REVIEWED
By SLGFD at 3:22 pm, Dec 01, 2021

Annual Comprehensive Financial Report
Fiscal Year Ending June 30, 2021

Town of Weaverville
North Carolina

Town of Weaverville, North Carolina

Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2021

Town Council
(As of June 30, 2021)

Al Root, Mayor
Doug Jackson, Vice-Mayor
Dottie Sherrill
Patrick Fitzsimmons
Andrew Nagle
Jeff McKenna

Town Manager
Selena D. Coffey

Finance Officer
Tonya Dozier

Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2021
Town of Weaverville, North Carolina

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INTRODUCTORY SECTION

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Weaverville
North Carolina

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

Patrick Fitzsimmons
Mayor

Doug Jackson
Vice Mayor

Selena D. Coffey
Town Manager

THE TOWN OF
WEAVERVILLE
NORTH CAROLINA

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

Dottie Sherrill
Councilwoman

Jeff McKenna
Councilman

Andrew Nagle
Councilman

John Chase
Councilman

Letter of Transmittal

November 10, 2021

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

The Local Government Commission of the North Carolina State Treasurer's Office requires all general purpose local governments to file with their office by November 30 of each year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Town of Weaverville, North Carolina for the fiscal year ending June 30, 2021.

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

The financial statements contained herein have been audited by Gould Killian CPA Group, P.A., a firm of licensed Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Weaverville for the fiscal year ended June 30, 2021 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used; and evaluating the overall financial statement presentation. The independent audit for the fiscal year ended June 30, 2021 concluded that there was reasonable basis for rendering an unmodified opinion of the Town of Weaverville's financial statements and that they are fairly presented in conformity with GAAP.

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

Town Profile

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

Weaverville prides itself in providing its current population of approximately 4,600 citizens with convenient and reliable city services while maintaining its small town friendly atmosphere. The full range of services include police and fire protection; garbage and recycling collection; street maintenance within the Town's public street system; parks and recreation; planning and code enforcement; stormwater management; and water production and distribution.

Demographic Characteristics

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

1980	1990	2000	2010	2020 Certified [1]
1,495	2,107	2,968	3,120	4,567

Town staff has estimated the population of the Town to be approximately 4,600 as of June 2021.

Population growth remains a consistent and stable contributor to the local economy. Based on the aforementioned population calculations, the Town's population has increased by 46% since the 2010 census. The Town continues to grow with approximately 200 residential units either approved or in some phase of the development review process at fiscal year-end June 30, 2021. This has the potential to increase the Town's population by another 440 residents or 10%. The Town has an ample water supply, as the Lawrence T. Sprinkle Jr. Water Treatment Facility is operating at approximately 63% capacity (including actual usage and commitments) and routinely receives new water commitment applications which means that the Town can support minor additional growth in the residential sector, but plans are in the works in order to keep up with future needs. The town recently completed a major USDA funded waterline extension project in the area of Monticello Road, Ollie Weaver Road, and Clarks Chapel Road. Additional waterlines are under construction and the initial engineering phases have begun for the eventual expansion of the water treatment plant.

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

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

Governmental Structure

The Town of Weaverville has a Council/Manager form of government. Policy making and legislative authority are vested in the governing board of the Town consisting of a mayor and five council members that serve staggered four-year terms. Recognizing that the Town's leadership should expand to match the growth and diversity of the Town, Town Council adopted a charter amendment that will result in the addition of a sixth councilmember and voting rights of the mayor after the municipal election in November of 2021. The Town Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the Town Manager and Town Attorney. The Town Manager operates as the chief executive officer and is responsible for carrying out the policies and ordinances of the Town Council and for overseeing the day-to-day operations of the government.

Vision for the Town of Weaverville, North Carolina

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

> *Weaverville will strive to retain its small town atmosphere, while actively managing the growth that is inevitable near a large city.*
>
> *Our town will be attractive to both young and old with a wide range of housing choices. We will reserve areas for neighborhoods and businesses while buffering one from the other. We seek an attractive town that is well-landscaped and accessible to pedestrians.*
>
> *We will create a favorable atmosphere for the right types of business and industry, those that are environmentally friendly and provide a good living for our residents.*

Strategic Long-Term Planning Goals

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

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

Services Provided By the Town of Weaverville

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

Administration:

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

Police:

- Administration
- Criminal Investigations
- Community Policing
- Patrol
- Auxiliary Force
- Community Programs

Fire:

- Fire Suppression
- Fire Inspections
- Public Education
- Investigations
- First Responders
- Training & Safety

Public Works:

Sanitation Division

- Garbage Collection
- Appliance Collection
- Leaf Collection
- Recycling
- Recycle Collection
- Brush Collection

Streets Division

- Streets & Sidewalks
- Asphalt Patching
- Right of Way Mowing
- Parking Lot Maintenance
- Street Lighting
- Street Cleaning
- Public Facility Landscaping
- Snow/Ice Removal
- Storm Drainage

Parks & Recreation Division

- Lake Louise Park
- Playground/Walking Trails
- Special Event Support
- Lake Equipment/Outdoor Fitness
- Main Street Nature Park

Water Resources Division

- Water Treatment
- Water Distribution
- Service Installation
- Water Production
- Meter Reading
- Water Operations

Budget Process

The annual budget serves as the foundation of the Town of Weaverville's financial planning and fiscal control. All departments are required to submit requests to the Manager, who serves as the Budget Officer per state law, on or before the last day of April of each year. The Manager then uses these requests as the starting point for developing a proposed budget to be submitted to Town Council by each June 1. The Council is required to hold at least one public hearing on the proposed budget and must adopt a final budget no later than each June 30, the close of the fiscal year. The Budget Ordinance, as adopted by the governing body, creates a legal limit on spending authorizations. For the Town of Weaverville, the Fiscal Year 2020-2021 Budget was adopted to include the General Fund and Enterprise Fund. Multi-year project ordinances are adopted for all Capital Projects funds. For internal accounting purposes, budgetary control is maintained by line item account (object class).

Factors Affecting Weaverville's Financial Condition

The coronavirus pandemic continues to affect the local economy and our everyday lives. Fortunately, however, the Town's normal revenue sources have not been severely affected as originally feared. Population growth and growth in the residential and commercial sectors remain consistent and stable contributors to the local economy, and the need for Town services continues to grow as a result. As of fiscal year end, Buncombe County's unemployment rate continues to be less than the state's average. Job growth appears to be rebounding from the effects of the coronavirus pandemic in almost all sectors of the economy in our region.

Although the majority of the Town's recent development growth has been in the residential sector, commercial development has continued to grow. The retail giant Hobby Lobby recently completed and opened a store in Weaverville, and Wendy's fast food restaurant is nearing completion. With Hobby Lobby in place, there is revived interest in other commercial parcels within Northridge Commons with the expectation that at least two other new retail companies will be moving in and opening in the short term. With anticipated development of additional commercial and retail developments in the near future, we believe that these are positive signs of continued growth and positive financial implications for the Town of Weaverville.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Weaverville for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. This was the 25th year that the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

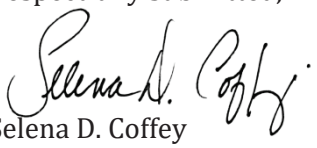
A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Conclusion

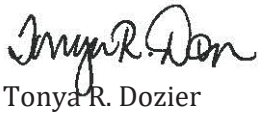
The Asheville region has, in the recent past, greatly profited from a vibrant and growing economy. However, the coronavirus pandemic has impacted the region extensively and we must continue to monitor the pandemic's impact in order to successfully balance revenues and service demands. While we expect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

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

Respectfully submitted,

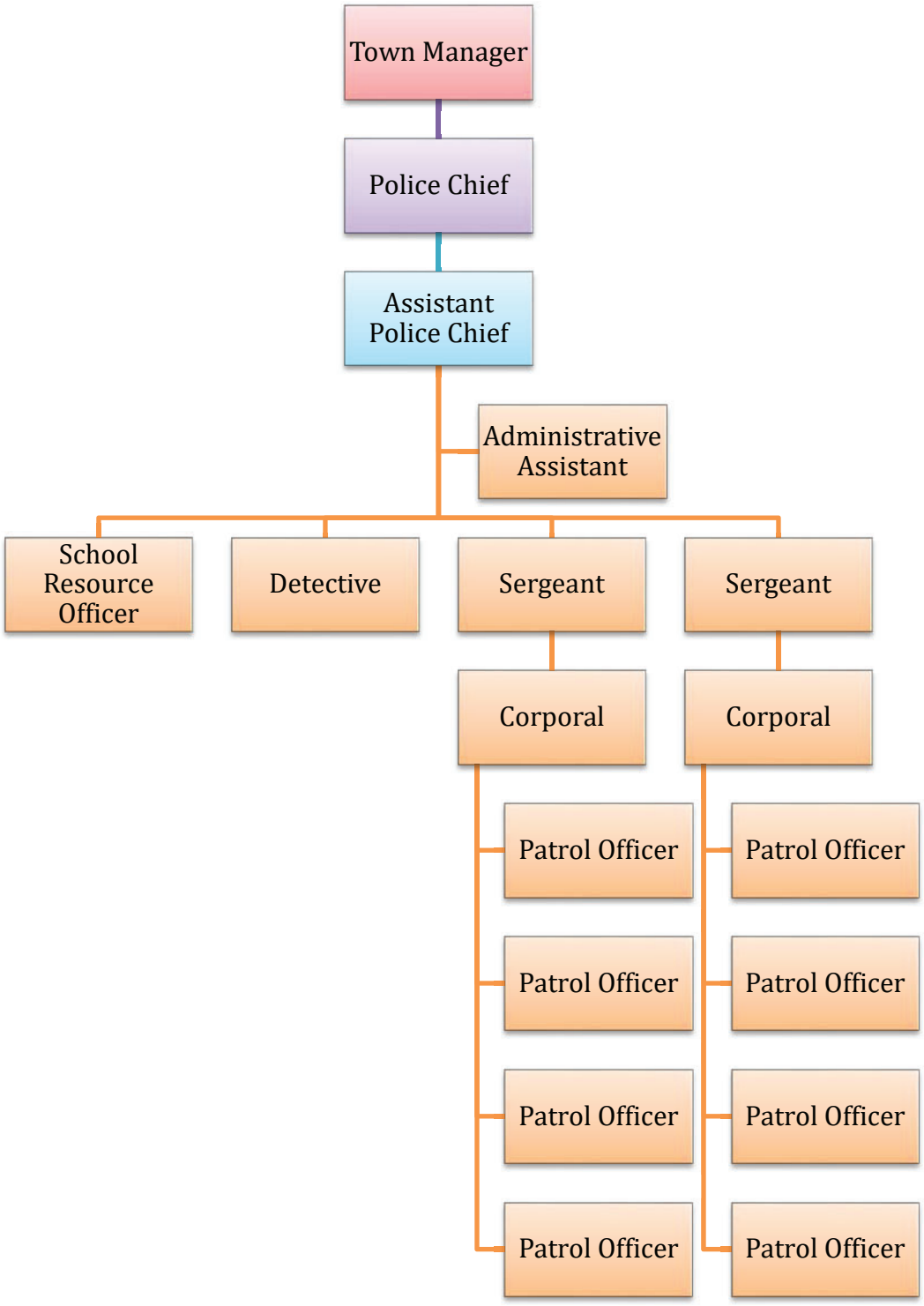


Selena D. Coffey
Town Manager

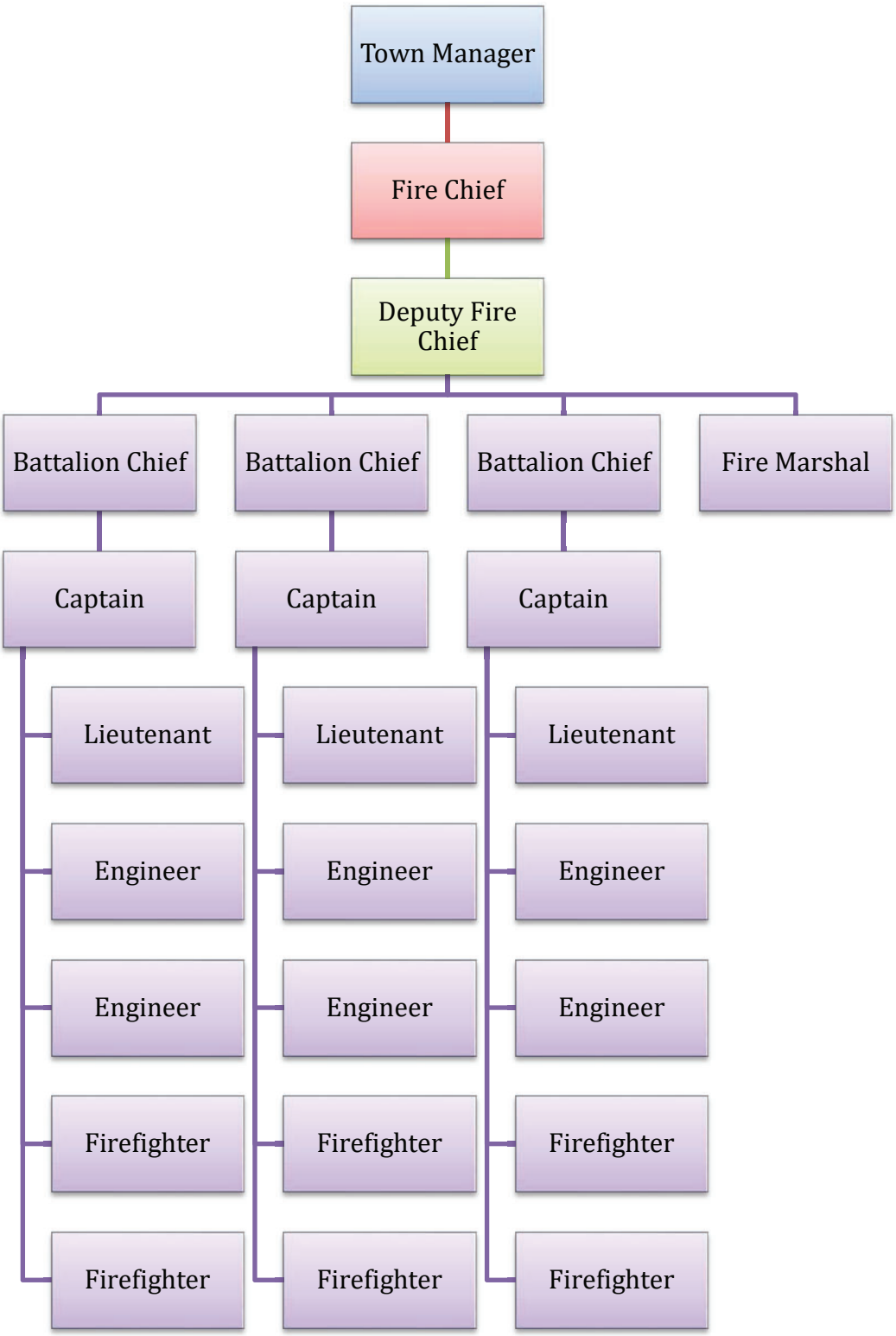


Tonya R. Dozier
Finance Officer

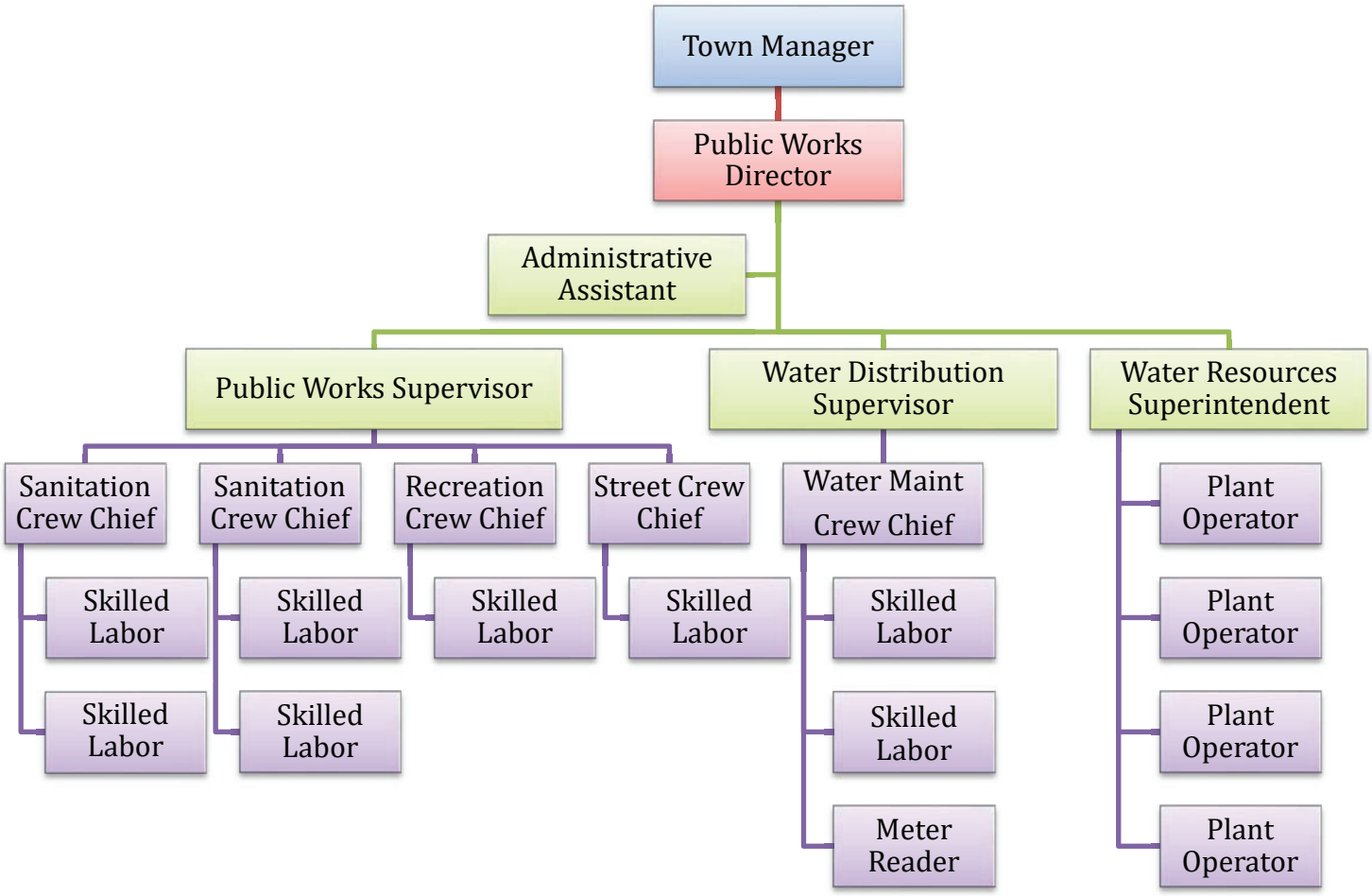
Police Department
Organizational Chart



Fire Department
Organizational Chart

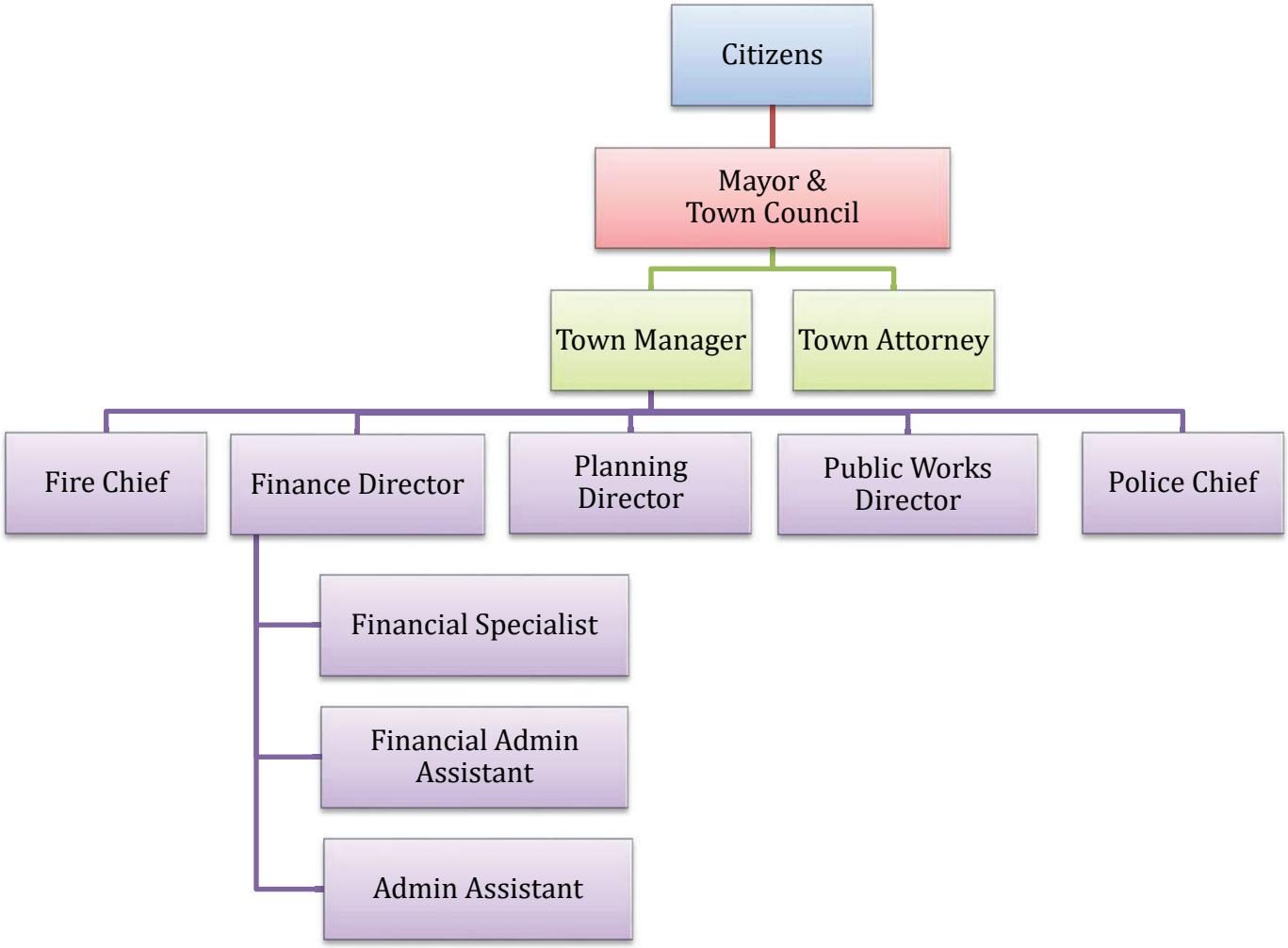


Public Works Department
Organizational Chart



Does not reflect temporary labor positions

Administration
Organizational Chart



TOWN OF WEAVERVILLE
PRINCIPAL OFFICIALS

TOWN COUNCIL

Al Root, Mayor
Doug Jackson, Vice Mayor
Dottie Sherrill, Council Member
Patrick Fitzsimmons, Council Member
Andrew Nagle, Council Member
Jeff McKenna, Council Member

TOWN MANAGER

Selena D. Coffey

TOWN ATTORNEY

Jennifer O. Jackson

FINANCE OFFICER

Tonya R. Dozier

POLICE DEPARTMENT CHIEF

Ron Davis

PUBLIC WORKS DIRECTOR

Dale Pennell

FIRE DEPARTMENT CHIEF

Ted Williams

PLANNING DIRECTOR

James Eller

FINANCIAL SECTION

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

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, and each major fund of the Town of Weaverville, North Carolina, as of and for the year ended June 30, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Town of Weaverville ABC Board. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Town of Weaverville ABC Board, is based solely on the report of another auditor. 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. The financial statements of the Town of Weaverville ABC Board (a component unit) were not audited in accordance with *Government Auditing Standards*.

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

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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 principles 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 and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, and each major fund of the Town of Weaverville, North Carolina, as of June 30, 2021, and the respective changes in financial position and cash flows, where appropriate, thereof and the 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 16-24, the Law Enforcement Officers' Special Separation Allowance Schedules of Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on page 66, the Local Governmental Employees' Retirement System's schedules of the Town's Proportionate Share of the Net Pension Liability (Asset) and Contributions on pages 67 and 68, respectively, and the Other Post-employment Benefits Schedule of Changes in the Total OPEB Liability and Related Ratios on page 69 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 Weaverville, North Carolina. The introductory information, individual fund financial 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 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 and the procedures performed as described above, the 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 statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2021 on our consideration of the Town of Weaverville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Weaverville's internal control over financial reporting and compliance.

Hauser Killian CPA Group, P.A.

Asheville, North Carolina
November 10, 2021

Management's Discussion and Analysis

As management of the Town of Weaverville, we offer readers of the Town of Weaverville's financial statements this narrative overview and analysis of the financial activities of the Town of Weaverville for the fiscal year ended June 30, 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 the Town of Weaverville exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $26,714,471 ***(net position)***.

- The government's total net position increased by $1,400,568, which was primarily the result of increased revenues from governmental activities as well as business-type activities, coupled with cost-saving measures implemented in response to uncertainties related to the coronavirus pandemic.

- As of the close of the current fiscal year, the Town of Weaverville's General Fund reported an ending fund balance of $6,234,730, with a net decrease of $1,260,017 in fund balance. Approximately 17% of this total amount, or $1,049,104, is restricted.

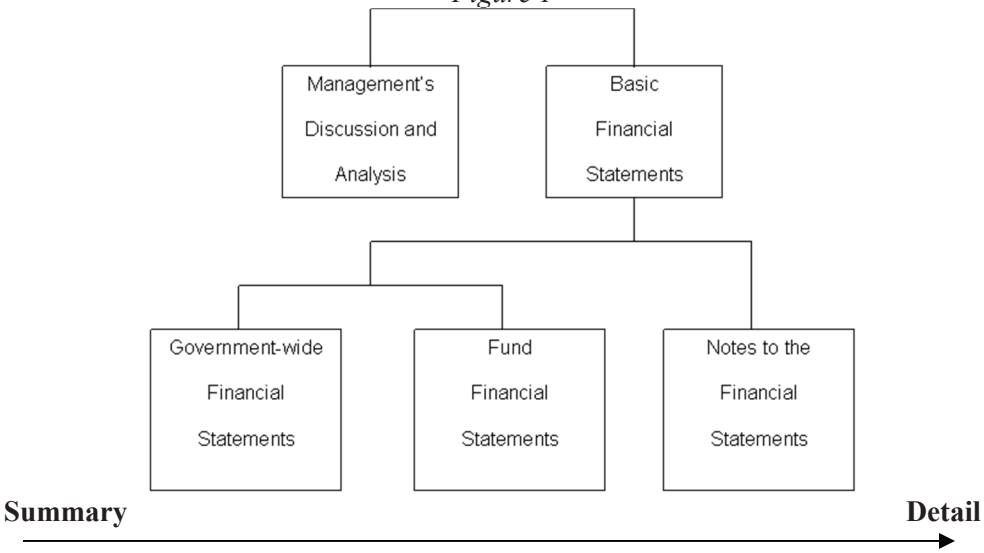
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $4,501,895, or 64% of total general fund expenditures for the fiscal year.

Overview of the Financial Statements

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

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

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

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

Government-wide Financial Statements

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

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

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

Fund Financial Statements

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

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

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

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

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

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

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

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

Government-Wide Financial Analysis

The Town of Weaverville's Net Position

Figure 2

	Governmental Activities		Business-Type Activities		Total		Total
	2021	2020	2021	2020	2021	2020	Percentage Change
Current and other assets	$ 7,110,100	$ 8,327,910	$ 5,201,087	$ 6,173,320	$ 12,311,187	$ 14,501,230	-15%
Capital assets	12,925,593	10,751,417	10,000,594	9,216,246	22,926,187	19,967,663	15%
Total assets	20,035,693	19,079,327	15,201,681	15,389,566	35,237,374	34,468,893	2%
Deferred outflows of resources	1,715,763	1,080,890	280,343	208,516	1,996,106	1,289,406	
Long-term liabilities	4,278,733	3,353,944	4,568,476	2,236,033	8,847,209	5,589,977	58%
Other liabilities	1,042,854	1,212,424	465,232	3,487,064	1,508,086	4,699,488	-68%
Total liabilities	5,321,587	4,566,368	5,033,708	5,723,097	10,355,295	10,289,465	1%
Deferred inflows of resources	139,054	130,563	24,660	24,371	163,714	154,934	6%
Net position:							
Net investment in capital assets	12,723,493	10,264,984	5,880,594	7,170,246	18,604,087	17,435,230	7%
Restricted	1,049,104	792,934	-	-	1,049,104	792,934	32%
Unrestricted	2,518,218	4,405,368	4,543,062	2,680,368	7,061,280	7,085,736	0%
Total net position	$ 16,290,815	$ 15,463,286	$ 10,423,656	$ 9,850,614	$ 26,714,471	$ 25,313,900	6%

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the Town of Weaverville exceeded liabilities and deferred inflows by $26,714,471 as of June 30, 2021. The Town's net position increased by $1,400,568 for the fiscal year ended June 30, 2021. The largest component of net position (69.6%) reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment less the debt related to those assets). The Town of Weaverville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Weaverville's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Town of Weaverville's net position (3.9%), $1,042,115, represents resources that are subject to external restrictions on how they may be used. The remaining balance of $7,061,280 (26.4%) is unrestricted.

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

- Continued diligence in the collection of property taxes, which resulted in a collections rate of 98.5% plus approximately $46,850 in prior year taxes collected.
- Sales of assets resulted in proceeds of $39,368.
- Distributions to the Town from the ABC Store were approximately 125% higher than budgeted, as a result of ABC's increased sales revenue during the coronavirus pandemic.
- Grant Revenue for the Police Department and Public Works Department, as well as CARES Act funds totaled approximately $191,600.

Town of Weaverville's Changes in Net Position

Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	$ 19,911	$ 19,543	$ 2,522,887	$ 2,464,546	$ 2,542,798	$ 2,484,089
Operating grants and contributions	207,471	18,699	-	-	207,471	18,699
Capital grants and contributions	139,851	103,879	-	-	139,851	103,879
General revenues:						
Property taxes	3,577,985	3,366,247	-	-	3,577,985	3,366,247
Local option sales tax	1,536,284	1,370,946	-	-	1,536,284	1,370,946
Grants and contributions not restricted to specfic programs	2,524,278	2,381,318	-	-	2,524,278	2,381,318
Unrestricted investment earnings	3,641	90,724	-	53,015	3,641	143,739
Miscellaneous	23,974	40,389	-	-	23,974	40,389
Gain on sale of property	21,131	29,140	26,993	3,284	48,124	32,424
Total revenues	8,054,526	7,420,885	2,549,880	2,520,845	10,604,406	9,941,730
Expenses:						
General government	970,726	976,437	-	-	970,726	976,437
Public safety	4,766,925	4,641,137	-	-	4,766,925	4,641,137
Transportation	550,460	521,481	-	-	550,460	521,481
Environmental protection	674,755	632,257	-	-	674,755	632,257
Culture and recreation	255,829	304,842	-	-	255,829	304,842
Water fund	-	-	1,976,838	2,183,668	1,976,838	2,183,668
Interest on long-term debt	8,305	14,159	-	-	8,305	14,159
Total expenses	7,227,000	7,090,313	1,976,838	2,183,668	9,203,838	9,273,981
Increase in net position	827,526	330,572	573,042	337,177	1,400,568	667,749
Net position, beginning	15,463,289	15,132,717	9,850,614	9,513,437	25,313,903	24,646,154
Net position, end of year	$ 16,290,815	$ 15,463,289	$ 10,423,656	$ 9,850,614	$ 26,714,471	$ 25,313,903

Governmental activities. Governmental activities increased the Town's net position by $827,526, thereby accounting for approximately 60% of the growth in the net position of the Town of Weaverville. Town management reduced non-essential programs to a minimum and implemented cost saving strategies across Town departments, in an effort to offset the anticipated reduction in sales tax revenue resulting from the Coronavirus pandemic. However, management believes healthy investment in the Town will result in additional revenues, and in that vein added to the Town's net position by investing in capital assets, albeit less than in prior years. Continued efforts to maximize tax collections also contributed to the favorable net position, with tax collection now being performed by the county on behalf of the Town. Town management acknowledges that fiscal year 2021 was a successful year despite the pandemic, and plans on improving upon these approaches as a long-term strategy to realize continued fiscal health.

Business-type activities: Business-type activities increased the Town of Weaverville's net position by $573,042. Water rates increased by 4% from the previous fiscal year, in order to continue planning for the future water treatment plant expansion. System Development Fees continue to be a significant revenue source from new construction in both the residential and commercial sectors.

Financial Analysis of the Town's Funds

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

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

The General Fund is the chief operating fund of the Town of Weaverville. At the end of the current fiscal year, the Town of Weaverville's fund balance available for appropriation in the General Fund was $5,209,948 while total fund balance reached $6,234,730. The Governing Body of the Town of Weaverville has determined that the Town should maintain an available fund balance of a minimum 40% of General Fund revenues in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the Town. The Town currently has an available fund balance of 64.9% of General Fund revenues, while total fund balance represents 77.7% of the same amount.

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

Unlike the prior fiscal year, actual revenues for Sales Tax and Buncombe County Fire tax were higher than the budgeted amounts, contrary to what was expected during the Coronavirus pandemic. ABC Store distributions continued to be higher than anticipated. Because of the expected reduction in revenue due to the pandemic, the Town's street paving program was halted for the fiscal year, and a hiring freeze was put into effect. The Town's merit program and cost of living adjustment were also reduced and postponed until the second half of the year, and expenditures were held in check to comply with budgetary requirements.

Proprietary Funds. The Town of Weaverville's proprietary fund provides the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water Fund at the end of the fiscal year amounted to $4,543,062. The total change in net position for the Water Fund was an increase of $573,042. The change in net position in the Water Fund is primarily a result of the Town's growing customer base, higher water rates, increased System Development Fees on new construction, and continued replacement of manual-read water meters with automated water meters.

Capital Asset and Debt Administration

Capital assets. The Town of Weaverville's investment in capital assets for its governmental and business–type activities as of June 30, 2021, totals $22,926,187 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, vehicles, furniture, plant and distribution systems, and town infrastructure.

Major capital asset transactions during the year include the following:

- Two new Hybrid SUV's for the Police Department at a cost of $90,870 total.
- Police cameras, electronic message board, and other police equipment totaling $103,700.
- Fire Department radios, extrication tools, and other equipment totaling $68,390.
- A salt spreader and automatic flagger set for the Streets division totaling $33,150.
- A new leaf vacuum for the sanitation division at a cost of $89,310.

Town of Weaverville's Capital Assets
(Net of depreciation)
Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land and construction in progress	$ 4,074,901	$ 1,751,391	$ 184,965	$ 1,231,796	$ 4,259,866	$ 2,983,187
Buildings	4,075,817	4,194,961	-	-	4,075,817	4,194,961
Land improvements	309,343	323,582	-	-	309,343	323,582
Furniture, equipment and vehicles	1,336,186	1,272,405	564,765	627,579	1,900,951	1,899,984
Infrastructure	3,129,346	3,209,078	9,250,864	7,356,871	12,380,210	10,565,949
Total capital assets	$ 12,925,593	$ 10,751,417	$ 10,000,594	$ 9,216,246	$ 22,926,187	$ 19,967,663

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

Long-term Debt. As of June 30, 2021, the Town of Weaverville had total debt in the form of installment purchase contracts, water revenue bonds, and general obligation bonds outstanding of $4,322,100.

Town of Weaverville's Outstanding Debt
General Obligation Bonds and Direct Placement Installment Purchases Payable and Bond Anticipation Note
Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds, net	$ -	$ -	$ 1,660,000	$ 1,826,000	$ 1,660,000	$ 1,826,000
Installment purchases payable	202,100	486,433	-	-	202,100	486,433
Water revenue bond	-	-	2,460,000	-	2,460,000	-
Bond anticipation note	-	-	-	2,500,000	-	2,500,000
	$ 202,100	$ 486,433	$ 4,120,000	$ 4,326,000	$ 4,322,100	$ 4,812,433

Town of Weaverville's Outstanding Debt
North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Town of Weaverville is approximately $71,000,000.

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

Economic Factors and Next Year's Budgets and Rates

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

- The Town has seen continued growth in both the housing and retail markets during FY 2021, and we expect that this will continue during FY 2022. A new Hobby Lobby retail store recently opened, and a Wendy's fast food restaurant is nearing completion.

- There are roughly 200 residential units that have either been approved or are currently in the development review process.
- The Town's fund balance continues to remain strong, even after paying cash to construct a new community center at Lake Louise. Maintaining a substantial fund balance helps the Town avoid any drastic cuts to services and/or massive rate increases.

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities: Buncombe County completed a revaluation of properties with results released for use in budget deliberations for fiscal year 2021-2022. Town Council adopted a budget for fiscal year 2021-2022 with a revenue-neutral tax rate of $0.35 per $100 of valuation. Budget development for this fiscal year was challenging in that it was difficult to achieve a revenue neutral rate with the continuing uncertainty of the coronavirus pandemic impacts on Town's revenue sources, and the need to provide services to a growing community. The budget was pared down significantly, with many important expenses delayed or cancelled altogether.

Town Council approved employee pay increases via a merit program, and maintained health and dental insurance for Town employees with costs increasing by 4%. A Recreation Coordinator position was added in anticipation of the Community Center at Dottie Sherrill Knoll becoming operational. However, several position requests were not approved due to the tight budgetary constraints present in this budget. Town Council did approve adjustments to several positions in order to bring them up to a living wage, and funding for a current pay study to take place this fiscal year was also included in the budget.

The budget also reflects efforts to address Americans with Disabilities Act (ADA) Improvements, as guided by the approved ADA Transition Plan, as well as stormwater management as guided by the Town's draft Stormwater Management Plan. Debt service expenses significantly decrease in the upcoming year, as loans related to the Fire Department have been paid off. Of note, after pausing the funding of the Capital Reserve Fund for the future purchase of a fire truck during fiscal year 2020-2021, this year's budget adds back the $75,000 transfer to the Capital Reserve Fund for that purpose. Also after a one-year suspension, the Town's street paving program has been added back to the current year budget.

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

Water revenues from all sources during fiscal year 2021-2022 are budgeted at $2,444,390, very close to the actual amount of $2,522,887 from the previous fiscal year. The budget for fiscal year 2021-2022 includes a rate increase of 4% in order to cover the additional debt service payments, prepare for the anticipated water plant expansion, and complete the transition to automated radio read meters. Continued growth in the Town's customer base has helped to meet the budgetary needs of the Water Department, without excessive rate increases. Water System Development fees have also proven to be a reliable and significant source of revenue for the Water Fund and are used to make debt service payments and fund the Capital Reserve Fund which was established for water related capital projects.

Requests for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to Tonya Dozier, Finance Officer, Town of Weaverville, PO Box 338, Weaverville, NC 28787. You can also call (828) 645-7116, visit our website www.weavervillenc.org or send an email to tdozier@weavervillenc.org for more information.

STATEMENT OF NET POSITION
June 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Town of Weaverville ABC Board
ASSETS				
Current assets:				
Cash and cash equivalents	$ 5,903,467	$ 4,737,086	$ 10,640,553	$ 451,215
Taxes receivable, net	19,537	-	19,537	-
Accounts receivable, net	-	432,741	432,741	-
Due from other governments	936,290	-	936,290	-
Inventories	-	-	-	224,812
Prepaid items	88,492	-	88,492	14,038
Restricted cash and equivalents	162,314	31,260	193,574	-
Total current assets	7,110,100	5,201,087	12,311,187	690,065
Non-current assets:				
Capital assets:				
Land and construction in progress	4,074,901	184,965	4,259,866	-
Other capital assets, net	8,850,692	9,815,629	18,666,321	844,193
Total capital assets	12,925,593	10,000,594	22,926,187	844,193
Total assets	20,035,693	15,201,681	35,237,374	1,534,258
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferrals	1,376,902	202,557	1,579,459	67,918
OPEB deferrals	338,861	77,786	416,647	-
Total deferred outflows of resources	1,715,763	280,343	1,996,106	67,918
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	801,635	167,277	968,912	201,087
Payable from restricted cash:				
Deposits	49,500	31,260	80,760	-
Accrued interest payable	3,948	6,695	10,643	8,344
Current portion of long-term liabilities	187,771	260,000	447,771	88,573
Total current liabilities	1,042,854	465,232	1,508,086	298,004
Long-term liabilities:				
Net pension liability (LGERS)	1,887,056	377,781	2,264,837	101,485
Total pension liability (LEOSSA)	875,592	-	875,592	-
Total OPEB liability	1,245,673	261,652	1,507,325	-
Due in more than one year	270,412	3,929,043	4,199,455	770,171
Total long-term liabilities	4,278,733	4,568,476	8,847,209	871,656
Total liabilities	5,321,587	5,033,708	10,355,295	1,169,660
DEFERRED INFLOWS OF RESOURCES				
Prepaid taxes	4,698	-	4,698	-
Pension deferrals	68,607	10,850	79,457	406
OPEB deferrals	65,749	13,810	79,559	-
Total deferred inflows of resources	139,054	24,660	163,714	406
NET POSITION				
Net investment in capital assets	12,723,493	5,880,594	18,604,087	(1,524)
Restricted for:				
Stabilization by State statute	936,290	-	936,290	-
Streets	105,825	-	105,825	-
Public safety	6,989	-	6,989	-
Working capital	-	-	-	129,058
Unrestricted	2,518,218	4,543,062	7,061,280	304,576
Total net position	$ 16,290,815	$ 10,423,656	$ 26,714,471	$ 432,110

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Exhibit 2

STATEMENT OF ACTIVITIES
For the year ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: Town of Weaverville ABC Board
Primary government:								
Governmental Activities:								
General government	$ 970,726	$ 1,550	$ -	$ -	$ (969,176)	$ -	$ (969,176)	$ -
Public safety	4,766,925	18,361	207,471	-	(4,541,093)	-	(4,541,093)	-
Transportation	550,460	-	-	139,851	(410,609)	-	(410,609)	-
Environmental protection	674,755	-	-	-	(674,755)	-	(674,755)	-
Cultural and recreation	255,829	-	-	-	(255,829)	-	(255,829)	-
Interest on long-term debt	8,305	-	-	-	(8,305)	-	(8,305)	-
Total governmental activities	7,227,000	19,911	207,471	139,851	(6,859,767)	-	(6,859,767)	-
Business-type activities:								
Water fund	1,976,838	2,522,887	-	-	-	546,049	546,049	-
Total primary government	$ 9,203,838	$ 2,542,798	$ 207,471	$ 139,851	(6,859,767)	546,049	(6,313,718)	-
Component unit:								
Town of Weaverville ABC Board	$ 3,346,480	$ 3,354,485	$ -	$ -	-	-	-	8,005
Total component unit	$ 3,346,480	$ 3,354,485	$ -	$ -	-	-	-	8,005
General revenues:								
Taxes:								
Property taxes, levied for general purpose					3,577,985	-	3,577,985	-
Local option sales tax					1,536,284	-	1,536,284	-
Grants and contributions not restricted to specific programs					2,524,278	-	2,524,278	-
Gain on sale of assets					21,131	26,993	48,124	-
Unrestricted investment earnings					3,641	-	3,641	586
Miscellaneous					23,974	-	23,974	-
Total general revenues					7,687,293	26,993	7,714,286	586
Change in net position					827,526	573,042	1,400,568	8,591
Net position, beginning of year					15,463,289	9,850,614	25,313,903	423,519
Net position, end of year					$ 16,290,815	$ 10,423,656	$ 26,714,471	$ 432,110

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

TOWN OF WEAVERVILLE, NORTH CAROLINA **Exhibit 3**

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021

	Major Fund General Fund	Major Fund General Capital Project Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 5,598,413	$ 305,054	$ 5,903,467
Restricted cash and cash equivalents	162,314	-	162,314
Taxes receivable, net	19,537	-	19,537
Due from other governments	936,290	-	936,290
Prepaid items	88,492	-	88,492
Total assets	$ 6,805,046	$ 305,054	$ 7,110,100
LIABILITIES			
Accounts payable and accrued liabilities	$ 496,581	$ 305,054	$ 801,635
Payable from restricted cash:			
Deposits	49,500	-	49,500
Total liabilities	546,081	305,054	851,135
DEFERRED INFLOWS OF RESOURCES			
Property taxes receivable	19,537	-	19,537
Prepaid taxes	4,698	-	4,698
Total deferred inflows of resources	24,235	-	24,235
FUND BALANCES			
Non-Spendable			
Prepaid items	88,492	-	88,492
Restricted			
Stabilization by State statute	936,290	-	936,290
Streets	105,825	-	105,825
Public safety	6,989	-	6,989
Assigned			
Subsequent year's expenditures	595,239	-	595,239
Unassigned	4,501,895	-	4,501,895
Total fund balances	6,234,730	-	6,234,730
Total liabilities, deferred inflows of resources and fund balances	$ 6,805,046	$ 305,054	$ 7,110,100

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

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021

Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:		
Total fund balances of governmental funds		$ 6,234,730
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Gross capital assets at historical cost	$ 21,146,617	
Accumulated depreciation	(8,221,024)	12,925,593
Deferred outflows of resources related to pensions are not reported in the funds		1,376,902
Deferred outflows of resources related to OPEB are not reported in the funds		338,861
Earned revenues considered deferred inflows of resources in fund statements.		19,537
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds.		
Installment purchases	(202,100)	
Other postemployment benefits	(1,245,673)	
Compensated absences	(256,083)	
Total pension liability (LEOSSA)	(875,592)	
Net pension liability (LGERS)	(1,887,056)	(4,466,504)
Deferred inflows of resources related to pensions are not reported in the funds		(68,607)
Deferred inflows of resources related to OPEB are not reported in the funds		(65,749)
Other liabilities (accrued interest payable) are not due and payable in the current period and therefore are not reported in the funds		(3,948)
Net position of governmental activities		$ 16,290,815

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2021

	Major Fund	Major Fund	
	General Fund	General Capital Project Fund	Total Governmental Funds
REVENUES			
Ad valorem taxes	$ 3,571,162	$ -	$ 3,571,162
Local option sales tax	1,536,284	-	1,536,284
Unrestricted intergovernmental	2,489,117	-	2,489,117
Restricted intergovernmental	347,322	-	347,322
Permits and fees	19,911	-	19,911
Investment earnings	3,641	-	3,641
Miscellaneous	59,135	-	59,135
Total revenues	8,026,572	-	8,026,572
EXPENDITURES			
Current:			
General government	902,545	-	902,545
Public safety	4,412,528	-	4,412,528
Transportation	440,822	-	440,822
Environmental protection	713,692	-	713,692
Cultural and recreation	224,966	-	224,966
Capital outlay	-	2,323,511	2,323,511
Debt service:			
Principal	284,333	-	284,333
Interest	9,564	-	9,564
Total expenditures	6,988,450	2,323,511	9,311,961
Revenues over (under) expenditures	1,038,122	(2,323,511)	(1,285,389)
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	25,372	-	25,372
Transfer from general fund	-	2,323,511	2,323,511
Transfer to capital project fund	(2,323,511)	-	(2,323,511)
Total other financing sources (uses)	(2,298,139)	2,323,511	25,372
Net change in fund balances	(1,260,017)	-	(1,260,017)
Fund balance, beginning of year	7,494,747	-	7,494,747
Fund balances, end of year	$ 6,234,730	$ -	$ 6,234,730

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
June 30, 2021

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:		
Net changes in fund balances - total governmental funds		$ (1,260,017)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay expenditures which were capitalized.	$ 2,714,839	
Cost of capital asset disposed of during the year, not recognized on modified accrual basis	(4,244)	
Depreciation expense for governmental assets.	(536,422)	2,174,173
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.		348,169
Benefit payments paid for the LEOSSA are not included in the Statement of Activities.		27,988
OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities.		39,518
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		6,823
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal payments on long-term debt.	284,333	
Decrease in accrued interest payable.	1,259	285,592
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Compensated absences used (accrued)	(15,231)	
Pension expense - LGERS	(661,727)	
Pension expense - LEOSSA	(84,182)	
OPEB Plan Expense	(33,580)	(794,720)
Total changes in net position of governmental activities		$ 827,526

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
For the year ended June 30, 2021

	General Fund			
	Original Budget	Final Budget	**Actual**	Variance With Final Budget Positive (Negative)
REVENUES				
Ad valorem taxes	$ 3,508,310	$ 3,508,310	**$ 3,571,162**	$ 62,852
Other taxes and licenses	1,116,800	1,116,800	**1,536,284**	419,484
Unrestricted intergovernmental	2,183,364	2,183,364	**2,489,117**	305,753
Restricted intergovernmental	100,000	322,032	**347,322**	25,290
Permits and fees	20,500	20,500	**19,911**	(589)
Investment earnings	12,600	12,600	**3,641**	(8,959)
Miscellaneous	51,000	70,271	**59,135**	(11,136)
Total revenues	6,992,574	7,233,877	**8,026,572**	792,695
EXPENDITURES				
Current:				
General government	1,013,174	1,047,704	**902,545**	145,159
Public safety	4,490,710	4,698,245	**4,412,528**	285,717
Transportation	543,256	562,521	**440,822**	121,699
Environmental protection	702,518	788,510	**713,692**	74,818
Cultural and recreation	296,790	256,549	**224,966**	31,583
Contingency	20,000	20,000	**-**	20,000
Debt service:				
Principal and interest	174,346	294,031	**293,897**	134
Total expenditures	7,240,794	7,667,560	**6,988,450**	679,110
Revenues over (under) expenditures	(248,220)	(433,683)	**1,038,122**	1,471,805
Other financing sources (uses):				
Appropriated fund balance	238,220	2,707,343	**-**	(2,707,343)
Sale of capital assets	10,000	10,000	**25,372**	15,372
Transfer to capital project fund	-	(2,283,660)	**(2,323,511)**	(39,851)
Total other financing sources (uses)	248,220	433,683	**(2,298,139)**	(2,731,822)
Net change in fund balance	$ -	$ -	**(1,260,017)**	$ (1,260,017)
Fund balance, beginning			**7,419,747**	
Fund balance, end of year			**6,159,730**	
A legally budgeted Capital Reserve Fund is consolidated into the General Fund for reporting purposes:				
Fund balance, beginning (Capital Reserve Fund)			**75,000**	
Fund balance, ending (Exhibit 4)			**$ 6,234,730**	

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

STATEMENT OF NET POSITION
PROPRIETARY FUND
June 30, 2021

	Enterprise Fund Water Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 4,737,086
Accounts receivable, net	432,741
Restricted cash and cash equivalents	31,260
Total current assets	5,201,087
Capital assets:	
Land and other non-depreciable assets	184,965
Other capital assets, net of depreciation	9,815,629
Capital assets, net	10,000,594
Total assets	15,201,681
DEFERRED OUTFLOWS OF RESOURCES	
Pension deferrals	202,557
OPEB deferrals	77,786
Total deferred outflows of resources	280,343
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	124,788
Salaries and payroll taxes payable	42,489
Payable from restricted assets:	
Customer deposits	31,260
Accrued interest payable	6,695
Compensated absences, current	46,000
Bonds payable, current	214,000
Total current liabilities	465,232
Noncurrent liabilities:	
Compensated absences, net	23,043
Total OPEB liability	261,652
Bonds payable, net	3,906,000
Net pension liability	377,781
Total noncurrent liabilities	4,568,476
Total liabilities	5,033,708
DEFERRED INFLOWS OF RESOURCES	
Pension deferrals	10,850
OPEB deferrals	13,810
Total deferred inflow of resources	24,660
NET POSITION	
Net investment in capital assets	5,880,594
Unrestricted	4,543,062
Total net position	$ 10,423,656

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

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
For the year ended June 30, 2021

	Enterprise Fund Water Fund
OPERATING REVENUES	
Charges for services	$ 2,118,474
Other operating revenues	404,413
Total operating revenues	2,522,887
OPERATING EXPENSES	
Administration	230,192
Water treatment and distribution	1,266,206
Depreciation	428,562
Total operating expenses	1,924,960
Operating income	597,927
NONOPERATING REVENUES (EXPENSES)	
Gain on sale of capital assets	26,993
Interest expense	(51,878)
Total nonoperating revenue, net	(24,885)
Change in net position	573,042
Net position, beginning of year	9,850,614
Net position, end of year	$ 10,423,656

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the year ended June 30, 2021

	Enterprise Fund Water Fund
Cash flows from operating activities:	
Cash received from customers	$ 2,492,546
Cash paid for goods and services	(1,101,415)
Cash paid to or on behalf of employees for services	(944,313)
Net cash provided by operating activities	446,818
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(1,212,910)
Interest paid on bond maturities	(62,651)
Proceeds from revenue bond issuance	2,500,000
Payment of bond anticipation note	(2,500,000)
Principal payments on debt	(206,000)
Net cash used for capital and related financing activities	(1,481,561)
Cash flows from investing activities:	
Proceeds from the sale of capital assets	26,993
Net cash provided by investing activities	26,993
Net decrease in cash and cash equivalents	(1,007,750)
Cash and cash equivalents, beginning of year	5,776,096
Cash and cash equivalents, end of year	$ 4,768,346
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 597,927
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	428,562
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Increase in accounts receivable	(35,517)
Increase in deferred outflows of resources - pensions	(19,078)
Increase in deferred ouflows of resources - OPEB	(52,749)
Increase in deferred inflows of resources - pensions	4,858
Decrease in deferred inflows of resources - OPEB	(4,569)
Decrease in accounts payable and accrued liabilities	(577,537)
Increase in customer deposits	5,176
Increase in salaries and payroll taxes payable	8,302
Increase in accrued compensated absences	14,962
Increase in net pension liability	65,096
Increase in net OPEB liability	11,385
Total adjustments	(151,109)
Net cash provided by operating activities	$ 446,818

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

Note 1 – Summary of Significant Accounting Policies

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

A. Reporting Entity

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

Town of Weaverville ABC Board

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

B. Basis of Presentation

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

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

Fund Financial Statements: The fund financial statements provide information about the Town's funds. Separate statements for each fund category – *governmental and proprietary* –

are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. As of June 30, 2021, the Town of Weaverville did not report any nonmajor governmental funds.

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

The Town reports the following major governmental funds:

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

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

The Town reports the following major enterprise fund:

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

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

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Fund. All annual appropriations lapse at the fiscal-year end. Project ordinances are adopted for the Water

Capital Project Fund. The Water Capital Project fund is consolidated with the operating fund for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds. The Town Manager is authorized by the budget ordinance to transfer appropriations between departmental areas within a fund up to $10,000 without limit and without approval by the governing board; however, any revisions that alter the total expenditures of any fund or that change departmental appropriations by more than $10,000 must be approved by the governing board. During the year, several amendments to the original budget were necessary, the effects of which were not material. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted. Appropriations are adopted at the department level.

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

1. Deposits and Investments

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

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

2. Cash and Cash Equivalents

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

3. Restricted Assets

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

Restricted Cash	
Governmental activities:	
General Fund - Streets	$ 105,825
General Fund - developer deposits	49,500
General Fund - Cops for Kids	6,989
Total governmental activities	162,314
Business-type activities:	
Water Fund - customer deposits	$ 31,260
Total business-type activities	31,260
Total Primary Government	$ 193,574

4. Ad Valorem Taxes Receivable

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

Inventories of the ABC Board are valued at cost (first-in, first-out), which approximates market. The Town of Weaverville does not maintain an inventory of parts and supplies for the enterprise fund. The inventories of the ABC Board consist of materials and supplies held for subsequent sale. The cost of these inventories is expensed when sold rather than when purchased.

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

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain amount and an estimated useful life in excess of one year. Minimum capitalization costs are as follows: all land, regardless of value; improvements other than buildings, $5,000; buildings, improvements, substations, lines, and other plant and distribution systems, $20,000; furniture and equipment, $5,000; vehicles, $5,000; and infrastructure, $100,000. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at

cost or estimated historical cost. General infrastructure assets acquired prior to July 1, 2003, consist of the road network and water system assets that were acquired prior to July 1, 1980, and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

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

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

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

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. As of June 30, 2021, the Town only has two items that meet this criterion, pension and OPEB 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. As of June 30, 2021, the Town has several items that meet the criterion for this category – prepaid taxes, property taxes receivable, and pension and OPEB deferrals.

9. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is

reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Compensated Absences

The vacation policy of the Town provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the Town's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The Town has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

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

11. Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

Nonspendable fund balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

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

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

Restricted for stabilization by State statute – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of

fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding encumbrances are included within RSS. RSS is included as a component of restricted net position and restricted fund balance on the face of the balance sheet.

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

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

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

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

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

Unassigned fund balance – portion of total fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The Town has not adopted a formal revenue spending policy that provides guidance for programs with multiple revenue sources; however, the Finance Officer will use resources in the following hierarchy: bond proceeds; federal funds; State funds; local non-town funds; town funds. For purposes of fund balance classification, expenditures are typically spent from restricted fund balance first, followed, in order, by committed fund balance, assigned fund balance and, lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this if it is in the best interest of the Town.

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

F. Defined Benefit Cost-Sharing Plans

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

G. Estimates

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

Note 2 – Detail Notes on All Funds

A. Assets

1. Deposits

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

The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town, the ABC Board, or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Town and the ABC Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has deposits only in the Pooling Method depositories. The Town has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2021, the Town's deposits had a carrying amount of $4,440,872 and a bank balance of $4,603,342. Of the bank balance, $593,078 was covered by federal depository insurance and $4,010,264 was covered by collateral held under the pooling method. At June 30, 2021, the Town's petty cash fund totaled $350.

The carrying amount of deposits for the ABC Board was $449,191 and the bank balance was $653,992. The ABC Board's petty cash fund totaled $2,024. Of the bank balance, $250,000 was covered by federal depository insurance and $403,992 was covered by collateral held under the pooling method.

2. Investments

At June 30, 2021, the Town had $6,392,905 invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAm by Standard and Poor's. The Town has no policy regarding credit risk.

3. Receivables – Allowances for Doubtful Accounts

The amount presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2021 is net of the following allowances for doubtful accounts:

Funds	
General Fund - Taxes Receivable	$ 45,000
Enterprise Fund - Uncollectible Accounts	7,000
Total	$ 52,000

4. Due From Other Governments

Amounts due from other governments at June 30, 2021 consisted of the following:

Local option sales tax	$ 422,622
Sales tax refunds	89,356
Utilities sales tax	100,098
Fire protection charges	213,401
ABC store distributions	90,495
DMV distribution - registered motor vehicle tax	20,318
	$ 936,290

5. Capital Assets

Primary Government
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	$ 1,032,109	$ -	$ -	$ 1,032,109
Construction in progress	719,282	2,323,510	-	3,042,792
Total capital assets not being depreciated	1,751,391	2,323,510	-	4,074,901
Capital assets being depreciated:				
Buildings	6,074,955	5,878	-	6,080,833
Land improvements	484,046	-	-	484,046
Furniture, equipment, and vehicles	6,381,972	385,451	65,683	6,701,740
Infrastructure	3,805,097	-	-	3,805,097
Total capital assets being depreciated	16,746,070	391,329	65,683	17,071,716
Less accumulated depreciation for:				
Buildings	1,879,994	125,022	-	2,005,016
Land improvements	160,464	14,239	-	174,703
Furniture, equipment, and vehicles	5,109,567	317,429	61,442	5,365,554
Infrastructure	596,019	79,732	-	675,751
Total accumulated depreciation	7,746,044	536,422	61,442	8,221,024
Total capital assets being depreciated, net	9,000,026			8,850,692
Governmental activities capital assets, net	$ 10,751,417			$ 12,925,593

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

General government	$ 40,327
Public safety	315,515
Transportation	128,973
Environmental protection	29,900
Cultural and recreational	21,707
Total depreciation expense	$ 536,422

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Water Fund				
Capital assets not being depreciated:				
Land	$ 146,035	$ -	$ -	$ 146,035
Construction in Progress	1,085,761	1,176,307	2,223,138	38,930
Total capital assets not being depreciated	1,231,796	1,176,307	2,223,138	184,965
Capital assets being depreciated:				
Plant and distribution systems	13,994,067	2,223,138	-	16,217,205
Furniture, equipment, and vehicles	1,809,841	36,603	82,137	1,764,307
Total capital assets being depreciated	15,803,908	2,259,741	82,137	17,981,512
Less accumulated depreciation for:				
Plant and distribution systems	6,637,196	329,145	-	6,966,341
Furniture, equipment, and vehicles	1,182,262	99,417	82,137	1,199,542
Total accumulated depreciation	7,819,458	428,562	82,137	8,165,883
Total capital assets being depreciated, net	7,984,450			9,815,629
Business-type activities capital assets, net	$ 9,216,246			$ 10,000,594

Construction Commitments

The Town had an active construction contract as of June 30, 2021. At year-end the contract commitment is as follows:

Project	Spent-to-Date	Remaining Commitment
Water Treatment Expansion – Engineering	$23,850	$338,500
Community Center	$2,398,000	$361,000

Discretely presented component unit

Activity for the ABC Board for the year ended June 30, 2021, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets being depreciated:				
Building	$ 1,479,898	$ -	$ -	$ 1,479,898
Other improvements	25,910	17,680	-	43,590
Equipment and furniture	109,225	-	-	109,225
Computer equipment	27,985	2,382	-	30,367
Total capital assets being depreciated	1,643,018	20,062	-	1,663,080
Less accumulated depreciation for:				
Building	636,357	59,196	-	695,553
Other improvements	648	4,215	-	4,863
Equipment and furniture	85,128	6,009	-	91,137
Computer equipment	26,701	633	-	27,334
Total accumulated depreciation	748,834	70,053	-	818,887
Total capital assets being depreciated, net	$ 894,184			$ 844,193

B. Liabilities

1. Pension Plan and Postemployment Obligations

a. Local Governmental Employees' Retirement System

1. Plan Description

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

2. Benefits Provided

LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable

service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

3. Contributions

Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Town of Weaverville employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town of Weaverville's contractually required contribution rate for the year ended June 30, 2021, was 10.90% of compensation for law enforcement officers, 10.15% for general employees, and 10.15% for firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Town of Weaverville were $417,871 for the year ended June 30, 2021.

4. Refunds of Contributions

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

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

At June 30, 2021, the Town reported a liability of $2,264,837 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, 2021, the Town's proportion was 0.06338% (measured as of June 30, 2020), which was a decrease of .00023% from its proportion reported as of June 30, 2020 (measured as of June 30, 2019).

For the year ended June 30, 2021, the Town recognized pension expense of $782,306. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 286,009	$ -
Changes of assumptions and other inputs	168,548	-
Net difference between projected and actual earnings on pension plan investments	318,716	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	23,203	65,041
Town contributions subsequent to the measurement date	417,871	-
Total	$ 1,214,347	$ 65,041

$417,871 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	$ 200,644
2023	275,232
2024	161,236
2025	94,323
2026	-
	$ 731,435

6. 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	3.00 percent
Salary increases	3.50 percent to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general,

law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 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 inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rate of return for each major asset class as of June 30, 2021 and summarized in the following table:

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%
Total	100%	

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.

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

8. Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Town's proportionate share of the net pension asset or net pension liability would be 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 (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Town's proportionate share of the net pension liability (asset)	$ 4,595,108	$ 2,264,837	$ 328,218

9. Pension plan fiduciary net position

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

b. Law Enforcement Officers' Special Separation Allowance

1. Plan Description

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

All full-time Town law enforcement officers are covered by the Separation Allowance. At the valuation date of December 31, 2019, the Separation Allowance's membership consisted of:

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

2. Summary of Significant Accounting Policies

Basis of Accounting. The Town has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the criteria which are outlined in GASB Statement 73.

3. Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2019 valuation. 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	2.50 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	1.93 percent

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

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

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

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

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

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

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

4. Contributions.

The Town is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The Town paid $62,109 as benefits came due during the reporting period.

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

At June 30, 2021, the Town reported a total pension liability of $875,592. The total pension liability was measured as of December 31, 2020 based on a December 31, 2019 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2020 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2021, the Town recognized pension expense of $84,182.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 161,565	$ -
Changes of assumptions or other inputs	175,559	14,415
Benefit payments ad administrative expenses made subsequent to the measurement date	27,988	-
Total	$ 365,112	$ 14,415

$27,988 reported as deferred outflows of resources related to pensions resulting from benefit payments made subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2022	$ 73,008
2023	73,115
2024	67,276
2025	59,925
2026	49,385
	$ 322,709

Sensitivity of the Town's total pension liability to changes in the discount rate. The following presents the Town's total pension liability calculated using the discount rate of 1.93 percent, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.93 percent) or 1-percentage-point higher (2.93 percent) than the current rate:

	1% Decrease (.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	$ 944,302	$ 875,592	$ 812,754

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

	2021
Beginning balance	$ 598,291
Service cost	24,887
Interest on the total pension liability	18,492
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liabliity	113,362
Change of assumptions or other inputs	182,669
Benefit payments	(62,109)
Other changes	-
Ending balance of the total pension liability	$ 875,592

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

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

	LGERS	LEOSSA	Total
Pension expense	$ 782,306	$ 84,182	$ 866,488
Pension liability	2,264,837	875,592	3,140,429
Proportionate share of the net pension liability	0.06338%	n/a	
Deferred outflows of resources:			
Differences between expected and actual experience	$ 286,009	$ 161,565	$ 447,574
Changes of assumptions and other inputs	168,548	175,559	344,107
Net difference between projected and actual earnings on plan investments	318,716	-	318,716
Changes in proportion and differences between contributions and proportionate share of contributions	23,203	-	23,203
Benefit payments paid subsequent to the measurement date	417,871	27,988	445,859
	$1,214,347	$ 365,112	$1,579,459
Deferred inflows of resources:			
Differences between expected and actual experience	$ -	$ -	$ -
Changes of assumptions	-	14,415	14,415
Changes in proportion and differences between contributions and proportionate share of contributions	65,041	-	65,041
	$ 65,041	$ 14,415	$ 79,456

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

1. Plan Description

The Town contributes to the Supplemental Retirement Income Plan (the Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers and general employees employed by the Town. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

2. Funding Policy

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

The Town made contributions of $189,096 for the reporting year. No amounts were forfeited.

d. Other Postemployment Benefits

Healthcare Benefits

1. Plan Description

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

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

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

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

2. Total OPEB Liability

The Town's total OPEB liability of $1,507,325 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2020.

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

Inflation	2.5 percent
Salary increases	3.5 percent to 7.75 percent, including inflation
Discount rate	3.50 percent
Healthcare cost trend rates	
Pre-Medicare Medical and Prescription Drug	7.00 percent for 2020 decreasing to an ultimate rate of 4.50% by 2030
Dental	4.0 percent
Vision	2.5 percent

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

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

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014, adopted by the LGERS Board.

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

3. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2020	$ 1,251,338
Changes for the year	
Service cost	55,166
Interest	44,342
Changes in benefit terms	(109,247)
Differences between expected and actual experience	138,682
Changes in assumptions or other inputs	206,911
Benefit payments	(79,867)
Net changes	255,987
Balance at June 30, 2021	$ 1,507,325

Changes in assumptions or other inputs reflect a change in the discount rate from 3.18% to 2.21%.

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

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	$ 1,653,628	$ 1,507,325	$ 1,375,303

5. Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
Total OPEB liability	$ 1,354,598	$ 1,507,325	$ 1,687,621

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

For the year ended June 30, 2021, the Town recognized OPEB expense of $32,077. At June 30, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 148,885	$ -
Changes of assumptions or other inputs	217,690	79,560
Benefit payments made subsequent to the measurement date	50,072	-
Total	$ 416,647	$ 79,560

$50,072 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 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	$ 37,316
2023	37,316
2024	37,316
2025	37,316
2026	37,316
Thereafter	100,435
	$ 287,015

e. Other Employment Benefits

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

2. Deferred Outflows and Inflows of Resources

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

Source	Amount
Contributions to the pension plan in the current fiscal year	$ 417,871
Benefit payments made for LEOSSA subsequent to measurement date	27,988
Benefit payments made for OPEB subsequent to measurement date	50,072
Differences between expected and actual experience	596,459
Changes in assumptions or other inputs	561,797
Net differences between projected and actual earnings	318,716
Changes in proportion and differences between employer contributions and proportionate share of contributions	23,203
	$ 1,996,106

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

Source	Statement of Net Position	General Fund Balance Sheet
Prepaid taxes (General Fund)	$ 4,698	$ 4,698
Taxes receivable, less penalties (General Fund)	-	19,537
Changes in assumptions or other inputs	93,975	-
Differences between expected and actual experience	-	-
Changes in proporation and differences between employer contributions and proportionate share of contributions (pension)	65,041	-
	$ 163,714	$ 24,235

Risk Management

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

financial statements are available to the Town upon request.

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

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

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

3. Long-Term Obligations

a. Installment Purchase

In June 2006, the Town entered into a direct placement installment purchase contract in the amount of $3,551,000 to finance the construction of a fire department facility. The contract required semi-annual principal payments of $118,367 beginning in December 2008, with interest at 4.06%, and was being paid by the General Fund. On June 7, 2013, the Town entered into a refinancing agreement. The refinancing contract requires semi-annual principal payments of $118,367 beginning in December 2013 with interest at 2.06% and is being paid by the General Fund. This installment purchase contract was paid in full as of June 30, 2021.

In September 2014, the Town entered into a direct placement installment purchase contract with a financial institution in the amount of $692,000 to finance the purchase of several fire trucks. The contract required annual principal payments beginning with a $220,000 principal payment as of September 2014 and then an initial fixed $53,541 principal payment following in September 2015, with interest at 2.36% through September 2024, and is being paid by the General Fund. The balance on this installment purchase contract as of June 30, 2021 was $202,100. The equipment purchased with the debt proceeds is pledged as collateral for the debt.

Annual debt service payments of the installment purchases as of June 30, 2021, including $12,063 of interest, are as follows:

Year ending	Governmental Activities	
June 30	Principal	Interest
2022	$ 48,771	$ 4,770
2023	49,922	3,619
2024	51,100	2,440
2025	52,307	1,234
	$ 202,100	$ 12,063

b. General Obligation Indebtedness

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

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

General obligation bonds payable at June 30, 2021 are comprised of the following individual issue:

General Obligation Bonds

Serviced by the Water Fund:	
Water Refunding direct placement bonds, 2016, $2,480,000 issue, interest at 2.06% payable semiannually due serially to 2030.	$ 1,660,000

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

Year ending June 30	Business-type Activities	
	Principal	Interest
2022	$ 174,000	$ 34,196
2023	176,000	30,612
2024	178,000	26,986
2025	184,000	23,319
2026	191,000	19,529
2027-2031	757,000	38,687
	$ 1,660,000	$ 173,329

c. Water Revenue Bond

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

Year Ending June, 30	Business-type Activities	
	Principal	Interest
2022	$ 40,000	$ 52,275
2023	41,000	51,425
2024	43,000	50,554
2025	44,000	49,640
2026	45,000	48,705
2027-2031	240,000	228,756
2032-2036	265,000	202,194
2037-2041	294,000	172,848
2042-2046	327,000	140,229
2047-2051	364,000	103,955
2052-2056	403,000	63,665
2057-2060	354,000	18,955
Total	$ 2,460,000	$ 1,183,201

At June 30, 2021, the Town of Weaverville had a legal debt margin of approximately $70,700,000.

d. Discretely Presented Component Unit

In April 2009, the ABC Board entered into a $1,500,000 note payable to a banking institution for the purpose of financing the ABC Board's acquisition and construction of the facilities in which it operates. The financing agreement required one interest only payment of $73,500 beginning in the fiscal year 2010, followed by 19 annual principal and interest payments of $123,007 with interest of 4.89%. On October 17, 2013, the ABC Board entered into a modification of the loan terms to require quarterly payments instead of annual. No other terms of the loan changed. The required quarterly payment is $31,038. The loan matures in April 2029. The note payable is collateralized by all real and personal property of the ABC Board. The balance of the loan as of June 30, 2021 was $817,904.

During the year ended June 30, 2010, the ABC Board entered into a loan with a banking institution in the amount of $50,000. Loan payments commenced with interest only payments at 5.39% beginning in April 2010. Annual principal and interest payments of $4,270 commenced in April 2011. On October 17, 2013, the ABC Board entered into a modification of the loan terms to require quarterly payments instead of annual. No other terms of the loan changed. The required quarterly payment is $1,076. The loan matures in April 2029. The balance of this loan as of June 30, 2021 was $27,813.

Interest expense for the year ended June 30, 2021 was $47,279.

Annual debt service payments of the notes payable of the ABC Board as of June 30, 2021, including $181,923 of interest, are as follows:

Year ending June 30	Discretely-Presented Component Unit	
	Principal	Interest
2022	$ 88,573	$ 39,882
2023	93,000	35,455
2024	97,647	30,808
2025	102,527	25,928
2026	107,650	20,805
2027-2029	356,320	29,045
	$ 845,717	$ 181,923

e. Changes in Long-Term Liabilities

The following is a summary of changes in the Town's long-term obligations for the year ended June 30, 2021:

	Balance July 1, 2020	Increase	Decrease	Balance June 30, 2021	Current Portion
Governmental Activities:					
Direct placement installment purchases	$ 486,433	$ -	$ 284,333	$ 202,100	$ 48,771
Total pension liability (LEOSSA)	598,291	277,301	-	875,592	-
Net pension liability (LGERS)	1,424,454	462,602	-	1,887,056	-
Total OPEB liability	1,001,071	244,602	-	1,245,673	-
Compensated absences	240,852	153,874	138,643	256,083	139,000
Governmental activity long-term liabilities	$ 3,751,101	$1,138,379	$ 422,976	$ 4,466,504	$ 187,771
Business-type Activities:					
Direct placement general obligation bonds	$ 1,826,000	$ -	$ 166,000	$ 1,660,000	$ 174,000
Bond anticipation note	2,500,000	-	2,500,000	-	-
Water revenue bond	-	2,500,000	40,000	2,460,000	40,000
Net pension liability (LGERS)	312,685	65,096	-	377,781	-
Total OPEB liability	250,267	11,385	-	261,652	-
Compensated absences	54,081	61,209	46,247	69,043	46,000
Business-type activity long-term liabilities	$ 4,943,033	$2,637,690	$2,752,247	$ 4,828,476	$ 260,000

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

The following table summarizes long-term liability changes for the Weaverville ABC Board for the year ended June 30, 2021:

Discretely Presented Component Unit:

	Balance July 1, 2020	Increase	Decrease	Balance June 30, 2021	Current Portion
Component Unit:					
Notes payable	$ 930,075	$ -	$ 84,358	$ 845,717	$ 88,573
Net pension liability (LGERS)	16,262	13,587	16,822	13,027	-
Compensated absences	69,365	32,120	-	101,485	-
Governmental activity long-term liabilities	$ 1,015,702	$ 45,707	$ 101,180	$ 960,229	$ 88,573

C. Net Investment in Capital Assets

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

	Governmental	Business-type
Capital assets	$ 12,925,593	$ 10,000,594
Less: Long-term debt	202,100	4,120,000
Net investment in capital assets	$ 12,723,493	$ 5,880,594

D. Fund Balance

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation:

Total fund balance - General Fund	$ 6,234,730
Less:	
Nonspendable items:	
Prepaids	88,492
Restricted for:	
Stabilization by state statute	936,290
Streets - Powell Bill	105,825
Public safety - Cops for Kids	6,989
Assigned:	
Appropriated fund balance in 2022 budget	595,239
Unassigned:	
Working capital/fund balance policy - minimum	1,605,314
Remaining fund balance	$ 2,896,581

Note 3 – Joint Ventures

The Town and the members of the Town's fire department each appoint two members to the five-member local board of trustees for the Firefighter's Relief Fund. The State Insurance Commissioner appoints one additional member to the local board of trustees. The Firefighter's Relief Fund is funded by a portion of the fire and lightning insurance premiums which insurers remit to the State. The State passes these monies to the local board of the Firefighter's Relief Fund. The funds are used to assist firefighters in various ways. The Town obtains an ongoing financial benefit from the Fund for the on-behalf of payments for salaries and fringe benefits made to members of the Town's fire department by the board of trustees. During the fiscal year ended June 30, 2021, the Town reported no revenues and expenditures made through the Fireman's Relief Fund. The participating governments do not have any equity interest in the joint venture, so no equity has been reflected in the financial statements at June 30, 2021. The Firefighter's Relief Fund does not issue separate audited financial statements. Instead, the local board of trustees files an annual financial report with the State Firefighter's Association. This report can be obtained from the Association at 323 West Jones Street, Suite 401, Raleigh, North Carolina 27603.

Note 4 – Jointly Governed Organization

The Town, in conjunction with various other municipalities, participates in the Metropolitan Sewerage District. The participating governments established the District to provide sewerage services to the residents of participant communities. The Town appoints one member to the District's governing board. The Town collected and remitted to the District fees of $1,147,061 during the fiscal year ended June 30, 2021. The Town's income for these collections totaled $63,541.

Note 5 – Restatement of Beginning Fund Balance of the Water Capital Reserve Fund

During the year, management noticed that a budgeted transfer from the Water Fund to the Water Capital Reserve Fund was inadvertently omitted from the general ledger in a prior year. To correct this, an adjustment to beginning fund balance in the Water Capital Reserve Fund is shown on the Water Capital Reserve budgetary schedule in the supplemental information. Because generally accepted accounting principles require the Water Capital Reserve Fund to be consolidated with the Water Fund for presentation in the basic financial statements, there is no effect on beginning net position of the Water Fund.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WEAVERVILLE, NORTH CAROLINA

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

Schedule of Changes in Total Pension Liability

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

Schedule of Total Pension Liability as a Percentage of Covered Payroll

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

Notes to the schedules:

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

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

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

Local Governmental Employees' Retirement System

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

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

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

Local Governmental Employees' Retirement System

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

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

Schedule of Changes in Total OPEB Liability

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

Notes to the schedule:

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

Fiscal Year	**Rate**
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended June 30, 2021

	2021		
	Budget	**Actual**	Variance Positive (Negative)
REVENUES			
Ad valorem taxes:			
Taxes		**$ 3,551,976**	
Penalties and interest		**19,186**	
	$ 3,508,310	**3,571,162**	$ 62,852
Other taxes and licenses:			
Local option sales tax		**1,536,284**	
	1,116,800	**1,536,284**	419,484
Intergovernmental revenues:			
Unrestricted:			
Utilities sales tax		**468,681**	
Beer and wine tax		**16,775**	
Buncombe Co. - fire protection		**1,665,975**	
ABC profit distribution		**337,686**	
	2,183,364	**2,489,117**	305,753
Restricted:			
Public works grants		**139,851**	
Police department grants		**73,979**	
Fire department grants		**12,639**	
CARES Act		**120,853**	
	322,032	**347,322**	25,290
Permits and fees:			
Parking enforcement fees		**1,550**	
Planning and zoning fees		**18,061**	
Fire inspection fees		**300**	
	20,500	**19,911**	(589)
Investment earnings	12,600	**3,641**	(8,959)
Other:			
Miscellaneous		**23,974**	
Contributions		**35,161**	
	70,271	**59,135**	(11,136)
Total revenues	7,233,877	**8,026,572**	792,695
EXPENDITURES			
General government:			
Governing board:			
Salaries and employee benefits		**105,434**	
Community promotions		**41,964**	
Professional services		**37,938**	
Other operating expenses		**28,416**	
	265,025	**213,752**	51,273
Administration:			
Salaries and employee benefits		**365,523**	
Professional services		**59,166**	
Other operating expenses		**157,633**	
Capital outlay		**1,400**	
	662,604	**583,722**	78,882

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended June 30, 2021

	2021		
	Budget	**Actual**	Variance Positive (Negative)
Planning:			
Salaries and employee benefits		**99,968**	
Professional services		**2,305**	
Other operating expenses		**2,798**	
	120,075	**105,071**	15,004
Total general government	1,047,704	**902,545**	145,159
Public safety:			
Police:			
Salaries and employee benefits		**1,450,550**	
Supplies and materials		**52,245**	
Repairs and maintenance		**31,532**	
Insurance		**45,568**	
Other operating expenses		**196,531**	
Capital outlay		**253,031**	
	2,109,594	**2,029,457**	80,137
Fire:			
Salaries and employee benefits		**1,994,158**	
Insurance		**66,823**	
Repairs and maintenance		**92,840**	
Other operating expenses		**203,353**	
Capital outlay		**25,897**	
	2,588,651	**2,383,071**	205,580
Total public safety	4,698,245	**4,412,528**	285,717
Transportation:			
Streets:			
Salaries and employee benefits		**233,333**	
Contract services		**16,814**	
Utilities		**46,307**	
Supplies and materials		**42,713**	
Other operating expenses		**36,230**	
Capital outlay		**54,134**	
	462,521	**429,531**	32,990
Powell Bill:			
Salaries and benefits		**11,291**	
Capital outlay		**-**	
	100,000	**11,291**	88,709
Total transportation	562,521	**440,822**	121,699
Environmental protection:			
Sanitation:			
Salaries and benefits		**344,790**	
Contract services		**35,643**	
Supplies and materials		**28,900**	
Other operating expenses		**215,049**	
Capital outlay		**89,310**	
Total environmental protection	788,510	**713,692**	74,818

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended June 30, 2021

	2021		
	Budget	**Actual**	Variance Positive (Negative)
Cultural and recreational:			
Recreation:			
Salaries and employee benefits		**158,980**	
Contract services		**6,600**	
Other operating expenses		**46,096**	
Capital outlay		**13,290**	
Total cultural and recreational	256,549	**224,966**	31,583
Debt service:			
Principal		**284,333**	
Interest		**9,564**	
Total debt service	294,031	**293,897**	134
Contingency	20,000	-	20,000
Total expenditures	7,667,560	**6,988,450**	679,110
Revenues over (under) expenditures	(433,683)	**1,038,122**	1,471,805
Other financing sources (uses):			
Appropriated fund balance	2,707,343	**-**	(2,707,343)
Sale of capital assets	10,000	**25,372**	15,372
Transfer to capital project fund	(2,283,660)	**(2,323,511)**	(39,851)
Total other financing sources (uses)	433,683	**(2,298,139)**	(2,731,822)
Net change in fund balance	$ -	**(1,260,017)**	$ (1,260,017)
Fund balance, beginning of year		**7,419,747**	
Fund balance, end of year		**$ 6,159,730**	

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL CAPITAL PROJECT FUND
COMMUNITY CENTER PROJECT
Schedule of Revenues and Expenditures - Budget and Actual
From inception and for the year ended June 30, 2021

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:	$ -	$ -	$ -	$ -
Expenditures:				
Architectural fees	238,555	161,670	65,665	227,335
Construction	2,785,585	438,600	2,112,386	2,550,986
Fixtures and equipment	92,074	1,680	145,313	146,993
Engineering and professional services	95,461	4,804	147	4,951
Phase 2 expenditures	250,000	-	-	-
Contigencies	132,365	-	-	-
Total expenditures	3,594,040	606,754	2,323,511	2,930,265
Revenues under expenditures	(3,594,040)	(606,754)	(2,323,511)	(2,930,265)
Other Financing Sources:				
Transfer from general fund	3,594,040	606,754	2,323,511	2,930,265
Total other financing sources	3,594,040	606,754	2,323,511	2,930,265
Revenues and other sources under expenditures	$ -	$ -	$ -	$ -

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended June 30, 2021

	2021		
	Budget	**Actual**	Variance Positive (Negative)
Other financing sources (uses):			
Transfer from General Fund	$ -	**$ -**	$ -
Net change in fund balance	$ -	**-**	$ -
Fund balance, beginning of year		**75,000**	
Fund balance, end of year		**$ 75,000**	

TOWN OF WEAVERVILLE, NORTH CAROLINA
WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2021

	2021		
	Budget	**Actual**	Variance Positive (Negative)
OPERATING REVENUES			
Charges for services		**$ 2,118,474**	
Other operating revenues		**404,413**	
Total operating revenues	$ 2,318,250	**2,522,887**	$ 204,637
NON-OPERATING REVENUES			
Investment earnings	5,500	**-**	(5,500)
Total non-operating revenues	5,500	**-**	(5,500)
Total revenues	2,323,750	**2,522,887**	199,137
OPERATING EXPENDITURES			
Water administration:			
Salaries and employee benefits		**162,180**	
Professional services		**14,326**	
Supplies and materials		**5,406**	
Postage		**12,745**	
Telephone		**4,558**	
Insurance		**9,647**	
Other operating expenses		**10,674**	
Total water administration	277,491	**219,536**	57,955
Treatment and distribution:			
Salaries and employee benefits		**790,435**	
Professional services		**31,224**	
Contract services		**3,900**	
Water testing and maintenance		**20,566**	
Supplies and materials		**143,871**	
Training and travel		**3,125**	
Telephone		**9,679**	
Utilities		**107,032**	
Repairs and maintenance		**28,565**	
Insurance		**17,284**	
Sludge removal		**45,971**	
Water system improvement		**43,434**	
Non-capital equipment		**11,871**	
Capital outlay		**51,683**	
Total treatment and distribution	1,574,762	**1,308,640**	266,122
Debt service:			
Principal retirement		**206,000**	
Interest		**37,711**	
Total debt service	203,616	**243,711**	(40,095)
Contingency	15,000	**-**	15,000
Total expenditures	2,070,869	**1,771,887**	298,982

TOWN OF WEAVERVILLE, NORTH CAROLINA
WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2021

	2021		
	Budget	**Actual**	Variance Positive (Negative)
OTHER FINANCING SOURCES (USES)			
Appropriated fund balance	32,113	**-**	(32,113)
Revenue bonds issued	2,500,000	**2,500,000**	-
Payment of bond anticipation note	(2,500,000)	**(2,500,000)**	-
Proceeds of sale of capital assets	-	**26,993**	26,993
Transfer to capital projects	(284,994)	**(284,994)**	-
Total other financing sources (uses)	(252,881)	**(258,001)**	**(5,120)**
Revenues and other sources over expenditures and other uses	$ -	**492,999**	$ 492,999
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Payment of debt principal		**206,000**	
Capital outlay		**51,683**	
Transfer from Capital Reserve Fund		**284,994**	
Increase in accrued interest		**(14,167)**	
Increase in accrued compensated absence liability		**(14,962)**	
Increase in deferred outflows of resources - pensions		**19,078**	
Increase in deferred outflows of resources - OPEB		**52,749**	
Increase in net pension liability		**(65,096)**	
Increase in net OPEB liability		**(11,385)**	
Increase in deferred inflows of resources - pensions		**(4,858)**	
Decrease in deferred inflows of resources - OPEB		**4,569**	
Depreciation		**(428,562)**	
Change in net position		**$ 573,042**	

TOWN OF WEAVERVILLE, NORTH CAROLINA

WATER CAPITAL PROJECT FUND
WATERLINE EXTENSION PROJECT
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From inception and for the year ended June 30, 2021

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:	$ -	$ -	$ -	$ -
Expenditures:				
Construction	2,329,200	750,269	1,052,924	1,803,193
Engineering	405,000	325,492	43,489	368,981
Legal and administration	20,000	10,000	10,000	20,000
Contingencies	126,400	-	-	-
Interest	90,000	-	35,963	35,963
Total expenditures	2,970,600	1,085,761	1,142,376	2,228,137
Revenues under expenditures	(2,970,600)	(1,085,761)	(1,142,376)	(2,228,137)
Other Financing Sources:				
Long term debt issued	2,800,000	2,500,000	-	2,500,000
Transfer from water capital reserve	170,600	170,600	-	170,600
Total other financing sources	2,970,600	2,670,600	-	2,670,600
Revenues and other sources over/ (under) expenditures	$ -	$ 1,584,839	$ (1,142,376)	$ 442,463

TOWN OF WEAVERVILLE, NORTH CAROLINA

WATER CAPITAL PROJECT FUND
WATER TREATMENT PLANT EXPANSION PROJECT
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From inception and for the year ended June 30, 2021

		Actual		
	Project Authorization	Prior Years	Current Year	Total
Revenues:	$ -	$ -	$ -	$ -
Expenditures:				
Engineering	338,500	-	23,850	23,850
Revenues under expenditures	(338,500)	-	(23,850)	(23,850)
Other Financing Sources:				
Transfer from water capital reserve	338,500	-	23,850	23,850
Revenues and other sources over expenditures	$ -	$ -	$ -	$ -

TOWN OF WEAVERVILLE, NORTH CAROLINA

WATER CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP)
For the year ended June 30, 2021

	2021		
	Budget	**Actual**	Variance Positive (Negative)
Other financing sources (uses):			
Transfer from Water Fund	$ 284,994	**$ 284,994**	$ -
Contingency	(261,144)	**-**	261,144
Transfer to Capital Project Fund	(23,850)	**(23,850)**	-
Net change in fund balance	$ -	**261,144**	$ 261,144
Fund balance, beginning of year		**149,323**	
Restatement (Note 5)		**170,600**	
Fund balance, beginning, as restated		**319,923**	
Fund balance, end of year		**$ 581,067**	

SUPPLEMENTAL FINANCIAL DATA

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
June 30, 2021

Fiscal Year	Uncollected Balance 6/30/2020	Additions	Collections And Credits	Uncollected Balance 6/30/2021
2020-2021	$ -	$ 3,562,586	$ 3,512,051	$ 50,535
2019-2020	49,950	-	43,158	6,792
2018-2019	1,577	-	148	1,429
2017-2018	761	-	136	625
2016-2017	218	-	171	47
2015-2016	201	-	99	102
2014-2015	2,047	-	-	2,047
2013-2014	570	-	-	570
2012-2013	752	-	-	752
2011-2012	1,638	-	-	1,638
	$ 57,714	$ 3,562,586	$ 3,555,763	64,537
Less allowance for uncollectible ad valorem taxes receivable				(45,000)
Ad valorem taxes receivable, net				$ 19,537
Reconcilement with Revenues:				
Taxes - Ad valorem - General Fund				$ 3,571,162
Reconciling items:				
Interest collected				(19,186)
Other adjustments				3,787
Total collections and credits				$ 3,555,763

TOWN OF WEAVERVILLE, NORTH CAROLINA

GENERAL FUND
ANALYSIS OF CURRENT TAX LEVY
For the year ended June 30, 2021

	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Original levy	$ 932,184,211	0.00380	$ 3,542,300	$ 3,354,216	$ 188,084
Penalties			1,284	1,284	-
Total			3,543,584	3,355,500	188,084
Discoveries:					
Current year taxes and penalties	6,730,790		25,577	25,577	-
Abatements	(1,730,263)		(6,575)	(6,575)	-
Total property valuation	$ 937,184,738				
Net levy			3,562,586	3,374,502	188,084
Uncollected taxes at June 30, 2021			50,535	50,535	-
Current year's taxes collected			$ 3,512,051	$ 3,323,967	$ 188,084
Current levy collection percentage			98.58%	98.50%	100.00%

STATISTICAL SECTION

TOWN OF WEAVERVILLE
Statistical Section

This part of the Town of Weaverville Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents ***Page***

Financial Trends **82**
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity **87**
These schedules contain information to help the reader assess the governments most significant local revenue source, property tax.

Debt Capacity **92**
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information **96**
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place

Operating Information **98**
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	$ 6,842,752	$ 7,347,031	$ 7,993,996	$ 8,050,186	$ 7,923,020	$ 8,223,653	$ 8,706,197	$ 9,088,415	$ 10,264,984	$ 12,723,493
Restricted	940,151	916,438	619,271	736,093	889,635	651,736	670,368	790,806	792,934	1,049,104
Unrestricted	3,633,538	3,478,950	3,331,318	3,145,332	3,541,535	4,088,152	4,481,604	5,253,493	4,405,368	2,518,218
Total governmental activities net position	$ 11,416,441	$ 11,742,419	$ 11,944,585	$ 11,931,611	$ 12,354,190	$ 12,963,541	$ 13,858,169	$ 15,132,714	$ 15,463,286	$ 16,290,815
Business-type activities										
Net investment in capital assets	$ 6,389,448	$ 6,228,057	$ 6,138,248	$ 5,984,535	$ 6,226,795	$ 6,048,586	$ 6,115,213	$ 6,558,892	$ 7,170,246	$ 5,880,594
Unrestricted	2,326,924	2,416,168	2,564,076	2,567,214	2,339,010	2,812,547	2,899,609	2,954,545	2,680,368	4,543,062
Total business-type activities net position	$ 8,716,372	$ 8,644,225	$ 8,702,324	$ 8,551,749	$ 8,565,805	$ 8,861,133	$ 9,014,822	$ 9,513,437	$ 9,850,614	$ 10,423,656
Primary government										
Net investment in capital assets	$ 13,232,200	$ 13,575,088	$ 14,132,244	$ 14,034,721	$ 14,149,815	$ 14,272,239	$ 14,821,410	$ 15,647,307	$ 17,435,230	$ 18,604,087
Restricted	940,151	916,438	619,271	736,093	889,635	651,736	670,368	790,806	792,934	1,049,104
Unrestricted	5,960,462	5,895,118	5,895,394	5,712,546	5,880,545	6,900,699	7,381,213	8,208,038	7,085,736	7,061,280
Total primary government net position	$ 20,132,813	$ 20,386,644	$ 20,646,909	$ 20,483,360	$ 20,919,995	$ 21,824,674	$ 22,872,991	$ 24,646,151	$ 25,313,900	$ 26,714,471

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
General government	$ 745,832	$ 871,378	$ 1,060,919	$ 972,373	$ 853,053	$ 886,828	$ 915,132	$ 867,562	$ 976,437	$ 970,726
Public safety	3,192,377	3,164,552	3,181,904	3,187,340	3,444,875	3,490,042	3,737,201	4,177,269	4,641,137	4,766,925
Transportation	431,241	443,150	459,368	411,294	377,930	349,808	538,868	573,092	521,481	550,460
Environmental protection	525,647	490,032	560,224	545,538	605,969	711,637	517,387	472,460	632,257	674,755
Cultural and recreation	151,913	165,007	210,541	181,046	223,273	170,249	330,758	279,034	304,842	255,829
Interest on long term debt	135,861	121,910	61,303	53,241	49,720	37,857	30,006	19,602	14,159	8,305
Total governmental activities expenses	5,182,871	5,256,029	5,534,259	5,350,832	5,554,820	5,646,421	6,069,352	6,389,019	7,090,313	7,227,000
Business-type activities:										
Water fund	1,698,261	1,756,183	1,772,760	1,756,734	1,743,187	1,757,711	1,811,522	1,825,246	2,183,668	1,976,838
Total business-type activities	1,698,261	1,756,183	1,772,760	1,756,734	1,743,187	1,757,711	1,811,522	1,825,246	2,183,668	1,976,838
Total primary government expenses	$ 6,881,132	$ 7,012,212	$ 7,307,019	$ 7,107,566	$ 7,298,007	$ 7,404,132	$ 7,880,874	$ 8,214,265	$ 9,273,981	$ 9,203,838
Program Revenues										
Governmental activities:										
Charges for services										
General government	$ 15,377	$ 15,270	$ 15,270	$ 15,269	$ 15,270	$ 26,350	$ 23,884	$ 18,500	$ 19,543	$ 1,550
Public safety	31,788	46,268	30,384	18,438	26,465	900	300	800	-	18,361
Operating grants and contributions	24,561	81,131	93,407	42,828	22,548	220,621	38,859	47,858	18,699	207,471
Capital grants and contributions	120,661.00	105,081	106,054	106,971	106,776	106,302	106,428	104,952	103,879	139,851
Total governmental activities program revenues	192,387	247,750	245,115	183,506	171,059	354,173	169,471	172,110	142,121	367,233
Business-type activities:										
Charge for services										
Water	1,604,755	1,652,376	1,824,127	1,708,014	1,751,374	1,941,316	1,996,961	2,263,956	2,464,546	2,522,887
Total business-type activities:	1,604,755	1,652,376	1,824,127	1,708,014	1,751,374	1,941,316	1,996,961	2,263,956	2,464,546	2,522,887
Total primary government program revenues	$ 1,797,142	$ 1,900,126	$ 2,069,242	$ 1,891,520	$ 1,922,433	$ 2,295,489	$ 2,166,432	$ 2,436,066	$ 2,606,667	$ 2,890,120

(Continued on next page)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020
Net (Expense) Revenue										
Governmental activities	$ (4,990,484)	$ (5,008,279)	$ (5,289,144)	$ (5,167,326)	$ (5,383,761)	$ (5,292,248)	$ (5,899,881)	$ (6,216,909)	$ (6,948,192)	$ (6,859,767)
Business-type activities	(93,506)	(103,807)	51,367	(48,720)	8,187	183,605	185,439	438,710	280,878	546,049
Total primary government expense	$ (5,083,990)	$ (5,112,086)	$ (5,237,777)	$ (5,216,046)	$ (5,375,574)	$ (5,108,643)	$ (5,714,442)	$ (5,778,199)	$ (6,667,314)	$ (6,313,718)
General Revenue and Other Changes in Net Position										
Governmental activities:										
Taxes	$ 3,711,461	$ 3,815,593	$ 3,769,024	$ 3,889,022	$ 3,953,934	$ 4,127,418	$ 4,421,892	$ 4,653,205	$ 4,737,193	$ 5,114,269
Grants and unrestricted contributions	1,490,077	1,470,911	1,611,206	1,669,515	1,751,222	1,828,482	1,941,897	2,324,207	2,381,318	2,524,278
Gain (loss) on sale of property	-	(7,578.00)	-	(58,767)	51,967	3,885	568,630	338,618	29,140	21,131
Investment earnings	28,139	24,452	5,953	4,800	16,144	27,452	73,589	152,290	90,724	3,641
Miscellaneous	46,587	30,879	105,127	13,114	33,103	27,976	26,166	23,134	40,389	23,974
Total government activities	5,276,264	5,334,257	5,491,310	5,517,684	5,806,370	6,015,213	7,032,174	7,491,454	7,278,764	7,687,293
Business-type activities:										
Gain on sale of property	-	14,412.00	-	2,474.00	3,154	-	-	-	3,284	26,993
Investment earnings	20,774	17,248	6,732	3,994	2,715	13,521	32,937	59,905	53,015	-
Total business-type activities	20,774	31,660	6,732	6,468	5,869	13,521	32,937	59,905	56,299	26,993
Total primary government	$ 5,297,038	$ 5,365,917	$ 5,498,042	$ 5,524,152	$ 5,812,239	$ 6,028,734	$ 7,065,111	$ 7,551,359	$ 7,335,063	$ 7,714,286
Change in Net Position										
Governmental activities	$ 267,985	$ 45,113	$ 323,984	$ 133,923	$ 422,579	$ 722,965	$ 1,132,293	$ 1,274,545	$ 330,572	$ 827,526
Business activities	(83,033)	83,027	(41,988)	14,655	14,056	197,126	218,376	498,615	337,177	573,042
Total primary government	$ 184,952	$ 128,140	$ 281,996	$ 148,578	$ 436,635	$ 920,091	$ 1,350,669	$ 1,773,160	$ 667,749	$ 1,400,568

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ 47,577	$ 46,921	$ 22,230	$ 82,000	$ 88,492
Restricted	940,151	916,438	619,271	736,093	889,635	651,736	670,368	790,806	792,934	1,049,104
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	213,340	289,710	240,359	72,773	275,000	323,600	777,504	194,933	238,220	595,239
Unassigned	4,015,946	3,890,602	3,903,142	4,256,578	4,508,900	5,265,972	5,519,421	6,946,831	6,381,593	4,501,895
Total General Fund	$ 5,169,437	$ 5,096,750	$ 4,762,772	$ 5,065,444	$ 5,673,535	$ 6,288,885	$ 7,014,214	$ 7,954,800	$ 7,494,747	$ 6,234,730

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Ad valorem taxes	$ 2,733,026	$ 2,731,714	$ 2,673,180	$ 2,744,627	$ 2,852,225	$ 2,973,623	$ 3,146,825	$ 3,322,075	$ 3,364,052	$ 3,571,162
Other taxes and licenses	979,761	1,086,231	1,097,423	1,108,108	1,135,729	1,163,041	1,275,968	1,324,253	1,370,946	1,536,284
Unrestricted intergovernmental revenues	1,490,077	1,470,911	1,611,206	1,669,515	1,751,222	1,827,864	1,941,175	2,323,917	2,381,218	2,489,117
Restricted intergovernmental revenues	106,580	166,057	173,275	126,566	109,224	326,923	145,287	152,810	122,578	347,322
Permits and fees	31,788	46,268	30,384	18,438	26,465	27,250	24,184	19,300	19,543	19,911
Investment earnings	28,139	24,452	5,953	4,800	16,114	27,452	73,589	152,290	90,724	3,641
Other revenues	81,806	66,304	146,583	49,594	59,777	25,438	26,888	23,425	40,489	59,135
Total Revenue	5,451,177	5,591,937	5,738,004	5,721,648	5,950,756	6,371,591	6,633,916	7,318,070	7,389,550	8,026,572
Expenditures										
Current										
General government	696,877	800,715	984,899	947,769	793,243	807,586	865,864	828,940	897,329	896,667
Public safety	2,680,297	2,692,509	2,706,134	2,810,037	3,007,254	2,965,402	3,227,198	3,690,123	4,076,515	4,149,537
Transportation	354,636	367,624	370,517	321,581	287,505	253,296	433,507	463,827	383,840	407,672
Environmental protection	465,371	423,712	491,741	475,327	524,619	627,195	440,629	397,878	544,056	624,382
Cultural and recreational	145,181	159,244	204,653	175,670	205,993	144,671	305,238	251,015	263,566	224,966
Capital outlay	185,867	345,146	964,804	1,049,345	117,020	549,967	746,875	687,982	1,432,670	2,714,840
Debt Service										
Principal retirement	497,733	747,733	283,614	591,461	417,182	421,632	426,025	356,116	283,404	284,333
Interest and fees	145,263	127,941	65,620	47,596	50,512	41,110	31,881	22,221	15,363	9,564
Total expenditures	5,171,225	5,664,624	6,071,982	6,418,786	5,403,328	5,810,859	6,477,217	6,698,102	7,896,743	9,311,961
Excess of revenues over (under) expenditures	279,952	(72,687)	(333,978)	(697,138)	547,428	560,732	156,699	619,968	(507,193)	(1,285,389)
Other Financing Sources										
Sale of property	-	-	-	201,564	51,967	3,885	568,630	338,618	29,140	25,372
Insurance recovery	-	-	-	2,022	8,696	3,156	-	-	-	-
Proceeds from debt	-	-	-	692,000	-	-	-	-	-	-
Total other financing sources	-	-	-	895,586	60,663	7,041	568,630	338,618	29,140	25,372
Net change in fund balances	$ (245,462)	$ 279,952	$ (72,687)	$ (333,978)	$ 198,448	$ 608,091	$ 725,329	$ 958,586	$ (478,053)	$(1,260,017)
Debt service as a percentage of non capital expenditures	15.12%	13.59%	12.90%	16.46%	6.84%	11.90%	7.99%	6.29%	4.62%	4.45%

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

Year Ended June 30:	Property Taxes	Permits and Fees	Inter-Governmental	Local Option Sales Tax	Investment Earnings	Other Revenues	Total
2012	$ 2,733,026	$ 31,788	$ 1,596,657	$ 979,761	$ 28,139	$ 81,806	$ 5,451,177
2013	2,731,714	46,268	1,636,968	1,086,231	24,452	66,304	5,591,937
2014	2,673,180	30,384	1,784,481	1,097,423	5,953	146,583	5,738,004
2015	2,744,627	18,438	1,796,081	1,108,108	4,800	49,594	5,721,648
2016	2,852,225	26,465	1,860,446	1,135,729	16,114	59,777	5,950,756
2017	2,973,623	27,250	2,154,787	1,163,041	27,452	25,438	6,371,591
2018	3,146,825	24,184	2,086,462	1,275,968	73,589	26,888	6,633,916
2019	3,322,075	19,300	2,476,727	1,324,253	152,290	23,425	7,318,070
2020	3,364,052	19,543	2,503,796	1,370,946	90,724	40,489	7,389,550
2021	3,571,162	19,911	2,836,439	1,536,284	3,641	59,135	8,026,572

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

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

Fiscal Year	Real Property	Personal Property	Public Service	Total	Tax Rate	Levy
2012	$ 571,098	$ 121,819	$ 5,036	$ 697,953	$ 0.36	$ 2,617
2013	577,789	116,986	4,874	699,649	0.38	2,624
2014	533,001	96,066	4,875	633,942	0.40	2,536
2015	538,431	91,105	4,743	634,279	0.42	2,680
2016	570,750	91,775	5,461	667,986	0.42	2,806
2017	551,067	80,025	5,248	636,340	0.44	2,800
2018	715,013	63,906	5,148	784,067	0.38	2,979
2019	747,444	75,731	4,953	828,128	0.38	3,156
2020	784,173	72,063	5,406	861,642	0.38	3,229
2021	802,016	129,186	5,983	937,185	0.38	3,563

Note: Property in the Town of Weaverville is assessed by the Buncombe County Tax Office. The most recent revaluation occurred in 2017. Tax exempt property is not assessed by Buncombe County for tax purposes. Tax rates are per $100 of assessed value and are the weighted average of all the individual direct rates applied. Actual value is assumed to be substantially the same as the assessed value.

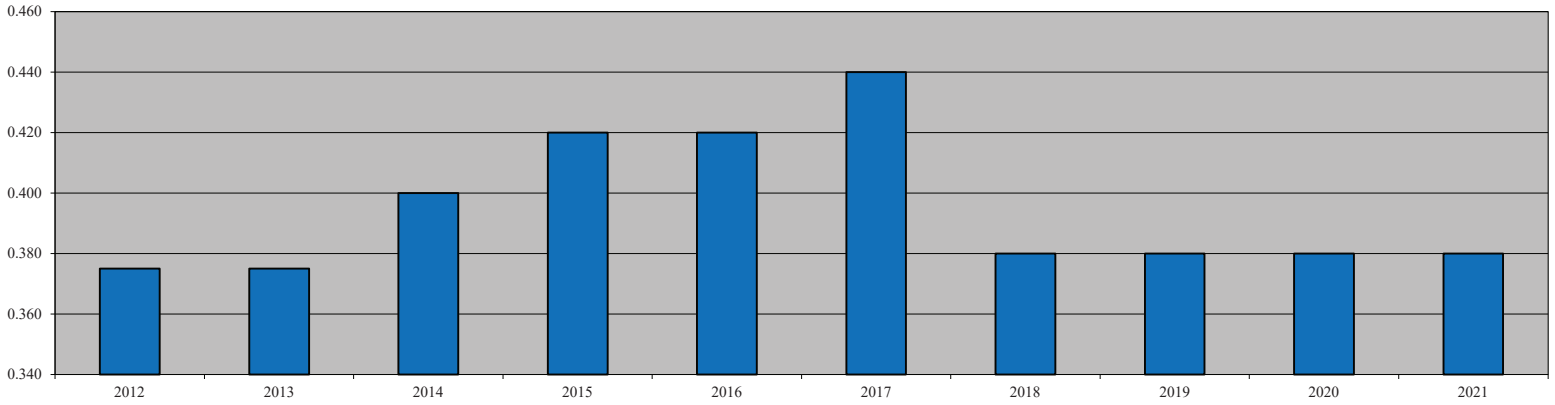
TOWN OF WEAVERVILLE, NORTH CAROLINA

Property Tax Rates-Direct And All Overlapping Governments

Last Ten Fiscal Years

Per $100 of Assessed Value

	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
County of Buncombe	0.525	0.525	0.569	0.604	0.604	0.604	0.539	0.529	0.529	0.529
City of Asheville	0.420	0.420	0.460	0.475	0.475	0.475	0.429	0.429	0.429	0.429
Town of Biltmore Forest	0.330	0.330	0.385	0.385	0.385	0.395	0.330	0.330	0.345	0.345
Town of Weaverville	0.375	0.375	0.400	0.420	0.420	0.440	0.380	0.380	0.380	0.380
Town of Black Mountain	0.365	0.365	0.375	0.375	0.375	0.375	0.333	0.333	0.333	0.333
Town of Woodfin	0.265	0.265	0.305	0.305	0.305	0.305	0.280	0.280	0.330	0.330
Town of Montreat	0.370	0.370	0.410	0.410	0.410	0.410	0.410	0.410	0.430	0.430
Asheville School District	0.150	0.150	0.150	0.150	0.150	0.150	0.120	0.120	0.120	0.120
Fire Districts (average beginning in 2015)	0.075-0.150	0.075-0.150	0.090-0.150	0.118	0.118	0.117	0.118	0.132	0.133	0.133
Maximum Combined Rate	1.095	1.095	1.214	1.229	1.229	1.229	1.088	1.078	1.078	1.078



NOTE: Property was revalued and effective in fiscal years 2014 and 2017.

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Principal Property Taxpayers

Current Year and Nine Years Ago

	2020-2021			2011-2012		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Thermo Fisher / Kendro	$ 31,933,889	1	3.41%	$ 12,406,860	3	1.78%
CRE Rockwell / Baldor	29,601,391	2	3.16%	12,000,000	4	1.72%
Weaverville Plaza / IRC-MAB Acqui	16,491,700	3	1.76%	9,000,000	7	1.29%
Walmart	13,191,882	4	1.41%	16,537,190	2	2.37%
Ingles	11,224,155	5	1.20%	11,280,290	6	1.62%
Lowe's Home Centers	10,991,859	6	1.17%	11,366,420	5	1.63%
Arvato / Sonopress / King	10,988,781	7	1.17%	85,679,210	1	12.28%
Brian Center / SMV Weaverville LL(	7,899,200	8	0.84%			0.98%
SCG-Weaverville LLC	4,977,400	9	0.53%			
Balcrank / Linter North America Cor	4,104,477	10	0.44%			
Shorewood Packaging				7,895,340	8	1.13%
HMVHV				7,643,200	9	1.10%
Totals	$ 141,404,734		15.09%	$ 173,808,510		25.90%
Total Overall Valuation	$ 937,184,738			$ 697,593,067		

Source: Weaverville Tax Department

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	2,722,961	2,713,116	99.638%	8,207	2,721,323	99.73%
2013	2,702,440	2,694,813	99.718%	6,875	2,701,688	99.91%
2014	2,574,476	2,568,590	99.771%	5,316	2,573,906	99.81%
2015	2,773,162	2,731,523	98.499%	39,592	2,771,115	99.89%
2016	2,805,674	2,801,001	99.833%	4,571	2,805,572	99.97%
2017	2,965,846	2,962,235	99.878%	3,564	2,965,799	99.88%
2018	3,138,242	3,135,107	99.900%	2,510	3,137,617	99.98%
2019	3,317,354	3,307,823	99.713%	8,102	3,315,925	99.96%
2020	3,397,606	3,347,656	98.530%	43,158	3,390,814	99.80%
2021	3,562,586	3,512,051	98.582%	-	3,512,051	98.58%

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

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

		General Bonded Debt				Business-type Activities					
Year Ended June 30	Population (Est.)	Assessed Value of Taxable Property	Installment Purchases	Ratio of General Bonded Debt (Net) to Assessed Value of Taxable Property	Per Capita	General Obligation Bonds	Installment Purchase	General Bonded Debt (Net) Per Capita	Total Primary Government (1)	Percentage of Personal Income (2)	Per Capita
2012	3714	$ 727,379	3,322	0.0046	$ 895	$ 2,914	-	$ 785	6,236	unavailable	$ 1,681
2013	3715	732,139	2,574	0.0035	694	2,795	-	753	5,369	unavailable	1,447
2014	3763	652,170	2,290	0.0035	609	2,672	-	711	4,962	unavailable	1,320
2015	3800	660,277	2,391	0.0036	629	2,548	-	671	4,939	unavailable	1,300
2016	3833	668,018	1,974	0.0030	515	2,470	-	645	4,444	unavailable	1,160
2017	3858	784,067	1,552	0.0020	390	2,311	-	581	3,863	unavailable	970
2018	3911	825,853	1,126	0.0014	288	2,149	-	549	3,275	unavailable	837
2019	3974	872,987	770	0.0009	194	1,989	-	501	2,759	unavailable	694
2020	4027	894,106	486	0.0005	121	1,826	-	453	2,312	unavailable	574
2021	4567	937,185	202	0.0002	44	1,660	-	363	1,862	unavailable	408

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

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

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

Year Ended June 30:	Principal	Interest	Total Debt Service Expenditures	Total General Government Expenditures (1)	Percentage of Debt Service to Total General Government Expenditures
2012	$ 498	$ 145	$ 643	$ 5,171	12.435%
2013	748	128	876	5,665	15.463%
2014	284	66	350	6,072	5.764%
2015	591	48	639	6,419	9.955%
2016	417	50	467	5,403	8.643%
2017	422	41	463	5,811	8.643%
2018	426	32	458	6,477	7.071%
2019	356	22	378	6,698	5.643%
2020	283	15	298	7,290	4.088%
2021	284	10	294	9,311	3.158%

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

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

TOWN OF WEAVERVILLE, NORTH CAROLINA
Computation of Direct and Underlying Debt
General Obligation Bonds
June 30, 2021

Direct:			
Town of Weaverville			
Governmental Activities Installment Obligations			$ 202,100
		Percent Applicable to the Town (1)	
Underlying:			
Buncombe County			
General Obligation Bonds	$ 12,877,000	2.27%	292,024
Total direct and underlying bonded debt			$ 494,124

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

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

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

	Fiscal Year									
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Assessed value of property	$727,379	$732,139	$652,170	$660,277	$668,018	$636,340	$784,067	$828,128	$861,642	$ 937,185
Debt limit, 8% of assessed value	58,190	58,571	52,174	52,822	53,441	50,907	62,725	66,250	68,931	74,975
Total net debt applicable to limit	6,262	5,394	4,962	4,939	4,444	3,863	3,275	2,758	4,812	4,322
Legal debt margin available	51,928	53,177	47,189	45,800	48,997	47,044	59,450	63,492	64,119	70,653
Total net debt applicable to the limit as a percentage of limit	10.76%	9.21%	9.55%	9.39%	8.32%	7.59%	5.22%	4.16%	6.98%	5.76%

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Demographic and Economic Statistics

Last Ten Fiscal Years as of June 30

June 30	Population (1)	Personal Income (thousands) (2)	Per Capita Personal Income (3)	Median Age (3)	Public School Enrollment (4)	Unemployment Rate (5)
2021	4,567	unavailable	$ 36,517	53.5	594	4.6
2020	4,027	unavailable	36,629	53.2	595	6.5
2019	3,674	unavailable	35,782	52.0	582	3.4
2018	3,911	unavailable	35,582	42.6	592	3.1
2017	3,858	unavailable	30,378	42.6	601	3.9
2016	3,833	unavailable	29,374	46.0	582	4.1
2015	3,800	unavailable	unavailable	unavailable	593	5.0
2014	3,763	unavailable	26,424	41.0	613	5.0
2013	3,715	unavailable	25,665	40.6	620	6.8
2012	3,714	unavailable	25,142	42.5	620	7.9
2011	3,673	102,528	27,914	44.3	620	8.7

Sources:

(1) North Carolina Office of State Planning

(2) Personal income information is a total for the year

(3) North Carolina Office of State Planning (Buncombe County)

(4) NC Department of Public Instruction (Average Daily Membership)

(5) NC Department of Labor (Buncombe County)

TOWN OF WEAVERVILLE, NORTH CAROLINA

Principal Employers

Current Year and Nine Years Ago

	2021			2012		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Employer:						
Thermo Fisher	570	1	12.48%	560	2	20.00%
Walmart	292	2	6.39%	300	3	10.71%
Ingles	201	3	4.40%	208	4	7.43%
Lowes	187	4	4.09%	135	6	4.82%
Baldor	170	5	3.72%	165	5	5.89%
Arvato / Sonopress	150	6	3.28%	625	1	22.32%
Publix	144	7	3.15%			
Brian Center	119	8	2.61%	100	8	3.57%
Buncombe County Schools	108	9	2.36%	116	7	4.14%
Conrad Industries	87	10	1.90%	74	9	2.64%
Town of Weaverville	70	11	1.53%	60	10	2.14%
Balcrank	53	12	1.16%			
Total	2,151		47.10%	2,343		83.66%

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

TOWN OF WEAVERVILLE, NORTH CAROLINA

Full-time Equivalent Town Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees as of June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administration	5	5	5	6	6	6	6	6	6	6
Manager	1	1	1	1	1	1	1	1	1	1
Finance Officer	1	1	1	1	1	1	1	1	1	1
Adm. Assistant	1	1	1	1	1	0	0	0	1	1
Account Clerk/Tax	1	1	1	2	2	2	2	2	2	2
Zoning/Clerk	1	1	1	1	1	2	2	2	1	1
Police	15	15	15	15	15	15	15	16	17	17
Chief	1	1	1	1	1	1	1	1	1	1
Assistant Chief	1	1	1	1	0	0	0	1	1	1
Detective	1	1	1	1	2	2	2	1	1	1
Sergeant	2	2	2	2	2	2	2	2	2	2
Corporal	2	2	2	2	2	2	2	2	2	2
Officer	7	7	7	7	7	7	7	8	9	9
Reception	1	1	1	1	1	1	1	1	1	1
Fire	18	18	18	18	18	18	21	24	24	24
Chief	1	1	1	1	1	1	1	1	1	1
Dept. Chief	1	1	1	1	1	1	1	1	1	1
Fire Marshal	1	1	1	1	1	1	1	1	1	1
Battalion Chief	3	3	3	3	3	3	3	3	3	3
Captain	3	3	3	3	3	3	3	3	3	3
Engineer	0	0	0	0	0	0	3	6	6	6
Lieutenant	0	0	0	0	0	0	0	3	3	3
Fire Fighter	9	9	9	9	9	9	9	6	6	6
Public Works	22	22	22	22	23	22	22	22	22	22
Director	1	1	1	1	1	1	1	1	1	1
Adm. Assistant	1	1	1	1	1	0	0	0	0	0
Supervisor	2	2	2	2	2	2	2	2	2	2
Equipment II	1	1	1	1	1	1	1	1	1	1
Equipment I	3	3	3	3	3	3	3	3	3	3
Water Treat.	4	4	4	4	5	4	4	4	4	4
Meter Reader	1	1	1	1	1	1	1	1	1	1
Skilled Labor	4	4	4	4	4	6	6	6	6	6
Semi-Skilled	3	3	3	3	3	3	3	3	3	3
Water Tr. Sup.	1	1	1	1	1	0	0	0	0	0
Water Tr. A Sup.	1	1	1	1	1	1	1	1	1	1
Total Employees	60	60	60	61	62	61	64	68	69	69

Source: Town Budget Office

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

Administration: 1,950 hours annual

Police: 2,184 hours annual

Fire: 2,756 hours annual

Public Works: 2,080 hours annual

TOWN OF WEAVERVILLE, NORTH CAROLINA

Operating Indicators by Function/Program

Last Ten Calendar Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Administration										
Zoning Permits	60	89	87	47	31	87	120	123	129	120
Tax Collection Rate	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%
Tax Rate	0.38	0.38	0.4	0.42	0.42	0.44	0.38	0.38	0.38	0.38
Police										
Dollar Value Stolen	$ 125,829	$ 57,340	$ 203,724	$ 180,388	$ 287,855	$ 81,539	$ 367,119	$ 390,364	$ 151,002	$ 450,495
Dollar Value Recovered	$ 35,210	$ 41,833	$ 92,045	$ 88,272	$ 87,725	$ 68,010	$ 104,668	$ 43,902	$ 66,337	$ 493,026
Criminal Activities	213	297	211	288	379	302	445	578	627	400
Total Activities	46,701	52,027	67,293	69,289	68,775	67,648	79,640	56,908	57,070	52,137
Patrol Miles Driven	127,476	124,653	123,039	110,448	114,781	120,319	117,992	98,302	104,127	100,708
Fire										
Vehicle Fires	7	12	13	6	10	11	8	5	11	7
Vehicle Loss	$ 14,750	$ 14,000	$ 66,350	$ 16,800	$ 23,672	$ 32,800	$ 11,300	$ 39,395	$ 114,800	$ 59,700
Structure Fires	13	8	15	11	11	40	20	9	8	8
Structure Loss	$ 331,780	$ 160,400	$ 98,470	$ 93,350	$ 271,450	$ 160,300	$ 517,850	$ 1,925,400	$ 433,660	$ 238,200
Total Calls	1,666	1,503	1,595	1,679	1,670	1,655	1,979	1,868	1,952	1,972
Public Works										
Solid Waste/Program Cost	$ 365,203	$ 375,544	$ 299,625	$ 312,952	$ 505,910	$ 349,462	$ 597,730	$ 550,671	$ 629,319	$ 526,601
Cost per Household	$ 202.89	$ 217.45	$ 167.58	$ 175.03	$ 257.46	$ 179.86	$ 302.34	$274.79	$314.03	$256.25
Cost per Ton Recyclables	$ 240.45	$ 224.35	$ 162.00	$ 169.21	$ 273.53	$ 280.02	$ 135.65	$153.48	$142.86	$139.43
Recovered Tons	357.98	361.06	388.15	407.56	427.94	449.33	457.89	431.00	458.00	531.00
Street Signs Installed	88	14	16	10	12	18	15	12	10	8
Paving Repairs	20	12	26	18	28	16	18	22	19	15

continued on next page

TOWN OF WEAVERVILLE, NORTH CAROLINA

Operating Indicators by Function/Program

Last Ten Calendar Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Water										
Water Mains										
Six inch	106,325	106,325	106,325	106,685	106,745	107,578	115,787	118,211	119,030	120,230
Eight inch	111,592	114,089	114,089	114,229	116,806	116,806	118,366	119,032	119,032	119,032
Ten inch	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795
Twelve inch	21,855	23,805	23,805	23,805	23,805	23,805	23,805	23,805	23,805	23,805
Twenty inch	21,400	21,400	21,400	21,400	21,400	21,400	21,400	21,400	21,400	21,400

Source: Various Town departments

TOWN OF WEAVERVILLE, NORTH CAROLINA

Capital Asset Statistics by Function/Program

Last Ten Calendar Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	15	15	15	15	15	15	18	18	18	18
Fire stations	1	1	1	1	1	1	1	1	1	1
Refuse collection										
Collection trucks	2	2	2	2	2	2	2	2	2	2
Other public works										
Streets (miles)	18.03	18.03	18.03	18.18	19.13	19.29	19.36	19.44	19.44	19.87
Streetlights	301	301	301	301	301	301	304	306	308	310
Traffic signals	7	12	12	12	12	12	12	12	12	12
Water										
Transmission lines (miles)	54.14	55.09	55.09	55.18	56.13	56.13	57.97	58	58.5	58.7
Fire hydrants	389	402	402	404	410	410	422	433	439	442
Storage capacity (thousands of gallons)	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950

Sources: Various Town Departments

Notes:

Traffic signals are maintained by North Carolina Department of Transportation.

Streetlights are provided by Duke Energy.

Town street total includes gravel and hard surface.

Police vehicles include support vehicles.

COMPLIANCE SECTION

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

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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, and each major fund of the Town of Weaverville, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprises the Town of Weaverville's basic financial statements, and have issued our report thereon dated November 10, 2021. Our report includes a reference to other auditors who audited the financial statements of the Town of Weaverville ABC Board, as described in our report on the Town of Weaverville's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Town of Weaverville ABC Board were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Weaverville's internal control over financial reporting (internal control) to determine the audit procedures that were appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Weaverville's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

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

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

An Independent Member of the BDO Alliance

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Weaverville, North Carolina's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hauser Killian CPA Group, P.A.

Asheville, North Carolina
November 10, 2021

TOWN OF WEAVERVILLE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND RESPONSES
For the year ended June 30, 2021

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	_____yes	__X__no
• Significant deficiency(s) identified that are not considered to be material weaknesses?	_____yes	__X__none reported
• Noncompliance material to financial statements noted	_____yes	__X__no