

REVIEWED

By SLGFD at 12:03 pm, Jun 30, 2022

**TOWN OF ASKEWVILLE
ASKEWVILLE, NORTH CAROLINA**

JUNE 30, 2021

Town Council Members

Gloria Bryant, Mayor

Michael Baker

Kaye W. Brantley

Carla Pesce

Administrative and Financial Staff

Wendy P White, Clerk & Finance Officer

TOWN OF ASKEWVILLE, NORTH CAROLINA
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FINANCIAL SECTION

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Independent Auditor's Report

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Askewville, North Carolina as of June 30, 2021, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Johnson, McLean & Company

April 28, 2022

Management's Discussion and Analysis

As management of the Town of Askewville, we offer readers of the Town of Askewville's financial statements this narrative overview and analysis of the financial activities of the Town of Askewville 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

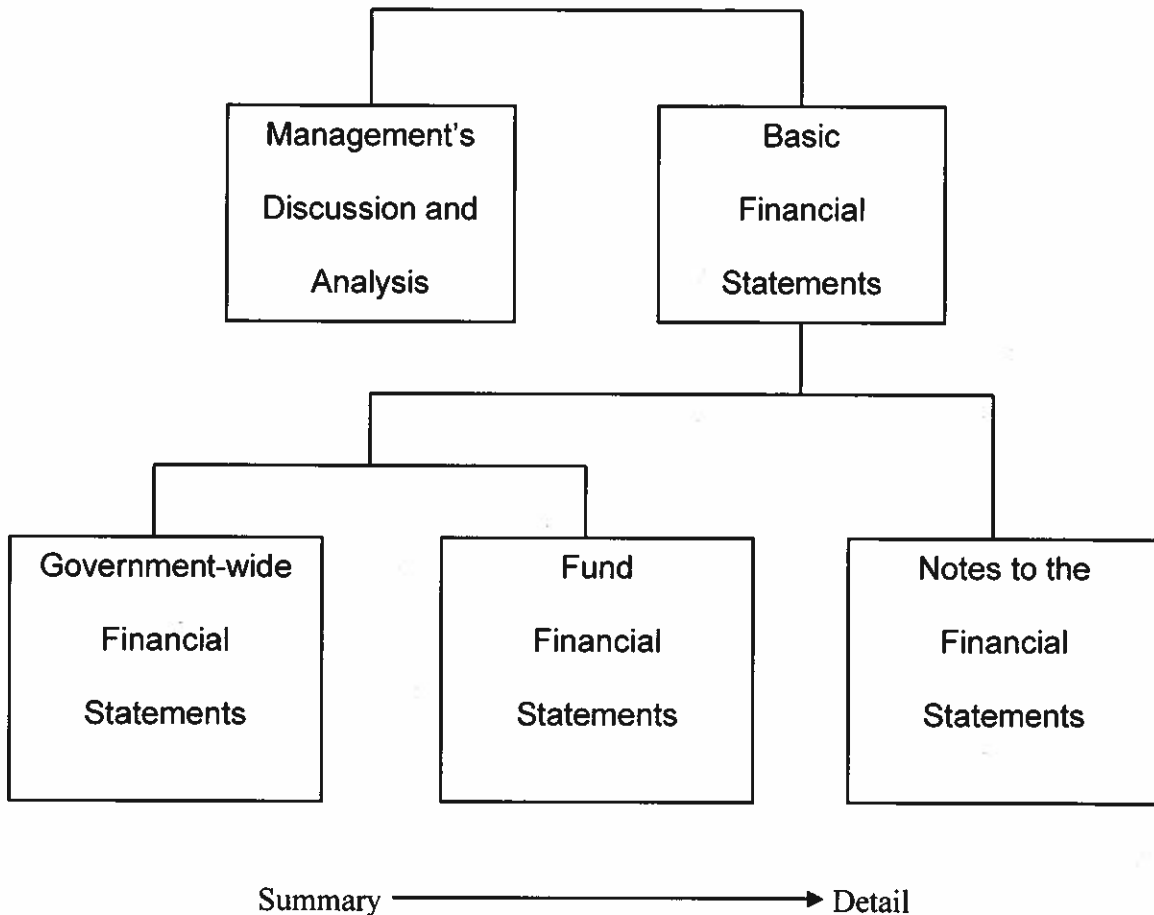
- The assets of the Town of Askewville exceeded its liabilities at the close of the fiscal year by \$2,871,393 (*net position*).
- The government's total net position decreased by \$78,343. The governmental activities net position increased by \$19,461 and net position decreased \$97,804 for the business-type activities.
- As of the close of the current fiscal year, the Town of Askewville's governmental funds reported combined ending fund balances of \$342,992 an increase of \$22,136 in comparison with the prior year. Approximately 46 percent of this total amount or \$157,289 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$157,289, or 176 percent of total general fund expenditures for the fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town of Askewville'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 Askewville.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

The next statements (Exhibits C through H) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Town's

Management Discussion and Analysis

Town of Askewville

individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

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

The two government-wide statements report the Town's net position and how they have changed. Net position is the difference between the Town's total assets and total liabilities. Measuring net position is one way to gauge the Town's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the Town's charges customers to provide. These include the water and sewer services offered by the Town of Askewville.

The government-wide financial statements are on Exhibits A and B of this report.

Fund Financial Statements

The fund financial statements (see Figure 2) 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 Askewville, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of Town of Askewville can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Town's programs. The relationship between government activities (reported in the Statement of Net position and

Management Discussion and Analysis
Town of Askewville

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

The Town of Askewville 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's, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

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

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

Management Discussion and Analysis
Town of Askewville

Government-Wide Financial Analysis

The Town of Askewville's Net Position

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current assets	\$ 361,401	\$ 337,244	\$ 107,331	\$ 112,586	\$ 468,732	\$ 449,830
Capital assets	22,554	25,134	2,410,522	2,503,422	2,433,076	2,528,556
Total assets	383,955	362,378	2,517,853	2,616,008	2,901,808	2,978,386
Long-term liabilities outstanding	-	-	-	-	-	-
Other liabilities	18,003	15,887	12,412	12,763	30,415	28,650
Total liabilities	18,003	15,887	12,412	12,763	30,415	28,650
Deferred inflows of resources:						
Prepaid Taxes	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Net Position:						
Invested in capital assets, net of related debt	22,554	25,134	2,410,522	2,503,422	2,433,076	2,528,556
Restricted	39,896	45,108	-	-	39,896	45,108
Unrestricted	303,502	276,249	94,919	99,823	398,421	376,072
Total net position	\$ 365,952	\$ 346,491	\$ 2,505,441	\$ 2,603,245	\$ 2,871,393	\$ 2,949,736

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the Town of Askewville exceeded liabilities by \$2,871,393 as of June 30, 2021. The Town's net position decreased by \$78,343 for the fiscal year ended June 30, 2021. However, the greatest portion (84.7%) reflects the Town's investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt still outstanding that was issued to acquire those items. The Town of Askewville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Askewville's 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 Askewville net position (1.4%) represents resources that are subject to external restrictions in how they may be used. The remaining balance of the Town of Askewville's net position \$398,421 (13.9%) is unrestricted.

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

- Continued low amounts of debt for the Town.

Management Discussion and Analysis
Town of Askewville

Town of Askewville Changes in Net position

Figure 2

	Governmental Activities		Governmental Activities		Business Type Activities		Business Type Activities		Total	Total
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues:										
Program revenues:										
Charges for services	\$ -	\$ -	\$ 51,069	\$ 50,733	\$ 51,069	\$ 50,733				
Operating grants and contributions	7,618	8,046	-	-	-	-	7,618	8,046		
Capital grants and contributions	-	-	-	-	-	-	-	-		
General revenues:										
Property taxes	31,103	22,520	-	-	-	-	31,103	22,520		
Other taxes	72,232	64,247	-	-	-	-	72,232	64,247		
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-		
Other	246	528	1	5	-	-	247	533		
Total revenues	111,199	95,341	51,070	50,738	51,070	50,738	162,269	146,079		
Expenses:										
General government	64,294	43,613	-	-	-	-	64,294	43,613		
Public safety	3,176	3,178	-	-	-	-	3,176	3,178		
Transportation	20,370	23,978	-	-	-	-	20,370	23,978		
Environmental Protection	1,250	7,648	-	-	-	-	1,250	7,648		
Culture and recreation	2,648	2,936	-	-	-	-	2,648	2,936		
Interest on long-term debt	-	-	-	-	-	-	-	-		
Sewer	-	-	148,874	141,331	148,874	141,331	-	-		
Total expenses	91,738	81,353	148,874	141,331	148,874	141,331	240,612	222,684		
Increase in net position before transfers	19,461	13,988	(97,804)	(90,593)	(97,804)	(90,593)	(78,343)	(76,605)		
Transfers	-	-	-	-	-	-	-	-		
Increase (decrease) in net position	19,461	13,988	(97,804)	(90,593)	(97,804)	(90,593)	(78,343)	(76,605)		
Net position, July 1	346,491	332,503	2,603,245	2,693,838	2,603,245	2,693,838	2,949,736	3,026,341		
Net position, June 30	\$ 365,952	\$ 346,491	\$ 2,505,441	\$ 2,603,245	\$ 2,505,441	\$ 2,603,245	\$ 2,871,393	\$ 2,949,736		

Governmental activities - Governmental activities increased the Town's net position by \$19,461. Revenues were \$15,858 more than the previous year. Expenses were \$10,385 more than the previous year mainly due to increases in general government and transportation.

Business-type activities: Business-type activities decreased the Town of Askewville's net position by \$97,804. The Town currently does not recover depreciation in its sewer rate.

Management Discussion and Analysis
Town of Askewville

Financial Analysis of the Town's Funds

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

Governmental Funds. The focus of the Town of Askewville'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 Askewville's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the Town of Askewville. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$157,289, while total fund balance reached \$342,992. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 176 percent of total General Fund expenditures and 385 percent of total fund balance.

At June 30, 2021, the governmental funds of Town of Askewville reported a combined fund balance of \$342,992, an increase of \$22,136 (6.9%) over last year.

General Fund Budgetary Highlights: During the fiscal year, the Town revised the budget. Generally, when budget amendments are made they 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.

Total revenues were \$11,644 over budget. Total expenditures were \$63,992 under budget and the Town had total revenue over total expenditures of \$22,136.

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water and Sewer Fund at the end of the fiscal year amounted to \$94,919. The total decrease in net position was \$97,804. Other factors concerning the finances of these two funds have already been addressed in the discussion of the Town's business-type activities.

Management Discussion and Analysis
Town of Askewville

Capital Asset and Debt Administration

Capital assets. The Town of Askewville's investment in capital assets for its governmental and business-type activities as of June 30, 2021, totals \$2,433,076 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery, equipment, and vehicles.

The Town had did not have any acquisitions or disposals of capital assets during the year.

Town of Askewville's Capital Assets

Figure 3

(net of depreciation)

	Governmental Activities 2021	Governmental Activities 2020	Business-type Activities 2021	Business-type Activities 2020	Total 2021	Total 2020
Land	\$ 12,798	\$ 12,798	\$ 18,000	18,000	30,798	30,798
Machinery and equipment	9,758	12,338	75	364	9,833	12,702
Vehicles and motorized equipment	(2)	(2)	-	-	(2)	(2)
Plant and distribution systems	-	-	2,392,447	2,485,058	2,392,447	2,485,058
Total	\$ 22,554	\$ 25,134	\$ 2,410,522	\$ 2,503,422	\$ 2,433,076	\$ 2,528,556

Additional information on the Town's capital assets can be found in notes of the Basic Financial Statements.

Long-term Debt. As of June 30, 2021, the Town of Askewville did not have any bonds outstanding.

Management Discussion and Analysis

Town of Askewville

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Town of Askewville is \$1,226,540. The Town has \$ 0 in bonds authorized but un-issued at June 30, 2021.

Economic Factors and Next Year's Budgets and Rates

The following indicators reflect Askewville and the surrounding area economic condition.

- No significant jobs have been created and Askewville has no industry.

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities: The property tax rate remained at 20 cents per \$100 valuation. The General Fund budget was set at \$145,806.

Proprietary Activities: The Sewer Fund budget was set at \$63,400.

Requests for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Town Clerk, Town of Askewville, P.O. Box 655, Windsor, NC, (252) 794-0563.

BASIC FINANCIAL STATEMENTS

Town of Askewville, North Carolina
Statement of Net Position
June 30, 2021

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 314,657	\$ 108,557	\$ 423,214
Restricted cash	28,631	-	28,631
Taxes receivables (net)	356	-	356
Accrued interest receivable on taxes	51	-	51
Accounts receivable (net)	11,265	5,215	16,480
Internal balances	6,441	(6,441)	-
Total current assets	361,401	107,331	468,732
Capital assets (Note 1):			
Land, non-depreciable improvements	12,798	18,000	30,798
Other capital assets, net of depreciation	9,756	2,392,522	2,402,278
Total capital assets	22,554	2,410,522	2,433,076
Total assets	383,955	2,517,853	2,901,808
LIABILITIES			
Current liabilities:			
Accounts payable	18,003	2,812	20,815
Customer deposits	-	9,600	9,600
Total liabilities	18,003	12,412	30,415
DEFERRED INFLOWS OF RESOURCES			
Prepaid taxes	-	-	-
Total deferred inflows of resources	-	-	-
NET Position			
Net Investment in capital assets	22,554	2,410,522	2,433,076
Restricted			
Stabilization by state statute	11,265	-	11,265
Streets	28,631	-	28,631
Unrestricted	303,502	94,919	398,421
Total net position	\$ 365,952	\$ 2,505,441	\$ 2,871,393

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

Town of Askewville, North Carolina
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental Activities:							
General government	\$ 64,294	\$ -	\$ -	\$ -	(64,294)	\$ -	(64,294)
Public safety	3,176	-	-	-	(3,176)	-	(3,176)
Transportation	20,370	-	7,618	-	(12,752)	-	(12,752)
Environmental protection	1,250	-	-	-	(1,250)	-	(1,250)
Cultural and recreation	2,648	-	-	-	(2,648)	-	(2,648)
Total governmental activities (See Note 1)	91,738	-	7,618	-	(84,120)	-	(84,120)
Business-type activities:							
Sewer	148,874	51,069	-	-	-	(97,805)	(97,805)
Total business-type activities	148,874	51,069	-	-	-	(97,805)	(97,805)
Total primary government	\$ 240,612	\$ 51,069	\$ 7,618	\$ -	(84,120)	(97,805)	(181,925)
General revenues:							
Taxes:							
Property taxes, levied for general purpose					31,103	-	31,103
Other taxes					72,232	-	72,232
Unrestricted investment earnings					174	-	174
Miscellaneous					72	1	73
Total general revenues, special items, and transfers					103,581	1	103,582
Change in net position					19,461	(97,804)	(78,343)
Net position-beginning					346,491	2,603,245	2,949,736
Net position-ending					\$ 365,952	\$ 2,505,441	\$ 2,871,393

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

Town of Askewville, North Carolina
Balance Sheet
Governmental Funds
June 30, 2021

	<u>Major Funds</u>		
	<u>General</u>	<u>Non-Major Funds</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 314,657	\$ -	\$ 314,657
Restricted cash	28,631	-	28,631
Receivables, net:			
Taxes	356	-	356
Accounts	11,265	-	11,265
Due from other funds	6,441	-	6,441
Total assets	<u>361,350</u>	<u>-</u>	<u>361,350</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	18,002	-	18,002
Total liabilities	<u>18,002</u>	<u>-</u>	<u>18,002</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes receivable	356	-	356
Prepaid taxes	-	-	-
Total deferred inflows of resources	<u>356</u>	<u>-</u>	<u>356</u>
Fund balances:			
Restricted			
Stabilization by State statute	11,266	-	11,266
Streets	28,631	-	28,631
Assigned			
Subsequent years expenditures	145,806	-	145,806
Unassigned	157,289	-	157,289
Total fund balances	<u>342,992</u>	<u>-</u>	<u>342,992</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 361,350</u>	<u>\$ -</u>	<u>\$ 361,350</u>

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 22,554

Other long-term assets (accrued interest receivable from taxes) are not available to pay for current-period expenditures and therefore are deferred in the funds. 50

Liabilities for earned but deferred revenues in fund statements. 356

Net position of governmental activities \$ 365,952

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

Town of Askewville, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021

	<u>Major Funds</u>	<u>Non-Major Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>		
REVENUES			
Ad valorem taxes	\$ 31,198	\$ -	\$ 31,198
Unrestricted intergovernmental	72,232	-	72,232
Restricted intergovernmental	7,792	-	7,792
Investment earnings	72	-	72
Miscellaneous	-	-	-
Total revenues	<u>111,294</u>	<u>-</u>	<u>111,294</u>
EXPENDITURES			
Current:			
General government	63,178	-	63,178
Public safety	3,176	-	3,176
Transportation	20,370	-	20,370
Environmental protection	1,053	-	1,053
Culture and recreation	1,381	-	1,381
Total expenditures	<u>89,158</u>	<u>-</u>	<u>89,158</u>
Excess (deficiency) of revenues over expenditures	<u>22,136</u>	<u>-</u>	<u>22,136</u>
OTHER FINANCING SOURCES (USES)			
Net change in fund balance	22,136	-	22,136
Fund balances-beginning	320,856	-	320,856
Fund balances-ending	<u>\$ 342,992</u>	<u>\$ -</u>	<u>\$ 342,992</u>

**Town of Askewville, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021**

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

Net changes in fund balances - total governmental funds	\$ 22,136
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	(2,580)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Change in deferred revenue for tax revenues	(82)
Accrued interest on tax receivable	(13)
	<hr/>
Total changes in net position of governmental activities	<u>\$ 19,461</u>

Town of Askewville, North Carolina
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2021

	General Fund			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Ad valorem taxes	\$ 23,300	\$ 23,300	31,198	\$ 7,898
Unrestricted intergovernmental	44,700	44,700	72,232	27,532
Restricted intergovernmental	31,650	31,650	7,792	(23,858)
Investment earnings	-	-	72	72
Miscellaneous	-	-	-	-
Total revenues	99,650	99,650	111,294	11,644
Expenditures:				
Current:				
General government	94,830	102,330	63,178	39,152
Public safety	5,000	5,000	3,176	1,824
Transportation	38,500	38,500	20,370	18,130
Environmental protection	4,000	4,000	1,053	2,947
Cultural and recreation	1,700	1,700	1,381	319
Contingency	1,620	1,620	-	1,620
Total expenditures	145,650	153,150	89,158	63,992
Revenues over (under) expenditures	(46,000)	(53,500)	22,136	(31,364)
Fund balance appropriated	46,000	53,500	-	53,500
Net change in fund balance	\$ -	\$ -	22,136	\$ 22,136
Fund balances, beginning of year			320,856	
Fund balances, end of year			\$ 342,992	

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

Town of Askeville, North Carolina
Statement of Fund Net Position
Proprietary Fund
June 30, 2021

	Water and Sewer Fund
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 108,557
Accounts receivable (net) - billed	5,215
Total current assets	<u>113,772</u>
Capital assets:	
Land and other non-depreciable assets	18,000
Other capital assets, net of depreciation	2,392,522
Capital assets (net)	<u>2,410,522</u>
Total assets	<u>\$ 2,524,294</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	2,812
Due to other funds	6,441
Customer deposits	9,600
Total current liabilities & total liabilities	<u>18,853</u>
NET POSITION	
Net investment in capital assets	2,410,522
Unrestricted	94,919
Total net position	<u>\$ 2,505,441</u>

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

Town of Askewville, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	<u>Enterprise Funds</u> <u>Water and</u> <u>Sewer</u> <u>Fund</u>
OPERATING REVENUES	
Charges for services	\$ 51,069
Sewer taps	-
Miscellaneous	-
Total operating revenues	<u>51,069</u>
OPERATING EXPENSES	
Sewer administration and distributions	11,311
Sewer treatment and distribution	44,663
Depreciation	92,900
Total operating expenses	<u>148,874</u>
Operating income (loss)	<u>(97,805)</u>
NONOPERATING REVENUES (EXPENSES)	
Miscellaneous	-
Investment earnings	1
Income (loss) before contributions & transfers	<u>(97,804)</u>
Change in net position	(97,804)
Total net position - beginning	2,603,245
Total net position - ending	<u><u>\$ 2,505,441</u></u>

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

Town of Askewville, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Water and Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 50,581
Cash paid for goods and services	(56,325)
Other operating revenues	-
Net cash provided (used) by operating activities	<u>(5,744)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Due to-from other funds	1,287
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	-
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends	1
Net increase (decrease) in cash and cash equivalents	<u>(4,456)</u>
Balances-beginning of the year	113,013
Balances-end of the year	<u>\$ 108,557</u>
 Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ (97,804)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	92,900
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(488)
Increase (decrease) in accounts payable and accrued liabilities	<u>(352)</u>
Total adjustments	92,060
Net cash provided by operating activities	<u>\$ (5,744)</u>

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

**TOWN OF ASKEWVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS (cont.)
JUNE 30, 2021**

**TOWN OF ASKEWVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

I. Summary of Significant Accounting Policies

The accounting policies of the Town of Askeville 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 Askeville is a municipal corporation, which is governed by an elected mayor and a three-member council. As required by generally accepted accounting principles, these financial statements present the Town. The Town does not have a component unit.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

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

The Town reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance and construction, and sanitation services.

The Town reports the following major enterprise funds:

Sewer Fund. This fund is used to account for the Town's sewer operations.

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.

TOWN OF ASKEWVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS (cont.)
JUNE 30, 2021

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town enterprise funds are charges to customers for sales and services. The Town also recognizes as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

The Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable 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, Bertie County is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts in the County, including the Town of Askewville. For motor vehicles registered under the staggered system, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, the Town's vehicle taxes for vehicles registered in Bertie County from March 2020 through February 2021 apply to the fiscal year ended June 30, 2021. Uncollected taxes that were billed during this period are shown as a receivable in these financial statements and are offset by deferred revenues.

Sales taxes collected and held by the State at year-end on behalf of the Town are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues which are unearned at year-end are recorded as unearned revenues.

As permitted by generally accepted accounting principles, the Town has elected to apply only applicable FASB Statements and Interpretations issued on or before November 30, 1989 that do not contradict GASB pronouncements in its accounting and reporting practices for its proprietary operations.

TOWN OF ASKEWVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS (cont.)
JUNE 30, 2021

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal-year end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$2,500. All amendments must be approved by the governing board. During the year, several immaterial amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, 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).

2. Cash and Cash Equivalents

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

3. Restricted Cash

Powell Bill funds are classified as restricted cash because it can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41-1 through 136-41-4.

Town of Askeville Restricted Cash

Governmental Activities		
General Fund	Streets	\$ 28,631
Total governmental activities		<u>\$ 28,631</u>
Total Restricted Cash		\$ 28,631

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, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, interest does not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2020. As allowed by State law, the Town has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

TOWN OF ASKEWVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS (cont.)
JUNE 30, 2021

5. Allowances for Doubtful Accounts

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

6. 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, \$100; Buildings, improvements, substations, lines, and other plant and distribution systems, \$100; infrastructure, \$100; furniture and equipment, \$100; and vehicles, \$100. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

Asset Class	Estimated Useful Lives
Buildings	40 years
Improvements	20 years
Furniture and equipment	10 years
Computer equipment	10 years

7. Deferred inflows of resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town of Askeville has one item that meets the criteria for this category – property taxes receivable.

8. Compensated Absences

The Town does not provide for the accumulation of vacation or sick pay.

9. Net Position/Fund Balances

Net Position

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, net of related debt; restricted; and unrestricted. Restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balances can be spent.

The governmental fund types classify fund balances as follows:

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

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

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.

TOWN OF ASKEWVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS (cont.)
JUNE 30, 2021

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

II. Stewardship, Compliance, and Accountability

A. Material Violations of Finance-Related Legal and Contractual Provisions

1. Noncompliance with North Carolina General Statutes

The Town violated State Statute G.S. 159-34 that requires local governments to submit audits four months after the end of the fiscal year. This was due to accounting records not being kept current which prevented the audit from being prepared and submitted in a timely matter.

The Town violated state statute G.S. 159-32 which requires that all monies collected or received in excess of \$250 be deposited daily. Deposits are generally made once a month. On one occasion, two checks totaling \$4,161.61 were received from Bertie County on August 28, 2020 and February 19, 2020, but not deposited until October 29, 2020.

2. Contractual Violations

None

III. 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 in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town's agents in their names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has no 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 GS 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 \$423,214 and a bank balance of \$443,708. Of the bank balance, \$250,000 was covered by federal depository insurance; \$173,214 was covered by collateral held under the pooling method.

2. Receivables - Allowances for Doubtful Accounts

The amounts presented in the Balance Sheet and the Statement of Net Assets are net of the following allowances for doubtful accounts:

<u>Fund</u>	<u>6/30/2021</u>
General Fund	
Taxes receivable	\$ 7

TOWN OF ASKEWVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS (cont.)
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
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 12,798	\$ -	\$ -	\$ 12,798
Capital assets being depreciated:				
Equipment	47,282	-	-	47,282
Vehicles and motorized equipment	24,685	-	-	24,685
Total capital assets being depreciated	71,967	-	-	71,967
Less accumulated depreciation for:				
Equipment	34,944	2,580	-	37,524
Vehicles and motorized equipment	24,687	-	-	24,687
Total accumulated depreciation	59,631	\$ 2,580	\$ -	62,211
Total capital assets being depreciated, net	12,336			9,756
Governmental activity capital assets, net	<u>\$ 25,134</u>			<u>\$ 22,554</u>

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

General Government	\$ 1,116
Transportation	-
Environmental protection	197
Culture & recreation	1,267
Total depreciation expense	<u>\$ 2,580</u>

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Sewer Fund				
Capital assets not being depreciated:				
Land	\$ 18,000	\$ -	\$ -	\$ 18,000
Capital assets being depreciated:				
Equipment	11,209	-	-	11,209
Plant and distribution systems	3,704,435	-	-	3,704,435
Total capital assets being depreciated	3,715,644	-	-	3,715,644
Less accumulated depreciation for:				
Equipment	10,845	289	-	11,134
Plant and distribution systems	1,219,377	92,611	-	1,311,988
Total accumulated depreciation	1,230,222	92,900	-	1,323,122
Total capital assets being depreciated, net	2,485,422			2,392,522
Water and Sewer fund capital assets, net	<u>\$ 2,503,422</u>			<u>\$ 2,410,522</u>

B. Liabilities

1. Pension Plan Obligations

The Town of Askeville does not participate in any type of retirement system.

TOWN OF ASKEWVILLE, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS (cont.)
JUNE 30, 2021

2. Deferred / Unearned Revenues

The balance in deferred / unearned revenues at year-end is composed of the following elements:

	<u>Deferred Revenue</u>	<u>Unearned Revenue</u>
<u>General Fund</u>		
Prepaid Taxes	\$ -	\$ -
Taxes receivable	356	356
Total	<u>\$ 356</u>	<u>\$ 356</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 carries commercial coverage for protection against loss of the Town's assets. The Town carries no flood insurance, or liability coverage except that required for vehicles.

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 \$50,000.

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. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

VI. Significant Effects of Subsequent Events

There have been no events that occurred between June 30, 2021 and the date of this report that have significant effect of the Town.

VII. Interfund Balances and Activity

	<u>General Fund</u>	<u>Water & Sewer Fund</u>
Balances Due To/From Other Funds	<u>\$ 6,441</u>	<u>\$ (6,441)</u>

The interfund balances result from expense paid by General Fund for Water & Sewer Fund.

**Town of Askewville, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad valorem taxes:			
Taxes	\$ -	\$ 31,198 ✓	\$ -
Penalties and interest	-	-	-
Total	<u>23,300</u>	<u>31,198</u>	<u>7,898</u>
Unrestricted intergovernmental:			
Local option sales taxes	-	43,094 ✓	-
City hold harmless tax	-	18,997 ✓	-
Beer and wine tax	-	981	-
Telecommunications tax	-	533	-
Video franchise tax	-	687	-
Utility franchise tax	-	7,940	-
Total	<u>44,700</u>	<u>72,232</u>	<u>27,532</u>
Restricted intergovernmental:			
Powell Bill allocation	-	7,618 ✓	-
Solid waste disposal tax	-	174 ✓	-
Total	<u>31,650</u>	<u>7,792</u>	<u>(23,858)</u>
Investment earnings		72 ✓	72
Miscellaneous	-	-	-
Total Revenues	<u>99,650</u>	<u>111,294</u>	<u>11,644</u>

Town of Askewville, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures:			
General government:			
Governing body:			
Salaries and employee benefits	-	6,459 ✓	-
Professional services	-	8,261 ✓	-
Total	<u>42,480</u>	<u>14,720</u>	<u>27,760</u>
Administration:			
Contracted services	-	35,312	-
Capital Outlay	-	-	-
Other operating expenditures	-	12,258	-
Total	<u>59,850</u>	<u>47,570</u>	<u>12,280</u>
Taxes:			
Collection fees	-	888	-
Total	<u>-</u>	<u>888</u>	<u>(888)</u>
Total general government	<u>102,330</u>	<u>63,178</u>	<u>39,152</u>
Public safety:			
Fire and rescue contributions	-	2,000 ✓	-
Other operating expenditures	-	1,176 ✓	-
Total	<u>5,000</u>	<u>3,176</u>	<u>1,824</u>
Transportation:			
Streets and highways:			
Street lights	-	5,370 ✓	-
Contractual services	-	-	-
Repairs & Maintenance	-	15,000 ✓	-
Penalties	-	-	-
Total	<u>38,500</u>	<u>20,370</u>	<u>18,130</u>
Environmental protection:			
Sanitation:			
Salaries and employee benefits	-	1,053	-
Capital Outlay	-	-	-
Vehicle maintenance	-	-	-
Other operating expenditures	-	-	-
Total environmental protection	<u>4,000</u>	<u>1,053</u>	<u>2,947</u>

Town of Askewville, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Culture and recreation:			
Contract Services	-	-	-
Utilities	-	1,381	-
Other operating expenses	-	-	-
Total	<u>1,700</u>	<u>1,381</u>	<u>319</u>
Contingency	1,620	-	1,620
Total expenditures	<u>153,150</u>	<u>89,158</u>	<u>63,992</u>
Revenues over (under) expenditures	<u>(53,500)</u>	<u>22,136</u>	<u>75,636</u>
Appropriated fund balance	53,500	-	(53,500)
Revenues and appropriated fund balance over (under) expenditures & others	<u>\$ -</u>	<u>22,136</u>	<u>\$ 22,136</u>
Fund balances:			
Beginning of year, July 1		<u>320,856</u>	
End of year, June 30		<u>\$ 342,992</u>	

Town of Askewville, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for service:			
Sewer sales	\$ -	\$ 51,069	\$ -
Total	48,000	51,069	3,069
Sewer taps	-	-	-
Nonoperating revenues:			
Interest earnings (loss)	-	1	1
Miscellaneous	-	-	-
Total Revenue	48,000	51,070	3,070
Expenditures:			
Sewer administration:			
Insurance	-	2,000	-
Utilities	-	8,207	-
Utility collection fees	-	1,104	-
Total sewer administration	11,700	11,311	389
Sewer treatment and distribution:			
Maintenance	-	11,594	-
Contract service	-	-	-
Sewer fee	-	31,847	-
Other operating expenditures	-	1,222	-
Total	56,700	44,663	12,037
Contingency	300	-	300
Total expenditures	68,700	55,974	12,726
Revenues over (under) expenditures	(20,700)	(4,904)	15,796
Other financing sources (uses):			
Appropriated net assets	20,700	-	20,700
Total	20,700	-	20,700
Revenues and other sources over expenditures and other uses	\$ -	(4,904)	\$ (4,904)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Capital outlay		-	
Depreciation		(92,900)	
Capital contributions		-	
Net income		\$ (97,804)	

OTHER SCHEDULES

- **Schedule of Ad Valorem Taxes Receivable**
- **Analysis of Current Tax Levy**

Town of Askewville, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2021

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2020</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2021</u>
2020-2021	\$ -	\$ 31,116	\$ 30,810	\$ 306
2019-2020	321	-	316	5
2018-2019	5	-	-	5
2017-2018	74	-	72	2
2016-2017	3	-	-	3
2015-2016	3	-	-	3
2014-2015	-	-	-	-
2013-2014	8	-	-	8
2012-2013	31	-	-	31
2011-2012	-	-	-	-
2010-2011	-	-	-	-
	<u>\$ 445</u>	<u>\$ 31,116</u>	<u>\$ 31,198</u>	<u>\$ 363</u>
Less: allowance for uncollectible accounts:				
General Fund				<u>(7)</u>
Ad valorem taxes receivable - net				<u>\$ 356</u>
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				\$ 31,198
Reconciling items:				
Interest collected				-
Discounts allowed				-
Taxes written off				-
Total collections and credits				<u>\$ 31,198</u>

Town of Askewville, North Carolina
Analysis of Current Tax Levy
City - Wide Levy
For the Fiscal Year Ended June 30, 2021

	Total Property Valuation	Rate	Total of Levy	Total Levy	
				Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current rate	\$15,558,000	0.20%	\$31,116	\$ 25,086	\$ 6,030
Penalties	-		-	-	-
Total	<u>15,558,000</u>		<u>31,116</u>	<u>25,086</u>	<u>6,030</u>
Discoveries	-		-	-	-
Abatements	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>
Total Property Valuation	<u>\$15,558,000</u>				
Net Levy			31,116	25,086	6,030
Less Uncollected Tax at June 30, 2021			<u>306</u>	<u>306</u>	<u>-</u>
Current Year's Taxes Collected			<u>\$ 30,810</u>	<u>\$ 24,780</u>	<u>\$ 6,030</u>
Percent Current Year Collected			<u>99.02%</u>	<u>98.78%</u>	<u>100.00%</u>