

TOWN OF WEDDINGTON, NORTH CAROLINA

Audited Financial Statements

For the Fiscal Year Ended June 30, 2021

Town Council Members

Elizabeth Callis, Mayor
Janice Propst, Mayor Pro Tem
Anne Pruitt
Jeff Perryman
Michael Smith

Administrative and Financial Staff

Leslie Gaylord, CPA, Finance Officer
Kim Woods, Tax Collector

TOWN OF WEDDINGTON, NORTH CAROLINA

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, 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 and each major fund of the Town of Weddington, North Carolina as of June 30, 2021, and the respective changes in financial position, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 10, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset and Contributions, on pages 39 and 40 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 Weddington, North Carolina. The combining and individual fund statements, budgetary schedules and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

*Ann R. Craven, CPA, PLLC
Greensboro, North Carolina
November 5, 2021*

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

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

Financial Highlights

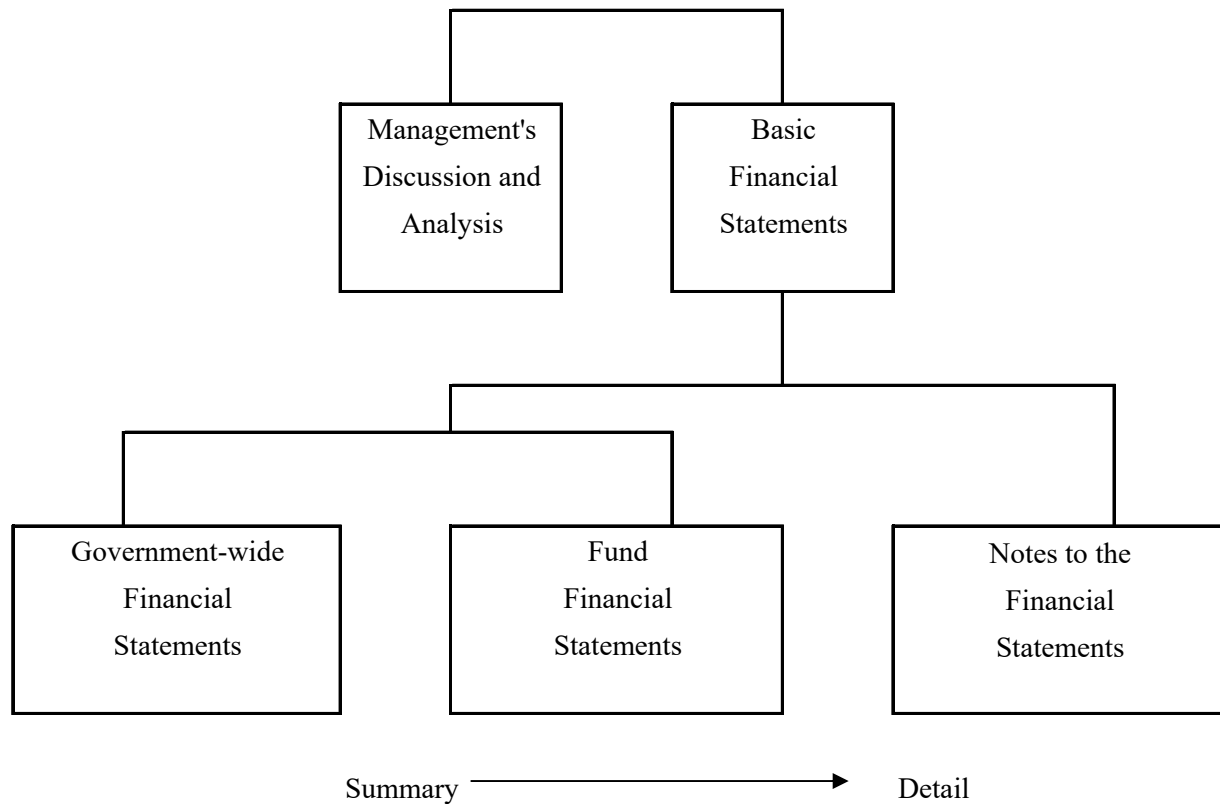
- The assets and deferred outflows of resources of the Town of Weddington exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$5,943,266 (*net position*).
- The government's total net position increased by \$443,723 due to increases in the governmental activities net position.
- As of the close of the current fiscal year, the Town of Weddington's governmental funds reported combined ending fund balances of \$3,951,558 with a net increase of \$456,922 in fund balance. Approximately 5.22% of this total amount or \$206,377 is non-spendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,850,181, or 147% of total general fund expenditures for the fiscal year.
- The Town of Weddington does not have any outstanding debt.

Overview of the Financial Statements

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

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 5) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements, and 4) the fiduciary fund statements. The Town of Weddington has no proprietary or fiduciary funds, so these parts of the Fund Financial Statements are omitted.

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

Government-wide Financial Statements

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

Government-wide Financial Statements - Continued

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, planning and zoning and general administration. Property taxes and various state-collected taxes finance most of these activities. The Town of Weddington has no business-type activities or component units, so these categories will be omitted from the Town's government-wide statements.

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 Weddington, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of Town of Weddington are governmental funds so these will be the only funds presented in its financial statements.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. All of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash, 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 Weddington adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Town Council about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Town Council; 2) the final budget as amended by the Town Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Weddington’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 39 of this report.

Interdependence with Other Entities – The Town depends on financial resources flowing from, or associated with, 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 State laws and State appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign governments and other holders of publicly held U.S. Treasury Securities.

Government-Wide Financial Analysis

Town of Weddington’s Net Position

Figure 2
Governmental

	Activities		Total	
	2021	2020	2021	2020
Current and other assets	\$ 4,088,202	\$ 3,664,273	\$ 4,088,202	\$ 3,664,273
Capital assets	2,012,713	2,007,340	2,012,713	2,007,340
Deferred outflows of resources	56,191	48,616	56,191	48,616
Total assets and deferred outflow of resources	6,157,106	5,720,229	6,157,106	5,720,229
Long-term liabilities outstanding	85,048	66,908	85,048	66,908
Other liabilities	125,938	151,119	125,938	151,119
Deferred inflows of resources	2,854	2,699	2,854	2,699
Total liabilities and deferred inflows of resources	213,840	220,726	213,840	220,726
Net position:				
Net investment in capital assets	2,012,713	2,007,340	2,012,713	2,007,340
Restricted	196,359	186,011	196,359	186,011
Unrestricted	3,734,194	3,306,152	3,734,194	3,306,152
Total net position	\$ 5,943,266	\$ 5,499,503	\$ 5,943,266	\$ 5,499,503

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The assets and deferred outflows of the Town of Weddington exceeded liabilities and deferred inflows of resources by \$5,934,266 as of June 30, 2021. The Town’s net position increased \$443,763 for the fiscal year ended June 30, 2021. A portion (33.86%) reflects the Town’s investment in capital assets (e.g. land, buildings, infrastructure, furniture, computers and equipment). The Town of Weddington uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the Town of Weddington’s net position, \$196,359, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$3,734,194 is unrestricted.

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

- Continued diligence in the collection of property taxes as well as growth in the property tax base. The Town's collection percentage increased to 99.56% and the property tax base increased by 4.04%.
- Increase in local option sales taxes and subdivision revenue resulting from economic growth in the region.

Town of Weddington's Changes in Net Position

Figure 3

	Governmental Activities		Total	
	2021	2020	2021	2020
Revenues:				
Program revenues:				
Charges for services	\$ 44,783	\$ 67,398	\$ 44,783	\$ 67,398
Operating grants and contributions	15,868	-	15,868	-
General revenues:				
Property taxes	1,321,961	1,263,234	1,321,961	1,263,234
Other taxes	994,866	914,628	994,866	914,628
Other	7,473	45,242	7,473	45,242
Total revenues	2,384,951	2,290,502	2,384,951	2,290,502
Expenses:				
General government	538,617	504,740	538,617	504,740
Public safety	1,103,239	1,197,333	1,103,239	1,197,333
Economic and physical development	299,332	271,596	299,332	271,596
Total expenses	1,941,188	1,973,669	1,941,188	1,973,669
Increase in net position	443,763	316,833	443,763	316,833
Net position, beginning	5,499,503	5,182,670	5,499,503	5,182,670
Net position, June 30	\$ 5,943,266	\$ 5,499,503	\$ 5,943,266	\$ 5,499,503

Governmental Activities. Governmental activities increased the Town's net position by \$443,763. The increase in net position was the result of increased revenue generation as well as continued effort to control cash and manage expenditures. Certain nonrecurring expenses related to road improvements and a future park were postponed. Continued growth within the Town also resulted in increased property tax and local option sales tax revenue.

Financial Analysis of the Town's Funds

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

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

The general fund is the chief operating fund of the Town of Weddington. At the end of the current fiscal year, Town of Weddington's fund balance available in the General Fund was \$2,850,181, while total fund balance was \$3,951,558. The Governing Body of the Town of Weddington has determined that the Town should maintain an available fund balance of 50% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the Town. The Town currently has an available fund balance of 147% of general fund expenditures, while total fund balance represents 203.81% of the same amount.

At June 30, 2021, the governmental funds reported a combined fund balance of \$3,951,558 with a net increase in fund balance of \$456,922. As the General Fund is the Town's only governmental fund, all of this increase is attributable to it. The increase in fund balance is primarily attributable to the high tax collection percentage and growth in the property tax base as well as to increased permits and fees and local option sales tax revenues resulting from continued economic growth in the area.

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.

Amendments were made, primarily, to adjust estimated expenditures between departments and/or line items. The construction of a roundabout within Town limits, that was originally included in the budget, was postponed due to the coronavirus pandemic. In addition, the Town received and expended approximately \$16,000 in CARES funding for expenses related to the Coronavirus.

Capital Asset and Debt Administration

Capital Assets. The Town of Weddington's investment in capital assets for its governmental activities as of June 30, 2021, totals \$2,012,713 (net of accumulated depreciation). These assets include buildings, land, infrastructure, furniture and equipment and computers and software.

**Town of Weddington's Capital Assets
(Net of Depreciation)**

Figure 4

	Governmental			
	Activities		Total	
	2021	2020	2021	2020
Land	\$ 1,144,335	\$ 998,510	\$ 1,144,335	\$ 998,510
Buildings	741,993	852,276	741,993	852,276
Furniture and equipment	-	-	-	-
Infrastructure	18,460	19,355	18,460	19,355
Computer software	102,923	130,289	102,923	130,289
Computer equipment	5,002	6,910	5,002	6,910
Total	\$ 2,012,713	\$ 2,007,340	\$ 2,012,713	\$ 2,007,340

Additional information on the Town's capital assets can be found in Note III.A.3 of the Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- The Town of Weddington is located in Union County, one of the state's fastest growing counties. Union County experienced population growth of 9.97% from fiscal year 2015 to fiscal year 2019. (*Data source: Union County CAFR for the fiscal year ending June 30, 2019*).
- The County's unemployment rate of 3.92% for fiscal year 2019. (*Data source: Union County CAFR for the fiscal year ending June 30, 2019*).
- The Town's housing data is continuing to show signs of economic improvement. Housing prices in Union County have increased 27.41% since 2014 (*Data source: Union County CAFR for the fiscal year ending June 30, 2019*).

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities: The Town's budgeted revenues for the next fiscal year are approximately \$300,000 higher than current year final amended budgeted revenues due in large part to a county-wide property tax revaluation. The revaluation increased the town's property tax base approximately 30%. The Town has reduced its tax rate for the next fiscal year from 5.2 cents per \$100 to 4.8 cents per \$100 of assessed value. The Town anticipates a loss of some of its state-collected taxes as a result of the decreased tax rate. Budgeted expenditures for the next fiscal year exceed current year actual expenditures by approximately \$600,000. Included in the budgeted expenditures are \$294,000 for road improvement projects including a roundabout that was delayed from the current year. In addition, the Town has budgeted \$150,000 for the construction of a Town park which was also originally intended to be undertaken in the current fiscal year but was delayed in large part due to resource shortages resulting from the coronavirus pandemic. In addition, because of the pandemic, the Town canceled most of its community events in the current fiscal year; these events are expected to return in the upcoming fiscal year. In total, the Town has budgeted a \$75,000 fund balance appropriation for the next fiscal year. Based on the financial condition of the North Carolina Department of Transportation, the likelihood of the budgeted road improvements being undertaken in fiscal year 2022 is questionable at this time.

Requests for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Town's finance officer, Leslie Gaylord, at Town of Weddington, 1924 Weddington Road, Weddington, NC 28104. One can also call (704) 846-2709, visit our website at www.townofweddington.com or send an e-mail to lgaylord@townofweddington.com for more information.

BASIC FINANCIAL STATEMENTS

TOWN OF WEDDINGTON, NORTH CAROLINA

Exhibit 1

***Statement of Net Position
June 30, 2021***

	Primary Government	
	Governmental Activities	Total
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,888,640	\$ 3,888,640
Taxes receivable (net)	15,217	15,217
Due from other governments	99,325	99,325
Prepaid items	10,018	10,018
Restricted cash and cash equivalents	75,002	75,002
Total current assets	<u>4,088,202</u>	<u>4,088,202</u>
Non-current assets:		
Capital assets (Note 1):		
Land and non-depreciable improvements,	1,144,335	1,144,335
Other capital assets, net of depreciation	868,378	868,378
Total capital assets	<u>2,012,713</u>	<u>2,012,713</u>
Total assets	<u>6,100,915</u>	<u>6,100,915</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferrals related to pensions	32,648	32,648
Contributions to pension plan in current fiscal year	23,543	23,543
Total deferred outflows of resources	<u>56,191</u>	<u>56,191</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	50,936	50,936
Construction deposits	75,002	75,002
Total current liabilities	<u>125,938</u>	<u>125,938</u>
Long-term liabilities:		
Net pension liability	85,048	85,048
Total liabilities	<u>210,986</u>	<u>210,986</u>
DEFERRED INFLOWS OF RESOURCES		
Deferrals related to pensions	2,854	2,854
Total deferred inflows of resources	<u>2,854</u>	<u>2,854</u>
NET POSITION		
Net investment in capital assets	2,012,713	2,012,713
Restricted for:		
Stabilization by state statute	196,359	196,359
Unrestricted	3,734,194	3,734,194
Total net position	<u>\$ 5,943,266</u>	<u>\$ 5,943,266</u>

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

TOWN OF WEDDINGTON, NORTH CAROLINA

*Statement of Activities
For the Year Ended June 30, 2021*

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>
Primary government:		
Governmental Activities:		
General government	\$ 538,617	\$ -
Public safety	1,103,239	-
Transportation		
Environmental protection		
Cultural and recreational		
Economic and physical development	<u>299,332</u>	<u>44,783</u>
Total primary government	<u>\$ 1,941,188</u>	<u>\$ 44,783</u>

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

Exhibit 2

Program Revenues		Net (Expense) Revenues and Changes in Net Position Primary Government		
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$ 15,868	\$ -	\$ (522,749)	\$ -	\$ (522,749)
-	-	(1,103,239)		(1,103,239)
-	-	(254,549)		(254,549)
\$ 15,868	\$ -	\$ (1,880,537)	\$ -	\$ (1,880,537)
General revenues:				
Taxes				
Property taxes levied for general purposes		1,321,961		1,321,961
Other taxes and licenses		994,866		994,866
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings		6,945		6,945
Miscellaneous		528		528
Total general revenues		2,324,300		2,324,300
Change in net position		443,763		443,763
Net position, beginning, previously reported		5,499,503		5,499,503
Net position, ending		\$ 5,943,266	\$ -	\$ 5,943,266

TOWN OF WEDDINGTON, NORTH CAROLINA

Exhibit 3

Balance Sheet
Governmental Funds
June 30, 2021

	Major Fund General	Total Governmental Funds
ASSETS		
Cash and cash equivalents	\$ 3,888,640	\$ 3,888,640
Restricted cash	75,002	75,002
Taxes receivable	15,217	15,217
Due from other governments	99,325	99,325
Prepaid expenses	10,018	10,018
	<hr/>	<hr/>
Total assets	4,088,202	4,088,202
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES		
Accounts payable and accrued liabilities	46,425	46,425
Construction deposits	75,002	75,002
Total liabilities	121,427	121,427
	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES		
Property taxes receivable	15,217	15,217
Total deferred inflows of resources	15,217	15,217
	<hr/>	<hr/>
FUND BALANCES		
Restricted		
Stabilization by state statute	196,359	196,359
Non-spendable		
Prepaid items	10,018	10,018
Assigned		-
Capital projects	820,000	820,000
Subsequent year's expenditures	75,000	75,000
Unassigned	2,850,181	2,850,181
	<hr/>	<hr/>
Total fund balances	3,951,558	3,951,558
	<hr/>	<hr/>
Total liabilities, deferred inflows of resources and fund balances	\$ 4,088,202	\$ 4,088,202
	<hr/> <hr/>	<hr/> <hr/>

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

TOWN OF WEDDINGTON, NORTH CAROLINA

Exhibit 3
Continued

*Reconciliation of Balance Sheet of
Governmental Funds to the Statement of Net Position
June 30, 2021*

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

Total fund balances - governmental funds	\$	3,951,558
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds statement.		
Gross capital assets at historical cost	\$	2,672,585
Accumulated depreciation		<u>(659,872)</u>
		2,012,713
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position.		23,543
Some liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		(89,559)
Liabilities for earned revenues considered deferred inflows of resources in fund statements.		15,217
Pension related deferrals		29,794
Net position of governmental activities	\$	<u>5,943,266</u>

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

TOWN OF WEDDINGTON, NORTH CAROLINA

Exhibit 4

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

	Major Fund	
	General Fund	Total Governmental Funds
REVENUES		
Ad valorem taxes	\$ 1,337,185	\$ 1,337,185
Unrestricted intergovernmental	1,010,734	1,010,734
Permits and fees	44,783	44,783
Investment earnings	2,549	2,549
Miscellaneous	528	528
Total revenues	2,395,779	2,395,779
EXPENDITURES		
Current:		
General government	556,527	556,527
Public safety	1,087,221	1,087,221
Economic and physical development	295,109	295,109
Total expenditures	1,938,857	1,938,857
Excess (deficiency) of revenues over expenditures	456,922	456,922
Net change in fund balance	456,922	456,922
Fund balance, beginning	3,494,636	3,494,636
Fund balance, ending	\$ 3,951,558	\$ 3,951,558

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

***Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
to the Statement of Activities of Governmental Funds
For the Year Ended June 30, 2021***

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

Net changes in fund balances - total governmental funds	\$ 456,922
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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	\$ 145,825	
Construction in progress- current year	-	
Disposal of assets	(69,841)	
Gain on disposal	-	
Depreciation expense for governmental assets	<u>(70,611)</u>	5,373
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		23,543

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

Amount of donated assets	-	
Change in unavailable revenue for tax revenues		(10,827)

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	3,015	
Pension expense	<u>(34,263)</u>	
Total changes in net position of governmental activities		<u><u>\$ 443,763</u></u>

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

TOWN OF WEDDINGTON, NORTH CAROLINA

Exhibit 6

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

	General Fund			Variance with Final Budget- Positive (Negative)
	Original Budget	Final Budget	Actual Amounts	
Revenues:				
Ad valorem taxes	\$ 1,257,250	\$ 1,257,250	\$ 1,337,185	\$ 79,935
Unrestricted intergovernmental	855,000	856,600	1,010,734	154,134
Permits and fees	78,500	33,500	44,783	11,283
Investment earnings	7,000	3,500	2,549	(951)
Miscellaneous	1,500	18,120	528	(17,592)
Total revenues	2,199,250	2,168,970	2,395,779	226,809
Expenditures:				
Current:				
General government	635,865	721,405	556,527	164,878
Public safety	1,104,925	1,104,925	1,087,221	17,704
Economic and physical development	647,460	342,640	295,109	47,531
Total expenditures	2,388,250	2,168,970	1,938,857	230,113
Revenues over (under) expenditures	(189,000)	-	456,922	456,922
Fund balance appropriated	189,000	-	-	-
Net change in fund balance	\$ -	\$ -	456,922	\$ 456,922
Fund balance, beginning			3,494,636	
Fund balance, ending			\$ 3,951,558	

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

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Weddington 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 Weddington, North Carolina, in Union County, is a municipal corporation that is governed by an elected mayor and a four-member council. As required by generally accepted accounting principles, these financial statements present the Town, which has no component units.

B. Basis of Presentation

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

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a specific 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* – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds, if any, are aggregated and reported as non-major funds.

The Town reports the following major governmental funds:

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

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Amounts reported as program 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.

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. Issuance of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting 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.

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sales taxes and certain intergovernmental revenues, such as the utilities franchise 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 Weddington because the tax is levied by Union County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are recorded as general revenues rather than program 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. All annual appropriations lapse at the fiscal-year end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations. All amendments must be approved by the governing board. During the year, amendments to the original budget were necessary and approved by the governing board. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, Deferred inflows of Resources, and Fund Equity

1. Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high-quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT). The Town's investments are reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. The NCCMT-Term Portfolio is a bond fund, has no rating and is measured at fair value. As of June 30, 2020, the Term Portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2. Cash and Cash Equivalents

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

3. Restricted Assets

Construction deposits received by the Town are restricted to the projects for which the funds were received. These construction deposits are funds given to the Town by a developer in lieu of letters of credit and are performance and/or maintenance bonds held by the Town to ensure funds for remedy should the developer fail to complete the related subdivision to required standards. The amounts are determined by our contracted engineer at LaBella and/or by Union County Public Works and are released back to the developer upon satisfactory completion and sign off by LaBella or Union County Public Works. In the event the development is not completed, the Town will use these funds to pay a third party to perform the necessary work.

Town of Weddington Restricted Cash
Governmental Activities
General Fund

Construction Deposits	<u>\$ 75,002</u>
Total Restricted Cash	<u><u>\$ 75,002</u></u>

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 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. No allowance for doubtful accounts was required as of June 30, 2021.

6. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used.

-Continued-

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

Asset Class	Estimated Useful Lives
Infrastructure	20
Buildings	40
Furniture and equipment	10
Computer equipment	5
Computer software	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. The Town has one item that meets this criterion, contributions made to the pension plan in the 2021 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town of Weddington has two items that meet the criterion for this category – property taxes receivable and deferrals of pension expense that result from the implementation of GASB Statement 68.

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

9. Compensated Absences

The vacation policy of the Town provides for the accumulation of up to twenty days earned vacation leave without such leave being fully vested when earned. For the Town's government-wide financial statements, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The Town has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

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

10. Net Position/Fund Balances

Net Position

Net position in government-wide financial statements are 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:

Non-spendable 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.

Prepaid Expenditures – portion of fund balance that is not an available resource because it represents prepaid expenditures that are not in spendable form.

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 governments 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 non-spendable. 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.

Committed Fund Balance – This classification includes amounts that can only be used for specific purposes imposed by majority vote by the quorum of Town of Weddington's governing body (highest level of decision-making authority). The Town Council 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 Town of Weddington intends to use for specific purposes.

Assigned for Capital Projects – portion of the fund balance that the council has appropriated for future expenditures related to the Town Hall, infrastructure, parks and fire service.

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 finance officer to make expenditures from appropriations as necessary.

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

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

10. Net Position/Fund Balances

The Finance Officer uses resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-town funds, town funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Town.

The Town has also adopted a minimum fund balance policy for the General Fund, which instructs management to conduct the business of the Town in such a manner that available fund balance is at least equal to or greater than 50% of budgeted expenditures. In addition, fund balance appropriations in any given year (other than appropriations for a capital project encompassed as part of fund balance assigned for capital projects) shall be limited so as not to exceed 15% of General Fund budget, if available fund balance is greater than or equal to 75%, or not to exceed 10% of General Fund budget if available fund balance is less than 75%, but greater than or equal to 50%.

11. Defined Benefit Cost-Sharing Plan

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

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Significant violations of Finance-Related Legal and Contractual Provisions

1. Noncompliance with North Carolina General Statutes

None

2. Contractual Violations

None

B. Deficit in Fund Balance of Individual Funds not Appropriated in Subsequent Year's Budget Ordinance

None

C. Excess of Expenditures over Appropriations

None

III. DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All the deposits of the Town of Weddington are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Town's 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 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.

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits (continued)

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

At June 30, 2021, the Town's deposits had a carrying amount of \$3,404,832 and a bank balance of \$3,473,568. Of the bank balances, \$500,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method.

2. Investments

At June 30, 2021, the Town of Weddington had \$558,810 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. Capital Assets

Primary Government

Capital asset activity for the Primary Government for the year ended June 30, 2021, was as follows:

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

A. Assets

3. Capital Assets (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 998,510	\$ 145,825	\$ -	\$ 1,144,335
Computer software	124,950	-	\$ 124,950	-
	<u>1,123,460</u>	<u>145,825</u>	<u>124,950</u>	<u>1,144,335</u>
Capital assets being depreciated:				
Buildings	1,358,049	-	77,200	1,280,849
Infrastructure	26,851	-	-	26,851
Equipment	18,447	-	698	17,749
Computers	10,155	-	-	10,155
Computer software	58,044	124,950	-	182,994
Furniture	10,255	-	603	9,652
Total capital assets being depreciated	<u>1,481,801</u>	<u>124,950</u>	<u>78,501</u>	<u>1,528,250</u>
Less accumulated depreciation for:				
Buildings	505,773	40,443	7,360	538,856
Infrastructure	7,496	895	-	8,391
Equipment	18,447	-	698	17,749
Computers	3,245	1,908	-	5,153
Computer software	52,705	27,366	-	80,071
Furniture	10,255	-	603	9,652
Total accumulated depreciation	<u>597,921</u>	<u>70,612</u>	<u>8,661</u>	<u>659,872</u>
Total capital assets being depreciated, net	<u>883,880</u>			<u>868,378</u>
Governmental activity capital assets, net	<u>\$ 2,007,340</u>			<u>\$ 2,012,713</u>

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

General government	\$ 54,594
Public safety	16,018
Total depreciation expense	<u>\$ 70,612</u>

-Continued-

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

B. Liabilities

1. Pension Plan and Post-employment Obligations

a. Local Governmental Employees' Retirement System

Plan Description.

The Town of Weddington 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 Government Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410 or by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (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.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Town of Weddington employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees.

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

B. Liabilities

1. Pension Plan and Post-employment Obligations

a. Local Governmental Employees' Retirement System (continued)

The Town of Weddington's contractually required contribution rate for the year ended June 30, 2021, was 13.25% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Town of Weddington were \$23,543 for the year ended June 30, 2021.

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

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

At June 30, 2021, the Town reported a liability of \$85,048 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020, utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2020 (measurement date), the Town's proportion was 0.00238%, which was a decrease of .00007% from its proportion measured at June 30, 2019.

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

B. Liabilities

1. Pension Plan and Post-employment Obligations

a. Local Governmental Employees' Retirement System (continued)

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

For the year ended June 30, 2021, the Town recognized pension expense of \$34,263. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 10,740	\$ -
Changes of assumptions	6,329	-
Net difference between projected and actual earnings on pension plan investments	11,968	-
Changes in proportion and differences between Town of Weddington contributions and proportionate share of contributions	3,611	2,854
Town of Weddington contributions subsequent to the measurement date	23,543	-
Total	<u>\$ 56,191</u>	<u>\$ 2,854</u>

\$23,543 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 and outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2022	8,299
2023	10,803
2024	7,150
2025	3,542
2026	-
Thereafter	-
	<u>\$ 29,794</u>

-Continued-

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

B. Liabilities

1. Pension Plan and Post-employment Obligations

a. Local Governmental Employees' Retirement System (continued)

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

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

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 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 and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

-Continued-

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

B. Liabilities

1. Pension Plan and Post-employment Obligations

a. Local Governmental Employees' Retirement System (continued)

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100.0%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2019 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Town of Weddington's share of the net pension liability to changes in the discount rate. The following presents the Town of Weddington's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Town of Weddington's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Town's proportionate share of the net pension liability (asset)	\$ 172,552	\$ 85,048	\$ 12,325

-Continued-

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

B. Liabilities

1. Pension Plan and Post-employment Obligations

a. Local Governmental Employees' Retirement System (continued)

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

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

b. Supplemental Retirement Income Plan

Plan Description. The Town employees contribute to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan is established in conformity with section 401(k) of the Internal Revenue Code of 1986 as amended. The Supplemental Retirement Income Plan is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan. 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.

Funding Policy. The Town has elected to contribute to the Supplemental Retirement Insurance Plan. Contributions for the year ended June 30, 2021 were \$5,802. No amounts were forfeited.

2. Other Employment Benefits

The Town of Weddington has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Government 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. All death benefit payments are made from the Death Benefit Plan. 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. The Town considers these contributions to be immaterial.

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

B. Liabilities

3. Deferred Outflows and Inflows of Resources (continued)

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

Source	Amount
Deferred outflows related to pensions	\$ 32,648
Contributions to pension plan in current fiscal year	23,543
	<u>\$ 56,191</u>

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

Source	Amount
Deferred inflows related to pensions	<u>\$ 2,854</u>

4. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance based on management's evaluation of risk loss. The Town obtains general liability coverage of \$1,000,000 per occurrence, property coverage of \$2,857,338 and worker's compensation coverage of \$100,000. 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. The Town carries flood insurance for buildings and contents that are located in Flood Zone X. This zone is defined as areas outside the 1% annual chance floodplain. The deductible with respect to this coverage is \$2,500. In accordance with G.S. 159-29, the Town's employees are performance bonded through a commercial surety bond. The finance officer and tax collector are each individually bonded for \$50,000. The remaining employees that have access to funds are bonded under a blanket bond for \$50,000.

5. Long Term Obligations

A. Operating Leases

During the year ended June 30, 2017, the Town entered into a lease contract for a copier that requires monthly payments of \$307 and expires in July 2022. Rent expense in the amount of \$3,684 was incurred during the year ended June 30, 2021.

During the year ended June 30, 2020, the Town entered into a non-cancellable lease contract for a postage machine that requires monthly payments of \$198 billed quarterly and expires in April 2025. Rent expense in the amount of \$2,376 was incurred during the year ended June 30, 2021.

TOWN OF WEDDINGTON, NORTH CAROLINA

*Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021*

5. Long Term Obligations

A. Operating Leases (continued)

The following is the lease payment schedule for these equipment leases:

Year Ending June 30	
2022	\$ 6,060
2023	2,683
2024	2,376
2025	1,980
	<u>\$ 13,099</u>

The minimum lease payments do not include applicable sales taxes or property taxes which will be billed separately.

B. Changes in Long-Term Liabilities

	Balance July 01, 2020	Increases	Decreases	Balance June 30, 2021	Current Portion of Balance
Governmental Activities:					
Compensated absences	\$ 7,526	\$ -	\$ 3,015	\$ 4,511	\$ 4,511
Net pension liability (LGERS)	66,908	18,140	-	85,048	-
	<u>\$ 74,434</u>	<u>\$ 18,140</u>	<u>\$ 3,015</u>	<u>\$ 89,559</u>	<u>\$ 4,511</u>

Compensated absences typically have been liquidated in the General Fund.

6. Fund Balance

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

<i>Total fund balance-General Fund</i>	\$ 3,951,558
Less:	
Prepaid Items	10,018
Stabilization by state statute	196,359
Capital Projects	820,000
Appropriated Fund Balance in 2022 Budget	75,000
Working Capital/Fund Balance Policy	1,084,485
Remaining Fund Balance	1,765,696

-Continued-

TOWN OF WEDDINGTON, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

III. DETAIL NOTES ON ALL FUNDS

6. Fund Balance (Continued)

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 or greater than 50% of budgeted expenditures. In addition, fund balance appropriations in any given year (other than appropriations for a capital project encompassed in part of fund balance assigned for capital projects) shall be limited so as not to exceed 15% of general fund budget if available fund balance is greater than or equal to 75% or not to exceed 10% of general fund budget if available fund balance is less than 75% but greater than or equal to 50%.

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Town of Weddington had outstanding encumbrances totaling \$97,034 at June 30, 2021.

7. COMMITMENTS AND CONTINGENCIES

The Town has contracts with a local volunteer fire department for fire protection service. The contract is for one year, with optional one-year renewals.

In June 2015, the Town was named as a defendant to a lawsuit filed by a former volunteer fire department. The suit alleges wrongful termination of contract and seeks damages in the amount of at least \$750,000. In addition, the plaintiff is seeking damages through the alleged fraud and constitutional violations. The Town vigorously denies these allegations and has filed responsive pleadings. The Town's management and the attorney representing the Town in this litigation are not able to make a meaningful estimate of the amount or range of loss that could result from an unfavorable resolution of this matter. Consequently, the Town has not provided any accruals for the wrongful termination of contract costs in the financial statements. Although no assurances can be given and no determination can be made at this time as to the outcome of any particular lawsuit or proceeding, in the opinion of the Town's management and the attorney representing the Town in this litigation, the range of the potential loss could be between \$750,000 and \$1,200,000.

8. DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through November 5, 2021 the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains additional information required by generally accepted accounting principles.
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- Town of Weddington's Proportionate Share of Net Pension Liability (Asset)
- Town of Weddington's Contributions

TOWN OF WEDDINGTON, NORTH CAROLINA

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

Local Governmental Employees' Retirement System

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Town of Weddington's proportion of the net pension liability (asset) (%)	0.2380%	0.00245%	0.00228%	0.00304%	0.00305%
Town of Weddington's proportion of the net pension liability (asset) (\$)	\$ 85,048	\$ 66,908	\$ 54,089	\$ 46,443	\$ 64,730
Town of Weddington's covered-employee payroll	\$ 163,394	\$ 156,393	\$ 130,578	\$ 157,125	\$ 187,976
Town of Weddington's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	52.05%	42.78%	41.42%	29.56%	34.44%
Plan fiduciary net position as a percentage of the total pension liability**	91.63%	94.18%	91.47%	91.47%	98.09%

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

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

2016	2015	2014
0.00398%	0.0044%	0.0044%
\$ 17,860	\$ (26,480)	\$ 53,037
\$ 180,953	\$ 194,830	\$ 181,570
9.87%	(13.59%)	29.21%
1.03%	94.35%	96.45%

TOWN OF WEDDINGTON, NORTH CAROLINA

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

Local Governmental Employees' Retirement System

	2021	2020	2019	2018	2017
Contractually required contribution	\$ 23,543	\$ 19,673	\$ 17,015	\$ 13,867	\$ 15,194
Contributions in relation to the contractually required contribution	\$ 23,543	\$ 19,673	\$ 17,015	\$ 13,867	\$ 15,194
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town of Weddington's covered-employee payroll	\$ 177,682	\$ 163,394	\$ 156,393	\$ 130,578	\$ 157,125
Contributions as a percentage of covered-employee payroll	13.25%	12.04%	10.88%	10.62%	9.67%

2016	2015	2014
<u>\$ 18,164</u>	<u>\$ 18,367</u>	<u>\$ 13,753</u>
\$ 18,164	\$ 18,367	\$ 13,753
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u><u>\$ 187,976</u></u>	<u><u>\$ 180,953</u></u>	<u><u>\$ 194,830</u></u>
9.66%	10.15%	7.06%

SUPPLEMENTAL SCHEDULES

TOWN OF WEDDINGTON, NORTH CAROLINA

Schedule 1

Page 1 of 2

General Fund

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

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Taxes	\$ -	\$ 1,332,789	\$ -
Interest		4,396	
Total	1,257,250	1,337,185	79,935
Unrestricted intergovernmental:			
Local option sales taxes		492,487	
Utility sales tax		455,769	
Beer and wine tax		46,610	
Total	856,600	994,866	138,266
Permits and fees:			
Subdivision fees		10,903	
Zoning fees		33,880	
Total	33,500	44,783	11,283
Investment earnings	3,500	2,549	(951)
Miscellaneous:			
CARES Funding		15,868	
Other		528	
Total	18,120	16,396	(1,724)
Total revenues	2,168,970	2,395,779	226,809
Expenditures:			
General government:			
Governing board:			
Legal		72,641	
Other operating expenditures		4,655	
Total		77,296	
Administration:			
Salaries and employee benefits		156,709	
Professional services		50,622	
Other operating expenditures		195,916	
Capital outlay		75,984	
Total		479,231	
Total general government	721,405	556,527	164,878

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

	Budget	Actual	Variance Positive (Negative)
Public safety:			
Police:			
Contracted services		303,423	
Total		<u>303,423</u>	
Fire:			
Contracted services		783,798	
Other operating expenses		0	
Total		<u>783,798</u>	
Total public safety:	<u>1,104,925</u>	<u>1,087,221</u>	<u>17,704</u>
 Economic and physical development:			
Planning:			
Salaries and employee benefits		150,726	
Contracted services		123,889	
Other operating expenditures		20,494	
Total		<u>295,109</u>	
Total economic and physical development	<u>342,640</u>	<u>295,109</u>	<u>47,531</u>
 Total expenditures	<u>2,168,970</u>	<u>1,938,857</u>	<u>230,113</u>
 Revenues over (under) expenditures	-	456,922	456,922
 Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>
 Net change in fund balance	<u>\$ -</u>	<u>456,922</u>	<u>\$ 456,922</u>
 Fund balance, beginning		<u>3,494,636</u>	
 Fund balance, end of year		<u>\$ 3,951,558</u>	

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

OTHER SCHEDULES

This section contains additional information required on property taxes.

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

TOWN OF WEDDINGTON, NORTH CAROLINA

Schedule 1

*Schedule of Ad Valorem Taxes Receivable
June 30, 2021*

	Uncollected Balance June 30, 2019	Additions	Collections and Credits	Uncollected Balance June 30, 2021
2020 - 2021	\$ -	\$ 1,314,409	\$ 1,308,590	5,819
2019 - 2020	16,131		\$ 11,870	4,261
2018 - 2019	4,126		2,255	1,871
2017 - 2018	1,939		1,070	869
2016 - 2017	880		454	426
2015 - 2016	1,225		508	717
2014 - 2015	594	37	5	626
2013 - 2014	302	14	5	311
2012 - 2013	265	-	-	265
2011 - 2012	52	144	144	52
2010 - 2011	530		530	-
	<u>\$ 26,044</u>	<u>\$ 1,314,604</u>	<u>\$ 1,325,431</u>	<u>\$ 15,217</u>

Reconcilement with revenues:

Ad Valorem Taxes - General Fund	\$ 1,337,185
Reconciling items:	
Interest collected	(4,396)
10-year write off	530
Deminimis adjustments and write-offs	(7,888)
Total collections and credits	<u>\$ 1,325,431</u>

TOWN OF WEDDINGTON, NORTH CAROLINA

Schedule 2

*Analysis of Current Tax Levy
For the Fiscal Year Ended June 30, 2021*

	Town-Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 2,531,273,077	0.052	1,316,262	\$ 1,200,807	\$ 115,455
Discoveries					
Current year taxes		0.052	-	-	-
Prior year taxes	375,000	0.052	195		
Penalties					
Abatements	<u>(3,938,462)</u>	0.052	<u>(2,048)</u>	<u>(2,048)</u>	<u>-</u>
Total Property Valuation	<u><u>\$ 2,527,709,615</u></u>				
Net levy			1,314,409	1,198,759	115,455
Less, uncollected tax at June 30, 2021			<u>(5,819)</u>	<u>(5,819)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 1,308,590</u>	<u>\$ 1,192,940</u>	<u>\$ 115,455</u>
Current levy collection percentage			<u>99.56%</u>	<u>99.51%</u>	<u>100.00%</u>