

# Lewisville

NORTH CAROLINA



## Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2021

Town of Lewisville, North Carolina

Prepared by Pam Orrell, CPA  
*Finance Officer*



**TOWN OF LEWISVILLE,  
NORTH CAROLINA**

**Annual Comprehensive Financial Report  
For the Fiscal Year  
Ended June 30, 2021**



Prepared by:  
Pam Orrell, CPA  
Finance Officer

# TOWN OF LEWISVILLE, NORTH CAROLINA

## Table of Contents

June 30, 2021

	<u>Page</u>
<b>Introductory Section</b>	
Letter of Transmittal	i - vi
Members of Council and Town Staff	vii - viii
Organizational Chart	ix
Certificate of Achievement for Excellence in Financial Reporting for Fiscal Year Ended June 30, 2020	x
<b>Financial Section</b>	
Independent Auditor's Report	1 - 3
Management's Discussion and Analysis	4 - 14
<b>Basic Financial Statements:</b>	
<b>Government-Wide Financial Statements:</b>	
Statement of Net Position	15
Statement of Activities	16
<b>Fund Financial Statements:</b>	
Balance Sheet - Governmental Funds	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	20
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	21

Notes to the Financial Statements	22 - 43
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**Required Supplemental Financial Data**

Schedule of the Proportionate Share of Net Pension Liability (Asset) - Local Governmental Employees' Retirement System	44
Schedule of Contributions - Local Governmental Employees' Retirement System	45

**Individual Fund Schedules**

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	46 - 49
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Storm Water Capital Reserve Fund	50
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - From Inception - Capital Projects Fund - Community Center	51
Combining Balance Sheet for Non-Major Governmental Funds	52 - 53
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances for Non-Major Governmental Funds	54 - 55
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Special Revenue Fund - Willow Run Municipal Service District	56
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - GWR ROW/Construction Capital Reserve	57
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Sidewalks, Bike Paths, and Greenways Capital Reserve	58
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Municipal Buildings/Land Capital Reserve	59
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Public Works Facility Capital Reserve	60



Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - From Inception - Capital Projects Fund - GWR ROW/Construction	61
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - From Inception - Capital Projects Fund - Jack Warren Park Maintenance Facility/Playground Expansion	62
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - From Inception - Capital Projects Fund - Gateway Project	63
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - From Inception - Capital Projects Fund - Heritage Drive Regional Storm Water Pond #1	64
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - From Inception - Capital Projects Fund - Roundabout at Lewisville-Vienna Road and Robinhood Road	65
<b>Other Schedules</b>	
Schedule of Ad Valorem Taxes Receivable	66
Analysis of Current Tax Levy - Town-Wide Levy	67
<b>Statistical Section</b>	
Net Position by Component - Last Ten Fiscal Years	69
Changes in Net Position - Last Ten Fiscal Years	70 - 71
Fund Balances of Governmental Funds - Last Ten Fiscal Years	72
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	73 - 74
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	75
Property Tax Rates - Direct and Overlapping Governments - Last Ten Fiscal Years	76
Principal Property Taxpayers - Current Year and Nine Years Ago	77
Property Tax Levies and Collections - Last Ten Fiscal Years	78

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	79
Direct and Overlapping Governmental Activities Debt as of June 30, 2021	80
Legal Debt Margin Information - Last Ten Fiscal Years	81
Demographic and Economic Statistics - Last Ten Fiscal Years	82
Principal Employers - Current Year and Nine Years Ago	83
Full-Time Equivalent Employees by Function - Last Ten Fiscal Years	84
Operating Indicators by Function/Program - Last Ten Fiscal Years	85
Capital Asset Statistics by Function - Last Ten Fiscal Years	86
<b>Compliance Section</b>	
Report on Internal Control Over Financial Reporting And On Compliance and Other Matters Based On An Audit Of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>	87 - 88

## **Introductory Section**





# TOWN OF LEWISVILLE

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E-Mail: [townhall@lewisvillenc.net](mailto:townhall@lewisvillenc.net)  
WebSite: [www.lewisvillenc.net](http://www.lewisvillenc.net)

October 25, 2021

The Honorable Mayor, Mike Horn,  
Members of the Town Council  
and Citizens of the Town of Lewisville, North Carolina

## **Financial Report**

It is our pleasure to present the Annual Comprehensive Financial Report of the Town of Lewisville, North Carolina, for the fiscal year ended June 30, 2021. State law requires that every general-purpose local government publish a complete set of audited financial statements. This report is published to fulfill that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Gibson & Company, P.A., a certified public accounting firm, has issued an unmodified opinion on the Town of Lewisville's financial statements for the year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Description of the Town**

The Town of Lewisville, incorporated in 1991, is located in Forsyth County, which is in the northwestern Piedmont section of North Carolina. The County is considered an urban county with nine municipalities. The County is part of the State's Piedmont Triad Region, which is nationally recognized as a major trading area.

The Town has a council-manager form of government. A mayor and six Council members are elected at large in November of the odd numbered years. The mayor is a voting member and the presiding officer of the Council. The Council typically meets on the first Thursday of the month in a briefing session and on the second Thursday of each month for its regular session, with special meetings as necessary to work on the budget or other special projects.

Lewisville citizens enjoy a full range of municipal services including waste collection, recycling, community policing, planning and zoning, street maintenance, storm water management, parks and recreation, and cultural development. Water and sewer is provided directly to the citizens of Lewisville from Winston-Salem/Forsyth County Utilities. Fire protection is provided by the Lewisville Volunteer Fire Department and the Vienna Volunteer Fire Department. These fire departments act separately from the Town as individual fire districts.

The town manager is appointed by the Council and serves at its pleasure. The town manager is responsible for implementing policies and managing daily operations. During the fiscal year 2021, the town manager, with a staff of nine, administered Town functions in accordance with Council policies, ordinances, and the annual budget ordinance. The staff positions were finance officer, town planner, public works director, town clerk, communications specialist, office assistant/parks and recreation events coordinator, accounting clerk, and two maintenance technicians. Town management is committed to providing staff with training opportunities to help each employee work to his/her full potential. The Town staff administers contracts for many of its services.

The financial reporting entity includes all the funds of the Town. The annual budget ordinance creates a legal limit for expenditures and, as such, is the basis for financial planning and control. The annual budget is adopted in accordance with North Carolina General Statutes. Activities of the general fund, including Powell Bill funds, the Willow Run Municipal Service District Special Revenue Fund, and the capital reserve funds are included in the annual budget ordinance. A change to the total appropriation for any department requires an amendment to the budget ordinance with approval by Council. Budget to actual comparisons are included in this report.

Management is responsible for developing an internal control system designed to protect the government's assets from loss, theft, or misuse and to maintain reliable records for compilation and presentation of the Town's financial information in conformity with generally accepted accounting principles. The Town has a small staff but employees are cross-trained and checks and balances have been included in financial procedures.

Because the cost of a control should not exceed the benefits to be derived, the system is designed to provide reasonable internal control and reasonable assurance that the financial statements will be free from material misstatement.

## **Economic Condition and Outlook**

The local economy has experienced a shift from the tobacco, textile, and furniture industries that have provided a strong base for the region to health services and related professions, higher education, financial services, and information technology. According to 2010 census data, 46 percent of Lewisville's population works in management, business, science, and arts occupations and 23 percent work in sales and office occupations. Seven percent of the working population works at home. Most workers driving to work average a 26-minute commute. These figures support the fact that Lewisville is a residential community within an urban area.

Residential property in the downtown area is gradually being zoned for business. Vacant properties are being developed in the downtown area and in some cases, the existing houses are remodeled for offices. Since 2017, the Town Council has approved one apartment complex with 120 units and 14 subdivisions with 606 lots in total.

## **Long-Term Financial Planning**

This report reflects the dedication by our elected officials to make sound financial decisions that provide quality services, programs and capital improvements for the citizens of Lewisville. These decisions have resulted in the Town's strong financial position, which is demonstrated by maintaining a healthy available fund balance. The Town's prudent use of debt issuance and prudent management of revenue and cash resources allows for funding capital reserve funds that enable future capital projects. The available fund balance allows the Town to work with other organizations on joint projects and apply for grants for future opportunities.

## **Major Initiatives**

***Community Policing.*** In order to provide for the safety of Lewisville's citizens and the continued growth of the Town, the Town contracts with the Forsyth County Sheriff's Office to provide for deputies assigned specifically to Lewisville. One deputy is a sergeant who supervises the other five deputies. The total cost of this contract was \$645,823 for the fiscal year ended June 30, 2021. The Town reviews the need for more community policing officers each fiscal year during the annual budget process. It is the desire of the Town to



provide citizens with twenty-four hour community policing coverage. The Town has accomplished that goal through this contract.

***Parks and Recreation.*** The Town continues its dedication of providing entertainment and recreation to the community. The Town houses two parks, Jack Warren Park and Shallowford Square, both of which boast a children's playground area. The Town also hosts an array of entertainment opportunities in Shallowford Square that includes musical concerts, starlight movie nights, an outdoor play, and the annual Fourth of July Celebration.

***Street Paving.*** The Town continues a paving program to maintain streets within its boundaries. The amount spent on street paving and patching during fiscal year 2021 was \$390,867. Overall, paving and maintenance of Town streets continues to be a priority of the Town in future budgets.

***Planning.*** The Planning Board working with staff and the Town Council has completed a planning process that has resulted in the presentation and acceptance by the Town Council of the Northeast Area Plan. This plan has been years in the development ahead of a new public middle school in the vicinity of the intersection of Lewisville-Vienna Road and Robinhood Road. This new school is anticipated to have a significant impact on the growth and development of the northeast area of the Town. This plan will serve as a template or guide to help plan for and guide future developmental and transportation activities in this area.

***Great Wagon Road.*** The Town of Lewisville restated its commitment to the Great Wagon Road in the 2015 Lewisville Comprehensive Plan and the 2014 Downtown Guidelines Study. Funding of a capital reserve fund, with transfers to the capital projects fund allowed expenditures for planning and engineering fees as well as purchase of right-of-way for the construction of the road. During fiscal year 2018, the Town Council learned that the North Carolina Department of Transportation plans to assume financial responsibility for the remaining work to be done on the Great Wagon Road to include design, right-of-way acquisition, and construction. As construction of the Great Wagon Road progresses, we anticipate that the Town of Lewisville will participate financially with the North Carolina Department of Transportation on enhancements such as sidewalks, trees, and streetlights as well as the design and installation of water and sewer infrastructure. The Town shall continue funding the capital reserve fund and move funds as needed to the GWR ROW/Construction Capital Projects Fund. Total accumulation, including earnings, in the capital reserve as of June 30, 2021 was \$934,401. Total fund balance in the capital projects fund as of June 30, 2021 was \$734,789.

***Interlocal Agreement with City-County Utility Commission.*** The Town of Lewisville has entered into an agreement with the City-County Utility Commission of the City of Winston-Salem and Forsyth County (CCUC) whereby the CCUC will continue the operation of the water and sewer systems within the Town of Lewisville. This agreement establishes a capital reserve account to be funded primarily by a multiplier of water and sewer rates and a portion of assessment revenues. The capital reserve account is held by CCUC and expenditures from the capital reserve account are to be used to pay the cost of constructing water lines and sewer system facilities and the cost of future capacity purchases as they may become necessary.

***Gateway Project.*** The Town continues design work on the Gateway Project with right-of-way and construction work planned in the next fiscal year. The project is a roadway project to make improvements from the Highway 421 Interchange on Williams Road with improvements continuing on Williams Road between the interchange and the roundabout at Shallowford Road and Williams Road. This is a project utilizing federal STP-DA funds. This project has an estimated cost of \$1,494,680. The project will be paid for with 80% of the expected costs coming from federal aid with a 20% match from the Town.

***Roundabout at Robinhood Road and Lewisville-Vienna Road.*** The Town has also been awarded funding for the construction of a single lane roundabout at Robinhood Road and Lewisville-Vienna Road. The project would include necessary sidewalk connections at the roundabout and streetscape, lighting, and landscaping. The project has an estimated cost of approximately \$1,270,000. The project will be paid for with 80% of the expected costs coming from federal aid with a 20% match from the Town.

***CMAQ Project Along Lewisville-Vienna Road.*** The Town has also been awarded funding for a CMAQ (Congestion Mitigation & Air Quality) project to extend the sidewalk along Lewisville-Vienna Road from Riverwood Drive to Robinhood Road. The project will be paid for with 80% of the expected costs coming from federal aid with a 20% match from the Town. The total cost of the project is estimated at \$1,234,411.

***Community Center.*** The Town began construction on the Mary Alice Warren Community Center in September, 2020. The 11,719 square foot community center is being constructed on land donated by Mary Alice Warren which is adjacent to the current Jack Warren Park. The project has a budget of \$4,907,137. The project will be financed with an installment bank loan of \$2,000,000, as well as \$1,420,988 from the Town's Municipal Buildings/Land Capital Reserve Fund and \$159,437 from the Storm Water Capital Reserve Fund. The remainder of the budget, \$1,326,712, will be funded from the General Fund.

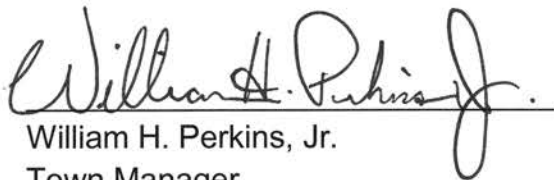


## Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Town of Lewisville for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. This is the sixteenth year the Town of Lewisville has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

We believe that our current annual comprehensive financial report meets the Certificate of Achievement Program requirements and we are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate.

This report was prepared by Finance Officer, Pam Orrell, with the assistance of Town Manager, William H. Perkins, Jr. Credit must also be given to the mayor and the governing council for their continued support for maintaining the highest standards of professionalism in the management of the Town of Lewisville's finances. Special thanks is also given to Mr. R. Harold Gibson and Mr. Monty Pendry of Gibson & Company, P.A. for their assistance in this presentation.

  
William H. Perkins, Jr.  
Town Manager

  
Pam Orrell  
Finance Officer



**TOWN OF LEWISVILLE  
NORTH CAROLINA**

**Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2021**

**Town Council Members**

Mike Horn, Mayor

Jeanne Marie Foster, Mayor Pro Tem

Fred Franklin

Melissa Hunt

Kenneth Sadler

David Smitherman

Jane Welch

**Administrative and Financial Staff**

William H. Perkins, Jr., Town Manager

Pam Orrell, Finance Officer

Joyce C. McWilliams Walker, Town Clerk

# TOWN COUNCIL



**Mike Horn, Mayor**



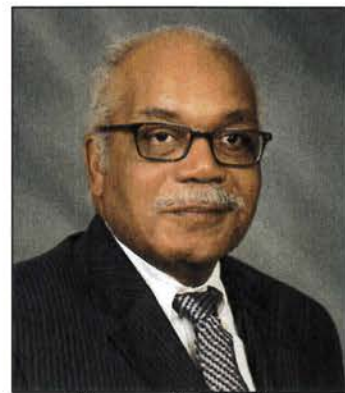
**Jeanne Marie Foster, Mayor Pro Tem**



**Fred Franklin**



**Melissa Hunt**



**Kenneth Sadler**

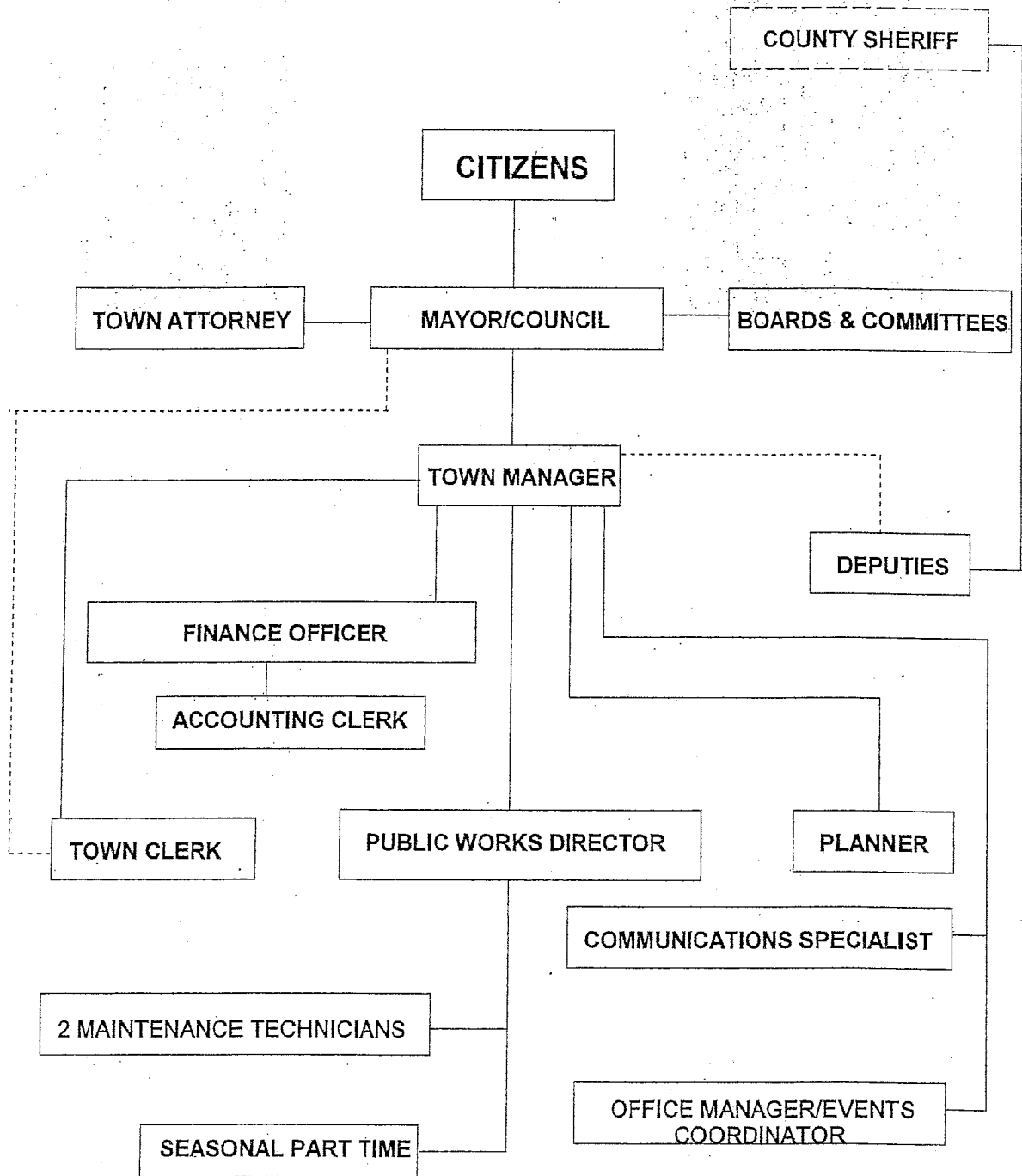


**David Smitherman**



**Jane Welch**

# Town of Lewisville Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Lewisville  
North Carolina**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

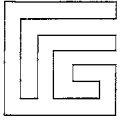
June 30, 2020

*Christopher P. Morill*

Executive Director/CEO



## **Financial Section**



Independent Auditor's Report

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

**Report on the Financial Statements**

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

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

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

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 14 and the Local Governmental Employees' Retirement System's Schedules of the Proportionate Share of Net Pension Liability (Asset) and Contributions on pages 44 and 45, respectively be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Town of Lewisville, North Carolina. The introductory information, combining and individual

fund statements, budgetary schedules, other schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2021 on our consideration of Town of Lewisville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Lewisville's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Johnson + Company, P.A." The signature is written in a cursive, flowing style.

Winston-Salem, North Carolina  
October 25, 2021



## **Management's Discussion and Analysis**

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Management's Discussion and Analysis

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As management of the Town of Lewisville, we offer readers of the Town of Lewisville's financial statements this narrative overview and analysis of the financial activities of the Town of Lewisville for the fiscal year ended June 30, 2021. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

#### Financial Highlights

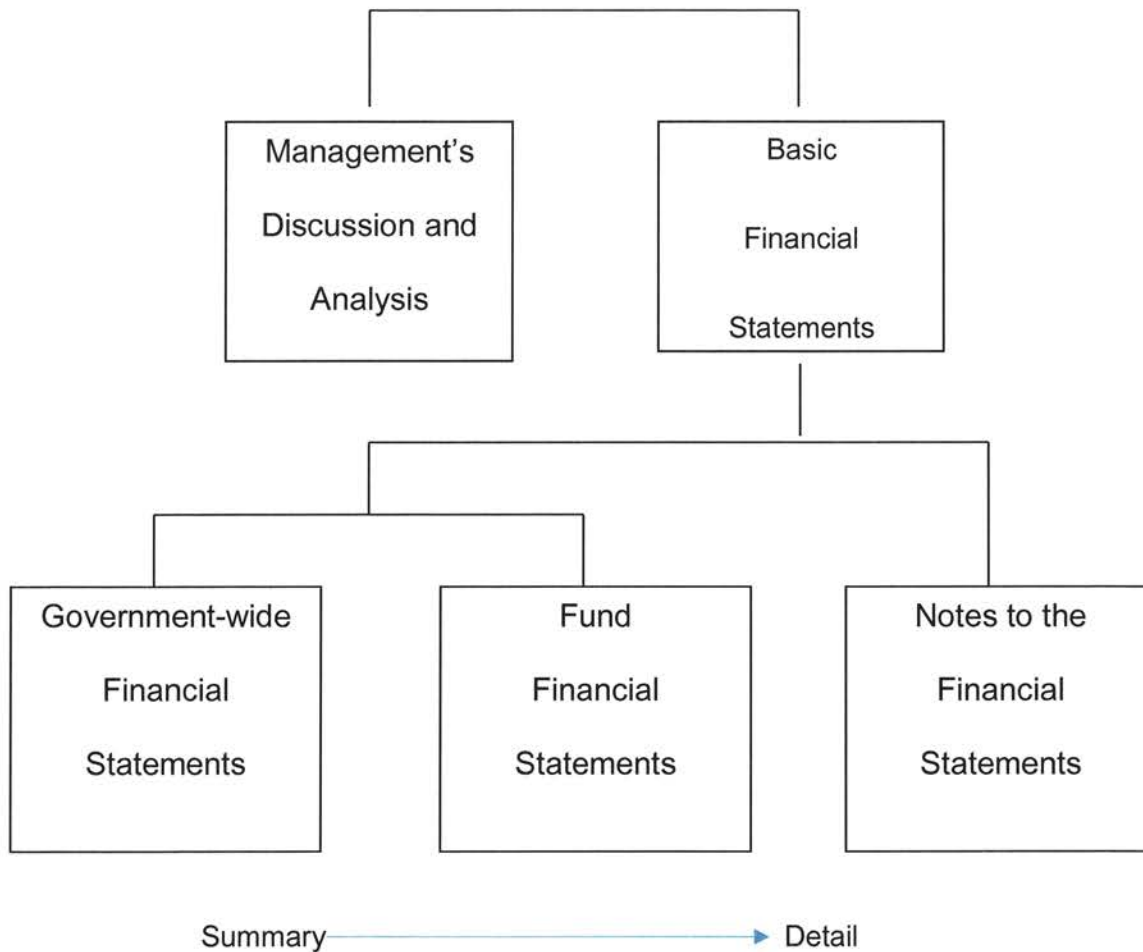
- The assets and deferred outflows of resources of the Town of Lewisville exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$19,931,939 (*net position*).
- The Town's total net position increased by \$663,942 primarily due to federal funding of the Gateway Project, Coronavirus Relief Funding, and constant due diligence over spending.
- As of the close of the current fiscal year, the Town of Lewisville's governmental funds reported combined ending fund balances of \$10,948,195 a net decrease of \$232,542 in fund balance. Approximately 8.71 percent of this total amount, or \$953,673 is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,823,179 or 74.79 percent of total general fund expenditures and transfers out for the fiscal year.
- The Town of Lewisville's total debt increased by \$1,589,546 (228.60%) during the current fiscal year. The Town entered into a financing agreement with a bank during the current year for \$2,000,000 to construct the new Mary Alice Warren Community Center. The net pension liability for the Local Governmental Employees' Retirement System (LGERS) also increased by \$55,039. The bank installment loan on the Town Hall was paid in full in the amount of \$466,672.

#### Overview of the Financial Statements

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

### Required Components of Annual Financial Report

Figure 1



#### Basic Financial Statements

The first two statements (Exhibit 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 (Exhibit 3 through 5) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the budgetary comparison statements.



## TOWN OF LEWISVILLE, NORTH CAROLINA

### Management's Discussion and Analysis

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

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Town's financial status as a whole.

The two government-wide statements report the Town's net position and how it has changed. Net position is the difference between the Town's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the Town's financial condition.

The government-wide statements are summarized into one category: governmental activities. The governmental activities include most of the Town's basic services such as general government, public works, planning, parks and recreation, and public safety. Property taxes and State and federal grant funds finance most of these activities.

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 Lewisville, 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 Lewisville can be summarized into one category: governmental 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

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Management's Discussion and Analysis

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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 Lewisville adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Town Council 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 Town Council; 2) the final budget as amended by the Town Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

*Notes to the Financial Statements* – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 22 of this report.

*Other Information* – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Lewisville's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 44 of this report.

*Interdependence with Other Entities* – The Town depends on financial resources flowing from, or associated with both the federal government and the State of North Carolina. Because of this dependency, the Town is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions taken by foreign governments and other holders of publicly held U.S. Treasury Securities.



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Management's Discussion and Analysis**

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**Government-Wide Financial Analysis**

**Town of Lewisville's Net Position**  
**Figure 2**

	Governmental Activities	
	2021	2020
Current and other assets	\$ 11,525,972	\$ 11,715,177
Capital assets	11,118,422	8,621,110
<b>Total assets</b>	<b>22,644,394</b>	<b>20,336,287</b>
<b>Total deferred outflows of resources</b>	<b>157,678</b>	<b>133,379</b>
Long-term liabilities outstanding	2,047,903	478,832
Other liabilities	821,487	721,845
<b>Total liabilities</b>	<b>2,869,390</b>	<b>1,200,677</b>
<b>Total deferred inflows of resources</b>	<b>743</b>	<b>992</b>
Net position:		
Net investment in capital assets	9,118,422	8,154,438
Restricted	953,673	1,038,938
Unrestricted	9,859,844	10,074,621
<b>Total net position</b>	<b>\$ 19,931,939</b>	<b>\$ 19,267,997</b>

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town of Lewisville exceeded liabilities and deferred inflows by \$19,931,939 as of June 30, 2021. The Town's net position increased by \$663,942 for the fiscal year ended June 30, 2021. However, a significant portion, \$9,118,422 or 45.75% reflects the Town's net investment in capital assets (e.g. land, buildings, machinery and equipment). The Town of Lewisville uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the Town of Lewisville's net investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Town of Lewisville's net position, \$953,673 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$9,859,844 is unrestricted.

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

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Management's Discussion and Analysis**

- Continued diligence in the collection of property taxes by maintaining a tax collection rate of 99.78%

**Town of Lewisville's Change in Net Position**  
**Figure 3**

	Governmental Activities	
	2021	2020
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 11,755	\$ 36,878
Operating grants and contributions	347,424	500,300
Capital grants and contributions	91,581	178,339
General revenues:		
Property taxes	2,603,728	2,510,252
Other taxes	29,413	36,074
Unrestricted intergovernmental revenues	1,818,566	1,723,949
Other	18,176	120,605
<b>Total revenues</b>	<u>4,920,643</u>	<u>5,106,397</u>
<b>Expenses</b>		
General government	1,237,921	1,228,361
Public works	1,928,082	1,821,310
Planning	196,793	167,653
Parks and recreation	205,165	232,562
Public safety	656,398	620,797
Interest on long-term debt	32,342	15,223
<b>Total expenses</b>	<u>4,256,701</u>	<u>4,085,906</u>
Increase in net position before transfers	663,942	1,020,491
Transfers	-	-
Increase in net position	663,942	1,020,491
Net position, July 1	19,267,997	18,247,506
Net position, June 30	<u>\$ 19,931,939</u>	<u>\$ 19,267,997</u>

**Governmental activities.** Governmental activities increased the Town's net position by \$663,942. By constant due diligence of expenses, the Town's revenues exceeded expenses.



### **Financial Analysis of the Town's Funds**

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

**Governmental Funds.** The focus of the Town of Lewisville'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 Lewisville's financing requirements.

The General Fund is the chief operating fund of the Town of Lewisville. At the end of the current fiscal year, the Town of Lewisville's fund balance available in the General Fund was \$5,758,854, while total fund balance reached \$6,167,864. The Town Council of the Town of Lewisville has determined that the Town should maintain an available fund balance of 65% of general fund expenditures 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 97.86% of general fund expenditures, and total fund balance represents 104.81% of the same amount.

The General Fund had a net decrease of \$1,086,848 during the year ended June 30, 2021. There are two primary reasons for this decline. First of all, the Town transferred \$1,326,712 from the General Fund to the Community Center Capital Projects Fund for the construction of the new Mary Alice Warren Community Center. Lastly, in July 2020, the Town decided to pay off early the bank installment loan on the town hall building. The balance owed was \$470,650 which included principal and interest. The General Fund budget was amended by \$273,192 to allow for the early payoff of the loan.

At June 30, 2021, the governmental funds of the Town of Lewisville reported a combined fund balance of \$10,948,195, with a net decrease of \$232,542 in fund balance. The decline in total fund balance for all governmental funds is due to the early payoff of the bank installment loan on the town hall building requiring extra budgeted funds of \$273,912. The decline in total fund balance is also due to the expenditures paid out of the Community Center Capital Projects Fund of \$2,688,323, which exceeded the proceeds of \$2,000,000 from the financing agreement by \$688,323.

**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 exceeded budgeted revenue estimates in the following categories: Ad valorem, local option sales tax revenue, piped natural gas tax revenue, ABC Board revenues, solid waste disposal tax revenue, and planning and developer fees.

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Management's Discussion and Analysis

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The following significant amendments were made to adjust original budgetary expenditures:

- The budget was amended by \$7,099 to extend the contract for storm water audit assistance.
- The budget was amended by \$273,192 for early payoff of the bank installment loan on the town hall building.
- The budget was amended by \$23,313 for storm water mapping.
- The budget was amended by \$5,900 for legal fees at the closing for the bank installment loan on the new Mary Alice Warren Community Center.
- The budget was amended to transfer \$1,096,937 from the General Fund to the Community Center Capital Projects Fund.
- The budget was amended by \$20,000 to increase funding for storm water drainage repairs.
- The budget was amended by \$23,175 for sidewalk repairs.
- The budget was amended by \$29,820 to vacuum the storm water underground detention at the Town Hall Annex.
- The budget was amended by \$10,895 for storm water drainage repairs.
- The budget was amended by \$4,170 to remove trip/fall hazards on the sidewalks.
- The budget was amended by \$34,300 to provide additional funding for the update of the Town's Comprehensive Plan and the Town's Parks, Recreation, and Cultural Master Plan.
- The budget was amended to transfer \$112,031 to the Community Center Capital Projects Fund for the increase in lumber prices.
- The budget was amended by \$12,495 for tree replacement along a town street.
- The budget was amended by \$20,787 for building access upgrades for Town Hall, Town Hall Annex, and the G. Galloway Reynolds Community Center.
- The budget was amended by \$30,000 for storm water drainage system repairs.
- The budget was amended by \$4,306 to fund a summer planning internship.
- The budget was amended to transfer \$68,354 to the Community Center Capital Projects Fund to fund the irrigation system, expand the budget for kitchen appliances, expand the IT budget, and expand the budget for outdoor lighting.
- The budget was amended to donate \$9,000 to the Meals-on-Wheels program administered by Senior Services, Inc.
- The budget was amended to transfer \$49,390 to the Community Center Capital Projects Fund to expand the budgets for audio visual equipment and furniture.
- The budget was amended by \$10,000 to expand the budget for legal fees within the governing body department.
- The budget was amended by \$10,000 to expand the budget for right-of-way maintenance along town-owned streets.



**Capital and Debt Administration**

**Capital assets.** The Town of Lewisville's investment in capital assets for its governmental-type activities as of June 30, 2021 totals \$11,118,422 (net of accumulated depreciation). These assets include buildings, land, furniture and equipment, vehicles, infrastructure, and park facilities as well as construction in progress on various capital projects.

Capital asset transactions during the year include the following:

- The Town purchased a Toyota 4-Runner and various accessories for \$43,062.
- The Town spent \$121,356 on design services and purchases of right-of-way for the Gateway Project.
- The Town spent \$2,688,323 on design services, engineering fees, construction costs, and furniture and equipment purchases for the Mary Alice Warren Community Center Project.

**Town of Lewisville's Capital Assets  
(net of depreciation)  
Figure 4**

	Governmental Activities	
	2021	2020
Land	\$ 1,905,327	\$ 1,905,327
Sewer rights	600,000	600,000
Construction in progress	4,615,874	1,832,878
Buildings	1,257,571	1,400,040
Furniture and equipment	21,646	35,707
Vehicles and motorized equipment	42,344	-
Infrastructure	1,780,655	1,863,017
Park	895,005	984,141
Total	<u>\$ 11,118,422</u>	<u>\$ 8,621,110</u>

Additional information on the Town's capital assets can be found in Note II.A.3 of the basic financial statements.

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Management's Discussion and Analysis**

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**Long-term debt.** As of June 30, 2021, the Town of Lewisville had long-term debt consisting of a direct placement financing agreement for the construction of the Mary Alice Warren Community Center, net pension liability, and compensated absences.

**Town of Lewisville's Outstanding Liabilities**  
**Figure 5**

	Governmental Activities	
	2021	2020
Direct placement financing agreement- Mary Alice Warren Community Center	\$ 2,000,000	\$ -
Direct placement financing agreement- Town Hall	-	466,672
Net pension liability	236,918	181,879
Compensated absences	47,962	46,783
<b>Total</b>	<b>\$ 2,284,880</b>	<b>\$ 695,334</b>

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Town of Lewisville is \$113,177,808.

Additional information regarding the Town of Lewisville's long-term debt can be found in Note II.B.5 of this report.

**Economic Factors and Next Year's Budgets and Rates**

In the spring of 2020, the future of the Town's revenues was highly uncertain due to the Covid 19 pandemic. Widespread lockdowns were beginning to be instituted across the country, and it seemed entirely possible that the national economy could experience significant disruptions for months to come. After a decline in local sales tax revenues for March through May 2020, local sales tax revenues rebounded in the month of June 2020 and have remained strongly positive in the months since.

As stay-at-home orders are lifted and commercial businesses return to operations reaching pre-pandemic levels, the Town of Lewisville is optimistic about the economic recovery of the nation and the local community. Sales tax revenues remain robust and there continues to be steady growth in the Town's residential property tax base.



### **Budget Highlights for the Fiscal Year Ending June 30, 2022**

Following are highlights from the Town's budget for the fiscal year ended June 30, 2022.

- The Town's property tax rate for 2021-2022 will remain unchanged at 17.7 cents per \$100 valuation.
- The property tax rate for the Willow Run Municipal Service District will remain unchanged at 5 cents per \$100 valuation in 2021-2022.
- The Town will continue design work on the "Gateway Project" along with right-of-way purchase and construction in the 2021-2022 fiscal year. The project is a roadway project to make improvements from the Highway 421 Interchange on Williams Road with improvements continuing on Williams Road between the interchange and the newly constructed roundabout at Shallowford Road and Williams Road. This is a project utilizing federal STP-DA funds. This project has a budget of \$1,494,680. The project will be paid for with 80% of the expected costs coming from federal aid with a 20% match from the Town.
- The Town will continue construction on the Mary Alice Warren Community Center in the 2021-2022 fiscal year. The new Community Center is constructed on land donated by Mary Alice Warren and adjacent to the current Jack Warren Park. The project has a budget of \$4,907,137. The project is financed with an installment bank loan of \$2,000,000, as well as \$1,420,988 from the Town's Municipal Buildings/Land Capital Reserve Fund and \$159,437 from the Storm Water Capital Reserve Fund. The remainder of the budget, \$1,326,712, will be funded from the General Fund.
- The Town will begin design on a new single lane roundabout at the intersection of Lewisville-Vienna Road and Robinhood Road. This is a project utilizing federal STP-DA funds. This project has an estimated cost of approximately \$1,270,000. The project will be paid for with 80% of the expected costs coming from federal aid with a 20% match from the Town.

### **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 Pam Orrell, Finance Officer, Town of Lewisville P.O. Box 547 Lewisville, NC 27023. One can also call 336-945-5558, visit our website at [www.lewisvillenc.net](http://www.lewisvillenc.net), or email [finance@lewisvillenc.net](mailto:finance@lewisvillenc.net) for more information.

## **Basic Financial Statements**

**TOWN OF LEWISVILLE, NORTH CAROLINA****Statement of Net Position**

June 30, 2021

*Exhibit 1*

	<b>Governmental Activities</b>	<b>Total</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 10,349,097	\$ 10,349,097
Taxes receivable, net	22,856	22,856
Due from other governments	443,608	443,608
Other receivables	344	344
Restricted cash and cash equivalents	710,067	710,067
Total current assets	<u>11,525,972</u>	<u>11,525,972</u>
<b>Noncurrent Assets</b>		
Capital Assets		
Land, non-depreciable improvements, and construction in progress	7,121,201	7,121,201
Other capital assets, net of depreciation	3,997,221	3,997,221
Total capital assets	<u>11,118,422</u>	<u>11,118,422</u>
Total assets	<u>22,644,394</u>	<u>22,644,394</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension deferrals	157,678	157,678
Total deferred outflows of resources	<u>157,678</u>	<u>157,678</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	354,575	354,575
Accrued interest payable	29,589	29,589
Current portion of long-term liabilities	236,977	236,977
Payable from restricted assets	200,346	200,346
Total current liabilities	<u>821,487</u>	<u>821,487</u>
<b>Long-Term Liabilities</b>		
Net pension liability	236,918	236,918
Due in more than one year	1,810,985	1,810,985
Total long-term liabilities	<u>2,047,903</u>	<u>2,047,903</u>
Total liabilities	<u>2,869,390</u>	<u>2,869,390</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension deferrals	743	743
Total deferred inflows of resources	<u>743</u>	<u>743</u>
<b>NET POSITION</b>		
Net investment in capital assets	9,118,422	9,118,422
Restricted for:		
Stabilization by State Statute	443,952	443,952
Streets	509,721	509,721
Unrestricted	9,859,844	9,859,844
Total net position	<u>\$ 19,931,939</u>	<u>\$ 19,931,939</u>

*The notes to the financial statements are an integral part of this statement.*

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Statement of Activities**

For the Year Ended June 30, 2021

Exhibit 2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Primary government:						
Governmental Activities:						
General government	\$ 1,237,921	\$ -	\$ -	\$ -	\$ (1,237,921)	\$ (1,237,921)
Public works	1,928,082	500	341,776	91,581	(1,494,225)	(1,494,225)
Planning	196,793	11,255	-	-	(185,538)	(185,538)
Parks and recreation	205,165	-	-	-	(205,165)	(205,165)
Public safety	656,398	-	5,648	-	(650,750)	(650,750)
Interest on long-term debt	32,342	-	-	-	(32,342)	(32,342)
Total governmental activities	4,256,701	11,755	347,424	91,581	(3,805,941)	(3,805,941)
Total primary government	\$ 4,256,701	\$ 11,755	\$ 347,424	\$ 91,581	\$ (3,805,941)	\$ (3,805,941)
General revenues:						
Taxes:						
Property taxes, levied for general purpose					2,603,728	2,603,728
Local occupancy tax					29,413	29,413
Unrestricted intergovernmental revenues					1,818,566	1,818,566
Unrestricted investment earnings					1,081	1,081
Miscellaneous					17,095	17,095
Total general revenues not including transfers					4,469,883	4,469,883
Transfers					-	-
Total general revenues and transfers					4,469,883	4,469,883
Change in net position					663,942	663,942
Net position, beginning					19,267,997	19,267,997
Net position, ending					\$ 19,931,939	\$ 19,931,939

The notes to the financial statements are an integral part of this statement.



# TOWN OF LEWISVILLE, NORTH CAROLINA

## Balance Sheet

### Governmental Funds

June 30, 2021

Exhibit 3

	Major Fund		Total Non-Major Funds	Total Governmental Funds
	General Fund	Community Center Capital Project		
<b>Assets</b>				
Cash and cash equivalents	\$ 5,597,055	\$ 1,883,704	\$ 2,868,338	\$ 10,349,097
Restricted cash	710,067	-	-	710,067
Receivables, net:				
Taxes	21,999	-	857	22,856
Other	344	-	-	344
Due from other governments	408,666	34,183	759	443,608
Total assets	<u>6,738,131</u>	<u>1,917,887</u>	<u>2,869,954</u>	<u>11,525,972</u>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	347,922	5,965	688	354,575
Developer deposits	200,346	-	-	200,346
Total liabilities	<u>548,268</u>	<u>5,965</u>	<u>688</u>	<u>554,921</u>
<b>Deferred Inflows of Resources</b>				
Property taxes receivable	21,999	-	857	22,856
Total deferred inflows of resources	<u>21,999</u>	<u>-</u>	<u>857</u>	<u>22,856</u>
<b>Fund Balances</b>				
Restricted				
Stabilization by State Statute	409,010	34,183	759	443,952
Streets	509,721	-	-	509,721
Committed				
Storm Water Capital Reserve Fund	-	-	-	-
Special Revenue Fund	-	-	193,081	193,081
Capital Projects Funds	-	1,877,739	2,674,569	4,552,308
Assigned				
Subsequent year's expenditures	425,954	-	-	425,954
Unassigned	4,823,179	-	-	4,823,179
Total fund balances	<u>6,167,864</u>	<u>1,911,922</u>	<u>2,868,409</u>	<u>10,948,195</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,738,131</u>	<u>\$ 1,917,887</u>	<u>\$ 2,869,954</u>	

continued

The notes to the financial statements are an integral part of this statement.

# TOWN OF LEWISVILLE, NORTH CAROLINA

## Balance Sheet

### Governmental Funds

June 30, 2021

Exhibit 3

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

<b>Total fund balance, governmental funds</b>		\$ 10,948,195
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Gross capital assets at historical cost	\$ 15,792,139	
Accumulated depreciation	<u>(4,673,717)</u>	11,118,422
Deferred outflows of resources related to pensions are not reported in the funds.		157,678
Earned revenues considered deferred inflows of resources in fund statements.		22,856
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds.		
Compensated absences		(47,962)
Financing agreement		(2,000,000)
Accrued interest payable		(29,589)
Net pension liability		(236,918)
Deferred inflows of resources related to pensions are not reported in the funds.		<u>(743)</u>
<b>Net position of governmental activities</b>		<u><u>\$ 19,931,939</u></u>

*The notes to the financial statements are an integral part of this statement.*

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2021**

*Exhibit 4*

	Major Funds		Total Non-Major Funds	Total Governmental Funds
	General Fund	Community Center Capital Project		
<b>REVENUES</b>				
Ad valorem taxes	\$ 2,573,535	\$ -	\$ 37,659	\$ 2,611,194
Unrestricted intergovernmental	1,818,566	-	-	1,818,566
Restricted intergovernmental	376,837	-	91,581	468,418
Investment earnings	395	117	568	1,080
Miscellaneous	28,850	-	-	28,850
Total revenues	<u>4,798,183</u>	<u>117</u>	<u>129,808</u>	<u>4,928,108</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,069,240	-	-	1,069,240
Public works	1,834,975	-	134,924	1,969,899
Planning	191,465	-	-	191,465
Parks and recreation	114,675	2,688,323	-	2,802,998
Public safety	656,398	-	-	656,398
Debt service:				
Principal	466,672	-	-	466,672
Interest and other charges	3,978	-	-	3,978
Total expenditures	<u>4,337,403</u>	<u>2,688,323</u>	<u>134,924</u>	<u>7,160,650</u>
Excess (deficiency) of revenues over expenditures	<u>460,780</u>	<u>(2,688,206)</u>	<u>(5,116)</u>	<u>(2,232,542)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	29,547	2,483,937	599,682	3,113,166
Transfers to other funds	(2,111,656)	-	(1,001,510)	(3,113,166)
Proceeds from financing agreement	-	2,000,000	-	2,000,000
Total other financing sources (uses)	<u>(2,082,109)</u>	<u>4,483,937</u>	<u>(401,828)</u>	<u>2,000,000</u>
Net change in fund balance	(1,621,329)	1,795,731	(406,944)	(232,542)
Fund balance, beginning	7,789,193	116,191	3,275,353	
Fund balance, ending	<u>\$ 6,167,864</u>	<u>\$ 1,911,922</u>	<u>\$ 2,868,409</u>	

*continued*

*The notes to the financial statements are an integral part of this statement.*

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2021**

*Exhibit 4*

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

**Net changes in fund balances - total governmental funds** \$ (232,542)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their 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	\$ 2,857,185	
Depreciation expense for governmental activities	(328,746)	
Asset impairment loss	<u>(31,127)</u>	2,497,312

Contributions to pension plan in the current fiscal year are not included on the statement of activities.		59,830
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Change in unavailable revenue for tax revenues		(7,465)

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.

New long-term debt issued	(2,000,000)	
Principal payments on long-term debts	466,672	
Increase in accrued interest payable	<u>(28,364)</u>	(1,561,692)

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		(1,179)
Pension expense		<u>(90,322)</u>

**Total changes in net position of governmental activities** \$ 663,942

*The notes to the financial statements are an integral part of this statement.*



## TOWN OF LEWISVILLE, NORTH CAROLINA

### General Fund

#### Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2021

*Exhibit 5*

	General Fund			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
<b>Revenues</b>				
Ad valorem taxes	\$ 2,452,605	\$ 2,452,605	\$ 2,573,535	\$ 120,930
Unrestricted intergovernmental	1,651,860	1,651,860	1,818,566	166,706
Restricted intergovernmental	394,010	394,010	376,837	(17,173)
Investment earnings	7,900	7,900	304	(7,596)
Miscellaneous	14,600	14,600	28,850	14,250
Total revenues	4,520,975	4,520,975	4,798,092	277,117
<b>Expenditures</b>				
Current:				
General government	1,209,055	1,259,417	1,069,240	190,177
Public works	1,923,681	2,101,647	1,834,975	266,672
Planning	270,596	296,511	191,465	105,046
Parks and recreation	255,808	271,095	114,675	156,420
Public safety	673,960	673,960	656,398	17,562
Debt service:				
Principal	186,666	466,672	466,672	-
Interest and other charges	10,894	4,080	3,978	102
Total expenditures	4,530,660	5,073,382	4,337,403	735,979
Revenues over (under) expenditures	(9,685)	(552,407)	460,689	1,013,096
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	-	-	-	-
Transfers to other funds	(220,825)	(1,547,537)	(1,547,537)	-
Total other financing sources (uses)	(220,825)	(1,547,537)	(1,547,537)	-
Fund balance appropriated	230,510	2,099,944	-	(2,099,944)
Net change in fund balance	\$ -	\$ -	(1,086,848)	\$ (1,086,848)
Fund balance, beginning			7,254,712	
Fund balance, ending			6,167,864	
A legally budgeted Storm Water Capital Reserve Fund is consolidated into the General Fund for reporting purposes:				
Investment earnings - Storm Water Capital Reserve Fund			91	
Storm Water Capital Reserve Fund - Transfers from other funds			29,547	
Storm Water Capital Reserve Fund - Transfers to other funds			(564,119)	
Fund balance, beginning - Storm Water Capital Reserve Fund			534,481	
Fund balance, ending			\$ 6,167,864	

*The notes to the financial statements are an integral part of this statement.*



## **Notes to the Financial Statements**

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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**I. Summary of Significant Accounting Policies**

The accounting policies of the Town of Lewisville 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 Lewisville is a municipal corporation that is governed by an elected mayor included in a seven-member council.

**B. Basis of Presentation**

*Government-Wide Statements:* The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

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

*Fund Financial Statements:* The fund financial statements provide information about the Town's funds. Statements for the governmental fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

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, federal and State grants, and various other taxes and licenses. The primary expenditures are for administration, public works, public safety, street maintenance and construction, and sanitation services. Additionally, in a prior year, the Town legally adopted a Storm Water Capital Reserve Fund. Under GASB 54 guidance this fund is consolidated in the General Fund. The budgetary comparison for this fund has been included in the supplemental information. The Storm Water Capital Reserve Fund was closed during the fiscal year ended June 30, 2021.

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2021

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**Community Center Capital Projects Fund.** This fund is used to account for the funds to be used in the construction of the Mary Alice Warren Community Center.

The Town reports the following non-major governmental funds:

**Willow Run Municipal Service District Special Revenue Fund.** The Willow Run Municipal Service District is a special taxing district of the Town. The proceeds of the special tax are used for the maintenance of the lakes and dams in the district.

**GWR ROW/Construction Capital Reserve Fund.** This fund is used to account for funds to be used in the Great Wagon Road project.

**Sidewalks, Bike Paths and Greenways Capital Reserve Fund.** This fund is used to account for funds to be used in future projects involving the construction of sidewalks, bike paths, and greenways.

**Municipal Buildings/Land Capital Reserve Fund.** This fund is used to account for funds to be used in the future construction of buildings and land purchases.

**Public Works Facility Capital Reserve Fund.** This fund is used to account for funds to be used in the future construction of a public works facility.

**GWR ROW/Construction Capital Projects Fund.** This fund is used to account for funds used in the purchase of right-of-way for and the construction of the Great Wagon Road.

**Jack Warren Park Maintenance Facility/Playground Expansion Capital Projects Fund.** This fund is used to account for funds to be used in the construction of a maintenance building and a playground at Jack Warren Park.

**Gateway Project Capital Projects Fund.** This fund is used to account for the funds used in the roadway project to make improvements along Williams Road between the Highway 421 Interchange and the roundabout at Shallowford Road.

**Heritage Drive Regional Storm Water Pond #1 Capital Projects Fund.** This fund was used to account for funds to be used in the construction of a BMP (Best Management Practice) wet pond for storm water treatment in the downtown area. The project was discontinued during the fiscal year ended June 30, 2021 and the fund was closed.

**Roundabout at Lewisville-Vienna Road and Robinhood Road Capital Projects Fund.** This fund is used to account for the funds to be used in the construction of a roundabout at the intersection of Lewisville-Vienna Road and Robinhood Road.



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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**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 Statements.* The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. 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 revenue include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgements, 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 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 Lewisville because the tax is levied by Forsyth County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes,



## **TOWN OF LEWISVILLE, NORTH CAROLINA**

### **Notes to the Financial Statements**

**For the Fiscal Year Ended June 30, 2021**

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including those dedicated for specific purposes are reported as general revenues rather than program revenues. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

#### **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, the Storm Water Capital Reserve Fund, the Willow Run MSD Special Revenue Fund, the GWR ROW/Construction Capital Reserve Fund, Sidewalks, Bike Paths, and Greenways Capital Reserve Fund, the Municipal Buildings/Land Capital Reserve Fund, and the Public Works Facility Capital Reserve Fund. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the GWR ROW/Construction Capital Projects Fund, the Jack Warren Park Maintenance Facility/Playground Expansion Capital Projects Fund, the Gateway Project Capital Projects Fund, the Heritage Drive Regional Storm Water Pond #1 Capital Projects Fund, the Community Center Capital Projects Fund, and the Roundabout at Lewisville-Vienna Road and Robinhood Road Capital Projects Fund. 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 and at the project level for the multi-year funds. All amendments must be approved by the governing board and the board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

##### **1. Deposits and Investments**

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

State law [G.S. 159-30(c)] authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina, bonds and notes of any North Carolina local government or public authority, obligations of certain non-guaranteed federal agencies, certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT). The Town's investments are generally reported at fair value. The North Carolina Capital Management Trust (NCCMT), which consists of a SEC-registered mutual fund (the Government Portfolio), is authorized by G.S. 159-30(c)(8). The Government Portfolio, which invests in treasuries and government agencies, is a money market mutual fund (2a7) and maintains an AAAM rating from S&P and AAAMf by Moody's Investor Service. It is reported at fair value.

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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**2. Cash and Cash Equivalents**

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income and considers all cash and investments to be cash and cash equivalents.

**3. Restricted Assets**

Powell Bill funds are classified as restricted cash because it can be expended only for the purpose outlined in G.S. 136-41.1 through 136-41.4. Developer deposits held by the Town before any services are supplied are restricted to the service for which the deposit was collected.

Town of Lewisville Restricted Cash

Governmental Activities:

General Fund:	
Streets	\$ 509,721
Developer Deposits	200,346
Total Governmental Activities	<u>710,067</u>
Total Restricted Cash	<u>\$ 710,067</u>

**4. Ad Valorem Taxes Receivable**

In accordance with State Law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1<sup>st</sup>, the beginning of the fiscal year. The taxes are due on September 1<sup>st</sup> (lien date); however, interest does not accrue until the following January 6<sup>th</sup>. These taxes are based on the assessed values as of January 1, 2020.

**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. Capital Assets**

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization costs are as follows: land, buildings, improvements, infrastructure, furniture and equipment, and vehicles, \$5,000. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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

Asset Class	Estimated Useful Lives (in Years)
Park and infrastructure	10 - 30
Buildings	20
Vehicles	5
Furniture and equipment	3 - 10

**7. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has one item that meets this criterion, pension deferrals for the 2021 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 Town has two items that meets the criterion for this category, property taxes receivable and pension deferrals.

**8. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

**9. Compensated Absences**

The vacation policy of the Town provides for accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the Town's government-wide financial statements, 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 does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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**10. Net Position/Fund Balances**

Net Position

Net position in government-wide 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 four 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:

*Restricted Fund Balance* – The classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

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

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

*Committed Fund Balance* – Portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town of Lewisville'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.



## TOWN OF LEWISVILLE, NORTH CAROLINA

### Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2021

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*Committed for Storm Water Capital Reserve Fund* – This fund was established to fund capital needs in the storm water management program.

*Committed for Willow Run MSD Special Revenue Fund* – This fund is used to account for the revenue collected by and expenditures paid out of the Willow Run MSD Special Revenue Fund.

*Committed for Capital Projects Funds* – These funds are used to account for the revenues and expenditures of the various capital projects funds of the Town.

*Assigned Fund Balance* – Portion of fund balance that the Town of Lewisville intends to use for specific purposes.

*Subsequent year's expenditures* – Portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing board approves the appropriation.

*Unassigned Fund Balance* – The portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The Town of Lewisville has a revenue spending policy that provides guidance for programs with multiple revenue sources. 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 to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

The Town of Lewisville has also 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 or greater than 65% of budgeted expenditures.

#### **11. 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 of Lewisville's employer contributions are recognized when due and the Town of Lewisville 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.

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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**II. Detail Notes on All Funds**

**A. Assets**

**1. Deposits**

All the deposits of the Town are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Town's agent in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town's agents in their name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town, or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Polling Method, the potential exists for under-collateralization. This risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all Pooling Method financial institutions and to monitor them for compliance. The Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2021, the Town's deposits had a carrying amount of \$8,161,494 and a bank balance of \$8,402,697. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method. At June 30, 2021, the Town's petty cash fund totaled \$200.

**2. Investments**

At June 30, 2021, the Town of Lewisville had \$2,897,470 invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAM by Standard and Poor's and AAAMf by Moody's Investors Service. The Town has no policy regarding credit risk.



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**3. Capital Assets**

Capital asset activity for the primary government for the year ended June 30, 2021, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental Activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 1,905,327	\$ -	\$ -	\$ 1,905,327
Sewer rights	600,000	-	-	600,000
Construction in progress	1,832,878	2,814,123	31,127	4,615,874
Total capital assets not being depreciated	4,338,205	2,814,123	31,127	7,121,201
<b>Capital assets being depreciated:</b>				
Buildings	3,363,778	-	-	3,363,778
Furniture and equipment	276,410	-	-	276,410
Vehicles and motorized equipment	37,587	43,062	-	80,649
Infrastructure	2,470,852	-	-	2,470,852
Park	2,479,249	-	-	2,479,249
Total capital assets being depreciated	8,627,876	43,062	-	8,670,938
<b>Less accumulated depreciation for:</b>				
Buildings	1,963,738	142,469	-	2,106,207
Furniture and equipment	240,703	14,061	-	254,764
Vehicles and motorized equipment	37,587	718	-	38,305
Infrastructure	607,835	82,362	-	690,197
Park	1,495,108	89,136	-	1,584,244
Total accumulated depreciation	4,344,971	328,746	-	4,673,717
<b>Total capital assets being depreciated, net</b>	<u>4,282,905</u>			<u>3,997,221</u>
<b>Governmental activity capital assets, net</b>	<u>\$ 8,621,110</u>			<u>\$ 11,118,422</u>

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

General government	\$ 148,859
Public works	89,397
Planning	-
Parks and recreation	90,490
Total depreciation expense	<u>\$ 328,746</u>

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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**Construction Commitments**

The Town of Lewisville has active construction projects as of June 30, 2021. At year-end, the Town's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Gateway Project	\$ 271,440	\$ 3,659
Community Center	2,915,514	1,782,699
	<u>\$ 3,186,954</u>	<u>\$ 1,786,358</u>

**B. Liabilities**

**1. Pension Plan Obligations**

**a) Local Governmental Employees' Retirement System**

*Plan Description.* The Town of Lewisville 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](http://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 the 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



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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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 services 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.

*Contributions.* Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Town of Lewisville 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 Lewisville's contractually required contribution rate for the year ended June 30, 2021, was 10.15% of compensation for general 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 Town of Lewisville were \$59,830 for the year ended June 30, 2021.

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

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

At June 30, 2021, the Town reported a liability of \$236,918 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 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, 2020 (measurement date), the Town's proportion was .00663%, which was a decrease of .00003% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Town recognized pension expense of \$90,322. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Notes to the Financial Statements**

**For the Fiscal Year Ended June 30, 2021**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 29,919	\$ -
Changes of assumptions	17,631	-
Net difference between projected and actual earnings on pension plan investments	33,339	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	16,959	743
Town contributions subsequent to the measurement date	<u>59,830</u>	<u>-</u>
Total	<u>\$ 157,678</u>	<u>\$ 743</u>

\$59,830 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, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2022	\$ 29,757
2023	36,462
2024	21,019
2025	9,867
2026	-
Thereafter	-

*Actuarial Assumptions.* The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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%
	<u>100.0%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2019 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.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.00%. 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 statutory

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Notes to the Financial Statements**

**For the Fiscal Year Ended June 30, 2021**

required rates, actuarially determined. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Town’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.* The following presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 7.00 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 (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Town's proportionate share of the net pension liability (asset)	\$ 480,681	\$ 236,918	\$ 34,334

*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) 457 Retirement Plan**

All permanent full-time employees of the Town are eligible to participate in the Town’s 457 Retirement Plan, a cost-sharing multiple-employer defined contribution plan administered by the International City Management Association Retirement Corporation (ICMA). Participation begins at the time of employment. Under the provisions of the plan, employees may contribute up to 100% of compensation, subject to a maximum established by the Internal Revenue Code, and the Town contributes up to 1.2% of the employees’ compensation. Total contributions for the year ended June 30, 2021 amounted to \$6,527, which consisted of \$2,280 from employees and \$4,247 from the Town. Information regarding the plan may be obtained by writing to ICMA Retirement Corporation, 777 North Capitol Street NE, Washington, D.C. 20002-4200.

**c) Supplemental Retirement Income Plan**

All permanent full-time employees of the Town are eligible to participate in the Supplemental Retirement Income Plan, a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. Participation begins at the time of employment. Under the provisions of the plan, employees may contribute up to 100% of compensation, subject to a maximum established by the Internal Revenue Code, and the Town contributes up to 1.2% of the employees’ compensation. Total contributions for the year ended June 30, 2021 amounted to \$7,348, which consisted of \$4,519 from employees and \$2,829 from the Town. Article 5 of G.S. Chapter 135 assigns the authority to establish



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan 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. The 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. Deferred Outflows and Inflows of Resources**

Deferred outflows of resources reported on the Statement of Net Position is comprised of the following:

Source	Amount
Contributions to pension plan in current fiscal year	\$ 59,830
Differences between expected and actual experience	29,919
Changes in assumptions	17,631
Net difference between projected and actual earnings on pension plan investments	33,339
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>16,959</u>
Total	<u>\$ 157,678</u>

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

	Statement of Net Position	General Fund Balance Sheet
Taxes receivable (General Fund)	\$ -	\$ 21,999
Taxes receivable (Special Revenue Fund)	-	857
Changes in proportion and differences between Town contributions and proportionate share of contributions	<u>743</u>	<u>-</u>
Total	<u>\$ 743</u>	<u>\$ 22,856</u>

### **3. 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 insured values of the property policy 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. Excess insurance coverage is purchased by the Board of Trustees to protect against large workers' compensation claims that exceed certain dollar cost levels. Specific information on the limits of the reinsurance and excess insurance 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 coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

The Town is a participant in the National Flood Insurance Program. Residents of the Town are eligible to purchase flood insurance up to the limits under the Regular Phase of the Program.

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

### **4. Commitments**

The Town has entered into a contract for solid waste and recycling collection expiring in June 2024 for approximately \$856,605 per year.

### **5. Long-Term Obligations**

#### **a) Direct Placement Financing Agreement – Town Hall**

On November 24, 2008, the Town entered into a direct placement financing agreement with a bank for a loan of \$2,800,000 to be used to construct a new town hall building. Principal payments of \$93,333 plus interest at 3.91% were due each May 24 and November 24 through May 24, 2023. On May 24, 2013 the financing agreement was modified to an interest rate of 2.59%. The loan was secured by a Deed of Trust on the town hall building. The loan was paid in full on July 10, 2020.



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**b) Direct Placement Financing Agreement – Mary Alice Warren Community Center**

On September 4, 2020, the Town entered into a direct placement financing agreement with a bank for \$2,000,000 to be used to construct the Mary Alice Warren Community Center. Principal payments of \$200,000 plus interest at 1.80% are due each September 4 through September 4, 2030. The loan is secured by a Deed of Trust on the Mary Alice Warren Community Center building. In the event of default, the bank may declare the unpaid principal components of the installment payments due and payable. A summary of the annual requirements of the financing agreement follows:

Year Ending June 30	Principal	Interest
2022	\$ 200,000	\$ 36,000
2023	200,000	32,400
2024	200,000	28,800
2025	200,000	25,200
2026	200,000	21,600
2027-2031	1,000,000	54,000
	<u>\$ 2,000,000</u>	<u>\$ 198,000</u>

**c) Changes in Long-Term Liabilities**

Compensated absences and pension liabilities for governmental activities typically have been liquidated in the general fund.

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion of Balance
Direct placement financing agreement - Town Hall	\$ 466,672	\$ -	\$ 466,672	\$ -	\$ -
Direct placement financing agreement - Mary Alice Warren Community Center	-	2,000,000	-	2,000,000	200,000
Compensated absences	46,783	1,179	-	47,962	36,977
Net pension liability (LGERS)	181,879	55,039	-	236,918	-
Total long-term liabilities	<u>\$ 695,334</u>	<u>\$ 2,056,218</u>	<u>\$ 466,672</u>	<u>\$ 2,284,880</u>	<u>\$ 236,977</u>

At June 30, 2021, the Town of Lewisville had a legal debt margin of \$113,177,808.



**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Notes to the Financial Statements**

**For the Fiscal Year Ended June 30, 2021**

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**C. Interfund Balances and Activity**

Transfers from the General Fund to Non-Major Funds

From the General Fund to the Sidewalks, Bike Paths, and Greenways Capital Reserve Fund for future projects	\$ 25,000
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From the General Fund to the Municipal Buildings/Land Capital Reserve Fund to finance the construction of a new community center building	<u>170,000</u>
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	<u>\$ 195,000</u>
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Transfers from the General Fund to Other Major Funds

From the General Fund to the Community Center Capital Projects Fund for the construction of the Mary Alice Warren Community Center	<u>\$ 1,326,712</u>
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	<u>\$ 1,326,712</u>
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**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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Other Transfers

From the General Fund to the Storm Water Capital Reserve Fund to fund future projects related to the Town's storm water program	\$ 25,825
From the Municipal Buildings/Land Capital Reserve Fund to the Community Center Capital Projects Fund for the construction of the Mary Alice Warren Community Center	997,788
From the the Heritage Drive Regional Storm Water Pond #1 Capital Projects Fund to the Storm Water Capital Reserve Fund when the Capital Project was closed	3,722
From the Storm Water Capital Reserve Fund to the Community Center Capital Projects Fund to fund the storm water feature at the Mary Alice Warren Community Center	159,437
From the Storm Water Capital Reserve Fund to the Municipal Buildings/Land Capital Reserve Fund when the Storm Water Capital Reserve was closed	170,000
From the Storm Water Capital Reserve Fund to the Public Works Facility Capital Reserve Fund when the Storm Water Capital Reserve was closed	<u>234,682</u>
	<u>\$ 1,591,454</u>

Transfers are used to move unrestricted revenues to finance various programs that the Town must account for in other funds in accordance with budgetary authorizations, including amounts providing matching funds for various grant programs.

**D. Net Investment in Capital Assets**

Net investment in capital assets on the Statement of Net Position is calculated as follows:

Capital assets	\$ 11,118,422
Less long-term debt	<u>2,000,000</u>
Net investment in capital assets	<u>\$ 9,118,422</u>

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Notes to the Financial Statements**

**For the Fiscal Year Ended June 30, 2021**

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**E. 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	\$ 6,167,864
Less:	
Restricted for Stabilization by State Statute	409,010
Restricted for Streets	509,721
Appropriated fund balance in 2021/2022 budget	425,954
Remaining fund balance	4,823,179

**III. Jointly Governed Organizations**

The Town, in conjunction with twelve counties and sixty-one other municipalities established the Piedmont Triad Regional Council. The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The Town paid membership fees of \$2,805 to the Council during the fiscal year ended June 30, 2021.

**IV. Summary Disclosure of Significant Contingencies**

Federal and State Assisted Programs

The Town has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

**V. Other Matters**

Effective July 14, 2014, the Town of Lewisville has entered into an agreement with the City County Utilities Commission of the City of Winston-Salem and Forsyth County (CCUC) whereby the CCUC will continue the operation of the water and sewer systems within the Town of Lewisville's Area of Influence. This agreement establishes a Capital Reserve Account to be funded primarily by a multiplier of water and sewer rates and a portion of assessment revenues. Expenditures from the Capital Reserve Account are to be used only to pay the cost of constructing water lines and sewer system facilities and the cost of future capacity purchases as they may become necessary.



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

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Also, the Town of Lewisville has paid the CCUC \$600,000 for sewer capacity provided by the Harper Road Lift Station.

**VI. *Subsequent Events***

Subsequent events have been evaluated through October 25, 2021, which is the date the financial statements were available to be issued.

In July, 2021, the Town of Lewisville was awarded \$4,024,472 from the Coronavirus State and Local Fiscal Recovery Funds as part of the American Rescue Plan Act of 2021. The Town received \$2,012,236 of the award in July and September, 2021. The remainder of the award will be received by the Town in July, 2022.

## **Required Supplemental Financial Data**

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Town of Lewisville's Proportionate Share of Net Pension Liability (Asset)  
Required Supplementary Information  
Last Eight Fiscal Years \***

**Local Governmental Employees' Retirement System**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Lewisville's proportion of the net pension liability (asset) (%)	0.00663%	0.00666%	0.00796%	0.00709%	0.00769%
Lewisville's proportion of the net pension liability (asset) (\$)	\$ 236,918	\$ 181,879	\$ 188,838	\$ 108,316	\$ 163,208
Lewisville's covered payroll	\$ 624,634	\$ 617,225	\$ 610,359	\$ 577,000	\$ 629,911
Lewisville's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.93%	29.47%	30.94%	18.77%	25.91%
Plan fiduciary net position as a percentage of the total pension liability **	88.61%	90.86%	91.63%	94.18%	91.47%
	<b>2016</b>	<b>2015</b>	<b>2014</b>		
Lewisville's proportion of the net pension liability (asset) (%)	0.00767%	0.00727%	0.00900%		
Lewisville's proportion of the net pension liability (asset) (\$)	\$ 34,422	\$ (42,874)	\$ 108,485		
Lewisville's covered payroll	\$ 645,697	\$ 594,539	\$ 612,200		
Lewisville's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	5.33%	-7.21%	17.72%		
Plan fiduciary net position as a percentage of the total pension liability **	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.

This pension schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.



**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Town of Lewisville's Contributions  
Required Supplementary Information  
Last Eight Fiscal Years**

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**Local Governmental Employees' Retirement System**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 59,830	\$ 55,905	\$ 47,835	\$ 45,777	\$ 41,833
Contributions in relation to the contractually required contribution	59,830	55,905	47,835	45,777	41,833
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Lewisville's covered payroll	\$ 589,454	\$ 624,634	\$ 617,225	\$ 610,359	\$ 577,000
Contributions as a percentage of covered payroll	10.15%	8.95%	7.75%	7.50%	7.25%

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 42,015	\$ 45,651	\$ 42,034
Contributions in relation to the contractually required contribution	42,015	45,651	42,034
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Lewisville's covered payroll	\$ 629,911	\$ 645,697	\$ 594,539
Contributions as a percentage of covered payroll	6.67%	7.07%	7.07%

*This pension schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.*

## **Individual Fund Schedules**

## TOWN OF LEWISVILLE, NORTH CAROLINA

### General Fund

#### Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Ad valorem taxes			
Taxes	\$ 2,448,605	\$ 2,568,550	
Penalties and interest	4,000	4,985	
Total	<u>2,452,605</u>	<u>2,573,535</u>	<u>120,930</u>
Unrestricted intergovernmental			
Local option sales taxes	802,400	924,367	
Telecommunications sales tax	31,320	29,562	
Electricity sales tax	455,690	430,658	
Piped natural gas sales tax	16,310	19,499	
Video programming sales tax	138,680	133,559	
Beer and wine tax	57,460	55,932	
ABC profit distribution	150,000	224,989	
Total	<u>1,651,860</u>	<u>1,818,566</u>	<u>166,706</u>
Restricted intergovernmental			
Powell Bill allocation	344,400	331,753	
Coronavirus Relief Fund	-	5,648	
Local occupancy tax	40,000	29,413	
Solid waste disposal tax	9,610	10,023	
Total	<u>394,010</u>	<u>376,837</u>	<u>(17,173)</u>
Investment earnings	<u>7,900</u>	<u>304</u>	<u>(7,596)</u>
Miscellaneous	<u>14,600</u>	<u>28,850</u>	<u>14,250</u>
<b>Total revenues</b>	<b><u>4,520,975</u></b>	<b><u>4,798,092</u></b>	<b><u>277,117</u></b>
<b>Expenditures</b>			
<b>General government</b>			
Governing body			
Salaries and employee benefits		21,961	
Professional services		73,139	
Membership dues		19,846	
Support contracts		70,241	
Other operating expenditures		28,019	
Total	<u>247,610</u>	<u>213,206</u>	<u>34,404</u>
			<i>continued</i>



## TOWN OF LEWISVILLE, NORTH CAROLINA

### General Fund

#### Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
<b>Administration</b>			
Salaries and employee benefits		363,948	
Support contracts		52,778	
Other operating expenditures		151,097	
Total	681,682	567,823	113,859
<b>Finance</b>			
Salaries and employee benefits		182,768	
Support contracts		7,991	
Other operating expenditures		7,729	
Total	231,040	198,488	32,552
<b>Beautification</b>			
Support contracts		88,502	
Other operating expenditures		1,221	
Total	99,085	89,723	9,362
<b>    Total general government</b>	<b>1,259,417</b>	<b>1,069,240</b>	<b>190,177</b>
<b>Public Works</b>			
<b>Public works</b>			
Salaries and employee benefits		164,442	
Support contracts		46,255	
Capital outlay		43,062	
Other operating expenditures		11,250	
Total	403,840	265,009	138,831
<b>Powell Bill</b>			
Road paving, repairs and maintenance		270,900	
Other operating expenditures		81,610	
Total	362,170	352,510	9,660
<b>Storm Water</b>			
Support contracts		179,052	
Other operating expenditures		5,512	
Total	209,062	184,564	24,498
<b>Solid Waste</b>			
Support contracts		775,458	
Other operating expenditures		5,097	
Total	832,450	780,555	51,895
			<i>continued</i>

**TOWN OF LEWISVILLE, NORTH CAROLINA****General Fund****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2021**

	Budget	Actual	Variance Positive (Negative)
<b>Recycling</b>			
Support contracts		496	
Other operating expenditures		145	
Total	<u>3,555</u>	<u>641</u>	<u>2,914</u>
<b>Streets</b>			
Support contracts		111,216	
Road paving, repairs and maintenance		119,967	
Other operating expenditures		20,513	
Total	<u>290,570</u>	<u>251,696</u>	<u>38,874</u>
<b>Total public works</b>	<b><u>2,101,647</u></b>	<b><u>1,834,975</u></b>	<b><u>266,672</u></b>
<b>Planning</b>			
Salaries and employee benefits		104,013	
Support contracts		56,484	
Other operating expenditures		30,968	
Total planning	<u>296,511</u>	<u>191,465</u>	<u>105,046</u>
<b>Parks and recreation</b>			
Event expenses		19,391	
Support contracts		46,022	
Other operating expenditures		49,262	
Total parks and recreation	<u>271,095</u>	<u>114,675</u>	<u>156,420</u>
<b>Public safety</b>			
<b>Community policing</b>			
Support contracts		645,823	
Other operating expenditures		5,255	
Total	<u>664,310</u>	<u>651,078</u>	<u>13,232</u>
<b>Public safety</b>			
Support contracts		-	
Other operating expenditures		5,320	
Total	<u>9,650</u>	<u>5,320</u>	<u>4,330</u>
<b>Total public safety</b>	<b><u>673,960</u></b>	<b><u>656,398</u></b>	<b><u>17,562</u></b>

*continued*

## TOWN OF LEWISVILLE, NORTH CAROLINA

### General Fund

#### Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Year Ended June 30, 2021

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	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Debt service</b>			
Principal retirement		466,672	
Interest and other charges		3,978	
<b>Total debt service</b>	<u>470,752</u>	<u>470,650</u>	<u>102</u>
<b>Total expenditures</b>	<u>5,073,382</u>	<u>4,337,403</u>	<u>735,979</u>
Revenues over (under) expenditures	<u>(552,407)</u>	<u>460,689</u>	<u>1,013,096</u>
Other financing sources (uses):			
Transfers from other funds	-	-	-
Transfers to other funds	<u>(1,547,537)</u>	<u>(1,547,537)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,547,537)</u>	<u>(1,547,537)</u>	<u>-</u>
Fund balance appropriated	2,099,944	-	(2,099,944)
Net change in fund balance	<u>\$ -</u>	<u>(1,086,848)</u>	<u>\$ (1,086,848)</u>
Fund balance, beginning		<u>7,254,712</u>	
Fund balance, ending		<u>\$ 6,167,864</u>	



## TOWN OF LEWISVILLE, NORTH CAROLINA

### Storm Water Capital Reserve Fund

#### Schedule of Revenues, Expenditures, and Changes in Fund Balance -

#### Budget and Actual

For the Fiscal Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Investment earnings	\$ -	\$ 91	\$ 91
Total revenues	-	91	91
<b>Expenditures</b>	25,825	-	25,825
Revenues over (under) expenditures	(25,825)	91	25,916
<b>Other financing sources (uses)</b>			
<b>Transfers from other funds</b>			
General Fund	25,825	25,825	-
Heritage Drive Regional Storm Water Pond #1 Capital Projects Fund		3,722	3,722
<b>Transfers to other funds</b>			
Municipal Buildings/Land Capital Reserve Fund	(170,000)	(170,000)	-
Public Works Facility Capital Reserve Fund	(234,682)	(234,682)	-
Community Center Capital Projects Fund	(159,437)	(159,437)	-
Total other financing sources (uses)	(538,294)	(534,572)	3,722
Fund balance appropriated	564,119	-	(564,119)
Net change in fund balance	<u>\$ -</u>	(534,481)	<u>\$ (534,481)</u>
Fund balance, beginning		534,481	
Fund balance, ending		<u>\$ -</u>	

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Capital Projects Fund - Community Center**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

**From Inception and for the Fiscal Year Ended June 30, 2021**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
<b>Revenues</b>					
Investment earnings	\$ -	\$ 3,220	\$ 117	\$ 3,337	\$ 3,337
Total revenues	-	3,220	117	3,337	3,337
<b>Expenditures</b>					
Capital outlay	4,907,137	310,229	2,688,323	2,998,552	1,908,585
Total expenditures	4,907,137	310,229	2,688,323	2,998,552	1,908,585
Revenues over (under) expenditures	(4,907,137)	(307,009)	(2,688,206)	(2,995,215)	1,911,922
<b>Other financing sources (uses)</b>					
<b>Transfers from other funds</b>					
General Fund	1,326,712	-	1,326,712	1,326,712	-
Municipal Buildings/Land Capital Reserve Fund	1,420,988	423,200	997,788	1,420,988	-
Storm Water Capital Reserve Fund	159,437	-	159,437	159,437	-
Proceeds from financing agreement	2,000,000	-	2,000,000	2,000,000	-
Total other financing sources (uses)	4,907,137	423,200	4,483,937	4,907,137	-
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 116,191	1,795,731	\$ 1,911,922	\$ 1,911,922
Fund balance, beginning			116,191		
Fund balance, ending			\$ 1,911,922		

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2021**

	Willow Run Municipal Service District Special Revenue Fund	GWR ROW/ Construction Capital Reserve Fund	Sidewalks, Bike Paths, and Greenways Capital Reserve Fund	Municipal Buildings/Land Capital Reserve Fund	Public Works Facility Capital Reserve Fund	GWR ROW/ Construction Capital Projects Fund
<b>Assets</b>						
Cash and cash equivalents	\$ 193,374	\$ 934,401	\$ 123,172	\$ 170,218	\$ 234,682	\$ 734,789
Taxes receivable, net	857	-	-	-	-	-
Due from other governments	759	-	-	-	-	-
Total assets	194,990	934,401	123,172	170,218	234,682	734,789
<b>Liabilities</b>						
Accounts payable and accrued liabilities	293	-	-	-	-	-
Total liabilities	293	-	-	-	-	-
<b>Deferred Inflows of Resources</b>						
Property taxes receivable	857	-	-	-	-	-
Total deferred inflows of resources	857	-	-	-	-	-
<b>Fund Balances</b>						
Restricted by stabilization by State Statute	759	-	-	-	-	-
Committed	193,081	934,401	123,172	170,218	234,682	734,789
Total fund balances	193,840	934,401	123,172	170,218	234,682	734,789
Total liabilities, deferred inflows of resources and fund balances	\$ 194,990	\$ 934,401	\$ 123,172	\$ 170,218	\$ 234,682	\$ 734,789

*continued*



**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Combining Balance Sheet**

**Non-Major Governmental Funds**

June 30, 2021

	Jack Warren Park Maintenance Facility/ Playground Expansion Capital Projects Fund	Gateway Project Capital Projects Fund	Heritage Drive Regional Storm Water Pond #1 Capital Projects Fund	Roundabout at Lewisville- Vienna Road and Robinhood Road Capital Projects Fund	Total Non- Major Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 20,628	\$ 199,475	\$ -	\$ 257,599	\$ 2,868,338
Taxes receivable, net	-	-	-	-	857
Due from other governments	-	-	-	-	759
Total assets	<u>20,628</u>	<u>199,475</u>	<u>-</u>	<u>257,599</u>	<u>2,869,954</u>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	-	395	-	-	688
Total liabilities	<u>-</u>	<u>395</u>	<u>-</u>	<u>-</u>	<u>688</u>
<b>Deferred Inflows of Resources</b>					
Property taxes receivable	-	-	-	-	857
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>857</u>
<b>Fund Balances</b>					
Restricted by stabilization by State Statute	-	-	-	-	759
Committed	20,628	199,080	-	257,599	2,867,650
Total fund balances	<u>20,628</u>	<u>199,080</u>	<u>-</u>	<u>257,599</u>	<u>2,868,409</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,628</u>	<u>\$ 199,475</u>	<u>\$ -</u>	<u>\$ 257,599</u>	<u>\$ 2,869,954</u>

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Combining Statement of Revenues,**  
**Expenditures, and Changes in Fund Balance -**  
**Non-Major Governmental Funds**  
**For the Fiscal Year Ended June 30, 2021**

	Willow Run Municipal Service District Special Revenue Fund	GWR ROW/ Construction Capital Reserve Fund	Sidewalks, Bike Paths, and Greenways Capital Reserve Fund	Municipal Buildings/Land Capital Reserve Fund	Public Works Facility Capital Reserve Fund	GWR ROW/ Construction Capital Projects Fund
<b>Revenues</b>						
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ad valorem taxes	37,659	-	-	-	-	-
Investment earnings	30	179	23	117	-	140
Total revenues	<u>37,689</u>	<u>179</u>	<u>23</u>	<u>117</u>	<u>-</u>	<u>140</u>
<b>Expenditures</b>						
Public works	9,124	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Total expenditures	<u>9,124</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>28,565</u>	<u>179</u>	<u>23</u>	<u>117</u>	<u>-</u>	<u>140</u>
Other financing sources (uses)						
Transfers from other funds	-	-	25,000	340,000	234,682	-
Transfers to other funds	-	-	-	(997,788)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>(657,788)</u>	<u>234,682</u>	<u>-</u>
Net change in fund balance	<u>28,565</u>	<u>179</u>	<u>25,023</u>	<u>(657,671)</u>	<u>234,682</u>	<u>140</u>
Fund balance, beginning	165,275	934,222	98,149	827,889	-	734,649
Fund balance, ending	<u>\$ 193,840</u>	<u>\$ 934,401</u>	<u>\$ 123,172</u>	<u>\$ 170,218</u>	<u>\$ 234,682</u>	<u>\$ 734,789</u>

*continued*

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Combining Statement of Revenues,**  
**Expenditures, and Changes in Fund Balance -**  
**Non-Major Governmental Funds**  
**For the Fiscal Year Ended June 30, 2021**

	Jack Warren Park Maintenance Facility/ Playground Expansion Capital Projects Fund	Gateway Project Capital Projects Fund	Heritage Drive Regional Storm Water Pond #1 Capital Projects Fund	Roundabout at Lewisville- Vienna Road and Robinhood Road Capital Projects Fund	Total Non- Major Governmental Funds
<b>Revenues</b>					
Restricted intergovernmental	\$ -	\$ 91,581	\$ -	\$ -	\$ 91,581
Ad valorem taxes	-	-	-	-	37,659
Investment earnings	4	25	1	49	568
Total revenues	4	91,606	1	49	129,808
<b>Expenditures</b>					
Public works	-	121,356	4,444	-	134,924
Parks and recreation	-	-	-	-	-
Total expenditures	-	121,356	4,444	-	134,924
Revenues over (under) expenditures	4	(29,750)	(4,443)	49	(5,116)
Other financing sources (uses)					
Transfers from other funds	-	-	-	-	599,682
Transfers to other funds	-	-	(3,722)	-	(1,001,510)
Total other financing sources (uses)	-	-	(3,722)	-	(401,828)
Net change in fund balance	4	(29,750)	(8,165)	49	(406,944)
Fund balance, beginning	20,624	228,830	8,165	257,550	3,275,353
Fund balance, ending	\$ 20,628	\$ 199,080	\$ -	\$ 257,599	\$ 2,868,409



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Special Revenue Fund - Willow Run Municipal Service District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the Fiscal Year Ended June 30, 2021**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Ad valorem taxes	\$ 32,150	\$ 37,659	\$ 5,509
Investment earnings	-	30	30
Total revenues	32,150	37,689	5,539
<b>Expenditures</b>			
Public works	32,150	9,124	23,026
Total expenditures	32,150	9,124	23,026
Revenues over (under) expenditures	-	28,565	28,565
Fund balance appropriated	-	-	-
Net change in fund balance	<u>\$ -</u>	28,565	<u>\$ 28,565</u>
Fund balance, beginning		165,275	
Fund balance, ending		<u>\$ 193,840</u>	

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**GWR ROW/Construction Capital Reserve Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the Fiscal Year Ended June 30, 2021**

---

	Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Investment earnings	\$ -	\$ 179	\$ 179
Total revenues	-	179	179
<b>Expenditures</b>	-	-	-
Revenues over (under) expenditures	-	179	179
<b>Other financing sources (uses)</b>			
<b>Transfers from other funds</b>			
General Fund	-	-	-
Total other financing sources (uses)	-	-	-
Fund balance appropriated	-	-	-
Net change in fund balance	<u>\$ -</u>	179	<u>\$ 179</u>
Fund balance, beginning		934,222	
Fund balance, ending		<u>\$ 934,401</u>	

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Sidewalks, Bike Paths and Greenways Capital Reserve Fund

#### Schedule of Revenues, Expenditures, and Changes in Fund Balance -

#### Budget and Actual

For the Fiscal Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Investment earnings	\$ -	\$ 23	\$ 23
Total revenues	-	23	23
<b>Expenditures</b>	25,000	-	25,000
Revenues over (under) expenditures	(25,000)	23	25,023
<b>Other financing sources (uses)</b>			
<b>Transfers from other funds</b>			
General Fund	25,000	25,000	-
Total other financing sources (uses)	25,000	25,000	-
Fund balance appropriated	-	-	-
Net change in fund balance	<u>\$ -</u>	25,023	<u>\$ 25,023</u>
Fund balance, beginning		98,149	
Fund balance, ending		<u>\$ 123,172</u>	



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Municipal Buildings/Land Capital Reserve Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the Fiscal Year Ended June 30, 2021**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Investment earnings	\$ -	\$ 117	\$ 117
Total revenues	-	117	117
<b>Expenditures</b>	170,000	-	170,000
Revenues over (under) expenditures	(170,000)	117	170,117
<b>Other financing sources (uses)</b>			
<b>Transfers from other funds</b>			
General Fund	170,000	170,000	-
Storm Water Capital Reserve Fund	-	170,000	170,000
<b>Transfers to other funds</b>			
Community Center Capital Projects Fund	(997,788)	(997,788)	-
Total other financing sources (uses)	(827,788)	(657,788)	170,000
Fund balance appropriated	997,788	-	(997,788)
Net change in fund balance	\$ -	(657,671)	\$ (657,671)
Fund balance, beginning		827,889	
Fund balance, ending		\$ 170,218	

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Public Works Facility Capital Reserve Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the Fiscal Year Ended June 30, 2021**

---

	Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Investment earnings	\$ -	\$ -	\$ -
Total revenues	-	-	-
<b>Expenditures</b>	-	-	-
Revenues over (under) expenditures	-	-	-
<b>Other financing sources (uses)</b>			
<b>Transfers from other funds</b>			
General Fund	-	-	-
Storm Water Capital Reserve Fund	-	234,682	234,682
Total other financing sources (uses)	-	234,682	234,682
Fund balance appropriated	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>234,682</u>	<u>\$ 234,682</u>
Fund balance, beginning		-	
Fund balance, ending		<u>\$ 234,682</u>	

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Capital Projects Fund - GWR ROW/Construction**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

**From Inception and for the Fiscal Year Ended June 30, 2021**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
<b>Revenues</b>					
Restricted intergovernmental	\$ -	\$ 221,684	\$ -	\$ 221,684	\$ 221,684
Investment earnings	-	43,325	140	43,465	43,465
Total revenues	-	265,009	140	265,149	265,149
<b>Expenditures</b>					
Capital outlay	1,563,800	1,093,360	-	1,093,360	470,440
Total expenditures	1,563,800	1,093,360	-	1,093,360	470,440
Revenues over (under) expenditures	(1,563,800)	(828,351)	140	(828,211)	735,589
<b>Other financing sources (uses)</b>					
<b>Transfers from other funds:</b>					
General Fund	596,000	596,000	-	596,000	-
GWR ROW/Construction Capital Reserve Fund	967,000	967,000	-	967,000	-
Total other financing sources (uses)	1,563,000	1,563,000	-	1,563,000	-
Fund balance appropriated	800	-	-	-	(800)
Net change in fund balance	\$ -	\$ 734,649	140	\$ 734,789	\$ 734,789
Fund balance, beginning			734,649		
Fund balance, ending			\$ 734,789		



**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Capital Projects Fund - Jack Warren Park Maintenance Facility/Playground Expansion  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 From Inception and for the Fiscal Year Ended June 30, 2021**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
<b>Revenues</b>					
Investment earnings	\$ -	\$ 1,105	\$ 4	\$ 1,109	\$ 1,109
Total revenues	-	1,105	4	1,109	1,109
<b>Expenditures</b>					
Capital outlay	55,000	35,481	-	35,481	19,519
Total expenditures	55,000	35,481	-	35,481	19,519
Revenues over (under) expenditures	(55,000)	(34,376)	4	(34,372)	20,628
<b>Other financing sources (uses)</b>					
<b>Transfers from other funds:</b>					
Municipal Buildings/Land Capital Projects Fund	55,000	55,000	-	55,000	-
Total other financing sources (uses)	55,000	55,000	-	55,000	-
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 20,624	4	\$ 20,628	\$ 20,628
Fund balance, beginning			20,624		
Fund balance, ending			\$ 20,628		

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Capital Projects Fund - Gateway Project**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

**From Inception and for the Fiscal Year Ended June 30, 2021**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
<b>Revenues</b>					
Grant revenue	\$ -	\$ 310,770	\$ 91,581	\$ 402,351	\$ 402,351
Investment earnings	-	14,231	25	14,256	14,256
Total revenues	-	325,001	91,606	416,607	416,607
<b>Expenditures</b>					
Capital outlay	1,494,680	395,107	121,356	516,463	978,217
Total expenditures	1,494,680	395,107	121,356	516,463	978,217
Revenues over (under) expenditures	(1,494,680)	(70,106)	(29,750)	(99,856)	1,394,824
<b>Other financing sources (uses)</b>					
<b>Transfers from other funds:</b>					
General Fund	1,195,744	-	-	-	(1,195,744)
Lewisville-Vienna Road Sidewalk Extension Grant Capital Projects Fund	172,145	172,145	-	172,145	-
Sidewalks, Bike Paths and Greenways Capital Reserve Fund	125,547	125,547	-	125,547	-
Harper Road Lift Station Capital Projects Fund	1,244	1,244	-	1,244	-
Total other financing sources (uses)	1,494,680	298,936	-	298,936	(1,195,744)
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 228,830	(29,750)	\$ 199,080	\$ 199,080
Fund balance, beginning			228,830		
Fund balance, ending			\$ 199,080		

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Capital Projects Fund - Heritage Drive Regional Storm Water Pond #1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
From Inception and for the Fiscal Year Ended June 30, 2021**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
<b>Revenues</b>					
Investment earnings	\$ -	\$ 1,248	\$ 1	\$ 1,249	\$ 1,249
Total revenues	-	1,248	1	1,249	1,249
<b>Expenditures</b>					
Capital outlay	33,600	26,683	4,444	31,127	2,473
Total expenditures	33,600	26,683	4,444	31,127	2,473
Revenues over (under) expenditures	(33,600)	(25,435)	(4,443)	(29,878)	3,722
<b>Other financing sources (uses)</b>					
<b>Transfers from other funds</b>					
Storm Water Capital Reserve Fund	33,600	33,600	-	33,600	-
<b>Transfers to other funds</b>					
Storm Water Capital Reserve Fund	(3,722)		(3,722)	(3,722)	-
Total other financing sources (uses)	29,878	33,600	(3,722)	29,878	-
Fund balance appropriated	3,722	-	-	-	(3,722)
Net change in fund balance	\$ -	\$ 8,165	(8,165)	\$ -	\$ -
Fund balance, beginning			8,165		
Fund balance, ending			\$ -		

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Capital Projects Fund - Roundabout at Lewisville-Vienna Road and Robinhood Road  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 From Inception and for the Fiscal Year Ended June 30, 2021**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
<b>Revenues</b>					
Investment earnings	\$ -	\$ 3,550	\$ 49	\$ 3,599	\$ 3,599
Total revenues	-	3,550	49	3,599	3,599
<b>Expenditures</b>					
Capital outlay	1,270,000	-	-	-	1,270,000
Total expenditures	1,270,000	-	-	-	1,270,000
Revenues over (under) expenditures	(1,270,000)	3,550	49	3,599	1,273,599
<b>Other financing sources (uses)</b>					
<b>Transfers from other funds:</b>					
General Fund	1,270,000	254,000	-	254,000	(1,016,000)
Total other financing sources (uses)	1,270,000	254,000	-	254,000	(1,016,000)
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 257,550	49	\$ 257,599	\$ 257,599
Fund balance, beginning			257,550		
Fund balance, ending			\$ 257,599		



## **Other Schedules**

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Schedule of Ad Valorem Taxes Receivable

June 30, 2021

Fiscal Year	Uncollected Balance June 30, 2020	Additions	Collections and Credits	Uncollected Balance June 30, 2021
2020-2021	\$ -	\$ 2,548,309	\$ 2,542,591	\$ 5,718
2019-2020	8,970	-	6,148	2,822
2018-2019	3,257	-	1,430	1,827
2017-2018	2,092	-	769	1,323
2016-2017	2,797	-	368	2,429
2015-2016	2,997	-	328	2,669
2014-2015	932	-	97	835
2013-2014	1,176	-	111	1,065
2012-2013	932	-	85	847
2011-2012	2,542	-	78	2,464
2010-2011	3,753	-	3,753	-
	\$ 29,448	\$ 2,548,309	\$ 2,555,758	21,999
				-
				\$ 21,999
<u>Reconciliation with Revenues</u>				
				\$ 2,573,535
				(4,985)
				(16,545)
				3,753
				(17,777)
				\$ 2,555,758

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Analysis of Current Tax Levy

#### Town-Wide Levy

June 30, 2021

	Town-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy					
Property taxed at current rate	\$ 1,420,284,181	\$ 0.177	\$ 2,513,903	\$ 2,212,979	\$ 300,924
Discoveries - Current and prior year taxes	32,077,966	\$ 0.177	56,778	56,778	-
Releases	<u>(12,639,548)</u>	\$ 0.177	<u>(22,372)</u>	<u>(22,372)</u>	<u>-</u>
Total property valuation	<u>\$ 1,439,722,599</u>				
Net levy			2,548,309	2,247,385	300,924
Unpaid (by taxpayer) at June 30, 2021			<u>(5,718)</u>	<u>(5,718)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 2,542,591</u>	<u>\$ 2,241,667</u>	<u>\$ 300,924</u>
Current levy collection percentage			<u>99.78%</u>	<u>99.75%</u>	<u>100.00%</u>

## **Statistical Section**



## Statistical Section

This part of the Town of Lewisville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the Town's overall financial health.

### Contents

**Financial Trends** – These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

**Revenue Capacity** – These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

**Debt Capacity** – These schedules present information to help the reader assess the affordability of the Town's current level of outstanding debt and the Town's ability to issue additional debt in the future.

### Demographic and Economic Information

These schedules help the reader understand the environment within which the Town's financial activities take place.

### Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Net Position by Component**

**Last Ten Fiscal Years**

**(Accrual Basis of Accounting)**

**Schedule 1**

	Fiscal Year				
	2021	2020	2019	2018	2017
Governmental Activities					
Net investment in capital assets	\$ 9,118,422	\$ 8,154,438	\$ 7,750,583	\$ 7,125,647	\$ 7,223,726
Restricted	953,673	1,038,938	909,549	992,877	973,381
Unrestricted	9,859,844	10,074,621	9,587,374	8,640,880	7,681,819
Total governmental activities net position	<u>\$ 19,931,939</u>	<u>\$ 19,267,997</u>	<u>\$ 18,247,506</u>	<u>\$ 16,759,404</u>	<u>\$ 15,878,926</u>

	Fiscal Year				
	2016	2015	2014	2013	2012
Governmental Activities					
Net investment in capital assets	\$ 7,199,929	\$ 5,895,932	\$ 5,215,523	\$ 5,235,180	\$ 5,075,036
Restricted	989,343	1,634,281	892,288	936,457	870,989
Unrestricted	6,921,185	6,467,630	6,955,023	6,390,568	5,750,890
Total governmental activities net position	<u>\$ 15,110,457</u>	<u>\$ 13,997,843</u>	<u>\$ 13,062,834</u>	<u>\$ 12,562,205</u>	<u>\$ 11,696,915</u>

# TOWN OF LEWISVILLE, NORTH CAROLINA

## Changes in Net Position

### Last Ten Fiscal Years

(Accrual Basis of Accounting)

Schedule 2

	Fiscal Year				
	2021	2020	2019	2018	2017
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 1,237,921	\$ 1,228,361	\$ 1,216,653	\$ 1,081,813	\$ 1,025,807
Public works	1,928,082	1,821,310	1,912,092	1,678,658	1,667,179
Planning	196,793	167,653	136,217	159,518	149,045
Parks and recreation	205,165	232,562	239,533	261,365	245,620
Public safety	656,398	620,797	599,102	583,362	546,202
Interest on long-term debt	32,342	15,223	20,058	24,891	29,727
Total expenses	4,256,701	4,085,906	4,123,655	3,789,607	3,663,580
<b>Program Revenues</b>					
Governmental activities:					
Charges for services					
Public works	500	13,015	-	-	-
Planning	11,255	19,350	9,785	7,375	7,645
Parks and recreation	-	4,513	6,355	7,980	6,924
Operating grants and contributions	347,424	500,300	358,916	360,642	361,733
Capital grants and contributions	91,581	178,339	779,431	24,597	67,094
Total program revenues	450,760	715,517	1,154,487	400,594	443,396
<b>Net (Expense)/Revenue</b>	<b>(3,805,941)</b>	<b>(3,370,389)</b>	<b>(2,969,168)</b>	<b>(3,389,013)</b>	<b>(3,220,184)</b>
<b>General Revenues</b>					
Governmental activities:					
Taxes					
Property taxes	2,603,728	2,510,252	2,486,864	2,424,805	2,264,797
Local option sales taxes	924,367	853,341	833,100	770,309	757,868
Other taxes	698,623	711,772	770,187	770,859	769,550
Other	243,165	315,515	367,119	303,518	196,438
Total general revenues	4,469,883	4,390,880	4,457,270	4,269,491	3,988,653
<b>Change in Net Position</b>	<b>\$ 663,942</b>	<b>\$ 1,020,491</b>	<b>\$ 1,488,102</b>	<b>\$ 880,478</b>	<b>\$ 768,469</b>

continued

# TOWN OF LEWISVILLE, NORTH CAROLINA

## Changes in Net Position

### Last Ten Fiscal Years

(Accrual Basis of Accounting)

Schedule 2

	Fiscal Year				
	2016	2015	2014	2013	2012
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 1,005,308	\$ 1,079,253	\$ 1,046,683	\$ 1,053,173	\$ 1,012,936
Public works	1,802,150	1,766,003	1,699,946	1,432,703	1,817,363
Planning	154,287	139,310	126,574	117,030	117,361
Parks and recreation	239,360	224,378	215,543	202,023	203,504
Public safety	510,417	495,350	454,942	451,896	405,408
Interest on long-term debt	35,522	42,777	49,065	78,747	88,669
Total expenses	<u>3,747,044</u>	<u>3,747,071</u>	<u>3,592,753</u>	<u>3,335,572</u>	<u>3,645,241</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services					
Public works	-	-	-	-	-
Planning	3,715	1,840	3,780	2,660	5,190
Parks and recreation	7,206	7,272	16,516	11,593	11,897
Operating grants and contributions	367,956	366,144	363,371	351,383	342,001
Capital grants and contributions	524,914	550,893	-	-	58,407
Total program revenues	<u>903,791</u>	<u>926,149</u>	<u>383,667</u>	<u>365,636</u>	<u>417,495</u>
<b>Net (Expense)/Revenue</b>	<u>(2,843,253)</u>	<u>(2,820,922)</u>	<u>(3,209,086)</u>	<u>(2,969,936)</u>	<u>(3,227,746)</u>
<b>General Revenues</b>					
Governmental activities:					
Taxes					
Property taxes	2,227,096	2,188,558	2,235,387	2,358,788	2,337,360
Local option sales taxes	749,667	718,672	670,731	681,564	668,670
Other taxes	771,482	776,175	694,183	674,260	658,839
Other	207,622	138,977	109,414	120,614	111,613
Total general revenues	<u>3,955,867</u>	<u>3,822,382</u>	<u>3,709,715</u>	<u>3,835,226</u>	<u>3,776,482</u>
<b>Change in Net Position</b>	<u>\$ 1,112,614</u>	<u>\$ 1,001,460</u>	<u>\$ 500,629</u>	<u>\$ 865,290</u>	<u>\$ 548,736</u>



**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Fund Balances of Governmental Funds**

**Last Ten Fiscal Years**

(Modified Accrual Basis of Accounting)

*Schedule 3*

	Fiscal Year				
	2021	2020	2019	2018	2017
<b>General Fund</b>					
Restricted	\$ 918,731	\$ 1,032,296	\$ 906,522	\$ 992,571	\$ 944,521
Committed	-	534,481	432,849	328,986	263,501
Assigned	425,954	230,510	75,505	99,373	58,416
Unassigned	4,823,179	5,991,906	5,699,090	5,405,088	4,362,069
Total general fund	6,167,864	7,789,193	7,113,966	6,826,018	5,628,507
<b>All Other Governmental Funds</b>					
Restricted	34,942	6,642	3,027	306	28,860
Committed	4,745,389	3,384,902	3,416,383	2,827,142	3,014,944
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	4,780,331	3,391,544	3,419,410	2,827,448	3,043,804
<b>Total</b>	<b>\$ 10,948,195</b>	<b>\$ 11,180,737</b>	<b>\$ 10,533,376</b>	<b>\$ 9,653,466</b>	<b>\$ 8,672,311</b>

	2016	2015	2014	2013	2012
<b>General Fund</b>					
Restricted	\$ 904,600	\$ 1,077,518	\$ 892,042	\$ 934,579	\$ 870,370
Committed	237,395	211,875	441,726	511,004	485,773
Assigned	56,870	49,840	51,410	-	-
Unassigned	3,887,471	3,468,250	4,537,398	4,069,346	3,384,764
Total general fund	5,086,336	4,807,483	5,922,576	5,514,929	4,740,907
<b>All Other Governmental Funds</b>					
Restricted	84,743	556,763	246	1,878	619
Committed	2,745,741	2,777,191	1,935,082	1,807,729	1,851,117
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	2,830,484	3,333,954	1,935,328	1,809,607	1,851,736
<b>Total</b>	<b>\$ 7,916,820</b>	<b>\$ 8,141,437</b>	<b>\$ 7,857,904</b>	<b>\$ 7,324,536</b>	<b>\$ 6,592,643</b>

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

*Schedule 4*

	Fiscal Year				
	2021	2020	2019	2018	2017
<b>Revenues</b>					
Ad valorem taxes	\$ 2,611,194	\$ 2,510,123	\$ 2,488,852	\$ 2,428,349	\$ 2,270,001
Other taxes and licenses	-	-	28,252	35,893	33,579
Unrestricted intergovernmental	1,818,566	1,723,949	1,703,311	1,618,089	1,599,106
Restricted intergovernmental	468,418	714,713	536,815	427,498	468,304
Investment earnings	1,080	119,176	184,112	92,135	23,265
Miscellaneous	28,850	38,307	25,400	71,664	43,001
<b>Total revenues</b>	<b>4,928,108</b>	<b>5,106,268</b>	<b>4,966,742</b>	<b>4,673,628</b>	<b>4,437,256</b>
<b>Expenditures</b>					
General government	1,069,240	1,052,471	1,003,369	930,331	861,327
Public works	1,801,037	1,732,329	1,821,108	1,592,046	1,581,719
Planning	191,465	162,688	136,348	157,195	156,282
Parks and recreation	114,675	131,741	138,712	160,879	145,601
Public safety	656,398	620,797	599,102	583,362	546,202
Debt service					
Interest and other charges	3,978	15,713	20,548	25,382	30,217
Principal	466,672	186,666	186,666	186,666	186,666
Capital outlay	2,857,185	556,502	180,979	56,612	173,751
<b>Total expenditures</b>	<b>7,160,650</b>	<b>4,458,907</b>	<b>4,086,832</b>	<b>3,692,473</b>	<b>3,681,765</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>(2,232,542)</b>	<b>647,361</b>	<b>879,910</b>	<b>981,155</b>	<b>755,491</b>
<b>Other financing sources (uses)</b>					
Transfers from other funds	3,113,166	812,200	675,000	1,075,312	597,618
Transfers to other funds	(3,113,166)	(812,200)	(675,000)	(1,075,312)	(597,618)
Proceeds from financing agreement	2,000,000	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (232,542)</b>	<b>\$ 647,361</b>	<b>\$ 879,910</b>	<b>\$ 981,155</b>	<b>\$ 755,491</b>
Debt service as a percentage of noncapital expenditures	10.94%	5.19%	5.31%	5.83%	6.18%

*continued*

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Changes in Fund Balances of Governmental Funds

#### Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

*Schedule 4*

	Fiscal Year				
	2016	2015	2014	2013	2012
<b>Revenues</b>					
Ad valorem taxes	\$ 2,229,238	\$ 2,191,391	\$ 2,240,351	\$ 2,358,321	\$ 2,345,514
Other taxes and licenses	28,021	28,920	26,593	28,263	26,916
Unrestricted intergovernmental	1,597,024	1,530,936	1,390,374	1,379,067	1,340,581
Restricted intergovernmental	830,917	950,782	394,406	387,378	436,494
Investment earnings	13,243	1,321	705	2,823	3,966
Miscellaneous	63,944	48,013	45,918	44,544	48,659
<b>Total revenues</b>	<b>4,762,387</b>	<b>4,751,363</b>	<b>4,098,347</b>	<b>4,200,396</b>	<b>4,202,130</b>
<b>Expenditures</b>					
General government	880,782	935,378	865,310	834,916	823,649
Public works	1,743,648	1,738,772	1,650,734	1,396,541	1,855,617
Planning	156,609	144,156	156,163	116,144	116,547
Parks and recreation	140,093	126,026	117,562	106,027	115,936
Public safety	510,417	495,350	454,942	451,897	405,408
Debt service					
Interest and other charges	36,260	43,512	49,555	82,110	89,409
Principal	279,999	279,999	186,666	186,667	186,667
Capital outlay	1,239,196	704,637	84,047	294,201	627,770
<b>Total expenditures</b>	<b>4,987,004</b>	<b>4,467,830</b>	<b>3,564,979</b>	<b>3,468,503</b>	<b>4,221,003</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>(224,617)</b>	<b>283,533</b>	<b>533,368</b>	<b>731,893</b>	<b>(18,873)</b>
<b>Other financing sources (uses)</b>					
Transfers from other funds	400,634	1,941,578	210,000	240,337	1,417,720
Transfers to other funds	(400,634)	(1,941,578)	(210,000)	(240,337)	(1,417,720)
Proceeds from financing agreement	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (224,617)</b>	<b>\$ 283,533</b>	<b>\$ 533,368</b>	<b>\$ 731,893</b>	<b>\$ (18,873)</b>
 Debt service as a percentage of noncapital expenditures	 8.44%	 8.60%	 6.79%	 8.50%	 7.84%



**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**

*Schedule 5*

Fiscal Year Ended June 30	Tax Year Ended December 31	Real Property	Personal Property	Public Service Companies	Total Assessed Value	Property Tax Rate (Per \$100 Assessed Value)	Ratio of Assessed Value to Estimated Actual Value
2021	2020	\$ 1,234,195,036	\$ 179,583,454	\$ 18,315,358	\$ 1,432,093,848	0.177	100%
2020	2019	1,212,725,080	176,554,947	18,818,781	1,408,098,808	0.177	100%
2019	2018	1,198,711,678	167,092,214	18,462,243	1,384,266,135	0.177	100%
2018	2017	1,175,454,913	155,271,324	16,732,981	1,347,459,218	0.177	100%
2017	2016	1,089,190,989	150,413,497	16,114,682	1,255,719,168	0.177	100%
2016	2015	1,074,660,918	147,385,322	12,013,277	1,234,059,517	0.177	100%
2015	2014	1,061,634,550	142,288,931	12,013,277	1,215,936,758	0.177	100%
2014	2013	1,055,272,908	129,358,791	12,386,287	1,197,017,986	0.177	100%
2013	2012	1,162,525,518	134,753,619	12,068,961	1,309,348,098	0.177	100%
2012	2011	1,156,635,029	128,007,613	11,933,530	1,296,576,172	0.177	100%

*Source: TR-1 reports compiled by the Forsyth County Tax Department on a calendar year basis to meet reporting requirements of the Tax Research Division of the North Carolina Department of Revenue.*

*Assessed value is established by the Forsyth County Tax Department at 100% of estimated market value.*



## TOWN OF LEWISVILLE, NORTH CAROLINA

### Property Tax Rates

#### Direct and Overlapping Governments

#### Last Ten Fiscal Years

*Schedule 6*

Fiscal Year Ended June 30	(1)	(2)	(3)	Combined Tax Rate	(4)
	Town of Lewisville General Fund	Forsyth County	Lewisville Fire District		Municipal Service District
2021	\$ 0.1770	\$ 0.7435	\$ 0.0873	\$ 1.0078	\$ 0.0500
2020	0.1770	0.7535	0.0873	1.0178	0.0500
2019	0.1770	0.7235	0.0836	0.9841	0.0450
2018	0.1770	0.7235	0.0800	0.9805	0.0450
2017	0.1770	0.7310	0.0800	0.9880	0.0450
2016	0.1770	0.7310	0.0800	0.9880	0.0450
2015	0.1770	0.7168	0.0780	0.9718	0.0500
2014	0.1770	0.7168	0.0780	0.9718	0.0500
2013	0.1770	0.7168	0.0740	0.9678	0.0500
2012	0.1770	0.6740	0.0600	0.9110	0.0500

All tax rates are expressed in dollars of tax per \$100 of assessed valuation.

(1) Town of Lewisville tax rate is for general fund only. Municipalities set their own direct rate. This rate, combined with the county rate and any applicable fire tax district rate is the total overlapping tax rate.

(2) Forsyth County has a unified tax rate.

(3) The Forsyth County Board of Commissioners sets each fire tax district.

(4) Lewisville Municipal Service District is a separate fund. The tax rate is set by Municipal Council but only applies to those in that special district.

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

*Schedule 7*

Taxpayer	2021			2012		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Kaplan Partners	\$ 20,653,503	1	1.44%	\$ 24,561,420	1	1.89%
Duke Energy Corp	14,249,831	2	1.00%	5,514,850	5	0.43%
US Bank National Association	7,432,819	3	0.52%	-		
Yopp Properties, LLC	6,176,000	4	0.43%	5,012,400	6	0.39%
Kent Corporation	4,816,599	5	0.34%	4,135,900	8	0.32%
WLM Stone Point, LLC	4,698,486	6	0.33%	4,667,990	7	0.36%
Daleco NC Inc	3,485,299	7	0.24%	-		
Vienna Villiage, Inc.	3,408,175	8	0.24%	-		
Millgent Properties, LLC	3,308,000	9	0.23%	-		
Mark A. Lyerly	3,081,915	10	0.22%	3,748,200	9	0.28%
Gemini Lewisville Commons LLC	-			9,887,100	2	0.76%
Windstream North Carolina Inc	-			5,520,790	4	0.43%
Greenwood Developers, Inc.	-			3,531,880	10	0.27%
Time Warner Entertainment	-			5,619,550	3	0.43%
	<u>\$ 71,310,627</u>		<u>4.98%</u>	<u>\$ 72,200,080</u>		<u>5.56%</u>

Source: Annual Tax Scroll from Forsyth County Tax Department and TR-1 Reports

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Property Tax Levies and Collections Last Ten Fiscal Years

Schedule 8

Fiscal Year Ended June 30	Collected within the Fiscal Year of the Levy			Collection on Prior Years' Levies	Total Collections to Date	
	Total Tax Levy for Fiscal Year	Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2021	\$ 2,548,309	\$ 2,542,591	99.78%	\$ -	\$ 2,542,591	99.78%
2020	2,477,262	2,468,292	99.64%	6,148	2,474,440	99.89%
2019	2,451,406	2,443,795	99.69%	5,784	2,449,579	99.93%
2018	2,390,255	2,381,218	99.62%	7,714	2,388,932	99.94%
2017	2,232,149	2,222,896	99.59%	6,824	2,229,720	99.89%
2016	2,193,078	2,180,617	99.43%	9,792	2,190,409	99.88%
2015	2,157,381	2,143,231	99.34%	13,315	2,156,546	99.96%
2014	2,197,203	2,173,364	98.92%	22,774	2,196,138	99.95%
2013	2,321,461	2,292,530	98.75%	28,084	2,320,614	99.96%
2012	2,298,287	2,269,669	98.75%	26,154	2,295,823	99.89%

A revaluation of all property is required every eight (8) years by State statute. Real property was revalued on January 1, 2009, 2013, 2017 and 2021.

Source: Forsyth County Tax Department

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

*Schedule 9*

Fiscal Year	Installment Purchase	Percentage of Personal Income	Population	Debt per Capita
2021	\$ 2,000,000	0.36%	13,406	149.19
2020	466,672	0.09%	13,392	34.85
2019	653,338	0.12%	13,357	48.91
2018	840,004	0.17%	13,232	63.48
2017	1,026,670	0.21%	13,120	78.25
2016	1,213,336	0.26%	13,046	93.00
2015	1,493,335	0.32%	13,015	114.74
2014	1,773,334	0.42%	12,910	137.36
2013	1,960,000	0.49%	12,810	153.01
2012	2,146,667	0.53%	12,774	168.05

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

*Percentage of personal income based on Schedule 12 Demographic and Economic Statistics.*



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2021**

*Schedule 10*

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable</b>	<b>Amount Applicable to Primary Government</b>
<i>Debt repaid with property taxes</i>			
Forsyth County	\$ 813,419,182	3.73%	\$ 30,340,535
Subtotal, overlapping debt			30,340,535
Town of Lewisville direct debt			2,000,000
Total direct and overlapping debt			\$ 32,340,535

*Source: Forsyth County Finance Department and Town of Lewisville Finance Department*

*Overlapping governments are those that coincide, at least in part, with geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt by those overlapping governments that is borne by the property taxpayers of the Town of Lewisville. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.*

*The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the Town's taxable assessed value which is within Forsyth County's boundaries and dividing it by the County's total taxable assessed value.*

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Legal Debt Margin Information  
Last Ten Fiscal Years**

*Schedule 11*

**Legal Debt Margin Calculation for Fiscal Year 2021**

Assessed value	<u>\$ 1,439,722,599</u>
Debt limit (8% of assessed value)	115,177,808
Debt applicable to limit:	
Financing agreement	<u>2,000,000</u>
Legal debt margin	<u>\$ 113,177,808</u>

	<b>Fiscal Year</b>				
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Debt limit	\$ 115,177,808	\$ 111,966,644	\$ 110,798,011	\$ 108,034,124	\$ 100,888,090
Total debt applicable to limit	<u>2,000,000</u>	<u>466,672</u>	<u>653,338</u>	<u>840,004</u>	<u>1,026,670</u>
Legal debt margin	<u>\$ 113,177,808</u>	<u>\$ 111,499,972</u>	<u>\$ 110,144,673</u>	<u>\$ 107,194,120</u>	<u>\$ 99,861,420</u>
Total debt applicable to the limit as a percentage of debt limit	<u>1.74%</u>	<u>0.42%</u>	<u>0.59%</u>	<u>0.78%</u>	<u>1.02%</u>

	<b>Fiscal Year</b>				
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Debt limit	\$ 99,122,170	\$ 97,508,746	\$ 99,129,356	\$ 104,687,412	\$ 103,648,000
Total debt applicable to limit	<u>1,213,336</u>	<u>1,493,335</u>	<u>1,773,334</u>	<u>1,960,000</u>	<u>2,146,667</u>
Legal debt margin	<u>\$ 97,908,834</u>	<u>\$ 96,015,411</u>	<u>\$ 97,356,022</u>	<u>\$ 102,727,412</u>	<u>\$ 101,501,333</u>
Total debt applicable to the limit as a percentage of debt limit	<u>1.22%</u>	<u>1.53%</u>	<u>1.79%</u>	<u>1.87%</u>	<u>2.07%</u>

Source: Assessed values from Forsyth County tax office

## TOWN OF LEWISVILLE, NORTH CAROLINA

### Demographic and Economic Statistics

Last Ten Fiscal Years

*Schedule 12*

Fiscal Year	(1) Town of Lewisville Population	(2) Town of Lewisville Personal Income	(2) Town of Lewisville Per Capita Personal Income	(3) Forsyth County Unemployment Rate
2021	13,406	\$ 558,775,486 *	\$ 41,681 *	5.00%
2020	13,392	548,871,120 *	40,985 *	8.10%
2019	13,357	539,542,658 *	40,394 *	4.40%
2018	13,232	490,166,208 *	37,044 *	4.20%
2017	13,120	496,001,600 *	37,805 *	4.20%
2016	13,046	466,277,086 *	35,741 *	5.10%
2015	13,015	465,169,115 *	35,741 *	6.00%
2014	12,910	423,228,530 *	32,783 *	6.30%
2013	12,810	402,374,910 *	31,411 *	8.80%
2012	12,774	402,764,220 *	31,530 *	9.00%

Sources: (1) State of North Carolina Office of State Budget and Management  
 (2) Piedmont Triad Regional Council Regional Data Center and  
 U.S. Census Bureau  
 (3) North Carolina Department of Commerce

\* Personal income based on 2010 Census

**TOWN OF LEWISVILLE, NORTH CAROLINA**

**Principal Employers**

Current Year and Nine Years Ago

*Schedule 13*

Employer	2021			2012		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Kaplan Early Learning Company	345	1	n/a	250	2	n/a
Forsyth Country Day School	297	2	n/a	259	1	n/a
Lowe's Foods	97	3	n/a	106	3	n/a
Food Lion	70	4	n/a	54	5	n/a
Lewisville Middle School	70	5	n/a			
Lewisville Elementary School	65	6	n/a	87	4	n/a
	<u>944</u>			<u>756</u>		

Source: Employee data provided by the human resource department of each employer.



**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Full-Time Equivalent Employees by Function**  
**Last Ten Fiscal Years**

*Schedule 14*

Function	Full-Time Equivalent Employees as of June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Management services	1	1	1	1	1	1	1	1	1	1
Finance	2	2	2	2	2	2	2	2	2	2
Planning	1	1	1	1	1	1	1	1	1	1
Public works	3	3	3	3	3	3	4	4	4	4
Administration	2	2	2	2	2	2	3	3	3	3
<b>Total</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>

*Source: Town of Lewisville Finance Department*

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

*Schedule 15*

Function/Program	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Public Works										
Street resurfacing (miles)	1.1300	1.9600	2.0320	1.2152	1.8000	2.5330	2.6820	2.9200	1.7500	3.8500
Planning										
Developer fees	\$ 11,255	\$ 19,350	\$ 9,785	\$ 7,375	\$ 7,645	\$ 3,715	\$ 1,840	\$ 3,780	\$ 2,660	\$ 5,190
Storm water review fees	\$ 500	\$ 13,015	\$ -	\$ 800	\$ 100	\$ -	\$ -	\$ -	\$ 600	\$ 600
Parks and Recreation										
Facility rentals	0	64	96	111	104	104	83	87	68	85

*Source: Town of Lewisville Finance Department, Public Works Department, and Planning Department*

**TOWN OF LEWISVILLE, NORTH CAROLINA**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

*Schedule 16*

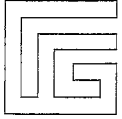
Function	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Police *	6	6	6	6	6	6	6	6	6	5
Streets										
Streets (miles) total	108.30	106.74	105.74	105.74	105.74	105.74	105.61	106.64	106.64	106.20
Streets (miles) town maintained	56.69	56.69	56.43	56.43	56.43	56.43	56.34	55.48	56.34	55.40
Streetlights	155	155	155	155	155	155	155	123	123	123
Parks and recreation										
Playgrounds	2	2	2	2	2	2	2	2	2	2
Community centers	1	1	1	1	1	1	1	1	1	1
Public works										
Vehicles	3	2	2	2	2	2	2	2	2	2

\* Police are contracted services from Forsyth County.

Sources: Various departments in the Town of Lewisville

## **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 Auditor's Report

To the Honorable Mayor  
and Members of the Town Council  
Town of Lewisville, 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 accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Lewisville, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Lewisville's basic financial statements, and have issued our report thereon dated October 25, 2021.

Internal Control Over Financial Reporting

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

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Lewisville'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.

A handwritten signature in black ink that reads "Gibson & Company, P.A." in a cursive script.

Winston-Salem, North Carolina  
October 25, 2021