

### CITY OF HENDERSONVILLE CITY COUNCIL REGULAR MEETING

Operations Center - Assembly Room | 305 Williams St. | Hendersonville NC 28792 Thursday, December 07, 2023 – 5:45 PM

# AGENDA

#### 1. CALL TO ORDER

- 2. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG
- **3. PUBLIC COMMENT** *Up to 15 minutes is reserved for comments from the public not listed on the agenda.*
- 4. CONSIDERATION OF AGENDA
- **5. CONSENT AGENDA** *Items are considered routine, noncontroversial in nature and are considered approved by a single motion and vote.* 
  - <u>A.</u> Water Shortage Response Plan (WSRP) 2023 Update– Gracie Erwin, Utilities Compliance Coordinator
  - <u>B.</u> Special Event: The Summer Session 5K Event Approval Jamie Carpenter, *Community Development Downtown Manager*
  - <u>C.</u> Henderson County Tax Adjustments -*Amanda Lofton, Deputy Tax Collector*
  - D. Annexation: Certificate of Sufficiency- Lakewood Rd & Francis Rd (Lakewood Hendersonville LLC/Travis Fowler) (C23-92-ANX) *Matthew Manley, AICP*
  - E. December 2023 Budget Amendments Adam Murr, Budget Manager
  - F. Final Acceptance of Negotiated Offer to Purchase North Edwards Street lot, Parcel B1, Plat Book 2023 page 14832, Henderson County registry
  - <u>G.</u> Resolution to Accept Leyland Circle into the City Street System *Tom Wooten, Director of Public Works*

#### 6. **PRESENTATIONS**

- A. Resolution Reaffirming Bias-Free Policing Chief Blair Myhand
- B. Recognition of Steve Alverson, for obtaining the Public Sector MESH Certificate *Jennifer Harrell, HR Director*
- <u>C.</u> Fiscal Year 2023 Audit Presentation John Buchanan, Finance Director

D. Walk Hendo – 2023 Hendersonville Pedestrian Plan Presentation and Adoption – *Kristy Carter, Senior Project Manager and Christy Staudt, Regional Manager, Traffic Planning and Design, Inc.* 

#### 7. PUBLIC HEARINGS

<u>A.</u> Rezoning: Standard Rezoning – Living Savior Church-(P23-085-RZO) – Alexandra Hunt, Planner I

#### 8. NEW BUSINESS

- <u>A.</u> Ordinance to Authorize the Demolition of 734 1st Avenue *Lew Holloway, Community Development Director*
- B. Connections Center Update– Angela S. Beeker, City Attorney
- <u>C.</u> 7<sup>th</sup> Avenue Streetscape Project Update *Brendan Shanahan, City Engineer*
- D. Scheduling of a Special City Council Meeting on Thursday, December 14, 2023 at 11:00 AM and Cancellation of the December 27, 2023 Workshop Meeting *John Connet, City Manager*
- E. Approval of 2024 Meeting Schedule John Connet, City Manager

#### 9. BOARDS/COMMISSIONS/COMMITTEE APPOINTMENTS

A. Appointments to the BOA, ESB, HPC, Planning Board & Tree Board - Jill Murray, City Clerk

#### **10. CITY COUNCIL COMMENTS**

- 11. CITY MANAGER REPORT John F. Connet, City Manager
  - A. November 2023 Contingency and Adjustment Report John Connet, City Manager

#### **12. CLOSED SESSION**

<u>A.</u> Closed Session – John Connet, City Manager

#### 13. ADJOURN

The City of Hendersonville is committed to providing accessible facilities, programs and services for all people in compliance with the Americans with Disabilities Act (ADA). Should you need assistance or an accommodation for this meeting please contact the City Clerk no later than 24 hours prior to the meeting at 697-3005.



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	Gracie Erwin	<b>MEETING DATE:</b>	12/7/23
AGENDA SECTION:	CONSENT	DEPARTMENT:	Water and Sewer
TITLE OF ITEM:	Water Shortage Response Plan (V Compliance Coordinator	WSRP) 2023 Update–	Gracie Erwin, Utilities

#### **SUGGESTED MOTION(S):**

I move City Council to approve the updated 2023 Water Shortage Response Plan.

#### **SUMMARY:**

North Carolina General Statute 143 355 (l) requires that each unit of local government that provides public water service and each large community water system shall develop and implement water conservation measures to respond to drought or other water shortage conditions as set out in a Water Shortage Response Plan (WSRP).

The General Statue also requires WSPRs be revised to reflect changes in relevant data and projections at least once every five years. The City current WSRP is dated 2018 shall be updated. Generally, the 2023 update is consistent with the current WSRP dated 2018 with no significant modifications.

After completion of the French Broad River Intake project and completion of the Water Treatment Facility Expansion project to 15 million-gallons-per day permitted capacity the WSRP will require an additional update.

#### **BUDGET IMPACT:** N/A

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

#### **ATTACHMENTS:**

Resolution

Water Shortage Response Plan 2023

Resolution #\_\_\_\_

# RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO ADOPT THE 2023 WATER SHORTAGE RESPONSE PLAN

WHEREAS, North Carolina General Statute 143 355 (l) requires that each unit of local government that provides public water service and each large community water system shall develop and implement water conservation measures to respond to drought or other water shortage conditions as set out in a Water Shortage Response Plan and submitted to the Department of Environmental Quality for review and approval; and

**WHEREAS,** as required by the statute and in the interests of sound local planning, a Water Shortage Response Plan for City of Hendersonville, has been developed and submitted to the City of Hendersonville City Council for approval; and

**WHEREAS,** the City of Hendersonville City Council finds that the Water Shortage Response Plan is in accordance with the provisions of North Carolina General Statute 143 355 (l) and that it will provide appropriate guidance for the future management of water supplies for the City of Hendersonville, as well as useful information to the Department of Environmental Quality for the development of a state water supply plan as required by statute;

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Hendersonville, North Carolina that:

- 1. The Water Shortage Response Plan dated June 2023, as required by the North Carolina Department of Environmental Quality, is hereby approved; and
- 2. The City of Hendersonville intends that this plan shall be revised to reflect changes in relevant data and projections at least once every five years or as otherwise requested by the Department, in accordance with the statute and sound planning practice.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 7th day of December 2023.

Attest:

Barbara G. Volk, Mayor, City of Hendersonville

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney

Section 5, Item A.



## Water Shortage Response Plan PWSID NO. 01-45-010 June 2023

The procedures herein are written to reduce potable water demand and supplement existing drinking water supplies whenever they are in danger of being inadequate to meet customer needs.

#### I. Authorization.

The City of Hendersonville's ("City") city manager is authorized to enact water shortage response provisions whenever the trigger conditions outlined in Section V are met. In the city manager's absence, the utilities director will assume this role.

Mr. John Connet City Manager Phone: (828) 697-3000 E-mail: jconnet@hvlnc.gov Mr. Adam Steurer Utilities Director Phone: (828) 233-3211 E-mail : astuerer@hvlnc.gov

#### II. Notification.

The following notification methods will be used to inform water system employees and customers of a water shortage declaration: employee e-mail announcements, notices at city buildings and facilities, notices in utility bills and on the City's website homepage (www.hendersonvillenc.gov) and through the use of the City's notification system, RAVE, whenever <u>possible</u>. Required water shortage response measures will be communicated through the local and regional media, including but not limited to, the *Hendersonville Times*. *News, Asheville Citizen-Times, Hendersonville Lightning, WLOS-TV, WYFF-TV, WSPA-TV*, Fox Carolina-TV, *WHKP, WGCR, and WTZQ*. Communications will include public service announcements and/or press releases from the City's communicated to our customers using one or a combination of several forms of media referenced above. The City of Saluda, a wholesale purchaser of City water, will be notified by telephone, the City's notification system RAVE, and/or email to alert them of this declaration. The City of Saluda will be required to implement the same level of restrictions as implemented by the City.

#### III. Classification of Water Uses.

#### A. Class I: Essential Uses of Potable Water

Domestic	Water to sustain human and domestic pet life, maintain hygiene and sanitation standards.		
Patient Care	Patient care and rehabilitation, including swimming pools used for patient care and rehabilitation as prescribed by medical personnel.		
Public Safety	Firefighting and approved flushing of hydrants and sewer mains to ensure public health and safety.		

#### B. Class II: Socially or Economically Essential Uses of Potable Water

Domestic	Minimal use for kitchen, bathroom and laundry; minimal watering of
	vegetable gardens and trees needed to sustain them.
Patient Care	Patient care and rehabilitation, including swimming pools used for patient
	care and rehabilitation as prescribed by medical personnel.
Public Use	Filling and operation of public swimming pools, which serve more than 25 dwellings.
Commercial	Commercial vehicle washers, laundromats, restaurants, hotels/ motels, irrigation of golf course greens, minimal water usage by commercial nurseries required to sustain stock, minimum amounts required to sustain essential cooling operations.
Agricultural	Minimal amounts required to sustain crops, livestock and associated activities.
Industrial	Minimal use necessary to operate production facilities and sustain jobs,
	minimal amounts required to sustain essential cooling operations.
Institutional	Efficient use of water by schools, churches, and government facilities.

#### C. Class III: Non-Essential Uses of Potable Water

All	Ornamental uses (fountains, reflecting pools, artificial waterfalls, etc.); residential lawn irrigation; non-commercial washing of motor vehicles; wash down of impervious surfaces; filling and operation of recreational swimming pools serving less than 25 dwellings.		
Public Use	Gardens, lawns, parks, golf courses (except greens), city/town/county playing fields and recreational areas.		
Commercial	Serving water in restaurants except by request.		

#### IV. Levels of Response.

Four stages of water shortage response are outlined in the table below. The three levels of water shortage response are: water shortage advisory (voluntary restrictions/reductions), water shortage alert (mandatory restriction/reductions) and water shortage emergency (escalated mandatory restrictions/reductions and water rationing). A detailed description of each response level and corresponding water reduction measures follow below.

Stage	Response	Description
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1	Water Shortage Advisory	Voluntary Restrictions - Water users are encouraged to "voluntarily" reduce their water use and improve water use efficiency; however, no penalties apply for noncompliance. Water supply conditions indicate a potential for shortage.
2A	Water Shortage Alert, Level 1	Mandatory Restrictions - Water users must abide required water use reduction and efficiency measures by reducing water usage by 10% of the prior months water bill, or reduce water usage by 20% of the average water usage amount during non-water shortage months; penalties apply for noncompliance. Water supply conditions are significantly lower than the seasonal norm and water shortage conditions are expected to persist.
2B	Water Shortage Alert, Level 2	Mandatory Restrictions - Water users must abide required water use reduction and efficiency measures, including reduction of an additional 10% of water usage from the prior months water bill, or reduce water usage by 30% of the average water usage amount during non-water shortage months; penalties apply for noncompliance. Water supply conditions are significantly lower than the seasonal norm and water shortage conditions are expected to persist.
3	Water Shortage Emergency	Water supply conditions are substantially diminished and pose an imminent threat to human health or environmental integrity; remaining supplies must be allocated to preserve human health and environmental integrity.

In Stage 1, *Water Shortage Advisory*, all water users will be asked to reduce their normal water use by 10%. Customer education and outreach programs (i.e., articles in local publications; City's website; local radio and television stations ads and public service announcements; public/private school education; presentations to civic groups) will encourage water conservation and efficiency measures including: irrigating landscapes as needed to insure survival of plants (a maximum of water usage will be one inch of water depth x the area of the irrigated landscape per week) . Example: Beginning on May 1, 2023 it will be required that all lawn and landscaping irrigation occur between 7:00 pm and 9:00 am from May 1 through September 30 each subsequent year in stage 1; preventing water waste, runoff and watering impervious surfaces; watering plants deeply to encourage root growth; washing only full loads in clothes and dishwashers; using spring-loaded nozzles on garden hoses; identifying and repairing all water leaks and minimize vehicle washing.

In Stage 2A, *Water Shortage Alert*, Level 1, all customers are expected to reduce their water use by an additional 10% in comparison to their previous month's water bill. In addition to continuing to encourage all voluntary reduction actions, the following restrictions apply: irrigating landscapes as needed to insure survival of plants; beginning on May 1, 2023 it will be required that all lawn and landscaping irrigation occur between 7:00 pm and 9:00 am from May 1 through September 30 each subsequent year; washing of vehicles is prohibited unless done by a vehicle washing facility that is registered with the City and in compliance with Session Law 2009-480, House Bill 1236; please contact the Water and Sewer Department to register; outdoor use of drinking water for washing impervious surfaces is prohibited; and all

testing and training purposes requiring drinking water (e.g. fire protection) will be limited. Additionally, in Stage 2A, a drought surcharge of 1.10 times the normal water rate may be applied.

In Stage 2B, *Water Shortage Alert*, Level 2, all customers are expected to reduce their water use by an additional 10% in comparison to their previous month's water bill. In addition to continuing to encourage all voluntary reduction actions, the following restrictions apply: irrigating landscapes as needed to insure survival of plants; beginning on May 1, 2023 it will be required that all lawn and landscaping irrigation occur between 7:00 pm and 9:00 am from May 1 through September 30 each subsequent year; washing of vehicles is prohibited unless done by a vehicle washing facility registered with the City; outdoor use of drinking water for washing impervious surfaces is prohibited; and all testing and training purposes requiring drinking water (e.g. fire protection) will be limited. Additionally, in Stage 2B, a drought surcharge of 1.20 times the normal water rate may be applied.

In Stage 3, *Water Shortage Emergency*, customers must continue actions from all previous stages and further reduce water use by 10% compared to their previous month's water bill. All non-essential uses of drinking water are banned and garden and landscape irrigation must be reduced to the minimum amount necessary for survival. Water rationing, if deemed necessary by the city manager and utilities director, is to provide drinking water to protect public health (i.e. residences, residential health care facilities and correctional facilities). All customers are only permitted to use water at the minimum required for public health protection. Firefighting is the only allowable outdoor water use and pickup locations for distributing potable water will be announced by the City. Additionally, in Stage 3, a drought surcharge of 1.30 times the normal water rate may be applied.

V. <u>Triggers and Responses</u>.

Triggers for the City are provided below in relationship to the City's "run of river" water supply system:

A. <u>Triggers</u>.

If the City's water source, the Mills River, experiences the following stream flow measurements and/or production capacities trigger entry into corresponding water restriction stages.

Stage	River Operating Conditions			
1	A reduction in the normal, seasonal rainfall which causes a corresponding reduction in the flow of water in the Mills River to between <32.5 to 25 percentile of historical annual mean stream flow (See Table 1), as measured at the USGS monitoring station located up stream of the City's intake structure on the Mills River; or >75% of the system's capacity (~9.0 million gallons per day - MGD) is being used during seven consecutive days; or any combination of the above conditions for seven consecutive days within a 30-day period; or if damage, failure or contamination of the City's treatment and/or distribution			

	systems occurs thus restricting or otherwise limiting the City's ability to maintain normal operation of its water system, as so determined by the City's
	utilities director or authorized representative.
2A	A reduction in the normal, seasonal rainfall which causes a corresponding reduction in the flow of water in the Mills River to between <24.5 to 19 percentile of historical annual mean stream flow (See Table 1), as measured at the USGS monitoring station located up stream of the City's intake structure on the Mills River; or >85% of the system's capacity (~10.2 million gallons per day) is being used for three consecutive days; or failure of Stage 1 measures to meet or exceed the 10% water use reduction goal; or if damage, failure or contamination of the City's treatment and/or distribution systems occurs thus restricting or otherwise limiting the City's ability to maintain normal operation of its water system, as so determined by the City's utilities director or authorized representative.
2В	A reduction in the normal, seasonal rainfall which causes a corresponding reduction in the flow of water in the Mills River to between 14.5 to 11.5 percentile of historical annual mean stream flow (See Table 1), as measured at the USGS monitoring station located up stream of the City's intake structure on the Mills River; or >90% of the system's capacity (~10.8 million gallons per day) is being used for three consecutive days; or failure of Stage 2A measures to meet or exceed the 20% water use reduction goal; or any combination of the above conditions for three consecutive days or if damage, failure or contamination of the City's treatment and/or distribution systems occurs thus restricting or otherwise limiting the City's ability to maintain normal operation of its water system, as so determined by the City's utilities director or authorized representative.
3	A reduction in the normal, seasonal rainfall which causes a corresponding reduction in the flow of water in the Mills River to less than 11 percentile of historical annual mean stream flow (See Table 1), as measured at the USGS monitoring station located up stream of the City's intake structure on the Mills River; or >95% of the system's capacity (~11.4 million gallons per day) is being used for three consecutive days; or failure of Stage 2B measures to meet or exceed the 30% water use reduction goal; or any combination of the above conditions for three consecutive days or if damage, failure or contamination of the City's treatment and/or distribution systems occurs thus restricting or otherwise limiting the City's ability to maintain normal operation of its water system, as so determined by the City's utilities director or authorized representative.
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#### B. <u>Responses</u>.

Stage	Response		
	The city manager shall declare a <u>Water Shortage Advisory</u> (referred to in		
	Chapter 52, Section 440 of the City Code of Ordinances): Require all		
1	purchase systems to declare same level of conservation measures; City will		
	begin public notification process, as described above, and will disseminate		
	water conservation tips and advisories; request voluntary conservation by all		

	water users of the City's water system; request Class III non-essential uses
	to be reevaluated by all affected water users; large commercial, institutional and industrial water users (See Table 2) will be required to prepare a 10% water use reduction plan to be submitted to the City's utilities director or authorized representative within 10-working days of the water shortage advisory declaration; only if said shortage is drought related or as otherwise specified by the City. Car washes and Nurseries are to register with the city by contacting the Water and Sewer dept. Registration of these business will be required for operation during Stage 2A and/or Stage 2B.
2A	The city manager shall declare a <b>Water Shortage Alert, Level 1</b> (referred to in <i>Chapter 52, Section 441</i> of the City Code of Ordinances): Require all purchase systems to declare the same level of conservation measures; all voluntary measures become mandatory; Class III non-essential uses to be prohibited; in addition to the following measures – enforce system-wide water use reduction goal of 20% (including industrial and commercial plans) from normal levels, as determined by the utilities director; notify water customers by any and all methods previously described; ban car washing except for those facilities equipped to recycle water and are that registered as such with the City, and lawn/grounds irrigation, except for nurseries that are registered with the city, while said nurseries will be allowed to operate they shall be required to reduce average consumption by no less than 20% or shall be utilizing water conservation technology such as smart controllers on their irrigation systems or drip irrigation, if not, water use will be prohibited; ban all non-commercial pressure washing and all wash down of impervious surfaces (i.e., driveways, sidewalks, parking lots, etc.); ban the filling of newly constructed or recently drained pools; all non-public hydrant use by permit only, only if for uses other than fire suppression and public safety; ban ornamental uses; enact water conservation rates, as described below; city manager may authorize additional water use restrictions or bans, if 20% water use reduction goal is not met, to be enforced at some time after public
	notification of water shortage alert, in accordance with Stage 2A of City's water shortage response and conservation ordinance (Chapter 52, Section 441). The city manager shall declare a <b>Water Shortage Alert, Level 2</b> (referred to
<u>2B</u>	in <i>Chapter 52, Section 442</i> of the City Code of Ordinances): Require all purchase systems to declare same level of conservation measures; in addition to the above measures the following will also be imposed; notify water customers by any and all methods previously described; reevaluate Class II uses; limit the use of commercial car washes; ban all uses of fountains and reflection pools; request additional conservation from Class I (essential) users as may be possible; enact water conservation rates, as described below, if so approved by city council; limit personal vegetable garden irrigation to no more than one inch of water per week; ban all landscape irrigation (including golf course greens, school grounds, residential), except for nurseries that are registered with the city, said nurseries may be allowed to operate but shall be required to reduce average consumption by no less than 30% overall or shall be utilizing water conservation technology such as smart controllers on their

	irrigation systems or drip irrigation; if not, water use will be prohibited; ban all
	recreational uses.
3	The city manager shall declare a <u>Water Shortage Emergency</u> (referred to in <i>Chapter 52, Section 443</i> of the City Code of Ordinances): Require all purchase systems to declare same level of conservation measures; continue purchase of water from City of Asheville as needed; in addition to the above measures the following will also be imposed; notify water customers by any and all methods previously described; reevaluate Class II uses; ban commercial car washes; ban all uses of fountains and reflection pools; request additional conservation from Class I (essential) users as may be possible; enact water conservation rates, as described below, if so approved by city council; limit personal vegetable garden irrigation to no more than one inch of water per week; ban all landscape irrigation (including golf course greens, school grounds, residential), except for nurseries that are registered with the city, said nurseries may be allowed to operate but shall be utilizing water conservation technology such as smart controllers on their irrigation systems or drip irrigation; if not, water use will be prohibited; ban all recreational uses.
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#### VI. Enforcement and Penalties.

The provisions of the water shortage response plan will be enforced by the City's water and sewer department and police department. Violators may be reported to the City by completing the Water Shortage Violation Report form, which will be available on the City's website during Water Shortage periods. Violations are assessed according to the following schedule depending on the number of prior violations and current level of water shortage.

Offense	Stage 1: Water	Stage 2A, Level 1:	Stage 2B, Level 2:	Stage 3: Water
	Shortage	Water Shortage	Water Shortage	Shortage
	Advisory	Alert (Mandatory	Alert (Mandatory	Emergency
	(Voluntary	Restrictions)	Restrictions)	(Mandatory
	Restrictions)			Restrictions)
First	N/A	Notice of Violation	Notice of Violation	Disconnection of
		(NOV)	(NOV)	water service (24-
				hr. shut-off)
Second	N/A	Disconnection of	Disconnection of	Up to \$500 fine
		water service (24-hr.	water service (24-	and disconnection
		shut-off)	hr. shut-off)	of water service at
				the main
>2	N/A	Up to \$500 fine and	Up to \$500 fine and	Up to \$500 fine
		disconnection of	disconnection of	and disconnection
		water service at the	water service at the	of water service at
		main	main	the main

Drought surcharge rates may be effective in Stages 2A, 2B and 3.

#### VII. Public Comment.

Upon Approval from the North Carolina Department of Environmental Quality on any updated version of this plan, the plan will be subject to public comment and all subsequent revisions to the plan will be published on Hendersonville's website at least 10-days prior to an adoption vote by the Hendersonville city council. City Council is held the first Thursday of the month in the assembly room at City Operations 305 Williams Street, Hendersonville, NC 28792.

#### VIII. Variance Protocols.

Applications for water use variance requests can be filled out online at the City's website. All applications must be submitted via the online form for review by the utility's director or the director's designee. A decision to approve or deny individual variance requests will be determined within two weeks of submittal after careful consideration of the following criteria: impact on water demand, expected duration, alternative source options, social and economic importance, purpose (i.e. necessary use of drinking water) and the prevention of structural damage.

#### IX. Effectiveness.

The effectiveness of the City's water shortage response plan will be determined by comparing the stated water conservation goals with observed water use reduction data. Other factors to be considered include frequency of plan activation, any problem periods without activation, total number of violation citations, desired reductions attained and evaluation of demand reductions compared to the previous year's seasonal data.

#### X. <u>Revision</u>.

The water shortage response plan will be reviewed and revised as needed to adapt to new circumstances affecting water supply and demand, following implementation of emergency restrictions, and at a minimum of every five years, as required by the provisions of G.S. 143-355 (I). Further, a water shortage response planning work group will review procedures following each emergency or rationing stage to recommend any necessary improvements to the plan to the Hendersonville city council. The City's utilities director, or the director's designee, shall be responsible for initiating all subsequent revisions.



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	Jamie Carpenter, Community Development Downtown Manager	MEETING DATE:	December 7, 2023
AGENDA SECTION:	CONSENT AGENDA	DEPARTMENT:	Community Development
TITLE OF ITEM:	Special Event: The Summer Sess Community Development Downto	11	oval - Jamie Carpenter,

#### **SUGGESTED MOTION(S):**

I move that City Council approve the special event permit for the Summer Session 5K

#### **SUMMARY:**

The Summer Session 5k will be a great Summertime outdoor activity for the Hendersonville community. The Race will invite ages 3+ for a very beginner friendly course through a beautiful neighborhood. Kick it Events will also work with a Nonprofit partner within WNC area for a volunteer-based donation. The Race will also Support a new, local business Trailside Brewing and invite new guests to their property.

This is a 5k family run/walk that starts and finishes at Trailside Brewing. Event will Start at 7AM at Trailside and the race will begin at 8AM. Runners are estimated to be finishing and off the course by 9:15AM. The event will end at Trailside Brewing by 10AM.

#### **BUDGET IMPACT:** NA

Is this expenditure approved in the current fiscal year budget? NA

If no, describe how it will be funded.

#### **ATTACHMENTS:**

None

# Summer Session 5k 6/29/2024





Race start/finish chute

Portajohns

10x10 tent

An application for a permit to conduct a s Please reference the City's Special Even	<b>DF Hendersonville</b> <b>EVENT APPLICATION</b> ecial event pursuant to Section 28-39, Hendersonville City Code. Policy for additional information about the application process. <b>nt, or his/her designee, must be present for the duration of the event.</b>
Submit This Completed Application & All Supporting Ma Community Development Department City of H	
160 6th Ave E Hendersonville, NC 28792 Phone	-
Name of Special Event: Summer Ses	sion 5k
Event Producer: Kick It Event Manageme	nt Phone #: (828) 301-2886
Producer Address: 17 Sylvan Aver	nt
Authorized Event Coordinator: Rhianna	Scott
* this should be the person who is the primary event cor	act
Cell Phone #: (828) 301-2886	<sub>Email:</sub> rhianna@kickitevents.com
Street Closure Date(s): <u>6/29/2024</u>	Email: rhianna@kickitevents.com Requested Closure Hours: 8AM-9:30AM
* Include Dates for Setup Event Dates: 6/29/2024	Event Hours: 7AM-10AM
Estimated Past Attendance: N/A	Predicted Attendance: 200-400 Predicated Vendor Participation: 1-3 Sponsors
Past Vendor Participation: n/a	Predicated Vendor Participation: 1-3 Sponsors
"	old Harmless Agreement"
and harmless from and against any and all losses, penalties, damages, of every kind and character arising out of or relating to any and all clai	ndersonville, its officers, employees and agents, the Public Works Department and staff free ettlements, costs, charges professional and attorney's fee or other expenses or liabilities s, liens, demands, obligations, actions, proceedings or causes of action of every kind and ent and/or the performance hereof and cased by the negligence of the Sponsor. The Sponsor nsible for personal items or property used as part of event.
Signature of Authorized Event Representative:	Rhianna Scott

**APPLICANT CHECKLIST** 

Please reference the City of Hendersonville's Special Event Policy for additional information about the requirements listed in the checklist below.

Event Description, Statement of Public Benefit & Public Services Required (REQUIRED) - Page #2 in application

Event Marketing Strategy & Budget (REQUIRED) - Page #3 in application

Event Site & Safety Plan (REQUIRED) - Page #4 in application

Event Impact Notification (REQUIRED) - Page #5 in application Formal Event Notice (REQUIRED)

Vendor Application & Electrical Needs (AS NEEDED) Page #6 in application Event Insurance (REQUIRED)

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#### City of Hendersonville SPECIAL EVENT APPLICATION EVENT DESCRIPTION, STATEMENT OF PUBLIC BENEFIT AND MARKETING STRATEGY



Please provide a detailed description for each section below. Please reference the City's Special Event Policy for additional information about this application requirement. Feel free to attach your response to this sheet.

# Name of Special Event: Summer Session 5k

Event Description: 5k family friendly run/walk that starts and finishes at Trailside Brewing. Event will start at 7AM on Trailside Brewing Property. Race will begin at 8AM and we estimate runners will be off of the course by 9:15AM. Event will end on Trailside Brewing Property by 10AM.

Statement of Public Benefit:

The Summer Session 5k will be a great summertime outdoor activity for the Hendersonville community. The race will invite ages 3+ for a very beginner friendly course through a beautiful neighborhood. Kick It Events will also work with a Nonprofit partner within WNC area for a volunteer based donation. The race will also support a new, local business Trailside Brewing and invite new guests to their property.

Event Marketing Strategy and Budget:

Kick It Events will promote the Summer Session 5k both locally and nationally to our base of over 9,000 runners. We will use social media marketing and email marketing to promote the launch of the race, race nonprofits/sponsors, and any event updates. We will cross promote this race with our other races as well as with other Race Director's events.

Kick It Events will design post cards to distribute at other race events and posters to place in local businesses/race sponsors. Our marketing budget is approximately \$750-1000 based on race sponsorship.



#### City of Hendersonville SPECIAL EVENT APPLICATION CITY SERVICES REQUIRED



Please review the closure types below and note the type of closure most closely related to your event. If you have different requests that are not represented below, please add to notes.

Note that the Special Events Committee reserves the right to adjust event type based on city services required for production of event.

# Event Type: OTHER x 1 # of Days = \_\_\_\_

(Note HALF DAYS only if the event requires an evening setup before the event) Notes (any deviation from event closure): Not requesting complete closures. Race will only need rolling closures.

#### CLASS A - \$700 per day

- Closure of Main Street for the scale of the Apple Festival and Garden Jubilee (Streets, Avenues and partial blocks on avenues).
- Additional resources in cleanup and garbage pickup are required to manage impact for this scale of event.
- When the day of the street closure is for an evening setup, the per day fee is 1/2.
- All streets and avenues are fully secured with water barricades after setup is complete. Barricades and street closures should be watched by volunteers during breakdown to ensure safe breakdown.
- Vehicles will be towed if parked after designated time

#### CLASS B - \$450 per day.

- Closure of Main Street is from 6th Avenue to Allen Street with avenues closed.
- Events have less attendance and therefore less impact on garbage pickup and maintenance.
- All streets and avenues are fully secured with water barricades after setup is complete. Barricades and street closures should be watched by volunteers during breakdown to ensure safe breakdown.
  - One entrance/exit may be barricaded with a vehicle closure in lieu of a filled water barricade
- Vehicles will be towed if parked after designated time

#### CLASS C - \$300 per day.

- Main Street closure from 6th Avenue to Allen Street, with each Avenue open to incentivize opening the cross-streets and have a lower impact on downtown traffic.
- Events have lower attendance therefore safe for cross streets to be open and less impact on trash/cleanup.
- Additional signage for traffic and pedestrians shall be included to make sure there is awareness.
- Event organizer may choose to work around vehicle rather than towing. Under no circumstances can a vehicle leave while the street is closed, and pedestrians are on the street.

CLASS D - Less than 2 block closure - \$75 (1 block) \$150 (2 blocks). This includes the Courthouse Square Block.

CLASS E - Parking Spaces for Courthouse Plaza - \$50 per day

• Parking enforcement for event hours only on the courthouse side of the street.

#### OTHER

- Events that do not fall within these classes will have fee assessed by need determined by special events committee based on the block closure rate.
- Garbage and recycling cans \$40
- Use of electricity and/or water
- Off duty officer and EMS rates are applied separately.





What City services are you requesting for this event? Check all that apply. NOTE: The Special Event Committee for the City of Hendersonville may make some city services required based on the event logistics and safety

	Road, sidewalk, or parking space closure
	City Park reservation (park name):
	"No Parking" signs (can specify time frame on sign) Barricades and/or cones
	Additional Trash/recycling receptacles
$\checkmark$	Off-duty police
	Off-duty fire/EMS
	Electricity access
	Water access
	Early/Late 5th Avenue public restroom hours
	Other

Please provide further explanation (i.e., if road closure is requested, what roads and during what time frame?):

Not a full road closure. A rolling road closure with a police lead and bike sweep is requested on the attached course. Race will begin at 8AM and runners will be off of the course by 9:15AM.

Will this event be pet-friendly? Please note that per City Ordinance, leashed pets are allowed within city limits. If event organizers wish to disallow pets at an event, it is up to the organizers to advertise and enforce this rule.



Yes, this is event will be pet friendly. No, this event will not allow pets.

#### EVENT SITE AND SAFETY PLAN

Please provide a detailed "Event Site Plan" and your notification guarantee. Please reference the City's Special Event Policy - page 5 for additional information about this application requirement. Feel free to attach your site plan to this sheet.

Event Site Plan: Please draw or attach a visualization of your proposed use of public space(s) including important aspects such as road closures, port-o-johns, inflatables, stages, etc.

Please find site plan & course map with cues attached. Event is requesting rolling closures and no FULL road closures. Race will be led my a police vehicle or bike lead and swept by a Kick It Events vehicle. Race will begin at 8AM and runners will be off the course by 9:15AM. Kick It Events will staff the course with course marshals to help direct runners and slow down traffic.

Event Safety Plan: The Special Events Committee will make recommendations and further work with you on event safety and logistics. Please describe as best as you can:

- 1. Please describe your vendor load in and load out plan and how traffic will be managed
- 2. Describe your plan in case of weather event or early cancelation (notifying vendors, managing traffic for load in, load out, etc.

All vendors will be on Trailside Brewing property and will load in at approximately 7AM. The event will be over by 10AM and all vendors will be off property by 11AM. Any load in will be by vehicles in the parking lot of Trailside Brewing and not on the street.

Kick It Events will monitor the weather leading up to the race and communicate any delays or cancellations to all vendors/participants/etc. This race is rain or shine and will only be cancelled due to lightning or unsane weather conditions. Kick It Events will have a PA system at Trailside Brewing and will be able to make announcements.





#### EVENT IMPACT NOTIFICATION REQUIREMENT (FOR COMMERCIAL AREAS)

Event applicants are required to notify, by a formal notice, all residents, businesses, places of worship and schools that are affected by street and sidewalk impacts related to your event. This notice must be submitted with the event application to the Special Events Committee for review prior to notification delivery, and example format for this notification is included in the City's Special Events Policy appendices.

Once approved by the Special Events Committee the notice must then be mailed or hand delivered to impacted areas at least twenty days prior to your event. Information on the notice should include, but not be limited to; the name of the event, event date(s), time(s) of event and overall impacts (including set-up and tear down), specific location of impacts, type of activity and telephone number where the public can contact your organization about the event.

Failure to comply with the notification requirement can result in the cancellation, postponement or other significant restrictions to your event or future events. The Special Event Committee requires that the Authorized Event Organizer verify that this notification will take place, please see below.

NOTIFICATION GUARANTEE: I hereby certify that all residents, businesses, places of worship and schools affected by any street closures and sidewalk impacts related to this event and outlined in this application's "Event Site Plan" will be notified at least 20 days prior to the event with the attached notice by the Authorized Event Coordinator or designee.

Authorized Event Coordinator's Signature

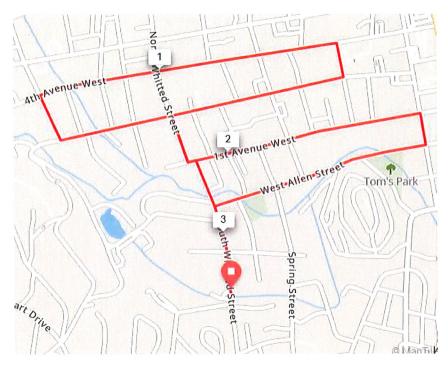
Rhianna Scott

Complete the form below based on the number of vendors and types of electrical connections required for your event. If you have guestions about the electrical requirements for your event, please contact the City Public Works Department at (828) 697-3000. Name of Special Event: Summer Session 5k Authorized Event Coordinator: Rhianna Scott Phone #: \_\_\_\_\_ Cell Phone #: (828) 301-2886 \_\_\_\_\_rhianna@kickitevents.com Please calculate your event vendor fees & electrical usage fees below. Any adjustments to # of vendors and electrical usage can be made up to 2 weeks prior to event. Event Type: \_\_\_\_\_ x # of Days \_\_\_\_ = \_\_\_\_ Total #<sup>0</sup>\_\_\_\_of Single-Day Food Vendors X <u>\$30</u> = \_\_\_\_ Total # of Multi-Day Food Vendors \_\_\_\_\_X <u>\$55 X</u> Total # of days = \_\_\_\_\_ + Application fee= <u>\$25</u> Total Event Closure Fees: Electrical Requirements: Location of electrical needs to be included on Event Site Plan. Any adjustments must be submitted no later than 2 weeks before the event. ((Total # of connections @ 20 Amps or less\_\_\_\_\_) x (# of days\_\_\_)) x \$25 =\_\_\_\_\_ ((Total # of connections @ 21 to 50 Amps\_\_\_\_\_) x (# of days\_\_\_)) x \$50 =\_\_\_\_\_ ((Total # of connections @ 50 Amps or more\_\_\_\_) x (# of days\_\_\_)) X \$100 =\_\_\_\_ Total Electrical Usage Fee: Total of All Event Fees: Application Fee is Due at the Special Events Committee Meeting For Approval 1/2 of all event fees due 2 weeks prior to event ½ of all event fees due within 2 weeks following the event Checks can be made out to the "City of Hendersonville ATTN: Special Event Fees."

Payment is accepted in person at 160 Sixth Avenue East Hendersonville, NC 28792

Please remit payment along with the final invoice you receive from the Community Development Department.

### Trailside Brewing / Summer Session 5k Course Map & Cues



- Turn left onto 1st Avenue West
- Turn right onto North Whitted Street
- Turn left onto 3rd Avenue West
- Turn right onto Blythe Street
- Turn right onto 4th Avenue West
- Turn right onto Buncombe Street
- Turn right onto 3rd Avenue West
- Turn left onto North Whitted Street
- Turn left onto 1st Avenue West
- Turn right onto South Washington Street
- Turn right onto West Allen Street
- Continue onto West Allen Street
- Turn left onto South Whitted Street

Section 5, Item B.

# Summer Session 5k 6/29/2024

NORTH





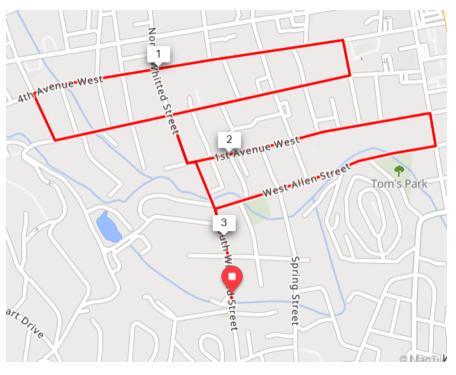
Race start/finish chute

**Event** Area

Portajohns

10x10 tent

# Trailside Brewing / Summer Session 5k Course Map & Cues



- Turn left onto 1st Avenue West
- Turn right onto North Whitted Street
- Turn left onto 3rd Avenue West
- Turn right onto Blythe Street
- Turn right onto 4th Avenue West
- Turn right onto Buncombe Street
- Turn right onto 3rd Avenue West
- Turn left onto North Whitted Street
- Turn left onto 1st Avenue West
- Turn right onto South Washington Street
- Turn right onto West Allen Street
- Continue onto West Allen Street
- Turn left onto South Whitted Street



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	Amanda Lofton	<b>MEETING DATE:</b> 12/07/2023
AGENDA SECTION:	CONSENT	<b>DEPARTMENT:</b> Finance
TITLE OF ITEM, Presenter Name, Title:	Henderson County Tax Collector	Adjustments -Amanda Lofton, Deputy Tax
SUGGESTED MOTION(S):	submitted by Henderson (	resolve to direct and authorize the tax releases County Tax Collector as presented and relieve x Collector and the Deputy Tax Collectors of

#### **SUMMARY:**

The Deputy Tax Collector, Amanda Lofton, would like to submit for your approval the tax bill adjustments occurring between October 1, 2023 and October 31, 2023. These adjustments include all Discoveries, Releases, Refunds, and Forgiven Interest. These adjustments were provided by Henderson County Tax Department. Documentation is available in the Tax Office.

**BUDGET IMPACT:** \$ 0.00

Is this expenditure approved in the current fiscal year budget? YES

If no, describe how it will be funded.

PROJECT NUMBER: N/A

**PETITION NUMBER:** N/A

ADDITIONAL PETITION NUMBER: N/A

PETITIONER NAME: N/A

**ATTACHMENTS:** 

Summary Total of Tax Adjustments

		and the second				(\$231,882)			DISTRICT TOTAL:	
						\$0		OWNER TOTAL:		
ABSTRACT TOTAL:	ABST									
a state			TOTAL:				MODULE.			
\$0.00		\$17.32	LATE LIST FEE				AIRCRAFT WAS SOLD BEFORE JAN 1 2023.			
\$0.00		\$173.18	TAX	JURSC10	8708	(\$35,343)	TAXPAYER FILED INFORMAL APPEAL.	0003111601-2023-2023-0000	RYLES, ROYCE D 0	
						0\$		OWNER TOTAL:		
ABSTRACT TOTAL:	ABSTE									
			TOTAL:							
\$0.00		\$0.85	LATE LIST FEE				ON ABSTRACT # 3112676		HOLDINGS INC	
\$0.00		\$8.49	TAX	JURSC10	8815	(\$1,733)	VOIDED DUE TO ALL PROPERTIES LISTED	0003112664-2023-2023-0000	RVICES	
						0\$		OWNER TOTAL:		
ABSTRACT TOTAL:	ABSTR									
			TOTAL:				APPEAL MODULE.			
\$0.00		\$58.80	LATE LIST FEE				TAXED IN BUNCOMBE COUNTY. GAVE US			
\$0.00		\$588.00	TAX	JURSC10	8705	(\$120,000)	TAXPAYER FILED APPEAL. AIRCRAFT	0003111599-2023-2023-0000	BURRIL, MATTHEW C 0	
						0\$		OWNER TOTAL:		
ABSTRACT TOTAL:	ABSTR									
			TOTAL:							
\$0.00		\$0.00	LATE LIST FEE				ERROR, IRP TRUCKS WERE NOT PUT ON A			RSONVILLE
\$0.00		\$4,358.75	TAX	JURSC10	8775	(\$74,806)	ADJUSTMENT MADE DUE TO CLERICAL	0003109672-2023-2023-0000	AUTOMOTIVE RENTALS INC. 0	"
PAID	P	BILLED	LEVY TYPE	CODE	ADJ. NUMBER	VALUE CHANGE	NOTE	ABSTRACT	OWNER	DISTRICT
			023*	r 25, 20	ctobe	Wednesday, October 25, 2023*		ease/Refui	PTS Pending Release/Refund Report.	PTS I
										-

Page 1 of 4 \*Adjustments submitted for approval on or before



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

#### **SUBMITTER:** Matthew Manley

#### MEETING DATE: December 7, 2023

AGENDA SECTION: CONSENT

**DEPARTMENT:** Community Development

**TITLE OF ITEM:**Annexation: Certificate of Sufficiency- Lakewood Rd & Francis Rd (Lakewood<br/>Hendersonville LLC/Travis Fowler) (C23-92-ANX) – Matthew Manley, AICP

#### **SUGGESTED MOTION(S):**

I move Council to accept the City Clerk's Certificate of Sufficiency for the petition submitted by Travis Fowler and set January 4th, 2024, as the date for public hearing.

#### SUMMARY: File # C23-92-ANX

The City of Hendersonville has received a petition from Travis Fowler for contiguous annexation of PINs 9579-38-2595, 9579-39-2060, 9579-29-0718 and 9579-19-2770 located at Lakewood Rd & Francis Rd that is approximately 60.56 acres. Please refer to the attached maps for additional information.

Attached is the Clerk's Certificate of Sufficiency finding that the petition is valid. The next step in the annexation process is to accept the Clerk's certificate and set a date for the public hearing on the question of adoption of an ordinance of annexation.

PROJECT/PETITIONER NUMBER:	• C23-92-ANX
PETITIONER NAME:	• Travis Fowler (Lakewood Hendersonville, LLC)
ATTACHMENTS:	<ol> <li>Certificate of Sufficiency</li> <li>Resolution setting public hearing</li> <li>Annexation Plat</li> <li>Typed legal description</li> </ol>
	<ol> <li>GIS map</li> <li>Deed</li> <li>Annexation Application</li> </ol>

#### **CERTIFICATE OF SUFFICIENCY**

Re: Petition for Contiguous Annexation Petitioners: Travis Fowler File No. C23-92-ANX

To the Honorable Mayor and members of the City Council of Hendersonville, North Carolina: I, Jill Murray, City Clerk, being first duly sworn, hereby certify that:

- A petition has been received for contiguous annexation of property consisting of +/-60.56 acres located at intersection of Lakewood Rd and Francis Rd in Hendersonville, NC, being tax parcel PINs 9579-38-2595, 9579-39-2060, 9579-29-0718 and 9579-19-2770, and being more particularly described on Exhibit A, attached hereto and incorporated by reference, hereinafter "Petition."
- 2. An investigation has been completed as required by N.C.G.S. § 160A-31 of the Petition for compliance with the requirements of N.C.G.S. § 160A-31.

Based upon this investigation, I find that

- 1. The Petition includes the names and addresses and signatures of all owners of real property lying in the area described therein.
- 2. The Petition was prepared in substantially the form prescribed by 160A-31(b).
- 3. The area described in the petition is contiguous to the City of Hendersonville's primary corporate limits, as defined by N.C.G.S. 160A-31(f).
- 4. The area for annexation meets all other requirements defined in NC 160A-31 regarding the character of the area to be annexed.

Having made the findings stated above, I hereby certify the Petition appears to be valid.

In witness hereof, I have set my hand and the City Seal on this the 7th day of December, 2023.

(City Seal)

Jill Murray, City Clerk

#### EXHIBIT A

#### LEGAL DESCRIPTION

Being all of that real property consisting of PINs 9579-38-2595, 9579-39-2060, 9579-29-0718 and 9579-19-2770, described in the plat recorded in Book 2023- \_\_\_\_ [to be inserted at recording of the plat] of the Henderson County Registry, said PINs 9579-38-2595, 9579-39-2060, 9579-29-0718 and 9579-19-2770, being described by metes and bounds as follows:

Beginning at a rebar with a Cole Cap, said rebar having the NCGS NAD 83-2011 Coordinates N:599,600.52 and E: 972,053.47;

thence S 58°19'04" E a distance of 1071.47' to a #5 rebar;

thence N 68°13'03" E a distance of 234.68' to a magnetic nail in the centerline of Lakewood Road;

thence with the centerline of Lakewood Road the following two calls: N 33°13'29" E a distance of 75.09' to a magnetic nail;

thence N 12°15'38" E a distance of 76.14' to a magnetic nail;

thence leaving the centerline of Lakewood Road S 35°38'12" E a distance of 217.16 'to a #5 rebar;

thence S 59°32'02" E a distance of 69.71' to a #5 rebar;

thence S 05°50'54" E a distance of 184.17' to a magnetic nail in the centerline of Francis Road;

thence S 04°44'22" W a distance of 35.17' to a <sup>1</sup>/<sub>2</sub>" open iron pipe as a 21" walnut tree;

thence S  $03^{\circ}38'22''$  W a distance of 205.09' to a  $\frac{1}{2}''$  open pipe at a creek;

thence S 03°39'17" W a distance of 216.85' to a spike;

thence S 00°36'39" W a distance of 32.07' to a concrete monument;

thence S 02°10'36" E a distance of 232.01' to a NCDOT concrete monument;

thence S  $02^{\circ}10'36''$  E a distance of 12.69' to a calculated point in the right-of-way of Interstate 26;

thence with the right-of-way of Interstate 26 the following fourteen calls:

N 51°53'55" W a distance of 109.99' to a calculated point;

thence N 38°54'55" E a distance of 28.46' to a NCDOT aluminum-disk monument;

thence N 50°54'31" W a distance of 41.60' to a NCDOT aluminum-disk monument;

thence S 38°26'52" W a distance of 29.18' to a calculated point;

thence N 51°53'55" W a distance of 181.95' to a calculated point;

thence with a curve turning to the left with an arc length of 494.32', with a radius of 3954.72',

with a chord bearing of N  $57^{\circ}53'26''$  W, with a chord length of 494.00', to a NCDOT concrete monument;

thence N 59°08'29" W a distance of 696.10' to a NCDOT concrete monument;

thence N 75°16'14" W a distance of 201.08' to a NCDOT concrete monument;

thence N 51°21'17" W a distance of 415.79' to a NCDOT concrete monument;

thence with a curve turning to the right with an arc length of 226.93', with a radius of 3634.72', with a chord bearing of N 53°17'53" W, with a chord length of 226.89', to a NCDOT concrete monument;

thence N 50°22'20" W a distance of 671.13' to a NCDOT concrete monument;

thence N 16°29'07" E a distance of 88.37' to a NCDOT concrete monument;

thence N 37°48'06" W a distance of 207.56' to a #5 rebar;

thence N 37°48'06" W a distance of 32.00' to the centerline of Clear Creek;

thence with the centerline of Clear Creek the following eight calls:

N  $34^{\circ}36'07''$  E a distance of 101.80' to a calculated point; thence N  $53^{\circ}37'31''$  E a distance of 159.48' to a calculated point; thence N  $38^{\circ}23'40''$  E a distance of 263.30' to a calculated point; thence N  $44^{\circ}12'54''$  E a distance of 162.61' to a calculated point; thence S  $89^{\circ}51'50''$  E a distance of 135.37' to a calculated point; thence N  $66^{\circ}45'25''$  E a distance of 336.74' to a calculated point; thence N  $74^{\circ}39'41''$  E a distance of 142.13' to a calculated point; thence N  $64^{\circ}26'02''$  E a distance of 590.12' to a calculated point; thence S  $03^{\circ}36'36''$  W a distance of 320.62' to a #5 rebar with a Parker Cap; thence S  $03^{\circ}36'36''$  W a distance of 160.56' to a concrete monument; thence S  $17^{\circ}29'50''$  W a distance of 999.67' to a rebar with a Cole Cap; which is the point of beginning, having an area of 2,588,321 square feet, 59.420 acres.

Resolution #\_\_\_-

#### RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-31

WHEREAS, a petition requesting annexation of the contiguous area described herein has been received; and

WHEREAS, certification by the City Clerk as to the sufficiency of the petition has been made;

**NOW, THEREFORE BE IT RESOLVED,** by the City Council of the City of Hendersonville, North Carolina that:

**Section 1.** A public hearing on the question of annexation of the contiguous area described herein will be held at the City Operations Center located at 305 William St. Hendersonville NC, 28792 at 5:45 p.m. January 4th, 2024, or as soon thereafter as it may be heard.

Section 2. The area proposed for annexation is described as follows:

Being all of that real property consisting of PINs 9579-38-2595, 9579-39-2060, 9579-29-0718 and 9579-19-2770 described in the plat recorded in Book 2023- \_\_\_\_ [to be inserted at recording of the plat] of the Henderson County Registry, said PINs 9579-38-2595, 9579-39-2060, 9579-29-0718 and 9579-19-2770 being described by metes and bounds as follows:

Beginning at a rebar with a Cole Cap, said rebar having the NCGS NAD 83-2011 Coordinates N:599,600.52 and E: 972,053.47;

thence S 58°19'04" E a distance of 1071.47' to a #5 rebar;

thence N 68°13'03" E a distance of 234.68' to a magnetic nail in the centerline of Lakewood Road; thence with the centerline of Lakewood Road the following two calls: N 33°13'29" E a distance of 75.09' to a magnetic nail;

thence N 12°15'38" E a distance of 76.14' to a magnetic nail;

thence leaving the centerline of Lakewood Road S 35°38'12" E a distance of 217.16 'to a #5 rebar; thence S 59°32'02" E a distance of 69.71' to a #5 rebar;

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thence S 04°44'22" W a distance of 35.17' to a <sup>1</sup>/<sub>2</sub>" open iron pipe as a 21" walnut tree;

thence S 03°38'22" W a distance of 205.09' to a <sup>1</sup>/<sub>2</sub>" open pipe at a creek;

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thence S 02°10'36" E a distance of 232.01' to a NCDOT concrete monument;

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Re: Petition for Contiguous Annexation Petitioners: Travis Fowler File No. C23-92-ANX

**Section 3.** Notice of the public hearing shall be published once in The Hendersonville Times-News, a newspaper having general circulation in the City of Hendersonville, at least 10 days prior to the date of the public hearing.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 4<sup>th</sup> day of January 2024.

Attest:

Barbara G. Volk, Mayor, City of Hendersonville

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney

		L6	S 02°10'3		12.69'		
		L7	N 51°53'5		109.99'		
		L8	N 38°54'5		28.46'		
		L9	N 50°54'3		41.60'		
		L10	S 38°26'5		29.18'		
		L11	N 16°29'0		88.37'		
		L12	N 37°48'0		32.00'		
		L13	N 34°36'0		101.80'		
		L14	N 53°37'3		159.48'		
		L15	N 44°12'5		162.61'		
		L16	S 89°51'5		135.37'		
		L17	N 74°39'4		142.13'		
		L18	S 03°36'3		160.56'		
		L19	S 17°29'5		67.77 <b>'</b>		
		L20	S 85°46'2		138.82'		
		L21	S 67°44'2		128.67'		
		L22	S 58°29'3		2.75 <b>'</b>		
		L23	S 58°29'3	8"E	126.99'		
CURVE	RAI	DIUS	ARC LENGTH	CHOR	D BEARING	CHORD LENGTH	
C1	395	4.72'	494.32'	N 57	7°53'26" W	494.00'	
C2	363	4.72'	226.93'	N 53	3°17'53"W	226.89'	
							Ň
	стг						
	211	KEAME	BANK MAIN				
			LINE	<u>CHAR</u>	T		

BOUNDARY CHART

LINE BEARING DISTANCE

L1 N 33°<u>13'29" E</u> 75.09'

 L2
 N
 12°15'38" E
 76.14'

 L3
 S
 59°32'02" E
 69.71'

 L4
 S
 04°44'22" W
 35.17'

L5 S 00°36'39" W 32.07'

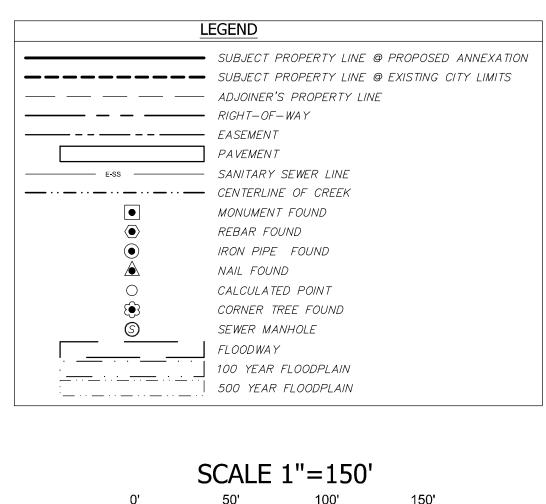
LINE	BEARING	DISTANCE
L24	N 54°22'51"E	49.90'
L25	S 26°51'23" E	130.14'
L26	N 73°31'27" E	243.00'
L27	S 81°29'52" E	205.67'
L28	S 62°03'34" E	634.03'
L29	S 64°33'17" E	167.58'
L30	S 64°33'17" E	46.96'
L31	S 48°22'57" E	256.59'
L32	S 59°12'47" E	366.68'
L33	S 67°52'49" E	353.59'
L34	N 65°43'41" E	203.93'
L35	N 03°07'09" E	408.72'
L36	N 70°11'20"E	143.64'
L37	S 63°19'54" E	467.24'
L38	S 43°26'24" E	196.09'
L39	S 15°35'03" W	369.33'
L40	S 76°35'09" E	109.14'
L41	N 13°21'14" E	313.22'
L42	S 66°59'12" E	368.68'
L43	S 46°27'26" E	119.39'
L44	S 77°46'10" E	267.59'

### TIE-LINE CHART

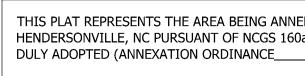
	-	
LINE	BEARING	DISTANCE
L45	S 10°46'48"W	124.66'
L46	S 11°08'02"W	68.07'
L47	S 07°41'02"W	32.79'
L48	S 05°25'32"W	35.40'
L49	S 03°30'28"W	31.58'
L50	S 01°59'55" W	69.69'
L51	S 03°43'24" W	74.22'

### PLAT NOTES:

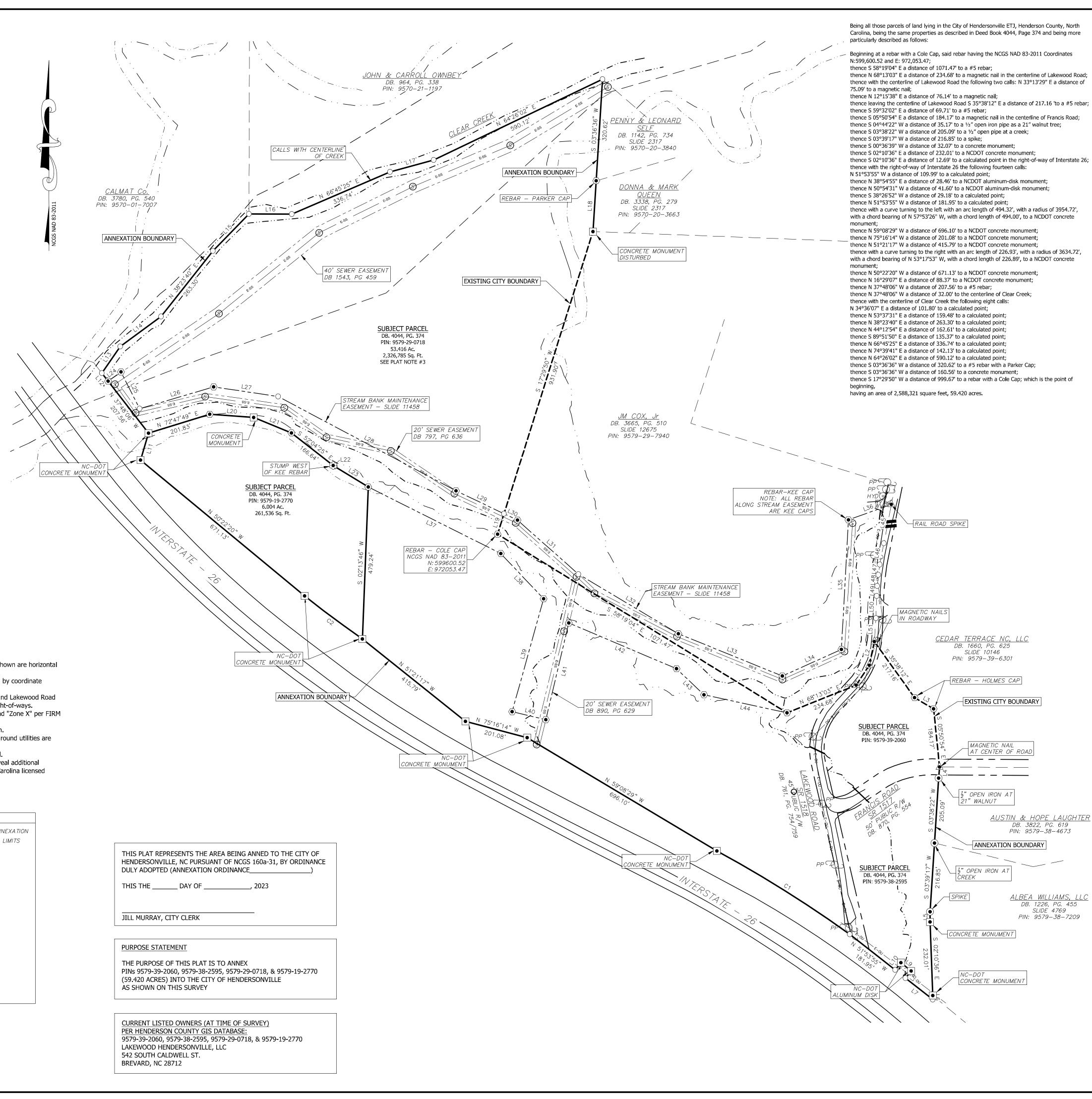
- 1. The bearings on this plat are NC Grid (NAD 83) bearings, and distances shown are horizontal
- ground distances unless otherwise noted.
- 2. Total area of parcels: 59.420 Acres or 2,588,321 square feet (determined by coordinate
- computation method). 3. Per deeds of record, the areas within the right-of-ways of Frances Road and Lakewood Road
- are not fee simple. Area above includes all areas within easement and right-of-ways.
- 4. By graphic determination, the Subject Parcels are located in "Zone AE" and "Zone X" per FIRM map number 3700957900J and 3700967000J dated October 2, 2008.
- 5. Henderson County GIS was used to determine adjoiner owner information.
- 6. Underground utilities were not marked at the time of the survey. Above ground utilities are
- located based on visible, above ground structures.
- 7. Property subject to all easements, rights-of-way and restrictions of record. 8. This plat was prepared without the benefit of a title report which may reveal additional conveyances, easements, rights-of-way or building restrictions. A North Carolina licensed attorney-at-law should be consulted.

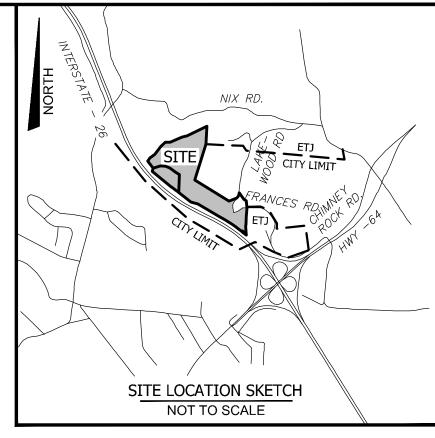


PROJECT#: 568222



PER HENDERSON COUNTY GIS DATABASE:





Section 5, Item D.

GLOBAL POSITIONING SYSTEM CERTIFICATION (NC VRS-RTK)

I, Troy A. Shriver, certify that this map was drawn under my supervision from an actual GPS survey made under my supervision and the following information was used to perform the survey:

- 1. Class of Survey: Class A Survey 2. Positional Accuracy (95% Confidence): 0.03' Horizontal
- 0.06' Vertical
- 3. Type of GPS Field Procedure: NC VRS-RTK Network Solutions Using Carlson BRx7 System
- 4. Date of Observations: 5-10-22 thru 9-7-22 5. Datum/Epoch: NAD83/Epoch 2011

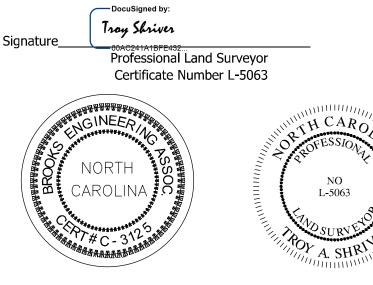
I, Troy A. Shriver, Professional Land Surveyor certify to one or more of the following as indicated (G.S. 47-30(f)(11):

C. Any one of the following:

1. That the survey is of an existing parcel or parcels of land or one or more existing easements and does not create a new street or change an existing street.

I, Troy A. Shriver, certify that this plat was drawn by me from an actual survey made under my supervision (deed description recorded in Deed Book 857, Page 631 and Deed Book 1051, Page 453); that the boundaries not surveyed are clearly indicated as drawn from information found in Book N/A, Page N/A; that the ratio of precision as calculated is 1:10000; that this plat was prepared in accordance with G.S. 47-30 as amended.

11/1/2023 | 1:20 PM PDT Witness my hand and seal this date of \_\_\_\_

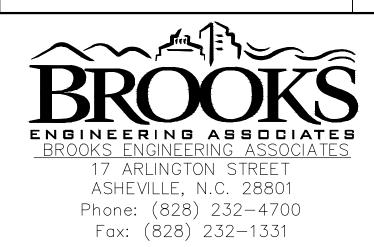


Annexation Plat For: THE CITY OF HENDERSONVILLE AT THE INTERSECTION OF FRANCIS ROAD AND LAKEWOOD ROAD PINs 9579-29-0718, 9579-19-2770, 9579-38-2595, & 9579-39-2060 Owner of record: Lakewood Hendersonville, LLC

Deed Book 4044, Page 374 Plat Slides: 10146, 11458, & 12675 Tax PIN: 9579-29-0718, 9579-19-2770, 9579-38-2595, & 9579-39-2060 Hendersonville Township Henderson County, NC November 1, 2023 Scale: 1" = 150'

Rev No. Description Date 9-13-22 Initial submittal for review Revised per comments 11-1-23

1



DRAWN BY: TAS CHECKED BY: PES

Beginning at a rebar with a Cole Cap, said rebar having the NCGS NAD 83-2011 Coordinates N:599,600.52 and E: 972,053.47; thence S 58°19'04" E a distance of 1071.47' to a #5 rebar; thence N 68°13'03" E a distance of 234.68' to a magnetic nail in the centerline of Lakewood Road; thence with the centerline of Lakewood Road the following two calls: N 33°13'29" E a distance of 75.09' to a magnetic nail; thence N 12°15'38" E a distance of 76.14' to a magnetic nail; thence leaving the centerline of Lakewood Road S 35°38'12" E a distance of 217.16 'to a #5 rebar; thence S 59°32'02" E a distance of 69.71' to a #5 rebar; thence S 05°50'54" E a distance of 184.17' to a magnetic nail in the centerline of Francis Road; thence S 04°44'22" W a distance of 35.17' to a 1/2" open iron pipe as a 21" walnut tree; thence S 03°38'22" W a distance of 205.09' to a 1/2" open pipe at a creek; thence S 03°39'17" W a distance of 216.85' to a spike; thence S 00°36'39" W a distance of 32.07' to a concrete monument; thence S 02°10'36" E a distance of 232.01' to a NCDOT concrete monument; thence S 02°10'36" E a distance of 12.69' to a calculated point in the right-of-way of Interstate 26; thence with the right-of-way of Interstate 26 the following fourteen calls: N 51°53'55" W a distance of 109.99' to a calculated point; thence N 38°54'55" E a distance of 28.46' to a NCDOT aluminum-disk monument; thence N 50°54'31" W a distance of 41.60' to a NCDOT aluminum-disk monument; thence S 38°26'52" W a distance of 29.18' to a calculated point; thence N 51°53'55" W a distance of 181.95' to a calculated point; thence with a curve turning to the left with an arc length of 494.32', with a radius of 3954.72', with a chord bearing of N 57°53'26" W, with a chord length of 494.00', to a NCDOT concrete monument; thence N 59°08'29" W a distance of 696.10' to a NCDOT concrete monument; thence N 75°16'14" W a distance of 201.08' to a NCDOT concrete monument; thence N 51°21'17" W a distance of 415.79' to a NCDOT concrete monument: thence with a curve turning to the right with an arc length of 226.93', with a radius of 3634.72', with a chord bearing of N 53°17'53" W, with a chord length of 226.89', to a NCDOT concrete monument; thence N 50°22'20" W a distance of 671.13' to a NCDOT concrete monument; thence N 16°29'07" E a distance of 88.37' to a NCDOT concrete monument; thence N 37°48'06" W a distance of 207.56' to a #5 rebar; thence N 37°48'06" W a distance of 32.00' to the centerline of Clear Creek; thence with the centerline of Clear Creek the following eight calls: N 34°36'07" E a distance of 101.80' to a calculated point; thence N 53°37'31" E a distance of 159.48' to a calculated point; thence N 38°23'40" E a distance of 263.30' to a calculated point; thence N 44°12'54" E a distance of 162.61' to a calculated point: thence S 89°51'50" E a distance of 135.37' to a calculated point; thence N 66°45'25" E a distance of 336.74' to a calculated point; thence N 74°39'41" E a distance of 142.13' to a calculated point; thence N 64°26'02" E a distance of 590.12' to a calculated point; thence S 03°36'36" W a distance of 320.62' to a #5 rebar with a Parker Cap; thence S 03°36'36" W a distance of 160.56' to a concrete monument; thence S 17°29'50" W a distance of 999.67' to a rebar with a Cole Cap; which is the point of beginning, having an area of 2,588,321 square feet, 59.420 acres.

DOC# 1000997849 BK 4044 PG 374 - 377 (4) 05/16/2023 04:22:43 PM This Document eRecorded: Fee: \$26.00 Henderson County, North Carolina William Lee King, Register of Deeds

Tax: \$4,400.00

# NORTH CAROLINA GENERAL WARRANTY DEED

Excise Tax: \$4,400.00	
Parcel Identifier No: 10000166, 10004091, 10006079 & 9968 of, 20 By:	8081 Verified by County on the day
Mail/Box to: <u>Donald E. Jordan, 4 West Main Street, Brevard, NC 28</u> This instrument was prepared by: <u>Sherri L. Brewer DEED PREP C</u>	
Brief description for the Index:	
THIS DEED made this 19 day of APC-L	, 2023, by and between
GRANTOR	GRANTEE
GROUP VENTURES, INC. a North Carolina Corporation	Lakewood Hendersonville, LLC, a North Carolina Limited Liability Company

## 314 Fourth Avenue West Hendersonville, NC 28739

542 S. Caldwell Street Brevard, NC 28712

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in Henderson County, North Carolina and more particularly described as follows:

## SEE ATTACHED EXHIBIT A.

The property hereinabove described was acquired by Grantor by instrument recorded in Book 857 at Page 631 and Book 1051 at Page 453.

All or a portion of the property herein conveyed <u>includes or X</u> does not include the primary residence of a Grantor.

A map showing the above-described property is recorded in Plat Slide 10146.

Submitted electronically by "Donald E. Jordan" in compliance with North Carolina statutes governing recordable documents and the terms of the submitter agreement with the Henderson County Register of Deeds.

# BK 4044 PG 374 - 377 (4) DOC# 1000997849

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

Subject to Henderson County ad valorem taxes. Subject to Restrictions, Easements, and Rights of Way of Record.

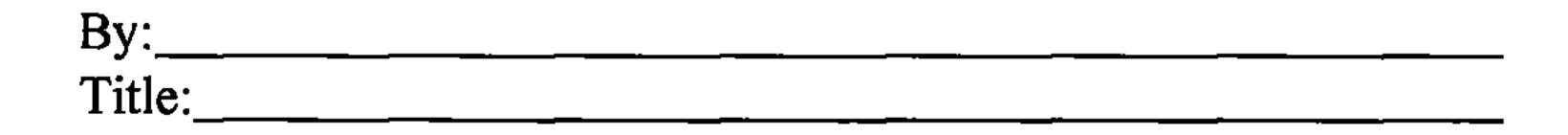
IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

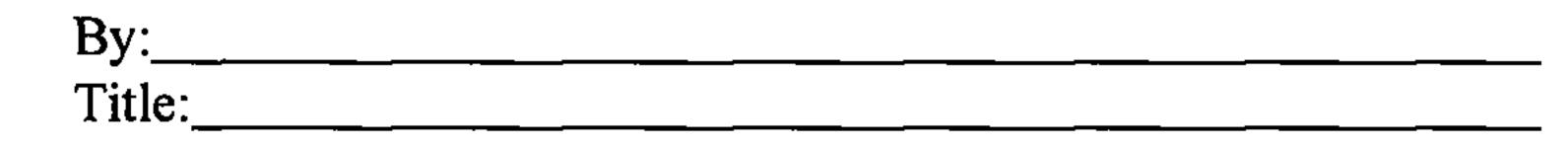
Group Ventures, Inc.

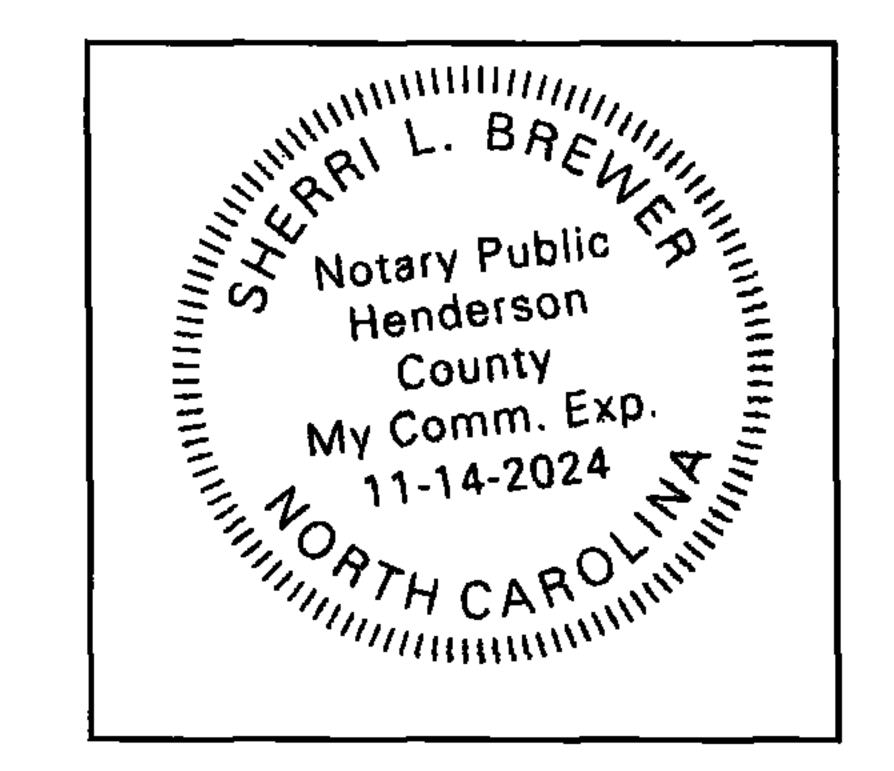
(SEAL)

Section 5, Item D.

Jacquiter By: Your Jon Laughter - President







### State of <u>NORTH CAROLINA</u> - County of HENDERSON

I, the undersigned Notary Public of the County and State aforesaid, certify that Jon Laughter personally came before me this day and acknowledged that he is the President of Group Ventures, Inc., a North Carolina Corporation, and that by authority duly given and as the act of such entity, he signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal this  $49^{-1}$  day of 2023.

(Affix Seal)

My Commission Expires;

Krewe Notary Public nerri Notary's Printed or Typed Name

NC Bar Association Form No. 3 © 1976, Revised © 1/1/2010 Printed by Agreement with the NC Bar Association

# BK 4044 PG 374 - 377 (4) DOC# 1000997849

### **EXHIBIT A**

# TRACT ONE: REID: 10000166 PIN# 9579392060 TRACT TWO: REID: 10004091 PIN# 9579382595 TRACT THREE: REID: 10006079 PIN# 9579290718

BEGINNING at an iron pin located in the center of Francis Road, S.R. 1517, said iron pin being the northwesternmost corner of the R.D. Williams property as recorded in Deed Book 616 at Page 557, Henderson County Registry, and running thence from said beginning point and with the center of Francis Road the following calls, North 89° 45' 26" East 316.75 feet and thence in a southern direction along a curve to the right, with a radius of 288.00 feet, an arc of 114.93 feet and a chord bearing of South 78° 48' 39" East 114.17 feet to an iron pin; thence leaving said Francis Road, North 04° 53' 50" East 768.74 feet to an iron pin; thence South 74° 24' 31" East 509.00 feet to an iron pin; thence North 05° 19' 42" East 737.05 feet to an iron pin; thence North 84° 28' 04" West 957.55 feet; thence crossing Lakewood Road S. R. 1518, North 83 ° 53' 34" West 188.05 feet to an iron pin; thence North 03 ° 57' 39" East 196.62 feet to an iron pin; thence North 87° 47' 45" West 1017.82 feet to an iron pin; thence North 03° 24' 06" East 478.35 feet to an iron pin; thence South 63° 29' 35" West 578.14 feet to an iron pin; thence South 77° 08' 49" West 144.72 feet to an iron pin; thence South 65° 02' 43" West 200.18 feet to an iron pin; thence North 75° 45′ 51″ West 165.25 feet to an iron pin; thence South 32° 43' 37" West 150.03 feet to an iron pin; thence South 60° 07' 55" West 114.41 feet to an iron pin; thence South 45° 50' 31" West 653.46 feet to an iron pin; thence South 40° 44' 08" East 297.34 feet to an iron pin; thence North 17° 00' 22" East 88.57 feet to an iron pin; thence North 72° 32' 03" East 202.02 feet to an iron pin; thence South 67° 54' 58" East 127.11 feet to an iron pin; thence South 52° 17' 45" East 165.00 feet to an iron pin; thence South 58° 47' 45" East 133 feet to an iron pin; thence South 02° 20' 59" West 480.22 feet to an iron pin; thence South 51° 19' 41" East 416.01 feet to an iron pin; thence South 75° 15' 54" East 201.10 feet to an iron pin; thence South 59° 6' 52" East 696.52 feet to an iron pin; thence in a southern direction along a curve to the right with a radius of 3954.72 feet, an arc of 494.32 feet and a chord bearing of South 57° 52' 45" East 494.00 feet to an iron pin; thence South 51° 53' 14" East 332.73 feet to an iron pin; thence North 00° 09' 40" East 12.64 feet to an iron pin; thence North 02° 07' 11" West 231.90 feet to an iron pin; thence North 03° 24' 20" East 487.18 feet to the point and place of BEGINNING, containing 115.536 acres, more or less, and shown on a plat prepared by Laughter, Austin and Associates, P.A., dated February 14, 1992.

LESS AND EXCEPTING from the operation of title conveyance that certain 5 acre tract heretofore conveyed to the U.S. Postal Service by Deed recorded in Deed Book 836 at Page 127, Henderson County Registry and that 13.92 acres conveyed in Deed Book 1045 at Page 210; that 1.89 acres conveyed in Deed Book 1045 at Page 215; that 11.13 acres conveyed in Deed Book 1660 at Page 625; and that 29.198 acres conveyed in Book 3665 at Page 510, all in the Office of the Register of Deeds for Henderson County, North Carolina. Section 5, Item D.

ALSO BEING all that property conveyed to Grantor by that certain deed recorded in Book 857 at Page 631, Henderson County Registry

# TRACT FOUR: REID: 9968081 PIN #9579192770

BEING a portion of the Nelle B. Cantrell property described in Book 280, Page 39 of the Records of Deeds for Henderson County and being all that portion of Tract 2 as described in said deed which is located northeast of Interstate Highway 26. Containing 6 acres according to survey of the Nelle B. Cantrell property by Laughter, Austin and Associates, P.A. Job No. 94-191 and being bound on the southwest by Interstate Highway 26 and on the north and

east by property of Group Ventures, Inc. described in Book 424, Page 367 of the Records of Deeds for Henderson County.

ALSO BEING all that property conveyed to Grantor by that certain deed recorded in Book 1051 at Page 453, Henderson County Registry.

40

Section 5, Item D.



#### CITY OF HENDERSONVILLE COMMUNITY DEVELOPMENT DEPARTMENT 100 N. King Street, Hendersonville, NC 28792 Phone (828) 697-3010|Fax (828) 698-6185 www.hendersonvillenc.gov

#### **Petition Requesting Annexation**

The following are the <u>required</u> submittals for a complete application for a Voluntary Annexation. Staff will not review applications until each item has been submitted and determined complete. By placing a check mark by each of the following items, you are certifying that you have performed that task.
<ol> <li>Completed Application Form</li> <li>A copy of the deed indicating ownership of the property.</li> <li>A Survey Plat of the property prepared by a <u>registered</u> surveyor licensed to practice in the state of North Carolina.</li> </ol>
4. A typed boundary description of the property.
A. Property Information         PIN(s):       9579-38-2595, 9579-39-2060, 9579-29-0718         9579-19-2770         Address(es) / Location of Property:       Lakewood Road
Does this property adjoin the present City Limits? <u>Yes</u> No Is the property within the ETJ? <u>Yes</u> No Reason for Annexation: $City$ services.

By:

#### Section 5, Item D.

B. Property Owner Contact Information
Travis Fowler
* Printed Applicant Name Date
Lakewood Hendersonville, LLC Printed Company Name (if applicable)
□ Corporation □ Limited Liability Company □ Trust □ Partnership
□ Other:
Property Owner Signature
Walkager
Property Owner Title (if applicable)
542 S Caldwell St.
Address of Property Owner
Brevard NC 28712
City, State, and Zip Code
828-884-7934
Telephone
travis @ firstvictory - com

Email

#### Section 5, Item D.

C. Additional Property Owner Contact Informati	on	
* Printed Applicant Name	Date	
Printed Company Name (if applicable)		
□ Corporation □ Limited Liability Company	r 🗆 Trust	Partnership
□ Other:		
Property Owner Signature		
Property Owner Title (if applicable)		
Address of Property Owner		
City, State, and Zip Code		
Telephone		
Email		



#### CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

**SUBMITTER:** Adam Murr

#### **MEETING DATE:** 12/07/2023

AGENDA SECTION: CONSENT

**DEPARTMENT:** Administration

TITLE OF ITEM: December 2023 Budget Amendments – Adam Murr, Budget Manager

#### **SUGGESTED MOTION(S):**

I move City Council adopt budget amendments 12072023-01 and 12072023-02 as presented.

#### **SUMMARY:**

- **12072023-01**: FY24 amendment transferring \$5,000 from fleet supplies and materials to salariesuniforms/taxable items to provide mechanics with tools for the year, which are considered fringe benefits.
- **12072023-02**: FY24 amendment appropriating \$248,000 W&S Fund (060) fund balance for the use of inventory to complete various water and wastewater projects.

BUDGET IMPACT: Detailed Above

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

**ATTACHMENTS:** 

FY24 Amendments 12072023-01 and 12072023-02.

#### FISCAL YEAR 2024 FORM: 12072023-01

#### **BUDGET AMENDMENT**

#### FUND 010

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	<b>REVISED BUDGET</b>
010-1521-501002	Salaries - Uniform/Taxable	1,200	5,000	-	6,200
010-1521-521001	Supplies & Materials	37,500	-	5,000	32,500
FUND 010	TOTAL REVENUES	-	5,000	-	-
General Fund	TOTAL EXPENDITURES	-	-	5,000	-

An amendment moving tool purhcases for fleet mechanics from supplies and materials to salaries-uniform/taxable. The amendment is needed because the tools are considered a fringe employee benefit.

The City Manager and City Clerk certify budget ordinance amendment 12072023-01 was approved by City Council on December 07, 2023.

City Manager

City Clerk

Date

Date

#### FISCAL YEAR 2024 FORM: 12072023-02

#### **BUDGET AMENDMENT**

#### FUND 060

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	<b>REVISED BUDGET</b>
060-0000-470900	Fund Balance Appropriated	-	248,000	-	248,000
060-7055-519200	Contracted Services	110,000	-	40,000	70,000
060-7055-524060	R&M Lines (Water)	250,000	112,500	-	362,500
060-7055-555002	Capital Outlay - Lines	-	162,500	-	162,500
060-7032-555003	Capital Outlay - Plants/Pump Stations	195,000	-	15,000	180,000
060-7032-556001	Capital Outlay - Other/Intangible	120,000	-	120,000	-
060-7155-524060	R&M Lines (Wastewater)	132,000	60,500	-	192,500
060-7155-524060	Capital Outlay - Lines	-	87,500	-	87,500
060-7050-521950	Inventory	1,242,000	423,000	-	1,665,000
060-7050-521955	Contra Inventory	1,242,000	423,000	-	1,665,000
FUND 060	TOTAL REVENUES	-	248,000	-	-
Water & Sewer Operating	TOTAL EXPENDITURES	-	423,000	175,000	-
In amendment increasing fund balance appropriated in the Water and Sewer Fund by \$248,000 to cover priority water and sewer line replacement projects in FY24. The mendment also corrects the financial accounts: inventory and contra inventory (highlighted orange), to reflect the flow of needed equipment and materials in and out of					

inventory for various FY24 projects including: Carson Drive, Somersby Park, Old Brickyard, and AMI.

The City Manager and City Clerk certify budget ordinance amendment 12072023-02 was approved by City Council on December 07, 2023.

City Manager

Date

City Clerk

Date



#### CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

# SUBMITTER:Daniel HeymanMEETING DATE:December 7, 2023AGENDA SECTION:CONSENTDEPARTMENT:LegalTITLE OF ITEM:Final Acceptance of Negotiated Offer to Purchase North Edwards Street lot,<br/>Parcel B1, Plat Book 2023 page 14832, Henderson County registry

#### **SUGGESTED MOTION(S):**

I move City Council to adopt the *Resolution by The City of Hendersonville City Council of Final Acceptance of Negotiated Offer* as presented.

**SUMMARY:** The City has received an Offer to Purchase certain property off of North Edwards Street more particularly described as Parcel B1, containing 2,227 sq. ft., as shown on that Plat recorded in Plat Book 2023 at page 14832, Henderson County registry (the "Property"), from WNH Investments, LLC. A copy of the Offer is attached to this Agenda item. This parcel, owned by the City, is a small parking area adjacent to City Hall, that due to elevation and circulation is not practical for use by visitors to or employees at City Hall. The Property is accessed from the North Edwards Street alley. The offer is \$50,000.

On October 5, 2023, the City Council issued a proposed acceptance of an offer for in exchange for the Property and authorized the offer to be advertised for upset bids. Pursuant to N.C.G.S. § 160A-269, the Offer and all subsequent upset bids were advertised for upset bid. During the upset bid process, three upset bids were received. WNH Investments, LLC is now the high-bidder at \$50,000.

It is now appropriate for the Council to consider issuing a final acceptance of the attached Offer. A resolution for consideration by the City Council is attached.

#### **ATTACHMENTS:**

Proposed Resolution of Final Acceptance Signed Negotiated Offer Resolution of Proposed Acceptance Map

Resolution #\_\_\_\_

#### RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL OF FINAL ACCEPTANCE OF NEGOTIATED OFFER

**WHEREAS,** the City of Hendersonville owns certain property off of North Edwards Street adjacent to City Hall, and identified as Parcel B1, containing 2,227 sq. ft., as shown on that Plat recorded in Plat Book 2023 at page 14832, in the Office of the Register of Deeds for Henderson County, being a portion of the property with a tax parcel ID of 9568880780, and having been acquired by the City of Hendersonville in Deed Book 399 at Page 565 of the Henderson County Register of Deeds Office ("Property"); and

**WHEREAS,** North Carolina General Statute Section 160A-269 permits the City to sell property by upset bid after receiving and offer to purchase; and

**WHEREAS**, the City has received a NEGOTIATED OFFER RECEIVED PURSUANT TO N.C.G.S. § 160A-269, dated October 30, 2023 ("Offer"), a copy of which is attached hereto and incorporated herein by reference; and

**WHEREAS**, WNH Investments, LLC, ("Buyer"), is offering to purchase the Property for the sum of \$50,000, subject to the terms and conditions contained within the Offer; and

**WHEREAS**, on October 5, 2023, the City Council issued a proposed acceptance of a previous offer and authorized the offer to be advertised for upset bids pursuant to N.C.G.S. § 160A-269; and

**WHEREAS**, the offer was advertised in the Hendersonville Times-News on October 10, 2023 and a first upset bid was received; and

**WHEREAS**, the first upset bid was advertised in the Hendersonville Times-News on October 20, 2023 and an upset bid was received; and

**WHEREAS**, the first upset bid was advertised in the Hendersonville Times-News on October 20, 2023 and a second upset bid was received; and

**WHEREAS**, the second upset bid was advertised in the Hendersonville Times-News on October 24, 2023 and a third upset bid was received, said third upset bid being the Buyer's Offer for \$50,000; and

**WHEREAS**, the third upset bid was advertised in the Hendersonville Times-News on November 3, 2023 and no upset bids were received; and

**WHEREAS**, subject to the terms below, the City Council wishes to issue a final acceptance of the Offer;

**NOW THEREFORE, BE IT RESOLVED,** the City Council of the City of Hendersonville resolves that:

1. The Council issues a final acceptance of the Offer pursuant to the procedures of 160A-269, and authorizes the sale to the Buyers, WNH Investments, LLC, or an authorized assignee as allowed by Offer. The City Manager, City Clerk, and the City Attorney are authorized to take all actions on behalf of the City which are consistent with the terms of the Offer, including but not limited to the signature of all necessary documentation, to effectuate the closing on the sale of the Property.

Adopted by the City Council of the City of Hendersonville, North Carolina on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Attest:

Barbara G. Volk, Mayor, City of Hendersonville

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney

#### STATE OF NORTH CAROLINA COUNTY OF HENDERSON

#### NEGOTIATED OFFER RECEIVED PURSUANT TO N.C.G.S. § 160A-269 ("Offer")

NOW COMES WNH INVESTMENTS, LLC, a North Carolina limited liability company, ("Buyer") and offers to purchase from the CITY OF HENDERSONVILLE, a North Carolina municipal corporation ("CITY") that property more particularly described in paragraph below entitled "PROPERTY", attached hereto and incorporated by reference, on the terms and conditions hereinafter set forth:

**PROPERTY:** Lying and Being in HENDERSON County, being all of that real property identified as Parcel B1, containing 2,227 sq. ft., as shown on that Plat recorded in Plat Book 2023 at page 14832, Henderson County registry. The Property is a portion of a tax parcel ID of 9568880780. The property was acquired by the CITY in Deed Book 399 at Page 565 of the Henderson County Register of Deeds Office.

OFFER: Buyer offers to pay to CITY the sum of \$50,000.00.

**ADDITIONAL TERMS AND CONDITIONS:** Those additional terms and conditions as specified in Exhibit A, attached hereto and incorporated by reference, shall be deemed part of this Offer as if fully set forth herein.

UPSET BID PROCEDURE TO GOVERN: It is acknowledged that the sale of the Property, if any, will be governed by the procedures of North Carolina General Statute § 160A-269 (the "Statute"). This Offer will be presented to the Hendersonville City Council for consideration of whether to issue a proposed acceptance of the Offer. "Proposed Acceptance" shall mean the adoption of a Resolution by the Hendersonville City Council at a duly held meeting, proposing to accept this Offer, and directing that this Offer be advertised for upset bid. If Hendersonville's City Council issues a Proposed Acceptance, the Buyer shall deposit with the CITY Clerk a sum equal to five (5%) percent of this Offer. The CITY shall then cause to be published in a newspaper of record a notice that it proposes to accept this Offer, generally describing the Property and the terms of this Offer, and advise that anyone may make an upset bid within ten days of the publication of the notice in an amount prescribed by the Statute. If there is an upset bid, then upon the maker of the upset bid making the deposit with the CITY Clerk as is required by the Statute, the deposit made hereunder shall be refunded, and this Offer shall be deemed null and void. If there is no upset bid received, this Offer will again be presented to the Hendersonville City Council for Final Acceptance. "Final Acceptance" shall mean the adoption of a Resolution by the City Council, adopted at a duly called meeting, stating that this Offer has been finally accepted.

**DUE DILIGENCE PERIOD:** If the City Council issues Final Acceptance of this Offer, then there shall be a due diligence period of 30 days, beginning on the date of the Final Acceptance, during which period Buyer may terminate the Agreement, formed by the Final Acceptance of this Offer, for any reason or for no reason at all. Said period shall be referred to as the "Due Diligence Period." At the commencement of the Due Diligence Period, the CITY agrees to provide Buyer with any information and reports that it or its consultants have regarding the Property, including title and survey information, soils reports and environmental assessments. During the Due Diligence Period, Buyer shall be permitted to make such investigations of the Property, at Buyer's sole expense, and shall be permitted to make applications for any and all developmental approval of Buyer's plans for the Property. Buyer shall repair and return to the condition as of the date of this Offer any damage caused by all investigations of the Property performed by or on behalf of the Buyer.

At least ten days prior to the expiration of the Due Diligence Period, the Buyer may request in writing, an extension the Due Diligence Period for an additional 30 days. Extensions shall be at the sole and absolute discretion of the CITY.

**CLOSING:** If the City Council issues Final Acceptance of this Offer, then closing shall occur within 30 days after the conclusion of the Due Diligence Period at CITY offices in Hendersonville, or such other place as is mutually agreeable to the parties. At closing, CITY shall deliver the title as described hereinbelow to the Property, and Buyer shall pay to CITY the balance of the purchase price in certified funds.

**TITLE:** CITY shall deliver a fee simple title to the Property by a Special Warranty Deed, subject to Permitted Exceptions as provided hereinbelow.

**PERMITTED EXCEPTIONS:** Title to the Property shall be subject to valid and enforceable restrictions of record and easements and rights of way affecting the Property, any applicable zoning or other land use laws and ordinances, and the lien for ad valorem taxes, if any.

The CITY will reserve easements for the placement, construction, replacement, and repair of utility lines on the Property.

**COSTS:** CITY shall be responsible for preparing the deed conveying title, and any documentary stamps that it is not exempt from paying. Buyer shall be responsible for all other costs. Each party will be responsible for its own attorney's fees.

**OFFER AND ACCEPTANCE**. This instrument shall constitute a binding offer by Buyer to the CITY and shall remain open for acceptance by the CITY until such time as (1) an upset bid has been received, and the bid deposit has been received by the CITY for such upset bid; (2) the CITY rejects this Offer, or (3) the CITY issues a Final Acceptance of this Offer, whichever occurs first. In the event the CITY receives an upset bid and the bid deposit for such upset bid is received by the CITY, or in the event the CITY rejects this Offer, then this Offer shall be deemed terminated, and neither party hereto shall have any obligation, duty, or liability to the other party. In the event the CITY issues a Final Acceptance of this Offer, this Offer shall become a binding Agreement between the parties hereto and shall be interpreted as an Agreement between the parties hereto in spite of the many references to this document as an "Offer."

**REJECTION OF OFFER:** It is understood and agreed by the Buyer that at any time prior to the issuance of a Final Acceptance of this Offer, the CITY may (1) reject any and all offers (including this Offer) and/or upset bids received, and/or (2) withdraw the Property from sale, as allowed by North Carolina General Statute § 160A-269.

**EXECUTION OF THIS OFFER:** The Buyer represents and warrants that this Offer has been duly authorized, and that the person signing has the authority to sign this Offer on behalf of the Buyer.

This Offer is made this 30 day of OCTOBER, 2023.

WNH Investments, LLC, a North Carolina limited liability company, BUYER Bv: Print name: Title: Member Y

Date of Proposed Acceptance by the CITY:\_\_\_\_\_\_ Date of Final Acceptance by the CITY:\_\_\_\_\_\_

#### **EXHIBIT A**

#### ADDITIONAL TERMS AND CONDITIONS

1. DISCLAIMER OF WARRANTIES: BUYER ACKNOWLEDGES AND AGREES THAT THE CITY DOES NOT, BY THE ISSUANCE OF A PROPOSED ACCEPTANCE OR FINAL ACCEPTANCE, OR BY THE EXECUTION AND DELIVERY OF ANY DOCUMENT OR INSTRUMENT EXECUTED AND DELIVERED IN CONNECTION WITH THE SALE OF THE PROPERTY, MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE WHATSOEVER, WITH RESPECT TO THE PROPERTY, AND ALL SUCH WARRANTIES ARE HEREBY DISCLAIMED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE CITY MAKES, AND SHALL MAKE, NO EXPRESS OR IMPLIED WARRANTY AS TO MATTERS OF TITLE (OTHER THAN THE CITY'S LIMITED WARRANTY OF TITLE SET FORTH IN THE SPECIAL WARRANTY DEED TO BE DELIVERED AT CLOSING), SUCH MATTERS AS AN ACCURATE SURVEY WOULD REVEAL, VALUE & MARKETABILITY OF THE PROPERTY, ZONING, TAX CONSEQUENCES, PHYSICAL OR ENVIRONMENTAL CONDITION (INCLUDING, WITHOUT LIMITATION, LAWS, RULES, REGULATIONS, ORDERS AND REQUIREMENTS PERTAINING TO THE USE, HANDLING, GENERATION, TREATMENT, STORAGE OR DISPOSAL OF ANY TOXIC OR HAZARDOUS WASTE OR TOXIC, HAZARDOUS OR REGULATED SUBSTANCE), VALUATION, GOVERNMENTAL APPROVALS, GOVERNMENTAL REGULATIONS OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY, (HEREINAFTER COLLECTIVELY CALLED THE "DISCLAIMED MATTERS"). BUYER AGREES THAT, WITH RESPECT TO THE PROPERTY, BUYER HAS NOT RELIED UPON AND WILL NOT RELY UPON, EITHER DIRECTLY OR INDIRECTLY, ANY REPRESENTATION OR WARRANTY OF THE CITY. IF THE CITY ISSUES A FINAL ACCEPTANCE FOR THE PROPERTY, THE CITY SHALL SELL AND CONVEY TO BUYER, AND BUYER SHALL ACCEPT, THE PROPERTY "AS IS", "WHERE IS", AND WITH ALL FAULTS, AND THERE ARE NO ORAL AGREEMENTS, WARRANTIES OR REPRESENTATIONS, COLLATERAL TO OR AFFECTING THE PROPERTY BY THE CITY OR ANY THIRD PARTY. WITHOUT IN ANY WAY LIMITING ANY PROVISION OF THIS PARAGRAPH, BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT IT HEREBY WAIVES, RELEASES AND DISCHARGES ANY CLAIM IT HAS, MIGHT HAVE HAD OR MAY HAVE AGAINST THE CITY WITH RESPECT TO (i) THE DISCLAIMED MATTERS, (ii) THE CONDITION OF THE PROPERTY, EITHER PATENT OR LATENT, (iii) THE PAST, PRESENT OR FUTURE CONDITION OR COMPLIANCE OF THE PROPERTY WITH REGARD TO ANY ENVIRONMENTAL PROTECTION, POLLUTION CONTROL OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING, WITHOUT LIMITATION, CERCLA, AND (iv) ANY OTHER STATE OF FACTS THAT EXISTS WITH RESPECT TO THE PROPERTY. THE TERMS AND CONDITIONS OF THIS PARAGRAPH SHALL EXPRESSLY SURVIVE THE CONSUMMATION OF THE PURCHASE AND SALE OF THE PROPERTY ON THE CLOSING DATE, THE DELIVERY OF THE DEED AND THE PAYMENT OF THE

Page 1

2. Form of Deposit. Buyer's five percent deposit shall be made in cash, cashier's check, or money order. Any interest earned on the deposit while held by the CITY shall accrue to the benefit of the CITY, whether or not the Hendersonville City Council issues a Final Acceptance of this Offer and whether or not the purchase and sale of the Property contemplated hereby is consummated in accordance with the terms and provisions of this Offer.

#### 3. Other Payments at Closing.

- a. **Taxes.** Buyer will be responsible for ad valorem taxes accruing after the date of sale, it being acknowledged that the Property has been exempt from taxation during the period The CITY has owned the Property. In the event Closing occurs in 2024, taxes will be prorated between the CITY and the Buyer over the 2024 calendar year.
- b. **Dues, Assessments, Common Area Maintenance**. All dues, assessments and common area maintenance charges, and similar impositions imposed upon or assessed against the Property (herein called the "CAM Fees"), for the year in which Closing occurs shall be prorated as of the Closing Date on a calendar year basis.
- c. **Other.** Any other items which are customarily prorated in connection with the purchase and sale of properties similar to the Property shall be prorated as of the Closing Date.

In the event that the amount of any item to be prorated is not determinable at the time of Closing, such proration shall be made on the basis of the best available information, and the parties shall re-prorate such item promptly upon receipt of the applicable bills therefor and shall make between themselves any equitable adjustment required by reason of any difference between the estimated amount used as a basis for the proration at Closing and the actual amount subject to proration. In the event any prorated item is due and payable at the time of Closing, the same shall be paid at Closing. If any prorated item is not paid at Closing, the CITY shall deliver to Buyer the bills therefor promptly upon receipt thereof and Buyer shall be responsible for the payment in full thereof within the time fixed for payment thereof and before the same shall become delinquent.

4. <u>Possession at Closing</u>. The CITY shall surrender possession of the Property to Buyer on the Closing Date, subject to the Permitted Exceptions.

#### 5. <u>Remedies</u>.

(a) If the Hendersonville City Council issues a Final Acceptance of this Offer, and if the purchase and sale of the Property contemplated hereby is not consummated in accordance with the terms and provisions of this Offer due to circumstances or conditions which constitute a default by Buyer under this Offer, the bid deposit shall retained by the CITY as the CITY's full liquidated damages for such default. The parties acknowledge that the CITY's actual damages in the event of a default by Buyer will be difficult to ascertain, that such liquidated damages represent the parties' best estimate of such damages, and that the CITY and Buyer believe such liquidated damages are a reasonable estimate of such damages. The parties' expressly acknowledge that the foregoing liquidated damages are intended not as a penalty, but as full liquidated damages, in the event of a default. Such liquidated damages shall be the sole and exclusive remedy of the CITY by a default by Buyer, and the CITY hereby waives and releases any right to sue Buyer for performance of this Offer or to prove that the CITY's actual damages exceed the amount which is herein provided to the CITY as full liquidated damages.

(b) If the Hendersonville City Council issues a Final Acceptance of this Offer, and if the purchase and sale of the Property contemplated hereby is not consummated in accordance with the terms and provisions of this Offer due to circumstances or conditions which constitute a default by the CITY under this Offer, the Earnest Money shall be refunded to Buyer promptly upon request, and Buyer, as its sole and exclusive remedy, shall have the right to terminate this Offer, in which event all rights and obligations of the parties under this Offer shall expire, and this Offer shall become null and void, and the CITY shall have no other liability to Buyer under this Offer.

#### 6. General Provisions.

- a. **Brokers.** There are no real estate brokers, agents or consultants involved in the making of this Offer, or in any Proposed Acceptance or Final Acceptance issued by the CITY, and the parties hereto shall indemnify and hold each other harmless from any fee or brokerage claims arising out of this transaction.
- b. **Divestment Act.** The Buyer is not listed on the Final Divestment List ("Divestment List") created by the North Carolina State Treasurer pursuant of Article 6E, N.C.G.S. § 147-86.55, *et seq*, ("Iran Divestment Act of 2015"). The Buyer shall not utilize in the performance of its obligations hereunder any agent, contractor or subcontractor listed on the Divestment List.
- c. **E-Verify.** The Buyer shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes of North Carolina. Further, if the Buyer utilizes an agent, contractor or subcontractor, Buyer shall require them to comply with the requirements of Article 2 of Chapter 64 of the General Statutes of North Carolina.
- d. Notice. Whenever any notice, demand or request is required or permitted under this Offer, such notice, demand or request shall be in writing and shall be delivered by hand, be sent by registered or certified mail, postage prepaid, return receipt requested, or be sent by nationally recognized commercial courier (UPS, FedEx, etc.) for next business day delivery, to the addresses set forth below.

To the Buyer:	WNH INVESTMENTS, LLC Attn: Harry B. Iler III 521 N Main St Hendersonville NC 28792
To the CITY:	<b>CITY OF HENDERSONVILLE</b> <b>Attn: John Connet, City Manager</b> 160 6th Avenue East Hendersonville NC 28792 Exhibit A

With copy to:

Angela Beeker, City Attorney 160 6th Avenue East Hendersonville NC 28792

All notices, demands or requests delivered by hand shall be deemed given upon the date so delivered; those given by mailing as hereinabove provided shall be deemed given on the date of deposit in the United States Mail; those given by commercial courier as hereinabove provided shall be deemed given on the date of deposit with the commercial courier. Nonetheless, the time period, if any, in which a response to any notice, demand or request must be given shall commence to run from the date of receipt of the notice, demand or request by the addressee thereof. Any notice, demand or request not received because of changed address of which no notice was given as hereinabove provided or because of refusal to accept delivery shall be deemed received by the party to whom addressed on the date of hand delivery, on the first calendar day after deposit with commercial courier, or on the third calendar day following deposit in the United States Mail, as the case may be. Notices may be sent by email or facsimile for convenience, but must be followed up by one of the means above, which will be the official notice.

- e. Assignment. This Offer may not be assigned by the Buyer.
- f. **Headings**. The use of headings, captions and numbers in this Offer is solely for the convenience of identifying and indexing the various provisions in this Offer and shall in no event be considered otherwise in construing or interpreting any provision in this Offer.
- g. Applicable Law, Venue. This Offer shall be governed by, construed under and interpreted and enforced in accordance with the laws of the State of North Carolina. The sole venue for any suit, claim or action shall be in a state or federal court sitting in HENDERSON County, North Carolina. Nothing herein shall be deemed to confer jurisdiction upon the federal courts, except as may be otherwise provided by law.
- h. Entire Offer; Modification. This Offer supersedes all prior discussions and agreements among the CITY and Buyer with respect to the purchase and sale of the Property and other matters contained herein, and this Offer contains the sole and entire understanding among the CITY and Buyer with respect thereto. This Offer shall not be modified or amended except by an instrument in writing executed by or on behalf of the CITY and Buyer.
- i. Attorney's Fees. In the event of any litigation between Buyer and the CITY arising under or in connection with this Offer, the prevailing party shall be entitled to recover from the other party the expenses of litigation (including reasonable attorneys' fees, expenses and disbursements) incurred by the prevailing party.
- j. Authority. Each party hereto warrants and represents that such party has full and complete authority to enter into this Offer and each person executing this Offer on behalf of a party

warrants and represents that he has been fully authorized to execute this Offer on Section 5, Item F. Section 5, Item F.

- k. **Counsel**. Each party hereto warrants and represents that each party has been afforded the opportunity to be represented by counsel of its choice in connection with the execution of this Offer and has had ample opportunity to read, review, and understand the provisions of this Offer.
- 1. No Construction Against Preparer. No provision of this Offer shall be construed against or interpreted to the disadvantage of any party by any court or other governmental or judicial authority by reason of such party's having or being deemed to have prepared or imposed such provision.
- m. No Lien. This Offer is not and shall not be deemed or considered to convey or be an interest in or lien against the Property.
- n. **No Recording.** In no event shall this Offer or any memorandum hereof be recorded by Buyer in any public records, and any such recordation or attempted recordation shall constitute a breach of this Offer by Buyer.
- o. Time of Essence; Dates. Time is of the essence of this Agreement. Anywhere a day certain is stated for payment or for performance of any obligation, the day certain so stated enters into and becomes a part of the consideration for this Agreement. If any date set forth in this Agreement shall fall on, or any time period set forth in this Agreement shall expire on, a day which is a Saturday, Sunday, federal or state holiday, or other non-business day, such date shall automatically be extended to, and the expiration of such time period shall automatically to be extended to, the next day which is not a Saturday, Sunday, federal or state holiday of any time period under this Agreement or any deadline under this Agreement shall be the specified day or date, and shall include the period of time through and including such specified day or date. All references to the "Effective Date," if any, shall be deemed to refer to the date the CITY issues a Final Acceptance of this Offer.

Resolution #R-23-101

#### RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL OF PROPOSED ACCEPTANCE OF NEGOTIATED OFFER

WHEREAS, the City of Hendersonville owns certain property off of North Edwards Street adjacent to City Hall, and identified as Parcel B1, containing 2,227 sq. ft., as shown on that Plat recorded in Plat Book 2023 at page 14832, in the Office of the Register of Deeds for Henderson County, being a portion of the property with a tax parcel ID of 9568880780, and having been acquired by the City of Hendersonville in Deed Book 399 at Page 565 of the Henderson County Register of Deeds Office ("Property"); and

**WHEREAS,** North Carolina General Statute Section 160A-269 permits the City to sell property by upset bid after receiving and offer to purchase; and

**WHEREAS**, the City has received a NEGOTIATED OFFER RECEIVED PURSUANT TO N.C.G.S. § 160A-269 ("Offer"), a copy of which is attached hereto and incorporated herein by reference; and

**WHEREAS**, pursuant to the Offer, WNH Investments, LLC, ("Buyer"), is offering to purchase the Property for the sum of \$30,000, subject to the terms and conditions contained within the Offer; and

**WHEREAS**, subject to the terms below, the Hendersonville City Council wishes to issue a proposed acceptance of the Offer.

**NOW THEREFORE, BE IT RESOLVED,** the City Council of the City of Hendersonville resolves that:

- 1. The Council declares the Property surplus, and proposes to accept the Offer pursuant to the procedures of 160A-269.
- 2. The Buyer is required to deposit with the City Clerk a sum equal to 5 % of the offer, or \$1,500.00. The Clerk will cause a notice to be published in a newspaper of record advising that upset bids will be accepted within 10 days of the date of publication, which bid shall increase the proposed sales price by at least an amount equal to 10% of the first \$1,000.00 of the purchase price and 5% of the excess. Such upset bids shall be made to the City Clerk and accompanied by a deposit equal to 5% of the new purchase price, at which time the Clerk shall then publish a new notice advising that further upset bids, increased in the same minimum amount may be accepted within 10 days from the date of publication.
- 3. Each bidder submitting an upset bid shall be bound by the same terms and conditions as contained in the Offer. Each bidder shall therefore be required to sign an offer in the form of the Offer attached hereto as Exhibit A, with the only differences being (1) a

revised purchase price; and (2) modification of the terms of the upset bid procedure described in the Offer to reflect the terms of this Resolution.

- 4. When there are no further bidders, the high bid shall be reported to the Council by the Clerk.
- 5. Following a final acceptance by the Council, the closing shall occur within 30 days of the conclusion of the due diligence period.
- 6. The City reserves the right to withdraw the property from sale at any time before the issuance of a final acceptance and the right at any time to reject all bids.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5<sup>th</sup> day of October, 2023.

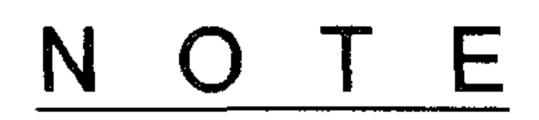
Barbara G. Volk, Mayor, City of Hendersonville

Munalf City Clerk Jill Murray, City C

Approved as to form:

Attest:

Angela S. Beeker, City Attorney



\* THIS SURVEY WAS PREPARED WITHOUT BENEFIT OF ABSTRACT TITLE.

\* THIS PROPERTY MAY BE SUBJECT TO OTHER RIGHTS-OF-WAY, EASEMENTS, RESERVATIONS AND RESTRICTIONS, WRITTEN AND UNWRITTEN, RECORDED AND UNRECORDED, NOT SHOWN HEREON.

\* THE CERTIFICATION SHOWN HEREON IS NOT A CERTIFICATION OF TITLE, ZONING OR FREEDOM FROM ENCUMBRANCES.

\* SUBJECT PROPERTIES ARE ZONED C-1 - CENTRAL BUSINESS PARCEL C, PARCEL IDENTIFICATION NUMBER 9568881652, IS ALSO ZONED MAIN STREET HISTORIC

C-1 - CENTRAL BUSINESS: FRONT SETBACK: NONE, SIDE SETBACK: NONE, REAR SETBACK: NONE

FOR FURTHER ZONING INFORMATION, CONTACT CITY OF HENDERSONVILLE PLANNING DEPARTMENT

\* THIS PROPERTY LIES IN ZONE X (AREAS DETERMINED TO BE OUTSIDE THE 1% ANNUAL CHANCE FLOODPLAIN) AS SHOWN ON THE NATIONAL FLOOD INSURANCE PROGRAM, FLOOD INSURANCE RATE MAP 3700956800J, EFFECTIVE DATE OCTOBER 2, 2008.

\* ALL DISTANCES ARE HORIZONTAL GROUND DISTANCES UNLESS OTHERWISE NOTED. ALL COORDINATES ARE N.C. GRID NAD83 (2011) COORDINATES.

\* ALL BOUNDARY MONUMENTS ARE FLUSH WITH ADJACENT GRADE UNLESS OTHERWISE NOTED.

\* ALL UNDERGROUND UTILITIES SHOWN HEREON ARE BASED ON ABOVE GROUND EVIDENCE AND SHOULD BE CONSIDERED APPROXIMATE. CALL 811 BEFORE DIGGING.

\* THERE IS A POSSIBLE 2,763± SQ. FT. DEED GAP BETWEEN THE "WHAT YOU SEE, LLC" PARCEL DESCRIBED IN D.B. 1365, P. 724 AND THE "CITY OF HENDERSONVILLE" PARCEL DESCRIBED IN D.B. 174, P. 174.

\* PARCEL (B) IS SHOWN AS TWO TRACTS, (B1) AND (B2). THE INTENT OF THIS PLAT IS TO SHOW THE PROPOSED RECOMBINATION OF (B2) TOGETHER WITH PARCEL (A) TO FORM NEW TRACT I, HAVING A TOTAL AREA OF 23,524± SQ.FT. OR 0.54± ACRE. (B1) WILL FORM A PROPOSED NEW TRACT OF LAND SHOWN HEREON AS TRACT II, WHICH WILL HAVE AN AREA OF 2,227± SQ. FT. OR 0.051± ACRE.

\* ALLEYS SHOWN HEREON AS "(TBC) - TO BE CLOSED" ARE PLANNED TO BE CLOSED AND SHALL INCLUDE THE RESERVATION OF EASEMENTS FOR EXISTING UTILITIES WITHIN THOSE SPECIFIED ALLEYWAYS.

		·		
PARCEL	PIN	OWNER	REFERENCE	AREA
A	9568881739	CITY OF HENDERSONVILLE	D.B. 213, P. 202	20,269± SQ. FT. OR 0.465± ACRE
B	956 <b>888</b> 0780	CITY OF HENDERSONVILLE	D.B. 399, P. 565	5,482± SQ. FT.± OR 0.126±ACRE
C	9568881652	CITY OF HENDERSONVILLE	D.B. 174, P. 174	13,304± SQ. FT. OR 0.305± ACRE

# STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

I, Matt Champion, Review Officer of Henderson County, certify that the plat to which this certification is affixed meets all statutory requirements for recording.

Matt Champion	05/09/2023
Segred on 2023/02/09 10 35:46 -8:04	05/09/2023
Review Officer	Date

I, Robert J. Earley, certify that this plat was drawn under my supervision from an actual survey made under my supervision (using deed descriptions recorded in deed books and pages as noted); that the boundaries not surveyed are clearly indicated as drawn from information found in deed books and pages as noted; that the ratio of precision or positional accuracy as calculated is 1:10,000; and that this map meets the requirements of The Standard of Practice for Land Surveying in North Carolina (21 NCAC 56.1600), and that the survey was completed on May 3rd, 2023, and that this map was prepared in accordance with G.S. 47-30 as amended and is of the following category as described in G.S.47-30(f)(11)

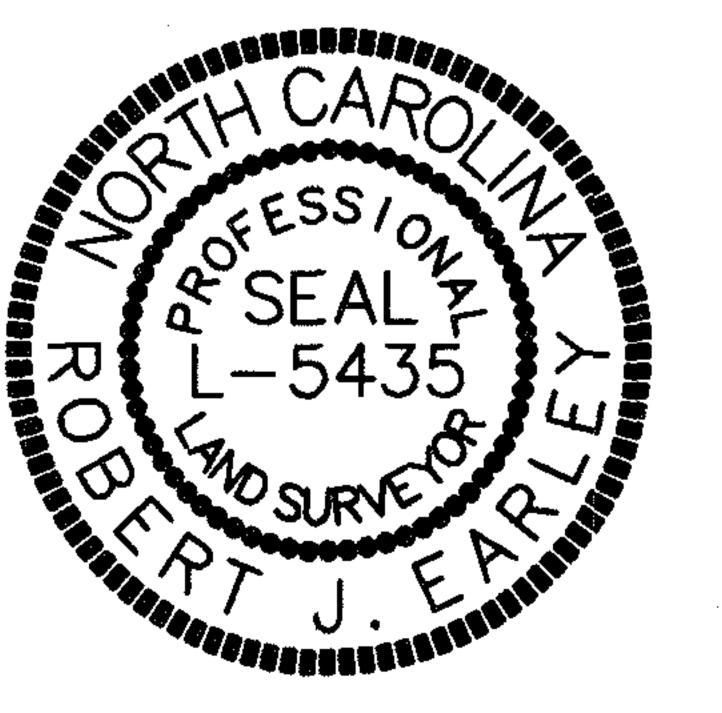
(d) That the survey is of another category, such as the recombination of existing parcels, a court-ordered survey, or other exception to the definition of subdivision;

Furthermore, State Plane Coordinates for this survey were obtained by Global Navigation Satellite System (GNSS) Survey, and the following information was used to perform the GNSS survey:

Horizontal positional accuracy: 0.01m Vertical positional accuracy: 0.02m Type of GNSS field procedure: static (post-processed using Topcon Tools Software and verified using OPUS-RS) Date of GNSS Survey: April 3rd, 2023 Datum: horizontal = NAD83 (2011) Geoid model: GEOID18 Localization point: N: 588,969.24', E: 968,076.12' Combined scale factor: 0.99977553 Units: U.S. Survey Feet Witness my original signature, license number, and seal

05/09/2023 this date:

Robert J. Earley Spred on 2023/06/09/10/26/09-9/00 Robert J. Earley, PLS N.C. Professional Land Surveyor L-5435



DocVerify ID: E3D6C9C5-6CC2-4347-8C71-1B675299224E

**1**9.9'-BUILDING CORNER DESCRIBED

**m** <u>o</u> <u>a</u>

79 D L Q

5 Z P '

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771)

BOUNDARY CORNER IS

S 81°46'42" W A DISTANCE

OF 0.22' FROM THE

NORTHWEST BUILDING CORNER

 $7\lambda$ 

- - O ·

PIN: 9568

R1

TRACT

2,227± SQ. FT.

OR 0.051± ACRE

**BOUNDARY CORNER IS** 

N 70°25'09" E A DISTANCE

NORTHEAST BUILDING CORNER

49.5' RIGHT-OF-WAY ON P.B. Z.

OF 0.07' FROM THE

BUILDING CORNER

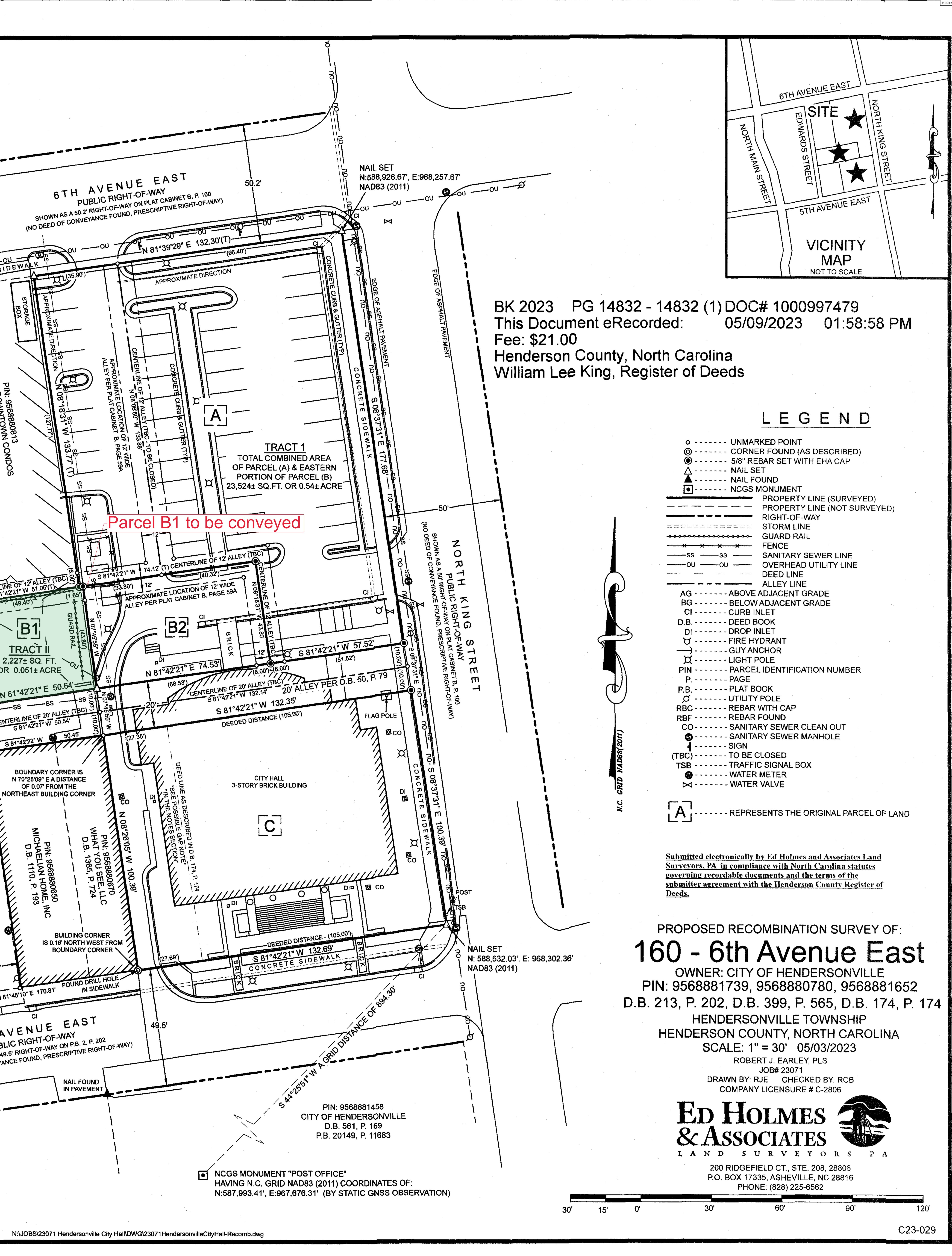
BOUNDARY CORNER

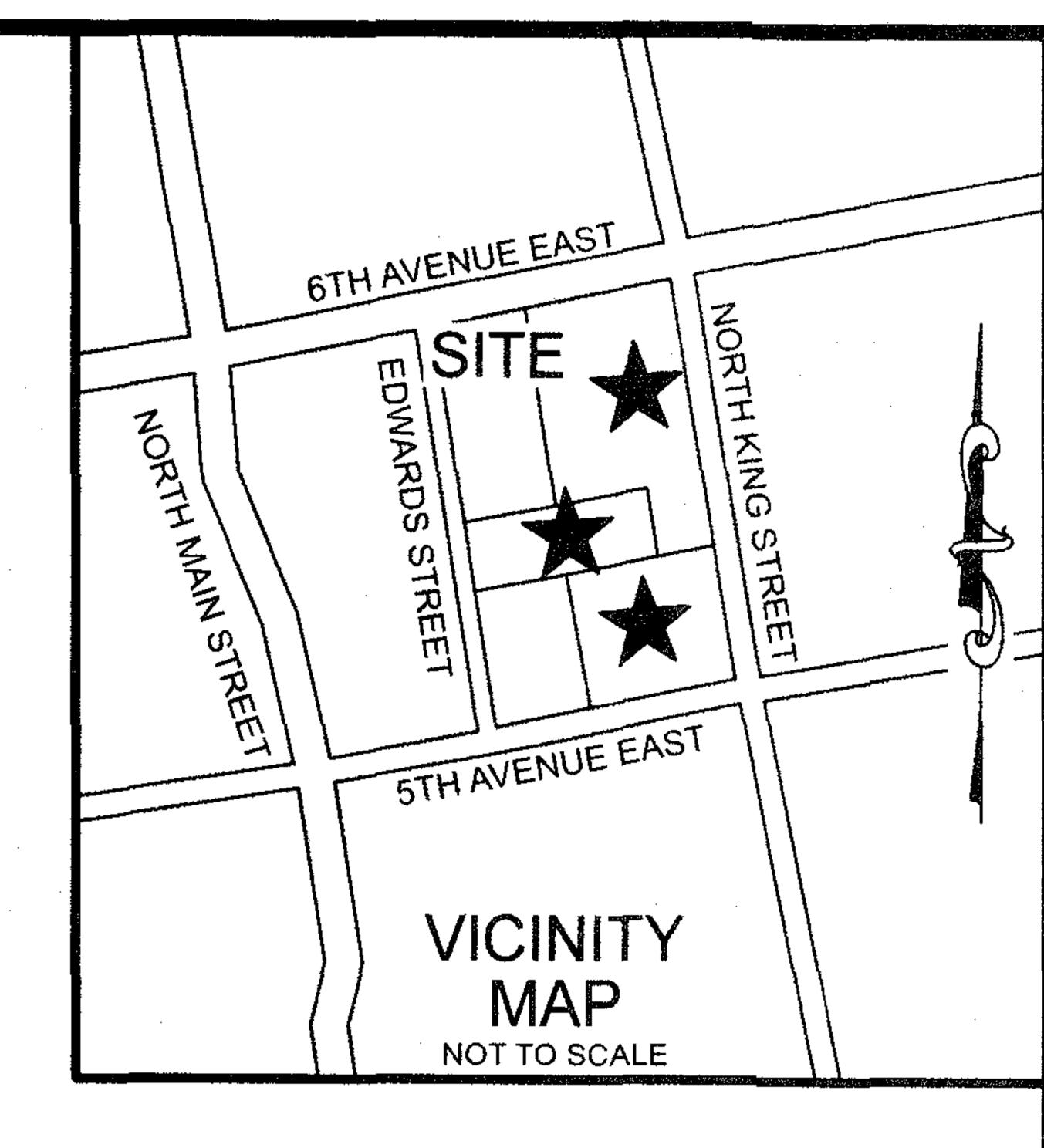
NAIL FOUND

IN PAVEME

TIE FROM BUILDING CORNER DESCRIBED IN D.B. 1365, P. 724 TO FOUND DRILL HOLE = N 81°45'10" E 5TH AVENUE EAST

SHOWN AS A 49.5' RIGHT-OF-WARD OF CONVEYANCE FOUND, PRESCRIPTIVE







#### CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	Daniel Heyman	MEETING DATE:	December 7, 2023
AGENDA SECTION:	CONSENT	DEPARTMENT:	Legal
TITLE OF ITEM:	Resolution to Accept Leyland Cin Director of Public Works	cle into the City Street	System – Tom Wooten,

#### **SUGGESTED MOTION(S):**

I move City Council to adopt the *Resolution by the City of Hendersonville City Council Authorizing Acceptance of Leyland Circle into the City Street System* as presented.

**SUMMARY:** The City has been asked to accept Leyland Circle into the City's street system for operation and maintenance. Leyland Circle was constructed as a part of the development of Cypress Run, a single-family subdivision off of Howard Gap Rd.

**ATTACHMENTS:** 

Resolution Authorizing Acceptance of Leyland Circle Certificate of Dedication and Maintenance by the Homeowners Association Subdivision Plats Depicting Leyland Circle Map

Resolution #\_\_\_\_

#### RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL AUTHORIZING ACCEPTANCE OF LEYLAND CIRCLE INTO THE CITY STREET SYSTEM

WHEREAS, The Cottages at Cypress Run, LLC, a North Carolina limited liability company (hereinafter "Developer"), was granted a special use permit for the development of that property shown on those plats recorded in Plat Book 2019 at Slide 12246, Plat Book 2020 at Slide 12674 (as amended by Plat Book 2020 at Slide 12897) and Plat Book 2021 Slide 13185, all of the foregoing in the Henderson County Registry (said plats hereinafter the "Cypress Run Subdivision Plats") (said property hereinafter the "Subject Property"); and

**WHEREAS,** The Cottages at Cypress Run Homeowners Association, Inc., a North Carolina non-profit corporation (hereinafter "Homeowners Association") is the fee simple owner of the 50-foot right-of-way identified as "Leyland Circle" on the Cypress Run Subdivision Plats (hereinafter "Leyland Circle") by way of that deed recorded in Deed Book 4112 at page 208, Henderson County Registry; and

**WHEREAS**, the Homeowners Association has submitted a request to the City of Hendersonville to accept Leyland Circle into the City street system for operation and maintenance; and

**WHEREAS,** The City has agreed to accept the dedication of Leyland Circle as a City street upon the recording of a Deed of Dedication, in form acceptable to the City, by the Homeowners Association or then fee-simple owner of Leyland Circle.

**NOW THEREFORE, BE IT RESOLVED,** the City Council of the City of Hendersonville resolves that:

- The 50-foot right-of-way identified as "Leyland Circle" on those plats recorded in Plat Book 2019 at Slide 12246, Plat Book 2020 at Slide 12674 (as amended by Plat Book 2020 at Slide 12897) and Plat Book 2021 Slide 13185, all of the foregoing in the Henderson County Registry shall be accepted into the City of Hendersonville's street system effective upon the recording of a Deed of Dedication, in form acceptable to the City of Hendersonville, in the Henderson County Register of Deeds, by the fee-simple owner(s) of said right-of-way.
- 2. The City Manager is authorized to accept a Deed of Dedication dedicating Leyland Circle to the City of Hendersonville.

Adopted by the City Council of the City of Hendersonville, North Carolina on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Attest:

Barbara G. Volk, Mayor, City of Hendersonville

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney

Section 5, Item G.

#### PRINCE, MASSAGEE & ALEXANDER, PLLC

LAWYERS 240 THIRD AVENUE WEST HENDERSONVILLE, NC 28739

L.B. PRINCE (1898-1982) BOYD B. MASSAGEE, JR (1932-2014) B. B. MASSAGEE, III - RETIRED SHARON B. ALEXANDER RICHARD J. TANKER THERESA M. WEBER SARAH R. MASSAGEE LUCY K. MASSAGEE TELEPHONE 828/692-2595

FAX 828/693-0177

E-MAIL lucy@pmawnc.com

December 1, 2023

The City of Hendersonville c/o Mr. Tom Wooten Director of Public Works Also via email to twooten@hvlnc.gov

Re: Certificate of Dedication and Maintenance The Cottages at Cypress Run Homeowners Association, Inc.

Dear Mr. Wooten:

Please be advised that my office represents Rick Moore, President and Director of The Cottages at Cypress Run Homeowners Association, Inc.

Mr. Moore formally requests that the City of Hendersonville accept the road rights-of-way referred to in the attached Resolution and Certificate of Dedication and Maintenance. These road rights-of-way are further described in the attached deed, filed in Book 4112, Page 208 of the Henderson County Registry. Copies of the plats referred to in said deed are enclosed herein for your reference.

Should the City require anything further in regard to this request, please contact our office at your convenience. Thank you for your help in this matter.

With best wishes, I am

Yours very truly,

PRINCE, MASSAGEE & ALEXANDER, PLLC

K. Massag

LKM/hos enc.

#### STATE OF NORTH CAROLINA

#### **CERTIFICATE OF DEDICATION AND MAINTENANCE**

#### COUNTY OF HENDERSON

The undersigned certifies that he is the President of The Cottages at Cypress Run Homeowners Association, Inc., North Carolina not-for-profit corporation, that and he has been authorized to execute this Certificate pursuant to specific authority granted by resolution of all directors of The Cottages at Cypress Run Homeowners Association, Inc., a copy of which is attached hereto.

The Cottages at Cypress Run Homeowners Association, Inc., through its undersigned President, hereby certifies that the roads referred to in that deed recorded in Book 412 Page 206 (consisting of the 50-foot right of way of Leyland Circle), as the same are shown on the plats referred to therein, are owned by The Cottages at Cypress Run Homeowners Association, Inc. and are free of any encumbrances or liens.

The Cottages at Cypress Run Homeowners Association, Inc., by and through the undersigned, freely and voluntarily dedicates to the City of Hendersonville, a North Carolina municipal corporation, said roads referred to in that deed recorded in Book <u>4112</u>, Page <u>208</u> (consisting of the 50-foot right of way of Leyland Circle), as the same are shown on the plats referred to therein, to public use. The Cottages at Cypress Run Homeowners Association, Inc. further assumes full responsibility for the maintenance of said improvements, which arrangements shall remain in effect until such time as said improvements are accepted for maintenance by the appropriate public body.

This the \_\_\_\_\_\_ day of December, 2023.

The Cottages at Cypress Run Homeowners Association, Inc.

By:

Rick Moore, President

#### RESOLUTION

WHEREAS, the undersigned, Rick Moore (also known as Ricky L. Moore and as Rick L. Moore), the President of The Cottages at Cypress Run Homeowners Association, Inc., a North Carolina not-for-profit corporation, hereby affirms and resolves to accept the proposal requesting that the City of Hendersonville, a North Carolina municipal corporation, accept maintenance responsibility for and ownership of the roads referred to in that deed recorded in Book 4112, Page 206 (consisting of the 50-foot right of way of Leyland Circle), as the same are shown on the plats referred to therein, which are located in The Cottages at Cypress Run Subdivision (also known as "Cypress Run").

WHEREAS, the undersigned Rick Moore, the President and Director of The Cottages at Cypress Run Homeowners Association, Inc., a North Carolina not-for-profit corporation, hereby affirms and resolves that Rick Moore, as President of The Cottages at Cypress Run Homeowners Association, Inc. has full authority on behalf of The Cottages at Cypress Run Homeowners Association, Inc. to dedicate, transfer and convey maintenance responsibilities and ownership of the roads referred to in that deed recorded in Book <u>412</u>. Page <u>208</u> (consisting of the 50-foot right of way of Leyland Circle), as the same are shown on the plats referred to therein, as he may determine to be appropriate.

IT IS RESOLVED that Rick Moore, President of The Cottages at Cypress Run Homeowners Association, Inc. shall be and is directed to proceed with submission of all necessary documentation, including but not limited to a Certificate of Dedication and Maintenance to the City of Hendersonville.

This the 1st day of December, 2023.

THE COTTAGES AT CYPRESS RUN HOMEOWNERS ASSOCIATION, IN	NC.
In	
by:	
Rick Moore, President	
Am	

Rick Moore, Director



Section 5, Item G.

This document presented and filed: 12/01/2023 04:54:02 PM

WILLIAM LEE KING, Henderson COUNTY, NC Transfer Tax: \$0.00

Prepared by: L. K. Massagee

Deed Preparation Only

)

#### STATE OF NORTH CAROLINA

#### COUNTY OF HENDERSON

#### DEED

THIS DEED is made and entered into this S[ Cypress Run, LLC (herein referred to as the "party of the first part" and having a mailing address of 103 McDowell day of December, 2023, by and between The Cottages at Road, Mills River, N.C. 28759) and The Cottages at Cypress Run Homeowners Association, Inc., a North Carolina nonprofit corporation (herein referred to as the "party of the second part" and having a mailing address of ROAD MUS RIVER, NC 2875

#### WITNESSETH:

Pursuant to the Declaration of Restrictive Covenants of The Cottages At Cypress Run, recorded in Book 3453, Page 153, as amended by the Amendment To Declaration Of Restrictive Covenants Of The Cottages At Cypress Run, recorded in Book 3458, Page 676, and the Amendment To Declarations Of Restrictive Covenants Of The Cottages At Cypress Run, recorded in Book 3757, Page 116, all of the Henderson County Registry, the party of the first part shall, and by these presents does convey in fee simple unto said party of the second part, its successors and assigns, all right, title and interest of the party of the first part in and to the following:

Tract One: Being all of the "Remaining Portion of Tract A" lying south of the "0.08 Acre Open Space", Lot 21, Lot 22, Lot 23, Lot 24, Lot 25, Lot 26, Lot 27, and Lot 28, all as designated on plat recorded in Plat Slide 13185, Henderson County Registry, and further lying south of the "0.12 Acre Open Space-Revised", Lot 29R, Lot 30R, and Lot 31R, all as depicted on that plat recorded in Plat Slide 12897, Henderson County Registry, and further lying south of Lot 32, Lot 33, Lot 34, Lot 35, Lot 36 and Lot 37, all as depicted on that plat recorded in Piat Slide 12674, Henderson County Registry, and further lying east of the said Lot 37 as depicted on that plat recorded in Plat Slide 13185,

Tract Two: Being all of the "0.40 Acre Open Space" lying north of Leyland Circle and east of Lot 1, as depicted on that plat recorded in Plat Slide 12246, Henderson County Registry.

Tract Three: Being all of the "0.08 Acre Open Space" adjacent to and between Lot 20 and Lot 21,

as depicted on that plat recorded in Plat Slide 13185, Henderson County Registry.

Tract Four: Being all of the "Open Space-Revised 0.12 Acre" designated on that plat recorded in Plat

Also including all roads, easements, and common areas depicted on plats recorded in Plat Slide 12246, Plat Slide 12674 (as amended by plat recorded in Plat Slide 12897), and Plat Slide 13185, Henderson

TO HAVE AND TO HOLD the aforesaid, together with all privileges and appurtenances thereunto belonging, to the said party of the second part, its successors and assigns, in fee simple forever.

The real property herein conveyed does not constitute the primary residence of the grantor.

IN TESTIMONY WHEREOF the party of the first part, The Cottages at Cypress Run, LLC, has hereunto caused this deed to be executed in its name by its undersigned manager, the day and year first above written.

THE COTTAGES AT CYPRESS RUN, LLC by:

Rief Moore, Member/Manager

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

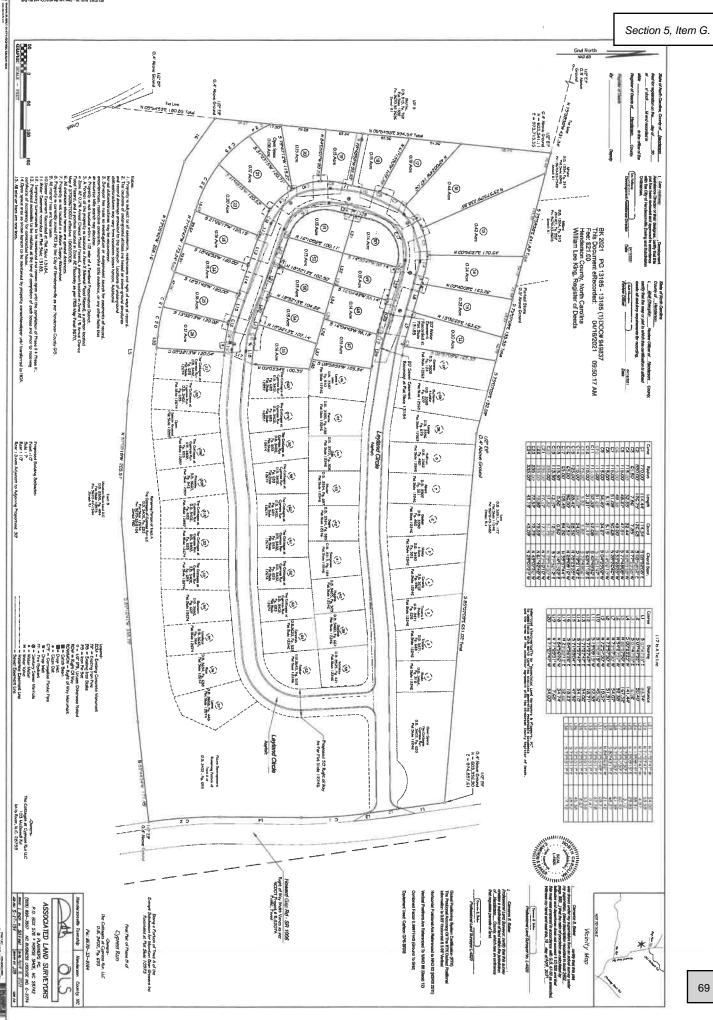
I, a Notary Public of the County and State aforesaid, certify that Rick Moore, Member/Manager of The Cottages at Cypress Run, LLC personally appeared before me this day and acknowledged his voluntary execution of the foregoing instrument on behalf of Moore & Son Site Contractors, Inc., for the purposes stated herein. Witness my hand and official

My Commission Expires:

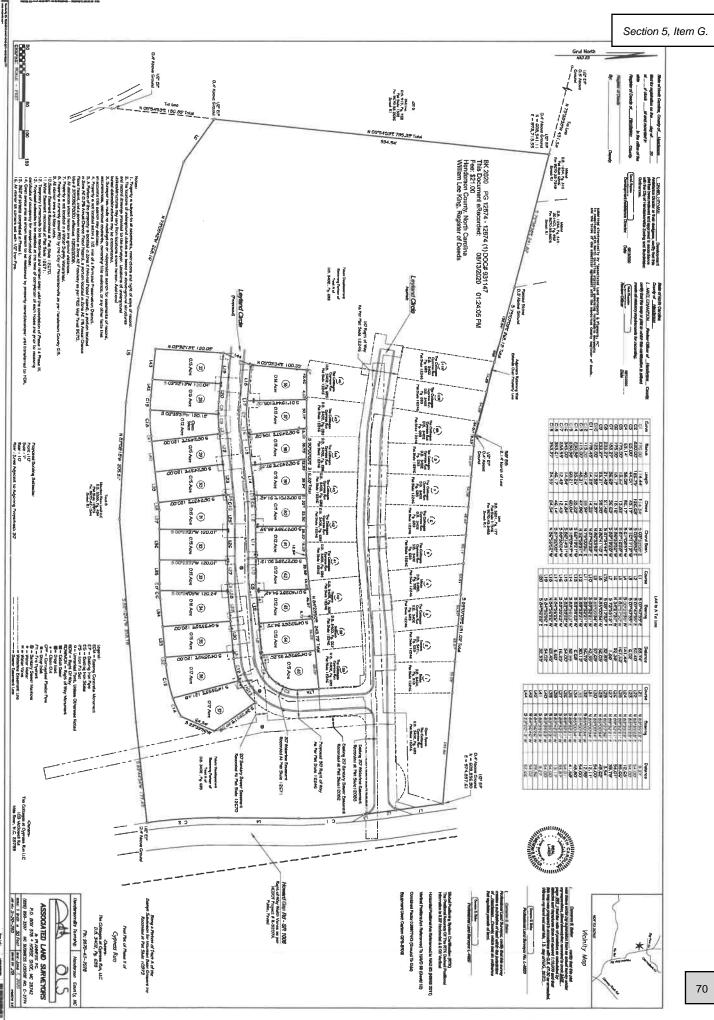
7-17-2028

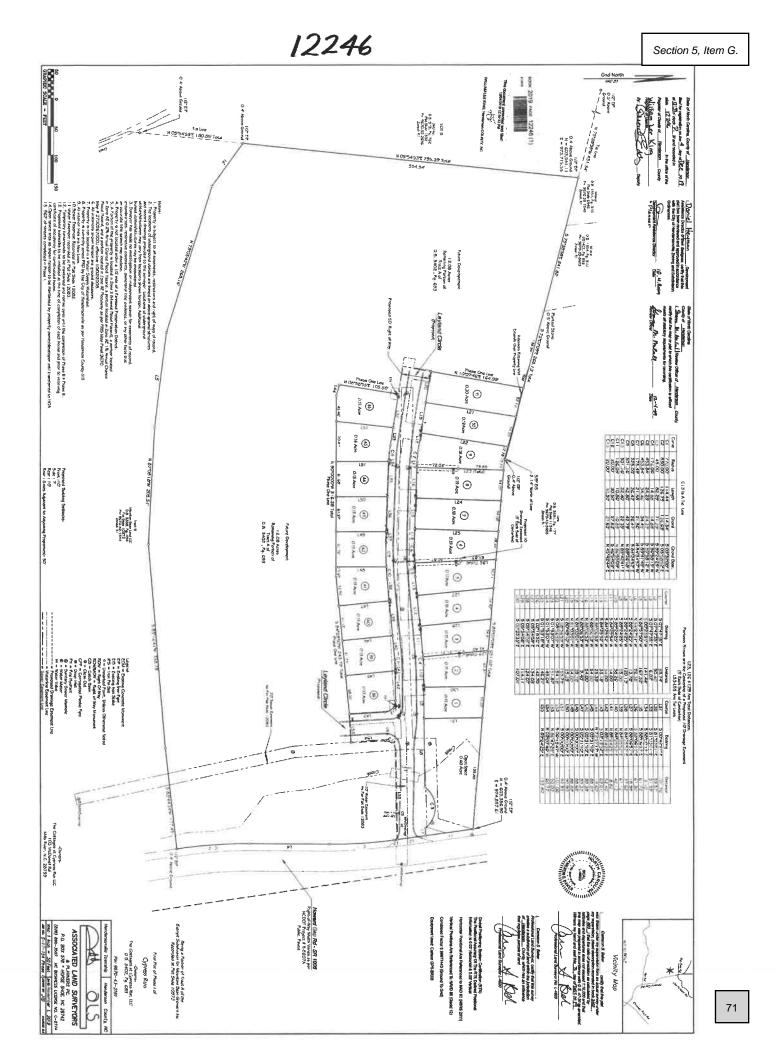
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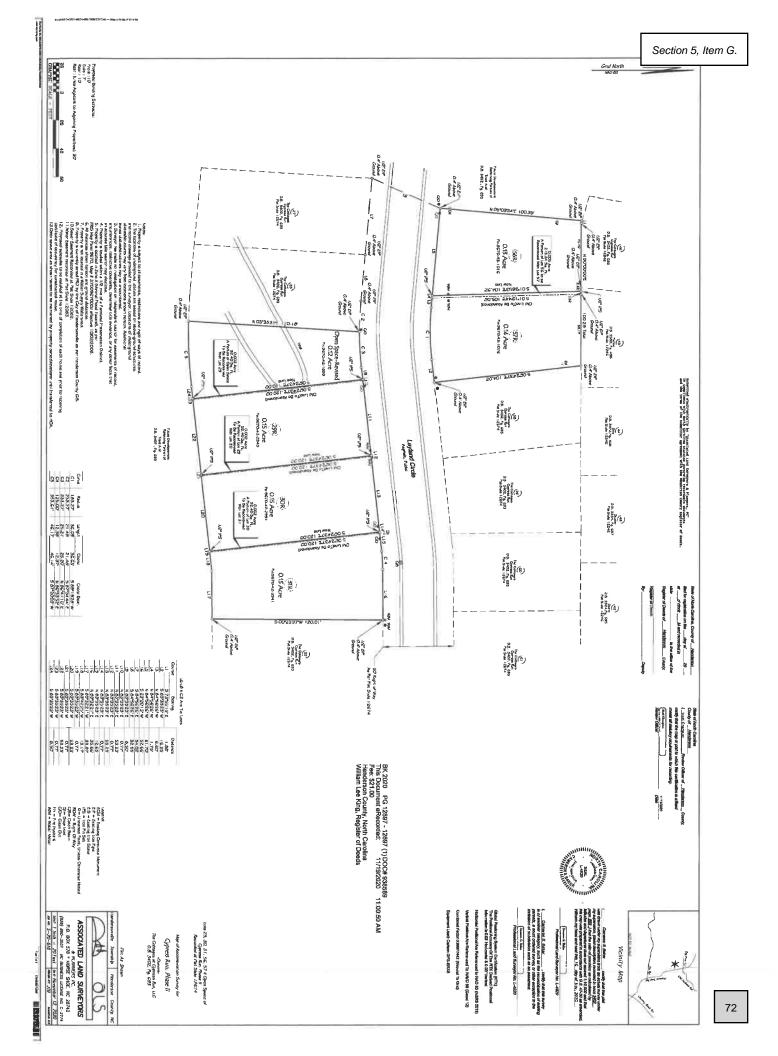




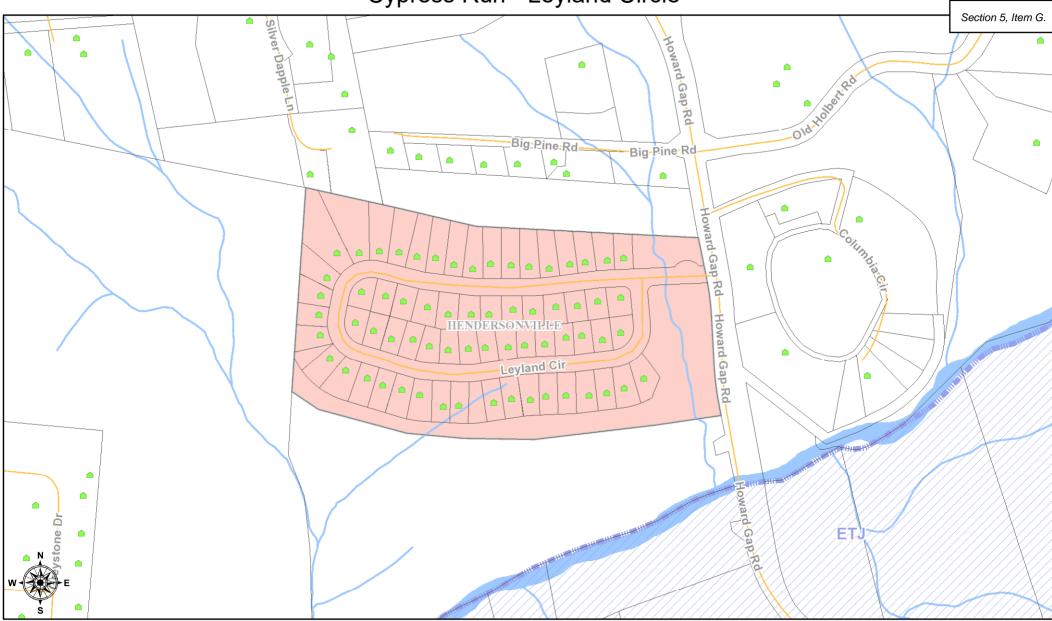
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**Cypress Run - Leyland Circle** 

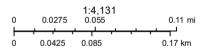


#### December 5, 2023



#### THIS IS NOT A SURVEY.

All information or data provided, whether subscribed, purchased or otherwise distributed, whether in hard copy or digital media, shall be at the user's own risk. Henderson County makes no warranties or guarantees, including the warranties of merchantability or of fitness for a particular purpose. Map data is not appropriate for, and is not to be used as, a geodetic, legal, or engineering base system. The data is not intended as a substitute for surveyed locations such as can be determined by a registered Public Land Surveyor, and does not meet the minimum accuracy standards of a Land Information System/Geographic Information System Survey in North Carolina (21 NCAC 56.1608).





# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:

Blair Myhand, Police Department

MEETING DATE: December 7, 2023

AGENDA SECTION: Presentation

**DEPARTMENT:** Police

TITLE OF ITEM: Resolution reaffirming Bias-Free Policing

# **SUGGESTED MOTION(S):**

Motion to approve the resolution to reaffirm Bias-Free Policing from the Hendersonville Police Department to the Citizens of Hendersonville.

# **SUMMARY:**

The Hendersonville Police Department pledged to complete the International Association of Chiefs of Police, Trust Building Campaign.

Through this pledge, the department promises to adhere to twenty-six standards to strengthen trust within our community. As part of that pledge, the department reaffirms its commitment to bias free policing.

This resolution is essential in communicating the department's obligation to all members of our community.

# **BUDGET IMPACT: N/A**

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

**ATTACHMENTS:** 

**Resolution** #

# RESOLUTION REAFFIRMING BIAS-FREE POLICING FROM THE HENDERSONVILLE POLICE DEPARTMENT TO THE CITIZENS OF HENDERSONVILLE

WHEREAS, in a free society, law enforcement is entrusted and expected to protect the civil rights of all individuals; and

WHEREAS, the overwhelming majority of police officers perform their duty in a professional and impartial manner free from bias; and

WHEREAS, it is crucial that bias, based on discriminatory practices, is deemed unacceptable and not tolerated; and

WHEREAS, the Chief of Police will review department practices, policies, and procedures to ensure that operational services are free from any form of bias; and

**WHEREAS**, the Hendersonville Police Department recognizes that establishing organizational accountability and transparency is the highest priority to effectively promote public trust; and

WHEREAS, when individual police employees violate laws or agency values, rules, or regulations, they should be held accountable; and

**WHEREAS**, the Hendersonville Police Department establishes a policy that clearly prohibits all discriminatory policing practices; now, therefore be it

**NOW, THEREFORE, BE IT RESOLVED**, that the Hendersonville Police Department reaffirms its long-standing position against biased policing, or any other type of discriminatory practices.

ADOPTED this 7th day of December 2023.

Barbara G. Volk, Mayor, City of Hendersonville

Attest:

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	Jennifer Harrell	<b>MEETING DATE:</b>	December 7,2023
AGENDA SECTION:	PRESENTATION	DEPARTMENT:	Human Resources
TITLE OF ITEM:	Recognition of Steve Alverson Certificate – Jennifer Harrell, HI	, 0	Public Sector MESH

### **SUGGESTED MOTION(S):**

None

## **SUMMARY:**

Steve Alverson was recently notified by the MESH Board of Directors that he has successfully completed the requirements and earned the **Public Sector -Manager of Environmental Safety and Health Certificate.** The MESH Certificate is awarded to individuals who demonstrate achievement through education in occupational safety, health and the environment. MESH is sponsored by the Safety and Health Council of North Carolina, NC State University and the NC Department of Labor.

This program is designed to increase the professionalism of environmental, safety and health managers at governmental, commercial and manufacturing sites in North Carolina though a rigorous series of continuing education programs. The MESH program strives to recognize environmental managers and raise industry standards and increase the value of these practitioners to their employers and others to whom services are provided.

This is the second MESH certificate Steve has earned.

# **BUDGET IMPACT:** \$0.00

Is this expenditure approved in the current fiscal year budget?

If no, describe how it will be funded.

**ATTACHMENTS:** 



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	John Buchanan	<b>MEETING DATE:</b>	12/7/23
AGENDA SECTION:	Presentations	DEPARTMENT:	Finance
TITLE OF ITEM:	Fiscal Year 2023 Audit Presentati	on – John Buchanan,	Finance Director
SUGGESTED MOTIO	<u>N(S):</u>		
NA			

# SUMMARY:

Tim Lyons with Mauldin & Jenkins CPAs will present the fiscal year 2023 audit.

# **BUDGET IMPACT:** \$

Is this expenditure approved in the current fiscal year budget? NA

If no, describe how it will be funded. NA

# **ATTACHMENTS:**

2023 Annual Comprehensive Financial Report (ACFR)

# City of Hendersonville North Carolina



# ANNUAL COMPREHENSIVE FINANCIAL REPORT

# FOR THE YEAR ENDED JUNE 30, 2023

Prepared by: Finance Department

Submitted by: John P. Buchanan, CPA, CLGFO Finance Director

Section 6, Item C.

# INTRODUCTORY SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023

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Section 6, Item C.

# ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023

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CITY COUNCIL: BARBARA G. VOLK Mayor Lyndsey Simpson Mayor Pro Tem Dr. Jennifer Hensley Debbie O'Neal-Roundtree Jerry A. Smith Jr., J.D.



Section 6, Item C. JOHN F. CONNET City Manager ANGELA S. BEEKER City Attorney JILL MURRAY City Clerk

November 6, 2023

#### To the Mayor, Members of City Council, City Manager and Citizens of the City of Hendersonville:

North Carolina General Statute 159-34 states that "each unit of local government and public authority shall have its accounts audited as soon as possible after the close of each fiscal year by a certified public accountant or by an accountant certified by the Commission as qualified to audit local government accounts. A complete set of financial statements shall be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards." Pursuant to that requirement, it is our pleasure to present the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the City of Hendersonville. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Hendersonville has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Hendersonville's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the City of Hendersonville's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Hendersonville's financial statements have been audited by Mauldin & Jenkins, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Hendersonville for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City of Hendersonville's financial statements for the fiscal year ended June 30, 2023 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Hendersonville was part of a broader, federally mandated compliance audit designed to meet the special needs of federal and state grantor agencies. The standards governing compliance audits, in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special requirements involving the administration of federal grants and awards. These documents are available in the Compliance Report Section of this report.

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

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#### **Profile of the Government**

The City of Hendersonville was chartered in 1847 and is located in Henderson County in western North Carolina. Significant economic growth occurred with the completion of the railroad from Charleston, South Carolina to Hendersonville in 1879. Popular as a summer resort and health center for more than a century, the City today has an economic base of industry, agriculture and tourism, and is a growing retirement center. The City is the County seat of Henderson County and largest among five municipalities located within the County. The City is recognized for its vibrant Historic Downtown which boasts quality dining, shopping, parks and a viable business district. A short walk from the heart of downtown is the revitalized Historic Seventh Avenue District. The City continues to see population growth as the most recent, final certified estimate of the July 1, 2023 population of the City of Hendersonville, as provided by the North Carolina Office of State Budget and Management is 16,443.

The City encompasses an area of 7.4 square miles and is located on a mountain plateau 2,200 feet above sea level. It is 185 miles north of Atlanta and 450 miles south of Washington, D.C. The City is located at the base of the Blue Ridge Mountains with easy access to I-26, I-40, U.S. Highway 64, and the Blue Ridge Parkway.

Hendersonville's moderate climate and beautiful scenery attract many visitors from all over the United States. With an average rainfall of 56 inches, average high summer temperature of 83 degrees, average high winter temperature of 49 degrees and average snowfall of 9 inches, Hendersonville is known as the "*City of Four Seasons.*" This moniker was given to the City more than 50 years ago by a local weatherman, the late Kermit Edney.

The City has operated under the "Manager-Council" form of government since January 1994. Policy making and legislative authority are vested in the City Council, which consists of a mayor and a four-member council. The governing council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Clerk and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing heads of the City's departments. The Council is elected on a nonpartisan basis.

The City is authorized by the *Machinery Act of North Carolina* to levy a property tax on both real and personal property located within its legal boundaries. A full range of services, including police and fire protection, construction and maintenance of highways, streets and other infrastructure, certain sanitation services, and a stormwater program are provided by the City. The City also provides water and sewer service, both inside and outside the City limits.

The Council is required to adopt an initial budget for the fiscal year no later than June 30 preceding the beginning of the fiscal year on July 1. This annual budget serves as the foundation for the City of Hendersonville's financial planning and control. The budget is prepared by fund, function and department. Department heads may transfer budget resources within a department as they find necessary. Transfers between departments may be approved by the City Manager, however, transfers between funds need special approval from the governing council.

#### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Hendersonville operates. The City and county as whole continue to see interest from manufacturing and industrial companies in moving operations to the area or expanding existing facilities. The area continues to see increased activity in housing developments. The continued business and residential growth provide a positive outlook for both ad valorem and sales tax revenues.

#### Local Economy

The City continues to have a strong and growing economy with a solid residential, commercial and industrial tax base. The economy of the area is sustained by the local employment markets, agriculture, healthcare, summer camps, community college system, and industries located within the County. Henderson County has a strong and diversified industrial employment environment, including headquarters and office locations, production and assembly operations as well as logistics and distribution facilities.

It is a priority of City Council to develop strong partnerships with residents, businesses, other local governments, non-profits and visitors to ensure there is effective two-way communication and effective interaction with City Departments. In the City, a new 191 unit apartment complex completed construction on the first phase and was nearing completion of the second phase; a new 276 unit apartment complex was nearing completion; construction finished on 140 townhomes; construction started on 186 single family homes in fiscal; construction was nearing completion on a 654,000 square foot Class A industrial and warehouse development in fiscal year 2023.

Hendersonville remains a North Carolina Main Street Community, designated by the NC Department of Commerce and Main Street & Rural Planning Center. As a Main Street America<sup>™</sup> Accredited program, the City has met a set of National Accreditation Standards of Performance as outlined by the National Main Street Center and is a recognized leading program among the national network.

Economic vitality remains focus area for the City Council, and they continue to promote policies that encourage growth in all areas of our City, establishing Hendersonville as a good place for all types of business. A key component to continued economic growth is The Henderson County Partnership for Economic Development (The Partnership). The Partnership is a non-profit organization that serves as the professional economic development entity for the County and the five municipalities located within it, managing existing industry, marketing, product development and advocacy programs while positively impacting the employment and investment in the local economy.

Henderson County has a labor force of approximately 56,936. Unemployment in Henderson County was 3.0 % in June 2023, down 0.6% from the year prior. North Carolina is a right-to-work state, and is the number two least unionized state in the nation.

#### Long-term Financial Planning

The City of Hendersonville prepares a ten-year Capital Improvement Plan (CIP) to function as a planning tool for capital improvements and major capital equipment purchases. The CIP represents a multi-year forecast of the capital needs but only the current year schedule is adopted annually by the City Council and becomes part of the operating budget. The CIP not only identifies capital projects but also the financing required for the projects and their impact on the operating budget. Capital projects differ from annual operating expenses in that they involve large dollar amounts, often require special financing, occur at irregular intervals, and involve development of assets expected to last several years. Future forecast in the CIP serve the City by helping plan for capital repairs, replacements, and acquisitions, which aides in financial planning to ensure the Cities' fiscal health and credit. The capital improvement program for the water and sewer system is reviewed annually during the budget process to determine the system's capital needs.

#### **Relevant Financial Policies**

The Hendersonville City Council supports fiscal policies and controls that ensure the long-term financial health of the City and enable it to respond to unforeseen challenges and opportunities. The City has implemented policies and practices to promote responsible management of public resources to ensure efficient and effective delivery of quality services.

The City Council has adopted an Investment and Cash Management Policy to provide parameters within which the City's funds should be managed to provide for sound, efficient and professional investments to achieve primary objectives, in order of importance, of safety of principal, liquidity for operations and return on investment. The policy follows best practices of the Government Finance Officers Association and incorporates the NC State Statue G.S. 159-30 Investment of Idle Funds.

The City of Hendersonville's budget process, as with other municipalities, is regulated by North Carolina General Statute 159, Article 3-The Local Government Budget and Fiscal Control Act. This comprehensive set of financial policies dictates what a municipality can and cannot do during the course of the budgeting period which typically runs from July 1 to June 30 of the following year.

The City follows the purchasing procedures as required by NC state statutes and Federal Uniform Guidance when required. The City has additionally adopted a Purchasing Policy which, through competitive pricing, planning and efficient procurement, strives to secure the lowest, most responsible cost for the City in order to provide our citizens and customers with the quality services that they expect.

The City established an Available Fund Balance policy with a goal for percent available fund balance for the General Fund to be at a minimum of 25% of the City's expenditure group as determined by the Local Government Commission. The City is classified by the LGC as a municipality with General Fund expenditures above \$10,000,000. The City will adjust these goals as appropriate based upon the recommendation from the LGC, modifications in North Carolina law, and potential changes in the City's financial outlook.

The City of Hendersonville recognizes the importance of protecting the City, its taxpayers, its employees, and its assets against financial risks, operational breaches and unethical activities. Therefore, City Council adopted a Fraud and Whistleblower Policy to establish guidelines to enforce controls to aid in the prevention and detection of fraud and for responding to allegations of embezzlement, theft, misappropriations of public funds or property, and other types of fraud related to the business of the City of Hendersonville.

#### **Governmental Initiatives and Projects**

Sound infrastructure is one of the top priorities of the City. A major goal for the City of Hendersonville is to construct and maintain efficient and accessible roadway, sidewalk, and greenway systems to extend internal and regional connectivity. As an element of this goal, street maintenance continues to be a high priority as City Council again committed one cent of the property tax to be allocated to

the expenditure budget for street resurfacing in addition to the amounts received from the state for street repairs and maintenance. The Clear Creek Greenway Project has started and the City continues to explore connecting to the new Ecusta Trail to the City. The Ecusta Trail is a 19.4 mile greenway along an unused rail corridor that runs from Hendersonville to Brevard.

During the fiscal year the work was continued on streetscape improvements of the Historic Seventh Avenue District. This project is part of the City's initiative to advance growth that will provide a connection between the Main Street and Seventh Avenue districts.

The Mud Creek Dump project continued during fiscal year 2023 in order to conduct an environmental assessment and remediation of the Mud Creek Dump area which was a pre-1983 landfill, which predated State and Federal landfill regulations. The City will receive reimbursement of costs under a work plan approved by the pre-Regulatory Landfill Program of NCDEQ.

The City completed construction on a parking deck in fiscal year 2023 that is located near the downtown district. The new parking deck adds 253 parking spaces. The project was be funded through limited obligation bonds and will be repaid with the revenues earned from on-street, parking lot, and parking deck fees.

The City began construction a new fire station which will replace an existing station near downtown. The new station will nearly double in size at approximately 19,750 square feet and will provide adequate living-quarters and administrative office space. The City will relocate the Laura E. Corn mini-golf facility that currently shares the property with the existing station.

Construction on the new mini-golf facility at Edwards Park began construction in 2023. Mini golf will be the primary feature of the new Edwards Park. In addition to the mini golf, a new concession stand, pavilion, and playground are being added. The City exchanged property with the Henderson County School Board to build the new mini-golf facility and park.

#### Water & Sewer Initiatives and Projects

The City of Hendersonville provides high quality water services to approximately 78,000 people and wastewater services to approximately 21,000 while protecting natural resources and ensuring capacity for sustainable growth. The system also operates and maintains of over 683 miles of water mains (ranging in size from 2-inches to 24-inches), 60 water pumping stations, 32 water storage tanks (ranging in size from 80,000-gallons to 5,000,000-gallons), over 200 miles of sewer mains (ranging in size from 3-inches to 42-inches) and 31 sewer pumping stations.

Several major construction projects were started, continued, or completed during the fiscal year ended June 30, 2023 including the following:

French Broad River Raw Water Intake – Construction is approximately 50% complete. The City has determined that Mills River tends to be more drought sensitive than the larger French Broad River. The purpose of this project is to design, permit, and construct a new raw water intake and pump station along the French Broad River to increase the redundancy, resiliency, and reliability of source water for the Water Treatment Plant during drought conditions and other water supply needs, and eliminate water scarcity concerns currently experienced during drought conditions. This new intake will have an initial firm pumping capacity of 12 MGD with expansion to 21 MGD. The new pump station will discharge into the existing 30-inch raw water line which extends from the intake site to the Water Treatment Plant.

Clear Creek Sewer Interceptor - The Clear Creek Interceptor Replacement is nearly complete and consists of the replacement of approximately 3,3000 linear feet of undersized 18-inch diameter gravity sewer pipe along Clear Creek with 30-inch diameter sewer pipe. The purpose of the project is to provide additional capacity alleviating sanitary sewer overflows (SSOs) and serving future growth upstream in the Edneyville area.

The Etowah Water System Improvement project is nearly complete. This project will include the installation of approximately 14,000ft. of 12-inch ductile iron water main from the proposed booster pumping station to be located adjacent to Morgan Rd. in the Etowah area. This new pump station will lift water up to the 500,000-gallon storage tank to be located on Little Mountain off of Drexel Rd. These improvements should allow the City to remove several hydro-pneumatic pump stations currently boosting water pressure at some of the higher elevations of the City's water system in the Etowah area.

4<sup>th</sup> Avenue and Ashe Street Water and Sewer - The City of Hendersonville's existing water and sewer infrastructure in the Ashe Street Neighborhood and 4th Ave area is aging and in need of replacement. City forces spend significant resources maintaining this aging infrastructure. This area of downtown Hendersonville is ripe with commercial and residential revitalization with existing water and sewer infrastructure installed in the 1920s. To stimulate the revitalization of these districts, the City of Hendersonville has planned future streetscape/roadway projects. Through a variety of construction methods, this project will replace or rehabilitate existing water and sewer infrastructure. Wastewater Treatment Ultraviolet Disinfection Improvements - The Ultraviolet (UV) Disinfection Improvements project consists of the replacement of aging UV disinfection equipment nearing the end of its useful life at the City's Wastewater Treatment Facility (WWTF). UV disinfection is the final stage of the treatment process where wastewater is disinfected before being discharged into Mud Creek. The project will consist of an additional concrete disinfection channel and new UV equipment to provide redundancy and additional capacity within this stage of the treatment process. In addition, the newer UV equipment is much more energy-efficient, saving the City an estimated \$70,000 per year through reduced electrical costs at the WWTF.

Mud Creek Interceptor Project – This project is to replace approximately 10,620 feet of gravity sewer along Mud Creek. The project includes re-routing existing tributary mains to connect to the interceptor and installing cure-in-place pipe in the existing 24" clay sewer main to connect existing flows to minimize additional creek and railroad crossings. Streambank restoration will also be completed, stabilizing approximately 700 linear feet of one side of Mud Creek. This project is expected to be completed in mid-2023.

#### Stormwater Initiatives and Projects

The City of Hendersonville is a federally designated National Pollutant Discharge Elimination System (NPDES) Phase II community and operates under the authority of the Stormwater Management Program which became effective in August of 2007 after being drafted into the city's Code of Ordinances and operates as a division of the Engineering Department. NPDES Phase II is a federal and state mandated program under the Clean Water Act to address non-point source pollution or stormwater runoff. The City's NPDES Permit consists of six management areas that reduce stormwater pollution and assures clean water is maintained in our city's water bodies:

- Public Outreach and Education
- Public Involvement
- Illicit Discharge Detection and Elimination
- Construction Site Runoff Control
- Post-Construction Runoff Control
- Pollution Prevention and Good Housekeeping

The Lower Mud Creek Project began planning and design. The project will provide stream restoration, along Mud Creek, 8.5 acres of wetland restoration, and an additional 9.2 acres of riparian floodplain restoration to provide ecological enhancement and stormwater treatment and implementation of complimentary flood reduction activities and additional land acquisition to further improve climate resiliency and stormwater management in the flood prone and impaired Mud Creek and Johnson Ditch watersheds. The project will be funded by federal and state grants.

#### Awards and Acknowledgments

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hendersonville for its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2022. This was the 33rd consecutive year the City of Hendersonville received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for review.

The preparation of the Comprehensive Annual Financial Report could not have been possible without the combined effort of Mauldin & Jenkins, LLC and the staff of the Hendersonville Finance and City Administration Departments. Credit must also be given to the Mayor, City Council, City Manager and Assistant City Manager for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Hendersonville.

Sincerely,

John Buchanan, CPA, CLGFO Finance Director

# CITY OF HENDERSONVILLE, NORTH CAROLINA LISTING OF PRINCIPAL OFFICIALS AND CITY STAFF YEAR ENDED JUNE 30, 2023

Established

1847

### **CITY COUNCIL**

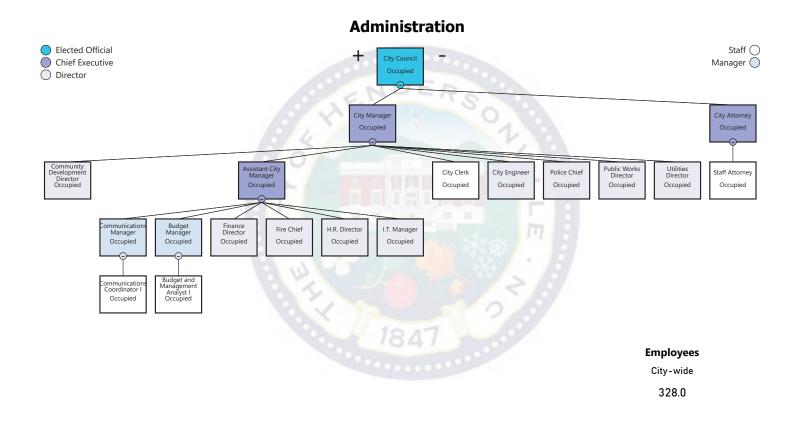
Mayor – Barbara Volk Mayor Pro-Tem – Lyndsey Simpson Jerry A. Smith, Jr. Dr. Jennifer Hensley

Debbie O'Neal Roundtree

### **CITY STAFF**

City Manager – John F. Connet Assistant City Manager – Brian Pahle City Clerk – Jill Murray City Attorney – Angela S. Beeker Finance Director – John P. Buchanan, CPA, CLGFO

Section 6, Item C.



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

# City of Hendersonville North Carolina

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2022

Christophen P. Morrill

Executive Director/CEO

Section 6, Item C.

# **FINANCIAL SECTION**



# INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of City Council City of Hendersonville, North Carolina

#### **Report on the Audit of the Financial Statements**

#### Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Hendersonville, North Carolina** (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hendersonville, North Carolina as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison statement for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Hendersonville Alcoholic Beverage Control Board (the "ABC Board") which represents 100% of the assets, net position, and revenue of the discretely presented component unit as of June 30, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinion insofar as it relates to the amounts included for the ABC Board is based solely on the report of the other auditors.

#### **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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the ABC Board were not audited in accordance with Government Auditing Standards. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical reporting 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 Financial Statements**

Management is responsible for the preparation and fair presentation of the 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 raise substantial doubt about the City's ability to continue as a going concern for 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 from 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 *Government Auditing Standards* will always detect a material misstatement 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 Government Auditing Standards, we

- exercise professional judgment and maintain 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 including 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 City'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 City'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, the Schedule of Changes in the City's Total OPEB Liability and Related Ratios – OPEB Plan, the Schedule of Changes in Total Pension Liability – LEOSSA, the Schedule of Total Pension Liability as a Percentage of Covered Payroll - LEOSSA, the City's Proportionate Share of Net Pension Liability (Asset) - LGERS, and the Schedule of City Contributions - LGERS on pages 5 - 14, 87 - 88, 79 - 80, 81 - 82, 83 - 84 and 85 - 86, respectively, be presented to supplement the basic financial statements. Such information, 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 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 GAAS, which consisted of inquiries of 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 City's basic financial statements. The combining and individual fund statements and schedules and the 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 State of North Carolina 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 themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and 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 and 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 November 6, 2023, on our consideration of the City'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 solely 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 the City'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 the City's internal control over financial reporting and compliance.

Mauldin & Jerkins, LLC

Raleigh, North Carolina November 6, 2023

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### YEAR ENDED JUNE 30, 2023

As management of the City of Hendersonville (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2023 ("2023", "FY23" or "FY 2023") compared to the year ended June 30, 2022 ("2022", "FY22" or "FY 2022"). The intent of this management's discussion and analysis ("MD&A") is to look at the City's financial performance as a whole, with an emphasis on the Primary Government (which excludes the City's discretely presented component unit – the ABC Board). We would encourage readers to not only consider the information presented here, but also the information provided in the letter of transmittal, the financial statements, and the notes to the financial statements to enhance their understanding of the City's overall financial performance.

#### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the current fiscal year by \$115,485,447 (total net position for the Primary Government).
- The City's total net position for FY 2023 increased by \$6,958,935 over the prior year balance primarily due to donated assets, Coronavirus State and Local Fiscal Recovery Funds (CSLRF) and local grants.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$36,658,487, an increase of \$23,194,709 from the prior year. The increase is largely attributed to Coronavirus State and Local Fiscal Recovery Funds, issuance of debt, and local grant proceeds.
- At the end of the current fiscal year, unassigned fund balance for the General Fund is \$5,563,479 which is 22% of total General Fund expenditures and transfers out for the fiscal year.
- The City's total debt, excluding compensated absences, pension, and other post-employment benefits, increased by \$42,385,971 in FY23. The increase included \$18,802,000 Installment Purchase Contract to fund the replacement of a fire station, park, mini-golf course, and fire apparatus. The City also issued \$8,480,000 in revenue bonds for the City's water and sewer systems, and added \$11,316,533 in State Revolving Loan funds for the French Broad River Intake project.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

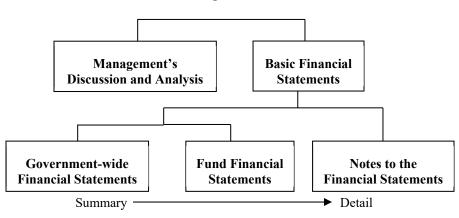
The City's annual financial statements consist of four parts – Introductory Section, the Financial Section (which includes MD&A, the financial statements, the required supplementary information, and the supplementary information), the Statistical Section, and the Compliance Section.

#### **Financial Statements**

This MD&A is intended to serve as an introduction to the City's financial statements. The City's 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 financial statements present two different views of the City 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 City.

#### **Required Components of Annual Financial Report**

Figure 1



#### YEAR ENDED JUNE 30, 2023

# OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

#### **Financial Statements (Continued)**

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

The next set of statements are *Fund Financial Statements*. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements, 2) the budgetary comparison statement, 3) the proprietary fund statements, and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **required supplementary information** and **supplementary information** are provided to show details about the City's retirement plans, other postemployment benefit plans, and 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 City'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 City's financial status as a whole.

The two government-wide statements report the City's net position and how it has changed. Net position is the difference between the City'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 City's financial condition.

The government-wide statements are divided into three categories: (1) governmental activities, (2) business-type activities, and (3) component units. The governmental activities program revenues and general revenues finance most of these activities. The business-type activities are those that the City charges customers to provide. These include the water and sewer, environmental service, and stormwater activities offered by the City. The final category is the component unit. Although legally separate from the City, the Hendersonville ABC Board ("ABC Board") is important to the City because the City exercises control over the ABC Board by appointing its members. The ABC Board is required by North Carolina General Statute 18B to distribute 50 percent of its profits to the City.

#### **Fund Financial Statements**

The fund financial statements provide a more detailed look at the City'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 City, 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 City's budget ordinance. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements. Governmental funds are reported using an accounting method called *modified accrual accounting* that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. The relationship between government activities (reported in the **Statement of Net Position** and the **Statement of Activities**) and governmental funds is described in a reconciliation that is an integral part of the fund financial statements.

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### YEAR ENDED JUNE 30, 2023

Section 6. Item C.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

#### **Fund Financial Statements (Continued)**

The City adopts an annual budget for its General Fund, as required by the general statutes. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for in the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City 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 Council; 2) the final budget as amended by the 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. To account for any differences between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities would be shown at the end of the budgetary statement.

**Proprietary Funds** – The City utilizes one type of proprietary fund known as an enterprise fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The City uses enterprise funds to account for its water and sewer activity, its environmental service operations, its stormwater operations, and its parking services. These funds are the same as those functions shown in the business-type activities in the *Statement of Net Position and the Statement of Activities*.

The City uses another type of proprietary fund known as an internal service fund. **Internal Service Funds** are an accounting device used to accumulate and allocate costs internally to the City's various functions. The City uses an internal service fund to account for the management of its retained risks associated with a modified type of self-insurance fund for medical insurance that the City provides for its employees. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs. Furthermore, fiduciary funds are properly used only for resources over which the government maintains some meaningful degree of ongoing responsibility. The accounting used for fiduciary funds is much like that used for proprietary funds. The City uses one fiduciary fund type which is a custodial fund. The fund is used to record the sewer and stormwater billing provided to other entities.

**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. Note disclosure requirements apply only to material items and should focus on the primary government – specifically its governmental and business-type activities, major funds and non-major funds in the aggregate. The *Notes to the Financial Statements* can be found as listed in the table of contents of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required Supplementary Information ("RSI") is mandated by the Governmental Accounting Standards Board ("GASB") and can be found as listed in the table of contents of this report.

**Interdependence with Other Entities** – The City depends on financial resources flowing from, or associated with, both the federal government and the State of North Carolina. Because of this dependency, the City 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 by foreign governments and other holders of publicly held U.S. Treasury securities.

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#### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### YEAR ENDED JUNE 30, 2023

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	rigure	<i>: 2</i>			
Government	al Activities	Business-ty	pe Activities	Тс	otal
2022	2023	2022	2023	2022	2023
\$ 17,270,343	\$ 39,219,017	\$ 28,951,147	\$ 26,714,572	\$ 46,221,490	\$ 65,933,589
40,738,112	45,353,897	107,845,249	135,003,875	148,583,361	180,357,772
58,008,455	84,572,914	136,796,396	136,796,396	194,804,851	246,291,361
3,143,669	5,511,702	2,027,033	3,806,354	5,170,702	9,318,056
742,721	651,282	554,608	477,066	1,297,329	1,128,348
3,886,390	6,162,984	2,581,641	4,283,420	6,468,031	10,446,404
28,840,112	54,937,802	49,923,933	75,651,090	78,764,045	130,588,892 8,830,365
32,482,856	57,463,355	4,738,333	81,955,902	87,165,144	139,419,257
2,715,622	379,697	1,964,646	75,812	4,680,268	455,509
91,981	392,688		,	,	680,333
-	-		· · · · ·		697,219
2,807,603	772,385	2,773,623	1,060,676	5,581,226	1,833,061
19,891,169	24,328,314	71,004,372	71,668,399	90,895,541	95,996,713
6,802,743	7,783,564	-	-	6,802,743	7,783,564
(89,526)	388,280	10,917,754	11,316,890	10,828,228	11,705,170
\$ 26,604,386	\$ 32,500,158	\$ 81,922,126	\$ 82,985,289	\$ 108,526,512	\$ 115,485,447
	2022 \$ 17,270,343 40,738,112 58,008,455 3,143,669 742,721 3,886,390 28,840,112 3,642,744 32,482,856 2,715,622 91,981 - 2,807,603 19,891,169 6,802,743 (89,526)	Governmental Activities           2022         2023           \$ 17,270,343         \$ 39,219,017           40,738,112         45,353,897           58,008,455         84,572,914           3,143,669         5,511,702           742,721         651,282           3,886,390         6,162,984           28,840,112         54,937,802           3,642,744         2,525,553           32,482,856         57,463,355           2,715,622         379,697           91,981         392,688           -         -           2,807,603         772,385           19,891,169         24,328,314           6,802,743         7,783,564           (89,526)         388,280	2022 $2023$ $2022$ \$ 17,270,343\$ 39,219,017\$ 28,951,147 $40,738,112$ $45,353,897$ $107,845,249$ $58,008,455$ $84,572,914$ $136,796,396$ $3,143,669$ $5,511,702$ $2,027,033$ $742,721$ $651,282$ $554,608$ $3,886,390$ $6,162,984$ $2,581,641$ $28,840,112$ $54,937,802$ $49,923,933$ $3,642,744$ $2,525,553$ $4,758,355$ $32,482,856$ $57,463,355$ $54,682,288$ $2,715,622$ $379,697$ $1,964,646$ $91,981$ $392,688$ $68,683$ $  740,294$ $2,807,603$ $772,385$ $2,773,623$ $19,891,169$ $24,328,314$ $71,004,372$ $6,802,743$ $7,783,564$ $ (89,526)$ $388,280$ $10,917,754$	Governmental ActivitiesBusiness-type Activities2022202320222023 $\$$ 17,270,343\$39,219,017\$28,951,147\$26,714,57240,738,11245,353,897107,845,249135,003,87558,008,45584,572,914136,796,396136,796,3963,143,6695,511,7022,027,0333,806,354742,721651,282554,608477,0663,886,3906,162,9842,581,6414,283,42028,840,11254,937,80249,923,93375,651,0903,642,7442,525,5534,758,3556,304,81232,482,85657,463,35554,682,28881,955,9022,715,622379,6971,964,64675,81291,981392,68868,683287,645740,294697,2192,807,603772,3852,773,6231,060,67619,891,16924,328,31471,004,37271,668,3996,802,7437,783,564(89,526)388,28010,917,75411,316,890	Governmental ActivitiesTo20222023202220232022 $\$$ 17,270,343\$ 39,219,017\$ 28,951,147\$ 26,714,572\$ 46,221,490 $40,738,112$ 45,353,897107,845,249135,003,875148,583,36158,008,45584,572,914136,796,396136,796,396194,804,8513,143,6695,511,7022,027,0333,806,3545,170,702742,721651,282554,608477,0661,297,3293,886,3906,162,9842,581,6414,283,4206,468,03128,840,11254,937,80249,923,93375,651,09078,764,0453,642,7442,525,5534,758,3556,304,8128,401,09932,482,85657,463,35554,682,28881,955,90287,165,1442,715,622379,6971,964,64675,8124,680,26891,981392,68868,683287,645160,664740,294697,219740,2942,807,603772,3852,773,6231,060,6765,581,22619,891,16924,328,31471,004,37271,668,39990,895,5416,802,7437,783,5646,802,743(89,526)388,28010,917,75411,316,89010,828,228

City's Net Position Figure 2

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. The assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows by \$115,485,447 as of June 30, 2023. The City's net position increased by \$6,958,935 for the fiscal year ended June 30, 2023. The largest portion of net position of \$95,996,713 (83%) reflects the City's investment in capital assets (e.g., land, buildings, infrastructure, machinery, equipment, and vehicles); less any related debt still outstanding that was issued to acquire those items. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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 City's net position of \$7,783,564 (7%) represents resources that are subject to external restrictions on how they may be used.

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

- The City received \$4,155,000 in Coronavirus State and Local Fiscal Recovery Funds. The City elected to use the funds on revenue replacement in FY23.
- Approximately \$5,525,000 in water and sewer assets were given to the City by developers.
- Water and sewer service rates were increased and growth in the system resulting in an increase in revenue of \$2,201,714.

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### YEAR ENDED JUNE 30, 2023

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

#### City's Changes in Net Position Figure 3

	Governmental Activities			ess-type vities	Total		
	2022	2023	2022	2023	2022	2023	
Revenues:							
Program Revenues:							
Charges for Services	\$ 423,314	\$ 626,935	\$ 23,426,022	\$ 25,627,736	\$ 23,849,336	\$ 26,254,671	
Operating Grants and Contributions	3,416,622	6,821,829	14,370	19,573	3,430,992	6,841,402	
Capital Grants and Contributions	-	242,832	2,933,394	5,614,713	2,933,394	5,857,545	
General Revenues:							
Property Taxes	12,084,859	12,571,874	-	-	12,084,859	12,571,874	
Other Taxes and Fees	6,987,177	7,752,404	-	-	6,987,177	7,752,404	
Grants and Contributions not Restricted							
Other Revenue	67,800	722,144	3,488	403,683	71,288	1,125,827	
Total Revenues	22,979,772	28,738,018	26,377,274	31,665,705	49,357,046	60,403,723	
Expenses:							
General Government	4,530,733	6,371,382	-	-	4,530,733	6,371,382	
Public Safety	12,476,303	14,208,697	-	-	12,476,303	14,208,697	
Transportation	2,601,447	3,395,730	-	-	2,601,447	3,395,730	
Economic and Physical Development	622,665	816,721	-	-	622,665	816,721	
Culture and Recreational	809,652	932,353	-	-	809,652	932,353	
Interest on Long-term Debt	459,091	883,110	-	-	459,091	883,110	
Water and Sewer Fund	-	-	20,876,600	23,608,570	20,876,600	23,608,570	
Parking Services Fund	-	-	454,355	612,881	454,355	612,881	
Environmental Services Fund	-	-	1,710,016	1,667,333	1,710,016	1,667,333	
Stormwater Fund	-	-	1,352,826	948,011	1,352,826	948,011	
Total Expenses	21,499,891	26,607,993	24,393,797	26,836,795	45,893,688	53,444,788	
Change in Net Position before							
Transfers	1,479,881	2,130,025	1,983,477	4,828,910	3,463,358	6,958,935	
Transfers	(350,000)	3,765,747	350,000	(3,765,747)			
Change in Net Position	1,129,881	5,895,772	2,333,477	1,063,163	3,463,358	6,958,935	
Net Position, Beginning of Year	25,474,505	26,604,386	79,588,649	81,922,126	105,063,154	108,526,512	
Net Position, End of Year	\$ 26,604,386	\$ 32,500,158	\$ 81,922,126	\$ 82,985,289	\$ 108,526,512	\$ 115,485,447	

**Governmental Activities**: Governmental activities increased the City's net position by \$5,895,772 over the prior year. The key element of this increase is the proceeds from the CSLRF and other grants and contributions totaling approximately \$6,821,000.

**Business-type Activities**: Business-type activities increased the City's net position by \$1,063,163, primarily due to increases of water and sewer rates and donated assets. The City is committed to maintain rates sufficient to meet the covenants required for revenue bonds that have been issued.

### YEAR ENDED JUNE 30, 2023

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

### **Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

### **General Fund**

The general fund is the chief operating fund of the City. At the end of the current fiscal year, fund balance available in the General Fund was \$5,563,479, while total fund balance reached \$11,594,167. The Governing Body has determined that the City should maintain an available fund balance for the General Fund to be at a minimum of 25% of the City's expenditure group as determined by the Local Government Commission. The City is classified by the LGC as a municipality with General Fund expenditures above \$10,000,000. The City will adjust these goals as appropriate based upon the recommendation from the LGC, modifications in North Carolina law, and potential changes in the City's financial outlook. The City's General Fund fbalance available for appropriation as a percentage of expenditures is 30.2%, and total fund balance is 48.5%.

At June 30, 2023, the governmental funds of the City reported a combined total governmental fund balance of \$36,658,487, an increase of \$23,194,709 over last year. The increase was primarily due to proceeds from the issuance of debt and the CSLRF.

The General Fund recorded operating revenues of \$21,581,054 during FY 2023, which was an increase of \$1,849,545, or 9.4% over the \$19,731,509 recorded in FY 2022, primarily due to the following:

- Ad Valorem Tax revenue increased approximately \$479,000 or 4% over FY2022 mainly due to growth.
- Unrestricted Intergovernmental Revenue, which includes sales tax, increased over the prior fiscal year by approximately \$724,779 or 10.8%. Sales tax revenues are distributed on a proportional ad valorem tax levy basis in Henderson County. Increases in sales tax were driven by a strong local economy and growth.
- Investment Income earned on the investment of idle cash was approximately \$281,000. This was a significant increase over the reported loss in FY22.

Expenditures in the General Fund, not including transfers, were \$23,914,493 for fiscal year 2023, which was an increase of approximately \$4,633,469, or 24% over the \$19,281,024 recorded in fiscal year 2022, primarily due to increases in personnel costs. The increase in personnel costs included 9 additional employees, final increase recommended by the pay and class study the City completed in FY22, and the end of a grant which had covered a portion of the salaries for 12 firefighter positions. Another noteworthy increase was in total debt service costs which increased approximately \$1,043,000.

### General Fund Budgetary Highlights:

During the fiscal year, the City revised the budget on several occasions. In general, 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. The budget was revised several times throughout the year for reasons including to account for increased revenue projections at mid-year, implement phases of the pay and class increases, and adjust expenditures due to increased inflationary pressure.

All General Fund departments stayed within the appropriated budgets for the fiscal year. In total, the General Fund actual expenditures, excluding transfers, ended the year at \$23,914,493, which was approximately \$933,785 or 3.8% below the \$24,848,278 revised expenditures budget for the fiscal year 2023. The primary contributing factor is employee salary and benefits from open positions that occur during the year. Another contributing factor was the approximately \$101,000 positive variance in the Developmental Assistance Department that was due to the Comprehensive Plan Project work that was not completed in FY23.

### L\_\_\_\_\_

Section 6, Item C.

### FINANCIAL ANALYSIS OF THE CITY'S FUNDS (CONTINUED)

#### **Governmental Funds (Continued)**

The Governmental Capital Projects Fund, a major fund, includes expenditures for the Fire Station One, Edwards Park, City Hall Renovation, Seventh Avenue Streetscape and Tracey Grove Road Bridge projects. The construction of Fire Station 1, Edwards Park and the City Hall renovations were underway in FY23 and are expected to be complete in FY24.

The Grants Fund, a major fund, includes expenditures for state, federal, and local grants. These grants include the CSLRF, Staffing For Adequate Fire and Emergency Response (SAFER), Community Development Block Grant (CDBG), North Carolina Department of Environment and Natural Resources (NCDENR).

### Non-Major Governmental Funds

Non-Major Governmental Funds consist of Special Revenue Funds that are funded by specific revenue sources, including the City's two Municipal Service Districts (Main Street and Seventh Avenue). Revenues for FY23 in the non-major governmental funds decreased by approximately \$2,340,800 and expenditures decreased by approximately \$876,000 over the prior year. The primary reason for the decrease is the Grant Fund was reported as a major fund in FY23.

#### **Proprietary Funds**

The City's proprietary fund statements provide additional detail by fund for the information combined in the government-wide statements.

#### Water & Sewer Fund

The Water & Sewer Fund recorded approximately \$22,494,000 in operating revenues for fiscal year 2023. This was a \$1,812,000 or a 8.8% increase over fiscal year 2022. The primary reason for this increase is an increase in the rates for water and sewer, growth of the system.

The Water & Sewer Fund recorded approximately \$22,535,000 in operating expenditures for fiscal year 2023. This was approximately \$2,763,000 or 14% greater than fiscal year 2023. The primary reason for the increase is due to the increase in wages for the pay and class study changes and new positions. Inflation was another significant factor. Total net position ended the year at \$82,209,392, an increase of \$1,180,658 with \$12,273,614 unrestricted.

#### Parking Services Fund

The City is completed construction of a downtown parking deck and began charging for on-street parking in fiscal year 2023. The City did not begin charging for deck or on-street parking until March of 2023 causing expenditures not including transfers to exceed revenues by \$861,026 in the fund. The total net position of the Parking Services Fund at year-end was \$354,329 with (458,858) unrestricted.

#### **Non-major Enterprise Funds**

Total net position decreased in the non-major enterprise funds by \$335,961 or 44% at June 30, 2023 compared to the prior year. Combined operating revenues increased approximately \$44,000 or 1.7%. Rising operating costs continue to be an issue.

#### YEAR ENDED JUNE 30, 2023

#### CAPITAL ASSET AND DEBT ADMINISTRATION

#### **Capital Assets**

The City's capital and right-to-use assets for its governmental and business-type activities as of June 30, 2023, totaled approximately \$180,357,772 (net of accumulated depreciation). This was an increase of \$31,774,411 from the prior year total. These capital assets include buildings, roads and bridges, land, machinery and equipment, water and sewer lines, and vehicles.

Major capital asset transactions during the year include the following additions:

- Construction of a parking deck (completed)
- Etowah Water System Improvements (substantially complete)
- Construction of the French Broad River Raw Water Intake
- Clear Creek Sewer Interceptor
- Edwards Park and Laura E. Corn Mini-Golf
- Fire Station One

#### City's Net Capital Assets Figure 4

		nmental		ess-type	T ( )			
		vities		vities	Total			
	2022	2023	2022	2022 2023		2023		
Land	\$ 4,804,022	\$ 5,114,207	\$ 5,416,226	\$ 5,601,616	\$ 10,220,248	\$ 10,715,823		
Buildings	20,432,311	19,490,118	781,296	11,562,062	21,213,607	31,052,180		
Other Improvements	1,131,410	1,045,839	173,087	153,162	1,304,497	1,199,001		
Machinery and Equipment	3,676,505	4,487,624	3,653,238	4,812,022	7,329,743	9,299,646		
Infrastructure	9,096,394	8,469,636	70,235,665	78,434,772	79,332,059	86,904,408		
Software	-	-	30,691	22,235	30,691	22,235		
Lease assets	-	163,476	-	61,335	-	224,811		
Subscription assets	-	201,784	-	418,712	-	620,496		
Construction in Progress	1,597,470	6,381,213	27,555,046	33,937,959	29,152,516	40,319,172		
Total	\$ 40,738,112	\$ 45,353,897	\$ 107,845,249	\$ 135,003,875	\$ 148,583,361	\$ 180,357,772		

The chart above reflects the City's capital assets and right-to-use assets net of accumulated depreciation and amortization.

Capital asset purchases are part of the City's Ten-Year Capital Improvement Program which is reviewed and revised each year and formally adopted by the City Council. Additional information on the City's capital assets can be found in Note 5 in the Notes to the Financial Statements.

#### Long-term Debt

As of June 30, 2023, the City had total bonded debt outstanding of \$39,836,046 (net of unamortized premiums). Of this total bonded debt, \$539,000 is backed by the full faith and credit of the City. The revenue bonds are secured by specified revenue sources, and the remainder of the City's debt represents loans secured solely by lien on the particular assets financed.

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### YEAR ENDED JUNE 30, 2023

#### CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

#### Long-term Debt (Continued)

	Governmen	tal Activities	Business-Ty	vpe Activities	Total			
	2022	2023	2022	2023	2023 2022			
General Obligation Bonds	\$ 694,000	\$ 539,000	\$ -	\$ -	\$ 694,000	\$ 539,000		
Limited Obligation Bonds	3,335,000	3,115,000	10,965,000	10,590,000	14,300,000	13,705,000		
Bond Premiums	600,950	520,655	1,687,051	1,520,391	2,288,001	2,041,046		
Revenue Bonds	-	-	16,589,000	23,551,000	16,589,000	23,551,000		
State Revolving Loans	-	-	15,909,417	26,463,673	15,909,417	26,463,673		
Installment Purchase Contracts	17,124,552	37,894,506	834,418	5,080,534	17,958,970	42,975,040		
Lease liabilities	-	163,731	-	62,233	-	225,964		
Subscription liabilities	-	191,259	-	433,377	-	624,636		
Compensated absences	1,121,124	1,259,381	729,814	763,166	1,850,938	2,022,547		
Total OPEB Liability	2,546,015	2,241,819	1,901,173	1,642,136	4,447,188	3,883,955		
Net Pension Liability (LGERS)	1,751,465	7,567,257	1,308,060	5,544,580	3,059,525	13,111,837		
Total Pension Liability (LEOSSA)	1,667,006	1,445,194	-	-	1,667,006	1,445,194		
Total	\$ 28,840,112	\$ 54,937,802	\$ 49,923,933	\$ 75,651,090	\$ 78,764,045	\$ 130,588,892		

City's Outstanding Debt Figure 5

• Total debt increased by \$42,385,971 during fiscal year 2023. The primary contributing factors are an \$18,802,000 Installment Purchase Contract to fund the replacement of a fire station, park, mini-golf course, and fire apparatus. The City also issued \$8,480,000 in revenue bonds for the City's water and sewer systems and added \$11,316,533 in State Revolving Loan funds for the French Broad River Intake project.

North Carolina General Statute 159-55 limits the amount of general obligation debt that a unit of government can issue to eight (8) percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the City is approximately \$185,269,600.

Additional information regarding the City's long-term debt can be found in Note 6 in the Notes to the Financial Statements.

#### ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

#### **Economic Factors**

The following key economic indicators reflect the prosperity of the City:

- Henderson County's unemployment rate was 3.0% as of June 30, 2023. This was down 0.50% over FY22.
- The certified population estimate for the City of Hendersonville as of July 1, 2023 was 16,443.
- A new \$80M commerce center is under construction in the City that will provide more than 654,000 sqft of Class A industrial warehouse space.
- New project near in downtown Hendersonville continues to make progress and is expected to provide a hotel, conference center, and luxury condominiums.
- One large apartment complex completed approximately 190 units in its first phase, and the second phase is under construction.

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### YEAR ENDED JUNE 30, 2023

• A development with approximately 140 townhomes was completed, and approximately 180 single family homes are under construction.

#### Budget Highlights for the Fiscal Year Ending June 30, 2024

The City continues to build and revise its strategic plan. This process includes the development of vision and mission statements along with setting priorities focusing on six main areas, including economic vitality, strong partnerships, sound infrastructure, numerous amenities, great public services, and financial sustainability.

The fiscal year ending June 30, 2024 ("2024" or "FY 2024") operating budget totals approximately \$55,780,000 for the City's budgeted operating funds. This is approximately \$3,614,000 or 7.0%, higher than the approximately \$52,166,000 original FY 2023 budget.

#### **Governmental Activities**

Property taxes total approximately \$13,942,000 of the FY2024 recommended budget for the General Fund which makes up the majority of the governmental activities. The FY24 budget includes a \$2.4M (21.22%) increase over the current year revised budget. In FY24, the City decreased the ad valorem tax rate by \$0.03 per \$100 valuation. While we have decreased compared to FY23, the \$0.49 rate represents an approximate \$0.07 increase over the revenue neutral rate of \$0.4192 per \$100 valuation. Property tax continues to be the most stable revenue source for local government in North Carolina and pending any major externalities should remain relatively stable.

Local option sales taxes are an elastic revenue source, totaling approximately \$5.9M in the FY24 budget. This budget amount represents an approximate \$180k (3.1%) increase over FY23. We have seen unprecedented growth in sales tax revenues in recent years, and remain conservative with our budgeted sales tax revenues in FY24 due to market conditions.

The budgeted fund balance appropriation in the General Fund is \$1,666,590.

#### **Business-type Activities**

The Water and Sewer Fund's primary revenue source is water and sewer sales & services – fees assessed for the consumption/usage of service. Sales & services revenues are approximately 96.13% of the total FY24 budget. Other revenues sources include but are not limited to, permits and fees (3.79%), investment earnings (0.03%), and miscellaneous sources (0.05%).

Sales & services total \$22.9M (96.13%) in the FY24 Water and Sewer Fund budget. The FY24 budget includes estimated revenues earned from meter-based and volumetric usage charges. The City is recognizing a pattern of residential, commercial, and industrial growth that will bring a higher demand for service adding additional connections and revenue to the utility system.

#### **Additional Information**

This report is designed to provide an overview of the City's finances for those with an interest in this area. Additional information may be found at the City website: <u>http://www.hvlnc.gov</u>.

Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, 160 6<sup>th</sup> Ave East, Hendersonville, North Carolina 28792.

#### STATEMENT OF NET POSITION JUNE 30, 2023

Governmental Activities         Business-type Activities         Total         Board Board           Cash and cash equivalents Investments         \$ 3.945,711         \$ 0.800,083         \$ 7.835,774         Board           Receivables, nct: Taxes receivable         248,073         -         248,073         -         248,073           Accounts         427,077         5.555,723         4.012,800         68           Shared taxes         1.029,670         140         1.029,870         64           Carans         .         2.921,883         2.921,883         2.921,883         2.921,883           Accounts         .         2.921,883 <td< th=""><th></th><th colspan="6">Primary Government</th><th colspan="2">Component Unit Hendersonville</th></td<>		Primary Government						Component Unit Hendersonville	
Cash and cash equivalents         \$ 3,945,711         \$ 3,890,003         \$ 7,837,74         \$ 1,252,18           Receivables, net:         4,833,564         5,946,016         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         10,780,170         \$         \$         \$				••	Total		ABC		
Investments         4.833,564         5.946,616         10.780,180           Taxes receivable         248,073         -         248,073         -           Accounts         427,077         3,558,723         4,012,800         68           Grants         1,028,670         140         1,029,810         68           Shared taxes         758,384         16,243         774,607         -           Loans         -         2,221,883         2,921,883         2,921,883         -           Accound interest         24,423         15,748         40,171         -           Internal balances         675,217         -         -         -           Prepaid terns         37,653         37,868         75,521         40,18           Notes and lease receivable         967,984         735,717         1,703,701         -           Captal assets, expericible         947,924         161,716,447         246,291,361         3,332,49           DEFERRED OUTFLOWS OF RESOURCES         -         -         1,639,79         -         1,639,79           Preaior related items         65,1282         477,066         1,128,348         -         -           OPEE related items         65,1282         4									
Breesivables, net:         248,073         -         248,073           Taxes recovable         248,073         -         248,073           Accounts         477,077         3,585,723         4,012,800         68           Shared taxes         1,028,670         140         1,028,800         58           Refundable taxes         758,384         1,243         774,807         -           Accured interest         2,422,188         2,921,883         2,921,883         -         -           Accured interest         2,423,7281         8,943,286         23,255,697         -         -         1,828,262         1,288,262         998,64           Accured interest         2,4307,281         8,943,326         33,255,607         1,703,701         -         -         -         1,232,777         1,639,79           Actual assets         0,67,844         735,717         1,703,701         -         -         -         1,39,32,49           Defer active calor         33,858,477         95,464,300         129,322,777         1,639,79           Total assets         84,572,914         10,171,8447         246,291,361         3,39,249           Defer RED OUTFLOWS of RESOURCES         7         9,318,056         374,81	•		- / /	\$	-,,	\$		\$	1,252,181
Taxes receivable         248,073         -         248,073           Accounts         427,077         3,585,723         4,012,800         68           Grants         1,029,670         140         1,029,810         68           Shared taxes         1964,000         3,200         1,967,200         68           Refundable taxes         7,848,324         15,243         774,607         1           Loans         -         2,221,885         2,921,885         2,921,885         2,921,885         2,921,885         2,99,94           Accounds interest         675,217         (675,217)         -         -         -         -           Inventories         24,307,281         6,446,326         3,256,607         -			4,833,564		5,946,616		10,780,180		-
Accounts         427 077         3,585,723         4,012,800         66           Grants         1,029,670         140         1,028,810         3200         1,984,000         3,200         1,987,200           Refundable taxes         758,304         12,243         774,807         Loans         -         2,221,833         2,262,1833         Accrued interest         1675,217         -         -         -         -         2,221,833         2,262,833         Accrued interest         40,171         -         -         -         -         2,282,822         1,288,282         999,64         -         -         1,288,282         1,288,282         999,64         -         -         -         1,288,282         1,393,245         -         -         -         -         1,288,282         1,393,171         1,703,701         -         -         -         -         -         -         -         1,393,775         51,033,995         -	,		040.070				0.40, 0.70		
Grants         1.029,670         140         1.029,810           Shared taxes         1.964,000         3.200         1.967,200           Refundable taxes         758,384         16,243         774,607           Loans         -         2.921,883         2.901,883           Accured interest         244,423         15,748         40,171           Internal balances         675,217         (675,217)         -           Prepaid tems         37,653         37,868         733,275         51,034,995           Capital assets, nondepreciable         11,485,420         33,255,607         10,03,011           Capital assets, nondepreciable         11,485,420         33,255,607         1639,79           Capital assets, nondepreciable         11,485,420         32,3255,607         1639,79           Total assets         64,572,914         161,718,447         246,291,361         3,932,49           DEFERRED OUTFLOWS OF RESOURCES         5,511,702         3,060,554         9,318,056         374,81           OPEB related tems         6,512,822         477,066         1,128,344         324,507           Caused aspression related items         5,511,702         3,060,554         9,318,056         374,81           Accounds payable			,		-		,		-
Shared taxes         1,964,000         3,200         1,967,200           Refundable taxes         758,364         16,243         774,607           Loans         -         2,921,883         2,921,883           Accured interest         24,423         15,744         40,171           Internal balances         675,217         (675,217)         -           Prepaid items         37,863         37,863         37,863           Inventories         -         1,288,422         99,04           Restricted cash and cash equivalents         24,307,281         8,948,226         33,255,607           Notes and leases receivable         967,994         735,171         1,703,701           Capital assets, contexpreciable         11,495,420         39,539,575         51,034,995           Defferrence outritows of resources         6,152,984         42,83,420         10,446,404         374,81           OPEE related items         6,152,984         4,283,420         10,446,404         374,81           OPEE related items         6,152,984         4,283,420         10,446,404         374,81           OPEE related items         6,162,984         4,283,420         10,446,404         374,81           OPEE related items         32,60,6537									687
Refundable taxes         758,364         16,243         774,607           Loans         2,921,883         2,921,883         2,921,883           Accured interest         24,423         15,746         40,171           Internal balances         675,217         675,217         40,183           Inventories         24,423         17,7460         75,521         40,18           Inventories         24,307,281         8,948,226         33,256,007           Notes and leases receivable         967,984         735,717         1,703,701           Capital assets, condepreciable         11,495,420         39,359,75         51,034,995           Capital assets, condepreciable         84,572,914         161,718,447         246,291,361         3,932,49           DEFERED OUTFLOWS OF RESOURCES         2         3,006,354         9,318,056         374,81           OPEE related items         651,282         477,066         1,128,348         -74,81           Cauda derine dutifows of resources         6,162,994         4,283,420         10,446,404         374,81           OPEE related items         651,282         477,066         1,128,348         -74,81           Accounts payable         1679,119         4,711,149         6,300,268         613,45 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td>									-
Lears         -         2.921,883         2.921,883           Accrued interest         24.423         15,748         40,171           Internal balances         675,217         (675,217)         -           Prepaid itens         37,653         37,868         75,521         40,18           Inventories         24,307,281         8,948,326         33,225,607         999,64           Restricted cash and cash equivalents         24,307,281         8,948,326         33,225,607         999,64           Capital assets, condepreciable         11,495,420         39,539,575         51,034,995         Gapital assets, correction         3,932,49           DEFERRED OUTFLOWS OF RESOURCES         Persion related litems         5,511,702         3,806,354         9,318,056         374,81           OPEE related litems         615,282         477,066         1,128,348         374,81           OPEE related litems         5,511,702         3,806,354         9,318,056         474,81           Cascuruts payable         1679,119         4,711,149         63,300,268         613,45           Accrued salaries and benefits         324,507         304,494         629,401         613,45           Accrued salaries and benefits         37,06,064         5,396,337         9,					,		, ,		-
Accured interest         24.423         15.748         40,171           Internal balances         675,217         675,217         675,217           Prepaid items         37,653         37,868         75,521         40,18           Inventories         1,288,262         1,288,262         999,64           Restricted cash and cash equivalents         24,307,281         8,348,620         32,255,607           Notes and leases receivable         967,994         735,177         1,703,701           Capital assets, condepreciable         11,495,420         39,539,575         51,034,995           Capital assets, condepreciable         11,495,420         30,638,77         246,291,301         3,932,49           DFEErRED OUTFLOWS OF RESOURCES         Pension related items         5,511,702         3,806,374         3,18,056         374,81           OPEE related items         5,511,702         3,806,374         4,283,420         10,446,404         374,81           OPEE related items         5,117,02         304,894         4,283,420         10,446,404         374,81           OPEE related items         5,167,119         4,711,149         6,390,268         613,45           Accounds payable         1,679,119         4,711,149         6,390,268         613,45			758,364		,				-
Internal balances         675_217         (675_217)         -           Prepaid items         37,653         37,868         75_521         40,18           Inventories         24,307,261         6,944,326         33,255,007         99,64           Restricted cash and cash equivalents         24,307,261         6,944,326         33,255,007         1           Capital assets, condepreciable         11,495,420         35,539,575         51,034,995         5           Capital assets, depreciable, not of accumulated depreciation         33,858,477         95,464,300         129,322,777         1,639,79           Total assets         84,572,914         161,718,447         246,291,361         3,932,49           DFERRED OUTFLOWS OF RESOURCES         Pension related items         6,512,284         42,23420         10,446,404         374,81           OPEB relate items         6,512,984         4,283,420         10,446,404         374,81           Accounts payable         1,679,119         4,711,149         6,390,286         613,45           Accounds payable         1,679,119         4,711,149         6,390,286         613,45           Accounts payable         376,618         376,918         376,918         0           Customer deposits         - <t< td=""><td></td><td></td><td>-</td><td></td><td></td><td></td><td></td><td></td><td>-</td></t<>			-						-
Prepaid items         37,653         37,863         75,521         40,14           Inventories         -         1288,262         1288,262         1288,262         999,64           Restricted cash and cash equivalents         24,307,281         8,948,326         33,255,607         1703,701           Notes and leases receivable         967,944         755,717         1,703,701         1639,79           Capital assets, condepreciable, net of accumulated depreciable, net of accumulated depreciable         33,858,477         95,464,300         129,322,777         1,639,79           Total assets         84,572,914         161,718,447         246,291,361         3,932,49           DEFERED OUTFLOWS OF RESOURCES           Pension related items         6,512,282         477,066         1,128,348         374,81           Output colspan="2">Atom to the resources         6,162,984         4,283,420         10,446,404         374,81           Output colspan="2">Counts payable         1,178,447         246,291,361         374,81           Accound salaries and benefits         324,507         3,048,44         629,401           Accound salaries and benefits         324,507         304,894         629,401            - <td< td=""><td>Accrued interest</td><td></td><td>24,423</td><td></td><td>15,748</td><td></td><td>40,171</td><td></td><td>-</td></td<>	Accrued interest		24,423		15,748		40,171		-
Inventories         -         1288 262         1288 262         3285 5607           Restricted cash and cash equivalents         24.307 281         8,948 326         33.255 607         1,703,701           Capital assets, nondepreciable         11,495,420         39,539,575         51,034,995         1639,79           Total assets         84,572,914         161,718,447         246,291,361         3,932,249           DEFERRED OUTFLOWS OF RESOURCES         Pension related items         5511,702         3,806,354         9,318,056         374,81           OPEB related items         6,512,824         477,066         1,128,348         374,81           OPEB related items         6,512,824         477,066         1,28,348         374,81           OPEB related items         0,612,804         4,223,420         10,446,404         374,81           Accounts payable         1,679,119         4,711,149         6,390,268         613,45           Accound inferes payable         1,679,119         4,711,149         6,390,268         613,45           Outer accrued liabilities         -         -         -         150,00           Noncurrent liabilities         -         -         -         150,00           Noncurent liabilities         57,463,355         <	Internal balances		675,217		(675,217)		-		-
Restricted cash and cash equivalents         24,307,281         8,948,326         33,255,607           Notes and leases receivable         967,984         735,717         1,703,701           Capital assets, depreciable, net of accumulated depreciable         11,495,420         39,539,575         51,034,995           Capital assets, depreciable, net of accumulated depreciable         24,572,914         161,718,447         246,291,361         3,932,49           DEFERRED OUTFLOWS OF RESOURCES         Pension related items         5,511,702         3,806,354         9,318,056         374,81           OPEE related items         6,162,984         4,283,420         10,446,404         374,81           OPEE prelated items         6,162,984         4,283,420         10,446,404         374,81           OPEE prelated items         6,162,984         4,283,420         10,446,404         374,81           Accounts payable         1,679,119         7,711,149         6,390,268         613,45           Accrued islaries and benefits         324,507         304,894         629,401         Accrued interest payable         1670,119         498,217         Customer deposits         -         -         150,00           Orber accrued liabilities         -         -         150,00         -         150,00         12,48	Prepaid items		37,653		37,868		75,521		40,185
Restricted cash and cash equivalents         24,307,281         8,948,326         33,255,607           Notes and leases receivable         967,984         735,717         1,703,701           Capital assets, depreciable, net of accumulated depreciable         11,495,420         39,539,575         51,034,995           Capital assets, depreciable, net of accumulated depreciable         24,572,914         161,718,447         246,291,361         3,932,49           DEFERRED OUTFLOWS OF RESOURCES         Pension related items         5,511,702         3,806,354         9,318,056         374,81           OPEE related items         6,162,984         4,283,420         10,446,404         374,81           OPEE prelated items         6,162,984         4,283,420         10,446,404         374,81           OPEE prelated items         6,162,984         4,283,420         10,446,404         374,81           Accounts payable         1,679,119         7,711,149         6,390,268         613,45           Accrued islaries and benefits         324,507         304,894         629,401         Accrued interest payable         1670,119         498,217         Customer deposits         -         -         150,00           Orber accrued liabilities         -         -         150,00         -         150,00         12,48	Inventories		-		1,288,262		1,288,262		999,647
Notes and leases receivable         967,984         735,717         1,703,701           Capital assets, nondepreciable accumulated depreciation         33,856,477         95,464,300         129,322,777         1,639,79           Total assets         B4,572,914         161,718,447         246,291,361         3,932,49           DEFERRED OUTFLOWS OF RESOURCES         Pension related items         5,511,702         3,806,354         9,318,056         374,81           OPEB related items         6,162,984         4,283,420         10,446,404         374,81           Counts payable         1,679,119         4,771,149         6,300,268         613,457           Retainage payable         1,679,119         4,711,149         6,300,268         613,457           Accounts payable         1,679,119         4,711,149         6,300,268         613,457           Accured interest payable         324,507         306,834         629,401           Accured interest payable         376,918         376,918         376,918           Other accured labilities         -         -         150,000           Noncurrent liabilities         -         -         150,00           Due in more than one year         3,708,064         5,996,377         9,104,401           Due in mor	Restricted cash and cash equivalents	2	4.307.281		8.948.326				-
Capital assets, nondepreciable         11,495,420         39,539,575         51,034,995           Capital assets, depreciable, net of accumulated depreciation         33,858,477         96,464,300         129,322,777         1,639,79           Total assets         84,572,914         161,718,447         246,291,361         3,932,49           DEFERRED OUTFLOWS OF RESOURCES         9,318,056         374,81           OPEB related items         6,162,984         4,283,420         10,446,404         374,81           OPEE related items         6,162,984         4,283,420         10,446,404         374,81           Accounts payable         1,679,119         4,711,149         6,390,268         613,45           Accrued alaries and benefits         324,507         304,894         629,401         Accrued interest payable         312,276         185,941         498,217           Customer deposits         -         -         376,918         376,918         376,918         150,00           Noncurrent liabilities         -         -         150,00         -         150,00           Due within one year         3,708,064         5,396,337         9,104,401         472,18           Due within one year         379,697         75,812         455,509         1,99	•	_	, ,						-
Capital assets, depreciation         33,858,477         95,464,300         129,322,777         1,639,79           Total assets         84,572,914         161,718,447         246,291,361         3,932,49           DEFERRED OUTFLOWS OF RESOURCES         Pension related items         5,511,702         3,806,354         9,318,056         374,81           OPEB related items         6,512,82         477,066         1,128,348         374,81           Total deferred outflows of resources         6,162,994         4,283,420         10,446,404         374,81           Accounts payable         1,679,119         4,711,149         6,390,268         613,45           Accrued salaries and benefits         324,507         304,894         693,401           Accrued interest payable         1,276         185,941         492,401           Accrued interest payable         -         376,918         376,918         076,918           Other accrued liabilities         -         -         150,00         100         472,18           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           Total liabilities         57,463,355         81,955,902         19,419,257         1,235,64           DeFERRED INFLOWS OF RESOURCES		1			,				
accumulated depreciation         33,856,477         95,464,300         129,322,777         1,639,79           Total assets         B4,572,914         161,718,447         246,291,361         3,932,49           DEFERRED OUTFLOWS OF RESOURCES         Pension related items         5,511,702         3,806,354         9,318,056         374,81           OPEB related items         6,162,984         4,77,086         1,128,348         374,81           OPES related items         6,162,984         4,283,420         10,446,404         374,81           Accounds payable         0,162,984         4,283,420         10,446,404         374,81           Accrued salaries and benefits         324,507         304,894         629,401         Accrued salaries and benefits         376,918         100,00           Customer deposits         -         -         150,00         121,484,491         472,16           Other accrued liabilities         -         -         -         150,00         1,229,738         70,284,753         121,484,491         472,16           Due in more than one year         5,74,63,355         81,955,902         139,419,257         1,235,64           DeFERRED INFLOWS OF RESOURCES         -         -         -         10,60,676         1,833,061         1,99	• • •	1	1,495,420		39,339,375		51,054,995		-
Total assets         84,572,914         161,718,447         246,291,361         3,932,49           DEFERRED OUTFLOWS OF RESOURCES         Pension related items         5,511,702         3,806,354         9,318,056         374,81           OPEB related items         6,512,82         477,066         1,128,348         374,81           Counts payable         6,162,984         4,283,420         10,446,404         374,81           Accounts payable         1,679,119         4,711,149         6,390,268         613,45           Accrued interest payable         312,276         185,941         498,217           Customer deposits         -         -         -         150,00           Noncurrent liabilities         -         -         -         150,00           Noncurrent liabilities         -         -         -         150,00           Noncurrent liabilities         -         -         -         150,00           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           Other accrued liabilities         -         -         -         1,235,64           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           O			0 050 477		05 404 000		400 000 777		4 000 700
DEFERED OUTFLOWS OF RESOURCES           Pension related items         5,511,702         3,806,354         9,318,056         374,81           OPEB related items         6,162,984         4,283,420         10,446,404         374,81           Accounts payable         6,162,984         4,283,420         10,446,404         374,81           Accounts payable         1,679,119         4,711,149         6,390,268         613,45           Accrued salaries and benefits         324,507         304,894         629,401           Accrued interest payable         312,276         185,941         498,217           Customer deposits         -         -         150,00           Other accrued liabilities         -         -         150,00           Noncurrent liabilities         -         -         150,00           Due it more than one year         3,708,064         5,396,337         9,104,401           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           OPEB related items         379,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         680,333         1,99           OPEB related items         392,688	accumulated depreciation	3	3,858,477		95,464,300		129,322,777		1,639,790
Pension related items         5,511,702         3,806,354         9,318,056         374,81           OPEB related items         6,162,284         4,72,066         1,128,348	Total assets		84,572,914		161,718,447		246,291,361		3,932,490
OPEB related items         651,282         477,066         1,128,348           Total deferred outflows of resources         6,162,984         4,283,420         10,446,404         374,81           LLABILITIES         Accounts payable         1,679,119         4,711,149         6,390,268         613,45           Retainage payable         209,651         725,910         935,561         Accrued interest payable         613,45           Accrued interest payable         312,276         185,941         498,217         Customer deposits         -         -         150,00           Oneurent liabilities         -         -         -         150,00         -         150,00           Noncurrent liabilities         -         -         -         -         150,00           Due within one year         3,708,064         5,396,337         9,104,401         -           Due in more than one year         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         -         -         697,219         697,219           Paste celpts         -         -         697,219         697,219           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,997	DEFERRED OUTFLOWS OF RESOURCES								
Total deferred outflows of resources         6,162,984         4,283,420         10,446,404         374,81           LLABILITIES         Accounts payable         1,679,119         4,711,149         6,390,268         613,45           Accrued starless and benefits         324,507         304,894         629,401         Accrued starless and benefits         324,507         304,894         629,401           Accrued starless and benefits         324,507         304,894         629,401         Accrued starless and benefits         324,507         304,894         629,401           Accrued starlines         312,276         185,941         496,217         Customer deposits         -         -         150,00           Other accrued liabilities         -         -         -         150,00         Noncurrent liabilities         -         -         150,00           Due within one year         3,708,064         5,396,337         9,104,401         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERED INFLOWS OF RESOURCES         -         697,219         697,219         -         1,99           OPEB related items         3292,688         287,645         680,333         1,99         -         1,99 </td <td>Pension related items</td> <td></td> <td>5,511,702</td> <td></td> <td>3,806,354</td> <td></td> <td>9,318,056</td> <td></td> <td>374,819</td>	Pension related items		5,511,702		3,806,354		9,318,056		374,819
Total deferred outflows of resources         6,162,984         4,283,420         10,446,404         374,81           LABILITIES           Accounts payable         1,679,119         4,711,149         6,390,268         613,45           Retainage payable         209,651         725,910         935,561           Accrued staties and benefits         324,607         304,894         629,401           Accrued staties and benefits         324,507         304,894         629,401           Accrued staties and benefits         324,507         304,894         629,401           Accrued statifies         -         -         -         150,00           Other accrued liabilities         -         -         -         150,00           Noncurrent liabilities         -         -         -         150,00           Due within one year         3,708,064         5,396,337         9,104,401           Due in more than one year         57,463,355         81,955,902         139,419,257         1,236,64           DEFERENCE INFLOWS OF RESOURCES         -         697,219         697,219         -           OPEB related items         3292,688         287,645         680,333         -         1,99           Net investment in capital assets <td>OPEB related items</td> <td></td> <td>651.282</td> <td></td> <td>477.066</td> <td></td> <td>1.128.348</td> <td></td> <td>-</td>	OPEB related items		651.282		477.066		1.128.348		-
Accounts payable         1,679,119         4,711,149         6,390,268         613,45           Retainage payable         209,651         725,910         935,561         725,910         935,561           Accrued alaries and benefits         324,507         304,894         629,401         702,910	Total deferred outflows of resources								374,819
Retainage payable         209,651         725,910         935,561           Accrued interest payable         324,507         304,894         629,401           Accrued interest payable         312,276         185,941         498,217           Customer deposits         -         376,918         376,918           Other accrued liabilities         -         -         150,00           Noncurrent liabilities:         -         -         -           Due within one year         3,708,064         5,396,337         9,104,401           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         -         -         -         1,235,64           Pension related items         379,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         680,333         -           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           Restricted for:         -         -         4,202,146         -         4,202,146         341,39	LIABILITIES								
Retainage payable         209,651         725,910         935,561           Accrued interest payable         324,507         304,894         629,401           Accrued interest payable         312,276         185,941         498,217           Customer deposits         -         376,918         376,918           Other accrued liabilities         -         -         150,00           Noncurrent liabilities:         -         -         -           Due within one year         3,708,064         5,396,337         9,104,401           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         -         -         -         1,235,64           Pension related items         379,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         680,333         -           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           Restricted for:         -         -         4,202,146         -         4,202,146         341,39			1.679.119		4.711.149		6.390.268		613,459
Accrued salaries and benefits         324,507         304,894         629,401           Accrued interest payable         312,276         185,941         498,217           Customer deposits         -         376,918         376,918         0           Other accrued liabilities:         -         -         150,00         150,00           Noncurrent liabilities:         -         -         -         150,00           Due within one year         3,708,064         5,396,337         9,104,401           Due within one year         3,708,064         5,396,337         9,104,401           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         -         -         697,219         -           Catal deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           OPEB related items         392,688         287,645         680,333         1,99           Lease receipts         -         697,219         697,219         -           Total deferred inflows of resources         772,385         1,060,676									
Accrued interest payable         312,276         185,941         498,217           Customer deposits         -         376,918         376,918         376,918           Other accrued liabilities:         -         -         150,00           Noncurrent liabilities:         -         -         -         150,00           Due within one year         3,708,064         5,396,337         9,104,401         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERED INFLOWS OF RESOURCES         -         -         697,219         640,333         1,99           OPEB related items         392,688         287,645         680,333         1,99         1,99           OPEB related items         392,688         287,645         680,333         1,99         1,99           OPEB related items         392,688         287,645         680,333         1,99           Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         -         -         124,449         -         124,449           USDA debt reserve         124,449         -         124,449         378,440         378,4	0		,		,				
Customer deposits         -         376,918         376,918         376,918           Other accrued liabilities         -         -         -         150,00           Noncurrent liabilities:         -         -         -         150,00           Due within one year         3,708,064         5,396,337         9,104,401           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERED INFLOWS OF RESOURCES         -         -         697,219         697,219           Pension related items         392,688         287,645         680,333         1,99           OPEE related items         392,688         287,645         680,333         1,99           OPEE related items         392,688         287,645         680,333         1,99           Net novestment in capital assets         772,385         1,060,676         1,833,061         1,99           Restricted for:         -         -         4,202,146         4,202,146         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         1,333,329         1,333,329<									
Other accrued liabilities         -         -         -         150,00           Noncurrent liabilities:         Due within one year         3,708,064         5,396,337         9,104,401         Due within one year         472,18           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         Pension related items         379,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         660,333         1.99           OPEB related items         392,688         287,645         680,333         1.99           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1.99           Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         Stabilization by State Statute         4,202,146         4,202,146         341,39           USDA debt reserve         124,449         124,449         333,329         1,333,329         1,333,329           Human services         1,500,000         1,500,000         1			512,270						_
Noncurrent liabilities:         3,708,064         5,396,337         9,104,401           Due within one year         51,229,738         70,254,753         121,484,491         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         70,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         680,333         1           Lease receipts         -         697,219         697,219         -           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         -         -         4202,146         -         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         -         124,449           Economic development         378,440         -         378,440         -         378,440           Public safety         1,333,329	•		-		370,910		370,910		150.000
Due within one year         3,708,064         5,396,337         9,104,401           Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         Pension related items         379,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         680,333         1         1         9           Lease receipts         -         697,219         697,219         697,219         6         1         9			-		-		-		150,000
Due in more than one year         51,229,738         70,254,753         121,484,491         472,18           Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         379,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         680,333         1.99           OPEB related items         392,688         287,645         680,333         1.99           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1.99           Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         Stabilization by State Statute         4,202,146         -         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449									
Total liabilities         57,463,355         81,955,902         139,419,257         1,235,64           DEFERRED INFLOWS OF RESOURCES         Pension related items         379,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         680,333         1         1         199           OPEB related items         392,688         287,645         680,333         1         1,99           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           NET POSITION         Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         Stabilization by State Statute         4,202,146         -         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         -         124,449           Economic development         378,440         -         378,440         -         378,440           Public safety         1,333,329         -         1,333,329         -         336,220           Human services         1,500,000         -         1,500,000         -         30,62           Unrestricted         388,280	Due within one year		3,708,064						-
DEFERRED INFLOWS OF RESOURCES           Pension related items         379,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         680,333         1           Lease receipts         -         697,219         697,219         1           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         -         -         4,202,146         -         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         -         1,333,329           Human services         1,500,000         -         1,500,000         -         30,62           Parks         245,200         -         -         -         30,62           Unrestricted         388,280         11,316,890         11,705,170         1,057,85	Due in more than one year	5	51,229,738		70,254,753		121,484,491		472,189
Pension related items         379,697         75,812         455,509         1,99           OPEB related items         392,688         287,645         680,333         1           Lease receipts         -         697,219         697,219         1           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         -         4,202,146         -         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         -         124,449           Economic development         378,440         -         378,440         -         378,440           Public safety         1,333,329         -         1,333,329         -         1,333,329           Human services         1,500,000         -         1,500,000         -         30,62           Unrestricted         388,280         11,316,890         11,705,170         1,057,85	Total liabilities	5	57,463,355		81,955,902		139,419,257		1,235,648
OPEB related items         392,688         287,645         680,333           Lease receipts         -         697,219         697,219           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           NET POSITION         Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         -         4,202,146         -         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         -         124,449           Economic development         378,440         -         378,440         -         378,440           Public safety         1,333,329         -         1,333,329         -         1,333,329           Human services         1,500,000         -         1,500,000         -         30,62           Unrestricted         388,280         11,316,890         11,705,170         1,057,85	DEFERRED INFLOWS OF RESOURCES								
OPEB related items         392,688         287,645         680,333           Lease receipts         -         697,219         697,219           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           NET POSITION         Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         -         4,202,146         -         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         -         124,449           Economic development         378,440         -         378,440         -         378,440           Public safety         1,333,329         -         1,333,329         -         1,333,329           Human services         1,500,000         -         1,500,000         -         30,62           Unrestricted         388,280         11,316,890         11,705,170         1,057,85			379.697		75.812		455,509		1,995
Lease receipts         -         697,219         697,219           Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           NET POSITION         -         -         697,219         697,219         1,99           Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         -         -         4,202,146         -         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         124,449         -         1333,329         -         1,333,329         -         1,333,329         -         1,333,329         -         1,500,000         -         1,500,000         -         245,200         -         245,200         -         245,200         -         30,62         -         - <t< td=""><td>OPEB related items</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>-</td></t<>	OPEB related items								-
Total deferred inflows of resources         772,385         1,060,676         1,833,061         1,99           NET POSITION           Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:         3tabilization by State Statute         4,202,146         -         4,202,146         341,39           USDA debt reserve         124,449         -         124,449         -         124,449           Economic development         378,440         -         378,440         -         378,440           Public safety         1,333,329         -         1,333,329         -         1,500,000           Parks         245,200         -         245,200         -         30,62           Unrestricted         388,280         11,316,890         11,705,170         1,057,85									_
Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:	•		772,385						1,995
Net investment in capital assets         24,328,314         71,668,399         95,996,713         1,639,79           Restricted for:	NET POSITION								
Restricted for:       4,202,146       4,202,146       341,39         USDA debt reserve       124,449       124,449         Economic development       378,440       378,440         Public safety       1,333,329       1,333,329         Human services       1,500,000       1,500,000         Parks       245,200       245,200         Capital projects       -       -       30,62         Unrestricted       388,280       11,316,890       11,705,170       1,057,85		2	4.328.314		71,668,399		95,996,713		1,639,790
USDA debt reserve       124,449       -       124,449         Economic development       378,440       -       378,440         Public safety       1,333,329       -       1,333,329         Human services       1,500,000       -       1,500,000         Parks       245,200       -       245,200         Capital projects       -       -       30,62         Unrestricted       388,280       11,316,890       11,705,170       1,057,85		-	1,020,011		11,000,000		00,000,110		1,000,100
Economic development         378,440         -         378,440           Public safety         1,333,329         -         1,333,329           Human services         1,500,000         -         1,500,000           Parks         245,200         -         245,200           Capital projects         -         -         30,62           Unrestricted         388,280         11,316,890         11,705,170         1,057,85	Stabilization by State Statute		4,202,146		-		4,202,146		341,392
Economic development         378,440         -         378,440           Public safety         1,333,329         -         1,333,329           Human services         1,500,000         -         1,500,000           Parks         245,200         -         245,200           Capital projects         -         -         30,62           Unrestricted         388,280         11,316,890         11,705,170         1,057,85	USDA debt reserve		124,449		-		124,449		-
Public safety       1,333,329       -       1,333,329         Human services       1,500,000       -       1,500,000         Parks       245,200       -       245,200         Capital projects       -       -       30,62         Unrestricted       388,280       11,316,890       11,705,170       1,057,85	Economic development		378,440		-		378,440		-
Human services       1,500,000       -       1,500,000         Parks       245,200       -       245,200         Capital projects       -       -       30,62         Unrestricted       388,280       11,316,890       11,705,170       1,057,85	•				-				-
Parks         245,200         -         245,200           Capital projects         -         -         30,62           Unrestricted         388,280         11,316,890         11,705,170         1,057,85					-				-
Capital projects         -         -         30,62           Unrestricted         388,280         11,316,890         11,705,170         1,057,85					-				-
Unrestricted <u>388,280</u> <u>11,316,890</u> <u>11,705,170</u> <u>1,057,85</u>			240,200		-		240,200		20 620
Total not position \$ 22,500,159 \$ 92,095,290 \$ 115,495,447 \$ 2,060,66			388,280		11,316,890		- 11,705,170		30,629 1,057,855
$\phi$ 52,500,150 $\phi$ 62,305,269 $\phi$ 115,465,447 $\phi$ 5,009,00	Total net position	\$ 3	32,500,158	\$	82,985,289	\$	115,485,447	\$	3,069,666

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

# STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

			Program Revenues						
Functions/Programs		Expenses		Charges for Services		Operating Grants and Contributions		Capital rants and ntributions	
Primary government:									
Governmental activities:									
General government	\$	6,371,382	\$	57,141	\$	-	\$	9,702	
Public safety		14,208,697		271,432		6,355,479		-	
Transportation		3,395,730		-		463,850		233,130	
Economic and physical development		816,721		214,950		-		-	
Culture and recreation		932,353		83,412		2,500		-	
Interest on long-term debt		883,110		-		-		-	
Total governmental activities		26,607,993		626,935		6,821,829		242,832	
Business-type activities:									
Water and sewer		23,608,570		22,512,835		6,420		5,525,336	
Parking services		612,881		564,735		-		-	
Environmental services		1,667,333		1,524,404		13,153		-	
Stormwater		948,011		1,025,762		-		89,377	
Total business-type activities		26,836,795		25,627,736		19,573		5,614,713	
Total primary government	_	53,444,788	_	26,254,671		6,841,402		5,857,545	
Component unit:									
Hendersonville ABC Board	¢	11,426,820	\$	11,541,820	\$	_	¢	_	
	ψ	11,420,020	Ψ	11,041,020	Ψ	-	Ψ	-	
			Gener	al revenues:					
			Тах	'es'					

Taxes:

Property taxes

Sales taxes

- Franchise taxes
- Gross receipts tax
- Other taxes

Unrestricted investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

		Changes in Primary Government			mponent Unit
G	overnmental Activities	Business-type Activities	 Total		dersonville ABC Board
\$	(6,304,539)	\$-	\$ (6,304,539)	\$	
	(7,581,786)	-	(7,581,786)		
	(2,698,750)	-	(2,698,750)		
	(601,771)	-	(601,771)		
	(846,441)	-	(846,441)		
	(883,110)		 (883,110)		
	(18,916,397)		 (18,916,397)		
	_	4,436,021	4,436,021		
	-	(48,146)	(48,146)		
	-	(129,776)	(129,776)		
	_	167,128	167,128		
		4,425,227	 4,425,227		
	(18,916,397)	4,425,227	 (14,491,170)		
	(10,010,001)	.,	 (11,101,110)		
	-		 -		115,00
	12,571,874	-	12,571,874		
	5,882,131	-	5,882,131		
	1,347,011	-	1,347,011		
	12,084	-	12,084		
	511,178	-	511,178		
	565,359	403,683	969,042		15,02
	156,785	-	156,785		
	3,765,747	(3,765,747)	 -		
	24,812,169	(3,362,064)	 21,450,105		15,02
	5,895,772	1,063,163	6,958,935		130,02
•	26,604,386	81,922,126	 108,526,512		2,939,63
5	32,500,158	\$ 82,985,289	\$ 115,485,447	\$	3,069,66

#### BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2023

		General Fund		Grants Fund	G	overnmental Capital Projects Fund		lonmajor vernmental Funds		Total
ASSETS	¢	0 704 440	\$	07.005	۴		¢		¢	0.074.775
Cash and cash equivalents	\$	3,784,140	\$	87,635	\$	-	\$	-	\$	3,871,775
Investments Receivables. net:		4,481,324		103,305		-		161,832		4,746,461
Taxes receivable		227.000						10.095		248,073
		237,988		-		-		10,085		,
Accounts Grants		426,957		-		-		-		426,957
Shared taxes		-		821,040		208,630				1,029,670
Refundable taxes		1,865,504		-		-		98,496		1,964,000
Accrued interest		758,364		-		-		- 617		758,364
Due from other funds		20,605		3,201		-		617		24,423
		675,217		-		-		-		675,217
Prepaid items		37,503		-		-		150		37,653
Restricted cash and cash equivalents		124,449		1,494,609		22,477,006		211,217		24,307,281
Notes receivable		455,484		512,500				-		967,984
Total assets	\$	12,867,535	\$	3,022,290	\$	22,685,636	\$	482,397	\$	39,057,858
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$	720,561	\$	17,611	\$	868,784	\$	10,184	\$	1,617,140
Retainage payable	+	-	•	-	-	209,651	Ŧ	-	•	209,651
Accrued salaries and benefits		314,834		-		-		9,673		324,507
Total liabilities	_	1,035,395		17,611		1,078,435		19,857		2,151,298
DEFERRED INFLOWS OF RESOURCES										
Unavailable revenue - property taxes		237,973						10,100		248,073
Total deferred inflows of resources		237,973		<u> </u>				10,100		248,073
Total deletted innows of resources		231,913		-		<u> </u>		10,100		240,073
FUND BALANCES										
Fund balances:										
Nonspendable:										
Prepaid items		37,503		-		-		150		37,653
Restricted for:										
Stabilization by State Statute		4,202,146		-		-		-		4,202,146
USDA debt reserve		124,449		-		-		-		124,449
Capital projects		-		-		21,607,201		-		21,607,201
Economic development		-		-		-		378,440		378,440
Public safety		-		1,259,479		-		73,850		1,333,329
Human services		-		1,500,000		-		-		1,500,000
Parks		-		245,200		-		-		245,200
Assigned for fiscal year 2024 budget		2,614,518		-		-		-		2,614,518
Unassigned		4,615,551	<u> </u>	-		-		-		4,615,551
Total fund balances		11,594,167		3,004,679		21,607,201		452,440		36,658,487
Total liabilities, deferred inflows										
of resources and fund balances	\$	12,867,535	\$	3,022,290	\$	22,685,636	\$	482,397	\$	39,057,858

# RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO THE STATEMENT OF NET POSITION OF THE GOVERNMENTAL ACTIVITIES JUNE 30, 2023

Amounts reported for governmental activities in the statement of net position are different b	bec	ause:	
Fund balances - total governmental funds			\$ 36,658,487
Capital assets and right-to-use assets used in governmental activities are not current fina and, therefore, are not reported in the funds.	anc	cial resources	
Cost \$	\$	74,325,840	
Less accumulated depreciation and amortization		(28,971,943)	45,353,897
Internal service funds are used by the City to charge cost to other funds. The assets a included in the governmental activities.	and	liabilities are	99,180
Property tax revenues in the statement of activities that do not provide current financia reported as unavailable revenues in the funds.	al r	esources are	248,073
Long-term liabilities are not due and payable in the current period and, therefore, are not re funds.	еро	orted in the	
Bonds payable, net of unamortized premiums \$	\$	(4,174,655)	
Installment purchase contracts		(37,617,673)	
Financed purchases		(276,833)	
Leases		(163,731)	
Subscription-based information technology arrangements		(191,259)	
Accrued interest		(312,276)	
Compensated absences		(1,259,381)	(43,995,808)
The net pension liability (LGERS), total pension liability (LEOSSA), and the related defe resources and deferred inflows of resources are not expected to be liquidated with exper financial resources and, therefore, are not reported in the funds.			
Net pension liability (LGERS) \$	\$	(7,567,257)	
Total pension liability (LEOSSA)		(1,445,194)	
Deferred outflows of resources - pension items		5,511,702	
Deferred inflows of resources - pension items		(379,697)	(3,880,446)
The total OPEB liability and related deferred outflows of resources and deferred inflows on not expected to be liquidated with expendable available financial resources and, the reported in the funds.			
Total OPEB liability \$	\$	(2,241,819)	
Deferred outflows of resources - OPEB items		651,282	
Deferred inflows of resources - OPEB items		(392,688)	 (1,983,225)
Net position - governmental activities			\$ 32,500,158

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#### Section 6, Item C.

### **CITY OF HENDERSONVILLE, NORTH CAROLINA**

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Grants Fund	Governmental Capital Projects Fund	Nonmajor Governmental Funds	Total
Revenues:					
Ad valorem taxes	\$ 12,027,091	\$ -	\$ -	\$ 334,132	\$ 12,361,223
Other taxes and licenses	12,084	-	-	-	12,084
Unrestricted intergovernmental	7,393,606	-	-	352,928	7,746,534
Restricted intergovernmental	891,391	5,904,910	233,130	5,298	7,034,729
Permits and fees	458,957	-	-	-	458,957
Sales and services	352,080	-	-	24,335	376,415
Investment earnings (loss)	281,089	37,894	237,620	8,756	565,359
Miscellaneous	164,756		2,500	16,094	183,350
Total revenues	21,581,054	5,942,804	473,250	741,543	28,738,651
Expenditures:					
Current:					
General government	5,367,104	360,000	44,594	-	5,771,698
Public safety	12,258,301	675,349	-	98,081	13,031,731
Transportation	2,907,834	38,786	-	-	2,946,620
Economic and physical development	-	130,123	-	648,482	778,605
Culture and recreation	892,052	-	-	-	892,052
Capital outlay	-	5,735	5,810,568	-	5,816,303
Debt service:					
Principal	1,682,931	-	-	28,340	1,711,271
Interest	806,271	-	-	17,254	823,525
Issuance costs			80,315		80,315
Total expenditures	23,914,493	1,209,993	5,935,477	792,157	31,852,120
Excess (deficiency) of revenues					
over (under) expenditures	(2,333,439)	4,732,811	(5,462,227)	(50,614)	(3,113,469)
Other financing sources (uses):					
Sale of capital assets	81,216	-	-	-	81,216
Issuance of long-term debt	1,254,350	-	21,206,865	-	22,461,215
Transfers in	4,555,606	537,691	4,955,004	400,000	10,448,301
Transfers out	(1,726,948)	(4,555,606)		(400,000)	(6,682,554)
Total other financing sources (uses)	4,164,224	(4,017,915)	26,161,869		26,308,178
Net change in fund balances	1,830,785	714,896	20,699,642	(50,614)	23,194,709
Fund balances, beginning of year	9,763,382	2,289,783	907,559	503,054	13,463,778
Fund balances, end of year	\$ 11,594,167	\$ 3,004,679	\$ 21,607,201	\$ 452,440	\$ 36,658,487

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

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

Net change in fund balances - total governmental funds	\$ 23,194,709
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Capital outlay\$ 7,624,871Depreciation and amortization expense(2,641,274)	4,983,597
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.	
Net book value of capital assets disposed\$ (377,514)Donations of capital assets9,702	(367,812)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Unavailable revenue - property taxes\$ (9,429)Unavailable revenue - intergovernmental(906)	(10,335)
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, however, has any effect on net position. This amount is the net effect of these differences	
Installment purchase contracts issued\$ (21,992,123)Inception of lease arrangements(176,053)Inception of subscription-based information technology arrangements (SBITAs)(293,039)Principal payments on outstanding bonds payable375,000Principal payments on outstanding installment purchase contracts1,084,200Principal payments on outstanding financed purchases137,969	
Principal payments on outstanding leases12,322Principal payments on outstanding SBITAs101,780	(20,749,944)
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.	
Accrued interest\$ (139,880)Amortization of bond premium80,295Change in compensated absences(138,257)Change in pension expense (LGERS)(807,877)Change in pension expense (LEOSSA)(82,145)	
Change in OPEB expense (87,950) Internal service funds are used by management to charge the costs of health and welfare benefits expenses	(1,175,814)
for the City's employees to the City's individual funds. The net expense of the internal service funds is reported with governmental activities.	21,371
Change in net position - governmental activities	\$ 5,895,772

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# GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted	l Amounts		Variance with Final
	Original	Final	Actual	Budget
Revenues				
Ad valorem taxes	\$ 11,469,868	\$ 11,794,708	\$ 12,027,091	\$ 232,383
Other taxes and licenses	9,000	10,720	12,084	1,364
Unrestricted intergovernmental revenue	6,694,346	7,364,473	7,393,606	29,133
Restricted intergovernmental revenue	757,779	793,059	891,391	98,332
Permits and fees	435,600	450,745	458,957	8,212
Sales and services	86,100	373,805	352,080	(21,725)
Investment earnings	175,000	232,760	281,089	48,329
Miscellaneous revenues	313,000	203,297	164,756	(38,541)
Total revenues	19,940,693	21,223,567	21,581,054	357,487
Expenditures				
Current:				
General government	5,108,381	5,831,815	5,367,104	464,711
Public safety	11,752,426	12,614,448	12,258,301	356,147
Transportation	3,081,846	2,972,728	2,907,834	64,894
Culture and recreation	879,962	939,563	892,052	47,511
Debt service:				
Principal	1,501,267	1,674,379	1,682,931	(8,552)
Interest and fiscal charges	812,301	815,345	806,271	9,074
Total expenditures	23,136,183	24,848,278	23,914,493	933,785
(Deficiency) of revenues (under)				
expenditures	(3,195,490)	(3,624,711)	(2,333,439)	1,291,272
Other financing sources (uses)				
Sale of capital assets	20,000	87,220	81,216	(6,004)
lssuance of long-term debt	1,088,700	1,386,219	1,254,350	(131,869)
Appropriation of fund balance	1,666,590	1,086,525	-	(1,086,525)
Operating transfers in from other funds	1,250,000	4,511,800	4,555,606	43,806
Operating transfers out to other funds	(829,800)	(3,447,053)	(1,726,948)	1,720,105
Total other financing sources (uses)	3,195,490	3,624,711	4,164,224	539,513
Net change in fund balance	-	-	1,830,785	1,830,785
Fund balances, beginning of year	9,763,382	9,763,382	9,763,382	
Fund balances, end of year	\$ 9,763,382	\$ 9,763,382	\$ 11,594,167	\$ 1,830,785

#### STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2023

	Water and Sewer Fund	Parking Services Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 3,890,063	\$-	\$-	\$ 3,890,063	\$ 73,936
Investments	5,946,616	-	-	5,946,616	87,103
Receivables, net:					
Accounts	3,198,599	6,130	380,994	3,585,723	120
Grants	140	-	-	140	-
Shared taxes	-	-	3,200	3,200	-
Refundable taxes	-	16,243	-	16,243	-
Loans from State Revolving Fund	2,913,583	-	8,300	2,921,883	-
Accrued interest	15,400	348	-	15,748	-
Lease receivable	2,807	-	-	2,807	-
Prepaid items	37,868	-	-	37,868	-
Inventories	1,288,262	-	-	1,288,262	-
Restricted cash and cash equivalents	8,948,326	-	-	8,948,326	
Total current assets	26,241,664	22,721	392,494	26,656,879	161,159
Noncurrent assets:					
Lease receivable	732,910	-	-	732,910	-
Capital assets:					
Non-depreciable	37,280,460	1,912,656	346,459	39,539,575	-
Depreciable, net of accumulated depreciation	82,851,873	11,010,922	1,601,505	95,464,300	-
Total capital assets, net	120,132,333	12,923,578	1,947,964	135,003,875	-
Total noncurrent assets	120,865,243	12,923,578	1,947,964	135,736,785	
Total assets	147,106,907	12,946,299	2,340,458	162,393,664	161,159
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	3,292,712	-	513,642	3,806,354	-
OPEB related items	412,750	-	64,316	477,066	-
Total deferred outflows of resources	3,705,462	-	577,958	4,283,420	-
LIABILITIES					
Current liabilities:					
Accounts payable	4,621,485	21,922	67,742	4,711,149	61,979
Retainage payable	725,910	-	-	725,910	-
Accrued salaries and benefits	266,299	2,932	35,663	304,894	-
Due to other funds	-	412,129	263,088	675,217	-
Accrued interest payable	136,102	43,521	6,318	185,941	-
Customer deposits payable	375,843	1,075	-	376,918	-
Compensated absences, current	357,473	-	42,316	399,789	-
Current portion of long-term debt	4,288,829	554,492	153,227	4,996,548	-
Total current liabilities	10,771,941	1,036,071	568,354	12,376,366	61,979
Long-term liabilities:					
Compensated absences, less current portion	323,181	-	40,196	363,377	-
Long-term debt, less current portion	50,279,072	11,555,899	869,701	62,704,672	-
Net pension liability	4,796,366	-	748,202	5,544,568	-
Total OPEB liability	1,420,751	-	221,385	1,642,136	-
Total long-term liabilities	56,819,370	11,555,899	1,879,484	70,254,753	-
Total liabilities	67,591,311	12,591,970	2,447,838	82,631,119	61,979
DEFERRED INFLOWS OF RESOURCES					
Pension related items	65,581	-	10,231	75,812	-
OPEB related items	248,866	-	38,779	287,645	_
Lease receipts	697,219	-		697,219	-
Total deferred inflows of resources	1,011,666		49,010	1,060,676	
NET POSITION					
Net investment in capital assets	69,935,778	813,187	919,434	71,668,399	-
Unrestricted	12,273,614	(458,858)	(497,866)	11,316,890	99,180
Total net position	\$ 82,209,392	\$ 354,329	\$ 421,568	\$ 82,985,289	\$ 99,180

#### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	Water and Sewer Fund	Parking Services Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Fund
OPERATING REVENUES					
Charges for services	\$ 21,489,697	\$ 564,735	\$ 2,550,166	\$ 24,604,598	\$ 390,026
Water and sewer taps	402,284	-	-	402,284	-
Other operating income	620,854		-	620,854	25,936
Total operating revenues	22,512,835	564,735	2,550,166	25,627,736	415,962
OPERATING EXPENSES					
Administrative	5,382,824	-	-	5,382,824	-
Operations support	5,117,405	-	-	5,117,405	-
Water treatment and distribution	5,104,471	-	-	5,104,471	-
Waste collection and treatment	3,053,835	-	1,535,233	4,589,068	-
Parking services	-	215,757	-	215,757	-
Stormwater	-	-	869,937	869,937	-
Risk management and employee benefits	-	-	-	-	394,591
Depreciation and amortization	4,217,802	129,374	192,853	4,540,029	-
Total operating expenses	22,876,337	345,131	2,598,023	25,819,491	394,591
Operating income (loss)	(363,502)	219,604	(47,857)	(191,755)	21,371
NONOPERATING REVENUE (EXPENSES)					
Investment earnings	335,637	64,359	3,687	403,683	-
Intergovernmental revenue	-	-	12,865	12,865	-
Other nonoperating revenue	6,420	-	288	6,708	-
Loss on disposal of capital assets	(350)	-	-	(350)	-
Interest expense	(610,633)	(267,750)	(17,321)	(895,704)	-
Debt issuance costs	(121,250)	-	-	(121,250)	-
Total nonoperating expenses, net	(390,176)	(203,391)	(481)	(594,048)	-
INCOME (LOSS) BEFORE CAPITAL					
CONTRIBUTIONS AND TRANSFERS	(753,678)	16,213	(48,338)	(785,803)	21,371
Capital contributions	5,525,336	-	89,377	5,614,713	-
Transfers in	425,000	202,253	-	627,253	-
Transfers out	(4,016,000)	-	(377,000)	(4,393,000)	-
Total capital contributions and transfers	1,934,336	202,253	(287,623)	1,848,966	-
Change in net position	1,180,658	218,466	(335,961)	1,063,163	21,371
NET POSITION, beginning of year	81,028,734	135,863	757,529	81,922,126	77,809
NET POSITION, end of year	\$ 82,209,392	\$ 354,329	\$ 421,568	\$ 82,985,289	\$ 99,180

#### STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2023

Payments to suppliers and service providers         (4.833,179)         (113.561)         (743,645)         (5.600,540)         (3           Payments to suppliers and service providers         (10.139,157)         (111.608)         (11.609,609)         (11.920,374)         (3           Net cash provided by operating activities         7.520,044         341,361         (100,064         8,021,471         (3           CASH FLOWS FROM INVESTING ACTIVITES         Proceeds from (purchases of) investing activities         (11,70,003)         2,986         49,918         (1,117,099)           Interest income received         323,662         64,011         -         387,673           PinANCING ACTIVITES         (846,341)         660,997         49,918         (729,426)           Purchases of capital assets         (17,448,722)         (8,660,661)         (604,386)         (26,713,759)           Purchases of capital assets         (17,448,722)         (3,660,661)         (604,386)         (26,713,759)           Purchases of capital assets         (17,448,722)         (3,660,661)         (604,386)         (26,713,759)           Purchases of capital assets         (11,20,00)         -         24,220         24,620         -           Proceeds from capital grants         Ingretin dettinonissuance of long-tern debt         (25,031,1		,	Water and Sewer Fund	Parking Services Fund	lonmajor Interprise Funds	ļ	Total Enterprise Funds	vernmental Activities rnal Service Fund
Payments to supplies and service provides         (4.833 (7p)         (113,516)         (743,648)         (5680,340)         (5           Net cash provided by operating activities         (133,157)         (113,061)         (1608,669)         (112,020,174)         (112,011)         (112,011)         (113,012)								
Payments to employees         (11.100.87)<	•	\$		\$ ,	\$ 	\$		\$ 415,962
Net cash provided by operating activities         7.520.046         341.381         180.064         8.021.471           CASH FLOWS FROM INVESTING ACTIVITES         Proceeds from (purchases of) purchases of purc				,	,			(388,280)
CASH FLOWS FROM INVESTING ACTIVITES         Image: constraint of the sector of the								 -
Proceeds from (purchases of) investments         (1.170,003)         2.986         4.9.918         (1.17,099)           Interest income received         23,862         64,011         -         387,673           CASH FLOWS FROM CAPITAL AND RELATED         Funchases of capital assets         (17,446,722)         (8,660,651)         (604,386)         (25,713,759)           Purchases of capital assets         (17,446,722)         (8,660,651)         (272,000)         (2,52,713,759)           Interfund tornafer out for reinfursement of project costs         (4,016,000)         -         (17,409,722)         (35,060)           Principal graphents on iong-term debt         (255,1152)         (375,000)         (22,877,00)         (23,2750,70)           Bord insuance conts paid         (21,120)         -         (14,168)         (071,010)           Proceeds from issuance of on-jerm debt         (255,1152)         (12,120)         -         (12,120)           Graphial grants received         (81,595)         -         (12,12,00)         -         (12,12,00)           Insurance reimbursements         6,420         -         -         (6,420)         -           Net cash provided by noncapital financing activities         425,000         202,223         -         627,223         -           Cash	Net cash provided by operating activities		7,520,046	 341,361	 160,064		8,021,471	 27,682
Proceeds from (purchases of) investments         (1.170,003)         2.866         49.918         (1.117,099)           Interest income received         233,662         64.011         -         387,673           CASH FLOWS FROM CAPITAL AND RELATED         Funchases of capital assets         (17.446,722)         (8,660,651)         (604,386)         (25,713,759)           Purchases of capital assets         (17.446,722)         (8,660,651)         (272,9426)         (272,9426)           Interfund transfer out for reimbursement of project costs         (4,016,000)         -         (17,400)         (233,086)           Phricipal payments on ingra-term debt         (255,1152)         (375,000)         (212,897)         (30,66,000)           Proceeds from issuance of on-pierm debt         (255,1152)         (375,000)         (212,897)         (30,66,000)           Interfund transfer could projet methol         (255,1152)         (375,000)         (325,507,09)         (30,66,00)           Proceeds from issuance of on-pierm debt         (255,1152)         (121,260)         -         (121,260)           Instance received         61,959         -         -         (6,420)           And related financing activities         340,660         (202,253)         -         627,223           Interest payments on ingraphements <td>CASH FLOWS FROM INVESTING ACTIVITIES</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	CASH FLOWS FROM INVESTING ACTIVITIES							
Interset income received         223,862         64.011         -			(1 170 003)	2 986	49 918		(1 117 099)	18,893
Net cash provided by (used in) investing activities         (246,341)         66.997         49.918         (729,426)           CASH FLOWS FROM CAPTIAL AND RELATED FWANCING ACTIVITIES         Filter Comparison of capital assets         (17,448,722)         (8,660,651)         (604,386)         (26,713,759)           Interfund transfer out for reimbursement of project costs         -         412,129         283,088         675,217           Interfund transfer out for reimbursement of project costs         -         -         24,620         24,620           Principal payments on iong-term debt         (253,152)         (375,000)         (129,917)         (3,066,089)           Principal payments on iong-term debt         (223,070)         -         -         612,013         25,550,709           Bond issuance costs paid         (121,250)         -         -         612,003         -         -         612,003           Insurance reinbursements         -         -         6420         -         -         6420         -         -         6420         -         -         6420         -         -         6420         -         -         6420         -         -         6420         -         -         6420         -         -         6420         -         -								-
FINACING ACTIVITIES           Purchases (a capital asset purchases (17.448,722)         (8,660,651)         (604,386)         (26,713,759)           Interfund borrowings for capital asset purchases (17.448,722)         (8,660,651)         (604,386)         (26,713,759)           Interfund barrowings for capital asset purchases (17.448,722)         (8,660,651)         (604,386)         (26,713,759)           Princical payments on long-term debt         (25,081)         (435,051)         (17,148)         (971,010)           Proceeds from issuance of long-term debt         (24,938,666         -         612,013         22,557,09           Bond issuance conts paid         (121,250)         -         -         6,420           And related financing activities         -         -         6,420         -         -         6,420           And related financing activities         -         -         6,27,253         -         627,253         -         627,253         -         627,253         -         -         627,253         -         627,253         -         627,253         -         627,253         -         627,253         -         627,253         -         627,253         -         627,253         -         627,253         -         627,253         -					 49,918			 18,893
Purchases of capital asset:         (17,448,722)         (6,660,651)         (64,386)         (22,713,759)           Interfund browings for capital asset purchases         -         412,129         283,086         675,217           Interfund transfer out for reimbursement of project costs         (4,016,000)         -         24,8620         24,8620           Principal payments on long-term debt         (25,51,152)         (375,000)         (129,917)         (3,066,069)           Interest payments on long-term debt         (24,038,096         -         612,013         22,550,709           Bond issuance oots paid         (121,250)         -         (121,250)         -         (121,250)           Capital grants received         611,959         -         -         6,420         -           Insurance reimbursements         6,420         -         -         6,420         -         -         6,420         -         -         6,420         -         -         6,420         -         -         6,420         -         -         6,420         -         -         6,27,253         -         627,253         -         627,253         -         627,253         -         627,253         -         627,253         -         627,253         -			<u> </u>				<u> </u>	
Interfund borrowings for capital asset purchases       .       .       412.129       283.086       675.217         Interfund transfer ut for reindursmennt of project costs       .       .       .       245.20       245.20         Proceeds from capital grants       .			(17 448 722)	(8 660 651)	(604 386)		(26 713 759)	-
Interfund transfer out for reimbursement of project costs       (4,016,000)       -       (24,200)       (4,393,000)         Proceeds from capital grants       -       -       24,820       24,820         Principal payments on long-term debt       (2,551,152)       (375,000)       (129,917)       (3,066,069)         Interest payments on long-term debt       24,938,666       61,2013       25,550,709       612,013       25,550,709         Bond issuance of long-term debt       24,938,666       61,2059       -       61,2013       25,550,709         Insurance reimbursements       6,420       -       -       64,209       -       -       6,420       -       -       6,420       -       -       6,27,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       627,253       -       5       12,838,389       \$       \$       -       5       12,838,389       -       5	•		-	,	,			-
Proceeds from capital grants       1       -       -       -       24.620       24.620         Principal payments on long-term debt       (520.891)       (435.951)       (635.0961)       (14.168)       (971.010)         Proceeds from susunce of tog-term debt       (25.152)       (35.967.09)       612.013       25.507.09         Bond issuance cots paid       (121.250)       -       61.259       -       64.20         Capital grants received       61.959       -       -       64.20       -       -       64.20         Net cash provided by (using in capital and related financing activities       349.060       (9.059.473)       (225.750)       (8.936.163)       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       627.253       -       5       12.838.339       \$       -       5       12.838.339       \$       -       5       12.838.339       \$       -       5 <td></td> <td></td> <td>(4.016.000)</td> <td></td> <td>,</td> <td></td> <td>,</td> <td>-</td>			(4.016.000)		,		,	-
Principal payments on long-term debt         (2,551,152)         (375,000)         (129,917)         (3,066,069)           Interest payments on long-term debt         24,338,866         612,013         25,560,709           Bond insuance costs paid         (12,260)         612,013         25,560,709           Capital grants received         61,859         -         61,203           Insurance rest paid         349,060         (9,059,473)         (225,750)         (6,336,63)           CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES         Transfers in         425,000         202,223         -         627,253           Transfers in         425,000         202,223         -         627,253         -           Net cash provided by noncapital financing activities         425,000         202,223         -         627,253           Net increase (decrease) in cash and cash equivalents         7,447,765         (8,448,862)         (15,768)         (1,016,865)           Cash and cash equivalents         \$         3,890,063         \$         \$         \$         12,838,389         \$           Cash and cash equivalents         \$         3,890,063         \$         \$         \$         12,838,389         \$           Cash and cash equivalents         \$         3,890,063			-	-	,		,	-
Interest payments on long-term debt       (520,891)       (436,891)       (141,68)       (971,010)         Proceeds from issuance obts paid       (121,250)       612,013       255,507,009         Bond issuance obts paid       (121,250)       -       612,013       (121,250)         Capital grants received       611,959       -       -       64,200       -       -       64,2			(2,551,152)	(375,000)	(129,917)			-
Proceeds from issuance of long-term debt         24,938,686         -         612,013         25,550,706           Bond issuance costs paid         (112,500)         -         612,013         25,550,706           Capital grants received         61,959         -         -         64,200           Insurance reimbursements         6,420         -         -         6,420           And related financing activities         349,060         (9,059,473)         (225,750)         (8,336,163)           CASH FLOWS FROM NONCAPTAL FINANCING ACTIVITIES         -         -         627,253         -         627,253           Transfers in         425,000         202,253         -         627,253         -         627,253           Net increase (decrease) in cash and cash equivalents         7,447,765         (8,448,862)         (15,768)         (1,016,865)           Cash and cash equivalents         \$         3,890,063         \$         -         \$         12,838,389         \$           Cash and cash equivalents         \$         3,890,063         \$         \$         \$         12,838,389         \$           Cash and cash equivalents         \$         3,890,063         \$         \$         \$         12,838,389         \$           Cas				,	,		,	-
Capital grants received       61,959       -       -       61,959         Insurance reimbursements       6,420       -       -       6,420         And related financing activities       349,060       (9,059,473)       (225,750)       (8,836,163)         CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES       Transfers in       425,000       202,253       -       627,253         Transfers in       425,000       202,253       -       627,253       -       627,253         Net cash provided by noncapital financing activities       7,447,765       (8,448,862)       (15,768)       (1,016,865)         Cash and cash equivalents:       Beginning of year       5,390,624       8,448,862       15,768       13,855,254         End of year       \$       12,838,389       \$       \$       \$       12,838,389       \$         Classified as:       Cash and cash equivalents       \$       3,890,063       \$       \$       \$       \$       8,448,362       \$       \$       8,448,326       \$       \$       \$       \$       8,448,326       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$			24,938,696	-	,		· · · ·	-
Capital grants received       61,959       -       61,959         Insurance reimbursements       6,420       -       6,420         And related financing activities       349,060       (9,059,473)       (225,750)       (8,936,163)         CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES       Transfers in       425,000       202,253       -       627,253         Transfers in       425,000       202,253       -       627,253       -         Net cash provided by noncapital financing activities       7,447,765       (8,448,862)       (15,768)       (1,016,865)         Cash and cash equivalents:       Beginning of year       5,390,624       8,448,862       15,768       13,855,254         End of year       \$       12,838,389       \$       -       \$       \$       12,838,389       \$         Classified as:       Cash and cash equivalents       \$       3,890,063       \$       -       \$       \$       8,448,362       5       2       \$       8,448,362       \$       \$       3,890,063       \$       -       \$       12,838,389       \$       \$       \$       3,890,063       \$       -       \$       12,838,389       \$       \$       \$       \$       12,838,389       \$ <td< td=""><td>•</td><td></td><td></td><td>-</td><td>-</td><td></td><td>(121,250)</td><td>-</td></td<>	•			-	-		(121,250)	-
Net cash provided by (used in) capital and related financing activities         349,060         (9,059,473)         (225,750)         (8,336,163)           CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES Transfers in Net cash provided by noncapital financing activities         425,000         202,253         -         627,253           Net cash provided by noncapital financing activities         425,000         202,253         -         627,253           Net increase (decrease) in cash and cash equivalents         7,447,765         (8,448,862)         (15,768)         (1,016,865)           Cash and cash equivalents: Beginning of year         5,390,624         8,448,862         15,768         13,855,254           End of year         \$         12,838,389         \$         \$         \$         \$           Cash and cash equivalents Restricted cash and cash equivalents         \$         3,890,063         \$         -         \$         \$           Total         \$         12,838,389         \$         \$         \$         \$         \$         \$         \$           Questing income (loss) to net cash provided by operating activities:         \$         \$         \$         \$         \$         \$         \$         \$         \$         \$         \$         \$         \$         \$         \$         \$	•			-	-		61,959	-
and related financing activities         349,060         (9,059,473)         (225,750)         (8,336,163)           CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITES Transfers in Net cash provided by noncapital financing activities         425,000         202,253         -         627,253           Net increase (decrease) in cash and cash equivalents         7,447,765         (8,448,862)         (15,768)         (1,016,865)           Cash and cash equivalents: Beginning of year         5,390,624         8,448,862         15,768         13,855,254           End of year         \$         12,838,389         \$         \$         \$         \$           Classified as: Cash and cash equivalents Restricted cash and cash equivalents         \$         3,890,063         \$         \$         \$           Operating income (loss) to net cash provided by operating activities: Depreciation of operating income (loss) to net cash provided by operating activities: Depreciation and anortization         \$         (363,502)         \$         219,604         \$         (47,857)         \$         (191,755)         \$           Operating income (loss) to net cash provided by operating activities: Depreciation and anortization         4,217,802         129,374         192,853         4,540,029           O(Increase) decrease in customer accounts receivable         (9,905)         1,750         23,152         14,4997	Insurance reimbursements		6,420	-	-		6,420	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES Transfers in Net cash provided by noncapital financing activities         425,000         202,253         -         627,253           Net cash provided by noncapital financing activities         425,000         202,253         -         627,253           Net cash provided by noncapital financing activities         7,447,765         (8,448,862)         (15,768)         (1,016,865)           Cash and cash equivalents: Beginning of year         5,390,624         8,448,862         15,768         13,855,254           End of year         \$         12,838,389         \$         -         \$         12,838,389         \$           Cash and cash equivalents Restricted cash and cash equivalents         \$         3,890,063         \$         -         \$         3,890,063         \$           Total         \$         3,890,063         \$         -         \$         3,890,063         \$           Poperating income (loss) to net cash provided by operating activities: Depretating income (loss) to net cash provided by operating activities:         \$         (363,502)         \$         219,604         \$         (47,857)         \$         (191,755)         \$           Adjustments to reconcile operating income (loss) to net cash provided by operating activities:         \$         (363,502)         \$         219,804	Net cash provided by (used in) capital							
Transfers in Net cash provided by noncapital financing activities       425,000       202,253       -       627,253         Net increase (decrease) in cash and cash equivalents       7,447,765       (8,448,862)       (15,768)       (1,016,865)         Cash and cash equivalents: Beginning of year       5,390,624       8,448,862       15,768       13,855,254         Cash and cash equivalents: Beginning of year       \$       12,838,389       \$       -       \$       \$       12,838,389       \$         Cash and cash equivalents       \$       3,890,063       \$       -       \$       \$       8,948,326         Cash and cash equivalents       \$       3,890,063       \$       -       \$       \$       8,948,326         Total       \$       12,838,389       \$       -       \$       \$       8,948,326         Poperating income (loss) to net cash provided by operating activities: Depreciation and amortzation       \$       (363,502)       \$       219,604       \$       (47,857)       \$       (191,755)       \$         Adjustments to resconelle operating income (loss) to net cash provided by operating activities: Depreciation and amortzation       \$       (217,802       129,374       192,853       4,540,029       (10,0762)       \$       \$       (43,062)       -	and related financing activities		349,060	 (9,059,473)	 (225,750)		(8,936,163)	 -
Transfers in Net cash provided by noncapital financing activities       425,000       202,253       -       627,253         Net increase (decrease) in cash and cash equivalents       7,447,765       (8,448,862)       (15,768)       (1,016,865)         Cash and cash equivalents: Beginning of year       5,390,624       8,448,862       15,768       13,855,254         Cash and cash equivalents: Beginning of year       \$       12,838,389       \$       -       \$       \$       12,838,389       \$         Cash and cash equivalents       \$       3,890,063       \$       -       \$       \$       8,948,326         Cash and cash equivalents       \$       3,890,063       \$       -       \$       \$       8,948,326         Total       \$       12,838,389       \$       -       \$       \$       8,948,326         Poperating income (loss) to net cash provided by operating activities: Depreciation and amortzation       \$       (363,502)       \$       219,604       \$       (47,857)       \$       (191,755)       \$         Adjustments to resconelle operating income (loss) to net cash provided by operating activities: Depreciation and amortzation       \$       (217,802       129,374       192,853       4,540,029       (10,0762)       \$       \$       (43,062)       -	CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Net cash provided by noncapital financing activities         425,000         202,253         .         627,253           Net increase (decrease) in cash and cash equivalents         7,447,765         (8,448,862)         (15,768)         (1.016,865)           Cash and cash equivalents:         Beginning of year         5.390,624         8,448,862         15,768         13,855,254           End of year         \$ 12,838,389         \$ -         \$ -         \$ 3,890,063         \$           Cash and cash equivalents         \$ 3,890,063         \$ -         \$ -         \$ 3,890,063         \$           Restricted cash and cash equivalents         \$ 3,890,063         \$ -         \$ -         \$ 3,890,063         \$           Total         \$ 12,838,389         \$ -         \$ -         \$ 3,890,063         \$         \$           Restricted cash and cash equivalents         \$ 3,890,063         \$ -         \$ -         \$ 3,890,063         \$           Total         \$ 12,838,389         \$ -         \$ 12,838,389         \$         \$         \$ 12,838,389         \$           Rescrictilion of operating income (loss) to net cash provided by operating activities:         \$         \$ 12,836,302         \$ 219,604         \$ (47,857)         \$ (191,755)         \$           Deprecase in customer accounts receiv			425,000	202,253	-		627,253	-
Cash and cash equivalents: Beginning of year5.390.6248.448.86215.76813.855.254End of year\$ $$12.838.389$ \$\$\$\$ $$$12.838.389$Classified as:Cash and cash equivalents$$3.890.063$$$$$$.8948.326$$$$.8948.326$$$$.8948.326$$$$.8948.326$$$$.8948.326$$$$$.8948.326$$$$$.8948.326$$$$$.8948.326$$$$$.8948.326$$$$$.8948.326$$$$$.8948.326$$$$$$$$$$$$<$$$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<$<<$<$<$<$<$<$<<$<$<$<$<$<$<$<$<$<$<$<<$	Net cash provided by noncapital financing activities			 202,253	 -			-
Beginning of year         5.390,624         8.448.862         15.768         13.855.254           End of year         \$ 12,838,389         \$ -         \$ -         \$ 12,838,389         \$           Cash and cash equivalents         \$ 3,890,063         \$ -         \$ -         \$ 3,890,063         \$           Restricted cash and cash equivalents         \$ 3,890,063         \$ -         \$ -         \$ 3,890,063         \$           Total         \$ 12,838,389         \$ -         \$ -         \$ 3,890,063         \$         -           Restricted cash and cash equivalents         \$ 3,890,063         \$ -         \$ -         \$ 3,890,063         \$           Total         \$ 12,838,389         \$ -         \$ -         \$ 3,890,063         \$           Reconciliation of operating income (loss) to net cash provided by operating activities:         \$ 12,838,389         \$ -         \$ 12,838,389         \$ -           Depreciation and amortization (Increase) decrease in customer accounts receivable         \$ (363,502)         \$ 219,604         \$ (47,857)         \$ (191,755)         \$           Increase in lease receivable and related deferrals         \$ (4,967)         \$ (12,299)         \$ (3,200)         \$ (15,480)           Increase in inventories         \$ 316,113         -         -         7 9,806	Net increase (decrease) in cash and cash equivalents		7,447,765	(8,448,862)	(15,768)		(1,016,865)	46,575
End of year\$ 12,838,389\$ -\$ -\$ 12,838,389\$Classified as: Cash and cash equivalents TotalRestricted cash and cash equivalents Total\$ 3,890,063\$ -\$ -\$ 3,890,063\$Reconciliation of operating income (loss) to net cash provided by operating activities: Operating income (loss)Operating income (loss) Adjustments to reconcile operating income (loss) to net cash provided by operating activities: Depreciation and amortization\$ (363,502)\$ 219,604\$ (47,857)\$ (191,755)\$Adjustments to reconcile operating income (loss) to net cash provided by operating activities: Depreciation and amortization4,217,802129,374192,8534,540,029(Increase) decrease in customer accounts receivable (Increase) decrease in inventories19(12,299)(3,200)(15,480)Increase in lease receivable Decrease in inventories9(12,299)(3,200)(15,480)Increase (decrease) in accrued salaries and benefits Increase (decrease) in costomer deposits payable2,890,225-9,5562,899,781Increase (decrease) in customer deposits payable Increase (decrease) in costomer deposits payable30,41430,414Increase (decrease) in total OPEB liability and related deferrals47,533-(10,066)37,467Net cash provided by operating activities\$ 7,520,046\$ 341,361\$ 160,064\$ 8,021,471\$ \$	•							
Classified as:         Cash and cash equivalents       \$ 3,890,063       \$ - \$ - \$ 3,890,063       \$         Restricted cash and cash equivalents       8,948,326       \$ - \$ 3,448,326       \$         Total       \$ 12,838,389       \$ - \$ - \$ - \$ 12,838,389       \$       \$         Reconciliation of operating activities:       0perating income (loss) to net cash provided by operating activities:       \$ (363,502)       \$ 219,604       \$ (47,857)       \$ (191,755)       \$         Adjustments to reconcile operating income (loss) to net cash provided by operating activities:       Depreciation and amortization       4,217,802       129,374       192,853       4,540,029         (Increase) decrease in refundable taxes receivable       19       (12,299)       (3,200)       (15,480)         Increase decrease in interfundable taxes receivable       19       (12,299)       (3,200)       (15,480)         Decrease in prepaid expenses       79,806       -       -       79,806         Decrease in interfundable taxes receivable       2,890,225       -       9,556       2,899,781         Increase (decrease) in accrued salaries and benefits       (206,919)       2,932       (46,657)       (250,644)         Increase (decrease) in accrued salaries and benefits       (206,919)       2,932       (46,657) <td< td=""><td>Beginning of year</td><td></td><td>5,390,624</td><td> 8,448,862</td><td> 15,768</td><td></td><td>13,855,254</td><td> 27,361</td></td<>	Beginning of year		5,390,624	 8,448,862	 15,768		13,855,254	 27,361
Cash and cash equivalents Restricted cash and cash equivalents Total\$ 3,890,063 8,948,326\$ - 8\$ - 8\$ 3,890,063 8,948,326Reconciliation of operating income (loss) to net cash provided by operating activities: Operating income (loss)\$ (363,502)\$ 219,604\$ (47,857)\$ (191,755)\$Adjustments to reconcile operating income (loss) to net cash provided by operating activities: Depreciation and amortization\$ (363,502)\$ 219,604\$ (47,857)\$ (191,755)\$Depreciation and amortization (Increase) decrease in customer accounts receivable Decrease in refundable taxes receivable Decrease in inventories4,217,802129,374192,8534,540,029Increase of decrease in customer accounts receivable Decrease in inventories19(12,299)(3,200)(15,480)Increase in lowentories Decrease in inventories316,11379,806Decrease in inventories Increase (decrease) in accrued salaries and benefits Increase (decrease) in compensated absences payable2,800,225-9,5562,899,781Increase (decrease) in compensated absences payable Increase (decrease) in total OPEB liability and related deferrals Increase (decrease) in total OPEB liability and related deferrals47,53363,527568,353NONCASH CAPITAL AND RELATED FINANCING ACTIVITES\$ 7,520,046\$ 341,361\$ 160,064\$ 8,021,471\$	End of year	\$	12,838,389	\$ 	\$ 	\$	12,838,389	\$ 73,936
Restricted cash and cash equivalents Total8,948,326 \$8,948,326 \$Reconciliation of operating income (loss) to net cash provided by operating activities: Operating income (loss)\$(363,502)\$219,604\$(47,857)\$(191,755)\$Adjustments to reconcile operating activities: Depreciation and amortization (Increase) decrease in customer accounts receivable (Increase) decrease in customer accounts receivable (Increase) decrease in refundable taxes receivable Decrease in inventories4,217,802 (9,905)129,374 (12,299)192,853 (3,200)4,540,029 (15,480)Increase in dese receivable and related deferrals Decrease in inventories(40,962) (10,662)79,806 (40,962)Decrease in inventories Decrease in accounts payable (Increase) in accrued salaries and benefits (260,919)2,932 (46,657)(46,657) (250,644)Increase (decrease) in compensated absences payable Increase (decrease) in compensated absences payable30,414 (41,626)30,414 (21,244)Increase (decrease) in total OPEB liability and related deferrals Net cash provided by operating activities\$47,533 (53,341,361)-63,527568,353NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES\$7,520,046\$341,361\$160,064\$\$8,021,471\$	Classified as:							
Total\$ 12,838,389\$ -\$ -\$ 12,838,389\$ -Reconciliation of operating income (loss) to net cash provided by operating activities: Depreciation and amortizationOperating income (loss)\$ (363,502)\$ 219,604\$ (47,857)\$ (191,755)\$Adjustments to reconcile operating income (loss) to net cash provided by operating activities: Depreciation and amortization4,217,802129,374192,8534,540,029(Increase) decrease in customer accounts receivable (Increase) decrease in refundable taxes receivable Decrease in prepaid expenses19(12,299)(3,200)(15,480)Increase in lease receivable and related deferrals Decrease in inventories(40,962)(40,962)Decrease in inventories316,113316,113Increase (decrease) in accounts payable2,890,225-9,5562,899,781Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase in ustomer deposits payable54,596-(21,244)33,352Increase (decrease) in torpensated absences payable54,596-(21,244)33,352Increase (decrease) in torpensated absences payable54,596-(21,244)33,352Increase (decrease) in total OPEB liability and related deferrals47,533-(10,066)37,467Net cash provided by operating activities\$ 7,520,046\$ 341,361\$ 160,064\$ 8,021,471\$	Cash and cash equivalents	\$	3,890,063	\$ -	\$ -	\$	3,890,063	\$ 73,936
Reconciliation of operating income (loss) to net cash provided by operating activities:         Operating income (loss)       \$ (363,502)       \$ 219,604       \$ (47,857)       \$ (191,755)       \$         Adjustments to reconcile operating income (loss) to net cash provided by operating activities:       \$ (363,502)       \$ 219,604       \$ (47,857)       \$ (191,755)       \$         Depreciation and amortization       4,217,802       129,374       192,853       4,540,029         (Increase) decrease in customer accounts receivable       (9,905)       1,750       23,152       14,997         (Increase) decrease in refundable taxes receivable       19       (12,299)       (3,200)       (15,480)         Increase in lease receivable and related deferrals       (40,962)       -       -       79,806         Decrease in prepaid expenses       79,806       -       -       316,113         Increase in accounts payable       2,800,225       -       9,556       2,899,781         Increase (decrease) in accrued salaries and benefits       (206,919)       2,932       (46,657)       (250,644)         Increase (decrease) in compensated absences payable       30,414       -       -       30,414         Increase (decrease) in total OPEB liability       -       63,527       568,353       -				 -	 -			 -
cash provided by operating activities:Operating income (loss)\$ (363,502)\$ 219,604\$ (47,857)\$ (191,755)\$Adjustments to reconcile operating income (loss) to net cash provided by operating activities:\$ (363,502)\$ 219,374192,8534,540,029Depreciation and amortization4,217,802129,374192,8534,540,029(Increase) decrease in customer accounts receivable(9,905)1,75023,15214,997(Increase) decrease in refundable taxes receivable19(12,299)(3,200)(15,480)Increase in lease receivable and related deferrals(40,962)(40,962)Decrease in prepaid expenses79,806-79,806Decrease in inventories316,113316,113Increase (decrease) in accrued salaries and benefits(206,919)2,932(46,657)(250,644)Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase (decrease) in total OPEB liability30,41430,414Increase (decrease) in total OPEB liability47,533-(10,066)37,467Net cash provided by operating activities\$ 7,520,046\$ 341,361\$ 160,064\$ 8,021,471\$NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	Total	\$	12,838,389	\$ -	\$ -	\$	12,838,389	\$ 73,936
Adjustments to reconcile operating income (loss) to net cash provided by operating activities: Depreciation and amortization4,217,802129,374192,8534,540,029(Increase) decrease in customer accounts receivable(9,905)1,75023,15214,997(Increase) decrease in refundable taxes receivable19(12,299)(3,200)(15,480)Increase in lease receivable and related deferrals(40,962)(40,962)Decrease in prepaid expenses79,80679,806Decrease in inventories316,113316,113Increase in accounts payable2,890,225-9,5562,899,781Increase (decrease) in accrued salaries and benefits(206,919)2,932(46,657)(250,644)Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase (decrease) in total OPEB liability and related deferrals504,826-63,527568,353Increase (decrease) in total OPEB liability and related deferrals47,533-(10,066)37,467NoncASH CAPITAL AND RELATED FINANCING ACTIVITIES	cash provided by operating activities:							
Depreciation and amortization4,217,802129,374192,8534,540,029(Increase) decrease in customer accounts receivable(9,905)1,75023,15214,997(Increase) decrease in refundable taxes receivable19(12,299)(3,200)(15,480)Increase in lease receivable and related deferrals(40,962)(40,962)Decrease in prepaid expenses79,80679,806Decrease in inventories316,113316,113Increase in accounts payable2,890,225-9,5562,899,781Increase (decrease) in accrued salaries and benefits(206,919)2,932(46,657)(250,644)Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase (decrease) in total OPEB liabilityand related deferrals504,826-63,527568,353Increase (decrease) in total OPEB liability47,533-(10,066)37,467\$NoncASH CAPITAL AND RELATED FINANCING ACTIVITIESS341,361\$160,064\$ 8,021,471\$	Adjustments to reconcile operating income (loss) to	\$	(363,502)	\$ 219,604	\$ (47,857)	\$	(191,755)	\$ 21,371
(Increase) decrease in customer accounts receivable(9,905)1,75023,15214,997(Increase) decrease in refundable taxes receivable19(12,299)(3,200)(15,480)Increase in lease receivable and related deferrals(40,962)(40,962)Decrease in prepaid expenses79,80679,806Decrease in inventories316,113316,113Increase in accounts payable2,890,225-9,5562,899,781Increase (decrease) in accrued salaries and benefits(206,919)2,932(46,657)(250,644)Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase (decrease) in total OPEB liability504,826-63,527568,353Increase (decrease) in total OPEB liability47,533-(10,066)37,467Net cash provided by operating activities\$7,520,046\$341,361\$8,021,471\$			4,217.802	129.374	192.853		4,540.029	-
(Increase) decrease in refundable taxes receivable19(12,299)(3,200)(15,480)Increase in lease receivable and related deferrals(40,962)(40,962)Decrease in prepaid expenses79,80679,806Decrease in inventories316,113316,113Increase in accounts payable2,890,225-9,5562,899,781Increase (decrease) in accrued salaries and benefits(206,919)2,932(46,657)(250,644)Increase (decrease) in customer deposits payable30,41430,414Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase (decrease) in total OPEB liabilityand related deferrals504,826-63,527568,353Increase (decrease) in total OPEB liability(10,066)37,467	•		(9,905)	1,750	23,152		14,997	-
Increase in lease receivable and related deferrals(40,962)(40,962)Decrease in prepaid expenses79,80679,806Decrease in inventories316,113316,113Increase in accounts payable2,890,225-9,5562,899,781Increase (decrease) in accrued salaries and benefits(206,919)2,932(46,657)(250,644)Increase (decrease) in customer deposits payable30,41430,414Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase (decrease) in total OPEB liabilitys504,826-63,527568,353Increase (decrease) in total OPEB liabilityand related deferrals47,533-(10,066)37,467Net cash provided by operating activities\$7,520,046\$341,361\$8,021,471\$								-
Decrease in inventories316,113316,113Increase in accounts payable2,890,225-9,5562,899,781Increase (decrease) in accrued salaries and benefits(206,919)2,932(46,657)(250,644)Increase (decrease) in compensated absences payable30,41430,414Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase (decrease) in total OPEB liabilityand related deferrals504,826-63,527568,353Increase (decrease) in total OPEB liability47,533-(10,066)37,467Net cash provided by operating activities\$7,520,046\$ 341,361\$ 160,064\$ 8,021,471NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	Increase in lease receivable and related deferrals		(40,962)	-	-		(40,962)	-
Increase in accounts payable2,890,225-9,5562,899,781Increase (decrease) in accrued salaries and benefits(206,919)2,932(46,657)(250,644)Increase in customer deposits payable30,41430,414Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase (decrease) in compensated deferrals504,826-63,527568,353Increase (decrease) in total OPEB liabilityand related deferrals504,826-63,527568,353Net cash provided by operating activities\$7,520,046\$341,361\$160,064\$8,021,471\$NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	Decrease in prepaid expenses		79,806	-	-		79,806	-
Increase (decrease) in accrued salaries and benefits(206,919)2,932(46,657)(250,644)Increase in customer deposits payable30,41430,414Increase (decrease) in compensated absences payable54,596-(21,244)33,352Increase (decrease) in compensated deferrals504,826-63,527568,353Increase (decrease) in total OPEB liability30,414-and related deferrals504,826-63,527568,353Net cash provided by operating activities\$7,523,046\$341,361\$160,064\$\$,021,471\$NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	Decrease in inventories		316,113	-	-		316,113	-
Increase in customer deposits payable       30,414       -       -       30,414         Increase (decrease) in compensated absences payable       54,596       -       (21,244)       33,352         Increase in net pension liability and related deferrals       504,826       -       63,527       568,353         Increase (decrease) in total OPEB liability       and related deferrals       504,826       -       63,527       568,353         Net cash provided by operating activities       \$       7,520,046       \$       341,361       \$       8,021,471       \$	Increase in accounts payable		2,890,225	-	9,556		2,899,781	6,311
Increase (decrease) in compensated absences payable       54,596       -       (21,244)       33,352         Increase in net pension liability and related deferrals       504,826       -       63,527       568,353         Increase (decrease) in total OPEB liability       and related deferrals       47,533       -       (10,066)       37,467         Net cash provided by operating activities       \$       7,520,046       \$       341,361       \$       160,064       \$       \$         NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES       5       5       5       5       5       5	Increase (decrease) in accrued salaries and benefits		(206,919)	2,932	(46,657)		(250,644)	-
Increase in net pension liability and related deferrals Increase (decrease) in total OPEB liability and related deferrals Net cash provided by operating activities NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				-	-			-
Increase (decrease) in total OPEB liability and related deferrals Net cash provided by operating activities $47,533$ 10,066 10	Increase (decrease) in compensated absences payable		54,596	-	(21,244)		33,352	-
Net cash provided by operating activities       \$ 7,520,046       \$ 341,361       \$ 160,064       \$ 8,021,471       \$         NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			504,826	-	63,527		568,353	-
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				 				 
	Net cash provided by operating activities	\$		\$ 341,361	\$ 160,064	\$	8,021,471	\$ 27,682
	NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES							
		\$	5,463,377	\$ -	\$ 64,757	\$	5,528,134	\$ -
Right-to-use asset acquired via leasing arrangement   67,521   -   -   67,521				-	-			-
Right-to-use asset acquired via SBITA         552,070         -         552,070			552,070	 	 			 
Total noncash capital and related financing activities         \$ 6,082,968         \$ -         \$ 64,757         \$ 6,147,725         \$	Total noncash capital and related financing activities	\$	6,082,968	\$ -	\$ 64,757	\$	6,147,725	\$ -

Section 6, Item C.

# CITY OF HENDERSONVILLE, NORTH CAROLINA

# STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUND JUNE 30, 2023

ASSETS	Billing Custodial Fund
Cash and cash equivalents Accounts receivable	\$
Total assets	541,060
LIABILITIES	
Due to others	541,060
Total liabilities	541,060
NET POSITION	
Restricted: Individuals, organizations, and other governments	<u> </u>
Total net position	<u>\$ -</u>

Section 6, Item C.

# CITY OF HENDERSONVILLE, NORTH CAROLINA

# STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND FOR THE YEAR ENDED JUNE 30, 2023

ADDITIONS	 Billing Custodial Fund
Sewer and stormwater billing collections	\$ 2,256,288
Total additions	 2,256,288
DEDUCTIONS Payments to other governments and entities	 2,256,288
Total deductions	 2,256,288
Change in fiduciary net position	-
NET POSITION, beginning of year	 <u> </u>
NET POSITION, end of year	\$ 

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

# NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Hendersonville, North Carolina (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

### A. Reporting Entity

The City was originally incorporated on January 7, 1847, and operated under a Council-Mayor form of government. With the election of 1993, the City changed to a Council-Manager form of government. City Council consists of the Mayor and four (4) other members who are elected by qualified voters of the City. The Mayor and City Council, elected for four (4) year staggered terms, are vested with the legislative and policymaking powers of the City. The City Council appoints a City Manager who serves as the chief executive officer of the City and is responsible to the City Council for proper administration of all affairs of the City.

The City's major operations consist of general government, public safety (police and fire), transportation, environmental protection, economic and physical development, cultural and recreational, water and sewer, parking services and stormwater services.

The financial statements of the City include one (1) discretely presented component unit – the City of Hendersonville Alcoholic Beverage Control Board (the "ABC Board"). Members of the ABC Board's governing body are appointed by the City. In addition, the ABC Board is required by State statute to distribute 50% of its surpluses to the General Fund of the City. The remainder is distributed to Henderson County and the Henderson County Board of Public Education. The ABC Board, which has a June 30<sup>th</sup> year end, is presented as a business-type activity discretely presented component unit. Complete financial information, including separately issued financial statements, may be obtained from the ABC Board's administrative offices located at 205 South Church Street, Hendersonville, North Carolina 28792.

### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation and amortization expense on the City's capital assets and intangible right-to-use assets.

### B. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to other long-term liabilities, such as compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and related items, sales taxes, franchise taxes, licenses, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

In accordance with GASB Statement No. 34, individual major funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund and is an annually budgeted fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

The **Grants Fund** is used to account for the receipt and disbursement of Federal and State grants, excluding those for which it may be deemed necessary for a separate fund to be established due to the size or nature of the grant.

The **Governmental Capital Projects Fund** is used to account for and report funds that are restricted, committed, or assigned for capital improvements. This fund adopts a multi-year project budget.

The City reports the following major enterprise funds:

The **Water and Sewer Fund** is an annually budgeted fund and accounts for the operation, maintenance and development of the City's water and sewer system.

The **Parking Services Fund** is an annually budgeted fund and accounts for the operation and maintenance of parking locations to residents and visitors throughout the City.

### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Additionally, the City reports the following fund types:

The **special revenue funds** are used to account for specific revenues, such as various grants and contributions, which are legally restricted or committed to expenditures for particular purposes.

The **enterprise funds** are used to account for the City's stormwater, sanitation, and recycling operations.

The **internal service fund** is used to administer payments for employee health claims. Expenditures of benefits to City staff whose costs are reported in the City's funds are not eliminated in the preparation of the fund financial statements but are eliminated and included with governmental activities in the government-wide financial statements.

The **custodial fund** is used to account for money collected on behalf of other municipalities and utilities for which the City provides billing services. The custodial fund does not report any net position as no further action, approval, or condition is required to be taken to release the assets in the fund as the City incurs a liability as soon as it takes control of the resources.

In accounting and reporting for its proprietary operations, the government applies all GASB pronouncements.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. However, any inter-fund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions.

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### D. Budgets

The City's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for all funds, with the exception of capital projects funds and grant-related special revenue funds, for which project length budgets are adopted. In accordance with state law, the budgets adopted for the enterprise funds are adopted on the modified accrual basis of accounting, and a reconciliation is provided along with the budget schedule to reconcile from the modified accrual basis to the accrual basis. The enterprise fund capital project funds are consolidated with their respective operating fund for reporting purposes. The governmental funds' budgets are adopted on a basis other than accounting principles generally accepted in the United States of America. All funds, including the proprietary funds, are budgeted on the modified accrual basis of accounting and are adopted to show use of fund balance/net position as an other financing source. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for the General fund, special revenue funds, and the enterprise funds. During the fiscal year ended June 30, 2023, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules. All annual budget appropriations lapse at the end of each year.

### E. Deposits

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Any deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents.

State law [G.S. 159-30(c)] authorizes the City to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States, obligations of the state of North Carolina, bonds and notes of any North Carolina local government or public authority, obligations of certain non-guaranteed federal agencies, certain high-quality issues of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust (NCCMT). The NCCMT – Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value.

### F. Restricted Cash and Cash Equivalents

The City has restricted cash and cash equivalents related to (1) unspent Powell Bill funds in the General Fund that may only be expended for the purposes of maintaining, repairing, constructing, or widening of local streets per G.S. 136-41.1 through 41.4; (2) unexpended proceeds of debt that may only be expended for the purposes for which the debt was issued; and (3) unspent grant funds and contributions that may only be spent in accordance with the terms specified by the external resource provider.

### G. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In accordance with state law [G.S. 105-347 and G.S. 159-13(a)], the City 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.

An estimated amount has been recorded for utility services provided but not billed as of the end of the fiscal year, and is included in accounts receivable, net of uncollectible amounts.

#### H. Allowances

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.

### I. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

### J. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method, which approximates market. Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both government-wide and fund financial statements. Inventories and prepaid items are accounted for using the consumption method in that inventory is recorded as an asset when purchased and expended/expensed when consumed.

#### K. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible right-to-use assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the respective fund in the proprietary funds' statement of net position. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of five years. Intangible right-to-use assets from leasing arrangements are defined by the City as those assets with an initial cost of more than \$100,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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. Public domain ("infrastructure") general capital assets acquired prior to July 1, 2003, consist of the road network (roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems), and water and sewer system assets that were acquired or received substantial improvements subsequent to July 1, 1980. These assets are reported at estimated historical cost using deflated cost replacement. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets and intangible right-to-use assets of the City are depreciated or amortized using the straight-line method over the following estimated useful lives:

	Years
Computer equipment	5
Computer software	5
Maintenance and construction equipment	10
Trucks and autos	7 - 10
Buildings	30
Water and sewer lines	50
Infrastructure - roads, sidewalks, and gutters	25
Infrastructure - bridges	50
Right-to-use lease assets	Lease term
Subscription assets	Subscription term

#### L. Leases

#### Lessor

The City is a lessor for a noncancellable lease of real property upon which a 3<sup>rd</sup> party has developed a wireless cellular tower facility. The City recognizes a lease receivable and a deferred inflow of resources for deferred lease receipts in the Water and Sewer enterprise fund and in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term on a straight-line basis.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate it is charging the lessee as the discount rate. When the lease agreement does not specify an interest rate to be charged, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments the City is reasonably certain to receive.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### Lessee

The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and right-to-use lease assets in the government-wide and enterprise fund financial statements. The City recognizes lease liabilities and leased right to use assets in accordance with its capitalization policy (Note 1-K) of \$100,000.

### L. Leases (Continued)

#### Lessee (Continued)

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the lease term.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

In the statement of net position, lease assets are reported with other capital assets and lease liabilities are reported with other long-term liabilities as amounts due within one year and amounts due in more than one year.

### M. Subscription-Based Information Technology Arrangements

The City has executed contracts that qualify as noncancellable subscription-based information technology arrangements (SBITAs). The City recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide and enterprise fund financial statements. The City recognizes subscription assts resulting from SBITAs with an initial, individual value of \$100,000 or more. At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the SBITA commencement date, plus certain implementation and other costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life – which is the shorter of the SBITA term or the useful life of the underlying asset.

Key estimates and judgments related to SBITA include how the City determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments:

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the SBITA is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the Statement of Net Position.

### N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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(s) and so will not be recognized as an outflow of resources (expense) until then. The City reports deferred outflows of resources related to its pension and other postemployment benefit (OPEB) plans. These deferred outflows include (1) contributions to the Local Governmental Employees' Retirement System (LGERS) and Law Enforcement Officers Special Separation Allowance (LEOSSA) subsequent to the applicable measurement date; (2) differences between expected and actual experience of the pension plan and/or OPEB plan, (3) net differences between projected and actual investment earnings on the pension plan assets, (4) changes in proportion and the difference between the City's actual contributions towards the pension plan and the City's proportionate share of contributions, and (5) changes in the plan assumptions. Contributions subsequent to the measurement date will be recognized as a reduction of the pension liability in the subsequent fiscal period. The net difference between projected and actual investment earnings on the pension plan assets are amortized over five (5) years, while the remaining deferred outflows of resources will be amortized into pension and/or OPEB expense over the remaining service period of plan members.

In addition to liabilities, the statement of net 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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports unavailable revenue from property taxes and intergovernmental revenues (grants) which arises only under a modified accrual basis of accounting. Accordingly, these unavailable revenues are reported only in the governmental funds balance sheet and will be recognized as revenue in the period in which the amounts become available. The Water and Sewer Fund and the government-wide statement of net position report deferred lease receipts. This amount will be amortized into revenue over the term of the applicable lease agreement. Finally, the City reports deferred inflows of resources related to its pension and/or OPEB plans which are discussed in the paragraph above.

### O. Compensated Absences

The vacation policy of the City generally provides for the accumulation of up to forty (40) days earned vacation leave with such leave being fully vested when earned. For the City's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The City 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. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

### O. Compensated Absences (Continued)

The City'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 City does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

### P. Long-term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other longterm obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are accrued and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed in the year of issuance.

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### Q. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

**Fund Balance** – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

### Q. Fund Equity (Continued)

Fund balances are classified as follows:

*Nonspendable* – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash), or (b) legally or contractually required to be maintained intact.

*Restricted* – Fund balances are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments. One component of the restricted fund balance of the funds relate to the Stabilization by State Statute (*G.S. 159-8(a)*) which requires total fund balance less the fund balance available for appropriation equals the total amount that must be restricted.

*Committed* – Fund balances are reported as committed when they can be used only for specific purposes imposed by majority vote by quorum of the City Council. The City Council can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of a subsequent ordinance).

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. City Council reserves the right to assign fund balance. Additionally, the portion of fund balance that has been appropriated in the next fiscal year's budget that is not already classified as restricted or committed is reported as assigned, as required by GASB Statement No. 54.

*Unassigned* – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Additionally, any fund balance deficits in other governmental funds are reported as unassigned.

**Flow Assumptions** – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, and (3) Unassigned.

**Net Position** – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets.

### Q. Fund Equity (Continued)

**Net Position (Continued)** – Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

#### R. Pensions

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

### S. Management Estimates

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

### NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

**Budgetary Information.** The City follows the following procedures in establishing its annual budgets:

- (1) Around the middle of February each year (legally required by to be completed by April 30<sup>th</sup>), all departments/activities of the City submit requests for appropriation to the Budget Officer so that a budget may be prepared. The budget is prepared by fund, function and department, and includes information on the past year, the current year budget and requested appropriations for the next fiscal year.
- (2) In March/April of each year, management reviews the budget compiled by the Budget Officer for the next year for propriety. In May of each year, the proposed budget is presented to City Council for review (legally required to be submitted by June 1<sup>st</sup>). The City adopts the budget ordinance by July 1<sup>st</sup> of each year.

### NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

- (3) All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for the multiyear project funds. All amendments must be approved by City Council and City Council must adopt an interim budget that covers that time until the annual ordinance can be adopted. The City Manager is authorized to transfer appropriations within a fund; however, any revisions altering salaries or total expenditures of any fund must be approved by City Council. Budgeted expenditure appropriations lapse at year-end.
- (4) Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting (under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation) is utilized in the governmental funds. Encumbrances outstanding at year-end lapse and are generally re-appropriated in the succeeding year's budget.

### NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits as of June 30, 2023, are summarized as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 7,835,774
Investments	10,780,180
Restricted cash and cash equivalents	33,255,607
Statement of Fiduciary Net Position	174,308
	\$ 52,045,869
Cash deposited with financial institution	\$ 41,265,689
Cash deposited with financial institution Cash deposited with NCCMT	\$ 41,265,689 9,348,265
•	\$ 
Cash deposited with NCCMT	\$ 9,348,265

**Credit Risk.** State statutes and the City's policies authorize the City to invest in obligations of the state of North Carolina or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the NCCMT; and obligations of other political subdivisions of the state of North Carolina. The City has no formal policy regarding credit risk but has internal management procedures that limits the City's investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated.

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

As of June 30, 2023, the City's investment balances were as follows:

Investment by Type	Valuation Measurement Method	Fair Value June 30, 2023	Maturity Date	Rating
North Carolina Capital Management Trust - Government Portfolio	Fair Value Level 1	\$ 9,348,265	None	AAAm
Federal Home Loan Banks (FHLB) Callable Bonds	Fair Value Level 2	453,515	3/24/2026	AA+
Federal Home Loan Mortgage Corporation (FHLMC) Callable Bonds	Fair Value Level 1	978,400 \$ 10,780,180	12/4/2023	AA+

**Fair Value Measurements.** The City's investments that fall within Level 1 of the fair value hierarchy are valued using directly observable, quoted prices (unadjusted) in active markets for the identical securities. The City's investments that fall within Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets where there is not sufficient activity and/or where price quotations vary substantially either over time or among market makers, or in which little information is released publicly. Level 2 inputs other than quoted prices that are observable may include observable and commonly quoted interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, default rates, inputs that are derived principally from or corroborated by observable market data, and similar information.

**Interest Rate Risk.** The City has a formal investment policy that prioritizes the goals of investment activities, within compliance of North Carolina General Statutes, in the order of (1) safety, (2) liquidity, and (3) return. The Finance Director is the designated investment officer.

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk - Deposits. Deposits of the City are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage are collateralized with securities held by the City's agent in the City's Under the Pooling Method, which is a collateral pool, all uninsured deposits are name. 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 City, these deposits are considered to be held by the City's agent in its name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual 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 City. Because of the inability to measure the exact amount of collateral pledged for the City 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 City 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.

As of June 30, 2023, all of the City's deposits were covered by federal depository insurance or collateral held under the Pooling Method.

### NOTE 4. RECEIVABLES

Receivables at June 30, 2023, for the City's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts are as follows:

	General	Grants	Capital Projects	Nonmajor <u>Governmental</u>	Water and Sewer	Parking Services	Nonmajor Enterprise
Receivables							
Taxes	\$ 3,102,006	\$-	\$-	\$ 122,301	\$-	\$ 16,243	\$ 3,200
Notes	455,484	512,500	-	-	-	-	-
Accounts	447,562	3,201	-	617	3,308,924	136,090	389,623
Leases	-	-	-	-	735,717	-	-
Due from other							
governments	-	821,040	208,630	-	2,913,723	-	8,300
Less: allowance for							
uncollectible accounts	(240,150)	-	-	(13,720)	(94,925)	(129,612)	(8,629)
Net receivables	\$ 3,764,902	\$ 1,336,741	\$ 208,630	\$ 109,198	\$ 6,863,439	\$ 22,721	\$ 392,494

# NOTE 4. RECEIVABLES (CONTINUED)

**Notes Receivable – Grey Hosiery Mill.** The City entered into two (2) notes receivable during fiscal year 2019 relating to the redevelopment of the Grey Hosiery Mill. The first note was for \$200,000 with an interest rate of 3.5%. Monthly payments of approximately \$2,400 began in January 2020 and will continue through maturity of the note in December 2027. The balance on this note at June 30, 2023, is \$112,500. The second note was for \$500,000 and does not bear interest. A payment of \$100,000 was made during the current fiscal year and then annual installments of \$50,000 are to begin in December 2027 and continue through December 2034. The balance on this note at June 30, 2023, is \$400,000.

**Note Receivable – Garrison Property.** In November 2020, the City entered into an economic development agreement with the Economic Investment Fund of Henderson County, Inc. (the "Fund") and Henderson County, North Carolina (the "County") related to the purchase of property by the Fund. Pursuant to the economic development agreement, a total of approximately \$2.3 million was loaned to the Fund with 50% coming from the City and 50% coming from the County. The proceeds from the note are being used to finance the purchase, marketing, and development of the property for the purpose of subsequently selling the property to industries. The note bears interest at a variable rate equal to the Wall Street Journal Prime Rate as published in the Wall Street Journal at the anniversary of the date of the note. The interest rate at each anniversary will be the rate for the one (1) year until the next anniversary and the rate is reset. As of June 30, 2023, the applicable interest rate is 7.75%. There is no scheduled amortization schedule for the note with regard to principal as amounts will be repaid to the City and to the County as parcels of the property are sold by the Fund. The entire principal balance is due and payable by the Fund by February 2031. The balance on this note at June 30, 2023, is \$455,484.

#### Leases as Lessor

During the fiscal year, the City had an active noncancelable lease agreement as lessor. The City has leased real property to a third party for the development of a cellular telecommunications tower. The City receives monthly payments in the amount of \$1,980 which includes the principal and interest components of the payment. As the lease does not contain a specific interest rate, the City determined an incremental borrowing rate for the lease of 3.07% which has been used as the discount rate for the lease. For the current year, the City recognized \$21,537 in lease revenue and \$22,646 in interest revenue related to the lease. As of June 30, 2023, the City's receivable for lease payments was \$735,717, which is recorded in the City's Water and Sewer Fund (and business-type activities in the government-wide statement of net position). The City reports a corresponding deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on November 15, 2055. This deferred inflow of resources has a balance of \$697,219 as of June 30, 2023.

# NOTE 5. CAPITAL ASSETS

Capital asset activity for the City for the year ended June 30, 2023, is as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated					
Land	\$ 4,804,022	\$ 380,685	\$ (70,500)	\$-	\$ 5,114,207
Construction in progress	1,597,470	5,129,629	-	(345,886)	6,381,213
Total capital assets, not being depreciated	6,401,492	5,510,314	(70,500)	(345,886)	11,495,420
Capital assets, being depreciated					
Buildings and improvements	26,963,741	55,000	(1,284,027)	345,886	26,080,600
Other improvements	5,112,121	-	(64,051)	-	5,048,070
Machinery and equipment	10,486,377	1,600,167	(340,663)	-	11,745,881
Software	413,918	-	(284,748)	-	129,170
Infrastructure	19,357,607	-	-	-	19,357,607
Right-to-use lease asset (equipment)	-	176,053	-	-	176,053
Right-to-use subscription assets		293,039		-	293,039
Total capital assets, being depreciated	62,333,764	2,124,259	(1,973,489)	345,886	62,830,420
Less accumulated depreciation for:					
Buildings and improvements	(6,531,430)	(1,056,672)	997,620	-	(6,590,482)
Other improvements	(3,980,711)	(66,583)	45,063	-	(4,002,231)
Machinery and equipment	(6,809,872)	(787,429)	339,044	-	(7,258,257)
Software	(413,918)	-	284,748	-	(129,170)
Infrastructure	(10,261,213)	(626,758)	-	-	(10,887,971)
Right-to-use lease asset (equipment)	-	(12,577)	-	-	(12,577)
Right-to-use subscription assets	-	(91,255)	-	-	(91,255)
Total accumulated depreciation	(27,997,144)	(2,641,274)	1,666,475	-	(28,971,943)
Total capital assets and right-to-use assets,					
being depreciated/amortized, net	34,336,620	(517,015)	(307,014)	345,886	33,858,477
Governmental capital asset activities, net	\$ 40,738,112	\$ 4,993,299	\$ (377,514)	\$ -	\$ 45,353,897

# NOTE 5. CAPITAL ASSETS

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Water and Sewer Fund:					
Capital assets, not being depreciated					
Land	\$ 3,246,187	\$ 120,983	\$ (350)	\$ -	\$ 3,366,820
Construction in progress	23,628,227	16,028,879	-	(5,743,466)	33,913,640
Total capital assets, not being depreciated	26,874,414	16,149,862	(350)	(5,743,466)	37,280,460
Capital assets, being depreciated					
Buildings	1,717,630	-	-	226,609	1,944,239
Plant and distribution systems	118,592,106	5,865,152	(333,120)	5,516,857	129,640,995
Machinery and equipment	20,359,173	1,182,652	(37,744)	-	21,504,081
Other improvements	217,835	-	-	-	217,835
Software	202,631	-	(116,453)	-	86,178
Right-to-use lease asset (equipment)	-	67,521	-	-	67,521
Right-to-use subscription assets		552,079	-	-	552,079
Total capital assets, being depreciated	141,089,375	7,667,404	(487,317)	5,743,466	154,012,928
Less accumulated depreciation for:					
Buildings	(936,334)	(62,909)	-	-	(999,243)
Plant and distribution systems	(48,723,969)	(3,266,180)	332,861	-	(51,657,288)
Machinery and equipment	(17,544,101)	(724,348)	37,744	-	(18,230,705)
Other improvements	(53,345)	(16,978)	-	_	(70,323)
Software	(171,940)	(7,834)	115,831	-	(63,943)
Right-to-use lease asset (equipment)	(111,010)	(6,186)	-	_	(6,186)
Right-to-use subscription assets	-	(133,367)	-	-	(133,367)
Total accumulated depreciation	(67,429,689)	(4,217,802)	486,436		(71,161,055)
Total capital assets being depreciated, net	73,659,686	3,449,602	(881)	5,743,466	82,851,873
Water and sewer fund capital asset activities,					
net	\$ 100,534,100	\$ 19,599,464	\$ (1,231)	\$	\$ 120,132,333
	Beginning				Ending
	Balance	Increases	Decreases	Transfers	Balance
Parking Services Fund: Capital assets, not being depreciated					
Land	\$ 1,912,656	\$ -	\$ -	\$ -	\$ 1,912,656
Construction in progress	3,926,819	φ <u>-</u> 6,809,540	φ -	φ <u>-</u> (10,736,359)	φ 1,912,000
Total capital assets, not being depreciated	5,839,475	6,809,540		(10,736,359)	1,912,656
Total capital assets, not being depreciated	0,000,470	0,000,040	,	(10,730,333)	1,312,030
Capital assets, being depreciated				10 700 050	10 700 050
Buildings	-	-	-	10,736,359	10,736,359
Machinery and equipment Total capital assets, being depreciated		403,937 403,937		10,736,359	403,937 11,140,296
Total capital assets, being depreciated		405,957		10,730,339	11,140,290
Less accumulated depreciation for:		(110,000)			(110.000)
Buildings	-	(119,293)	-	-	(119,293)
Machinery and equipment		(10,081)			(10,081)
Total accumulated depreciation		(129,374)			(129,374)
Total capital assets being depreciated, net	<u> </u>	274,563		10,736,359	11,010,922
Parking Services capital asset activities, net	\$ 5,839,475	\$ 7,084,103	\$ -	\$ -	\$ 12,923,578

# NOTE 5. CAPITAL ASSETS

Total capital assets, being depreciated11,1341Capital assets, being depreciated $2,106,745$ $259,055$ 2,366Total capital assets, being depreciated $2,106,745$ $259,055$ 2,366Less accumulated depreciation for: Machinery and equipment(1,556,293)(123,957)(1,684Total capital assets being depreciated, net $550,452$ 135,098688Environmental services fund capital asset activities, net\$ $561,586$ \$135,098\$\$\$Stormwater Fund: Capital assets, not being depreciated Land\$ $246,249$ \$ $64,757$ \$-\$\$689Capital assets, not being depreciated Land\$ $246,249$ \$ $64,757$ \$-\$\$333Capital assets, not being depreciated\$ $246,249$ \$ $64,757$ \$-\$\$333Capital assets, not being depreciated\$ $246,249$ \$ $64,757$ \$-\$\$333Capital assets, being depreciated\$ $246,249$ $89,076$ 5533333Capital assets, being depreciated $246,249$ $89,076$ 533333Capital assets, being depreciated $246,249$ $89,076$ 533333Capital assets, being depreciated $805,109$ $321,012$ 1,122Less			eginning Balance	h	ncreases		Decreases	г	ransfers		Ending Balance
Land Total capital assets, not being depreciated $$ 11,134$ $$ -$ 11,134 $$ -$ $$  $ -$ $$  $ -$ $$  $ 1$ $$ 1$ Capital assets, being depreciated 											
Total capital assets, not being depreciated11.134<	· · · ·	•		•		•		•		•	
Capital assets, being depreciated Machinery and equipment Total capital assets, being depreciated $2,106,745$ $2,106,745$ $259,055$ $259,055$ $-$ $2,366$ Less accumulated depreciation for: Machinery and equipment Total accumulated depreciation $(1,556,293)$ $(123,957)$ $-$ $-$ $(1,686)$ Total capital assets, being depreciated, net $550,452$ $135,098$ $-$ $-$ $-$ $(1,686)$ Total capital assets being depreciated, net $550,452$ $135,098$ $-$ $-$ $-$ $-$ Environmental services fund capital asset activities, net $\$$ $561,586$ $\$$ $135,098$ $\$$ $-$ $ \$$ $-$ $-$ $-$ Stormwater Fund: Capital assets, not being depreciated Land $\$$ $246,249$ $\$$ $-$ $-$ $24,319$ $\bullet$ $-$ 		\$		\$	-	\$	-	\$	-	\$	11,134
Machinery and equipment Total capital assets, being depreciated $2,106,745$ $2,006,745$ $259,055$ $259,055$ $-$ $2,365$ Less accumulated depreciation for: Machinery and equipment Total capital assets being depreciated, net $(1,556,293)$ $(123,957)$ $-$ $ (1,684)$ Total capital assets being depreciated, net $550,452$ $135,098$ $-$ $ -$ $688$ Environmental services fund capital asset activities, net $\$$ $$ 561,586$ $\$$ $$ 135,098$ $\$$ $ \$$ $-$ Stormwater Fund: Capital assets, not being depreciated Land $\$$ $246,249$ $\$$ $ 64,757$ $-$ $ \$$ $ \$$ $-$ Capital assets, being depreciated Land $\$$ $246,249$ $\$$ $ 64,757$ $-$ $ \$$ $ \$$ $-$ Capital assets, not being depreciated Land $\$$ $246,249$ $\$$ $ 64,757$ $ \$$ $ \$$ $ \$$ $-$ Capital assets, being depreciated Land $\$$ $246,249$ $\$$ $ 64,757$ $ \$$ $ \$$ $ \$$ $-$ Capital assets, being depreciated Other improvements Machinery and equipment $ 433,451$ $-$ $ 99,915$ $-$ $ -$ $ -$ $-$ Less accumulated depreciated Machinery and equipment $ (56,923)$ $(16,378)$ $-$ $ -$ $ -$ $-$ Less accumulated depreciation Machinery and equipment $ (20,876)$ $(54,471)$ $-$ $ -$ $ -$ $-$ <tr< td=""><td>l otal capital assets, not being depreciated</td><td></td><td>11,134</td><td></td><td>-</td><td></td><td></td><td></td><td>-</td><td></td><td>11,134</td></tr<>	l otal capital assets, not being depreciated		11,134		-				-		11,134
Total capital assets, being depreciated $2,106,745$ $259,055$ $2,366$ Less accumulated depreciation for: Machinery and equipment Total accumulated depreciation $(1,556,293)$ $(123,957)$ (1.686)Total capital assets being depreciated, net $550,452$ $135,098$ <											
Less accumulated depreciation for: Machinery and equipment Total accumulated depreciated, net(1,556,293) (123,957)(123,957) (123,957)Total accumulated depreciated, net $550,452$ $135,098$ <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td> <td></td> <td>-</td> <td></td> <td>2,365,800</td>							-		-		2,365,800
Machinery and equipment Total accumulated depreciation $(1,556,293)$ $(123,957)$ (1,680)Total capital assets being depreciated, net $550,452$ $135,098$ 680Environmental services fund capital asset activities, net $$561,586$ $$135,098$ 680Environmental services fund capital asset activities, net $$561,586$ $$135,098$ 680Stormwater Fund: Capital assets, not being depreciated Land $$246,249$ $$64,757$ \$-\$\$Capital assets, not being depreciated Land $$246,249$ $$64,757$ \$-\$\$331Capital assets, not being depreciated $$246,249$ $$89,076$ \$331Capital assets, being depreciated $$246,249$ $$89,076$ 531Capital assets, being depreciated $$246,249$ $$221,012$ 531Capital assets, being depreciated $$246,249$ $$80,076$ 533Capital assets, being depreciated $$23,451$ $$99,915$ 533Capital assets, being depreciated $$805,109$ $$21,012$ 1,12Less accumulated depreciation for: Plant and distribution systems(65,923)(16,378)(88Machinery and equipment $(54,471)$ $(49,571)$ (21Other improvements $(20,876)$ $(2,947)$ -(21Total accumulated dep	Total capital assets, being depreciated		2,106,745		259,055		-		-		2,365,800
Total accumulated depreciation $(1,556,293)$ $(123,957)$ (1,680)Total capital assets being depreciated, net $550,452$ $135,098$ 681Environmental services fund capital asset activities, net $$561,586$ $$135,098$ -\$-681Stormwater Fund: Capital assets, not being depreciated Land $$261,586$ $$246,249$ $$64,757$ \$-\$\$99915Total capital assets, not being depreciated $$246,249$ $$64,757$ \$-\$\$3311Construction in progress Total capital assets, being depreciated $$246,249$ $$89,076$ \$33133	Less accumulated depreciation for:										
Total capital assets being depreciated, net $550,452$ $135,098$ $   -$ <	Machinery and equipment		(1,556,293)		(123,957)		-		-		(1,680,250)
Environmental services fund capital asset activities, net\$ 561,586\$ 135,098\$ -\$ -\$ 699Stormwater Fund: Capital assets, not being depreciated Land Construction in progress Total capital assets, not being depreciated $Additions$ DisposalsTransfersEndir BalanceCapital assets, not being depreciated Land Construction in progress Total capital assets, being depreciated\$ 246,249\$ 64,757\$ -\$ -\$ 31Capital assets, being depreciated\$ 246,249\$ 89,07633Capital assets, being depreciated $246,249$ $89,076$ 33Capital assets, being depreciated $433,451$ $99,915$ 533Machinery and equipment Other improvements Total capital assets, being depreciated $805,109$ $321,012$ 1,122Less accumulated depreciation for: Plant and distribution systems Machinery and equipment $(54,471)$ $(49,571)$ (10)Other improvements Total capital assets being depreciated $(54,471)$ $(49,571)$ (21)Total accumulated depreciation (141,270) $(68,896)$ (21)Total capital assets being depreciated, net $663,839$ $252,116$ 913Water and sewer fund capital asset activities, $663,839$ $252,116$ 913	Total accumulated depreciation		(1,556,293)		(123,957)	_	-		-		(1,680,250)
activities, net\$ 561,586\$ 135,098\$ -\$ -\$ 699Stormwater Fund: Capital assets, not being depreciated LandBeginning BalanceAdditionsDisposalsTransfersEndir BalanConstruction in progress Total capital assets, not being depreciated\$ 246,249\$ 64,757\$ -\$ -\$ 31Construction in progress Total capital assets, not being depreciated $246,249$ $89,076$ $333$ Capital assets, being depreciated $246,249$ $89,076$ $333$ Capital assets, being depreciated $246,249$ $89,076$ $333$ Plant and distribution systems Total capital assets, being depreciated $433,451$ $99,915$ $533$ Machinery and equipment Other improvements Total capital assets, being depreciated $805,109$ $321,012$ $1,122$ Less accumulated depreciation for: Plant and distribution systems Machinery and equipment ( $54,471$ ) $(49,571)$ -( $(10)$ Other improvements Total accumulated depreciation $(141,270)$ $(68,896)$ $(211)$ Total accumulated depreciation $(141,270)$ $(68,896)$ $(211)$ Total capital assets being depreciated, net $663,839$ $252,116$ - $919$ Water and sewer fund capital asset activities, $663,839$ $252,116$ - $919$	Total capital assets being depreciated, net		550,452		135,098		-		-		685,550
Stormwater Fund: Capital assets, not being depreciated LandBalanceAdditionsDisposalsTransfersBalanceConstruction in progress Total capital assets, not being depreciated\$ 246,249\$ 64,757\$ - \$ \$\$\$Construction in progress Total capital assets, not being depreciated246,249\$89,07622Capital assets, being depreciated246,249\$89,076Plant and distribution systems433,45199,915 <td></td> <td>\$</td> <td>561,586</td> <td>\$</td> <td>135,098</td> <td>\$</td> <td></td> <td>\$</td> <td></td> <td>\$</td> <td>696,684</td>		\$	561,586	\$	135,098	\$		\$		\$	696,684
Stormwater Fund: Capital assets, not being depreciated Land\$ 246,249\$ $64,757$ \$ - \$ \$\$ - \$ \$ 31 24,319Construction in progress Total capital assets, not being depreciated $246,249$ $89,076$ 2Capital assets, being depreciated Plant and distribution systems $433,451$ $99,915$ 533Capital assets, being depreciated Plant and distribution systems $433,451$ $99,915$ 533Machinery and equipment Total capital assets, being depreciated $224,073$ 533Other improvements Plant and distribution systems $(65,923)$ $(16,378)$ 1,124Less accumulated depreciation for: Plant and distribution systems $(65,923)$ $(16,378)$ (100)Other improvements Total accumulated depreciation $(20,876)$ $(2,947)$ (210)Total accumulated depreciation $(141,270)$ $(68,896)$ (210)Total capital assets being depreciated, net $663,839$ $252,116$ -919Water and sewer fund capital asset activities, $463,859$ $252,116$ -919			• •		dditions		Disposals	1	Transfers		Ending Balance
Land\$ 246,249\$ 64,757\$ -\$ -\$ 31Construction in progress $ 24,319$ $  224,319$ Total capital assets, not being depreciated $246,249$ $89,076$ $  333$ Capital assets, being depreciatedPlant and distribution systems $433,451$ $99,915$ $  533$ Machinery and equipment $342,185$ $221,097$ $  563$ Other improvements $29,473$ $  224,21097$ $ -$ Total capital assets, being depreciated $805,109$ $3221,012$ $  1,120$ Less accumulated depreciation for:Plant and distribution systems $(65,923)$ $(16,378)$ $  (100,100)$ Other improvements $(20,876)$ $(2,947)$ $  (220,100)$ $  (220,100)$ Total accumulated depreciation $(141,270)$ $(68,896)$ $  (220,100)$ $  (220,100)$ Total capital assets being depreciated, net $663,839$ $252,116$ $   919$ Water and sewer fund capital asset activities, $663,839$ $252,116$ $   919$	Stormwater Fund:		Bulance				Disposais			·	Balance
Land\$ $246,249$ \$ $64,757$ \$ -\$ -\$ 31Construction in progress- $246,249$ $89,076$ 22Total capital assets, not being depreciated $246,249$ $89,076$ 33Capital assets, being depreciatedPlant and distribution systems $433,451$ $99,915$ 53Machinery and equipment $342,185$ $221,097$ 56Other improvements29,47322Total capital assets, being depreciated $805,109$ $321,012$ 1,12Less accumulated depreciation for:Plant and distribution systems(65,923)(16,378)(10Other improvements(20,876)(2,947)(22Total accumulated depreciation(141,270)(68,896)(21Other improvements(20,876)(2,947)(21Total capital assets being depreciated, net $663,839$ $252,116$ 91Water and sewer fund capital asset activities, $663,839$ $252,116$ 91	Capital assets, not being depreciated										
Total capital assets, not being depreciated246,24989,076333Capital assets, being depreciatedPlant and distribution systems433,45199,915533Machinery and equipment342,185221,097563Other improvements29,47324Total capital assets, being depreciated805,109321,0121,124Less accumulated depreciation for:Plant and distribution systems(65,923)(16,378)(83Machinery and equipment(54,471)(49,571)(10)(10)Other improvements(20,876)(2,947)(21)Total accumulated depreciation(141,270)(68,896)(21)Total capital assets being depreciated, net663,839252,116913Water and sewer fund capital asset activities,663,839252,116913	, i i i i i i i i i i i i i i i i i i i	\$	246,249	\$	64,757	\$	-	\$	-	\$	311,006
Capital assets, being depreciated Plant and distribution systems433,45199,915533Machinery and equipment342,185221,097563Other improvements29,473294Total capital assets, being depreciated805,109321,0121,124Less accumulated depreciation for: Plant and distribution systems(65,923)(16,378)(83Machinery and equipment(54,471)(49,571)(104)Other improvements(20,876)(2,947)(214)Total accumulated depreciation(141,270)(68,896)(214)Total capital assets being depreciated, net663,839252,116914)Water and sewer fund capital asset activities,563563563563563563	Construction in progress		-		24,319		-		-		24,319
Plant and distribution systems       433,451       99,915       -       -       533         Machinery and equipment       342,185       221,097       -       -       563         Other improvements       29,473       -       -       -       214         Total capital assets, being depreciated       805,109       321,012       -       -       1,124         Less accumulated depreciation for:       Plant and distribution systems       (65,923)       (16,378)       -       -       (83         Machinery and equipment       (54,471)       (49,571)       -       -       (104         Other improvements       (20,876)       (2,947)       -       -       (214         Total accumulated depreciation       (141,270)       (68,896)       -       -       (214         Total capital assets being depreciated, net       663,839       252,116       -       -       914         Water and sewer fund capital asset activities,       -       663,839       252,116       -       -       914	Total capital assets, not being depreciated	_	246,249		89,076		-		-		335,325
Machinery and equipment $342,185$ $221,097$ 565Other improvements $29,473$ 24Total capital assets, being depreciated $805,109$ $321,012$ 1,124Less accumulated depreciation for: Plant and distribution systems $(65,923)$ $(16,378)$ $(88)$ Machinery and equipment $(54,471)$ $(49,571)$ $(104)$ Other improvements $(20,876)$ $(2,947)$ $(22,12)$ Total accumulated depreciation $(141,270)$ $(68,896)$ $(211)$ Total capital assets being depreciated, net $663,839$ $252,116$ $911$ Water and sewer fund capital asset activities, $663,839$ $252,116$ $911$	Capital assets, being depreciated										
Other improvements       29,473       -       -       29         Total capital assets, being depreciated       805,109       321,012       -       -       1,120         Less accumulated depreciation for:       Plant and distribution systems       (65,923)       (16,378)       -       -       (88         Machinery and equipment       (54,471)       (49,571)       -       -       (100         Other improvements       (20,876)       (2,947)       -       -       (22)         Total accumulated depreciation       (141,270)       (68,896)       -       -       (210)         Total capital assets being depreciated, net       663,839       252,116       -       -       919         Water and sewer fund capital asset activities,       -       663,839       252,116       -       -       919	Plant and distribution systems		433,451		99,915		-		-		533,366
Total capital assets, being depreciated805,109321,0121,124Less accumulated depreciation for: Plant and distribution systems(65,923)(16,378)(8)Machinery and equipment(54,471)(49,571)(10)Other improvements(20,876)(2,947)(22)Total accumulated depreciation(141,270)(68,896)(21)Total capital assets being depreciated, net663,839252,116913Water and sewer fund capital asset activities,913			,		221,097		-		-		563,282
Less accumulated depreciation for:         Plant and distribution systems       (65,923)       (16,378)       -       -       (88)         Machinery and equipment       (54,471)       (49,571)       -       -       (100)         Other improvements       (20,876)       (2,947)       -       -       (210)         Total accumulated depreciation       (141,270)       (68,896)       -       -       (210)         Total capital assets being depreciated, net       663,839       252,116       -       -       919         Water and sewer fund capital asset activities,       -       -       919	•				-		-		-		29,473
Plant and distribution systems         (65,923)         (16,378)         -         -         (88)           Machinery and equipment         (54,471)         (49,571)         -         (100)           Other improvements         (20,876)         (2,947)         -         (210)           Total accumulated depreciation         (141,270)         (68,896)         -         -         (210)           Total capital assets being depreciated, net         663,839         252,116         -         919           Water and sewer fund capital asset activities,         -         -         919	Total capital assets, being depreciated		805,109		321,012		-		-	·	1,126,121
Machinery and equipment       (54,471)       (49,571)       -       -       (104)         Other improvements       (20,876)       (2,947)       -       -       (21)         Total accumulated depreciation       (141,270)       (68,896)       -       -       (21)         Total capital assets being depreciated, net       663,839       252,116       -       -       919         Water and sewer fund capital asset activities,       -       -       919	Less accumulated depreciation for:										
Other improvements       (20,876)       (2,947)       -       -       (220,276)         Total accumulated depreciation       (141,270)       (68,896)       -       -       (210,276)         Total capital assets being depreciated, net       663,839       252,116       -       -       911,276         Water and sewer fund capital asset activities,       -       -       911,276       -       -       911,276							-		-		(82,301)
Total accumulated depreciation       (141,270)       (68,896)       -       -       (21)         Total capital assets being depreciated, net       663,839       252,116       -       91         Water and sewer fund capital asset activities,       91       91       91							-		-		(104,042)
Total capital assets being depreciated, net     663,839     252,116     -     91       Water and sewer fund capital asset activities,     91     91     91	•		( / /		( / /		-		-		(23,823)
Water and sewer fund capital asset activities,	I otal accumulated depreciation		(141,270)		(68,896)		-			· <u> </u>	(210,166)
	Total capital assets being depreciated, net		663,839		252,116		<u> </u>		-	. <u> </u>	915,955
net \$ 910.088 \$ 341.192 \$ _ \$ 1.25											
	net	\$	910,088	\$	341,192	\$	-	\$	-	\$	1,251,280

# NOTE 5. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General government	\$ 546,567
Public safety	1,245,772
Transportation	637,185
Economic and physical development	18,050
Culture and recreation	 193,700
Total depreciation expense- governmental activities	\$ 2,641,274
Business-type activities:	
Water and sewer fund	\$ 4,217,802
Parking services fund	129,374
Environmental services fund	123,957
Stormwater fund	68,896
Total depreciation expense- business-type activities	\$ 4,540,029

Ongoing construction in progress in the City's governmental activities is primarily related to the City Hall and Operations Renovation, Fire Station One, Edwards Park, and Clear Creek Greenway projects. The City had remaining commitments on these projects in the amount of approximately \$6,100,000 as of June 30, 2023.

Ongoing construction in progress in the City's business-type activities is primarily related to the French Broad River Intake, WWTP UV Improvements, Clear Creek Interceptor, WTP Expansion, WWTF Aeration Basin, and Biosolids Dryer projects. The City had remaining commitments on these projects in the amount of approximately \$15,600,000 as of June 30, 2023.

# NOTE 6. LONG-TERM DEBT

Presented below is a summary of changes in long-term debt and other obligations for the City's governmental activities for the year ended June 30, 2023:

Governmental Activities:	•	nning ance	 Additions	F	Reductions	 Ending Balance	ue within One Year
Direct borrowings/placements: General obligation bonds: GORB - October 2017 Limited obligation bonds:	\$ 6	694,000	\$	\$	(155,000)	\$ 539,000	\$ 152,000
LOBS - November 2021 Original issue premium	(	335,000 600,950	 -		(220,000) (80,295)	 3,115,000 520,655	 225,000 74,339
Installment purchase contracts:	4,6	629,950	 -		(455,295)	 4,174,655	 451,339
IPC - April 2013 IPC - June 2017	4	300,000 157,724	-		(300,000) (40,785)	3,000,000 416,939	300,000 41,820
IPC - June 2019 IPC - May 2021 IPC - December 2021	-	192,680 725,277	-		(95,014) (43,949) (457,470)	97,666 681,328	97,666 45,042
IPC - December 2021 IPC - December 2021 IPC - February 2022	5,0	500,000 )00,000 534,069	-		(157,170) (120,900) (149,789)	6,342,830 4,879,100 384,280	160,510 123,469 152,014
IPC - August 2022 IPC - January 2023		-	396,123 18,802,000		(79,225)	316,898 18,802,000	79,225 949,000
IPC - April 2023 IPC - May 2023		- - 709,750	 762,000 2,032,000 21,992,123		(97,368) - (1,084,200)	 664,632 2,032,000 37,617,673	 181,389 121,000 2,251,135
Financed purchases		114,802	 -		(137,969)	 276,833	 138,025
Total direct borrowings/ direct placements	21,7	754,502	21,992,123		(1,677,464)	42,069,161	2,840,499
Lease liabilities Subscription liabilities		-	176,053 293,039		(12,322) (101,780)	163,731 191,259	33,703 93,245
Compensated absences Total OPEB liability Net pension liability (LGERS)	2,	121,124 546,015 751,465	476,574 160,178 7,479,049		(338,317) (464,374) (1,663,257)	1,259,381 2,241,819 7,567,257	740,617 - -
Total pension liability (LEOSSA) Governmental activity	1,6	67,006	 124,609		(346,421)	 1,445,194	 - -
Long-term liabilities	\$ 28,8	340,112	\$ 30,701,625	\$	(4,603,935)	\$ 54,937,802	\$ 3,708,064

Resources from the General Fund and the Main Street Tax Fund have generally been used to liquidate the City's governmental activities long-term obligations.

# NOTE 6. LONG-TERM DEBT (CONTINUED)

Presented below is a summary of changes in long-term debt and other obligations for the City's business-type activities for the year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Business-type Activities:					
Direct borrowings/placements:					
Revenue bonds:					
Series 2019	\$ 9,674,000	\$-	\$ (1,219,000)	\$ 8,455,000	\$ 1,225,000
Series 2022	6,915,000	-	(299,000)	6,616,000	305,000
Series 2023	-	8,480,000	-	8,480,000	265,000
Limited obligation bonds:					
Series 2021	10,965,000	-	(375,000)	10,590,000	395,000
Original issue premium	1,687,051	-	(166,660)	1,520,391	159,492
	29,241,051	8,480,000	(2,059,660)	35,661,391	2,349,492
State revolving loans:					
SRF - May 2011	257,302	-	(28,589)	228,713	28,589
SRF - June 2015	1,179,750	-	(90,750)	1,089,000	90,750
SRF - July 2015	2,821,390	-	(217,030)	2,604,360	217,030
SRF - March 2016	1,810,225	-	(139,248)	1,670,977	139,248
SRF - June 2020 (Streambank)	2,803,253	9,548	(148,042)	2,664,759	148,042
SRF - June 2020 (Northside)	4,821,584	120,381	(268,547)	4,673,418	268,547
SRF - June 2022 (Fr. Broad)	2,215,913	11,316,533	-	13,532,446	1,225,701
	15,909,417	11,446,462	(892,206)	26,463,673	2,117,907
Installment purchase contracts:					
IPC - June 2020	340,878	-	(65,617)	275,261	66,872
IPC - February 2022	409,113	-	(56,360)	352,753	56,204
IPC - May 2023	-	4,016,000	-	4,016,000	238,000
IPC - May 2023	-	377,000	-	377,000	22,000
,	749,991	4,393,000	(121,977)	5,021,014	383,076
Financed purchases	84,425	<u> </u>	(24,905)	59,520	26,086
Total direct borrowings/ direct placements	45,984,884	24,319,462	(3,098,748)	67,205,598	4,876,561
Lease liabilities	-	67,521	(5,288)	62,233	12,934
Subscription liabilities	-	552,070	(118,693)	433,377	107,053
Compensated absences	729,814	402,783	(369,431)	763,166	399,789
Total OPEB liability	1,901,173	117,330	(376,367)	1,642,136	,
Net pension liability (LGERS)	1,308,060	5,479,949	(1,243,429)	5,544,580	-
Business-type activity	,,	.,,	(,=,		
Long-term liabilities	\$ 49,923,931	\$ 30,939,115	\$ (5,211,956)	\$ 75,651,090	\$ 5,396,337

Resources from the Water and Sewer Fund, Parking Services Fund, Environmental Services Fund, and the Stormwater Fund have generally been used to liquidate the City's business-type activities long-term obligations, depending on the fund reporting the applicable liability.

### NOTE 6. LONG-TERM DEBT (CONTINUED)

The City issues debt to provide funds for the acquisition and/or construction of major capital projects, vehicles, and equipment. These issuances were obtained/issued through direct borrowings or direct placements. General obligation refunding bonds (GORB) are direct obligations and pledge the full faith and credit of the City. Revenue bonds and limited obligation bonds are obligations of the City that are secured by certain pledged revenue streams of the City. State Revolving Fund (SRF) loans are loans from the Clean Water State Revolving Fund and Drinking Water State Revolving Fund for costs associated with water/sewer systems improvements. Debt service payments on revenue bonds and SRF loans are generally payable from the revenues of the State and applied to payment if the City fails to pay any payment of principal or interest. The installment purchase contracts (IPC) and leases are generally collateralized by the assets being financed, are not secured by the taxing power of the City, and are subject to acceleration clauses in an event of default (nonpayment, etc.).

Details on the City's outstanding long-term debt as of June 30, 2023, are as follows:

### **General Obligation Refunding Bonds**

\$1,352,000 General Obligation Refunding Bonds, Series 2017 issued in October 2017, due in annual installments of \$9,000 to \$166,000 beginning March 1, 2018 through March 1, 2027, plus interest of 2.02% due semiannually. The proceeds from this issue were primarily used to advance refund the General Obligation Sidewalk Bonds, Series 2008. As of June 30, 2023, the outstanding balance of these bonds is \$539,000.

### Limited Obligation Bonds

\$14,385,000 Limited Obligation Bonds, Series 2021 issued in November 2021, due in annual installments of \$85,000 to \$230,000 beginning June 1, 2022 through June 1, 2041, plus interest of 3.00% to 5.00% due semiannually. The proceeds from this issue, along with the original issue premium, were split between the City's governmental activities and the Parking Services Fund. For the City's governmental activities, the proceeds from the bonds were used to (1) retire a previously outstanding installment purchase contract and (2) provide funds for a streetscape project. As of June 30, 2023, the outstanding balance of the portion of these bonds allocated to governmental activities is \$3,115,000.

Debt service requirements to maturity on the City's outstanding bond debt for governmental activities is as follows:

	Principal Interest		nterest	Total		
Year ending June 30:						
2024	\$	377,000	\$	148,638	\$	525,638
2025		374,000		134,317		508,317
2026		371,000		120,058		491,058
2027		317,000		105,858		422,858
2028		230,000		92,750		322,750
2029-2033		1,160,000		292,850		1,452,850
2034-2038		570,000		84,850		654,850
2039-2041		255,000		15,300		270,300
Total	\$	3,654,000	\$			4,648,621

#### **Revenue Bonds**

\$12,897,000 Water and Sewer Revenue Bond issued in December 2019, due in annual installments of \$477,000 to \$1,238,000 beginning on June 1, 2020 through June 1, 2034, plus interest at 1.87% due semiannually. The proceeds of this issue were used for water/sewer system improvements and equipment and to current refund a previously outstanding installment purchase contract. As of June 30, 2023, the outstanding balance of these bonds is \$8,455,000.

\$6,915,000 Water and Sewer Revenue Bond issued in February 2022, due in annual installments of \$299,000 to \$438,000 beginning on June 1, 2023 through June 1, 2041, plus interest at 2.15% due semiannually. The proceeds of this issue are being used for water/sewer system improvement projects and the acquisition of equipment. As of June 30, 2023, the outstanding balance of these bonds is \$6,616,000.

\$8,480,000 Water and Sewer Revenue Bond issued in February 2023, due in annual installments of \$265,000 to \$602,000 beginning on June 1, 2024 through June 1, 2043, plus interest at 4.02% due semiannually. The proceeds of this issue are being used for water/sewer system improvement projects and the acquisition of equipment. As of June 30, 2023, the outstanding balance of these bonds is \$8,480,000.

#### Limited Obligation Bonds

\$14,385,000 Limited Obligation Bonds, Series 2021 issued in November 2021, due in annual installments of \$375,000 to \$780,000 beginning June 1, 2023 through June 1, 2041, plus interest of 3.00% to 5.00% due semiannually. The proceeds from this issue, along with the original issue premium, were split between the City's governmental activities and the Parking Services Fund. For the City's Parking Services Fund, the proceeds from the bonds were used for the construction of a parking deck and related facilities in downtown Hendersonville. As of June 30, 2023, the outstanding balance of the portion of these bonds allocated to the Parking Services Fund is \$10,590,000.

The debt service to maturity on the City's outstanding bond debt for business-type activities is as follows:

	Principal		Interest		Total
Year ending June 30:					
2024	\$ 2,190,000	\$	1,079,261	\$	3,269,261
2025	2,246,000		998,581		3,244,581
2026	2,294,000		936,513		3,230,513
2027	2,339,000		872,487		3,211,487
2028	1,618,000		806,695		2,424,695
2029-2033	8,929,000		3,198,202		12,127,202
2034-2038	8,166,000		1,793,574		9,959,574
2039-2043	6,359,000		538,984		6,897,984
Total	\$ 34,141,000	\$	10,224,297	\$	44,365,297

#### **Revenue Bond Rate Covenant**

The City is in compliance with the rate covenant per Section 6.6 of the General Indenture, authorizing the issuance of the Revenue Bond, Series 2019. Section 6.6 of the General Indenture requires (a) revenues, together with 20% of the balance in the surplus fund at the end of the preceding fiscal year, at least equal (i) 100% of current expenses plus (ii) 120% of annual principal and interest requirements of revenue bonds plus (iii) 100% of debt service requirements of other indebtedness and (b) revenues at least equal (i) 100% of current expenses plus (ii) 110% of annual principal and interest requirements of revenue bonds plus (iii) 100% of debt service requirements of other indebtedness. The rate covenant calculation for the year ended June 30, 2023, is shown in the table on the next page.

## **Revenue Bond Rate Covenant (Continued)**

#### Water and Sewer Fund

Revenues (1) Current expenses (2) Surplus Fund (3) Principal and interest on revenue bond Principal and interest on other indebtedness	\$ 22,512,835 18,658,535 6,040,576 1,847,576 1,218,519
(a) Revenues plus 20% of Surplus Fund	23,720,950
(a)(i) 100% of current expenses (a)(ii) 120% of annual principal and interest on revenue bond (a)(iii) 100% of annual principal and interest on other indebtedness	 18,658,535 2,217,091 1,218,519 22,094,145
Covenant met	\$ 1,626,805
(b) Revenues	\$ 22,512,835
(b)(i) 100% of current expenses (b)(ii) 110% of annual principal and interest on revenue bond (b)(iii) 100% of annual principal and interest on other indebtedness	 18,658,535 2,032,334 1,218,519 21,909,388
Covenant met	\$ 603,447

(1) Operating revenues of the Water and Sewer Fund.

(2) This does not include depreciation and amortization expense.

(3) This is the June 30, 2022, unrestricted cash and investment balance.

## Installment Purchase Contracts

	Balance as of June 30, 2023
\$6,000,000 Installment Purchase Contract with Truist (formerly BB&T) issued in April 2013 (IPC - April 2013), due in semi-annual installments of \$150,000 beginning on October 5, 2013 through April 5, 2033, plus interest at 3.49% due semi-annually. The proceeds of this issue were used for Main Street infrastructure improvements.	\$ 3,000,000
\$242,500 Installment Purchase Contract with Entegra issued in June 2017 (IPC - June 2017), due in semi-annual installments of \$18,036 to \$25,995 beginning July 1, 2017 through January 1, 2032, plus interest at 2.49% due semi-annually. The proceeds of this issue were used to purchase a fire truck.	416,939
\$465,100 Installment Purchase Contract with Pinnacle issued in June 2019 (IPC - June 2019), due in semi-annual installments of \$44,117 to \$49,347 beginning December 3, 2019 through June 3, 2024, plus interest at 2.25% due semi-annually. The proceeds of this issue were used to purchase vehicles and equipment.	97,666
\$468,439 Installment Purchase Contract with US Bank in June 2020 (IPC - June 2020), due in annual installments of \$45,034 to \$48,696 beginning December 19, 2020 through December 19, 2025, plus interest at 1.90% due semi-annually. The proceeds of this issue were used to purchase three freightliner street sweepers.	275,261
\$768,161 Installment Purchase Contract with Wells Fargo issued in May 2021 (IPC - May 2021), due in annual installments of \$61,595 beginning November 5, 2021 through May 5, 2036, plus interest at 2.47% due semi-annually. The proceeds of this issue were used to purchase a fire truck and related equipment.	681,328
\$1,019,070 Installment Purchase Contract with Santander Bank issued in February 2022 (IPC - February 2022), due in annual installments of \$78,570 beginning June 15, 2022 through December 15, 2025, plus interest at 1.48% due semi-annually. The proceeds of this issue were used to purchase vehicles and equipment and were shared by the City's governmental (60%) and business-type activities (40%).	737,033
\$6,500,000 and \$5,000,000 Installment Purchase Contracts with the United States Department of Agriculture issued in December 2021. The IPCs provide permanent financing for the City's construction of the new police station and related public safety equipment. Both IPCs bear interest at 2.125% and are due in annual installments of principal and interest beginning in December 2022 until maturity in December 2051.	11,221,930
	(Continued)

# Installment Purchase Contracts (Continued)

\$6,425,000 Installment Purchase Contract with JP Morgan issued in May 2023 (IPC - May 2023), due in annual installments of \$381,000 to \$497,000 beginning April 1, 2024 through April 1, 2038, plus interest at 3.29% due semi-annually. The proceeds of this issue were used to renovate City Hall and were shared by the City's governmental (32%) and business-type activities (68%).	\$ 6,425,000
\$762,000 Installment Purchase Contract with Hometrust Bank issued in April 2023 (IPC - April 2023), due in annual installments of \$102,004 beginning June 27, 2023 through December 27, 2026, plus interest at 3.65% due semi-annually. The proceeds of this issue were used to purchase vehicles for the City's use.	664,632
\$396,127 Installment Purchase Contract with Motorola issued in August 2022 (IPC - August 2022), due in annual installments of \$79,225 beginning February 1, 2023 through February 1, 2027. The proceeds of this issue were used for Police Body Cams.	316,898
\$18,802,000 Installment Purchase Contract with Truist Commercial Equity issued in October 2022 (IPC - October 2022), due in annual installments of \$823,000 to \$1,012,000 beginning April 1st, 2024 through April 1st, 2043, plus interest at 2.99% due semi-annually. The proceeds of this issue were used for the fire station construction project and Edwards Park mini golf course.	18,802,000
Total outstanding installment purchase contracts	\$ 42,638,687

The City's debt service to maturity on its installment purchase contracts is as follows:

Year Ending	Governmental Activities			Business-type Activities			
June 30	Principal	Interest	Total	Principal	Interest	Total	
2024	\$ 2,251,135	\$ 966,728	\$ 3,217,863	\$ 383,076	\$ 139,057	\$ 522,133	
2025	2,169,962	918,622	3,088,584	380,366	144,674	525,040	
2026	2,117,658	862,818	2,980,476	388,700	133,952	522,652	
2027	1,958,430	808,687	2,767,117	397,075	122,989	520,064	
2028	1,795,806	760,140	2,555,946	333,357	112,126	445,483	
2029-2033	9,172,163	3,086,178	12,258,341	1,515,440	413,458	1,928,898	
2034-2038	7,765,666	1,934,149	9,699,815	1,623,000	162,658	1,785,658	
2039-2043	6,148,314	951,146	7,099,460	-	-	-	
2044-2048	2,255,497	356,728	2,612,225	-	-	-	
2049-2052	1,983,042	106,571	2,089,613	-		-	
Total	\$ 37,617,673	\$ 10,751,767	\$ 48,369,440	\$ 5,021,014	\$ 1,228,914	\$ 6,249,928	

# State Revolving Loans

		Balance as of June 30, 2023
\$571,781 State Revolving Loan finalized in May 2011 (SRF - May 2011), due in annual installments of \$28,589 beginning on May 1, 2012 through May 1, 2031, plu interest at 2.48% due semi-annually. The proceeds of this issue were used for water/sewer system improvements and equipment.	s \$	228,713
\$1,815,000 State Revolving Loan finalized in June 2015 (SRF - June 2015), due in annual installments of \$90,750 beginning on May 1, 2016 through May 1, 2035, plu interest at 2.00% due semi-annually. The proceeds of this issue were used for the Shepard Creek sewer project.		1,089,000
\$4,340,600 State Revolving Loan finalized in July 2015 (SRF - July 2015), due in annual installments of \$217,030 beginning on May 1, 2016 through May 1, 2035, p interest at 2.00% due semi-annually. The proceeds of this issue were used for the Jackson Creek sewer project.	us	2,604,360
\$3,000,000 State Revolving Loan finalized in March 2016 (SRF - March 2016), due annual installments of \$139,248 beginning on May 1, 2016, through May 1, 2035, plus interest at 2.00% due semi-annually. The proceeds of this issue were used fo the Shepard Creek water/sewer system improvements.		1,670,977
\$2,982,484 approved State Revolving Loan finalized in June 2022 (SRF - June 202 Streambank). The loan is due in annual installments of \$149,124 beginning on Ma 1, 2022, through May 1, 2041, with no interest. The proceeds of this issue were us for the Streambank Restoration project.	у	2,664,759
\$5,370,932 approved State Revolving Loan finalized in June 2022 (SRF - June 202 Northside). The loan is due in annual installments of \$268,547 beginning on May 1 2022 through May 1, 2041, with no interest. The proceeds of this issue were used for the Northside Water System project.		4,673,418
\$24,514,035 approved State Revolving Loan of which only \$13,532,446 has been drawn down through June 2023 (SRF - July 2022 - French Broad). Once fully draw down, the loan will be due in annual installments of \$268,547 beginning on May 1, 2022 through May 1, 2043, with no interest. The proceeds of this issue are being used for the French Broad project.	/n	13,532,446
Total outstanding state revolving loa	ns \$	26,463,673

## State Revolving Loans (Continued)

The City's debt service to maturity on the state revolving loans is as follows:

Year Ending June 30,	Principal	Principal Interest	
2024	\$ 2,117,907	\$ 402,216	\$ 2,520,123
2025	2,117,907	401,661	2,519,568
2026	2,117,907	375,961	2,493,868
2027	2,117,907	350,261	2,468,168
2028	2,117,907	324,561	2,442,468
2029-2033	9,356,385	1,238,014	10,594,399
2034-2038	5,428,404	635,807	6,064,211
2039-2043	1,089,349	211,028	1,300,377
Total	\$ 26,463,673	\$ 3,939,509	\$ 30,403,182

## **Financed Purchases**

The City has entered into agreements to finance the use of vehicles and equipment used in both governmental activities and business-type activities. These agreements qualify as financed purchases for accounting purposes as ownership of the underlying assets will transfer to the City upon final maturity and payment of balances owed. These agreements require monthly payments from the City until maturity; however, the agreements do not include a stated interest rate.

Debt service to maturity on the City's financed purchases is as follows:

	Gov	Governmental		ness-type
Year ending June 30,				
2024	\$	138,025	\$	26,086
2025		115,349		26,127
2026		23,459		7,307
Total minimum lease payments		276,833		59,520
Less: amounts representing interest		-		-
Total payments on financed purchases	\$ 276,833		\$	59,520

#### Leases Payable

In January 2023, the City entered into a 60-month lease as lessee for the right to use office equipment. An initial lease liability was recorded in the amount of \$135,042. As of year-end, the value of the lease liability is \$124,466. The City is required to make monthly fixed payments of \$2,408. The lease has an interest rate of 2.6820%. The value of the right-to-use asset (equipment) as of year-end is \$135,042 with accumulated amortization of \$12,372. This lease was split between the City's governmental activities and the Water and Sewer Fund (business-type activities).

In March 2023, the City entered into a 60-month lease as lessee for the right to use equipment. An initial lease liability was recorded in the amount of \$108,532. As of year-end, the value of the lease liability is \$101,497. The City is required to make monthly fixed payments of \$1,922. The lease has an interest rate of 2.4890%. The value of the right-to-use asset (equipment) as of year-end is \$108,532 with accumulated amortization of \$6,391.

	Governmental Activities						
Year Ending June 30,	Principal Payments		Interes	Interest Payments		Total	
2024	\$	33,703	\$	3,801	\$	37,504	
2025		34,577		2,927		37,504	
2026		35,474		2,030		37,504	
2027		36,394		1,110		37,504	
2028		23,583		217		23,800	
Total	\$	163,731	\$	10,085	\$	173,816	

Future payments to maturity on the City's outstanding lease liabilities are as follows:

Year Ending June 30,	Business- type Activities					
	Principal Payments		Interes	Interest Payments		Total
2024	\$	12,934	\$	1,511	\$	14,445
2025		13,285		1,160		14,445
2026		13,646		799		14,445
2027		14,016		428		14,444
2028		8,352		75		8,427
Total	\$	62,233	\$	3,973	\$	66,206

#### Subscription-Based Information Technology Arrangements (SBITAs)

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. The City's subscription assets are reported within the applicable governmental or business-type activities capital asset roll-forwards in Note 5. A summary of the outstanding subscription-based information technology arrangements (SBITAs) and the payments required to maturity are summarized below.

SBITA Term	Payment Terms	Interest Rate	Ass	et Amount	_	cumulated
90 months	\$51,350 / yearly	2.1840%	\$	422,473	\$	55,731
20 months	\$35,967 / quarterly	2.0240%		259,220		155,272
60 months	\$34,438 / yearly	2.6820%		163,425		13,619
			\$	845,118	\$	224,622

		Governmental Activities							
Year Ending June 30,	Princip	al Payments	Interes	t Payments		Total			
2024	\$	93,245	\$	4,091	\$	97,336			
2025		31,809		2,629		34,438			
2026		32,665		1,776		34,441			
2027		33,540		900		34,440			
Total	\$	191,259	\$	9,396	\$	200,655			

		e Activities			
Year Ending June 30,	Princip	oal Payments	Interes	st Payments	Total
2024	\$	107,053	\$	8,736	\$ 115,789
2025		47,350		7,127	54,477
2026		50,019		6,093	56,112
2027		52,795		5,001	57,796
2028		55,682		3,848	59,530
2029-2030		120,478		3,981	124,459
Total	\$	433,377	\$	34,786	\$ 468,163

## NOTE 7. INTERFUND BALANCES AND INTERFUND TRANSFERS

The composition of interfund balances as of June 30, 2023, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	A	mount
General Fund	Parking Services Fund	\$	412,129
General Fund	Nonmajor Enterprise Funds		263,087

The Parking Services Fund owes the General Fund for providing cash resources upfront to help pay the parking services fund expenditures as the new fund started. The amount owed to the General Fund by the Parking Services Fund in FY24, as the parking deck started generating revenue in March of 2023. The Nonmajor Enterprise funds owe the General Fund for providing cash resources upfront for various expenditures such as Stormwater capital projects and environmental services projects. These receivables are budgeted for in FY24 and will be paid within the next year.

Interfund transfers:

Transfers In	Transfers Out	 Amount
Governmental Capital Projects Fund	General Fund	\$ 562,004
General Fund	Grants Fund	\$ 4,555,606
Parking Services Fund	General Fund	\$ 202,253
Special Revenue Fund	General Fund	\$ 400,000
Water and Sewer Capital Project Fund	Special Revenue Fund	\$ 400,000
Grants Fund	General Fund	\$ 537,691
Governmental Capital Projects Fund	Water and Sewer Fund	\$ 4,016,000
Governmental Capital Projects Fund	Stormwater Fund	\$ 377,000
Water and Sewer Fund	General Fund	\$ 25,000

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Transfers are also moved to the funds that are bearing the cost of long-term capital projects in accordance with the project authorization(s).

## NOTE 8. PENSION PLANS

The City's employees participate in two (2) separate defined benefit pension plans: the Local Governmental Employees' Retirement System (LGERS) and the Law Enforcement Officers' Special Separation Allowance (LEOSSA). The table below summarizes the deferred outflows of resources, deferred inflows of resources, and pension expense for each plan:

					Pension Expense
\$	9,001,243	\$	179,248	\$	3,764,436
_	316,813		276,261	_	154,710
\$	9,318,056	\$	455,509	\$	3,919,146
	\$	316,813	of Resources         of F           \$ 9,001,243         \$           316,813	of Resources         of Resources           \$ 9,001,243         \$ 179,248           316,813         276,261	of Resources         of Resources           \$ 9,001,243         \$ 179,248         \$           316,813         276,261         \$

#### A. Local Governmental Employees' Retirement System

**Plan Description.** The City is a participating employer in the statewide 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 LGERS is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR 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.

#### A. Local Governmental Employees' Retirement System (Continued)

**Benefits Provided.** LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with five years of creditable service or at age 60 with a 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 postretirement 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 15 years of creditable service as a LEO and have reached age 55 or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

**Contributions.** Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The City's employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City's contractually required contribution rate for the year ended June 30, 2023, was 13.24% of compensation for law enforcement officers and 12.14% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City were \$2,388,223 for the year ended June 30, 2023.

#### A. Local Governmental Employees' Retirement System (Continued)

**Refunds of Contributions**. City 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 City reported a liability of \$13,111,837 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 update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan, actuarially determined. At June 30, 2022 (the measurement date), the City's proportion was 0.23242%, which was an increase of 0.03292% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the City recognized pension expense of \$3,764,436. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows Resource	
Differences between expected and actual experience	\$	564,976	\$	55,393
Changes in plan assumptions		1,308,264		-
Net difference between projected and actual earnings				
on pension plan investments		4,333,589		-
Changes in proportion and differences between City				
contributions and proportionate share of contributions		406,191		123,855
City contributions subsequent to the measurement date		2,388,223		-
Total	\$	9,001,243	\$	179,248

#### A. Local Governmental Employees' Retirement System (Continued)

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

City contributions made subsequent to the measurement date of \$2,388,223 are reported as deferred outflows of resources and 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 inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2024	\$ 1,974,268
2025	1,771,676
2026	623,225
2027	 2,064,603
Total	\$ 6,433,772

**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	2.50 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 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 for the period January 1, 2015, through December 31, 2019.

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

#### A. Local Governmental Employees' Retirement System (Continued)

Actuarial Assumptions (Continued). 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:

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

The information above is based on 30-year expectations developed with the consulting actuary for the 2020 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 2.50%. 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.

#### A. Local Governmental Employees' Retirement System (Continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.50 percent, as well as what the City'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 (7.50 percent) than the current rate:

	19	% Decrease (5.50%)	Di	scount Rate (6.50%)	19	% Decrease (7.50%)
City's proportionate share of the net pension liability (asset)	\$	23,665,123	\$	13,111,837	\$	4,415,262

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

#### B. Law Enforcement Officers' Special Separation Allowance

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

All full-time law enforcement officers of the City are covered by the Separation Allowance. At June 30, 2021, the date of the most recent actuarial valuation, the Separation Allowance's membership consisted of:

Retirees receiving benefits	4
Active plan members	42
Total	46

#### B. Law Enforcement Officers' Special Separation Allowance (Continued)

**Basis of Accounting.** The City has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Separation Allowance has no assets accumulated in a trust that meets the criteria which are outlined in GASB Statement 73.

**Actuarial Assumptions.** The entry age actuarial cost method was used in the June 30, 2021, valuation. The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.05 percent

The discount rate used to measure the total pension liability is the Bond Buyer 20-Bond GO index. Since the prior measurement date, the discount rate has changed from 2.06% to 4.05% due to a change in the index.

The plan currently uses mortality tables that vary by age, 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 June 30, 2021, valuation were based on the results of an actuarial experience study completed by the actuary for the LGERS for the five-year period ending December 31, 2019.

**Contributions.** The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The City paid \$75,285 as benefits came due for the reporting period.

#### B. Law Enforcement Officers' Special Separation Allowance (Continued)

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

At June 30, 2023, the City reported a total pension liability of \$1,445,194. The total pension liability was measured as of December 31, 2022, based on a June 30, 2021, actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022, utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the City recognized pension expense of \$154,710.

	C	Deferred Dutflows Resources	Deferred Inflows of Resources		
Changes in assumptions	\$	244,730	\$	225,617	
Differences between expected and actual experience		24,843		50,644	
City benefit payments made subsequent to the					
measurement date		47,240		-	
Total	\$	316,813	\$	276,261	

Other amounts reported as deferred inflows of resources related to pensions will be recognized as reductions of pension expense as follows:

Year Ending June 30:	
2024	\$ 26,515
2025	20,051
2026	11,933
2027	(45,106)
2028	 (20,081)
Total	\$ (6,688)

#### B. Law Enforcement Officers' Special Separation Allowance (Continued)

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

**Changes in the Total Pension Liability.** The changes in the total pension liability of the City for the fiscal year ended June 30, 2023, were as follows:

	Total					
	Pension Liability					
Beginning Balance	\$	1,667,006				
Changes for the year:						
Service cost		91,225				
Interest		33,384				
Differences between expencted						
and actual experience		(17,516)				
Changes in assumptions or						
other inputs		(253,620)				
Benefit payments		(75,285)				
Ending Balance	\$	1,445,194				

The required schedule of changes in the City's total pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information.

**Sensitivity of the City's Total Pension Liability to Changes in the Discount Rate.** The following presents the City's total pension liability calculated using the discount rate of 4.05 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.05 percent) or 1-percentage-point higher (5.05 percent) than the current rate:

	1%	b Decrease (3.05%)	Discount Rate (4.05%)		-	% Increase (5.05%)
Total pension liability	\$	1,569,900	\$	1,445,194	\$	1,332,524

#### C. Supplemental Retirement Income Plan for Law Enforcement Officers

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

**Funding Policy.** Article 12E of G.S. Chapter 143 requires the City to contribute, each month, an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. The City's law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2023, were \$149,566, all of which were paid by the City.

## NOTE 9. OTHER POSTEMPLOYMENT BENEFITS

#### Plan Description

Under the terms of a City resolution, the City administers a single employer defined benefit Healthcare Benefits Plan (the "HCB Plan" or the "OPEB Plan"). The City Council has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

As of June 1, 1988, the HCB Plan provides postemployment health care benefits to retirees of the City, provided they participate in LGERS and have at least thirty (30) years of creditable service with the City. The City pays the full cost of coverage for employees' benefits through private insurers. Retirees who qualify for coverage receive the same benefits as active employees. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental Plan after qualifying for Medicare. The City Council may amend the benefit provisions. A separate report was not issued for the HCB Plan.

On August 8, 1985, the City Council unanimously approved a resolution to provide a \$5,000 life insurance benefit for all retirees since January 1, 1985, with twenty (20) or more years of service. The benefits will be provided by the City on a pay as you go basis.

#### Plan Description (Continued)

As of June 30, 2021, the last actuarial valuation, the following members were covered by the HCB Plan's benefit terms:

Active participants	231
Retirees and beneficiaries currently receiving benefits	16
Total	247

#### **Contributions**

The City pays the full cost of coverage for the healthcare benefits paid to qualified retirees. For the fiscal year ended June 30, 2023, the monthly premium for retirees was \$1,161 for the PPO plan and \$1,069 for the HSA plan. The City's retirees may continue with dependent coverage (and pay the full premium for this coverage) if enrolled in dependent coverage at the time of retirement. The City has chosen to fund the healthcare benefits on a pay as you go basis.

During the year ended June 30, 2023, the City made contributions/benefit payments of approximately \$172,700. The City provides healthcare coverage by paying a premium to the North Carolina League of Municipalities Health Benefits Trust. The City's obligation to contribute to the HCB Plan is established and may be amended by City Council.

#### **Actuarial Assumptions and Other Inputs**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2023, and the current sharing pattern of costs between employer and inactive employees.

#### Actuarial Assumptions and Other Inputs (Continued)

The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation rate	2.50%
Real wage growth	3.25%
Annual rates of salary increases	3.25% to 8.25%, including inflation
Municipal bond index rate	
Prior measurement date	2.16%
Measurement date	3.69%
Health care cost trends	
Pre-medicare	4.50% - 7.50%, Ultimate Trend in 2028
Medicare	4.50% - 7.50%, Ultimate Trend in 2028
Participation rates	100% of eligible retirees elect to receive coverage

Pursuant to GASB Statement No. 75, for unfunded plans the discount rate should be a yield or index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The Bond Buyer 20-Bond GO index is often cited as an appropriate benchmark and that index was 3.69% on June 30, 2022.

Changes in assumption and other inputs include (1) a change in the discount rate from 2.16% to 3.69%; (2) an update to the medical trend rate; and (3) adopting the recommendations from the 2019 experience study for the LGERS pension plan.

#### Changes in the Total OPEB Liability

The changes in the total OPEB liability for the City for the fiscal year ended June 30, 2023, were as follows:

	Total OPEB Liability			
Balance at June 30, 2022	\$ 4,447,188			
Service Cost	183,931			
Interest	93,577			
Assumption changes	(610,867)			
Experience differences		-		
Benefit payments		(229,874)		
Balance at June 30, 2023	\$ 3,883,955			

#### Sensitivity for the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.69 percent) or 1-percentage-point higher (4.69) than the current discount rate:

	1%	1% Decrease (2.69%)		rent Discount ate (3.69%)	1% Increase (4.69%)		
Total OPEB liability	\$	4,286,344	\$	3,883,955	\$	3,529,940	

#### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

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

	Current Trend							
	1% Decrease Rates		1% Increase					
Total OPEB liability	\$	3,473,774	\$ 3,883,955		\$	4,382,911		

#### **OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2023, the City recognized OPEB expense of \$298,116. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	0	Deferred utflows of esources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$	440,511	\$	28,581	
Changes in plan assumptions		515,137		651,752	
City contributions subsequent to the measurement date		172,700		-	
Total	\$	1,128,348	\$	680,333	

# OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB (Continued)

City contributions made subsequent to the measurement date of \$172,700 are reported as deferred outflows of resources and will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2024	\$ 77,484
2025	77,484
2026	77,484
2027	77,484
2028	84,209
Thereafter	 (118,830)
	\$ 275,315

## NOTE 10. RISK MANAGEMENT

The City 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 City has property and casualty insurance administered by the Interlocal Risk Financing Fund of North Carolina. Through this insurance program, the City has general liability coverage of \$2 million and auto liability coverage of \$1 million per occurrence; property coverage up to \$102 million blanket coverage; Law Enforcement Liability Insurance of \$1 million and \$3 million, respectively; and Public Officials Liability Insurance of \$2 million and \$3 million, respectively. The City also carries worker's compensation coverage up to statutory limits.

The City carries commercial insurance coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years. There is coverage of \$150,000 for employee dishonesty which covers the finance officer, the tax collector and other employees. The finance officer and the tax collector are also each individually bonded for \$75,000.

After updates to the GIS system floodplain mapping, several City facilities are now shown as being located in floodplain areas. Both the City and the County participate in the National Flood Insurance Program and City management is currently studying the facilities and flood mapping to consider what types of coverages are necessary.

## NOTE 10. RISK MANAGEMENT (CONTINUED)

The City provides health insurance coverage for employees and their families through a selfinsurance plan, administered by MedCost Benefit Services. The plan provides for monthly payment of claims by the City, subject to certain deductible and co-payments, and a maximum annual claims exposure to the City of \$10,000 per employee. Payments of premiums for benefits above the annual maximum are treated as expenditures in the General Fund, the Environmental Services Fund, and the Water and Sewer Fund, according to the function of the employees and retirees. Payments of claim expenses up to the annual limit are accounted for the Internal Service Fund – Health and Welfare Fund, and are then reimbursed by the funds, and reported as expenditures/expenses in the funds.

## NOTE 11. COMMITMENTS AND CONTINGENT LIABILITIES

#### Litigation:

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

#### Grant Contingencies:

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

# NOTE 12. JOINT ACTIVITIES, JOINTLY GOVERNED ORGANIZATIONS, AND RELATED ORGANIZATIONS

#### **Joint Activities:**

The City has acquired and developed real property during the past few fiscal years as part of a collaborative economic development project undertaken with Henderson County, Pardee Memorial Hospital, Wingate University, and Blue Ridge Community College. These joint activities will provide a sustainable health sciences educational facility for the residents of Hendersonville, Henderson County, and the region.

# NOTE 12. JOINT ACTIVITIES, JOINTLY GOVERNED ORGANIZATIONS, AND RELATED ORGANIZATIONS (CONTINUED)

#### Jointly Governed Organization:

Land of Sky Regional Council – The City, in conjunction with Buncombe, Henderson, Madison, and Transylvania counties (and the other municipalities contained therein), established the Land of Sky Regional Council (the "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 and the City pays membership and administrative fees to the Council.

#### **Related Organizations**

The seven-member Board of Commissioners of the Hendersonville Housing Authority (the "Housing Authority") is appointed by the Mayor of the City. The City is accountable for the Authority because it appoints the governing board; however, the City is not financially accountable. Complete financial statements for the Housing Authority can be obtained from the Housing Authority's offices at 203 North Justice Street, Hendersonville, North Carolina 28739.

Section 6, Item C.

# **REQUIRED SUPPLEMENTARY INFORMATION**

#### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY LAST SEVEN FISCAL YEARS

#### LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

	2023 2022			2021	2020		
Total pension liability, beginning balance	\$	1,667,006	\$	1,619,778	\$ 1,193,484	\$	1,069,048
Service cost		91,225		89,032	61,387		60,562
Interest on the total pension liability		33,384		30,716	37,986		38,281
Difference between expected and actual experience		(17,516)		1,768	(70,177)		24,162
Changes of assumptions or other inputs		(253,620)		(17,720)	453,666		36,179
Benefit payments		(75,285)		(56,568)	 (56,568)		(34,748)
Total pension liability, ending balance	\$	1,445,194	\$	1,667,006	\$ 1,619,778	\$	1,193,484

Note 1: The amounts presented for each fiscal year were determined as of the prior year ending December 31.

Note 2: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

Section 6, Item C.

2019	2018	2017					
\$ 970,249	\$ 880,684	\$	869,979				
62,891	50,871		49,449				
30,114	33,536		30,213				
83,614	(39,137)		-				
(43,296)	68,066		(21,588)				
 (34,524)	 (23,771)		(47,369)				
\$ 1,069,048	\$ 970,249	\$	880,684				

#### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL LAST SEVEN FISCAL YEARS

#### LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

	2023		2022	2021	2020	
Total pension liability	\$	1,445,194	\$ 1,667,006	\$ 1,619,778	\$	1,193,484
City's covered-employee payroll	\$	2,023,715	\$ 2,023,715	\$ 2,307,729	\$	2,386,117
Total pension liability as a percentage of covered-employee payroll		71.41%	82.37%	70.19%		50.02%

Note 1: The City has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

Note 2: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

Section 6, Item C.

2019	2018	2017				
\$ 1,069,048	\$ 970,249	\$	880,684			
\$ 2,282,787	\$ 2,160,041	\$	2,069,581			
46.83%	44.92%		42.55%			

#### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) LAST TEN FISCAL YEARS

#### LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM

City's proportion of the net pension liability (asset) (%)	 <b>2023</b> 0.23242%	 <b>2022</b> 0.19950%	 <b>2021</b> 0.20052%	 <b>2020</b> 0.20183%
City's proportion of the net pension liability (asset) (\$)	\$ 13,111,837	\$ 3,059,525	\$ 7,165,434	\$ 5,511,820
City's covered payroll	\$ 15,958,730	\$ 13,776,001	\$ 12,974,903	\$ 12,439,887
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	82.16%	22.21%	55.23%	44.31%
Plan fiduciary net position as a percentage of the total pension liability	95.51%	95.51%	88.61%	91.63%

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

2019	019 2018		2017	2016	2015	2014
 0.19549%		0.18539%	 0.17432%	 0.17693%	 0.13025%	 0.12900%
\$ 4,637,691	\$	2,832,246	\$ 3,699,654	\$ 794,051	\$ (768,146)	\$ 1,554,945
\$ 11,705,774	\$	10,505,338	\$ 10,120,748	\$ 9,515,789	\$ 8,378,808	\$ 7,471,416
39.62%		26.96%	36.56%	8.34%	( 9.17%)	20.81%
94.18%		91.47%	98.09%	99.07%	102.64%	94.35%

#### REQUIRED SUPPLEMENTARY INFORMATION LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM SCHEDULE OF CITY CONTRIBUTIONS

#### LAST TEN FISCAL YEARS

	2023			2022	2021	2020
Actuarially determined contribution	\$	2,388,223	\$	1,840,893	\$ 1,419,767	\$ 1,184,667
Contributions in relation to the actuarially determined contribution		2,388,223		1,840,893	 1,419,767	 1,184,667
Contribution excess	\$		\$		\$ 	\$ 
Covered payroll	\$	19,451,621	\$	15,958,730	\$ 13,776,001	\$ 12,974,903
Contributions as a percentage of covered payroll		12.28%		11.54%	10.31%	9.13%

2019 2018		2018	2017	2016	2015	2014		
\$ 987,487	\$	901,020	\$ 783,926	\$ 691,249	\$ 679,268	\$	598,874	
 987,487		901,020	 783,926	 691,249	 679,268		598,874	
\$ 	\$		\$ 	\$ 	\$ 	\$	-	
\$ 12,439,887	\$	11,705,774	\$ 10,505,338	\$ 10,120,748	\$ 9,515,789	\$	8,378,808	
7.94%		7.70%	7.46%	6.83%	7.14%		7.15%	

#### REQUIRED SUPPLEMENTARY INFORMATION OPEB RETIREMENT PLAN SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

	2023		2022		2021		 2020
Total OPEB liability Service cost Interest on total OPEB liability Difference between expected and actual experience Changes of assumptions and other inputs Benefit payments	\$	183,931 93,577 - (610,867) (229,874)	\$	238,811 96,612 (36,747) (86,726) (272,702)	\$	170,370 131,176 - 573,183 (229,373)	\$ 123,683 105,858 772,971 222,593 (195,743)
Net change in total OPEB liability Total OPEB liability - beginning Total OPEB liability - ending	\$	(563,233) 4,447,188 3,883,955	\$	(60,752) 4,507,940 4,447,188	\$	645,356 3,862,584 4,507,940	\$ 1,029,362 2,833,222 3,862,584
Covered-employee payroll	\$	11,014,264	\$	11,014,264	\$	12,405,563	\$ 12,405,563
Total OPEB liability as a percentage of covered-employee payroll		35.3%		40.4%		36.3%	31.1%

#### Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The City is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

 2019	 2018
\$ 129,414	\$ 124,941
100,620	99,943
-	-
(89,335)	-
 (236,193)	 (175,737)
(95,494)	49,147
2,928,716	2,879,569
\$ 2,833,222	\$ 2,928,716
\$ 10,236,625	\$ 10,236,625
27.7%	28.6%

# **GENERAL FUND**

The General Fund is the chief operating fund of local government. Generally accepted accounting principles (GAAP) dictate that the General Fund be used to account for resources traditionally associated with government which are not required legally to be accounted for in another fund. GAAP prescribe that a government report only one General Fund.

#### GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted	Budgeted Amounts		Variance with Final	
	Original	Final	Actual	Budget	
Revenues:					
Ad valorem taxes:					
Taxes	\$ 11,468,868	\$ 11,773,668	\$ 12,000,603	\$ 226,935	
Penalties and interest	1,000	21,040	26,488	5,448	
Total ad valorem taxes	11,469,868	11,794,708	12,027,091	232,383	
Other taxes and licenses:					
Beer and wine	2,000	3,720	3,689	(31)	
Local vehicle rental tax	7,000	7,000	8,395	1,395	
Total other taxes and licenses	9,000	10,720	12,084	1,364	
Unrestricted intergovernmental revenue:					
Local option sales taxes	5,008,500	5,663,267	5,529,203	(134,064)	
Payment in lieu of taxes (external sources)	71,346	71,346	71,346	-	
Utility sales tax	996,000	996,000	1,127,372	131,372	
Telecommunications sales tax	125,000	125,000	118,088	(6,912)	
Video franchise fee	98,500	98,500	101,551	3,051	
Beer and wine tax	60,000	72,330	72,332	2	
ABC profit distribution	332,500	332,500	367,500	35,000	
Court fees	2,500	5,530	6,214	684	
Total unrestricted intergovernmental	6,694,346	7,364,473	7,393,606	29,133	
	0,001,010	1,001,110	1,000,000		
Restricted intergovernmental revenue:				<i>(</i> <b></b> )	
Powell bill allocation	467,859	467,859	459,284	(8,575)	
ABC revenue for law enforcement	40,000	40,000	40,000	-	
On-behalf payments - fire and rescue	-	-	87,241	87,241	
School resource officer reimbursement	249,920	278,800	293,418	14,618	
Other grant revenues	<u> </u>	6,400	11,448	5,048	
Total restricted intergovernmental	757,779	793,059	891,391	98,332	
Permits and fees:					
Building permits and inspection fees	218,250	228,770	214,950	(13,820)	
Business registration fees	1,000	-	-	-	
Special project fees	16,350	21,975	23,927	1,952	
Motor vehicle fees	200,000	200,000	220,080	20,080	
Total permits and fees	435,600	450,745	458,957	8,212	
Sales and services:					
Facility rent	47,600	31,375	35,713	4,338	
Recreation fees	18,500	17,930	17,935	5	
Paving cut repair fees	-,	300,000	271,432	(28,568)	
Cemetery fees	20,000	24,500	27,000	2,500	
Total sales and services	86,100	373,805	352,080	(21,725)	
Investment earnings	175,000	232,760	281,089	48,329	
Miscellaneous revenues:					
Miscellaneous	313,000	203,297	164,756	(38,541)	
Total miscellaneous revenues	313,000	203,297	164,756	(38,541)	
Total revenues	19,940,693	21,223,567	21,581,054	357,487	
	13,340,093	21,220,001	21,001,004		

(continued)

#### GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

Original         Final         Actual         Budget           General government: Governing body: Salaries and employee benefits         \$ 49,148         \$ 49,148         \$ 49,148         \$ 35,016         \$ 14,132           Operating sexpenditures         364,518         364,618         364,618         5,000         413,139         40,462         866         19,999           Administration:         384,618         523,875         6894,412         877,2433         27,024         103,998         62,517           Captal and wellness allocation         179,765         147,965         120,993         62,517         103,663         126,028         62,517           Total administration         1453,444         2,041,365         1,915,339         126,026		Budgetee	Budgeted Amounts		Variance with Final
General government:         Governing body:         Salaries and employee benefits         \$ 49,148         \$ 49,148         \$ 35,016         \$ 14,132           Operating expenditures         324,518         349,518         5,000           Total governing body         481,766         444,985         424,986         19,999           Administration:         Salaries and employee benefits         749,684         724,203         36,485           Operating expenditures         523,975         890,412         877,238         27,024           Health and weliness allocation         179,785         197,785         -         -           Capital outlay         -         183,500         120,083         62,517           Total administration         1453,444         2041,385         1915,359         126,022           Finance:         380,911         381,231         345,679         35,552           Operating expenditures         240,005         194,916         164,444         40,089           Total finance         225,933         305,721         20,212         20,721         20,212           Operating expenditures         98,203         724,18         261,17         144,645         46,229           Information technology         722,17 <th></th> <th>Original</th> <th>Final</th> <th>Actual</th> <th>Budget</th>		Original	Final	Actual	Budget
Governing body:         S         49,148         \$         49,148         \$         49,148         \$         14,132           Operating expenditures         78,100         441,319         40,452         867           Special appropriations         354,518         344,518         354,518         354,51	Expenditures:				
Salaries and employee benefits         \$ 49,148         \$ 49,148         \$ 35,016         \$ 14,132           Operating expenditures         78,100         413,19         40,452         867           Special appropriations         354,518         349,518         5,000         19,399           Administration:         Salaries and employee benefits         749,684         242,986         19,399           Administration:         523,875         899,412         877,288         27,024           Health and wellness allocation         179,785         197,785         -           Capital outlay         -         183,500         120,983         62,517           Total administration         1,453,444         2,041,385         1,915,359         126,026           Finance:         381,913         345,679         35,552         Operating expenditures         240,905         194,915         154,446         40,389           Total finance         225,833         305,771         20,212         20,212         75,821         20,225         75,921           Operating expenditures         98,230         98,435         72,148         26,017         70,121         40,116         35,487         4,629           Operating expenditures         70,021 </td <td></td> <td></td> <td></td> <td></td> <td></td>					
Operating experiditives         78,100         41,319         40,452         667           Special appropriations         354,518         356,525         124,525         356,525         126,525         356,126         356,457         356,457         356,457         356,357         356,357         356,357         356,721         20,212         20,212         20,512         75,321         20,112         244,366         376,136         46,226         356,426         376,136         46,226         356,427					
Special appropriations Total governing body         354,518         344,518         344,518         5,000           Administration:         Salaries and employee benefits         749,684         760,688         724,203         36,485           Operating expenditures         523,375         899,412         877,388         27,024           Heath and wellness allocation         179,785         197,785         197,785         2,024           Capital outlay         1,453,444         2,041,385         1,915,359         126,026           Finance:         380,911         381,231         345,679         35,552           Operating expenditures         240,905         144,915         154,546         40,389           Total finance         621,816         576,146         500,225         75,921           City engineer:         325,833         305,721         20,212         20perating expenditures         98,200         98,435         72,418         26,017           Total dity engineer:         325,833         305,721         20,212         20perating expenditures         98,200         98,435         72,418         26,017           Total oty engineer         424,033         424,389         376,139         46,229         0perating expenditures         98,200		,	. ,	. ,	
Total governing body         481,766         444,985         424,986         19,999           Administration:         Salaries and employee benefits         749,884         760,688         724,203         36,465           Operating expenditures         523,375         809,412         872,388         27,024           Health and wellness allocation         179,785         197,785         197,785         197,785           Capital outlay         1,453,444         2,041,385         1,915,359         126,026           Finance:         Salaries and employee benefits         360,011         381,231         345,679         35,552           Operating expenditures         240,005         194,915         154,546         40,366           Total finance         221,816         576,146         500,225         75,821           City engineer:         325,933         305,721         20,212         20,212           Salaries and employee benefits         98,200         98,435         72,418         26,017           Total information technology:         70,021         40,116         35,487         4,829           Information technology         762,171         914,033         875,823         38,270           Legal department:         169,715					
Administration:         Salaries and employee benefits         749,684         760,688         724,203         36,485           Operating expenditures         523,375         899,412         872,388         27,024           Heath and wellness allocation         179,785         197,785         197,785         197,785           Capital outlay         1,453,444         2,041,385         1,915,335         126,022           Finance:         Salaries and employee benefits         380,911         381,231         345,679         35,552           Operating expenditures         240,005         194,915         154,546         40,360           Total administration         325,833         325,933         305,721         20,212           Operating expenditures         98,200         98,435         72,418         26,017           Total finance         325,833         325,933         305,721         20,212           Operating expenditures         98,200         98,435         72,418         26,017           Total finder         326,933         305,721         20,212         0,212         0,213         46,229           Information technology:         Salaries and employee benefits         70,021         40,116         35,487         4,629					
Salaries and employee benefits         749,684         760,688         724,203         36,485           Operating expenditures         523,975         197,785         197,785         27,024           Health and wellness allocation         179,785         197,785         197,785         120,983         62,517           Capital outlay         1,453,444         2,041,385         1,915,359         126,026           Finance:         380,911         381,231         345,679         35,552           Operating expenditures         240,905         194,915         156,264         40,369           Total and employee benefits         325,833         325,933         305,721         20,212           Operating expenditures         98,200         98,425         72,418         26,017           Total city engineer:         324,033         422,033         305,721         20,212           Operating expenditures         98,200         98,435         72,418         26,017           Total information technology:         33terise and employee benefits         70,021         40,116         35,467         46,293           Operating expenditures         76,2171         914,093         875,823         38,270         38,270           Total information technology	Total governing body	481,766	444,985	424,986	19,999
Operating expenditures         523.975         899.412         872.388         27.024           Health and wellness allocation         179.785         197.785         120.983         62.517           Salaries and employee benefits         380.911         381.231         345.679         35.552         0.975.921         75.921           City engineer         242.905         194.915         154.546         40.366         376.139         46.229           Information technology:         382.683         325.833         325.933         305.721         20.212         20.212           Salaries and employee benefits         70.021         40.116         35.487         4.629         0.9713         1           Total information technology         762.171         914.093         875.823         38.270         197.131         1           Total information technology         762.171	Administration:				
Health and wellness allocation         179,785         197,785         197,785         120,993         62,517           Capital outlay         1,453,444         2,041,385         1,915,359         126,026           Finance:         Salaries and employee benefits         380,911         381,231         345,679         35,552           Operating expenditures         220,905         194,915         156,464         40,369           Total finance         621,816         576,146         500,225         75,921           City engineer:         382,833         325,833         305,721         20,212           Operating expenditures         98,200         98,435         72,418         26,017           Total city engineer         424,033         424,368         378,139         46,229           Information technology:         Salaries and employee benefits         70,021         40,116         35,487         4,829           Operating expenditures         692,150         676,844         643,205         33,840         117,731         1         1           Total information technology         762,177         914,093         875,823         362,70           Legal department:         Salaries and employee benefits         189,715         170,725	Salaries and employee benefits	749,684	760,688	724,203	36,485
Health and wellness allocation         179,785         197,785         197,785         120,993         62,517           Capital outlay         1,453,444         2,041,385         1,915,359         126,026           Finance:         Salaries and employee benefits         380,911         381,231         345,679         35,552           Operating expenditures         220,905         194,915         156,464         40,369           Total finance         621,816         576,146         500,225         75,921           City engineer:         382,833         325,833         305,721         20,212           Operating expenditures         98,200         98,435         72,418         26,017           Total city engineer         424,033         424,368         378,139         46,229           Information technology:         Salaries and employee benefits         70,021         40,116         35,487         4,829           Operating expenditures         692,150         676,844         643,205         33,840         117,731         1         1           Total information technology         762,177         914,093         875,823         362,70           Legal department:         Salaries and employee benefits         189,715         170,725	1 5		,		,
Capital outlay         -         120,983         62,517           Total administration         1,453,444         2,041,385         1,915,359         126,026           Finance:         380,911         381,231         345,679         35,552           Operating expenditures         240,905         194,915         154,546         40,369           Total ifmance         220,905         194,915         154,546         40,369           Salaries and employee benefits         325,833         305,721         20,212           Operating expenditures         98,435         72,418         26,017           Total ifmance         325,833         325,933         305,721         20,212           Operating expenditures         98,435         72,418         26,017           Total idly expenditures         98,2150         676,845         643,205         33,840           Capital outlay         -         197,132         1					-
Total administration         1.453.444         2.041.385         1.915.359         126.026           Finance:         Salaries and employee benefits         380.911         381.231         345.679         35.552           Operating expenditures         240.905         194.915         154.546         40.369           Total finance         621.816         576.146         500.225         75.921           City engineer:         325,833         325,933         305.721         20.212           Operating expenditures         98,200         98,435         72.418         26.017           Total city engineer         424.033         424.368         378.139         46.229           Information technology:         Salaries and employee benefits         70.021         40.116         35.487         4.629           Operating expenditures         692.150         676.845         643.205         33.840           Capital outlay         762.171         914.093         875.823         382.270           Verating expenditures         196.715         170.725         162.314         8.411           Operating expenditures         305.471         30.26.370         210.945         72.425           Fleet maintenance:         305.471         30.26.370 <td>Capital outlay</td> <td>-</td> <td></td> <td></td> <td>62.517</td>	Capital outlay	-			62.517
Salaries and employee benefits         380,911         381,231         345,679         35,552           Operating expenditures         240,905         194,915         154,546         40,369           Total finance         621,816         576,146         500,225         75,921           City engineer:         325,833         305,721         20,212         20,935         124,435         72,418         26,017           Total city engineer         424,033         424,368         378,139         46,229         46,229           Information technology:         Salaries and employee benefits         70,021         40,116         35,487         4,629           Salaries and employee benefits         70,021         40,116         35,487         4,629           Operating expenditures         692,150         676,845         643,205         33,840           Capital outlay         762,171         914,093         875,823         38,270           Legal department:         34,275         112,645         46,631         64,014           Total information technology         72,425         126,454         72,425           Fleet maintenance:         305,471         302,639         297,600         5,039           Salaries and employee benefits <td></td> <td>1,453,444</td> <td></td> <td></td> <td></td>		1,453,444			
Salaries and employee benefits         380,911         381,231         345,679         35,552           Operating expenditures         240,905         194,915         154,546         40,369           Total finance         621,816         576,146         500,225         75,921           City engineer:         325,833         305,721         20,212         20,935         124,435         72,418         26,017           Total city engineer         424,033         424,368         378,139         46,229         46,229           Information technology:         Salaries and employee benefits         70,021         40,116         35,487         4,629           Salaries and employee benefits         70,021         40,116         35,487         4,629           Operating expenditures         692,150         676,845         643,205         33,840           Capital outlay         762,171         914,093         875,823         38,270           Legal department:         34,275         112,645         46,631         64,014           Total information technology         72,425         126,454         72,425           Fleet maintenance:         305,471         302,639         297,600         5,039           Salaries and employee benefits <td>Financo</td> <td></td> <td></td> <td></td> <td></td>	Financo				
Operating expenditures         240,905         194,915         154,546         40,369           Total finance         621,816         576,146         500,225         75,921           City engineer:         325,833         325,933         305,721         20,212           Operating expenditures         98,200         98,435         72,418         26,017           Total city engineer         424,033         4424,368         378,139         46,229           Information technology:         3alaries and employee benefits         692,150         676,6445         643,205         33,640           Capital outlay         762,177         914,093         875,823         38,270         38,270           Legal department:         salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expenditures         305,471         302,639         297,600         5,039           Ited maintenance:         305,471         302,639         297,600         5,039           Operating expenditures         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance:         305,471         302,639		380 911	381 231	345 679	35 552
Total finance         621.816         576,146         500,225         75.921           City engineer: Salaries and employee benefits         325,833         325,933         305,721         20,212           Operating expenditures         98,200         98,435         72,418         26,017           Total formation technology: Salaries and employee benefits         70,021         40,116         35,487         46,229           Information technology: Salaries and employee benefits         692,150         676,845         643,205         33,640           Capital outlay         -         197,132         197,131         1         1           Total information technology         762,177         914,093         875,823         38,270           Legal department: Salaries and employee benefits         140,715         170,725         162,314         8,411           Operating expenditures         203,990         283,370         210,945         72,425           Fleet maintenance: Salaries and employee benefits         305,471         302,639         297,600         5.039           Operating expenditures         305,471         302,639         297,600         5.039           Capital outlay         112,000         157,711         157,681         30           Total l					
Salaries and employee benefits         325,833         325,933         305,721         20,212           Operating expanditures         98,200         98,435         72,418         26,017           Total city engineer         424,033         424,368         378,139         46,229           Information technology:         Salaries and employee benefits         692,150         676,845         643,205         33,640           Capital outlay         -         197,132         197,131         1         1           Total information technology         762,171         914,093         875,823         38,270           Legal department:         Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expanditures         34,275         112,645         48,631         64,014           Total legal department:         203,990         283,370         210,945         72,425           Fleet maintenance:         34,275         112,645         48,631         64,014           Salaries and employee benefits         306,471         302,639         297,600         5.039           Operating expenditures         188,915         144,345         111,749         32,596           Capital outlay					
Salaries and employee benefits         325,833         325,933         305,721         20,212           Operating expanditures         98,200         98,435         72,418         26,017           Total city engineer         424,033         424,368         378,139         46,229           Information technology:         Salaries and employee benefits         692,150         676,845         643,205         33,640           Capital outlay         -         197,132         197,131         1         1           Total information technology         762,171         914,093         875,823         38,270           Legal department:         Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expanditures         34,275         112,645         48,631         64,014           Total legal department:         203,990         283,370         210,945         72,425           Fleet maintenance:         34,275         112,645         48,631         64,014           Salaries and employee benefits         306,471         302,639         297,600         5.039           Operating expenditures         188,915         144,345         111,749         32,596           Capital outlay	<b>0</b> //				
Operating expenditures         98,200         98,435         72,418         26,017           Total city engineer         424,033         424,368         376,139         46,229           Information technology:         Salaries and employee benefits         70,021         40,116         35,487         4,629           Operating expenditures         692,150         676,845         643,205         33,640           Capital outlay         -         197,132         197,131         1           Total information technology         762,171         914,093         875,823         38,270           Legal department:         Salaries and employee benefits         34,275         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance:         305,471         302,639         297,600         5,039           Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,566           Capital outlay         112,000         157,711         157,681         30           Total fleet maintenance:         309,278         285	, ,	225 922	225 022	205 721	20 212
Total city engineer         424,033         424,368         376,139         46,229           Information technology:         Salaries and employee benefits         70,021         40,116         35,487         4,629           Operating expenditures         692,150         676,845         643,205         33,640           Capital outlay         -         197,132         197,131         1           Total information technology         762,171         914,093         875,823         38,270           Legal department:         Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expenditures         34,275         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance:         305,471         302,639         297,600         5,039           Salaries and employee benefits         305,471         302,639         297,600         5,039           Capital outlay         112,000         157,711         157,681         30           Total fleet maintenance:         308,276         271,947         13,629           Salaries and employee benefits         063,386         604,695					
Salaries and employee benefits         70,021         40,116         35,487         4,629           Operating expenditures         692,150         676,845         643,205         33,640           Capital outlay         -         197,132         197,131         1           Total information technology         762,171         914,093         875,823         38,270           Legal department:         Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expenditures         134,275         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance:         Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,596         26,711         302,639         297,600         5,039           Operating expenditures         305,471         302,639         297,600         5,039         30,665         604,695         567,030         37,665           Building maintenance:         309,278         285,576         271,947         13,629         25,537         0perating ex					
Salaries and employee benefits         70,021         40,116         35,487         4,629           Operating expenditures         692,150         676,845         643,205         33,640           Capital outlay         -         197,132         197,131         1           Total information technology         762,171         914,093         875,823         38,270           Legal department:         Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expenditures         134,275         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance:         Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,596         26,711         302,639         297,600         5,039           Operating expenditures         305,471         302,639         297,600         5,039         30,665         604,695         567,030         37,665           Building maintenance:         309,278         285,576         271,947         13,629         25,537         0perating ex					
Operating expenditures         692,150         676,845         643,205         33,640           Capital outlay         -         197,132         197,131         1           Total information technology         -         762,171         914,093         875,823         38,270           Legal department:         Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expenditures         34,275         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance:         -         -         -         -         -           Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         112,000         157,711         157,681         30           Capital outlay         112,000         157,711         157,681         30           Total fleet maintenance:         -         -         -         -         -           Salaries and employee benefits         168,497         170,197         144,660         25,537           Operating expenditures         309,278         285,576         27		70.004	10 110	05 407	4 000
Capital outlay Total information technology         -         197,132         197,131         1           Total information technology         762,171         914,093         875,823         38,270           Legal department: Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expenditures         34,275         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance: Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,596           Capital outlay         102,000         157,711         157,681         30           Total fleet maintenance:         803,386         604,695         567,030         37,665           Building maintenance:         309,278         285,576         271,947         13,629           Capital outlay         80,000         87,000         77,990         9,010           Total building maintenance         557,775         542,773         494,597         48,176           Total general government         5,108,381         5,831,815 <td></td> <td></td> <td>-, -</td> <td></td> <td></td>			-, -		
Total information technology         762,171         914,093         875,823         38,270           Legal department: Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expenditures         34,275         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance: Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,596           Capital outlay         112,000         157,711         157,681         30           Total fleet maintenance:         308,276         271,947         13,629           Salaries and employee benefits         168,497         170,197         144,660         25,537           Operating expenditures         309,278         285,576         271,947         13,629           Capital outlay         80,000         87,000         77,990         9,010           Total general government         5,108,381         5,831,815         5,367,104         464,711           Public safety: Police:         Salaries and employee benefits         5,228,615		692,150	,		33,640
Legal department: Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expenditures         34,275         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance: Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,596           Capital outlay         112,000         157,711         157,681         30           Total fleet maintenance         603,386         604,695         567,030         37,665           Building maintenance: Salaries and employee benefits         168,497         170,197         144,660         25,537           Operating expenditures         309,278         285,576         271,947         13,629           Capital outlay         80,000         87,000         77,990         9,010           Total building maintenance         5,57,775         542,773         494,597         48,176           Total general government         5,108,381         5,831,815         5,367,104         464,711           Public safety: Police:         Salaries and empl		762,171			38,270
Salaries and employee benefits         169,715         170,725         162,314         8,411           Operating expenditures         34,275         112,645         48,631         64,014           Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance:         305,471         302,639         297,600         5,039           Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,596           Capital outlay         112,000         157,711         157,681         30           Total fleet maintenance:         603,386         604,695         567,030         37,665           Building maintenance:         309,278         285,576         271,947         13,629           Capital outlay         80,000         87,000         77,990         9,010           Total building maintenance         5,108,381         5,831,815         5,367,104         464,711           Public safety:         Police:         Salaries and employee benefits         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         935,497		<u>_</u>	·	·	·
Operating expenditures Total legal department         34,275 203,990         112,645 283,370         48,631 210,945         64,014 72,425           Fleet maintenance: Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,596           Capital outlay         120,000         157,711         157,681         30           Total fleet maintenance         603,386         604,695         567,030         37,665           Building maintenance: Salaries and employee benefits         168,497         170,197         144,660         25,537           Operating expenditures         309,278         285,576         271,947         13,629           Capital outlay         80,000         87,000         77,990         9,010           Total building maintenance         557,775         542,773         494,597         48,176           Total general government         5,108,381         5,831,815         5,367,104         464,711           Public safety: Police:         935,497         1,022,075         946,116         75,959           Salaries and employee benefits         5,228,615         5,537,746         5,389,685         148,061           Operating ex		400 745	470 705	400.044	0.444
Total legal department         203,990         283,370         210,945         72,425           Fleet maintenance: Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,596           Capital outlay         112,000         157,711         157,681         30           Total fleet maintenance         603,386         604,695         567,030         37,665           Building maintenance: Salaries and employee benefits         168,497         170,197         144,660         25,537           Operating expenditures         309,278         285,576         271,947         13,629           Capital outlay         100,000         87,000         77,990         9,010           Total building maintenance         557,775         542,773         494,597         48,176           Total general government         5,108,381         5,831,815         5,367,104         464,711           Public safety: Police: Salaries and employee benefits         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         935,497         1,022,075         946,116         76,959           Capital outlay         563,700<					,
Fleet maintenance:       305,471       302,639       297,600       5,039         Operating expenditures       185,915       144,345       111,749       32,596         Capital outlay       112,000       157,711       157,681       30         Total fleet maintenance       603,386       604,695       567,030       37,665         Building maintenance:       309,278       285,576       271,947       13,629         Capital outlay       108,497       170,197       144,660       25,537         Operating expenditures       309,278       285,576       271,947       13,629         Capital outlay       309,278       285,576       271,947       13,629         Capital outlay       80,000       87,000       77,990       9,010         Total general government       5,108,381       5,831,815       5,367,104       464,711         Public safety:       Police:       5       5,389,685       148,061       76,959         Publics afety:       Police:       5,228,615       5,537,746       5,389,685       148,061         Operating expenditures       935,497       1,022,075       946,116       75,959         Capital outlay       563,700       652,115       570,548					
Salaries and employee benefits         305,471         302,639         297,600         5,039           Operating expenditures         185,915         144,345         111,749         32,596           Capital outlay         112,000         157,711         157,681         30           Total fleet maintenance         603,386         604,695         567,030         37,665           Building maintenance:		203,990	203,370	210,945	12,423
Operating expenditures         185,915         144,345         111,749         32,596           Capital outlay         112,000         157,711         157,681         30           Total fleet maintenance         603,386         604,695         567,030         37,665           Building maintenance:         30         30,278         285,576         271,947         13,629           Capital outlay         30,000         87,000         77,990         9,010           Total building maintenance         557,775         542,773         494,597         48,176           Total general government         5,108,381         5,831,815         5,367,104         464,711           Public safety:         Police:         Salaries and employee benefits         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         935,497         1,022,075         946,116         75,959           Capital outlay         563,700         652,115         570,548         81,567					
Capital outlay Total fleet maintenance       112,000       157,711       157,681       30         Building maintenance: Salaries and employee benefits       603,386       604,695       567,030       37,665         Building maintenance: Salaries and employee benefits       168,497       170,197       144,660       25,537         Operating expenditures       309,278       285,576       271,947       13,629         Capital outlay       80,000       87,000       77,990       9,010         Total building maintenance       557,775       542,773       494,597       48,176         Total general government       5,108,381       5,831,815       5,367,104       464,711         Public safety: Police: Salaries and employee benefits       5,228,615       5,537,746       5,389,685       148,061         Operating expenditures       935,497       1,022,075       946,116       75,959         Capital outlay       563,700       652,115       570,548       81,567	· ·				
Total fleet maintenance         603,386         604,695         567,030         37,665           Building maintenance:         Salaries and employee benefits         168,497         170,197         144,660         25,537           Operating expenditures         309,278         285,576         271,947         13,629           Capital outlay         80,000         87,000         77,990         9,010           Total building maintenance         557,775         542,773         494,597         48,176           Total general government         5,108,381         5,831,815         5,367,104         464,711           Public safety:         Police:         Salaries and employee benefits         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         935,497         1,022,075         946,116         75,959           Capital outlay         563,700         652,115         570,548         81,567					32,596
Building maintenance:         168,497         170,197         144,660         25,537           Operating expenditures         309,278         285,576         271,947         13,629           Capital outlay         80,000         87,000         77,990         9,010           Total building maintenance         557,775         542,773         494,597         48,176           Total general government         5,108,381         5,831,815         5,367,104         464,711           Public safety:         Police:         Salaries and employee benefits         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         935,497         1,022,075         946,116         75,959           Capital outlay         563,700         652,115         570,548         81,567					
Salaries and employee benefits       168,497       170,197       144,660       25,537         Operating expenditures       309,278       285,576       271,947       13,629         Capital outlay       80,000       87,000       77,990       9,010         Total building maintenance       557,775       542,773       494,597       48,176         Total general government       5,108,381       5,831,815       5,367,104       464,711         Public safety:       Police:       Salaries and employee benefits       5,228,615       5,537,746       5,389,685       148,061         Operating expenditures       935,497       1,022,075       946,116       75,959       Capital outlay       563,700       652,115       570,548       81,567	Total fleet maintenance	603,386	604,695	567,030	37,665
Salaries and employee benefits       168,497       170,197       144,660       25,537         Operating expenditures       309,278       285,576       271,947       13,629         Capital outlay       80,000       87,000       77,990       9,010         Total building maintenance       557,775       542,773       494,597       48,176         Total general government       5,108,381       5,831,815       5,367,104       464,711         Public safety:       Police:       Salaries and employee benefits       5,228,615       5,537,746       5,389,685       148,061         Operating expenditures       935,497       1,022,075       946,116       75,959       Capital outlay       563,700       652,115       570,548       81,567	Building maintenance:				
Operating expenditures         309,278         285,576         271,947         13,629           Capital outlay         80,000         87,000         77,990         9,010           Total building maintenance         557,775         542,773         494,597         48,176           Total general government         5,108,381         5,831,815         5,367,104         464,711           Public safety:         Police:         Salaries and employee benefits         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         935,497         1,022,075         946,116         75,959         75,959           Capital outlay         563,700         652,115         570,548         81,567		168,497	170,197	144,660	25,537
Capital outlay         80,000         87,000         77,990         9,010           Total building maintenance         557,775         542,773         494,597         48,176           Total general government         5,108,381         5,831,815         5,367,104         464,711           Public safety: Police:         Salaries and employee benefits         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         935,497         1,022,075         946,116         75,959           Capital outlay         563,700         652,115         570,548         81,567					
Total building maintenance       557,775       542,773       494,597       48,176         Total general government       5,108,381       5,831,815       5,367,104       464,711         Public safety: Police: Salaries and employee benefits       5,228,615       5,537,746       5,389,685       148,061         Operating expenditures       935,497       1,022,075       946,116       75,959         Capital outlay       563,700       652,115       570,548       81,567			87,000		
Public safety:         Police:         Salaries and employee benefits       5,228,615       5,537,746       5,389,685       148,061         Operating expenditures       935,497       1,022,075       946,116       75,959         Capital outlay       563,700       652,115       570,548       81,567		557,775	542,773	494,597	
Police:         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         935,497         1,022,075         946,116         75,959           Capital outlay         563,700         652,115         570,548         81,567	Total general government	5,108,381	5,831,815	5,367,104	464,711
Police:         5,228,615         5,537,746         5,389,685         148,061           Operating expenditures         935,497         1,022,075         946,116         75,959           Capital outlay         563,700         652,115         570,548         81,567	Public safety:				
Operating expenditures         935,497         1,022,075         946,116         75,959           Capital outlay         563,700         652,115         570,548         81,567	Police:				
Capital outlay         563,700         652,115         570,548         81,567					
		935,497	1,022,075	946,116	75,959
Total police         6,727,812         7,211,936         6,906,349         305,587					
	Total police	6,727,812	7,211,936	6,906,349	305,587

(continued)

#### GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted	Budgeted Amounts		Variance with Final
	Original	Final	Actual	Budget
Expenditures (Continued): Public safety (Continued):				
Fire:	¢ 0.454.554	¢ 0.704.050	¢ 0,700,070	¢ 1.000
Salaries and employee benefits	\$ 3,451,554	\$ 3,734,953	\$ 3,732,973	\$ 1,980
Operating expenditures	620,850	640,304	619,450	20,854
Capital outlay On-behalf payments (Firefighter's Relief Fund)	234,500	216,855	209,366	7,489
Total fire	4,306,904	4,592,112	<u> </u>	(87,241) (56,918)
Development assistance:	E70.000	E00 700	EZA 477	6.046
Salaries and employee benefits	578,903	580,723	574,477	6,246
Operating expenditures	138,807	229,677	128,445	101,232
Total development assistance	717,710	810,400	702,922	107,478
Total public safety	11,752,426	12,614,448	12,258,301	356,147
Transportation:				
Public works administration:				
Salaries and employee benefits	418,463	439,443	439,360	83
Operating expenditures	169,361	157,007	150,422	6,585
Capital outlay	25,000	25,000	-	25,000
Total public works administration	612,824	621,450	589,782	31,668
Streets and highways				
Salaries and employee benefits	695,709	743,544	743,502	42
Operating expenditures	321,980	350,195	349,486	709
Capital outlay	353,500	139,400	130,587	8,813
Total streets and highways	1,371,189	1,233,139	1,223,575	9,564
State Street Aid allocation:	600 000	600.000	604 600	2 202
Operating expenditures	600,000	628,000	624,608	3,392
Traffic engineering:				
Salaries and employee benefits	241,616	223,626	209,866	13,760
Operating expenditures	96,217	107,148	100,638	6,510
Capital outlay	160,000	159,365	159,365	-
Total traffic engineering	497,833	490,139	469,869	20,270
Total transportation	3,081,846	2,972,728	2,907,834	64,894
Culture and recreation:				
Grounds maintenance:				
Salaries and employee benefits	562,529	514,709	496,402	18,307
Operating expenditures	127,523	150,413	148,195	2,218
Capital outlav	85,000	169,531	157,641	11,890
Total grounds maintenance	775,052	834,653	802,238	32,415
Patton Park pool:				
Operating expenditures	104,910	104,910	89,814	15,096
Capital outlay				
Total Patton Park pool	104,910	104,910	89,814	15,096
Total culture and recreation	879,962	939,563	892,052	47,511
	013,302	000,000	002,002	110,17

(continued)

#### GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted	Amounts		Variance with Final Budget	
	Original	Final	Actual		
Expenditures (Continued):					
Debt service:					
Principal	\$ 1,501,267	\$ 1,674,379	\$ 1,682,931	\$ (8,552)	
Interest and fiscal charges	812,301	815,345	806,271	9,074	
Total debt service	2,313,568	2,489,724	2,489,202	522	
Total expenditures	23,136,183	24,848,278	23,914,493	933,785	
(Deficiency) of revenues (under) expenditures	(3,195,490)	(3,624,711)	(2,333,439)	1,291,272	
Other financing sources (uses):					
Sale of capital assets	20,000	87,220	81,216	(6,004)	
Issuance of long-term debt	1,088,700	1,386,219	1,254,350	(131,869)	
Appropriation of fund balance	1,666,590	1,086,525	-	(1,086,525)	
Operating transfers in from other funds	1,250,000	4,511,800	4,555,606	43,806	
Operating transfers out to other funds	(829,800)	(3,447,053)	(1,726,948)	1,720,105	
Total other financing sources	3,195,490	3,624,711	4,164,224	539,513	
Net change in fund balances	-	-	1,830,785	1,830,785	
Fund balances, beginning of year	9,763,382	9,763,382	9,763,382		
Fund balances, end of year	\$ 9,763,382	\$ 9,763,382	\$ 11,594,167	\$ 1,830,785	

# **GOVERNMENTAL CAPITAL PROJECTS FUND**

The Governmental Capital Projects Fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds or reported separately as a non-major capital projects fund.

## CITY OF HENDERSONVILLE, NORTH CAROLINA GOVERNMENTAL CAPITAL PROJECTS FUND

			Actual	tual			
	Project	Prior	Current	Total			
	Authorization	Years	Year	to Date			
Revenues:							
Grant revenue - NCDOT	\$ 832,000	\$ 163,114	\$ 190,361	\$ 353,475			
Grant revenue - DOJ	24,500	-	24,500	24,500			
Grant revenue - Dept of Housing	750,000	-	18,269	18,269			
Grant revenue	70,000	-	-	-			
Local contributions	2,932,020	575,000	2,500	577,500			
Investment earnings	-	13,085	237,620	250,705			
Total revenues	4,608,520	751,199	473,250	1,224,449			
Expenditures:							
Current:							
General government							
Other operating expenditures	1,126,389	758,690	44,594	803,284			
Capital outlay	56,771,800	20,211,601	5,810,568	26,022,169			
Debt service:							
Principal retirements	13,499,000	13,499,000	-	13,499,000			
Debt issuance costs	163,451	78,450	80,315	158,765			
Total expenditures	71,560,640	34,547,741	5,935,477	40,483,218			
Deficiency of revenues under expenditures	(66,952,120)	(33,796,542)	(5,462,227)	(39,258,769)			
Other financing sources (uses):							
Transfers in	5,305,617	4,439,309	4,955,004	9,394,313			
Transfers out	-	(72,000)	-	(72,000)			
Issuance of long-term obligations	61,646,503	29,688,161	21,206,865	50,895,026			
Premiums on issuance of long-term debt	-	648,631	-	648,631			
Total other financing sources	66,952,120	34,704,101	26,161,869	60,865,970			
Net changes in fund balances	\$-	\$ 907,559	20,699,642	\$ 21,607,201			
Fund balances, beginning of year			907,559				
Fund balances, end of year			\$ 21,607,201				

# **GRANTS FUND**

The Grants Fund is used to account for the receipt and disbursement of Federal and State grants, excluding those for which it may be deemed necessary for a separate fund to be established due to the size or nature of the grant.

## CITY OF HENDERSONVILLE, NORTH CAROLINA GRANTS FUND

<b>Revenues:</b> Grant revenue - CDBG Grant revenue - DOJ	Project Authorization \$ 500,000 152,754 1,551,616	Prior Years \$ 500,000	Current Year	Total to Date
Grant revenue - CDBG	\$        500,000 152,754		Year	to Date
Grant revenue - CDBG	152,754	\$ 500,000		
	152,754	\$ 500,000		
Grant revenue - DOJ			\$-	\$ 500,000
	1.551.616	40,962	23,948	64,910
Grant revenue - FEMA		1,382,973	143,149	1,526,122
Grant revenue - NCDENR	5,983,079	521,001	804,365	1,325,366
Grant revenue - NCSCIF	250,000	250,000	-	250,000
Grant revenue - NCDOT	25,000	-	5,867	5,867
Grant revenue - USDT	4,511,800	-	4,511,800	4,511,800
Contributions	400,000		400,000	400,000
Other restricted intergovernmental	1,510,000	1,586,883	15,781	1,602,664
Miscellaneous	40,000	39,945	-	39,945
Interest earnings	-	9,249	37,894	47,143
Total revenues	14,924,249	4,331,013	5,942,804	10,273,817
Expenditures:				
Current:				
General Government				
Operating Expenditures	1,900,000	-	360,000	360,000
Police department				
Salaries and Employee Benefits	25,000	-	5,592	5,592
Other operating expenditures	227,754	80,415	32,448	112,863
Fire department				
Salaries and employee benefits	2,094,616	2,306,644	637,309	2,943,953
Environmental protection				
Other operating expenditures	583,079	526,941	38,786	565,727
Economic and physical development				
Other operating expenditures Water and Sewer	575,112	334,903	-	334,903
Other operating expenditures	400,000	-	130,123	130,123
Capital outlay	250,000	293,337	5,735	299,072
Total expenditures	6,055,561	3,542,240	1,209,993	4,752,233
Excess of revenues over expenditures	8,868,688	788,773	4,732,811	5,521,584
Other financing sources (uses):				
Transfers in	1,108,187	1,502,535	537,691	2,040,226
Transfers out	(10,041,875)	(1,525)	(4,555,606)	(4,557,131)
Appropriation of fund balance	65,000	-	-	-
Total other financing sources (uses)	(8,868,688)	1,501,010	(4,017,915)	(2,516,905)
Net changes in fund balances	\$-	\$ 2,289,783	714,896	\$ 3,004,679
Fund balances, beginning of year			2,289,783	
Fund balances, end of year			\$ 3,004,679	

# COMBINING AND INDIVIDUAL FUND FINANCIAL SCHEDULES

# NONMAJOR GOVERNMENTAL FUNDS

### **Special Revenue Funds**

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The City reports the following special revenue funds:

**Main Street Tax District Fund** – is used to account for the proceeds of an additional tax levy for the purpose of promoting commerce and tourism in the Central Business District.

**Seventh Avenue Tax District Fund** – is used to account for the proceeds of an additional tax levy for the purpose of promoting commerce and to the rehabilitate the economy of the City's Historic Seventh Avenue District.

**Special Revenue Fund** – is used to administer restricted or committed funds for some of the City's other programs.

#### COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2023

		s	pecial	Revenue Fur	nds			Total
		in Street x District Fund	Seventh Avenue Tax District Fund			Special Revenue Fund	Nonmajor Governmental Funds	
ASSETS	•	00.440	•		•		•	404.000
Investments	\$	93,148	\$	68,684	\$	-	\$	161,832
Receivables, net:		0.000		770				40.005
Taxes Shared taxes		9,306		779		-		10,085
		77,396		21,100		-		98,496
Accrued interest		393		224		-		617
Prepaid items		150		-		-		150
Restricted cash and cash equivalents		79,066		58,301		73,850		211,217
Total assets		259,459		149,088		73,850		482,397
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts payable		8,894		1,290		-		10,184
Accrued salaries and benefits		7,536		2,137		-		9,673
Total liabilities		16,430		3,427		-		19,857
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes		9,321		779		-		10,100
Total deferred inflows of resources		9,321		779		-		10,100
FUND BALANCES								
Nonspendable:								
Prepaid items		150		-		-		150
Restricted for:								
Economic development		233,558		144,882		-		378,440
Public safety		-		-		73,850		73,850
Total fund balances		233,708		144,882		73,850		452,440
Total liabilities, deferred inflows of								
resources and fund balances	\$	259,459	\$	149,088	\$	73,850	\$	482,397

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	S	pecial	Revenue Fun	ds		Total		
	 Main Street Tax District Fund		Seventh Avenue Tax District Fund		Special Revenue Fund	Nonmajor Governmental Funds		
Revenues:								
Ad valorem taxes	\$ 287,843	\$	46,289	\$	-	\$	334,132	
Unrestricted intergovernmental	294,107		58,821		-		352,928	
Restricted intergovernmental	-		-		5,298		5,298	
Special events income	24,335		-		-		24,335	
Investment income	5,287		3,469		-		8,756	
Miscellaneous	 429		5,000		10,665		16,094	
Total revenues	 612,001		113,579		15,963		741,543	
Expenditures:								
Current:								
Public safety	-		-		98,081		98,081	
Economic and physical development Debt service:	526,458		122,024		-		648,482	
Principal	28,340		-		-		28,340	
Interest	 17,254		-		-		17,254	
Total expenditures	 572,052		122,024		98,081		792,157	
Excess (deficiency) of revenues								
over (under) expenditures	39,949		(8,445)		(82,118)		(50,614)	
Other financing sources (uses):								
Transfers in	-		-		400,000		400,000	
Transfers out	-		-		(400,000)		(400,000)	
Total other financing sources (uses)	 -		-		-		-	
Net change in fund balances	39,949		(8,445)		(82,118)		(50,614)	
Fund balances, beginning of year	 193,759		153,327		155,968		503,054	
Fund balances, end of year	\$ 233,708	\$	144,882	\$	73,850	\$	452,440	

## CITY OF HENDERSONVILLE, NORTH CAROLINA MAIN STREET TAX DISTRICT FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Buc	lget						
	 Original	-	Final	Actual		Fin	Final Budget	
Revenues:								
Ad valorem taxes:								
Taxes	\$ 279,660	\$	283,960	\$	287,419	\$	3,459	
Penalties and interest	-		-		424		424	
Sales and use taxes	266,175		266,175		294,107		27,932	
Special events income	13,250		24,250		24,335		85	
Investment earnings (loss)	100		3,740		5,287		1,547	
Miscellaneous	100		530		429		(101)	
Total revenues	 559,285		578,655		612,001		33,346	
Expenditures:								
Current:								
Economic and physical development								
Salaries and employee benefits	297,380		314,300		280,630		33,670	
Other operating expenditures	332,570		334,694		245,828		88,866	
Debt service:								
Principal	30,902		30,902		28,340		2,562	
Interest	14,366		14,692		17,254		(2,562)	
Total expenditures	 675,218		694,588		572,052		122,536	
Excess (deficiency) of revenues over								
(under) expenditures	(115,933)		(115,933)		39,949		155,882	
Other financing sources:								
Appropriation of fund balance	115,933		115,933		-		(115,933)	
Total other financing sources	 115,933		115,933		-		(115,933)	
Net changes in fund balances	-		-		39,949		39,949	
Fund balances, beginning of year	 193,759		193,759		193,759		-	
Fund balances, end of year	\$ 193,759	\$	193,759	\$	233,708	\$	39,949	

## CITY OF HENDERSONVILLE, NORTH CAROLINA SEVENTH AVENUE TAX DISTRICT FUND

#### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Bue	Budget					
	 Driginal	U	Final	Actual		Final Budget	
Revenues:	 						
Ad valorem taxes:							
Taxes	\$ 41,303	\$	44,303	\$	46,224	\$	1,921
Penalties and interest	-		-		65		65
Sales and use taxes	53,235		54,235		58,821		4,586
Investment earnings	100		2,123		3,469		1,346
Miscellaneous	5,000		5,000		5,000		-
Total revenues	 99,638		105,661		113,579		7,918
Expenditures:							
Current:							
Economic and physical development							
Salaries and employee benefits	82,669		88,692		78,467		10,225
Other operating expenditures	101,250		103,194		43,557		59,637
Total expenditures	 183,919		191,886		122,024		69,862
Excess (deficiency) of revenues							
over (under) expenditures	(84,281)		(86,225)		(8,445)		77,780
Other financing sources:							
Appropriation of fund balance	84,281		86,225		-		(86,225)
Total other financing sources	 84,281		86,225		-		(86,225)
Net changes in fund balances	-		-		(8,445)		(8,445)
Fund balances, beginning of year	 153,327		153,327		153,327		-
Fund balances, end of year	\$ 153,327	\$	153,327	\$	144,882	\$	(8,445)

## CITY OF HENDERSONVILLE, NORTH CAROLINA SPECIAL REVENUE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budget							
	Original			Final	Actual		Final Budget	
Revenues:								
Restricted intergovernmental	\$	-	\$	-	\$	5,298	\$	5,298
Miscellaneous	,	-		-	•	10,665	,	10,665
Total revenues		-		-		15,963		15,963
Expenditures:								
Current:								
Public safety								
Operating expenditures		65,500		1,690,500		98,081		1,592,419
Total expenditures		65,500		1,690,500		98,081		1,592,419
Excess (deficiency) of revenues								
over (under) expenditures		(65,500)		(1,690,500)		(82,118)		1,608,382
Other financing sources (uses):								
Appropriation of fund balance		65,500		90,500		-		(90,500)
Transfers in		-		2,000,000		400,000		(1,600,000)
Transfers out		-		(400,000)		(400,000)		-
Total other financing sources (uses)		65,500		1,690,500		-		(1,690,500)
Net changes in fund balances		-		-		(82,118)		(82,118)
Fund balances, beginning of year		155,968		155,968		155,968		-
Fund balances, end of year	\$	155,968	\$	155,968	\$	73,850	\$	(82,118)

# NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

### COMBINING STATEMENT OF NET POSITION NONMAJOR PROPRIETARY FUNDS JUNE 30, 2023

	Nonmajor Ent		
	Environmental Services	Stormwater	
	Fund	Fund	Total
ASSETS			
Current assets:			
Receivables, net:			
Accounts	\$ 234,976	\$ 146,018	\$ 380,994
Shared taxes	3,200	-	3,200
Loan proceeds	8,300	-	8,300
Total current assets	246,476	146,018	392,494
Noncurrent assets:			
Capital assets:			
Non-depreciable	11,134	335,325	346,459
Depreciable, net of accumulated depreciation	685,550	915,955	1,601,505
Total capital assets, net	696,684	1,251,280	1,947,964
Total assets	943,160	1,397,298	2,340,458
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	318,937	194,705	513,642
OPEB related items	39,944	24,372	64,316
Total deferred outflows of resources	358,881	219,077	577,958
LIABILITIES			
Current liabilities:			
Accounts payable	33,625	34,117	67,742
Accrued salaries and benefits	21,509	14,154	35,663
Accrued interest payable	2,353	3,965	6,318
Due to other funds	156,442	106,646	263,088
Compensated absences, current	24,589	17,727	42,316
Current portion of long-term debt	85,283	67,944	153,227
Total current liabilities	323,801	244,553	568,354
Long-term liabilities:			
Compensated absences, less current portion	22,470	17,726	40,196
Long-term debt, less current portion	374,865	494,836	869,701
Net pension liability	464,584	283,618	748,202
Total OPEB liability	137,492	83,893	221,385
Total long-term liabilities	999,411	880,073	1,879,484
Total liabilities	1,323,212	1,124,626	2,447,838
DEFERRED INFLOWS OF RESOURCES			
Pension related items	6,353	3,878	10,231
OPEB related items	24,084	14,695	38,779
Total deferred inflows of resources	30,437	18,573	49,010
NET POSITION			
Net investment in capital assets	236,536	682,898	919,434
Unrestricted	(288,144)	(209,722)	(497,866)
Total net position	\$ (51,608)	\$ 473,176	\$ 421,568

### COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	Nonmajor En	terprise Funds	
	Environmental	•	
	Services	Stormwater	
	Fund	Fund	Total
OPERATING REVENUES			
Charges for services	\$ 1,524,404	\$ 1,025,762	\$ 2,550,166
Total operating revenues	1,524,404	1,025,762	2,550,166
OPERATING EXPENSES			
Waste collection and treatment	1,535,233	-	1,535,233
Stormwater	-	869,937	869,937
Depreciation	123,957	68,896	192,853
Total operating expenses	1,659,190	938,833	2,598,023
Operating income (loss)	(134,786)	86,929	(47,857)
NONOPERATING REVENUE (EXPENSES)			
Investment earnings	794	2,893	3,687
Intergovernmental revenue	12,865	-	12,865
Other nonoperating revenue	288	-	288
Interest expense	(8,143)	(9,178)	(17,321)
Total nonoperating revenues (expenses), net	5,804	(6,285)	(481)
Change in net position before interfund transfers			
and capital contributions	(128,982)	80,644	(48,338)
Transfers out	-	(377,000)	(377,000)
Capital contributions		89,377	89,377
Change in net position	(128,982)	(206,979)	(335,961)
NET POSITION, beginning of year	77,374	680,155	757,529
NET POSITION, end of year	\$ (51,608)	\$ 473,176	\$ 421,568

## COMBINING STATEMENT OF CASH FLOWS NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	Nonmajor En	terprise Funds	
	Environmental	··· [· ··· ··· ···	
	Services	Stormwater	
	Fund	Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,549,929	\$ 1,023,389	\$ 2,573,318
Payments to suppliers and service providers	(511,467)	(232,178)	(743,645)
Payments to employees	(1,058,422)	(611,187)	(1,669,609)
Net cash provided by (used in) operating activities	(19,960)	180,024	160,064
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales of investments	833	49,085	49,918
Net cash provided by investing activities	833	49,085	49,918
CASH FLOWS FROM CAPITAL AND RELATED			
FINANCING ACTIVITIES			
Purchases of capital assets	(259,055)	(345,331)	(604,386)
Interfund borrowings for capital asset purchases	156,442	106,646	263,088
Interfund transfer out for reimbursement of project costs	,	(377,000)	(377,000)
Proceeds from capital grants		24,620	24,620
Principal payments on long-term debt	(84,771)	(45,146)	(129,917)
Interest payments on long-term debt	(8,523)	(5,645)	(14,168)
Proceeds from issuance of long-term debt	235,013	377,000	612,013
Net cash provided by (used in) capital and related	200,010	011,000	012,010
financing activities	39,106	(264,856)	(225,750)
Net increase (decrease) in cash and cash equivalents	19,979	(35,747)	(15,768)
Cash and cash equivalents:			
Beginning of year	(19,979)	35,747	15,768
End of year	\$-	\$	\$-
Reconciliation of operating income (loss) to net cash			
provided by (used in) operating activities:			
Operating income (loss)	\$ (134,786)	\$ 86,929	\$ (47,857)
Adjustments to reconcile operating income (loss) to net cash	¢ (101,100)	¢ 00,0 <u>1</u> 0	¢ (,co.)
provided by (used in) operating activities:			
Depreciation and amortization	123,957	68,896	192,853
(Increase) decrease in customer accounts receivable	25,525	(2,373)	23,152
(Increase) in shared taxes receivable	(3,200)	(2,070)	(3,200)
Increase in accounts payable	2,347	7,209	9,556
Decrease in accrued salaries and benefits	(31,595)	(15,062)	(46,657)
Increase (decrease) in compensated absences payable	(24,949)	3,705	(21,244)
Increase in net pension liability and related deferrals	34,523	29,004	63,527
Increase (decrease) in total OPEB liability and related deferrals	(11,782)	1,716	(10,066)
Net cash provided by (used in) operating activities	\$ (19,960)	\$ 180,024	\$ 160,064
		<u>.</u>	<u>.</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	•	• • • • • •	<b>.</b>
Donations of capital assets	\$-	\$ 64,757	\$ 64,757

# **BUDGETARY COMPARISON SCHEDULES (NON-GAAP)**

#### WATER AND SEWER FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budgetec	Budgeted Amounts			
	Original	Final	Actual	Final Budget	
Revenues:					
Operating revenues:					
Charges for services					
Water sales	\$ 14,762,000	\$ 15,030,659	\$ 14,675,325	\$ (355,334)	
Sewer charges	6,420,850	6,708,850	6,814,372	105,522	
Water and sewer taps	382,500	360,500	402,284	41,784	
Miscellaneous revenues	426,900	607,000	602,539	(4,461)	
Total operating revenues	21,992,250	22,707,009	22,494,520	(212,489)	
Nonoperating revenues:					
Investment income	8,000	213,500	225,598	12,098	
Miscellaneous		6,000	6,424	424	
Total nonoperating revenues	8,000	219,500	232,022	12,522	
Total revenues	22,000,250	22,926,509	22,726,542	(199,967)	
Expenditures:					
Information technology:					
Salaries and employee benefits	251,032	252,406	252,406	-	
Contracted services	215,000	352,705	339,745	12,960	
Supplies	14,500	14,500	7,024	7,476	
Capital outlay	-	619,602	619,601	1	
Other departmental expenditures	562,400	439,825	375,758	64,067	
Total information technology	1,042,932	1,679,038	1,594,534	84,504	
Fleet maintenance:					
Salaries and employee benefits	185,157	182,882	180,127	2,755	
Contracted services	10,000	10,000	683	9,317	
Capital outlay	31,000	31,000	16,425	14,575	
Other departmental expenditures	793	793	793	-	
Total fleet maintenance	226,950	224,675	198,028	26,647	
Administration:					
Salaries and employee benefits	1,682,001	1,721,028	1,691,922	29,106	
Contracted services	186,200	317,010	232,321	84,689	
Supplies	22,000	22,000	19,930	2,070	
Repairs and maintenance	10,000	8,800	3,487	5,313	
Capital outlay	300,000	457,200	456,299	901	
Health and wellness allocation	112,241	192,241	192,241	-	
Other departmental expenditures	1,327,390	1,358,919	1,261,923	96,996	
Total administration	3,639,832	4,077,198	3,858,123	219,075	
Finance:					
Salaries and employee benefits	1,188,630	1,053,699	1,053,695	4	
Contracted services	221,000	221,000	248,716	(27,716)	
Supplies	7,500	7,500	5,303	2,197	
Other departmental expenditures	277,810	196,148	120,330	75,818	
Total finance	1,694,940	1,478,347	1,428,044	50,303	
Engineering:					
Salaries and employee benefits	984,502	967,612	948,520	19,092	
Contracted services	45,000	45,285	45,264	21	
Other departmental expenditures	109,600	110,450	82,788	27,662	
Total engineering	1,139,102	1,123,347	1,076,572	46,775	
Facilities maintenance:					
Salaries and employee benefits	1,125,541	1,149,293	1,085,251	64,042	
Contracted services	1,125,341	1, 149,293	140,703	10,747	
Supplies	58,000	58,000	76,304	(18,304)	
Repairs and maintenance	197,000	197,500	201,728	(18,304) (4,228)	
Capital outlay	260,000	260,750	86,170	(4,220) 174,580	
Other departmental expenditures		111,754	90,641		
Total facilities maintenance	<u> </u>	1,928,747	1,680,797	21,113 247,950	
	1,302,095	1,320,141	1,000,797	241,330	

continued

#### WATER AND SEWER FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted	Budgeted Amounts			
	Original	Final	Actual	Final Budget	
Expenditures (Continued):					
Water treatment plant:					
Salaries and employee benefits	\$ 969,831	\$ 1,049,860	\$ 1,049,860	\$-	
Contracted services	365,000	311,800	287,780	24,020	
Utilities	4,500	4,500	5,194	(694)	
Chemicals	558,000	568,000	569,944	(1,944)	
Supplies	94,050	94,050	68,555	25,495	
Repairs and maintenance	126,000	106,000	54,520	51,480	
Capital outlay	-	135,000	117,637	17,363	
Other departmental expenditures	95,575	95,575	70,275	25,300	
Total water treatment plant	2,212,956	2,364,785	2,223,765	141,020	
Operations support:					
Salaries and employee benefits	879,632	941,242	937,733	3,509	
Supplies	39,500	39,500	13,617	25,883	
Repairs and maintenance	13,500	16,100	27,692	(11,592)	
Capital outlay	240,000	190,000	116,005	73,995	
Other departmental expenditures	83,319	83,319	70,647	12,672	
Total operations support	1,255,951	1,270,161	1,165,694	104,467	
Water distribution:					
Salaries and employee benefits	1,746,760	1,705,125	1,704,124	1,001	
Contracted services	130,000	95,000	66,089	28,911	
Supplies	120,000	120,000	162,248	(42,248)	
Repairs and maintenance	490,000	749,306	711,435	37,871	
Capital outlay	205,000	505,000	412,625	92,375	
Other departmental expenditures	192,290	219,165	227,224	(8,059)	
Total water distribution	2,884,050	3,393,596	3,283,745	109,851	
Wastewater treatment plant:					
Salaries and employee benefits	722,989	786,689	758,154	28,535	
Contracted services	52,225	52,525	51,035	1,490	
Sludge management	600,000	600,000	444,174	155,826	
Utilities	3,000	3,000	495	2,505	
Supplies	96,640	108,640	72,031	36,609	
Repairs and maintenance	233,500	221,500	168,183	53,317	
Other departmental expenditures	69,740	70,240	47,066	23,174	
Total wastewater treatment plant	1,778,094	1,842,594	1,541,138	301,456	
Wastewater collection:					
Salaries and employee benefits	841,136	838,227	838,224	3	
Contracted services	140,000	115,000	76,921	38,079	
Supplies	100,000	118,000	120,494	(2,494)	
Repairs and maintenance	330,000	224,700	214,181	10,519	
Capital outlay	-	19,050	19,050	-	
Other departmental expenditures	159,358	169,737	142,703	27,034	
Total wastewater collection	1,570,494	1,484,714	1,411,573	73,141	
Debt service:					
Principal	2,560,771	2,684,759	2,551,152	133,607	
Interest and fiscal charges	655,819	658,205	521,774	136,431	
Total debt service	3,216,590	3,342,964	3,072,926	270,038	
Total expenditures	22,564,786	24,210,166	22,534,939	1,675,227	
Excess (deficiency) of revenues over					
(under) expenditures	(564,536)	(1,283,657)	191,603	1,475,260	

continued

#### WATER AND SEWER FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

		Budgeted	l Amo	unts			
	- 0	Driginal		Final	Actual	Fi	nal Budget
Other Financing Sources (Uses):		5		-	 		
Transfers out	\$	-	\$	(124,000)	\$ (4,140,000)	\$	(4,016,000)
Transfers in		-		25,000	25,000		-
Issuance of long-term debt		-		619,602	4,635,601		4,015,999
Appropriation of net position		564,536		763,055	-		(763,055)
Total other financing sources (uses)		564,536		1,283,657	 520,601		(763,056)
Net change in net position	\$		\$		712,204	\$	712,204
Reconciliation from budgetary basis to change in							
net position per the proprietary funds statement of							
revenues, expenses, and changes in net position:							
Principal payments on long-term debt					2,551,152		
Issuance of long-term debt					(4,635,601)		
Change in accrued interest payable					(88,859)		
Purchases of capital assets					1,891,060		
Donated capital assets					5,525,336		
Depreciation and amortization expense					(4,217,802)		
Net book value of capital asset disposals					(1,231)		
Change in net pension liability and related deferred							
outflows of resources and deferred inflows of resources					(504,826)		
Change in total OPEB liability and related deferred							
outflows of resources and deferred inflows of resources					(47,533)		
Change in compensated absences					(54,596)		
Transfers in - Water and Sewer Capital Projects Fund					400,000		
Investment earnings - Water and Sewer Capital Projects Fund					87,393		
Noncapitalized expenses - Water and Sewer Capital Projects Fund					 (436,039)		
Change in net position (GAAP basis) -							
Water and Sewer Fund					\$ 1,180,658		

#### PARKING SERVICES FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budgete	ed Amounts		Final Budget	
	Original	Final	Actual		
Revenues:					
Operating revenues:					
Charges for services					
Monthly parking	\$ 70,340	\$ 70,340	\$ 92,534	\$ 22,194	
Parking meters	468,070	468,070	353,659	(114,411	
Special permits	500	500	1,467	967	
Parking violations and penalties	9,900	91,900	117,075	25,175	
Total operating revenues	548,810	630,810	564,735	(66,075	
Nonoperating revenues:					
Investment income	-	3,500	4,884	1,384	
Total nonoperating revenues	-	3,500	4,884	1,384	
Total revenues	548,810	634,310	569,619	(64,691)	
Expenditures:					
Parking services:					
Salaries and employee benefits	119,047	120,547	114,540	6,007	
Contracted services	2,467	65,392	-	65,392	
Other departmental expenditures	36,750	57,725	101,217	(43,492	
Total parking services	158,264	243,664	215,757	27,907	
Debt service:					
Principal	381,405	381,405	375,000	6,405	
Interest and fiscal charges			435,951	1,046	
Total debt service	436,997 818,402	<u>436,997</u> 818,402	810,951	7,451	
Capital outlay	512,000	462,100	403,937	58,163	
Total expenditures	1,488,666	1,524,166	1,430,645	93,521	
Excess (deficiency) of revenues over (under) expenditures	(939,856)	(889,856)	(861,026)	28,830	
Excess (denoising) of revenues over (under) expenditures	(353,050)	(009,000)	(001,020)	20,000	
Other Financing Sources (Uses):					
Issuance of long-term debt	55,000	55,000	-	(55,000)	
Appropriation of net position	682,603	682,603	-	(682,603	
Transfers in	202,253	202,253	202,253	-	
Transfers out	-	(50,000)	(50,000)	-	
Total other financing sources (uses)	939,856	889,856	152,253	(737,603	
Net change in net position	\$-	<u>\$</u> -	(708,773)	\$ (708,773)	
Reconciliation from budgetary basis to change in					
net position per the proprietary funds statement of revenues, expenses, and changes in net position:					
Change in accrued interest payable			1,541		
Change in net position - Parking Services Capital Projects Fund			(6,700,065)		
			375,000		
Principal payments on long-term debt					
Amortization of bond premiums			166,660		
Purchases of capital assets			7,213,477		
Depreciation and amortization			(129,374)		
Change in net position (GAAP basis) -			<b>•</b> • • • • • • • • •		
Parking Services Fund			\$ 218,466		

#### ENVIRONMENTAL SERVICES FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted	udgeted Amounts				
	Original	Final	Actual	Final Budget		
Revenues:						
Operating revenues:						
Charges for services						
Residential	\$ 1,358,000	\$ 1,349,100	\$ 1,316,697	\$ (32,403)		
Commercial	163,000	221,700	207,707	(13,993)		
Total operating revenues	1,521,000	1,570,800	1,524,404	(46,396)		
N						
Nonoperating revenues: Recycling revenue		9.510	12.865	3.355		
	300	9,510	794	(156)		
Investment income (loss) Miscellaneous	1.800	950 290	794 288	`		
	,	10.750	13.947	(2)		
Total nonoperating revenues	2,100	10,750	13,947	3,197		
Total revenues	1,523,100	1,581,550	1,538,351	(43,199)		
Expenditures:						
Waste collection and treatment:						
Salaries and employee benefits	1,009,304	1,055,554	1,026,827	28,727		
Landfill tipping fees	250,000	250,000	228,175	21,825		
Contracted services	63,900	65,044	65,405	(361)		
Repairs and maintenance	70,000	60,136	62,097	(1,961)		
Other departmental expenditures	124,904	155,524	154,937	587		
Total waste collection and treatment	1,518,108	1,586,258	1,537,441	48,817		
Debt service:						
Principal	84.771	84.771	84.771	_		
Interest and fiscal charges	8,522	8,522	8,522	_		
Total debt service	93,293	93,293	93,293			
Capital outlay	20,000	263,313	259,055	4,258		
Total expenditures	1,631,401	1,942,864	1,889,789	53,075		
Excess (deficiency) of revenues over (under) expenditures	(108,301)	(361,314)	(351,438)	9,876		
	(100,001)	(001,014)	(001,400)	3,010		
Other Financing Sources (Uses):	100.001	004.044		(004.044)		
Appropriation of net position	108,301	361,314	-	(361,314)		
Total other financing sources (uses)	108,301	361,314		(361,314)		
Net change in net position	\$-	<u>\$-</u>	(351,438)	\$ (351,438)		
Reconciliation from budgetary basis to change in net position per the proprietary funds statement of revenues, expenses, and changes in net position:						
Principal payments on long-term debt			84,771			
Change in accrued interest payable			379			
Change in net pension liability and related deferred			515			
outflows of resources and deferred inflows of resources			(34,523)			
Change in total OPEB liability and related deferred			44 700			
outflows of resources and deferred inflows of resources			11,782			
Change in compensated absences			24,949			
Purchases of capital assets			259,055			
Depreciation and amortization expense			(123,957)			
Change in net position (GAAP basis) - Environmental Services Fund			\$ (128,982)			

#### STORMWATER FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

Original         Final         Actual         Final Buc           Operating revenues:         Charges for services         Stormwater fees         \$ 1,046,220         \$ 1,025,761         \$ (20)           Stormwater fees         \$ 1,158,240         \$ 1,046,220         \$ 1,025,761         \$ (20)           Nonoperating revenues:         1,158,240         \$ 1,046,220         \$ 1,025,761         \$ (20)           Nonoperating revenues:         50         3,150         2,893         \$ (20)           Total nonoperating revenues         50         3,150         2,893         \$ (20)           Total revenues         1,158,290         1,049,370         1,028,654         (20)           Stormwater:         Stormwater:         Stormwater:         \$ (20)         \$ (20)         \$ (20)         \$ (20)           Stormwater:         Stormwater:         \$ (20)         1,049,370         1,028,654         \$ (20)           Stormwater:         S (20)         1,049,370         1,028,654         \$ (20)           Stormwater:         S (20)         1,049,370         1,028,654         \$ (20)           Contracted services         297,000         198,700         149,430         49           Repairs and maintenance         77,40         24,740		Budgeted	Budgeted Amounts			
Operating revenues:         \$ 1,158,240         \$ 1,046,220         \$ 1,025,761         \$ (20)           Charges for services:         5         1,158,240         \$ 1,046,220         \$ 1,025,761         \$ (20)           Nonoperating revenues:         50         3,150         2,893				Actual	Final Budget	
Charges for services       \$ 1,158,240       \$ 1,046,220       \$ 1,025,761       \$ (20)         Nonoperating revenues       50       3,150       2,893       (20)         Investment income (loss)       50       3,150       2,893       (20)         Total nonoperating revenues       50       3,150       2,893       (20)         Stormwater:       50       1,048,220       1,049,370       1,028,654       (20)         Stormwater:       50       79       1028,654       (20)       (20)       (21,180,70)       149,430       49       (41,20,00)       22,100       12,180,70       130       (11,180,66)       22,100       22,100       12,180,70       130       (11,180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,1180,66)       (11,116)       (1	Revenues:					
Stormwater fees         \$ 1,158,240         \$ 1,046,220         \$ 1,025,761         \$ (20           Notoperating revenues:         50         3,150         2,893         (20)           Total rooperating revenues:         50         3,150         2,893         (20)           Total rooperating revenues:         50         3,150         2,893         (20)           Total rooperating revenues         50         3,150         2,893         (20)           Expenditures:         300         1,028,654         (20)         (20)           Starties and employee benefits         27,400         198,700         198,700         198,700         199,700	Operating revenues:					
Total operating revenues         1.158.240         1.046,220         1.025,761         220           Nonoperating revenues:         50         3,150         2,893	Charges for services					
Nonoperating revenues:         50         3.150         2.893           Investment income (loss)         50         3.150         2.893	Stormwater fees					
Unvestment income (loss) Total nonoperating revenues         50         3.150         2.893           Total nonoperating revenues         50         3.150         2.893           Total revenues         1.158.290         1.049.370         1.028.654         (20           Expenditures:         Starmwater:         Starmwater:         50         50         50         50         50         1.049.370         1.028.654         (20           Expenditures:         Starmwater         29.700         198.700         149.430         49           Repairs and employee benefits         77.40         24.740         23.037         1           Other departmental expenditures         29.980         22.158         7           Total stormwater         1.119.096         928.876         790.750         138           Debt service:         1.119.096         928.876         790.750         138           Total debt service         61.380         61.380         50.791         10           Capital outlay         310.000         326.300         321.012         5           Total expenditures         1.409.076         1.316.566         1.162.653         154           Excess (deficiency) of revenues over (under) expenditures         (332.186)	Total operating revenues	1,158,240	1,046,220	1,025,761	(20,459	
Total nonoperating revenues         50         3.150         2.893           Total revenues         1,158,200         1,049,370         1,028,654         (20           Expenditures:         Salaries and employee benefits         784,376         675,476         596,125         79           Solaries and employee benefits         794,376         675,476         596,125         79           Contracted services         29,980         22,158         7           Total stormwater         1,119,096         928,876         790,750         138           Debt service:         7         740         24,740         23,037         1           Principal         56,270         45,146         11           Interest and fiscal charges         5,110         5,110         50,791         10           Capital outlay         310,000         326,300         321,012         5           Total expenditures         1,490,476         1,316,556         1,162,553         154           Excess (deficiency) of revenues over (under) expenditures         (32,186)         (267,186)         (37,000)         313           Insuarce of long-term debt         140,000         377,000         (377,000)         (312           Transfers out	Nonoperating revenues:					
Total revenues         1,158,200         1,049,370         1,028,654         (20           Expanditures:         Stormwater         281,076         675,476         596,125         79           Stormwater:         281,076         675,476         596,125         79           Contracted services         287,000         198,700         149,430         40           Repairs and maintenance         7,740         24,740         230,37         1           Other departmental expenditures         28,980         29,980         22,158         7           Total stormwater         1,119,096         228,876         790,750         138           Debt service:         Principal         56,270         56,110         50,791         10           Capital outlay         310,000         326,300         321,012         5           Total expenditures         1,490,476         1,316,556         1,162,553         154           Excess (deficiency) of revenues over (under) expenditures         (332,186)         (267,186)         (133,899)         133           Other Financing Sources (Uses):         332,186         140,000         140,000         377,000         237           Tarafiers out         149,0476         1,316,556         1,3					(257	
Expanditures:         Stormwater:         784,376         675,476         596,125         79           Stormwater:         287,000         198,700         149,430         49           Repairs and maintenance         7,740         24,740         230,371         1           Other departmental expenditures         29,980         29,980         29,800         22,158         7           Total stormwater         1,119,096         928,876         790,750         138           Debt service:         7         101         5,110         5,645         1           Total stormwater         61,380         61,380         50,791         10           Capital outlay         310,000         326,300         321,012         5           Total debt service:         1,490,476         1,316,556         1,162,553         154           Excess (deficiency) of revenues over (under) expenditures         (332,186)         (267,186)         (133,899)         133           Other Financing Sources (Uses):         140,000         140,000         377,000         237           Tastance of long-term debt         140,000         140,000         137,000         (312           Total dother financing Sources (uses)         332,186         (267,186	Total nonoperating revenues	50	3,150	2,893	(257)	
Stormwater:         5000000000000000000000000000000000000	Total revenues	1,158,290	1,049,370	1,028,654	(20,716)	
Salaries and employee benefits         784.376         675.476         596.125         77           Contracted services         297.000         198.700         149.430         44           Repairs and maintenance         7,740         24,740         23,037         1           Other departmential expenditures         29.9400         228.476         790.750         138           Debt service:         1.119.096         928.876         790.750         138           Principal         56.270         56.270         45.146         11           Interest and fiscal charges         5.110         5.110         5.645         10           Capital outlay         310.000         326.300         321.012         5           Total expenditures         1.490.476         1.316.556         1.162.553         154           Excess (deficiency) of revenues over (under) expenditures         (332.186)         (267.186)         (133.899)         133           Other Financing Sources (Uses):         140.000         140.000         377.000         237           Issuance of long-term debt         140.000         140.000         377.000         312.186         -         (192           Total other financing sources (uses)         332.186         267.186 <td></td> <td></td> <td></td> <td></td> <td></td>						
Contracted services         297,000         198,700         149,430         49           Repairs and maintenance         7,740         24,740         23,037         1           Other departmental expenditures         29,980         22,158         7           Total stormwater         1,119,096         928,876         790,750         138           Debt service:         1,119,096         928,876         790,750         138           Principal         56,270         56,270         45,146         11           Interest and fiscal charges         5,110         5,146         11           Total expenditures         1,490,476         1,316,556         1,162,553         154           Excess (deficiency) of revenues over (under) expenditures         (332,186)         (267,186)         (133,899)         133           Other Financing Sources (Uses):         1         140,000         140,000         377,000         237           Transfers out         165,000         (377,000)         237         (312         7         (267           Net change in net position         \$         \$         \$         (267,00)         (312           Transfers out         (37,000)         (312         5         (133,899)         \$ <td></td> <td></td> <td></td> <td></td> <td></td>						
Repairs and maintenance         7.740         24.740         23.037         1           Other depairmental expenditures         29.980         22.986         790,750         138           Debt service:         1.119.096         928,876         790,750         138           Debt service:         51.01         5,110         5,110         5,146         11           Interest and fiscal charges         51.10         5,110         5,146         11           Total debt service         61.380         61.380         50.791         10           Capital outlay         310.000         326,300         321,012         5           Total expenditures         1.490,476         1.316,556         1.162,553         154           Excess (deficiency) of revenues over (under) expenditures         (332,186)         (267,186)         (133,899)         133           Other Financing Sources (Uses):         140,000         140,000         377,000         237           Total other financing sources (uses)         332,186         267,186         1227           Total other financing sources (uses)         332,186         267,186         12267           Net change in net position         \$ - \$ -         (133,899)         \$ (133           Reconcili			,	,	79,351	
Other departmental expenditures         29,980         29,980         22,158         7           Total stormwater         1,119,096         928,876         790,750         138           Debt service:         1,119,096         928,876         790,750         138           Principal         56,270         56,270         45,146         11           Interest and fiscal charges         5,110         5,445         11           Total debt service         61,380         60,380         50,791         10           Capital outlay         310,000         326,300         321,012         5           Total expenditures         1,490,476         1,316,556         1,162,553         154           Excess (deficiency) of revenues over (under) expenditures         (32,186)         (267,186)         (133,899)         133           Other Financing Sources (Uses):         Issuance of long-term debt         140,000         140,000         377,000         237           Total other financing sources (uses)         332,186         267,186         (133         267           Total other financing sources (uses)         332,186         267,186         (267         267           Net change in net position         \$         \$         \$         (131					49,270	
Total stormwater         1,119,096         928,876         790,750         138           Debt service:         Principal         56,270         56,270         45,146         11           Interest and fiscal charges         5,110         5,110         5,645         10           Total debt service         61,380         61,380         50,791         10           Capital outlay         310,000         326,300         321,012         5           Total expenditures         1,490,476         1,316,556         1,162,553         154           Excess (deficiency) of revenues over (under) expenditures         (332,186)         (267,186)         (133,899)         133           Other Financing Sources (Uses):         140,000         140,000         377,000         237           Issuance of long-term debt         140,000         140,000         377,000         (312           Total other financing sources (uses)         332,186         267,186         (267         (267           Net change in net position         \$         \$         (133,899)         \$         (133           Reconciliation from budgetary basis to change in net position:         Issuance of long-term debt         (377,000)         (311,33           Reconciliation from budgetary basis to change in n	•				1,703	
Debt service:         56,270         56,270         45,146         11           Interest and fiscal charges         51,10         5,110         5,645         10           Total debt service         61,380         61,380         321,012         5           Capital outlay         310,000         326,300         321,012         5           Total expenditures         1,490,476         1,316,556         1,162,553         154           Excess (deficiency) of revenues over (under) expenditures         (332,186)         (267,186)         (133,899)         133           Other Financing Sources (Uses):         Issuance of long-term debt         140,000         140,000         377,000         237           Tast sers out         -         (65,000)         (377,000)         (312         -         (267           Total other financing sources (uses)         3322,186         267,186         -         (192           Total other financing sources (uses)         3322,186         267,186         -         (267           Net change in net position         \$         -         \$         (267           Inscription per the proprietary funds statement of revenues, expenses, and changes in net position:         -         \$         (267           Inditows of resources				22,158	7,802	
Principal Interest and fiscal charges Total debt service         56,270 5,110         56,270 5,110         45,146 5,645         11 5,645           Capital outlay         310,000         326,300         321,012         5           Total expenditures         1,490,476         1,316,556         1,162,553         154           Excess (deficiency) of revenues over (under) expenditures         (332,186)         (267,186)         (133,899)         133           Other Financing Sources (Uses):         1         1         140,000         140,000         377,000         237           Issuance of long-term debt         140,000         140,000         377,000         237         132           Total other financing sources (uses)         332,186         267,186         -         (192)           Total other financing sources (uses)         332,186         267,186         -         (267)           Net change in net position         \$         \$         (133,899)         \$         (133)           Reconciliation from budgetary basis to change in net position per the proprietary funds statement of revenues, expenses, and changes in net position:         \$         \$         (133,899)         \$         (133)           Summer to all ong-term debt         (3,533)         (377,000)         (377,000)         (377,000)	Total stormwater	1,119,096	928,876	790,750	138,126	
Interest and fiscal charges         5,110         5,110         5,645           Total debt service         61,380         61,380         50,791         10           Capital outlay         310,000         326,300         321,012         5           Total expenditures         1,490,476         1,316,556         1,162,553         154           Excess (deficiency) of revenues over (under) expenditures         (332,186)         (267,186)         (133,899)         133           Other Financing Sources (Uses):         Issuance of long-term debt         140,000         140,000         377,000         237           Total other financing sources (uses)         192,186         192,186         -         (192)           Total other financing sources (uses)         332,186         267,186         -         (267           Total other financing sources (uses)         332,186         267,186         -         (267           Net change in net position         \$<-						
Total debt service       61,380       61,380       50,791       10         Capital outlay       310,000       326,300       321,012       5         Total expenditures       1,490,476       1,316,556       1,162,553       154         Excess (deficiency) of revenues over (under) expenditures       (332,186)       (267,186)       (133,899)       133         Other Financing Sources (Uses):       140,000       140,000       377,000       237         Issuance of long-term debt       140,000       140,000       377,000       (312)         Total other financing sources (uses)       332,186       267,186       -       (192)         Total other financing sources (uses)       332,186       (377,000)       (312)         Net change in net position       \$       -       \$       (133,899)       \$       (133)         Reconciliation from budgetary basis to change in net position:       Issuance of long-term debt       (3,533)       (377,000)       Principal payments on long-term debt       (3,533)       (29,004)         Change in net pension liability and related deferred outflows of resources and deferred inflows of resources       (1,716)       (37,05)       (29,004)         Change in compensated absences       (3,705)       (1,716)       (1,776)       (29,004)       <				,	11,124	
Capital outlay       310,000       326,300       321,012       5         Total expenditures       1,490,476       1,316,556       1,162,553       154         Excess (deficiency) of revenues over (under) expenditures       (332,186)       (267,186)       (133,899)       133         Other Financing Sources (Uses):       Issuance of long-term debt       140,000       140,000       377,000       237         Appropriation of net position       192,186       192,186       -       (267)         Total other financing sources (uses)       332,186       267,186       -       (267)         Net change in net position       \$       -       \$       (133,899)       \$       (133)         Reconciliation from budgetary basis to change in net position:       \$       -       \$       (133,899)       \$       (133)         Issuance of long-term debt       (377,000)       (377,000)       45,146       (3,533)       (3,533)       (3,533)       Change in net pension liability and related deferred       (3,533)       (3,533)       (29,004)       Change in compensated absences       (3,706)       (1,716)       (27,000)       (1,716)       (27,000)       (1,716)       (27,000)       (1,716)       (27,000)       (1,716)       (28,004)       (28,004)       (28,004)	0				(535)	
Total expenditures       1.490,476       1.316,556       1.162,553       154         Excess (deficiency) of revenues over (under) expenditures       (332,186)       (267,186)       (133,899)       133         Other Financing Sources (Uses):       140,000       140,000       377,000       237         Appropriation of net position       192,186       192,186       (102)         Total other financing sources (uses)       332,186       267,186       (267)         Net change in net position       \$       -       (133,899)       \$       (133)         Reconciliation from budgetary basis to change in net position per the proprietary funds statement of revenues, expenses, and changes in net position:       (377,000)       (312)         Issuance of long-term debt       (377,000)       (313)       (377,000)       (313)         Principal payments on long-term debt       (353)       (353)       (353)         Change in net person inbility and related deferred outflows of resources and deferred inflows of resources       (29,004)       (370)         Outflows of resources and deferred inflows of resources       (3,705)       (1,716)         Change in compensated absences       (3,705)       (3,705)         Purchases of capital assets       (68,896)       (68,896)         Donated capital assets       (64	l otal debt service	61,380	61,380	50,791	10,589	
Excess (deficiency) of revenues over (under) expenditures       (332,186)       (267,186)       (133,899)       133         Other Financing Sources (Uses):       1suance of long-term debt       140,000       140,000       377,000       237         Appropriation of net position       192,186       192,186       - (192,186)       - (192,186)       - (267,186)         Transfers out       -       - (65,000)       (377,000)       (312,186)       - (267,166)       - (267,166) <t< td=""><td>Capital outlay</td><td>310,000</td><td>326,300</td><td>321,012</td><td>5,288</td></t<>	Capital outlay	310,000	326,300	321,012	5,288	
Other Financing Sources (Uses):       140,000       140,000       377,000       237         Appropriation of net position       192,186       192,186       -       (192         Transfers out       -       (65,000)       (377,000)       (312         Total other financing sources (uses)       332,186       267,186       -       (267         Net change in net position       \$       -       (133,899)       \$       (133         Reconciliation from budgetary basis to change in net position per the proprietary funds statement of revenues, expenses, and changes in net position:       (377,000)       \$       (377,000)         Issuance of long-term debt       (377,000)       45,146       (377,000)       \$       (373)         Change in net position liability and related deferred       (3,533)       (3,533)       \$       (1,716)         Change in net position and amortization expense       (1,716)       \$       (3,705)       \$         Purchases of capital assets       345,331       \$ </td <td>Total expenditures</td> <td>1,490,476</td> <td>1,316,556</td> <td>1,162,553</td> <td>154,003</td>	Total expenditures	1,490,476	1,316,556	1,162,553	154,003	
Issuance of long-term debt       140,000       140,000       377,000       237         Appropriation of net position       192,186       192,186       (192)         Transfers out       -       (65,000)       (377,000)       (312)         Total other financing sources (uses)       332,186       267,186       -       (267)         Net change in net position       \$       -       \$       (133,899)       \$       (133)         Reconciliation from budgetary basis to change in net position per the proprietary funds statement of revenues, expenses, and changes in net position:       (377,000)       \$       (377,000)         Issuance of long-term debt       (377,000)       (377,000)       \$       (133)         Change in accrued interest payable       (3,533)       (37,000)       \$         Change in net persion liability and related deferred       (3,705)       \$       \$         Outflows of resources and deferred inflows of resources       (1,716)       \$       \$         Change in total OPEB liability and related deferred       (3,705)       \$       \$         Purchases of capital assets       (3,705)       \$       \$       \$         Donated capital assets       (68,896)       \$       \$       \$       \$       \$       \$       \$ </td <td>Excess (deficiency) of revenues over (under) expenditures</td> <td>(332,186)</td> <td>(267,186)</td> <td>(133,899)</td> <td>133,287</td>	Excess (deficiency) of revenues over (under) expenditures	(332,186)	(267,186)	(133,899)	133,287	
Appropriation of net position       192,186       -       (192         Transfers out       -       (65,000)       (377,000)       (312         Total other financing sources (uses)       332,186       267,186       -       (267         Net change in net position       \$       -       \$       (133,899)       \$       (133         Reconciliation from budgetary basis to change in net position per the proprietary funds statement of revenues, expenses, and changes in net position:       (377,000)       (377,000)       (377,000)         Issuance of long-term debt       (377,000)       (377,000)       (377,000)       (377,000)         Principal payments on long-term debt       (377,000)       (377,000)       (377,000)         Change in accrued interest payable       (377,000)       (377,000)         Change in net pension liability and related deferred       (3,533)       (29,004)         Change in total OPEB liability and related deferred       (29,004)       (1,716)         Change in total OPEB liability and related deferred       (3,705)       (3,705)         Purchases of capital assets       (3,705)       (44,757         Depreciation and amortization expense       (68,896)       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)       (44,460) </td <td></td> <td></td> <td></td> <td></td> <td></td>						
Transfers out       -       (65,000)       (377,000)       (312         Total other financing sources (uses)       332,186       267,186       -       (267         Net change in net position       \$       -       \$       (133,899)       \$       (133         Reconciliation from budgetary basis to change in net position per the proprietary funds statement of revenues, expenses, and changes in net position:       \$       -       (377,000)       \$       (133         Issuance of long-term debt       (377,000)       45,146       (377,000)       Principal payments on long-term debt       (3,533)       Change in accrued interest payable       (3,533)       Change in net pension liability and related deferred       (29,004)       Change in total OPEB liability and related deferred       (1,716)       Change in compensated absences       (1,716)       Change in compensated absences       (3,705)       Purchases of capital assets       345,331       Donated capital assets       345,331       Donated capital assets       64,757       Depreciation and amortization expense       (68,896)       (44,460)       Change in net position - Stormwater Capital Projects Fund       (44,460)       Change in net position - Stormwater Capital Projects Fund       (44,460)       Change in net position - Stormwater Capital Projects Fund       (44,460)       Change in net position (GAAP basis) -	Issuance of long-term debt	140,000	140,000	377,000	237,000	
Total other financing sources (uses)       332,186       267,186       -       (267         Net change in net position       \$ -       \$ -       \$ (133,899)       \$ (133         Reconciliation from budgetary basis to change in net position per the proprietary funds statement of revenues, expenses, and changes in net position:         Issuance of long-term debt       (377,000)         Principal payments on long-term debt       (377,000)         Change in accrued interest payable       (3,533)         Change in net pension liability and related deferred       (29,004)         Outflows of resources and deferred inflows of resources       (1,716)         Change in total OPEB liability and related deferred       (3,705)         Purchases of capital assets       345,331         Donated capital assets       64,757         Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -       -	Appropriation of net position	192,186	192,186	-	(192,186	
Net change in net position       \$       -       \$       -       (133,899)       \$       (133         Reconciliation from budgetary basis to change in net position per the proprietary funds statement of revenues, expenses, and changes in net position:         Issuance of long-term debt       (377,000)         Principal payments on long-term debt       (377,000)         Change in accrued interest payable       (3,533)         Change in net pension liability and related deferred       (3,533)         Othange in total OPEB liability and related deferred       (29,004)         Outflows of resources and deferred inflows of resources       (1,716)         Outgoes of capital assets       (3,705)         Purchases of capital assets       64,757         Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -       (44,460)	Transfers out			(377,000)	(312,000	
Reconciliation from budgetary basis to change in         net position per the proprietary funds statement of         revenues, expenses, and changes in net position:         Issuance of long-term debt       (377,000)         Principal payments on long-term debt       45,146         Change in accrued interest payable       (3,533)         Change in net pension liability and related deferred       (29,004)         Outflows of resources and deferred inflows of resources       (1,716)         Outflows of resources and deferred inflows of resources       (3,705)         Purchases of capital assets       345,331         Donated capital assets       64,757         Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -       Change in net position (GAAP basis) -	Total other financing sources (uses)	332,186	267,186	-	(267,186	
net position per the proprietary funds statement of revenues, expenses, and changes in net position: Issuance of long-term debt (377,000) Principal payments on long-term debt (3,533) Change in accrued interest payable (3,533) Change in net pension liability and related deferred outflows of resources and deferred inflows of resources (29,004) Change in total OPEB liability and related deferred outflows of resources and deferred inflows of resources (1,716) Change in compensated absences (3,705) Purchases of capital assets 345,331 Donated capital assets 64,757 Depreciation and amortization expense (68,896) Change in net position - Stormwater Capital Projects Fund (44,460)	Net change in net position	\$ -	\$ -	(133,899)	\$ (133,899)	
revenues, expenses, and changes in net position: Issuance of long-term debt (377,000) Principal payments on long-term debt 45,146 Change in accrued interest payable (3,533) Change in net pension liability and related deferred outflows of resources and deferred inflows of resources (29,004) Change in total OPEB liability and related deferred outflows of resources and deferred inflows of resources (1,716) Change in compensated absences (3,705) Purchases of capital assets 345,331 Donated capital assets 64,757 Depreciation and amortization expense (68,896) Change in net position - Stormwater Capital Projects Fund (44,460)						
Issuance of long-term debt(377,000)Principal payments on long-term debt45,146Change in accrued interest payable(3,533)Change in net pension liability and related deferred(29,004)Outflows of resources and deferred inflows of resources(1,716)Change in total OPEB liability and related deferred(3,705)outflows of resources and deferred inflows of resources(3,705)Change in compensated absences(3,705)Purchases of capital assets345,331Donated capital assets64,757Depreciation and amortization expense(68,896)Change in net position - Stormwater Capital Projects Fund(44,460)						
Principal payments on long-term debt       45,146         Change in accrued interest payable       (3,533)         Change in net pension liability and related deferred       (29,004)         Change in total OPEB liability and related deferred       (1,716)         outflows of resources and deferred inflows of resources       (3,705)         Purchases of capital assets       345,331         Donated capital assets       64,757         Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)				(377,000)		
Change in accrued interest payable       (3,533)         Change in net pension liability and related deferred       (29,004)         Change in total OPEB liability and related deferred       (29,004)         Change in total OPEB liability and related deferred       (1,716)         outflows of resources and deferred inflows of resources       (1,716)         Change in compensated absences       (3,705)         Purchases of capital assets       345,331         Donated capital assets       64,757         Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -       (44,460)				( , ,		
Change in net pension liability and related deferred       (29,004)         Change in total OPEB liability and related deferred       (1,716)         outflows of resources and deferred inflows of resources       (1,716)         Change in compensated absences       (3,705)         Purchases of capital assets       345,331         Donated capital assets       64,757         Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)						
outflows of resources and deferred inflows of resources(29,004)Change in total OPEB liability and related deferred(1,716)outflows of resources and deferred inflows of resources(1,716)Change in compensated absences(3,705)Purchases of capital assets345,331Donated capital assets64,757Depreciation and amortization expense(68,896)Change in net position - Stormwater Capital Projects Fund(44,460)Change in net position (GAAP basis) -				(3,333)		
Change in total OPEB liability and related deferred       (1,716)         outflows of resources and deferred inflows of resources       (3,705)         Change in compensated absences       (3,705)         Purchases of capital assets       345,331         Donated capital assets       64,757         Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -				(00.004)		
outflows of resources and deferred inflows of resources(1,716)Change in compensated absences(3,705)Purchases of capital assets345,331Donated capital assets64,757Depreciation and amortization expense(68,896)Change in net position - Stormwater Capital Projects Fund(44,460)Change in net position (GAAP basis) -				(29,004)		
Change in compensated absences(3,705)Purchases of capital assets345,331Donated capital assets64,757Depreciation and amortization expense(68,896)Change in net position - Stormwater Capital Projects Fund(44,460)Change in net position (GAAP basis) -	5					
Purchases of capital assets       345,331         Donated capital assets       64,757         Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -       -						
Donated capital assets       64,757         Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -	5					
Depreciation and amortization expense       (68,896)         Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -       (44,460)	Purchases of capital assets					
Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -	Donated capital assets			64,757		
Change in net position - Stormwater Capital Projects Fund       (44,460)         Change in net position (GAAP basis) -	Depreciation and amortization expense			(68,896)		
	Change in net position - Stormwater Capital Projects Fund					
	Change in net position (GAAP basis) -					
<u>(200,007</u>				\$ (206.979)		

# ENTERPRISE CAPITAL PROJECT FUNDS

These funds account for the accumulation of resources and the subsequent disbursement of such resources in renovating major capital assets in the water and sewer systems, the City's parking services facilities, and the stormwater system.

## CITY OF HENDERSONVILLE, NORTH CAROLINA WATER AND SEWER CAPITAL PROJECTS FUND

			Actual	
	Project	Prior	Current	Total
	Authorization	Years	Year	to Date
Revenues:				
Grant revenue - CDBG	\$ 1,040,500	\$ 1,040,500	\$-	\$ 1,040,500
Grant revenue - NCDEQ	150,000	150,000	-	150,000
Grant revenue - Golden Leaf	556,140	506,899	-	506,899
Reimbursements	374,600	374,675	-	374,675
Local contributions	300,000	300,000	-	300,000
Investment income	106,747	19,624	87,394	107,018
Total revenues	2,527,987	2,391,698	87,394	2,479,092
Expenditures:				
Capital outlay	100,144,133	34,091,085	16,447,238	50,538,323
Non-capital	1,859,220	822,294	433,380	1,255,674
Debt issuance costs	878,862	757,612	121,250	878,862
Total expenditures	102,882,215	35,670,991	17,001,868	52,672,859
Deficiency of revenues under expenditures	(100,354,228)	(33,279,293)	(16,914,474)	(50,193,767)
Other financing sources (uses):				
Transfers in	28,343,505	19,370,903	2,452,633	21,823,536
Transfers out	(9,238,403)	(2,666,435)	(6,622,809)	(9,289,244)
Issuance of long-term debt	81,249,126	23,860,580	19,926,462	43,787,042
Total other financing sources	100,354,228	40,565,048	15,756,286	56,321,334
Net change in fund balance	<u>\$-</u>	\$ 7,285,755	\$ (1,158,188)	\$ 6,127,567

## CITY OF HENDERSONVILLE, NORTH CAROLINA PARKING SERVICES CAPITAL PROJECTS FUND

				Actual		
	Project		Prior	Current		Total
	Authorization	_	Years	 Year		to Date
Revenues:					_	
Investment income	\$	\$	3,952	\$ 59,475	\$	63,427
Total revenues			3,952	 59,475	_	63,427
Expenditures:						
Land	12,949	)	12,949	-		12,949
Capital outlay CIP	10,312,068	;	3,365,955	6,809,540		10,175,495
Non-capital expenditures	5,635	i	5,635	-		5,635
Debt service:						
Debt issuance costs	207,119	)	207,119	-		207,119
Total expenditures	10,537,771		3,591,658	6,809,540		10,401,198
Deficiency of revenues under expenditures	(10,537,771	)	(3,587,706)	(6,750,065)		(10,337,771)
Other financing sources (uses):						
Issuance of long-term debt	12,748,343	i	12,748,343	-		12,748,343
Transfers in	250,000	)	-	50,000		50,000
Transfers out	(2,460,572	2)	(2,460,572)	-		(2,460,572)
Total other financing sources	10,537,771		10,287,771	 50,000	_	10,337,771
Net change in fund balance	\$	\$	6,700,065	\$ (6,700,065)	\$	-

## CITY OF HENDERSONVILLE, NORTH CAROLINA STORMWATER CAPITAL PROJECTS FUND

					Actual	
		Project	 Prior	(	Current	Total
	Αι	uthorization	Years		Year	to Date
Revenues:						
Grant revenue	\$	3,452,785	\$ 91,278	\$	24,620	\$ 115,898
Total revenues		3,452,785	 91,278		24,620	 115,898
Expenditures:						
Capital outlay		3,767,112	154,240		24,319	178,559
Non-capital		14,973	14,974		44,761	59,735
Total expenditures		3,782,085	 169,214		69,080	 238,294
Deficiency of revenues under expenditures		(329,300)	(77,936)		(44,460)	(122,396)
Other financing sources:						
Transfers in		329,300	97,000		-	97,000
Total other financing sources		329,300	 97,000		-	 97,000
Net change in fund balance	\$		\$ 19,064	\$	(44,460)	\$ (25,396)

# INTERNAL SERVICE FUND

Internal Service Funds are specifically designed for goods or services that are provided on a cost-reimbursement basis. The goal of an Internal Service Fund is to measure the full cost of providing goods or services for the purpose of fully recovering that cost through fees or charges.

## CITY OF HENDERSONVILLE, NORTH CAROLINA HEALTH AND WELFARE INTERNAL SERVICE FUND

#### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS) FOR THE YEAR ENDED JUNE 30, 2023

	Budget							
	Original		Final		Actual		Final Budget	
Revenues:								
Operating revenues:								
Charges for services	\$	292,025	\$	390,026	\$	390,026	\$	-
Miscellaneous	Ŧ	12,000	+	12,000	Ŧ	25,936	Ŧ	13,936
Total revenues		304,025		402,026		415,962		13,936
Expenditures:								
Current:								
Employee benefits		304,025		404,026		394,591		9,435
Total expenditures		304,025		404,026		394,591		9,435
Excess (deficiency) of revenues over								
(under) expenditures		-		(2,000)		21,371		23,371
Other financing sources (uses):								
Budgeted use of net position		-		2,000		-		(2,000)
Total other financing sources (uses)		-		2,000		-		(2,000)
Net changes in net position		-		-		21,371		21,371
Net position, beginning of year		77,809		77,809		77,809		-
Net position, end of year	\$	77,809	\$	77,809	\$	99,180	\$	21,371

# **PROPERTY TAXES**

#### ANALYSIS OF CURRENT TAX LEVY GENERAL FUND (CITY-WIDE) FOR THE YEAR ENDED JUNE 30, 2023

						Total Levy		
	City-wide					Property Excluding		
Original Levy:	Property Valuation	Rate	Amount of Levy		Registered Motor Vehicles		Registered Motor Vehicles	
Property at current year's rate	\$ 2,312,985,061	0.52	\$	12,027,522	\$	11,061,090	\$	966,432
Penalties	(4,399,615)			(22,878)		(22,878)		-
Total	2,308,585,446			12,004,644		11,038,212		966,432
Discoveries: Current year taxes Penalties	9,908,462 3,154,038	0.52		51,524 16.401		51,524 16,401		
Releases:	3,134,030			67,925		67,925		
Current year taxes Penalties	(5,260,385) (516,923)	0.52		(27,354) (2,688)		(27,354) (2,688)		
Total property valuation	\$ 2,315,870,638			(30,042)		(30,042)		
Net levy				12,042,527		11,076,095		966,432
Uncollected taxes at June 30, 2023				155,065		148,065		7,000
Current year's taxes collected			\$	11,887,462	\$	10,928,030	\$	959,432
Current levy collection percentage				98.71%		98.66%		99.28%

## SCHEDULE OF AD VALOREM TAXES RECEIVABLE GENERAL FUND AS OF JUNE 30, 2023

Fiscal year	Uncollected Balance June 30, 2022	Additions	Collections and Credits	Uncollected Balance June 30, 2023
2022-2023	\$ -	\$ 12,042,5	527 \$ 11,887,462	\$ 155,065
2021-2022	101,553	. , ,	- 85,314	16,239
2020-2021	40,471		- 35,575	4,896
2019-2020	51,783		- 8,731	43,052
2018-2019	64,256			64,256
2017-2018	34,093			34,093
2016-2017	19,661			19,661
2015-2016	22,580			22,580
2014-2015	17,824			17,824
2013-2014	15,392			15,392
2012-2013	9,743			9,743
2011-2012	10,235			10,235
2010-2011	9,883			9,883
2009-2010	9,448			9,448
2008-2009	14,559			14,559
2007-2008	18,604			18,604
2006-2007	10,018			10,018
2005-2006	2,590			2,590
	\$ 452,693	\$ 12,042,5	527 \$ 12,017,082	478,138
	Less allowand	e for uncollectible	ad valorem taxes receivable	240,150
		Ad v	alorem taxes receivable, net	\$ 237,988

Reconcilement with revenues: Ad valorem taxes - General Fund Penalties collected on ad valorem taxes	\$ 12,027,091 16,550
Reconciling items: Interest collected Discounts allowed	 (26,488) (71)
Total collections and credits	\$ 12,017,082

### ANALYSIS OF CURRENT TAX LEVY MAIN STREET TAX DISTRICT FOR THE YEAR ENDED JUNE 30, 2023

						Total	Levy	
		City-wide			E	Property kcluding		
Original Levy:	Property Valuation	Rate		Amount of Levy		egistered or Vehicles		gistered or Vehicles
Property at current year's rate	\$ 120,024,346	0.24	\$	288,058	\$	283,440	\$	4,618
Penalties	(56,250)			(135)		(135)		-
Total	119,968,096		. <u> </u>	287,923		283,305		4,618
Discoveries:								
Current year taxes	478,750	0.24		1,149		1,149		
Penalties	120,833			290		290		
Releases:				1,439	. <u> </u>	1,439		
Current year taxes	(130,000)	0.24		(312)		(312)		
Penalties	(100,000)	0.24		(78)		(78)		
				(390)		(390)		
Total property valuation	\$ 120,437,679							
Net levy				288,972		284,354		4,618
Uncollected taxes at June 30, 2023				2,479		2,479		-
Current year's taxes collected			\$	286,493	\$	281,875	\$	4,618
Current levy collection percentage				99.14%		99.13%		100.00%

## SCHEDULE OF AD VALOREM TAXES RECEIVABLE MAIN STREET TAX DISTRICT AS OF JUNE 30, 2023

Uncollected Balance June 30, 2023	llections d Credits		dditions	A	ollected Iance 30, 2022	Ba	Fiscal year
\$ 2,479	286,493	\$	288,972	\$	-	\$	2022-2023
785	1,445		-		2,230		2021-2022
-	-		-		-		2020-2021
3,473	190		-		3,663		2019-2020
4,862	-		-		4,862		2018-2019
3,530	-		-		3,530		2017-2018
1,321	-		-		1,321		2016-2017
620	-		-		620		2015-2016
464	-		-		464		2014-2015
995	-		-		995		2013-2014
229	-		-		229		2012-2013
151	-		-		151		2011-2012
5	-		-		5		2010-2011
1,042	-		-		1,042		2009-2010
488	-		-		488		2008-2009
951	-		-		951		2007-2008
735	-		-		735		2006-2007
246	-		-		246		2005-2006
22,376	288,128	\$	288,972	\$	21,532	\$	
13,070	s receivable	rem taxe	ollectible ad valc	e for unco	_ess allowance	l	
\$ 9,306	ceivable, net	taxes ree	Ad valorem				

Reconcilement with revenues:	
Ad valorem taxes - Main Street Tax District Fund	\$ 287,843
Penalties collected on ad valorem taxes	418
Reconciling items:	
Interest collected	 (133)
Total collections and credits	\$ 288,128

### ANALYSIS OF CURRENT TAX LEVY SEVENTH AVENUE TAX DISTRICT FOR THE YEAR ENDED JUNE 30, 2023

				Total	Levy	
		City-wide		operty cluding		
Original Levy:	Property Valuation	Rate	Amount of Levy	 gistered r Vehicles		gistered r Vehicles
Property at current year's rate	\$ 26,776,318	0.17	\$ 45,520	\$ 41,746	\$	3,774
Penalties	(42,353)		 (72)	 (72)		-
Total	26,733,965		 45,448	 41,674		3,774
Discoveries: Current year taxes	191,765	0.17	326	326		
Penalties	54,118	0.17	 92	 92		
Releases:			 418	 418		
Current year taxes Penalties	(95,294) (20,588)	0.17	 (162) (35)	 (162) (35)		
Total property valuation	\$ 26,863,966		 (197)	 (197)		
Net levy			45,669	41,895		3,774
Uncollected taxes at June 30, 2023			 582	 570		12
Current year's taxes collected			\$ 45,087	\$ 41,325	\$	3,762
Current levy collection percentage			 98.73%	 98.64%		99.68%

## SCHEDULE OF AD VALOREM TAXES RECEIVABLE SEVENTH AVENUE TAX DISTRICT AS OF JUNE 30, 2023

Uncollected Balance June 30, 2023	В	lections Credits		ditions	A	llected ance 30, 2022	Bal	Fiscal year
5 582	\$	45,087	\$	45,669	\$	-	\$	2022-2023
182		275		-		457		2021-2022
		474		148		326		2020-2021
		450		450		-		2019-2020
62		-		-		62		2018-2019
44		-		-		44		2017-2018
151		-		-		151		2016-2017
28		-		-		28		2015-2016
57		-		-		57		2014-2015
5		-		-		5		2013-2014
		-		-		-		2012-2013
		-		-		-		2011-2012
						-		2010-2011
g		-		-		9		2009-2010
146		-		-		146		2008-2009
109		-		-		109		2007-2008
44		-		-		44		2006-2007
10		-		-		10		2005-2006
1,429		46,286	\$	46,267	\$	1,448	\$	
650		s receivable	orem taxes	llectible ad valo	e for unco	ess allowance	L	
5 779	\$	eivable, net	taxes rec	Ad valorem				

Reconcilement with revenues: Ad valorem taxes - Seventh Avenue Tax District Fund Penalties collected on ad valorem taxes	\$ 46,289 117
Reconciling items: Interest collected	 (120)
Total collections and credits	\$ 46,286

## STATISTICAL SECTION TABLE OF CONTENTS

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

 Page

 Financial Trends
 113 - 118

 These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.
 119 - 122

 Revenue Capacity
 119 - 122

 These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.
 123 - 126

 Debt Capacity
 123 - 126

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

 Demographic and Economic Information
 127 and 128

 These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

#### 

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

**Sources**: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

#### NET POSITION BY COMPONENT Last Ten Fiscal Years (accrual basis of accounting)

	2014	2015	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES						
Net investment in capital assets	\$ 17,860,656	\$ 16,304,268	\$ 18,615,092	\$ 19,614,200	\$ 19,926,250	\$ 21,020,174
Restricted	2,337,928	2,309,638	3,651,785	3,045,196	4,538,469	3,285,875
Unrestricted	4,307,191	5,423,630	4,681,884	3,971,616	1,397,633	1,110,510
Total governmental activities net position	\$ 24,505,775	\$ 24,037,536	\$ 26,948,761	\$ 26,631,012	\$ 25,862,352	\$ 25,416,559
BUSINESS-TYPE ACTIVITIES						
Net investment in capital assets	\$ 54,082,358	\$ 52,399,169	\$ 50,835,364	\$ 51,388,724	\$ 56,252,393	\$ 63,008,624
Unrestricted	24,452,509	26,030,616	25,771,050	22,731,743	18,731,513	13,368,475
Total business-type activities net position	\$ 78,534,867	\$ 78,429,785	\$ 76,606,414	\$ 74,120,467	\$ 74,983,906	\$ 76,377,099
PRIMARY GOVERNMENT						
Net investment in capital assets	\$ 71,943,014	\$ 68,703,437	\$ 69,450,456	\$ 71,002,924	\$ 76,178,643	\$ 84,028,798
Restricted	2,337,928	2,309,638	3,651,785	3,045,196	4,538,469	3,285,875
Unrestricted	28,759,700	31,454,246	30,452,934	26,703,359	20,129,146	14,478,985
Total primary government net position	\$ 103,040,642	\$ 102,467,321	\$ 103,555,175	\$ 100,751,479	\$ 100,846,258	\$ 101,793,658

From: Statement of Net Position

2020	2021	2022	2023
\$ 20,335,763	\$ 21,035,571	\$ 19,891,169	\$ 24,328,314
3,739,753	7,139,251	6,802,743	7,783,564
982,519	(2,700,317)	(89,526)	388,280
\$ 25,058,035	\$ 25,474,505	\$ 26,604,386	\$ 32,500,158
\$ 68,316,330	\$ 67,043,265	\$ 71,004,372	\$ 71,668,399
10,189,499	12,545,384	10,917,754	11,316,890
\$ 78,505,829	\$ 79,588,649	\$ 81,922,126	\$ 82,985,289
\$ 88,652,093	\$ 88,078,836	\$ 90,895,541	\$ 95,996,713
3,739,753	7,139,251	6,802,743	7,783,564
11,172,018	9,845,067	10,828,228	11,705,170
\$ 103,563,864	\$ 105,063,154	\$ 108,526,512	\$ 115,485,447

#### CHANGES IN NET POSITION Last Ten Fiscal Years (accrual basis of accounting)

	2014	2015	2016	2017	2018
EXPENSES					
Governmental activities:					
General Government	\$ 2,374,428	\$ 2,813,625	\$ 2,583,313	\$ 3,157,971	\$ 3,054,736
Public Safety	6,604,475	6,702,566	7,209,269	7,773,702	8,503,808
Transportation	2,375,395	2,795,044	2,653,172	2,452,605	2,498,903
Environmental Protection	626,450	484,528	21,508	139,054	240,541
Economic and Physical Development	455,811	428,450	520,035	564,691	721,195
Cultural and Recreational	215,403	537,955	968,892	1,010,569	960,189
Interest on Long-term Obligations	346,513	318,140	295,850	263,137	274,831
Total governmental activities	12,998,475	14,080,308	14,252,039	15,361,729	16,254,203
Business-type activities:					
Water and sewer fund	12,815,116	16,047,518	17,428,160	18,366,688	15,009,569
Parking services fund	-	-	-	-	-
Environmental services fund	1,344,981	1,178,355	1,242,213	1,456,781	1,382,440
Stormwater fund	-	-	-	-	177,649
Total business-type activities expenses	14,160,097	17,225,873	18,670,373	19,823,469	16,569,658
Total primary government expenses	\$ 27,158,572	\$ 31,306,181	\$ 32,922,412	\$ 35,185,198	\$ 32,823,861
PROGRAM REVENUES					
Governmental activities:					
Charges for services:					
General Government	\$-	\$ 39,153	\$ 85,995	\$ 38,379	\$ 25,639
Public Safety	217,156	76,401	217,039	295,562	468,933
Transportation	98,555	-	-	-	-
Parks and Drainage	16,000	-	-	-	-
Cultural and Recreational	168,084	323,572	412,311	429,214	363,692
Operating grants and contributions	433,681	680,540	722,754	807,606	703,076
Capital grants and contributions	60,079	53,783	1,073,002	565,917	561,531
Total governmental activities program revenues	993,555	1,173,449	2,511,101	2,136,678	2,122,871
Business-type activities:					
Charges for services:					
Water and sewer	14,137,450	14,727,783	15,485,428	15,079,674	15,248,817
Parking services	-	-	-	-	-
Environmental services fund	1,064,783	1,130,922	1,204,694	1,417,155	1,192,775
Stormwater fund	-	-	-	-	241,568
Grants and contributions	580,014	1,177,512	46,537	679,696	1,820,530
<b>T</b> ( ) ( ) ( ) ( ) ( )	15,782,247	17,036,217	16,736,659	17,176,525	18,503,690
Total business-type activities program revenues	15,702,247	11,000,211	10,100,000	,	

2019	2020	2021	2022	2023
\$ 3,885,983	\$ 3,798,995	\$ 3,815,963	\$ 4,530,733	\$ 6,371,382
9,043,813	10,317,127	11,300,514	12,476,303	14,208,697
2,559,392	2,966,740	3,042,198	2,601,447	3,395,730
95,522	15,898	910	-	-
521,007	560,800	467,382	622,665	816,721
864,375	913,075	848,292	809,652	932,353
253,558	325,760	453,291	459,091	883,110
17,223,650	18,898,395	19,928,550	21,499,891	26,607,993
16,069,699	16,993,598	18,449,631	20,876,600	23,608,570
-	-	-	454,355	612,881
1,428,563	1,519,238	1,479,708	1,710,016	1,667,333
275,402	311,497	437,571	1,352,826	948,011
17,773,664	18,824,333	20,366,910	24,393,797	26,836,795
\$ 34,997,314	\$ 37,722,728	\$ 40,295,460	\$ 45,893,688	\$ 53,444,788
Ψ 0 <del>1</del> ,007,01 <del>1</del>				
\$ 40,272 390,797	\$ 37,730 251,510	\$    65,547 177,686	\$ 93,421	\$
\$ 40,272	\$ 37,730	. ,	\$ 93,421 - -	
\$      40,272 390,797	\$ 37,730 251,510	. ,	\$ 93,421 - -	
\$      40,272 390,797	\$ 37,730 251,510	. ,	\$ 93,421 - - 329,893	
\$ 40,272 390,797 153,295 -	\$ 37,730 251,510 200,070	177,686	-	271,432
\$ 40,272 390,797 153,295 - 292,418	\$ 37,730 251,510 200,070 - 273,800	177,686 - - 301,004	329,893	271,432 - - 298,362
\$ 40,272 390,797 153,295 - 292,418 1,338,803	\$ 37,730 251,510 200,070 - 273,800	177,686 - - 301,004 1,860,657	329,893	271,432 - 298,362 6,821,829
\$ 40,272 390,797 153,295 - 292,418 1,338,803 271,254	\$ 37,730 251,510 200,070 - 273,800 1,272,272 -	177,686 - - - - - - - - - - - - - - - - - -	329,893 3,416,622	271,432 298,362 6,821,829 242,832
\$ 40,272 390,797 153,295 - 292,418 1,338,803 271,254	\$ 37,730 251,510 200,070 - 273,800 1,272,272 -	177,686 - - - - - - - - - - - - - - - - - -	329,893 3,416,622	271,432 298,362 6,821,829 242,832
\$ 40,272 390,797 153,295 - 292,418 1,338,803 271,254 2,486,839	\$ 37,730 251,510 200,070 - 273,800 1,272,272 - 2,035,382	177,686 - - 301,004 1,860,657 <u>699,285</u> 3,104,179	329,893 3,416,622 3,839,936	271,432 - 298,362 6,821,829 242,832 7,691,596
\$ 40,272 390,797 153,295 - 292,418 1,338,803 271,254 2,486,839 16,067,138 - 1,221,473	\$ 37,730 251,510 200,070 - 273,800 1,272,272 - 2,035,382 16,196,439 - 1,237,818	177,686 - - 301,004 1,860,657 <u>699,285</u> 3,104,179 17,742,080 - 1,325,233	- - - - - - - - - - - - - - - - - - -	271,432 - - 298,362 6,821,829 242,832 7,691,596 22,512,835
\$ 40,272 390,797 153,295 - 292,418 1,338,803 271,254 2,486,839 16,067,138 - 1,221,473 341,334	\$ 37,730 251,510 200,070 - 273,800 1,272,272 - 2,035,382 16,196,439 - 1,237,818 378,635	177,686 - - 301,004 1,860,657 <u>699,285</u> 3,104,179 17,742,080 - 1,325,233 652,269	- 329,893 3,416,622 - - - - - - - - - - - - - - - - - -	271,432 - 298,362 6,821,829 242,832 7,691,596 22,512,835 564,735 1,524,404 1,025,762
\$ 40,272 390,797 153,295 - 292,418 1,338,803 271,254 2,486,839 16,067,138 - 1,221,473 341,334 1,421,287	\$ 37,730 251,510 200,070 - 273,800 1,272,272 - 2,035,382 16,196,439 - 1,237,818 378,635 2,935,574	177,686 - - 301,004 1,860,657 <u>699,285</u> 3,104,179 17,742,080 - 1,325,233 652,269 2,055,043	- 329,893 3,416,622 - 3,839,936 - 20,681,826 236,266 1,508,967 998,963 2,947,764	271,432 - 298,362 6,821,829 242,832 7,691,596 22,512,835 564,735 1,524,404 1,025,762 5,634,286
\$ 40,272 390,797 153,295 - 292,418 1,338,803 271,254 2,486,839 16,067,138 - 1,221,473 341,334	\$ 37,730 251,510 200,070 - 273,800 1,272,272 - 2,035,382 16,196,439 - 1,237,818 378,635	177,686 - - 301,004 1,860,657 <u>699,285</u> 3,104,179 17,742,080 - 1,325,233 652,269	- - - - - - - - - - - - - - - - - - -	271,432 - 298,362 6,821,829 242,832 7,691,596 22,512,835 564,735 1,524,404 1,025,762

(continued)

#### CHANGES IN NET POSITION Last Ten Fiscal Years (accrual basis of accounting)

	2014	2015	2016	2017	2018
Net (expense)/revenue					
Governmental activities	\$ (12,004,920)	\$ (12,906,859)	\$ (11,740,938)	\$ (13,225,051)	\$ (14,131,332)
Business-type activities	1,622,150	(189,656)	(1,933,714)	(2,646,944)	1,934,032
Total primary government net expense	\$ (10,382,770)	\$ (13,096,515)	\$ (13,674,652)	\$ (15,871,995)	\$ (12,197,300)
GENERAL REVENUES					
Governmental activities:					
Property Taxes	\$ 7,289,030	\$ 7,745,067	\$ 8,084,440	\$ 8,302,439	\$ 8,563,585
Sales & Use Tax	2,544,355	2,783,936	3,180,632	3,198,658	3,203,984
Other taxes	402,294	402,398	13,528	12,200	11,544
Franchise Taxes	1,056,875	1,278,651	1,294,801	1,268,189	1,270,448
Restricted Intergovernmental Revenue	379,744	-	-	-	-
Permits and Fees	71,455	177,883	261,890	245,055	239,548
Investment Earnings	16,374	53,142	117,250	45,477	60,808
Miscellaneous	68,735	234,357	335,338	293,332	337,144
Transfers	(228,720)	-	138,947	26,474	534,955
Special Items	-	-	-	-	-
Total governmental activities	11,600,142	12,675,434	13,426,826	13,391,824	14,222,016
Business-type activities:					
Investment earnings	34,318	157,767	277,173	85,509	106,643
Miscellaneous	158,183	91,806	64,501	101,689	196,496
Gain on sale of capital assets	-	-	-	-	-
Transfers	228,720		(138,947)	(26,474)	(534,955)
Total business-type activities	421,221	249,573	202,727	160,724	(231,816)
Total primary government	\$ 12,021,363	\$ 12,925,007	\$ 13,629,553	\$ 13,552,548	\$ 13,990,200
CHANGE IN NET POSITION					
Governmental activities	\$ (404,778)	\$ (231,425)	\$ 1,685,888	\$ 166,773	\$ 90,684
Business-type activities	2,043,371	59,917	(1,730,987)	(2,486,220)	1,702,216
Total Change in Net Position	\$ 1,638,593	\$ (171,508)	\$ (45,099)	\$ (2,319,447)	\$ 1,792,900

From: Statement of Activities

$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	2019	2020	2021	2022	2023
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	¢ (44 700 044		¢ (40.004.074)	¢ (47.050.055)	¢ (40.040.007)
$\begin{array}{c c c c c c c c c c c c c c c c c c c $				,	
$\begin{array}{c c c c c c c c c c c c c c c c c c c $					
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	\$ (13,439,243	\$ (14,930,000)	\$ (15,410,050)	\$ (15,079,900)	\$ (14,491,170)
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$					
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$					
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	\$ 9,108,913	\$ 10,887,215	\$ 11,319,866	\$ 12,084,859	\$ 12,571,874
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	3,427,281	3,807,868	4,597,838	5,236,194	5,882,131
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	,	283,418	473,363	483,223	523,262
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	1,281,328	1,218,896	1,268,343	1,267,760	1,347,011
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	-	-	-	-	-
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	264,151	-	-	-	-
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	220,110	121,167	16,594	(41,011)	565,359
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	211,310	155,925	168,047	108,811	156,785
14,291,018         16,504,489         17,844,051         18,789,836         24,812,169           331,817         164,081         5,038         (22,853)         403,683           114,735         61,352         -         -         -           5,323         9,164         41,515         26,341         -           (336,250)         (30,000)         -         350,000         (3,765,747)           115,625         204,597         46,553         353,488         (3,362,064)	336,250	30,000	-	(350,000)	3,765,747
331,817       164,081       5,038       (22,853)       403,683         114,735       61,352       -       -       -         5,323       9,164       41,515       26,341       -         (336,250)       (30,000)       -       350,000       (3,765,747)         115,625       204,597       46,553       353,488       (3,362,064)	(569,930	-			
114,735         61,352         - <t< td=""><td>14,291,018</td><td>16,504,489</td><td>17,844,051</td><td>18,789,836</td><td>24,812,169</td></t<>	14,291,018	16,504,489	17,844,051	18,789,836	24,812,169
114,735         61,352         - <t< td=""><td></td><td></td><td></td><td></td><td></td></t<>					
5,323         9,164         41,515         26,341         -           (336,250)         (30,000)         -         350,000         (3,765,747)           115,625         204,597         46,553         353,488         (3,362,064)	331,817	164,081	5,038	(22,853)	403,683
(336,250)         (30,000)         -         350,000         (3,765,747)           115,625         204,597         46,553         353,488         (3,362,064)	114,735	61,352	-	-	-
<u>115,625</u> 204,597 46,553 353,488 (3,362,064)	5,323	9,164	41,515	26,341	-
	(336,250	(30,000)		350,000	(3,765,747)
<u>\$ 14,406,643</u> <u>\$ 16,709,086</u> <u>\$ 17,890,604</u> <u>\$ 19,143,324</u> <u>\$ 21,450,105</u>	115,625	204,597	46,553	353,488	(3,362,064)
	\$ 14,406,643	\$ 16,709,086	\$ 17,890,604	\$ 19,143,324	\$ 21,450,105
\$ (445,793) \$ (358,524) \$ 1,019,680 \$ 1,129,881 \$ 5,895,772	\$ (445,793	\$ (358,524)	\$ 1,019,680	\$ 1,129,881	\$ 5,895,772
1,393,193 2,128,730 1,454,268 2,333,477 1,063,163	1,393,193	2,128,730	1,454,268	2,333,477	1,063,163
947,400         1,770,206         2,473,948         3,463,358         6,958,935	\$ 947,400	\$ 1,770,206	\$ 2,473,948	\$ 3,463,358	\$ 6,958,935

#### FUND BALANCES OF GOVERNMENTAL FUNDS Last Ten Fiscal Years (modified accrual basis of accounting)

	2014	2015	2016	2017	2018
General fund					
Nonspendable	\$ -	\$ 8,805	\$ 63,057	\$ 474,265	\$ 461,013
Restricted for Stabilization by State Statute	925,946	1,058,260	1,790,318	1,830,006	2,513,576
Restricted for Public Safety	131,935	115,235	-	-	-
Restricted for Economic Development	7,906	19,577	-	-	-
Restricted for USDA Loan Reserve	-	-	-	-	-
Assigned for Subsequent Year's Expenditures	1,122,300	701,672	436,981	1,017,696	612,000
Unassigned	6,207,146	6,200,178	5,091,043	4,326,041	3,956,453
Total general fund	8,395,233	8,103,727	7,381,399	7,648,008	7,543,042
All other governmental funds					
Nonspendable	-	-	491	12,680	1,000
Restricted for Stabilization by State Statute	69,407	25,550	387,151	112,353	144,619
Restricted for General Government	-	-	1,428	3,689	424,000
Restricted for Economic Development	55,106	73,782	135,136	173,511	58,154
Restricted for Public Safety	189,615	52,786	110,261	43,673	94,610
Restricted for Human Services	-	-	-	-	-
Restricted for Cultural and Recreation	-	-	-	4,687	3,030
Restricted for Transportation	958,013	956,917	1,132,835	877,277	1,300,480
Restricted for Capital Projects	-	-	-	-	-
Committed - Organic Garden	-	-	-	3,230	3,230
Assigned - Subsequent Year's Expenditures	46,000	7,531	548,148	439,020	89,307
Assigned - Debt Service	-	-	508,419	146,344	-
Unassigned	-	-	(373,383)	(205,128)	(827,181)
Total All Other Governmental Funds	1,318,141	1,116,566	2,450,486	1,611,336	1,291,249
Total All Governmental Funds	\$ 9,713,374	\$ 9,220,293	\$ 9,831,885	\$ 9,259,344	\$ 8,834,291

#### TABLE 3

20	19		2020	 2021	 2022	 2023
\$ 7	72,783	\$	104,022	\$ 83,644	\$ 38,543	\$ 37,503
2,11	17,460		2,499,480	6,091,937	3,947,831	4,202,146
	-		-	-	-	-
	-		-	-	-	-
	-		-	-	62,225	124,449
71	13,196		1,257,155	1,261,744	1,666,590	2,614,518
4,46	69,087		4,691,912	 2,199,122	 4,048,193	 4,615,551
7,37	72,526		8,552,569	 9,636,447	 9,763,382	 11,594,167
	-		629,506	368	150	150
76	60,904		930,323	-	-	-
	3,470		-	-	-	-
	57,572		68,751	900,670	346,936	378,440
11	18,458		80,206	146,644	700,551	1,333,329
	-		-	-	1,500,000	1,500,000
	-		14,273	-	-	245,200
21	14,135		-	-	-	-
	-		9,239,540	-	907,559	21,607,201
	3,230		3,230	-	-	-
13	35,109		132,125	-	-	-
100	-		- (E21 60E)	-	-	-
· · · ·	62,698) 30,180		(531,695) 0,566,259	 (943,457)	 3,455,196	 - 25,064,320
90	50,100		0,000,209	 104,225	 3,433,190	 25,004,520
\$ 8,30	02,706	\$1	9,118,828	\$ 9,740,672	\$ 13,218,578	\$ 36,658,487

### CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

## Last Ten Fiscal Years

(modified accrual basis of accounting)

	2014	2015	2016	2017	2018
REVENUES					
Property Tax	\$ 7,319,539	\$ 7,666,438	\$ 8,096,500	\$ 8,232,001	\$ 8,573,856
Other Taxes	402,294	402,398	13,528	12,200	11,544
Unrestricted Intergovernmental	3,762,137	4,258,292	4,784,984	4,820,155	4,824,053
Restricted Intergovernmental	595,052	609,063	1,757,512	1,303,087	949,686
Permits and Fees	48,088	49,602	103,712	143,613	257,704
Sales and Services	414,073	480,028	566,479	518,672	430,673
Investment Earnings	16,335	53,094	117,250	45,476	60,808
Miscellaneous	272,522	188,331	272,567	301,644	548,588
Total revenues	12,830,040	13,707,246	15,712,532	15,376,848	15,656,912
EXPENDITURES					
Current:					
General government	2,228,056	3,184,950	2,441,963	2,843,232	2,793,058
Public Safety	9,355,420	6,819,585	6,780,868	7,142,045	7,907,468
Transportation	2,602,778	2,309,503	2,012,652	1,838,573	1,854,504
Environmental Protection	547,571	9,107	21,508	139,054	240,541
Economic & Physical Development	453,223	431,801	510,737	542,179	699,373
Cultural and Recreational	215,403	715,098	803,433	818,336	737,169
Capital Outlay	-	-	1,993,434	2,257,810	1,368,877
Debt Service:					
Principal	723,333	723,333	830,273	832,133	836,995
Interest and Fees	352,972	324,613	300,938	270,328	231,874
Bond issuance costs	-	-	-	-	29,550
Total expenditures	16,478,756	14,517,990	15,695,806	16,683,690	16,699,409
Excess (deficiency) of revenues over (under) expenditures	(3,648,716)	(810,744)	16,726	(1,306,842)	(1,042,497)

2019	2020	2021	2022	2023
\$ 9,132,571	\$ 10,883,687	\$ 11,088,668	\$ 11,872,169	\$ 12,361,223
11,604	10,895	9,888	10,420	12,084
5,090,200	5,539,666	6,333,234	6,982,998	7,746,534
1,534,819	889,022	1,858,851	3,238,715	7,034,729
412,876	399,737	470,766	496,762	458,957
365,557	341,043	264,116	129,331	376,415
220,109	121,167	16,594	(41,011)	565,359
223,679	133,676	165,119	375,545	183,350
16,991,415	18,318,893	20,207,236	23,064,929	28,738,651
3,587,116	3,314,528	3,677,000	4,244,229	5,771,698
8,229,430	8,981,546	10,056,460	11,826,612	13,031,731
1,971,674	2,113,102	2,395,137	2,014,481	2,946,620
95,522	15,898	910	-	-
502,947	533,430	443,416	610,171	778,605
644,646	642,670	879,309	766,462	892,052
4,806,713	2,909,871	11,797,516	3,172,412	5,816,303
631,138	793,074	887,105	14,616,073	1,711,271
237,879	277,965	484,965	384,105	823,525
-	36,933	-	41,517	80,315
20,707,065	19,619,017	30,621,818	37,676,062	31,852,120
(3,715,650)	(1,300,124)	(10,414,582)	(14,611,133)	(3,113,469)

(continued)

#### CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

# Last Ten Fiscal Years (modified accrual basis of accounting)

		2014	 2015	 2016	 2017	 2018
OTHER FINANCING SOURCES (USES)						
Proceeds of Debt - Bonds	\$	-	\$ -	\$ -	\$ -	\$ 1,352,000
Proceeds of Debt - Notes Payable		-	242,500	78,533	655,000	-
Inception of Leases / Subscriptions		-	-	-	-	-
Payment to Refunded Debt Escrow Agent		-	-	-	-	(1,321,397)
Sale of Capital Assets		-	18,090	2,125	8,972	1,700
Insurance Recovery		-	57,073	96,383	43,855	50,186
OPERATING TRANSFERS FROM (TO) OTHER FUNDS						
Enterprise Fund						
Environmental Services Fund		(127,840)	-	-	-	-
Parking Services Fund		-	-	-	-	-
Water and Sewer Fund		(100,880)	-	138,947	26,474	625,539
Stormwater Fund		-	-	-	-	(90,584)
Capital Projects Fund - City Hall Operations Building Project		-	-	-	-	-
Main Street Tax District - General Fund Reimbursement		100,000	100,000	-	-	-
Main Street Tax District		-	(100,000)	-	-	-
Main Street Tax District - Main Street Project		189,046	-	-	-	-
Seventh Avenue Tax District - General Fund Contribution		(37,470)	-	-	-	-
	_	22,856	 317,663	 315,988	 734,301	 617,444
Special Items	\$	-	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$	(3,625,860)	\$ (493,081)	\$ 332,714	\$ (572,541)	\$ (425,053)
Capital Asset Expenditures	\$	4,064,359	\$ 1,333,272	\$ 2,031,608	\$ 2,298,582	\$ 1,363,198
Debt service as a percentage of noncapital expenditures		8.7%	7.9%	8.3%	 7.7%	7.0%

 2019	2020		2021	 2022	 2023
\$ -	\$ 11,500,000	\$	-	\$ 15,568,631	\$ -
2,965,100	-		768,161	609,956	21,992,127
-	521,478		206,335	-	469,088
-	-		-	-	-
23,207	1,151		61,930	45,080	81,216
43,780	63,617		-	-	-
378,250	_		_	_	_
570,250				2,110,572	(202,253)
(42,000)	30,000		-	-	(425,000)
(12,000)	-		-	-	(120,000)
-	-		-	-	4,393,000
-	-		-	-	-
-	-		-	-	-
-	-		-	-	-
-	-		-	-	-
 3,368,337	12,116,246	_	1,036,426	 18,334,239	 26,308,178
\$ (184,272)	\$-	\$	-	\$ -	\$ -
\$ (531,585)	\$ 10,816,122	\$	(9,378,156)	\$ 3,723,106	\$ 23,194,709
\$ 4,804,733	\$ 1,833,501	\$	12,528,275	\$ 3,982,136	\$ 7,495,258
5.5%	6.4%		7.6%	44.5%	10.4%

#### ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years (amounts expressed in hundreds)

		Assessed R	eal Pr	operty	Assessed Per	sonal	Property		Less:
Fiscal	(	Commercial		Residential	 Motor			т	ax-exempt
Year		Property		Property	 Vehicles		Other	R	eal Property
2014	\$	867,439,562	\$	601,013,269	\$ 133,799,024	\$	111,836,701	\$	13,190,519
2015		860,792,797		622,571,755	121,051,969		130,347,339		10,594,200
2016		869,531,034		628,891,720	127,865,067		126,562,294		13,449,401
2017		869,827,543		629,106,171	136,782,391		117,221,370		13,914,601
2018		881,579,895		637,606,103	134,141,102		115,895,380		13,876,051
2019		758,917,288		777,919,406	141,273,265		137,921,560		13,565,701
2020		940,032,962		920,894,622	141,532,245		154,779,155		13,474,000
2021		999,259,059		922,392,978	160,750,408		129,063,770		16,504,479
2022		1,013,616,881		935,646,352	173,936,654		118,793,002		17,617,295
2023		1,187,084,478		824,923,112	186,719,537		135,245,691		18,102,180

Source: Henderson County Tax Assessor's Office

Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Tax Value	Assessed Value as a Percentage of Actual Value	
\$ 1,700,898,037	0.81	\$ 1,700,916,367	100.0%	
1,724,169,660	0.84	1,733,530,726	99.5%	
1,739,400,714	0.86	1,844,539,463	94.3%	
1,739,022,874	0.86	2,003,482,574	86.8%	
1,755,346,429	0.87	2,017,639,574	87.0%	
1,802,465,818	0.89	2,025,242,492	89.0%	
2,143,764,984	0.92	2,330,179,330	92.0%	
2,194,961,736	0.92	2,385,827,974	92.0%	
2,224,375,594	0.93	2,391,801,714	93.0%	
2,315,870,638	0.74	3,146,563,367	73.6%	

#### PROPERTY TAX RATES (DIRECT AND OVERLAPPING GOVERNMENTS) Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019
City Direct Rates						
General Fund Rate	0.410	0.440	0.460	0.460	0.470	0.490
Main Street Tax District	0.280	0.280	0.280	0.280	0.280	0.280
Seventh Avenue District	0.120	0.120	0.120	0.120	0.120	0.120
Total Direct Rate	0.810	0.840	0.860	0.860	0.870	0.890
County Rates						
Henderson County	0.5136	0.5136	0.5136	0.5650	0.5650	0.5650
Town of Fletcher	0.3250	0.3250	0.3400	0.3400	0.3400	0.3400
Town of Laurel Park	0.0360	0.3900	0.4300	0.4300	0.4300	0.4300
Town of Saluda	0.6050	0.6050	0.6050	0.6050	0.6050	0.6450
Town of Mills River	0.0974	0.1124	0.1124	0.1800	0.1800	0.1800
Village of Flat Rock	0.0840	0.1100	0.1100	0.1100	0.1100	0.1100
Fire (14) District Rates						
From Lowest	0.0650	0.0700	0.0800	0.0800	0.0800	0.0800
To Highest	0.1250	0.1250	0.1300	0.1300	0.1300	0.1300
Special Purpose District Rates						
Main Street Tax District	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800
Seventh Avenue Tax District	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200

Source: Henderson County Tax Assessor's Office

2020	2021	2022	2023
0.490	0.490	0.520	0.520
0.260	0.260	0.240	0.240
0.170	0.170	0.170	0.170
0.920	0.920	0.930	0.930
0.5610	0.5610	0.5610	0.5610
0.3400	0.3400	0.3400	0.3400
0.4350	0.4350	0.4350	0.4350
0.6650	0.6650	0.6750	0.6800
0.1900	0.1900	0.1900	0.1900
0.1300	0.1300	0.1300	0.1300
0.0900	0.0900	0.0900	0.1000
0.1350	0.1400	0.1400	0.1400
0.2600	0.2600	0.2400	0.2400
0.1700	0.1700	0.1700	0.1700

### PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

	2023	Fiscal	Year	2014 Fiscal Year				
	 Taxable		Percentage of Total Taxable	 Taxable		Percentage of Total Taxable		
Taxpayer	 Assessed Value	Rank	Assessed Value	 Assessed Value	Rank	Assessed Value		
Ingles	\$ 47,259,615	1	2.04%	\$ 33,809,520	1	1.99%		
Lake Point Landing	36,289,709	2	1.57%	10,329,200	10	0.61%		
Triangle Ballantyne Hendersonville	28,618,100	3	1.24%	23,598,700	2	1.39%		
Walmart	26,251,451	4	1.13%	19,442,480	3	1.14%		
Boyd Hyder	23,727,419	5	1.02%	16,169,300	5	0.95%		
Triangle Real Estate of Gastonia, Inc.	22,251,200	6	0.96%	23,598,700	2	1.39%		
Duke Energy HC	21,698,950	7	0.94%	10,581,377	9	0.62%		
SMBS LEASING at JABIL	16,081,100	8	0.69%	-		0.00%		
Sams	13,905,747	9	0.60%	-		0.00%		
First Citizens Bank	13,416,058	10	0.58%	11,264,868	8	0.66%		
Totals	\$ 249,499,349		10.77%	\$ 148,794,145		8.75%		

Source: City of Hendersonville Tax Collector

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Original Tax			Adjustments to Original Tax Adjusted Tax			Collected within Fiscal Year of the Levy			
Fiscal		Levy for	L	evy for		Levy for			Percentage
Year	F	iscal Year	Fis	cal Year	F	iscal Year		Amount	of Levy
2014	\$	6,416,260	\$	4,186	\$	6,420,446	\$	6,329,186	98.58%
2015		6,931,559		4,513		6,936,072		6,788,334	97.87%
2016		7,890,120		106,715		7,996,835		7,837,894	98.01%
2017		7,997,213		11,895		8,009,108		7,862,484	98.17%
2018		8,294,356		(35,435)		8,258,921		8,116,296	98.27%
2019		8,801,346		23,980		8,825,326		8,697,385	98.55%
2020		10,562,551		(34,718)		10,527,833		10,384,754	98.64%
2021		10,790,575		(28,643)		10,761,932		10,642,972	98.89%
2022		11,665,844		(99,091)		11,566,753		11,465,200	99.12%
2023		12,004,644		37,883		12,042,527		11,887,462	98.71%

Source: Hendersonville County Tax Commissioner's Office

Col	lections in	Total Collections to Date					
Su	bsequent			Percentage of			
	Years		Amount	Adjusted Levy			
\$	73,212	\$	6,402,398	99.72%			
	107,633		6,895,967	99.42%			
	105,108		7,943,002	99.33%			
	126,963		7,989,447	99.75%			
	108,531		8,224,827	99.59%			
	80,189		8,777,574	99.46%			
	100,027		10,484,781	99.59%			
	114,066		10,757,038	99.95%			
	85,314		11,550,514	99.86%			
	-		11,887,462	98.71%			

#### RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

	Governmental Activities						Business-type Activities								
		General													
Fiscal	0	bligation		Other	Fin	anced	Notes		Revenue		Other	Fina	inced		Notes
Year		Bonds Bonds Purchases Payable B		Bonds Bonds			Purchases			Payable					
2014	\$	2,060,000	\$	-	\$	-	\$ 6,750,000	\$	-	\$	-	\$	-	\$	20,902,442
2015		1,870,000		-		-	6,459,167		-		-		-		27,283,746
2016		1,680,000		-		-	5,897,427		-		-		-		24,262,654
2017		1,490,000		-		-	5,910,294		-		-		-		21,057,370
2018		1,343,000		-		-	5,272,299		-		-		-		18,515,329
2019		1,177,000		-		-	7,772,261		-		-		-		16,569,675
2020		1,013,000		-		497,781	18,666,884		12,100,000		12,100,000		-		10,814,841
2021		852,000		-		586,602	18,826,454		10,889,000		10,889,000		109,932		14,042,341
2022		694,000		3,935,950		414,802	16,709,750		16,589,000		12,652,051		84,427		16,659,408
2023		539,000		3,635,655		276,833	37,617,673		23,551,000		12,110,391		59,520		31,484,687

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

\* Information is not yet available

Total Primary Government	Percentage of Personal Income	Per Capita				
\$ 29,712,442	0.77%	\$	2,205			
35,612,913	0.88%		2,607			
31,840,081	0.75%		2,303			
28,457,664	0.64%		2,023			
25,130,628	0.53%		1,771			
25,518,936	0.48%		1,791			
43,270,025	0.77%		3,031			
45,306,329	0.74%		2,993			
67,739,388	*		4,203			
109,274,759	*		6,847			

Т

## **CITY OF HENDERSONVILLE, NORTH CAROLINA**

Last Ten Fiscal Years									
Fiscal Year		General Obligation Bonds		Less: Amounts Available in Debt Service Funds		Total	Percentage of Estimated Actual Taxable Value of Property		Per apita
2014	\$	2,060,000	\$	-	\$	2,060,000	0.12%	\$	155
2015		1,870,000		-		1,870,000	0.11%		139
2016		1,680,000		-		1,680,000	0.09%		122
2017		1,490,000		-		1,490,000	0.07%		106
2018		1,343,000		-		1,343,000	0.06%		95
2019		1,177,000		-		1,177,000	0.06%		83
2020		1,013,000		-		1,013,000	0.05%		71
2021		852,000		-		852,000	0.04%		56
2022		694,000		-		694,000	0.03%		43
2023		539,000		-		539,000	0.02%		34

#### RATIOS OF GENERAL BONDED DEBT OUTSTANDING Last Ten Fiscal Years

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

#### DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF JUNE 30, 2023

Governmental Unit	Go 	Estimated Percentage Applicable	Estimated Share of Overlapping Debt		
Debt repaid with property taxes: Henderson County	\$	138,983,429	15.28%	\$	21,236,668
Subtotal, Overlapping Debt					21,236,668
City of Hendersonville Direct					42,069,161
Total Direct and Overlapping Debt				\$	63,305,829

Sources: Assessed value data used to estimate applicable percentages and amount of debt outstanding provided by the applicable government.

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value that is within the government's boundaries and dividing it by Henderson County's total taxable assessed value.

#### LEGAL DEBT MARGIN INFORMATION Last Ten Fiscal Years

	2014	2015	2016	2017	2018
Debt limit	\$ 136,071,843	\$ 135,907,787	\$ 138,980,953	\$ 139,121,830	\$ 140,427,714
Total net debt applicable to limit	29,712,442	35,612,913	28,457,664	28,457,664	25,130,628
Legal debt margin	\$ 106,359,401	\$ 100,294,874	\$ 110,523,289	\$ 110,664,166	\$ 115,297,086
Total net debt applicable to the limit as a percentage of debt limit	21.8%	26.2%	20.5%	20.5%	17.9%

Calculation of Current Year Legal Debt Margin

Total Assessed Value Debt Limit (8% of Total Assessed Value)

Amount of Debt Applicable to Debt Limit: Total Non-Bonded Debt Total Bonded Debt Total Amount of Debt Applicable to Debt Limit

Legal Debt Margin

TABLE 12

2019	2020	2021	2022	2023
\$ 144,197,265	\$ 171,501,199	\$ 175,596,939	\$ 177,950,048	\$ 185,269,651
25,518,936	43,092,506	45,308,038	67,739,388	109,274,759
\$ 101,425,021	\$ 128,408,693	\$ 130,288,901	\$ 110,210,660	\$ 75,994,892
29.7%	25.1%	25.8%	38.1%	59.0%
			\$ 2,224,375,594	\$ 2,315,870,638
			177,950,048	185,269,651
			07.045.000	
			67,045,388	108,735,759
			694,000	539,000
			67,739,388	109,274,759
			\$ 110,210,660	\$ 75,994,892

#### DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Fiscal Years

Fiscal Year	(1) City Population	(2) County Population	(/	(3) Personal Income Amount in housands)	Pe	(4) r Capita ersonal ncome	(5) School Enrollment
2014	13,473	109,404	\$	3,842,493	\$	35,122	13,491
2015	13,663	110,939		4,031,132		36,336	13,495
2016	13,824	112,655		4,231,103		37,558	13,690
2017	14,064	114,209		4,454,428		39,002	13,241
2018	14,189	15,708		4,765,710		41,179	13,212
2019	14,251	116,748		5,323,876		45,342	13,361
2020	14,277	117,417		5,612,483		47,385	13,164
2021	15,137	116,281		6,149,222		52,634	12,600
2022	16,115	116,829		*		*	12,671
2023	15,959	118,106		*		*	12,744

#### Data Sources:

(1) US Census (QuickFacts)

(2) US Census (QuickFacts)

(3) US Dept. of Commerce - Bureau of Economic Analysis (Estimated results)

- (4) US Dept. of Commerce Bureau of Economic Analysis (Estimated results)
- (5) Henderson County Public Schools
- (6) Employment Security Commission(Labor & Economic Analysis Division) Local Area Unemployment Statistics
- (7) Employment Security Commission(Labor & Economic Analysis Division) Local Area Unemployment Statistics
- (8) Employment Security Commission(Labor & Economic Analysis Division) Local Area Unemployment Statistics
- \* Information not yet available

(6)	(7)	(8)								
Un	Unemployment Rate									
County	State	U.S.								
4.9%	6.5%	5.9%								
4.6%	5.0%	5.7%								
4.3%	4.9%	4.9%								
3.6%	4.2%	4.4%								
3.6%	4.2%	4.0%								
3.6%	4.2%	3.7%								
7.5%	7.6%	11.1%								
4.3%	4.9%	6.1%								
3.5%	4.1%	3.8%								
3.6%	4.0%	3.6%								

### PRINCIPAL EMPLOYERS Current Year and Nine Years Ago

	2023 Fiscal Year			2014 Fiscal Year		
<b>F</b> with the		Devi	Percentage of Total City		Devil	Percentage of Total City
Employer	Employees	Rank	Population	Employees	Rank	Population
Henderson County Schools	1,900	1	11.91%	1,700	1	12.62%
Pardee Hospital	1,835	2	11.50%	1,194	2	8.86%
Ingles Markets, Inc.	1,169	3	7.33%	750	5	5.57%
Park Ridge Health	1,306	4	8.18%	1,100	3	8.16%
Henderson County	1,199	5	7.51%	700	6	5.20%
Meritor	682	6	4.27%	581	7	4.31%
Wilsonart LLC	601	7	3.77%			
Hospice of Henderson County Inc	432	8	2.71%			
Blude Ridge Community College	332	9	2.08%	356	11	2.64%
Sierra Nevada Brewing Co	387	10	2.42%	346		
Total	9,843		61.68%	6,727		47.36%

Source: NC Department of Commerce

	2014	2015	2016	2017	2018	2019
Function						
General Government						
Administration	3	5	5	5	5	5
Finance	12	13	12	14	18	19
Support Services	14	15	13	14	17	17
Public Safety						
Police	51	51	53	53	56	59
Fire	27	27	27	29	33	33
Public Works						
Fleet Maintenance	6	6	6	6	6	6
Building Maintenance	3	3	3	4	4	4
Administration	3	3	3	3	3	3
Streets & Highways	9	7	7	7	9	9
Traffic Engineer	2	2	2	2	2	2
Grounds Maintenance	8	8	8	8	8	8
Subtotal	31	29	29	30	32	32
Business-type Activities						
Water and Sewer Fund	65	65	68	72	73	79
Stormwater Fund	14	14	15	15	14	14
Total	217	219	222	232	248	258

### FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION Last Ten Fiscal Years

2020	2021	2022	2023	
5	5	5	5	
18	18	21	19	
17	19	22	23	
59	57	60	60	
49	54	51	48	
6	6	6	6	
4	4	4	4	
3	3	4	5	
9	9	9	14	
2	4	3	3	
8	9	9	10	
32	35	35	42	
02	00	00		
82	97	100	106	
14	14	14	14	
276	299	308	317	

### OPERATING INDICATORS BY FUNCTION Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019
Function						
General Government						
Building Permits Issued						
Residential	307	119	130	101	221	256
Commercial	90	87	110	110	105	105
Public Safety - Police						
Physical Arrests	1,544	1,602	2,723	1,195	909	1,793
Traffic Violations	2,664	2,250	2,017	2,040	2,133	2,239
Parking Violations	2,317	2,216	3,029	2,462	1,790	1,415
Public Safety - Fire						
Number of Fire Calls Answered	3,401	4,121	4,352	4,761	4,638	4,499
Inspections Conducted	370	583	955	1,679	4,318	3,985
Water						
Number of Service Connections	26,446	26,723	30,000	27,449	28,415	29,986
Average Daily Production in Gallons	6,869,342	7,447,307	7,398,090	6,960,556	7,002,781	7,021,896
Sewer						
Number of Service Connections	8,751	9,035	9,500	9,067	9,411	9,461
Average Daily Treatment in Gallons	3,215,077	2,885,441	3,369,809	2,772,332	3,011,999	3,143,584
Solid Waste						
Refuse Collections (Tons per Year)	3,353	3,519	3,438	3,325	4,031	3,326
Recycling Collections (Tons per Year)	848	928	1,033	1,106	1,231	1,107
Scrap Metal (Tons per Year)	3	6	12	23	12	32

Sources: Various City of Hendersonville departments.

2020	2021	2022	2023
309	241	188	282
97	90	81	121
		4 000	
787	985	1,030	841
2,862	2,386	2,570	2,939
854	689	1,226	5,325
3,855	3,825	4,099	4,224
4,573	4,634	4,522	3,722
29,308	30,504	30,981	31,414
6,942,134	7,323,913	7,575,326	7,282,337
0.000	40,400	40.000	40.000
9,699	10,198	10,360	10,623
2,636,585	2,747,490	2,181,721	2,225,693
3,414	3,566	3,524	3,456
1,005	1,070	997	924
84	11	20,630	12
04		20,000	12

#### CAPITAL ASSET STATISTICS BY FUNCTION Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Function										
Hendersonville										
Public Facilities/Buildings	5	5	5	1	1	2	3	3	3	3
Public Safety - Police										
Number of Police Stations	1	1	1	1	1	1	1	1	1	1
Number of Patrol Units	39	39	30	30	30	42	35	40	40	40
Public Safety - Fire										
Number of Fire Stations	2	2	2	2	2	2	2	2	2	2
Number of Fire Trucks	6	6	5	6	5	5	5	6	6	6
Public Service										
Streets (in Miles)	68.20	68.20	68.20	65.75	65.75	65.75	65.75	65.75	67.55	67.55
Street Lights (Leased)	1,501	1,515	1,515	1,520	1,520	1,532	1,532	1,532	1,536	1,536
Street Lights (Owned)	189	189	189	256	215	286	286	286	286	286
Parks and Recreation										
Parks Acreage	158	158	158	158	158	158	158	158	184	184
Tennis & Racquet Ball Courts	8	8	8	8	8	8	8	8	4	2
Parks	12	12	12	12	12	12	12	12	12	12
Shuffle Board Courts	27	27	27	27	27	27	27	27	14	14
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Community Development										
Community Centers	3	3	3	3	3	3	3	3	3	3
Water										
Water Mains (Miles)	637	640	653	623	624	633	634	664	712	721
Fire Hydrants	2,598	2,626	2,648	2,662	2,692	2,694	2,751	2,921	3,035	3,147
Sewer										
Sanitary Sewers (Miles)	178	178	180	160	182	182	183	183	186	190
Storm Sewers (Miles)	30	30	30	30	30	30	30	30	30	40
Solid Waste										
Collection/Refuse Trucks	4	4	4	4	4	4	6	6	6	6

Source: Various City of Hendersonville departments

Section 6, Item C.

# **COMPLIANCE SECTION**



# INDEPENDENT AUDITOR'S 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

## Honorable Mayor and Members of City Council City of Hendersonville, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Hendersonville**, **North Carolina** (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 6, 2023. Our report includes a reference to other auditors who audited the financial statements of the Hendersonville Alcoholic Beverage Control Board (the "ABC Board") as described in our report on the City's financial statements. The financial statements of the ABC Board were not audited in accordance with *Government Auditing Standards* and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the ABC Board or that are reported on separately by those auditors who audited the financial statements of the ABC Board.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City'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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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.

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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 to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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.

Mauldin & Junkins, LLC

Raleigh, North Carolina November 6, 2023



# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT

Honorable Mayor and Members of City Council City of Hendersonville, North Carolina

Report on Compliance for Each Major Federal Program

### **Opinion on Each Major Federal Program**

We have audited the **City of Hendersonville, North Carolina's** (the "City") compliance with the types of compliance requirements identified as subject to audit 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 City's major federal programs for the year ended June 30, 2023. The City'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 City complied, in all material respects, with the 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 (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 City and to meet our ethical and other 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 provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City'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 law, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's 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 the City'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 City'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 the City'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 the City'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 the City'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 possibility that material noncompliance with a type of compliance requirement of a federal program 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 a combination of deficiencies, in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over 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 the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance 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.

Raleigh, North Carolina November 6, 2023

Mauldin & Jerkins, LLC



# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH APPLICABLE SECTIONS OF THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT

Honorable Mayor and Members of the City Council City of Hendersonville, North Carolina

### **Opinion on Each Major State Program**

We have audited the **City of Hendersonville, North Carolina's** (the "City") 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 City's major state programs for the year ended June 30, 2023. The City's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Hendersonville 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 state programs for the year ended June 30, 2023.

#### Basis for Opinion on Each Major State 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* (CFR) 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 City and to meet our ethical and other 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 provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

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### **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 City of Hendersonville State 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 the City'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 the City's compliance with the requirements of each major state 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 the City'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 the City'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 the City'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 state 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 possibility that material noncompliance with a type of compliance requirement of a state program that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state 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 is a deficiency, or combination of deficiencies, in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance requirement of a state 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.

Mauldin & Jerkins, LLC

Raleigh, North Carolina November 6, 2023

#### SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS YEAR ENDED JUNE 30, 2023

Grantar/Deas through	Federal Assistance	Agency or Pass-	<b>F</b>	dituroo
Grantor/Pass-through Grantor/Program Title	Listing Number	through Grantor Number	Expen Federal	ditures State
		Number	<u> </u>	
<u>Federal Awards:</u> U.S. Department of the Treasury:				
Direct Programs:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	NC0203	\$ 4,511,800	\$-
Passed Through the N.C. Department of Environmental Quality:	21.027	1100200	φ 1,011,000	Ψ
COVID-19 American Rescue Plan - Earmark	21.027	SRP-W-ARP-0031	525,746	-
COVID-19 American Rescue Plan - Earmark	21.027	SRP-W-ARP-0031	115,147	-
COVID-19 American Rescue Plan - Earmark	21.027	AIA-D-ARP-0091	130,123	-
			771,016	-
Total Department of Treasury			5,282,816	
U.S. Department of Housing and Urban Development:				
Passed Through the N.C. Department of Housing and Urban Development				
Ashe Street Community - CDBG	14.228	19-C-3128(NR)	18,269	-
· · · ·				
U.S. Department of Justice:				
Direct Programs:				
Equitable Sharing Program	16.922	n/a	15,781	-
Bulletproof Vest Partnership Program	16.607	HW-2019-05-SB	2,540	-
Passed Through Governor's Crime Commission				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-00278-JAGX	24,500	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-00633-JAGX	8,332	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-00633-JAGX	11,450	
Total Department of Justice			62,603	
U.S. Department of Transportation:				
Passed Through N.C. Department of Transportation				
Governor's Highway Safety Program - Highway Safety Cluster	20.600	PT-23-06-32	4,253	-
Highway Planning and Construction	20.205	BL-0008	190,361	-
Total Department of Transportation			194,614	_
Total Department of Transportation			194,014	
U.S. Environmental Protection Agency:				
Passed Through the N.C. Department of Environmental Quality				
Clean Water State Revolving Fund (CWSRF) Cluster	66.458	CS370444-10	9,548	-
Drinking Water State Revolving Fund (DWSRF) Cluster	66.468	H-SRF-F-20-1940	11,316,532	
Total Environmental Protection Agency			11,326,080	
U.C. Depertment of Agriculture				
U.S. Department of Agriculture				
Direct Programs: Community Facilities Loans and Grants Cluster				
Community Facilities Loans and Grants Cluster Community Facilities Loans and Grants (Loan Balances)	10.766	n/a	11,221,930	
Community radinites Loans and Grants (Loan Dalandes)	10.700	il/a	11,221,330	
U.S. Department of Homeland Security				
Direct Programs:				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	n/a	143,149	
TOTAL FEDERAL AWARDS			28,249,461	
			20,243,401	

#### SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS YEAR ENDED JUNE 30, 2023

Grantor/Pass-through	Federal Assistance Listing	Agency or Pass- through Grantor	Expen	ditures
Grantor/Program Title	Number	Number	Federal	State
State Awards:				
N.C. Department of Environmental Quality				
Division of Water Infrastructure				
Connect NC Bond Program - Northside Water System		H-SRP-D-17-0132	\$-	\$ 120,381
Total Department of Environmental Quality				120,381
N.C. Office of State Budget and Management				
SCIF Directed Grants		10161	-	5,561
Total Office of State Budget and Management			-	5,561
N.C. Department of Transportation:				
Powell Bill Program		DOT-4	-	459,284
Total Department of Transportation			-	459,284
N.C. Department of Natural and Cultural Resources				
North Carolina Land and Water Fund		2021-808	-	24,620
Total Department of Natural and Cultural Resources			-	24,620
TOTAL STATE AWARDS				609,846
TOTAL FEDERAL AND STATE AWARDS			\$ 28,249,461	\$ 609,846

# NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2023

## NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the "SEFSA") includes the federal and state award activity of the City of Hendersonville, North Carolina (the "City") under 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

## NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

## NOTE 3: INDIRECT COST RATE

The City did not utilize the 10% de Minimis indirect cost rate.

## NOTE 4: BALANCES OF FEDERALLY FUNDED LOANS

As of June 30, 2023, the City has federally funded loans outstanding as follows:

(1) United States Department of Agriculture - \$11,221,930

Section 6, Item C.

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2023

# SECTION I SUMMARY OF AUDITOR'S RESULTS

<i>Financial Statements</i> Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting: Material weaknesses identified?	yes <u>X</u> no
Significant deficiencies identified?	yes <u>X</u> none reported
Noncompliance material to financial statements noted?	yes <u>X</u> no
<u>Federal Awards</u> Internal control over major federal programs: Material weaknesses identified?	yes <u>X</u> no
Significant deficiencies identified?	yes <u>X</u> none reported
Type of auditor's report issued on compliance of major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported In accordance with 2 CFR 200.516(a)?	yes <u>X</u> no
Identification of major federal program:	
Assistance Listing Number 10.766 21.027	<u>Name of Federal Program or Cluster</u> Community Facilities Loans and Grants American Rescue Plan Act
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	yes <u>X</u> no

Section 6, Item C.

# SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2023

SECTION I
SUMMARY OF AUDITOR'S RESULTS (CONTINUED)

<u>State Awards</u> Internal control over major state programs: Material weaknesses identified?	yes <u>X</u> no
Significant deficiencies identified?	yes <u>X</u> none reported
Type of auditor's report issued on compliance of major state programs:	Unmodified
Any audit findings disclosed that are required to be reported In accordance with the State Single Audit Implementation Act?	yes <u>X</u> no
Identification of major state program:	
Program Name	
North Carolina Department of Transportation – Powell Bill Program	
SECTION II FINANCIAL STATEMENT FINDINGS A	ND RESPONSES
None reported.	
SECTION III FEDERAL AWARDS FINDINGS AND QU	ESTIONED COSTS
None reported.	
SECTION IV STATE AWARDS FINDINGS AND QUE	STIONED COSTS
None reported	

None reported.

Section 6, Item C.

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2023

None reported.



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

# SUBMITTER: Matthew Manley, Brent Detwiler MEETING DATE: 12/7/23

AGENDA SECTION: PRESENTATION

**DEPARTMENT:** 

Community Development, Public Services

**TITLE OF ITEM:** Walk Hendo – 2023 Hendersonville Pedestrian Plan Presentation and Adoption – Kristy Carter, Senior Project Manager and Christy Staudt, Regional Manager, Traffic Planning and Design, Inc.

# **SUGGESTED MOTION(S):**

I move City Council to resolve to adopt Walk Hendo, the 2023 Hendersonville Pedestrian Plan, as funded by the North Carolina Department of Transportation in conjunction with the City and as completed and presented by Traffic Planning and Design, Inc.

## SUMMARY:

The North Carolina Department of Transportation (NCDOT) has established a grant that provides funding to municipalities for the development of Comprehensive Municipal Bicycle and Pedestrian Plans. The City of Hendersonville was designated in 2021 as a recipient to receive grant funds to complete a pedestrian plan (TIP#M-0551, WBS#49600.8.16). With the help of the Pedestrian Plan Steering Committee, various stakeholders, NCDOT, and residents, merchants, and property owners; Traffic Planning and Design, Inc. recently completed Walk Hendo, the City's 2023 Pedestrian Plan. TPD will present the highlights and recommendations from the plan. Please let us know if you have any questions.

# **BUDGET IMPACT:** N/A

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

## **ATTACHMENTS:**

Resolution

Resolution #\_\_-

## RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO ADOPT WALK HENDO, THE 2023 PEDESTRIAN PLAN

**WHEREAS,** the North Carolina Department of Transportation has established a grant that provides funding to municipalities for the development of Comprehensive Municipal Bicycle and Pedestrian Plans; and

**WHEREAS**, the City of Hendersonville requested and received funding (TIP#M-0551, WBS#49600.8.16) for a Pedestrian Plan to obtain the following objectives:

- 1. Provide for multimodal forms of transportation.
- 2. Provide guidance for modifying infrastructure to safely accommodate walking in appropriate locations.
- 3. Ensure that the North Carolina Department of Transportation (NCDOT) funded projects incorporate the City of Hendersonville's objectives.
- 4. Move towards an effective network for active transportation, recreation, and exercise.
- 5. Have an approved plan that will support funding from NCDOT for pedestrian improvements.
- 6. Ensure land use decisions effectively incorporate multimodal objectives.

**WHEREAS,** over the last two years the City, along with NCDOT and Traffic Planning and Design, Inc. established a Pedestrian Plan Steering Committee made up of area stakeholders, held multiple public input meetings, gathered feedback and comments, and recently received final plan approved by NCDOT; and

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Hendersonville, North Carolina that:

- 1. The City has adopted Walk Hendo, the 2023 Hendersonville Pedestrian Plan, as funded by the North Carolina Department of Transportation in conjunction with the City and as completed and presented by Traffic Planning and Design, Inc.; and
- 2. The City will work to implement and incorporate projects and policies identified in Walk Hendo into its capital improvement planning, budgeting, NCDOT coordination, plan review and other processes.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 7th day of December 2023.

Attest:

Barbara G. Volk, Mayor, City of Hendersonville

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY PLANNING DIVISION

SUBMITTER:	Alexandra Hunt, Planner I	MEETING DATE:	December 7 <sup>th</sup> , 2023
AGENDA SECTION:	Public Hearing	DEPARTMENT:	Community Development
TITLE OF ITEM:	Rezoning: Standard Rezoning Alexandra Hunt, Planner I	– Living Savior Chur	ch-(P23-085-RZO) –

## **SUGGESTED MOTION(S):**

For Recommending Approval:	For Recommending Denial:
I move City Council <u>adopt</u> an ordinance amending	I move City Council <u>deny</u> an ordinance amending the
the official zoning map of the City of Hendersonville	official zoning map of the City of Hendersonville
changing the zoning designation of the subject	changing the zoning designation of the subject
property (PIN: 9578-90-1278) from Henderson	property (PIN: 9578-90-1278) from Henderson
County CC, Community Commercial zoning district	County CC, Community Commercial zoning district
to City of Hendersonville CHMU (Commercial	to City of Hendersonville CHMU (Commercial
Highway Mixed Use) based on the following:	Highway Mixed Use) based on the following:
1. The petition is found to be <u>consistent</u> with the	1. The petition is found to be <u>consistent</u> with the
City of Hendersonville 2030 Comprehensive Plan	City of Hendersonville 2030 Comprehensive
based on the information from the staff analysis	Plan based on the information from the staff
and because:	analysis and because:
The proposed zoning provides design standards	The proposed zoning provides design standards
which align with most of the design and	which align with most of the design and
development guidelines outlined under Strategy	development guidelines outlined under Strategy
LU-7.4 of the City's 2030 Comprehensive Plan.	LU-7.4 of the City's 2030 Comprehensive Plan.
2. Furthermore, we find this petition to be	2. We do not find this petition to be reasonable
reasonable and in the public interest based on the	and in the public interest based on the
information from the staff analysis, public hearing	information from the staff analysis, public
and because:	hearing and because:
<ol> <li>The Commercial Highway Mixed Use is the zoning district established for the Upward Rd Planning Area</li> <li>The Commercial Highway Mixed Use zoning district is well suited to achieve the goals of the Comprehensive Plan for this area</li> </ol>	<ol> <li>While the CHMU zoning districts permits development that may align with the Development Guidelines found in LU-7.4, not all of the guidelines are requirements of this zoning district.</li> <li>[DISCUSS &amp; VOTE]</li> </ol>
<ol> <li>The property is located in an area designated as a "Priority Infill Area" according to the City's Comprehensive Plan</li> </ol>	

[DISCUSS & VOTE]	
------------------	--

**SUMMARY:** The City of Hendersonville received an Annexation application from Living Savior Evangelical Lutheran Church (owners) for a parcel totaling 4.38 Acres that is located between Upward Road and Vine Road near East Henderson High School. The applicant has not requested zoning, therefore the City is initiating zoning for this parcel from County CC, Community Commercial to CHMU, Commercial Highway Mixed Use.

The subject property is outside of the corporate city limits on the southeastern edge of Hendersonville. The subject property sits outside of the City's ETJ but within the Upward Road Planning District.

CHMU permits a range of intense commercial uses and residential uses including religious institutions. This zoning district includes design standards for all uses other than single-family and two-family (per State Statute). CZD is triggered in this zoning district by projects with a cumulative square footage over 50,000 Sq Ft.

PROJECT/PETITIONER NUMBER:	P23-085-RZO
PETITIONER NAME:	City of Hendersonville [applicant] Living Savior Evangelical Lutheran Church [owner]
ATTACHMENTS:	<ol> <li>Staff Report</li> <li>Planning Board Summary</li> <li>Draft Ordinance</li> <li>Proposed Zoning Map</li> </ol>

# <u>STANDARD REZONING: LIVING SAVIOR CHURCH (P23-085-RZO)</u> <u>CITY OF HENDERSONVILLE - COMMUNITY DEVELOPMENT STAFF REPORT</u>

PROJECT SUMMARY	2
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DRAFT COMPREHENSIVE PLAN CONSISTENCY AND REZONING REASONABLENESS STATEMENT I	2



Page |

#### PROJECT SUMMARY

- Project Name & Case #:
  - 200 Upward Rd
  - P23-085-RZO
- Applicant & Property Owner:
  - City of Hendersonville [Applicant]
  - Living Savior Evangelical Lutheran Church [Owner]
- Property Address:
  - 200 Upward Rd
- Project Acreage:
  - o 4.38 Acres
- Parcel Identification (PINS):
  - o 9578-90-1278
- Current Parcel Zoning:
  - County Community Commercial (CC)
- Proposed Zoning District:
  - CHMU (Commercial Highway Mixed Use)
- Future Land Use Designation:
  - City High Intensity Neighborhood
  - County Industrial & Urban Services Area (residential density maximized where utilities present)



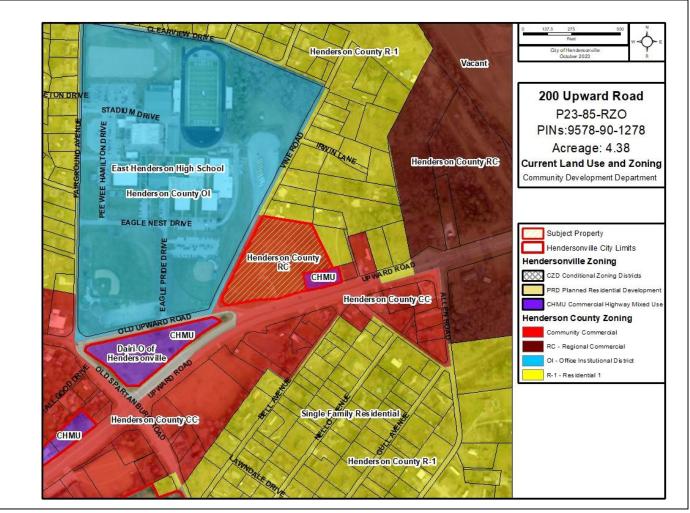
SITE VICINITY MAP

The City of Hendersonville received an Annexation application from Living Savior Evangelical Lutheran Church (owners) for a parcel totaling 4.38 Acres that is located between Upward Road and Vine Road near East Henderson High School. The applicant has not requested zoning, therefore the City is initiating zoning for this parcel from County CC, Community Commercial to CHMU, Commercial Highway Mixed Use.

The subject property is outside of the corporate city limits on the southeastern edge of Hendersonville. The subject property sits outside of the City's ETJ but within the Upward Road Planning District.

CHMU permits a range of intense commercial uses and residential uses including religious institutions. This zoning district includes design standards for all uses other than single-family and two-family (per State Statute). CZD is triggered in this zoning district by projects with a cumulative square footage over 50,000 Sq Ft.

#### EXISTING ZONING & LAND USE



City of Hendersonville Current Zoning & Land Use Map

The subject property is currently zoned Community Commercial under Henderson County's Zoning Jurisdiction. It is located outside of the corporate City Limits in an area where some satellite parcels have been annexed into the City with zoning designations including Commercial Highway Mixed Use (CHMU) and C-3 Highway Business. The properties within these districts are developed with fast food restaurant chains and lodging. There is a significant amount of vacant property as well as commercial and institutional uses in proximity of the subject parcel.

The County zoning in this area is predominantly Community Commercial (CC) along Upward Road and Residential One (RI) further setback from Upward Rd. The CC zoning district includes," a variety of retail sales and services, public and private administrations, offices and all other uses done with adjacent development and the surrounding community." The CC allows for up to 16 units / acre for residential development. The RI zoning is intended to "allow for medium to high-density residential development" and permits densities ranging from 4 units / acre up to 12 units / acre.

## SITE IMAGES





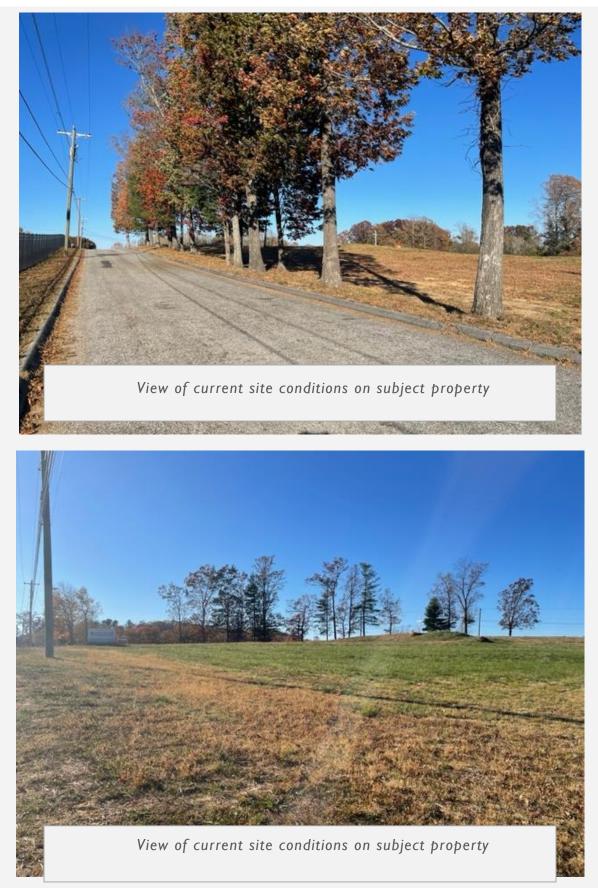
View facing north along the eastern boundary line of the subject property

### SITE IMAGES



 ${}^{\rm Page}{\bf 5}$ 

## SITE IMAGES

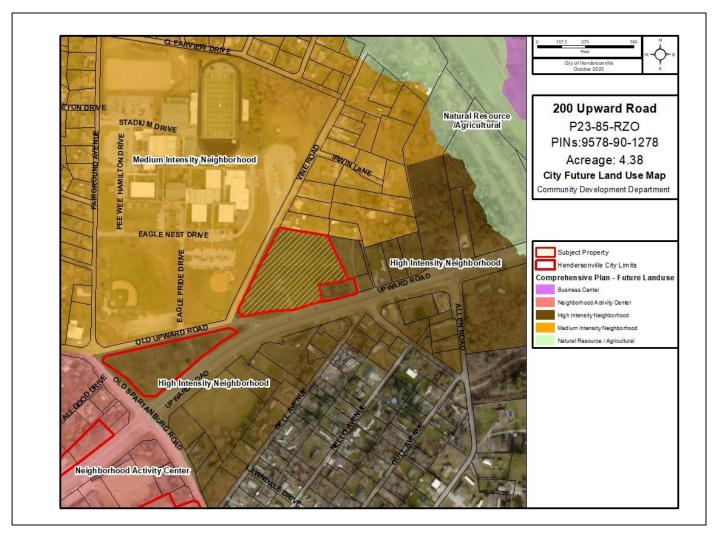




### REZONING HISTORY

Prior Rezoning	Summary of Prior Petition	Status
N/A	N/A	N/A

• No information is known about the prior County zoning on the property



City of Hendersonville Future Land Use Map

The City's 2030 Comprehensive Plan designates the subject property as High Intensity Neighborhood in the City's Future Land Use Map.

The parcels fronting Upward Road are also designated High Intensity Neighborhood and the parcels to the north of the subject property along Old Upward Road and Vine Street are designated as Medium Intensity Neighborhood. Upward Rd is a Boulevard according to the City's Comprehensive Plan.

The only other future land use designations in proximity to the subject property are Natural Resource / Agricultural, due to the presence of the Dunn Creek floodplain east of I-26, and Low Intensity Neighborhood, further setback from Upward Rd to the northeast of the subject property.

The subject parcel is also part of the Upward Rd Planning Area which was adopted in 2011 in response to the need to manage growth outside the ETJ in an area where sewer service would be desired.

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# REZONING ANALYSIS - COMPREHENSIVE PLAN CONSISTENCY (ARTICLE 11-4)

GENERAL REZONING STANDARDS: COMPREHENSIVE PLAN CONSISTENCY			
Future Land Use	<ul> <li>The subject property is designated as High Intensity Neighborhood on the Future Land Use Map.</li> <li>Goal LU-7 Encourage low-maintenance, high density housing that supports Neighborhood and Regional Activity Centers and downtown and provides a transition between commercial and single-family development. [CONSISTENT]</li> <li>Strategy LU-7-1. Locations: <ul> <li>Priority infill development areas where high-density development is desirable and/or expected including boulevards and major thoroughfares near neighborhood activity centers [CONSISTENT]</li> </ul> </li> <li>Strategy LU-7.2. Primary recommended land uses: <ul> <li>Single-family attached and multifamily residential, planned residential developments, and open space [CONSISTENT]</li> </ul> </li> <li>Strategy LU-7-4 Development guidelines: <ul> <li>Encouragement of multi-story, mixed-use buildings with retail on ground floors and office/residential on upper floors [CONSISTENT]</li> <li>Placement of higher-intensity uses close to boulevards and major thoroughfares [CONSISTENT]</li> <li>Architectural guidelines to encourage compatibility between different land uses [CONSISTENT]</li> <li>Encouragement of walkable neighborhood design [CONSISTENT]</li> <li>At lease 60% open space in new residential developments of greater than 3 acress [CONSISTENT]</li> <li>The subject property is designated as a Priority Infill on the Growth Management Map 8.3a.</li> </ul> </li> </ul>		
Land Use & Development	<b>Goal LU-1.</b> Encourage infill development that utilizes existing infrastructure in order to maximize public investment and revitalize existing neighborhoods. <b>Goal LU-3.</b> Promote fiscal responsibility with development, annexation and		
	expansion of Hendersonville's Extra-Territorial Jurisdiction (ETJ). Strategy PH-1.1. Promote compatible infill development.		
Population & Housing	<b>Goal PH-3</b> . Promote safe and walkable neighborhoods.		
	<b>Strategy PH 3.2</b> – Encourage mixed land use patterns that place residents within walking distance of services.		
Natural & Environmental Resources	No Goals, Strategies or Actions are directly applicable to this project.		
Cultural & Historic Resources	No Goals, Strategies or Actions are directly applicable to this project.		

Community Facilities	No Goals, Strategies or Actions are directly applicable to this project.	
Water Resources	Strategy WR-2.3. Enable and encourage Low-Impact Development practices in stormwater management	
Transportation & Circulation		

## REZONING ANALYSIS - GENERAL REZONING STANDARDS (ARTICLE 11-4)

GENERAL REZONING STANDARDS		
Compatibility	Whether and the extent to which the proposed amendment is compatible with existing and proposed uses surrounding the subject property – Considering the vehicular traffic along Upward Rd (boulevard) and the interchange with I-26 (freeway), the CHMU zoning district permits uses that are compatible with this area and the design guidelines of the CHMU further support compatibility.	
Changed Conditions	Whether and the extent to which there are changed conditions, trends or facts that require an amendment -The corridor along Upward Rd has seen and will continue to see growth and development. The addition of manufacturing, multi-family and interstate-oriented restaurants and services is expected for the area. The subject property contained a single family home that was removed sometime after 2018.	
Public Interest	Whether and the extent to which the proposed amendment would result in a logical and orderly development pattern that benefits the surrounding neighborhood, is in the public interest and promotes public health, safety and general welfare - Additional commercial development within the City will generate additional tax revenue. Additional residential development within the City would provide needed housing.	
Public Facilities	school parking lot and residential parcels located north east of the subject property and is not identified on the Comprehensive Plan as a NCDOT maintained road. The subject property will be serviced by the City Fire Dept and will also be served by the City of Hendersonville Police.	
Effect on Natural Environment	Whether and the extent to which the proposed amendment would result in significantly adverse impacts on the natural environment including but not limited to water, air, noise, storm water management, streams, vegetation, wetlands and wildlife - The subject property had featured some trees that have now been cleared.	

Page 1.

STAFF REPORT | Community Development Department

The petition is found to be **consistent** with the City of Hendersonville 2030 Comprehensive Plan based on the information from the staff analysis and the public hearing, and because:

The Goals & Strategies of LU-7 "High-Intensity Neighborhood" calls for primary and secondary recommended land uses, locations, and development guidelines which align with the proposed CHMU zoning.

We [find/do not find] this petition to be reasonable and in the public interest based on the information from the staff analysis and the public hearing, and because:

DRAFT [Rationale for Approval]

- Commercial Highway Mixed Use is the zoning district established for the Upward Rd Planning Area
- The Commercial Highway Mixed Use zoning district is well suited to achieve the goals of the Comprehensive Plan for this area
- The property is located in an area designated as a "Priority Infill Area" according to the City's Comprehensive Plan

DRAFT [Rational for Denial]

• While the CHMU zoning districts permits development that may align with the Development Guidelines found in LU-7.4, not all of the guidelines are requirements of this zoning district.

Page.

Section 7. Item A.



PLANNING BOARD RECOMMENDATION Project #: P23-085-CZD Meeting Date: November 9, 2023

PETITION REQUEST: Standard R

Standard Rezoning – Living Savior Church

APPLICANT/PETITIONER: City of Hendersonville

## PLANNING BOARD ACTION SUMMARY:

Staff gave a presentation on the request and reviewed the guidance from the Comprehensive Plan as well as the criteria for considering a rezoning. Planning Board considered this item for <u>15 minutes</u>.

No one from the public spoke during the public comment period.

There were no questions or comments by the Planning Board.

MOTION:

Ms. Peacock made a motion to approve the petition. The motion passed unanimously with the following language.

## COMPREHENSIVE PLAN CONSISTENCY AND REASONABLENESS STATEMENT:

The petition is found to be consistent with the City of Hendersonville 2030 Comprehensive Plan based on the information from the staff analysis and the public hearing, and because:

The proposed zoning provides design standards which align with most of the design and development guidelines outlined under Strategy LU-7.4 of the City's 2030 Comprehensive Plan.

## REASONABLENESS STATEMENT

We find this petition to be reasonable and in the public interest based on the information from the staff analysis and the public hearing, and because:

# [Rationale for Approval]

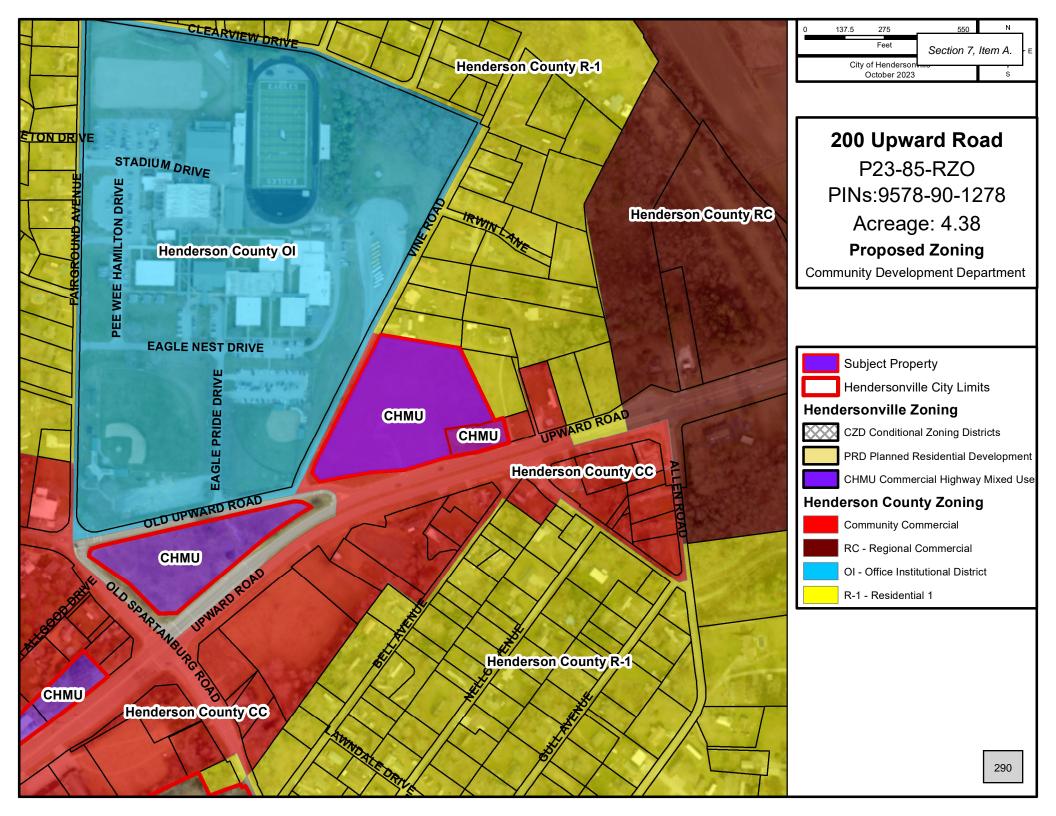
- The Commercial Highway Mixed Use is the zoning district established for the Upward Rd Planning Area
- 2. The Commercial Highway Mixed Use zoning district is well suited to achieve the goals of the Comprehensive Plan for this area
- 3. The property is located in an area designated as a "Priority Infill Area" according to the City's Comprehensive Plan

#### **BOARD ACTION**

- Motion/Second: Cromar / Glassman
- Yeas: Nace, Cromar, Peacock, Glassman, Brown
- Nays:
- Absent: Hanley, Robertson
- Recused:

Blatt

N/A



Ordinance #\_\_\_-

#### AN ORDINANCE OF THE CITY OF HENDERSONVILLE CITY COUNCIL TO AMEND THE OFFICIAL ZONING MAP OF THE CITY OF HENDERSONVILLE FOR PARCEL POSSESSING PIN NUMBER 9578-90-1278 BY CHANGING THE ZONING DESIGNATION FROM HENDERSON COUNTY CC, COMMUNITY COMMERCIAL ZONING DISTRICT TO CITY OF HENDERSONVILLE CHMU (COMMERCIAL HIGHWAY MIXED USE)

IN RE: Parcel Numbers: 9578-90-1278 Living Savior Church (File # P23-085-RZO)

**WHEREAS,** the Planning Board took up this application at its regular meeting on November 9; voting \_\_\_\_\_ to recommend City Council adopt an ordinance amending the official zoning map of the City of Hendersonville, and

WHEREAS, City Council took up this application at its regular meeting on December 7th, 2023, and

**WHEREAS,** City Council has found that this zoning map amendment is consistent with the City's comprehensive plan, and that it is reasonable and in the public interest for the reasons stated, and

**WHEREAS,** City Council has conducted a public hearing as required by the North Carolina General Statutes on December 7th, 2023,

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Hendersonville, North Carolina:

- 1. Pursuant to Article XI of the Zoning Ordinance of the City of Hendersonville, North Carolina, the Zoning Map is hereby amended by changing the zoning designation of the following: Parcel Numbers: 9578-90-1278 from Henderson County CC, Community Commercial Zoning District to City of Hendersonville CHMU (Commercial Highway Mixed Use)
- 2. Any development of this parcel shall occur in accordance with the Zoning Ordinance of the City of Hendersonville, North Carolina.
- 3. This ordinance shall be in full force and effect from and after the date of its adoption.

Adopted this 7th day of December 2023.

Attest:

Barbara G. Volk, Mayor, City of Hendersonville

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney



# CITY OF HENDERSONVILLE PLANNING BOARD AGENDA ITEM SUMMARY

SUBMITTER:	Lew Holloway, Community Development Director	MEETING DATE:	December 7 <sup>th</sup> , 2023
AGENDA SECTION:	NEW BUSINESS	DEPARTMENT:	Community Development
TITLE OF ITEM:	Ordinance to Authorize the Den Community Development Directo		venue – Lew Holloway,

#### **SUGGESTED MOTION(S):**

I move City Council adopt An Ordinance of the City Of Hendersonville City Council to Order the City Code Enforcement Officer to Demolish 734 1<sup>st</sup> Avenue, Hendersonville, NC as presented.

#### SUMMARY:

The structure at 734 1<sup>st</sup> Avenue has been significantly damaged by fire. The Code Enforcement Officer for the City of Hendersonville has declared the structure unsafe and has attempted to notify the property owner and ordered the structure to be demolished, however, no remedial action has been taken.

The structure is especially dangerous and prejudicial to the public health and public safety, because of the property's liability to fire, the bad condition of its walls, and the heavily damaged roof structure. The structure being unoccupied in its damaged condition is likely to contribute to blight, vagrancy, and a danger to children. The damage to the roof and exterior walls of the structure leaves a significant portion of the interior of the structure exposed to elements which will cause a more rapid decay of the portions of the structure that are still standing.

The Community Development Department at this time is requesting the City Council adopt an Ordinance ordering the Code Enforcement Officer to have the structure at 734 1<sup>st</sup> Avenue demolished.

**ATTACHMENTS:** 

PROPOSED ORDINANCE

Ordinance #

#### AN ORDINANCE OF THE CITY OF HENDERSONVILLE CITY COUNCIL TO ORDER THE CITY CODE ENFORCEMENT OFFICER TO DEMOLISH 734 FIRST AVENUE W, HENDERSONVILLE, NC

IN RE: Robin P. Turbeville 734 1<sup>st</sup> Ave West PIN: 9568-56-4745

**WHEREAS,** Robin P. Turbeville (hereinafter the "Owner") is the owner of that real property located at 734 1<sup>st</sup> Ave West, and being more particularly described in that deed recorded in Deed Book 1652, Page 422, Henderson County registry (hereinafter the "Property"); and

**WHEREAS,** On April 5, 2022, pursuant to Chapter 12; Article II; Sections 12-31 through 12-38 of the Code of Ordinances of the City of Hendersonville (hereinafter called the "Code"), and G.S. 160D-1119, the Code Enforcement Officer of the City of Hendersonville (hereinafter called the "Code Enforcement Officer") declared the structure located on the Property unsafe due to excessive fire damage and affixed a notice to the structure declaring the same; and

**WHEREAS**, after the Owner, failed to take prompt corrective action, the Code Enforcement Officer issued a Complaint and Notice of Hearing on the issue of condemnation; and

**WHEREAS**, the Code Enforcement Officer attempted to give the Owner notice by certified mail, and caused the Complaint and Notice of Hearing to be posted on the outside of the structure at least 10 days prior to the administrative hearing, and notice to be published in the Hendersonville Times-News at least one week prior to the administrative hearing; and

**WHEREAS**, on May 10, 2023, the Code Enforcement Officer held an administrative hearing at which neither the Owner nor anyone purporting to be her representative appeared; and

**WHEREAS**, following the administrative hearing, the Code Enforcement Officer issued an order finding that the condition of the structure located on the Property constitutes a safety hazard and renders it dangerous to life, health, or other property due to the damaged condition of the roof and walls and ordering the Owner to demolish the structure within 60 days; and

**WHEREAS**, the Owner of the premises, after having been given a reasonable opportunity to do so, has failed to comply with the lawful order of the Code Enforcement Officer to demolish the structure located on the premises within the time therein prescribed.

**WHEREAS**, pursuant to G.S. 160A-193, the City of Hendersonville has the authority to summarily abate any condition that is dangerous or prejudicial to the public health or public safety and to assess the cost of such abatement to the Owner as a lien against the Property; and

**WHEREAS**, the Code Enforcement Officer has requested the City Council of the City of Hendersonville to adopt an Ordinance ordering the Code Enforcement Officer to demolish the residential structure located on the Property.

**WHEREAS,** pursuant to Chapter 12; Article II; Sections 12-31 through 12-38 of the Code of Ordinances of the City of Hendersonville (hereinafter called the "Code"), the Code Enforcement Officer of the City of Hendersonville (hereinafter called the "Code Enforcement Officer") has requested the City Council of the City of Hendersonville (hereinafter called "Council") to adopt an Ordinance ordering the Code Enforcement Officer to demolish the residential building located on parcel # 9568-56-4745 which the Code Enforcement Officer has condemned pursuant to the authority established in North Carolina General Statutes 160D-1119, and;

**WHEREAS,** the Council hereby finds that the premises are especially dangerous to life, because of the property's liability to fire and the damage to the roof and exterior walls of the structure leaves a significant portion of the interior of the structure exposed to elements which will cause a more rapid decay of the portions of the structure that are still standing, under the provisions of Section 12-31 of the Code, and;

**WHEREAS**, the Council hereby finds that there has been compliance with all applicable provisions of Chapter 12; Article II; Sections 12-31 through 12-38 of the Code relative to the adoption of this ordinance, and;

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Hendersonville, North Carolina:

- 1. Pursuant to G.S. 160A-193, G.S. 160D-1125, and Chapter 12, Article II of the Code of Ordinances for the City of Hendersonville, The City Council hereby finds that the premises are especially dangerous to life, because of the property's liability to fire and the damage to the roof and exterior walls of the structure.
- 2. The structure being unoccupied in its damaged condition is likely to contribute to blight, vagrancy, and a danger to children.
- 3. The damage to the roof and exterior walls of the structure leaves a significant portion of the interior of the structure exposed to elements which will cause a more rapid decay of the portions of the structure that are still standing.
- 4. The Code Enforcement Officer shall cause the structure on the Property, commonly known as 734 1<sup>st</sup> Ave West, Hendersonville, North Carolina, to be vacated, closed, and demolished 30 days from the date of this Ordinance.
- 5. The cost of the removal or demolition shall be a lien on the Property, and on any other real property owned by the Owner located within the City's planning and development regulation jurisdiction, pursuant to G.S. 160A-193, G.S. 160D-1125, and Sec. 12-37 of the Code of Ordinances for the City of Hendersonville.
- 6.

Adopted this 7<sup>th</sup> day of December 2023.

Attest:

Barbara G. Volk, Mayor, City of Hendersonville

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	Angela Beeker, City Attorney	MEETING DATE:	December 7, 2023	
AGENDA SECTION:	NEW BUSINESS	DEPARTMENT:	Legal Department	
TITLE OF ITEM:	Connections Center Update-Angela S. Beeker, City Attorney			
SUGGESTED MOTION(S):				
N/A.				

#### SUMMARY:

Staff will present an update to City Council concerning the Connections Center and will be prepared to answer any questions that City Council may have.

### ATTACHMENTS:



### CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	John Connet	<b>MEETING DATE:</b>	12/7/2023
AGENDA SECTION:	NEW BUSINESS	DEPARTMENT:	Administration
TITLE OF ITEM:	7 <sup>th</sup> Avenue Streetscape Project Up	odate – Brendan Shan	ahan, City Engineer
SUGGESTED MOTIO	<u> </u>		

NA

#### **SUMMARY:**

Staff is currently reviewing bids for the 7<sup>th</sup> Avenue Streetscape. We have requested a special meeting on December 14, 2023 to approve the bids. In preparation of that meeting, staff wanted to update the City Council about the project.

**BUDGET IMPACT:** \$ TBD

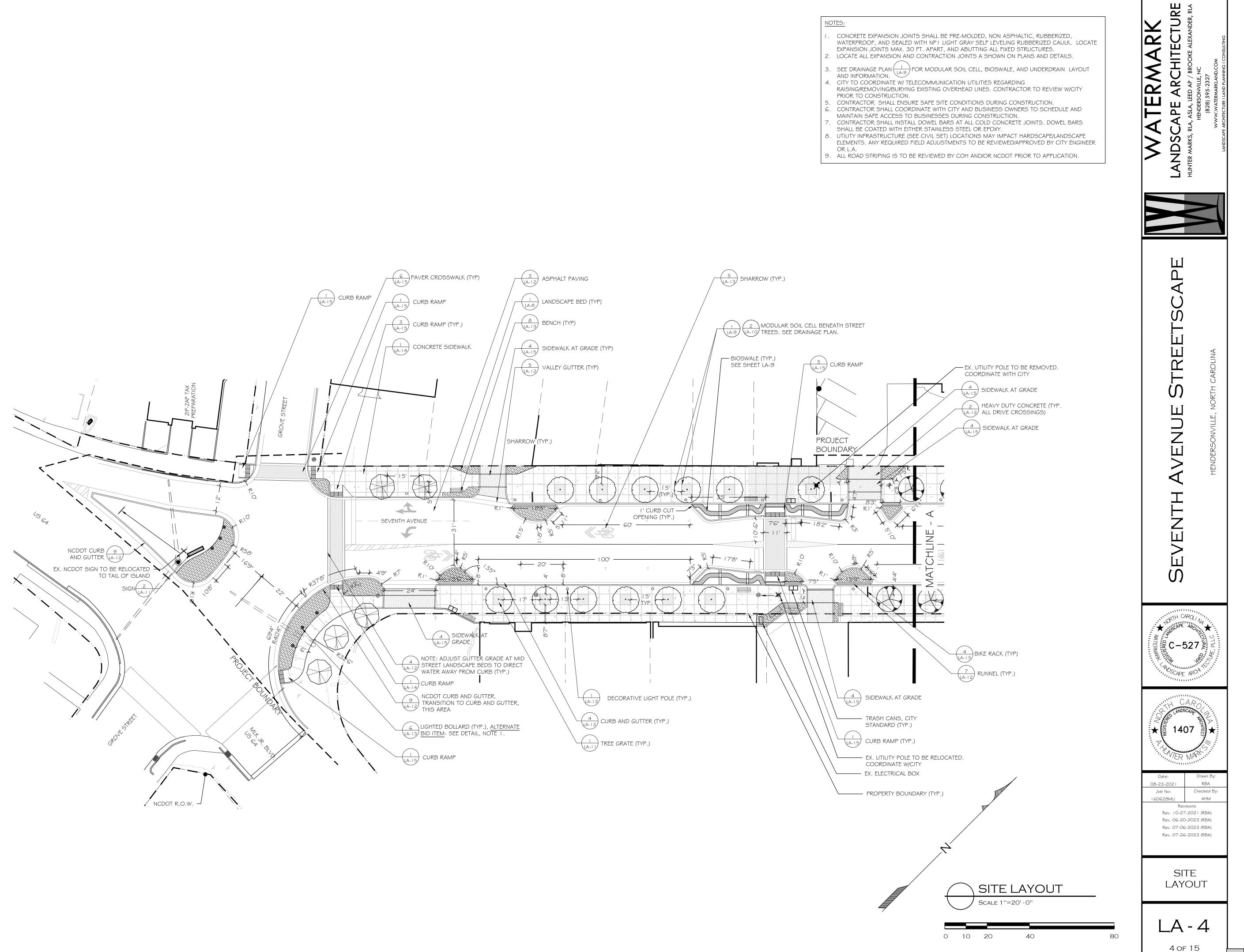
Is this expenditure approved in the current fiscal year budget? EnterTextHere

If no, describe how it will be funded. EnterTextHere

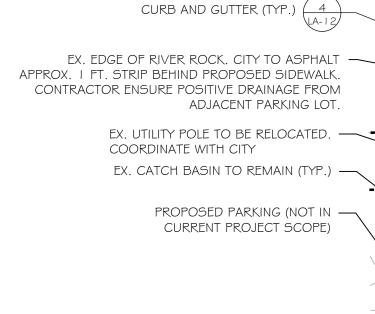
**ATTACHMENTS:** 

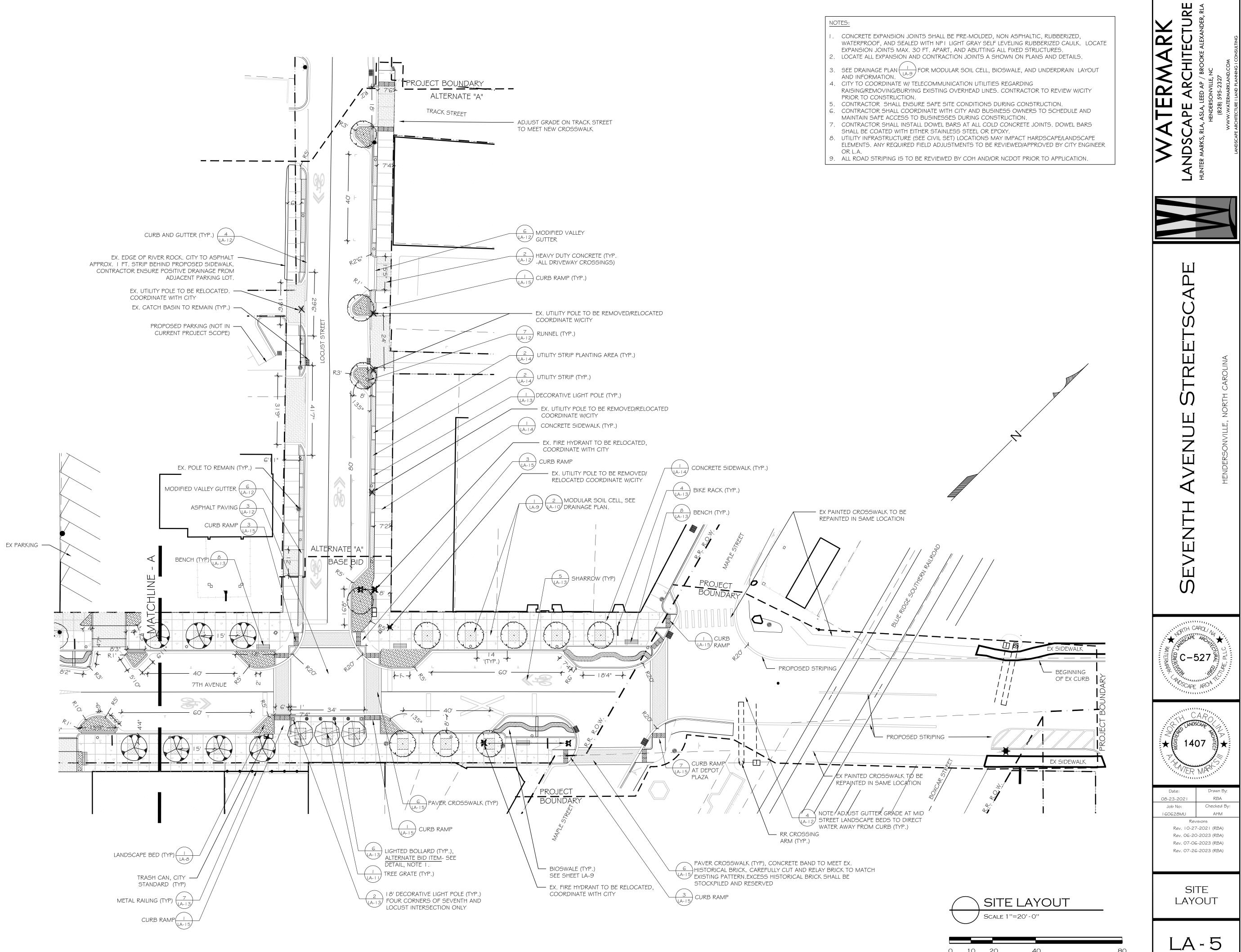
Project Plans











5 of 15

0 10 20

40



### CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	John Connet, City Manager	MEETING DATE:	12/7/2023
AGENDA SECTION:	NEW BUSINESS	DEPARTMENT:	Administration
TITLE OF ITEM:	Scheduling of a Special City Cou at 11:00 AM and Cancellation of John Connet, City Manager	0	•

#### **SUGGESTED MOTION(S):**

I move that the City Council schedule a Special Meeting on Thursday, December 14, 2023 at 11:00 AM at the Whitmire Center and cancel the December 27, 2023 Workshop Meeting.

#### **SUMMARY:**

Staff is requesting a special meeting to approve the bids for the 7<sup>th</sup> Avenue Streetscape Project. I am proposing that we schedule the special meeting on Thursday, December 14, 2023 at 11:00 AM. This is directly prior to the City Christmas Lunch.

**BUDGET IMPACT:** \$ TBD

Is this expenditure approved in the current fiscal year budget? TBD

If no, describe how it will be funded. TBD

#### **ATTACHMENTS:**

None



### CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	John Connet, City Manager	<b>MEETING DATE:</b>	12/7/2023
AGENDA SECTION:	NEW BUSINESS	DEPARTMENT:	Administration
TITLE OF ITEM:	Approval of 2024 Meeting Sched	ule – John Connet, Ci	ty Manager

#### **SUGGESTED MOTION(S):**

I move that the City Council approve the 2024 Meeting Schedule (or as amended).

#### **SUMMARY:**

We are asking City Council to approve your meeting schedule for 2024. We have tried to include all known special meetings and adjustments for holidays. We ask that you please review and let us know if changes are needed.

**BUDGET IMPACT:** \$ NA

Is this expenditure approved in the current fiscal year budget? NA

If no, describe how it will be funded. NA

**ATTACHMENTS:** 

Proposed Calendar

# NOTICE

City of Hendersonville City Council 3

305 Williams Street, Hendersonville, NC 28792

### **NOTICE OF CITY COUNCIL MEETINGS 2024**

**<u>Regular Meetings</u>** of the City of Hendersonville City Council are held on the <u>first</u> <u>Thursday</u> of each month beginning at <u>5:45 p.m.</u> in the Assembly Room of the Operation Center located at 305 Williams Street, Hendersonville NC unless otherwise noticed. The following regular meetings have been scheduled for 2024:

January 4, 2024	<b>July 10, 2024</b>
February 7, 2024	August 1, 2024
March 7, 2024	September 5, 2024
April 4, 2024	<b>October 3, 2024</b>
May 2, 2024	<b>November 7, 2024</b>
June 6, 2024	<b>December 5, 2024</b>

\*\*Council/Staff Retreat – March 14 - 15, 2024 – Location TBD \*\*City Council Budget Workshop – May 3, 2024

**Second Monthly Meetings** will be held on the **fourth Wednesday** of each month beginning at **4:00 p.m**. in the Assembly Room of the Operation Center located at 305 Williams Street, Hendersonville NC unless otherwise noticed. The following workshop meetings have been scheduled for 2024:

January 24, 2024 February 28, 2024 March 27, 2024 April 24, 2024 May 22, 2024 June 26, 2024 July 24, 2024 August 28, 2024 September 25, 2024 October 23, 2024 November 25, 2024 December 25, 2024 - Cancelled

Jill Murray City Clerk

The City of Hendersonville is committed to providing accessible facilities, programs and services for all people in compliance with the Americans with Disabilities Act (ADA). Should you need assistance or a particular accommodation for this meeting please contact the City Clerk no later than 24 hours prior to the meeting at 697-3005.



Published in Times-News 12/\_\_\_/2023





CITY COUNCIL: BARBARA G. VOLK Mayor Lyndsey Simpson Mayor Pro Tem Dr. Jennifer Hensley Debbie O'Neal-Roundtree Jeff Miller



Section 9, Item A. JOHN F. CONNET City Manager ANGELA S. BEEKER City Attorney JILL MURRAY City Clerk

 To: Honorable Mayor and Members of the City Council
 From: Jill Murray, City Clerk
 Subject: Board and Committee Vacancies for Consideration (Board of Adjustment, Environmental Sustainability Board, Historic Preservation Committee, Planning Board & Tree Board)
 December 4, 2023

Honorable Mayor and Members of City Council:

Attached is information and applications regarding vacancies on the following boards.

#### A. Board of Adjustment

**TERMS:** <u>10 regular members and 2 alternates</u> <u>7 members and 1 alternate from the City of Hendersonville</u> <u>3 members and 1 alternate from the ETJ</u>

# <u>3 City resident vacancies, 2 regular and 1 alternate. We have two people that applied so far and we need to fill them so they can have a quorum.</u>

We received 2 applications as follows:

- 1. Steve Saalfield (city resident; term would expire 06/2026)
- 2. Terrance Bond (city resident; term would expire 06/2026)

\*after these two appointments, we will have one more spot to fill

#### B. Environmental Sustainability Board

**TERMS: 5** Residents of the City of Hendersonville **3** At-Large Members **1** At-Large member that is an environmental professional **1** City Council liaison (non-voting)

#### **<u>2 City resident vacancies</u>**

We received 1 applications as follows:

1. Margina Baxter (city resident); term would expire 06/2026) \*after this appointment, we will have one more spot to fill

#### C. <u>Historic Preservation Committee</u>

#### TERMS:

<u>9 Members that shall be residents of the territory subject to the zoning jurisdiction of the city and a majority of the members shall have demonstrated special interest, experience or education in history, architecture, archaeology, or related fields.</u>

#### **<u>2 City resident renewals</u>**

We received 1 application as follows:

- 1. Jim Boyd is in good standing and would like to reapply. If reappointed, his term will expire in 12/2026.
- 2. Anthony Baltiero has resigned and we will still need to fill his position.

#### D. Planning Board

**<u>TERMS:</u>** <u>7 Residents of the City of Hendersonville</u> <u>3 ETJ (County)</u>

#### 2 City resident renewals

We received 2 applications as follows:

1. Laura Flores and Tamara Peacock are in good standing and would like to reapply. If reappointed, their terms will expire in 12/2026.

#### E. Tree Board

**<u>TERMS:</u>** <u>7 Members total</u> <u>4 Members (at least) of the City of Hendersonville</u>

#### 2 vacancies - one is city resident and one is city or ETJ

We received 3 applications as follows:

- 1. Natalie Wilcoxen (ETJ)
- 2. Stephen Stark (City)
- 3. Melody Crawford (ETJ)
- 4. Glenn Lange is up for renewal this month. He is in good standing and wishes to continue on the Board. If reappointed, his term will expire 12/2026.

\*Pick two people, in addition to Glenn Lange's renewal

One term would expire 12/2026 and one would expire 12/2027.

\*\*\*\*In order for City Council to consider vacancies at their June 2023 meeting, applications are due Friday, May 5, 2023 at 5:00 p.m.\*\*\*\*

Submitted: 11/14/2023 2:48 PM

Board of Adjustment

#### Date of Application

11/14/2023

. . .

#### Name

Yes

Steve J Saalfield

#### Do you reside within Hendersonville's City limits?

Street Address 610 Willow Rd, Hendersonville, North Carolina 28739

#### Mailing Address (If Different)

610 Willow Rd, Hendersonville, North Carolina 28739

**Phone** (239) 272-5151

Email chopper1steve@yahoo.com

Select Board/Commission/Committee

Please list any other appointed board positions you presently hold in any capacity. This includes advisory boards, quasi-judicial boards, committees, non-proffits ect.

None at this time

Please list educational background, special qualifications, i.e., civic memberships, related work experience, etc.

Worked in the retirement industry for 30 years.

I am disabled and use a walker at the age of 61.1 was the Food and Beverage director at a high end retirement community with a staff of 60 employees. Before that I was a chef a various resorts and club around the country.

Based on your qualifications and experience, briefly describe why your services on these boards/commissions would be beneficial to the City of Hendersonville.

Hendersonville would benefit from my experience working with the elderly, and my personal experience as a handicap resident in the city of Hendersonville.

White

For	reporting	purposes,	please	select	how	you
ide	ntify.					

Race: For purposes of diversity and inclusion please identify your race.

Male

# /ailing Address (If

**Different)** 610 Willow Rd, The City Council adopted a Code of Ethics for Advisory Boards/Commissions/Committees as well a Handbook. All persons appointed to City advisory boards must sign acknowledgement of this document. <u>You may view the</u> <u>Handbook and Code of Ethics Resolution and other</u> information here.

The training video is available here.

Signature- I hereby affirm that, to the best o my knowledge, the information provided on this application is true and accurate. I also acknowledge upon appointment to an advisory board I will view the Advisory Board Training Video, Handbook & Code of Ethics on the City's website and agree to abide by its tenants.

Entry #: 362 - 9/14/2023 Status: Submitted

\*\*\*\*In order for City Council to consider vacancies at their June 2023 meeting, applications are due Friday, May 5, 2023 at 5:00 p.m.\*\*\*\*

Submitted: 9/14/2023 4:41 PM

#### **Date of Application**

9/14/2023

#### Name

Terrance Bond

Do you reside within<br/>Hendersonville's City<br/>limits?Street AddressMailing Address (If<br/>Different)401 White Oak Dr., Hendersonville Hendersonville, North Carolina<br/>28791Different)North CarolinaYesCityImage: CityNorth Carolina

Phone

(770) 307-8337

terry.bond@hotmail.com

Email

Please list any other appointed board positions you presently hold in any capacity. This includes advisory boards, quasi-judicial boards, committees, non-proffits ect.

none

#### Please list educational background, special qualifications, i.e., civic memberships, related work experience, etc.

From 2011-2014 I was President of the Midtown Neighbors' Association representing the ~22,000 permanent residents of Midtown (plus ~50,000 workday influx) and was responsible for review of all Liquor licenses, Land Use applications, Zoning variances, and Festival Permits for the Midtown neighborhood, including Peachtree Street and Piedmont Park. As President of the MNA, I was also the MNA representative to the Atlanta City Council and worked with the Atlanta Neighborhood Planning Units (NPU) for the City's 5- and 10-year planning.

I was also a volunteer speaker for the Atlanta BeltLine, a Task Force Coordinator for Clean Cities-Atlanta EV Readiness planning, President of the HOA my condominium association, and a member of the Midtown Alliance.

# Based on your qualifications and experience, briefly describe why your services on these boards/commissions would be beneficial to the City of Hendersonville.

Although it has been a while, I am experienced with residential and commercial variance requests. I am sure I would quickly come up to speed on Hendersonville's unique growth challenges and be a positive member of the Board of Adjustments.

White

For reporting purposes,	please	select	how	you
identify.				

Race: For purposes of diversity and inclusion please identify your race.

Male

Section 9, Item A.

Select Board/Commission/Committee

Board of Adjustment

34 2 The City Council adopted a Code of Ethics for Advisory Boards/Commissions/Committees as well a Handbook. All persons appointed to City advisory boards must sign acknowledgement of this document. <u>You may view the</u> <u>Handbook and Code of Ethics Resolution and other</u> information here.

The training video is available here.

Signature- I hereby affirm that, to the best o my knowledge, the information provided on this application is true and accurate. I also acknowledge upon appointment to an advisory board I will view the Advisory Board Training Video, Handbook & Code of Ethics on the City's website and agree to abide by its tenants.

Terrance Bond

\*\*\*\*In order for City Council to consider vacancies at their June 2023 meeting, applications are due Friday, May 5, 2023 at 5:00 p.m.\*\*\*\*

#### Date of Application

11/27/2023

#### Name

Yes

Margina Baxter

#### Do you reside within Hendersonville's City limits?

**Street Address** 606 Hebron Road, Hendersonville, North Carolina 28739

#### Mailing Address (If Different)

606 Hebron Road, Hendersonville, North Carolina 28739

Phone (828) 384-5817 Email margina.mctigue@gmail.com

<u>All appointments to the Environmental Sustainability Board shall be made by the City of Hendersonville City Council</u>. The Board shall consist of nine (9) members from the following membership categories:

(5) Residents of the City of Hendersonville.

(4) At-Large Members

(1) City Council Liaison – Non-voting.

<u>At-large members are defined as persons owning property or residing within the City of Hendersonville or Henderson</u> County, or business owners whose business is located within the City of Hendersonville or Henderson County.

Please list any other appointed board positions you presently hold in any capacity. This includes advisory boards, quasi-judicial boards, committees, non-proffits ect.

PFLAG Henderson County Board and Hendersonville Pride Executive Committee

#### Please list educational background, special qualifications, i.e., civic memberships, related work experience, etc.

BS in Human Development and Family Studies, Early Ed conc. from UNCG; AS in Early Ed from Blue Ridge CC.; have worked with Brooklyn community garden for 2 years

# Based on your qualifications and experience, briefly describe why your services on these boards/commissions would be beneficial to the City of Hendersonville.

No professional or academic experience that relates, but long-term personal interest and understanding of the need for environmental planning, specifically as it relates to critical growth and housing.

# For reporting purposes, please select how you identify.

Race: For purposes of diversity and inclusion please identify your race.

Female

# Section 9, Item A.

# Aailing Address (If

C.H.

Select Board/Commission/Committee

Environmental Sustainability Board

The City Council adopted a Code of Ethics for Advisory Boards/Commissions/Committees as well a Handbook. All persons appointed to City advisory boards must sign acknowledgement of this document. <u>You may view the</u> <u>Handbook and Code of Ethics Resolution and other</u> information here.

The training video is available here.

Signature- I hereby affirm that, to the best of my knowledge, the information provided on this application is true and accurate. I also acknowledge upon appointment to an advisory board I will view the Advisory Board Training Video, Handbook & Code of Ethics on the City's website and agree to abide by its tenants.

310

Section 9, Item A.

\*\*\*\*In order for City Council to consider vacancies at their June 2023 meeting, applications are due Friday, May 5, 2023 at 5:00 p.m.\*\*\*\*

#### Date of Application

11/27/2023

#### Name

Natalie Wilcoxen

#### Do you reside within Hendersonville's City limits?

**Street Address** 1910 S Stoney View Ct, Hendersonville, North Carolina 28792 Mailing Address (If Different)

Yes

Phone

(480) 335-4255

Email nawilcoxen@gmail.com

The tree board is composed of seven (7) members, at least four (4) of whom must be residents of the territory subject to the zoning jurisdiction of the city or own property in the city. Membership is appointed by the City Council.

#### Tree Board

Please list any other appointed board positions you presently hold in any capacity. This includes advisory boards, quasi-judicial boards, committees, non-proffits ect.

I do not currently hold any board positions, but I have in the past.

### Please list educational background, special qualifications, i.e., civic memberships, related work experience, etc.

I have a bachelors and masters degree in history and I have a particular love of trees - particularly the giant Sequoia tree and the black walnut tree. I have completed academic research on the exchange of trees between continents. I have worked in landscaping and tree trimming.

# Based on your qualifications and experience, briefly describe why your services on these boards/commissions would be beneficial to the City of Hendersonville.

I am an avid tree lover and I adore the city of Hendersonville. I believe that I could be useful in ascertaining the historical and continued benefit of trees to our community. I am useful as a researcher, historian, and teacher. Above all, I am passionate about the local community and have a thorough knowledge of local native flora and fauna.

# For reporting purposes, please select how you identify.

**identify your race.** Hispanic, White

Race: For purposes of diversity and inclusion please

Female



Status: Submitted

Submitted: 11/27/2023 3:14 PM

#### Select Board/Commission/Committee

Tree Board

\_...

The City Council adopted a Code of Ethics for Advisory Boards/Commissions/Committees as well a Handbook. All persons appointed to City advisory boards must sign acknowledgement of this document. <u>You may view the</u> <u>Handbook and Code of Ethics Resolution and other</u> information here.

The training video is available here.

Signature- I hereby affirm that, to the best of my knowledge, the information provided on this application is true and accurate. I also acknowledge upon appointment to an advisory board I will view the Advisory Board Training Video, Handbook & Code of Ethics on the City's website and agree to abide by its tenants.

Status: Submitted

Tree Board

Select Board/Commission/Committee

\*\*\*\*In order for City Council to consider vacancies at their June 2023 meeting, applications are due Friday, May 5, 2023 at 5:00 p.m.\*\*\*\*

#### Date of Application

11/26/2023

#### Name

Stephen E Stark

Do you reside within	Street Address	Mailing Address (If
Hendersonville's City	203 Sixth Avenue West, Unit 1A, Hendersonville, North Carolina	Different)
limits?	28739	Hendersonville 28739
Yes	(1, 2)	

162

#### Phone

Email

(716) 407-0292

sestark@me.com

The tree board is composed of seven (7) members, at least four (4) of whom must be residents of the territory subject to the zoning jurisdiction of the city or own property in the city. Membership is appointed by the City Council.

#### Tree Board

Please list any other appointed board positions you presently hold in any capacity. This includes advisory boards, quasi-judicial boards, committees, non-proffits ect.

Blue Ridge Humane Society Development Committee, Advisor to Canadian Transportation Company

Please list educational background, special qualifications, i.e., civic memberships, related work experience, etc.

BS Environmental Technology Masters in Urban Planning Published Thesis: Stewardship

Based on your qualifications and experience, briefly describe why your services on these boards/commissions would be beneficial to the City of Hendersonville.

I am passionate about preserving the natural environment in a developed community. I have been involved in real estate, real estate finance and real estate development since 1987. I wrote my master thesis on environmental stewardship and am a founding director of the Chenango Greenway in my hometown of Norwich, NY. I have been a Friend of the Ecusta Trail, since it's inception.

# For reporting purposes, please select how you identify.

Race: For purposes of diversity and inclusion please identify your race.

Male

White

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The training video is available here.

Signature- I hereby affirm that, to the best of my knowledge, the information provided on this application is true and accurate. I also acknowledge upon appointment to an advisory board I will view the Advisory Board Training Video, Handbook & Code of Ethics on the City's website and agree to abide by its tenants.

64

Select Board/Commission/Committee

\*\*\*\*In order for City Council to consider vacancies at their June 2023 meeting, applications are due Friday, May 5, 2023 at 5:00 p.m.\*\*\*\*

#### **Date of Application**

11/26/2023

#### Name

Melody M Crawford

#### **Street Address**

Hendersonville's City limits? Yes

Do you reside within

1307 7th ave east, Hendersonville, North Carolina 28792

Mailing Address (If **Different**)

### Phone

(828) 421-6303

Email peacepizza121@yahoo.com

The tree board is composed of seven (7) members, at least four (4) of whom must be residents of the territory subject to the zoning jurisdiction of the city or own property in the city. Membership is appointed by the City Council.

#### Tree Board

Please list any other appointed board positions you presently hold in any capacity. This includes advisory boards, quasi-judicial boards, committees, non-proffits ect.

No other

Please list educational background, special qualifications, i.e., civic memberships, related work experience, etc.

100 percent school of Life

Based on your qualifications and experience, briefly describe why your services on these boards/commissions would be beneficial to the City of Hendersonville.

Been working serving our community for over 23 years as a restaurant owner very concerned about the earth our community needs more exercise which equals sidewalks biking lanes more green buildings 🙆 💽 plants plants plants trees

For reporting purposes, please select how you identify.

Race: For purposes of diversity and inclusion please identify your race.

Female

#### Submitted: 11/26/2023 12:11 PM **Status:** Submitted

Tree Board

The City Council adopted a Code of Ethics for Advisory Boards/Commissions/Committees as well a Handbook. All persons appointed to City advisory boards must sign acknowledgement of this document. <u>You may view the</u> <u>Handbook and Code of Ethics Resolution and other</u> information here.

The training video is available here.

Signature- I hereby affirm that, to the best of my knowledge, the information provided on this application is true and accurate. I also acknowledge upon appointment to an advisory board I will view the Advisory Board Training Video, Handbook & Code of Ethics on the City's website and agree to abide by its tenants.



# CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER:	Jennifer Floyd	MEETING DATE	: 12/07/2023
AGENDA SECTION	:City Manager Report	<b>DEPARTMENT:</b>	Administration
TITLE OF ITEM:	November 2023 Contingency Manager	y and Adjustment Rep	oort – John Connet, City

#### **SUGGESTED MOTION(S):**

N/A – Presentation Only.

#### **SUMMARY:**

In accordance with North Carolina General Statute (NCGS) 159-13(b) it is required that all expenditures resulting from a contingency appropriation budget be reported to the governing board at its next regular meeting and recorded in the minutes.

NCGS 159-15 permits the Budget Officer (City Manager), to transfer budget from one appropriation to another within the same fund, provided any such transfers are reported to the Governing Board. The City of Hendersonville refers to transfers of budget from one appropriation to another within the same fund as a "budget adjustment". City Council authorizes budget adjustments each year with the adoption of the annual budget ordinance (SECTION 4).

This agenda item serves to fulfill the reporting requirements of both NCGS 159-13(b) and 159-15 by providing City Council a summary of all amendments and adjustments occurring thus far in the fiscal year.

BUDGET IMPACT: Detailed Above

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

ATTACHMENTS: Contingency and Adjustment Report

FISCAL YEAR 2023 - 2024 (FY24) BUDGET AMENDMENTS			Completed Proposed	Corrected Denied		
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET	DESCRIPTION
10-0000-470010-VE024	Debt Proceeds (Vehicle & Equip. Loan)		403,000	-	403,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
0-1300-554002-VE024	C/O-Vehicles (14-47, Marked)	_	60,500	-	60,500	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
0-1300-554002-VE024	C/O-Vehicles (14-47, Marked)	-	60,500	-	60,500	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
0-1300-554002-VE024	C/O-Vehicles (14-52, Marked)	_	60,500	-	60,500	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
D-1300-554002-VE024	C/O-Vehicles (14-55, Marked)	-	60,500		60,500	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
-1300-554002-VE024	C/O-Vehicles (14-35, Marked)	-	60,500	-	60,500	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
-1300-554002-VE024	C/O-Vehicles (14-49, Marked)		60,500	-	60,500	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
-1300-554002-VE024	C/O-Vehicles (14-50, Un-marked)	- -	40,000	-	40,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
-1300-334002-VL024	Debt Proceeds (Vehicle & Equip. Loan)	- -	430,000	-	430,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
-1400-554001-VE024	C/O-Equipment (SCBAs)	- -	325,000	-	325,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
)-1400-554001-VE024	C/O-Vehicles (14-61, SUV)		65,000	-	65,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
-1400-554002-VE024 -1400-554002-VE024	C/O-Vehicles (14-84, Truck)	-	40,000	-	40,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
0-0000-470010-VE024	Debt Proceeds (Vehicle & Equip. Loan)	_	469,000	-	469,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
)-1502-554002-VE024	C/O-Vehicles (Sustainability Vehicle)	-	50,000	-	50,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
)-1523-554002-VE024	C/O-Vehicles (16-03, 2500 Series)	_	63,000	-	63,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
)-1525-554002-VE024	C/O-Vehicles (14-30, 2500 Series)	-	53,000		53,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
)-1525-554002-VE024	C/O-Vehicles (14-58, 2500 Series)	-	53,000	-	53,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
D-1525-554001-VE024	C/O-Equipment (43-03 Ventrac)	_	100,000	-	100,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
)-1555-554001-VE024	C/O-Equipment (20-01 Dump)	-	150,000		150,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
0-0000-470100-VE024	Transfer In (from 060)	-	589,000	-	589,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
)-7002-554002-VE024	C/O-Vehicles (All W&S Vehicles)	-	205,000	-	205,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
D-7002-554002-VE024	C/O-Equipment (42-06, Skid Steer)	-	100,000	-	100,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
0-7002-554001-VE024	C/O-Equipment (42-06, Skid Steer)	-	82,000	-	82,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
0-7002-554001-VE024		-	120,000		120,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
	C/O-Equipment (LSL Crew Dump)	-		-		
0-7002-554001-VE024 8-0000-470010-VE024	C/O-Equipment (LSL Crew Excavator)	-	82,000 500,000	-	82,000 500,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
	Debt Proceeds (Vehicle & Equip. Loan)	-		-		FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
8-7855-554002-VE024	C/O-Vehicles (14-18, 3500 Series+Refuse Bed)	-	75,000	-	75,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
8-7855-554001-VE024	C/O-Equipment (61-17 Leaf Machine)	-	125,000	-	125,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
8-7855-554001-VE024	C/O-Equipment (Waste Truck)	-	300,000	-	300,000	FY24 Vehicle and Equipment CPO #VE024 - Reflects CPO Adopted
1-0000-470100-G2205	Transfer In (from 010)	-	75,000	-	75,000	Pickleball / Patton Park Improvements Transfer
1-1502-550103-G2205	C/O-CIP (Pickleball Courts)	-	75,000	-	75,000	Pickleball / Patton Park Improvements Transfer
0-1502-519200	Contracted Services	30,000		18,065	11,935	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
0-1523-531600	Lease/Rental Equipment	6,000		6,000		FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
0-1523-524010	R&M Buildings	43,950	-	18,000	25,950	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
0-1523-524020	R&M Equipment	16,000	-	5,000	11,000	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
0-1523-554001	C/O - Equipment	25,000	-	2,000	23,000	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
0-0000-598901	Transfer Out (to 468, #VE024)	3,399,905	49,065	2,000	3,448,970	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
3-0000-470010-VE024	Debt Proceeds (Vehicle & Equip. Loan)	500,000	49,005	-	500,000	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
3-0000-470100-VE024	Transfer In (from 010)		49,065	-	49,065	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
3-7855-554002-VE024	C/O-Vehicles (14-18, 3500 Series+Refuse Bed)	- 75,000	49,000	-	75,000	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
3-7855-554002-VE024	C/O-Equipment (61-17 Leaf Machine)	125,000	49,065	-	174,065	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
8-7855-554001-VE024	C/O-Equipment (Waste Truck)	300,000	-	-	300,000	FY24 Vehicle and Equipment CPO Amendment #1 - Public Works
0-0000-470010-21017	Debt Proceeds (2023 IFC)	3,000,000	3,425,000	-	6,425,000	City Hall & Operations #21017 Installment Finanancing
0-1002-550103-21017	Debt Proceeds (Vehicle & Equip. Loan)	3,000,000	3,425,000	-	6,425,000	City Hall & Operations #21017 Installment Finanancing
0-0000-470900	Fund Balance Appropriated	2,614,519	42,000	-	2,656,519	HandsOn FBA, Contract Year 3

010-1001-540001	Special Appropriations	264,709	42,000	-	306,709	HandsOn FBA, Contract Year 3
010-0000-420050	Grant Revenue	-	25,000	-	25,000	Community Garden \$25,000 Grant
010-1502-553000	Capital Outlay - Land Improvements	-	25,000	-	25,000	Community Garden \$25,000 Grant
			-	-		
010-0000-470900	Fund Balance Appropriated	2,656,519	60,000	-	2,716,519	Land Acquisition
010-1002-551000	C/O - Land/Easement/ROW	-	60,000	-	60,000	Land Acquisition
010-0000-460090	Contribution/Donation	25,000	20,000	-	45,000	Disc Golf Contribution
010-1525-553000	C/O - Land Improvements	55,000	20,000	-	75,000	Disc Golf Contribution
459-0000-470900	Fund Balance Appropriated	-	133,780	-	133,780	UV Aeration Basin Project
459-0000-598901	Transfer Out (to 460, #21045)	-	133,780	-	133,780	UV Aeration Basin Project
460-0000-470100-21045	Transfer In (from 459)	-	133,780	-	133,780	UV Aeration Basin Project
460-0000-470100-21045	Transfer In (from #G2204)	1,450,000	39,712	-	1,489,712	UV Aeration Basin Project
460-1014-550103-21045	Capital Outlay CIP	1,450,000	173,492	-	1,623,492	UV Aeration Basin Project
460-0000-470100-16023	Transfer In (from'22 NCDEQ, #G2204)	3,550,000	-	39,712	3,510,288	UV Aeration Basin Project
460-0000-470100-16023	Transfer In (from 459)	400,000	-	-	400,000	UV Aeration Basin Project
460-1014-550103-16023	Capital Outlay CIP	3,550,000	-	39,712	3,510,288	UV Aeration Basin Project
460-1014-550102-16023	Capital Outlay Services and Fees	400,000	-	-	400,000	UV Aeration Basin Project
010-1300-554001	C/O Equipment	282,500		70,000	212,500	Active Shooter PPE & Shields
010-1300-534001	Non-Capital Equipment	6,000	- 70,000	-	76,000	Active Shooter PPE & Shields
010-1300-334000		6,000	70,000	-	76,000	Active Shoolel PPE & Shields
010-1300-554001	C/O Equipment	212,500	-	68,000	144,500	Computer Replacements
010-1300-534000	Non-Capital Equipment	76,000	68,000	-	144,000	Computer Replacements
010-1300-554001	C/O Equipment	30,500	-	4,200	26,300	Forensic system training adjustment
010-1300-534000	Non-Capital Equipment	87,279	4,200	-	91,479	Active Shooter PPE & Shields
010-1300-554001	C/O Equipment	144,500	-	4,200	140,300	Cellular Forensic System Training
010-1300-531225	Training	87,279	4,200	-	91,479	Cellular Forensic System Training
010-1300-554001	C/O Equipment	140,300	-	114,000	26,300	Camera and AV Cloud Storage
010-1300-557001	C/O Leases and Subscriptions - GASB 87 & 96	-	114,000	-	114,000	Camera and AV Cloud Storage
010-1502-519200	Contract Services	32,800	-	10,000	22,800	Cityworks
010-1010-531215	Permits, License and Fees	79,300	10,000	-	89,300	Cityworks
010-1525-552001	C/O Buildings	40,000	-	40,000	-	Furnace and Air Handlers at Ops - switched depts
010-1523-552001	C/O Buildings	40,000	40,000	-	80,000	Furnace and Air Handlers at Ops - switched depts
010-1002-502091	Worker's Comp. Insurance	453	8,289	-	8,742	BA For FY24 Worker's Comp Insurance Invoice 07/17/2023
010-0000-534999	Contingency	227,500	-	8,289	219,211	BA For FY24 Worker's Comp Insurance Invoice 07/17/2023
060-1002-502091	Worker's Comp. Insurance	453	8,289	-	8,742	BA For FY24 Worker's Comp Insurance Invoice 07/17/2023
060-0000-534999	Contingency	222,586	-	8,289	214,297	BA For FY24 Worker's Comp Insurance Invoice 07/17/2023
010-1535-524020	R&M Equipment	8,000	-	3,700	4,300	Backup Pool Pump
010-1535-554001	C/O Equipment Other Than	10,000	3,700	-	13,700	Backup Pool Pump
060-1010-531210	Permits, Licenses, and Fees	560,200	-	20,000	540,200	IT Equipment
060-1010-534000	C/O Equipment Other Than	-	20,000	-	20,000	IT Equipment
					_0,000	
060-1010-521001	Supplies & Materials	17,500	-	10,000	7,500	IT Equipment
060-1010-521010	Office Supplies	-	10,000	-	10,000	IT Equipment

010-0000-534999	Contingencies	219,211	-	20,000	199,211	IT Permits, Licenses, Fees
10-1002-539005	Health and Welfare Exp.	153,015	-	50,000	103,015	IT Permits, Licenses, Fees
10-1010-531210	Permits, Licenses, and Fees	89,300	70,000	-	159,300	IT Permits, Licenses, Fees
10-0000-470010-VE024	Debt Proceeds (Vehicle & Equip. Loan)	403,000	30,250	-	433,250	VE024 vehicle and equipment project amendment for HPD/BGC vehicle
10-0000-460090-VE024	Contributions/Donations	-	30,250	-	30,250	VE024 vehicle and equipment project amendment for HPD/BGC vehicle
10-1300-554002-VE024	C/O-Vehicles (14-47, Marked)	60,500	-	-	60,500	VE024 vehicle and equipment project amendment for HPD/BGC vehicl
10-1300-554002-VE024	C/O-Vehicles (14-53, Marked)	60,500	-	-	60,500	VE024 vehicle and equipment project amendment for HPD/BGC vehicl
10-1300-554002-VE024	C/O-Vehicles (14-52, Marked)	60,500	-	-	60,500	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1300-554002-VE024	C/O-Vehicles (14-55, Marked)	60,500	-	-	60,500	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1300-554002-VE024	C/O-Vehicles (14-48, Marked)	60,500	-	-	60,500	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1300-554002-VE024	C/O-Vehicles (14-49, Marked)	60,500	-	-	60,500	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1300-554002-VE024	C/O-Vehicles (14-50, Un-marked)	40,000	-	-	40,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1300-554002-VE024	C/O-Vehicles (New BGC Vehicle)	-	60,500	-	60,500	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-0000-470010-VE024	Debt Proceeds (Vehicle & Equip. Loan)	430,000	-	-	430,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
L0-1400-554001-VE024	C/O-Equipment (SCBAs)	325,000	-	-	325,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1400-554002-VE024	C/O-Vehicles (14-61, SUV)	65,000	-	-	65,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1400-554002-VE024	C/O-Vehicles (14-84, Truck)	40,000	-	-	40,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-0000-470010-VE024	Debt Proceeds (Vehicle & Equip. Loan)	469,000	-	-	469,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1502-554002-VE024	C/O-Vehicles (Sustainability Vehicle)	50,000	-	-	50,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1523-554002-VE024	C/O-Vehicles (16-03, 2500 Series)	63,000	-	-	63,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1525-554002-VE024	C/O-Vehicles (14-30, 2500 Series)	53,000	-	-	53,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1525-554002-VE024	C/O-Vehicles (14-58, 2500 Series)	53,000	-	-	53,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1525-554001-VE024	C/O-Equipment (43-03 Ventrac)	100,000	-	-	100,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-1555-554001-VE024	C/O-Equipment (20-01 Dump)	150,000	-	-	150,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
60-0000-470100-VE024	Transfer In (from 060)	589,000	-	-	589,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
60-7002-554002-VE024	C/O-Vehicles (All W&S Vehicles)	205,000	-	-	205,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
60-7002-554001-VE024	C/O-Equipment (42-06, Skid Steer)	100,000	-	-	100,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
60-7002-554001-VE024	C/O-Equipment (44-08 Excavator)	82,000	-	-	82,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
60-7002-554001-VE024	C/O-Equipment (LSL Crew Dump)	120,000	-	-	120,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
60-7002-554001-VE024	C/O-Equipment (LSL Crew Excavator)	82,000	-	-	82,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
68-0000-470100-VE024	Transfer In (from 010)	49,065	-	-	49,065	VE024 vehicle and equipment project amendment for HPD/BGC vehic
68-0000-470010-VE024	Debt Proceeds (Vehicle & Equip. Loan)	500,000	-	-	500,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
68-7855-554002-VE024	C/O-Vehicles (14-18, 3500 Series+Refuse Bed)	75,000	-	-	75,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
68-7855-554001-VE024	C/O-Equipment (61-17 Leaf Machine)	174,065	-	-	174,065	VE024 vehicle and equipment project amendment for HPD/BGC vehic
68-7855-554001-VE024	C/O-Equipment (Waste Truck)	300,000	-	-	300,000	VE024 vehicle and equipment project amendment for HPD/BGC vehic
10-0000-460090	Contributions/Donations	45,000	50,000	-	95,000	Comp Plan amendment increasing contributions/donations \$50k
10-1200-519200	Contracted Services	225,000	50,000	-	275,000	Comp Plan amendment increasing contributions/donations \$50k
10-0000-470030	Insurance Proceeds	-	1,368	-	1,368	Insurance reimbursement August 2023
10-1525-524030	R&M Trucks	14,500	1,368	-	15,868	Insurance reimbursement August 2023
10-0000-470900	Fund Balance Appropriated	2,716,519	100,000	-	2,816,519	Parks plan completion in the GF - reverse CPO
10-1502-519200	Contract Services	22,800	100,000	-	122,800	Parks plan completion in the GF - reverse CPO
10-1008-519101	Prof. Services Audit	25,500	1,000	-	26,500	Parks plan completion in the GF - reverse CPO
10-1008-531255	Bank Service Charges	32,000	-	1,000	31,000	Parks plan completion in the GF - reverse CPO
10-1008-519101	Prof. Services Audit	25,500	1,000	-	26,500	Parks plan completion in the GF - reverse CPO
10-1008-531225	Training	24,270	-	1,000	23,270	Parks plan completion in the GF - reverse CPO
		_ 1,2,0		_,	_0,2,0	
10-1010-534000	Non-Capital	84,000	_	6,200	77,800	IT software
10-1010-531210	Permits, Licenses, Fees	171,300	6,200	-	177,500	IT software

010-1010-539005	Health and Welfare	103,015	-	42,000	61,015	IT software
010-1010-531210	Permits, Licenses, Fees	177,500	42,000	-	219,500	IT software
			,	<b>I</b>	- /	
10-0000-534999	Contingency	162,211	-	16,000	146,211	NC Association of Police Chiefs
10-1300-519200	Contract Services	18,650	16,000	-	34,650	NC Association of Police Chiefs
067-7555-521040	Construction & Repair Supplies	50,000	-	1,000	49,000	PW trailer
067-7555-554001	Capital Outlay Other Than	20,000	1,000	-	21,000	PW trailer
159-0000-470090	Fund Balance Appropriated	-	386,000	-	386,000	Church St. Sewer Project 18033 transfer in
459-0000-598901	Transfer Out (to 460, #19014)	-	386,000	-	386,000	Church St. Sewer Project 18033 transfer in
460-0000-470010-18033	Debt Proceeds ('23 Rev. Bond)	636,000	-	-	636,000	Church St. Sewer Project 18033 transfer in
460-0000-470100-18033	Transfer In (from 459)	-	386,000		386,000	Church St. Sewer Project 18033 transfer in
460-7055-550103-18033	Capital Outlay CIP	636,000	386,000	-	1,022,000	Church St. Sewer Project 18033 transfer in
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410-0000-470100-21042	Transfer In (from 010, FY23)	53,401	-	53,401	-	Blythe 21042 & Grove 21043 debt proceeds change
410-0000-470010-21042	Debt Proceeds	-	53,401	-	53,401	Blythe 21042 & Grove 21043 debt proceeds change
410-1014-550102-21042	Capital Outlay- Fees and Services	53,401	-	-	53,401	Blythe 21042 & Grove 21043 debt proceeds change
410-0000-470100-21043	Transfer In (from 010, FY23)	54,700	-	54,700	-	Blythe 21042 & Grove 21043 debt proceeds change
410-0000-470010-21043	Debt Proceeds	-	54,700	-	54,700	Blythe 21042 & Grove 21043 debt proceeds change
410-1014-550102-21043	Capital Outlay- Fees and Services	54,700	-	-	54,700	Blythe 21042 & Grove 21043 debt proceeds change
010-0000-534999	Contingency	146,211		76,240	69,971	401k Match amednments from contingency
010-0000-554999	COH Retirement Match (401k)	140,211	9,205	-	9,205	401k Match amednments from contingency
010-1002-502056	COH Retirement Match (401k)	-	2,730		2,730	
010-1005-502056	COH Retirement Match (401k)		4,265	-	4,265	401k Match amednments from contingency 401k Match amednments from contingency
010-1008-502056	COH Retirement Match (401k)	-	885	-	885	401k Match amednments from contingency
010-1010-502056	COH Retirement Match (401k)		3,500	-	3,500	401k Match amednments from contingency
010-1014-502056	COH Retirement Match (401k)	-	6,100	-	6,100	401k Match amednments from contingency
010-1300-502056	COH Retirement Match (401k)		7,175	-	7,175	401k Match amednments from contingency
010-1400-502056	COH Retirement Match (401k)		24,775		24,775	401k Match amednments from contingency
010-1502-502056	COH Retirement Match (401k)		4,000		4,000	401k Match amednments from contingency
010-1521-502056	COH Retirement Match (401k)		2,550	-	2,550	401k Match amednments from contingency
010-1523-502056	COH Retirement Match (401k)		3,000		3,000	401k Match amednments from contingency
010-1525-502056	COH Retirement Match (401k)		1,625		1,625	401k Match amednments from contingency
010-1555-502056	COH Retirement Match (401k)		5,450	-	5,450	401k Match amednments from contingency
010-1560-502056	COH Retirement Match (401k)	-	870	-	870	401k Match amednments from contingency
010-7855-502056	COH Retirement Match (401k)	-	110	-	110	401k Match amednments from contingency
020-0000-534999	Contingency	7,600	-	2,365	5,235	401k Match amednments from contingency
020-1502-502056	COH Retirement Match (401k)	-	70	-	70	401k Match amednments from contingency
020-1523-502056	COH Retirement Match (401k)	-	160	-	160	401k Match amednments from contingency
020-1525-502056	COH Retirement Match (401k)	-	95	-	95	401k Match amednments from contingency
020-1560-502056	COH Retirement Match (401k)	-	45	-	45	401k Match amednments from contingency
020-2102-502056	COH Retirement Match (401k)	-	1,860	-	1,860	401k Match amednments from contingency
020-7855-502056	COH Retirement Match (401k)	-	135	-	135	401k Match amednments from contingency
021-0000-534999	Contingency	750	-	690	60	401k Match amednments from contingency
021-1502-502056	COH Retirement Match (401k)	-	20	-	20	401k Match amednments from contingency
021-1521-502056	COH Retirement Match (401k)	-	40	-	40	401k Match amednments from contingency
021-1525-502056	COH Retirement Match (401k)	-	25	-	25	401k Match amednments from contingency
021-1556-502056	COH Retirement Match (401k)	-	20	-	20	401k Match amednments from contingency
021-2202-502056	COH Retirement Match (401k)	-	555	-	555	401k Match amednments from contingency
021-7855-502056	COH Retirement Match (401k)	-	30	-	30	401k Match amednments from contingency
060-0000-534999	Contingency	214,297	-	81,603	132,694	401k Match amednments from contingency
060-1002-502056	COH Retirement Match (401k)	_	5,176	_	5,176	401k Match amednments from contingency

060-1005-502056	COH Retirement Match (401k)	-	2,727	-	2,727	401k Match amednments from contingency
060-1008-502056	COH Retirement Match (401k)	-	9,075	-	9,075	401k Match amednments from contingency
060-1010-502056	COH Retirement Match (401k)	-	2,879	-	2,879	401k Match amednments from contingency
060-1014-502056	COH Retirement Match (401k)	-	8,766	-	8,766	401k Match amednments from contingency
060-1502-502056	COH Retirement Match (401k)	-	380	-	380	401k Match amednments from contingency
060-1521-502056	COH Retirement Match (401k)	-	1,543	-	1,543	401k Match amednments from contingency
060-1523-502056	COH Retirement Match (401k)	-	2,972	-	2,972	401k Match amednments from contingency
060-7002-502056	COH Retirement Match (401k)	-	15,318	-	15,318	401k Match amednments from contingency
060-7032-502056	COH Retirement Match (401k)	-	4,997	-	4,997	401k Match amednments from contingency
060-7035-502056	COH Retirement Match (401k)	-	5,244	-	5,244	401k Match amednments from contingency
060-7050-502056	COH Retirement Match (401k)	_	3,072	-	3,072	401k Match amednments from contingency
060-7055-502056	COH Retirement Match (401k)	-	8,535	-	8,535	401k Match amednments from contingency
060-7132-502056	COH Retirement Match (401k)	-	2,461		2,461	401k Match amednments from contingency
060-7135-502056	COH Retirement Match (401k)	-	2,475	-	2,475	401k Match amednments from contingency
060-7150-502056	COH Retirement Match (401k)		1,778	-	1,778	401k Match amednments from contingency
060-7155-502056	COH Retirement Match (401k)		4,205	-	4,205	401k Match amednments from contingency
064-7455-519200	Contracted Services	5,000	-	155	4,845	401k Match amednments from contingency
064-1560-502056	COH Retirement Match (401k)		155	-	155	401k Match amednments from contingency
067-0000-534999	Contingency	5,600	-	5,300	300	401k Match amednments from contingency
067-1008-502056	COH Retirement Match (401k)	5,000	325	5,500	325	401k Match amednments from contingency
067-1014-502056	COH Retirement Match (401k)		150		150	401k Match amediments from contingency
067-1502-502056	COH Retirement Match (401k)		325		325	401k Match amednments from contingency
067-1525-502056	COH Retirement Match (401k)		600		600	401k Match amediments from contingency
067-1555-502056	COH Retirement Match (401k)		1,300		1,300	401k Match amediments from contingency
067-7555-502056	COH Retirement Match (401k)		2,600		2,600	401k Match amediments from contingency
068-0000-534999	Contingency	29,600	-	5,910	23,690	401k Match amediments from contingency
068-1502-502056	COH Retirement Match (401k)	29,800	850	5,910	850	401k Match amediments from contingency
068-1521-502056	COH Retirement Match (401k)	-	460		460	401k Match amediments from contingency
068-7855-502056		-	4,600		460	401k Match amednments from contingency
008-7855-502050	COH Retirement Match (401k)	-	4,000	-	4,000	401k Match ameunments non contingency
080-3101-521001	Supplies and Materials	13,000	6,000		19,000	Turkey Trot interim adjustment until 10/05 meeting
080-3101-519200	Contracted Services	70,125	0,000	6,000	64,125	Turkey Trot interim adjustment until 10/05 meeting
080-5101-515200	contracted services	70,125	_	0,000	04,125	Turkey for internit adjustment until 10/05 meeting
301-0000-420050-G2401	Grant Revenue (GHSP)	-	20,000	-	20,000	HPD - GHSP- Overtime (corrected project code 10/16/2023)
301-1300-501010-G2401	Overtime		16,576	-	16,576	HPD - GHSP- Overtime (corrected project code 10/16/2023)
301-1300-502001-G2401	FICA Tax Expense		1,264	-	1,264	HPD - GHSP- Overtime (corrected project code 10/16/2023)
301-1300-502050-G2401	Retirement Expense		2,160	-	2,160	HPD - GHSP- Overtime (corrected project code 10/16/2023)
			_,		_,	
460-0000-470010-18032	Debt Proceeds	5,600,000	2,400,000	-	8,000,000	Mud Creek Interceptor Project 18032
460-7055-550103-18032	Capital Outlay - CIP	5,600,000	2,400,000	-	8,000,000	Mud Creek Interceptor Project 18032
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467-0000-470100-G2306	Transfer in (from 067, FY24)	109,300	-	-	109,300	Stormwatet GoldenLEAF for Lower Mud Creek G2306
467-0000-420050-G2306	Grant Revenue (NCLWF)	1,120,929	-	-	1,120,929	Stormwatet GoldenLEAF for Lower Mud Creek G2306
467-0000-420050-G2306	Grant Revenue (NCDWI)	1,897,236	-	-	1,897,236	Stormwatet GoldenLEAF for Lower Mud Creek G2306
467-0000-460900-G2306	Contribution (GoldenLEAF)	-	250,000	-	250,000	Stormwatet GoldenLEAF for Lower Mud Creek G2306
467-7555-551000-G2306	Capital Outlay - Land/Easement/ROW	609,000	-	-	609,000	Stormwatet GoldenLEAF for Lower Mud Creek G2306
467-7555-550103-G2306	Capital Outlay - CIP	2,518,465	250,000	-	2,768,465	Stormwatet GoldenLEAF for Lower Mud Creek G2306
060-0000-534999	Contingency	132,694	-	83,905	48,789	W&S Staff budget amendment for reclassified positions
060-7032-501001	Salaries - Regular	382,677	13,110	-	395,787	W&S Staff budget amendment for reclassified positions
060-7032-502001	FICA	32,314	880	-	33,194	W&S Staff budget amendment for reclassified positions
060-7032-502050	Retirement	54,280	1,475	-	55,755	W&S Staff budget amendment for reclassified positions
060-7050-501001	Salaries - Regular	450,437	13,400	-	463,837	W&S Staff budget amendment for reclassified positions
060-7050-502001	FICA	34,458	1,025	-	35,483	W&S Staff budget amendment for reclassified positions
060-7050-502050	Retirement	57,881	1,725	-	59,606	W&S Staff budget amendment for reclassified positions
000-7050-502050	Ketirement	57,881	1,/25	-	59,606	was stan budget amendment for reclassified positions

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060-7055-501001	Salaries - Regular	1,194,004	20,920	-	1,214,924	W&S Staff budget amendment for reclassified positions
060-7055-502001	FICA	91,894	1,370	-	93,264	W&S Staff budget amendment for reclassified positions
060-7055-502050	Retirement	154,359	2,305	-	156,664	W&S Staff budget amendment for reclassified positions
060-7132-501001	Salaries - Regular	188,483	6,460	-	194,943	W&S Staff budget amendment for reclassified positions
060-7132-502001	FICA	14,529	435	-	14,964	W&S Staff budget amendment for reclassified positions
060-7132-502050	Retirement	24,406	725	-	25,131	W&S Staff budget amendment for reclassified positions
060-7150-501001	Salaries - Regular	222,508	6,600	-	229,108	W&S Staff budget amendment for reclassified positions
060-7150-502001	FICA	17,022	505	-	17,527	W&S Staff budget amendment for reclassified positions
060-7150-502050 060-7155-501001	Retirement	28,592	850 10,310	-	29,442	W&S Staff budget amendment for reclassified positions
060-7155-502001	Salaries - Regular FICA	588,191 45,269	675	-	598,501	W&S Staff budget amendment for reclassified positions
060-7155-502001	Retirement	76,039	1,135	-	45,944 77,174	W&S Staff budget amendment for reclassified positions W&S Staff budget amendment for reclassified positions
000-7153-502050	Retirement	70,059	1,155	-	//,1/4	was stan budget amenument for reclassined positions
080-0000-460001	Misc. Income (Shirt/Packet Sales)	13,000	6,000	-	19,000	Turkey Trot Shirt Increase
080-3101-519200	Contracted Services	64,125	6,000		70,125	Turkey Trot Shirt Increase
080-3101-313200	Contracted Services	04,125	0,000	-	70,125	
064-7455-524010	R&M Building	50,000	-	15,000	35,000	Trash/Recycling Bins
064-7455-521001	Contracted Services	64,125	15,000	-	79,125	Trash/Recycling Bins
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010-1010-534000	Non-Capital Equipment	77,800	-	4,200	73,600	IT Training
010-1010-531225	Tranining	-	4,200	-	4,200	IT Training
010-1521-552001	Capital Outlay- Buildings	42,500	-	7,950	34,550	Fleet Storage Building
010-1521-534000	Non-Capital Equipment	-	7,950	-	7,950	Fleet Storage Building
010-0000-534999	Contingency	69,971	-	2,031	67,940	NCLM Attorney Fees - Patton Pool
010-1535-519102	Prof. Services Legal	-	2,031	-	2,031	NCLM Attorney Fees - Patton Pool
010-1002-519200	Contracted Services	100,000		15,000	85,000	Talent Management- Oracle
010-1002-519200	Contracted Services	305,850	- 15,000	15,000	320,850	Talent Management - Oracle
010-1010-313200	Contracted Services	303,830	15,000	-	520,850	
068-7855-524030	R&M Trucks	60,000	-	6,150	53,850	ESF Equipment Purchase 10/02/23 - Brandon
068-7855-554001	Capital Outlay Equipment	-	6,150	-	6,150	ESF Equipment Purchase 10/02/23 - Brandon
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010-1001-534000	Non-Capital Equipment	4,000	-	500	3,500	Council Member Smith - Rocking Chair
010-1001-521010	Office Supplies	250	500	-	750	Council Member Smith - Rocking Chair
010-0000-534999	Contingency	67,940	-	1,220	66,720	NCLM litigation bill
010-1300-519102	Professional Services - Legal	15,100	1,220	-	16,320	NCLM litigation bill
060-7155-524060	R&M Lines	150,000	-	18,000	132,000	Chad- Capital and Training
060-7155-531225	Training	5,000	15,000	-	20,000	Chad- Capital and Training
060-7155-531220	Travel	-	1,700	-	1,700	Chad- Capital and Training
060-7155-554001	Capital Outlay - Equipment Other Than	42,000	1,300	-	43,300	Chad- Capital and Training
010-1400-554001	Capital Outlay Equipment Other Than	76,000		0 500		Fire Cas Manitars
010-1400-534001	Capital Outlay - Equipment Other Than Non-Capital Equipment	60,500	9,500	9,500	66,500 70,000	Fire- Gas Monitors Fire- Gas Monitors
010-1400-334000		00,300	9,500	-	70,000	
010-1400-554001	Capital Outlay - Equipment Other Than	66,500	-	7,500	59,000	Fire-Simulation Ipads
010-1400-534000	Non-Capital Equipment	70,000	7,500	-	77,500	Fire- Simulation Ipads
		, 0,000	.,		,	
010-1535-519200	Contracted Services	128,000	-	25,000	103,000	Greenway Plan addition to Park Master Plan (Design Workshop)
010-1502-519200	Contracted Services	147,800	25,000	-	172,800	Greenway Plan addition to Park Master Plan (Design Workshop)
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010-1400-554001	Capital Outlay- Equipment Other Than	59,000	-	20,000	39,000	Fire- Rescue Jacks

<b>010-1400-534000</b> - 97,500 Fire- R
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Jacks

		AMENDMENT
APPROVED	ТҮРЕ	NUMBER
Yes	CPO Adopted	06012023-01
		00011010 01
Yes	Amendment	06012023-02
Yes	Amendment	06012023-02
Yes	Amendment	07062023-01
Yes	Amendment	07062023-02
Yes	Amendment	07062023-02
	-	
Yes	Amendment	07062023-03

Yes	Amendment	07062023-03
Yes	Amendment	07062023-04
Yes	Amendment	07062023-04
Yes	Amendment	07062023-04
Yes	Amendment	07062023-04
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Yes	Amendment	07062023-04
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Yes	Adjustment	NI / A
Yes	Adjustment	N/A N/A
103	Aujustinent	11/74

N		NI / A
Yes	Adjustment	N/A
Yes	Adjustment	N/A
Yes	Adjustment	N/A
Yes	Amendment	08092023-03
Yes	Amendment	08092023-04
Yes	Amendment	08092023-04
Yes	Amendment	08092023-05
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Yes	Amendment	08092023-06
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Yes	Adjustment	
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Yes	Amendment	09072023-01
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Yes	Amendment	09072023-02
Yes	Amendment	090702023-03

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Yes	Amendment Amendment	090702023-03 090702023-03
Yes		
Yes	Amendment	090702023-03
Yes	Adjustment	9/12/2023
Yes	Adjustment	9/12/2023
105	Aujustinent	5/12/2025
Yes	Amendment	10052023-01
Yes	Amendment	10052023-02
Yes	Amendment	10052023-02
Yes	Amendment	10052023-03
Yes	Amendment	10052023-04
Yes	Amendment	10052023-04

Yes	Amendment	10052023-04
Yes	Amendment	10052023-04
Yes	Amendment	10052023-05
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163	Aujustiiniet	
Yes	Adjustment	10/2/2023
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103	Aujustinent	10/2/2025
Yes	Adjustment	10/9/2023
Yes	Adjustment	10/9/2023
103	Aujustinent	10/ 5/ 2025
Yes	Adjustment	10/9/2023
Yes	Adjustment	10/9/2023
103	Aujustinent	10/ 3/ 2023
Yes	Adjustment	10/11/2023
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163	Aujustinelli	10/11/2023
Yes	Adjustment	10/24/2023
Yes	Adjustment	10/24/2023
163	Aujustinelli	10/24/2023
Yes	Adjustment	10/24/2023
Yes	Adjustment	10/24/2023
103	Aujustinent	10/24/2023
Yes	Adjustment	10/25/2023
Yes	Adjustment	10/25/2023
163	Aujustinent	10/23/2023
Yes	Adjustment	11/7/2023
103	Aujustinent	11/1/2025

	Yes	Adjustment	11/7/2023
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### CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

### SUBMITTER: John Connet

#### **MEETING DATE:** 12/7/2023

AGENDA CLOSED SESSION SECTION:

**DEPARTMENT:** Administration

TITLE OF ITEM: Closed Session – John Connet, City Manager

#### **SUGGESTED MOTION(S):**

I move that City Council enter closed session pursuant to NCGS § 143-318.11 (a) (1) and (3) to prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of the General Statutes and to consult with an attorney employed or retrained by the public body in order to preserve the attorney-client privilege between the attorney and the public body.

#### **SUMMARY:**

City staff is requesting a closed session to prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of the General Statutes and to consult with an attorney employed or retrained by the public body in order to preserve the attorney-client privilege between the attorney and the public body.

BUDGET IMPACT: \$ TBD

Is this expenditure approved in the current fiscal year budget? NA

If no, describe how it will be funded. NA

**ATTACHMENTS:** 

None