

Lewisville

North Carolina

Annual Comprehensive Financial Report
for Fiscal Year Ended June 30, 2024



Town of Lewisville, North Carolina
Prepared by Pam Orrell, CPA
Finance Director

TOWN OF LEWISVILLE, NORTH CAROLINA

Annual Comprehensive Financial Report
For the Fiscal Year
Ended June 30, 2024



Prepared by:
Pam Orrell, CPA
Finance Director



TOWN OF LEWISVILLE, NORTH CAROLINA

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Introductory Section



TOWN OF LEWISVILLE

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E-Mail: townhall@lewisvillenc.net
WebSite: www.lewisvillenc.net

October 29, 2024

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

Financial Report

It is our pleasure to present the Annual Comprehensive Financial Report of the Town of Lewisville, North Carolina, for the fiscal year ended June 30, 2024. State law requires that every general-purpose local government publish a complete set of audited financial statements. This report is published to fulfill that requirement. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose.

Gibson & Company, P.A., a certified public accounting firm, has issued an unmodified opinion on the Town of Lewisville's financial statements for the year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

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

Description of the Town

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

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

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

The town manager is appointed by the Council and serves at its pleasure. The town manager is responsible for implementing policies and managing daily operations. The town manager, with a staff of twelve, administers Town functions in accordance with Council policies, ordinances, and the annual budget ordinance. The staff positions are finance director, public works director, planning director, town clerk, communications specialist, office manager/events coordinator, community center operations manager, accounting clerk I, planner I, facilities manager, maintenance technician, and maintenance worker. Town management is committed to providing staff with training opportunities to help each employee work to his or her full potential. The Town staff administers contracts for many of its services.

The financial reporting entity includes all the funds of the Town. The annual budget ordinance creates a legal limit for expenditures and, as such, is the basis for financial planning and control. The annual budget is adopted in accordance with North Carolina General Statutes. Activities of the general fund, including Powell Bill funds, the Willow Run Municipal Service District Special Revenue Fund, and the capital reserve funds are included in the annual budget ordinance. The town manager is authorized to transfer funds from one appropriation to another in a different department within the same fund with a maximum of \$10,000. No transfers shall be made between funds, except by the Town Council in the budget ordinance as amended. Budget to actual comparisons are included in this report.

Management is responsible for developing an internal control system designed to protect the government's assets from loss, theft, or misuse and to maintain reliable records for compilation and presentation of the Town's financial information in conformity with generally accepted accounting principles. The Town has a small staff but employees are cross-trained and checks and balances have been included in financial procedures. Because the cost of a control should not exceed the benefits to be derived, the system is designed to provide reasonable internal control and reasonable assurance that the financial statements will be free from material misstatement.

Economic Condition and Outlook

The local economy has experienced a shift from the tobacco, textile, and furniture industries that have provided a strong base for the region to health services and allied professions, higher education, financial services, and information technology. According to 2022 census data, 52.9 percent of Lewisville's population works in management, business, science, and arts occupations, 17.8 percent work in sales and office occupations, and 16.3 percent of the working population works at home. Most workers who travel to a place of employment have on average a 23-minute

commute. These figures support the fact that Lewisville is a residential community within an urban area.

Lewisville's population has experienced healthy growth in recent years. Since 2017, the Town Council has approved one apartment complex with 120 units and 17 subdivisions with 704 lots in total.

Long-Term Financial Planning

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

Major Initiatives

Community Policing. In order to provide for the safety of Lewisville's residents and the continued growth of the Town, the Town contracts with the Forsyth County Sheriff's Office to provide for deputies assigned specifically to Lewisville. One deputy is a sergeant who supervises the other six deputies. The total cost of this contract was \$787,910 for the fiscal year ended June 30, 2024. The Town reviews the need for more community policing officers each fiscal year during the annual budget process. It is the desire of the Town to provide residents with twenty-four-hour community policing coverage. The Town has accomplished that goal through this contract.

Mary Alice Warren Community Center. The Town completed construction of the Mary Alice Warren Community Center and opened it in November 2021. The 12,000 square foot community center was constructed on a 15-acre site donated by Lewisville resident Mary Alice Warren. It is located adjacent to the current Jack Warren Park, a 15-acre multi-use park on land also donated to the Town by Mary Alice Warren. The mission of the Mary Alice Warren Community Center is "to nurture a sense of community belonging by providing facilities, programs, educational classes, activities and events primarily designed to enhance the lives of Lewisville and neighboring area residents and their families." The community center boasts 3 multi-purpose rooms, an arts and crafts room, a small conference room and a catering kitchen.



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



Street Paving. The Town continues a paving program to maintain streets within its boundaries. Overall, paving and maintenance of Town-owned streets continues to be a priority of the Town for future years.

Planning and Zoning. Town staff, along with assistance from the Town Council, the Planning Board, and the Lewisville community has completed a planning process that has resulted in the adoption by the Town Council of a new Comprehensive Plan and an updated Parks and Recreation Master Plan. With Lewisville facing an increase in growth and development, the Comprehensive Plan serves as a guide to maintain the focus and vision of Lewisville residents. It provides a clear direction for land use initiatives within our Town boundaries. The Parks and Recreation Master Plan aims to help Lewisville better serve their residents through parks, open space, and recreational opportunities. The Parks and Recreation Master Plan identifies existing facilities, needs for future parks around Town, and an implementation plan offering guidance to

fulfill those needs. Planning policies and decisions are guided by both of these plans to ensure the vision of Lewisville continues to be considered.

The Planning Board and Town staff along with a third-party consultant are in the process of updating the Town's Unified Development Ordinance. Completion of this project is expected in fiscal year 2024-2025.

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

Great Wagon Road. The Town of Lewisville remains committed to the construction of the Great Wagon Road. The Council's creation of a GWR ROW/Construction Capital Reserve Fund and the GWR ROW/Construction Capital Projects Fund allowed the Town to make expenditures for



planning and engineering fees as well as purchase of right-of-way for the construction of the road in prior years. During fiscal year 2018, the North Carolina Department of Transportation assumed financial responsibility for the remaining work to be done on the Great Wagon Road to include design, right-of-way acquisition, and construction. As construction of the Great Wagon Road progresses, we anticipate that the Town of Lewisville will participate financially with the North Carolina Department of Transportation on enhancements such as street trees, streetlights, and sidewalk expansion, as well as the design and installation of water and sewer infrastructure. The funds in the GWR ROW/Construction Capital Reserve and the GWR ROW/Construction Capital Project have

been consolidated into one fund called the Great Wagon Road Improvements Capital Projects Fund. The amount in this fund at June 30, 2024 was \$1,947,777.

Gateway Project. The Town completed construction of the Gateway Project in the Summer of 2024. The project is a roadway project that made improvements from the Highway 421 Interchange on Williams Road with improvements continuing on Williams Road between the interchange and the roundabout at Shallowford Road and Williams Road. This project utilized federal STP-DA (Surface Transportation Program – Direct Attributable) funds of \$1,195,744 and STBG-DA (Surface Transportation Block Grant - Direct Attributable) funds of \$1,687,463.

Roundabout at Robinhood Road and Lewisville-Vienna Road. The Town has been awarded funding for the construction of a single lane roundabout at Robinhood Road and Lewisville-Vienna Road. The project will include necessary sidewalk connections at the roundabout and streetscape, lighting, and landscaping. This is a project utilizing \$2,241,188 in federal STBG-DA funds. Design work and right-of-way purchase will continue in fiscal year 2024-2025. Construction is scheduled to begin in fiscal year 2024-2025 as well.

Lewisville-Vienna Multipurpose Path. The Town has been awarded federal CMAQ (Congestion Mitigation & Air Quality) funds of \$1,413,162 to construct a multi-use path along Lewisville-Vienna Road from Riverwood Drive to Robinhood Road. The proposed path will connect multiple neighborhoods to the existing sidewalk network. The scheduling of preliminary engineering is yet to be determined.

Shallowford Road CMAQ Sidewalk Project. The Town has been awarded federal CMAQ funds of \$884,928 and federal CRPDA (Carbon Reduction Program) funds of \$166,806 to construct sidewalk along one side of Shallowford Road from Lowes Foods Drive to Shallowford Reserve Drive. The scheduling of preliminary engineering is yet to be determined.

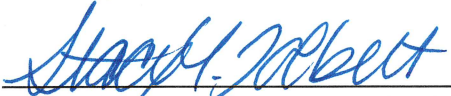
Parks and Recreation Improvements. The Town has been awarded \$230,940 from the North Carolina Parks and Recreation Trust Fund for improvements at Jack Warren Park to include an 18-hole disc golf course, an amphitheater, and walking trails. Design work and construction will continue in fiscal year 2024-2025.

Awards and Acknowledgements


The Government Finance Officers Association (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Town of Lewisville for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This is the nineteenth year the Town of Lewisville has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

This report was prepared by Finance Director Pam Orrell, with the assistance of Town Manager Stacy Y. Tolbert. Credit is also given to the Mayor and the Town Council for their continued support in maintaining the highest standards of professionalism in the management of the Town of Lewisville's finances.



Stacy Y. Tolbert
Town Manager



Pam Orrell, CPA
Finance Director

TOWN OF LEWISVILLE

NORTH CAROLINA

Annual Comprehensive Financial Report **Fiscal Year Ended June 30, 2024**

Town Council

Mike Horn, Mayor
Melissa Hunt, Mayor Pro Tem
Ivan Huffman
William "Monte" Long
Julia Puckett
Kenneth Sadler
Jane Welch

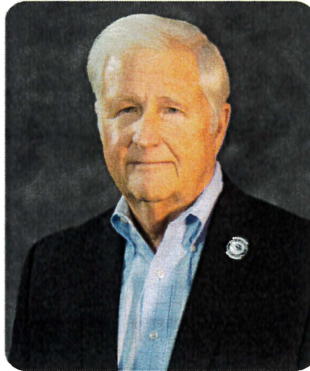
Administrative and Financial Staff

Stacy Y. Tolbert, Town Manager
Pam Orrell, Finance Director
Dora K. Moore, Town Clerk



2023-2025

Town Council



**Mike Horn,
Mayor**



**Melissa Hunt,
Mayor Pro Tem**



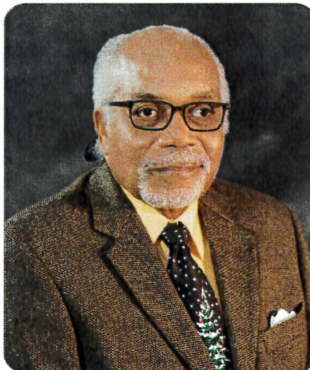
**Ivan Huffman,
Council Member**



**William "Monte" Long,
Council Member**



**Julia Puckett,
Council Member**



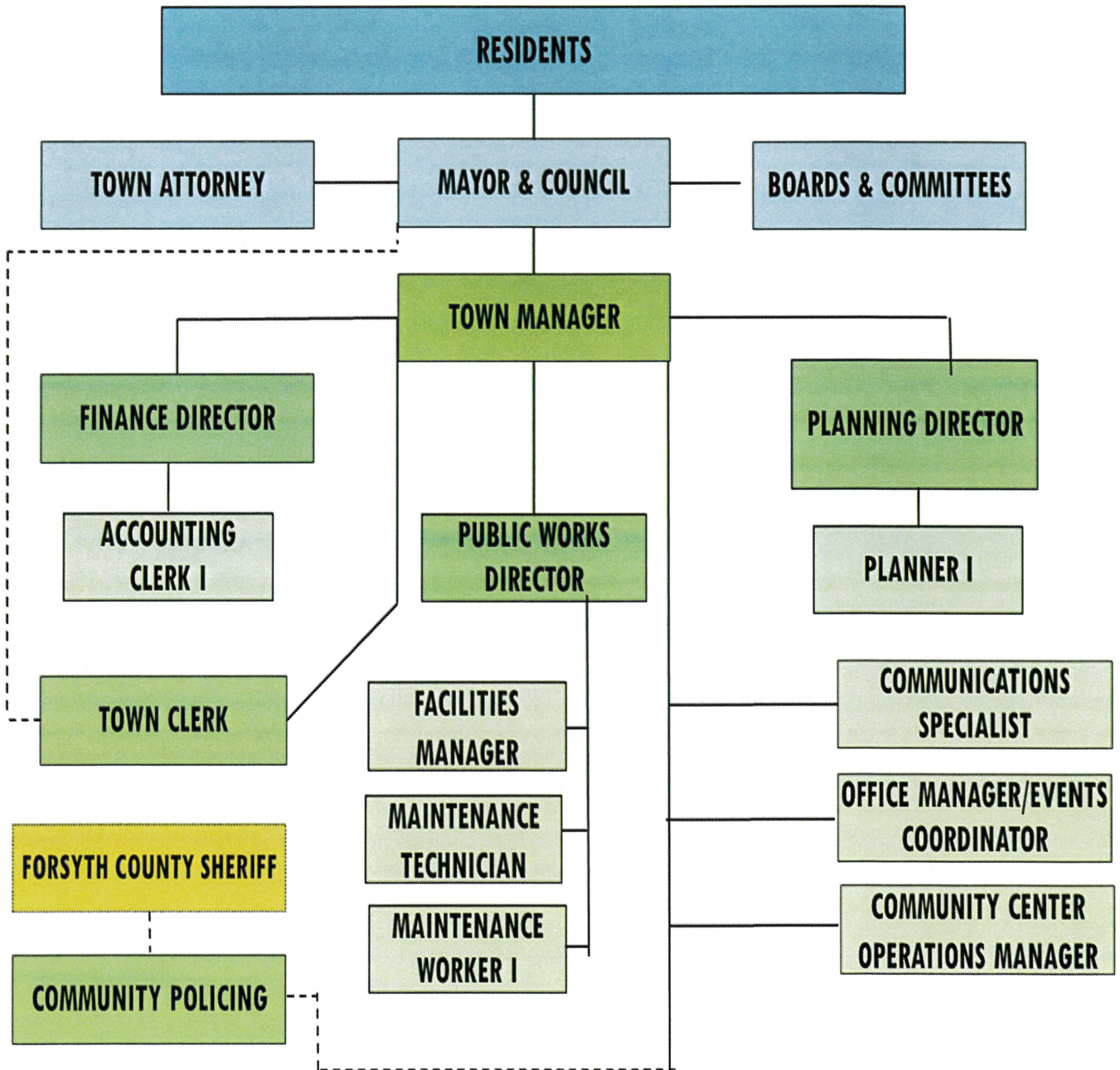
**Kenneth Sadler,
Council Member**



**Jane Welch,
Council Member**



TOWN OF LEWISVILLE ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Lewisville
North Carolina**

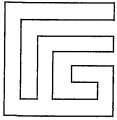
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

Financial Section



Independent Auditor's Report

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

Report on the Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Lewisville, North Carolina as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise Town of Lewisville's basic financial statements as listed in the table of contents.

In our opinion, based upon our audit, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Lewisville as of June 30, 2024, and the respective changes in financial position, and cash flows where applicable 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Lewisville and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Audit of 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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raises substantial doubt about the Town of Lewisville's ability to continue as a going concern for the twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Governmental Auditing Standards* will always detect material statement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Governmental Auditing Standards* we:

- exercised professional judgement and maintained professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Lewisville's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Lewisville's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 15, and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset (Liability) and Contributions, on pages 47 through 48, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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 consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Lewisville's basic financial statements. The combining and individual fund financial statements, budgetary schedules, and other schedules, as well as the accompanying schedule of expenditures of federal and state awards as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, and other schedules and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2024 on our consideration of the Town of Lewisville'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 that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Town of Lewisville's 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 Town of Lewisville's internal control over financial reporting and compliance.

Gibson & Company, P. A.

Winston-Salem, North Carolina
October 29, 2024

Management's Discussion and Analysis

TOWN OF LEWISVILLE, NORTH CAROLINA

Management's Discussion and Analysis

As management of the Town of Lewisville, we offer readers of the Town of Lewisville's financial statements this narrative overview and analysis of the financial activities of the Town of Lewisville for the fiscal year ended June 30, 2024. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

Financial Highlights

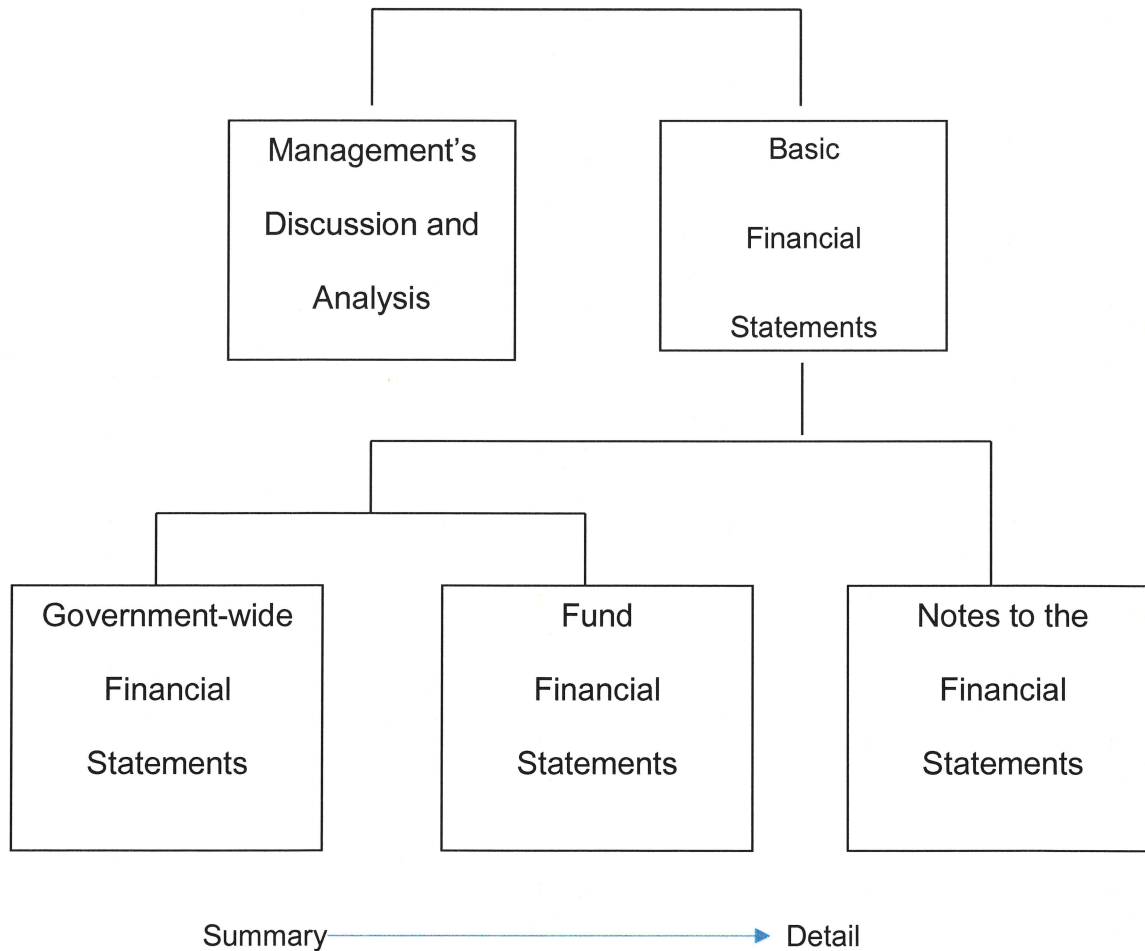
- The assets and deferred outflows of resources of the Town of Lewisville exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$26,729,100 (*net position*).
- The Town's total net position increased by \$3,428,433 primarily due funds received from the American Rescue Plan Act of 2021, federal funding of the Gateway Project and the Roundabout at Lewisville-Vienna Road and Robinhood Road, funding from the North Carolina Parks and Recreation Trust Fund for Jack Warren Park improvements, and constant due diligence over spending.
- As of the close of the current fiscal year, the Town of Lewisville's governmental funds reported combined ending fund balances of \$14,009,754 a net increase of \$2,055,801 in fund balance. Approximately 11.59 percent of this total amount, or \$1,623,245 is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$5,601,119 or 92.36 percent of total general fund expenditures and transfers out for the fiscal year.
- The Town of Lewisville's total debt decreased by \$88,859 (4.25%) during the current fiscal year. The Town paid \$200,000 in principal payments on the direct placement financing agreement collateralized by the Mary Alice Warren Community Center. However, the net pension liability for the Local Governmental Employees' Retirement System (LGERS) increased by \$100,231 and accrued compensated absences increased by \$10,910.

Overview of the Financial Statements

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

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

The next statements (Exhibit 3 through 5) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide

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Management's Discussion and Analysis

more detail than the government-wide statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the budgetary comparison statements. The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Town's individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements.

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 23 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Lewisville's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 47 of this report.

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

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Government-Wide Financial Analysis

Town of Lewisville's Net Position
Figure 2

	Governmental Activities	
	2024	2023
Current and other assets	\$ 15,199,344	\$ 14,357,220
Capital assets	14,328,530	13,095,950
Total assets	29,527,874	27,453,170
Total deferred outflows of resources	391,331	343,048
Long-term liabilities outstanding	1,732,364	1,839,883
Other liabilities	1,456,463	2,653,592
Total liabilities	3,188,827	4,493,475
Total deferred inflows of resources	1,278	2,076
Net position:		
Net investment in capital assets	12,704,753	11,375,177
Restricted	1,623,245	1,701,258
Unrestricted	12,401,102	10,224,232
Total net position	\$ 26,729,100	\$ 23,300,667

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town of Lewisville exceeded liabilities and deferred inflows by \$26,729,100 as of June 30, 2024. The Town's net position increased by \$3,428,433 for the fiscal year ended June 30, 2024. However, a significant portion, \$12,704,753 or 47.53% reflects the Town's net investment in capital assets (e.g. land, buildings, machinery and equipment). The Town of Lewisville uses these capital assets to provide services to residents. Consequently, these assets are not available for future spending. Although the Town of Lewisville's net investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Town of Lewisville's net position, \$1,623,245 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$12,401,102 is unrestricted.

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

TOWN OF LEWISVILLE, NORTH CAROLINA
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- Continued diligence in the collection of property taxes by maintaining a tax collection rate of 99.67%

Town of Lewisville's Change in Net Position
Figure 3

	Governmental Activities	
	2024	2023
Revenues		
Program revenues:		
Charges for services	\$ 92,047	\$ 97,898
Operating grants and contributions	1,774,088	1,502,701
Capital grants and contributions	2,310,500	519,558
General revenues:		
Property taxes	3,123,014	3,055,264
Other taxes	57,222	56,926
Unrestricted intergovernmental revenues	2,210,680	2,175,482
Unrestricted investment earnings	610,425	409,207
Other	37,355	63,502
Total revenues	10,215,331	7,880,538
Expenses		
General government	1,622,675	3,311,046
Public works	3,300,922	1,547,411
Planning	313,844	233,801
Parks and recreation	700,365	654,767
Public safety	823,241	781,717
Interest on long-term debt	25,851	29,451
Total expenses	6,786,898	6,558,193
Change in net position before transfers	3,428,433	1,322,345
Transfers	-	-
Change in net position	3,428,433	1,322,345
Net position, July 1	23,300,667	21,978,322
Net position, June 30	\$ 26,729,100	\$ 23,300,667

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

Governmental activities. Governmental activities increased the Town's net position by \$3,428,433. By constant due diligence of expenses, the Town's revenues exceeded expenses.

Financial Analysis of the Town's Funds

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

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

The General Fund is the chief operating fund of the Town of Lewisville. At the end of the current fiscal year, the Town of Lewisville's fund balance available in the General Fund was \$6,942,523, while total fund balance reached \$7,426,641. The Town Council of the Town of Lewisville has determined that the Town should maintain an available fund balance of 65% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the Town. On June 30, 2024, the Town's available fund balance as a percentage of general fund expenditures was 114.48%, and total fund balance represented 122.47% of the same amount.

The General Fund had a net increase of \$1,404,718 during the year ended June 30, 2024. There are several reasons for this increase. First of all, \$1,335,949 was transferred from the American Rescue Plan Act Special Revenue Fund to the General Fund as revenue replacement due to the effects of the Covid-19 pandemic.

In addition, total general fund revenues came in over budget by \$310,747. Notably, property tax revenue came in over budget by \$92,097, ABC Board revenue came in over budget by \$61,641, and investment earnings came in over budget by \$133,715.

The growth in general fund balance can also be attributed to areas where expenditures came in lower than expected. Due to the absence of inclement weather, snow and ice removal expense came in under budget by \$65,100. The cost for garbage and recycling collection came in under budget by \$111,143 as the number of households served came in lower than anticipated. Powell Bill revenues also exceeded Powell Bill expenses contributing \$46,293 to the growth in fund balance. In addition, salaries, taxes, and benefits came in under budget by \$186,547 as employees added during the fiscal year were added at costs less than expected when the budget was prepared. Renewal rates for employee benefits also came in lower than predicted when the budget was prepared.

These items that served to increase general fund balance were offset by some items that served to decrease general fund balance. There were several transfers from the General Fund that were paid out of accumulated fund balance rather than current revenues. \$100,000 was transferred to the Parks and Recreation Capital Reserve Fund to finance the purchase or construction of amenities and facilities for parks and recreation. \$219,235 was transferred to the Gateway Project

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Management's Discussion and Analysis

Capital Projects Fund to finance the construction phase of the project. \$165,191 was transferred to the Lewisville-Vienna Multipurpose Path Capital Projects Fund to serve as the Town's match in accordance with the Federal funding agreement. \$262,933 was transferred to the Shallowford Road CMAQ Sidewalk Capital Projects Fund to serve as the Town's match in accordance with the Federal funding agreement. And lastly, \$132,188 was transferred to the Jack Warren Park Improvements Capital Projects Fund to fund the addition of amenities to include a nature trail, a disc golf course, and an amphitheater.

The fund balance of the Gateway Project Capital Projects Fund decreased by \$181,835. During fiscal year 2023-2024, the project was in the construction phase. Only 80% of construction costs were reimbursed under the federal highway grant. The remaining 20% of construction costs were paid by the Town as the local match leading to this decline in the project's fund balance.

The fund balance of the American Rescue Plan Act Special Revenue Fund increased by \$69,535. This amount represents investment earnings on the idle funds in the Special Revenue Fund.

The Great Wagon Road Improvements Capital Projects Fund was newly adopted by Town Council in fiscal year 2023-2024. It has grown to \$1,947,777 since inception. \$1,131,953 was transferred in from the GWR ROW/Construction Capital Reserve Fund and \$792,593 was transferred in from the GWR ROW/Construction Capital Projects Fund when the two funds were closed. The money in the Great Wagon Road Improvements Capital Projects Fund will be used for improvements along the Great Wagon Road to include street trees, streetlights, and sidewalk expansion.

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

Actual revenues exceeded budgeted revenue estimates in the following categories: Ad valorem taxes, telecommunications sales tax revenue, electricity sales tax revenue, beer and wine tax revenue, ABC Board revenue, local occupancy tax revenue, grant revenue from the NC Department of Environmental Quality, investment earnings, facility rental fees, and planning and developer fees.

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

- The general fund budget was amended to transfer \$165,191 to the Lewisville-Vienna Multipurpose Path Capital Projects Fund to provide funding for project expenditures.
- The general fund was amended by \$9,235 to pay for the monthly cost of the leased light poles at the Gateway to the Town.

TOWN OF LEWISVILLE, NORTH CAROLINA

Management's Discussion and Analysis

- The general fund budget was amended to transfer \$219,235 to the Gateway Project Capital Projects Fund to provide funding for project expenditures.
- The general fund budget was amended to transfer \$262,933 to the Shallowford Road CMAQ Sidewalk Capital Projects Fund to provide funding for project expenditures.
- The general fund budget was amended to contribute \$2,000 to the Lewisville Community Assistance Program.
- The general fund budget was amended to increase estimated Powell Bill revenue and Powell Bill expenditures by \$41,008.
- The general fund budget was amended to transfer \$132,188 to the Jack Warren Park Improvements Capital Projects Fund to provide funding for project expenditures.

Capital and Debt Administration

Capital assets. The Town of Lewisville's investment in capital assets for its governmental-type activities as of June 30, 2024 totals \$14,328,530 (net of accumulated depreciation). These assets include buildings, land, furniture and equipment, vehicles, infrastructure, and park facilities as well as construction in progress on various capital projects.

Capital asset transactions during the year include the following:

- The Town purchased a new server in Town Hall for \$9,836.
- The Town purchased a new plotter for \$7,495.
- The Town installed new CCTV equipment in the G. Galloway Reynolds Community Center for \$7,693.
- The Town received a donation of land on Robinhood Road recorded at \$24,250 in the Town's accounting records.
- The Town spent \$12,201 on additions to the cost of the Mary Alice Warren Community Center building.
- The Town spent \$2,350,225 in construction costs for the Gateway Project.
- The Town spent \$495,712 in preliminary engineering costs and purchase of right-of-way for the construction of the Roundabout at Lewisville-Vienna Road and Robinhood Road.
- The Town spent 85,858 on design costs for the Jack Warren Park Improvements Project.
- The Town spent \$1,446 in preliminary costs related to a new public works facility.

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

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

	Governmental Activities	
	2024	2023
Land	\$ 2,065,877	\$ 2,041,627
Sewer rights	600,000	600,000
Construction in progress	4,341,453	2,501,571
Buildings	4,772,644	5,129,181
Furniture and equipment	341,231	429,525
Vehicles and motorized equipment	39,920	58,566
Infrastructure	1,533,570	1,615,932
Park	633,835	719,548
Total	<u>\$ 14,328,530</u>	<u>\$ 13,095,950</u>

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

Long-term debt. As of June 30, 2024, the Town of Lewisville had long-term debt consisting of a direct placement financing agreement for the construction of the Mary Alice Warren Community Center, net pension liability, and compensated absences.

Town of Lewisville's Outstanding Liabilities
Figure 5

	Governmental Activities	
	2024	2023
Direct placement financing agreement- Mary Alice Warren Community Center	\$ 1,400,000	\$ 1,600,000
Net pension liability	532,364	432,133
Compensated absences	67,276	56,366
Total	<u>\$ 1,999,640</u>	<u>\$ 2,088,499</u>

TOWN OF LEWISVILLE, NORTH CAROLINA

Management's Discussion and Analysis

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Town of Lewisville is \$137,698,712.

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

Economic Factors and Next Year's Budgets and Rates

The United States as a whole is facing various challenges including rising fuel prices, record inflation, and worker shortages. However, the Town of Lewisville remains optimistic about the health of the local economy. Sales tax revenues are holding steady and there continues to be steady growth in the Town's residential property tax base.

Budget Highlights for the Fiscal Year Ending June 30, 2025

Following are highlights from the Town's budget for the fiscal year ended June 30, 2025.

- The Town of Lewisville's property tax rate for fiscal year 2024-2025 will increase 4 cents per \$100 valuation from 17.7 cents to 21.7 cents.
- The Town's largest expense is the contract for solid waste and recycling collection. This contract was renegotiated for a new 5-year period to begin July 1, 2024. The renewal terms yielded a cost increase of approximately \$648,000 or 68% for fiscal year 2024-2025 compared to fiscal year 2023-2024. Of the 4-cent increase in the property tax rate included in the budget for the General Fund, 3 cents are necessary to fund the increase in the cost of this service to the Town's residents.
- The Town's second largest expense is the contract with the Forsyth County Sheriff's Department for the community policing program. The contract for fiscal year 2024-2025 is increasing approximately \$191,000 or 24%. Of the 4-cent increase in the property tax rate included in the budget for the General Fund, 1 cent is necessary to fund the increase in the cost of the community policing program for the Town.
- In fiscal year 2024-2025, the property tax rate for the Willow Run Municipal Service District will increase 5 cents per \$100 valuation from 5 cents to 10 cents. It has been determined that significant repair work is needed on one of the dams within the District. The MSD's fund balance is currently insufficient to pay for the repairs and it is necessary for them to borrow approximately \$263,827 from the General Fund to cover the cost of the repairs. In order to reimburse the General Fund in future years while still funding their current operating expenses, it is deemed necessary to increase the MSD's property tax rate for FY 2024-2025. The FY 2024-2025 budget for the General Fund includes this \$263,827 transfer to the Willow Run MSD Special Revenue Fund to finance the repairs.

Requests for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to Pam Orrell, Finance Director, Town of Lewisville P.O. Box 547 Lewisville, NC 27023. One can also call 336-945-5558, visit our website at www.lewisvillenc.net, or email finance@lewisvillenc.net for more information.

Basic Financial Statements

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

June 30, 2024

Exhibit 1

	Governmental Activities	Total
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 12,970,705	\$ 12,970,705
Taxes receivable, net	21,046	21,046
Due from other governments	669,096	669,096
Other receivables	331	331
Restricted cash and cash equivalents	<u>1,538,166</u>	<u>1,538,166</u>
Total current assets	<u>15,199,344</u>	<u>15,199,344</u>
Noncurrent Assets		
Capital Assets		
Land, non-depreciable improvements, and construction in progress	7,007,330	7,007,330
Other capital assets, net of depreciation	<u>7,321,200</u>	<u>7,321,200</u>
Total capital assets	<u>14,328,530</u>	<u>14,328,530</u>
Total assets	<u>29,527,874</u>	<u>29,527,874</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals	<u>391,331</u>	<u>391,331</u>
Total deferred outflows of resources	<u>391,331</u>	<u>391,331</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	576,196	576,196
Contract retainage	8,000	8,000
Unearned revenue	374,752	374,752
Accrued interest payable	20,643	20,643
Current portion of long-term liabilities	267,276	267,276
Payable from restricted assets	<u>209,596</u>	<u>209,596</u>
Total current liabilities	<u>1,456,463</u>	<u>1,456,463</u>
Long-Term Liabilities		
Net pension liability	532,364	532,364
Due in more than one year	<u>1,200,000</u>	<u>1,200,000</u>
Total long-term liabilities	<u>1,732,364</u>	<u>1,732,364</u>
Total liabilities	<u>3,188,827</u>	<u>3,188,827</u>
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals	<u>1,278</u>	<u>1,278</u>
Total deferred inflows of resources	<u>1,278</u>	<u>1,278</u>
NET POSITION		
Net investment in capital assets	12,704,753	12,704,753
Restricted for:		
Stabilization by State Statute	669,427	669,427
Streets	953,818	953,818
Unrestricted	<u>12,401,102</u>	<u>12,401,102</u>
Total net position	<u>\$ 26,729,100</u>	<u>\$ 26,729,100</u>

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Statement of Activities

For the Year Ended June 30, 2024

Exhibit 2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Primary government:						
Governmental Activities:						
General government	\$ 1,622,675	\$ -	\$ 1,335,949	\$ -	\$ (286,726)	\$ (286,726)
Public works	3,300,922	1,862	438,139	2,267,571	(593,350)	(593,350)
Planning	313,844	10,425	-	-	(303,419)	(303,419)
Parks and recreation	700,365	79,760	-	42,929	(577,676)	(577,676)
Public safety	823,241	-	-	-	(823,241)	(823,241)
Interest on long-term debt	25,851	-	-	-	(25,851)	(25,851)
Total governmental activities	6,786,898	92,047	1,774,088	2,310,500	(2,610,263)	(2,610,263)
Total primary government	\$ 6,786,898	\$ 92,047	\$ 1,774,088	\$ 2,310,500	\$ (2,610,263)	\$ (2,610,263)
General revenues:						
Taxes:						
Property taxes, levied for general purpose					3,123,014	3,123,014
Local occupancy tax					57,222	57,222
Unrestricted intergovernmental revenues					2,210,680	2,210,680
Unrestricted investment earnings					610,425	610,425
Miscellaneous					37,355	37,355
Total general revenues not including transfers					6,038,696	6,038,696
Transfers						
Total general revenues and transfers					6,038,696	6,038,696
Change in net position					3,428,433	3,428,433
Net position, beginning					23,300,667	23,300,667
Net position, ending					\$ 26,729,100	\$ 26,729,100

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Balance Sheet

Governmental Funds

June 30, 2024

Exhibit 3

	Major Fund				Total Non-Major Funds	Total Governmental Funds
	General Fund	Gateway Project Capital Projects Fund	American Rescue Plan Act Special Revenue Fund	Great Wagon Road Improvements Capital Projects Fund		
Assets						
Cash and cash equivalents	\$ 6,348,784	\$ 1,217,431	\$ 163,692	\$ 1,947,777	\$ 3,293,021	\$ 12,970,705
Restricted cash	1,163,414	-	374,752	-	-	1,538,166
Receivables, net:						
Taxes	20,131	-	-	-	915	21,046
Other	331	-	-	-	-	331
Due from other governments	483,787	144,145	-	-	41,164	669,096
Total assets	<u>8,016,447</u>	<u>1,361,576</u>	<u>538,444</u>	<u>1,947,777</u>	<u>3,335,100</u>	<u>15,199,344</u>
Liabilities						
Accounts payable and accrued liabilities	360,079	173,090	-	-	43,027	576,196
Contract retainage	-	-	-	-	8,000	8,000
Unearned revenue	-	-	374,752	-	-	374,752
Developer deposits	209,596	-	-	-	-	209,596
Total liabilities	<u>569,675</u>	<u>173,090</u>	<u>374,752</u>	<u>-</u>	<u>51,027</u>	<u>1,168,544</u>
Deferred Inflows of Resources						
Property taxes receivable	20,131	-	-	-	915	21,046
Total deferred inflows of resources	<u>20,131</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>915</u>	<u>21,046</u>
Fund Balances						
Restricted						
Stabilization by State Statute	484,118	144,145	-	-	41,164	669,427
Streets	953,818	-	-	-	-	953,818
Committed						
Special Revenue Funds	-	-	163,692	-	249,256	412,948
Capital Projects Funds	-	1,044,341	-	1,947,777	2,992,738	5,984,856
Assigned						
Subsequent year's expenditures	387,586	-	-	-	-	387,586
Unassigned	5,601,119	-	-	-	-	5,601,119
Total fund balances	<u>7,426,641</u>	<u>1,188,486</u>	<u>163,692</u>	<u>1,947,777</u>	<u>3,283,158</u>	<u>14,009,754</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,016,447</u>	<u>\$ 1,361,576</u>	<u>\$ 538,444</u>	<u>\$ 1,947,777</u>	<u>\$ 3,335,100</u>	<u>\$ 15,199,344</u>

continued

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Balance Sheet

Governmental Funds

June 30, 2024

Exhibit 3

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

Total fund balance, governmental funds		\$ 14,009,754
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Gross capital assets at historical cost	\$ 20,773,653	
Accumulated depreciation	<u>(6,445,123)</u>	14,328,530
Deferred outflows of resources related to pensions are not reported in the funds.		391,331
Earned revenues considered deferred inflows of resources in fund statements.		21,046
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds.		
Compensated absences		(67,276)
Financing agreement		(1,400,000)
Accrued interest payable		(20,643)
Net pension liability		(532,364)
Deferred inflows of resources related to pensions are not reported in the funds.		<u>(1,278)</u>
Net position of governmental activities		<u><u>\$ 26,729,100</u></u>

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Statement of Revenues, Expenditures, and Changes in Fund Balance

Governmental Funds

For the Year Ended June 30, 2024

Exhibit 4

	Major Funds				Total Non-Major Funds	Total Governmental Funds
	General Fund	Gateway Project Capital Projects Fund	American Rescue Plan Act Special Revenue Fund	Great Wagon Road Improvements Capital Projects Fund		
REVENUES						
Ad valorem taxes	\$ 3,085,317	\$ -	\$ -	\$ -	\$ 38,533	\$ 3,123,850
Unrestricted intergovernmental	2,210,680	-	-	-	-	2,210,680
Restricted intergovernmental	511,361	1,875,918	1,335,949	-	418,582	4,141,810
Investment earnings	220,715	73,237	69,535	23,231	223,707	610,425
Miscellaneous	104,952	-	-	-	200	105,152
Total revenues	6,133,025	1,949,155	1,405,484	23,231	681,022	10,191,917
EXPENDITURES						
Current:						
General government	1,333,315	-	-	-	-	1,333,315
Public works	2,151,763	2,350,225	-	-	528,123	5,030,111
Planning	321,118	-	-	-	-	321,118
Parks and recreation	301,471	-	-	-	98,059	399,530
Public safety	823,242	-	-	-	-	823,242
Debt service:						
Principal	200,000	-	-	-	-	200,000
Interest and other charges	28,800	-	-	-	-	28,800
Total expenditures	5,159,709	2,350,225	-	-	626,182	8,136,116
Excess (deficiency) of revenues over expenditures	973,316	(401,070)	1,405,484	23,231	54,840	2,055,801
OTHER FINANCING SOURCES (USES)						
Transfers from other funds	1,335,949	219,235	-	1,924,546	2,312,598	5,792,328
Transfers to other funds	(904,547)	-	(1,335,949)	-	(3,551,832)	(5,792,328)
Total other financing sources (uses)	431,402	219,235	(1,335,949)	1,924,546	(1,239,234)	-
Net change in fund balance	1,404,718	(181,835)	69,535	1,947,777	(1,184,394)	2,055,801
Fund balance, beginning	6,021,923	1,370,321	94,157	-	4,467,552	11,953,953
Fund balance, ending	\$ 7,426,641	\$ 1,188,486	\$ 163,692	\$ 1,947,777	\$ 3,283,158	\$ 14,009,754

continued

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

TOWN OF LEWISVILLE, NORTH CAROLINA
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2024

Exhibit 4

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

Net changes in fund balances - total governmental funds		\$ 2,055,801
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
Capital outlay expenditures which were capitalized	\$ 2,970,466	
Depreciation expense for governmental activities	(668,777)	
Asset impairment loss	<u>(1,093,359)</u>	1,208,330
<p>Contributions to pension plan in the current fiscal year are not included on the statement of activities.</p>		
		124,069
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Change in unavailable revenue for tax revenues		(836)
Donated land		24,250
<p>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.</p>		
Principal payments on long-term debts	\$ 200,000	
Decrease in accrued interest payable	<u>2,949</u>	202,949
<p>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.</p>		
Compensated absences		(10,910)
Pension expense		<u>(175,220)</u>
Total changes in net position of governmental activities		<u>\$ 3,428,433</u>

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

TOWN OF LEWISVILLE, NORTH CAROLINA

General Fund

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

For the Year Ended June 30, 2024

Exhibit 5

	General Fund			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues				
Ad valorem taxes	\$ 2,993,220	\$ 2,993,220	\$ 3,085,317	\$ 92,097
Unrestricted intergovernmental	2,162,675	2,162,675	2,210,680	48,005
Restricted intergovernmental	447,575	488,583	511,361	22,778
Investment earnings	87,000	87,000	220,715	133,715
Miscellaneous	90,800	90,800	104,952	14,152
Total revenues	<u>5,781,270</u>	<u>5,822,278</u>	<u>6,133,025</u>	<u>310,747</u>
Expenditures				
Current:				
General government	1,611,229	1,613,229	1,333,315	279,914
Public works	2,591,560	2,631,808	2,151,763	480,045
Planning	466,340	466,340	321,118	145,222
Parks and recreation	350,623	360,618	301,471	59,147
Public safety	839,825	839,825	823,242	16,583
Debt service:				
Principal	200,000	200,000	200,000	-
Interest and other charges	28,800	28,800	28,800	-
Total expenditures	<u>6,088,377</u>	<u>6,140,620</u>	<u>5,159,709</u>	<u>980,911</u>
Revenues over (under) expenditures	<u>(307,107)</u>	<u>(318,342)</u>	<u>973,316</u>	<u>1,291,658</u>
Other Financing Sources (Uses):				
Transfers from other funds	-	-	1,335,949	1,335,949
Transfers to other funds	(125,000)	(904,547)	(904,547)	-
Total other financing sources (uses)	<u>(125,000)</u>	<u>(904,547)</u>	<u>431,402</u>	<u>1,335,949</u>
Fund balance appropriated	432,107	1,222,889	-	(1,222,889)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,404,718	\$ 1,404,718
Fund balance, beginning			6,021,923	
Fund balance, ending			<u>\$ 7,426,641</u>	

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

Notes to the Financial Statements

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

I. Summary of Significant Accounting Policies

The accounting policies of the Town of Lewisville conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies.

A. Reporting Entity

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

B. Basis of Presentation

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

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

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

The Town reports the following major governmental funds:

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

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

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

American Rescue Plan Act Special Revenue Fund. This is a grant project ordinance that accounts for the funds received under the American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds and are restricted to expenditures related to mitigating the costs associated with the Covid-19 pandemic.

Great Wagon Road Improvements Capital Projects Fund. This fund is used to account for the funds used to install and construct improvements along the Great Wagon Road that include but are not limited to street trees, streetlights, and sidewalk expansion.

The Town reports the following non-major governmental funds:

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

GWR ROW/Construction Capital Reserve Fund. This fund was used to account for funds to be used in the Great Wagon Road project. This fund was closed during the fiscal year ended June 30, 2024.

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

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

Public Works Facility Capital Reserve Fund. This fund was used to account for funds to be used in the future construction of a public works facility. This fund was closed during the fiscal year ended June 30, 2024.

Parks & Recreation Capital Reserve Fund. This fund is used to account for the funds to be used in the purchase of land for parks and/or construction of amenities and facilities for parks and recreation.

GWR ROW/Construction Capital Projects Fund. This fund was used to account for funds used in the purchase of right-of-way for and the construction of the Great Wagon Road. This fund was closed during the fiscal year ended June 30, 2024.

Jack Warren Park Maintenance Facility/Playground Expansion Capital Projects Fund. This fund was used to account for funds to be used in the construction of a maintenance building and a playground at Jack Warren Park. This fund was closed during the fiscal year ended June 30, 2024.

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

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

Jack Warren Park Improvements Capital Projects Fund. This fund is used to account for the funds to be used in the addition of amenities to the existing Jack Warren Park. Additional amenities will include a nature trail with connector paths and sidewalks, an 18-hole disc golf course, and an amphitheater.

Lewisville-Vienna Multipurpose Path Capital Projects Fund. This fund is used to account for the funds to be used to extend the sidewalk along Lewisville-Vienna Road from Riverwood Drive to Robinhood Road.

Shallowford Road CMAQ Sidewalk Capital Projects Fund. This fund is used to account for the funds to be used in the construction of a sidewalk along Shallowford Road from Lowes Foods Drive to Shallowford Reserve Drive.

Public Works Facility Capital Projects Fund. This fund is used to account for the funds to be used in the purchase or construction of a public works facility.

C. Measurement Focus and Basis of Accounting

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

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

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

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

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

Sales taxes and certain intergovernmental revenues, such as the beer and wine tax, collected and held by the State at year-end on behalf of the Town are recognized as revenue. Sales taxes are considered a shared revenue for the Town of Lewisville because the tax is levied by Forsyth County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Willow Run MSD Special Revenue Fund, the GWR ROW/Construction Capital Reserve Fund, Sidewalks, Bike Paths, and Greenways Capital Reserve Fund, the Municipal Buildings/Land Capital Reserve Fund, the Public Works Facility Capital Reserve Fund, and the Parks & Recreation Capital Reserve Fund. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the American Rescue Plan Act Special Revenue Fund, GWR ROW/Construction Capital Projects Fund, the Jack Warren Park Maintenance Facility/Playground Expansion Capital Projects Fund, the Gateway Project Capital Projects Fund, the Community Center Capital Projects Fund, the Roundabout at Lewisville-Vienna Road and Robinhood Road Capital Projects Fund, the Jack Warren Park Improvements Capital Projects Fund, the Lewisville-Vienna Multipurpose Path Capital Projects Fund, the Shallowford Road CMAQ Sidewalk Capital Projects Fund, the Great Wagon Road Improvements Capital Projects Fund, and the Public Works Facility Capital Projects Fund. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the project level for the multi-year funds. All amendments must be approved by the governing board and the board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

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

1. Deposits and Investments

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

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

2. Cash and Cash Equivalents

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

3. Restricted Assets

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

Town of Lewisville Restricted Cash

Governmental Activities:

General Fund:

Streets	\$ 953,818
Developer Deposits	209,596
ARPA Special Revenue Fund - Unassigned Proceeds	374,752
Total Governmental Activities	<u>1,538,166</u>
Total Restricted Cash	<u>\$ 1,538,166</u>

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

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, 2023.

5. *Allowances for Doubtful Accounts*

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

6. *Capital Assets*

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

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

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

7. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has one item that meets this criterion, pension deferrals for the 2024 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 assets that applies to a future

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

period and so will not be recognized as revenue until then. The Town has two items that meet the criterion for this category, property taxes receivable and pension deferrals.

8. Long-Term Obligations

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

9. Compensated Absences

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

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

10. Reimbursements for Pandemic-Related Expenditures

During fiscal year ended June 30, 2021, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent Covid-19 response efforts and replace lost revenue for eligible state, local, territorial, and tribal governments. The Town of Lewisville was allocated \$4,024,472 of fiscal recovery funds to be paid in two equal installments. The first installment of \$2,012,236 was received in July, 2021. The second installment of \$2,012,236 was received in July, 2022. The Lewisville Town Council has elected to use \$3,649,720 of the ARPA funds for revenue replacement in the fiscal years ended June 30, 2022, 2023, and 2024. The \$3,649,720 used for revenue replacement was transferred to the General Fund from the American Rescue Plan Act Special Revenue Fund during the years ended June 30, 2022, 2023, and 2024. As of June 30, 2024, the unused funds of \$374,752 are classified as unearned revenue.

11. Net Position/Fund Balances

Net Position

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

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

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

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

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

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

Committed for American Rescue Plan Act Special Revenue Fund – This grant project ordinance accounts for the funds received under the American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds.

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

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

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

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

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

The Town of Lewisville has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-town funds, town funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

The Town of Lewisville has also adopted a minimum fund balance policy for the general fund which instructs management to conduct the business of the Town in such a manner that available fund balance is at least equal to or greater than 65% of budgeted expenditures.

12. Defined Benefit Cost-Sharing Plans

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

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

II. Detail Notes on All Funds

A. Assets

1. Deposits

All the deposits of the Town are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Town's agent in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town's agents in their name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town, or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the 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, 2024, the Town's deposits had a carrying amount of \$3,321,132 and a bank balance of \$3,377,831. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method. At June 30, 2024, the Town's petty cash fund totaled \$200.

2. Investments

At June 30, 2024, the Town of Lewisville had \$11,187,539 invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAM by Standard and Poor's and AAAMf by Moody's Investors Service. The Town has no policy regarding credit risk.

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

3. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2024, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,041,627	\$ 24,250	\$ -	\$ 2,065,877
Sewer rights	600,000	-	-	600,000
Construction in progress	2,501,571	2,933,241	1,093,359	4,341,453
Total capital assets not being depreciated	<u>5,143,198</u>	<u>2,957,491</u>	<u>1,093,359</u>	<u>7,007,330</u>
Capital assets being depreciated:				
Buildings	7,889,150	12,201	-	7,901,351
Furniture and equipment	780,174	25,024	12,948	792,250
Vehicles and motorized equipment	130,819	-	-	130,819
Infrastructure	2,470,853	-	-	2,470,853
Park	2,471,050	-	-	2,471,050
Total capital assets being depreciated	<u>13,742,046</u>	<u>37,225</u>	<u>12,948</u>	<u>13,766,323</u>
Less accumulated depreciation for:				
Buildings	2,759,969	368,738	-	3,128,707
Furniture and equipment	350,649	113,318	12,948	451,019
Vehicles and motorized equipment	72,253	18,646	-	90,899
Infrastructure	854,921	82,362	-	937,283
Park	1,751,502	85,713	-	1,837,215
Total accumulated depreciation	<u>5,789,294</u>	<u>668,777</u>	<u>12,948</u>	<u>6,445,123</u>
Total capital assets being depreciated, net	<u>7,952,752</u>			<u>7,321,200</u>
Governmental activity capital assets, net	<u>\$ 13,095,950</u>			<u>\$ 14,328,530</u>

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

General government	\$ 150,958
Public works	110,606
Planning	625
Parks and recreation	406,588
Total depreciation expense	<u>\$ 668,777</u>

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Construction Commitments

The Town of Lewisville has active construction projects as of June 30, 2024. At year-end, the Town's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Gateway Project	\$ 2,915,110	\$ 415,288
Roundabout at Lewisville-Vienna Road and Robinhood Road	436,639	31,611
Community Center	3,890,492	69,194
Jack Warren Park Improvements	85,550	451,126
	\$ 7,327,791	\$ 967,219

B. Liabilities

1. Pension Plan Obligations

a) Local Governmental Employees' Retirement System

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

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of the member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

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 services as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Town of Lewisville employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town of Lewisville's contractually required contribution rate for the year ended June 30, 2024, was 12.85% of compensation for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Town of Lewisville were \$124,069 for the year ended June 30, 2024.

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, 2024, the Town reported a liability of \$532,364 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 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, 2023 (measurement date), the Town's proportion was .008038%, which was an increase of .000378% from its proportion measured as of June 30, 2022.

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

For the year ended June 30, 2024, the Town recognized pension expense of \$175,220. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following resources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 59,321	\$ 1,278
Changes of assumptions	22,622	-
Net difference between projected and actual earnings on pension plan investments	142,484	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	42,835	-
Town contributions subsequent to the measurement date	<u>124,069</u>	<u>-</u>
Total	<u>\$ 391,331</u>	<u>\$ 1,278</u>

\$124,069 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, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2025	\$ 100,264
2026	58,412
2027	101,285
2028	6,023
2029	-
Thereafter	-
	<u>\$ 265,984</u>

Actuarial Assumptions. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Inflation	2.5 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.5 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study prepared as of December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33%	0.9%
Global Equity	38%	6.5%
Real Estate	8%	5.9%
Alternatives	8%	8.2%
Opportunistic Fixed Income	7%	5.0%
Inflation Sensitive	6%	2.7%
	100%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 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.

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

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

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the Town's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.5 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Town's proportionate share of the net pension liability (asset)	\$ 922,299	\$ 532,364	\$ 211,332

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

b) 457 Retirement Plan

All permanent full-time employees of the Town are eligible to participate in the Town's 457 Retirement Plan, a cost-sharing multiple-employer defined contribution plan administered by the International City Management Association Retirement Corporation (ICMA). Participation begins at the time of employment. Under the provisions of the plan, employees may contribute up to 100% of compensation, subject to a maximum established by the Internal Revenue Code. The Town's contribution to each full-time employee's plan is 1.5% plus a match of the employee's contribution with a maximum contribution from the Town of 5%. Total contributions for the year ended June 30, 2024 amounted to \$2,822, which consisted of \$1,800 from employees and \$1,022 from the Town. Information regarding the plan may be obtained by writing to ICMA Retirement Corporation, 777 North Capitol Street NE, Washington, D.C. 20002-4200.

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

c) Supplemental Retirement Income Plan

All permanent full-time employees of the Town are eligible to participate in the Supplemental Retirement Income Plan, a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. Participation begins at the time of employment. Under the provisions of the plan, employees may contribute up to 100% of compensation, subject to a maximum established by the Internal Revenue Code. The Town’s contribution to each full-time employee’s plan is 1.5% plus a match of the employee’s contribution with a maximum contribution from the Town of 5%. Total contributions for the year ended June 30, 2024 amounted to \$80,749, which consisted of \$40,255 from employees and \$40,494 from 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 is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State’s Annual Comprehensive Financial Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan. The report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

2. Deferred Outflows and Inflows of Resources

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

Source	Amount
Contributions to pension plan in current fiscal year	\$ 124,069
Differences between expected and actual experience	59,321
Changes in assumptions	22,622
Difference between projected and actual earnings on plan investments	142,484
Changes in proportion and differences between Town contributions and proportionate share of contributions	<u>42,835</u>
Total	<u><u>\$ 391,331</u></u>

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

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

	Statement of Net Position	General Fund Balance Sheet
Taxes receivable (General Fund)	\$ -	\$ 20,131
Taxes receivable (Special Revenue Fund)	-	915
Differences between expected and actual experience	<u>1,278</u>	<u>-</u>
Total	<u>\$ 1,278</u>	<u>\$ 21,046</u>

3. Risk Management

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

The Town carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded coverage in any of the past three fiscal years other than the matter described below.

During the year ended June 30, 2023, the Town entered into a *Settlement Agreement and Release* with a developer. The developer sought to obtain approvals from the Town for development of multi-family housing on two lots next to the Town's Shallowford Square. Town Council voted against the project during a technical review for compliance. The developer maintained the Town deprived him the opportunity to develop housing on the property resulting in monetary damages to the developer. In accordance with the *Settlement Agreement and Release*, the Town paid the developer \$1,895,000 plus \$64,372 to reimburse the developer for design fees and legal fees related to his efforts to develop the property. In return, the developer transferred ownership of the two lots to the Town and agreed to release the Town of Lewisville, certain members of the Town Council, and certain members of the Town's Planning Board from any and all liability, losses, expenses, claims, demands, actions, and any

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

and all causes of action whatsoever, whether known or unknown, arising out of or relating to the dispute and/or the property. The two lots are recorded in the Town’s accounting records at their estimated fair value of \$136,300. The remainder of the legal settlement, \$1,823,072, was recorded as legal settlement expense in the Statement of Activities (Exhibit 2) and the Statement of Revenues, Expenditures, and Changes in Fund Balance (Exhibit 4) during the fiscal year ended June 30, 2023.

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

In accordance with G.S. 159-29, the Town’s employees that have access to \$100 or more at any given time of the Town’s funds are performance bonded through a commercial surety bond. The finance director is individually bonded for \$1,000,000. The remaining employees that have access to funds are bonded under a blanket bond for various amounts.

4. Commitments

The Town has entered into a contract for solid waste and recycling collection expiring June 30, 2029 for approximately \$1,599,860 per year.

The Town has also entered into a community policing contract with the Forsyth County Sheriff’s Department expiring June, 2026 for approximately \$978,970 per year.

5. Long-Term Obligations

a) Direct Placement Financing Agreement – Mary Alice Warren Community Center

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

Year Ending June 30	Principal	Interest
2025	\$ 200,000	\$ 25,200
2026	200,000	21,600
2027	200,000	18,000
2028	200,000	14,400
2029	200,000	10,800
2030-2031	400,000	10,800
	<u>\$ 1,400,000</u>	<u>\$ 100,800</u>

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

b) Changes in Long-Term Liabilities

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

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion of Balance
Direct placement financing agreement	\$ 1,600,000	\$ -	\$ 200,000	\$ 1,400,000	\$ 200,000
Compensated absences	56,366	91,254	80,344	67,276	67,276
Net pension liability (LGERS)	432,133	100,231	-	532,364	-
Total long-term liabilities	\$ 2,088,499	\$ 191,485	\$ 280,344	\$ 1,999,640	\$ 267,276

At June 30, 2024, the Town of Lewisville had a legal debt margin of \$137,698,712.

C. Interfund Balances and Activity

Transfers from the General Fund to Non-Major Funds

From the General Fund to the Parks & Recreation Capital Reserve Fund to finance the future purchase of land for parks and/or construction of amenities and facilities for parks and recreation	\$ 100,000
From the General Fund to the Sidewalks, Bike Paths, and Greenways Capital Reserve Fund for future projects	25,000
From the General Fund to the Jack Warren Park Improvements Capital Projects Fund to fund project expenditures	132,188
From the General Fund to the Lewisville-Vienna Multipurpose Path Capital Projects Fund to fund project expenditures	165,191
From the General Fund to the Shallowford Road CMAQ Sidewalk Capital Projects Fund to fund project expenditures	<u>262,933</u>
	<u>\$ 685,312</u>

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

Transfers from Other Major Funds to the General Fund

From the American Rescue Plan Act Special Revenue Fund to the General Fund to replace lost revenue as a result of the COVID-19 pandemic

\$ 1,335,949

\$ 1,335,949

Transfers from the General Fund to Other Major Funds

From the General Fund to the Gateway Project Capital Projects Fund to fund project expenditures

\$ 219,235

\$ 219,235

Transfers from Non-Major Funds to Major Funds

From the GWR ROW/Construction Capital Reserve Fund to the Great Wagon Road Improvements Capital Projects Fund

\$ 1,131,953

From the GWR ROW/Construction Capital Projects Fund to the Great Wagon Road Improvements Capital Projects Fund

792,593

\$ 1,924,546

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

Transfers from Non-Major Funds to Other Non-Major Funds

From the Sidewalks, Bike Paths, and Greenways Capital Reserve Fund to the Lewisville-Vienna Multipurpose Path Capital Projects Fund	\$ 188,100
From the Public Works Facility Capital Reserve Fund to the Public Works Facility Capital Projects Fund	899,325
From the Parks and Recreation Capital Reserve Fund to the Jack Warren Park Improvements Capital Projects Fund	518,590
From the Jack Warren Park Maintenance Facility/Playground Expansion Capital Projects Fund to the Jack Warren Park Improvements Capital Projects Fund	<u>21,271</u>
	<u>\$ 1,627,286</u>

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

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2024

D. Net Investment in Capital Assets

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

Capital assets	\$ 14,328,530
Less accounts payable:	
Gateway Project	173,090
Roundabout at Lewisville-Vienna Road and Robinhood Road	27,546
Community Center	6,855
Jack Warren Park Improvements	6,840
Public Works Facility	1,446
Less contract retainage - Community Center	8,000
Less long-term debt	<u>1,400,000</u>
Net investment in capital assets	<u>\$ 12,704,753</u>

E. Fund Balance

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

Total Fund Balance - General Fund	\$ 7,426,641
Less:	
Restricted for Stabilization by State Statute	484,118
Restricted for Streets	953,818
Appropriated fund balance in FY 2024-2025 budget	<u>387,586</u>
Remaining fund balance	<u>\$ 5,601,119</u>

III. Jointly Governed Organizations

The Town, in conjunction with twelve counties and sixty-one other municipalities established the Piedmont Triad Regional Council. The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The Town paid membership fees of \$2,823 to the Council during the fiscal year ended June 30, 2024.

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2024

IV. *Summary Disclosure of Significant Contingencies*

Federal and State Assisted Programs

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

V. *Subsequent Events*

Subsequent events have been evaluated through October 29, 2024, which is the date the financial statements were available to be issued.

Required Supplemental Financial Data

TOWN OF LEWISVILLE, NORTH CAROLINA

Town of Lewisville's Proportionate Share of Net Pension Liability (Asset)

Required Supplementary Information

Last Ten Fiscal Years *

Local Governmental Employees' Retirement System

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Lewisville's proportion of the net pension liability (asset) (%)	0.008038%	0.00766%	0.00630%	0.00663%	0.00666%
Lewisville's proportion of the net pension liability (asset) (\$)	\$ 532,364	\$ 432,133	\$ 96,619	\$ 236,918	\$ 181,879
Lewisville's covered payroll	\$ 805,291	\$ 730,273	\$ 589,454	\$ 624,634	\$ 617,225
Lewisville's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	66.11%	59.17%	16.39%	37.93%	29.47%
Plan fiduciary net position as a percentage of the total pension liability **	82.49%	84.14%	95.51%	88.61%	90.86%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Lewisville's proportion of the net pension liability (asset) (%)	0.00796%	0.00709%	0.00769%	0.00767%	0.00727%
Lewisville's proportion of the net pension liability (asset) (\$)	\$ 188,838	\$ 108,316	\$ 163,208	\$ 34,422	\$ (42,874)
Lewisville's covered payroll	\$ 610,359	\$ 577,000	\$ 629,911	\$ 645,697	\$ 594,539
Lewisville's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	30.94%	18.77%	25.91%	5.33%	-7.21%
Plan fiduciary net position as a percentage of the total pension liability **	91.63%	94.18%	91.47%	98.09%	102.47%

* 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.

TOWN OF LEWISVILLE, NORTH CAROLINA

Town of Lewisville's Contributions

Required Supplementary Information

Last Ten Fiscal Years

Local Governmental Employees' Retirement System

	2024	2023	2022	2021	2020
Contractually required contribution	\$ 124,069	\$ 97,440	\$ 82,886	\$ 59,830	\$ 55,905
Contributions in relation to the contractually required contribution	124,069	97,440	82,886	59,830	55,905
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Lewisville's covered payroll	\$ 965,517	\$ 805,291	\$ 730,273	\$ 589,454	\$ 624,634
Contributions as a percentage of covered payroll	12.85%	12.10%	11.35%	10.15%	8.95%

	2019	2018	2017	2016	2015
Contractually required contribution	\$ 47,835	\$ 45,777	\$ 41,833	\$ 42,015	\$ 45,651
Contributions in relation to the contractually required contribution	47,835	45,777	41,833	42,015	45,651
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Lewisville's covered payroll	\$ 617,225	\$ 610,359	\$ 577,000	\$ 629,911	\$ 645,697
Contributions as a percentage of covered payroll	7.75%	7.50%	7.25%	6.67%	7.07%

Individual Fund Schedules

TOWN OF LEWISVILLE, NORTH CAROLINA

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes			
Taxes	\$ 2,988,220	\$ 3,079,939	
Penalties and interest	5,000	5,378	
Total	<u>2,993,220</u>	<u>3,085,317</u>	<u>\$ 92,097</u>
Unrestricted intergovernmental			
Local option sales taxes	1,272,770	1,226,799	
Telecommunications sales tax	19,935	21,411	
Electricity sales tax	448,835	485,211	
Piped natural gas sales tax	30,280	22,950	
Video programming sales tax	122,030	114,608	
Beer and wine tax	56,825	66,060	
ABC Board profit distribution	212,000	273,641	
Total	<u>2,162,675</u>	<u>2,210,680</u>	<u>48,005</u>
Restricted intergovernmental			
Powell Bill allocation	427,558	427,558	
Local occupancy tax	50,000	57,222	
Solid waste disposal tax	11,025	10,581	
Grant revenue - NC Department of Environmental Quality	-	16,000	
Total	<u>488,583</u>	<u>511,361</u>	<u>22,778</u>
Investment earnings	<u>87,000</u>	<u>220,715</u>	<u>133,715</u>
Miscellaneous	<u>90,800</u>	<u>104,952</u>	<u>14,152</u>
Total revenues	<u>5,822,278</u>	<u>6,133,025</u>	<u>310,747</u>
Expenditures			
General government			
Governing body			
Salaries and employee benefits		17,081	
Professional services		52,859	
Membership dues		21,700	
Support contracts		106,261	
Other operating expenditures		46,417	
Total	<u>355,216</u>	<u>244,318</u>	<u>110,898</u>

continued

TOWN OF LEWISVILLE, NORTH CAROLINA

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Administration			
Salaries and employee benefits		557,681	
Support contracts		52,240	
Capital outlay		9,836	
Other operating expenditures		185,650	
Total	<u>965,036</u>	<u>805,407</u>	<u>159,629</u>
Finance			
Salaries and employee benefits		258,290	
Support contracts		9,472	
Other operating expenditures		15,828	
Total	<u>292,977</u>	<u>283,590</u>	<u>9,387</u>
Total general government	<u>1,613,229</u>	<u>1,333,315</u>	<u>279,914</u>
Public Works			
Public works			
Salaries and employee benefits		328,703	
Support contracts		67,582	
Other operating expenditures		19,160	
Total	<u>547,096</u>	<u>415,445</u>	<u>131,651</u>
Beautification			
Support contracts		102,930	
Other operating expenditures		2,050	
Total	<u>115,407</u>	<u>104,980</u>	<u>10,427</u>
Powell Bill			
Road paving, repairs and maintenance		305,065	
Other operating expenditures		76,200	
Total	<u>427,558</u>	<u>381,265</u>	<u>46,293</u>
Storm Water			
Support contracts		88,091	
Other operating expenditures		4,613	
Total	<u>152,642</u>	<u>92,704</u>	<u>59,938</u>
Solid Waste			
Support contracts		950,685	
Other operating expenditures		4,417	
Total	<u>1,077,790</u>	<u>955,102</u>	<u>122,688</u>

continued

TOWN OF LEWISVILLE, NORTH CAROLINA

General Fund

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2024**

	Budget	Actual	Variance Positive (Negative)
Recycling			
Support contracts		900	
Other operating expenditures		4,365	
Total	9,215	5,265	3,950
Streets			
Support contracts		56,620	
Road paving, repairs and maintenance		120,000	
Other operating expenditures		20,382	
Total	302,100	197,002	105,098
 Total public works	2,631,808	2,151,763	480,045
Planning			
Salaries and employee benefits		191,274	
Support contracts		97,195	
Capital outlay		7,495	
Other operating expenditures		25,154	
Total planning	466,340	321,118	145,222
Parks and recreation			
Event expenses		74,099	
Support contracts		11,907	
Capital outlay		7,693	
Other operating expenditures		207,772	
Total parks and recreation	360,618	301,471	59,147
Public safety			
Community policing			
Support contracts		787,910	
Other operating expenditures		27,894	
Total	824,750	815,804	8,946
Public safety			
Other operating expenditures		7,438	
Total	15,075	7,438	7,637
Total public safety	839,825	823,242	16,583

continued

TOWN OF LEWISVILLE, NORTH CAROLINA

General Fund

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2024**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Debt service			
Principal retirement		200,000	
Interest and other charges		28,800	
Total debt service	<u>228,800</u>	<u>228,800</u>	<u>-</u>
Total expenditures	<u>6,140,620</u>	<u>5,159,709</u>	<u>980,911</u>
Revenues over (under) expenditures	<u>(318,342)</u>	<u>973,316</u>	<u>1,291,658</u>
Other financing sources (uses):			
Transfers from other funds	-	1,335,949	1,335,949
Transfers to other funds	(904,547)	(904,547)	-
Total other financing sources (uses)	<u>(904,547)</u>	<u>431,402</u>	<u>1,335,949</u>
Fund balance appropriated	1,222,889	-	(1,222,889)
Net change in fund balance	<u>\$ -</u>	<u>1,404,718</u>	<u>\$ 1,404,718</u>
Fund balance, beginning		<u>6,021,923</u>	
Fund balance, ending		<u>\$ 7,426,641</u>	

TOWN OF LEWISVILLE, NORTH CAROLINA

Capital Projects Fund - Gateway Project

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

From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Grant revenue	\$ -	\$ 882,729	\$ 1,875,918	\$ 2,758,647	\$ 2,758,647
Investment earnings	-	32,844	73,237	106,081	106,081
Total revenues	-	915,573	1,949,155	2,864,728	2,864,728
Expenditures					
Capital outlay	4,094,109	1,136,919	2,350,225	3,487,144	606,965
Total expenditures	4,094,109	1,136,919	2,350,225	3,487,144	606,965
Revenues over (under) expenditures	(4,094,109)	(221,346)	(401,070)	(622,416)	3,471,693
Other financing sources (uses)					
Transfers from other funds:					
General Fund	3,779,059	1,276,617	219,235	1,495,852	(2,283,207)
Lewisville-Vienna Road Sidewalk Extension Grant Capital Projects Fund	172,145	172,145	-	172,145	-
Sidewalks, Bike Paths and Greenways Capital Reserve Fund	141,661	141,661	-	141,661	-
Harper Road Lift Station Capital Projects Fund	1,244	1,244	-	1,244	-
Total other financing sources (uses)	4,094,109	1,591,667	219,235	1,810,902	(2,283,207)
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 1,370,321	(181,835)	\$ 1,188,486	\$ 1,188,486
Fund balance, beginning			1,370,321		
Fund balance, ending			\$ 1,188,486		

TOWN OF LEWISVILLE, NORTH CAROLINA

American Rescue Plan Act Special Revenue Fund

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

From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
American Rescue Plan Act funds	\$ 4,024,472	\$ 2,313,771	\$ 1,335,949	\$ 3,649,720	\$ (374,752)
Investment earnings	-	94,157	69,535	163,692	163,692
Total revenues	<u>4,024,472</u>	<u>2,407,928</u>	<u>1,405,484</u>	<u>3,813,412</u>	<u>(211,060)</u>
Expenditures					
Unassigned ARPA funding	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>4,024,472</u>	<u>2,407,928</u>	<u>1,405,484</u>	<u>3,813,412</u>	<u>(211,060)</u>
Other financing sources (uses)					
Transfers to other funds					
General Fund	<u>(4,024,472)</u>	<u>(2,313,771)</u>	<u>(1,335,949)</u>	<u>(3,649,720)</u>	<u>374,752</u>
Total other financing sources (uses)	<u>(4,024,472)</u>	<u>(2,313,771)</u>	<u>(1,335,949)</u>	<u>(3,649,720)</u>	<u>374,752</u>
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 94,157</u>	<u>\$ 69,535</u>	<u>\$ 163,692</u>	<u>\$ 163,692</u>
Fund balance, beginning			94,157		
Fund balance, ending			<u>\$ 163,692</u>		

TOWN OF LEWISVILLE, NORTH CAROLINA

Capital Projects Fund - Great Wagon Road Improvements

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

From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Investment earnings	\$ -	\$ -	\$ 23,231	\$ 23,231	\$ 23,231
Total revenues	-	-	23,231	23,231	23,231
Expenditures					
Capital outlay	1,924,546	-	-	-	1,924,546
Total expenditures	1,924,546	-	-	-	1,924,546
Revenues over (under) expenditures	(1,924,546)	-	23,231	23,231	1,947,777
Other financing sources (uses)					
Transfers from other funds:					
General Fund	-	-	-	-	-
GWR ROW/Construction Capital Reserve Fund	1,131,953	-	1,131,953	1,131,953	-
GWR ROW/Construction Capital Projects Fund	792,593	-	792,593	792,593	-
Total other financing sources (uses)	1,924,546	-	1,924,546	1,924,546	-
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	1,947,777	\$ 1,947,777	\$ 1,947,777
Fund balance, beginning			-		
Fund balance, ending			\$ 1,947,777		

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Willow Run Municipal Service District Special Revenue Fund	GWR ROW/ Construction Capital Reserve Fund	Sidewalks, Bike Paths, and Greenways Capital Reserve Fund	Municipal Buildings/Land Capital Reserve Fund
Assets				
Cash and cash equivalents	\$ 249,596	\$ -	\$ 1,388	\$ 142,522
Taxes receivable, net	915	-	-	-
Due from other governments	525	-	-	-
Total assets	<u>251,036</u>	<u>-</u>	<u>1,388</u>	<u>142,522</u>
Liabilities				
Accounts payable and accrued liabilities	340	-	-	-
Contract retainage	-	-	-	-
Total liabilities	<u>340</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Property taxes receivable	915	-	-	-
Total deferred inflows of resources	<u>915</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted by stabilization by State Statute	525	-	-	-
Committed	249,256	-	1,388	142,522
Total fund balances	<u>249,781</u>	<u>-</u>	<u>1,388</u>	<u>142,522</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 251,036</u>	<u>\$ -</u>	<u>\$ 1,388</u>	<u>\$ 142,522</u>

continued

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Public Works Facility Capital Reserve Fund	Parks & Recreation Capital Reserve Fund	GWR ROW/ Construction Capital Projects Fund	Jack Warren Park Maintenance Facility/ Playground Expansion Capital Projects Fund
Assets				
Cash and cash equivalents	\$ -	\$ 331	\$ -	\$ -
Taxes receivable, net	-	-	-	-
Due from other governments	-	-	-	-
Total assets	-	331	-	-
Liabilities				
Accounts payable and accrued liabilities	-	-	-	-
Contract retainage	-	-	-	-
Total liabilities	-	-	-	-
Deferred Inflows of Resources				
Property taxes receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances				
Restricted by stabilization by State Statute	-	-	-	-
Committed	-	331	-	-
Total fund balances	-	331	-	-
Total liabilities, deferred inflows of resources and fund balances	\$ -	\$ 331	\$ -	\$ -

continued

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Community Center Capital Projects Fund	Roundabout at Lewisville- Vienna Road and Robinhood Road Capital Projects Fund	Jack Warren Park Improvements Capital Projects Fund	Lewisville- Vienna Multipurpose Path Capital Projects Fund
Assets				
Cash and cash equivalents	\$ 277,949	\$ 436,678	\$ 641,893	\$ 369,761
Taxes receivable, net	-	-	-	-
Due from other governments	854	22,037	17,748	-
Total assets	<u>278,803</u>	<u>458,715</u>	<u>659,641</u>	<u>369,761</u>
Liabilities				
Accounts payable and accrued liabilities	6,855	27,546	6,840	-
Contract retainage	8,000	-	-	-
Total liabilities	<u>14,855</u>	<u>27,546</u>	<u>6,840</u>	<u>-</u>
Deferred Inflows of Resources				
Property taxes receivable	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted by stabilization by State Statute	854	22,037	17,748	-
Committed	263,094	409,132	635,053	369,761
Total fund balances	<u>263,948</u>	<u>431,169</u>	<u>652,801</u>	<u>369,761</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 278,803</u>	<u>\$ 458,715</u>	<u>\$ 659,641</u>	<u>\$ 369,761</u>

continued

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Shallowford Road CMAQ Sidewalk Capital Projects Fund	Public Works Facility Capital Projects Fund	Total Non- Major Governmental Funds
Assets			
Cash and cash equivalents	\$ 271,777	\$ 901,126	\$ 3,293,021
Taxes receivable, net	-	-	915
Due from other governments	-	-	41,164
Total assets	271,777	901,126	3,335,100
Liabilities			
Accounts payable and accrued liabilities	-	1,446	43,027
Contract retainage	-	-	8,000
Total liabilities	-	1,446	51,027
Deferred Inflows of Resources			
Property taxes receivable	-	-	915
Total deferred inflows of resources	-	-	915
Fund Balances			
Restricted by stabilization by State Statute	-	-	41,164
Committed	271,777	899,680	3,241,994
Total fund balances	271,777	899,680	3,283,158
Total liabilities, deferred inflows of resources and fund balances	\$ 271,777	\$ 901,126	\$ 3,335,100

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balance -
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Willow Run Municipal Service District Special Revenue Fund	GWR ROW/ Construction Capital Reserve Fund	Sidewalks, Bike Paths, and Greenways Capital Reserve Fund	Municipal Buildings/Land Capital Reserve Fund
Revenues				
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -
Ad valorem taxes	38,533	-	-	-
Investment earnings	8,778	41,416	1,322	7,259
Miscellaneous income	200	-	-	-
Total revenues	<u>47,511</u>	<u>41,416</u>	<u>1,322</u>	<u>7,259</u>
Expenditures				
Public works	30,965	-	-	-
Parks and recreation	-	-	-	-
Total expenditures	<u>30,965</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>16,546</u>	<u>41,416</u>	<u>1,322</u>	<u>7,259</u>
Other financing sources (uses)				
Transfers from other funds	-	-	25,000	-
Transfers to other funds	-	(1,131,953)	(188,100)	-
Total other financing sources (uses)	<u>-</u>	<u>(1,131,953)</u>	<u>(163,100)</u>	<u>-</u>
Net change in fund balance	16,546	(1,090,537)	(161,778)	7,259
Fund balance, beginning	233,235	1,090,537	163,166	135,263
Fund balance, ending	<u>\$ 249,781</u>	<u>\$ -</u>	<u>\$ 1,388</u>	<u>\$ 142,522</u>

continued

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balance -
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Public Works Facility Capital Reserve Fund	Parks & Recreation Capital Reserve Fund	GWR ROW/ Construction Capital Projects Fund	Jack Warren Park Maintenance Facility/ Playground Expansion Capital Projects Fund
Revenues				
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -
Ad valorem taxes	-	-	-	-
Investment earnings	43,364	4,076	29,000	-
Miscellaneous income	-	-	-	-
Total revenues	<u>43,364</u>	<u>4,076</u>	<u>29,000</u>	<u>-</u>
Expenditures				
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>43,364</u>	<u>4,076</u>	<u>29,000</u>	<u>-</u>
Other financing sources (uses)				
Transfers from other funds	-	100,000	-	-
Transfers to other funds	(899,325)	(518,590)	(792,593)	(21,271)
Total other financing sources (uses)	<u>(899,325)</u>	<u>(418,590)</u>	<u>(792,593)</u>	<u>(21,271)</u>
Net change in fund balance	(855,961)	(414,514)	(763,593)	(21,271)
Fund balance, beginning	855,961	414,845	763,593	21,271
Fund balance, ending	<u>\$ -</u>	<u>\$ 331</u>	<u>\$ -</u>	<u>\$ -</u>

continued

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balance -
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Community Center Capital Projects Fund	Roundabout at Lewisville- Vienna Road and Robinhood Road Capital Projects Fund	Jack Warren Park Improvements Capital Projects Fund	Lewisville- Vienna Multipurpose Path Capital Projects Fund
Revenues				
Restricted intergovernmental	\$ -	\$ 375,653	\$ 42,929	\$ -
Ad valorem taxes	-	-	-	-
Investment earnings	8,895	28,801	23,681	16,470
Miscellaneous income	-	-	-	-
Total revenues	8,895	404,454	66,610	16,470
Expenditures				
Public works	-	495,712	-	-
Parks and recreation	12,201	-	85,858	-
Total expenditures	12,201	495,712	85,858	-
Revenues over (under) expenditures	(3,306)	(91,258)	(19,248)	16,470
Other financing sources (uses)				
Transfers from other funds	-	-	672,049	353,291
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	672,049	353,291
Net change in fund balance	(3,306)	(91,258)	652,801	369,761
Fund balance, beginning	267,254	522,427	-	-
Fund balance, ending	\$ 263,948	\$ 431,169	\$ 652,801	\$ 369,761

continued

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balance -
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Shallowford Road CMAQ Sidewalk Capital Projects Fund	Public Works Facility Capital Projects Fund	Total Non- Major Governmental Funds
Revenues			
Restricted intergovernmental	\$ -	\$ -	\$ 418,582
Ad valorem taxes	-	-	38,533
Investment earnings	8,844	1,801	223,707
Miscellaneous income	-	-	200
Total revenues	<u>8,844</u>	<u>1,801</u>	<u>681,022</u>
Expenditures			
Public works	-	1,446	528,123
Parks and recreation	-	-	98,059
Total expenditures	<u>-</u>	<u>1,446</u>	<u>626,182</u>
Revenues over (under) expenditures	<u>8,844</u>	<u>355</u>	<u>54,840</u>
Other financing sources (uses)			
Transfers from other funds	262,933	899,325	2,312,598
Transfers to other funds	-	-	(3,551,832)
Total other financing sources (uses)	<u>262,933</u>	<u>899,325</u>	<u>(1,239,234)</u>
Net change in fund balance	271,777	899,680	(1,184,394)
Fund balance, beginning	-	-	4,467,552
Fund balance, ending	<u>\$ 271,777</u>	<u>\$ 899,680</u>	<u>\$ 3,283,158</u>

TOWN OF LEWISVILLE, NORTH CAROLINA

Special Revenue Fund - Willow Run Municipal Service District

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

Budget and Actual

For the Fiscal Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues			
Ad valorem taxes	\$ 37,352	\$ 38,533	\$ 1,181
Investment earnings	2,000	8,778	6,778
Miscellaneous income	-	200	200
Total revenues	39,352	47,511	8,159
Expenditures			
Public works	39,352	30,965	8,387
Total expenditures	39,352	30,965	8,387
Revenues over (under) expenditures	-	16,546	16,546
Fund balance appropriated	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>16,546</u>	<u>\$ 16,546</u>
Fund balance, beginning		<u>233,235</u>	
Fund balance, ending		<u>\$ 249,781</u>	

TOWN OF LEWISVILLE, NORTH CAROLINA
GWR ROW/Construction Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Fiscal Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 41,416	\$ 41,416
Total revenues	-	41,416	41,416
Expenditures	-	-	-
Revenues over (under) expenditures	-	41,416	41,416
Other financing sources (uses)			
Transfers to other funds			
Great Wagon Road Improvements			
Capital Projects Fund	(1,131,953)	(1,131,953)	-
Total other financing sources (uses)	(1,131,953)	(1,131,953)	-
Fund balance appropriated	1,131,953	-	(1,131,953)
Net change in fund balance	\$ -	(1,090,537)	\$ (1,090,537)
Fund balance, beginning		1,090,537	
Fund balance, ending		\$ -	

TOWN OF LEWISVILLE, NORTH CAROLINA
Sidewalks, Bike Paths and Greenways Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Fiscal Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 1,322	\$ 1,322
Total revenues	-	1,322	1,322
Expenditures	25,000	-	25,000
Revenues over (under) expenditures	(25,000)	1,322	26,322
Other financing sources (uses)			
Transfers from other funds			
General Fund	25,000	25,000	-
Transfers to other funds			
Lewisville-Vienna Multipurpose Path Capital Projects Fund	(188,100)	(188,100)	-
Total other financing sources (uses)	(163,100)	(163,100)	-
Fund balance appropriated	188,100	-	(188,100)
Net change in fund balance	\$ -	(161,778)	\$ (161,778)
Fund balance, beginning		163,166	
Fund balance, ending		\$ 1,388	

TOWN OF LEWISVILLE, NORTH CAROLINA
Municipal Buildings/Land Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Fiscal Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 7,259	\$ 7,259
Total revenues	-	7,259	7,259
Expenditures	-	-	-
Revenues over (under) expenditures	-	7,259	7,259
Other financing sources (uses)			
Transfers from other funds			
General Fund	-	-	-
Total other financing sources (uses)	-	-	-
Fund balance appropriated	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>7,259</u>	<u>\$ 7,259</u>
Fund balance, beginning		<u>135,263</u>	
Fund balance, ending		<u>\$ 142,522</u>	

TOWN OF LEWISVILLE, NORTH CAROLINA
Public Works Facility Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Fiscal Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 43,364	\$ 43,364
Total revenues	-	43,364	43,364
Expenditures	-	-	-
Revenues over (under) expenditures	-	43,364	43,364
Other financing sources (uses)			
Transfers to other funds			
Public Works Facility Capital Projects Fund	(899,325)	(899,325)	-
Total other financing sources (uses)	(899,325)	(899,325)	-
Fund balance appropriated	899,325	-	(899,325)
Net change in fund balance	\$ -	(855,961)	\$ (855,961)
Fund balance, beginning		855,961	
Fund balance, ending		\$ -	

TOWN OF LEWISVILLE, NORTH CAROLINA
Parks and Recreation Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Fiscal Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 4,076	\$ 4,076
Total revenues	-	4,076	4,076
Expenditures	100,000	-	100,000
Revenues over (under) expenditures	(100,000)	4,076	104,076
Other financing sources (uses)			
Transfers from other funds			
General Fund	100,000	100,000	-
Transfers to other funds			
Jack Warren Park Improvements Capital Projects Fund	(518,590)	(518,590)	-
Total other financing sources (uses)	(418,590)	(418,590)	-
Fund balance appropriated	518,590	-	(518,590)
Net change in fund balance	\$ -	(414,514)	\$ (414,514)
Fund balance, beginning		414,845	
Fund balance, ending		\$ 331	

TOWN OF LEWISVILLE, NORTH CAROLINA

Capital Projects Fund - GWR ROW/Construction

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

From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Restricted intergovernmental	\$ -	\$ 221,684	\$ -	\$ 221,684	\$ 221,684
Investment earnings	-	72,269	29,000	101,269	101,269
Total revenues	-	293,953	29,000	322,953	322,953
Expenditures					
Capital outlay	1,563,800	1,093,360	-	1,093,360	470,440
Total expenditures	1,563,800	1,093,360	-	1,093,360	470,440
Revenues over (under) expenditures	(1,563,800)	(799,407)	29,000	(770,407)	793,393
Other financing sources (uses)					
Transfers from other funds:					
General Fund	596,000	596,000	-	596,000	-
GWR ROW/Construction Capital Reserve Fund	967,000	967,000	-	967,000	-
Transfers to other funds:					
Great Wagon Road Improvements Capital Projects Fund	(792,593)	-	(792,593)	(792,593)	-
Total other financing sources (uses)	770,407	1,563,000	(792,593)	770,407	-
Fund balance appropriated	793,393	-	-	-	(793,393)
Net change in fund balance	\$ -	\$ 763,593	(763,593)	\$ -	\$ -
Fund balance, beginning			763,593		
Fund balance, ending			\$ -		

TOWN OF LEWISVILLE, NORTH CAROLINA

**Capital Projects Fund - Jack Warren Park Maintenance Facility/Playground Expansion
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Investment earnings	\$ -	\$ 1,752	\$ -	\$ 1,752	\$ 1,752
Total revenues	-	1,752	-	1,752	1,752
Expenditures					
Capital outlay	55,000	35,481	-	35,481	19,519
Total expenditures	55,000	35,481	-	35,481	19,519
Revenues over (under) expenditures	(55,000)	(33,729)	-	(33,729)	21,271
Other financing sources (uses)					
Transfers from other funds:					
Municipal Buildings/Land Capital Reserve Fund	55,000	55,000	-	55,000	-
Transfers to other funds:					
Jack Warren Park Improvements Capital Projects Fund	(21,271)	-	(21,271)	(21,271)	-
Total other financing sources (uses)	33,729	55,000	(21,271)	33,729	-
Fund balance appropriated	21,271	-	-	-	(21,271)
Net change in fund balance	\$ -	\$ 21,271	(21,271)	\$ -	\$ -
Fund balance, beginning			21,271		
Fund balance, ending			\$ -		

TOWN OF LEWISVILLE, NORTH CAROLINA

Capital Projects Fund - Community Center

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

From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
State grant revenue	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ 100,000
Investment earnings	-	9,589	8,895	18,484	18,484
Total revenues	-	109,589	8,895	118,484	118,484
Expenditures					
Capital outlay	4,947,137	4,789,472	12,201	4,801,673	145,464
Total expenditures	4,947,137	4,789,472	12,201	4,801,673	145,464
Revenues over (under) expenditures	(4,947,137)	(4,679,883)	(3,306)	(4,683,189)	263,948
Other financing sources (uses)					
Transfers from other funds					
General Fund	1,326,712	1,326,712	-	1,326,712	-
Municipal Buildings/Land Capital Reserve Fund	1,460,988	1,460,988	-	1,460,988	-
Storm Water Capital Reserve Fund	159,437	159,437	-	159,437	-
Proceeds from financing agreement	2,000,000	2,000,000	-	2,000,000	-
Total other financing sources (uses)	4,947,137	4,947,137	-	4,947,137	-
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 267,254	(3,306)	\$ 263,948	\$ 263,948
Fund balance, beginning			267,254		
Fund balance, ending			\$ 263,948		

TOWN OF LEWISVILLE, NORTH CAROLINA

**Capital Projects Fund - Roundabout at Lewisville-Vienna Road and Robinhood Road
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Grant revenue	\$ -	\$ 216,610	\$ 375,653	\$ 592,263	\$ 592,263
Investment earnings	-	16,813	28,801	45,614	45,614
Total revenues	-	233,423	404,454	637,877	637,877
Expenditures					
Capital outlay	2,801,485	271,293	495,712	767,005	2,034,480
Total expenditures	2,801,485	271,293	495,712	767,005	2,034,480
Revenues over (under) expenditures	(2,801,485)	(37,870)	(91,258)	(129,128)	2,672,357
Other financing sources (uses)					
Transfers from other funds:					
General Fund	2,801,485	560,297	-	560,297	(2,241,188)
Total other financing sources (uses)	2,801,485	560,297	-	560,297	(2,241,188)
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 522,427	(91,258)	\$ 431,169	\$ 431,169
Fund balance, beginning			522,427		
Fund balance, ending			\$ 431,169		

TOWN OF LEWISVILLE, NORTH CAROLINA

Capital Projects Fund - Jack Warren Park Improvements

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

From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Grant revenue	\$ -	\$ -	\$ 42,929	\$ 42,929	\$ 42,929
Investment earnings	-	-	23,681	23,681	23,681
Total revenues	-	-	66,610	66,610	66,610
Expenditures					
Capital outlay	672,049	-	85,858	85,858	586,191
Total expenditures	672,049	-	85,858	85,858	586,191
Revenues over (under) expenditures	(672,049)	-	(19,248)	(19,248)	652,801
Other financing sources (uses)					
Transfers from other funds:					
General Fund	132,188	-	132,188	132,188	-
Parks and Recreation Capital Reserve Fund	518,590	-	518,590	518,590	-
Jack Warren Park Maintenance Facility/Playground Expansion Capital Projects Fund	21,271	-	21,271	21,271	-
Total other financing sources (uses)	672,049	-	672,049	672,049	-
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	652,801	\$ 652,801	\$ 652,801
Fund balance, beginning			-		
Fund balance, ending			\$ 652,801		

TOWN OF LEWISVILLE, NORTH CAROLINA

Capital Projects Fund - Lewisville-Vienna Multipurpose Path

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

From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Grant revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	16,470	16,470	16,470
Total revenues	-	-	16,470	16,470	16,470
Expenditures					
Capital outlay	1,766,453	-	-	-	1,766,453
Total expenditures	1,766,453	-	-	-	1,766,453
Revenues over (under) expenditures	(1,766,453)	-	16,470	16,470	1,782,923
Other financing sources (uses)					
Transfers from other funds:					
General Fund	1,578,353	-	165,191	165,191	(1,413,162)
Sidewalks, Bike Paths, and Greenways Capital Reserve Fund	188,100	-	188,100	188,100	-
Total other financing sources (uses)	1,766,453	-	353,291	353,291	(1,413,162)
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	369,761	\$ 369,761	\$ 369,761
Fund balance, beginning			-		
Fund balance, ending			\$ 369,761		

TOWN OF LEWISVILLE, NORTH CAROLINA

Capital Projects Fund - Shallowford Road CMAQ Sidewalk

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

From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Grant revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	8,844	8,844	8,844
Total revenues	-	-	8,844	8,844	8,844
Expenditures					
Capital outlay	1,446,134	-	-	-	1,446,134
Total expenditures	1,446,134	-	-	-	1,446,134
Revenues over (under) expenditures	(1,446,134)	-	8,844	8,844	1,454,978
Other financing sources (uses)					
Transfers from other funds:					
General Fund	1,446,134	-	262,933	262,933	(1,183,201)
Total other financing sources (uses)	1,446,134	-	262,933	262,933	(1,183,201)
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	271,777	\$ 271,777	\$ 271,777
Fund balance, beginning			-		
Fund balance, ending			\$ 271,777		

TOWN OF LEWISVILLE, NORTH CAROLINA

Capital Projects Fund - Public Works Facility

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Investment earnings	\$ -	\$ -	\$ 1,801	\$ 1,801	\$ 1,801
Total revenues	-	-	1,801	1,801	1,801
Expenditures					
Capital outlay	1,000,000	-	1,446	1,446	998,554
Total expenditures	1,000,000	-	1,446	1,446	998,554
Revenues over (under) expenditures	(1,000,000)	-	355	355	1,000,355
Other financing sources (uses)					
Transfers from other funds:					
General Fund	100,675	-	-	-	(100,675)
Public Works Facility Capital Reserve Fund	899,325	-	899,325	899,325	-
Total other financing sources (uses)	1,000,000	-	899,325	899,325	(100,675)
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	899,680	\$ 899,680	\$ 899,680
Fund balance, beginning			-		
Fund balance, ending			\$ 899,680		

Other Schedules

TOWN OF LEWISVILLE, NORTH CAROLINA

Analysis of Current Tax Levy

Town-Wide Levy

June 30, 2024

	Town-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy					
Property taxed at current rate	\$ 1,713,071,186	\$ 0.177	\$ 3,032,136	\$ 2,688,894	\$ 343,242
Discoveries - Current and prior year taxes	29,864,972	\$ 0.177	52,861	52,861	-
Releases	<u>(4,202,260)</u>	\$ 0.177	<u>(7,438)</u>	<u>(7,438)</u>	<u>-</u>
Total property valuation	<u>\$ 1,738,733,898</u>				
Net levy			3,077,559	2,734,317	343,242
Unpaid (by taxpayer) at June 30, 2024			<u>(10,021)</u>	<u>(10,021)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 3,067,538</u>	<u>\$ 2,724,296</u>	<u>\$ 343,242</u>
Current levy collection percentage			<u>99.67%</u>	<u>99.63%</u>	<u>100.00%</u>

Statistical Section

Statistical Section

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

Contents

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

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

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

Demographic and Economic Information

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

Operating Information

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Net Position by Component

Last Ten Fiscal Years

(Accrual Basis of Accounting)

Schedule 1

	Fiscal Year				
	2024	2023	2022	2021	2020
Governmental Activities					
Net investment in capital assets	\$ 12,704,753	\$ 11,375,177	\$ 10,846,428	\$ 9,118,422	\$ 8,154,438
Restricted	1,623,245	1,701,258	1,048,345	953,673	1,038,938
Unrestricted	12,401,102	10,224,232	10,083,549	9,859,844	10,074,621
Total governmental activities net position	<u>\$ 26,729,100</u>	<u>\$ 23,300,667</u>	<u>\$ 21,978,322</u>	<u>\$ 19,931,939</u>	<u>\$ 19,267,997</u>

	Fiscal Year				
	2019	2018	2017	2016	2015
Governmental Activities					
Net investment in capital assets	\$ 7,750,583	\$ 7,125,647	\$ 7,223,726	\$ 7,199,929	\$ 5,895,932
Restricted	909,549	992,877	973,381	989,343	1,634,281
Unrestricted	9,587,374	8,640,880	7,681,819	6,921,185	6,467,630
Total governmental activities net position	<u>\$ 18,247,506</u>	<u>\$ 16,759,404</u>	<u>\$ 15,878,926</u>	<u>\$ 15,110,457</u>	<u>\$ 13,997,843</u>

TOWN OF LEWISVILLE, NORTH CAROLINA

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

Schedule 2

	Fiscal Year				
	2024	2023	2022	2021	2020
Expenses					
Governmental Activities:					
General government	\$ 1,622,675	\$ 3,311,046	\$ 1,365,085	\$ 1,237,921	\$ 1,228,361
Public works	3,300,922	1,547,411	2,013,279	1,928,082	1,821,310
Planning	313,844	233,801	210,593	196,793	167,653
Parks and recreation	700,365	654,767	552,442	205,165	232,562
Public safety	823,241	781,717	686,204	656,398	620,797
Interest on long-term debt	25,851	29,451	32,952	32,342	15,223
Total expenses	<u>6,786,898</u>	<u>6,558,193</u>	<u>4,860,555</u>	<u>4,256,701</u>	<u>4,085,906</u>
Program Revenues					
Governmental activities:					
Charges for services					
Public works	1,862	3,597	7,079	500	13,015
Planning	10,425	13,950	8,845	11,255	19,350
Parks and recreation	79,760	80,351	-	-	4,513
Operating grants and contributions	1,774,088	1,502,701	1,607,748	347,424	500,300
Capital grants and contributions	2,310,500	519,558	277,430	91,581	178,339
Total program revenues	<u>4,176,635</u>	<u>2,120,157</u>	<u>1,901,102</u>	<u>450,760</u>	<u>715,517</u>
Net (Expense)/Revenue	<u>(2,610,263)</u>	<u>(4,438,036)</u>	<u>(2,959,453)</u>	<u>(3,805,941)</u>	<u>(3,370,389)</u>
General Revenues					
Governmental activities:					
Taxes					
Property taxes	3,123,014	3,055,264	2,918,633	2,603,728	2,510,252
Local option sales taxes	1,226,799	1,225,951	1,078,665	924,367	853,341
Other taxes	767,462	746,378	714,928	698,623	711,772
Other	921,421	732,788	293,610	243,165	315,515
Total general revenues	<u>6,038,696</u>	<u>5,760,381</u>	<u>5,005,836</u>	<u>4,469,883</u>	<u>4,390,880</u>
Change in Net Position	<u>\$ 3,428,433</u>	<u>\$ 1,322,345</u>	<u>\$ 2,046,383</u>	<u>\$ 663,942</u>	<u>\$ 1,020,491</u>

continued

TOWN OF LEWISVILLE, NORTH CAROLINA

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

Schedule 2

	Fiscal Year				
	2019	2018	2017	2016	2015
Expenses					
Governmental Activities:					
General government	\$ 1,216,653	\$ 1,081,813	\$ 1,025,807	\$ 1,005,308	\$ 1,079,253
Public works	1,912,092	1,678,658	1,667,179	1,802,150	1,766,003
Planning	136,217	159,518	149,045	154,287	139,310
Parks and recreation	239,533	261,365	245,620	239,360	224,378
Public safety	599,102	583,362	546,202	510,417	495,350
Interest on long-term debt	20,058	24,891	29,727	35,522	42,777
Total expenses	4,123,655	3,789,607	3,663,580	3,747,044	3,747,071
Program Revenues					
Governmental activities:					
Charges for services					
Public works	-	-	-	-	-
Planning	9,785	7,375	7,645	3,715	1,840
Parks and recreation	6,355	7,980	6,924	7,206	7,272
Operating grants and contributions	358,916	360,642	361,733	367,956	366,144
Capital grants and contributions	779,431	24,597	67,094	524,914	550,893
Total program revenues	1,154,487	400,594	443,396	903,791	926,149
Net (Expense)/Revenue	(2,969,168)	(3,389,013)	(3,220,184)	(2,843,253)	(2,820,922)
General Revenues					
Governmental activities:					
Taxes					
Property taxes	2,486,864	2,424,805	2,264,797	2,227,096	2,188,558
Local option sales taxes	833,100	770,309	757,868	749,667	718,672
Other taxes	770,187	770,859	769,550	771,482	776,175
Other	367,119	303,518	196,438	207,622	138,977
Total general revenues	4,457,270	4,269,491	3,988,653	3,955,867	3,822,382
Change in Net Position	\$ 1,488,102	\$ 880,478	\$ 768,469	\$ 1,112,614	\$ 1,001,460

TOWN OF LEWISVILLE, NORTH CAROLINA

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

Schedule 3

	Fiscal Year				
	2024	2023	2022	2021	2020
General Fund					
Restricted	\$ 1,437,936	\$ 1,397,338	\$ 995,887	\$ 918,731	\$ 1,032,296
Committed	-	-	-	-	534,481
Assigned	387,586	432,107	1,205,260	425,954	230,510
Unassigned	5,601,119	4,192,478	5,741,987	4,823,179	5,991,906
Total general fund	7,426,641	6,021,923	7,943,134	6,167,864	7,789,193
All Other Governmental Funds					
Restricted	185,309	303,920	52,458	34,942	6,642
Committed	6,397,804	5,628,110	3,225,388	4,745,389	3,384,902
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	6,583,113	5,932,030	3,277,846	4,780,331	3,391,544
Total	\$ 14,009,754	\$ 11,953,953	\$ 11,220,980	\$ 10,948,195	\$ 11,180,737

	2019	2018	2017	2016	2015
General Fund					
Restricted	\$ 906,522	\$ 992,571	\$ 944,521	\$ 904,600	\$ 1,077,518
Committed	432,849	328,986	263,501	237,395	211,875
Assigned	75,505	99,373	58,416	56,870	49,840
Unassigned	5,699,090	5,405,088	4,362,069	3,887,471	3,468,250
Total general fund	7,113,966	6,826,018	5,628,507	5,086,336	4,807,483
All Other Governmental Funds					
Restricted	3,027	306	28,860	84,743	556,763
Committed	3,416,383	2,827,142	3,014,944	2,745,741	2,777,191
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	3,419,410	2,827,448	3,043,804	2,830,484	3,333,954
Total	\$ 10,533,376	\$ 9,653,466	\$ 8,672,311	\$ 7,916,820	\$ 8,141,437

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

Schedule 4

	Fiscal Year				
	2024	2023	2022	2021	2020
Revenues					
Ad valorem taxes	\$ 3,123,850	\$ 3,056,347	\$ 2,918,524	\$ 2,611,194	\$ 2,510,123
Other taxes and licenses	-	-	-	-	-
Unrestricted intergovernmental	2,210,680	2,175,482	1,977,242	1,818,566	1,723,949
Restricted intergovernmental	4,141,810	2,079,185	1,934,803	468,418	714,713
Investment earnings	610,425	409,207	8,298	1,080	119,176
Miscellaneous	105,152	161,400	67,961	28,850	38,307
Total revenues	10,191,917	7,881,621	6,906,828	4,928,108	5,106,268
Expenditures					
General government	1,323,479	3,012,152	1,170,546	1,069,240	1,052,471
Public works	2,182,728	1,528,692	1,998,062	1,801,037	1,732,329
Planning	313,623	222,099	213,536	191,465	162,688
Parks and recreation	293,778	270,645	260,211	114,675	131,741
Public safety	823,242	781,718	686,203	656,398	620,797
Debt service					
Interest and other charges	28,800	32,400	36,000	3,978	15,713
Principal	200,000	200,000	200,000	466,672	186,666
Capital outlay	2,970,466	1,100,942	2,069,485	2,857,185	556,502
Total expenditures	8,136,116	7,148,648	6,634,043	7,160,650	4,458,907
Excess (deficiency) of revenues over expenses	2,055,801	732,973	272,785	(2,232,542)	647,361
Other financing sources (uses)					
Transfers from other funds	5,792,328	3,608,517	1,499,282	3,113,166	812,200
Transfers to other funds	(5,792,328)	(3,608,517)	(1,499,282)	(3,113,166)	(812,200)
Proceeds from financing agreement	-	-	-	2,000,000	-
Total other financing sources (uses)	-	-	-	2,000,000	-
Net change in fund balances	\$ 2,055,801	\$ 732,973	\$ 272,785	\$ (232,542)	\$ 647,361
Debt service as a percentage of noncapital expenditures	4.43%	3.84%	5.17%	10.94%	5.19%

continued

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

Schedule 4

	Fiscal Year				
	2019	2018	2017	2016	2015
Revenues					
Ad valorem taxes	\$ 2,488,852	\$ 2,428,349	\$ 2,270,001	\$ 2,229,238	\$ 2,191,391
Other taxes and licenses	28,252	35,893	33,579	28,021	28,920
Unrestricted intergovernmental	1,703,311	1,618,089	1,599,106	1,597,024	1,530,936
Restricted intergovernmental	536,815	427,498	468,304	830,917	950,782
Investment earnings	184,112	92,135	23,265	13,243	1,321
Miscellaneous	25,400	71,664	43,001	63,944	48,013
Total revenues	4,966,742	4,673,628	4,437,256	4,762,387	4,751,363
Expenditures					
General government	1,003,369	930,331	861,327	880,782	935,378
Public works	1,821,108	1,592,046	1,581,719	1,743,648	1,738,772
Planning	136,348	157,195	156,282	156,609	144,156
Parks and recreation	138,712	160,879	145,601	140,093	126,026
Public safety	599,102	583,362	546,202	510,417	495,350
Debt service					
Interest and other charges	20,548	25,382	30,217	36,260	43,512
Principal	186,666	186,666	186,666	279,999	279,999
Capital outlay	180,979	56,612	173,751	1,239,196	704,637
Total expenditures	4,086,832	3,692,473	3,681,765	4,987,004	4,467,830
Excess (deficiency) of revenues over expenses	879,910	981,155	755,491	(224,617)	283,533
Other financing sources (uses)					
Transfers from other funds	675,000	1,075,312	597,618	400,634	1,941,578
Transfers to other funds	(675,000)	(1,075,312)	(597,618)	(400,634)	(1,941,578)
Proceeds from financing agreement	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	\$ 879,910	\$ 981,155	\$ 755,491	\$ (224,617)	\$ 283,533
Debt service as a percentage of noncapital expenditures	5.31%	5.83%	6.18%	8.44%	8.60%

TOWN OF LEWISVILLE, NORTH CAROLINA**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years***Schedule 5*

Fiscal Year Ended June 30	Tax Year Ended December 31	Real Property	Personal Property	Public Service Companies	Total Assessed Value	Property Tax Rate (Per \$100 Assessed Value)	Ratio of Assessed Value to Estimated Actual Value
2024	2023	\$ 1,498,085,032	\$ 213,978,222	\$ 22,438,390	\$ 1,734,501,644	0.177	100%
2023	2022	1,463,248,166	202,303,157	20,982,286	1,686,533,609	0.177	100%
2022	2021	1,414,036,663	196,968,160	19,742,925	1,630,747,748	0.177	100%
2021	2020	1,234,195,036	179,583,454	18,315,358	1,432,093,848	0.177	100%
2020	2019	1,212,725,080	176,554,947	18,818,781	1,408,098,808	0.177	100%
2019	2018	1,198,711,678	167,092,214	18,462,243	1,384,266,135	0.177	100%
2018	2017	1,175,454,913	155,271,324	16,732,981	1,347,459,218	0.177	100%
2017	2016	1,089,190,989	150,413,497	16,114,682	1,255,719,168	0.177	100%
2016	2015	1,074,660,918	147,385,322	12,013,277	1,234,059,517	0.177	100%
2015	2014	1,061,634,550	142,288,931	12,013,277	1,215,936,758	0.177	100%

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

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

TOWN OF LEWISVILLE, NORTH CAROLINA
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Schedule 6

Fiscal Year Ended June 30	(1) Town of Lewisville Direct Rate	(2) Forsyth County	(3) Countywide Fire Service District	(3) Lewisville Fire District	(3) Vienna Fire District	Combined Tax Rate Lewisville Fire District	Combined Tax Rate Vienna Fire District	(4) Municipal Service District
2024	\$ 0.1770	\$ 0.6778	\$ 0.0039	\$ 0.0850	\$ 0.0850	\$ 0.9437	\$ 0.9437	\$ 0.0500
2023	0.1770	0.6778	0.0039	0.0850	0.0850	0.9437	0.9437	0.0500
2022	0.1770	0.6778	0.0039	0.0800	0.0850	0.9387	0.9437	0.0500
2021	0.1770	0.7435	0.0073	0.0800	0.0850	1.0078	1.0128	0.0500
2020	0.1770	0.7535	0.0073	0.0800	0.0850	1.0178	1.0228	0.0500
2019	0.1770	0.7235	-	0.0836	0.0786	0.9841	0.9791	0.0450
2018	0.1770	0.7235	-	0.0800	0.0750	0.9805	0.9755	0.0450
2017	0.1770	0.7310	-	0.0800	0.0750	0.9880	0.9830	0.0450
2016	0.1770	0.7310	-	0.0800	0.0750	0.9880	0.9830	0.0450
2015	0.1770	0.7168	-	0.0780	0.0750	0.9718	0.9688	0.0500

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

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

(2) Forsyth County has a unified tax rate.

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

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

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

Schedule 7

Taxpayer	2024			2016		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Kaplan Partners	\$ 22,325,802	1	1.29%	\$ 18,685,503	1	1.70%
Duke Energy Corp/Piedmont Natural Gas	21,026,147	2	1.21%	-		
Charter Communications, Inc.	6,911,412	3	0.40%	-		
Yopp Properties, LLC	6,334,299	4	0.37%	5,881,102	4	0.53%
Wood Lewisville Center, LLC	6,139,503	5	0.35%	-		
Kent Corporation	5,106,706	6	0.29%	4,580,102	5	0.42%
Florence H. McKeithan 2020 Family Trust	4,677,701	7	0.27%	-		
Amherst Residential	4,359,672	8	0.25%	-		
Firstkey Homes	4,095,802	9	0.24%	-		
Daleco NC, Inc.	3,568,198	10	0.21%	-		
Duke Energy Corp	-			8,765,960	2	0.80%
Gemini Lewisville Commons, LLC	-			6,480,599	3	0.59%
WLM Stone Point, LLC	-			4,494,486	6	0.41%
Estates at Lissara, LLC	-			4,451,034	7	0.40%
Vienna Village Inc.	-			3,385,893	8	0.31%
Alltel Carolina, Inc./Windstream	-			3,218,842	9	0.29%
Millgent Properties, LLC	-			2,781,299	10	0.25%
	<u>\$ 84,545,242</u>		<u>4.88%</u>	<u>\$ 62,724,820</u>		<u>5.70%</u>

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

Traditionally this schedule highlights the top ten property taxpayers for the current year and nine years ago. Information for the 2015 fiscal year is not available. As an alternative, we have displayed data from the 2016 fiscal year.

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

Schedule 8

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collection on Prior Years' Levies	Total Collections to Date	
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2024	\$ 3,077,559	\$ 3,067,538	99.67%	\$ -	\$ 3,067,538	99.67%
2023	3,010,573	3,000,441	99.66%	7,632	3,008,073	99.92%
2022	2,875,305	2,866,164	99.68%	7,909	2,874,073	99.96%
2021	2,548,309	2,542,591	99.78%	4,913	2,547,504	99.97%
2020	2,477,262	2,468,292	99.64%	8,203	2,476,495	99.97%
2019	2,451,406	2,443,795	99.69%	7,023	2,450,818	99.98%
2018	2,390,255	2,381,218	99.62%	8,697	2,389,915	99.99%
2017	2,232,149	2,222,896	99.59%	7,531	2,230,427	99.92%
2016	2,193,078	2,180,617	99.43%	10,507	2,191,124	99.91%
2015	2,157,381	2,143,231	99.34%	13,948	2,157,179	99.99%

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

Source: Forsyth County Tax Department

TOWN OF LEWISVILLE, NORTH CAROLINA

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Schedule 9

Fiscal Year	Installment Purchase	Percentage of Personal Income	Population	Debt per Capita
2024	\$ 1,400,000	0.24%	13,656	\$ 102.52
2023	1,600,000	0.28%	13,585	117.78
2022	1,800,000	0.35%	13,444	133.89
2021	2,000,000	0.36%	13,406	149.19
2020	466,672	0.09%	13,392	34.85
2019	653,338	0.12%	13,357	48.91
2018	840,004	0.17%	13,232	63.48
2017	1,026,670	0.21%	13,120	78.25
2016	1,213,336	0.26%	13,046	93.00
2015	1,493,335	0.32%	13,015	114.74

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

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

TOWN OF LEWISVILLE, NORTH CAROLINA
Direct and Overlapping Governmental Activities Debt
As of June 30, 2024

Schedule 10

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Primary Government
<i>Debt repaid with property taxes</i>			
Forsyth County	\$ 751,891,405	3.81%	\$ 28,647,063
Subtotal, overlapping debt			28,647,063
Town of Lewisville direct debt			1,400,000
Total direct and overlapping debt			\$ 30,047,063

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

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

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Legal Debt Margin Information

Last Ten Fiscal Years

Schedule 11

Legal Debt Margin Calculation for Fical Year 2024

Assessed value	<u>\$ 1,738,733,898</u>
Debt limit (8% of assessed value)	139,098,712
Debt applicable to limit:	
Financing agreement	<u>1,400,000</u>
Legal debt margin	<u>\$ 137,698,712</u>

	Fiscal Year				
	2024	2023	2022	2021	2020
Debt limit	\$ 139,098,712	\$ 136,071,096	\$ 129,957,288	\$ 115,177,808	\$ 111,966,644
Total debt applicable to limit	<u>1,400,000</u>	<u>1,600,000</u>	<u>1,800,000</u>	<u>2,000,000</u>	<u>466,672</u>
Legal debt margin	<u>\$ 137,698,712</u>	<u>\$ 134,471,096</u>	<u>\$ 128,157,288</u>	<u>\$ 113,177,808</u>	<u>\$ 111,499,972</u>
Total debt applicable to the limit as a percentage of debt limit	<u>1.01%</u>	<u>1.18%</u>	<u>1.39%</u>	<u>1.74%</u>	<u>0.42%</u>

	Fiscal Year				
	2019	2018	2017	2016	2015
Debt limit	\$ 110,798,011	\$ 108,034,124	\$ 100,888,090	\$ 99,122,170	\$ 97,508,746
Total debt applicable to limit	<u>653,338</u>	<u>840,004</u>	<u>1,026,670</u>	<u>1,213,336</u>	<u>1,493,335</u>
Legal debt margin	<u>\$ 110,144,673</u>	<u>\$ 107,194,120</u>	<u>\$ 99,861,420</u>	<u>\$ 97,908,834</u>	<u>\$ 96,015,411</u>
Total debt applicable to the limit as a percentage of debt limit	<u>0.59%</u>	<u>0.78%</u>	<u>1.02%</u>	<u>1.22%</u>	<u>1.53%</u>

Source: Assessed values from Forsyth County tax office

TOWN OF LEWISVILLE, NORTH CAROLINA

Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule 12

Fiscal Year	(1) Town of Lewisville Population	(2) Town of Lewisville Personal Income	(2) Town of Lewisville Per Capita Personal Income	(3) Forsyth County Unemployment Rate
2024	13,656	\$ 585,501,000	\$ 42,875	4.20%
2023	13,585	568,926,215	41,879	3.70%
2022	13,444	517,042,796	38,459	4.10%
2021	13,406	558,775,486	41,681	5.00%
2020	13,392	548,871,120	40,985	8.10%
2019	13,357	539,542,658	40,394	4.40%
2018	13,232	490,166,208	37,044	4.20%
2017	13,120	496,001,600	37,805	4.20%
2016	13,046	466,277,086	35,741	5.10%
2015	13,015	465,169,115	35,741	6.00%

Sources: (1) State of North Carolina Office of State Budget and Management
 (2) U.S. Census Bureau - American Community Survey
 (3) North Carolina Department of Commerce

TOWN OF LEWISVILLE, NORTH CAROLINA

Principal Employers

Current Year and Eight Years Ago

Schedule 13

Employer	2024		2016	
	Employees	Rank	Employees	Rank
Kaplan Early Learning Company	370	1	260	1
Forsyth Country Day School	320	2	225	2
Lowe's Foods	98	3	109	3
Lewisville Middle School	88	4	-	
Food Lion	77	5	54	5
Lewisville Elementary School	67	6	65	4
	<u>1,020</u>		<u>713</u>	

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

Traditionally this schedule highlights the top employers in the Town of Lewisville for the current year and nine years ago. Information for the 2015 fiscal year is not available. As an alternative, we have displayed data from the 2016 fiscal year.

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

Schedule 14

Function	Full-Time Equivalent Employees as of June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Management services	1	1	1	1	1	1	1	1	1	1
Finance	2	2	2	2	2	2	2	2	2	2
Planning	2	2	1	1	1	1	1	1	1	1
Public works	4	3	4	3	3	3	3	3	3	4
Administration	4	4	3	2	2	2	2	2	2	3
Total	13	12	11	9	9	9	9	9	9	11

Source: Town of Lewisville Finance Department

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

Schedule 15

Function/Program	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public Works										
Street resurfacing (miles)	1.4311	-	1.5600	1.1300	1.9600	2.0320	1.2152	1.8000	2.5330	2.6820
Planning										
Developer fees	\$ 10,425	\$ 13,950	\$ 8,845	\$ 11,255	\$ 19,350	\$ 9,785	\$ 7,375	\$ 7,645	\$ 3,715	\$ 1,840
Storm water review fees	\$ 1,862	\$ 3,597	\$ 7,079	\$ 500	\$ 13,015	\$ -	\$ 800	\$ 100	\$ -	\$ -
Parks and Recreation										
Facility rentals	\$ 79,760	\$ 80,351	\$ 32,397	\$ 125	\$ 4,512	\$ 6,355	\$ 7,980	\$ 6,847	\$ 5,860	\$ 4,272

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

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

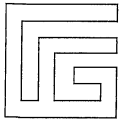
Schedule 16

Function	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police *	7	7	6	6	6	6	6	6	6	6
Streets										
Streets (miles) total	109.19	108.34	108.34	108.30	106.74	105.74	105.74	105.74	105.74	105.61
Streets (miles) town maintained	56.90	56.91	56.91	56.69	56.69	56.43	56.43	56.43	56.43	56.34
Parks and recreation										
Playgrounds	2	2	2	2	2	2	2	2	2	2
Community centers	2	2	2	1	1	1	1	1	1	1
Public works										
Vehicles	4	4	4	3	2	2	2	2	2	2

* Police are contracted services from Forsyth County.

Sources: Various departments in the Town of Lewisville

Compliance Section



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

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Lewisville, North Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprises the Town of Lewisville's basic financial statements, and have issued our report thereon dated October 29, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

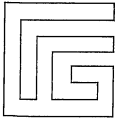
As part of obtaining reasonable assurance about whether the Town of Lewisville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement. 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 matters⁶ 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.

Gilson & Company, P.A.

Winston-Salem, North Carolina
October 29, 2024



Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; With OMB Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Lewisville, North Carolina, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Town of Lewisville's major federal programs for the year ended June 30, 2024. The Town of Lewisville's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Lewisville complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town of Lewisville's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the

requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Town of Lewisville federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Town of Lewisville's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Town of Lewisville's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Town of Lewisville's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Town of Lewisville's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Town of Lewisville's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency *in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance

requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Gibson & Company, P.A.

Winston-Salem, North Carolina

October 29, 2024

TOWN OF LEWISVILLE, NORTH CAROLINA

Schedule of Expenditures of Federal and State Awards

June 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	State/Pass- Through Grantor's Number	Federal (Direct & Pass- Through) Expenditures	State Expenditures	Local Expenditures
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Federal Awards:

Cash Programs:

U.S. Department of Transportation					
<i>Passed-through N.C. Department of Transportation:</i>					
Fixing America's Surface Transportation (FAST)	20.205	U-5617 WBS 47082.3.1	\$ 1,875,918	\$ -	\$ 468,979
Fixing America's Surface Transportation (FAST)	20.205	U-6154 WBS 48436.1.1	76,770	-	19,192
Fixing America's Surface Transportation (FAST)	20.205	U-6154 WBS 48436.2.1	298,883	-	74,721
Subtotal			\$ 2,251,571	\$ -	\$ 562,892

U.S. Department of the Treasury					
Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 1,335,949	\$ -	\$ -
Subtotal			1,335,949	-	-

Total Federal			\$ 3,587,520	\$ -	\$ 562,892
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continued

TOWN OF LEWISVILLE, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
June 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	State/Pass- Through Grantor's Number	Federal (Direct & Pass- Through) Expenditures	State Expenditures	Local Expenditures
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State Awards:

Cash Assistance:

N.C. Department of Transportation					
Powell Bill		DOT-4 WBS 32570	\$ -	\$ 381,265	\$ -
N.C. Department of Natural and Cultural Resources					
Parks and Recreation Trust Fund		Project Number 2023-1020	\$ -	\$ 42,929	\$ 42,929
Total State			\$ -	\$ 424,194	\$ 42,929

Other Financial Assistance:

Cash Assistance:

N.C. Department of Environmental Quality, Division of Air Quality					
Volkswagen Settlement Level 2 ZEV Infrastructure Program Rebate		Contract Number 2000062961	\$ -	\$ 16,000	\$ 32,305
Total Other Financial Assistance			\$ -	\$ 16,000	\$ 32,305
Total Assistance			\$ 3,587,520	\$ 440,194	\$ 638,126

TOWN OF LEWISVILLE, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
June 30, 2024

Notes to the Schedule of Expenditures of Federal and State Awards:

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and State grant activity of the Town of Lewisville under the programs of the federal government and the State of North Carolina for the year ended June 30, 2024. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the Town of Lewisville, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Lewisville.

Note 2. Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as the reimbursement.

Note 3. Indirect Cost Rate

The Town of Lewisville has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

TOWN OF LEWISVILLE, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section I. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___yes X no
- Significant Deficiency(s) ___ yes X none reported

Noncompliance material to financial statements noted ___yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ___yes X no
- Significant Deficiency(s) identified ___yes X none reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ___yes X no

Identification of major federal programs:

CFDA Number	Names of Federal Program or Cluster
20.205	Fixing America's Surface Transportation (FAST)

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? ___yes X no

TOWN OF LEWISVILLE, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section II – Financial Statement Findings

None reported.

Section III - Federal Award Findings & Questioned Costs

None reported.



TOWN OF LEWISVILLE

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Corrective Action Plan For the Fiscal Year Ended June 30, 2024

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings & Questioned Costs

None reported.

**TOWN OF LEWISVILLE, NORTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2024**

None reported.