Public Accountants

September 7, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis (MD&A) of the Weaverville ABC Board's activities and financial performance provides the reader with an overview to the financial statements of the Weaverville ABC Board for the fiscal year ended June 30, 2022. The information contained in this MD&A should be considered in conjunction with the financial information contained in the various sections of this audit report.

FINANCIAL HIGHLIGHTS

- The assets of the Weaverville ABC Board exceeded its liabilities at the close of the fiscal year by \$483,809 (*net position*).
- Total gross sales increased by \$290,332, which a 6.69% increase over the prior year.
- The Board's total net position increased by \$51,699, primarily due to increased gross profit, net of profit distributions to the Town of Weaverville totaling \$372,475.

OVERVIEW OF THE FINANCIAL STATEMENTS

The audited financial statements of the ABC Board consist of 3 components. They are as follows:

- *Management's Discussion and Analysis*
- *Basic Financial Statements*
- *Additional Information Required by the ABC Commission*

The Basic Financial Statements are prepared using the full accrual basis of accounting. They consist of 3 statements. The first is the **Statement of Net Position**. Assets and liabilities are classified between current and long-term. This statement provides a summary of the Board's investments in assets and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement.

The next statement is the **Statement of Revenues, Expenses and Changes in Net Position**. This statement is used in evaluating whether the Board has recovered all of its costs through sales. Its information is used in determining credit worthiness.

The final required statement is the **Statement of Cash Flows**. This statement reports cash inflows and outflows in the following categories: operating, investing, and financing activities. Based on this data, the user can determine the sources of cash, the uses of cash, and the change in cash.

The notes to the financial statements provide more detail information and should be read in conjunction with the statements.

The ABC Commission requires some schedules in addition to the information required by generally accepted accounting principles. They include a Schedule of Store Expenses, a Schedule of Administrative Expenses, a Schedule of Distributions of Profits and a Budget to Actual Reconciliation.

FINANCIAL ANALYSIS OF THE ABC BOARD

Net position is an indicator of the fiscal health of the Board. Assets and deferred outflows exceeded liabilities and deferred inflows by \$483,809 in 2022, \$432,110 in 2021, and \$423,519 in 2020. The largest component of net position is unrestricted. It was 68% of the total net position for 2022, 71% for 2021, and 82% for in 2020. The net investment in capital assets continues to be negative as the debt exceeds the net book value of the capital assets.

Following is a summary of the Statement of Net Position:

Table 1
Condensed Statement of Net Position

At June 30	2022	2021	2020	This Yr Over Last Yr \$ Change	This Yr Over Last Yr % Change
Assets					
Current and Other Assets	\$ 899,737	\$ 690,065	\$ 968,741	\$ 209,672	30.4%
Capital Assets	775,743	844,193	894,184	(68,450)	-8.1%
Deferred Outflows of Resources	86,173	67,918	49,302	18,255	26.9%
Total Assets	<u>\$ 1,761,653</u>	<u>\$ 1,602,176</u>	<u>\$ 1,912,227</u>	<u>\$ 159,477</u>	10.0%
Liabilities					
Current Liabilities	\$ 473,103	\$ 298,004	\$ 556,823	\$ 175,099	58.8%
Non-current Liabilities	732,233	871,656	931,344	(139,423)	-16.0%
Deferred Inflows of Resources	69,508	406	541	69,102	17020.2%
Total Liabilities	<u>\$ 1,274,844</u>	<u>\$ 1,170,066</u>	<u>\$ 1,488,708</u>	<u>\$ 104,778</u>	9.0%
Net Position					
Net Investment in Capital Assets	18,599	(1,524)	(35,891)	20,123	1320.4%
Restricted Net Position	137,605	129,058	113,792	8,547	6.6%
Unrestricted Net Position	327,605	304,576	345,618	23,029	7.6%
Total Net Position	<u>\$ 483,809</u>	<u>\$ 432,110</u>	<u>\$ 423,519</u>	<u>\$ 51,699</u>	12.0%

Net position increased by 12% from 2021 compared to a 2% increase between 2021 and 2020. Income from operations increased by 6.7% from 2021 and by 25.6% between 2021 and 2020. Following is a summary of the changes in net position:

Table 2
Condensed Statement of Revenues, Expenses and Changes in Net Position

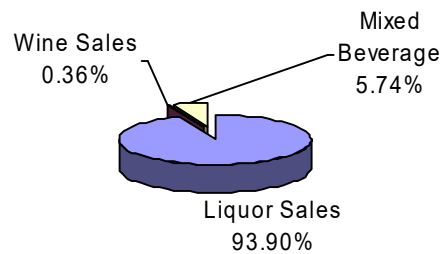
For the Fiscal Year Ended June 30	2022	2021	2020	This Yr Over Last Yr \$ Change	This Yr Over Last Yr % Change
Operating Revenues	\$ 4,627,634	\$ 4,337,302	\$ 3,821,696	\$ 290,332	6.7%
Less: Taxes on Gross Sales	1,050,981	982,817	864,017	68,164	6.9%
Net Sales	<u>3,576,653</u>	<u>3,354,485</u>	<u>2,957,679</u>	<u>222,168</u>	6.6%
Cost of Sales	2,431,344	2,286,282	2,015,956	145,062	6.3%
Gross Profit	<u>1,145,309</u>	<u>1,068,203</u>	<u>941,723</u>	<u>77,106</u>	7.2%
Less: Operating Expenses	642,600	648,736	607,800	(6,136)	-0.9%
Income from Operations	<u>502,709</u>	<u>419,467</u>	<u>333,923</u>	<u>83,242</u>	19.8%
Non-Operating Revenues and Expenses	(38,518)	(42,686)	(45,366)	4,168	9.8%
Change in Net Position Before Distributions	<u>464,191</u>	<u>376,781</u>	<u>288,557</u>	<u>87,410</u>	23.2%
Distributions	412,492	368,190	320,364	44,302	12.0%
Change in Net Position	<u>51,699</u>	<u>8,591</u>	<u>(31,807)</u>	<u>43,108</u>	501.8%
Net Position, Beginning	432,110	423,519	455,326	8,591	2.0%
Net Position, Ending	<u>\$ 483,809</u>	<u>\$ 432,110</u>	<u>\$ 423,519</u>	<u>\$ 51,699</u>	12.0%

The increase in sales is inflationary in nature. There is a decrease in non-operating revenues and expenses due to lower interest expense as debt payable is decreasing. The increase in distributions is due to the Board making a discretionary distribution to the Town because of improved cash flow.

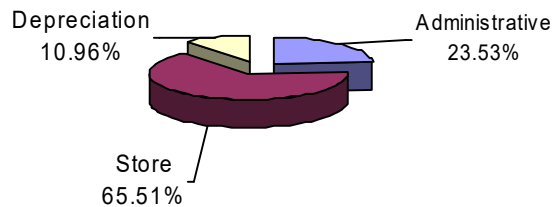
Following is a breakdown of sales by source:

For the Fiscal Year Ended June 30	2022	2021	2020	This Yr Over Last Yr \$ Change	This Yr Over Last Yr % Change
Retail Liquor Sales	\$ 4,345,536	\$ 4,119,265	\$ 3,666,357	\$ 226,271	5.5%
Mixed Beverage Sales	265,631	202,336	141,327	63,295	31.3%
Retail Wine Sales	16,467	15,701	14,012	766	4.9%
Total Sales	\$ 4,627,634	\$ 4,337,302	\$ 3,821,696	\$ 290,332	6.7%

Operating Revenues



Operating Expenses



The percentage of mixed beverage sales to the total increased by 1.0% in 2022 and also increased by 1.0% in 2021 compared to 2020.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Investment in capital assets as of June 30, 2022, totals \$775,743, net of accumulated depreciation. Capital asset additions during 2022 was a refrigeration unit for the store.

Table 3
Capital Assets
(net of depreciation)

	2022	2021	2020	This Yr Over Last Yr \$ Change	This Yr Over Last Yr % Change
Building	\$ 1,479,898	\$ 1,479,898	\$ 1,479,898	\$ -	0.0%
Other improvements	43,590	43,590	25,910	-	0.0%
Equipment & furniture	110,996	109,225	109,225	1,771	1.6%
Computer equipment	30,367	30,367	27,985	-	0.0%
	1,664,851	1,663,080	1,643,018	1,771	0.1%
Accumulated depreciation	(889,108)	(818,887)	(748,834)	(70,221)	8.6%
	<u>\$ 775,743</u>	<u>\$ 844,193</u>	<u>\$ 894,184</u>	<u>\$ (68,450)</u>	<u>-8.1%</u>

Additional information on the Store's capital assets can be found in Notes 1 and 3 of the Basic Financial Statements.

Debt Administration

Long-term debt consists of notes payable related to the original construction of the store. Debt decreased by the required monthly payments.

Table 4
**Summary of Changes in Long Term
Debt**

	2022	2021	2020	This Yr Over Last Yr \$ Change	This Yr Over Last Yr % Change
Notes Payable	\$ 757,144	\$ 845,717	\$ 930,075	\$ (88,573)	-10.5%

Economic Factors

The Board developed and approved a budget for fiscal year 2022-2023. The Board expects continued steady growth in sales as the Town of Weaverville continues to experience growth in population and commercial development. The Board expects to manage expenses and add to working capital within the budgeted amounts.

Requests for Information

This report is intended to provide a summary of the financial condition of the Weaverville ABC Board. Questions or requests for additional information should be addressed to:

Robert Chason, Chairman
Weaverville ABC Board
7 Northridge Commons Parkway, Suite 101
Weaverville, NC 28787

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
Statements of Net Position
June 30, 2022 and 2021

Assets	2022	2021
Current Assets		
Cash and Cash Equivalents	\$ 582,624	\$ 451,215
Inventory	295,630	224,812
Prepaid Expenses	21,483	14,038
Total Current Assets	<u>899,737</u>	<u>690,065</u>
Non-current Assets		
Property Plant and Equipment (net of accumulated depreciation)	<u>775,743</u>	<u>844,193</u>
Deferred Outflows of Resources - Pension Deferrals	<u>86,173</u>	<u>67,918</u>
Liabilities		
Current Liabilities		
Current Portion of Long-term Debt	\$ 93,000	\$ 88,573
Accounts Payable	199,959	(157)
Taxes Payable	115,203	110,415
Payroll Taxes Payable	8,421	334
Distributions Payable	52,050	90,495
Accrued Interest Payable	7,470	8,344
Total Current Liabilities	<u>476,103</u>	<u>298,004</u>
Non-current Liabilities		
Net Pension Liability	48,462	101,485
Compensated Absences	19,627	13,027
Long-term Portion of Debt	<u>664,144</u>	<u>757,144</u>
Total Liabilities	<u>1,208,336</u>	<u>1,169,660</u>
Deferred Inflows of Resources - Pension Deferrals	<u>69,508</u>	<u>406</u>
Net Position		
Net Investment in Capital Assets	18,599	(1,524)
Restricted for Working Capital	137,605	129,058
Unrestricted	327,605	304,576
Total Net Position	<u>\$ 483,809</u>	<u>\$ 432,110</u>

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

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
Statements of Revenues, Expenses and Changes in Net Position
For the years ended June 30, 2022 and 2021

	2022	2021
Operating Revenue		
Liquor Sales - Regular	\$ 4,345,536	\$ 4,120,954
Wine Sales	16,467	14,012
Mixed Beverage Sales	265,631	202,336
Total Gross Sales	<u>4,627,634</u>	<u>4,337,302</u>
Deduct Taxes on Gross Sales		
State Excise Tax	(1,015,797)	(952,730)
Mixed Beverage Tax (Revenue)	(20,749)	(16,718)
Mixed Beverage Tax (Human Resources)	(2,074)	(1,671)
Rehabilitation Tax	(11,284)	(10,671)
Wine Sales Tax	(1,077)	(1,027)
Total Taxes	<u>(1,050,981)</u>	<u>(982,817)</u>
Net Sales	<u>3,576,653</u>	<u>3,354,485</u>
Deduct Cost of Sales		
Cost of Goods Sold	<u>2,431,344</u>	<u>2,286,282</u>
Gross Profit on Sales	<u>1,145,309</u>	<u>1,068,203</u>
Deduct Operating Expenses		
Store Expenses	420,944	415,542
Administrative Expenses	151,221	163,141
Depreciation Expense	70,435	70,053
Total Operating Expenses	<u>642,600</u>	<u>648,736</u>
Income from Operations	<u>502,709</u>	<u>419,467</u>
Nonoperating Revenues and Expenses		
Interest Expense	(39,008)	(43,279)
Miscellaneous Income	45	7
Interest Income	445	586
Change in Net Position Before Distributions	<u>464,191</u>	<u>376,781</u>
<u>Deduct</u>		
Law Enforcement	16,674	12,710
Alcohol Education	23,343	17,794
Change in Net Position Before Profit Distributions	<u>424,174</u>	<u>346,277</u>
<u>Profit Distributions</u>		
Town of Weaverville	<u>372,475</u>	<u>337,686</u>
Change in Net Position	51,699	8,591
Net Position, Beginning of Year	<u>432,110</u>	<u>423,519</u>
Net Position, End of Year	<u>\$ 483,809</u>	<u>\$ 432,110</u>

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

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
Statements of Cash Flows
For the years ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 4,627,679	\$ 4,337,309
Payments for Inventory Costs	(2,302,046)	(2,489,833)
Payments for Operating Expenses	(567,099)	(580,395)
Taxes Paid	(1,046,193)	(972,741)
Net Cash Provided by Operating Activities	<u>712,341</u>	<u>294,340</u>
Cash Flows from Capital and Related Financing Activities:		
Capital Expenditures	(1,985)	(20,062)
Principal Payments on Long-term Debt	(88,573)	(84,358)
Interest Payments on Long-term Debt	(39,882)	(44,111)
Net Cash Used by Capital and Related Financing Activities	<u>(130,440)</u>	<u>(148,531)</u>
Cash Flows from Non-Capital Financing Activities:		
Law Enforcement Distributions	(14,323)	(7,416)
Alcohol Education Distributions	(20,052)	(10,382)
Profit Distributions to Primary Government	(416,561)	(380,118)
Net Cash Used by Non-Capital Financing Activities	<u>(450,937)</u>	<u>(397,916)</u>
Cash Flows from Investing Activities:		
Interest Earned on Investments	445	586
Net Cash Provided by Investing Activities	<u>445</u>	<u>586</u>
Net Increase in Cash and Cash Equivalents	131,409	(251,521)
Cash and Cash Equivalents, beginning of year	451,215	702,736
Cash and Cash Equivalents, end of year	<u>\$ 582,624</u>	<u>\$ 451,215</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities		
Income from Operations	\$ 502,709	\$ 419,467
Adjustments to Reconcile Income from Operations to Net Cash Provided by Operating Activities:		
Depreciation	70,435	70,053
Miscellaneous Income (Restitution)	45	7
Changes in Assets and Liabilities:		
(Increase) Decrease in Inventory	(70,818)	28,092
(Increase) Decrease in Prepaid Expenses	(7,445)	(937)
(Increase) Decrease in Deferred Outflows of Resources for Pensions	(18,255)	(18,616)
(Decrease) Increase in Accounts Payable	200,116	(231,643)
(Decrease) Increase in Taxes Payable	4,788	10,076
(Decrease) Increase in Payroll Taxes Payable	8,087	(10,909)
(Decrease) Increase in Compensated Absences	6,600	(3,235)
(Decrease) Increase in Net Pension Liability	(53,023)	32,120
(Decrease) Increase in Deferred Inflows of Resources for Pensions	69,102	(135)
Total Adjustments	<u>209,632</u>	<u>(125,127)</u>
Net Cash Provided by Operating Activities	<u>\$ 712,341</u>	<u>\$ 294,340</u>

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

WEAVERVILLE ABC BOARD
(A component unit of the Town of Weaverville)
Notes to the Financial Statements
June 30, 2022

Note 1. Summary of Significant Accounting Policies

Principles used in determining the scope of the entity for financial reporting:

The Weaverville ABC Board (the ABC Board), a component unit of the Town of Weaverville, is a corporate body with powers outlined by General Statutes [Chapter 18B-701.] The Town's governing body appoints the ABC Board.

The ABC Board is required by State Statute to distribute its surpluses to the general fund of the Town, which represents a financial benefit to the Town. Therefore, the ABC Board is reported as a discretely presented component unit in the Town's financial statements.

Organizational History

The Board was organized under the provisions of Session Law of the North Carolina Legislature, General Assembly of North Carolina, September 15, 2008, and implemented by a Town wide election. The Town Board appointed three individuals to serve on the ABC Board with staggered terms of three years.

North Carolina General Statute [18B-805(c)(2)(3)] requires the Weaverville ABC Board expend at least 5% of profits for law enforcement and at least 7% of the same profits for alcohol education and rehabilitation purposes.

Basis of Presentation

All activities of the ABC Board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) 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; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or the change in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting. All sales are made by cash, debit or credit card and recorded at the time of sale. Other revenues are recorded when earned. Expenses are recognized when incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of net position date and reported amounts of revenues and expenses during the reporting period. Estimates are used to determine depreciation expense, the allowance for doubtful accounts and certain claims and judgment liabilities, among other accounts. Actual results may differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the ABC Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Inventories

Inventories are valued at the lower of cost (FIFO) or market.

Capital Assets

The Board's capital assets are defined as assets with an initial, individual cost of \$500 or more. Donated capital assets, received prior to June 30, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets, received after June 30, 2015, are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. When an asset is disposed of, the cost of the asset and the related accumulated depreciation are removed from the books. Any gain or loss on disposition is reflected in the earnings for the period. Assets are depreciated on a straight-line basis over the following years:

	<u>Useful Life</u>
Building	25 years
Other improvements	10 years
Equipment & furniture	5 – 15 years
Computer equipment	5 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The ABC Board has one item that meets this criterion, pension deferrals for the 2022 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The ABC Board has one item that meets the criterion for this category - pension deferrals for the 2022 fiscal year.

Defined Benefit Cost-Sharing Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The ABC Board's employer contributions are recognized when due and the ABC Board 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.

Net Position

Net Position consists of the following:

Net investment in capital assets - This component of net position consists of capital assets, including any restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted for capital improvements - State law [G.S. 18B-805(d)] requires approval of the appointing authority to establish this fund, outside of working capital, for specific capital improvements.

Restricted for working capital - North Carolina Alcoholic Beverage Control Commission Rule [.0902] defines working capital as the total of cash, investments, and inventory less all unsecured liabilities. An ABC board shall set its working capital requirements at not less than two weeks' average gross sales of the last fiscal year or greater than: (1) four months' average gross sales of the last fiscal year for boards with gross sales less than \$1,500,000; (2) three months of the latest

fiscal year for boards with gross sales greater than or equal to \$1,500,000 and less than \$50,000,000; and (3) two months of the latest iscal year for boards with gross sales equal to or greater than \$50,000,000. Average gross sales means gross receipts from the sale of alcoholic beverages less distributions require by State law [G.S. 18B-805(b), (2), (3), and (4)].

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

Note 2. Stewardship, Compliance and Accountability

For the fiscal year ended June 30, 2022 the expenditures made by the ABC Board for the following exceeded the authorized appropriations made by the governing board:

	<u>Amount over budget</u>
Cost of goods sold	\$22,042
Office/store supplies	\$ 488
Law enforcement distributions	\$ 5,968
Alcohol education distributions	\$ 8,355
Municipal distributions	\$89,091

Management and the Board will review the budget versus actual schedule in their December and June meetings making any required amendments to the budget for any variances noted.

Note 3. Detail Notes on All Funds

Deposits

All deposits of the ABC Board are made in board-designated official depositories and are collateralized as required by State law [G.S. 159-31]. The ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the ABC Board may establish Time deposit accounts such as NOW and Super NOW accounts, money market accounts, and certificates of deposit.

All of the ABC Board's deposits are insured using the Pooling Method. Under this method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the ABC Board, these deposits are considered to be held by the ABC Board agent in the ABC Board'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 ABC Board or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the ABC Board 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.

At June 30, 2022, the ABC Board's deposits had a carrying amount of \$582,624, of which \$2,024 is held in petty cash and cash in drawer funds, and a bank balance of \$576,108. Deposits up to \$250,000 are covered by federal depository insurance. Deposits in excess of \$250,000, in the amount of \$326,108, are insured under the pooling method.

At June 30, 2021, the ABC Board's deposits had a carrying amount of \$451,215, of which \$2,024 is held in petty cash and cash in funds, and a bank balance of \$653,992. Deposits up to \$250,000 are covered by federal depository insurance. Deposits in excess of \$250,000, in the amount of \$403,992, are insured under the pooling method.

Capital Assets

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

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Capital Assets Being Depreciated:				
Buildings	\$ 1,479,898	\$ -	\$ -	\$ 1,479,898
Other improvements	43,590	-	-	43,590
Equipment and Furniture	109,225	1,985	214	110,996
Computer Equipment	30,367	-	-	30,367
	<u>1,663,080</u>	<u>1,985</u>	<u>214</u>	<u>1,664,851</u>
Total capital assets being depreciated				
Less Accumulated Depreciation For:				
Buildings	695,553	59,196	-	754,749
Other improvements	4,863	4,359	-	9,222
Equipment and Furniture	91,137	6,073	214	96,996
Computer Equipment	27,334	807	-	28,141
	<u>818,887</u>	<u>70,435</u>	<u>214</u>	<u>889,108</u>
Total accumulated depreciation				
Total capital assets being depreciated, net	<u>\$ 844,193</u>			<u>\$ 775,743</u>

Pension Plan Obligations

Local Government Employees' Retirement System

Plan Description. The ABC Board is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the 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.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The ABC Board employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The ABC Board's contractually required contribution rate for the year ended June 30, 2022, was 11.35% for employees, actuarially determined as an amount that, when combined with employee contributions, is expected to

finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the ABC Board were \$28,371 for the year ended June 30, 2022.

Refunds of Contributions – Board employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

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

At June 30, 2022, the Board reported a liability of \$48,462 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2021, the Board's proportion was 0.00316%, which was an increase of 0.00032% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Board recognized pension expense of \$26,154. At June 30, 2022, the Board 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	\$ 15,417	\$ -
Change of assumptions	30,446	-
Net difference between projected and actual earnings on pension plan investments.	-	69,237
Changes in proportion and differences between ABC Board contributions and proportionate share of contributions.	11,939	271
ABC Board's contributions subsequent to the measurement date.	28,371	-
Total	<u>\$ 86,173</u>	<u>\$ 69,508</u>

\$28,371 is reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2023	\$	9,263
2024		2,852
2025		(2,632)
2026		(21,187)
2027		-
Thereafter		-
Total	\$	<u>(11,704)</u>

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

Inflation	2.5 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.5 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, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

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, 2021 are summarized in the following table:

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

The information above is based on 30 year expectations developed with the consulting actuary as part of a study conducted in 2016, and is part of the asset liability and investment policy of the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

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

Sensitivity of the Board's proportionate share of the net pension asset to changes in the discount rate. The following presents the Board's proportionate share of the net pension asset calculated using the discount rate of 6.50 percent, as well as what the Board's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	<u>1% Decrease (5.50%)</u>	<u>Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
ABC Board's proportionate share of the net pension liability (asset)	\$ 188,124	\$ 48,462	\$ (66,472)

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

Vacation and Leave Compensation

ABC Board employees may earn up to 27 days vacation per year, depending upon the number of years employed. Employees may carry forward up to a maximum of 20 days, and such leave is fully vested when earned. Accumulated earned vacation at June 30, 2022 and 2021 is \$19,627 and \$13,027, respectively.

Employees earn 12 days of sick leave per year. Sick leave may be used in the determination of length of service for retirement benefit purposes. Since the ABC Board has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Long-Term Obligations

Installment Purchases

During the year ended June 30, 2009, the ABC Board entered into a direct placement contract with BB&T Governmental finance in the amount of \$1,500,000, bearing interest at 4.89% to fund store construction. On October 17, 2013, the ABC Board entered into a modification of the loan terms to require quarterly payments of \$31,038. No other terms of the loan changed. The loan will mature in April 2029. The loan is secured by store construction. At June 30, 2022 and 2021, the balance on this loan was \$732,192 and \$817,904, respectively.

During the year ended June 30, 2010, the ABC Board entered into a direct placement contract with BB&T Governmental Finance in the amount of \$50,000, bearing interest at 5.39%. On October 17, 2013, the ABC Board entered into a modification of the loan terms to require quarterly payments of \$1,076. No other terms of the loan changed. The loan will mature in April 2029. The loan is secured by Store construction. At June 30, 2022 and 2021, the balance on this loan was \$24,952 and \$27,813, respectively.

Events of default for the agreements above are 1) failure to make any installment payment 2) breach or failure to perform or observe any term, condition, or covenant of the agreements 3) institution of proceedings under any bankruptcy, insolvency, reorganization or similar law against the ABC board as a debtor 4) the ABC Board failure to pay, when due, any principal of or interest on any of its general obligation debt. Should the lender be required to enforce the terms of the agreement by legal means, the ABC Board would be required to pay reasonable attorney fees and all of the costs that may reasonably be incurred.

Interest expense for the years ended June 30, 2022 and 2021 was \$39,008 and \$43,279, respectively.

Scheduled principal payments on long-term debt are as follows:

<u>Year ending June 30</u>	<u>Principal Repayments</u>	<u>Interest Payments</u>
2023	\$ 93,000	\$ 35,455
2024	97,647	30,808
2025	102,527	25,928
2026	107,650	20,805
2027	113,030	15,425
2028-2029	243,290	13,621
	<u>\$ 757,144</u>	<u>\$ 142,041</u>

Changes in Long Term Liabilities:

	<u>June 30, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2022</u>	<u>Current Portion</u>
Notes payable	\$ 845,717	\$ -	\$ 88,573	\$ 757,144	\$ 93,000
Compensated Absences	13,027	19,817	13,217	19,627	-
Net pension liability (LGRS)	101,485	-	53,023	48,462	-
	<u>\$ 960,229</u>	<u>\$ 19,817</u>	<u>\$ 154,813</u>	<u>\$ 825,233</u>	<u>\$ 93,000</u>

Note 3. Distributions of Income

The ABC Board has made the following profit distributions:

Town of Weaverville	<u>Current Year</u>	<u>Total to Date</u>
	<u>\$ 372,475</u>	<u>\$ 1,440,037</u>

State law (G.S. 18B-805) requires that the minimum distribution set aside in (c)(1) and any profit remaining after deducting amounts required for law enforcement and alcohol education and retaining proper working capital, be paid quarterly to the appointing authority.

Note 4. Law Enforcement and Alcohol Education Expenses

The ABC Board is required by law to expend at least 5% of its profits for law enforcement and not less than 7% for alcohol education (alcohol education requirements follows local enabling act). Profits are defined by law for these calculations as change in net position before law enforcement and educational expenses, less the 3 ½% markup provided in G.S. 18B-804(b)(5) and the bottle charge provided for in G.S. 18B-804(b)(6b).

Profit before distributions	\$ 464,190
Less: 3 1/2% tax and bottle charge	<u>(130,712)</u>
Profit subject to expenses percentages	\$ 333,478
Law enforcement expenditures	\$ 16,674
-actual percentage of profit	5%
Provision for alcohol education and rehabilitation	\$ 23,343
-actual percentage of profit	7%

Note 5. Disbursement of Taxes Included in Selling Price

A state excise tax, at the rate of 30% on the retail (net sales) price is charged monthly on liquor sales (excluding wine sales). Transactions for this account for the year are summarized as follows:

Taxes payable 7/1/2021	\$ 82,545
Taxes collected during the year	1,015,797
Taxes remitted to Department of Revenue	<u>(1,012,567)</u>
Taxes payable 6/30/2022	<u>\$ 85,775</u>

The excise tax is computed in accordance with G.S. 18B-805(i).

The accrued North Carolina excise tax at June 30, 2022 was remitted to the North Carolina Department of Revenue in July, 2022.

A bottle charge of one cent on each bottle containing 50 milliliters or less and five cents on each bottle containing more than 50 milliliters is collected and distributed monthly to the county commissioners for alcoholic education and rehabilitation. For the fiscal year, required payments to the County were based on the following bottle sales:

Regular Bottles 195,900 @ 5 cents	\$ 9,795
Mixed Beverage Bottles 10,233 @ 5 cents	512
Miniature Bottles 100,024 @ 1 cent	<u>1,000</u>
Total required payment for the year	<u>\$11,307</u>

A "mixed beverage tax" at the rate of \$20 per 4 liters is charged on the sale of liquor to be resold as mixed beverages. One-half of the mixed beverage tax is submitted monthly to the Department of Revenue. Five percent of the mixed beverage tax is submitted monthly to the Department of Human Resources.

The mixed beverage tax for the year was:

Department of Revenue (50%)	\$20,749
Department of Human Resources (5%)	2,074
Profit Retained (45%)	<u>18,675</u>
Total	<u>\$41,498</u>

Note 6. Surcharge Collected

The total amount of surcharge collected for the fiscal year was \$27,194. The current rate is \$1.15 per case.

Note 7. Liquor Sales Tax

The total amount of sales tax collected by the ABC Board and remitted to the Department of Revenue for the fiscal year was \$321,898. The current sales tax rate is 7%.

Note 8. Working Capital

The ABC Board is required by the Alcoholic Beverage Control Commission rule [.0902] to set its working capital requirements at not less than two weeks average gross sales of the last fiscal year. (Gross sales are gross receipts from the sale of alcoholic beverages less distributions as defined in G.S. 18B-805(b)(2), (3), and (4)).

The board's position on this requirement is as follows:

Minimum Amount	\$	137,605
Maximum Amount	\$	894,432
Actual Amount	\$	502,621

The board has met the minimum amount of working capital.

Note 9. Risk Management

The ABC Board is exposed the 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 ABC Board has commercial property, general liability, auto liability, workmen's compensation and employee health coverage. The board also has liquor legal liability insurance.

There have been no significant reductions in insurance coverage from coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with G.S. 18B-700(i), each board member and the employees designated as the general manager and finance officer are bonded in the amount of \$50,000 by a corporate surety.

Note 10. Date of Management's Review for Subsequent Events

The ABC Board evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. The ABC Board has determined that there were not events that occurred that require additional disclosure. Subsequent events have been evaluated through September 7, 2022, which is the date the financial statements were available to be issued.

Required Supplementary Information

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
ABC Board's Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information
Last Nine Fiscal Years *

Local Government Employees' Retirement System

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
ABC Board's proportion of the net pension liability (asset) (%)	0.0032%	0.0028%	0.0025%	0.0029%	0.0027%	0.0024%	0.0021%	0.0010%	0.0008%
ABC Board's proportion of the net pension liability (asset) (\$)	48,462	101,485	69,365	68,087	40,788	51,359	\$ 9,602	\$ (5,839)	\$ 9,643
ABC Board's covered-employee payroll	\$ 239,549	\$ 221,918	\$ 187,458	\$ 171,361	\$ 148,411	\$ 137,887	\$ 136,074	\$ 81,853	\$ 58,101
ABC Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	21.84%	54.14%	37.00%	39.73%	27.48%	37.25%	7.06%	(7.13%)	16.60%
Plan fiduciary net position as a percentage of the total pension liability**	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

** This will be the same percentage for all participant employers in the LGERS plan.

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
ABC Board's Contributions
Required Supplementary Information
Last Nine Fiscal Years

Local Government Employees' Retirement System

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 28,371	\$ 26,548	\$ 21,900	\$ 16,271	\$ 14,446	\$ 12,140	\$ 10,590	\$ 10,886	\$ 6,947
Contributions in relation to the contractually required contribution	28,371	26,548	21,900	16,271	14,446	12,140	10,590	10,886	6,947
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ABC Board's covered-employee payroll	\$ 249,965	\$ 239,549	\$ 221,918	\$ 187,458	\$ 171,361	\$ 148,411	\$ 137,887	\$ 136,074	\$ 81,853
Contributions as a percentage of covered-employee payroll	11.35%	11.08%	9.87%	8.68%	8.43%	8.18%	7.68%	8.00%	8.49%

See independent auditor's report.

Supplementary Information

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
Schedules of Store Expenses
For the years ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Building Repairs and Maintenance	\$ 20,622	\$ 21,453
Equipment Repairs and Maintenance	181	322
Group Insurance	51,391	49,187
Insurance	11,351	11,286
Maintenance Agreement	6,038	6,754
Payroll	275,148	277,770
Payroll Taxes	23,054	22,462
Security	185	185
Supplies	18,595	12,512
Telephone	5,938	5,719
Utilities	8,441	7,892
Total Store Expenses	<u>\$ 420,944</u>	<u>\$ 415,542</u>

See independent auditor's report.

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
Schedules of Administrative Expenses
For the years ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Bank Charges	\$ 71,593	\$ 66,597
Board Member Expense	7,200	7,200
Dues and Subscriptions	2,350	2,067
Late Penalties	321	331
Office Supplies	3,495	993
Outside Services	24,274	28,372
Postage	633	660
Professional Services	14,594	16,410
Retirement Expense	26,154	39,917
Training	106	139
Travel	-	75
Website	501	380
Total Administrative Expenses	<u>\$ 151,221</u>	<u>\$ 163,141</u>

See independent auditor's report.

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
Schedule of Distributions of Profits
For the year ended June 30, 2022

<u>Distribution Type</u>	<u>Recipient</u>	<u>Amount</u>	<u>Date of Distribution</u>	<u>Restrictions on Use</u>
Law Enforcement	Town of Weaverville	\$ 4,306	10/22/2021	Alcohol law enforcement
	Town of Weaverville	\$ 56	2/4/2022	Alcohol law enforcement
	Town of Weaverville	\$ 669	4/14/2022	Alcohol law enforcement
	Town of Weaverville	11,643	Payable at 6/30/2022	Alcohol law enforcement
Total		<u>\$ 16,674</u>		
Alcohol Education	Town of Weaverville	\$ 6,028	10/22/2021	Alcohol and rehab education
	Town of Weaverville	79	2/4/2022	Alcohol and rehab education
	Town of Weaverville	937	4/14/2022	Alcohol and rehab education
	Town of Weaverville	16,300	Payable at 6/30/2022	Alcohol and rehab education
Total		<u>\$ 23,343</u>		
Municipality	Town of Weaverville	\$ 117,472	10/22/2021	None
	Town of Weaverville	\$ 39,407	2/4/2022	None
	Town of Weaverville	\$ 41,489	4/14/2022	None
	Town of Weaverville	\$ 150,000	5/18/2022	None
	Town of Weaverville	\$ 24,108	Payable at 6/30/2022	None
Total		<u>\$ 372,475</u>		

See independent auditor's report.

Weaverville ABC Board
(A Component Unit of the Town of Weaverville)
Schedule of Revenues and Expenditures - Budget and Actual
For the year ended June 30, 2022

	2022 Original Budget	2022 Revised Budget	2022 Actual	Variance Positive (Negative)
Revenues:				
Operating Revenues:				
Liquor Sales – Regular	\$ -	\$ -	\$ 4,345,536	\$ -
Mixed Beverage Sales	-	-	265,631	-
Wine/Mixer Sales	-	-	16,467	-
Total	4,455,402	4,633,445	4,627,634	(5,811)
Non-Operating Revenues/(Expenses):				
Interest Income	-	-	445	445
Restitution Income	-	-	45	45
Total revenues	4,455,402	4,633,445	4,628,124	(5,321)
Expenditures:				
Taxes Based on Revenue:				
State Excise Tax	-	-	1,015,797	-
Mixed Beverage Tax (Revenue)	-	-	20,749	-
Mixed Beverage Tax (Human resources)	-	-	2,074	-
Rehabilitation Tax	-	-	11,284	-
Wine/Mixer Sales Tax	-	-	1,077	-
Total	1,024,742	1,052,092	1,050,981	1,111
Cost of Goods Sold	2,361,363	2,409,302	2,431,344	(22,042)
Operating Expenses:				
Salaries and benefits	442,859	442,859	371,824	71,035
Board member expense	7,200	7,200	7,200	-
Utilities	15,574	15,574	14,379	1,195
Repairs & maintenance	74,236	74,236	27,132	47,104
Office/store supplies	21,500	22,235	22,723	(488)
Insurance – general & bonds	13,500	13,500	11,351	2,149
Travel	1,000	1,000	-	1,000
Professional fees	57,755	57,755	41,218	16,537
Credit card fees	71,200	78,259	71,593	6,666
Contingencies	10,000	10,000	321	9,679
Total	714,824	722,618	567,741	154,877
Capital outlay:	10,900	10,900	1,985	8,915
Debt service:	128,455	128,455	128,455	-
Total expenditures	4,240,284	4,323,367	4,180,506	142,861
Distributions:				
Law enforcement	10,706	10,706	16,674	(5,968)
Alcohol education & rehab.	14,988	14,988	23,343	(8,355)
Municipal	188,424	283,384	372,475	(89,091)
Total	214,118	309,078	412,492	(103,414)
Total expenditures & distributions	4,454,402	4,632,445	4,592,998	39,447
Revenues over expenditures	1,000	1,000	35,126	34,126
Other financing (uses):				
Working capital retained (Unrestricted funds)	(1,000)	(1,000)	(35,126)	(34,126)
Revenues over expenditures and other financing (uses)	\$ -	\$ -	\$ -	\$ 0
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Reconciling items:				
Depreciation			\$ (70,435)	
Capital expenditures			1,985	
Increase in compensated absences			(6,600)	
Pension expense			2,176	
Decrease in accrued interest payable			874	
Principal portion of debt payments			88,573	
Total			16,573	
Change in net position			\$ 51,699	

See independent auditor's report.

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: November 21, 2022
SUBJECT: Voluntary Annexation Petition –171 Monticello Road
PRESENTER: Town Attorney
ATTACHMENTS: Voluntary Annexation Petition and Data Sheet
Proposed Annexation Map and Tax Map Showing Property
Proposed Resolution

DESCRIPTION/SUMMARY OF REQUEST:

The owner of the property located at 171 Monticello Road, Betty Hollifield Roberts, has submitted a voluntary annexation petition for 10.68 acres. This property is contiguous to the primary municipal limits of the Town.

The annexation petition references an intent to develop a 168-unit multi-family apartment complex on the property consistent with a conditional district application also being submitted. Under a separate agenda item Town Council will be given an opportunity to initially consider the application and offer preliminary comments to the owner/developer and Planning Board.

COUNCIL ACTION REQUESTED:

Should Town Council wish to consider annexation of this property, the first step is to request that the Town Clerk investigate the sufficiency of the annexation petition. A resolution to that effect is attached and directs the Clerk to report on the sufficiency of the petition at an upcoming Town Council meeting.

*I move that we adopt the proposed RESOLUTION DIRECTING THE CLERK TO
INVESTIGATE THE SUFFICIENCY OF VOLUNTARY ANNEXATION PETITION 2022-2
RECEIVED FOR PROPERTY LOCATED AT 171 MONTICELLO ROAD*

**PETITION FOR VOLUNTARY ANNEXATION
 PETITION/APPLICATION
 Town of Weaverville, North Carolina**

Submittal Date: 10/13/2022
 Date Fee Paid: 10/18/2022
 Petition No: 2022-2

**STATE OF NORTH CAROLINA
 COUNTY OF BUNCOMBE**

TO THE TOWN COUNCIL OF WEAVERVILLE, NORTH CAROLINA

1. We, the undersigned owners of real property, respectfully request that the area described in Part 4 below be annexed to the Town of Weaverville, Buncombe County, North Carolina.
2. The area to be annexed is contiguous, non-contiguous (satellite) to the Town of Weaverville, North Carolina, and the boundaries are as contained in the metes and bounds description attached hereto.
3. If contiguous, this annexation will include all intervening rights-of-way for streets, railroads and other areas as stated in G.S. § 160A-31(f), unless otherwise stated in the annexation agreement/ordinance.
4. The property and property owner information is as follows:

Property Owner and Mailing Address	Phone Number & Email Address	Deed Reference & Property PIN	Property Owner Signature
Betty Hollifield Roberts 171 Monticello Rd Weaverville, NC 28787	(828) 273-3350 mdroberts.co@gmail.com	DB: 1245 PG: 0551 PIN: 973360350300000	<i>Betty Hollifield Roberts</i>

5. Zoning vested rights are not claimed, have been established under G.S. § 153A-344.1 or § 160A-385.1 as follows [describe and attach the order and approved site plan]:

Total Acreage to be annexed: 10.68 Acres
 Population in annexed area: 1 Dwelling
 Proposed Zoning District: Conditional Zoning
 Reason for annexation: Receive Town Services Other (please specify)

The applicant must also submit a rezoning application with the petition for voluntary annexation to establish a Weaverville zoning designation. Please contact the Planning Department at (828)484-7002 for questions. If the purpose of the petition is a connection to public water, contact Public Works Department at (828)645-0606 to confirm that public water is available to the property and the cost of that connection.

**PETITION FOR VOLUNTARY ANNEXATION
DATA SHEET**

Town of Weaverville, North Carolina

Submittal Date: 10/13/2022
Petition No. 2022-2
Annexation Area Name: Monticello Family

Petitioner: LDG Multifamily, LLC
Subject Area Acreage: NA
Current Land Use: Single Family Residential

Proposed Land Use or Development (describe): Multifamily affordable housing including a parking lot, pool and clubhouse. The buildings will have a combination of 1, 2, and 3 bedrooms residences.

Residential (single family): Number of Units: N/A Anticipated build out in N/A years
Average Sales Price: \$ N/A /dwelling unit

Residential (multi-family): Number of Units: 168 Anticipated build out in 2 years
Owned: Average Sales Price: \$ N/A /building unit
Rental: Average Rental Amt:\$ 1350 /month

Retail: Square footage: N/A Anticipated build out in N/A years
Type of tenancy: N/A

Commercial - Non-Retail: Square footage: N/A Anticipated build out in N/A years
Type of tenancy: N/A

Other: Square footage: N/A Anticipated build out in N/A years
Type of tenancy: N/A

Development Scale: Max building height of 44' 5 in.; max number of stories of 3

Infrastructure: Linear feet of publicly dedicated roadways proposed: NA feet
Public water proposed (describe): To be connected to the town of Weaverville.

Other Public Services Requested (describe): Sewer to be through Metropolitan Sewer District

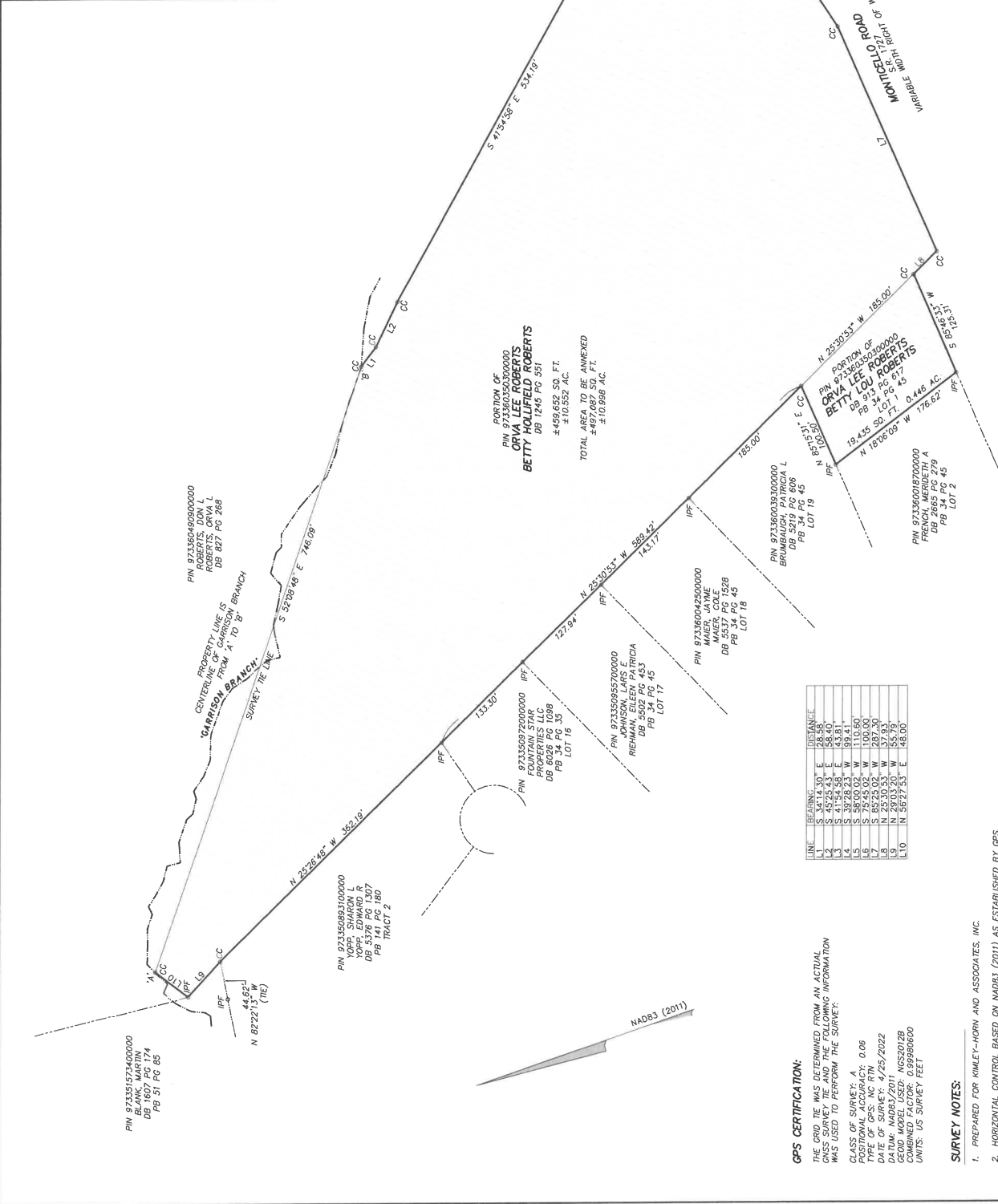
Zoning Vested Rights Claimed (describe and attach documentation): NA

Beth Hollifield Roberts
Signature of Owner(s)

[Signature]
Perspective Owner(s)



VICINITY MAP NOT TO SCALE



GSC SURVEYING
 4032 BARRETT DRIVE
 RALEIGH, NC 27609
 PHONE (919) 787-9505
 NC CORPORATE LICENSE No. C-2335

GSC PROJECT: 22017
 ANNEXATION PLAT
 OF PROPERTY OF
ORVA LEE & BETTY LOU
 (HOLLIFIELD) ROBERTS
 REEMS CREEK TOWNSHIP
 BUNCOMBE COUNTY, NORTH CAROLINA
 DATE: SEP. 30, 2022 SCALE: 1" = 80'
 SHEET: 1 OF 1

SURVEYOR'S CERTIFICATION
 I, CHARLES H. SMITH, CERTIFY THAT THIS MAP WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION FROM DEEDS AND MAP REFERENCES AS SHOWN HEREON; THAT THE RATIO OF THE HORIZONTAL CONTROL TO THE VERTICAL CONTROL IS AS SHOWN HEREON; THAT THIS SURVEY WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE NORTH CAROLINA SURVEYING ACT AND THE RULES AND REGULATIONS THEREUNDER; THAT THIS SURVEY IS OF AN EXISTING PARCEL OR PARCELS OF LAND AND DOES NOT CREATE A NEW STREET OR CHANGE AN EXISTING STREET; THAT THIS PLAT WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE NORTH CAROLINA SURVEYING ACT AND THE RULES AND REGULATIONS THEREUNDER; ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL.



CHARLES H. SMITH, NC PLS No. L-4196 DATE: SEP. 30, 2022

LINE	BEARING	DISTANCE
L1	S 34°14'30" E	28.50
L2	S 45°24'43" E	58.40
L3	S 39°28'58" W	93.91
L4	S 58°00'00" W	110.50
L5	S 75°45'00" W	100.00
L6	N 23°03'53" W	57.93
L7	N 29°03'20" E	55.79
L8	N 56°27'53" E	48.00
L9	N 29°03'20" E	55.79
L10	N 56°27'53" E	48.00

GPS CERTIFICATION:
 THE GRID TIE WAS DETERMINED FROM AN ACTUAL GNS SURVEY TIE AND THE FOLLOWING INFORMATION WAS USED TO PERFORM THE SURVEY:
 CLASS OF SURVEY: A
 TYPE OF SURVEY: NC RTN
 DATE OF SURVEY: 4/25/2022
 DATUM: NAD83/2011
 CORRECTION FACTOR: 0.99999999
 COMBINED FACTOR: 0.99999999
 UNITS: US SURVEY FEET

SURVEY NOTES:
 1. PREPARED FOR HINLEY-HORN AND ASSOCIATES, INC.
 2. HORIZONTAL CONTROL BASED ON NAD83 (2011) AS ESTABLISHED BY GPS.
 3. MONUMENTS WERE HELD WHERE FOUND, EXCEPT AS NOTED.
 4. AREA COMPUTED BY COORDINATE METHOD.

LEGEND OF SYMBOLS:
 o-iron pipe found
 x-iron rod found
 s-iron rod set
 ccc-computed point (no monument set)
 ---lines not surveyed
 - - - - -centerline of branch or run (property line)

Legal Description for Annexation
171 Monticello Road
Buncombe County PIN 973360350300000

Beginning at an iron rod set in the northerly right of way of Monticello Road, said point having North Carolina State Grid Coordinates of North 730,275.35 and East 936,816.96, running thence S 41°54'58" E 43.81 to a point in the centerline of Monticello Road, running thence along the centerline of Monticello Road the following four courses and distances: (1) S 39°28'23" W 99.41' to a point, (2) S 58°00'02" W 110.60' to a point, (3) S 75°45'02" W 100.00' to a point and (4) S 85°25'02" W 287.30' to a point at the southwesterly corner of this parcel; running thence northerly N 25°30'53" W 37.93' to a point in the northerly right of way of Monticello Road; running thence westerly along the northerly right of way of Monticello Road S 85°46'33" W 125.31' to an iron pipe found; running thence northerly and easterly along the lands of Orva Lee Roberts and Betty Lou Roberts (Lot 1 of Rolling Acres) N 18°06'09" W 176.62' to an iron pipe found and N 85°15'31" E 100.50' to a point; running thence northerly along the easterly lines of Lots 16 through 19 of Rolling Acres as recorded in Plat Book 34 Page 45 and Plat Book 38 Page 102, N 25°30'53" W 589.42' to an iron pipe found at the northeasterly corner of Lot 16; thence continuing northerly along the easterly line of Tract 2 of East Rolling Acres as recorded in Plat Book 141 Page 80, N 25°26'48" W 362.19' to a point; thence continuing northerly N 29°03'20" W 55.79' to an iron pipe found at the northwesterly corner of this parcel and a common corner with lands of Martin Blank and lands of Don L. Roberts and Orva L. Roberts; running thence easterly N 56°27'53" E 48.00' to a point in the centerline of Garrison Branch and the northeasterly corner of this parcel; running thence generally southerly along the centerline of Garrison Branch as it winds and turns to a point in the centerline of Garrison Branch (the survey tie line between the last two points being S 52°08'48" W 746.09'); running thence southerly along the easterly line of this parcel and the westerly line of Don L. Roberts and Orva L. Roberts S 34°14'30" E 28.58' to a point, S 45°25'43" E 58.40' to a point and S 41°54'58" E 534.19' to the point of beginning, having an area of ±497,087 square feet or ±10.998 acres.

**RESOLUTION DIRECTING THE CLERK TO INVESTIGATE THE SUFFICIENCY
OF VOLUNTARY ANNEXATION PETITION 2022-2 RECEIVED FOR PROPERTY LOCATED
AT 171 MONTICELLO ROAD**

WHEREAS, a petition requesting annexation of that property located at 171 Monticello Road, Weaverville, North Carolina, and bearing Buncombe County Parcel Identification Number 9733-60-3503, was received from Betty Hollifield Roberts on October 18, 2022, by the Town of Weaverville; and

WHEREAS, N.C. Gen. Stat. § 160A-31 provides that the sufficiency of the petition shall be investigated by the Town Clerk before further annexation proceedings may take place; and

WHEREAS, the Town Council of the Town of Weaverville deems it advisable to proceed in response to this request for annexation;

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Weaverville that the Weaverville Town Clerk is hereby directed to investigate the sufficiency of the above-reference petition and to certify to Town Council the result of his investigation;

ADOPTED THIS the 21st day of November, 2022, in a vote of ___ in favor and ___ opposed.

PATRICK FITZSIMMONS, Mayor

ATTESTED BY:

JAMES ELLER, Town Clerk

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: November 21, 2022

SUBJECT: Initial Consideration of Conditional District –
171 Monticello Road

PRESENTER: Planning Director

ATTACHMENTS: Conditional District Application with Site Plan and Agent
Authorization; Tax Map
Summary of Approval Process for Conditional Districts
Proposed Resolution

DESCRIPTION/SUMMARY OF REQUEST:

The attached conditional district application has been received by the Town for the development of the property located at 171 Monticello Road. This application reflects a proposed project consisting of a 168-unit multi-family apartment complex on 10.68 acres.

This application is on tonight's agenda for Town Council's initial consideration as required by Town Code § 20-3203(e)(1). This step is intended to provide Town Council with an opportunity to express any preliminary thoughts related to the application but shall not serve as a final determination. A referral of the application to the Planning Board for a full review and recommendation is also needed.

COUNCIL ACTION REQUESTED:

It would be appropriate for Town Council to take action to refer this application to the Planning Board together with any preliminary comments. A resolution is provided for that purpose should it wish to be considered by Town Council.

I move that we adopt the proposed RESOLUTION REFERRING THE CONDITIONAL DISTRICT APPLICATION SUBMITTED FOR 171 MONTICELLO ROAD TO THE PLANNING BOARD FOR REVIEW AND RECOMMENDATION [with comments of Town Council added to paragraph 1].

CONDITIONAL DISTRICT APPLICATION

Planning and Zoning Department
30 South Main Street, P.O. Box 338, Weaverville, NC 28787
(828) 484-7002--- fax (828) 645-4776 --- jeller@weaverville.org
Application Fee Based Upon Size of Property



Conditional Districts address situations in which a particular use, properly planned, may be appropriate for a specific site but, the existing zoning district of the site has insufficient standards to mitigate the site-specific impact on the surrounding area. Uses which may be considered for a Conditional District shall be established on the Table of Uses found at Sec. 20-3205. Additional information related to Conditional Districts may be found at Sec. 20-3203.

At the discretion of the Town Council, it may be required of the property owner to guarantee performance or completion of conditions included in the Conditional Zoning Plan. Such guarantee may take the form of: (1) a surety performance bond made by a company licensed and authorized in North Carolina, (2) a bond of a developer with an assignment to the Town of a certificate of deposit, (3) a bond of developer secured by an official bank check drawn in favor of the Town and deposited with the Town Clerk, (4) cash or an irrevocable letter of credit, (5) a bank escrow account whereby the developer deposits cash, a note, or a bond with a federally insured financial institution into an account payable to the Town. The amount of the guarantee shall be determined by Town Council.

OWNER/APPLICANT NAME: LDG Multifamily, LLC APPLICATION DATE: 10/17/2022

BRIEFLY DESCRIBE THE PROJECT: This project proposes 168 affordable housing units consisting of 1, 2, and 3 bedroom units as well as a pool and clubhouse.

PHONE NUMBER: (502) 649-0601

PROPERTY ADDRESS: 171 Monticello Rd
Weaverville, NC 28787

PIN: 973360350300000

DEED BOOK/PAGE: 1245/0551

LOT AREA (acres): 10.68

ZONING DISTRICT: R-3

10/18/22

SIGNATURE OF APPLICANT

DATE

Application fees are due at the time of submittal. Withdrawal of an application after the public hearing has been advertised will result in the forfeiture of the application fee.

CONDITIONAL DISTRICT APPLICATION

Planning and Zoning Department
 30 South Main Street, P.O. Box 338, Weaverville, NC 28787
 (828) 484-7002--- fax (828) 645-4776 --- jeller@weavervillenc.org
Application Fee Based Upon Size of Property



A petition for a Conditional District must include a site plan and supporting information that specifies the intended uses for property. A complete site plan shall be substantially compliant with the mapping standards found within Sec. 20-2504. Additional information may be requested by members of staff, the Planning Board or Town Council.

✓	Title block containing:														
	<table border="1"> <tr> <td>✓</td> <td>Name of owner & applicant</td> </tr> <tr> <td>✓</td> <td>Property address</td> </tr> <tr> <td>✓</td> <td>Buncombe County PIN</td> </tr> <tr> <td>✓</td> <td>Date or dates survey was conducted or plan prepared</td> </tr> <tr> <td>✓</td> <td>Scale of the drawing in feet per inch</td> </tr> <tr> <td>✓</td> <td>Deed book and page reference of the deed</td> </tr> <tr> <td>✓</td> <td>Zoning designation of property</td> </tr> </table>	✓	Name of owner & applicant	✓	Property address	✓	Buncombe County PIN	✓	Date or dates survey was conducted or plan prepared	✓	Scale of the drawing in feet per inch	✓	Deed book and page reference of the deed	✓	Zoning designation of property
✓	Name of owner & applicant														
✓	Property address														
✓	Buncombe County PIN														
✓	Date or dates survey was conducted or plan prepared														
✓	Scale of the drawing in feet per inch														
✓	Deed book and page reference of the deed														
✓	Zoning designation of property														
✓	Sketch vicinity map depicting the relationship between the proposed subdivision and the surrounding area														
✓	North Arrow and orientation														
✓	Lot area in acres and square feet														
✓	Existing topography of the site and within 300 feet of the site boundary in five (5) foot contours														
✓	Delineation of areas within the floodplain.														
✓	Names of owners of adjoining properties, Buncombe County PIN, and zoning designation														
✓	Minimum building setback lines applicable to the lot, including drainage or utility easements														
✓	Proposed number and location of signs														
✓	Exact dimensions, location, height, and exterior features of proposed buildings and structures														
NA	Photographs of buildings on properties within 200 ft. of subject property														
✓	Utility easements														
✓	Existing and proposed sanitary sewer system layout and a letter of commitment														
✓	Existing and proposed water distribution system layout and a letter of commitment														
✓	Plans for individual water supply and sewerage/septic disposal system, if any														
✓	A statement as to whether or not natural gas, telephone, electric, and cable lines are to be installed, and whether they will be above or below ground														
✓	Exact dimension and location of all traffic, parking, and circulation plans showing the proposed location and arrangement of parking spaces.														
✓	Existing and proposed roads, driveways, ingress/egress, easements, and rights-of-way both private and public.														
✓	Existing and proposed encroachments into setbacks, rights-of-way, and/or easements, if any														
✓	Proposed phasing, if any, and expected completion date of the project.														

Upon reviewing the application, site plan, and supporting documents, the Planning and Zoning Board will issue statement of reasonableness of the proposed Conditional District.

Before a public hearing may be held by the Town Council, the petitioner must file in the Office of the Town Clerk, a written report of at least one community meeting held by the petitioner. The report shall include a list of those persons and organization notified of the meeting detailing the method and date of contact' the date, time, and location of the meeting; a roster of persons in attendance, a summary of issues discussed, and a description of any changes to the petition as a result of the meeting. In the event the petitioner has not held at least one meeting, the petitioner shall file a report documenting efforts that were made and the reasons such a meeting was not held.

**TOWN OF WEAVERVILLE
AGENT AUTHORIZATION FOR LAND USE DEVELOPMENT
PETITION/APPLICATION AND APPROVAL**

PROPERTY LEGAL DESCRIPTION:

PARCEL ID: 973360350300000
STREET ADDRESS: 171 Monticello Road, Weaverville NC

PROPERTY OWNER: Betty Hollifield Roberts
(complete Certificate of Authority if a corporation or LLC)

PROPERTY OWNER: N/A

PROPERTY OWNER CONTACT INFORMATION:

EMAIL ADDRESS: mdroberts.co@gmail.com
PHONE NUMBER: (828) 273-3350
MAILING ADDRESS: 171 Monticello Road, Weaverville NC

PERMIT SOUGHT/APPLICATION TO BE SUBMITTED: Voluntary Annexation Petition and Initial Zoning Request

NAME OF INDIVIDUAL AGENT: Landon Cox
NAME OF CONTRACTOR/CONSULTING FIRM: LDG Multifamily, LLC

AGENT CONTACT INFORMATION:

EMAIL ADDRESS: lcox@ldgdevelopment.com
PHONE NUMBER: 502-649-0601
MAILING ADDRESS: 1469 S 4th Street, Louisville KY 40208

We, the undersigned property owner(s) of the above noted property, do hereby authorize the individual or company listed above as the property owner's agent to act on his/her/their behalf and to take all actions necessary for the processing, issuance, and acceptance of the above-referenced permit or application. We hereby certify the above information submitted in this application is true and accurate to the best of our knowledge.

Betty Hollifield Roberts
Property Owner Signature

Property Owner Signature

Date: 9-28-22

Date: _____

Conditional District Zoning – Summary of Approval Process

Petition Submitted	Owner	§20-3203(d)	<ul style="list-style-type: none"> • Must be submitted by owner or an agent for owner (such as a potential owner or developer) • Petition to include: <ul style="list-style-type: none"> • Stmt analyzing reasonableness of request • Fee (per applicable Fee Schedule) • Preliminary plan or site plan (§20-2504) • Number/general location of proposed structures • Proposed use of land; number of housing units, total square footage of nonresidential • Yards, buffers, screening, landscaping, sidewalks req'd and notation of any deviation • Number of signs • Traffic, parking, and circulation plans • Height of all structures • Exterior features of all development
Staff Review	TRC	§20-3110	<ul style="list-style-type: none"> • Staff's technical review of petition • Planning, Public Works & Fire Marshal • Written staff report provided with comments
Initial Consideration by Town Council and Referral to Planning Bd	TC	§20-3203(e)(1)	<ul style="list-style-type: none"> • Initial consideration by TC is intended to provide TC with an opportunity to express any preliminary thoughts related to the petition but shall not serve as a final determination
Planning Bd Review and Recommendation	PB	§20-3203(d) §20-1504(b) §20-1505(b)-(d)	<ul style="list-style-type: none"> • Consistency with CLUP • Reasonableness; factors to be considered: size, physical condition and other attributes of the area; benefits and detriments to the owner, neighbors, surrounding area, relationship between current actual and permissible development on the property and the area and the proposed permissible development; why the action taken is in the public interest; any changed conditions warranting the request • Recommendation can include recommended conditions of approval
Community Meeting	Owner	§20-3203(e)(2)	<ul style="list-style-type: none"> • At least 1 community meeting prior to PH • Posting and mailed notice to property owners w/in 200 feet • Written report must be submitted with roster of attendees, summary of issues raised and any changes made as a result
Public Hearing	TC	§20-1504(c)	<ul style="list-style-type: none"> • Posting and mailed notice to abutting property owners • Reasonable rules concerning public hearing can be established
Citizen Comments	Clerk	§20-1504(c)(5)	<ul style="list-style-type: none"> • Clerk must forward all written comments received 2 business days ahead of action to TC
Action	TC	§20-3203(f)	<ul style="list-style-type: none"> • Conditions must be agreed to by owner • Action is by majority vote of TC • Approval is by adoption of an ordinance

**RESOLUTION REFERRING THE CONDITIONAL DISTRICT PETITION SUBMITTED FOR
171 MONTICELLO ROAD TO THE PLANNING BOARD
FOR REVIEW AND RECOMMENDATION**

WHEREAS, a petition requesting conditional district zoning on property located at 171 Monticello Road, Weaverville, North Carolina, was received from Betty Hollifield Roberts on October 18, 2022, by the Town of Weaverville; and

WHEREAS, the Town Council of the Town of Weaverville held its initial consideration of the project on October 24, 2022, and now deems it advisable to refer the conditional district petition to the Planning Board for review and recommendation;

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Weaverville that:

1. Based on its initial consideration of the project, the Town Council notes the following as matters for specific review and consideration by the owner/developer and the Planning Board:

[comments can be added by Town Council]

2. The Town Planning Director is directed to place the petition for conditional district zoning on the Planning Board's next agenda so that the Board can begin its review of the conditional district for consistency with the Town's Comprehensive Land Use Plan and reasonableness and forward its recommendation to Town Council prior to or at a public hearing that may subsequently be held on this matter.

ADOPTED THIS the 21st day of November, 2022, in a vote of ___ in favor and ___ opposed, with Councilmember Doug Jackson being excused from the vote due to a conflict of interest.

PATRICK FITZSIMMONS, Mayor

ATTESTED BY:

JAMES ELLER, Town Clerk

TOWN OF WEAVERVILLE

TOWN COUNCIL AGENDA ITEM

DATE OF MEETING: November 21, 2022
SUBJECT: Water Request – 480/484 Reems Creek
PRESENTER: Public Works Director
ATTACHMENTS: Application for Water Commitment Letter with Site Plan
Public Works Director Email dated 11/15/2022

DESCRIPTION/SUMMARY OF REQUEST:

The Public Works Director has received a water commitment application for a proposed multifamily housing development that is currently known as 480/484 Reems Creek. This application requests 67,200 gallons per day off of a new 6-inch water line for a proposed townhouse development consisting of 160 dwelling units. The project is proposed on properties totalling 17.5 acres located at 480 Reems Creek Road (Buncombe Co. PIN: 9752-24-3887, 9752-24-5201, and 9752-24-2483). The property adjoins the Town’s municipal borders along Lakeway Circle and the Reems Creek Golf Club, and is in the unincorporated area of Buncombe County. An annexation petition has not been submitted, but the property owner may be willing to submit one should Town Council wish it to do so as a condition of a water commitment.

There is no waterline extension that is needed to provide water to this property, but the waterline that is to be constructed within the project will become an extension of the Town’s water system and may provide the opportunity to create a system loop to the north of the project.

This request is brought to Town Council pursuant to Code Section 30-79 which requires Town Council approval on any extensions to the Town’s water system.

The Public Works Director, who also serves as the town engineer, has reviewed the request and has found that, at this time, there is sufficient capacity within the Town’s water system to accommodate this request without any adverse effects on service to the Town’s current water customers (see attached email dated 11/15/2022).

Based on the application, Town Code provisions, Town obligations to USDA, and the recent history of action taken regarding water, Town Council could take any of the following actions:

- (1) grant the water commitment request;
- (2) grant the water commitment request conditioned upon annexation into the Town (and development approvals of the project by the Town); or
- (3) declare an intent to deny the water commitment request and seek USDA’s concurrence on the proposed denial of water based on justifications identified by Town Council.

Town Council is actively discussing its options regarding increasing the water capacity within its water system with a decision anticipated in the next month or two. Another option tonight is to defer consideration of this matter until an upcoming meeting of Town Council.

Town staff will be available at tonight’s meeting to answer any questions that Town Council might have regarding this matter.

ACTION REQUESTED:

Council discussion and possible decision regarding the water commitment application.

Jennifer Jackson

From: Dale Pennell
Sent: Tuesday, November 15, 2022 3:11 PM
To: Selena Coffey
Cc: Jennifer Jackson; James Eller; Dale Pennell
Subject: Review of Water Commitment Request for 480/484 Reems Creek Townhomes
Attachments: SKMBT_C224e22111010280.pdf; SKMBT_C224e22111512390.pdf

Selena,

I have attached an application for a commitment letter, along with a concept plan, for a new development called 480/484 Reems Creek Road which was received on November 9, 2022. This property is accessed from Reems Creek Road just beyond Union Chapel Road and the Citgo convenience store. This site adjoins town limits along Lakeway Circle and the Reems Creek Golf Club to the north. The developer has proposed 160 townhouses, a pool and several accessory buildings on 17.5 acres, served with a new six-inch water line and fire hydrants which will extend the town's water system throughout the property. They have requested a water allocation for an estimated daily water demand of 400 gallons per day (GPD) per unit and 3,200 GPD for the pool, totaling 67,200 GPD, with a maximum estimated flow of 683 gallons per minute (GPM), and an estimated date of service of Spring, 2023. We have an 8" water line on the north side of Reems Creek Road directly in front of this property and it is my opinion that we have adequate flow and pressure at this time to serve the proposed development without any adverse effect on our current customers. As is customary within our water system, the developer will be expected to design, permit and install their proposed water lines in accordance with our town standards, then turn the new system over to the town for maintenance and operation, all with no cost to the town.

The attached application shows the proposed water needs, followed by detailed engineering calculations and a map of the proposed development and water system. There may be some value during any continued engineering discussion on this project to investigate the possibility of connecting their proposed water line(s) with our town water line in Lakeway Circle to the north to create a loop within our water system.

My most recent version of the town's Water Commitments spreadsheet is also attached. This spreadsheet reflects the approved commitments as of November 14. Our previous commitment spreadsheet dated September 19, 2022 had the "Current % of WTP used or committed" at 69.53%. The attached spreadsheet dated November 14, 2022 show that figure is now at 71.29% after the addition of the Monticello Family apartments and deletion of an expired approval for Greenwood Park and the completion of the new Marshalls store. FYI, if we add the above described project with a requested capacity of 67,200 GPD to this latest spreadsheet, then the % committed figure rises to 75.77% using the full NCDEQ standard of 400 GPD per apartment, and 53.91% if the actual average consumption of 50 GPD is used.

As we have discussed in the past, the state mandates that we have a plan in place for how to increase our water supply when we reach a total of actual usage and future commitments of **80%** of our WTP capacity (which would equal 1,200,000 GPD). When we reach 90% of WTP capacity, we must be under construction or limit any additional commitments until construction begins. We have been conservative in our approach for how to supply additional water for our system and have therefore used the 70% threshold for being proactive in determining our future needs. The difference between 70% and 80% is 150,000 GPD, and we have now exceeded the 70% threshold with the major water allocation requests that have been approved in recent months.

As you know, we are now actively looking at 7 alternatives to address our future water needs. Based on our current WTP status, consideration of this and other recent allocation requests, anticipation of future requests, and an estimated 2 to 4 years for completion of any water-related construction project(s), I want to again emphasize the need to promptly move forward with a plan that guarantees a dependable and reliable water source for the town's future.

I am available to answer questions or provide additional information as requested.

Thanks,
Dale

***Dale Pennell, PE, PLS
Public Works Director
Town of Weaverville
15 Quarry Road
Weaverville, NC 28787
828-645-0606 Office
828-231-7050 Cell***

TOWN OF WEAVERVILLE
WATER DEPARTMENT

APPLICATION FOR A COMMITMENT LETTER

APPLICANTS NAME: Warren Sugg, P.E. PROJECT NAME: 480/484 Reems Creek
ADDRESS: 168 Patton Avenue LOCATION: 480 Reems Creek Road
Asheville, NC 28801
PHONE NUMBER: 828-252-5388 PIN NUMBER: 9752-24-3887; -5201; -2483
ELEVATION: 2180

TYPE OF SERVICE:

- RESIDENTIAL SINGLE FAMILY HOME
 TWO FAMILY _____ NUMBER OF BUILDINGS
 MULTI-FAMILY 160 NO. OF BUILDINGS 1 UNITS PER BUILDING
 RESIDENTIAL SUBDIVISION _____ NO. OF LOTS
- COMMERCIAL SINGLE COMMERCIAL BUILDING
 UNIFIED BUSINESS DEVELOPMENT _____ NO. OF BUILDINGS
_____ NO. OF UNITS
- INDUSTRIAL SANITARY FACILITIES ONLY
 SANITARY & INDUSTRIAL PROCESS WATER
- OTHER FIRE SPRINKLER SYSTEM
 IRRIGATION SYSTEM

CAPACITY REQUESTED:

MAXIMUM GALLONS PER MINUTE 683
MAXIMUM GALLONS PER DAY 67,200
ANTICIPATED DATE OF SERVICE Spring 23

PROJECT DESCRIPTION:

By way of Attachment(s) provide as much information as possible about this project. At minimum, attach A copy of the County Tax Map showing the location of the property. If the project involves a subdivision or more than one building location, a topographic map of the property is required to show building or lot Elevation.

ACKNOWLEDGEMENT:

I Warren Sugg, P.E. understand that the processing fee of \$ 100 paid herewith is non-refundable and is to cover the costs of processing and investigating this request and that an additional Commitment Fee based on the size and number of connections is due upon approval. It is further understood that the Town has the exclusive right to deny the request for any reason whatsoever.

Signature



Date

11/9/2022



WATER DEMAND CALCULATIONS

Project Scope: This project will consist of max 160-3 bed-2 bath units, Pool with pavilion, and leasing office

AVERAGE DAILY DEMAND

Establishment Type	Daily Design Flow	No. of Units	Total Flow	Notes
3-Bed Units	400 gal / Unit	160	64,000 gpd	
Pool	10 gal / Unit	320	3,200 gpd	
Average Daily Demand			67,200 gpd	

Are fixture counts available: Yes

PEAK WATER DEMAND

Fixture Type	Demand Weight of Fixtures		No. of Fixtures	Fixture Units
Sinks	4	fixture units / fixture	328	1,312
Water Closet FV	5	fixture units / fixture	328	1,640
Bath/Shower	4	fixture units / fixture	328	1,312
Washing Machine	4	fixture units / fixture	164	656
Service Sink	6	fixture units / fixture	1	6
Sink (Public)	1.5	fixture units / fixture	3	5
Urinal	5	fixture units / fixture	2	10
Water Closet (Public)	10	fixture units / fixture	3	30
Dishwasher	1.4	fixture units / fixture	164	230
Total Fixture Units				5,200
Total Peak Water Demand				683 gpm

FIRE PROTECTION

Unit demand = 500 GPM

Notes:

1. Establishment types and daily design flows from Average Daily Water Demand Chart.
2. Fixture types and demand weight from COA Design & Construction Manual figure W02-b, NC Plurr code, and **load calculations provided by plumbing engineer.**
3. Peak design flows are from Instantaneous Water Demands Chart.
4. Calculated domestic water demand above is based upon anticipated fixture counts for the project. Final calculations shall be done by the Plumbing Engineer during construction document preparation.



NORTH

0 100

PROPOSED AMENITIES BUILDING WITH KITCHEN

PROPOSED POOL/OVERLOOK PAVILION

PROPOSED DOG PARK

PROPOSED FIRE HYDRANT ASSEMBLY (TYP)

PROPERTY LINE (TYP)

PROPOSED MAIL KIOSK

PROPOSED 6" WATER LINE (TYP)

PROPOSED RESIDENTIAL WATER METER (TYP)

PROPOSED WATER SERVICE LINE (TYP)

PROPOSED LEASING OFFICE

PROPOSED TAP INTO EXISTING WATER LINE

APPROXIMATE LOCATION OF EXISTING TOW WATER LINE (TYP)



480/484 REEMS CREEK WATER ALLOCATION BULLETIN

OCTOBER 2022

TOWN OF WEAVERVILLE - PUBLIC WORKS DEPARTMENT - WATER COMMITMENTS

Prepared by:

Date Pennell, Public Works Director

REVISED 11-14-2022

Water Line Status	Project with current commitment	Address	Description	Number of Units	Gallons per Connection (GPD)	Projected Demand per NCDEQ standards (GPD)	Estimated Demand at 50 GPD/apt and 100 GPD/house
Construction	Stoney Knob Mixed Use Development	3 Garrison Road	2 buildings w 4 units/bldg	8	625		
Construction	Palisades at Reems Creek	Weaverline Highway	132 apartments + clubhouse	133	55100	5,000	5,000
Construction	16-18-20 Garrison	Garrison Branch Road	3 commercial buildings	1	14824	55,100	6,650
Construction	6,000 SF Retail at Northridge Corn	49 Northridge Commons Pkwy	1 commercial building	1	600	14,824	14,824
Pending	Ollie Weaver Apartments	60 Ollie Weaver Road	202 apartments + clubhouse	202	200-400	600	600
Pending	Pleasant Grove Townhouses	9 Pleasant Grove Road	54 townhouses	54	400	55,600	10,100
Pending	Clarks Chapel Subdivision	601 Clarks Chapel Road	13 homes	13	400	22,000	5,400
Pending	Monticello Family Apartments	171 Monticello Road	7 buildings + clubhouse	168	108@300 + 60@400	5,200	1,300
						56,600	8,400
			Subtotal Current Projects			214,924	52,274
on-going	Existing but not active meter sets		157 open meter sets	157	250	39,250	15,700
on-going	Projected inside-town vacant land development (rev 8/27/2020)			250	400	100,000	25,000
on-going	Projected Outside-town-limit residential units			25	400	10,000	2,500
			Subtotal On-going Projections			149,250	43,200
			Total Outstanding Commitments			364,174	95,474
Average metered and unmetered town usage per day				Current usage and commitment	WTP Capacity and permitted withdrawal	Current % of WTP used or committed	Notes
June 2022 - August 2022	Average Unaccounted-for daily water June 2022 - August 2022	Outstanding Commitments (as of Nov 14, 2022)	Mars Hill agreement for emergency water (see note 5 below) (expired Oct. 20, 2015)	1,069,307	1,500,000	71.29%	see 1 below
652,111	53,022	364,174	0	800,607	1,500,000	53.37%	see 2 below
652,111	53,022	95,474	0				
606,999	53,022	364,174	0	1,024,195	1,500,000	68.28%	see 3 below
606,999	53,022	95,474	0	755,495	1,500,000	50.37%	see 4 below
Outstanding Wtr. Commitments 06-16-2022							
	Note 1. Chart uses only June - August usage data and NCDEQ projected flow for future commitments. Note 2. Chart uses only June - August usage data with estimated demand for future commitments. Note 3. Chart uses March - August usage data with NCDEQ projected flow for future commitments. Note 4. Chart uses only March - August usage data with estimated demand for future commitments. Note 5. Projections do not include any future flow to the Town of Mars Hill (200,000 GPD in expired agreement) and possible additional 200,000 GPD in future.						

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: November 21, 2022

SUBJECT: Recreation Complex Site Design Proposal and Budget Amendment

PRESENTER: Public Works Director

ATTACHMENTS: Approved Site Plan
Scope of Work/Proposal for Site Design
Proposed Budget Amendment

DESCRIPTION/SUMMARY OF REQUEST:

In August Town Council directed staff to proceed with the development of the Recreation Complex based on the attached site plan. Staff has solicited and received the attached proposal for landscape architectural services from SiteWork Studios. The proposed services are broken down as follows:

Schematic Design - \$2,500
Local Neighborhood Input - \$500 [*optional*]
Design Development/Construction Documents - \$11,500
Bidding, Negotiation, Construction Observation – hourly

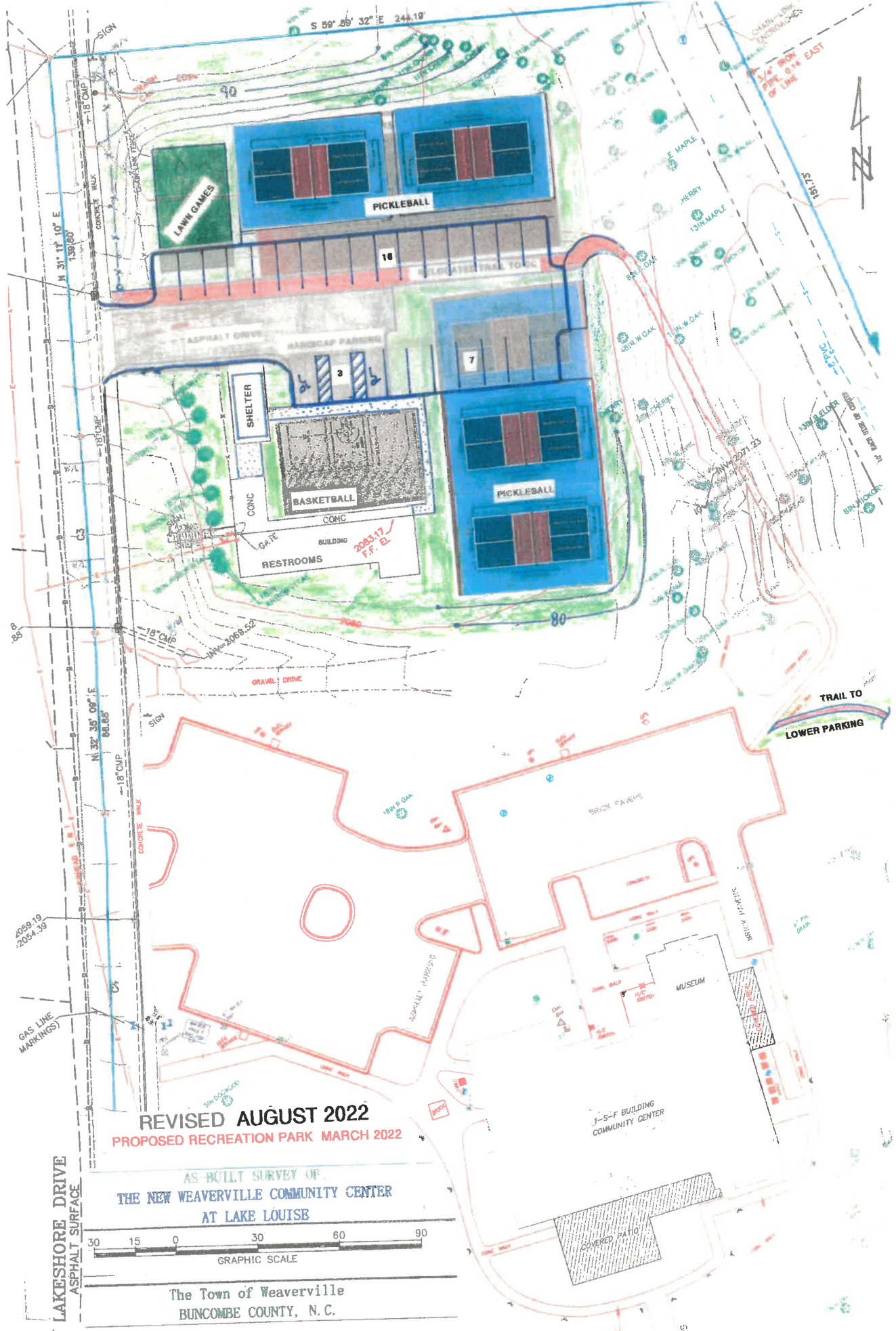
The Town Manager and Public Works Director recommend that Town Council approve the proposal so that this project can move forward with construction and installation anticipated to begin in the Spring of 2023 with the hope that the complex would be operational in July.

Before Town Council considers approval of this proposal, some discussion about whether there is a need for local neighborhood input is recommended so that any proposal that is approved accurately reflects the desired scope of the project.

This project is currently under a capital project ordinance. This capital project currently has a balance of \$261,154.79, but this expenditure has not been authorized. If Town Council wishes to approve the proposal, a budget amendment is needed to authorize this expenditure. A proposed budget amendment is attached for that purpose which also reflects movement of some monies from the construction cost line item to fixtures and equipment (expense approved last budget year). Once we have bids or cost estimates for the entire project, then staff will bring back a comprehensive amendment to the capital project ordinance to reflect all anticipated expenditures and revenues for the project.

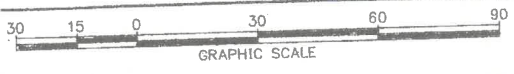
COUNCIL ACTION REQUESTED:

Discussion and action to approval the proposal and the budget amendment.



REVISED AUGUST 2022
 PROPOSED RECREATION PARK MARCH 2022

AS-BUILT SURVEY OF
 THE NEW WEAVERVILLE COMMUNITY CENTER
 AT LAKE LOUISE



The Town of Weaverville
 BUNCOMBE COUNTY, N. C.

LAKESHORE DRIVE
 ASPHALT SURFACE

E=2040.91
 T=2035.91

October 23, 2022 – REVISED 11.14.2022

Mr. Dale Pennell, PE
Public Works Director
Weaverville Town Hall
30 South Main Street
Weaverville, NC 28787

RE: Site Design and Construction Documents – Weaverville Recreation Complex
Professional Landscape Architectural Services

Dear Dale,

I appreciate this opportunity to provide a proposal for the second phase of the Weaverville Community Center – The Recreation Complex. This letter outlines my understanding of the Scope of Work and proposed lump sum fees.

SCOPE OF WORK

I. SCHEMATIC DESIGN _____ \$2,500.00

- a. Refine Conceptual plans to incorporate your Team’s comments.
 - i. Design should focus on the existing level lawn area (“Project Area”).
Improvements to include the following:
 - 1. Four Pickleball courts;
 - 2. One Half Basketball Court;
 - 3. Lawn games area
 - 4. Parking lot
 - 5. Associated fencing;
 - 6. Location of Shelter/ Shade structure
 - 7. Connection to nature trail
 - 8. Accessible walkways from the existing parking and facilities to courts;
 - 9. Grading and Drainage;
 - 10. New landscaping to enhance existing and new facilities.

- b. Present Final Schematic Design and receive feedback and comments.

II. LOCAL NEIGHBORHOOD INPUT _____ \$500.00

- a. Plan and participate in a (1) neighborhood input presentation hosted by the Town of Weaverville.
 - i. Present Master Plan to neighbors
 - ii. Develop meeting notes
 - iii. Conduct follow-up meeting with town officials

III. DESIGN DEVELOPMENT / CONSTRUCTION DOCUMENTS _____ \$11,500.00

- a. Incorporate your Team's final comments from the Schematic Design drawing and prepare detailed plans that indicate final recommendation for all proposed improvements, materials and finishes, stormwater management and landscape palette.
- b. Present documents that clearly show the final design intent. Receive final comments and approval from your Team.
- c. Following final approval of the designs and review of anticipated construction costs, prepare detailed drawings suitable for bidding and building the work. Construction Documents to likely include the following sheets:
 - a. Cover Sheet
 - b. L-0 Master Plan (for reference)
 - c. L-100 Existing Conditions and Demolition Plan
 - d. L-200 Site Development Plan (and Enlargements, if needed)
 - e. L-300 Grading, Drainage and Erosion Control Plan
 - f. L-400 Landscape Plan, Plant Schedule and Details
 - g. L-401 Lighting Plan
 - h. L-500 Construction Details
- d. Final Construction Documents will be developed in accordance with local permitting regulations and ordinances as required.

IV. Bidding, Negotiation and Construction Observation _____ *Hourly*

Upon request, we can assist in receiving bids from qualified contractors. In addition, we can review the work as it is installed to insure compliance with the Construction Documents. These services can be provided on an hourly basis or for a lump sum fee, determined following the completion of Construction Documents.

Fee Summary

I.	Schematic Design	\$2,500.00
II.	Local Neighborhood Input	\$500.00
III.	Design Development/ Construction Documents	\$11,500.00
IV.	Construction Administration/ Observation	hourly
	Total Fee:	\$14,500.00

Schedule

We are prepared to begin work on Schematic Designs within 10 business days of Notice To Proceed. Based on my man-hour estimates, I feel confident in suggesting the following schedule:

Schematic Design	2 weeks production, 1 week review and comment
DD/CD	5 weeks production, 1 week review and comment
Construction Admin	TBD

Again, I appreciate this opportunity to develop plans for the Weaverville Recreation Complex. Please let me know if you have any questions/comments regarding this proposal. I can send you our standard Agreement if the Scope of Work and Fees are acceptable.

Sincerely,



Matthew B Sprouse, PLA, ASLA
Partner

Budget Amendment FY 2022-2023

Town of Weaverville

What expense accounts are to be increased?

Account	Account Description	Transfer Amount
070-300-000-19003	Fixtures & Equipment	\$7,842.76
070-300-000-19002	Architectural Fees	\$14,500.00

What expense account(s) are to be decreased or additional revenue expected to offset expense?

Account	Account Description	Transfer Amount
070-300-000-19900	Construction Cost	\$22,342.76

Justification: Please provide a brief justification for this budget amendment. *To allocate monies within capital project fund in order to cover landscape architectural services as well as fixtures/equipment.*

_____	_____
Authorized by Finance Officer	Date
_____	_____
Authorized by Town Manager	Date
_____	_____
Authorized by Town Council (if applicable)	Date

Budget Ordinance Section 7:

- B. The Budget Officer or his/her designee is hereby authorized to distribute departmental funds based upon the line item budgets and make expenditures therefrom, in accordance with the Local Government Budget and Fiscal Control Act.
- C. The Budget Officer or his/her designee may authorize transfers between line items, expenditures and revenues, within a department or division without limitation and without a report being required.
- D. The Budget Officer or his/her designee may transfer amounts up to 5%, but not to exceed \$10,000 monthly, between departments, including contingency appropriations, but only within the same fund. The Budget Officer must make an official report on such transfers at a subsequent regular meeting of Town Council.
- E. The Budget Officer or his/her designee may not transfer any amounts between funds, except as approved by Town Council, as a budget amendment.

**TOWN OF WEAVERVILLE
TOWN COUNCIL AGENDA ITEM**

MEETING DATE: November 21, 2022
SUBJECT: Town Council Board and Committee Assignments
PRESENTER: Mayor Fitzsimmons
ATTACHMENTS: None

DESCRIPTION/SUMMARY OF REQUEST:

This meeting might be a good time for Town Councilmembers to consider which boards and committees that they are currently serving on and any changes that they would like to make in those assignments. The following is a list of the current assignments:

Land of Sky Regional Council of Government – Patrick Fitzsimmons
French Broad River Metropolitan Planning Organization (MPO) – John Chase
Planning Board Liaison – Catherine Cordell
Patriotic Committee – Doug Jackson
Economic Development Advisory Committee – Patrick Fitzsimmons, Michele Wood
Bike/Ped Study Steering Committee – Jeff McKenna, Catherine Cordell

The Mayor has heard the following requests, but there may be additional ones:

Councilmember Wood would like to be placed on the Town’s Planning Board as the Town Council Liaison to that Board. Councilmember Wood has indicated that serving in this capacity might help her to learn about planning and zoning procedures and issues related to land use within the Town. Councilmember Cordell has been serving in that capacity for approximately one year.

Councilmember Cordell has mentioned that she would like to be appointed to the MPO Board so that she can learn and contribute more about transportation related issues. Councilmember Chase has indicated that he is willing to give up his spot on this board.

COUNCIL ACTION REQUESTED:

Town Council discussion and action regarding these assignments

Town of Weaverville
Town Council Agenda Item

Date of Meeting: Monday, November 21,2022

Subject: Police Department Report for the 2nd Quarter

Presenter: Chief of Police Ron Davis

Attachments: Police Department Reports – Q3 Aug 2022-Oct 2022

Description:
Attached you will find the police department’s quarterly report on activities, response times, and crime reports.

Action Requested: None

WEAVERVILLE POLICE DEPARTMENT

QUARTERLY REPORT AUGUST-OCTOBER '22

Activity: Calls for service were up again this quarter. From 1,603 last year during the same period, vs 2,046 this year reflecting an increase of over 22%.

(These numbers do not include dozens of activities conducted everyday such as checks of businesses, homes and citizens)

Arrests: There were 19 arrests this quarter vs. 18 the same quarter last year.

Accidents: There were vehicle 54 collisions with 8 injuries this quarter vs. 38 with 10 injuries last year.

Police Activity Report

<u>Activity</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>Quarter Total</u>	<u>2022 Totals</u>
Arrests	4	6	9	19	84
Vehicle crashes	12	13	29	54	154
Parking Citations	5	6	7	18	113
Robbery	0	0	0	0	0
Aggravated Assault	0	0	0	0	1
Simple Assault	1	0	0	1	3
Sex Offense	0	1	0	1	5
Kidnapping	0	0	0	0	1
Burglary/B&E	0	1	0	1	4
Theft-Shoplifting	4	3	5	12	38
Theft from a Building	0	0	1	1	1
Theft-From a Motor Vehicle	0	0	0	0	5
All Other Theft	7	12	7	26	65
Motor Vehicle Theft	0	0	0	0	1
Damage/Vandalism	1	1	0	2	5
Counterfeiting/Forgery	2	1	0	3	3
False Pretense/Swindle/Confidence Gm	0	0	0	0	5
Credit Card/ATM Machine Fraud	0	0	0	0	2
Stolen Property	1	0	1	2	3
Drug/Narcotic Violations	4	0	3	7	19
Drug Equipment Violations	2	0	2	4	17
Weapon Law Violations	0	0	1	1	5

RESPONSE TIMES '21 VS '22

	<u>2021</u>	<u>2022</u>
<i>High priority- average</i>	2.25	3.83
<i>Average priority-average</i>	3.99	2.59
<i>Low priority- average</i>	1.78	1.13*

All response are stable with showing little increase or decrease from month to month.

High Priority Calls- Response to this is **urgent** (i.e. in progress, weapon calls etc.)

Average Priority Calls- Response to the scene is necessary but **not urgent**.

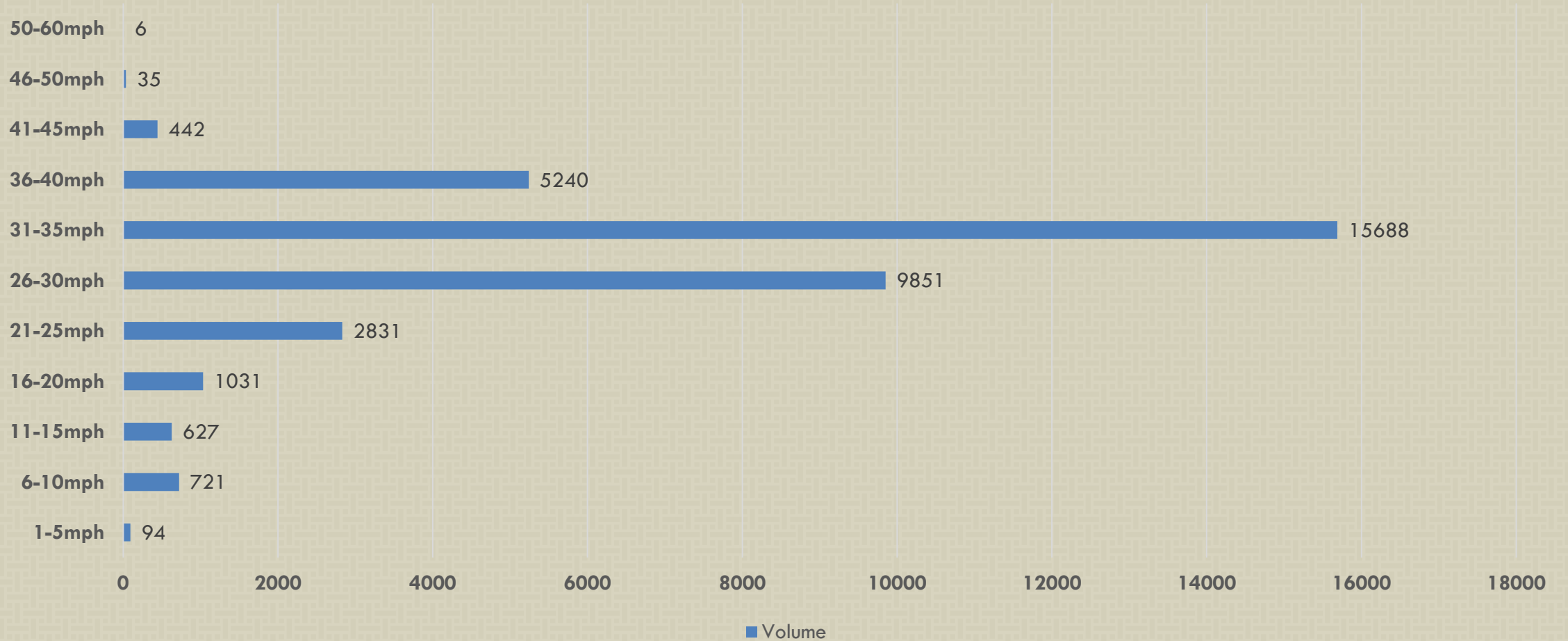
Low Priority Calls- Action on this type of call is often handled on the phone (i.e. someone just needs to speak to an officer) thus there is a shorter response time.

*Reduced time attributed to new Records Management System/CAD.

MAIN ST. AT MONTICELLO VILLAGE DR. TRAFFIC SUMMARY

- Study conducted over a one week period.
- Southbound traffic only, totaling 36,566 vehicles.
- Average speed of all vehicles was 30 mph.
- 85% of all vehicles are traveling an average of 35 mph or less. *(Traffic engineers use the 85th percentile speed as a standard to set the speed limit at a safe speed, minimizing crashes and promoting uniform traffic flow along a corridor.)*
- While speeding violations occur throughout the day, generally speaking violations are more flagrant between 11:00pm and 5:00am.
- There were 5 collisions and no injuries in the area studied over the last year. Speed was not a contributing factor in any of these cases.

VEHICLE SPEEDS BY VOLUME



VEHICLE VOLUME BY TIME OF DAY



YEAR IN REVIEW

Annual Events- The Police Department is involved in no fewer than 18 yearly events such as:

- St Patrick's Day
- Memorial Day
- Summer Music Series
- Citizen's Academy
- July 4th
- Music on Main
- Art in Autumn
- Homecoming Parade
- Halloween
- Veteran's Day
- Candlelight Stroll
- Christmas Parade

YEAR IN REVIEW

Other Extra Events- The Police Department was involved in training, community events and dozens of programs requiring overtime and/or additional officers

- Cops for Kids
- Pre-School Safety Evaluation
- Victim Services Training
- Department of Juvenile Justice Training
- Protests/Picketing (4 events)
- Active Shooter Training
- Election Day and pre-planning of elections
- Lockdown drills for area schools
- ABC employee training
- Childhood Cancer Awareness
- Bike Night (3 events)
- Governor Highway Safety (GHSP) programs
- Mandated Annual In-Service Training
- Firearms Training
- Various certifications, and recertifications required per officer such as Radar, Taser and Intoxilyzer etc.

Town of Weaverville
Town Council Agenda Item

Date of Meeting: November 21, 2022
Subject: Weaverville Fire Department Quarterly Report
Presenter: Chief Scottie Harris
Attachments: Quarterly Report

Description:

Attached please find the quarterly report for the Weaverville Fire Department. Chief Harris will be present at the meeting to present the report and answer any questions Town Council may have.

Action Requested:

Information only; No action required.



Weaverville Fire Department Quarterly Report August 1, 2022 – October 31, 2022

Total Calls For The Quarter -		564
Call Breakdown by Category –		
Fire		12
Overpressure, Rupture, Explosion, Overheat		1
Emergency Medical		307
Hazardous Condition		11
Service Calls		86
Good Intent Calls		96
False Alarms		46
Severe Weather		5
Average response Time for all Calls- 7:52		
<p>Responded to 78.5 % of all calls within the 8-minute industry standard. <i>The calls that make up the remaining percentage were mutual aid to neighboring departments or calls where we would be requested to stage away until law enforcement determined the scene was safe to enter. This number will also be impacted by calls for routine assistance which are calls identified within the Service Calls and Good Intent Calls categories.</i></p>		
Number of Overlapping Calls - 121		Percent of Overlapping Calls - 21.49%
Number of Calls Within Town Limits - 216		Number of Calls in NB District - 348
Automatic Aid Given – 31		Automatic Aid Received – 6
Total Fire Loss - \$8,500		Pre-incident Value - \$1,145,000
Percentage of Fire Loss – 7% (Includes 2 residential structure fires and 3 brush fires with no structures involved.)		



WEAVERVILLE FIRE DEPARTMENT

3 MONTICELLO RD.
WEAVERVILLE, NC 28787

Celebrating 100 years of service to our community

Fire Marshal's Office Stats. August 2022, September 2022 and October 2022.

SafeKids. Child Car Seat Installation.

August = 3 installations.

September = 6 installation.

October = 3 installations.

Fire Prevention and Education Classes.

August 2nd. North Point Church. Homeschool group. 60 kids.

September 8th. Active shooter training / evacuation. Weaverville Elementary School

September 9th. Active shooter training / evacuation. North Windy Intermediate School

September 10th. Bike Rodeo and Safety Day. Training Center. 100 kids.

September 12th. Active shooter training / evacuation. NB Middle School.

September 13th. Active shooter training / evacuation. NB High School

September 15th. Active shooter training / evacuation. Weaverville Primary School

October 1st. Fire Prevention Event. Lowes. 45 kids.

October 13th. Fire Prevention Event. Weaverville Elementary. 250 kids.

October 14th. Station Tour. Reynolds Mountain School. 20 kids.

October 26th. United Methodist Pre School. 20 kids.

Commercial Business Inspections.

August = 8 inspections.

September = 9 inspections.

October = 8 inspections.

Kile R. Davis

Fire Marshal

Weaverville Fire Department

kdavis@weavervillefd.org