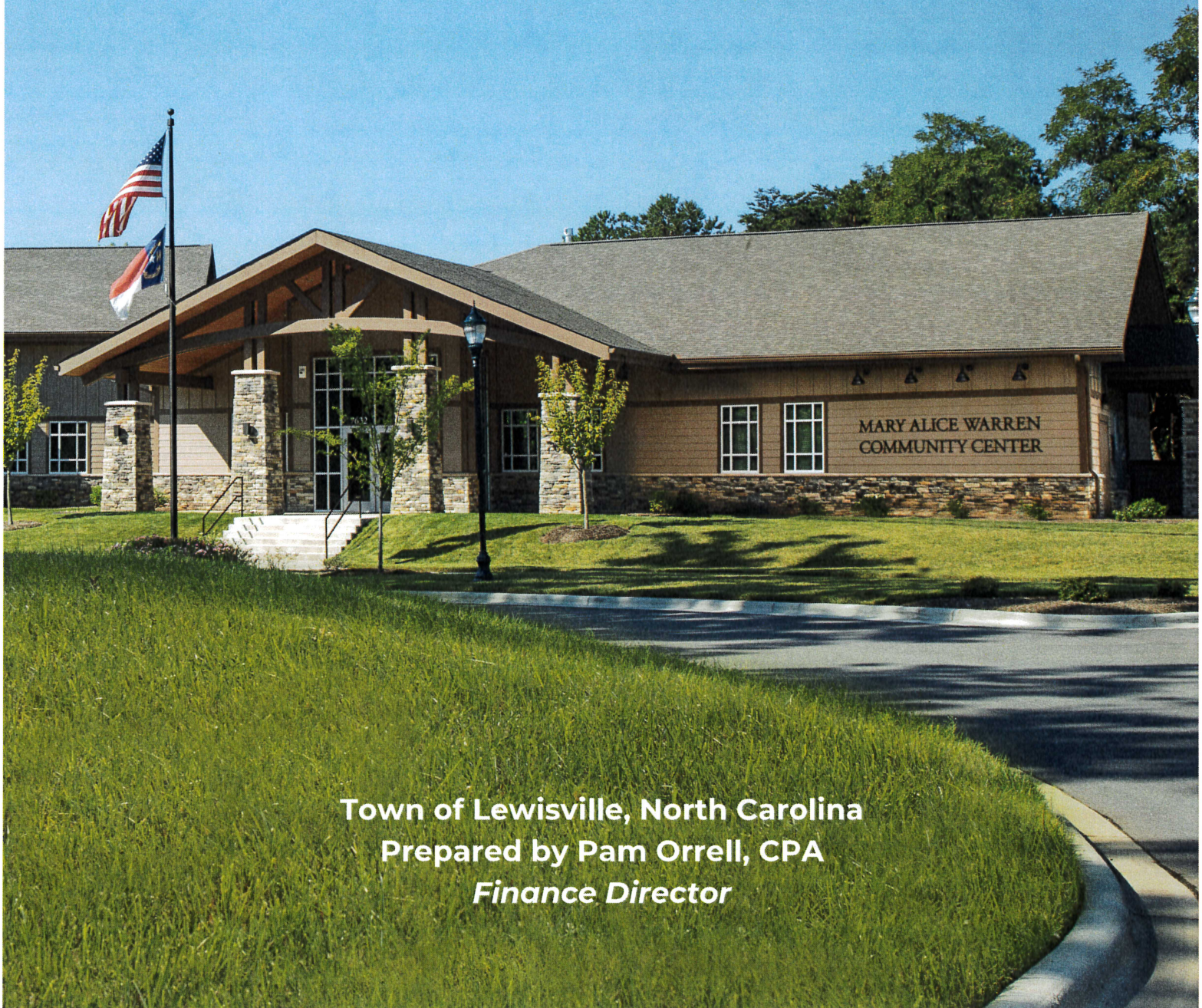


Lewisville

North Carolina

Annual Comprehensive Financial Report
for Fiscal Year Ended June 30, 2023



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, 2023



Prepared by:
Pam Orrell, CPA
Finance Director



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Introductory Section



TOWN OF LEWISVILLE

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Voice 336-945-5558 Fax 336-945-5531
E-Mail: townhall@lewisvillenc.net
WebSite: www.lewisvillenc.net

October 31, 2023

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, 2023. 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, 2023. 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 is 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 assistant town manager/planning director, finance director, public works 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 2021 census data, 54.8 percent of Lewisville's population works in management, business, science, and arts occupations, 14.8 percent work in sales and office occupations, and 14.1 percent of the working population works at home. Most workers who travel to a place of employment have on average a 24-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 16 subdivisions with 699 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 \$761,918 for the fiscal year ended June 30, 2023. 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.

In fiscal year 2022-2023, the Planning Board and Town staff along with a third-party consultant began the process of updating the Town's Unified Development Ordinance. Completion of this project is expected in fiscal year 2023-2024.

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 capital reserve fund and a 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 sidewalks, trees, and streetlights as well as the design and installation of water and sewer infrastructure. The Town shall continue funding the capital reserve fund and move funds as needed to the GWR ROW/Construction Capital Projects Fund. Total accumulation, including

earnings, in the capital reserve as of June 30, 2023 was \$1,090,537. Total fund balance in the capital projects fund as of June 30, 2023 was \$763,593.

Gateway Project. The Town has completed design work on the Gateway Project along with right-of-way purchase. Construction began in the 2022-2023 fiscal year. The project is a roadway project to make improvements from the Highway 421 Interchange on Williams Road with improvements continuing on Williams Road between the interchange and the roundabout at Shallowford Road and Williams Road. This is a project utilizing federal STP-DA (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 2023-2024.

Lewisville-Vienna Multipurpose Path. The Town has been awarded federal CMAQ (Congestion Mitigation & Air Quality) funds of \$1,413,162 to construct approximately 1.9 miles of 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. Design work is planned in fiscal year 2023-2024.

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 connecting to the existing sidewalk located at the intersection of Shallowford Road and Lowes Foods Drive. Design work is planned in fiscal year 2023-2024.


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 will begin in fiscal year 2023-2024.

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, 2022. This is the eighteenth 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 James Ayers. 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. Special thanks is also given to Mr. R. Harold Gibson and Mr. Monty Pendry of Gibson & Company, P.A. for their assistance in this presentation.



James Ayers, ICMA-CM
Town Manager



Pam Orrell, CPA
Finance Director



TOWN OF LEWISVILLE

NORTH CAROLINA

Annual Comprehensive Financial Report **Fiscal Year Ended June 30, 2023**

Town Council

Mike Horn, Mayor

Jeanne Marie Foster, Mayor Pro Tem

Fred Franklin

Melissa Hunt

Kenneth Sadler

David Smitherman

Jane Welch

Administrative and Financial Staff

James Ayers, Town Manager

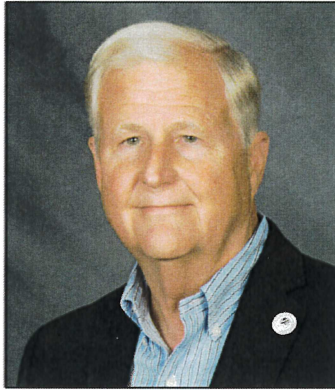
Stacy Tolbert, Assistant Town Manager/Planning Director

Pam Orrell, Finance Director

Dora K. Moore, Town Clerk



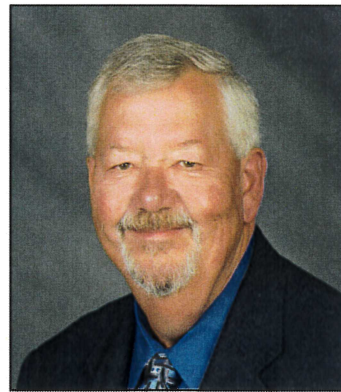
TOWN COUNCIL



Mike Horn, Mayor



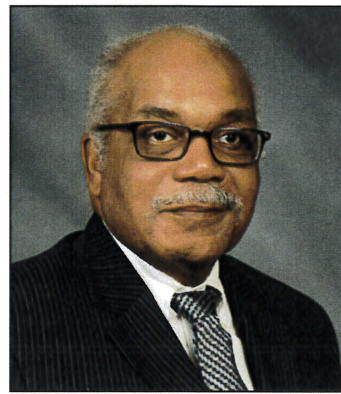
Jeanne Marie Foster, Mayor Pro Tem



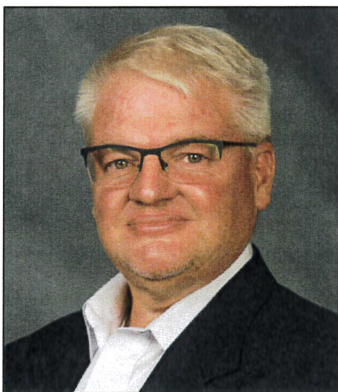
Fred Franklin



Melissa Hunt



Kenneth Sadler



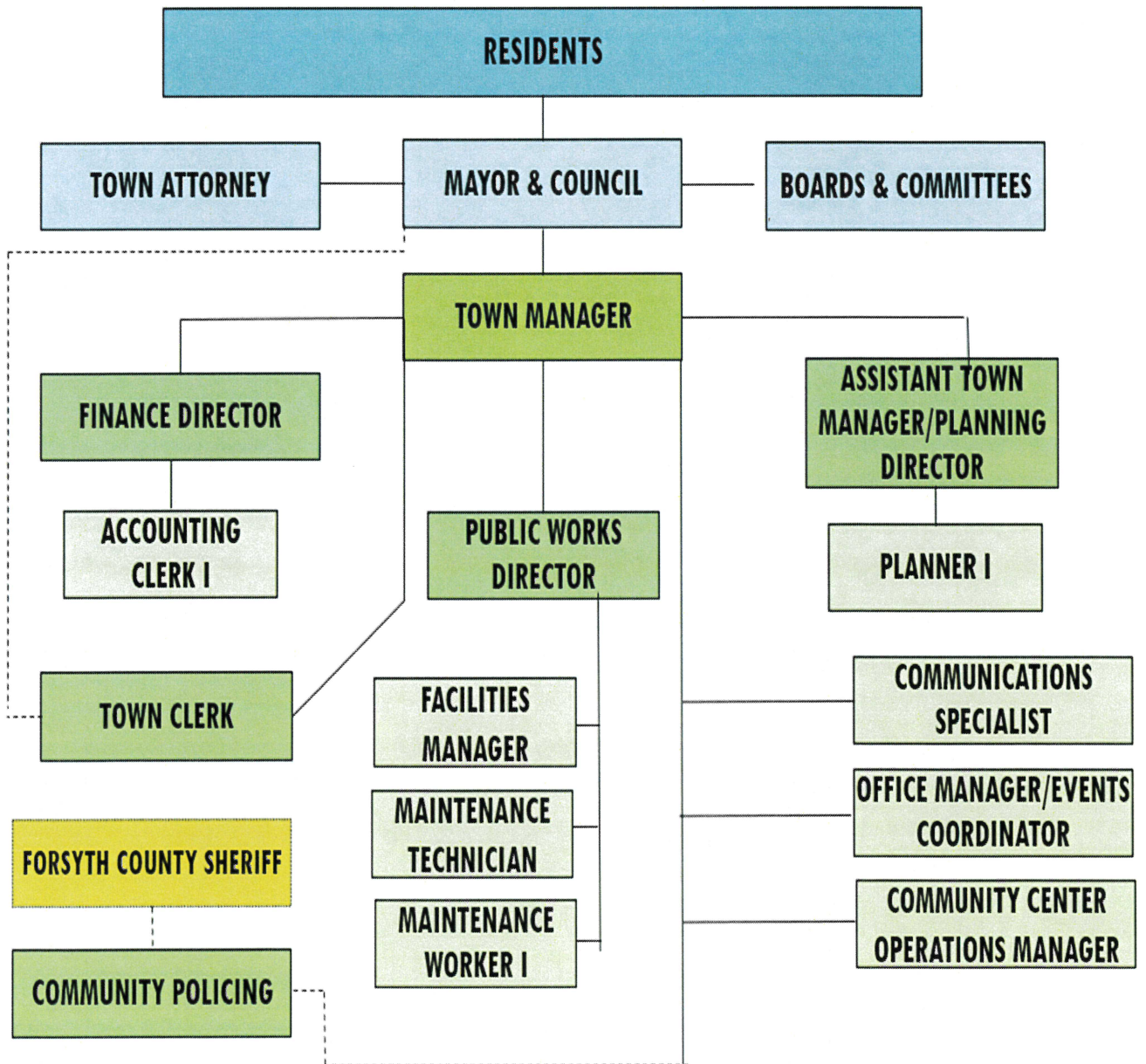
David Smitherman



Jane Welch



TOWN OF LEWISVILLE ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Lewisville
North Carolina**

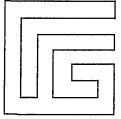
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

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, 2023 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, 2023, 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 14, and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset (Liability) and Contributions, on pages 44 through 45, 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 31, 2023 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.



Winston-Salem, North Carolina
October 31, 2023

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, 2023. 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

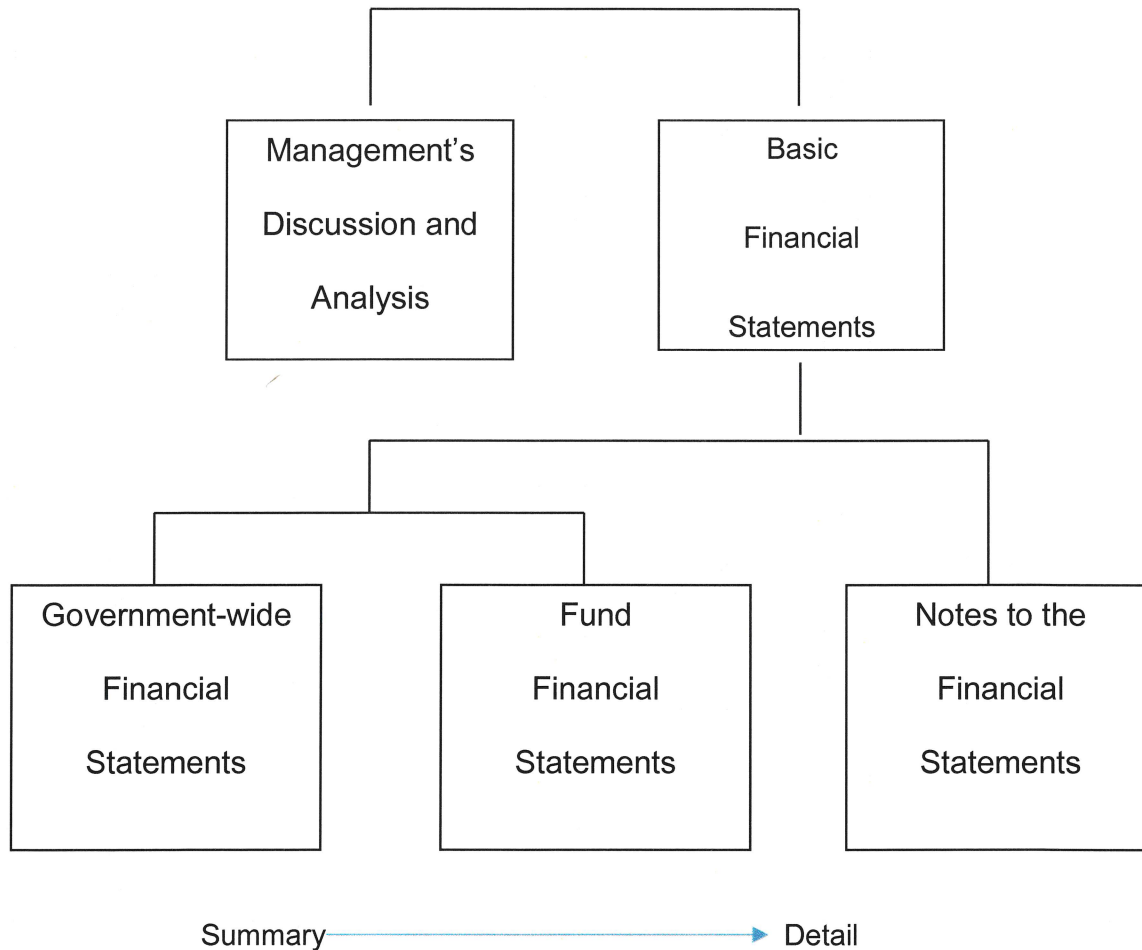
- The assets and deferred outflows of resources of the Town of Lewisville exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$23,300,667 (*net position*).
- The Town's total net position increased by \$1,322,345 primarily due funds received from the American Rescue Plan Act of 2021, federal funding of the Gateway Project and the Roundabout at Lewisville-Vienna Road and Robinhood Road, 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 \$11,953,953 a net increase of \$732,973 in fund balance. Approximately 14.23 percent of this total amount, or \$1,701,258 is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,192,478 or 46.66 percent of total general fund expenditures and transfers out for the fiscal year.
- The Town of Lewisville's total debt increased by \$153,467 (7.93%) 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 \$335,514 and accrued compensated absences increased by \$17,953.

Overview of the Financial Statements

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

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

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

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

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 22 of this report.

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

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

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

Government-Wide Financial Analysis

Town of Lewisville's Net Position
Figure 2

	Governmental Activities	
	2023	2022
Current and other assets	\$ 14,357,220	\$ 12,598,764
Capital assets	13,095,950	12,646,428
Total assets	27,453,170	25,245,192
Total deferred outflows of resources	343,048	188,054
Long-term liabilities outstanding	1,839,883	1,706,700
Other liabilities	2,653,592	1,609,692
Total liabilities	4,493,475	3,316,392
Total deferred inflows of resources	2,076	138,532
Net position:		
Net investment in capital assets	11,375,177	10,846,428
Restricted	1,701,258	1,048,345
Unrestricted	10,224,232	10,083,549
Total net position	\$ 23,300,667	\$ 21,978,322

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 \$23,300,667 as of June 30, 2023. The Town's net position increased by \$1,322,345 for the fiscal year ended June 30, 2023. However, a significant portion, \$11,375,177 or 48.82% 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, \$1,701,258 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$10,224,232 is unrestricted.

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

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

- Continued diligence in the collection of property taxes by maintaining a tax collection rate of 99.66%

Town of Lewisville's Change in Net Position
Figure 3

	Governmental Activities	
	2023	2022
Revenues		
Program revenues:		
Charges for services	\$ 97,898	\$ 15,924
Operating grants and contributions	1,502,701	1,607,748
Capital grants and contributions	519,558	277,430
General revenues:		
Property taxes	3,055,264	2,918,633
Other taxes	56,926	49,625
Unrestricted intergovernmental revenues	2,175,482	1,977,242
Unrestricted investment earnings	409,207	8,298
Other	63,502	52,038
Total revenues	7,880,538	6,906,938
Expenses		
General government	3,311,046	1,365,085
Public works	1,547,411	2,013,279
Planning	233,801	210,593
Parks and recreation	654,767	552,442
Public safety	781,717	686,204
Interest on long-term debt	29,451	32,952
Total expenses	6,558,193	4,860,555
Change in net position before transfers	1,322,345	2,046,383
Transfers	-	-
Change in net position	1,322,345	2,046,383
Net position, July 1	21,978,322	19,931,939
Net position, June 30	\$ 23,300,667	\$ 21,978,322

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

Governmental activities. Governmental activities increased the Town's net position by \$1,322,345. By constant due diligence of expenses, the Town's revenues exceeded expenses.

Financial Analysis of the Town's Funds

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

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

The General Fund is the chief operating fund of the Town of Lewisville. At the end of the current fiscal year, the Town of Lewisville's fund balance available in the General Fund was \$5,485,851, while total fund balance reached \$6,021,923. 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, 2023, the Town's available fund balance as a percentage of general fund expenditures was 61.06%, and total fund balance represented 67.02% of the same amount.

The General Fund had a net decrease of \$1,921,211 during the year ended June 30, 2023. There are several reasons for this decrease. The Town paid \$1,959,372 as part of a legal settlement with a local developer (see Note V in the *Notes to the Financial Statements*). In addition, there was a transfer to \$1,276,617 from the General Fund to the Gateway Project Capital Projects Fund to finance construction expenditures. There was also a transfer of \$306,297 from the General Fund to the Roundabout at Lewisville-Vienna Road and Robinhood Road Capital Projects Fund to fund project expenditures. There were also some capital expenditures paid out of accumulated fund balance such as solar panels installed on the Mary Alice Warren Community Center (\$80,212), installation of electric vehicle charging stations (\$48,305), purchase of new audio-visual equipment for Council chambers (\$36,571), and purchase of tables and chairs for the Mary Alice Warren Community Center (\$61,440). These items that reduced general fund balance are offset by some items that had a positive effect on fund balance. First of all, \$1,105,603 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. Also, the current year budget included \$425,064 for street paving. This expenditure was postponed until fiscal year 2023-2024. In addition, budgeted revenues came in higher than anticipated. Local sales tax revenue exceeded estimates by \$168,671, ABC Board revenue exceeded estimates by \$47,995, and investment earnings exceeded expectations by \$148,663.

The fund balance of the Gateway Project Capital Projects Fund increased by \$1,178,536 due to the \$1,276,617 transferred in from the General Fund to finance the construction phase of the project.

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

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, local option sales tax revenue, electricity sales tax revenue, piped natural gas sales tax revenue, beer and wine tax revenue, ABC Board revenue, Powell Bill allocation, local occupancy tax, solid waste disposal tax revenue, investment earnings, storm water plan review fees, 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 by \$8,373 to purchase additional tables and chairs for the Mary Alice Warren Community Center.
- The general fund budget was amended by \$8,415 for the mid-year \$15/hour increase in the Sheriff's deputy extra-duty rate for town-sponsored events in Shallowford Square, the annual Lewisville Christmas parade, and extra saturation patrols.
- The general fund budget was amended by \$16,636 for HVAC repairs inside Town Hall.
- The general fund budget was amended by \$5,500 to trim the crepe myrtles under the power lines at Jack Warren Park.
- The general fund budget was amended by \$13,196 to purchase (4) LED tower lights to be used during the nighttime events at Shallowford Square.
- The general fund budget was amended by \$27,000 to pay the fuel surcharge imposed by the Town's solid waste and recycling collection company during the time of rising diesel prices.
- The general fund budget was amended by \$48,305 to construct (2) electric vehicle charging stations on David McKee Street.
- The general fund budget was amended by \$121,824 to install solar panels on the roof of the Mary Alice Warren Community Center.
- The general fund budget was amended by \$7,460 to install circuit panels on new Duke Energy poles to accommodate the Town's Christmas decorations.
- The general fund budget was amended by \$34,974 to install new security cameras at Town Hall, Shallowford Square, Jack Warren Park, and the Mary Alice Warren Community Center.
- The general fund budget was amended to transfer up to \$3,300,000 to the Gateway Project Capital Projects Fund to fund the construction phase.
- The general fund budget was amended to transfer \$8,900 of contingency funds within the parks and recreation department to pay the cost of sewer line repairs at the Mary Alice Warren Community Center.
- The general fund budget was amended to pay up to \$1,975,000 in mediated settlement fees to a local developer.

- The general fund budget was amended by \$10,000 to replenish the amount budgeted for contingency within the parks and recreation department.
- The general fund budget was amended to increase the appropriations for repairs and maintenance of the Mary Alice Warren Community Center by \$25,000.
- The general fund budget for the community policing contract was amended by \$60,166 for mid-year salary raises at the Sheriff's department and other operational cost increases.
- The general fund budget was amended to add \$20,000 in appropriations for right-of-way maintenance to be paid out of Powell Bill funding.
- The general fund budget was amended to transfer up to \$306,297 to the Roundabout at Lewisville-Vienna Road and Robinhood Road Capital Projects Fund.
- The general fund budget was amended by \$16,904 to repair and relocate the gate at the entrance to Jack Warren Park.
- The general fund budget was amended to transfer \$10,000 in appropriations from the legal fees line item in the planning department to the legal fees line item in the governing body department.
- The general fund budget was amended to transfer \$5,528 of contingency funds within the administration department to replace the backflow preventer at Town Hall.
- The American Rescue Plan Act Special Revenue Fund was amended to transfer up to \$1,300,805 to the General Fund in the fiscal year 2022-2023 to reimburse for lost revenue due to the Covid-19 pandemic.

Capital and Debt Administration

Capital assets. The Town of Lewisville's investment in capital assets for its governmental-type activities as of June 30, 2023 totals \$13,095,950 (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 new audio-visual equipment for the Council Chambers for \$36,571.
- A new chain link fence was installed behind the Town Hall Annex for \$5,799.
- New CCTV equipment was installed outside Town Hall for \$6,812.
- (2) electric vehicle charging stations were installed on David McKee Street for \$48,305.
- Solar panels were installed on the roof of the Mary Alice Warren Community Center for \$117,712.
- New CCTV equipment was installed at the Mary Alice Warren Community Center for \$4,316.
- New CCTV equipment was installed in Shallowford Square for \$7,428.
- New CCTV equipment was installed in Jack Warren Park for \$12,905.
- New tables and chairs were purchased for the Mary Alice Warren Community Center in the amount of \$61,440.

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

- The Town spent \$13,416 in building costs at the Mary Alice Warren Community Center.
- The Town spent \$582,180 in construction costs for the Gateway Project.
- The Town spent \$67,758 in preliminary engineering costs for the Roundabout at Lewisville-Vienna Road and Robinhood Road.
- The Town acquired ownership of the properties at 145 Belnette Drive and 200 North Street as part of an agreement entered into with a local developer called a *Settlement Agreement and Release*. The two properties were recorded in the accounting records of the Town at their estimated fair value of \$114,100 for 145 Belnette Drive and \$22,200 for 200 North Street. See Note V in the *Notes to the Financial Statements* for more details of the transaction.

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

	Governmental Activities	
	2023	2022
Land	\$ 2,041,627	\$ 1,905,327
Sewer rights	600,000	600,000
Construction in progress	2,501,571	1,851,633
Buildings	5,129,188	5,362,874
Furniture and equipment	429,519	342,616
Vehicles and motorized equipment	58,566	77,212
Infrastructure	1,615,931	1,698,293
Park	719,548	808,473
Total	\$ 13,095,950	\$ 12,646,428

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, 2023, 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	
	2023	2022
Direct placement financing agreement- Mary Alice Warren Community Center	\$ 1,600,000	\$ 1,800,000
Net pension liability	432,133	96,619
Compensated absences	56,366	38,413
Total	\$ 2,088,499	\$ 1,935,032

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 \$134,471,096.

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 remain robust and there continues to be steady growth in the Town's residential property tax base.

Budget Highlights for the Fiscal Year Ending June 30, 2024

Following are highlights from the Town's budget for the fiscal year ended June 30, 2024.

- The Town's property tax rate for fiscal year 2023-2024 will remain unchanged at 17.7 cents per \$100 valuation.
- The property tax rate for the Willow Run Municipal Service District will remain unchanged at 5 cents per \$100 valuation in fiscal year 2023-2024.
- The Town has budgeted \$149,575 to engage a third-party consultant to update the Town's Unified Development Ordinance.

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, 2023

Exhibit 1

	<u>Governmental Activities</u>	<u>Total</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 10,713,782	\$ 10,713,782
Taxes receivable, net	21,883	21,883
Due from other governments	839,700	839,700
Other receivables	292	292
Restricted cash and cash equivalents	<u>2,781,563</u>	<u>2,781,563</u>
Total current assets	<u>14,357,220</u>	<u>14,357,220</u>
Noncurrent Assets		
Capital Assets		
Land, non-depreciable improvements, and construction in progress	5,143,198	5,143,198
Other capital assets, net of depreciation	<u>7,952,752</u>	<u>7,952,752</u>
Total capital assets	<u>13,095,950</u>	<u>13,095,950</u>
Total assets	<u>27,453,170</u>	<u>27,453,170</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals	<u>343,048</u>	<u>343,048</u>
Total deferred outflows of resources	<u>343,048</u>	<u>343,048</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	453,087	453,087
Contract retainage	8,000	8,000
Unearned revenue	1,710,701	1,710,701
Accrued interest payable	23,592	23,592
Current portion of long-term liabilities	248,616	248,616
Payable from restricted assets	<u>209,596</u>	<u>209,596</u>
Total current liabilities	<u>2,653,592</u>	<u>2,653,592</u>
Long-Term Liabilities		
Net pension liability	432,133	432,133
Due in more than one year	<u>1,407,750</u>	<u>1,407,750</u>
Total long-term liabilities	<u>1,839,883</u>	<u>1,839,883</u>
Total liabilities	<u>4,493,475</u>	<u>4,493,475</u>
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals	<u>2,076</u>	<u>2,076</u>
Total deferred inflows of resources	<u>2,076</u>	<u>2,076</u>
NET POSITION		
Net investment in capital assets	11,375,177	11,375,177
Restricted for:		
Stabilization by State Statute	839,992	839,992
Streets	861,266	861,266
Unrestricted	<u>10,224,232</u>	<u>10,224,232</u>
Total net position	<u>\$ 23,300,667</u>	<u>\$ 23,300,667</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, 2023

Exhibit 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Primary government:						
Governmental Activities:						
General government	\$ 3,311,046	\$ -	\$ 1,105,603	\$ -	\$ (2,205,443)	\$ (2,205,443)
Public works	1,547,411	3,597	397,098	519,558	(627,158)	(627,158)
Planning	233,801	13,950	-	-	(219,851)	(219,851)
Parks and recreation	654,767	80,351	-	-	(574,416)	(574,416)
Public safety	781,717	-	-	-	(781,717)	(781,717)
Interest on long-term debt	29,451	-	-	-	(29,451)	(29,451)
Total governmental activities	6,558,193	97,898	1,502,701	519,558	(4,438,036)	(4,438,036)
Total primary government	\$ 6,558,193	\$ 97,898	\$ 1,502,701	\$ 519,558	\$ (4,438,036)	\$ (4,438,036)
General revenues:						
Taxes:						
Property taxes, levied for general purpose					3,055,264	3,055,264
Local occupancy tax					56,926	56,926
Unrestricted intergovernmental revenues					2,175,482	2,175,482
Unrestricted investment earnings					409,207	409,207
Miscellaneous					63,502	63,502
Total general revenues not including transfers					5,760,381	5,760,381
Transfers						
Total general revenues and transfers					5,760,381	5,760,381
Change in net position					1,322,345	1,322,345
Net position, beginning					21,978,322	21,978,322
Net position, ending					\$ 23,300,667	\$ 23,300,667

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

TOWN OF LEWISVILLE, NORTH CAROLINA

**Balance Sheet
Governmental Funds
June 30, 2023**

Exhibit 3

	Major Fund			Total Non-Major Funds	Total Governmental Funds
	General Fund	Gateway Project Capital Project	American Rescue Plan Act Special Revenue Fund		
Assets					
Cash and cash equivalents	\$ 4,964,561	\$ 1,180,616	\$ 94,157	\$ 4,474,448	\$ 10,713,782
Restricted cash	1,070,862	-	1,710,701	-	2,781,563
Receivables, net:					
Taxes	21,007	-	-	876	21,883
Other	292	-	-	-	292
Due from other governments	535,780	302,247	-	1,673	839,700
Total assets	<u>6,592,502</u>	<u>1,482,863</u>	<u>1,804,858</u>	<u>4,476,997</u>	<u>14,357,220</u>
Liabilities					
Accounts payable and accrued liabilities	339,976	112,542	-	569	453,087
Contract retainage	-	-	-	8,000	8,000
Unearned revenue	-	-	1,710,701	-	1,710,701
Developer deposits	209,596	-	-	-	209,596
Total liabilities	<u>549,572</u>	<u>112,542</u>	<u>1,710,701</u>	<u>8,569</u>	<u>2,381,384</u>
Deferred Inflows of Resources					
Property taxes receivable	21,007	-	-	876	21,883
Total deferred inflows of resources	<u>21,007</u>	<u>-</u>	<u>-</u>	<u>876</u>	<u>21,883</u>
Fund Balances					
Restricted					
Stabilization by State Statute	536,072	302,247	-	1,673	839,992
Streets	861,266	-	-	-	861,266
Committed					
Special Revenue Funds	-	-	94,157	232,326	326,483
Capital Projects Funds	-	1,068,074	-	4,233,553	5,301,627
Assigned					
Subsequent year's expenditures	432,107	-	-	-	432,107
Unassigned	4,192,478	-	-	-	4,192,478
Total fund balances	<u>6,021,923</u>	<u>1,370,321</u>	<u>94,157</u>	<u>4,467,552</u>	<u>11,953,953</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,592,502</u>	<u>\$ 1,482,863</u>	<u>\$ 1,804,858</u>	<u>\$ 4,476,997</u>	<u>\$ 14,357,220</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, 2023

Exhibit 3

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

Total fund balance, governmental funds		\$ 11,953,953
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Gross capital assets at historical cost	\$ 18,885,244	
Accumulated depreciation	<u>(5,789,294)</u>	13,095,950
Deferred outflows of resources related to pensions are not reported in the funds.		343,048
Earned revenues considered deferred inflows of resources in fund statements.		21,883
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds.		
Compensated absences		(56,366)
Financing agreement		(1,600,000)
Accrued interest payable		(23,592)
Net pension liability		(432,133)
Deferred inflows of resources related to pensions are not reported in the funds.		<u>(2,076)</u>
Net position of governmental activities		<u><u>\$ 23,300,667</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, 2023

Exhibit 4

	Major Funds			Total Non-Major Funds	Total Governmental Funds
	General Fund	Gateway Project Capital Project	American Rescue Plan Act Special Revenue Fund		
REVENUES					
Ad valorem taxes	\$ 3,018,075	\$ -	\$ -	\$ 38,272	\$ 3,056,347
Unrestricted intergovernmental	2,175,482	-	-	-	2,175,482
Restricted intergovernmental	454,024	465,536	1,105,603	54,022	2,079,185
Investment earnings	149,013	18,563	92,755	148,876	409,207
Miscellaneous	161,400	-	-	-	161,400
Total revenues	5,957,994	484,099	1,198,358	241,170	7,881,621
EXPENDITURES					
Current:					
General government	3,197,634	-	-	-	3,197,634
Public works	1,587,013	582,180	-	71,158	2,240,351
Planning	222,099	-	-	-	222,099
Parks and recreation	461,030	-	-	13,416	474,446
Public safety	781,718	-	-	-	781,718
Debt service:					
Principal	200,000	-	-	-	200,000
Interest and other charges	32,400	-	-	-	32,400
Total expenditures	6,481,894	582,180	-	84,574	7,148,648
Excess (deficiency) of revenues over expenditures	(523,900)	(98,081)	1,198,358	156,596	732,973
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	1,105,603	1,276,617	-	1,226,297	3,608,517
Transfers to other funds	(2,502,914)	-	(1,105,603)	-	(3,608,517)
Total other financing sources (uses)	(1,397,311)	1,276,617	(1,105,603)	1,226,297	-
Net change in fund balance	(1,921,211)	1,178,536	92,755	1,382,893	732,973
Fund balance, beginning	7,943,134	191,785	1,402	3,084,659	11,220,980
Fund balance, ending	\$ 6,021,923	\$ 1,370,321	\$ 94,157	\$ 4,467,552	\$ 11,953,953

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, 2023

Exhibit 4

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

Net changes in fund balances - total governmental funds \$ 732,973

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay expenditures which were capitalized	\$ 1,100,942	
Depreciation expense for governmental activities	(648,208)	
Asset impairment loss	<u>(3,212)</u>	449,522

Contributions to pension plan in the current fiscal year are not included on the statement of activities.		97,440
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Change in unavailable revenue for tax revenues		(1,082)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on long-term debts	200,000	
Decrease in accrued interest payable	<u>2,949</u>	202,949

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences		(17,953)
Pension expense		<u>(141,504)</u>

Total changes in net position of governmental activities \$ 1,322,345

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, 2023

Exhibit 5

	General Fund			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues				
Ad valorem taxes	\$ 2,883,926	\$ 2,883,926	\$ 3,018,075	\$ 134,149
Unrestricted intergovernmental	1,934,409	1,934,409	2,175,482	241,073
Restricted intergovernmental	442,987	442,987	454,024	11,037
Investment earnings	350	350	149,013	148,663
Miscellaneous	79,130	79,130	161,400	82,270
Total revenues	<u>5,340,802</u>	<u>5,340,802</u>	<u>5,957,994</u>	<u>617,192</u>
Expenditures				
Current:				
General government	1,469,373	3,484,645	3,197,634	287,011
Public works	2,267,620	2,392,911	1,587,013	805,898
Planning	465,975	455,975	222,099	233,876
Parks and recreation	399,329	617,882	461,030	156,852
Public safety	791,365	863,596	781,718	81,878
Debt service:				
Principal	200,000	200,000	200,000	-
Interest and other charges	32,400	32,400	32,400	-
Total expenditures	<u>5,626,062</u>	<u>8,047,409</u>	<u>6,481,894</u>	<u>1,565,515</u>
Revenues over (under) expenditures	<u>(285,260)</u>	<u>(2,706,607)</u>	<u>(523,900)</u>	<u>2,182,707</u>
Other Financing Sources (Uses):				
Transfers from other funds	-	-	1,105,603	1,105,603
Transfers to other funds	(920,000)	(4,526,297)	(2,502,914)	2,023,383
Total other financing sources (uses)	<u>(920,000)</u>	<u>(4,526,297)</u>	<u>(1,397,311)</u>	<u>3,128,986</u>
Fund balance appropriated	1,205,260	7,232,904	-	(7,232,904)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(1,921,211)</u>	<u>\$ (1,921,211)</u>
Fund balance, beginning			7,943,134	
Fund balance, ending			<u>\$ 6,021,923</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, 2023

I. Summary of Significant Accounting Policies

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

A. Reporting Entity

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

B. Basis of Presentation

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

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

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

The Town reports the following major governmental funds:

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

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, 2023

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.

The Town reports the following non-major governmental funds:

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

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

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

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

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

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 is used to account for funds used in the purchase of right-of-way for and the construction of the Great Wagon Road.

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

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.

C. Measurement Focus and Basis of Accounting

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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 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

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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, and the Roundabout at Lewisville-Vienna Road and Robinhood Road Capital Projects Fund. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the project level for the multi-year funds. All amendments must be approved by the governing board and the board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

1. Deposits and Investments

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

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

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.

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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	\$ 861,266
Developer Deposits	209,596
ARPA Special Revenue Fund - Unassigned Proceeds	<u>1,710,701</u>
Total Governmental Activities	<u>2,781,563</u>
Total Restricted Cash	<u><u>\$ 2,781,563</u></u>

4. Ad Valorem Taxes Receivable

In accordance with State Law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2022.

5. Allowances for Doubtful Accounts

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

6. Capital Assets

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

TOWN OF LEWISVILLE, NORTH CAROLINA

**Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023**

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 2023 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 period and so will not be recognized as revenue until then. The Town has two items that meets the criterion for this category, property taxes receivable and pension deferrals.

8. *Long-Term Obligations*

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

9. *Compensated Absences*

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

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

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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 \$2,313,771 of the ARPA funds for revenue replacement in the fiscal years ended June 30, 2022 and 2023. The \$2,313,771 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 and 2023. As of June 30, 2023, the unused funds of \$1,710,701 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.

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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.

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.

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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.

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, 2023, the Town's deposits had a carrying amount of \$1,838,032 and a bank balance of \$1,894,402. Of the bank balance, \$250,000 was covered by federal depository insurance and the

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

remainder was covered by collateral held under the Pooling Method. At June 30, 2023, the Town's petty cash fund totaled \$200.

2. Investments

At June 30, 2023, the Town of Lewisville had \$11,657,113 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.

3. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2023, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,905,327	\$ 136,300	\$ -	\$ 2,041,627
Sewer rights	600,000	-	-	600,000
Construction in progress	1,851,633	649,938	-	2,501,571
Total capital assets not being depreciated	4,356,960	786,238	-	5,143,198
Capital assets being depreciated:				
Buildings	7,758,025	131,128	-	7,889,153
Furniture and equipment	658,219	183,576	61,622	780,173
Vehicles and motorized equipment	130,819	-	-	130,819
Infrastructure	2,470,852	-	-	2,470,852
Park	2,479,249	-	8,200	2,471,049
Total capital assets being depreciated	13,497,164	314,704	69,822	13,742,046
Less accumulated depreciation for:				
Buildings	2,395,151	364,814	-	2,759,965
Furniture and equipment	315,603	96,673	61,622	350,654
Vehicles and motorized equipment	53,607	18,646	-	72,253
Infrastructure	772,559	82,362	-	854,921
Park	1,670,776	85,713	4,988	1,751,501
Total accumulated depreciation	5,207,696	648,208	66,610	5,789,294
Total capital assets being depreciated, net	8,289,468			7,952,752
Governmental activity capital assets, net	\$ 12,646,428			\$ 13,095,950

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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

General government	\$	147,069
Public works		106,812
Planning		-
Parks and recreation		394,327
Total depreciation expense	\$	<u>648,208</u>

Construction Commitments

The Town of Lewisville has active construction projects as of June 30, 2023. At year-end, the Town's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Gateway Project	\$ 564,609	\$ 2,732,478
Roundabout at Lewisville-Vienna Road and Robinhood Road	270,762	149,092
Community Center	3,890,492	69,194
	<u>\$ 4,725,863</u>	<u>\$ 2,950,764</u>

B. Liabilities

1. Pension Plan Obligations

a) Local Governmental Employees' Retirement System

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

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

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable 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, 2023, was 12.10% 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 \$97,440 for the year ended June 30, 2023.

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, 2023, the Town reported a liability of \$432,133 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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, 2022 (measurement date), the Town's proportion was .00766%, which was an increase of .00136% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Town recognized pension expense of \$141,504. At June 30, 2023, 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	\$ 18,620	\$ 1,826
Changes of assumptions	43,117	-
Net difference between projected and actual earnings on pension plan investments	142,825	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	41,046	250
Town contributions subsequent to the measurement date	<u>97,440</u>	<u>-</u>
Total	<u>\$ 343,048</u>	<u>\$ 2,076</u>

\$97,440 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, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Year Ended June 30		
2024	\$	80,073
2025		67,682
2026		27,736
2027		68,041
2028		-
Thereafter		-
	<u>\$</u>	<u>243,532</u>

Actuarial Assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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, 2021 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, 2022 are summarized in the following table:

TOWN OF LEWISVILLE, NORTH CAROLINA

**Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
	100.0%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2021 asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 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)	\$ 779,945	\$ 432,133	\$ 145,516

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.

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

b) 457 Retirement Plan

All permanent full-time employees of the Town are eligible to participate in the Town's 457 Retirement Plan, a cost-sharing multiple-employer defined contribution plan administered by the International City Management Association Retirement Corporation (ICMA). Participation begins at the time of employment. Under the provisions of the plan, employees may contribute up to 100% of compensation, subject to a maximum established by the Internal Revenue Code, and the Town contributes up to 1.2% of the employees' compensation. Total contributions for the year ended June 30, 2023 amounted to \$6,541, which consisted of \$3,665 from employees and \$2,876 from the Town. Information regarding the plan may be obtained by writing to ICMA Retirement Corporation, 777 North Capitol Street NE, Washington, D.C. 20002-4200.

c) Supplemental Retirement Income Plan

All permanent full-time employees of the Town are eligible to participate in the Supplemental Retirement Income Plan, a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. Participation begins at the time of employment. Under the provisions of the plan, employees may contribute up to 100% of compensation, subject to a maximum established by the Internal Revenue Code, and the Town contributes up to 1.2% of the employees' compensation. Total contributions for the year ended June 30, 2023 amounted to \$28,540, which consisted of \$21,749 from employees and \$6,791 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.

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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	\$ 97,440
Differences between expected and actual experience	18,620
Changes in assumptions	43,117
Difference between projected and actual earnings on plan investments	142,825
Changes in proportion and differences between Town contributions and proportionate share of contributions	<u>41,046</u>
Total	<u>\$ 343,048</u>

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

	Statement of Net Position	General Fund Balance Sheet
Taxes receivable (General Fund)	\$ -	\$ 21,007
Taxes receivable (Special Revenue Fund)	-	876
Differences between expected and actual experience	1,826	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	<u>250</u>	<u>-</u>
Total	<u>\$ 2,076</u>	<u>\$ 21,883</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

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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 in Note V.

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 in June, 2024 for approximately \$1,071,790 per year.

The Town has also entered into a community policing contract with the Forsyth County Sheriff's Department expiring June, 2026 for approximately \$787,910 per year.

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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
2024	\$ 200,000	\$ 28,800
2025	200,000	25,200
2026	200,000	21,600
2027	200,000	18,000
2028	200,000	14,400
2029-2031	600,000	21,600
	<u>\$ 1,600,000</u>	<u>\$ 129,600</u>

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	\$ 1,800,000	\$ -	\$ 200,000	\$ 1,600,000	\$ 200,000
Compensated absences	38,413	46,770	28,817	56,366	48,616
Net pension liability (LGERS)	96,619	335,514	-	432,133	-
Total long-term liabilities	<u>\$ 1,935,032</u>	<u>\$ 382,284</u>	<u>\$ 228,817</u>	<u>\$ 2,088,499</u>	<u>\$ 248,616</u>

At June 30, 2023, the Town of Lewisville had a legal debt margin of \$134,471,096.

TOWN OF LEWISVILLE, NORTH CAROLINA
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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	\$ 400,000
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 Public Works Facility Capital Reserve Fund to finance the construction of a new public works facility	495,000
From the General Fund to the Roundabout at Lewisville-Vienna Road and Robinhood Road Capital Projects Fund to fund project expenditures	<u>306,297</u>
	<u>\$ 1,226,297</u>

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	<u>\$ 1,105,603</u>
	<u>\$ 1,105,603</u>

Transfers from the General Fund to Other Major Funds

From the General Fund to the Gateway Project Capital Projects Fund to finance project expenditures	<u>\$ 1,276,617</u>
	<u>\$ 1,276,617</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, 2023**

D. Net Investment in Capital Assets

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

Capital assets	\$ 13,095,950
Less accounts payable:	
Gateway Project	112,542
Roundabout at Lewisville-Vienna Road and Robinhood Road	231
Less contract retainage - Community Center	8,000
Less long-term debt	<u>1,600,000</u>
Net investment in capital assets	<u>\$ 11,375,177</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	\$ 6,021,923
Less:	
Restricted for Stabilization by State Statute	536,072
Restricted for Streets	861,266
Appropriated fund balance in FY 2023-2024 budget	<u>432,107</u>
Remaining fund balance	<u>\$ 4,192,478</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 \$2,810 to the Council during the fiscal year ended June 30, 2023.

TOWN OF LEWISVILLE, NORTH CAROLINA

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2023

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. Legal Matter

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 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 were recorded in the Town's accounting records at their estimated fair value of \$136,300. The remainder of the legal settlement, \$1,823,072, is 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).

VI. Subsequent Events

Subsequent events have been evaluated through October 31, 2023, 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

	2023	2022	2021	2020	2019
Lewisville's proportion of the net pension liability (asset) (%)	0.00766%	0.00630%	0.00663%	0.00666%	0.00796%
Lewisville's proportion of the net pension liability (asset) (\$)	\$ 432,133	\$ 96,619	\$ 236,918	\$ 181,879	\$ 188,838
Lewisville's covered payroll	\$ 730,273	\$ 589,454	\$ 624,634	\$ 617,225	\$ 610,359
Lewisville's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	59.17%	16.39%	37.93%	29.47%	30.94%
Plan fiduciary net position as a percentage of the total pension liability **	84.14%	95.51%	88.61%	90.86%	91.63%
	2018	2017	2016	2015	2014
Lewisville's proportion of the net pension liability (asset) (%)	0.00709%	0.00769%	0.00767%	0.00727%	0.00900%
Lewisville's proportion of the net pension liability (asset) (\$)	\$ 108,316	\$ 163,208	\$ 34,422	\$ (42,874)	\$ 108,485
Lewisville's covered payroll	\$ 577,000	\$ 629,911	\$ 645,697	\$ 594,539	\$ 612,200
Lewisville's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	18.77%	25.91%	5.33%	-7.21%	17.72%
Plan fiduciary net position as a percentage of the total pension liability **	94.18%	91.47%	98.09%	102.64%	94.35%

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

** 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

	2023	2022	2021	2020	2019
Contractually required contribution	\$ 97,440	\$ 82,886	\$ 59,830	\$ 55,905	\$ 47,835
Contributions in relation to the contractually required contribution	97,440	82,886	59,830	55,905	47,835
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Lewisville's covered payroll	\$ 805,291	\$ 730,273	\$ 589,454	\$ 624,634	\$ 617,225
Contributions as a percentage of covered payroll	12.10%	11.35%	10.15%	8.95%	7.75%

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 45,777	\$ 41,833	\$ 42,015	\$ 45,651	\$ 42,034
Contributions in relation to the contractually required contribution	45,777	41,833	42,015	45,651	42,034
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Lewisville's covered payroll	\$ 610,359	\$ 577,000	\$ 629,911	\$ 645,697	\$ 594,539
Contributions as a percentage of covered payroll	7.50%	7.25%	6.67%	7.07%	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, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes			
Taxes	\$ 2,879,926	\$ 3,011,079	
Penalties and interest	4,000	6,996	
Total	<u>2,883,926</u>	<u>3,018,075</u>	<u>134,149</u>
Unrestricted intergovernmental			
Local option sales taxes	1,057,280	1,225,951	
Telecommunications sales tax	23,790	22,678	
Electricity sales tax	440,400	456,781	
Piped natural gas sales tax	19,275	26,005	
Video programming sales tax	127,285	123,055	
Beer and wine tax	54,295	60,933	
ABC Board profit distribution	212,084	260,079	
Total	<u>1,934,409</u>	<u>2,175,482</u>	<u>241,073</u>
Restricted intergovernmental			
Powell Bill allocation	385,357	386,260	
Local occupancy tax	47,150	56,926	
Solid waste disposal tax	10,480	10,838	
Total	<u>442,987</u>	<u>454,024</u>	<u>11,037</u>
Investment earnings	350	149,013	148,663
Miscellaneous	79,130	161,400	82,270
Total revenues	<u>5,340,802</u>	<u>5,957,994</u>	<u>617,192</u>
Expenditures			
General government			
Governing body			
Salaries and employee benefits		20,830	
Professional services		81,399	
Membership dues		19,321	
Support contracts		80,005	
Capital outlay		172,871	
Legal settlement		1,823,072	
Other operating expenditures		30,790	
Total	<u>2,301,547</u>	<u>2,228,288</u>	<u>73,259</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, 2023

	Budget	Actual	Variance Positive (Negative)
Administration			
Salaries and employee benefits		415,722	
Support contracts		53,811	
Capital outlay		12,611	
Other operating expenditures		227,521	
Total	912,283	709,665	202,618
Finance			
Salaries and employee benefits		232,820	
Support contracts		8,852	
Other operating expenditures		18,009	
Total	270,815	259,681	11,134
Total general government	3,484,645	3,197,634	287,011
Public Works			
Public works			
Salaries and employee benefits		268,517	
Support contracts		65,817	
Capital outlay		48,305	
Other operating expenditures		41,493	
Total	508,896	424,132	84,764
Beautification			
Support contracts		109,708	
Other operating expenditures		2,210	
Total	119,302	111,918	7,384
Powell Bill			
Road paving, repairs and maintenance		-	
Other operating expenditures		54,593	
Total	405,357	54,593	350,764
Storm Water			
Support contracts		78,821	
Other operating expenditures		3,893	
Total	183,176	82,714	100,462
Solid Waste			
Support contracts		868,168	
Other operating expenditures		4,847	
Total	917,000	873,015	43,985

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, 2023**

	Budget	Actual	Variance Positive (Negative)
Recycling			
Support contracts		705	
Other operating expenditures		6,226	
Total	8,595	6,931	1,664
Streets			
Support contracts		10,365	
Road paving, repairs and maintenance		-	
Other operating expenditures		23,345	
Total	250,585	33,710	216,875
Total public works	2,392,911	1,587,013	805,898
Planning			
Salaries and employee benefits		180,756	
Support contracts		14,370	
Other operating expenditures		26,973	
Total planning	455,975	222,099	233,876
Parks and recreation			
Event expenses		52,132	
Support contracts		17,212	
Capital outlay		203,801	
Other operating expenditures		187,885	
Total parks and recreation	617,882	461,030	156,852
Public safety			
Community policing			
Support contracts		761,918	
Other operating expenditures		18,072	
Total	847,146	779,990	67,156
Public safety			
Support contracts		-	
Other operating expenditures		1,728	
Total	16,450	1,728	14,722
Total public safety	863,596	781,718	81,878

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Debt service			
Principal retirement		200,000	
Interest and other charges		32,400	
Total debt service	<u>232,400</u>	<u>232,400</u>	<u>-</u>
Total expenditures	<u>8,047,409</u>	<u>6,481,894</u>	<u>1,565,515</u>
Revenues over (under) expenditures	<u>(2,706,607)</u>	<u>(523,900)</u>	<u>2,182,707</u>
Other financing sources (uses):			
Transfers from other funds	-	1,105,603	1,105,603
Transfers to other funds	(4,526,297)	(2,502,914)	2,023,383
Total other financing sources (uses)	<u>(4,526,297)</u>	<u>(1,397,311)</u>	<u>3,128,986</u>
Fund balance appropriated	7,232,904	-	(7,232,904)
Net change in fund balance	<u>\$ -</u>	(1,921,211)	<u>\$ (1,921,211)</u>
Fund balance, beginning		<u>7,943,134</u>	
Fund balance, ending		<u>\$ 6,021,923</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, 2023

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Grant revenue	\$ -	\$ 417,193	\$ 465,536	\$ 882,729	\$ 882,729
Investment earnings	-	14,281	18,563	32,844	32,844
Total revenues	-	431,474	484,099	915,573	915,573
Expenditures					
Capital outlay	3,874,874	554,739	582,180	1,136,919	2,737,955
Total expenditures	3,874,874	554,739	582,180	1,136,919	2,737,955
Revenues over (under) expenditures	(3,874,874)	(123,265)	(98,081)	(221,346)	3,653,528
Other financing sources (uses)					
Transfers from other funds:					
General Fund	3,559,824	-	1,276,617	1,276,617	(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)	3,874,874	315,050	1,276,617	1,591,667	(2,283,207)
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 191,785	1,178,536	\$ 1,370,321	\$ 1,370,321
Fund balance, beginning			191,785		
Fund balance, ending			\$ 1,370,321		

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, 2023

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
American Rescue Plan Act funds	\$ 4,024,472	\$ 1,208,168	\$ 1,105,603	\$ 2,313,771	\$ (1,710,701)
Investment earnings	-	1,402	92,755	94,157	94,157
Total revenues	<u>4,024,472</u>	<u>1,209,570</u>	<u>1,198,358</u>	<u>2,407,928</u>	<u>(1,616,544)</u>
Expenditures					
Unassigned ARPA funding	<u>1,515,499</u>	-	-	-	1,515,499
Total expenditures	<u>1,515,499</u>	-	-	-	<u>1,515,499</u>
Revenues over (under) expenditures	<u>2,508,973</u>	<u>1,209,570</u>	<u>1,198,358</u>	<u>2,407,928</u>	<u>(101,045)</u>
Other financing sources (uses)					
Transfers to other funds					
General Fund	<u>(2,508,973)</u>	<u>(1,208,168)</u>	<u>(1,105,603)</u>	<u>(2,313,771)</u>	195,202
Total other financing sources (uses)	<u>(2,508,973)</u>	<u>(1,208,168)</u>	<u>(1,105,603)</u>	<u>(2,313,771)</u>	<u>195,202</u>
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,402</u>	<u>\$ 92,755</u>	<u>\$ 94,157</u>	<u>\$ 94,157</u>
Fund balance, beginning			1,402		
Fund balance, ending			<u>\$ 94,157</u>		

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2023

	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	\$ 232,664	\$ 1,090,537	\$ 163,166	\$ 135,263
Taxes receivable, net	876	-	-	-
Due from other governments	909	-	-	-
Total assets	<u>234,449</u>	<u>1,090,537</u>	<u>163,166</u>	<u>135,263</u>
Liabilities				
Accounts payable and accrued liabilities	338	-	-	-
Contract retainage	-	-	-	-
Total liabilities	<u>338</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Property taxes receivable	876	-	-	-
Total deferred inflows of resources	<u>876</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted by stabilization by State Statute	909	-	-	-
Committed	232,326	1,090,537	163,166	135,263
Total fund balances	<u>233,235</u>	<u>1,090,537</u>	<u>163,166</u>	<u>135,263</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 234,449</u>	<u>\$ 1,090,537</u>	<u>\$ 163,166</u>	<u>\$ 135,263</u>

continued

TOWN OF LEWISVILLE, NORTH CAROLINA

Combining Balance Sheet

Non-Major Governmental Funds

June 30, 2023

	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	\$ 855,961	\$ 414,845	\$ 763,593	\$ 21,271
Taxes receivable, net	-	-	-	-
Due from other governments	-	-	-	-
Total assets	<u>855,961</u>	<u>414,845</u>	<u>763,593</u>	<u>21,271</u>
Liabilities				
Accounts payable and accrued liabilities	-	-	-	-
Contract retainage	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</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	-	-	-	-
Committed	855,961	414,845	763,593	21,271
Total fund balances	<u>855,961</u>	<u>414,845</u>	<u>763,593</u>	<u>21,271</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 855,961</u>	<u>\$ 414,845</u>	<u>\$ 763,593</u>	<u>\$ 21,271</u>

continued

TOWN OF LEWISVILLE, NORTH CAROLINA

Combining Balance Sheet

Non-Major Governmental Funds

June 30, 2023

	Community Center Capital Projects Fund	Roundabout at Lewisville- Vienna Road and Robinhood Road Capital Projects Fund	Total Non- Major Governmental Funds
Assets			
Cash and cash equivalents	\$ 274,490	\$ 522,658	\$ 4,474,448
Taxes receivable, net	-	-	876
Due from other governments	764	-	1,673
Total assets	<u>275,254</u>	<u>522,658</u>	<u>4,476,997</u>
Liabilities			
Accounts payable and accrued liabilities	-	231	569
Contract retainage	8,000	-	8,000
Total liabilities	<u>8,000</u>	<u>231</u>	<u>8,569</u>
Deferred Inflows of Resources			
Property taxes receivable	-	-	876
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>876</u>
Fund Balances			
Restricted by stabilization by State Statute	764	-	1,673
Committed	266,490	522,427	4,465,879
Total fund balances	<u>267,254</u>	<u>522,427</u>	<u>4,467,552</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 275,254</u>	<u>\$ 522,658</u>	<u>\$ 4,476,997</u>

TOWN OF LEWISVILLE, NORTH CAROLINA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balance -
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2023

	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	38,272	-	-	-
Investment earnings	5,918	39,453	5,896	4,893
Total revenues	44,190	39,453	5,896	4,893
Expenditures				
Public works	3,400	-	-	-
Parks and recreation	-	-	-	-
Total expenditures	3,400	-	-	-
Revenues over (under) expenditures	40,790	39,453	5,896	4,893
Other financing sources (uses)				
Transfers from other funds	-	-	25,000	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	25,000	-
Net change in fund balance	40,790	39,453	30,896	4,893
Fund balance, beginning	192,445	1,051,084	132,270	130,370
Fund balance, ending	\$ 233,235	\$ 1,090,537	\$ 163,166	\$ 135,263

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, 2023

	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	30,840	14,845	27,625	610
Total revenues	<u>30,840</u>	<u>14,845</u>	<u>27,625</u>	<u>610</u>
Expenditures				
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>30,840</u>	<u>14,845</u>	<u>27,625</u>	<u>610</u>
Other financing sources (uses)				
Transfers from other funds	495,000	400,000	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>495,000</u>	<u>400,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	525,840	414,845	27,625	610
Fund balance, beginning	330,121	-	735,968	20,661
Fund balance, ending	<u>\$ 855,961</u>	<u>\$ 414,845</u>	<u>\$ 763,593</u>	<u>\$ 21,271</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, 2023

	Community Center Capital Projects Fund	Roundabout at Lewisville- Vienna Road and Robinhood Road Capital Projects Fund	Total Non- Major Governmental Funds
Revenues			
Restricted intergovernmental	\$ -	\$ 54,022	\$ 54,022
Ad valorem taxes	-	-	38,272
Investment earnings	5,996	12,800	148,876
Total revenues	5,996	66,822	241,170
Expenditures			
Public works	-	67,758	71,158
Parks and recreation	13,416	-	13,416
Total expenditures	13,416	67,758	84,574
Revenues over (under) expenditures	(7,420)	(936)	156,596
Other financing sources (uses)			
Transfers from other funds	-	306,297	1,226,297
Transfers to other funds	-	-	-
Total other financing sources (uses)	-	306,297	1,226,297
Net change in fund balance	(7,420)	305,361	1,382,893
Fund balance, beginning	274,674	217,066	3,084,659
Fund balance, ending	\$ 267,254	\$ 522,427	\$ 4,467,552

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, 2023

	Budget	Actual	Variance Positive (Negative)
Revenues			
Ad valorem taxes	\$ 36,610	\$ 38,272	\$ 1,662
Investment earnings	-	5,918	5,918
Total revenues	<u>36,610</u>	<u>44,190</u>	<u>7,580</u>
Expenditures			
Public works	<u>36,610</u>	<u>3,400</u>	<u>33,210</u>
Total expenditures	<u>36,610</u>	<u>3,400</u>	<u>33,210</u>
Revenues over (under) expenditures	-	40,790	40,790
Fund balance appropriated	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>40,790</u>	<u>\$ 40,790</u>
Fund balance, beginning		<u>192,445</u>	
Fund balance, ending		<u>\$ 233,235</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, 2023

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 39,453	\$ 39,453
Total revenues	-	39,453	39,453
Expenditures	-	-	-
Revenues over (under) expenditures	-	39,453	39,453
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>39,453</u>	<u>\$ 39,453</u>
Fund balance, beginning		<u>1,051,084</u>	
Fund balance, ending		<u>\$ 1,090,537</u>	

TOWN OF LEWISVILLE, NORTH CAROLINA
Sidewalks, Bike Paths and Greenways Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 5,896	\$ 5,896
Total revenues	-	5,896	5,896
Expenditures	25,000	-	25,000
Revenues over (under) expenditures	(25,000)	5,896	30,896
Other financing sources (uses)			
Transfers from other funds			
General Fund	25,000	25,000	-
Total other financing sources (uses)	25,000	25,000	-
Fund balance appropriated	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>30,896</u>	<u>\$ 30,896</u>
Fund balance, beginning		<u>132,270</u>	
Fund balance, ending		<u>\$ 163,166</u>	

TOWN OF LEWISVILLE, NORTH CAROLINA
Municipal Buildings/Land Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 4,893	\$ 4,893
Total revenues	-	4,893	4,893
Expenditures	-	-	-
Revenues over (under) expenditures	-	4,893	4,893
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>4,893</u>	<u>\$ 4,893</u>
Fund balance, beginning		130,370	
Fund balance, ending		<u>\$ 135,263</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, 2023

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 30,840	\$ 30,840
Total revenues	-	30,840	30,840
Expenditures	495,000	-	495,000
Revenues over (under) expenditures	(495,000)	30,840	525,840
Other financing sources (uses)			
Transfers from other funds			
General Fund	495,000	495,000	-
Total other financing sources (uses)	495,000	495,000	-
Fund balance appropriated	-	-	-
Net change in fund balance	\$ -	525,840	\$ 525,840
Fund balance, beginning		330,121	
Fund balance, ending		\$ 855,961	

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, 2023

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 14,845	\$ 14,845
Total revenues	-	14,845	14,845
Expenditures	400,000	-	400,000
Revenues over (under) expenditures	(400,000)	14,845	414,845
Other financing sources (uses)			
Transfers from other funds			
General Fund	400,000	400,000	-
Total other financing sources (uses)	400,000	400,000	-
Fund balance appropriated	-	-	-
Net change in fund balance	\$ -	414,845	\$ 414,845
Fund balance, beginning		-	
Fund balance, ending		\$ 414,845	

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, 2023

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Restricted intergovernmental	\$ -	\$ 221,684	\$ -	\$ 221,684	\$ 221,684
Investment earnings	-	44,644	27,625	72,269	72,269
Total revenues	-	266,328	27,625	293,953	293,953
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)	(827,032)	27,625	(799,407)	764,393
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	-
Total other financing sources (uses)	1,563,000	1,563,000	-	1,563,000	-
Fund balance appropriated	800	-	-	-	(800)
Net change in fund balance	\$ -	\$ 735,968	27,625	\$ 763,593	\$ 763,593
Fund balance, beginning			735,968		
Fund balance, ending			\$ 763,593		

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, 2023**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Investment earnings	\$ -	\$ 1,142	\$ 610	\$ 1,752	\$ 1,752
Total revenues	-	1,142	610	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)	(34,339)	610	(33,729)	21,271
Other financing sources (uses)					
Transfers from other funds:					
Municipal Buildings/Land Capital Reserve Fund	55,000	55,000	-	55,000	-
Total other financing sources (uses)	55,000	55,000	-	55,000	-
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 20,661	610	\$ 21,271	\$ 21,271
Fund balance, beginning			20,661		
Fund balance, ending			\$ 21,271		

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, 2023

	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	-	3,593	5,996	9,589	9,589
Total revenues	-	103,593	5,996	109,589	109,589
Expenditures					
Capital outlay	4,947,137	4,776,056	13,416	4,789,472	157,665
Total expenditures	4,947,137	4,776,056	13,416	4,789,472	157,665
Revenues over (under) expenditures	(4,947,137)	(4,672,463)	(7,420)	(4,679,883)	267,254
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	\$ -	\$ 274,674	(7,420)	\$ 267,254	\$ 267,254
Fund balance, beginning			274,674		
Fund balance, ending			\$ 267,254		

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, 2023**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Revenues					
Grant revenue	\$ -	\$ 162,588	\$ 54,022	\$ 216,610	\$ 216,610
Investment earnings	-	4,013	12,800	16,813	16,813
Total revenues	-	166,601	66,822	233,423	233,423
Expenditures					
Capital outlay	2,801,485	203,535	67,758	271,293	2,530,192
Total expenditures	2,801,485	203,535	67,758	271,293	2,530,192
Revenues over (under) expenditures	(2,801,485)	(36,934)	(936)	(37,870)	2,763,615
Other financing sources (uses)					
Transfers from other funds:					
General Fund	2,801,485	254,000	306,297	560,297	(2,241,188)
Total other financing sources (uses)	2,801,485	254,000	306,297	560,297	(2,241,188)
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 217,066	305,361	\$ 522,427	\$ 522,427
Fund balance, beginning			217,066		
Fund balance, ending			\$ 522,427		

Other Schedules

TOWN OF LEWISVILLE, NORTH CAROLINA
Schedule of Ad Valorem Taxes Receivable
June 30, 2023

Fiscal Year	Uncollected Balance June 30, 2022	Additions	Collections and Credits	Uncollected Balance June 30, 2023
2022-2023	\$ -	\$ 3,010,573	\$ 3,000,441	\$ 10,132
2021-2022	9,141	-	6,930	2,211
2020-2021	2,516	-	1,514	1,002
2019-2020	1,879	-	663	1,216
2018-2019	1,294	-	451	843
2017-2018	847	-	260	587
2016-2017	2,141	-	188	1,953
2015-2016	2,374	-	188	2,186
2014-2015	545	-	186	359
2013-2014	787	-	269	518
2012-2013	591	-	591	-
	\$ 22,115	\$ 3,010,573	\$ 3,011,681	21,007
				-
				\$ 21,007
<u>Reconciliation with Revenues</u>				
Ad valorem taxes - General Fund				\$ 3,018,075
Reconciling items:				
Interest collected				(6,996)
Adjustments				11
Taxes written off				591
Subtotal				(6,394)
Total collections and credits				\$ 3,011,681

TOWN OF LEWISVILLE, NORTH CAROLINA

Analysis of Current Tax Levy

Town-Wide Levy

June 30, 2023

	Town-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy					
Property taxed at current rate	\$ 1,671,808,475	\$ 0.177	\$ 2,959,101	\$ 2,630,786	\$ 328,315
Discoveries - Current and prior year taxes	31,623,729	\$ 0.177	55,974	55,974	-
Releases	<u>(2,543,503)</u>	\$ 0.177	<u>(4,502)</u>	<u>(4,502)</u>	<u>-</u>
Total property valuation	<u>\$ 1,700,888,701</u>				
Net levy			3,010,573	2,682,258	328,315
Unpaid (by taxpayer) at June 30, 2023			<u>(10,132)</u>	<u>(10,132)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 3,000,441</u>	<u>\$ 2,672,126</u>	<u>\$ 328,315</u>
Current levy collection percentage			<u>99.66%</u>	<u>99.62%</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				
	2023	2022	2021	2020	2019
Governmental Activities					
Net investment in capital					
assets	\$ 11,375,177	\$ 10,846,428	\$ 9,118,422	\$ 8,154,438	\$ 7,750,583
Restricted	1,701,258	1,048,345	953,673	1,038,938	909,549
Unrestricted	10,224,232	10,083,549	9,859,844	10,074,621	9,587,374
Total governmental activities net position	<u>\$ 23,300,667</u>	<u>\$ 21,978,322</u>	<u>\$ 19,931,939</u>	<u>\$ 19,267,997</u>	<u>\$ 18,247,506</u>

	Fiscal Year				
	2018	2017	2016	2015	2014
Governmental Activities					
Net investment in capital					
assets	\$ 7,125,647	\$ 7,223,726	\$ 7,199,929	\$ 5,895,932	\$ 5,215,523
Restricted	992,877	973,381	989,343	1,634,281	892,288
Unrestricted	8,640,880	7,681,819	6,921,185	6,467,630	6,955,023
Total governmental activities net position	<u>\$ 16,759,404</u>	<u>\$ 15,878,926</u>	<u>\$ 15,110,457</u>	<u>\$ 13,997,843</u>	<u>\$ 13,062,834</u>

TOWN OF LEWISVILLE, NORTH CAROLINA

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

Schedule 2

	Fiscal Year				
	2023	2022	2021	2020	2019
Expenses					
Governmental Activities:					
General government	\$ 3,311,046	\$ 1,365,085	\$ 1,237,921	\$ 1,228,361	\$ 1,216,653
Public works	1,547,411	2,013,279	1,928,082	1,821,310	1,912,092
Planning	233,801	210,593	196,793	167,653	136,217
Parks and recreation	654,767	552,442	205,165	232,562	239,533
Public safety	781,717	686,204	656,398	620,797	599,102
Interest on long-term debt	29,451	32,952	32,342	15,223	20,058
Total expenses	6,558,193	4,860,555	4,256,701	4,085,906	4,123,655
Program Revenues					
Governmental activities:					
Charges for services					
Public works	3,597	7,079	500	13,015	-
Planning	13,950	8,845	11,255	19,350	9,785
Parks and recreation	80,351	-	-	4,513	6,355
Operating grants and contributions	1,502,701	1,607,748	347,424	500,300	358,916
Capital grants and contributions	519,558	277,430	91,581	178,339	779,431
Total program revenues	2,120,157	1,901,102	450,760	715,517	1,154,487
Net (Expense)/Revenue	(4,438,036)	(2,959,453)	(3,805,941)	(3,370,389)	(2,969,168)
General Revenues					
Governmental activities:					
Taxes					
Property taxes	3,055,264	2,918,633	2,603,728	2,510,252	2,486,864
Local option sales taxes	1,225,951	1,078,665	924,367	853,341	833,100
Other taxes	746,378	714,928	698,623	711,772	770,187
Other	732,788	293,610	243,165	315,515	367,119
Total general revenues	5,760,381	5,005,836	4,469,883	4,390,880	4,457,270
Change in Net Position	\$ 1,322,345	\$ 2,046,383	\$ 663,942	\$ 1,020,491	\$ 1,488,102

continued

TOWN OF LEWISVILLE, NORTH CAROLINA

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

Schedule 2

	Fiscal Year				
	2018	2017	2016	2015	2014
Expenses					
Governmental Activities:					
General government	\$ 1,081,813	\$ 1,025,807	\$ 1,005,308	\$ 1,079,253	\$ 1,046,683
Public works	1,678,658	1,667,179	1,802,150	1,766,003	1,699,946
Planning	159,518	149,045	154,287	139,310	126,574
Parks and recreation	261,365	245,620	239,360	224,378	215,543
Public safety	583,362	546,202	510,417	495,350	454,942
Interest on long-term debt	24,891	29,727	35,522	42,777	49,065
Total expenses	3,789,607	3,663,580	3,747,044	3,747,071	3,592,753
Program Revenues					
Governmental activities:					
Charges for services					
Public works	-	-	-	-	-
Planning	7,375	7,645	3,715	1,840	3,780
Parks and recreation	7,980	6,924	7,206	7,272	16,516
Operating grants and contributions	360,642	361,733	367,956	366,144	363,371
Capital grants and contributions	24,597	67,094	524,914	550,893	-
Total program revenues	400,594	443,396	903,791	926,149	383,667
Net (Expense)/Revenue	(3,389,013)	(3,220,184)	(2,843,253)	(2,820,922)	(3,209,086)
General Revenues					
Governmental activities:					
Taxes					
Property taxes	2,424,805	2,264,797	2,227,096	2,188,558	2,235,387
Local option sales taxes	770,309	757,868	749,667	718,672	670,731
Other taxes	770,859	769,550	771,482	776,175	694,183
Other	303,518	196,438	207,622	138,977	109,414
Total general revenues	4,269,491	3,988,653	3,955,867	3,822,382	3,709,715
Change in Net Position	\$ 880,478	\$ 768,469	\$ 1,112,614	\$ 1,001,460	\$ 500,629

TOWN OF LEWISVILLE, NORTH CAROLINA

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

Schedule 3

	Fiscal Year				
	2023	2022	2021	2020	2019
General Fund					
Restricted	\$ 1,397,338	\$ 995,887	\$ 918,731	\$ 1,032,296	\$ 906,522
Committed	-	-	-	534,481	432,849
Assigned	432,107	1,205,260	425,954	230,510	75,505
Unassigned	4,192,478	5,741,987	4,823,179	5,991,906	5,699,090
Total general fund	<u>6,021,923</u>	<u>7,943,134</u>	<u>6,167,864</u>	<u>7,789,193</u>	<u>7,113,966</u>
All Other Governmental Funds					
Restricted	303,920	52,458	34,942	6,642	3,027
Committed	5,628,110	3,225,388	4,745,389	3,384,902	3,416,383
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>5,932,030</u>	<u>3,277,846</u>	<u>4,780,331</u>	<u>3,391,544</u>	<u>3,419,410</u>
Total	<u>\$ 11,953,953</u>	<u>\$ 11,220,980</u>	<u>\$ 10,948,195</u>	<u>\$ 11,180,737</u>	<u>\$ 10,533,376</u>

	2018	2017	2016	2015	2014
General Fund					
Restricted	\$ 992,571	\$ 944,521	\$ 904,600	\$ 1,077,518	\$ 892,042
Committed	328,986	263,501	237,395	211,875	441,726
Assigned	99,373	58,416	56,870	49,840	51,410
Unassigned	5,405,088	4,362,069	3,887,471	3,468,250	4,537,398
Total general fund	<u>6,826,018</u>	<u>5,628,507</u>	<u>5,086,336</u>	<u>4,807,483</u>	<u>5,922,576</u>
All Other Governmental Funds					
Restricted	306	28,860	84,743	556,763	246
Committed	2,827,142	3,014,944	2,745,741	2,777,191	1,935,082
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>2,827,448</u>	<u>3,043,804</u>	<u>2,830,484</u>	<u>3,333,954</u>	<u>1,935,328</u>
Total	<u>\$ 9,653,466</u>	<u>\$ 8,672,311</u>	<u>\$ 7,916,820</u>	<u>\$ 8,141,437</u>	<u>\$ 7,857,904</u>

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				
	2023	2022	2021	2020	2019
Revenues					
Ad valorem taxes	\$ 3,056,347	\$ 2,918,524	\$ 2,611,194	\$ 2,510,123	\$ 2,488,852
Other taxes and licenses	-	-	-	-	28,252
Unrestricted intergovernmental	2,175,482	1,977,242	1,818,566	1,723,949	1,703,311
Restricted intergovernmental	2,079,185	1,934,803	468,418	714,713	536,815
Investment earnings	409,207	8,298	1,080	119,176	184,112
Miscellaneous	161,400	67,961	28,850	38,307	25,400
Total revenues	7,881,621	6,906,828	4,928,108	5,106,268	4,966,742
Expenditures					
General government	3,012,152	1,170,546	1,069,240	1,052,471	1,003,369
Public works	1,528,692	1,998,062	1,801,037	1,732,329	1,821,108
Planning	222,099	213,536	191,465	162,688	136,348
Parks and recreation	270,645	260,211	114,675	131,741	138,712
Public safety	781,718	686,203	656,398	620,797	599,102
Debt service					
Interest and other charges	32,400	36,000	3,978	15,713	20,548
Principal	200,000	200,000	466,672	186,666	186,666
Capital outlay	1,100,942	2,069,485	2,857,185	556,502	180,979
Total expenditures	7,148,648	6,634,043	7,160,650	4,458,907	4,086,832
Excess (deficiency) of revenues over expenses	732,973	272,785	(2,232,542)	647,361	879,910
Other financing sources (uses)					
Transfers from other funds	3,608,517	1,499,282	3,113,166	812,200	675,000
Transfers to other funds	(3,608,517)	(1,499,282)	(3,113,166)	(812,200)	(675,000)
Proceeds from financing agreement	-	-	2,000,000	-	-
Total other financing sources (uses)	-	-	2,000,000	-	-
Net change in fund balances	\$ 732,973	\$ 272,785	\$ (232,542)	\$ 647,361	\$ 879,910
Debt service as a percentage of noncapital expenditures	3.84%	5.17%	10.94%	5.19%	5.31%

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				
	2018	2017	2016	2015	2014
Revenues					
Ad valorem taxes	\$ 2,428,349	\$ 2,270,001	\$ 2,229,238	\$ 2,191,391	\$ 2,240,351
Other taxes and licenses	35,893	33,579	28,021	28,920	26,593
Unrestricted intergovernmental	1,618,089	1,599,106	1,597,024	1,530,936	1,390,374
Restricted intergovernmental	427,498	468,304	830,917	950,782	394,406
Investment earnings	92,135	23,265	13,243	1,321	705
Miscellaneous	71,664	43,001	63,944	48,013	45,918
Total revenues	4,673,628	4,437,256	4,762,387	4,751,363	4,098,347
Expenditures					
General government	930,331	861,327	880,782	935,378	865,310
Public works	1,592,046	1,581,719	1,743,648	1,738,772	1,650,734
Planning	157,195	156,282	156,609	144,156	156,163
Parks and recreation	160,879	145,601	140,093	126,026	117,562
Public safety	583,362	546,202	510,417	495,350	454,942
Debt service					
Interest and other charges	25,382	30,217	36,260	43,512	49,555
Principal	186,666	186,666	279,999	279,999	186,666
Capital outlay	56,612	173,751	1,239,196	704,637	84,047
Total expenditures	3,692,473	3,681,765	4,987,004	4,467,830	3,564,979
Excess (deficiency) of revenues over expenses	981,155	755,491	(224,617)	283,533	533,368
Other financing sources (uses)					
Transfers from other funds	1,075,312	597,618	400,634	1,941,578	210,000
Transfers to other funds	(1,075,312)	(597,618)	(400,634)	(1,941,578)	(210,000)
Proceeds from financing agreement	-	-	-	-	-
Special item	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	\$ 981,155	\$ 755,491	\$ (224,617)	\$ 283,533	\$ 533,368
Debt service as a percentage of noncapital expenditures	5.83%	6.18%	8.44%	8.60%	6.79%

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
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%
2014	2013	1,055,272,908	129,358,791	12,386,287	1,197,017,986	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 General Fund	(2) Forsyth County	(3) Lewisville Fire District	Combined Tax Rate	(4) Municipal Service District
2023	\$ 0.1770	\$ 0.6778	\$ 0.0889	0.9437	\$ 0.0500
2022	0.1770	0.6778	0.0839	0.9387	0.0500
2021	0.1770	0.7435	0.0873	1.0078	0.0500
2020	0.1770	0.7535	0.0873	1.0178	0.0500
2019	0.1770	0.7235	0.0836	0.9841	0.0450
2018	0.1770	0.7235	0.0800	0.9805	0.0450
2017	0.1770	0.7310	0.0800	0.9880	0.0450
2016	0.1770	0.7310	0.0800	0.9880	0.0450
2015	0.1770	0.7168	0.0780	0.9718	0.0500
2014	0.1770	0.7168	0.0780	0.9718	0.0500

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

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

(2) Forsyth County has a unified tax rate.

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

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

TOWN OF LEWISVILLE, NORTH CAROLINA

**Principal Property Taxpayers
Current Year and Nine Years Ago**

Schedule 7

Taxpayer	2023			2014		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Kaplan Partners	\$ 22,325,802	1	1.32%	\$ 23,254,250	1	1.94%
Duke Energy Corp/Piedmont Natural Gas	18,852,655	2	1.12%	-		
Charter Communications, Inc.	6,876,158	3	0.41%	-		
Hilltops Farm, LLC	6,433,045	4	0.38%	-		
Yopp Properties, LLC	6,334,299	5	0.38%	5,881,100	4	0.49%
US Bank National Association	6,195,367	6	0.37%	-		
Kent Corporation	5,106,706	7	0.30%	4,133,300	7	0.35%
Florence H. McKeithan 2020 Family Trust	4,677,701	8	0.28%	-		
Firstkey Homes	4,130,011	9	0.24%	-		
Amherst Residential	3,722,949	10	0.22%	-		
Gemini Lewisville Commons LLC	-			6,480,600	2	0.54%
Duke Energy Corp	-			6,214,150	3	0.52%
WLM Stone Point, LLC	-			4,494,490	5	0.38%
Windstream North Carolina Inc	-			4,212,110	6	0.35%
Greenwood Developers, Inc.	-			3,698,720	8	0.31%
Vienna Village Inc.	-			3,358,090	9	0.28%
Lanier Williams	-			2,704,720	10	0.23%
	<u>\$ 84,654,693</u>		<u>5.02%</u>	<u>\$ 64,431,530</u>		<u>5.39%</u>

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

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

Schedule 8

Fiscal Year Ended June 30	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
2023	\$ 3,010,573	\$ 3,000,441	99.66%	\$ -	\$ 3,000,441	99.66%
2022	2,875,305	2,866,164	99.68%	6,930	2,873,094	99.92%
2021	2,548,309	2,542,591	99.78%	4,716	2,547,307	99.96%
2020	2,477,262	2,468,292	99.64%	7,754	2,476,046	99.95%
2019	2,451,406	2,443,795	99.69%	6,768	2,450,563	99.97%
2018	2,390,255	2,381,218	99.62%	8,450	2,389,668	99.98%
2017	2,232,149	2,222,896	99.59%	7,300	2,230,196	99.91%
2016	2,193,078	2,180,617	99.43%	10,275	2,190,892	99.90%
2015	2,157,381	2,143,231	99.34%	13,791	2,157,022	99.98%
2014	2,197,203	2,173,364	98.92%	23,321	2,196,685	99.98%

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		Debt per Capita
		Personal Income	Population	
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
2014	1,773,334	0.42%	12,910	137.36

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, 2023

Schedule 10

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Primary Government
<i>Debt repaid with property taxes</i>			
Forsyth County	\$ 816,547,708	3.88%	\$ 31,682,051
Subtotal, overlapping debt			31,682,051
Town of Lewisville direct debt			1,600,000
Total direct and overlapping debt			\$ 33,282,051

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 2023

Assessed value	<u>\$ 1,700,888,701</u>
Debt limit (8% of assessed value)	136,071,096
Debt applicable to limit:	
Financing agreement	<u>1,600,000</u>
Legal debt margin	<u>\$ 134,471,096</u>

	Fiscal Year				
	2023	2022	2021	2020	2019
Debt limit	\$ 136,071,096	\$ 129,957,288	\$ 115,177,808	\$ 111,966,644	\$ 110,798,011
Total debt applicable to limit	1,600,000	1,800,000	2,000,000	466,672	653,338
Legal debt margin	<u>\$ 134,471,096</u>	<u>\$ 128,157,288</u>	<u>\$ 113,177,808</u>	<u>\$ 111,499,972</u>	<u>\$ 110,144,673</u>
Total debt applicable to the limit as a percentage of debt limit	<u>1.18%</u>	<u>1.39%</u>	<u>1.74%</u>	<u>0.42%</u>	<u>0.59%</u>

	Fiscal Year				
	2018	2017	2016	2015	2014
Debt limit	\$ 108,034,124	\$ 100,888,090	\$ 99,122,170	\$ 97,508,746	\$ 99,129,356
Total debt applicable to limit	840,004	1,026,670	1,213,336	1,493,335	1,773,334
Legal debt margin	<u>\$ 107,194,120</u>	<u>\$ 99,861,420</u>	<u>\$ 97,908,834</u>	<u>\$ 96,015,411</u>	<u>\$ 97,356,022</u>
Total debt applicable to the limit as a percentage of debt limit	<u>0.78%</u>	<u>1.02%</u>	<u>1.22%</u>	<u>1.53%</u>	<u>1.79%</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)	(2)	(2)	(3)
	Town of Lewisville Population	Town of Lewisville Personal Income	Town of Lewisville Per Capita Personal Income	Forsyth County Unemployment Rate
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%
2014	12,910	423,228,530	32,783	6.30%

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 Nine Years Ago

Schedule 13

Employer	2023			2014		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Kaplan Early Learning Company	385	1	n/a	225	1	n/a
Forsyth Country Day School	319	2	n/a	199	2	n/a
Lowe's Foods	91	3	n/a	150	3	n/a
Lewisville Middle School	80	4	n/a	-		
Food Lion	74	5	n/a	58	5	n/a
Lewisville Elementary School	67	6	n/a	75	4	n/a
	<u>1,016</u>			<u>707</u>		

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

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

Schedule 14

Function	Full-Time Equivalent Employees as of June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
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	1	1	1	1	1	1	1	1	1
Public works	3	4	3	3	3	3	3	3	4	4
Administration	4	3	2	2	2	2	2	2	3	3
Total	12	11	9	9	9	9	9	9	11	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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public Works										
Street resurfacing (miles)	-	1.5600	1.1300	1.9600	2.0320	1.2152	1.8000	2.5330	2.6820	2.9200
Planning										
Developer fees	\$ 13,950	\$ 8,845	\$ 11,255	\$ 19,350	\$ 9,785	\$ 7,375	\$ 7,645	\$ 3,715	\$ 1,840	\$ 3,780
Storm water review fees	\$ 3,597	\$ 7,079	\$ 500	\$ 13,015	\$ -	\$ 800	\$ 100	\$ -	\$ -	\$ -
Parks and Recreation										
Facility rentals	\$ 80,351	\$ 32,397	\$ 125	\$ 4,512	\$ 6,355	\$ 7,980	\$ 6,847	\$ 5,860	\$ 4,272	\$ 5,080

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

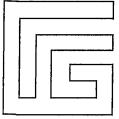
Schedule 16

Function	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police *	7	6	6	6	6	6	6	6	6	6
Streets										
Streets (miles) total	108.34	108.34	108.30	106.74	105.74	105.74	105.74	105.74	105.61	106.64
Streets (miles) town maintained	56.91	56.91	56.69	56.69	56.43	56.43	56.43	56.43	56.34	55.48
Streetlights	155	155	155	155	155	155	155	155	155	123
Parks and recreation										
Playgrounds	2	2	2	2	2	2	2	2	2	2
Community centers	2	2	1	1	1	1	1	1	1	1
Public works										
Vehicles	4	4	3	2	2	2	2	2	2	2

* Police are contracted services from Forsyth County.

Sources: Various departments in the Town of Lewisville

Compliance Section



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

Independent Auditor's Report

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

GIBSON & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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, 2023, 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 31, 2023.

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.

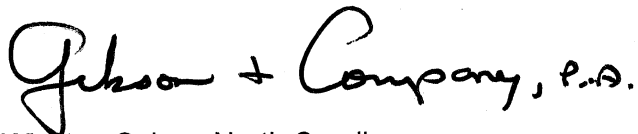
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

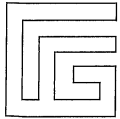
As part of obtaining reasonable assurance about whether the Town of Lewisville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and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

Handwritten signature in black ink that reads "Johnson + Company, P.A." in a cursive style.

Winston-Salem, North Carolina
October 31, 2023



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, 2023. 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, 2023.

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.

Jelison + Company, P.A.

Winston-Salem, North Carolina
October 31, 2023

TOWN OF LEWISVILLE, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
 June 30, 2023

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 47082.1.1	18,438	-	4,610
Fixing America's Surface Transportation (FAST)	20.205	U-5617 WBS 47082.3.1	447,098	-	111,774
Fixing America's Surface Transportation (FAST)	20.205	U-6154 WBS 48436.1.1	30,394	-	7,598
Fixing America's Surface Transportation (FAST)	20.205	U-6154 WBS 48436.2.1	23,628	-	5,907
Subtotal			519,558	-	129,889

U.S. Department of the Treasury					
Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 1,105,603	\$ -	\$ -
Subtotal			1,105,603	-	-

Total Federal			\$ 1,625,161	\$ -	\$ 129,889
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State Awards:

Cash Assistance:

N.C. Department of Transportation					
Powell Bill		DOT-4 WBS 32570	\$ -	\$ 54,593	\$ -

Total State			\$ -	\$ 54,593	\$ -
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Total Assistance			\$ 1,625,161	\$ 54,593	\$ 129,889
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TOWN OF LEWISVILLE, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
June 30, 2023

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, 2023. 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, 2023**

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
21.027	Coronavirus State and Local Fiscal Recovery Funds

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, 2023**

Section II – Financial Statement Findings

None reported.

Section III - Federal Award Findings & Questioned Costs

None reported.



TOWN OF LEWISVILLE

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

Corrective Action Plan For the Fiscal Year Ended June 30, 2023

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, 2023**

None reported.