



Agenda

1. Call to Order
2. Pledge of Allegiance
3. Invocation
4. Adjustment and approval of January 4, 2022 meeting agenda

PUBLIC COMMENT PERIOD

Notes on the Public Comment Period - Each speaker may speak up to 3 minutes, and the total comment period will be 15 minutes or less. Citizens should sign up with the Town Clerk to speak prior to the start of the meeting. Although the Council is interested in hearing your concerns, speakers should not expect Council action or deliberation on subject matter brought up during the Public Comment segment. Topics requiring further investigation will be referred to the appropriate town officials or staff and may be scheduled for a future agenda. Thank you for your consideration of the Town Council, staff, and other speakers.

REQUESTS AND COMMUNICATIONS

5. Presentation of the fiscal year ended June 30, 2021, Annual Comprehensive Financial Report (ACFR)

CONSENT AGENDA

6. Approve the minutes of the December 14, 2021 Workshop meeting and the December 21, 2021 Business meeting
7. Pine Springs Preparatory Academy Mobile Classroom Second Extension 19-SEU-04

PUBLIC HEARINGS

8. Holly Springs New Hill Road Rezoning & Development Agreement 21-REZ-01 - Legislative Hearing

NEW BUSINESS

9. Midterm Appointment to Tree Advisory Committee

OTHER BUSINESS

MANAGER'S REPORT

CLOSED SESSION -

ADJOURNMENT

In accordance with ADA regulations please contact the Town Clerk's office at least 48 hours before the meeting to request an auxiliary aid or service needed to participate in this meeting:

linda.mckinney@hollyspringsnc.gov 919-557-3900



Holly Springs Town Council

Town Council Meeting Agenda Cover Sheet

Agenda Item#: 5.

Requests & Communications

Title: Presentation of the fiscal year ended June 30, 2021, Annual Comprehensive Financial Report (ACFR)

Strategic Priority Area: Organizational Excellence

Staff Resource: Antwan Morrison, Finance

Action(s):

Receive the Fiscal Year Ended June 30, 2021, financial audit report from the external auditors.

Explanation:

- Cherry Bekaert, the Town of Holly Springs' external auditor, will present the audited financial report and management letter for the fiscal year from July 1, 2020, through June 30, 2021.
- During the meeting, the auditors will share all relevant information, including but not limited to the expressed audit opinion, concerns, recommendations, as well as the financial performance of the town for the fiscal year of 2020-2021.

Background:

- According to North Carolina General Statute 159-34, each 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.
- It is the auditor's responsibility to express opinions on these financial statements based on the audit.
- The Government Auditing Standards require that they plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
- The audit shall evaluate the performance of a unit of local government with regard to compliance with applicable federal and State agency regulations.

Funding Source(s):

N/A

Attachment(s):

1. Governance Letter 2021
2. ACFR 2021 - FINAL

To the Honorable Mayor and Town Council
Town of Holly Springs
Holly Springs, North Carolina

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Holly Springs, North Carolina, (the "Town") as of and for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 16, 2021. Professional standards also require that we communicate to you the following information related to our audit.

SIGNIFICANT AUDIT MATTERS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town are described in the notes to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the fiscal year ended June 30, 2021. We noted no transactions entered into by the Town during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Town's financial statements were:

- The allowance for doubtful accounts
- Depreciation expense
- Fair value of investments and donated assets
- Other Postemployment Benefits (OPEB) liability and related deferred inflows and outflows of resources
- Local Government Employees' Retirement System (LGERS) pension liability and related deferred inflows and outflows of resources
- Law Enforcement Officers' Special Separation Allowance (LEOSSA) liability and related deferred inflows and outflows of resources

Management's calculations of these estimates were based on an analysis of historical collection trends, current customer relations, credit sales levels, depreciable lives, and actuarial valuations. We evaluated the key factors and assumptions used to develop these estimates in determining that they were reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There was one passed adjusting journal entry identified as a result of management's decision to change the accrual of sales taxes from 60 days to 90 days resulting one extra month of sales tax revenues, approximately \$700,000 included in the current year revenues that relate to the prior fiscal year.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 8, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Town's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Town's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

As described in note 15 of the financial statements there were several material restatements recorded related to transactions between the general fund and several capital projects funds in prior years, the creation of new funds, moving debt service requirements to the newly created debt service fund, and to correct the revenues from BMP developer fees.

Other Matters

With respect to the management's discussion and analysis and the other required supplementary information, we applied certain limited procedures to this information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not express an opinion or provide any assurance on the information because the limited procedures did not provide us with sufficient evidence to express an opinion or provide any assurance.

With respect to the combining and individual fund statements and schedules, other schedules, and the schedule of expenditures of federal and state awards, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled this information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory or statistical sections, which accompany the financial statements but are not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of management, others within the Town, the Town Council, federal and state awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Cheryl Bekaert LLP

Raleigh, North Carolina
December 8, 2021

TOWN OF HOLLY SPRINGS NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

As of and for the Fiscal Year Ended June 30, 2021

And Reports of Independent Auditor

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

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TOWN OF HOLLY SPRINGS, NORTH CAROLINA
LETTER OF TRANSMITTAL



THE TOWN OF

Holly Springs

December 8, 2021

**Honorable Mayor, Members of the Town Council
and Citizens of the Town of Holly Springs:**

The Annual Comprehensive Financial Report (ACFR) of the Town of Holly Springs (the “Town”) for the fiscal year ended June 30, 2021 is submitted by the Town’s Finance Department, and it is the comprehensive publication of the Town’s financial position at June 30, 2021, and results of operations for the fiscal year then ended for all funds of the Town. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is published to fulfill that requirement for the fiscal year ended June 30, 2021 and to provide complete and further accountability to citizens and other interested parties by providing a comprehensive report in lieu of the minimum basic financial statement requirements.

Responsibility for both the accuracy of the presented data, and the completeness and the fairness of the presentation, including all disclosures, rests with the Town. We believe the enclosed data and presentation is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the Town’s funds over the last fiscal year.

This document provides financial detail and historical trends beyond the basic financial statements in the **Financial Section**. The Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is written to complement the MD&A and should be read in conjunction with it.

As noted earlier, the General Statutes of North Carolina require an annual independent financial audit of all local government units in the State. Cherry Bekaert, LLP, independent certified public accountants, has examined the financial records of the Town and their opinion has been included in this report. Their examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures, as they considered necessary in the circumstances. The auditor’s report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. Beyond the basic financial statements, the report includes **Supplementary Information** which provides details on retirement health care, law enforcement separation allowance and pension liability information. The **Statistical Section** provides trend information on financial performance, revenue capacity, debt capacity, demographic and economic indicators as well as operating information. The auditor’s reports related specifically to the single audit are included in the **Compliance Section**.

As a recipient of federal and state assistance, the Town is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management. As a part of the Town’s single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the Town has complied with applicable laws and regulations. The results of the Town’s single audit for the fiscal year June 30, 2021 included no instance of material weakness in the internal control structure or significant violations of applicable laws and regulations.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

LETTER OF TRANSMITTAL

Profile of the Town

The Town of Holly Springs, incorporated in 1877, is located in southwest Wake County, approximately 18 miles from downtown Raleigh, the State Capital. Holly Springs truly had very humble beginnings. Known first for its abundant fresh springs where weary travelers would stop, it is now one of the fastest growing communities in the state of North Carolina. Holly Springs offers a unique blend of small-town charm, coupled with a vibrant and growing business community. Residents enjoy quality parks, excellent schools, and the opportunity to shop locally. The Town covers approximately 18.65 square miles and has an estimated population of 44,135.

The Town operates under a council-manager form of government. The governing body is comprised of a Mayor and a five-member Town Council, elected on a nonpartisan, at large basis for staggered four-year terms. The Town Council has policy-making and legislative authority and is responsible for the budget approval and appointment of the Town Manager, Town Attorney and Town Clerk. The Town Manager is responsible for implementing Council policies and Town Ordinances, managing daily operations and appointing department directors.

The Town provides its citizens with a full range of services, including police and fire protection, solid waste and recycling services, the construction and maintenance of streets, curbs, gutters and sidewalks and other infrastructure, recreation and cultural activities, and water and sewer service. This report includes all of the Town's activities in delivering and administering these services.

The Town Council is required to adopt an annual operating budget by July 1 each year. The Town is empowered to levy a property tax on both real and person property located within its boundaries. The Town's budget ordinance creates a legal limit on spending authorizations and serves as the foundation for financial planning and control. The Town Manager is authorized by the budget ordinance to make transfers within funds to facilitate budget execution consistent with the Town Council's intent.

Local Economy

As mentioned, as of June 30, 2021, the Town's population was estimated to be 44,135. Over the span of the past decade the town has grown by 56.2% with anticipated population to increase to 54,676 by June 30, 2025. Holly Springs' tax base has grown from \$3.2 billion in 2012 to \$6.4 billion in 2021. The town issued 856 new building permits for new construction, additions and alterations to close out Calendar Year 2021 (to date), 2,141 for residential and 219 commercial. Permits issued for values for over \$277 million. Holly Springs remains a preferred residential location due to proximity to employment and cultural centers, low crime rate, good schools, public services for residents and an increase in commercial development.

Despite the ongoing effect of the pandemic, Holly Springs has continued on our positive trajectory. Retail sales have continued to far outpace statewide projections. Locally sales tax revenue increased by 30% over the previous fiscal year. This growth is attributed to federal aid received by taxpayers via the federal government, a shift of consumers toward taxable goods, as well as to legislation passed in recent years to ensure that state and local sales taxes were collected on all online purchases.

Seqirus, a wholly owned subsidiary of CSL Limited and a global leader in influenza prevention and a transcontinental partner in pandemic preparedness, opened in the Holly Springs Business Park in November 2009 and currently has employment of approximately 750 at the facility. The organization has completed a couple of expansions. Current operations occupy approximately 70 acres with another 90 acres available for expansion.

UNC REX Hospital located in downtown on the corner of 55 Bypass and Main Street is a 7 story 227,000 square foot building, an investment of \$170 million with approximately 50 licensed inpatient beds offering emergency care, labor and delivery, surgery and diagnostic imaging bringing approximately 275 new jobs to the community. Target completion date is November 1, 2021.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

LETTER OF TRANSMITTAL

The Town's downtown has experienced a large increase in commercial growth. Two developments have brought mixed use commercial buildings adding approximately 100,000 square feet to the downtown footprint, which includes restaurants, retail, services and offices.

In March of 2021 it was announced that Fujifilm Diosynth Biotechnologies plans to build the largest end-to-end cell culture contract development and manufacturing organization (CDMO) biopharmaceutical manufacturing facility in North America. For Phase 1 of the project the company will build an 839,000, square foot lab, office and manufacturing facility on its 150-acre tract. The anticipated investment is \$2 billion with a projected opening date in 2025.

In August of 2021, Amgen, one of the world's leading biotechnology companies which creates life-saving medications, announced their plan to invest \$550 million to build a 350,000 square foot multi-product drug substance manufacturing facility in the Town.

Crescent Communities a market-leading real estate investor, developer and operator of mixed-use and commercial communities purchased 25-acres within the business park for which it plans to build 250,000 square feet of speculative space for future life science and biomanufacturing work.

Long Term Financial Planning and Major Initiatives

With respect to long-term financial planning, the Town has benefited from a rapidly growing tax base to finance the necessary infrastructure and other capital expenditures to support the growth of the Town. Since 2012, the total assessed value of the tax base has increased \$3.2 billion to \$6.4 billion. These additional tax revenues have allowed staff to continue to strengthen our fiscal management practices. It has also afforded us the opportunity to properly leverage borrowings for additional capital expenditures such as existing town parks, as well as improvements to streets, sidewalks and greenways. The town continues to maintain a sufficient unassigned fund balance, which helps ensure that we have cash flow to provide the necessary flexibility for unanticipated opportunities and needs during emergencies and disasters. These factors were proven during the fiscal year when the town received two rating upgrades from Moody's Investor Service and Standard & Poor's, Aa1 and AAA, respectively.

Some highlights of fiscal year 2020-2021 are as follows:

- ❖ Due to concerns over the impact of COVID-19 on Town revenues, only six new positions were approved
- ❖ Town Council adopted the 10-year comprehensive Parks, Recreation and Greenway Master Plan
- ❖ Town embarked on a comprehensive update of the Unified Development Ordinance (UDO), as well as an update to the Comprehensive Transportation Plan (CTP).
- ❖ Completed General Government Debt Affordability Analysis and implemented the Community Investment Plan model; implemented the "Pay-as-you-go" or PAYGO fund, which dedicates funds for projects
- ❖ Town Council updated the Strategic Plan with a focus on initiatives supporting responsible and balanced growth

The Town maintains a five-year community investment plan, more commonly referred to as a capital improvement plan, which serves as its planning document to ensure that facilities, equipment and infrastructure are well maintained. This process provides the ability to plan for capital needs and allocate short and long-term resources appropriately. The plan also serves as the basis for determining future debt issuance.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

LETTER OF TRANSMITTAL

Below are a few projects which have been completed over the past year or are in progress:

- ❖ Avent Ferry Pump Station Forcemain – replace existing piping to increase capacity of wastewater system
- ❖ Advanced Metering Infrastructure (AMI) Network – water management solution that provides consumers with a higher level of transparency providing more information on water consumption and assists with future planning for water needs
- ❖ Town Hall Commons – in the heart of downtown, provides a variety of retail, restaurant and office space
- ❖ Sportsmanship Way Connection – provides connection between NC 55 and Main Street at Ting Park; adds cross-town road connectivity to improve traffic flow
- ❖ Cass Holt Park – develop park west of NC 55; planning and design is still underway
- ❖ Sugg Farm Restrooms and Dog Park – one acre small and large dog-off-leash area and addition of restroom facility with accessible parking
- ❖ Holly Springs Road Widening – Phase 2 – road widening to 4-lane median with sidewalk from Flint Point Lane to Sunset Lake Road
- ❖ Operation Center Campus – a new site location and facility to allow for expansion utilities and public works functions

The Town actively monitors and manages its debt capacity and affordability. The Town has a formal policy which provides guidance and direction when considering the impact of future debt. Included in the most recent debt model update are planned issuances through June 2023. The Town has \$18 million of general obligation bonds authorized but unissued from the November 2018 referendum for transportation improvements. The Town issued \$22 million of the total \$40 million of bonds, in June 2021. These bonds were issued for the following projects: Highway 55 Right Turn Lane, Avent Ferry Road Realignment, Main Street Eastbound Right Turn Lane and Holly Springs Road Widening – Phase 2. The Town also issued the final \$8 million authorization from the November 2011 general obligation bond referendum for parks and recreation. These bonds will be used to fund a portion of the Arbor Creek Greenway and Cass Holt Road Park projects. The Town also issued \$18.27 million of limited obligation bonds to be used for economic development purposes. Management has a planned debt issuance of \$1.5 million for annual installment financing agreements to fund vehicles and equipment needs during the fall of 2021.

Budget Control

In government, the budget is an integral part of a unit's accounting system and daily operations. The North Carolina General Statutes require all governmental units to adopt a balanced budget by July 1 of each year. The Town's budget ordinance, adopted by the Town Council, creates a legal limit on spending authorizations. Budgetary control is facilitated by the use of a requisition encumbrance and purchase order system that ensures the adequacy of funds prior to the placement of orders or the award of contracts.

Internal Control

The Town is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. We believe that the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

LETTER OF TRANSMITTAL

Awards and Acknowledgements

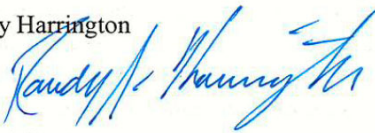
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Holly Springs for its annual comprehensive financial report for the fiscal year ended June 30, 2020, for a 16th consecutive year. To be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is valid for a period of one year only and is the highest form of recognition awarded in the field of governmental financial reporting. We believe our current report continues to meet the program requirements and we are submitting to GFOA to determine its eligibility for another certificate.

In addition, the Town received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year ended June 30, 2021. To qualify for the Distinguished Budget Presentation Award, the budget document had to be judged to be proficient as a policy document, a financial plan, an operations guide and a communications tool.

We appreciate the assistance and dedication of the Finance Department staff throughout the year. The preparation of this report was made possible by the dedicated service and cooperation of Cherry Bekaert LLP, on this their first-year audit with the town. The cooperation of each department is appreciated as we work together to conduct the Town's financial operations. A special thank you goes to the Finance Department for their steadfast dedication in representing the town. In addition, we also would like to thank the Mayor and Town Council for their continued support, guidance and advice in planning and conducting the financial activities of the Town in a responsible and progressive manner.

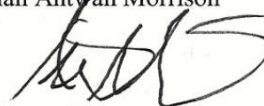
Respectfully submitted,

Randy Harrington



Town Manager

Alan Antwan Morrison



Finance Director

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
TOWN COUNCIL



Shaun McGrath
Current Term: 12/2019 to 12/2023

Christine Kelly
Current Term: 12/2017 to 12/2021

Peter Villadsen
Current Term: 12/2017 to 12/2021

Richard G. “Dick” Sears
Mayor
Current Term: 12/2017 to 12/2021

Daniel H. Berry
Current Term: 12/2017 to 12/2021

Aaron Wolff
Current Term: 12/2019 to 12/2023

Town Administration

Randy J. Harrington
*Town Manager**

Daniel Weeks
Assistant Town Manager

J. Scott Chase
Assistant Town Manger

John Schifano
*Town Attorney**

Linda McKinney
*Town Clerk**

Department Directors

Kendra Parish
Utilities & Infrastructure

Irena Krstanovic
Economic Development

LeRoy Smith
Fire

Erika Phillips
Human Resources

Jeff Wilson
Information Technology

LeeAnn Plumer
Parks and Recreation

J. Scott Chase
Interim Development Services

Paul Liquorie
Police Chief

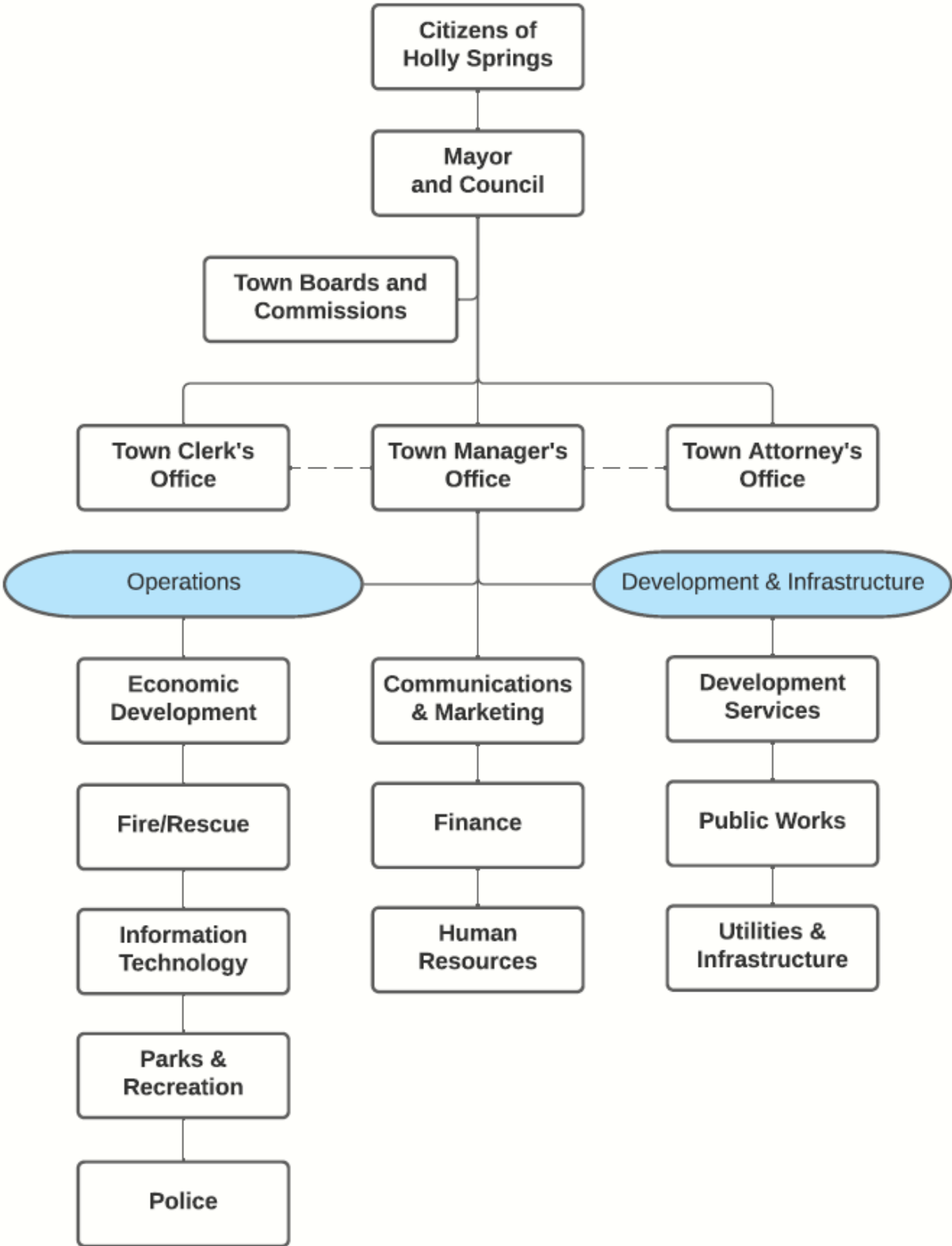
Cassie Hack
*Communications and
Marketing*

Kendra Parrish
Interim Public Works

Antwan Morrison
Finance

* The Town Manager, Town Attorney, and Town Clerk are appointed by Town Council.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
ORGANIZATION CHART



TOWN OF HOLLY SPRINGS, NORTH CAROLINA

HISTORY OF HOLLY SPRINGS

As the name suggests, the Town of Holly Springs originated at a site where fresh waters trickled near age-old holly trees. In colonial times, a small cluster of homes and businesses formed around the original “holly springs” in an area that once was a Tuscarora Indian hunting ground.

A couple miles north at the intersection of two roads, one that went from Hillsborough to Smithfield and the other from Raleigh to the Cape Fear River and then on to Fayetteville, what is now downtown Holly Springs began to form.

It was at this crossroads that Scottish settler Archibald Leslie opened a tailoring business and store and began construction on a 180-acre estate that also contained freshwater springs. Today, all that remains is the main house, listed on the National Register of Historic Places as the Leslie-Alford-Mims House. The springs that supplied the home with water are accessible to the public by a short, winding dirt trail that winds through the woods and past a family cemetery. The house is a commanding landmark in the heart of downtown Holly Springs, having weathered nearly two centuries and a two-week occupation by Union troops during the Civil War.

About two blocks away downtown is the Masonic Lodge, constructed in 1854 and used as a school for girls in 1856. The structure is the oldest lodge and school building remaining in Wake County and still is used today for meetings and community events.

Another structure that survived the Civil War and remains standing today is the Norris-Holland-Hare house off Avent Ferry Road. The original portion was built by Needham Norris, the son of Revolutionary War veteran John Norris Jr., for whom the Daughters of the American Revolution erected a memorial stone on the west side of Avent Ferry Road, not far from where he is reported to be buried. The house built by Needham Norris remains on the opposite side of the road. For two weeks in April 1865, an encampment of Union soldiers encircled the home. The family lived upstairs while Union soldiers occupied the first floor as a field hospital.

Following the Civil War, about 50 freed men pooled their money to buy land for a church where First Baptist Church stands today on Grigsby Avenue. The African-American men and women who helped build the town before the Civil War kept the town alive after emancipation.

In 1875, George Benton Alford moved his mercantile business to Holly Springs where he built a general mercantile, now one of the oldest commercial structures in Wake County, which now houses Dewar’s Antiques. Alford led a successful effort to petition the North Carolina General Assembly to incorporate the Town of Holly Springs in 1877. After its establishment, the Holly Springs town boundary remained a solid, one-mile square for 110 years.

While the town’s economy boomed during the early 1900s, World War I drew men to war and families to bigger cities for improved employment opportunities. In 1924, the Bank of Holly Springs failed, the first bank in the state to go belly up before the great Depression of 1929. The town lay fallow through World War II. In the latter half of the 20th century, however, progress returned to Holly Springs.

In the 1960s, the town installed streetlights and constructed a public water system. During the 1970s, Bernice Lassiter and James Norris were elected as the town’s first African American commissioners. Norris became the first African American mayor of Holly Springs when he resigned as commissioner in 1980 to fill the vacated mayoral seat. Dessie Mae Womble became the first African American female police chief in North Carolina when she was hired in Holly Springs in the early 1980s.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

HISTORY OF HOLLY SPRINGS (CONTINUED)

The town was a community of a few hundred residents when Parrish “Ham” Womble became a Holly Springs Town Board member 1981. He served nearly three decades and is remembered for advocating purchase of a 46-acre tract of land that appeared slated for development. Womble wanted the town to use the land for a park instead. That land is now Parrish Womble Park in the heart of Holly Springs and is adjacent to the W.E. Hunt Recreation Center, named after William Earl Hunt, 14-year principal of Wake Optional School. The segregated school with four classrooms, coal-burning heaters but no running water was replaced with a brick building that was renovated into the facility that now serves as a popular community destination.

In 1985, a sewer plant was completed, attracting Warp Technologies, a textile company, to town. The town used the boost in tax base to expand utilities, in turn attracting further development, including the Sunset Ridge golf course community. Thus began another era of growth and prosperity that remains strong today. With a local and regional focus on attracting biotech companies, the Town of Holly Springs was chosen for the nation’s first flu cell culture manufacturing facility in 2006. This facility opened for business in November 2009 with 350 employees. By 2017, the workforce had grown to about 550 full-time employees and 200 contract workers. The facility, now Seqirus, is the second largest flu vaccine manufacturer in the world.

From the past to the present, from the small-town atmosphere where people still know each other by name to the frequent, unique family-oriented activities, Holly Springs is a town that is continuing to grow not just in population and industry but also in heart.

Report of Independent Auditor

To the Honorable Mayor and Town Council
Town of Holly Springs
Holly Springs, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Holly Springs, North Carolina (the "Town"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Debt Service Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements of the Town. The introductory section, combining and individual fund statements and schedules, other schedules, statistical section, and 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* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and the statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2021 on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements, and other matters. The purpose of the 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 Town'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 Town's internal control over financial reporting and compliance.

Cheryl Bekaert LLP

Raleigh, North Carolina
December 8, 2021

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

As management of the Town of Holly Springs, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2021. We encourage readers to read the information presented here in conjunction with the transmittal letter in the front of this report, the basic financial statements and accompanying notes to the financial statements, which follow this narrative.

Financial Highlights

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by approximately \$301.0 million (*net position*).
- The government's total net position increased by \$37.7 million in fiscal year 2021. \$23.1 million of the increase resulted from governmental activities, and \$14.6 million resulted from business-type activities.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of approximately \$103.1 million. The total fund balance increased \$7.9 million in the general fund, \$4.5 million in the Debt Service Fund, \$23.8 in the Street and sidewalk project fund, \$20.6 million in the Business Park Development Fund, \$11.7 million in the Parks and recreation project fund \$5.5 million in the Nonmajor Funds, resulting in an increase in total governmental funds combined fund balance of \$69 million.
- Approximately \$77.8 million of the total combined ending governmental fund balance is restricted as compared to \$11.4 million last year. This is primarily due to new debt issuances of \$30 million of General Obligation "GO" Bonds for parks and recreation and transportation, as well as \$18.3 million for Limited Obligation Bond issuance for economic development.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$15.4 million or 39.3% of total General Fund expenditures (includes debt service) for the fiscal year.
- The Town bond rating was upgraded to AAA with Standard and Poor's and Aa1 with Moody's Rating Services. The North Carolina Municipal Council has the town's rating as an "83", which is comparable to a rating of "A+/A1" by the national rating agencies.

Overview of the Financial Statements

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

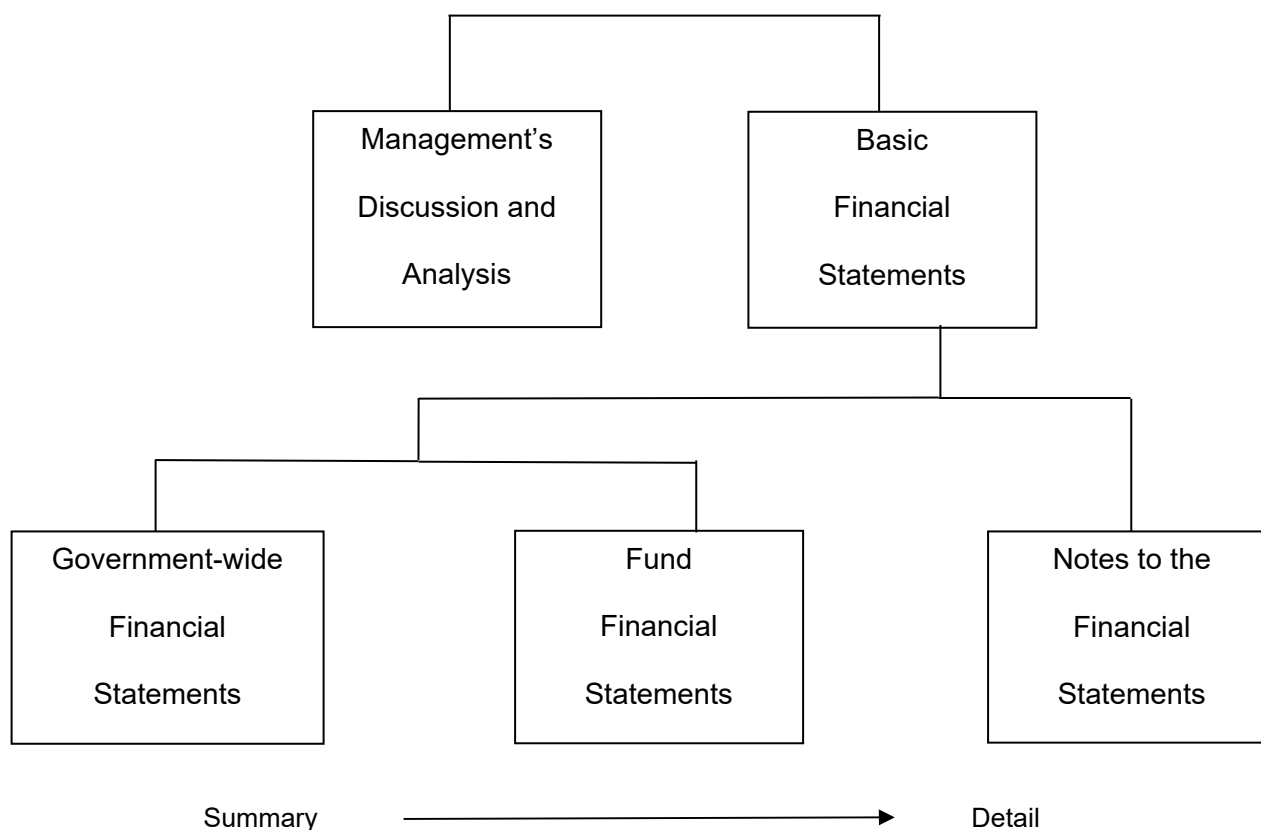
TOWN OF HOLLY SPRINGS, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

The next statements (Exhibits 3 through 11) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the proprietary fund statements and 3) 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, **supplemental information** is provided to show details about the Town's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Government-Wide Financial Statements

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

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

The government-wide statements are divided into two categories: 1) governmental activities; 2) and business-type activities. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the Town charges customers to provide. These include the utility, system development, and storm water management services offered by the Town of Holly Springs.

In accordance with the Governmental Accounting Standards Board criteria for inclusion in the reporting entity, the Town of Holly Springs has no component units that must be included in this report.

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

Fund Financial Statements

The fund financial statements (see Figure 2) provide a more detailed look at the Town's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Holly Springs, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of the Town of Holly Springs can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* 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 Town's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Town of Holly Springs adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town has complied with the budget ordinance and whether or not the Town has 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 the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Proprietary Funds – The Town of Holly Springs has three proprietary funds, *Enterprise Fund*. An Enterprise Fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Holly Springs uses an Enterprise Fund to account for its water and wastewater activity, system development fees as well as its storm water management program. 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.

Fiduciary Funds – The Town of Holly Springs has fiduciary funds. A fiduciary fund is described as activities that local governments carry out for the benefit of individuals and other agencies outside the government such as employee groups, members of the public or other governments. The Town established an investment account through the Ancillary Government Participant Investment Program (AGPIP) with the North Carolina Department of State Treasury for OPEB purposes. Accounting for fiduciary funds is much like accounting used for proprietary funds.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 25 through 64 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Holly Spring's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found beginning on page 65 of this report.

As noted earlier, net position may serve over time as one useful indicator of a Town's financial condition. The Town's assets and deferred outflows exceeded liabilities and deferred inflows by approximately \$301.0 million as of June 30, 2021. The Town's net position increased by \$37.7 million for the fiscal year ended June 30, 2021. The majority of the Town's net position (\$188.2 million or 62.5%) reflects the town's investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt still outstanding that was issued to acquire those items. The Town of Holly Springs uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Holly Spring's investment in its capital assets is reported net of the outstanding related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets are committed to the continued provision of service and cannot be used to liquidate these liabilities. An additional portion of the Town of Holly Spring's net position (approx. \$76.4 million) represents resources that are subject to external restrictions on how they may be used.

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 109,611,433	\$ 39,428,230	\$ 60,877,945	\$ 56,913,510	170,489,378	\$ 96,341,740
Capital assets	153,972,227	143,671,532	123,777,505	117,687,016	277,749,732	261,358,548
Deferred outflows of resources	6,346,676	4,693,388	1,165,562	957,261	7,512,238	5,650,649
Total assets and deferred outflows of resources	269,930,336	187,793,150	185,821,012	175,557,787	455,751,348	363,350,937
Long-term liabilities	99,798,074	42,836,678	35,773,682	34,289,103	135,571,756	77,125,781
Other liabilities	11,905,004	10,064,988	6,914,348	12,147,584	18,819,352	22,212,572
Deferred inflows of resources	350,958	397,547	44,948	55,643	395,906	453,190
Total liabilities and deferred inflows of resources	112,054,036	53,299,213	42,732,978	46,492,330	154,787,014	99,791,543
Net Position:						
Net investment in capital assets	97,753,459	110,427,452	90,407,264	84,123,220	188,160,723	194,550,672
Restricted	76,406,801	11,426,931	-	-	76,406,801	11,426,931
Unrestricted	(16,283,960)	12,639,854	52,680,770	44,942,237	36,396,810	57,582,091
Total Net Position	\$ 157,876,300	\$ 134,494,237	\$ 143,088,034	\$ 129,065,457	\$ 300,964,334	\$ 263,559,694

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Town of Holly Springs Changes in Net Position

Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 8,192,054	\$ 11,226,426	\$ 24,804,128	\$ 24,243,989	\$ 32,996,182	\$ 35,470,415
Operating grants and contributions	1,577,170	700,191	-	-	1,577,170	700,191
Capital grants and contributions	17,181,170	1,436,550	5,396,694	2,790,940	22,577,864	4,227,490
General revenues:						
Property taxes	26,867,688	24,089,825	-	-	26,867,688	24,089,825
Other taxes	685,529	289,388	-	-	685,529	289,388
Other revenues	16,552,738	11,396,744	501,124	533,573	17,053,862	11,930,317
Total Revenues	71,056,349	49,139,124	30,701,946	27,568,502	101,758,295	76,707,626
Expenses:						
General government	22,941,073	8,004,900	-	-	22,941,073	8,004,900
Public safety	11,940,360	15,348,729	-	-	11,940,360	15,348,729
Public works	5,291,086	9,345,302	-	-	5,291,086	9,345,302
Economic and physical development	4,228,795	4,592,068	-	-	4,228,795	4,592,068
Cultural and recreation	2,277,614	9,251,664	-	-	2,277,614	9,251,664
Interest on long-term debt	889,600	1,370,458	-	-	889,600	1,370,458
Water and sewer	-	-	15,782,975	19,707,996	15,782,975	19,707,996
Stormwater management	-	-	684,096	685,851	684,096	685,851
Total Expenses	47,568,528	47,913,121	16,467,071	20,393,847	64,035,599	68,306,968
Change in net position before transfers	23,487,821	1,226,003	14,234,875	7,174,655	37,722,696	8,400,658
Transfers	(357,567)	610,976	357,567	(610,976)	-	-
Change in net position	23,130,254	1,836,979	14,592,442	6,563,679	37,722,696	8,400,658
Net position, July 1	134,494,237	-	129,065,457	-	263,559,694	-
Prior period adjustment	251,809	(439,438)	(569,865)	(96,462)	(318,056)	(535,900)
Net position, July 1, as restated	134,746,046	133,096,696	128,495,592	122,598,240	263,241,638	255,694,936
Net position, June 30	\$ 157,876,300	\$ 134,494,237	\$ 143,088,034	\$ 129,065,457	\$ 300,964,334	\$ 263,559,694

Governmental activities: The Town's total governmental revenues were \$71.1 million. Program revenues (37.9%) include: Charges for services of \$8.2 million, operating grants and contributions \$1.6 million and capital grants and contributions of \$17.2 million. General revenues (62.1%) include: property taxes of \$26.9 million, other taxes of \$0.7 million and other miscellaneous revenues of \$16.6 million. The Town's total governmental expenses were \$47.6 million, resulting in an increase in the Town's net position of \$23.5 million less \$0.4 million in transfers for a total increase in net position of \$23.1 million from governmental activities, accounting for 62.5% of the total growth in the Town's net position.

Business-type activities: The Town's total business-type revenues were \$30.7 million. Program revenues (98.4%) include: Charges for services of \$24.8 million and capital grants and contributions of \$5.4 million. Other revenues of \$0.5 million (1.6%) are primarily from nonrecurring miscellaneous payments. The Town's total business-type expenses were \$16.5 million which resulted in an increase in the Town's net position by \$14.6 million from business-type activities, accounting for 37.5% of the total growth in the Town's net position.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Financial Analysis of the Town's Funds

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

Governmental Funds: The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town'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. This is the portion of the fund balance remaining after subtracting the amounts that have been restricted (usually by NC state law) or assigned (designated for a specific purpose by the Town's management).

The General Fund is the chief operating fund of the Town of Holly Springs. At the end of the fiscal year, the unassigned fund balance was \$15.5 million, while the total fund balance increased to \$7.9 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. As of June 30, 2021, unassigned fund balance was 39.3% of the year's expenditures (33% in 2020), while the total fund balance represents 62.4% of the same amount (45% in 2020).

The Town strives to maintain a favorable minimum unassigned fund balance. Amounts in excess of this minimum may be used for construction projects when the town wishes to avoid the issuance of additional debt, for emergency work needed after natural disasters, or for maintaining a stable tax rate when economically dependent revenues (i.e. sales tax) are less than budgeted amount. The Town typically does not need to budget fund balance during the budget process.

At year-end, the governmental funds of the Town of Holly Springs reported a combined total fund balance of \$103.1 million, an increase of \$69.3 million from the prior year. The nonmajor funds were comprised of special revenue and capital project funds. The total fund balances of the nonmajor funds were \$3.4 million, the Street and Sidewalk Project Fund balance was \$27.4 million, Business Park Fund was \$20.8 million, Parks and Recreation Project Fund was \$18.8 million and Debt Service Fund was \$8.2 million.

General Fund Budgetary Highlights: During the fiscal year, the Town revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain or expand services. The Town made only minor changes to its General Fund revenue estimates in order to recognize increases in grant receipts and expanded sales and services. Actual revenues were higher than anticipated revenues by \$4 million. Revenue receipts and expenditure budgets were monitored to ensure that continued effects from COVID-19 did not severely impact projections. For certain expenditures management established a COVID hold precautionary measures. These expenditures were delayed until after a managerial mid-year review and analysis given the uncertainty of revenues related to the pandemic. During the year the town continued to experience strong sales tax and property tax collections. Actual expenditures were \$5.1 million less than appropriated. This amount represents position vacancies throughout the budget year along with other delayed expenditures.

Governmental Funds Highlights: There are several key changes to note within this grouping of projects. During the year the town issued \$22 million in transportation bonds, \$8 million in parks and recreation bonds, as well as \$18.3 million in limited obligation bonds. These issuances will be used to fund street improvements, a greenway project, design for the new park, economic development purposes as well as town hall improvements.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Proprietary Funds Highlights: Unrestricted net position of the Utility Fund at the end of the fiscal year was \$41.4 million, the Storm Water Management Program was \$1.8 million and the Systems Development Fund was \$9.4 million. The change in net position was an increase of \$14.6 million primarily due to Charges for Services, Grants and Contributions and the System Development Fund for infrastructure needs.

Capital Asset and Debt Administration

Capital assets: The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2021, totals \$277,749,732 (net of depreciation). These assets include buildings, roads and bridges, intangible assets for water rights, machinery and equipment, vehicles and park facilities.

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

- Wastewater Treatment Plan Control - \$4,661,629
- Town Hall Commons - \$9,013,798
- Developer Contributions - \$4,436,125
- Powell Bill Streets, Right of Way and Sidewalks - \$14,167,122
- Public Works Vehicles/Equipment - \$668,414

Town of Holly Springs Capital Assets (net of depreciation)

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 30,624,036	\$ 26,598,103	\$ 153,725	\$ 153,725	\$ 30,777,761	\$ 26,751,828
Buildings and systems	23,652,109	20,959,652	116,710	121,822	23,768,819	21,081,474
Water and sewer operating plant	-	-	113,391,259	106,618,327	113,391,259	106,618,327
Improvements other than buildings	3,960,247	2,110,378	-	-	3,960,247	15,740,520
Intangible assets (water rights)	-	-	3,326,078	3,495,036	3,326,078	3,495,036
Machinery and equipment	14,971,640	15,740,520	221,978	327,717	15,193,618	2,438,095
Infrastructure	64,602,390	54,485,781	1,469,641	278,422	66,072,031	54,764,203
Vehicles and motorized equipment	1,812,114	3,076,541	155,773	299,646	1,967,887	3,376,187
Construction in progress	14,349,691	20,700,557	4,942,341	6,392,321	19,292,032	27,092,878
Total	\$ 153,972,227	\$ 143,671,532	\$ 123,777,505	\$ 117,687,016	\$ 277,749,732	\$ 261,358,548

Additional information on the Town's capital assets can be found on pages 37 through 38 of the notes to the financial statements of this report.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Long-term Debt. As of June 30, 2021, the Town of Holly Springs had total long-term debt of \$141.6 million. Of this amount, \$47.7 million represents bonded debt backed by the full faith and credit of the Town. The remainder of the Town's bonded debt is a revenue bond of \$13.5 million which is secured solely by specified revenue sources. In addition to bonded debt, the Town's long-term debt includes installment purchase obligations of \$20.2 million and limited obligation bonds of \$30.4 million.

General obligation debt of \$30 million was issued for the construction of parks and recreation and transportation projects. In addition, of the limited obligation debt, \$18.3 million was issued for economic development.

The Town has two revenue bonds. \$16.1 million was issued to finance 8 million gallons of water capacity from Harnett County and \$10 million for the expansion to the Town's wastewater treatment plant from 1.75 million gallons per day to 6 million gallons per day. The Town also has recorded \$20.6 million of compensated absences and retirement liabilities for employees.

The following chart summarizes the Town's long-term debt as of June 30, 2021:

Town of Holly Springs Outstanding Debt

Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Installment purchase contracts	\$ 8,859,489	\$ 8,821,001	\$ 11,329,792	\$ 9,357,876	\$ 20,189,281	\$ 18,178,877
General obligation bonds	39,060,000	9,640,000	8,590,000	9,105,000	47,650,000	18,745,000
Limited obligation bonds	30,385,000	13,125,000	-	-	30,385,000	13,125,000
Revenue bonds	-	-	13,450,449	15,100,923	13,450,449	15,100,923
Bond premiums	9,211,697	1,658,079	-	-	9,211,697	1,658,079
Compensated absences	1,740,134	1,460,126	306,173	253,335	2,046,307	1,713,461
Net OPEB liability	3,105,159	1,983,823	1,046,219	849,678	4,151,378	849,678
Net pension liability (LGEBS)	8,395,252	6,342,303	1,909,796	1,392,214	10,305,048	7,734,517
Total pension liability (LEO)	4,149,377	3,870,758	-	-	4,149,377	3,870,758
Total	<u>\$ 104,906,108</u>	<u>\$ 46,901,090</u>	<u>\$ 36,632,429</u>	<u>\$ 36,059,026</u>	<u>\$ 141,538,537</u>	<u>\$ 80,976,293</u>

Town of Holly Springs Outstanding Debt

The Town's long-term financed debt increased by \$60.6 million during the fiscal year ended June 30, 2021 with the inclusion of the compensated absences and employee retirement benefits.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt limit for Town of Holly Springs is \$405,530,462.

Additional information on the Town's long-term debt can be found in the notes to the financial statements on pages 52 through 60 of this report.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities: Property taxes account for the largest percentage (50%) of total General Fund Operations and Debt Service revenue. In Fiscal Year 2022, the Town recommended no property tax change and a reduction to refuse and recycling collection fees. To keep pace with the population growth, as well as to meet other development needs in the area thirty-eight new positions were added including twelve (12) new public safety staff members which will operate a new fire tiller ladder truck. The recommended budget reflects strong economic vitality. The Town has chosen not to appropriate fund balance in the fiscal year 2022 budget.

The town will continue to update the Community Investment Plan (CIP) document, which is a 5-year planning tool designed to enhance the Town's ability to match capital investment needs with available resources.

Business-Type Activities: Utility rates for water and sewer were increased 1.8% and a \$.50 access fee increase was included for water and sewer. These increases are a result of the CPI index as well as maintaining future debt capacity for planned water and sewer infrastructure projects.

Requests for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to Antwan Morrison, Finance Director, Town of Holly Springs, Post Office Box 8, Holly Springs, North Carolina, 27540.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF NET POSITION

EXHIBIT 1

JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 41,349,100	\$ 51,161,769	\$ 92,510,869
Taxes receivables, net	49,003	-	49,003
Accounts receivable, net	1,158,332	3,030,201	4,188,533
Interest receivable	-	6,108	6,108
Due from other governments	4,298,554	82,919	4,381,473
Advances between funds	-	-	-
Prepaid items	253,630	23,300	276,930
Total Current Assets	47,108,619	54,304,297	101,412,916
Noncurrent Assets:			
Restricted cash and cash equivalents	62,502,814	6,573,648	69,076,462
Capital Assets:			
Land, non-depreciable improvements, and construction in progress	44,973,727	5,096,066	50,069,793
Unamortized water and water capacity rights	-	7,634,204	7,634,204
Other capital assets, net of depreciation	108,998,500	111,047,235	220,045,735
Total Capital Assets	153,972,227	123,777,505	277,749,732
Total Noncurrent Assets	216,475,041	130,351,153	346,826,194
Total Assets	263,583,660	184,655,450	448,239,110
DEFERRED OUTFLOWS OF RESOURCES			
LGERS deferrals	4,530,250	1,023,000	5,553,250
LEOSSA deferrals	1,159,591	-	1,159,591
OPEB deferrals	656,835	142,562	799,397
Total Deferred Outflows of Resources	6,346,676	1,165,562	7,512,238
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	5,515,899	3,069,751	8,585,650
Salaries and benefits payable	970,936	196,333	1,167,269
Accrued interest payable	232,995	250,660	483,655
Current portion of compensated absences	508,875	27,355	536,230
Current portion of long-term debt	4,676,299	3,370,249	8,046,548
Total Current Liabilities	11,905,004	6,914,348	18,819,352
Long-Term Liabilities:			
Payable from restricted assets	-	2,538,857	2,538,857
Net pension liability - LGERS	8,395,252	1,909,796	10,305,048
Total pension liability - LEOSSA	3,105,159	-	3,105,159
Compensated absences	1,231,259	278,818	1,510,077
Net OPEB liability	4,149,377	1,046,219	5,195,596
Debt due in more than one year	82,917,027	29,999,992	112,917,019
Total Long-Term Liabilities:	99,798,074	35,773,682	135,571,756
Total Liabilities	111,703,078	42,688,030	154,391,108
DEFERRED INFLOWS OF RESOURCES			
Prepaid taxes	19,662	-	19,662
LGERS deferrals	42,529	9,014	51,543
LEOSSA deferrals	120,227	-	120,227
OPEB deferrals	168,540	35,934	204,474
Total Deferred Inflows of Resources	350,958	44,948	395,906
NET POSITION			
Net investment in capital assets	97,753,459	90,407,264	188,160,723
Restricted for:			
Stabilization by State Statute	6,174,178	-	6,174,178
Streets	28,656,006	-	28,656,006
Public safety	-	-	-
Inspections	1,503,549	-	1,503,549
General government programs	40,073,068	-	40,073,068
Unrestricted	(16,283,960)	52,680,770	36,396,810
Total Net Position	\$ 157,876,300	\$ 143,088,034	\$ 300,964,334

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF ACTIVITIES

EXHIBIT 2

YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 22,941,073	\$ 3,111,678	\$ 977,170	\$ 3,521,041	\$ (15,331,184)	\$ -	\$ (15,331,184)
Public safety	11,940,360	-	-	-	(11,940,360)	-	(11,940,360)
Public works	5,291,086	-	-	-	(5,291,086)	-	(5,291,086)
Economic and physical development	4,228,795	-	-	13,660,129	9,431,334	-	9,431,334
Cultural and recreational	2,277,614	5,080,376	600,000	-	3,402,762	-	3,402,762
Interest on long-term debt	889,600	-	-	-	(889,600)	-	(889,600)
Total Governmental Activities	47,568,528	8,192,054	1,577,170	17,181,170	(20,618,134)	-	(20,618,134)
Business-Type Activities:							
Utility	15,782,975	19,292,758	-	4,261,725	-	7,771,508	7,771,508
Stormwater management	684,096	5,511,370	-	1,134,969	-	5,962,243	5,962,243
Total Business-Type Activities	16,467,071	24,804,128	-	5,396,694	-	13,733,751	13,733,751
Total Primary Government	\$ 64,035,599	\$ 32,996,182	\$ 1,577,170	\$ 22,577,864	(20,618,134)	13,733,751	(6,884,383)
General Revenues:							
Taxes:							
Property taxes, levied for general purpose					26,867,688	-	26,867,688
Other taxes					685,529	-	685,529
Unrestricted intergovernmental					15,383,548	-	15,383,548
Investment earnings					105,025	11,142	116,167
Miscellaneous					1,064,165	489,982	1,554,147
Total general revenues not including transfers					44,105,955	501,124	44,607,079
Transfers					(357,567)	357,567	-
Total general revenues and transfers					43,748,388	858,691	44,607,079
Change in net position					23,130,254	14,592,442	37,722,696
Net position, beginning of year					134,494,237	129,065,457	263,559,694
Restatement (Note 15)					251,809	(569,865)	(318,056)
Net position, end of year					\$ 157,876,300	\$ 143,088,034	\$ 300,964,334

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

BALANCE SHEET – GOVERNMENTAL FUNDS

EXHIBIT 3

JUNE 30, 2021

	Major Funds					Total Nonmajor Funds	Total Governmental Funds
	General	Debt Service Fund	Street and Sidewalks Project Fund	Business Park	Parks and Recreation Projects Fund		
ASSETS							
Cash and cash equivalents	\$ 21,961,623	\$ -	\$ 5,157,620	\$ -	\$ 13,495,019	\$ 734,838	\$ 41,349,100
Receivables, net:							
Taxes	40,024	8,926	-	-	-	53	49,003
Accounts	623,883	-	531,484	-	2,965	-	1,158,332
Due from other governments	3,683,098	58,317	218,966	-	318,441	19,732	4,298,554
Prepaid items	253,630	-	-	-	-	-	253,630
Restricted cash and cash equivalents	3,099,150	8,110,044	22,481,139	20,986,950	5,137,139	2,688,392	62,502,814
Total Assets	<u>\$ 29,661,408</u>	<u>\$ 8,177,287</u>	<u>\$ 28,389,209</u>	<u>\$ 20,986,950</u>	<u>\$ 18,953,564</u>	<u>\$ 3,443,015</u>	<u>\$ 109,611,433</u>
LIABILITIES							
Accounts payable and accrued liabilities	\$ 5,093,945	\$ -	\$ 726,894	\$ 157,741	\$ 141,030	\$ 56,385	\$ 6,175,995
Due to other governments	51	-	307,045	-	-	-	307,096
Total Liabilities	<u>5,093,996</u>	<u>-</u>	<u>1,033,939</u>	<u>157,741</u>	<u>141,030</u>	<u>56,385</u>	<u>6,483,091</u>
DEFERRED INFLOWS OF RESOURCES							
Property taxes receivable	40,024	8,926	-	-	-	-	48,950
Unavailable revenues	3,125	-	-	-	-	-	3,125
Prepaid taxes	15,617	4,045	-	-	-	-	19,662
Total Deferred Inflows of Resources	<u>58,766</u>	<u>12,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,737</u>
FUND BALANCES							
Nonspendable:							
Prepaid items	253,630	-	-	-	-	-	253,630
Restricted							
Stabilization by state statute	6,174,178	-	-	-	-	-	6,174,178
Inspections HB 255	574,477	-	-	-	-	929,072	1,503,549
Public safety	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	18,812,534	-	18,812,534
Equipment and vehicles	431,325	-	-	-	-	-	431,325
Street and sidewalk improvements	1,300,736	-	27,355,270	-	-	-	28,656,006
Economic Development	-	-	-	20,829,209	-	-	20,829,209
Grants:							
General Government	-	-	-	-	-	441,279	441,279
Public Safety	-	-	-	-	-	959,301	959,301
Parks and recreation	-	-	-	-	-	29,919	29,919
Committed							
Public Safety - LEOSSA	318,891	-	-	-	-	-	318,891
Assigned							
Debt service	-	8,164,316	-	-	-	-	8,164,316
PayGo	-	-	-	-	-	1,027,059	1,027,059
Unassigned	15,455,409	-	-	-	-	-	15,455,409
Total fund balances	<u>24,508,646</u>	<u>8,164,316</u>	<u>27,355,270</u>	<u>20,829,209</u>	<u>18,812,534</u>	<u>3,386,630</u>	<u>103,056,605</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 29,661,408</u>	<u>\$ 8,177,287</u>	<u>\$ 28,389,209</u>	<u>\$ 20,986,950</u>	<u>\$ 18,953,564</u>	<u>\$ 3,443,015</u>	

Ending fund balance for governmental funds

103,056,605

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

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.	153,972,227
Earned revenues considered deferred inflows of resources in fund statements.	52,075
Long-term debt included as net position below (includes the addition debt and principal payments during the year.)	(87,593,326)
Net pension liability - LGERS	(8,395,252)
Total pension liability - LEO	(3,105,159)
Net OPEB liability	(4,149,377)
Compensated absences	(1,740,134)
Pension related deferrals	5,527,085
OPEB related deferrals	484,551
Other long-term liabilities (accrued interest) are not due and payable in the current period and, therefore, are not reported in the funds.	(232,995)
Net position of governmental activities	<u>\$ 157,876,300</u>

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

EXHIBIT 4

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2021

	Major Funds						
	General	Debt Service Fund	Street and Sidewalks Projects Fund	Business Park	Parks and Recreation Projects Fund	Total Nonmajor Funds	Total Governmental Funds
Revenues:							
Ad valorem taxes	\$ 19,088,513	\$ 7,773,854	\$ -	\$ -	\$ -	\$ -	\$ 26,862,367
Other taxes	685,529	-	-	-	-	-	685,529
Unrestricted intergovernmental	12,621,103	-	-	-	3,114,811	247,634	15,983,548
Restricted intergovernmental	2,659,795	-	1,219,124	-	619,292	-	4,498,211
Permits and fees	3,133,678	-	(22,000)	-	-	-	3,111,678
Sales and services	5,080,376	-	-	-	-	-	5,080,376
Miscellaneous	461,483	-	418,083	-	-	57,682	937,248
Investment earnings	74,439	11,395	4,244	-	12,430	2,517	105,025
Total Revenues	43,804,916	7,785,249	1,619,451	-	3,746,533	307,833	57,263,982
Expenditures:							
Current:							
General government	5,573,444	77,961	-	-	-	237,436	5,888,841
Public safety	12,122,150	-	-	-	-	-	12,122,150
Public works	6,698,810	-	-	-	-	-	6,698,810
Economic and physical development	3,838,221	-	-	421,105	-	-	4,259,326
Cultural and recreational	4,352,518	-	-	-	47,597	-	4,400,115
Capital outlay	2,280,010	-	3,447,084	-	1,021,823	1,179,342	7,928,259
Debt service							
Bond principal	-	1,590,000	-	-	-	-	1,590,000
Bond interest	-	800,083	-	-	-	-	800,083
Installment note principal	-	1,711,514	-	-	-	-	1,711,514
Installment note interest	-	252,284	-	-	-	-	252,284
Total Expenditures	34,865,153	4,431,842	3,447,084	421,105	1,069,420	1,416,778	45,651,382
over expenditures	8,939,763	3,353,407	(1,827,633)	(421,105)	2,677,113	(1,108,945)	11,612,600
Other Financing Sources (Uses):							
Transfers from other funds	469,763	1,134,716	(3,306,419)	-	105,202	1,698,092	101,354
Transfers to other funds	(3,215,980)	-	3,685,189	(269,316)	(232,627)	(426,187)	(458,921)
Issuance of debt	1,750,000	-	22,000,000	17,964,080	8,000,000	305,920	50,020,000
Premium on debt issuance	-	-	3,238,587	3,286,234	1,177,668	55,812	7,758,301
Total Other Financing Sources (Uses)	(996,217)	1,134,716	25,617,357	20,980,998	9,050,243	1,633,637	57,420,734
Net change in fund balance	7,943,546	4,488,123	23,789,724	20,559,893	11,727,356	524,692	69,033,334
Fund balance - beginning of year	21,736,491	2,593,028	2,102,274	269,316	5,863,235	1,207,118	33,771,462
Restatement - beginning of year (Note 15)	(5,171,391)	1,083,165	1,463,272	-	1,221,943	1,654,820	251,809
Fund balance - end of year	\$ 24,508,646	\$ 8,164,316	\$ 27,355,270	\$ 20,829,209	\$ 18,812,534	\$ 3,386,630	\$ 103,056,605

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA**EXHIBIT 5****RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT
OF ACTIVITIES***YEAR ENDED JUNE 30, 2021*

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

Net changes in fund balances - total governmental funds		\$ 69,033,334
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 were more than depreciation in the current period.		
Expenditures for capital assets	8,355,283	
Transfer of assets to proprietary funds	(2,718,453)	
Loss on disposal	(3,176,848)	
Less current year depreciation	<u>(5,820,047)</u>	
		(3,360,065)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Developer's contributed capital		13,660,129
Change in deferred inflows for tax revenues		4,326
Change in deferred inflows for unearned revenues		995
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Amortization of bond premiums	127,545	
Issuance of debt	(57,778,301)	
Principal payments	<u>3,301,513</u>	
		(54,349,243)
Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds.		
Compensated absences		(280,008)
Pension Expense - LGERS		(1,138,768)
Pension Expense - LEOSSA		(304,399)
Other postemployment benefits expense		(298,814)
Decrease in accrued interest payable		<u>162,767</u>
Total changes in net position of governmental activities		<u>\$ 23,130,254</u>

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET TO ACTUAL – GENERAL FUND

EXHIBIT 6

YEAR ENDED JUNE 30, 2021

	General Fund			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Ad valorem taxes	\$ 18,216,163	\$ 18,216,163	\$ 19,088,513	\$ 872,350
Other taxes and licenses	702,500	702,500	685,529	(16,971)
Unrestricted intergovernmental	9,226,878	9,226,878	12,571,228	3,344,350
Restricted intergovernmental	851,748	1,750,079	1,768,369	18,290
Permits and fees	3,264,528	3,244,528	3,133,678	(110,850)
Sales and services	5,094,157	5,144,157	5,080,376	(63,781)
Investment earnings	100,000	100,000	70,468	(29,532)
Miscellaneous	1,031,337	471,704	414,812	(56,892)
Total Revenues	38,487,311	38,856,009	42,812,973	3,956,964
Expenditures:				
Current:				
General government	7,852,596	6,601,589	5,573,444	1,028,145
Public safety	12,934,547	15,128,182	13,503,384	1,624,798
Public works	5,351,368	6,886,911	6,328,139	558,772
Economic and physical development	4,712,129	4,890,018	3,929,110	960,908
Cultural and recreational	6,082,691	5,465,121	4,491,992	973,129
Total Expenditures	36,933,331	38,971,821	33,826,069	5,145,752
Revenues over (under) expenditures	1,553,980	(115,812)	8,986,904	9,102,716
Other Financing Sources (Uses):				
Transfers from other funds	1,066,249	469,763	469,763	-
Transfers to other funds	(2,895,400)	(4,105,324)	(3,215,980)	889,344
Installment note issuance	-	1,750,000	1,750,000	-
Appropriated fund balance	275,171	2,001,373	-	(2,001,373)
Total Other Financing Sources (Uses)	(1,553,980)	115,812	(996,217)	(1,112,029)
Net change in fund balance	\$ -	\$ -	7,990,687	\$ 7,990,687
Fund balance, beginning of year			21,736,491	
Fund balance - Restatement of beginning - Note 15			(6,838,159)	
Fund balance - Restated at beginning of year			14,898,332	
Fund balance, end of year			\$ 22,889,019	

A legally budgeted Powell Bill Fund is consolidated into the General Fund for reporting purposes:

Unrestricted intergovernmental	49,875
Miscellaneous revenues	46,671
Restricted intergovernmental	891,426
Investment earnings	3,216
Personnel expenditures	(220,472)
Operating expenditures	(101,147)
Capital outlay	(717,465)
Fund balance - beginning of year (as restated)	1,348,632

A legally budgeted Law Enforcement SEP Allowance is consolidated into the General Fund for reporting purposes:

Investment earnings	755
Fund balance - beginning of year	318,136

Fund balance - end of year (Exhibit 4) \$ 24,508,646

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET TO ACTUAL – DEBT SERVICE FUND

EXHIBIT 7

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Ad Valorem Taxes:				
Current year taxes	\$ 7,640,315	\$ 7,773,854	\$ 133,539	\$ 6,945,834
Investment earnings	10,300	11,395	1,095	14,505
Total Revenues	7,650,615	7,785,249	134,634	6,960,339
Expenditures:				
Fees & Fines Property Tax Collection	3,000	2,701	299	-
Miscellaneous Debt Issuance Costs	75,260	75,260	-	-
Debt service - principal	6,969,911	3,301,514	3,668,397	3,205,035
Debt service - interest	1,152,884	1,052,367	100,517	1,163,600
Total Expenditures	8,201,055	4,431,842	3,769,213	4,368,635
Revenues over (under) expenditures	(550,440)	3,353,407	3,903,847	2,591,704
Other financing sources (uses):				
Transfer from other funds	1,135,400	1,134,716	(684)	-
Appropriated fund balance	(584,960)	-	584,960	-
Total other financing sources (uses)	550,440	1,134,716	584,276	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	4,488,123	\$ 4,488,123	2,591,704
Fund balance, beginning of year		2,593,028		1,324
Restatement - beginning of year (Note 15)		1,083,165		-
Fund balance, end of year		\$ 8,164,316		\$ 2,593,028

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF NET POSITION –
PROPRIETARY FUNDS

EXHIBIT 8

JUNE 30, 2021

	Major Funds		Nonmajor Fund	
	Utility Fund	System Development Fee Fund	Stormwater Management Fund	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 38,993,467	\$ 9,449,412	\$ 2,718,890	\$ 51,161,769
Accounts receivable (net) - billed	1,796,179	-	127,535	1,923,714
Accounts receivable (net) - unbilled	1,027,438	-	79,049	1,106,487
Interest receivable	6,108	-	-	6,108
Due from other governments	81,926	-	993	82,919
Prepaid items	23,300	-	-	23,300
Total Current Assets	41,928,418	9,449,412	2,926,467	54,304,297
Long-Term Assets:				
Restricted cash and cash equivalents	5,791,001	-	782,647	6,573,648
Noncurrent Assets:				
Capital Assets:				
Land and other non-depreciable assets	5,096,066	-	-	5,096,066
Water and water capacity rights	7,634,204	-	-	7,634,204
Other capital assets	160,541,984	-	1,507,039	162,049,023
	173,272,254	-	1,507,039	174,779,293
Less accumulated depreciation and amortization	(50,970,860)	-	(30,928)	(51,001,788)
Capital Assets - Net	122,301,394	-	1,476,111	123,777,505
Total Noncurrent Assets	128,092,395	-	2,258,758	130,351,153
Total Assets	170,020,813	9,449,412	5,185,225	184,655,450
DEFERRED OUTFLOWS OF RESOURCES				
OPEB deferrals	117,899	-	24,663	142,562
LGERS deferrals	868,445	-	154,555	1,023,000
Total Deferred Outflows of Resources	986,344	-	179,218	1,165,562
LIABILITIES				
Current Liabilities:				
Accounts payable and accrued liabilities	2,023,079	-	1,046,672	3,069,751
Salaries payable	173,625	-	22,708	196,333
Accrued interest payable	250,660	-	-	250,660
Compensated absences - current	24,109	-	3,246	27,355
Installment purchase and notes payable	1,250,763	-	-	1,250,763
General obligation bonds payable	623,602	-	-	623,602
Revenue bond payable	1,495,884	-	-	1,495,884
Total Current Liabilities	5,841,722	-	1,072,626	6,914,348
Noncurrent Liabilities:				
Payable from restricted assets	1,928,858	-	609,999	2,538,857
Net OPEB liability	947,391	-	98,828	1,046,219
Compensated absences	245,736	-	33,082	278,818
Net pension liability	1,628,868	-	280,928	1,909,796
Installment purchase and notes payable	10,079,029	-	-	10,079,029
General obligation bonds payable	7,966,398	-	-	7,966,398
Revenue bond payable	11,954,565	-	-	11,954,565
Total Noncurrent Liabilities	34,750,845	-	1,022,837	35,773,682
Total Liabilities	40,592,567	-	2,095,463	42,688,030
DEFERRED INFLOWS OF RESOURCES				
LGERS deferrals	7,332	-	1,682	9,014
OPEB deferrals	29,353	-	6,581	35,934
Total Deferred Inflows of Resources	36,685	-	8,263	44,948
NET POSITION				
Net investment in capital assets	88,931,153	-	1,476,111	90,407,264
Unrestricted	41,446,752	9,449,412	1,784,606	52,680,770
Net Position of Business-Type Activities	\$ 130,377,905	\$ 9,449,412	\$ 3,260,717	\$ 143,088,034

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
NET POSITION – PROPRIETARY FUNDS

EXHIBIT 9

YEAR ENDED JUNE 30, 2021

	Major Funds		Nonmajor Fund	
	Utility Fund	System Development Fee Fund	Stormwater Management Fund	Total
Operating Revenues:				
Charges for services	\$ 17,960,235	\$ -	\$ 1,259,408	\$ 19,219,643
Water and sewer taps	248,820	-	-	248,820
Other operating revenues	1,083,703	4,251,962	-	5,335,665
Total Operating Revenues	19,292,758	4,251,962	1,259,408	24,804,128
Operating Expenses:				
Water and sewer administration	5,162,558	-	-	5,162,558
Wastewater administration and collection	3,998,809	-	-	3,998,809
Water treatment and distribution	1,665,317	-	-	1,665,317
Stormwater management	-	-	671,164	671,164
Depreciation and amortization	4,281,733	-	12,932	4,294,665
Total Operating Expenses	15,108,417	-	684,096	15,792,513
Operating Income	4,184,341	4,251,962	575,312	9,011,615
Nonoperating Revenues (Expenses):				
Investment earnings	(5,941)	11,380	5,703	11,142
Interest and other charges	(674,558)	-	-	(674,558)
Gain (loss) on sale of assets	35,520	-	20	35,540
Other	454,442	-	-	454,442
Total Nonoperating Expenses	(190,537)	11,380	5,723	(173,434)
Income (Loss) Before Contributions and Transfers	3,993,804	4,263,342	581,035	8,838,181
Transfers from other funds	9,218,771	2,720,590	672,458	12,611,819
Transfers to other funds	(7,387,448)	(4,694,346)	(172,458)	(12,254,252)
Capital asset contributions	4,261,725	-	1,134,969	5,396,694
Total Income (Loss) After Contributions and Transfers	10,086,852	2,289,586	2,216,004	14,592,442
Change in net position	10,086,852	2,289,586	2,216,004	14,592,442
Total net position, beginning of year	120,564,297	7,159,826	1,341,334	129,065,457
Restatement (Note 15)	(273,244)	-	(296,621)	(569,865)
Total net position, end of year	\$ 130,377,905	\$ 9,449,412	\$ 3,260,717	\$ 143,088,034

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF CASH FLOWS –
PROPRIETARY FUNDS

EXHIBIT 10

YEAR ENDED JUNE 30, 2021

	Major Funds		Nonmajor Fund	
	Utility Fund	System Development Fee Fund	Stormwater Management Fund	Total
Cash flows from operating activities:				
Cash received from customers	\$ 17,902,856	\$ 4,251,962	\$ 1,097,353	\$ 23,252,171
Cash paid for goods and services	(10,326,097)	-	170,713	(10,155,384)
Cash paid to or on behalf of employees for services	(4,502,648)	-	(527,448)	(5,030,096)
Other operating revenues	1,083,703	-	-	1,083,703
Net cash provided by operating activities	4,157,814	4,251,962	740,618	9,150,394
Cash flows from noncapital financing activities:				
Advances from (to) other funds	7,000,000	-	-	-
Transfers from (to) other funds	1,831,323	(1,973,756)	500,000	357,567
Net cash provided by noncapital financing activities	8,831,323	(1,973,756)	500,000	357,567
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(4,708,205)	-	(63,751)	(4,771,956)
Proceeds from issuance of debt	3,045,650	-	-	3,045,650
Principal paid on bond maturities and equipment contracts	(3,239,208)	-	-	(3,239,208)
Interest paid on bond maturities and equipment contracts	(1,057,407)	-	-	(1,057,407)
Net cash used by capital and related financing activities	(5,959,170)	-	(63,751)	(6,022,921)
Cash flows from investing activities:				
Interest income	(5,941)	11,380	5,702	11,141
Net cash used by investing activities	(5,941)	11,380	5,702	11,141
Net decrease in cash and cash equivalents	7,024,026	2,289,586	1,182,569	10,496,181
Cash and cash equivalents, beginning of year	37,760,442	7,159,826	2,318,968	47,239,236
Cash and cash equivalents, end of year	\$ 44,784,468	\$ 9,449,412	\$ 3,501,537	\$ 57,735,417

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF CASH FLOWS –
PROPRIETARY FUNDS

EXHIBIT 10
(CONTINUED)

YEAR ENDED JUNE 30, 2021

	Major Fund	Nonmajor Funds		
	Utility Fund	System Development Fee Fund	Stormwater Management Fund	Total
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 4,184,341	\$ 4,251,962	\$ 575,312	\$ 9,011,615
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	4,281,733	-	12,932	4,294,665
Changes in assets, deferred outflows and inflows of resources, and liabilities:				
Accounts receivable and due from other governments	(306,636)	-	(162,055)	(468,691)
Prepaid expenses	437	-	-	437
Deferred outflows of resources - pensions	(199,959)	-	(20,858)	(220,817)
Deferred outflows of resources - OPEB	11,587	-	1,183	12,770
Net pension liability	468,690	-	48,892	517,582
Deferred inflows of resources - pensions	(2,251)	-	(235)	(2,486)
Deferred inflows of resources - OPEB	(7,433)	-	(776)	(8,209)
Accounts payable and accrued liabilities	(4,557,814)	-	318,503	(4,239,311)
Salaries payable	3,238	-	223	3,461
Compensated absences	42,555	-	10,282	52,837
Net OPEB liability	239,326	-	(42,785)	196,541
Total adjustments	(26,527)	-	165,306	138,779
Net cash provided by operating activities	\$ 4,157,814	\$ 4,251,962	\$ 740,618	\$ 9,150,394
Noncash investing, capital, and financial activities:				
Contributions of capital assets from developers	\$ 2,678,241	\$ -	\$ -	\$ 2,678,241
Contributions of capital assets from governmental activities	1,583,484	-	1,134,969	2,718,453
	\$ 4,261,725	-	1,134,969	\$ 5,396,694

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF NET POSITION –
FIDUCIARY FUNDS

EXHIBIT 11

JUNE 30, 2021

	OPEB Trust Fund
ASSETS	
Cash and cash equivalents	<u>\$ 649,916</u>
NET POSITION	
Net position restricted for postemployment benefits other than pensions	<u>\$ 649,916</u>

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
NET POSITION – FIDUCIARY FUNDS

EXHIBIT 12

YEAR ENDED JUNE 30, 2021

	OPEB Trust Fund
ADDITIONS:	
Employer contributions	95,705
Investment income	2,827
Total Additions	<u>98,532</u>
DEDUCTIONS:	
Benefits	<u>70,705</u>
Total Deductions	<u>70,705</u>
Change in net position	27,827
Net position, beginning of year	<u>622,089</u>
Net position, end of year	<u><u>\$ 649,916</u></u>

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies

The accounting policies of the Town of Holly Springs (the “Town”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Town of Holly Springs is a municipal corporation of the State of North Carolina in Wake County that is governed by an elected mayor and five-member council. As required by generally accepted accounting principles, these financial statements present the Town.

B. Basis of Presentation

Government-Wide Financial Statements: The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental and business-type activities* of the Town.

Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

Fund Financial Statements: The fund financial statements provide information about the Town's funds, including its fiduciary fund. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

The Town reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, parks and recreation, public works and economic and physical development.

Debt Service Fund – The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on debt of governmental activities.

Street and Sidewalks Projects Fund – The Street and Sidewalks Projects Fund is comprised of the following two sub funds: Street and Sidewalks Projects Fund and Street Reserve Fund and accounts for financial resources to be used for the acquisition or construction of major capital streets and sidewalks.

Parks and Recreation Projects Fund – The Parks and Recreation Projects Fund is comprised of the following two sub funds: Parks and Recreation Projects Fund and Park Reserve Fund and accounts for financial resources to be used for the acquisition or construction of major capital park facilities.

Business Park Development Project Fund – This fund accounts for the development of the Holly Springs Business Park.

The Town reports the following nonmajor governmental funds:

Special Revenue Funds – Special Revenue Funds account for specific revenue sources that are set aside for specified purposes. The Town has three nonmajor special revenue funds: Emergency Telephone System Fund and Grants Fund.

Project Funds – The Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The Town has two nonmajor project funds within the Governmental Fund Types:

PayGo Fund – This fund accounts for financial resources to be accumulated and used for various Town Projects.

Fiber Optic Telecommunications Reserve Fund – This fund accounts for operation and maintenance of fiber optic telecommunications.

Town Building Projects Fund – The Town Building Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities.

The Town reports the following major proprietary fund:

Utility Fund – This fund is used to account for the Town's water and wastewater operations. The fund is comprised of the following sub funds: Utility Fund, Water Reserve Fund, Wastewater Reserve Fund, Water Projects Fund, Wastewater Projects Fund and the Utility Debt Service Fund. These funds have been consolidated in the Utility Fund for financial reporting purposes.

System Development Fee Fund – This fund used to account for system development fees on new development to fund certain capital costs.

The Town reports the following nonmajor proprietary funds:

Stormwater Management Fund – This fund is used to account for the Town's stormwater management operations.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

The Town reports the following fiduciary fund:

OPEB Trust Fund – This fund is used to report resources that are required to be held in trust for the purpose of paying postemployment benefits, other than pensions, for which the Town is liable.

C. Measurement Focus and Basis of Accounting

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

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

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

Proprietary funds distinguish operating revenues and expenses from 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 Town enterprise funds are charges to customers for sales and services. The Town also recognizes as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

The Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, 2021, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the state of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

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

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, Debt Service Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances and multi-year budgets are adopted for the Special Revenue Funds, the Projects Funds, and the Enterprise Projects Funds, which are consolidated with the enterprise operating fund for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. In accordance with North Carolina General Statutes, expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds. Budget control is executed at the department level or by project. The Town Manager is authorized by the budget ordinance to transfer appropriations between functional areas within a fund without limitation and may transfer appropriations up to \$50,000 between financial areas within a fund with an official reporting to the Town Council. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance is adopted.

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

1. Deposits and Investments

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

State law (G.S. 159-30(c)) authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust ("NCCMT").

General Statue 159-30.1 allows the Town to establish and fund an irrevocable trust for the purpose of paying other post-employment benefits (OPEB) for which the Town is liable. The Town OPEB Trust is managed by the staff of the Department of the State Treasurer and operated in accordance with state laws and regulations. The OPEB Trust is not registered with the SEC. G.S. 159-30(g) allows the Town to make contributions to the OPEB Trust. The State Treasurer in his discretion may invest the proceeds in equities of certain publicly held companies and long or short-term fixed income investments as detailed in G.S. 147-69.2(b) (1-6) and (8). Funds submitted are held in the State Treasurer's Short-Term Investment Fund ("STIF"). Allowable STIF investments are detailed in G.S. 147-69.3(b)(8).

The Town's investments are reported at fair value. Non-participating interest earning contracts are accounted for at cost.

NCCMT, a SEC-registered fund, is authorized by G.S. 159-30(c)(8). The Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAm by S&P. The government portfolio is reported at fair value.

Ownership of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs—other than quoted prices—included within Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share. The STIF portfolio is unrated and had a weighted average maturity at June 30, 2020 of 1.3 years. Under the authority of G.S. 147- 69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund.

In accordance with State law, the Town has invested in securities which are callable and which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

2. Cash and Cash Equivalents

The Town pools money from several funds, except the OPEB Trust Fund, to facilitate disbursement and investment and to maximize investment income, and considers all cash and investments to be cash and cash equivalents.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

3. Restricted Assets

Public safety funds derived from forfeiture funds are classified as restricted cash of the Governmental Activities, as well as Public Safety donations to be used for community outreach and Telephone System upgrades. Required bond and installment purchase contract reserves are also maintained as restricted cash. Powell Bill funds are also classified as restricted cash because they can be expended only for the purpose of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through G.S. 136-41.4. Customer deposits held by the Town before any services are supplied are restricted to the service for which the deposit was collected.

Governmental Activities

General Fund:

Customer deposits	\$ 473,688
Development services	574,477
Public safety	620,528
Public works	129,688
Streets	1,300,769

Other Major Governmental Funds:

Debt Service Fund	8,110,044
Streets and Sidewalks	22,481,139
Parks and Recreation	5,137,139
Business Park	20,986,950

Nonmajor Governmental Funds:

Development Services	929,072
Public Safety	661,114
General Government	1,098,206
Total Governmental Activities	<u>62,502,814</u>

Business-Type Activities

Utility Fund:

Customer deposits	1,928,858
Utility Debt Service Fund	3,862,143

Stormwater Fund:

Customer deposits	782,647
Total Business-Type Activities	<u>6,573,648</u>
Total Restricted Cash	<u>\$ 69,076,462</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2020.

5. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount for ad valorem taxes receivable is estimated by analyzing the percentage of receivables that were written off in prior years. The allowance for customer accounts receivable is estimate of the amounts of accounts receivable that have not been written off that excess 120 days. The direct write off method is used by the Town on all other types of receivables. Under this method, all accounts considered uncollectable at June 30th have been charged against operations.

6. Prepaid Items

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

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost equal to other greater than \$5,000 and an estimated useful life in excess of one year. Donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. General government infrastructure assets (road network) acquired prior to July 1, 2003 have not been capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	15 to 40 years
Buildings	40 years
Intangible assets	40 years
Vehicles	5 to 10 years
Equipment	5 to 10 years

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

8. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has three items that meet this criterion, Local Governmental Employees' Retirement System ("LGERS") pension deferrals, Law Enforcement Officers' Special Separation Allowance ("LEOSSA") pension deferrals, and OPEB deferrals. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town has four items that meet this criterion, prepaid taxes, deferrals of LGERS pension expense, deferrals of LEOSSA pension expense, and OPEB deferrals. Additionally, on the governmental fund's balance sheet, the Town has other unavailable revenues in deferred inflows of resources.

9. Long-Term Obligations

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

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

10. Compensated Absences

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

The Town also allows employees to accrue compensatory time for hours worked in excess of a regular workweek. Non-exempt employees may accumulate up to 40 hours of this time and then use it at a later date in lieu of using vacation time or they will be paid for these hours when leaving the Town's employment. Exempt employees may accumulate compensatory time up to a maximum of 40 hours and use this in lieu of vacation. Exempt employees lose any time accumulated over 40 hours and are not paid for accumulated compensatory time upon leaving service.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

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

11. Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

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

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

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

Restricted for Inspections – Portion of fund balance that is RSS [G.S. 160A-414].

Restricted for Public Safety – Portion of fund balance that is restricted by revenue source for unspent drug forfeiture funds, and certain emergency telephone system expenditures.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

Restricted for Parks and Recreation – Portion of fund balance restricted by revenue source for parks and recreation projects.

Restricted for Equipment and Vehicles – Portion of fund balance that is restricted by revenue source for equipment and vehicles.

Restricted for Streets and sidewalk improvements – Portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures and projects. This amount represents the balance of the total unexpended Powell Bill funds and unspent bond proceeds.

Restricted for Economic and Physical Development – Portion of fund balance restricted by revenue source for economic and physical development.

Restricted for Grants – Portion of fund balance that is restricted by revenue source for general governmental grants, public safety, and parks and recreation.

Committed Fund Balance – Portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town of Holly Springs' governing body (highest level of decision-making authority).

Committed for LEOSSA Pension Liability – Portion of fund balance that will be used for the Law Enforcement Officers' Special Separation Allowance obligations.

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

Assigned for Debt Service – Portion of fund balance that will be used for future payment of debt service requirements. By approval of the budget of the Debt Service Fund, the Town Council has assigned this amount to the purpose of the Debt Service Fund.

Assigned for PayGo – Portion of fund balance that will be used to fund future capital investments.

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

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 1—Nature of operations and summary of significant accounting policies (continued)

The Town of Holly Springs has adopted a minimum fund balance policy for the General Fund which states that the unassigned fund balance shall be no less than 20% of total budgeted operating expenditures. Amounts beyond 20% may be used for one-time use. The Town Council may appropriate available fund balance below the 20% policy for the purposes of a declared fiscal emergency or other such global purpose as to protect the long-term fiscal security of the Town. In such circumstances, Council will adopt a plan to restore the available fund balance to the policy level within 36 months from the date of the appropriation. If the restoration cannot be accomplished within such time period without severe hardship to the Town, then Council will establish a different but appropriate time period.

12. Defined Benefit Cost Sharing Plans

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

Note 2—Deposits and investments

All of the Town's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Town's agents in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town's agent in the Town's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has no policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2021, the Town's deposits had a carrying amount of \$114,393,864 and a bank balance of \$114,945,923. Of the bank balance, \$1,250,000 was covered by federal depository insurance and the remainder was covered by collateral under the Pooling Method. At June 30, 2021, the Town's petty cash funds totaled \$2,049.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 2—Deposits and investments (continued)

At June 30, 2021, the Town investment balances were as follows:

Investment Type	Valuation Measurement Method	Fair Value	Maturity Less than one year
North Carolina Capital Management Trust:			
Government Portfolio	Fair value - Level 1	\$ 44,193,124	\$ 44,193,124
US Government Agencies	Fair value - Level 1	2,998,294	2,998,294
		<u>\$ 47,191,418</u>	<u>\$ 47,191,418</u>

As of June 30, 2021, the NCCMT Term Portfolio had a duration of 0.15 years. Because the NCCMT Government Portfolios has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months. The NCCMT Government Portfolio has an AAAM rating from S&P.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2: Debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Town has internal management procedures that limits the Town's investments to the provisions of G.S. 159 and restricts the purchase of securities to those rated no lower than "AAA", and commercial paper meeting the requirements of G.S. 159 plus having a national bond rating. The Town's policy stipulates that investments will be diversified to eliminate the risk of loss as a result of over concentration of securities in a specific issuer, class of securities, or maturity sector.

At June 30, 2021, the Town's OPEB Trust Fund had \$649,916 invested in the Ancillary Governmental Participants Investment Program ("AGPIP"), established by the Treasurer of the State of North Carolina. The AGPIP may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the AGPIP was invested as follows: .15% in the State Treasurer's STIF, .36.77% in the State Treasurer's BIF and 63.08% in BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund (the equities were split with 57.49% in domestic securities and 42.51% in international securities).

Interest Rate Risk: The Town does not have a formal investment interest rate policy that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer's STIF is unrated and had a weighted average maturity of 1.3 years at June 30, 2021.

Credit Risk: The Town does not have a formal investment policy regarding credit risk for the OPEB Trust Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer's STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate term treasuries, agencies, and money market instruments.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 3—Receivables

The amounts presented in the balance sheet and the statement of net position are net of the following allowances for doubtful accounts at June 30, 2021:

General Fund:	
Accounts receivable	51,479
Taxes receivable	165,936
Debt Service Fund:	
Taxes receivable	9,421
Utility Fund:	
Accounts receivable	369,641
Stormwater Fund:	
Accounts receivable	18,458
	<u>\$ 614,935</u>

Note 4—Capital Assets

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

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Governmental Activities:					
Non-depreciable Capital Assets:					
Land	\$ 26,598,103	\$ 4,025,457	\$ 476	\$ -	\$ 30,624,036
Construction in progress	20,700,557	6,178,033	(7,340,002)	(5,188,897)	14,349,691
Total Non-Depreciable Capital Assets	<u>47,298,660</u>	<u>10,203,490</u>	<u>(7,339,526)</u>	<u>(5,188,897)</u>	<u>44,973,727</u>
Depreciable Capital Assets:					
Buildings	27,627,187	13,598	3,382,395	-	31,023,180
Improvements	20,702,107	-	321,129	-	21,023,236
Equipment	8,623,589	315,626	225,314	(110,131)	9,054,398
Vehicles	9,072,050	1,138,253	551,922	(759,944)	10,002,281
Infrastructure	75,303,744	10,345,074	2,858,766	(696,960)	87,810,624
Total Depreciable Capital Assets	<u>141,328,677</u>	<u>11,812,551</u>	<u>7,339,526</u>	<u>(1,567,035)</u>	<u>158,913,719</u>
Less Accumulated Depreciation:					
Buildings	6,667,535	703,536	-	-	7,371,071
Improvements	4,961,587	1,090,009	-	-	6,051,596
Equipment	6,513,211	835,271	-	(106,198)	7,242,284
Vehicles	5,995,509	809,906	-	(763,381)	6,042,034
Infrastructure	20,817,963	2,362,652	-	27,619	23,208,234
Total Accumulated Depreciation	<u>44,955,805</u>	<u>\$ 5,801,374</u>	<u>\$ -</u>	<u>\$ (841,960)</u>	<u>49,915,219</u>
Total Depreciable Capital Assets, Net	<u>96,372,872</u>				<u>108,998,500</u>
Governmental Activities Capital Assets, Net	<u>\$ 143,671,532</u>				<u>\$ 153,972,227</u>

The Town transferred \$1,583,483 of Utility assets and \$1,134,969 of Stormwater assets out of the governmental activities to business type activities during 2021.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 4—Capital Assets (continued)

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

General government	\$ 326,542
Public safety	1,020,905
Public works	2,300,612
Economic development	253,693
Cultural and recreational	1,899,622
	<u>\$ 5,801,374</u>

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Business-Type Activities:					
Utility:					
Non-depreciable Capital Assets:					
Land	\$ 153,725	\$ -	\$ -	\$ -	\$ 153,725
Construction in progress	6,392,321	3,163,061	(4,300,172)	(312,869)	4,942,341
Total Non-depreciable Capital Assets	<u>6,546,046</u>	<u>3,163,061</u>	<u>(4,300,172)</u>	<u>(312,869)</u>	<u>5,096,066</u>
Depreciable Capital Assets:					
Buildings	204,461	-	-	-	204,461
Intangible assets	7,634,204	-	-	-	7,634,204
Equipment and furniture	1,930,019	-	-	(31,598)	1,898,421
Vehicles and motorized equipment	1,686,178	129,539	-	(100,943)	1,714,774
Land improvements	7,240	-	-	-	7,240
Operating plants	146,210,249	4,623,182	4,300,172	1,583,485	156,717,088
Total Depreciable Capital Assets	<u>157,672,351</u>	<u>4,752,721</u>	<u>4,300,172</u>	<u>1,450,944</u>	<u>168,176,188</u>
Less Accumulated Depreciation:					
Buildings	82,639	5,112	-	-	87,751
Intangible assets	4,139,168	168,958	-	-	4,308,126
Equipment	1,602,302	105,737	-	(31,596)	1,676,443
Vehicles	1,398,973	242,227	-	(75,729)	1,565,471
Land improvements	7,240	-	-	-	7,240
Operating plants	39,591,342	3,612,950	-	(121,537)	43,325,829
Total Accumulated Depreciation	<u>46,821,664</u>	<u>4,134,984</u>	<u>-</u>	<u>(228,862)</u>	<u>50,970,860</u>
Total Depreciable Capital Assets, Net	<u>110,850,687</u>				<u>117,205,328</u>
Stormwater:					
Depreciable Capital Assets:					
Vehicles	29,857	-	-	-	29,857
Infrastructure	278,422	63,791	-	1,134,969	1,477,182
Total Non-depreciable Capital Assets	<u>308,279</u>	<u>63,791</u>	<u>-</u>	<u>1,134,969</u>	<u>1,507,039</u>
Less Accumulated Depreciation:					
Vehicles	17,416	5,971	-	-	23,387
Operating infrastructure	580	6,961	-	-	7,541
Total Accumulated Depreciation	<u>17,996</u>	<u>\$ 12,932</u>	<u>\$ -</u>	<u>\$ -</u>	<u>30,928</u>
Total Depreciable Capital Assets, Net	<u>290,283</u>				<u>1,476,111</u>
Business-Type Activities Capital Assets, Net	<u>\$ 117,687,016</u>				<u>\$ 123,777,505</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations

a. Local Governmental Employees' Retirement System

Plan Description. The Town 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 (LEO) of participating local government entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report ("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, or by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

Contributions. Contribution provisions are established by G.S. 128-30 and may be amended only by the North Carolina General Assembly. Town employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town contractually required contribution rate for the year ended June 30, 2021 was 10.84% of compensation for LEOs and 10.15% 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 Town were \$2,034,846 for the year ended June 30, 2021.

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

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

At June 30, 2021, the Town reported a liability of \$10,305,048 for its proportionate share of the net pension liability. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2020, the Town's proportion was 0.28838%, which was an increase of 0.00516% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Town recognized pension expense of \$3,496,359. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,301,346	\$ -
Changes of assumptions	766,898	-
Net difference between projected and actual earnings on pension plan investments	1,450,160	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	51,543
Employer contributions subsequent to the measurement date	2,034,846	-
Total	<u>\$ 5,553,250</u>	<u>\$ 51,543</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

\$2,034,846 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30,

2022	\$ 967,390
2023	1,306,677
2024	763,619
2025	429,175
	<u>\$ 3,466,861</u>

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

Inflation	3.00%
Salary increases, including wage inflation	3.50% to 8.10%, including inflation and productivity factor
Investment rate of return	7%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29%	1%
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	<u>100.0%</u>	

The information above is based on 30-year expectations developed with the consulting actuary for the asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Town's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	<u>1% Decrease (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1% Increase (8.0%)</u>
Town's proportionate share of net pension liability (asset)	\$ 20,907,815	\$ 10,305,048	\$ 1,493,399

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.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

b. Law Enforcement Officers Special Separation Allowance

1. *Plan Description*

The Town administers a public employee retirement system (the *Separation Allowance*), a single-employer defined benefit pension plan that provides retirement benefits to the Town's qualified sworn law enforcement officers. The Separation Allowance is equal to .85% 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 benefits provisions to the North Carolina General Assembly.

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

Inactive members currently receiving benefits	1
Active members	<u>59</u>
	<u>60</u>

2. *Summary of Significant Accounting Policies*

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

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

3. *Actuarial Assumptions*

The entry age normal actuarial cost method was used in the December 31, 2019 valuation. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.25% to 7.75%, including inflation and productivity factor
Discount	1.93%

The discount rate is based on the S&P Municipal Bond 20-Year High Grade Rate Index.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five-year period ended December 31, 2019.

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

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

Deaths Before Retirement: Mortality rates are based on the Safety Mortality Table for Employees.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

4. Contributions

The Town is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations in made in the General Fund operating budget. There were no contributions made by employees. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The Town paid \$29,748 as benefits came due for the reporting period.

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

At June 30, 2021, the Town reported a total pension liability of \$3,105,159. The total pension liability was measured as of December 31, 2020 based on a December 31, 2019 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2020 utilizing update procedures incorporating actuarial assumptions. For the year ended June 30, 2021, the Town recognized pension expense of \$333,388.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 159,171	\$ 61,539
Changes of assumptions and other inputs	971,954	58,688
Benefit payments and plan administrative expenses made subsequent to the measurement date	28,466	-
Total	<u>\$ 1,159,591</u>	<u>\$ 120,227</u>

The Town paid \$28,466 in benefit payments subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending June 30,</u>	
2022	\$ 164,158
2023	164,158
2024	168,351
2025	157,997
2026	171,375
Thereafter	184,859
	<u>\$ 1,010,898</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

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

	1% Decrease (0.93%)	Current Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	\$ 3,412,882	\$ 3,105,159	\$ 2,823,699

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

	2021
Beginning balance	\$ 1,983,823
Service cost	104,185
Interest on the total pension liability	63,999
Differences between expected and actual experience in the measurement of total pension liability	(14,010)
Changes of assumptions or other inputs	1,008,479
Benefit payments	(41,317)
Ending balance of the total pension liability	<u>\$ 3,105,159</u>

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 3.26% at December 31, 2019 (measurement date) to 1.93% at December 31, 2020 (measurement date).

Changes in Benefit Terms. Reported compensation adjusted to reflect the assumed rate of pay as of the valuation date.

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

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five-year period ended December 31, 2019.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

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

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

	LGERS	LEOSSA	Total
Pension expense	\$ 3,496,359	\$ 333,388	\$ 3,829,747
Pension liability	10,305,048	3,105,159	13,410,207
Proportionate share of the net pension liability	0.28838%	n/a	

Deferred Outflows of Resources

Differences between expected and actual experience	\$ 1,301,346	\$ 159,171	\$ 1,460,517
Changes of assumptions	766,898	971,954	1,738,852
Net difference between projected and actual earnings on pension plan investments	1,450,160	-	1,450,160
Benefit payments and administrative costs paid subsequent to the measurement date	2,034,846	28,466	2,063,312

Deferred Inflows of Resources

Differences between expected and actual experience	\$ -	\$ 61,539	\$ 61,539
Changes of assumptions and other inputs	-	58,688	58,688
Changes in proportion and differences between contributions and proportionate share of contributions	51,543	-	51,543

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

Plan Description. The Town contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the Town. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the 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.

The Town has also elected to have employees not engaged in law enforcement to participate in the Supplemental Retirement Income Plan.

Funding Policy. Article 12E of G.S. Chapter 143 requires the Town to contribute each month an amount equal to five percent of each employee's salary, and all amounts contributed are vested immediately. Also, the employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2021 were \$1,774,665, which consisted of \$981,135 from the Town, \$138,892 from the law enforcement officers and \$654,638 from other Town employees.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

d. Other Postemployment Benefits (“OPEB”)

Plan Description:

Under the terms of a Town resolution, the Town administers a single-employer defined benefit OPEB Trust (the OPEB Trust Plan). This plan provides postemployment healthcare benefits to retirees of the Town before the age of 65 and qualify for unreduced benefits under the provisions set forth in the North Carolina Local Government Employees’ Retirement System (NCLGERS) may be eligible to continue group health insurance.

Benefits Provided:

The Town will contribute toward the cost of group health insurance premiums up to the base plan only based on the years of service at retirement using the following schedule:

<u>Years of Service at Retirement</u>	<u>Percent of Premium Paid by the Town</u>
30 years	100%
25 to 29 years	75%
20 to 24 years	50%

Coverage will continue until the retiree reaches age 65, at which time group health insurance benefits will end. Retirees not meeting the criteria listed in the above table are not eligible to stay on the plan.

Membership of the OPEB Trust Plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

Inactive members currently receiving benefits	8
Active members	<u>306</u>
Total	<u>314</u>

Investments

Investment Policy. The OPEB Trust Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Town Council by a majority vote of its members. Investments are valued at fair value. The Plan’s asset allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Short-term Investment Fund	100%	3.50%

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

Rate of Return. For the year ended June 30, 2021, the annualized rate of return on investments, net of investment expense, was 1.80%. The rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net OPEB liability of the Town at June 30, 2021 were as follows:

Total OPEB liability	\$ 5,845,512
Plan fiduciary net position	649,916
Net OPEB liability	5,195,596
Plan fiduciary net position as a percentage of the total OPEB liability	11.12%

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation	3.25% to 8.41%
Municipal Bond Index Rate	
Prior measurement date	2.21%
Measurement date	2.26%
Health Care Cost Trends	
Pre-Medicare	7.00% for 2019 decreasing to an ultimate rate of of 4.50% by 2026

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 2019, adopted by the LGERS Board. The remaining actuarial assumptions (e.g. health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2019 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2019 valuation.

The long-term expected rate of return on OPEB plan investments was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) were developed. Best estimates of the rate of return as of June 30 is presented above.

Discount Rate. The discount rate used to measure the total OPEB liability at June 30, 2021 was 2.26% which was a change from the discount rate of 2.22% at June 30, 2020. Because the OPEB plan's fiduciary net position was not projected to be sufficient to make all future benefit payments, the discount rate incorporates a Municipal Bond Index Rate (the General Obligation 20-year Municipal Bond Rate), which was 2.21% at June 30, 2021. As of June 30, 2019, the Municipal Bond Index Rate was 3.50%.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

Sensitivity of the net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.26%) or 1-percentage-point higher (3.26%) than the current discount rate:

	1% Decrease (1.26%)	Current Discount Rate (2.26%)	1% Increase (3.26%)
Net OPEB liability	\$ 5,953,377	\$ 5,195,596	\$ 4,526,669

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
Net OPEB liability	\$ 4,235,693	\$ 5,195,596	\$ 6,380,027

Changes in Net OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2021, the Town reported a net OPEB liability of \$5,195,596. The net OPEB liability was determined by an actuarial valuation as of June 30, 2019.

At June 30, 2021, the components of the net OPEB liability of the Town, measured as of June 30, 2021, were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2020	\$ 5,342,525	\$ 622,089	\$ 4,720,436
Changes for the year:			
Service cost	426,651	-	426,651
Interest	117,824	-	117,824
Difference between expected and actual experience	736	-	736
Change in assumptions	28,481	-	28,481
Contributions - employer	-	95,705	(95,705)
Net investment income	-	2,827	(2,827)
Benefit payments	(70,705)	(70,705)	-
Net changes	502,987	27,827	475,160
Balances at June 30, 2021	\$ 5,845,512	\$ 649,916	\$ 5,195,596

Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 2.22% in 2020 to 2.26% in 2021.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 5—Pension plan obligations (continued)

For the year ended June 30, 2021, the Town recognized OPEB expense of \$592,251. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 298,746	\$ 1,811
Changes of assumptions	491,136	202,663
Net difference between projected and actual earnings on plan investments	9,515	-
Total	<u>\$ 799,397</u>	<u>\$ 204,474</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB benefits will be recognized in OPEB expense as follows:

Years Ending June 30,

2022	\$ 62,496
2023	62,496
2024	62,496
2025	62,493
2026	69,270
Thereafter	<u>275,672</u>
	<u>\$ 594,923</u>

e. Other Employment Benefit

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 6—Deferred outflows and inflows of resources

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

Contributions to pension plan in current fiscal year	\$ 2,034,846
Benefit payments and administrative expenses for LEOSA made subsequent to measurement date	28,466
Differences between expected and actual experience	1,759,263
Changes of assumptions	2,229,988
Net difference between projected and actual earnings on pension plan investments	<u>1,459,675</u>
Total	<u>\$ 7,512,238</u>

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

	Statement of Net Position	Governmental Funds Balance Sheet
Prepaid taxes (General Fund)	\$ 19,662	\$ 19,662
Taxes receivable (General Fund)	-	40,024
Taxes receivable (Debt Service Fund)	-	8,926
Unavailable revenues	-	3,125
Changes in assumptions	261,351	-
Differences between expected and actual experience	63,350	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>51,543</u>	<u>-</u>
Total	<u>\$ 395,906</u>	<u>\$ 71,737</u>

Note 7—Risk management

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

The Town carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 7—Risk management (continued)

The Town carries flood insurance through the National Flood Insurance Plan ("NFIP"). Because portions of the Town are in an area of the State that has been mapped and designated an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, the Town is eligible to and has purchased coverage of \$500,000 per structure through the NFIP.

In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The Finance Director is individually bonded for \$50,000. The remaining employees that have access to funds are bonded under a blanket bond for \$25,000.

Note 8—Claims, judgements and contingent liabilities

At June 30, 2021, the Town was a defendant to various lawsuits. It is the opinion of the Town's management and the Town attorney, the ultimate effect of all legal matters will not have a material adverse effect on the Town's financial position.

Note 9—Long-term obligations

a. Installment Purchase

The Town entered into installment purchase agreements that are detailed below.

General Government Installment Purchases – Principal Balance as of June 30, 2021:

- | | |
|---|-------------|
| (1) Executed in July 2006 for the acquisition of land in the Town's Business Park and certain renovations at the W. E. Hunt Community Center. The direct placement \$4,500,000 note has an interest rate of 2.14% and calls for 15 annual principal payments of \$300,000 plus interest beginning July 2007. Final payment is due in fiscal year 2021-2022. The loan is secured by the assets constructed with related debt proceeds. | \$ 300,000 |
| (2) Executed in January 2007 for the acquisition of land in the Town's Business Park and certain renovations at the W. E. Hunt Community Center. The direct placement \$2,925,000 note has an interest rate of 2.14% and calls for 15 annual principal payments of \$195,000 plus interest beginning January 2008. Final payment is due in fiscal year 2021-2022. The loan is secured by the assets constructed with related debt proceeds. | 195,000 |
| (3) Executed in June 2008 for the widening of the Green Oaks Parkway. The direct placement \$6,366,000 note has an interest rate of 2.67% and calls for 18 annual principal payments of \$353,667 plus interest beginning June 2009. Final payment is due in fiscal year 2025-2026. The loan is secured by the assets constructed with related debt proceeds. | \$1,768,333 |

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 9—Long-term obligations (continued)

(4) Executed in September 2020, refinanced the 2009 financing agreement for the building of the Hunt Center and the completion of walking trails and a picnic shelter at Bass Lake. The direct placement \$3,070,118 note has an interest rate of 1.49% and calls for 8 annual principal and interest payments beginning June 2021. Final payment is due in fiscal year 2028. The refunding resulted in a net present value savings of \$393,836. The loan is secured by the assets constructed with related debt proceeds. Upon default, entire outstanding balance and accrued interest are immediately due and payable and possession of any collateral is remitted.	2,590,885
(5) Executed in September 2013 for the development and construction of a fiber optic network. The direct placement \$1,500,000 note has an interest rate of 2.06% and calls for 10 annual principal payments of \$150,000 plus interest beginning September 2014. Final payment is due in fiscal year 2023-2024. The loan is secured by the equipment and any and all additions, accessories, repairs, replacements, substitutions, and modifications to the equipment along with any proceeds related to the foregoing. Upon default, entire outstanding balance and accrued interest are immediately due and payable and possession of any collateral is remitted.	450,000
(6) Executed in October 2013 for the purchase of real property to be used for constructing athletic fields. The \$2,058,939 contract with Wake County is an interest free loan payable within 10 years. The Town has paid \$253,668 to date and will make the final payment in fiscal year 2023-2024. Loan is secured by the assets purchased at time of filing the Deed of Trust. Upon default, entire outstanding balance and accrued interest are immediately due and payable and possession of any collateral is remitted.	1,805,271
(7) Executed in October 2020 for the purchase of vehicle equipment financing. The direct placement \$1,200,000 note has an interest rate of 1.32% and calls for 10 annual principal payments and interest payments every February and August beginning February 2021. Final payment is due in fiscal year 2031. Loan is secured by the 2020 fire truck IFC purchased with the proceeds. Upon default, entire outstanding balance and accrued interest are immediately due and payable and possession of any collateral is remitted.	1,200,000
(8) Executed in October 2020 for the purchase of vehicle equipment financing. The direct placement \$550,000 note has an interest rate of 1.65% and calls for 5 annual principal and interest payments of \$115,504 beginning October 2021. Final payment is due in fiscal year 2026. Loan is secured by the solid waste vehicles and equipment assets purchased with the proceeds. Upon default, entire outstanding balance and accrued interest are immediately due and payable and possession of any collateral is remitted.	<u>550,000</u>
Total General Government Installment Purchases	<u>\$ 8,859,489</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 9—Long-term obligations (continued)

Utility Fund Installment Purchases:

(1) Executed in October 2000 for a water line project. The direct placement \$500,000 note calls for 20 annual principal payments of \$25,000 beginning May 2003 and semi-annual interest payments on the outstanding balance at 2.55% per annum. Final payments are due in fiscal year 2022-2023. The loan is secured by the revenues generated by the benefited systems.	\$ 50,000
(2) Executed in June 2008 for the construction of a Bass Lake outfall and a Business Park pump station. The direct placement \$2,581,000 note has an interest rate of 2.48% and calls for 15 annual principal payments of \$172,067 plus interest beginning June 2009. Final payment is due in fiscal year 2022-2023. The loan is secured by the assets constructed with related debt proceeds. Upon default, entire outstanding balance and accrued interest are immediately due and payable and possession of any collateral is remitted.	344,133
(3) Acceptance of a loan of \$33,534 from North Carolina Department of Environment and Natural Resources - American Recovery & Reinvestment Act funds for improvements to the water system in May 2011. The loan has an interest rate of 0% and calls for an annual principal payment of \$1,849 beginning May 2011 plus 19 annual principal payments of \$1,668 beginning May 2012. Final payment is due in fiscal year 2029-2030. The loan is secured by the revenues generated by the benefited systems.	15,008
(4) Acceptance of a loan of up to \$17,500,000 from the Clean Water State Revolving Fund to provide funding for the Utle Creek Wastewater Treatment Plant upgrade and expansion. The loan provides for interest at a rate of 2.1 %, payable semiannually, and for 20 annual principal payments of \$875,000 to begin in May 2012. Final payment is due in fiscal year 2029-2030. The loan is secured by the revenues generated by the benefited systems.	7,875,000
(5) Executed in July 2020 for the construction of Avent Ferry Force Main. The direct placement \$3,045,650 note has an interest rate of 1.91% and calls for 15 annual principal payments on June 30 th , plus interest payments every March and September beginning March 2021. Final payment is due in fiscal year 2036. The loan is secured by the assets constructed with related debt proceeds. Upon default, entire outstanding balance and accrued interest are immediately due and payable and possession of any collateral is remitted.	<u>3,045,650</u>
Total Utility Fund Installment Purchases	<u>\$ 11,329,792</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 9—Long-term obligations (continued)

Annual debt service payments of installment purchase obligations for the years ending June 30 are as follows:

Years Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 1,629,901	\$ 129,851	\$ 1,250,763	\$ 231,666
2023	1,124,339	97,331	1,254,177	204,972
2024	2,918,891	75,562	1,060,590	178,213
2025	952,741	53,952	1,064,137	156,291
2026	941,701	35,594	1,067,752	134,301
2027-2031	1,164,662	34,783	4,518,807	339,164
2032-2036	127,253	840	1,113,566	53,985
Total	<u>\$ 8,859,488</u>	<u>\$ 427,913</u>	<u>\$ 11,329,792</u>	<u>\$ 1,298,592</u>

b. General Obligation Indebtedness

The Town's general obligation bonds serviced by the governmental funds are accounted for as general long-term debt. The general obligation bonds issued to finance the construction of facilities utilized in the operation of the water and sewer system and which are being retired by its resources are reported as long-term debt in the Utility Fund. All general obligation bonds were issued via a public offering, and are collateralized by the full faith, credit, and taxing power of the Town. Principal and interest requirements are appropriated when due.

Bonds payable at June 30, 2021 are comprised of the following individual issues:

General Obligation Bonds

Serviced by the General Fund:

- (1) \$970,785 Parks and Recreation Bonds issued November 2012, interest at 2.0% through 2023, then 3% to maturity, to refinance \$2,000,000 Parks and Recreation Bond issued August 2001, interest at 4.3%-4.5%. The note calls for 24 annual payments of principal and bi-annual interest payments through February 2037. \$ 100,000
- (2) \$12,000,000 Parks and Recreation Bonds issued November 2012, interest at 2.0%, for various parks and recreation projects. The note calls for 20 annual payments of principal and interest through February 2033. The bond was issued with a premium of \$542,391 and the premium will be amortized over the life of the bond using the straight-line method. The unamortized balance of the premium at June 30, 2021 is \$325,435. 8,960,000
- (3) \$22,000,000 Transportation Bonds issued June 2021, interest at 5.0% through 2031, then 4% for 2032, then 3% for 2033 then 2% to maturity, for various transportation projects. The note calls for 20 annual payments of principal and interest through February 2041. The bond was issued with a premium of \$3,210,304 and the premium will be amortized over the life of the bond using the straight-line method. The unamortized balance of the premium at June 30, 2021 is \$3,210,304. 22,000,000

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 9—Long-term obligations (continued)

(4) \$8,000,000 Parks and Recreation Bonds issued June 2021, interest at 5.0% through 2031, then 4% for 2032, 3% for 2033, then 2% to maturity, for various parks and recreation projects. The note calls for 20 annual payments of principal and interest through February 2041. The bond was issued with a premium of \$1,167,383 and the premium will be amortized over the life of the bond using the straight-line method. The unamortized balance of the premium at June 30, 2021 is \$1,167,383.	<u>8,000,000</u>
Total Serviced by General Fund	<u>\$ 39,060,000</u>

Serviced by the Utility Fund:

Water Bonds

(5) \$6,097,959 Water and Sewer Bond issued November 2012, interest rate of 2.0% through 2023, then 3% to maturity, to refinance bonds issued December 1999 and August 2002, interest at 4.375% and 4.75%, respectively. The note calls for 24 annual payments of principal and bi-annual interest payments through February 2037.	\$4,380,000
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Sanitary Sewer Bonds

(6) \$4,126,256 Sanitary Sewer Bond issued November 2012, interest rate of 2.0% through 2023, then 3% to maturity, to refinance bonds issued December 1999 and August 2002, interest at 4.375% and 4.75%, respectively. The note calls for 24 annual payments of principal and bi-annual interest payments through February 2037.	3,100,000
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Refunding Bonds

(7) \$2,910,000 Refunding Bonds issued March 2006 to retire Water and Sewer bonds, interest rate of 3.55% to 4.2%, annual installments due through June 2028.	<u>1,110,000</u>
Total Serviced by Utility Fund	<u>\$ 8,590,000</u>
Total Bonds	<u>\$ 47,650,000</u>

Annual debt service requirements to maturity for bonds are as follows:

<u>Years Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 2,036,398	\$ 1,287,767	\$ 623,602	\$ 260,419
2023	2,175,211	1,268,956	539,789	245,264
2024	2,175,277	1,180,452	549,723	231,618
2025	2,175,475	1,085,193	569,525	213,577
2026	2,175,607	989,929	584,393	194,891
2027-2031	12,399,077	3,594,533	1,800,923	588,262
2032-2034	8,939,037	1,264,303	2,880,963	389,147
2035-2041	6,983,918	418,975	1,041,082	46,775
	<u>\$ 39,060,000</u>	<u>\$ 11,090,108</u>	<u>\$ 8,590,000</u>	<u>\$ 2,169,953</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 9—Long-term obligations (continued)

c. Limited Obligation Indebtedness

The Town's limited obligation bonds serviced by the governmental funds are accounted for as general long-term debt. All limited obligation bonds are collateralized by the full faith, credit, and taxing power of the Town. Principal and interest requirements are appropriated when due.

- (1) \$17,105,000 Limited Obligation Bonds, Series 2014, via a public offering, issued September 2014; interest at 2% for 2015 and 2016, 4% for 2017 through 2032, 5% for 2023 through 2028, 3% for 2029 through 2030, and 3.25% for 2031 through 2032; to acquire construct and improve (a) a new law enforcement center for the Town, (b) a portion of the Town's North Main Athletic Complex, and (c) certain transportation improvement, as well as to pay financing costs. The note calls for 18 annual principal payments beginning October 1, 2015 and 36 bi-annual interest payments beginning April 1, 2015. The bond was issued with a premium of \$1,807,653 and the premium will be amortized over the life of the bond using the straight-line method. The unamortized balance of the premium at June 30, 2021 is \$1,205,102. \$ 12,115,000
- (2) \$18,270,000 Limited Obligation Bonds, Series 2021, via a private offering, issued June 2021; interest at 4% for 2025 and 2026, 5% for 2027 through 2032, 4% for 2033 and 2034, 3% for 2035, 2% for 2036 and 2037, and 3% through 2039; for (a) renovations to Town Hall and (b) to acquire a tract of land in the Town for economic development. The note calls for 17 annual principal payments beginning October 1, 2025 and 42 bi-annual interest payments beginning October 1, 2021. The bond was issued with a premium of \$3,342,046 and the premium will be amortized over the life of the bond using the straight-line method. The unamortized balance of the premium at June 30, 2021 is \$3,342,046. 18,270,000
- Total Limited Obligation Bonds** \$ 30,385,000

Annual debt service requirements to maturity for limited obligation bonds are as follows:

<u>Years Ending June 30,</u>	Governmental Activities	
	Principal	Interest
2022	\$ 1,010,000	\$ 1,001,187
2023	1,010,000	1,126,300
2024	1,005,000	1,080,975
2025	2,085,000	1,030,600
2026	2,085,000	937,100
2027-2031	10,425,000	3,215,900
2032-2036	7,390,000	1,215,300
2037-2041	5,375,000	376,250
	<u>\$ 30,385,000</u>	<u>\$ 9,983,612</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 9—Long-term obligations (continued)

d. Revenue Bonds

- (1) \$9,040,907 Water and Sewer Refunding Bond, Series 2020, issued July 2020, the proceeds of the bonds were used to refinance the remaining principal components of the Water and Sewer Revenue Bonds, Series 2008. The refunding resulted in a net present value savings of \$526,639. Principal and interest installments are due annually on August 12 through August 2028. Interest is at a rate of 1.38%. The loan is secured by revenues generated from the benefitted systems. \$8,208,014
- (2) \$5,242,436 Water and Sewer Refunding Bond, Series 2020, issued July 2020, the proceeds of the bonds were used to refinance the remaining principal components of the Water and Sewer Revenue Bonds, Series 2010. The refunding resulted in a net present value savings of \$812,792. Principal and interest installments of \$702,050 are due annually on July 14 through July 2028. Interest is at a rate of 1.58%. The loan is secured by revenues generated from the benefitted systems. 5,242,436
- Total Revenue Bonds \$13,450,450

The future payments of the revenue bonds are as follows:

<u>Years Ending June 30,</u>	<u>Business Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,495,884	\$ 190,809
2023	1,540,717	174,209
2024	1,592,774	151,689
2025	1,646,934	128,430
2026	1,703,288	104,405
2027-2029	5,470,853	160,915
	<u>\$ 13,450,450</u>	<u>\$ 910,457</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 9—Long-term obligations (continued)

The Town has pledged future water and sewer customer revenues, net of operating expenses (Net Revenues), to repay the \$14,283,343 Water and Sewer Revenue Bond, Series 2020. Management believes the Town is in compliance with the covenants as to rates, fees, and charges for the use of water and sewer system services in such amount as to produce net revenues in each fiscal year equal to the total of 120% of debt service requirements on the Series 2020 bonds plus 100% of the debt service for all general obligation bonds, installment financing, and subordinate bonds. Principal and interest paid during the year ended June 30, 2021 were \$1,650,474 and \$557,295, respectively. The debt service coverage ratio calculation for the year ended June 30, 2021 is as follows:

Operating revenues	\$ 19,292,758
Operating expenses*	<u>(10,826,684)</u>
Operating income	8,466,074
Nonoperating revenues (expenses)**	<u>484,021</u>
Income available for debt service	<u>\$ 8,950,095</u>
Debt service, principal, and interest paid (revenue bonds only)	\$ 2,207,768
Debt service ratio	405%

*Per rate covenants, this does not include depreciation expense of \$4,281,733

**Per rate covenants, this does not include interest on borrowed money of expense of \$674,558

At June 30, 2021, the Town had a legal debt margin of \$405,530,462.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 9—Long-term obligations (continued)

e. Changes in General Long-Term Debt

General Fund assets have and are used to satisfy net pension obligations, other postemployment benefits, and compensated absences.

	Balance June 30, 2020	Increases	Decreases	Balance June 30, 2021	Due in Less Than One Year
Governmental Activities:					
General obligation bonds	\$ 9,640,000	\$ 30,000,000	\$ 580,000	\$ 39,060,000	\$ 2,036,398
Bond premium	352,551	4,339,117	27,120	4,664,548	-
Limited obligation bond	13,125,000	18,270,000	1,010,000	30,385,000	1,010,000
Bond premium	1,305,528	3,342,046	100,425	4,547,149	-
Total bonds payable	24,423,079	55,951,163	1,717,545	78,656,697	3,046,398
Installment purchase contracts	8,821,002	1,750,000	1,711,513	8,859,489	1,629,901
Compensated absences	1,460,126	788,883	508,875	1,740,134	508,875
Total pension liability (LEOSSA)	1,983,823	3,105,159	1,983,823	3,105,159	-
Net pension liability (LGERS)	6,342,303	2,052,949	-	8,395,252	-
Net OPEB liability	3,870,758	278,619	-	4,149,377	-
Total Governmental Activities	\$ 46,901,091	\$ 63,926,773	\$ 5,921,756	\$ 104,906,108	\$ 5,185,174
Business-Type Activities:					
General obligation bonds	\$ 9,105,000	\$ -	\$ 515,000	\$ 8,590,000	\$ 623,602
Revenue bonds	15,100,923	-	1,650,474	13,450,449	1,495,884
Installment purchase contracts	9,357,876	3,045,650	1,073,734	11,329,792	1,250,763
Compensated absences	253,335	80,193	27,355	306,173	27,355
Net OPEB liability	849,678	196,541	-	1,046,219	-
Net pension liability (LGERS)	1,392,214	517,582	-	1,909,796	-
Total Business-Type Activities	\$ 36,059,026	\$ 3,839,966	\$ 3,266,563	\$ 36,632,429	\$ 3,397,604

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 10—Leases

Operating Lease Obligations

The Town has entered into operating leases for various office equipment with terms ranging from three to six years. Rental expense under the agreements for the current year was \$30,806 for Governmental activities. Future minimum payments are as follows:

Years Ending June 30,

2022	\$ 20,233
2023	13,456
2024	2,589
	<u>\$ 36,278</u>

Note 11—Commitments

The government has active construction projects as of June 30, 2021. At June 30, 2021, the government's commitments with contractors are as follows:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Town Hall Renovations (HVAC)	\$ 29,113	\$ 8,312
Old Police Station Renovations	-	61,285
2021 Street Improvement	-	1,058,055
Utility Relocations for I-540	-	717,330
Avent Ferry Pump Station Force Main	32,100	8,400
WTTP Odor Control	4,075,979	87,818
Basal Creek Pump Station Upgrade Phase II	-	882,330
Fire Station 3	23,850	11,050
Town Wide Signal Fiber	218,967	98,807
Sunset Lake Road Sidewalk Phase II	-	1,693
Hwy 55 Right Turn Lane AF-S Main	192,072	221,341
Avent Ferry Road Widening Phase I	1,054,548	1,314,376
Avent Ferry Road Realignment	536,513	484,851
Main Street Eastbound Right Turn Lane	68,290	52,100
Town Hall Commons	16,456	7,225
Holly Springs Road Widening Phase I	526,589	69,051
Holly Springs Road Widening Phase II	1,886,792	132,408
Green Oaks Parkway/New Hill Signal	241,469	38,861
Sugg Farm Picnic Shelter	2,070	587
Utle Creek Greenway Phase I	188,647	1,310
Utle Creek Greenway Phase II	133,783	190,819
Cass Holt Park	-	149,250
Totals	<u>\$ 9,227,238</u>	<u>\$ 5,597,259</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 12—Transfers

Transfers to/from other funds during the year ended June 30, 2021 consist of the following:

	Transfers Out															Total
	General Fund	PayGo Fund	General Government Debt Service	Streets Reserve	Streets & Sidewalks Projects	Parks Project Fund	Town Building Fund	Utility Fund	Utility Debt Service Fund	Water Projects Fund	Stormwater Management Fund	Water Reserve	System Development Fee	Stormwater Reserve	Waste Water Reserve	
Transfers In:																
General Fund	\$ -	\$ 756,500	\$ 559,480	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ 3,215,980
Fiber Optic Fund	8,338	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,338
Grants Fund	34,000	-	305,920	-	-	-	77,929	-	-	-	-	-	-	-	-	417,849
Street Reserve	-	100,000	-	-	688,134	-	-	-	-	-	-	178,782	-	-	178,782	1,145,698
Parks Recreation Reserve	127,425	-	-	-	-	105,202	-	-	-	-	-	-	-	-	-	232,627
Street & Sidewalks Projects	300,000	263,663	-	1,791,851	-	-	-	-	-	-	-	-	-	-	-	2,355,514
Business Park Development	-	-	269,316	-	-	-	-	-	-	-	-	-	-	-	-	269,316
Utility Fund	-	-	-	-	-	-	500,000	-	-	3,622,770	-	-	2,720,590	-	-	6,843,360
System Development	-	-	-	-	-	-	-	500,000	3,994,346	200,000	-	-	-	-	-	4,694,346
Stormwater Management Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	172,458	-	172,458
Stormwater Reserve	-	-	-	-	-	-	-	-	-	-	100,000	-	-	-	-	100,000
Water Reserve	-	-	-	-	-	-	-	-	-	65,000	-	-	-	-	-	65,000
Water Projects Fund	-	-	-	-	-	-	-	-	284,073	-	-	-	-	-	-	284,073
Waste Water	-	-	-	-	-	-	-	-	-	30,000	-	-	-	-	-	30,000
Waste Water Projects Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	165,016	165,016
Total Transfers In	\$ 469,763	\$ 1,120,163	\$ 1,134,716	\$ 3,191,851	\$ 688,134	\$ 105,202	\$ 577,929	\$ 500,000	\$ 4,278,419	\$ 3,917,770	\$ 100,000	\$ 178,782	\$ 2,720,590	\$ 672,458	\$ 343,798	\$ 19,999,575

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

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 13—Fund balance

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

Total fund balance - General Fund	\$ 24,508,646
Less:	
Prepaid items	253,630
Restricted for Stabilization by State Statute	6,174,178
Restricted for Inspections HB 255	574,477
Restricted for Streets	1,300,736
Restricted for Equipment and Vehicles	431,325
Committed for LEOSSA	318,891
Remaining fund balance	<u>\$ 15,455,409</u>

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. The following represents encumbrances outstanding as of June 30, 2021:

General Fund	Utility Fund	Stormwater Management
\$1,588,003	\$331,930	\$57,241

Note 14—Contingencies

Federal and State Assisted Programs

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

Note 15—Restatements

- During the year, the Town discovered that some of the capital project funds were not presented correctly over the years and did not include all the activities of each fund, a prior period adjustment was made to the general fund and each of the respective June 30, 2020 fund balances as follows to correct this:

Parks and Recreation Reserve	\$ 750,000
Street Reserve	498,686
Waste Water Reserve	(273,500)
Town Projects	121,335
Street Capital Projects	964,586
Parks and Recreation Capital Projects	471,942
Total	<u>\$ 2,533,049</u>

Parks and Recreation Capital Project – related to land purchase made in FY 2020 - \$3,813,924 was moved from the parks and recreation reserve fund to the parks and recreation projects fund.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

Note 15—Restatements (continued)

2. In addition, for proper accounting and reporting management established a two separate funds (1) Grants and Special Revenues and (2) Powell Bill Fund. Historically, these funds were being reported as part of the main General Fund balance. A prior period adjustment was made in the General Fund as follows to reduce fund balance to create the newly formed funds.

Grants and Special Revenue Fund:

- \$21,692 was moved for public instructions grants
- \$101,637 was moved for public safety related grants
- \$1,403,540 was moved for excess inspections revenue restricted by HB255

Powell Bill Fund:

- \$1,348,632 was moved for excess Powell Bill funds on-hand at June 30, 2020

* Note – in accordance with GASB Statement 54 – the Powell Bill Fund will be presented as a sub-fund of the General Fund for financial reporting purposes

3. It was also noted that the sub fund balance of the Law Enforcement Separation Allowance was included incorrectly in the general fund balance in the prior year statements and, therefore, the General Fund equity presented on Exhibit 6 was reduced by \$318,136.
4. Further, in preparation for servicing the debt requirements of an outstanding loan with Wake County for the purchase of real property, management historically reserved a portion of fund balance within the General Fund. The town has an established Debt Service Fund for which all principal and interest are to be paid from. It was determined that these funds should be included within that fund and not the General Fund. Therefore a prior period adjustment was made to move \$1,083,165, which was previously reported as restricted fund balance in the General Fund, into the Debt Service Fund.
5. It was noted that \$296,621 of BMP developer fees were improperly included in revenues in the prior year instead of as a liability in an unearned revenue account, beginning fund balance for the stormwater fund has been restated.

Note 16—Subsequent events

The Town entered into an installment purchase agreement with Banc of America Public Capital Corp on October 29, 2021 for vehicle and equipment for \$1,411,250. This is a four-year installment note with an interest rate of .6946%.

The Town has evaluated events from the date of the balance sheet through the date the report is available to be issued which is the date of the independent auditors' report. The Town has not evaluated subsequent events after that date. There were no additional subsequent events during this period that require disclosure.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY –
LAW ENFORCEMENT OFFICERS’ SPECIAL SEPARATION ALLOWANCE
LAST FIVE FISCAL YEARS

SCHEDULE 1

JUNE 30, 2021

	2021	2020	2019	2018	2017
Beginning Balance	<u>\$ 1,983,823</u>	<u>\$ 1,555,254</u>	<u>\$ 1,566,107</u>	<u>\$ 1,348,847</u>	<u>\$ 1,267,468</u>
Service cost	104,185	93,594	88,153	73,932	80,537
Interest on total pension liability	63,999	56,283	49,468	52,065	45,249
Difference between expected and actual experience	(14,010)	224,945	(68,884)	(23,411)	-
Changes in assumptions or other inputs	1,008,479	71,781	(78,232)	114,674	(44,407)
Benefit payments	<u>(41,317)</u>	<u>(18,034)</u>	<u>(1,358)</u>	<u>-</u>	<u>-</u>
Net Changes	<u>1,121,336</u>	<u>428,569</u>	<u>(10,853)</u>	<u>217,260</u>	<u>81,379</u>
Ending Balance	<u><u>\$ 3,105,159</u></u>	<u><u>\$ 1,983,823</u></u>	<u><u>\$ 1,555,254</u></u>	<u><u>\$ 1,566,107</u></u>	<u><u>\$ 1,348,847</u></u>

Notes to the schedule:

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

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

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA**SCHEDULE 2****SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL –
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST FIVE FISCAL YEARS***JUNE 30, 2021*

	2021	2020	2019	2018	2017
Total pension liability	\$ 3,105,159	\$ 1,983,823	\$ 1,555,254	\$ 1,566,107	\$ 1,348,847
Covered payroll	3,850,853	3,615,000	3,163,245	2,987,214	3,042,717
Total pension liability as a percentage of covered payroll	80.64%	54.88%	49.17%	52.43%	44.33%

Notes to the schedule

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

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 3
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS –
OPEB TRUST PLAN
LAST FOUR FISCAL YEARS
JUNE 30, 2021

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 426,651	\$ 260,102	\$ 239,830	\$ 259,351
Interest	117,824	140,401	117,478	96,288
Differences between expected and actual experience	736	374,329	(228)	(3,484)
Changes in assumptions	28,481	584,898	(147,518)	(241,742)
Benefit payments	(70,705)	(56,848)	(11,440)	(7,418)
Net Changes	502,987	1,302,882	198,122	102,995
Beginning balance	5,342,525	4,039,643	3,305,621	3,202,626
Ending balance	<u>\$ 5,845,512</u>	<u>\$ 5,342,525</u>	<u>\$ 3,503,743</u>	<u>\$ 3,305,621</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 95,705	\$ 671,848	\$ -	\$ -
Net investment income	2,827	7,089	-	-
Benefit payments	(70,705)	(56,848)	-	-
Net change in plan fiduciary net position	27,827	622,089	-	-
Plan fiduciary net position, beginning	622,089	-	-	-
Plan fiduciary net position, ending	<u>\$ 649,916</u>	<u>\$ 622,089</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	\$ 5,195,596	\$ 4,720,436	\$ 3,503,743	\$ 3,305,621
Plan Fiduciary Net Position as Percentage of the total OPEB Liability	11.12%	11.64%	0.00%	0.00%
Covered-employee payroll	\$ 16,110,608	\$ 16,110,608	\$ 13,900,834	\$ 13,598,192
Net OPEB liability as a percentage of covered-employee payroll	32.25%	29.30%	25.21%	24.31%

Notes to the schedule:

Plan measurement date is the reporting date for FY2021 and is one year prior to the reporting date in FY2020 and FY2019.

The Town created an OPEB Trust Fund in FY2020. Information is not required to be presented retroactively. Data for years prior to this presentation is unavailable.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE OF TOWN CONTRIBUTIONS AND
SCHEDULE OF INVESTMENT RETURNS – OPEB TRUST PLAN
LAST TWO FISCAL YEARS

SCHEDULE 4

JUNE 30, 2021

	2021	2020
Actuarially determined contribution	\$ 614,469	\$ 614,469
Contributions in relation to the actuarially determined contribution	95,705	671,848
Contribution deficiency (excess)	<u>\$ 518,764</u>	<u>\$ (57,379)</u>
Covered payroll	\$ 16,110,608	\$ 16,110,608
Contributions as a percentage of covered payroll	0.59%	4.17%

Notes:

Valuation Date: June 30, 2020

Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Open 30-year level pay
Amortization period	Varies
Asset valuation method	Market value
Inflation	2.50%
Healthcare cost trend rates	7.00% for 2019 decreasing to an ultimate rate of 4.50% by 2026
Salary increases	3.25% to 7.90% including inflation and productivity factor
Investment rate of return	3.50%, net of OPEB plan investment expense, including price inflation

	2021	2020
Annualized return, net of investment expense	0.44%	1.80%

The Town created an OPEB Trust Fund in FY2020. Information is not required to be presented retroactively. Data for years prior to this presentation is unavailable.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA**SCHEDULE 5****SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)****LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM****LAST EIGHT FISCAL YEARS****JUNE 30, 2021*

	2021	2020	2019	2018	2017	2016	2015	2014
Town's proportion of the net pension liability (asset) (%)	0.28838%	0.28322%	0.27011%	0.25855%	0.25138%	0.26003%	0.25086%	0.24620%
Town's proportion of the net pension liability (asset) (\$)	\$ 10,305,048	\$ 7,734,517	\$ 5,254,505	\$ 3,949,928	\$ 5,335,129	\$ 1,167,001	\$ (1,479,438)	\$ 2,967,655
Town's covered payroll	\$ 18,407,667	\$ 17,191,729	\$ 15,856,385	\$ 14,555,252	\$ 13,598,192	\$ 12,899,021	\$ 12,226,150	\$ 12,226,150
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	55.98%	44.99%	33.14%	27.14%	39.23%	9.05%	-12.10%	24.27%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

Notes to the schedule:

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

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

This schedule is intended to show information for ten years, and the additional information will be displayed as it becomes available.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE OF CONTRIBUTIONS
LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS

SCHEDULE 6

JUNE 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,034,846	\$ 1,682,976	\$ 1,072,766	\$ 957,247	\$ 1,088,779	\$ 931,025	\$ 920,877	\$ 869,384
Contributions in relation to the contractually required contribution	<u>2,034,846</u>	<u>1,682,976</u>	<u>1,072,766</u>	<u>957,247</u>	<u>1,088,779</u>	<u>931,025</u>	<u>920,877</u>	<u>869,384</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	\$ 19,648,103	\$ 18,407,667	\$ 17,191,729	\$ 15,856,385	\$ 14,555,252	\$ 13,598,192	\$ 12,889,021	\$ 12,226,150
Contributions as a percentage of covered payroll	10.36%	9.14%	6.24%	6.04%	7.48%	6.85%	7.14%	7.11%

Notes to the schedule:

This schedule is intended to show information for ten years, and the additional information will be displayed as it becomes available.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

SCHEDULE 7

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Ad Valorem Taxes:				
Current year taxes	\$ 16,861,163	\$ 17,462,070	\$ 600,907	\$ 17,292,320
Prior year taxes	20,000	33,630	13,630	22,259
Taxes Vehicles	1,300,000	1,558,486	258,486	-
Penalties and interest	35,000	34,327	(673)	37,108
Total	18,216,163	19,088,513	872,350	17,351,687
Other Taxes and Licenses:				
Motor vehicle tax	2,500	8,349	5,849	4,433
Rental vehicle tax	700,000	677,180	(22,820)	283,850
Total	702,500	685,529	(16,971)	288,283
Unrestricted Intergovernmental:				
Local option sales tax	7,077,478	10,162,152	3,084,674	7,795,549
Utilities sales tax	1,800,000	1,983,108	183,108	1,880,637
Beer and wine tax	140,000	152,001	12,001	146,541
Powell bill	-	-	-	882,359
Solid waste disposal tax	23,400	27,240	3,840	25,783
ABC profit distribution	186,000	246,727	60,727	211,814
Other	-	-	-	1,105
Total	9,226,878	12,571,228	3,344,350	10,943,788
Restricted Intergovernmental:				
County grants	77,757	77,757	-	77,757
State grants	-	-	-	10,884
Federal grants	-	-	-	32,651
CARES Act	898,331	899,413	1,082	7,786
Public Safety	755,578	772,785	17,207	791,005
Other restricted intergovernmental	18,413	18,414	1	22,434
Total	1,750,079	1,768,369	18,290	942,517
Permits and Fees:				
Building permits	1,370,000	1,828,550	458,550	1,767,205
Development fees	830,361	1,038,808	208,447	931,613
Planning and zoning fees	160,000	266,320	106,320	214,913
Parks and Recreation development fees	884,167	-	(884,167)	2,342,271
Total	3,244,528	3,133,678	(110,850)	5,256,002
Sales and Services:				
Solid waste fees	3,003,157	3,311,437	308,280	2,809,165
Recreation fees	2,091,000	1,718,939	(372,061)	1,458,669
Public Safety	50,000	50,000	-	50,385
Total	5,144,157	5,080,376	(63,781)	4,318,219
Investment earnings	100,000	70,468	(29,532)	262,724
Miscellaneous:				
GoTriangle reimbursement	55,000	16,273	(38,727)	-
Sale of assets	20,000	141,950	121,950	328,053
Miscellaneous revenue	396,704	256,589	(140,115)	683,615
Total	471,704	414,812	(56,892)	1,011,668
Total Revenues	38,856,009	42,812,973	3,956,964	40,374,888

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 7
GENERAL FUND (CONTINUED)
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Expenditures:				
General Government:				
Central Services:				
Salaries and employee benefits	\$ 100,000	\$ 67,932	\$ 32,068	\$ 39,805
Operating expenditures	2,349,491	1,990,666	358,825	3,017,243
Capital outlay	-	-	-	3,813,924
Total	2,449,491	2,058,598	(390,893)	6,870,972
Administration:				
Town Manager's Office:				
Salaries and employee benefits	448,873	420,366	28,507	499,649
Operating expenditures	219,254	70,533	148,721	182,763
Total	668,127	490,899	(177,228)	682,412
Human Resources:				
Salaries and employee benefits	297,905	244,725	53,180	283,743
Operating expenditures	114,424	91,680	22,744	80,248
Total	412,329	336,405	(75,924)	363,991
Town Attorney:				
Salaries and employee benefits	241,873	203,840	38,033	271,668
Operating expenditures	2,959	(1,117)	4,076	6,146
Total	244,832	202,723	(42,109)	277,814
Town Clerk (includes Town Council):				
Salaries and employee benefits	206,592	168,848	37,744	207,095
Operating expenditures	99,909	93,848	6,061	150,616
Total	306,501	262,696	(43,805)	357,711
Communications:				
Salaries and employee benefits	278,440	259,904	18,536	280,810
Operating expenditures	79,140	17,756	61,384	80,480
Total	357,580	277,660	(79,920)	361,290
Finance:				
Salaries and employee benefits	640,764	550,705	90,059	680,236
Operating expenditures	55,166	11,954	43,212	89,327
Total	695,930	562,659	133,271	769,563
Information Technology:				
Salaries and employee benefits	512,701	470,908	41,793	384,681
Operating expenditures	954,098	910,896	43,202	790,682
Capital outlay	-	-	-	216,047
Total	1,466,799	1,381,804	(84,995)	1,391,410
Total General Government	6,601,589	5,573,444	(1,028,145)	11,075,163

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

SCHEDULE 7

GENERAL FUND (CONTINUED)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Economic and Physical Development:				
Development Services:				
Salaries and employee benefits	\$ 2,076,241	\$ 1,936,470	\$ 139,771	\$ 1,866,980
Operating expenditures	496,020	290,535	205,485	80,916
Capital outlay	-	-	-	760
Total	<u>2,572,261</u>	<u>2,227,005</u>	<u>345,256</u>	<u>1,948,656</u>
Economic Development:				
Salaries and employee benefits	214,367	205,893	8,474	195,850
Operating expenditures	94,550	43,160	51,390	44,538
Total	<u>308,917</u>	<u>249,053</u>	<u>59,864</u>	<u>240,388</u>
Utility & Infrastructure:				
Salaries and employee benefits	1,255,351	1,072,037	183,314	1,231,813
Operating expenditures	662,600	290,126	372,474	244,294
Capital outlay	90,889	90,889	-	-
Total	<u>2,008,840</u>	<u>1,453,052</u>	<u>555,788</u>	<u>1,476,107</u>
Total Economic and Physical Development	<u>4,890,018</u>	<u>3,929,110</u>	<u>960,908</u>	<u>3,665,151</u>
Public safety:				
Police:				
Law enforcement:				
Salaries and employee benefits	6,281,109	5,955,252	325,857	5,411,898
Operating expenditures	384,892	320,476	64,416	361,448
Capital outlay	1,046,000	384,373	661,627	682,968
Total	<u>7,712,001</u>	<u>6,660,101</u>	<u>1,051,900</u>	<u>6,456,314</u>
Telecommunications:				
Salaries and employee benefits	918,153	890,740	27,413	868,339
Operating expenditures	12,000	11,286	714	6,777
Total	<u>930,153</u>	<u>902,026</u>	<u>28,127</u>	<u>875,116</u>
Fire:				
Salaries and employee benefits	4,642,656	4,526,913	115,743	4,181,930
Operating expenditures	393,567	417,483	(23,916)	580,396
Capital outlay	1,449,805	996,861	452,944	546,730
Total	<u>6,486,028</u>	<u>5,941,257</u>	<u>544,771</u>	<u>5,309,056</u>
Total Public safety	<u>15,128,182</u>	<u>13,503,384</u>	<u>1,624,798</u>	<u>12,640,486</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 7
GENERAL FUND (CONTINUED)
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Public Works:				
Fleet Maintenance:				
Salaries and employee benefits	\$ 195,753	\$ 184,088	\$ 11,665	\$ 185,304
Operating expenditures	628,984	520,938	108,046	57,553
Capital outlay	8,330	8,329	1	-
Total	833,067	713,355	119,712	242,857
Streets and Highways:				
Salaries and employee benefits	689,438	604,363	85,075	783,771
Operating expenditures	136,100	113,797	22,303	192,321
Capital outlay	279,050	246,072	32,978	582,461
Total	1,104,588	964,232	140,356	1,558,553
Solid Waste:				
Salaries and employee benefits	1,140,331	1,042,622	97,709	1,027,244
Operating expenditures	2,619,898	2,562,798	57,100	2,358,324
Capital outlay	550,000	414,012	135,988	337,953
Total	4,310,229	4,019,432	290,797	3,723,521
Public Facilities:				
Salaries and employee benefits	165,244	157,681	7,563	155,176
Operating expenditures	473,783	473,439	344	358,430
Capital outlay	-	-	-	103,563
Total	639,027	631,120	7,907	617,169
Total Public Works	6,886,911	6,328,139	558,772	6,142,100
Cultural and Recreational:				
Park and Field Maintenance:				
Salaries and employee benefits	3,209,696	2,959,361	250,335	2,842,184
Operating expenditures	2,077,525	1,393,157	684,368	1,588,848
Capital outlay	177,900	139,474	38,426	142,114
Total cultural and recreational	5,465,121	4,491,992	(973,129)	4,573,146
Total Expenditures	38,971,821	33,826,069	(5,145,752)	38,096,046
Revenues under expenditures	(115,812)	8,986,904	9,102,716	2,278,842

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

SCHEDULE 7

GENERAL FUND (CONCLUDED)

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Other Financing Sources (Uses):				
Transfers in:				
Grant & Special Revenue Fund	\$ 34,000	\$ 34,000	\$ -	\$ -
Utility Fund	-	-	-	952,824
Parks & Recreation Reserve	127,425	127,425	-	3,976,865
Fiber Optic Fund	8,338	8,338	-	-
Streets Reserve	300,000	300,000	-	543,488
Transfers out:				
Parks & Recreation Reserve	(884,167)	-	884,167	(2,378,066)
Streets Reserve	(1,400,000)	(1,400,000)	-	(500,000)
Debt Service Fund	(559,480)	(559,480)	-	-
Grant & Special Revenue Fund	(5,177)	-	-	-
PayGo Fund	(756,500)	(756,500)	-	(25,000)
Stormwater Capital Project	(500,000)	(500,000)	-	(288,126)
Town Buildings Capital Project	-	-	-	(302,975)
Installment note issuance	1,750,000	1,750,000	-	-
Appropriated fund balance	2,001,373	-	(2,001,373)	-
Total other financing sources (uses)	<u>115,812</u>	<u>(996,217)</u>	<u>(1,112,029)</u>	<u>1,979,010</u>
Revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>7,990,687</u>	<u>\$ 7,990,687</u>	<u>\$ 4,257,852</u>
Fund balance, beginning of year		21,736,491		
Restatement - beginning of year (Note 15)		(6,838,159)		
Fund balance, end of year		<u>\$ 22,889,019</u>		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

SCHEDULE 8

POWELL BILL

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021		Variance	2020
	Budget	Actual	Positive (Negative)	Actual
Revenues:				
Restricted intergovernmental:				
Sale of Powell Bill Assets	\$ -	\$ 49,875	\$ 49,875	\$ -
Total	-	49,875	49,875	-
Unrestricted intergovernmental:				
Powell Bill allocation	882,000	891,426	9,426	-
Total	882,000	891,426	9,426	-
Miscellaneous:				
Miscellaneous revenue	-	46,671	46,671	-
Total	-	46,671	46,671	-
Investment earnings	3,000	3,216	216	-
Total Revenues	885,000	991,188	106,188	-
Expenditures:				
Salaries & benefits	235,708	220,466	15,242	-
Operating expenditures	111,000	101,150	9,850	-
Capital Outlay - Equipment	1,836,765	717,435	1,119,330	-
Total Expenditures	2,183,473	1,039,051	1,144,422	-
Revenues over (under) expenditures	(1,298,473)	(47,863)	1,250,610	-
Other financing sources (uses):				
Appropriated fund balance	1,298,473	-	(1,298,473)	-
Total other financing sources (uses)	1,298,473	-	(1,298,473)	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	(47,863)	\$ (47,863)	\$ -
Fund balance, beginning of year		-		
Prior period adjustment (Note 15)		1,348,632		
Fund balance, end of year		\$ 1,300,769		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 9
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE (NON TRUST)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021		2020
	Budget	Actual	Variance Positive (Negative) Actual
Revenues:			
Investment earnings	\$ -	\$ 755	\$ 755
Total Revenues	-	755	2,580
Expenditures:			
Total Expenditures	-	-	-
Revenues over (under) expenditures	-	755	2,580
Other financing sources (uses):			
Transfers in:			
Appropriated fund balance	-	-	-
Total other financing sources (uses)	-	-	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	755	\$ 2,580
Fund balance, beginning of year		318,136	315,556
Fund balance, end of year		\$ 318,891	\$ 318,136

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 10
STREET AND SIDEWALKS PROJECTS FUND
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Actual			Total Project To Date
		Prior Year	Current Year	Project Closeout	
Revenues:					
Federal Grant	\$ -	\$ -	\$ -	\$ -	\$ -
State Grant					
Main Street Extension	11,630,065	8,324,025	-	(8,324,025)	-
Grigsby Sidewalk	-	500,643	-	(500,643)	-
Woods at Avent Ferry	-	232,929	-	(232,929)	-
W HS Road Sidewalk	-	150,150	-	(150,150)	-
Signal Sync - NCDOT Fiber Network	339,102	-	218,966	-	218,966
Avent Ferry Bypass	2,724,467	1,228,500	-	(1,228,500)	-
Avent Ferry Road Widening Ph1	1,808,000	163,674	931,155	-	1,094,829
NC55 & Teal Lake Superstreet	350,000	-	-	-	-
Avent Ferry Road ReAlignment	1,000,000	-	-	-	-
Avent Ferry Road - Phase 2	7,546,000	-	-	-	-
Sportsmanship Way/Bypass Connection	1,777,970	1,545,093	69,003	-	1,614,096
Holly Springs Road Widening Phase 1	2,014,496	-	-	-	-
Holly Springs Road Widening Phase 2	3,600,000	-	-	-	-
Investment earnings	-	-	-	-	-
Street Projects - TBD	-	1,082	(1,082)	-	-
Town Hall Commons	-	-	108	-	108
Avent Ferry Road Widening	-	7,755	-	(7,755)	-
Holly Springs Road Widening Phase 2	-	-	40	-	40
Hwy 55 Right Turn Lane - AF/S Main	-	-	5	-	5
Avent Ferry Road ReAlignment	-	-	10	-	10
Main Street Eastbound Right Turn Lane	-	-	2	-	2
Miscellaneous					
Avent Ferry Bypass	-	32,400	-	(32,400)	-
Avent Ferry Road Widening	-	138,000	-	(138,000)	-
Woods at Avent Ferry	-	35,000	-	(35,000)	-
Avent Ferry Road Widening Ph1	92,000	-	92,000	-	92,000
Green Oaks Parkway/New Hill Signal	84,500	-	84,500	-	84,500
Total Revenues	32,966,600	12,359,251	1,394,707	(10,649,402)	3,104,556

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 10
STREET AND SIDEWALKS PROJECTS FUND (CONTINUED)
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			Total
	Project	Prior	Current	Project	Project
	Authorization	Year	Year	Closeout	To Date
Expenditures:					
Main Street Extension	\$ 16,063,564	\$ 11,934,807	\$ 90,044	\$ (12,024,851)	\$ -
Grisby Sidewalk	-	1,365,167	-	(1,365,167)	-
Avent Road Widening	-	1,541,521	-	(1,541,521)	-
Woods at Avent Ferry	-	348,735	-	(348,735)	-
W HS Road Sidewalk	-	699,572	-	(699,572)	-
Sunset Lake Road Sidewalk Phase 2	87,328	53,068	4,500	(57,568)	-
Avent Ferry Bypass	3,349,467	1,749,939	-	(1,749,939)	-
Hwy 55 Right Turn Lane - AF/S Main	2,420,000	172,350	32,061	-	204,411
Avent Ferry Road Widening Ph1	3,135,357	529,593	1,123,466	-	1,653,059
NC55 & Teal Lake Superstree	350,000	-	-	-	-
North Main Street - Sidewalk	337,500	90,378	13,437	-	103,815
Avent Ferry Road ReAlignment	4,960,500	250,392	311,373	-	561,765
Avent Ferry Road - Phase 2	7,616,000	69,780	21,848	-	91,628
Main Street Eastbound Right Turn Lane	913,000	60,960	19,762	-	80,722
Gable Ridge	330,356	278,422	-	(278,422)	-
Bass Lake Bridge Sidewalk	-	4,043	-	(4,043)	-
Town Hall Commons	8,318,968	8,000,333	55,077	-	8,055,410
Sportsmanship Way/Bypass Connection	3,437,758	2,470,500	92,938	-	2,563,438
Holly Springs Road Widening Phase 1	2,741,246	588,839	25,049	-	613,888
Holly Springs Road Widening Phase 2	18,710,000	928,080	1,170,851	-	2,098,931
Green Oaks Parkway/New Hill Signal	373,000	29,300	256,646	-	285,946
New Hill Sidewalk	295,480	59,927	-	-	59,927
Signal Sync - NCDOT Fiber Network	339,102	-	230,662	-	230,662
Smart City Intelligent Traffic System	250,000	-	-	-	-
Pavement Survey	80,000	-	-	-	-
Street Projects - TBD- Bond Authorization	18,000,000	-	-	-	-
Street Project - TBD - Bond Premium	2,806,806	-	-	-	-
Total Expenditures	94,915,432	31,225,706	3,447,714	(18,069,818)	16,603,602
Revenues over (under) expenditures	(61,948,832)	(18,866,455)	(2,053,007)	7,420,416	(13,499,046)
Other Financing Sources:					
Transfers in					
General Fund					
Main Street Extension	2,027,499	1,066,155	-	(1,066,155)	-
Grisby Sidewalk	-	868,249	-	(868,249)	-
Pavement Survey	80,000	-	-	-	-
Avent Ferry Road Widening Ph1	474,082	474,082	-	-	474,082
Gable Ridge	85,564	278,422	-	(278,422)	-
Town Hall Commons	1,022,521	1,022,521	(263,663)	-	758,858
Sportsmanship Way/Bypass Connection	394,208	394,208	-	-	394,208
New Hill Sidewalk	280,480	280,480	-	-	280,480
Avent Ferry Road Widening	-	(211,355)	-	211,355	-
Woods at Avent Ferry	-	80,190	-	(80,190)	-
W HS Road Sidewalk	-	1,102,487	-	(1,102,487)	-
NC55/Teal Lake Superstreet	-	808	-	(808)	-
Bass Lake Bridge Sidewalk	-	5,000	-	(5,000)	-
Street Projects - TBD	-	373,592	(873,909)	500,317	-

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 10
STREET AND SIDEWALKS PROJECTS FUND (CONCLUDED)
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Actual			Total Project To Date
		Prior Year	Current Year	Project Closeout	
Street Reserves:					
Smart City Intelligent Traffic System	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Sunset Lake Road Sidewalk Phase 2	87,328	87,328	(29,760)	(57,568)	-
Avent Ferry Road Widening Ph1	761,275	168,851	592,424	-	761,275
North Main Street - Sidewalk	8,000	8,000	-	-	8,000
Avent Ferry Road - Phase 2	70,000	70,000	-	-	70,000
Town Hall Commons	3,781,632	3,781,632	-	-	3,781,632
Sportsmanship Way/Bypass Connection	1,265,580	1,118,511	(563,377)	-	555,134
Holly Springs Road Widening Phase 1	726,750	726,750	-	-	726,750
Green Oaks Parkway/New Hill Signal	288,500	335,000	(46,500)	-	288,500
New Hill Sidewalk	15,000	15,000	-	-	15,000
Gable Ridge	800	-	-	-	-
Transfers in - General Fund (bond loan)					
Hwy 55 Right Turn Lane - AF/S Main	-	220,000	(220,000)	-	-
Avent Ferry Road ReAlignment	-	960,500	(960,500)	-	-
Main Street Eastbound Right Turn Lane	-	99,900	(99,900)	-	-
Holly Springs Road Widening Phase 2	-	3,799,400	(3,799,400)	-	-
Transfer in - PayGo Fund					
North Main Street - Sidewalk	329,500	329,500	(233,685)	-	95,815
Transfer in - Utility Reserves					
Town Hall Commons	3,514,815	3,514,813	-	-	3,514,813
Gable Ridge	243,992	-	-	-	-
Installment Financing					
Avent Ferry Road Widening	-	1,642,209	-	(1,642,209)	-
General Obligation Bonds					
Street Projects - To Be Determined	18,000,000	-	-	-	-
Hwy 55 Right Turn Lane - AF/S Main	2,016,500	-	2,016,500	-	2,016,500
Avent Ferry Road ReAlignment	3,960,500	-	3,960,500	-	3,960,500
Main Street Eastbound Right Turn Lane	913,000	-	913,000	-	913,000
Holly Springs Road Widening Phase 2	15,110,000	-	15,110,000	-	15,110,000
General Obligation Bonds - Premium					
To Be Determined	2,806,806	-	2,835,087	-	2,835,087
Hwy 55 Right Turn Lane - AF/S Main	403,500	-	403,500	-	403,500
Limited obligation bonds - 2014					
Main Street Extension	2,406,000	2,541,961	-	(2,541,961)	-
Avent Ferry Bypass	625,000	489,039	-	(489,039)	-
Total Other Financing Sources	61,948,832	25,643,233	18,740,317	(7,420,416)	36,963,134
Net Change in fund balance	\$ -	\$ 6,776,778	16,687,310	\$ -	\$ 23,464,088
Fund balance, beginning of year			5,812,192		
Restatement (Note 15)			964,586		
Fund balance, end of year			\$ 23,464,088		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

SCHEDULE 11

STREET RESERVE FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Actual			Total to Date
		Prior Years	Current Year	Closed Projects	
Revenues:					
Payments in lieu	\$ -	\$ 3,184,217	\$ -	\$ (3,184,217)	\$ -
Impact fees	1,869,195	7,930,280	(22,000)	(6,061,082)	1,847,198
Investment earnings	4,439	351,402	5,161	(351,402)	5,161
Miscellaneous	40,917	-	241,583	(251,758)	(10,175)
Total Revenues	1,914,551	11,465,899	224,744	(9,848,459)	1,842,184
Other Financing Sources (Uses):					
Transfers in - General Fund	400,000	14,464,048	1,400,000	(14,464,048)	1,400,000
Transfers in - Capital Projects	1,227,691	-	1,791,851	-	1,791,851
Transfers Out - General Fund	-	(29,140,549)	4,779,800	24,060,749	(300,000)
Transfer Out - Capital Projects	(3,794,000)	-	(737,045)	-	(737,045)
Transfer Out - Utility Fund	-	-	(357,566)	-	(357,566)
Limited obligation bonds - 2014	251,758	-	-	251,758	251,758
Total Other Financing Sources (Uses)	(1,914,551)	(14,676,501)	6,877,040	9,848,459	2,048,998
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (3,210,602)	7,101,784	\$ -	\$ 3,891,182
Fund balance, beginning of year			(3,709,288)		
Restatement (Note 15)			498,686		
Fund balance, end of year			\$ 3,891,182		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 12
BUSINESS PARK DEVELOPMENT PROJECTS FUND
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Actual				
	Project Authorization	Prior Years	Current Year	Project Closeouts	Total to Date
Revenues:					
Investment earnings	\$ 30,000	\$ 23,935	\$ -	\$ -	\$ 23,935
Grants	-	7,478,853	-	(7,478,853)	-
Total Revenues	30,000	7,502,788	-	(7,478,853)	23,935
Expenditures:					
Operating					
Project Galaxy	-	-	421,105	-	421,105
Capital outlay:					
Land improvements	-	5,250,000	-	(5,250,000)	-
Green Oaks Parkway	-	9,895,472	-	(9,895,472)	-
Total expenditures	-	15,145,472	421,105	(15,145,472)	421,105
Revenues over (under) expenditures	30,000	(7,642,684)	(421,105)	7,666,619	(397,170)
Other financing sources (uses):					
Installment note issuance	-	6,366,000	-	(6,366,000)	-
Limited Obligation Bonds	17,965,000	-	17,964,080	-	17,964,080
Limited Obligation Bonds - Premium	3,294,202	-	3,286,234	-	3,286,234
Transfer in	500,000	1,546,000	-	(1,300,619)	245,381
Transfer out - Debt Service Fund	(530,000)	-	(269,316)	-	(269,316)
Capital Contributions	(21,259,202)	-	-	-	-
Total other financing sources	(30,000)	7,912,000	20,980,998	(7,666,619)	21,226,379
Net change in fund balance	\$ -	\$ 269,316	20,559,893	\$ -	\$ 20,829,209
Fund balances:					
Beginning of Year			269,316		
End of Year			\$ 20,829,209		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

SCHEDULE 13

PARKS AND RECREATION PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Prior Years	Current Year	Project Closeouts	Total Project To Date
Revenues:					
Investment earnings:					
Parks and Recreation Projects - TBD	\$ -	\$ 5,458	\$ -	\$ 23,776	\$ 29,234
Parks and Recreation Bond Projects	-	55,394	-	(55,394)	-
Arbor Creek Greenway - Phase 2	-	-	8	-	8
Cass Holt Road Park (formerly New NC55)	-	-	10	-	10
State grant:					
Bass Lake Hurricane Repairs	254,340	138,096	150,186	-	288,282
Utle Creek Greenway - Phase 1	580,000	138,951	18,547	-	157,498
Federal grant:					
Bass Lake Hurricane Repairs	733,000	414,287	450,559	-	864,846
Miscellaneous revenues:					
Parks and Recreation Bond Projects	-	42,000	-	(42,000)	-
Total revenues	1,567,340	794,186	619,310	(73,618)	1,339,878
Expenditures:					
Operating:					
Arbor Creek Greenway - Phase 2	-	-	27,635	-	27,635
Cass Holt Road Park (formerly New NC55)	-	-	19,962	-	19,962
Capital outlay:					
Arbor Creek Greenway - Phase 2	6,120,184	142,993	339,041	-	482,034
Park and Recreation Bond Projects	-	26,580,878	-	(26,580,878)	-
Sugg Farm Administration	189,591	150,423	-	(150,423)	-
Bass Lake Hurricane Repairs	2,880,054	995,692	170,432	-	1,166,124
Parks and Recreation Projects - TBD	967,900	-	-	-	-
NMAC Playground	-	-	-	-	-
Sugg Farm Picnic Shelter	838,500	488,257	283,985	-	772,242
Sugg Farm Maintenance Barn	35,037	34,394	-	(34,394)	-
Cass Holt Road Park (formerly New NC55)	6,430,000	3,813,924	-	-	3,813,924
Utle Creek Greenway - Phase 1	1,557,820	182,617	94,583	-	277,200
Utle Creek Greenway - Phase 2	2,674,602	-	133,783	-	133,783
Total Expenditures	21,693,688	32,389,178	1,069,421	(26,765,695)	6,692,904
Revenues over (under) expenditures	(20,126,348)	(31,594,992)	(450,111)	26,692,077	(5,353,026)
Other Financing Costs:					
Limit Obligation Bonds					
Parks and Recreation Bond Projects	-	21,595,682	-	(21,595,682)	-
General Obligation Bonds					
Arbor Creek Greenway - Phase 2	3,720,000	-	3,720,000	-	3,720,000
Cass Holt Road Park (formerly New NC55)	4,280,000	-	4,280,000	-	4,280,000
General Obligation Bonds - Premium					
Arbor Creek Greenway - Phase 2	1,167,384	-	1,177,668	-	1,177,668
Transfer in:					
Parks and Recreation Bond Projects	-	3,871,767	-	(3,871,767)	-
Bass Lake Hurricane Repairs	876,758	876,758	-	-	876,758
Sugg Farm Picnic Shelter	838,500	838,500	-	-	838,500
Sugg Farm Maintenance Barn	35,037	35,037	-	(35,037)	-
Utle Creek Greenway - Phase 1	183,300	183,300	-	-	183,300
Parks and Recreation Projects - TBD	-	39,811	-	-	39,811
Transfer In - Parks & Recreation Reserve:					
Arbor Creek Greenway - Phase 2	1,232,800	552,200	80,600	-	632,800
Sugg Farm Administration	189,591	189,591	-	(189,591)	-
Bass Lake Hurricane Repairs	920,480	920,480	-	-	920,480
Utle Creek Greenway - Phase 1	794,520	794,520	-	-	794,520
Utle Creek Greenway - Phase 2	2,674,602	300,000	24,602	-	324,602
Cass Holt Road Park (formerly New NC55)	2,150,000	150,000	-	-	150,000
Parks and Recreation Projects - TBD	967,900	-	-	-	-
Other - Wake County	-	1,000,000	-	(1,000,000)	-
Appropriated Fund Balance	95,476	-	-	-	-
Total other financing sources	20,126,348	31,347,646	9,282,870	(26,692,077)	13,938,439
Revenues and other financing sources over (under) expenditures	\$ -	\$ (247,346)	8,832,759	\$ -	\$ 8,585,413
Beginning of Year			3,094,636		
Restatement (Note 15)			(3,341,982)		
End of Year			<u>\$ 8,585,413</u>		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 14
PARK RESERVE FUND
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Actual			Total Project To Date
		Prior Years	Current Year	Project Closeout	
Revenues:					
Payments in lieu	\$ 5,875,643	\$ 13,903,015	\$ 2,504,379	\$ (10,384,415)	\$ 6,022,979
Investment earnings	100,000	224,522	12,412	(224,522)	12,412
Miscellaneous	610,432	2,967,116	610,432	(2,967,116)	610,432
Donations	-	15,000	-	(15,000)	-
Total Revenues	<u>6,586,075</u>	<u>17,109,653</u>	<u>3,127,223</u>	<u>(13,591,053)</u>	<u>6,645,823</u>
Other Financing Costs (uses):					
Transfers in	3,813,925	9,233,219	-	(5,419,295)	3,813,924
Transfers (out)	<u>(10,400,000)</u>	<u>(19,010,348)</u>	<u>(232,627)</u>	<u>19,010,348</u>	<u>(232,627)</u>
Total Other Financing Sources (Uses)	<u>(6,586,075)</u>	<u>(9,777,129)</u>	<u>(232,627)</u>	<u>13,591,053</u>	<u>3,581,297</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 7,332,524</u>	2,894,596	<u>\$ -</u>	<u>\$ 10,227,120</u>
Fund balances:					
Beginning of year			2,768,599		
Prior Period Adjustment (Note 15)			<u>4,563,925</u>		
End of year			<u>\$ 10,227,120</u>		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

SCHEDULE 15

JUNE 30, 2021

	Special Revenue Funds			Capital Project Funds			Total Capital Project Funds	Total Nonmajor Governmental Funds
	Emergency Telephone Fund	Grants Fund	Total Special Revenue Funds	PayGo Fund	Fiber Optic Telecommunications Reserve Fund	Town Building Project Funds		
Assets								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 734,838	\$ 734,838	\$ 734,838
Restricted cash and cash equivalents	616,382	1,024,579	1,640,961	1,047,431	-	-	1,047,431	2,688,392
Accounts Receivable - Sales Tax	-	44	44	-	-	9	9	53
Due from other governments	19,732	-	19,732	-	-	-	-	19,732
Total Assets	<u>\$ 636,114</u>	<u>\$ 1,024,623</u>	<u>\$ 1,660,737</u>	<u>\$ 1,047,431</u>	<u>\$ -</u>	<u>\$ 734,847</u>	<u>\$ 1,782,278</u>	<u>\$ 3,443,015</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable and accrued liabilities	\$ 670	\$ 19,757	\$ 20,427	\$ 20,372	\$ -	\$ 15,586	\$ 35,958	\$ 56,385
Unearned revenue	-	-	-	-	-	-	-	-
Total Liabilities	<u>670</u>	<u>19,757</u>	<u>20,427</u>	<u>20,372</u>	<u>-</u>	<u>15,586</u>	<u>35,958</u>	<u>56,385</u>
Fund Balances:								
Committed:								
General Government	-	1,143	1,143	-	-	440,136	440,136	441,279
Public Safety	635,444	44,732	680,176	-	-	279,125	279,125	959,301
Cultural	-	29,919	29,919	-	-	-	-	29,919
Inspection	-	929,072	929,072	-	-	-	-	929,072
Assigned:								
PayGo	-	-	-	1,027,059	-	-	1,027,059	1,027,059
Total Fund Balances	<u>635,444</u>	<u>1,004,866</u>	<u>1,640,310</u>	<u>1,027,059</u>	<u>-</u>	<u>719,261</u>	<u>1,746,320</u>	<u>3,386,630</u>
Total Liabilities and Fund Balances	<u>\$ 636,114</u>	<u>\$ 1,024,623</u>	<u>\$ 1,660,737</u>	<u>\$ 1,047,431</u>	<u>\$ -</u>	<u>\$ 734,847</u>	<u>\$ 1,782,278</u>	<u>\$ 3,443,015</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 16
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENT FUNDS**

YEAR ENDED JUNE 30, 2021

	Special Revenue Funds			Capital Project Funds				
			Total		Fiber Optic Telecommunications	Town Building	Total Nonmajor	Total Nonmajor
	Emergency Telephone Fund	Grants Fund	Special Revenue Funds	PayGo Fund	Reserve Fund	Project Funds	Project Funds	Governmental Funds
Revenues:								
Restricted intergovernmental	\$ 236,786	\$ 10,848	\$ 247,634	\$ -	\$ -	\$ -	\$ -	\$ 247,634
Investment earnings	1,362	1,144	2,506	-	11	-	11	2,517
Miscellaneous	-	38,377	38,377	19,305	-	-	19,305	57,682
Total Revenues	238,148	50,369	288,517	19,305	11	-	19,316	307,833
Expenditures:								
Operating	145,920	85,068	230,988	-	-	6,448	6,448	237,436
Capital outlay	-	76,071	76,071	137,409	-	965,862	1,103,271	1,179,342
Total Expenditures	145,920	161,139	307,059	137,409	-	972,310	1,109,719	1,416,778
Revenues over (under) expenditures	92,228	(110,770)	(18,542)	(118,104)	11	(972,310)	(1,090,403)	(1,108,945)
Other Financing Sources (Uses):								
Transfers from other funds	-	-	-	1,120,163	-	577,929	1,698,092	1,698,092
Transfers to other funds	-	(417,849)	(417,849)	-	(8,338)	-	(8,338)	(426,187)
Bond Issuance	-	-	-	-	-	361,732	361,732	361,732
Total Other Financing Sources (Uses)	-	(417,849)	(417,849)	1,120,163	(8,338)	939,661	2,051,486	1,633,637
Net change in fund balances	92,228	(528,619)	(436,391)	1,002,059	(8,327)	(32,649)	961,083	524,692
Fund balance, beginning of year	543,216	-	543,216	25,000	8,327	630,575	663,902	1,207,118
Restatement (Note 15)	-	1,533,485	1,533,485	-	-	121,335	121,335	1,654,820
Fund balance, end of year	\$ 635,444	\$ 1,004,866	\$ 1,640,310	\$ 1,027,059	\$ -	\$ 719,261	\$ 1,746,320	3,386,630

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 17
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNT FOR THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Restricted intergovernmental:				
911 Subscriber fees	\$ 236,786	236,786	\$ -	\$ 168,940
Investment earnings	-	1,362	1,362	4,242
Total Revenues	<u>236,786</u>	<u>238,148</u>	<u>1,362</u>	<u>173,182</u>
Expenditures:				
Utilities Telephone	85,000	70,641	14,359	58,520
Maintenance & Repair	<u>151,786</u>	<u>75,278</u>	<u>76,508</u>	<u>94,474</u>
Total Expenditures	<u>236,786</u>	<u>145,919</u>	<u>90,867</u>	<u>152,994</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>92,229</u>	<u>\$ 92,229</u>	<u>20,188</u>
Fund balance, beginning of year		<u>543,215</u>		<u>523,027</u>
Fund balance, end of year		<u>\$ 635,444</u>		<u>\$ 543,215</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

SCHEDULE 18

GRANTS & SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Investment earnings	\$ 195	\$ -	\$ 1,144	\$ 1,144
State grant:				
Public Instruction - Anti-Bullying Grant	50,000	50,000	-	50,000
Substance Abuse Tax	8,797	-	9,423	9,423
Federal grant:				
American Recovery Plan (ARP) - TBD	5,210,000	-	-	-
Asset Forfeiture	103,061	101,637	1,425	103,062
Miscellaneous revenues:				
Sense of Play	-	-	29,919	29,919
Public Safety - Other	8,458	-	8,458	8,458
Total revenues	<u>5,380,511</u>	<u>151,637</u>	<u>50,369</u>	<u>202,006</u>
Expenditures:				
Operating:				
Public Instruction - Anti-Bullying Grant	50,000	21,692	28,309	50,001
Inspections - HB 255	-	-	56,759	56,759
Capital outlay:				
American Recovery Plan (ARP) - TBD	5,210,000	-	-	-
Public Safety				
Asset Forfeiture	103,256	-	76,071	76,071
Substance Abuse Tax	8,797	-	-	-
Public Safety - Other	8,458	-	-	-
Total expenditures	<u>5,380,511</u>	<u>21,692</u>	<u>161,139</u>	<u>182,831</u>
Revenues under expenditures	<u>-</u>	<u>129,945</u>	<u>(110,770)</u>	<u>19,175</u>
Other financing sources:				
Transfer in - General Fund (Inspections - HB 255)	1,403,540	1,403,540	-	1,403,540
Transfers (out):				
General Fund	(1,403,540)	-	(34,000)	(34,000)
Capital Projects Fund	-	-	(77,929)	(77,929)
Debt Service Fund	-	-	(305,920)	(305,920)
Total other financing sources	<u>-</u>	<u>1,403,540</u>	<u>(417,849)</u>	<u>985,691</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,533,485</u>	<u>(528,619)</u>	<u>\$ 1,004,866</u>
Fund balances:				
Beginning of Year			-	
Restatement (Note 15)			1,533,485	
End of Year			<u>\$ 1,004,866</u>	

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

SCHEDULE 19

PAYGO FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET TO ACTUAL

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2021

	Project Authorization	Actual		Total Project To Date
		Prior Years	Current Year	
Revenues:				
Miscellaneous Revenues	\$ -	\$ -	\$ 19,305	\$ 19,305
Total Revenues	-	-	19,305	19,305
Expenditures:				
Capital outlay:				
Downtown Development Incentive	50,000	-	25,000	25,000
Public Facility Projects	295,000	-	28,000	28,000
Town Projects	631,500	-	14,222	14,222
Streets & Sidewalk Projects	540,000	-	41,067	41,067
Vehicle & Equipment	261,000	-	-	-
ADA Transition	55,000	-	29,120	29,120
Total expenditures	1,832,500	-	137,409	137,409
Revenues over (under) expenditures	(1,832,500)	-	(118,104)	(118,104)
Other Financing Sources (Uses):				
Transfer in - Street Reserves	100,000	-	100,000	100,000
Transfer in - Capital Project Fund	-	-	263,663	263,663
Transfer in - General Fund	1,732,500	25,000	756,500	781,500
Total Other Financing Sources (Uses)	1,832,500	25,000	1,120,163	1,145,163
Revenues and other financing sources over (under) expenditures	\$ -	\$ 25,000	1,002,059	\$ 1,027,059
Fund balances:				
Beginning of year			25,000	
End of year			\$ 1,027,059	

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 20
FIBER OPTIC TELECOMMUNICATIONS RESERVE FUND
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Nonoperating Revenues:				
Investment earnings	\$ 195	\$ 185	\$ 11	\$ 196
Total Revenues	195	185	11	196
Expenditures:				
Capital outlay:	-	-	-	-
Total Expenditures	-	-	-	-
Revenues over (under) expenditures	195	185	11	196
Other Financing Sources (Uses):				
Transfer in	8,143	8,142	-	8,142
Transfer out	(8,338)	-	(8,338)	(8,338)
Total other financing sources	(195)	8,142	(8,338)	(196)
Revenues and other sources over (under) expenditures and other uses	\$ -	\$ 8,327	(8,327)	\$ -
Fund balance, beginning of year			8,327	
Fund balance, end of year			\$ -	

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE 21
TOWN BUILDING PROJECTS FUND
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Actual		Total Project To Date
		Prior Years	Current Year	
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Operating				
Town Hall Lobby Renovations	-	-	6,448	6,448
Capital outlay:				
Professional Services				
Public Works Complex	958,835	9,900	4,385	14,285
Fire Station #3	302,975	-	23,850	23,850
Town Hall Lobby Renovations	431,693	-	29,238	29,238
Capital Outlay Improvements				
Public Works Complex	929,550	12,500	908,389	920,889
Fire Station #3	-	-	-	-
Total Expenditures	2,623,053	22,400	972,310	994,710
Revenues over (under) expenditures	(2,623,053)	(22,400)	(972,310)	(994,710)
Other Financing Costs:				
Limited Obligation Bonds - 2021	305,920	-	305,920	305,920
Limited Obligation Bonds Premium - 2021	47,844	-	55,812	55,812
Transfers in:				
General Fund	599,310	599,310	-	599,310
Grants & Special Revenue	77,929	-	77,929	77,929
Utility Fund	675,000	175,000	500,000	675,000
Utility Reserves Fund	917,050	-	-	-
Total Other Financing Costs	2,623,053	774,310	939,661	1,713,971
Revenues and other financing sources over (under) expenditures	\$ -	\$ 751,910	(32,649)	\$ 719,261
Fund balance, beginning of year			630,575	
Restatement (Note 15)			121,335	
Fund balance, end of year			\$ 719,261	

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
UTILITY FUND
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 22

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FROM THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Favorable Unfavorable	Actual
Revenues:				
Water sales	\$ 9,828,405	\$ 9,790,035	\$ (38,370)	\$ 12,030,070
Sewer charges	8,043,067	8,170,200	127,133	10,162,730
Water and sewer tap fees	184,500	248,820	64,320	226,519
Total	18,055,972	18,209,055	153,083	22,419,319
Other Operating Revenues:				
Returned check charges	2,000	1,500	(500)	1,750
Water inspection fees	119,850	65,371	(54,479)	105,254
Sewer inspection fees	107,100	94,106	(12,994)	94,211
Water and sewer permits	4,300	5,400	1,100	7,000
Development permits	204,950	113,924	(91,026)	204,270
Water meter fees	365,000	385,566	20,566	354,256
Service charge meter deposits	7,000	4,190	(2,810)	4,175
Reconnect charges	58,000	57,670	(330)	42,693
Reclaimed inspection fees	20,150	20,066	(84)	9,521
Lab testing fees	81,000	117,687	36,687	127,799
Late fees	190,000	160,417	(29,583)	148,945
Miscellaneous	38,544	57,806	19,262	34,523
Total Other Operating Revenues	1,197,894	1,083,703	(114,191)	1,134,397
Total Operating Revenues	19,253,866	19,292,758	38,892	23,553,716
Nonoperating Revenues:				
Interest earnings	70,000	41,551	(28,449)	267,110
Sale of assets	27,000	35,520	8,520	(10,503)
Total Nonoperating Revenues	97,000	77,071	(19,929)	256,607
Total Revenues	19,350,866	19,369,829	18,963	23,810,323
Expenditures:				
Salaries and employee benefits	5,496,935	5,058,401	438,534	4,570,614
Water purchases for resale	2,400,000	2,382,869	17,131	2,037,362
Professional services	1,582,901	991,204	591,697	425,811
Repairs and maintenance	581,342	473,496	107,846	293,608
Other operating expenditures	3,329,084	2,885,134	443,950	7,269,512
Total Utility Operations	13,390,262	11,791,104	1,599,158	14,596,907
Capital outlay	712,590	222,578	490,012	955,608
Total expenditures	14,102,852	12,013,682	2,089,170	15,552,515
Revenues over expenditures	5,248,014	7,356,147	(2,108,133)	8,257,808

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
UTILITY FUND (CONCLUDED)
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 22

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FROM THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Favorable Unfavorable	
Other Financing Sources (Uses):				
Transfers from other funds	\$ 500,000	\$ 500,000	\$ -	\$ 6,285,249
Transfers to other fund	(6,843,360)	(6,843,360)	-	(12,140,356)
Appropriated fund balance	1,095,346	-	1,095,346	-
Total Other Financing Sources (Uses)	(5,248,014)	(6,343,360)	1,095,346	(5,855,107)
Revenues over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 1,012,787</u>	<u>\$ (1,012,787)</u>	<u>\$ 2,402,701</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:				
Revenues and other sources over expenditures and other uses		\$ 1,012,787		\$ -
Reconciling Items:				
Depreciation and amortization		(4,281,733)		(4,230,569)
Capital outlay		4,924,668		5,394,775
Capital contributions		4,261,725		2,512,518
Principal payments on debt		3,239,208		2,895,920
Proceeds from issuance		(3,045,650)		-
Change in accrued interest		382,849		(19,308)
Increase in compensated absences		(42,555)		(32,334)
Increase in pension obligation		(468,690)		(198,988)
Decrease in deferred inflows - pension		2,251		13,396
Decrease in deferred outflows - pension		199,959		(27,724)
Increase in OPEB obligation		(239,326)		(102,119)
Decrease deferred inflows of resources - OPEB		7,433		12,229
Increase deferred outflows of resources - OPEB		(11,587)		124,930
Total Reconciling Items		<u>4,928,552</u>		<u>6,342,726</u>
Net Income Utility Fund		5,941,339		8,745,427
Other Utility Funds:				
Debt Service Fund - net income		(59,360)		437
Capital project funds:				
Water Project Fund - net income		3,633,697		-
Waste Water Projects Fund - net income		(232,919)		(2,592,855)
Water Reserve Fund - net income		401,130		(2,522,989)
Waste Water Reserve Fund - net income		402,965		(2,500,718)
Net income - GAAP		<u>\$ 10,086,852</u>		<u>\$ 1,129,302</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
UTILITY DEBT SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 23

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FROM THE YEAR ENDED JUNE 30, 2020)

	2021		2020	
	Budget	Actual	Variance Favorable Unfavorable	Actual
Revenues:				
Investment earnings	\$ 4,301	\$ 4,836	\$ 535	\$ -
Total	4,301	4,836	535	-
Expenditures:				
Operating expenditures	46,000	46,000	-	-
Debt Service:				
Bond principal	2,190,454	2,165,474	(24,980)	1,822,185
Bond interest	832,666	831,417	(1,249)	1,069,229
Installment note principal	1,073,735	1,073,734	(1)	1,073,735
Installment note interest	226,465	225,990	(475)	34,753
Total debt service	4,323,320	4,296,615	(26,705)	3,999,902
Total expenditures	4,369,320	4,342,615	(26,705)	3,999,902
Revenues Under Expenditures	(4,365,019)	(4,337,779)	27,240	(3,999,902)
Other Financing Sources (uses):				
Transfers from other funds				
System Development Fee	4,080,946	3,994,346	(86,600)	4,000,339
Water Capital Projects Fund	284,073	284,073	-	-
Total Other Financing Sources	4,365,019	4,278,419	(86,600)	4,000,339
Revenues and other sources over (under) expenditures and other uses	\$ -	(59,360)	\$ (59,360)	\$ 437
Fund balances:				
Beginning of Year		3,921,503		
End of Year		<u>\$ 3,862,143</u>		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
WATER PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 24

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Project Closeout	Total Project to Date
Revenues:					
Investment earnings	\$ 53,708	\$ 69,621	\$ (38)	\$ (64,379)	\$ 5,204
State grant	-	723,200	-	(723,200)	-
Federal grant	2,460,000	-	-	-	-
Total revenues	<u>2,513,708</u>	<u>792,821</u>	<u>(38)</u>	<u>(787,579)</u>	<u>5,204</u>
Expenditures:					
Capital outlay:					
Mims Stormwater Device	1,746,531	421,446	-	(421,446)	-
Jordan Lake Application	59,591,817	14,755,987	-	(14,755,987)	-
Reuse Project and Program Development	-	2,825,687	-	(2,825,687)	-
New Hill Road Reclaimed Installation	-	169,128	-	(169,128)	-
Reclaim Water Master Plan	-	36,640	-	(36,640)	-
Holly Springs Road Forcemain Upsize	2,460,000	-	-	-	-
NC 540 Utility Relocation	739,750	-	-	-	-
Sanford Water Capacity and Linework	300,000	-	-	-	-
Harnett County Booster Station Upgrade	200,000	-	-	-	-
Other	-	38	(38)	-	-
Total expenditures	<u>65,038,098</u>	<u>18,208,926</u>	<u>(38)</u>	<u>(18,208,888)</u>	<u>-</u>
Revenues under expenditures	<u>(62,524,390)</u>	<u>(17,416,105)</u>	<u>-</u>	<u>17,421,309</u>	<u>5,204</u>
Other financing sources:					
Revenue bond proceeds	59,611,400	14,887,338	-	(14,887,338)	-
Transfer out	(267,730)	-	(284,073)	284,073	-
Transfer in					-
Utility Fund	644,750	-	644,750	-	644,750
Utility Capital Projects	-	-	922,076	-	922,076
Utility Reserves	395,000	-	3,073,020	-	3,073,020
System Development Fees	200,000	-	200,000	-	200,000
Other	1,940,970	3,740,120	(922,076)	(2,818,044)	-
Total other financing sources	<u>62,524,390</u>	<u>18,627,458</u>	<u>3,633,697</u>	<u>(17,421,309)</u>	<u>4,839,846</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,211,353</u>	<u>3,633,697</u>	<u>-</u>	<u>\$ 4,845,050</u>
Fund balances:					
Beginning of Year			1,211,353		
End of Year			<u>\$ 4,845,050</u>		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
WATER RESERVE FUND
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 25

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Actual			Total Project To Date
		Prior Years	Current Year	Project Closeout	
Revenues:					
Development fees-in-lieu	\$ 9,486,673	\$ 1,084,755	\$ -	\$ 8,291,220	\$ 9,375,975
Miscellaneous Revenues	473,159	15,916,152	310,275	(15,805,454)	420,973
Investment earnings	40,168	920,396	(22,928)	(884,958)	12,510
Total Revenues	10,000,000	17,921,303	287,347	(8,399,192)	9,809,458
Revenues over (under) expenditures	10,000,000	17,921,303	287,347	(8,399,192)	9,809,458
Other Financing Costs:					
Transfers from other funds	-	2,742,427	178,783	(2,742,427)	178,783
Transfers to other funds	(10,000,000)	(11,141,619)	(65,000)	11,141,619	(65,000)
Total Other Financing Sources (Uses)	(10,000,000)	(8,399,192)	113,783	8,399,192	113,783
Revenues and other financing sources over (under) expenditures	\$ -	\$ 9,522,111	401,130	\$ -	\$ 9,923,241
Fund balances:					
Beginning of year			9,522,111		
End of year			\$ 9,923,241		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
WASTEWATER PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 26

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Project Closeout	Total Project To Date
Revenues:					
Investment earnings	\$ -	\$ 17,557	\$ 208	\$ (17,552)	\$ 213
State grant	4,250,000	-	-	-	-
Federal grant	7,400,000	-	-	-	-
Miscellaneous revenues	195,200	2,097,589	25,431	(2,097,589)	25,431
Total Revenues	11,845,200	2,115,146	25,639	(2,115,141)	25,644
Expenditures:					
Business Park Pump Station	7,290,000	3,463,433	-	(3,463,433)	-
Business Park Pump Station - Phase	500,000	-	-	-	-
Environmental Assessment for Utley Creek	3,840,522	2,754,728	-	(2,754,728)	-
WWTP 6mgd Expansion & Force Main	32,742,832	29,765,810	-	(29,765,810)	-
Earp Street	3,574,254	2,843,010	-	(2,843,010)	-
Ballenridge Outfall	3,767,515	1,097,649	-	(1,097,649)	-
Sludge De-Watering System	587,000	563,093	-	(563,093)	-
West Side Sewer Study	68,180	51,135	-	(51,135)	-
East Regional Pump Station	39,900	30,755	-	(30,755)	-
Bass Lake Interceptor	23,300	23,300	-	(23,300)	-
Middle Creek Force Main	1,032,000	1,000,971	-	(1,000,971)	-
Avent Ferry Pump Station Force Main	2,963,155	90,540	2,777,736	-	2,868,276
Basal Creek Pump Station Upgrade - Phase 2	882,330	-	-	-	-
WWTP Odor Control	5,241,582	4,300,172	361,457	(4,661,629)	-
Twelve Oaks Pump Station - Phase 2	3,400,000	-	-	-	-
Bass Lake Pump Station - Phase 2	400,000	-	-	-	-
Business Park Pump Station - Project Galaxy	4,000,000	-	-	-	-
Sunset Ridge and Bass Lake Grinder	200,000	-	-	-	-
WWTP Dewatering Press	130,000	-	-	-	-
Risk and Resiliency Plan	125,000	-	-	-	-
West Side Sewer Study - Phase 2	180,000	-	-	-	-
Total Expenditures	70,987,570	45,984,596	3,139,193	(46,255,513)	2,868,276
Revenues over (under) expenditures	(59,142,370)	(43,869,450)	(3,113,554)	44,140,372	(2,842,632)
Other Financing Sources:					
Installment note issuance	19,958,410	12,581,000	3,045,650	(12,395,049)	3,231,601
State Revolving Loan	17,500,000	17,500,000	-	(17,500,000)	-
Transfer in:					
Other	13,943,753	15,706,367	(165,015)	(14,245,323)	1,296,029
Utility Reserve	7,740,207	-	-	-	-
Total Other Financing Sources (Uses)	59,142,370	45,787,367	2,880,635	(44,140,372)	4,527,630
Revenues and other financing sources					
over (under) expenditures	\$ -	\$ 1,917,917	(232,919)	-	\$ 1,684,998
Fund balances:					
Beginning of Year			1,917,917		
End of Year			\$ 1,684,998		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
WASTEWATER RESERVE FUND
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 27

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Project Closeout	Total Project To Date
Revenues:					
Development fees-in-lieu	\$ 4,232,339	\$ 9,434,958	\$ -	\$ (9,434,958)	\$ -
Miscellaneous Revenues	730,575	22,875,688	118,736	(18,643,349)	4,351,075
Investment earnings	37,086	1,120,818	(29,570)	(1,085,380)	5,868
Total Revenues	5,000,000	33,431,464	89,166	(29,163,687)	4,356,943
Revenues over (under) expenditures	5,000,000	33,431,464	89,166	(29,163,687)	4,356,943
Other Financing Sources:					
Transfers from other funds	-	3,646,957	343,799	(3,646,957)	343,799
Transfers to other funds	(5,000,000)	(32,810,644)	(30,000)	32,810,644	(30,000)
Total Other Financing Sources (Uses)	(5,000,000)	(29,163,687)	313,799	29,163,687	313,799
Revenues and other financing sources over (under) expenditures	\$ -	\$ 4,267,777	402,965	\$ -	\$ 4,670,742
Fund balances:					
Beginning of year			4,267,777		
End of year			\$ 4,670,742		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SYSTEM DEVELOPMENT FEE FUND
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 28

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Project Closeout	Total Project To Date
Revenues:					
Other Fees System Development Fee	\$ 20,614,050	\$ 15,280,133	\$ 4,251,962	\$ -	\$ 19,532,095
Investment earnings	11,950	19,458	11,380	-	30,838
Total Revenues	<u>20,626,000</u>	<u>15,299,591</u>	<u>4,263,342</u>	<u>-</u>	<u>19,562,933</u>
Revenues over (under) expenditures	<u>20,626,000</u>	<u>15,299,591</u>	<u>4,263,342</u>	<u>-</u>	<u>19,562,933</u>
Other Financing Costs:					
Transfers from other funds	-	-	2,720,590	-	2,720,590
Transfers to other funds					
Utility Fund	(500,000)	-	(500,000)	-	(500,000)
Water Projects	(200,000)	-	(200,000)	-	(200,000)
Utility Fund Debt Service	(19,926,000)	(8,139,765)	(3,994,346)	-	(12,134,111)
Total Other Financing Sources (Uses)	<u>(20,626,000)</u>	<u>(8,139,765)</u>	<u>(1,973,756)</u>	<u>-</u>	<u>(10,113,521)</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 7,159,826</u>	<u>2,289,586</u>	<u>\$ -</u>	<u>\$ 9,449,412</u>
Fund balances:					
Beginning of year			<u>7,159,826</u>		
End of year			<u>\$ 9,449,412</u>		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STORMWATER MANAGEMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 29

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FROM THE YEAR ENDED JUNE 30, 2020)

	2021			2020
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:				
Operating revenues:				
Charges for services				
Development fees	\$ 253,000	\$ 252,895	\$ (105)	\$ 187,860
Stormwater Facility Replacement	76,000	-	(76,000)	296,621
Stormwater - residential	598,124	750,685	152,561	453,673
Stormwater - non-residential	223,162	255,828	32,666	67,992
Other operating revenues				
Miscellaneous	-	-	-	3,292
Total operating revenues	<u>1,150,286</u>	<u>1,259,408</u>	<u>109,122</u>	<u>1,009,438</u>
Nonoperating Revenues:				
Interest earnings	4,000	4,630	630	9,170
Total Nonoperating Revenues	<u>4,000</u>	<u>4,630</u>	<u>630</u>	<u>9,170</u>
Total Revenues	<u>1,154,286</u>	<u>1,264,038</u>	<u>109,752</u>	<u>1,018,608</u>
Expenditures:				
Stormwater Management:				
Salaries and employee benefits	551,120	527,671	(23,449)	474,101
Professional services	177,352	80,596	(96,756)	128,063
Repairs and maintenance	98,458	370	(98,088)	825
Other operating expenditures	100,250	66,824	(33,426)	23,684
Total utility operations	<u>927,180</u>	<u>675,461</u>	<u>(251,719)</u>	<u>626,673</u>
Capital outlay	<u>80,100</u>	<u>63,771</u>	<u>(16,329)</u>	<u>6,305</u>
Total Expenditures	<u>1,007,280</u>	<u>739,232</u>	<u>(268,048)</u>	<u>632,978</u>
Revenues over (under) expenditures	<u>147,006</u>	<u>524,806</u>	<u>377,800</u>	<u>385,630</u>
Other Financing Sources (Uses):				
Transfers from other funds	100,000	100,000	-	519,328
Transfers to other funds	(318,458)	(172,458)	146,000	(446,330)
Appropriated fund balance	<u>71,452</u>	<u>-</u>	<u>(71,452)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(147,006)</u>	<u>(72,458)</u>	<u>74,548</u>	<u>72,998</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 452,348</u>	<u>\$ 452,348</u>	<u>\$ 458,628</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STORMWATER MANAGEMENT FUND (CONTINUED)
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 29

YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FROM THE YEAR ENDED JUNE 30, 2020)

	2021		2020
	Budget	Actual	Variance Favorable (Unfavorable)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Revenues and other resources over expenditures and other uses		\$ 452,348	\$ 458,628
Reconciling Items:			
Asset Transfer from Governmental Activities		1,134,969	278,422
Capital outlay		63,771	-
Depreciation		(12,932)	(6,551)
Sale of assets		20	-
Increase in compensated absences		(10,282)	(10,667)
Increase in pension obligation		(48,892)	(39,798)
Decrease in deferred inflows - pension		235	2,679
Decrease in deferred outflows - pension		20,858	(5,544)
Decrease in OPEB obligation		42,785	(20,424)
Decrease deferred inflows of resources - OPEB		776	2,446
Increase deferred outflows of resources - OPEB		(1,183)	24,986
Total Reconciling Items		1,190,125	225,549
Net income		1,642,473	684,177
Net income Stormwater Reserve Fund		573,531	197,196
Restatement (Note 15)		(296,621)	-
Net income - GAAP		\$ 1,919,383	\$ 881,373

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
STORMWATER RESERVE FUND
SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP)

SCHEDULE 30

FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Project Authorization	Actual			Total Project To Date
		Prior Years	Current Year	Project Closeout	
Revenues:					
Development fees-in-lieu - stormwater	\$ 244,362	\$ 244,371	\$ -	\$ (8)	\$ 244,363
Investment earnings	778	10,827	1,073	(10,827)	1,073
Total Revenues	245,140	255,198	1,073	(10,835)	245,436
Revenues over (under) expenditures	245,140	255,198	1,073	(10,835)	245,436
Other Financing Sources:					
Transfers from other funds	354,860	2,270,436	672,458	(2,155,336)	787,558
Transfers to other funds	(600,000)	(2,166,171)	(100,000)	2,166,171	(100,000)
Total Other Financing Sources (Uses)	(245,140)	104,265	572,458	10,835	687,558
Revenues and other financing sources over (under) expenditures	\$ -	\$ 359,463	573,531	\$ -	\$ 932,994
Fund balances:					
Beginning of year			359,463		
End of year			\$ 932,994		

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE OF AD VALOREM TAXES RECEIVABLE –
GENERAL FUND AND DEBT SERVICE FUNDS

SCHEDULE 31

JUNE 30, 2021

Fiscal Year	Uncollected Balance June 30, 2020	Additions	Collections and Credit	Uncollected Balance June 30, 2021
2020-2021	\$ -	\$ 26,851,482	\$ (26,788,216)	\$ 63,266
2019-2020	75,800	-	(30,851)	44,949
2018-2019	23,652	-	(1,985)	21,667
2017-2018	15,800	-	(661)	15,139
2016-2017	10,737	-	(190)	10,547
2015-2016	20,430	-	(118)	20,312
2014-2015	1,654	-	(85)	1,569
2013-2014	12,276	-	(240)	12,036
2012-2013	15,578	-	(176)	15,402
2011-2012	19,870	-	(449)	19,421
	<u>\$ 195,797</u>	<u>\$ 26,851,482</u>	<u>\$ (26,822,971)</u>	<u>224,308</u>
Less allowance for uncollectible accounts:				
				(165,936)
				(9,421)
				<u>\$ 48,951</u>
Reconciliation to Revenues:				
				\$ 19,088,513
				7,773,854
Reconciling items:				
				(39,366)
				(30)
				<u>\$ 26,822,971</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
TOWN-WIDE LEVY

SCHEDULE 32

YEAR ENDED JUNE 30, 2021

	Town-Wide Levy			Total Levy	
	Property Valuation	Rate	Total Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxes at current rate	\$ 6,398,195,920	\$ 0.4216	\$ 26,974,794	\$ 24,749,296	\$ 2,225,498
Motor vehicle decals			3,810	3,810	-
Penalties			8,640	8,640	-
Total	6,398,195,920		26,987,244	24,761,746	2,225,498
Discoveries			34,494	34,494	-
Rebates and releases	(40,383,302)	0.4216	(170,256)	(170,256)	-
Total Property Valuation	<u>\$ 6,357,812,619</u>				
Net levy			26,851,482	24,625,984	2,225,498
Uncollected taxes at June 30, 2021			(63,266)	(42,859)	(20,407)
Current year's taxes collected			<u>\$ 26,788,216</u>	<u>\$ 24,583,125</u>	<u>\$ 2,205,091</u>
Current levy collection percentage			<u>99.76%</u>	<u>99.83%</u>	<u>99.08%</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

TABLE 1

YEAR ENDED JUNE 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities:										
Net investment in capital assets	\$ 72,309,276	\$ 72,421,426	\$ 69,944,838	\$ 74,189,844	\$ 78,395,657	\$ 91,210,179	\$ 98,782,429	\$ 108,464,520	\$ 110,427,452	\$ 97,753,459
Restricted	3,067,152	2,952,713	3,011,707	4,088,141	4,180,063	6,168,323	13,274,189	10,730,713	11,426,931	76,406,801
Unrestricted	(1,097,934)	5,452,197	13,019,056	13,163,410	17,265,812	12,685,845	7,158,567	13,901,463	12,639,854	(16,283,960)
Total Governmental Activities Net Position	<u>\$ 74,278,494</u>	<u>\$ 80,826,336</u>	<u>\$ 85,975,601</u>	<u>\$ 91,441,395</u>	<u>\$ 99,841,532</u>	<u>\$ 110,064,347</u>	<u>\$ 119,215,185</u>	<u>\$ 133,096,696</u>	<u>\$ 134,494,237</u>	<u>\$ 157,876,300</u>
Business-Type Activities:										
Invested in capital assets, net of related debt	\$ 49,749,485	\$ 51,179,606	\$ 51,814,633	\$ 59,220,434	\$ 59,220,434	\$ 65,738,531	\$ 73,242,756	\$ 78,148,397	\$ 84,123,220	\$ 90,407,264
Unrestricted	15,538,656	17,971,619	20,650,406	34,354,678	34,354,678	37,496,223	41,938,601	44,449,843	44,942,237	52,680,770
Total Business-Type Activities net position	<u>\$ 65,288,141</u>	<u>\$ 69,151,225</u>	<u>\$ 72,465,039</u>	<u>\$ 93,575,112</u>	<u>\$ 93,575,112</u>	<u>\$ 103,234,754</u>	<u>\$ 115,181,357</u>	<u>\$ 122,598,240</u>	<u>\$ 129,065,457</u>	<u>\$ 143,088,034</u>
Primary Government:										
Net investment in capital assets	\$ 122,058,761	\$ 123,601,032	\$ 121,759,471	\$ 137,616,091	\$ 137,616,091	\$ 156,948,710	\$ 172,025,185	\$ 186,612,917	\$ 194,550,672	\$ 188,160,723
Restricted	3,067,152	2,952,713	3,011,707	4,180,063	4,180,063	6,168,323	13,274,189	10,730,713	11,426,931	76,406,801
Unrestricted	14,440,722	23,423,816	33,669,462	51,620,490	51,620,490	50,182,068	49,097,168	58,351,306	57,582,091	36,396,810
Total Primary Government Net Position	<u>\$ 139,566,635</u>	<u>\$ 149,977,561</u>	<u>\$ 158,440,640</u>	<u>\$ 193,416,644</u>	<u>\$ 193,416,644</u>	<u>\$ 213,299,101</u>	<u>\$ 234,396,542</u>	<u>\$ 255,694,936</u>	<u>\$ 263,559,694</u>	<u>\$ 300,964,334</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

TABLE 2

YEAR ENDED JUNE 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental Activities:										
General government	\$ 4,553,730	\$ 3,448,919	\$ 3,528,051	\$ 3,462,828	\$ 5,427,002	\$ 6,313,275	\$ 6,107,980	\$ 6,455,658	\$ 8,004,900	\$ 22,941,073
Public safety	7,505,873	7,864,710	8,291,593	8,625,666	9,375,298	9,819,225	10,912,664	11,890,328	15,348,729	11,940,360
Public works	3,276,193	5,499,102	5,216,527	5,439,989	5,117,826	5,764,726	5,804,588	6,376,293	9,345,302	5,291,086
Economic and physical development	2,676,443	2,385,357	2,515,614	2,727,983	2,717,471	3,050,354	3,540,240	3,900,880	4,592,068	4,228,795
Cultural and recreational	3,728,385	3,920,197	4,168,776	4,385,491	4,853,362	6,582,467	7,040,497	7,258,197	9,251,664	2,277,614
Interest on long-term debt	1,072,095	935,315	1,109,591	1,517,904	1,131,787	1,426,709	1,247,571	788,902	1,370,458	889,600
Total Governmental Activities Expenses	<u>\$ 22,812,719</u>	<u>\$ 24,053,600</u>	<u>\$ 24,830,152</u>	<u>\$ 26,159,861</u>	<u>\$ 28,622,746</u>	<u>\$ 32,956,756</u>	<u>\$ 34,653,540</u>	<u>\$ 36,670,258</u>	<u>\$ 47,913,121</u>	<u>\$ 47,568,528</u>
Business-Type Activities:										
Utility	\$ 10,000,253	\$ 10,789,690	\$ 10,310,680	\$ 10,391,706	\$ 12,525,209	\$ 13,769,219	\$ 13,929,928	\$ 17,255,535	\$ 19,707,996	\$ 15,782,975
Stormwater management	-	-	-	304,303	382,116	426,954	531,509	669,700	685,851	684,096
Total Business-Type Activities	<u>10,000,253</u>	<u>10,789,690</u>	<u>10,310,680</u>	<u>10,696,009</u>	<u>12,907,325</u>	<u>14,196,173</u>	<u>14,461,437</u>	<u>17,925,235</u>	<u>20,393,847</u>	<u>16,467,071</u>
Total Primary Government	<u>\$ 32,812,972</u>	<u>\$ 34,843,290</u>	<u>\$ 35,140,832</u>	<u>\$ 36,855,870</u>	<u>\$ 41,530,071</u>	<u>\$ 47,152,929</u>	<u>\$ 49,114,977</u>	<u>\$ 54,595,493</u>	<u>\$ 68,306,968</u>	<u>\$ 64,035,599</u>
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General government	\$ 2,625	\$ 13,125	\$ 8,400	\$ 21,575	\$ 16,325	\$ 20,925	\$ 2,858,813	\$ 7,298,373	\$ 5,294,919	\$ 3,111,678
Public safety	1,205,742	4,447	-	-	3,935	649,785	853,789	792,717	845,475	-
Public works	2,603,670	3,528,051	3,149,640	3,640,733	4,126,782	4,211,351	2,385,218	2,521,378	2,809,164	-
Economic and physical development	453,985	463,451	629,514	881,538	979,236	1,082,787	-	-	-	-
Cultural and recreational	1,391,613	1,437,567	1,503,984	1,597,746	2,078,761	2,659,557	3,907,820	2,354,661	2,276,871	5,080,376
Operating grants and contributions	1,316,669	1,586,696	1,596,573	2,310,297	1,911,070	937,153	722,111	707,806	700,191	1,577,170
Capital grants and contributions	3,372,210	2,983,090	376,600	679,807	2,497,859	6,186,357	3,826,519	4,194,268	1,436,550	17,181,170
Total Governmental Activities Expenses	<u>\$ 10,346,514</u>	<u>\$ 10,016,427</u>	<u>\$ 7,264,711</u>	<u>\$ 9,131,696</u>	<u>\$ 11,613,968</u>	<u>\$ 15,747,915</u>	<u>\$ 14,554,270</u>	<u>\$ 17,869,203</u>	<u>\$ 13,363,170</u>	<u>\$ 26,950,394</u>
Business-Type Activities:										
Charges for Services:										
Utility	\$ 8,184,981	\$ 8,221,998	\$ 8,824,314	\$ 9,593,146	\$ 10,665,649	\$ 13,010,379	\$ 23,522,105	\$ 20,215,998	\$ 23,237,843	\$ 19,292,758
Stormwater management	-	-	-	400,996	424,890	438,541	861,496	839,796	1,006,146	5,511,370
Operating grants and contributions	1,365,299	1,185,994	941,444	2,518,586	3,087,544	34,014	-	-	-	-
Capital grants and contributions	4,905,290	4,905,290	4,111,657	4,176,414	13,247,053	11,209,180	2,572,952	4,753,170	2,790,940	5,396,694
Total Business-Type Activities Program	<u>14,455,570</u>	<u>14,313,282</u>	<u>13,877,415</u>	<u>16,689,142</u>	<u>27,425,136</u>	<u>24,692,114</u>	<u>26,956,553</u>	<u>25,808,964</u>	<u>27,034,929</u>	<u>30,200,822</u>
Revenues	<u>14,455,570</u>	<u>14,313,282</u>	<u>13,877,415</u>	<u>16,689,142</u>	<u>27,425,136</u>	<u>24,692,114</u>	<u>26,956,553</u>	<u>25,808,964</u>	<u>27,034,929</u>	<u>30,200,822</u>
Total Primary Government Program Revenues	<u>\$ 24,802,084</u>	<u>\$ 24,329,709</u>	<u>\$ 21,142,126</u>	<u>\$ 25,820,838</u>	<u>\$ 39,039,104</u>	<u>\$ 40,440,029</u>	<u>\$ 41,510,823</u>	<u>\$ 43,678,167</u>	<u>\$ 40,398,099</u>	<u>\$ 57,151,216</u>
Net (Expense) Revenue:										
Governmental activities	(12,466,205)	(14,037,173)	(17,565,441)	(17,028,165)	(17,008,778)	(17,208,841)	(20,099,270)	(18,801,055)	(34,549,954)	20,618,134
Business-type activities	4,455,317	3,728,089	3,566,735	5,993,133	14,517,811	10,495,941	12,495,116	7,883,729	6,641,082	(13,733,751)
Total Primary Government Net Expenses	<u>\$ (8,010,888)</u>	<u>\$ (10,309,084)</u>	<u>\$ (13,998,706)</u>	<u>\$ (11,035,032)</u>	<u>\$ (2,490,967)</u>	<u>\$ (6,712,900)</u>	<u>\$ (7,604,154)</u>	<u>\$ (10,917,326)</u>	<u>\$ (27,908,872)</u>	<u>\$ 6,884,383</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
CHANGES IN NET POSITION (CONCLUDED)
LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

TABLE 2

YEAR ENDED JUNE 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenue and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes, levied for general purposes	\$ 13,291,089	\$ 14,461,270	\$ 15,619,742	\$ 16,223,733	\$ 17,257,526	\$ 18,178,641	\$ 19,209,381	\$ 20,667,959	\$ 24,089,825	\$ 26,867,688
Other taxes	226,783	234,245	304,881	293,621	245,812	263,595	270,673	281,621	289,388	685,529
Unrestricted grants and contributions	5,296,831	5,630,346	6,110,835	7,335,754	7,975,706	8,317,739	8,880,075	8,889,855	10,060,324	15,383,548
Unrestricted investment earnings	95,816	110,730	186,353	88,056	91,790	67,113	241,480	327,247	368,545	105,025
Gain (loss) on sale of assets	10,700	-	-	21,779	111,308	39,782	(454)	21,607	328,052	-
Miscellaneous	5,567	148,424	167,478	(52,482)	(222,998)	609,585	778,909	541,851	639,823	1,064,165
Transfers	-	-	462,694	-	-	946,124	567,135	1,272,139	610,976	(357,567)
Total Governmental Activities	18,926,786	20,585,015	22,851,983	23,910,461	25,459,144	28,422,579	29,947,199	32,002,279	36,386,933	43,748,388
Business-Type Activities:										
Unrestricted investment earnings	168,416	134,995	10,048	115,328	134,205	109,825	226,328	805,293	530,281	\$ 11,142
Gain (loss) on sale of assets	-	-	-	-	(9,070)	-	(1,736)	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	3,292	489,982
Transfers	-	-	352,969	-	-	(946,124)	(567,135)	(1,272,139)	(610,976)	357,567
Total Business-Type Activities Program	168,416	134,995	363,017	115,328	125,135	(836,299)	(342,543)	(466,846)	(77,403)	858,691
Total Primary Government	\$ 19,095,202	\$ 20,720,010	\$ 23,215,000	\$ 24,025,789	\$ 25,584,279	\$ 27,586,280	\$ 29,604,656	\$ 31,535,433	\$ 36,309,530	\$ 44,607,079
Change in Net Position										
Governmental activities	\$ 6,460,581	\$ 6,547,842	\$ 5,149,265	\$ 6,882,296	\$ 7,868,445	\$ 11,173,956	\$ 9,847,929	\$ 13,496,434	\$ 1,836,979	\$ 23,130,254
Business-type activities	4,623,733	3,863,084	3,313,814	6,108,461	15,224,877	9,656,642	12,152,573	7,416,882	6,563,679	14,592,442
Total Primary Government Net Expenses	\$ 11,084,314	\$ 10,410,926	\$ 8,463,079	\$ 12,990,757	\$ 23,093,322	\$ 20,830,598	\$ 22,000,502	\$ 20,913,316	\$ 8,400,658	\$ 37,722,696

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

TABLE 3

YEAR ENDED JUNE 30, 2021

Fiscal Year	Property Tax Levy ⁽¹⁾	Tax Rate
2012	\$ 13,291,089	0.415%
2013	14,461,270	0.435%
2014	15,619,742	0.435%
2015	16,223,733	0.435%
2016	17,257,526	0.4325%
2017	18,178,641	0.4325%
2018	19,432,310	0.4325%
2019	20,877,006	0.4325%
2020	24,315,524	0.4825%
2021	26,851,482	0.4216%

Note:

⁽¹⁾ Town of Holly Springs only levies a property tax.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

TABLE 4

YEAR ENDED JUNE 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Fund Balance:										
Nonspendable	\$ 161,285	\$ 46,140	\$ 52,410	\$ 52,239	\$ 70,081	\$ 79,950	\$ 91,303	\$ 110,795	\$ 125,674	\$ 253,630
Restricted	2,946,540	2,663,930	2,544,522	2,970,290	3,639,779	5,778,229	6,886,858	5,288,377	7,566,502	8,480,716
Committed	-	-	-	-	-	-	361,055	1,083,165	1,401,301	318,891
Assigned	53,515	-	-	-	-	-	-	-	-	-
Unassigned	3,573,699	65,922	7,386,296	8,631,264	8,458,193	7,268,830	7,541,972	10,997,626	12,643,014	15,455,409
Total General Fund	<u>\$ 6,735,039</u>	<u>\$ 2,775,992</u>	<u>\$ 9,983,228</u>	<u>\$ 11,653,793</u>	<u>\$ 12,168,053</u>	<u>\$ 13,127,009</u>	<u>\$ 14,881,188</u>	<u>\$ 17,479,963</u>	<u>\$ 21,736,491</u>	<u>\$ 24,508,646</u>
All Other Governmental Funds:										
Fund Balance:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	120,612	288,783	467,185	1,117,851	540,284	390,094	6,387,331	5,442,336	3,860,429	69,356,584
Committed	4,148,431	16,073,301	8,448,148	7,515,167	8,964,567	10,467,668	6,661,741	8,122,980	7,278,973	-
Assigned	-	-	-	-	-	-	-	-	2,593,028	9,191,375
Unassigned	-	-	-	(3,434)	(3,434)	8,142	(833,934)	667,265	(1,697,459)	-
Total General Fund	<u>\$ 4,269,043</u>	<u>\$ 16,362,084</u>	<u>\$ 8,915,333</u>	<u>\$ 8,629,584</u>	<u>\$ 9,501,417</u>	<u>\$ 10,865,904</u>	<u>\$ 12,215,138</u>	<u>\$ 14,232,581</u>	<u>\$ 12,034,971</u>	<u>\$ 78,547,959</u>

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

TABLE 5

YEAR ENDED JUNE 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Ad valorem taxes	\$ 13,283,297	\$ 14,459,706	\$ 15,687,338	\$ 16,286,363	\$ 17,018,909	\$ 18,174,054	\$ 19,206,514	\$ 20,664,824	\$ 24,297,521	\$ 26,862,367
Other taxes and licenses	226,782	234,245	304,881	293,621	245,812	263,595	270,305	281,335	288,283	685,529
Unrestricted governmental	5,296,831	5,630,346	6,110,835	7,335,754	7,975,705	8,317,740	8,880,075	9,570,143	10,060,324	15,983,548
Restricted intergovernmental	2,001,306	1,360,685	1,518,433	2,288,396	3,065,521	5,379,580	3,386,261	2,484,631	2,740,762	4,498,211
Permits and fees	2,589,228	2,668,637	2,364,570	3,015,654	3,560,678	3,938,888	5,168,469	7,434,931	4,871,288	3,111,678
Sales and services	3,076,195	3,241,890	3,381,708	3,827,647	4,296,864	4,919,619	5,268,409	5,414,832	5,123,703	5,080,376
Investment earnings	116,135	110,730	186,353	88,056	91,790	67,113	241,480	327,247	368,545	592,904
Contributions	-	-	-	-	-	-	601,000	610,000	600,000	-
Miscellaneous	25,751	167,478	155,960	21,779	132,295	352,190	819,408	568,356	669,140	449,369
Total Revenues	26,615,525	27,873,717	29,710,078	33,157,270	36,387,574	41,412,779	43,841,921	47,356,299	49,019,566	57,263,982
Expenditures:										
General government	3,816,906	3,269,815	3,330,493	3,372,314	4,777,766	4,992,465	5,762,700	6,068,557	7,045,195	5,888,841
Public safety	7,097,298	7,060,856	7,498,671	8,167,487	8,753,090	9,041,240	9,598,597	10,445,463	11,563,787	12,122,150
Public works	3,093,524	3,857,299	3,525,567	3,802,470	3,343,570	3,862,106	3,828,097	4,228,356	4,604,519	6,698,810
Economic and physical development	2,808,247	2,346,102	2,469,042	2,752,672	2,725,969	3,043,549	3,349,044	3,647,405	3,664,380	4,259,326
Culture and recreation	3,544,361	3,463,886	3,704,644	3,966,824	4,056,012	4,572,031	5,225,265	5,237,054	4,944,635	4,400,115
Debt service:										
Principal	3,360,928	2,589,337	2,984,012	3,595,154	3,372,453	3,470,119	3,270,280	3,271,430	3,205,035	3,301,514
Interest and other charges	1,103,835	968,312	1,213,304	1,424,840	1,435,953	1,366,365	1,373,669	1,267,951	1,163,600	1,052,367
Capital outlay	2,863,027	4,704,960	12,093,646	20,761,983	9,344,540	9,727,367	9,158,453	9,867,611	11,708,526	7,928,259
Total Expenditures	27,688,126	28,260,567	36,819,379	47,843,744	37,809,353	40,075,242	41,566,105	44,033,827	47,899,677	45,651,382
Excess of revenues over (under) expenditures	(1,072,601)	(386,850)	(7,109,301)	(14,686,474)	(1,421,779)	1,337,537	2,275,816	3,322,472	1,119,889	11,612,600
Other Financing Sources (Uses):										
Transfers in	597,840	1,683,900	337,784	4,615	3,830,312	3,880,782	15,331,363	17,984,579	18,187,134	152,443
Transfers out	(597,840)	(1,683,900)	15,185	(4,615)	(4,412,243)	(2,934,658)	(14,781,725)	(16,712,440)	(17,576,158)	(510,010)
General obligation bonds issued	-	12,542,391	-	-	-	-	-	-	-	30,000,000
Bond premiums	-	-	-	-	(118,505)	-	-	-	-	7,758,301
Insurance proceeds	453,487	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	330,593	45,267	39,782	26,825	21,607	328,053	-
Installment purchase obligations	2,224,320	704,550	1,790,650	-	-	-	-	-	-	1,750,000
Limited obligation bonds issued	-	-	-	18,912,653	-	-	-	-	-	18,270,000
Total Other Financing Sources (Uses)	2,677,807	13,246,941	2,143,619	19,243,246	(655,169)	985,906	576,463	1,293,746	939,029	57,420,734
Net change in fund balances	\$ 1,605,206	\$ 12,860,091	\$ (4,965,682)	\$ 4,556,772	\$ (2,076,948)	\$ 2,323,443	\$ 2,852,279	\$ 4,616,218	\$ 2,058,918	\$ 69,033,334
Debt service as a percentage of noncapital expenditures	18.0%	15.1%	17.0%	18.5%	16.9%	15.9%	14.3%	13.3%	12.1%	13.2%

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

TABLE 6

YEAR ENDED JUNE 30, 2021

Fiscal Year	Real Property	Personal Property	Public Service Company	Net Assessed Value	Rate ⁽⁴⁾	Ratio of Assessed Value to Estimated Actual Value ⁽¹⁾
2012	\$ 2,726,525,443	\$ 464,333,093	\$ 11,339,424	\$ 3,202,197,960	0.415%	100%
2013	2,820,610,148	497,569,451	11,317,969	3,329,497,568	0.435%	100%
2014	2,980,832,198	267,785,254	202,730,575	3,451,348,027	0.435%	100%
2015	3,157,366,328	255,641,980	11,280,764	3,424,289,072	0.435%	100%
2016	3,318,803,500	235,417,044	14,038,511	3,568,259,055	0.4325%	100%
2017	3,676,515,021	149,168,524	14,414,591	3,840,098,136	0.4325%	100%
2018	3,950,714,099	97,295,550	15,827,540	4,063,837,189	0.4325%	100%
2019	4,356,646,328	453,292,958	15,948,430	4,825,887,716	0.4325%	100%
2020	4,632,213,679	391,495,658	17,112,218	5,040,821,555	0.4825%	100%
2021	5,829,943,075	509,432,761	18,436,783	6,357,812,619	0.4216%	100%

Notes:

⁽¹⁾ Assessed value is established by the Wake County Tax Department at 100% estimated market value.

⁽²⁾ Rate per \$100 of assessed valuation.

⁽³⁾ A revaluation of all property is required every eight (4) years by North Carolina State Statute. The last revaluation occurred as of December 31, 2020

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING⁽¹⁾ GOVERNMENTS
LAST TEN FISCAL YEARS

TABLE 7

YEAR ENDED JUNE 30, 2021

Fiscal Year	Town of Holly Springs	Wake County	Combined Tax Rate Per \$100 of Assessed Value
2012	\$ 0.415	\$ 0.534	\$ 0.949
2013	0.435	0.534	0.969
2014	0.435	0.534	0.969
2015	0.435	0.578	1.013
2016	0.4325	0.615	1.0470
2017	0.4325	0.601	1.0330
2018	0.4325	0.615	1.0475
2019	0.4325	0.654	1.0869
2020	0.4325	0.721	1.2032
2021	0.4216	0.600	1.0216

Note:

⁽¹⁾ A revaluation of all property is required every four years by North Carolina State Statute. The last revaluation occurred as of December 31, 2020.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS

TABLE 8

YEAR ENDED JUNE 30, 2021

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentag of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentag of Total Taxable Assessed Value
Seqirus Inc ⁽¹⁾	\$ 277,445,712	1	4.33%	\$ 337,946,650	1	10.25%
KRG New Hill Place	80,088,383	2	1.25%	16,461,400	6	0.50%
CCC Villages at Pecan Grove LLC	56,054,063	3	0.88%	-		
New Hill Associates LLC	47,555,209	4	0.74%	-		
Exchange Holly Springs Holdings LLC	39,264,425	5	0.61%	-		
MSS Apartments LLC	34,469,320	6	0.54%	20,184,409	4	0.61%
Lennar Carolinas LLC	31,964,488	7	0.50%	-		
Rex Hospital Inc	22,129,952	8	0.35%	-		
Walmart	19,387,467	9	0.30%	21,632,206	3	0.66%
Duke University Health System Inc	18,345,960	10	0.29%	-		
Twelve Oaks LLC				29,843,232	2	0.91%
Southpark Village Investments				18,636,946	5	0.57%
Holly Springs Residential Prop				15,542,100	7	0.47%
Rosen Holly Springs LLC				13,910,243	8	0.42%
Holly Springs Crossing LLC				11,733,904	9	0.36%
Apple Nine NC LP				9,275,639	10	0.28%
Totals	<u>\$ 626,704,979</u>		<u>9.8%</u>	<u>\$ 495,166,729</u>		<u>15.0%</u>
Total Assessed Value	<u>\$ 6,357,812,619</u>			<u>\$ 3,327,503,262</u>		

Source: Wake County Tax Administration - Statistics and Reports, and 2012 CAFR.

⁽¹⁾ Novartis merged to become Seqirus Inc. in July 2015

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

TABLE 9

YEAR ENDED JUNE 30, 2021

Fiscal Year	Tax Levy	Current Tax Collections	Percent of Taxes Collected	Subsequent Delinquent Tax Collections ⁽¹⁾	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2012	\$ 13,449,393	\$ 13,289,115	98.8%	\$ 142,622	\$ 13,431,737	99.9%
2013	14,636,933	14,485,360	99.0%	132,697	14,618,057	99.9%
2014	15,866,133	15,768,583	99.4%	133,848	15,902,431	100%
2015	16,458,003	16,422,026	99.8%	74,720	16,496,746	100%
2016	17,172,963	17,134,568	99.8%	(5,436)	17,129,132	99.7%
2017	18,517,564	18,490,570	99.9%	22,408	18,512,978	100%
2018	19,438,128	19,401,996	99.8%	27,447	19,429,443	100%
2019	20,877,006	20,860,513	99.9%	13,359	20,873,872	100%
2020	24,315,524	24,239,724	99.7%	23,534	24,263,258	99.8%
2021	26,851,482	26,788,216	99.8%	34,306	26,822,522	99.8%

Notes:

⁽¹⁾ A revaluation of all property is required every eight (4) years by North Carolina State Statute. The last revaluations occurred as of December 31, 2020.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
RATIONS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

TABLE 10

YEAR ENDED JUNE 30, 2021

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Debt as a % of Assessed Valuation ⁽¹⁾	Per Capita ⁽²⁾
	GO Bonds	Installment Purchases	Taxes LO Bonds	GO Bonds	Installment Purchases	Revenue Bonds			
2012	\$ 1,000,000	\$ 22,960,099	\$ -	\$ 12,736,900	\$ 18,172,011	\$ 24,149,388	\$ 79,018,398	2.5%	\$ 2,994
2013	13,513,176	21,104,527	-	12,324,215	16,874,016	23,192,250	87,008,184	2.6%	3,105
2014	13,247,144	21,159,117	-	11,867,167	15,800,282	22,190,300	84,264,010	2.4%	2,802
2015	12,935,475	16,857,552	18,912,653	11,345,756	14,726,548	21,140,954	95,918,938	2.8%	3,056
2016	11,840,000	14,410,099	16,630,000	11,035,000	13,652,813	20,041,967	87,609,879	2.5%	2,623
2017	11,390,000	11,983,485	16,155,000	10,570,000	12,579,079	18,890,992	81,568,556	2.1%	2,309
2018	11,256,992	12,113,476	16,651,378	10,090,000	11,505,345	17,685,565	79,302,756	2.0%	2,145
2019	10,653,912	10,437,046	15,540,953	9,605,000	10,431,611	16,423,113	73,091,635	1.5%	1,886
2020	9,992,551	8,821,001	14,430,528	9,105,000	9,357,876	15,100,923	66,807,879	1.3%	1,610
2021	43,763,118 ⁽¹⁾	8,859,489 ⁽⁴⁾	34,932,149 ⁽⁵⁾	8,590,000	11,329,792	13,450,449	120,924,997	1.9%	2,932

Notes:

⁽¹⁾ Total primary government debt divided by assessed valuation.

⁽²⁾ Total primary government debt divided by total population.

⁽³⁾ During fiscal year 2021, Parks and Recreation GO Bonds of \$8,000,000 and Transportation GO Bonds of \$22,000,000 were issued.

⁽⁴⁾ During fiscal year 2021, Vehicle Installment Loans of \$1,750,000 were issued.

⁽⁵⁾ During fiscal year 2021, LOB Bonds of \$18,270,000 were issued.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

TABLE 11

YEAR ENDED JUNE 30, 2021

Fiscal Year	General Obligation Bonds ⁽¹⁾	Percentage of Assessed Property Value	Per Capita ⁽²⁾
2012	\$ 13,736,900	0.43%	\$ 521
2013	25,295,000	0.76%	903
2014	24,590,000	0.71%	818
2015	23,775,000	0.69%	757
2016	22,875,000	0.64%	685
2017	21,960,000	0.57%	622
2018	20,895,000	0.51%	565
2019	20,258,912	0.42%	523
2020	19,097,551	0.38%	460
2021	52,353,118	0.82%	1,270

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

⁽¹⁾ Includes general obligation bonds from governmental and business-type activities.

⁽²⁾ Population data can be found in Table 15.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

TABLE 12

JUNE 30, 2021

Governmental Unit	General Obligation Debt Outstanding	Percentage Applicable to Town	Amount Applicable to Town
Direct Debt:			
Town of Holly Springs	\$ 87,554,756 ⁽³⁾	100.00%	\$ 87,554,756
Overlapping Debt: ⁽⁴⁾			
Wake County	1,525,740,000 ⁽¹⁾	3.37% ⁽²⁾	<u>51,490,436</u>
Total direct and overlapping debt			<u><u>\$ 139,045,192</u></u>

⁽¹⁾ Amount represents General Obligation Debt of Wake County, North Carolina. The Town is a Municipal Government within Wake County.

⁽²⁾ Allocated based on assessed valuation.

⁽³⁾ Includes all governmental general obligation and installment financing debt.

⁽⁴⁾ Overlapping debt does not include the debt of the Special Airport District of Durham and Wake Counties as these bonds are payable by the Airport Authority out of airport revenues.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

TABLE 13

JUNE 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 256,175,837	\$ 266,359,805	\$ 276,107,842	\$ 274,049,458	\$ 285,460,724	\$ 335,654,566	\$ 359,442,254	\$ 386,164,273	\$ 403,265,724	\$ 508,625,010
Total net debt applicable to limit	46,489,186	67,505,102	50,672,232	62,993,344	58,292,912	57,450,064	58,012,536	51,856,022	47,109,456	103,094,548
Legal debt margin	<u>\$ 209,686,651</u>	<u>\$ 198,854,703</u>	<u>\$ 225,435,610</u>	<u>\$ 211,056,114</u>	<u>\$ 227,167,812</u>	<u>\$ 278,204,502</u>	<u>\$ 301,429,718</u>	<u>\$ 334,308,251</u>	<u>\$ 356,156,268</u>	<u>\$ 405,530,462</u>
Total net debt applicable to the limit as a percentage of debt limit	18.15%	25.34%	18.35%	22.99%	20.42%	17.12%	16.14%	13.43%	11.68%	20.27%

Legal Debt Margin Calculation for Fiscal Year 2021 ⁽¹⁾

Assessed value	\$ 6,357,812,619
Debt limit (8% of total assessed value)	508,625,010
Debt applicable to limit:	
General obligation bonds	52,353,118
Limited obligation bonds	34,932,149
Installment purchase agreements	20,189,281
Less statute exclusion for water bonds	<u>(4,380,000)</u>
Total net debt applicable to limit	<u>103,094,548</u>
Legal debt margin	<u>\$ 405,530,462</u>

⁽¹⁾ Under North Carolina general statutes, the legal debt limit should not exceed 8% of total assessed property value. By law, the statutes provide exclusions for bonded debt which has been issued for water and sewer systems provided the criteria for the debt has been satisfied by the unit of government.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
PLEDGE-REVENUE COVERAGE

TABLE 14

JUNE 30, 2021

Fiscal Year	Utility Revenue Bonds					Debt Service		
	Sewer Charges ⁽¹⁾	Operating Revenues ⁽²⁾	Total Charges	Less Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2011	\$ 7,830,502	\$ 12,459	\$ 7,842,961	\$ 2,815,521	\$ 5,027,440	\$ 530,203	\$ 720,406	4.02%
2012	9,550,280	3,443,765	12,994,045	5,569,925	7,424,120	956,697	1,142,703	3.54%
2013	9,407,992	4,030,585	13,438,577	6,663,737	6,774,840	957,138	1,420,811	2.85%
2014	9,765,758	4,211,705	13,977,463	6,318,282	7,659,181	2,532,733	1,545,133	1.88%
2015	12,111,732	4,215,425	16,327,157	6,596,399	9,730,758	2,644,492	1,409,831	2.40%
2016	11,752,068	7,010,631	18,762,699	7,871,184	10,891,515	2,622,720	1,413,419	2.70%
2017	13,010,379	7,045,592	20,055,971	9,075,842	10,980,129	2,689,710	1,339,931	2.72%
2018	12,066,349	11,455,756	23,522,105	12,874,164	10,647,941	2,759,161	1,263,993	2.65%
2019	19,216,736	999,262	20,215,998	10,986,122	9,229,876	2,821,193	1,185,334	2.30%
2020	22,419,319	1,391,004	23,810,323	15,552,515	8,257,808	2,895,919	1,104,417	2.06%
2021	18,209,055	1,160,774	19,369,829	12,013,682	7,356,147	3,239,208	1,057,407	1.71%

⁽¹⁾ Includes water and sewer charges and tap fees.

⁽²⁾ Certain amounts represent sewer capacity replacement fees. These revenues are now accounted for in the System Development Fee Fund.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

TABLE 15

JUNE 30, 2021

Fiscal Year	Holly Springs Population ⁽¹⁾	Wake County Population ⁽²⁾	Personal Income (thousands) ⁽³⁾	Per Capita Income ⁽⁴⁾	Median Age ⁽⁵⁾	School Enrollment ⁽⁶⁾	Unemployment Rate ⁽⁷⁾
2011	25,372	900,993	\$ 40,193,567	\$ 43,280	34.6	**	8.0%
2012	26,390	929,780	42,693,474	44,839	34.4	7,010	7.7%
2013	28,020	952,151	44,911,652	46,097	34.4	7,816	7.2%
2014	30,071	974,289	49,629,485	49,695	35.0	7,937	5.5%
2015	31,391	998,691	50,257,552	50,294	35.0	8,114	5.5%
2016	33,395	1,024,198	53,028,913	51,776	35.0	8,126	4.3%
2017	35,323	1,046,791	56,592,270	54,063	35.0	8,655	3.6%
2018	36,973	1,072,203	57,229,926	54,549	36.2	8,655	3.6%
2019	38,757	1,092,305	64,461,643	59,014	36.4	8,939	3.6%
2020	41,502	1,092,305	64,461,643	59,014	36.4	9,197	7.2%
2021	41,239	1,129,410	69,222,569	62,264	36.4	9,951	4.1%

⁽¹⁾ Population projections are compiled by Town of Holly Springs Planning & Zoning Department.

⁽²⁾ Source - Wake County. 2021 data is not yet available.

⁽³⁾ Personal Income for Wake County according to the US Bureau of Economic Analysis.
Information is available for the County, not the Town. Latest data available is 2019. Revised November 17, 2020.

⁽⁴⁾ Per capita Income for Wake County according to the US Bureau of Economic Analysis.
Information is available for the County, not the Town. Latest data available is 2019. Revised November 17, 2020.

⁽⁵⁾ Median age for Wake County according to WakeGOV. Latest data available is 2019.

⁽⁶⁾ School enrollment for public schools within Town incorporated limits provided by Wake County Public School System.
Enrollment for 2011 is not available.

⁽⁷⁾ Unemployment rate for Wake County according to WakeGOV. 2021 rate for Wake County according to North Carolina Department of Commerce.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
PRINCIPAL EMPLOYERS
LAST TEN FISCAL YEARS

TABLE 16

JUNE 30, 2021

	2021		2012	
	Employees	Rank	Employees	Rank
Seqirus Inc (1)	900	1	600	2
Wake County Public School System	669	2	650	1
Walmart	350	3	260	3
Town of Holly Springs	352	4	225	4
Rex Healthcare	300	5	-	-
Target	285	6	-	-
Rovisys	200	7	-	-
Harris Teeter	200	7	150	5
Pierce Group Benefits	150	8	-	-
My Computer Career	125	9	-	-
Ideal Landscaping	120	10	95	6
Lowe's Foods	88	-	80	7
Warp Technologies	-	-	56	8
Corrugated Container	50	-	45	9
Rodney's Signs Company	35	-	36	10

Source: Town of Holly Springs Economic Development Department.

⁽¹⁾ Novartis merged to become Seqirus Inc. in July 2015

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
TABLE 17
**FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**
JUNE 30, 2021

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government											
Governing Body	5	5	5	5	5	5	5	5	2	2	2
Administration	10	10	9	8	8	10	10	11	16	18	21
Finance	8	8	8	7	8	10	10	11	12	14	13
Economic and Physical Development											
Economic Development	2	2	2	2	2	1	2	2	2	2	2
Planning	6	6	6	6	7	9	8	9	9	10	-
Code Enforcement	10	10	10	9	9	12	12	12	13	13	-
Engineering	19	19	19	18	18	21	21	23	26	28	-
Development Services *											
Customer Service & Compliance	-	-	-	-	-	-	-	-	-	-	8
Land Development	-	-	-	-	-	-	-	-	-	-	20
Building Safety	-	-	-	-	-	-	-	-	-	-	8
Public Safety											
Law Enforcement											
Officers	44	44	44	44	50	50	49	56	64	71	69
Civilians	10	10	12	12	10	13	13	12	15	15	18
Fire/Rescue	37	37	37	39	39	41	40	45	54	58	58
Public Works											
Streets	9	9	11	11	10	12	10	11	15	15	17
Solid Waste	11	11	11	11	12	11	11	14	14	15	15
Fleet Maintenance	2	2	2	2	2	2	2	2	2	3	3
Facility Maintenance*	-	-	-	-	-	-	-	-	-	-	2
Parks and Recreation	26	27	29	26	27	33	33	34	37	38	36
Water											
Water Storage	2	2	1	1	1	1	1	1	1	1	-
Water Distributions	11	11	10	9	10	11	12	12	12	12	-
Water Meters	0	0	4	4	4	4	4	4	4	4	4
Water Quality											
WW Treatment	7	8	8	8	8	8	8	8	9	9	-
Pump Stations	3	3	3	3	3	4	4	4	4	4	-
Laboratory	2	2	2	2	2	2	2	2	2	3	-
WW Collections	7	6	4	4	4	3	4	5	6	6	-

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

TABLE 18

JUNE 30, 2021

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Physical arrests	341	321	423	470	462	444	383	310	413	525
Traffic violations	2,214	3,159	3,034	2,385	2,227	1,914	1,163	1,019	2,117	18,010
Number of fire calls answered	1,107	1,407	1,522	1,657	1,877	1,903	2,130	2,174	2,318	2,440
Inspections	600	829	813	960	1,010	1,107	548	1,789	627	977
Police response rate								5.09**	6.13	5.07
Fire response rate								4.31	5.09	5.35
Highways and streets										
Street resurfacing (miles)	1.05	2.04	-	2.00	5.25	7.17	5.59	5.59	-	N/A (3)
Potholes repaired	190	89	78	240	191	191	163	163	110	N/A (3)
Sidewalk repaired (linear feet)	4,107	1,262	1,242	2,210	2,163	2,808	3,029	3,029	4,602	N/A (3)
Street sweeping (miles)	400	400	350	684	575	150 ⁽¹⁾	240	240	170	N/A (3)
Code Enforcement/Inspections										
Building permits	360	409	432	420	677	661	636	636	829	2,360
Sanitation										
Residential waste collected (tons/year)	6,723	6,667	6,761	7,408	8,568	9,472	7,981	9,918	11,221	11,014
Recyclables collected (tons/year)	1,750	1,734	1,962	1,940	2,021	1,660	2,072	2,354	1,726	1,645
Yard waste collected (tons/year)	25,832 cy	19,662 cy	19,874 cy	22,200 cy	27,152 cy	37,932.09 cy	23,524 cy	21,480 *	3,221 cy	5,639
Household/appliances (tons/year)	75	78	83	159 pieces	183 pieces	24.69*	25 pieces	24	4	102
Recycle pick-up fee	\$ 4.25	\$ 4.25	\$ 4.25	\$ 4.25	\$ 4.34	\$ 4.34	\$ 4.34	\$ 4.34	\$ 5.22	\$ 5.42
Trash pick-up fee	\$ 9.50	\$ 9.50	\$ 9.50	\$ 9.50	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.88	\$ 10.17
Yard waste pick-up fee							\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.50
Culture and recreation										
Athletic field permits issued	8	12	21	48	49	76	268	349	261	1,285
Community center admissions	\$ 829,630	\$ 851,098	\$ 863,603	\$ 916,966	\$ 948,829	\$ 1,357,634	\$ 1,286,597	\$ 1,042,227	\$ 594,327	\$ 613,343
Youth participation:										
Fall soccer	740	702	708	831	822	822	957	971	1,050	446
Spring soccer	779	733	691	798	916	916	994	1,081	-	874
Football and cheerleading	224	224	139	189	180	131	123	152	147	50
Basketball	709	688	899	897	895	895	909	881	941	350
Baseball	1,450	1,284	1,289	1,366	1,392	1,420	1,474	1,526	586	1,347
Before and after school	967	872	926	906	1,328	1,776	13,000	1,479	1,217	1,351
Summer camp	1,534	1,253	1,247	1,413	1,198	1,366	1,378	1,230	1,102	281
Track-out							1,169	1,019	848	150 (1)
Track	90	113	112	110	109	105	100	97	-	47
Adult participation:										
Basketball	144	132	108	144	580	144	120	120	120	- (2)
Softball	495	700	640	580	4,159	540	400	360	480	380
Fitness room	1,189	3,436	3,204	3,529	33	4,241	4,400	3,238	1,744	- (2)
Water										
Water customers	8,933	9,375	9,874	10,364	11,644	11,435	12,345	12,864	13,568	14,340
Average water bill	\$ 31.34	\$ 32.46	\$ 34.71	\$ 36.86	\$ 39.45	\$ 42.04	\$ 36.22	\$ 38.22	\$ 38.35	\$ 72.26
Water main breaks	2	4	3	1	3	5	6	0	2	5
Sanitary sewer overflows (SSO)	0	1	2	3	2	1	0	0	0	-
Average daily consumption (MGD)	1,876,000	1,873,000	952,000	2,449,000	2,913,000	3,211,000	2,667,000	3,821,000	2,658,000	3,100,000
Wastewater										
Average daily sewage treatment	1.412	1.521	1.757	1.980	2.163	2.263	2.351	2.650	2.640	2,820

* Reported in tons/year. This is a reporting change from prior years.

⁽¹⁾ Street Sweeper non-operational for a significant time period during the year.

⁽²⁾ Youth Summer Camp and Adult Basketball were cancelled during the 2021 year due to COVID.

** Includes all calls bot emergency and non-emergency calls (animal control included) and is from time of dispatch to arrival on scene.

Sources: Town of Holly Springs Police, Fire, Parks and Recreation, and Public Works Departments.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

TABLE 19

JUNE 30, 2021

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police stations	1	2	2	2	1	1	1	1	1	1
Police patrol units	48	48	48	48	56	58	58	58	58	60
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire trucks	8	8	7	7	7	7	8	8	9	9
Sanitation										
Refuse collection trucks										
Collection trucks	8	4	4	4	5	4	7	8	10	12
Highways and streets										
Streets (miles)	103.08	106.17	108.50	115.66	118.58	125.75	131.34	140.20	146.83	153.55
Traffic signals	15	22	22	25	25	28	32	32	38	38
Public parking spaces	993	993	993	993	993	1,932	1,932	1,932	2,261	2,261
Culture and recreation										
Parks acreage	274	433	537	573	573	573	573	573	629	636
Parks acreage	5	6	5	5	5	5	5	5	5	5
Baseball fields	10	10	10	11	11	11	11	11	11	11
Tennis courts	6	6	9	21	21	21	21	21	21	21
Community centers	1	1	1	1	2	2	2	1	1	1
Water										
Water mains (feet)										
4" water line	4,408	4,818	5,450	6,627	7,785	7,785	7,797	8,139	37,092	42,177
6" water line	27,561	29,414	32,438	39,809	44,976	52,392	58,130	60,072	177,915	181,348
8" water line	93,136	99,978	111,178	147,722	163,418	198,425	212,395	234,421	481,455	509,802
12" water line	100,529	104,660	107,602	120,450	127,194	142,194	148,560	162,978	276,430	281,376
Total	225,634	238,870	256,668	314,608	343,373	400,796	426,882	465,610	972,892	1,014,703
Maximum daily capacity (millions of gallons per day)	10	10	10	12	12	12	12	12	12	12
Sewer										
8" sewer lines (feet)	187,835	197,115	211,686	258,582	283,704	340,545	362,000	398,645	643,527	675,920
Maximum daily treatment capacity (millions of gallons per day)	2.4	2.4	2.4	2.4	2.4	6.0	6.0	6.0	6.0	6.0

Sources: Town of Holly Springs Police, Fire, Parks and Recreation, and Public Works Departments.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
COMMERCIAL ACTIVITY
LAST TEN FISCAL YEARS

TABLE 20

JUNE 30, 2021

Calendar Year	Commercial		Residential		Total	
	Number	Value	Number	Value	Number	Value
2012	116	\$ 20,923,994	993	\$ 76,125,199	1,109	\$ 97,049,193
2013	201	29,412,743	1,094	98,667,790	1,295	128,080,533
2014	175	46,620,438	1,111	93,295,625	1,286	139,916,063
2015	200	35,359,059	1,460	142,952,072	1,660	178,311,131
2016	231	36,496,927	1,581	155,186,965	1,812	191,683,892
2017	224	73,363,384	1,677	147,146,949	1,901	220,510,333
2018	254	129,516,193	1,824	137,360,117	2,078	266,876,310
2019	229	154,493,688	2,015	166,383,710	2,244	320,877,398
2020	205	121,481,010	2,224	186,542,781	2,429	308,023,791
2021*	219	84,304,845	2,141	192,843,846	2,360	277,148,691

Notes:

(1) Compiled by the Town of Holly Springs Development Services department

*Partial year data

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
COMMUNITY INVESTMENT FUND

TABLE 21

JUNE 30, 2021

	FY 2021
PayGo Capital Project Fund	
Revenues	
Miscellaneous Revenues	\$ 19,305
Transfers-In	
Capital Projects	263,663
General Fund	756,500
Street Reserves	100,000
Total Revenues	<u>1,139,468</u>
Expenditures	
General Government	42,222
Public Safety	
Public Works	70,187
Economic and Physical Development	25,000
Cultural and Recreation	
Total Expenditures	<u>137,409</u>
Revenues over/(under) Expenditures	1,002,059
Beginning Fund Balance	-
Ending Fund Balance	<u>1,002,059</u>
General Government Debt Service Fund	
Revenues	
Ad Valorem Taxes	7,773,854
Investment Earnings	11,395
Transfers-In	
Capital Projects	269,316
General Fund	559,480
Grants & Special Revenue Fund	305,920
Total Revenues	<u>8,919,965</u>
Expenditures	
General Government	240,304
Public Safety	667,608
Public Works	584,266
Economic and Physical Development	507,381
Cultural and Recreation	2,432,282
Total Expenditures	<u>4,431,841</u>
Revenues over/(under) Expenditures	4,488,124
Beginning Fund Balance	2,593,028
Restatement	1,083,165
Ending Fund Balance	<u>8,164,317</u>
Total Community Investment Fund Balance	<u>\$ 9,166,376</u>

**Report of Independent Auditor 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***

To the Honorable Mayor
Members of the Town Council
Town of Holly Springs, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Holly Springs, North Carolina (the "Town"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 8, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered the Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's basic 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 results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cheryl Bekaert LLP

Raleigh, North Carolina
December 8, 2021

Report of Independent Auditor on Compliance with Requirements Applicable for Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Uniform Guidance and the State Single Audit Implementation Act

To the Honorable Mayor
Members of the Town Council
Town of Holly Springs, North Carolina

Report on Compliance for Each Major Federal Program

We have audited the Town of Holly Springs, North Carolina's (the "Town") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2021. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

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

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

Purpose of this Report

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.

Cherry Bekaert LLP

Raleigh, North Carolina
December 8, 2021

Report of Independent Auditor on Compliance with Requirements Applicable for Each Major State Program and on Internal Control over Compliance in Accordance with the Uniform Guidance and the State Single Audit Implementation Act

To the Honorable Mayor
Members of the Board of Commissioners
Town of Holly Springs, North Carolina

Report on Compliance for Each Major State Program

We have audited the Town of Holly Springs, North Carolina's (the "Town") compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on the Town's major state program for the year ended June 30, 2021. The Town's major state program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Town's major state program based on our audit of the types of compliance requirements referred to above. 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 applicable sections of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") as described in the audit manual for Governmental Audits in North Carolina, and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major State Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on the major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major state program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a 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 a combination of deficiencies, in internal control over compliance with a type of 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 the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Cheryl Bekaert LLP

Raleigh, North Carolina
December 8, 2021

TOWN OF HOLLY SPRINGS, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2021

Section I—Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance to U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported
- Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported
- Noncompliance material to federal awards noted? _____ yes X no

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

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

Identification of major federal programs:

Assistance Listing Number

21.019

Dollar threshold used to distinguish between Type A and Type B programs:

Auditee qualified as low-risk auditee?

Names of Federal Program or Cluster

Coronavirus Relief Funds

\$750,000

_____ yes X no

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

YEAR ENDED JUNE 30, 2021

Section I—Summary of Auditor's Results (continued)

State Awards

Internal control over major state programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported
- Noncompliance material to state awards noted? _____ yes X no

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act
_____ yes X no

Identification of major state programs:

Program Name

Non-State System Street-Aid Allocation Fund (Powell Bill)

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

YEAR ENDED JUNE 30, 2021

Section II—Findings Related to the Audit of the Basic Financial Statements

None reported.

Section III—Federal and State Award Findings and Questioned Costs

None reported.

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2021

Finding 2020-001

Status: Corrected

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2021

Grantor/Pass-Through/Grantor-Program Title	Assistance Listing Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Local Expenditures
FEDERAL AWARDS					
U.S. Department of Justice:					
Direct from U.S. Department of Justice					
Equitable Sharing Program	16.922		\$ 76,211	\$ -	\$ -
Total U.S. Department of Justice			76,211	-	-
U.S. Department of Transportation:					
Passed through NC Department of Transportation:					
Avent Ferry Phase 2 (Avent Ferry Rd to Cass Holt to NC55 Bypass)	N/A	U-5889 44707	-	-	21,848
NC 55 Bypass Superstreet at Ralph Stephens Road and Teal Lake Road	N/A	SM-5705T 48424.3.1	-	-	-
Total U.S. Department of Transportation			-	-	21,848
U.S. Department of Treasury:					
Passed through Wake County, North Carolina					
Coronavirus Relief Fund	21.019		899,413	-	-
Total U.S. Department of Treasury			899,413	-	-
U.S. Federal Highway Administration					
Passed through NC Department of Transportation					
Highway Planning and Construction Program:					
		U-5529			
		WBS 44107.1.1			
Avent Ferry Phase 1 (Avent Ferry Rd, Piney Grove to West Elm Ave)	20.205	WBS 44107.2.F1 WBS 44107.3.F1	931,155	-	67,577
Avent Ferry Road Sidewalk Connectors (NC55 to W. Ballentine St; Stinson Rd to Pine St)	20.205	EB-6049WBS 491E U-5118JB	-	-	311,373
NC 55 Bypass Superstreet at Sportsmanship Way	20.205	WBS 42379.3.35	69,003	-	23,935
		U-6094			
Holly Springs Road Widening - Phase 1 - (Main St to Flint Point Ln)	20.205	WBS 47899.2.1 WBS 47899.3.1	-	-	25,048
Holly Springs Road Widening - Phase 2 - (Flint Point Ln to Sunset Lake Rd)	20.205	U-6243 WBS 49185.3.1	-	-	1,170,851
		C-5604JA			
		WBS 43714.1.6			
		WBS 43714.2.6			
Utley Creek Greenway Connection	20.205	WBS 43714.3.6	18,547	-	76,036
Total Highway Planning and Construction Program:			1,018,705	-	1,674,820
Total U.S. Federal Highway Administration			1,018,705	-	1,674,820

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2021

Grantor/Pass-Through/Grantor-Program Title	Assistance Listing Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Local Expenditures
U.S. Department of Homeland Security					
Passed through Federal Emergency Management Assistance (FEMA)					
Disaster Grants - Public Assistance	97.036	183-91524-00	170,432	-	-
Disaster Grants - Public Assistance	97.036	183-32260-00	-	-	-
Total U.S. Department of Homeland Security			170,432	-	-
TOTAL FEDERAL AWARDS			2,164,761	-	1,696,668
STATE AWARDS					
N.C. Department of Transportation					
Non-State System Street-Aid Allocation Fund (Powell Bill)		DOT-4	-	891,426	-
Passed through N.C. General Assembly					
Fiber Network / Signal Synchronization & Traffic Flow		WBS 48461	-	218,966	230,663
			-	1,110,392	230,663
N.C. Department of Public Instruction					
North Carolina General Assembly			-	28,308	-
TOTAL STATE AWARDS			-	1,138,700	230,663
TOTAL FEDERAL AND STATE AWARDS			\$ 2,164,761	\$ 1,138,700	\$ 1,927,331

TOWN OF HOLLY SPRINGS, NORTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2021

Note 1—Basis of presentation

The accompanying schedule of expenditures of federal and state awards (the "Schedule") includes the federal and state grant activity of the Town of Holly Springs (the "Town") under the programs of the federal government and the State of North Carolina for the year ended June 30, 2021. The information in this schedule of expenditures of federal and state awards is presented in accordance with the requirements of Title 2, U.S. Code of *Federal Awards and the State Single Audit Implementation Act*. Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position or cash flows of the Town.

Note 2—Summary of significant accounting policies

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

Note 3—Indirect cost rate

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



Holly Springs Town Council

Town Council Meeting Agenda Cover Sheet

Agenda Item#: 6.

Consent Agenda

Title: Approve the minutes of the December 14, 2021 Workshop meeting and the December 21, 2021 Business meeting

Strategic Priority Area: Organizational Excellence

Staff Resource: Linda McKinney, Town Clerk

Action(s):

Approve the minutes of the Council's workshop meeting held December 14, 2021 and the Business meeting held December 21, 2021.

Explanation:

- Minutes in draft form are attached for the Council's review.
- If there are any corrections, please call the Town Clerk at 919-557-3900 in advance of Tuesday night's meeting so that corrected versions of the draft minutes can be circulated for review before adoption of the Consent Agenda.

Background:

Funding Source(s):

N/A

Attachment(s):

1. 12.14.21 workshop minutes-Draft
2. 12.21.21 minutes-Draft



MINUTES

The Holly Springs Town Council held a workshop meeting on Tuesday, December 14, 2021 at the Law Enforcement Center and via livestream. Mayor Mayefskie presided, calling the meeting to order at 6:00 p.m. A quorum was established as the Mayor and four Council members were present as the meeting opened, and one Council member was present via livestream.

Council Members Present in the room: Mayor Sean Mayefskie, Mayor Pro Tem Dan Berry, and Council members Aaron Wolff, Timothy Forrest, and Kristi Bennett. Council Member Shaun McGrath participated via livestream.

Council Members Absent: None.

Parks and Recreation Advisory Committee Members Present: Jason Guetgemann, Jodi Carey and Chris Cook,

Staff Members Present: Randy Harrington, Town Manager; Daniel Weeks, Assistant Town Manager; Scott Chase, Assistant Town Manager; Corey Petersohn, Administration; Cassie Hack, Director Communications and Marketing; Jeff Wilson, IT Director; John Schifano, Town Attorney; LeeAnn Plumer, Director Parks and Recreation; Chris Hills, Director, Development Services; Sean Ryan, Development Services; Kendra Parrish, Executive Director, Utilities and Infrastructure; Tim Athy, Utilities and Infrastructure; Aaron Levitt, Utilities and Infrastructure, Matthew Mutter, IT, and Kathy White, Deputy Town Clerk (recording the minutes);.

1. Overview: Randy Harrington, Town Manager, gave an overview of the meeting agenda.

2. Cass Holt Park Concept

LeeAnn Plumer, Director, Parks and Recreation, introduced the consultants from CLH, Holly Waterman, and Bill Hamilton. Mr. Hamilton started the presentation by talking about the CLH team and gave a general overview of the Cass Holt Park project, explaining they have had several community input sessions. Through those, they were to determine the most desired features and have now narrowed the master plan down to a final concept. The park area offers lots of options for active and passive recreation opportunities. Ms. Waterman then explained the walking paths that will bring people into the park to the different amenities. The proposed building will have three gymnasiums as well as an indoor aquatic facility. They plan to have outdoor exercise areas, 6 pickleball courts, basketball courts and two multi-purpose fields. These amenities will be centered around the building for safety purposes. There will be a playground and splashpad. Parking will be on the periphery of the main building. There will be three smaller storm ponds that will blend into the park. There will also be smaller picnic areas scattered around the area, closer to parking for convenience. They intend to preserve the existing forest and pond area, and will create more buffers between the park and Cass Holt Rd. Also, they will add a small restroom and pavilion in addition to those found in the main building.

Discussion continued as she explained that this park would be constructed in phases as funding becomes available. They discussed the size of the fields and buildings, questioning whether three fields are necessary and expressed concerns about funding for the park when

there are two other masterplans out there already. Council member Bennet expressed concerns about bathroom locations, and having the splashpad and playground so close together. They discussed the need for fencing around the park, and removing the house. Council member McGrath expressed concerns about funding the aquatic center, saying a funding partner would help.

Mr. Harrington said that he appreciated the feedback from the Council, and staff would take all of the questions and comments and fine tune the project.

3. 2022 Annual Retreat Planning

Randy Harrington, Town Manager, said the purpose of this discussion was to consider topics for the Annual Retreat, and to choose the date and place for the retreat. The four proposed locations are Pine Needles in Southern Pines, Rizzo Center in Chapel Hill, the Double Tree in New Bern, and the Carolina Inn in Pinehurst.

Consensus of Council was to hold the retreat at Pine Needles on February 3rd - 5th.

They then discussed the potential topics of discussion for the retreat, such as Team Building, Strategic Plan updates, Pay Classification Study results, the Transportation Bond and Non-Bond project prioritization, the Cass Holt Park Master Plan and other park plans, the 311 Customer Care Model, FY 23 Budget Outlook, the New Yard Waste Collection system, and the new Public Works Campus. Other topics identified by the Mayor and Council were upcoming utility needs and the costs involved, the Stormwater rate increase that is coming in the next year, and prioritizing the water and sewer maintenance needs.

Corey Petersohn then explained the Strategic Plan, starting at the Vision, continuing to the Strategic Priority Areas, the Goals, the Initiatives and finally the Actions. He talked about the timeline of the Plan. The Council agreed that the current Vision Statement fits their description of the Town. He described the Strategic Priority Areas. Councilmember Forrest questioned using the word balanced in the Responsible and Balanced Growth. Mayor Pro Tem Berry explained why he thought it was important to leave that word in. Councilmember Wolff said another word that could be used would be Sustainable.

Some ideas under Engaged, Healthy and Active Community were forming an Arts Council, an Events Committee, other staff to fulfill the ever-growing needs of the Town and its growing population, and seeking vendor partnerships for Town events.

4. Unified Development Ordinance (UDO) Rewrite Next Steps – Zoning Map Update

Chris Hills, Director, Development Services, said the purpose of this item was to share information about the updating of the Zoning Map needed with the UDO Rewrite. He introduced Sean Ryan, who gave an overview of the Zoning Mapping process and timeline of the UDO Adoption process.

5. Holly Springs Rd. Phase II Transportation Bond Project Bid Update

Kendra Parrish, Executive Director of Utilities and Infrastructure, said that four bids were recently received for the Holly Springs Road Phase II Transportation Bond Project. All the bids were significantly over the current project budget. She explained the steps to building a bond project. She explained how the project costs increased from \$11.1m to \$18.7 million from 2018 to 2020, due to the escalation of construction costs. She then explained how the project has

progressed through \$4.1 million CAMPO Grants, Community Engagement meetings, Phase Right-of-Way Acquisition, early agency meetings and early private utility meetings. She pointed out that there have been changes and challenges along the way, such as changes to a wider sidewalk design, water and sewer improvements, a Roundabout & Holly Ridge school entrance. Challenges were two bridge redesigns, NCDOT & Army Corps of Engineers Permits and Authorizations, and COVID-19 supply chain issues.

Ms. Parrish then explained the Bid process, explaining that they had 4 bids that were very close to each other, proving they were within market costs. She then showed how expenses increased from the early 2020 estimates of \$21.1 million to \$37.2 million for a difference of \$16.1 million. She spoke about ways to close the funding gap and the trade-offs involved with those options. She also said in talking with NCDOT, staff has learned that the bids received for their projects came in high the same way, to the extent that some of NCDOT's projects are going to be delayed by 10 years.

Councilmember Forrest asked for clarification on Town Street Reserves. Ms. Parrish explained how Powell Bill Funds are generated and used.

Ms. Parrish explained the next steps, saying that they're asking for a bid extension, working with CAMPO and NCDOT grant funding opportunities, and pursuing value engineering options for cost savings. They will bring a recommended gap funding option to Council in January or February.

Mayor Pro Tem Berry asked for clarification on what has been spent to date on this project. They discussed what would happen to other transportation projects if this project is completed at the higher costs.

Council member McGrath said that he feels we need to look to CAMPO to fund this deficit. They are spending much more money in northern Wake County on light rail and not as much in South Wake.

OPEN DISCUSSION

Mayor Mayefskie said these are unprecedented times, and he wonders if we need to allow virtual meetings so that Council members can vote while they're on vacation or away on business. Mayor Pro Tem Berry feels that the Council functions better when they're in person and engaged, but he's open to reviewing the policy. Council member Wolff agreed, saying that having to be away from a meeting happens, but it's a choice. Mayor Pro Tem Berry asked Jeff Wilson, IT Director, if there is a better way to run a virtual meeting so it makes the absent people appear more engaged, and not just a voice over a speaker. Mayor Mayefskie asked John Schifano, Town Attorney what the legal requirements/restrictions are for a virtual meeting, and directed him to draft a new policy on virtual meetings and bring it to the Council at the next meeting.

Council Member Forrest brought up and discussed early voting for the next election, and asked what would be necessary to make Holly Springs an early voting site, and what the costs

would be. The merits vs. the costs were discussed. Mr. Harrington said he would work with Linda McKinney, Town Clerk, to look into alternate sites for early voting and the costs involved.

Council member Forrest asked when the newly elected officials would be brought up to date on the confidential Economic Development information that the previous Council has discussed. Daniel Weeks, Assistant Town Manager said they would be updated in the January 4th Closed Session.

Closed Session: none.

5. Adjournment: There being no further business, Motion to adjourn was made by Mayor Pro Tem Berry seconded by Council member Wolff and passed with a unanimous vote. The December 14, 2021 workshop meeting of the Holly Springs Town Council was adjourned at 8:39 pm.

Respectfully Submitted on Tuesday, December 21, 2021.

A handwritten signature in cursive script that reads "Kathryn L. White".

Kathy White
Deputy Town Clerk



MINUTES

The Holly Springs Town Council met in regular session on Tuesday, December 21, 2021. Mayor Mayefskie presided, calling the meeting to order at 7 p.m. A quorum was established as the Mayor and five Council members were present in the Chamber as the meeting opened.

Council Members Present: Mayor Mayefskie, Mayor Pro Tem Dan Berry, Council members Aaron Wolff, Shaun McGrath, Timothy Forrest, and Kristi Bennet.

Council Members absent: none

Staff Members Present in Chambers: Randy Harrington, *Town Manager*; Scott Chase, *Assistant Town Manager*; Daniel Weeks, *Assistant Town Manager*; John Schifano, *Town Attorney*; Linda McKinney, *Town Clerk* (recording the minutes); Mathew Mutter, *IT*; Chris Hills, *Director, Development Services*; Sean Ryan, *Development Services*; LeeAnn Plumer, *Director, Parks and Recreation*; Carolyn Couch, *Parks and Recreation*; Antwan Morrison, *Director, Finance*; Corey Petersohn, *Administration*; Mark Andrews, *Communications*; Paul Liquorie, *Police Chief*.

2. and 3. The Pledge of Allegiance was recited followed by an invocation by Horace Ferguson, Pastor Emeritus of Holly Springs United Methodist Church.

4. Agenda Adjustment: The December 21, 2021 meeting agenda was adopted with changes, if any, as listed: none.

Motion: Berry

Second: Forrest

Vote: Unanimous

Public Comment: At this time, an opportunity was provided for members of the audience who had registered to speak to address the Council, and the Clerk was asked for any written comments received prior to the meeting.

The following written comments were received: none.

The following comments were received in person: none.

REQUESTS AND COMMUNICATIONS

5. N.C. House Representative Erin Paré Presentation

Randy Harrington, Town Manager, introduced N. C. House Representative Erin Paré. Rep. Paré was a champion in the NC House to bring infrastructure funding to Holly Springs. Rep. Paré presented the Town with \$10.5 million from the state budget: \$8 million to support new utility infrastructure associated with the economic development recruitment of Amgen to the Friendship Innovation Park, and \$2.5 million to supplement the NCDOT funding to increase the number of lanes on a planned new NCDOT bridge on Old Holly Springs Apex Road over Little Branch Creek from two lanes to four lanes.

6. Acceptance of proceeds from the 1st Annual HERO Golf Classic to the Police and Fire Departments

Police Chief Paul Liquorie expressed his gratitude to the organizers of the HERO Golf Classic for organizing the tournament to support public safety. He said the funds would go towards support of programs for wellness and mental health, particularly for programs for children. Fire Chief LeRoy Smith thanked them and said the funds would be split down the middle and the Fire Dept were going to purchase a new extrication tool.

Jon Smith and John Ratliff, organizers of the HERO Golf Classic, presented Police Chief Paul Liquorie and Fire Chief LeRoy Smith with \$15,000 to be shared evenly by their departments from the event at 12 Oaks.

Action: Motion to approve budget amendment to receive \$15,000 from the HERO Golf Classic.

Motion by: Berry

Second by: Wolff

Vote: unanimous

7. Holly Springs Skyhawks Presentation

LeeAnn Plumer, Director, Parks and Recreation, introduced Doug LeRoy, Daniel Moffitt, and Jason Guetgemann from the Holly Springs Skyhawks radio control group. Mr. LeRoy gave background on the Skyhawks and what they do. He thanked the Town for the cooperation partnership and encouragement. He said the Wings Over Springs annual charity electric fly in raised funds for the Meg's Smile Foundation. He said that 2021 was a record-breaking year in terms of funds raised on event day. He said that in-kind donations are reinvested in the park and flying site, and presented the Parks and Recreation Department with \$1,200.

Action: Motion to approve budget amendment to receive \$1,200 from the Skyhawks RC Club.

Motion by: Berry

Second by: Forrest

Vote: unanimous

8. Holly Springs Police Department Annual Report and Police Community Advisory Group Update

Police Chief Paul Liquorie said the purpose of this item was to present an overview of the Holly Springs Police Department's Annual Report, and to update Council on the Police Community Advisory Group (PCAG). He gave an overview of the department, including how many members, what degrees and certifications they have, and how many are veterans. He outlined some achievements and awards garnered by the department in 2021 and gave an update on the body-worn and in-car camera system roll out. He explained that while the population of Holly Springs continues to grow, calls for service have stabilized.

Chief Liquorie said that Holly Springs violent crime rate is 13.5 times lower than the state average, and 13 times lower than the national average. The Town's property crime rate is six times lower than the state average and 5.25 times lower than the national average. He showed the five year trends for crimes reported to the FBI. He said that auto theft is up significantly, but these were all cases where the owners had left their keys in the car. Drug arrests are up, in step with the national trend. Most of these were related to traffic stops and were related to marijuana. DWI are up, but this is due to increased enforcement and an increase in drivers impaired by substances other than alcohol, either illicit drugs or prescriptions. He said that arrests compared to calls for service were slightly higher than 2020, but still less than one percent.

Chief Liquorie said that 52.82% of the people arrested in 2021 were Caucasian; 42.56% African American. 72.2% of traffic stops were Caucasian and 23.9% African American. Use of force accounted for 4.1% of arrests. This number looks higher than last year, but is likely due to a more

stringent reporting requirement, as 50% did not involve contact, but rather the drawing a weapon or Taser. Motor Vehicle collisions over a three year period show that while collisions are down, personal injury collisions have increased. He said impaired driving was a contributing factor.

Chief Liquorie outlined some of the community engagement activities sponsored by the Holly Springs Police Department.

Council member Wolff asked if the drug offense increase was diverted prescriptions, or from drugs coming in from foreign countries, and if officers have access to Narcan. Chief Liquorie said there is an increase in fentanyl, and there are counterfeit drugs that young people are taking. But fentanyl is usually a big part of those, because it is so addictive. He said all officers have access to Narcan including K-9 officers, because they are susceptible when sniffing out drugs. There are education programs to educate parents about what PD is seeing and what resources are available to them.

Council member Wolff asked if the Police Department had drug disposal sites. Chief Liquorie said there is a drop box in the lobby of the Law Enforcement Center where drugs can be dropped anonymously. Plus the Department runs several drug drop offs that are drive up. These are for prescription or illicit drugs.

Council member McGrath asked about causality for any of the trends and if staff was working to pinpoint places and reasons accidents happen. Chief Liquorie said the report is *per capita*, so our population growth is a factor. The Department has made a concerted effort to be visible in retail locations and will look at the statistics to see if that made a difference in retail thefts. The Department is working with other departments to identify hot spots and discuss the causes of accidents there, to see if it is a problem of speed, road engineering conditions, or other factors.

Chief Liquorie said that having a Police Community Advisory Group (PCAG) is a best practice recommended by the International Association of Chiefs of Police as well as the UNC School of Government, and required by Commission on Accreditation for Law Enforcement Agencies (CALEA) for accreditation. He explained that the PCAG would enhance police-community relations, trust and transparency; be informed about the structure, workload, policies, and philosophy of the HSPD; provide educational engagement activities to promote better understanding of law enforcement functions; and serve as a liaison between the community and the Town. He said they would not review officer conduct or disciplinary matters; draft policy; provide strategic direction; or direct structural or budgetary matters. He said that 103 applications were received. Ten members were selected reflecting a broad cross section of the town. The group will meet quarterly and also attend the inaugural cohort of the Citizens Police Academy which begins in January. The second cohort will be opened later in the year, perhaps September, and will be open to anyone who wants to apply.

Mayor Mayefskie asked for clarification on the activities required for the Academy. Chief Liquorie said there are no calisthenics or physical requirements, but they will be put through scenario-based training so that they can see that police officers are often put in positions where they have to make split-second decisions. But it is mostly classroom based. Council member McGrath asked if they were going to do ride-alongs. Chief Liquorie said that will be part of the curriculum.

RECOGNITIONS

9. Recognition of SolSmart bronze designation

Sean Ryan, Development Services, said the purpose of this item was to recognize the Town's achievement as a SolSmart Bronze designated community. Achieving this designation supports Strategic Priority of Responsible and Balanced Growth, Initiative 2.3. He said that the SolSmart program recognizes communities that make going solar easier, faster, and more affordable for everyone in the community, and promotes local climate and energy sustainability goals. He explained the three levels, Bronze, Silver, and Gold, and what Holly Springs had done to date to earn Bronze, and how we were only 20 points away from achieving Silver. He said there were over 400 other communities in the US in the SolSmart program, including Cary, Apex,

Pittsboro, Chapel Hill, and Durham. He explained some of the things the Town did to achieve the bronze designation.

Mr. Ryan said that to reach the Silver designation the Town would need to identify ways to earn an additional 20 points, commit to additional staff training, a review of permit issuance timelines and fees, enhance the website, and create informational flyers.

Consent Agenda

The Council passed a motion to approve all items on the Consent Agenda. The motion carried following a motion by Mayor Pro Tem Berry, a second by Council member Wolff and a unanimous vote. The following actions were affected:

10. Minutes – Council approved the minutes of the business meeting held December 7, 2021.

11. Resolution Concerning Proposed Bond Issue – The Council approved Resolution 21-30.
A copy of Resolution 21-30 is attached to these minutes.

12. Introduction of Bond Order – The Council introduced bond order authorizing the issuance of not to exceed \$17.2 million General Obligation Refunding Bonds.

13. Current Refunding of General Obligation Bonds – The Council adopted Resolution 21-31 providing for the issuance of not to exceed \$17.5 million in General Obligation Refunding Bonds, Series 2022 of the Town of Holly Springs.
A copy of Resolution 21-31 is attached to these minutes.

14. Personnel Policy Amendments – The Council approved amendments to the Personnel Policy pertaining to funeral leave and pay for employees required to work on a Town-observed holiday that falls on a weekend, and authorized the Town Manager to update the Personnel Policy to reflect these changes.

15. Gunter Morris Rd. Road Closure – The Council adopted Resolution 21-32 declaring the Town's intent to close a portion of right of way located on Gunter Morris Road and to hold a public hearing on February 1, 2022.
A copy of Resolution 21-32 is attached to these minutes.

16. Mayor and Town Council Procedures Manual Amendment – The Council amended the Town Council Procedures Manual to allow electronic participation of council members under certain circumstances.

PUBLIC HEARINGS

17. Holly Springs New Hill Road Rezoning & Development Agreement 21-REZ-01

Sean Ryan, Development Services, said that the public hearing needed to be opened, and continued to January 4th meeting.

Mayor Mayefskie opened the public hearing.

Action: Motion to continue the public hearing to the January 4, 2022 meeting.

Motion by: Wolff

Second by: Forrest

Vote: unanimous

OTHER BUSINESS

Mayor Mayefskie wished the staff and their families a great holiday.

Council member Wolff said he received a screen shot of Wake Counties COVID information. Holly Springs is at 71% vaccination, but we are behind Apex which is at 76%, so we need to catch up. Please get your booster, and if you are traveling, get a test before you leave.

Council member McGrath said it was great to be back tonight. For those wondering where he has been, he had a great opportunity to help with an Air Force program in Germany. He reminded listeners that while this week is happy for a lot of people, it can be hard for others. Please check in on your friends and neighbors, particularly those that have served in the military. Check to make sure they are ok.

MANAGER'S REPORT

Randy Harrington, Town Manager, said Friday, Christmas Eve, refuse and recycling collection will start an hour earlier, because the landfill is closing an hour early. Happy holidays and he is looking forward to the new year ahead.

CLOSED SESSION: The Council entered into closed session, pursuant to N.C.G.S. 143-318.11(a)(3) to consult with the Town Attorney to discuss all pending litigation matters.

Motion by: Wolff

Second by: Berry

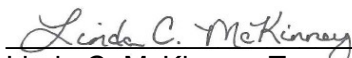
Vote: Unanimous

In the closed session the Town Attorney provided an update to the council on all pending litigation matters, particularly the case of *Meritage Homes vs. Town of Holly Springs*, and various minor land condemnation matters. The Council heard from the attorney and manager but took no action.

Motion to leave closed session was made by Council member Forrest, seconded by Council member Wolff and passed with a unanimous vote.

Adjournment: Council member McGrath made a motion to adjourn at 8:47 pm. It was seconded by Council member Wolff and passed with a unanimous vote.

Respectfully Submitted on Tuesday, January 4, 2022.



Linda C. McKinney, Town Clerk

Addenda pages as referenced in these minutes follow and are a part of the official record.



Holly Springs Town Council

Town Council Meeting Agenda Cover Sheet

Agenda Item#: 7.

Consent Agenda

Title: Pine Springs Preparatory Academy Mobile Classroom Second Extension 19-SEU-04

Strategic Priority Area: Responsible & Balanced Growth

Staff Resource: Bronwyn Bishop, Development Services

Action(s):

Grant a one year extension for Pine Springs Preparatory Academy Mobile Classroom Special Exception Use from January 1, 2022 to January 1, 2023, with conditions.

Explanation:

- Pine Springs Preparatory Academy was approved for a Special Exception Use (SEU) to use an approximately 6,900 square foot mobile classroom unit with six classrooms while construction of the new middle school was ongoing. As was conditioned in the approval of the SEU, the applicant must make progress towards accomplishing the goals of development indicated by the conceptual site plan submitted with the SEU request. The construction of the middle school is now complete and the mobile class room is required to be removed as conditioned in the original SEU approval and previously granted extension.
- The SEU originally expired on January 1, 2021. At the request of the applicant, the Town Council granted an extension of one (1) year based on the decision that the applicant continued to make sufficient "progress towards accomplishing the goals of development indicated on the site plan within a reasonable period of time...". The expiration was extended to January 1, 2022.
- Pine Springs Preparatory Academy has requested a second one year extension for use of the mobile classroom unit while an expansion of the original elementary school building is planned, reviewed, and constructed.
- In accordance with UDO Section 2.08 B., Temporary Uses may be renewed one or more times, for good cause shown. This period may be renewed for additional one year increments at a time, and shall be reviewed on a case by case basis.

Background:

- A Special Exception Use (SEU) for the Mobile Classroom was granted by the Town Council on July 16, 2019 and extended for one year beyond the original January 1, 2021 expiration.
- A Development Plan and SEU was approved for Pine Springs Preparatory Academy Middle School on June 2, 2020.
- Construction of the middle school began in summer 2020 and was completed in fall 2021.
- According to the letter and attachments submitted by Bruce Friend, Head of School, the

school anticipates removal of the mobile classroom unit in December 2022 and the expansion of the elementary school building to be completed by summer 2023.

Funding Source(s):

N/A

Attachment(s):

1. Pine Springs Preparatory Special Use Permit - Extension Request Dec. 2021
2. 19SEU04_PineSpringsPrepMobileUnit_Ext2_Proposed Motions and Conditions



Pine Springs

PREPARATORY ACADEMY

December 9, 2021

Bronwyn Bishop
Planner I
Town of Holly Springs
128 S. Main St.
Holly Springs, NC 27540

Dear Ms. Bishop:

On behalf of Pine Springs Preparatory Academy and its Board of Directors, I am writing to you to request a 12-month extension for the Special Exception Use Permit that allows us to utilize the temporary mobile classroom located at 220 Rosewood Centre Dr.

Our current permit expires in January 2022, and over the past year we have met the conditions of the permit that was awarded in 2020 by completing the construction of our new middle school building (located at 1729 N. Main St.)

The request to extend the use of our mobile classroom for another year is to provide us the classroom space that is needed to serve our students who are in the K-5 area of our campus, while plans for adding an addition to the existing K-5 building are developed and approved. While approvals and financing must be secured, attached to this letter is a draft timeline for the expansion plans of our existing K-5 building. It should be noted that the expansion of our K-5 building is to ultimately replace the need for a modular classroom, and not to increase enrollment in the K-5 building. As such, the expansion plans that we have in mind for the current K-5 building will not add additional traffic to the site nor will require a larger building footprint than what has already been approved in the original plans for our site.

Please let me know what additional information you may need regarding our request to extend our special use permit for another year.

Sincerely,

Bruce Friend
Head of School



Pine Springs

PREPARATORY ACADEMY

Attachments:

1. Tentative timeline for expansion of K-5 building
2. Aerial view of current K-5 campus

Timeline for School Addition

July 2023 Completion

<u>January – December 2022</u>	<u>December 2022</u>	<u>January – July 2023</u>	<u>July 2023</u>
Building Plans Finalized Financing Secured Permits Secured	Modular Unit Removed	Construction	Move-in Ready

Pine Springs Preparatory Academy
220 Rosewood Centre Dr







THE TOWN OF

Holly Springs

Pine Springs Preparatory Academy Mobile Classroom Special Exception Use 19-SEU-04 Conditions of Approval

Motion and Conditions of Approval:

Grant a one (1) year extension for Pine Springs Preparatory Academy Mobile Classroom Special Exception use from January 1, 2022 to January 1, 2023, with the following conditions.

1. Development plans for the elementary school expansion must be submitted prior to January 1, 2023.
2. Any additional extensions of this mobile classroom unit will be required to apply for a new Special Use Permit with Findings of Fact specific to the expansion of the elementary school building.

Office of the Mayor

P.O. Box 8 • 128 S. Main Street • Holly Springs, NC 27540 • www.hollyspringsnc.us

Email: dick.sears@hollyspringsnc.us



Holly Springs Town Council

Town Council Meeting Agenda Cover Sheet

Agenda Item#: 8.

Public Hearings

Title: Holly Springs New Hill Road Rezoning & Development Agreement 21-REZ-01 - Legislative Hearing

Strategic Priority Area: Responsible & Balanced Growth

Staff Resource: Cheryl Caines, Development Services, Rachel Jones, Development Services

Action(s):

1. Conduct Legislative Public Hearing
2. Adopt Rezoning Ordinance RZ21-07 to adopt a statement of compatibility and to approve rezoning
3. Approve a Development Agreement

Explanation:

- The property consists of seven parcels, totaling approximately 5.855 acres.
- The property is located at the NW corner of Holly Springs New Hill Road and Old Holly Springs Apex Rd.
- A number of residential and non-residential developments have been constructed in this vicinity in the past 5-6 years, including Oakview Elementary School, Hensley subdivision, Thales Academy, Extra Space Storage, and Holly Springs Place apartments.
- The applicant's proposal is to rezone the property from R-10 Residential to CB CU: Community Business Conditional Use to support the development of a commercial center (integrated center).
- The Future Land Use Map designates the property as Mixed Use Center.
- Mixed Use Center offers the opportunity to serve broader economic, entertainment, and housing needs in the community.
- The project includes a Development Agreement with terms associated with phasing of the project construction, a fee-in-lieu for the realignment of Old Holly Springs Apex Road and Holly Springs New Hill Road and land conveyance of property owned by the town to facilitate the road improvements along the frontage of the property.

Conditions of Approval

The petitioner has proposed conditions of approval on the property:

1. Buildings shall have a minimum height of 20 feet and 2 stories, with the exception of 1 single-story building allowed for childcare/pre-school or similar uses. The single story building is still required to meet the 20 foot minimum height requirement.
2. The 10' pedestrian side path will be extended to the existing stub within the right-of-way in front of Thales Academy (PIN 0649265028).
3. Drive-thru facilities (if any) shall position service lanes to run parallel with Old Holly

Town Council Business Meeting
January 4, 2022

Springs Apex Road to allow for safe pedestrian access to the facility and commercial center.

4. The following uses shall be prohibited:

- a. Motorcycle/Scooter Sales
- b. Self Service Laundry/Costume Rental
- c. Public Utility Substation
- d. Bed & Breakfast/Bus Station/Agricultural Seed Sales
- e. Neighborhood Recycling Collection Point
- f. Automobile Parts Sales (new)
- g. Quick Oil Change Facility
- h. Car Wash (automatic or self)
- i. Gasoline Service Station without repair

- 6. Any restaurant business having a drive-thru service shall be part of a two-story building and will require a Special Exception Use permit.
- 7. All parking areas located between a front building line and a street shall be limited to either a single loaded parking area or 1 double loaded parking area with 1 access drive.
- 8. Low-impact landscape design techniques and sustainable stormwater practices will be incorporated into the development.
- 9. The Town requires certain fees to be paid upon development of land and for the granting of a building permit. Said fees are listed in the Town's annual budget, and with this rezoning the Developer agrees he/she (i) is familiar with these fees, (ii) does not dispute the reasonableness of these fees as set forth in the Town's annual budget; and (iii) notwithstanding any reimbursements discussed at this time through an Infrastructure Reimbursement Agreement, hereby agrees to timely pay all normal and customary fees applicable to Developer in connection with Non-Residential and Residential Projects. Such fees are listed in the current year annual budget of fees at the time the fee is due under the ordinary course of development unless otherwise specifically noted in the Developer Agreement.
- 10. The Town requires, pursuant to N.C.G.S. § 160A-372, the dedication and construction of streets and rights of way, as shown in the approved Comprehensive Transportation Plan and the approved Transportation Assessment Report, to create conditions essential to public health, safety, and the general welfare. A rezoning may be delayed until such time as necessary transportation improvements (to include offsite improvements) may be made, unless the Town and the Developer can enter into agreements to accelerate the time for completion of these needed improvements.
- 11. A fee-in-lieu (FIL) will be offered towards the realignment of Old Holly Springs & New Hill Roads. Developer offers the amount of \$234,000 to be paid at release of construction drawings.
- 12. Development may be split into two Phases. Phase 1 defined as up to 3 acres developable beside Thales Academy PIN 0649265028 (not to include any shared SCM or parking/entrances on remaining acreage). Phase 2 shall be the remaining developable acreage towards the intersection of Old Holly Springs & New Hill Roads. Should the development be divided into 2 phases, then Developer shall pay the proportionate share of the FIL at time of approval of those construction drawings for Phase 1. Proportionate share to be determined as a percentage of acreage developed versus overall acreage. Developer shall be responsible for any thoroughfare widening as part of the overall development or Phasing and any improvements such as turn lanes required by NCDOT.

Planning Board Recommendation

The Planning Board discussed the following issues and concerns on November 23, 2021:

- Existing traffic issues on adjacent streets and additional traffic related to future commercial development.
- Street improvements and access restrictions.
- Pedestrian access from nearby apartment developments.

Planning Board Recommendation:

Planning Board recommended approval (5 -1- 2)

There was one vote against the motion due to concerns that the Traffic Impact Analysis did not thoroughly address traffic issues.

Background:

- Developer Agreements are a tool used when a partnership is proposed. There are several types of agreements that can be used. Infrastructure Reimbursement Agreements are used when utilities or road projects are being built beyond a project's impact and the oversized portion of the project cost is reimbursed to a developer upon completion of the improvements. Development Agreements are used when there are zoning related items considered. They also can include fee-in-lieu terms or other reimbursements. This agreement type is a Development Agreement.
- The primary reason for this agreement is to help complete a needed improvement adjacent to this project that is shown in the town's adopted Comprehensive Transportation Plan - the Old Holly Springs Apex Rd and Holly Springs New Hill Road intersection realignment. There are multiple development projects that trigger this need and two projects that were approved prior to this project's submitting their application that have committed to paying a fee-in-lieu proportionate to their impact for constructing improvements at this intersection. At the time of review of this rezoning application, an additional project was submitted that also impacted this intersection.
- In July 2021 at the Town Council work session, staff brought forward a discussion with the Town Council about a strategy to enter into a developer agreement with Green Oaks Tech Center PUD developer and proceed with collecting a fee-in-lieu from this project to get the realignment completed.
- Since the work session, the Green Oaks Tech Center PUD project proceeded and was approved along with a development agreement on November 30, 2021. This rezoning and associated agreement have followed closely behind that work.
- The rezoning public hearing was continued from the scheduled December 21, 2021 to January 4, 2022.
- Parcels were rezoned from R-20 Residential to R-10 Residential by the Town Council on October 26, 1993.

Funding Source(s):

N/A

Attachment(s):

1. 21REZ01_Holly Springs New Hill Rd PB staff report
2. 21REZ01_Holly Springs New Hill_Attachments
3. Draft_New Hill 1300 LLC_Development Agreement
4. RZ21-07 Holly Springs New Hill Rd Ordinance



Town of Holly Springs Staff Report to the Planning Board

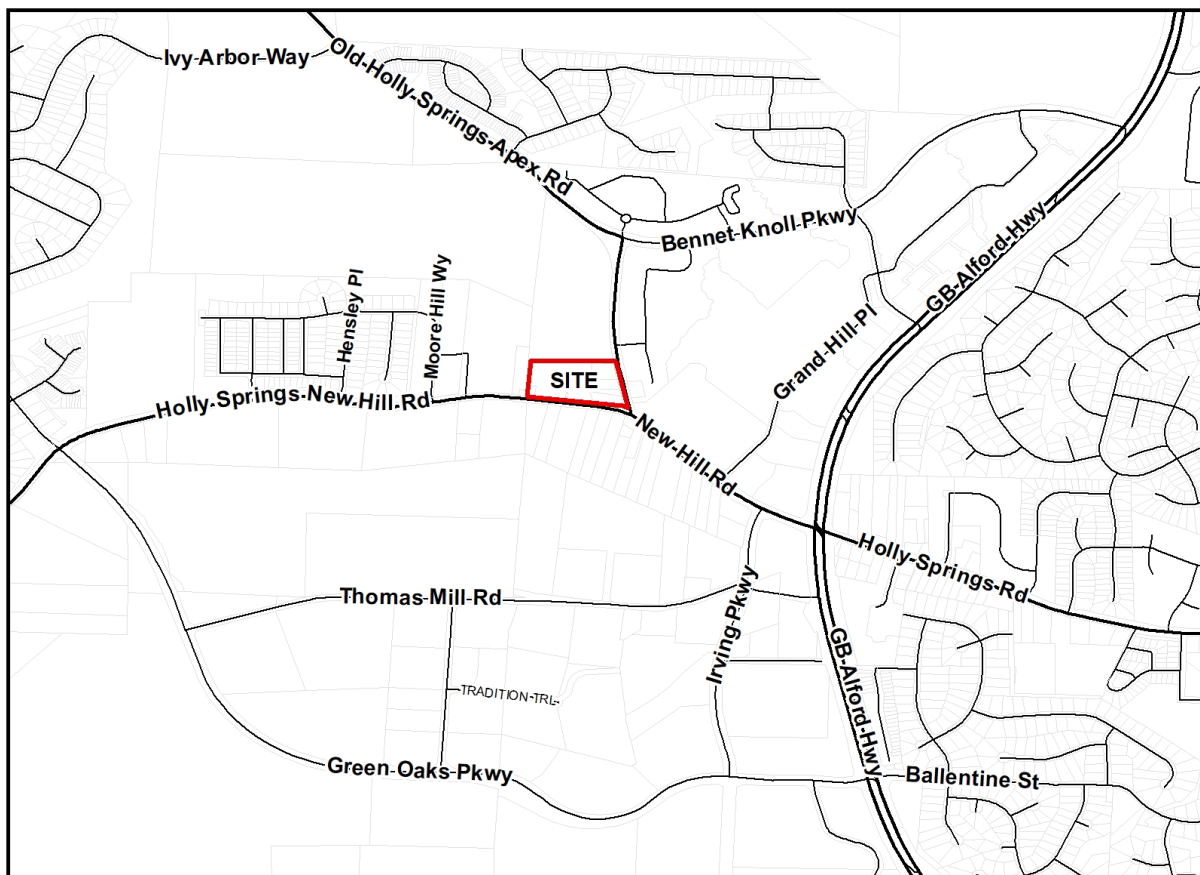
REQUEST FOR ZONE MAP CHANGE Holly Springs New Hill Road Rezoning 21-REZ-01

PETITIONER(S):

The Spaulding Group, PA
1611 Jones Franklin Road, #101
Raleigh, NC 27606

OWNER(S):

See parcel information below

LOCATION:

☒ [X] Within Corporate Limits of Holly Springs ☐ [] Within Holly Springs ETJ ☐ [] Annexation Pending

ANTICIPATED REVIEW SCHEDULE:

Planning Board:	November 23, 2021
Public Hearing and Town Council Action:	December 21, 2021

STAFF CONTACTS: Cheryl Caines, Planner II
Rachel Jones, Development Review Engineer

ATTACHMENTS:

Petition for Zone Map Change; Plan Consistency Statement; Neighborhood meeting report

PARCEL INFORMATION			
OWNER	PARCEL #	ZONING	AREA*
James T. Taylor & Ronald A. Taylor	0649258795	R-10: Residential	3.328 ac
James T. Taylor & Ronald A. Taylor	0649353728	R-10: Residential	0.649 ac
James T. Taylor & Ronald A. Taylor	0649353599	R-10: Residential	0.242 ac
Pensco Trust Co.	0649352626	R-10: Residential	.924 ac
Thales Academy	0649257680	R-10: Residential	0.117 ac
Judith R. Adams	0649353581	R-10: Residential	0.581 ac
Town of Holly Springs	No parcel #	No zoning	.014 ac.
		Total	5.855 ±ac

*Area is per survey and not Wake County Tax Records.

ADJACENT PROPERTY SITE DATA		
	ZONING	EXISTING LAND USE
Subject Property	R-10	Vacant, undeveloped
North	IT	Vacant, undeveloped
South	R-10 & BT CU	Holly Springs New Hill Road, then vacant undeveloped and Extra Space Storage self-storage facility
East	RMF-15	Old Holly Springs Apex Road, then Holly Springs Place Apartments
West	R-10	Thales Academy, private school

PROPERTY HISTORY

Rezoning History

Project # 93-R-03

Original Zoning: R-20

Proposed Zoning: R-10

Approved by Town Council on: 10/26/93

ZONE MAP CHANGE REQUEST		
	CURRENT	PROPOSED
Zoning District	R-10: Residential	CB CU: Community Business Conditional Use
Future Land-Use Designation	Mixed-Use Center	No Change

STAFF ANALYSIS

Zone Map Change Request:

The request is to rezone the property in question from R-10: Residential to CB CU: Community Business Conditional Use.

PROJECT OVERVIEW

The project consists of six parcels totaling approximately 5.855 acres. The property is located at the northwest corner of Old Holly Springs Apex and Holly Springs New Hill Roads. There are a number of residential and non-residential developments that have been constructed in this vicinity in the past 5-6 years, including Oakview Elementary School, Hensley subdivision, Thales Academy, Extra Space Storage, and Holly Springs Place apartments. The applicant is proposing to rezone the property to CB CU: Community Business Conditional Use to support the development of a commercial center (integrated center) containing 3 buildings.

Developer Commitments:

A Conditional Use District allows the Petitioner to place specific conditions on the property that are more restrictive than the minimum zoning regulations in the Town's Unified Development Ordinance. Once a Petitioner has placed such conditions with the Zoning Map Change request, they cannot be removed or modified to reduce the restriction. During the review and consideration process the Petitioner may add additional conditions or make the proposed conditions more restrictive, however, additional conditions or regulations cannot be added to the Petition by Planning Board or Town Council.

The property owner has offered conditions as described below:

1. Buildings shall have a minimum height of 20 feet and 2 stories with the exception of 1 single-story building allowed for childcare/pre-school or similar uses. The single story building is still required to meet the 20 foot minimum height requirement.
2. The 10' pedestrian side path will be extended to the existing stub within the right-of-way in front of Thales Academy (PIN 0649265028)
3. Drive-thru facilities (if any) shall position service lanes to run parallel with Old Holly Springs Apex Road to allow for safe pedestrian access to the facility and commercial center.
4. The following uses shall be prohibited:
 - a. Motorcycle/Scooter Sales
 - b. Self Service Laundry/Costume Rental
 - c. Public Utility Substation
 - d. Bed & Breakfast/Bus Station/Agricultural Seed Sales
 - e. Neighborhood Recycling Collection Point
 - f. Automobile Parts Sales (new)
 - g. Quick Oil Change Facility
 - h. Car Wash (automatic or self)
 - i. Gasoline Service Station without repair
5. Any restaurant business having a drive-thru service shall be part of a two-story building and will require a Special Exception Use permit
6. All parking areas located between a front building line and a street shall be limited to either a single loaded parking area or 1 double loaded parking area with 1 access drive.
7. Low-impact landscape design techniques and sustainable stormwater practices will be incorporated into the development.
8. The Town requires certain fees to be paid upon development of land and for the granting of a building permit. Said fees are listed in the Town's annual budget, and with this rezoning the Developer agrees he/she (i) is familiar with these fees, (ii) does not dispute the reasonableness of these fees as set forth in the Town's annual budget; and (iii) notwithstanding any reimbursements discussed at this time through an Infrastructure Reimbursement Agreement, hereby agrees to timely pay all normal and customary fees applicable to Developer in connection with Non-Residential and Residential Projects. Such fees are listed in the current year annual budget of fees at the time the fee is due under the ordinary course of development unless otherwise specifically noted in the Developer Agreement.
9. The Town requires, pursuant to N.C.G.S. § 160A-372, the dedication and construction of streets and rights of way, as shown in the approved Comprehensive Transportation Plan and the approved Transportation Assessment Report, to create conditions essential to public health,

safety, and the general welfare. A rezoning may be delayed until such time as necessary transportation improvements (to include offsite improvements) may be made, unless the Town and the Developer can enter into agreements to accelerate the time for completion of these needed improvements.

10. A fee-in-lieu (FIL) will be offered towards the realignment of Old Holly Springs & New Hill Roads. Developer offers the amount of \$234,000 to be paid at release of construction drawings.
11. Development may be split into two Phases. Phase 1 defined as up to 3 acres developable beside Thales Academy PIN 0649265028 (not to include any shared SCM or parking/entrances on remaining acreage). Phase 2 shall be the remaining developable acreage towards the intersection of Old Holly Springs & New Hill Roads. Should the development be divided into 2 phases, then Developer shall pay the proportionate share of the FIL at time of approval of those construction drawings for Phase 1. Proportionate share to be determined as a percentage of acreage developed versus overall acreage. Developer shall be responsible for any thoroughfare widening as part of the overall development or Phasing and any improvements such as turn lanes required by NCDOT.

PLANNING & ZONING

Vision Holly Springs Comprehensive Plan *Land Use & Character Plan:*

The Future Land Use Map designates this property as Mixed-Use Center.

A Mixed-Use Center offers the opportunity to serve broader economic, entertainment, and housing needs in the community. Land uses and buildings on small blocks in the core may stand three or more stories tall and encourage active public spaces between the buildings. Residential units or office space are found above storefronts. The compact, walkable environment and mix of residential and non-residential uses in the center supports multiple modes of transportation, including the potential for transit-oriented development if-when a decision is made to invest in premium transit along the NC 55 corridor. A large-scale, Mixed-Use Center may be surrounded by one or more residential neighborhoods that provide additional nearby home choices and encourage active living with a comprehensive and interconnected network of walkable streets.

Zone Map Change Analysis

The proposed CB CU: Community Business Conditional Use District will allow for the development of commercial uses in close proximity to existing residential uses, consistent with the intent of the Mixed Use Center character area. The developer has offered conditions to restrict auto-oriented uses and those that would detract from a pedestrian-oriented environment. In addition, conditions have been offered to ensure the building form and site layout achieves the goals of the Mixed Use Center character area in terms of building and parking placement and building height. As a result, the proposed zoning change will provide additional opportunities for neighborhood serving commercial uses while creating a built form that balances the goals of the Land Use & Character Plan with the character of existing development along this corridor.

Civil Improvements

Water

This project is required to tie to and extend Town water facilities to serve all proposed buildings. A Hydraulic Fire Flow Analysis will be required at the time of Development Plan Submittal.

Sewer

A Sewer Study memo was completed in conjunction with this Rezoning Petition. This development will discharge to the Twelve Oaks Pump Station. This project is required to tie to and extend Town sewer facilities to serve any proposed buildings when it develops.

Reclaimed Water:

This project is in the Town's Reuse Service Area and as such is required to tie into reclaimed water facilities to serve the project at the time of development.

Transportation

Traffic Impact Analysis (TIA):

A Traffic Impact Analysis (TIA) Report was completed in conjunction with this Rezoning Petition. This development will be required to adhere to and construct all recommended improvements within the Approved TIA and in accordance with the Unified Development Ordinance (UDO) and Comprehensive Transportation Plan (CTP). Road widening to meet ½ of the ultimate four-lane, median-divided thoroughfare cross-section will be required across the property frontage along Holly Springs New Hill Rd. and Old Holly Springs Apex Rd.

Comprehensive Transportation Plan (CTP):

The CTP shows the intersection of Holly Springs New Hill Rd. and Old Holly Springs Apex Rd. being realigned and ultimately extended to connect to Thomas Mill Rd. in the future. Additionally, this intersection has been flagged as a hot spot study with the Town's CTP Update that is currently underway. This intersection along with the intersection of Grand Hill Place and Holly Springs New Hill Rd. are being evaluated from a systematic approach, as the impacts at one intersection can contribute to additional impacts at the neighboring intersection. Part of this evaluation includes short term and long term recommendations for improvements in this corridor. The CTP Update is expected to be adopted in the first quarter of 2022.

Partner Funding for Improvements:

The realignment of the intersection mentioned above has been identified as a priority project and the Town has been actively partnering with adjacent development for several years in an effort to help fund this need. The developer worked with the Town during the review of the TIA, and during preliminary Developer Agreement discussions, to determine a proportionate fee-in-lieu of design and construction for the improvement that will be contributed with this development.

Pedestrian Facilities and Connectivity:

In accordance with the Town's Parks and Greenways Master Plan, a 10' sidepath is required to be designed and constructed across the project property frontage on Holly Springs New Hill Rd., and the Developer has committed to providing an off-site extension beyond the project property line to complete the connection to the existing sidepath at Thales Academy. in accordance with the Town's Parks and Greenways Master Plan. The Sidepath will connect to the existing 10' Sidepath in front of Thales Academy.

Environmental:

This project will be required to meet the Town of Holly Springs NPDES Ph. II Post Construction Stormwater Ordinance and is located in the Cape Fear River Basin and will be subject to all applicable requirements of that basin.

DRAFT Developer Agreement Discussion:

As previously mentioned, the Developer and the Town have had preliminary discussions regarding a Developer Agreement with this Rezoning. The draft items below are still in the initial stages and more coordination is needed to finalize the parameters of the agreement. Once finalized, the Developer Agreement will go before town Council for approval at the same time the Rezoning Petition.

- A fee-in-lieu (FIL) by Developer toward the realignment of Old Holly Springs & New Hill Roads. Developer offers the amount of \$234,000 to be paid at release of construction drawings.
- Proposed phasing of road improvements, including thoroughfare widening along Holly Springs New Hill Rd.

Please be aware that Rezoning Conditions #10, #11, and #12 could change as a result of final discussions regarding the Developer Agreement.

PLANNING BOARD RECOMMENDATION TO THE TOWN COUNCIL**ACTION #1: ZONE MAP CHANGE REQUEST****PLAN CONSISTENCY STATEMENT:**

The requested zone map change from R-10: Residential to CB CU: Community Business Conditional Use is consistent with the Vision Holly Springs Comprehensive Plan and Future Land Use Map designation of Mixed-Use Center and will allow for the development of neighborhood serving commercial uses compatible with and complimentary to surrounding existing uses.

ZONE MAP CHANGE PETITION MOTION:

Motion that the Planning Board recommend the Town Council approve / deny Zone Map Change Petition #21-REZ-01 to change the zoning of approximately 5.855 acres of Wake County PINs 0649258795, 0649353728, 0649353599, 0649352626, 0649257680, 0649353581 and land described in the attached legal description from R-10: Residential to CB CU: Community Business Conditional Use with conditions offered by the property owner as follows.

1. Buildings shall have a minimum height of 20 feet and 2 stories with the exception of 1 single-story building allowed for childcare/pre-school or similar uses. The single story building is still required to meet the 20 foot minimum height requirement.
2. The 10' pedestrian side path will be extended to the existing stub within the right-of-way in front of Thales Academy (PIN 0649265028)
3. Drive-thru facilities (if any) shall position service lanes to run parallel with Old Holly Springs Apex Road to allow for safe pedestrian access to the facility and commercial center.
4. The following uses shall be prohibited:
 - a. Motorcycle/Scooter Sales
 - b. Self Service Laundry/Costume Rental
 - c. Public Utility Substation
 - d. Bed & Breakfast/Bus Station/Agricultural Seed Sales
 - e. Neighborhood Recycling Collection Point
 - f. Automobile Parts Sales (new)
 - g. Quick Oil Change Facility
 - h. Car Wash (automatic or self)
 - i. Gasoline Service Station without repair

5. Any restaurant business having a drive-thru service shall be part of a two-story building and will require a Special Exception Use permit
6. All parking areas located between a front building line and a street shall be limited to either a single loaded parking area or 1 double loaded parking area with 1 access drive.
7. Low-impact landscape design techniques and sustainable stormwater practices will be incorporated into the development.
8. The Town requires certain fees to be paid upon development of land and for the granting of a building permit. Said fees are listed in the Town's annual budget, and with this rezoning the Developer agrees he/she (i) is familiar with these fees, (ii) does not dispute the reasonableness of these fees as set forth in the Town's annual budget; and (iii) notwithstanding any reimbursements discussed at this time through an Infrastructure Reimbursement Agreement, hereby agrees to timely pay all normal and customary fees applicable to Developer in connection with Non-Residential and Residential Projects. Such fees are listed in the current year annual budget of fees at the time the fee is due under the ordinary course of development unless otherwise specifically noted in the Developer Agreement.
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Legal Description:

TOWN OF HOLLY SPRINGS REZONING

Beginning at a rebar set at the turnout of Old Holly Springs-Apex Road (SR 1153) (75' Public Right of Way) and Holly Springs-New Hill Road (SR 1152) (Variable Width Public Right of Way), said rebar being North 27°14'10" West 5,355.23 feet from N.C.G.S. Monument "Seagraves", said monument having N.C. Grid Coordinates (NAD83/1995) of N=690,714.40, E=2,045,932.34, thence from said Beginning point, along said Old Holly Springs-Apex Road (SR 1153) western right of way turnout South 46°28'25" West 37.32 feet to a rebar set on the northern right of way of Holly Springs-New Hill Road (SR 1152) (Variable Width Public Right of Way), thence along said right of way North 74°46'09" West 48.49 feet to a rebar set, thence North 78°22'12" West 59.31 feet to a rebar set, thence North 80°49'30" West 56.79 feet to a rebar set, thence North 82°33'49" West 46.08 feet to a rebar set, thence North 72°35'19" West 20.25 feet to a rebar set, thence North 81°23'58" West 83.00 feet to a rebar set, thence North 81°23'58" West 104.62 feet to a rebar set, thence North 82°25'23" West 2.86 feet to a rebar set, thence North 82°25'23" West 9.92 feet to a rebar set, thence North 82°25'23" West 49.65 feet to a rebar set, thence North 82°25'23" West 92.10 feet to a rebar set, thence North 81°54'54" West 23.05 feet to a rebar set, thence North 81°54'54" West 35.37 feet to a rebar set, thence North 74°39'03" West 25.78 feet to a rebar set, thence North 04°05'04" East 3.15 feet to a rebar set, thence North 81°56'17" West 2.88 feet to a rebar set, thence North 86°08'51" West 13.67 feet to a rebar set, thence North 74°39'03" West 44.30 feet to a rebar set, thence North 74°39'03" West 13.60 feet to a rebar set, thence leaving said Holly Springs-New Hill Road (SR 1152) (Variable Width Public Right of Way) North 03°54'25" East 320.78 feet to an existing 1/2" iron pipe, thence South 86°41'02" East 478.18 feet to an existing 1 1/2" iron pipe, thence South 86°55'37" East 173.02 feet to a point on the western right of way of Old Holly Springs-Apex Road (SR 1153) (75' Public Right of Way), thence along said right of way with a curve to the left, having an arc length of 101.96 feet, a radius of 2,935.00 feet, and a chord bearing and distance of South 09°57'17" East 101.95 feet to a rebar set, thence South 10°57'00" East 48.92 feet to a rebar set, thence South 10°57'00" East 94.18 feet to a rebar set, thence South 10°57'00" East 66.00 feet to a rebar set, thence South 10°57'00" East 69.47 feet to a rebar set, thence South 17°27'46" East 13.13' to the point and place of Beginning containing 5.855 Acres more or less.

Agenda Item Completeness Checklist				
Staff Member	Approved for Distribution		Initials	Comments
	Yes	No		
Cheryl Caines	X		CAC	
Rachel Jones	X		RDJ	

REZONING, COMPREHENSIVE PLAN/ UDO AMENDMENT PETITION



The current Filing Fees can be found on-line in the Town of Holly Springs Fee Schedule: <http://www.hollyspringsnc.us/planning>

Petition Type (check one- each request must be on separate petitions)

- ☐ Zoning Map Change: ☐ General Use District **or** ☒ Conditional Use District/Permit
☐ Comprehensive Plan Amendment (check all that apply)
☐ Text Amendment ☐ Future Land Use Plan Map Amendment
☐ Area/Corridor Plan Map Amendment / Name: _____
☐ UDO Amendment (UDO Section: _____)

Project Information

Project Name: Holly Springs New Hill Mixed Use
 Project Location: 1300/1338/1340 New Hill Rd & 0/4528/4544 Old Springs Apex Rd
Use street address. If none, use the closest intersection
☒ Within Corporate Limits ☐ Within Holly Springs ETJ ☐ Pending Annexation
 PIN: 0649.35.3581; 0649.25.8795; 0649.35.3728; 0031660; 0084548; 0031659;
0649.35.3599; 0649.35.2626; 0649.25.7680 Real Estate ID: 0183053; 0047145; 0072447
 Project Acreage: (Rounded to nearest tenth) 6.81 Partial Parcel: ☒ No ☐ Yes

Scoping Meeting Date: _____ Concept Meeting Date: December 3, 2020

If the Concept Meeting Date is not within 8 weeks of the submittal date, another Concept Meeting is required prior to submittal.

Petition Request

Current Zoning: R-10: Residential Proposed Zoning: CB-CU Community Business Conditional Use
 Current Future Land Use Designation: Mixed-Use Center
 Proposed Future Land Use Designation: Mixed-Use Center
 Area Plan Designation (if applicable): _____
 Waivers Requested: ☒ No ☐ Yes- Specify UDO Section Number(s): _____
If yes, complete and attach appropriate Waiver Petition(s) from Waiver Packet

Petition Contact Information (complete each contact in its entirety- please print or type)

Project Applicant/Contact

(check one) ☐ Owner ☐ Owner's Agent ☒ Design Professional ☐ Developer ☐ Other _____
 Is the applicant applying on behalf of the property owner(s)? ☐ Yes ☐ No If yes, please complete the Affidavit of Property Owner Consent form and attach. If applicant contact is not the Owner or representing the Owner(s), please complete Property Owner Notification Affidavit and attach.

Name Tom Spaulding / Anne Oakley Company The Spaulding Group, PA
 Mailing Address 1611 Jones Franklin Road, Suite 101
 City Raleigh State NC Zip 27606
 Telephone # (919) 854-7990 E-Mail tom@spaulding-group.com; anne@spaulding-group.com
 How would you like to receive staff review comments? ☒ E-Mail ☐ US Mail
 How would you like to receive Official Action Notices? ☒ E-Mail ☐ US Mail- Certified

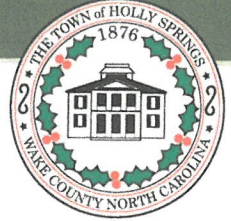
Property Owner(s) if different than Applicant/Contact-REQUIRED attach additional sheets if necessary

Name James T. Taylor & Ronald A. Taylor Company _____
 Mailing Address 305 Foxwood Trail
 City Pittsboro State NC Zip 27312
 Telephone # () E-Mail _____
 How would you like to receive staff review comments? ☐ E-Mail ☐ US Mail
 How would you like to receive Official Action Notices? ☐ E-Mail ☐ US Mail- Certified

Owner's Authorization (Required for Conditional Use Zoning or Conditional Use Permit)

Owner's Signature(s)	PIN/REID	Date
JTT & RAT <u>Ronald A. Taylor</u>	PIN: 0649.25.8795 / REID: 0084548	<u>1-20-21</u>
JTT only	PIN: 0649.35.3728 / REID: 0031659	
JTT only	PIN: 0649.35.3599 / REID: 0183053	

AFFIDAVIT OF OWNER CONSENT



If the Owner(s) of the subject property is giving authorization for another person to apply for a Conditional Use District and/or Conditional Use Permit on their property, this affidavit must be completed and signed by all record owners of the subject property.

The persons listed below do hereby appear before a Notary Public and swear or affirm that they are the legal owners of the described property, and further give authorization to

Thomas Spaulding _____ of _____ The Spaulding Group, PA
(Name of Representative) (Name of Company)

to submit a Petition for Zoning Map Change to a Conditional Use District and/or for a Conditional Use Permit for my (our) property from
R-10: Residential _____ to _____ CB-CU Community Business Conditional Use
(Current Zoning District) (Proposed Zoning District)

For DPZ Use only

Project # _____

Date Received: _____

and to offer additional use and/or standard restrictions as a part of the request for a Conditional Use Permit.

Signature of Owner(s):

James T. Taylor & Ronald A. Taylor
James T. Taylor & Ronald A. Taylor - Signatures

James T. Taylor only - Signature

James T. Taylor only - Signature

Wake County PIN/REID:

PIN: 0649.25.8795 ; REID: 0084548

PIN: 0649.35.3728 ; REID: 0031659

PIN: 0649.35.3599; REID: 0183053

State of _____
County of _____

James T. Taylor did personally appear before me _____, Sworn to and subscribed before me the _____ day of _____, 20____. Notary Public in and for the State of North Carolina. My Commission expires: _____

Notary Public

Printed

Seal

State of North Carolina
County of Wake

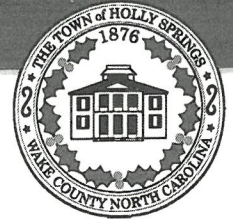
Ronald A. Taylor did personally appear before me Angie MSifford, Sworn to and subscribed before me the 20th day of January, 2021. Notary Public in and for the State of North Carolina. My Commission expires: June 10, 2023

Angie MSifford / Angie MSifford
Notary Public Printed



REZONING, COMPREHENSIVE PLAN/ UDO AMENDMENT PETITION

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Petition Type (check one- each request must be on separate petitions)

- ☐ Zoning Map Change: ☐ General Use District **or** ☒ Conditional Use District/Permit
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- ☐ Area/Corridor Plan Map Amendment / Name: _____
- ☐ UDO Amendment (UDO Section: _____)

For DPZ Use only

Project # _____

Fees Paid: \$ _____

Date Received: _____

☐ Initial ☐ Revised ☐ Final

Project Information

Project Name: Holly Springs New Hill Mixed Use

Project Location: 1300/1338/1340 New Hill Rd & 0/4528/4544 Old Springs Apex Rd

Use street address. If none, use the closest intersection

☒ Within Corporate Limits ☐ Within Holly Springs ETJ ☐ Pending Annexation

PIN: 0649.35.3581; 0649.25.8795; 0649.35.3728; 0649.35.3599; 0649.35.2626; 0649.25.7680 Real Estate ID: 0031660; 0084548; 0031659; 0183053; 0047145; 0072447

Project Acreage: (Rounded to nearest tenth) 6.81 Partial Parcel: ☒ No ☐ Yes

Scoping Meeting Date: _____ Concept Meeting Date: December 3, 2020

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Petition Request

Current Zoning: R-10: Residential Proposed Zoning: CB-CU Community Business Conditional Use

Current Future Land Use Designation: Mixed-Use Center

Proposed Future Land Use Designation: Mixed-Use Center

Area Plan Designation (if applicable): _____

Waivers Requested: ☒ No ☐ Yes- Specify UDO Section Number(s): _____

If yes, complete and attach appropriate Waiver Petition(s) from Waiver Packet

Petition Contact Information (complete each contact in its entirety- please print or type)

Project Applicant/Contact

(check one) ☐ Owner ☐ Owner's Agent ☒ Design Professional ☐ Developer ☐ Other _____

Is the applicant applying on behalf of the property owner(s)? ☐ Yes ☐ No If yes, please complete the Affidavit of Property

Owner Consent form and attach. If applicant contact is not the Owner or representing the Owner(s), please complete Property Owner

Notification Affidavit and attach.

Name Tom Spaulding / Anne Oakley Company The Spaulding Group, PA

Mailing Address 1611 Jones Franklin Road, Suite 101

City Raleigh State NC Zip 27606

Telephone # (919)854-7990 E-Mail tom@spaulding-group.com; anne@spaulding-group.com

How would you like to receive staff review comments? ☒ E-Mail ☐ US Mail

How would you like to receive Official Action Notices? ☒ E-Mail ☐ US Mail- Certified

Property Owner(s) if different than Applicant/Contact-REQUIRED attach additional sheets if necessary

Name James T. Taylor & Ronald A. Taylor Company _____

Mailing Address 305 Foxwood Trail

City Pittsboro State NC Zip 27312

Telephone # () E-Mail _____

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How would you like to receive Official Action Notices? ☐ E-Mail ☐ US Mail- Certified

Owner's Authorization (Required for Conditional Use Zoning or Conditional Use Permit)

Owner's Signature(s)

PIN/REID

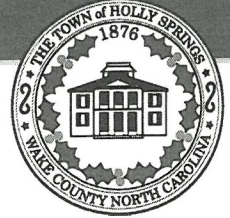
Date

JTT & RAT [Signature] PIN: 0649.25.8795 / REID: 0084548 1/20/21

JTT only [Signature] PIN: 0649.35.3728 / REID: 0031659 1/20/21

JTT only [Signature] PIN: 0649.35.3599 / REID: 0183053 1/20/21

AFFIDAVIT OF OWNER CONSENT



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Thomas Spaulding of The Spaulding Group, PA
(Name of Representative) (Name of Company)

to submit a Petition for Zoning Map Change to a Conditional Use District and/or for a Conditional Use Permit for my (our) property from
R-10: Residential to CB-CU Community Business Conditional Use
(Current Zoning District) (Proposed Zoning District)

and to offer additional use and/or standard restrictions as a part of the request for a Conditional Use Permit.

Signature of Owner(s):

James T. Taylor & Ronald A. Taylor - Signatures
James T. Taylor only - Signature
James T. Taylor only - Signature

Wake County PIN/REID:

PIN: 0649.25.8795 ; REID: 0084548

PIN: 0649.35.3728 ; REID: 0031659

PIN: 0649.35.3599; REID: 0183053

State of Florida
County of Volusia

James T. Taylor did personally appear before me Sandra K Phelps. Sworn to and subscribed before me the 20 day of January, 2021. Notary Public in and for the State of

Florida North Carolina. My Commission expires: 03-11-2022

Sandra K Phelps
Notary Public

Sandra K Phelps
Printed



SANDRA K PHELPS
Commission # GG 236789
Expires August 11, 2022
Bonded Third Bridge Notary Services

Seal

State of _____
County of _____

Ronald A. Taylor did personally appear before me _____, Sworn to and subscribed before me the _____ day of _____, 20____. Notary Public in and for the State of North Carolina. My Commission expires: _____

Notary Public Printed

Seal

REZONING, COMPREHENSIVE PLAN/ UDO AMENDMENT PETITION



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Petition Type (check one- each request must be on separate petitions)

- ☐ Zoning Map Change: ☐ General Use District **or** ☒ Conditional Use District/Permit
- ☐ Comprehensive Plan Amendment (check all that apply)
- ☐ Text Amendment ☐ Future Land Use Plan Map Amendment
- ☐ Area/Corridor Plan Map Amendment / Name: _____
- ☐ UDO Amendment (UDO Section: _____)

Project Information

Project Name: Holly Springs New Hill Mixed Use

Project Location: 1300/1338/1340 New Hill Rd & 0/4528/4544 Old Springs Apex Rd
Use street address. If none, use the closest intersection

☒ Within Corporate Limits ☐ Within Holly Springs ETJ ☐ Pending Annexation

PIN: 0649.35.3581; 0649.25.8795; 0649.35.3728; 0031660; 0084548; 0031659;

PIN: 0649.35.3599; 0649.35.2626; 0649.25.7680 Real Estate ID: 0183053; 0047145; 0072447

Project Acreage: (Rounded to nearest tenth) 6.81 Partial Parcel: ☒ No ☐ Yes

For DPZ Use only

Project # _____

Fees Paid: \$ _____

Date Received: _____

☐ Initial ☐ Revised ☐ Final

Scoping Meeting Date: _____ Concept Meeting Date: December 3, 2020

If the Concept Meeting Date is not within 8 weeks of the submittal date, another Concept Meeting is required prior to submittal.

Petition Request

Current Zoning: R-10: Residential Proposed Zoning: CB-CU Community Business Conditional Use

Current Future Land Use Designation: Mixed-Use Center

Proposed Future Land Use Designation: Mixed-Use Center

Area Plan Designation (if applicable): _____

Waivers Requested: ☒ No ☐ Yes- Specify UDO Section Number(s): _____
If yes, complete and attach appropriate Waiver Petition(s) from Waiver Packet

Petition Contact Information (complete each contact in its entirety- please print or type)

Project Applicant/Contact

(check one) ☐ Owner ☐ Owner's Agent ☒ Design Professional ☐ Developer ☐ Other _____

Is the applicant applying on behalf of the property owner(s)? ☐ Yes ☐ No If yes, please complete the Affidavit of Property Owner Consent form and attach. If applicant contact is not the Owner or representing the Owner(s), please complete Property Owner Notification Affidavit and attach.

Name Tom Spaulding / Anne Oakley Company The Spaulding Group, PA

Mailing Address 1611 Jones Franklin Road, Suite 101

City Raleigh State NC Zip 27606

Telephone # (919) 854-7990 E-Mail tom@spaulding-group.com; anne@spaulding-group.com

How would you like to receive staff review comments? ☒ E-Mail ☐ US Mail

How would you like to receive Official Action Notices? ☒ E-Mail ☐ US Mail- Certified

Property Owner(s) if different than Applicant/Contact-REQUIRED attach additional sheets if necessary

Name Judith R. Adams Company _____

Mailing Address 346 Canterbury Place Drive

City Suwanee State GA Zip 30024

Telephone # () E-Mail _____

How would you like to receive staff review comments? ☐ E-Mail ☐ US Mail

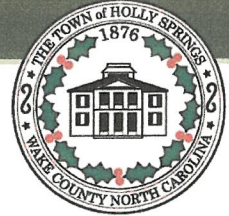
How would you like to receive Official Action Notices? ☐ E-Mail ☐ US Mail- Certified

Owner's Authorization (Required for Conditional Use Zoning or Conditional Use Permit)

Owner's Signature(s) Judith R. Adams PIN/REID PIN: 0649.35.3581 / REID: 0031660 Date 1/5/2021

PIN: 0649.35.3581 / REID: 0031660

AFFIDAVIT OF OWNER CONSENT



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(Name of Representative) (Name of Company)

to submit a Petition for Zoning Map Change to a Conditional Use District and/or for a Conditional Use Permit for my (our) property from
R-10: Residential to CB-CU Community Business Conditional Use
(Current Zoning District) (Proposed Zoning District)

and to offer additional use and/or standard restrictions as a part of the request for a Conditional Use Permit.

For DPZ Use only

Project # _____

Date Received: _____

Signature of Owner(s):

Judith R. Adams
Judith R. Adams - Signature

Wake County PIN/REID:

PIN: 0649.35.3581 ; REID: 0031660

State of Georgia
County of Gwinnett

Sworn to and subscribed before me the 5 day of FEBRUARY, 2021.

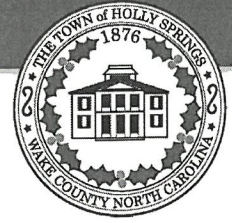
Notary Public in and for the State of North Carolina. My Commission expires: 10/30/2021

MADRIAN PEELE
Notary Public Printed

Seal



REZONING, COMPREHENSIVE PLAN/ UDO AMENDMENT PETITION



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Petition Type (check one- each request must be on separate petitions)

- ☐ Zoning Map Change: ☐ General Use District **or** ☒ Conditional Use District/Permit
☐ Comprehensive Plan Amendment (check all that apply)
☐ Text Amendment ☐ Future Land Use Plan Map Amendment
☐ Area/Corridor Plan Map Amendment / Name: _____
☐ UDO Amendment (UDO Section: _____)

Project Information

Project Name: Holly Springs New Hill Mixed Use
 Project Location: 1300/1338/1340 New Hill Rd & 0/4528/4544 Old Springs Apex Rd
Use street address. If none, use the closest intersection
☒ Within Corporate Limits ☐ Within Holly Springs ETJ ☐ Pending Annexation
 PIN: 0649.35.3581; 0649.25.8795; 0649.35.3728; Real Estate ID: 0031660; 0084548; 0031659;
0649.35.3599; 0649.35.2626; 0649.25.7680 Real Estate ID: 0183053; 0047145; 0072447
 Project Acreage: (Rounded to nearest tenth) 6.81 Partial Parcel: ☒ No ☐ Yes

For DPZ Use only

Project # _____

Fees Paid: \$ _____

Date Received: _____

☐ Initial ☐ Revised ☐ Final

Scoping Meeting Date: _____ Concept Meeting Date: December 3, 2020

If the Concept Meeting Date is not within 8 weeks of the submittal date, another Concept Meeting is required prior to submittal.

Petition Request

Current Zoning: R-10: Residential Proposed Zoning: CB-CU Community Business Conditional Use
 Current Future Land Use Designation: Mixed-Use Center
 Proposed Future Land Use Designation: Mixed-Use Center
 Area Plan Designation (if applicable): _____
 Waivers Requested: ☒ No ☐ Yes- Specify UDO Section Number(s): _____
If yes, complete and attach appropriate Waiver Petition(s) from Waiver Packet

Petition Contact Information (complete each contact in its entirety- please print or type)

Project Applicant/Contact

(check one) ☐ Owner ☐ Owner's Agent ☒ Design Professional ☐ Developer ☐ Other _____
 Is the applicant applying on behalf of the property owner(s)? ☐ Yes ☐ No If yes, please complete the Affidavit of Property Owner Consent form and attach. If applicant contact is not the Owner or representing the Owner(s), please complete Property Owner Notification Affidavit and attach.

Name Tom Spaulding / Anne Oakley Company The Spaulding Group, PA
 Mailing Address 1611 Jones Franklin Road, Suite 101
 City Raleigh State NC Zip 27606
 Telephone # (919) 854-7990 E-Mail tom@spaulding-group.com; anne@spaulding-group.com
 How would you like to receive staff review comments? ☒ E-Mail ☐ US Mail
 How would you like to receive Official Action Notices? ☒ E-Mail ☐ US Mail- Certified

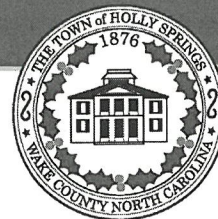
Property Owner(s) if different than Applicant/Contact-REQUIRED attach additional sheets if necessary

Name Thales Academy Company _____
 Mailing Address _____
 City _____ State _____ Zip _____
 Telephone # () _____ E-Mail _____
 How would you like to receive staff review comments? ☐ E-Mail ☐ US Mail
 How would you like to receive Official Action Notices? ☐ E-Mail ☐ US Mail- Certified

Owner's Authorization (Required for Conditional Use Zoning or Conditional Use Permit)

Owner's Signature(s) [Signature] PIN/REID PIN: 0649.25.7680 / REID: 0072447 Date 2/19/2021

AFFIDAVIT OF OWNER CONSENT



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The persons listed below do hereby appear before a Notary Public and swear or affirm that they are the legal owners of the described property, and further give authorization to

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(Name of Representative) (Name of Company)

to submit a Petition for Zoning Map Change to a Conditional Use District and/or for a Conditional Use Permit for my (our) property from
R-10: Residential to CB-CU Community Business Conditional Use
(Current Zoning District) (Proposed Zoning District)

and to offer additional use and/or standard restrictions as a part of the request for a Conditional Use Permit.

For DPZ Use only

Project # _____

Date Received: _____

Signature of Owner(s):

William H. Francis
Thales Academy - Signature

Wake County PIN/REID:

PIN: 0649.25.7680 ; REID: 0072447

State of North Carolina

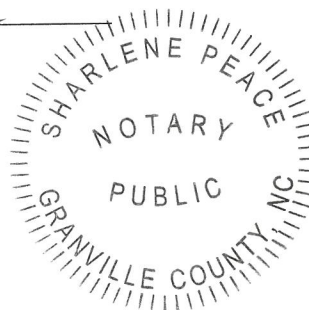
County of Wake

Sworn to and subscribed before me the 10 day of February, 2021.

Notary Public in and for the State of North Carolina. My Commission expires: 10/23/2021

Sharlene Peace / Sharlene Peace
Notary Public Printed

Seal



REZONING COMPREHENSIVE PLAN/ UDO AMENDMENT PETITION

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Petition Type (check one, each request must be on separate petitions)

- ☐ Zoning Map Change: ☐ General Use District or ☒ Conditional Use District/Permit
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- ☐ Text Amendment ☐ Future Land Use Plan Map Amendment
- ☐ Area/Corridor Plan Map Amendment / Name: _____
- ☐ UDO Amendment (UDO Section: _____)

Project Information

Project Name: Holly Springs New Hill Mixed Use

Project Location: 1300/1338/1340 New Hill Rd & 0/4528/4544 Old Springs Apex Rd

Use street address. If none, use the closest intersection

☒ Within Corporate Limits ☐ Within Holly Springs ETJ ☐ Pending Annexation

PIN: 0649.35.3581; 0649.25.8795; 0649.35.3728; 0031.650; 0084.548; 0031.659;

0649.35.3599; 0649.35.2626; 0649.25.7680 Real Estate ID: 0183053; 0047145; 0072447

Project Acreage: (Rounded to nearest tenth) 6.81 Partial Parcel: ☒ No ☐ Yes

Scoping Meeting Date: _____ Concept Meeting Date: December 3, 2020

If the Concept Meeting Date is not within 8 weeks of the submittal date, another Concept Meeting is required prior to submittal.

Petition Request

Current Zoning: R-10: Residential Proposed Zoning: CB-CU Community Business Conditional Use

Current Future Land Use Designation: Mixed-Use Center

Proposed Future Land Use Designation: Mixed-Use Center

Area Plan Designation (if applicable): _____

Waivers Requested: ☐ No ☒ Yes- Specify UDO Section Number(s): _____

If yes, complete and attach appropriate Waiver Petition(s) from Waiver Packet

Petition Contact Information (complete each contact in its entirety- please print or type)

Project Applicant/Contact

(check one) ☐ Owner ☐ Owner's Agent ☒ Design Professional ☐ Developer ☐ Other _____

Is the applicant applying on behalf of the property owner(s)? ☐ Yes ☐ No If yes, please complete the Affidavit of Property Owner Consent form and attach. If applicant contact is not the Owner or representing the Owner(s), please complete Property Owner Notification Affidavit and attach.

Name Tom Spaulding / Anne Oakley Company The Spaulding Group, PA

Mailing Address 1611 Jones Franklin Road, Suite 101

City Raleigh State NC Zip 27606

Telephone # (919)854-7990 E-Mail tom@spaulding-group.com; anne@spaulding-group.com

How would you like to receive staff review comments? ☒ E-Mail ☐ US Mail

How would you like to receive Official Action Notices? ☒ E-Mail ☐ US Mail- Certified

Property Owner(s) if different than Applicant/Contact-REQUIRED attach additional sheets if necessary

Name Michael I. Edwards / Susan G. Edwards Company PENSCO TRUST CO - Custodian

Mailing Address 310 TAYLOR ST

City CLAYTON State NC Zip 27520

Telephone # 919 909 4221 E-Mail MIKEFROMSA@YAHOO.COM

How would you like to receive staff review comments? ☒ E-Mail ☐ US Mail

How would you like to receive Official Action Notices? ☒ E-Mail ☐ US Mail- Certified

Owner's Authorization (Required for Conditional Use Zoning or Conditional Use Permit)

Owner's Signature(s) [Signature] PIN/REID BORN Amador Date 02-05-2021

AFFIDAVIT OF OWNER CONSENT



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(Name of Representative) (Name of Company)

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R-10; Residential to CB-CU Community Business Conditional Use
(Current Zoning District) (Proposed Zoning District)

and to offer additional use and/or standard restrictions as a part of the request for a Conditional Use Permit.

For DPZ Use only

Project # _____

Date Received: _____

Signature of Owner(s):

[Signature]
Michael I. Edwards - PENSICO TRUST CO - Custodian

[Signature]
Susan G. Edwards - PENSICO TRUST CO - Custodian

Baton Amador
Authorized Signer

Wake County PIN/REID:

PIN: 0649.35.2626 ; REID: 0047145

PIN: 0649.35.2626; REID: 0047145

State of North Carolina

County of Johnston

Sworn to and subscribed before me the 22 day of January, 20 21

Notary Public in and for the State of North Carolina. My Commission expires 2/20/2025

[Signature]
Notary Public

Elizabeth Coley-Riddle
Printed

Seal



REZONING, COMPREHENSIVE PLAN/ UDO AMENDMENT PETITION



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Petition Type (check one, each request must be on separate petitions)

- ☐ Zoning Map Change: ☐ General Use District **or** ☒ Conditional Use District/Permit
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☐ Area/Corridor Plan Map Amendment / Name: _____
☐ UDO Amendment (UDO Section: _____)

For DPZ Use only

Project # _____

Fees Paid: \$ _____

Date Received: _____

☐ Initial ☐ Revised ☐ Final

Project Information

Project Name: Holly Springs New Hill Mixed Use

Project Location: 1300/1338/1340 New Hill Rd & 0/4528/4544 Old Springs Apex Rd

Use street address. If none, use the closest intersection

☒ Within Corporate Limits ☐ Within Holly Springs ETJ ☐ Pending Annexation
 0649.35.3581; 0649.25.8795; 0649.35.3728; 0031650; 0084548; 0031659;

PIN: 0649.35.3599; 0649.35.2626; 0649.25.7680 Real Estate ID: 0183053; 0047145; 0072447

Project Acreage: (Rounded to nearest tenth) 6.81 Partial Parcel: ☒ No ☐ Yes

Scoping Meeting Date: _____ Concept Meeting Date: December 3, 2020

If the Concept Meeting Date is not within 8 weeks of the submittal date, another Concept Meeting is required prior to submittal.

Petition Request

Current Zoning: R-10: Residential Proposed Zoning: CB-CU Community Business Conditional Use

Current Future Land Use Designation: Mixed-Use Center

Proposed Future Land Use Designation: Mixed-Use Center

Area Plan Designation (if applicable): _____

Waivers Requested: ☒ No ☐ Yes- Specify UDO Section Number(s): _____

If yes, complete and attach appropriate Waiver Petition(s) from Waiver Packet

Petition Contact Information (complete each contact in its entirety - please print or type)

Project Applicant/Contact

(check one) ☐ Owner ☐ Owner's Agent ☒ Design Professional ☐ Developer ☐ Other _____

Is the applicant applying on behalf of the property owner(s)? ☐ Yes ☐ No If yes, please complete the Affidavit of Property Owner Consent form and attach. If applicant contact is not the Owner or representing the Owner(s), please complete Property Owner Notification Affidavit and attach.

Name Tom Spaulding / Anne Oakley Company The Spaulding Group, PA

Mailing Address 1611 Jones Franklin Road, Suite 101

City Raleigh State NC Zip 27606

Telephone # (919) 854-7990 E-Mail tom@spaulding-group.com; anne@spaulding-group.com

How would you like to receive staff review comments? ☒ E-Mail ☐ US Mail

How would you like to receive Official Action Notices? ☒ E-Mail ☐ US Mail- Certified

Property Owner(s) if different than Applicant/Contact-REQUIRED attach additional sheets if necessary

Name Ryan M. Roberts / Kathryn E. Roberts Company PENSCO TRUST CO - Custodian

Mailing Address 1904 EASTWOOD Rd. SUITE 306

City WILMINGTON, NC State NC Zip 28403

Telephone # (919) 780-8620 E-Mail ryan@thebluewatergroup.com

How would you like to receive staff review comments? ☒ E-Mail ☐ US Mail

How would you like to receive Official Action Notices? ☒ E-Mail ☐ US Mail- Certified

Owner's Authorization (Required for Conditional Use Zoning or Conditional Use Permit)

Owner's Signature(s)

Ryan M. Roberts

Authorized Signet

PIN/REID

PIN: 0649.35.2626 / REID: 0047145

PIN: 0649.35.2626 / REID: 0047145

Date

02-05-2021

AFFIDAVIT OF OWNER CONSENT



If the Owner(s) of the subject property is giving authorization for another person to apply for a Conditional Use District and/or Conditional Use Permit on their property, this affidavit must be completed and signed by all record owners of the subject property.

The persons listed below do hereby appear before a Notary Public and swear or affirm that they are the legal owners of the described property, and further give authorization to

Thomas Spaulding of The Spaulding Group, PA
(Name of Representative) (Name of Company)

to submit a Petition for Zoning Map Change to a Conditional Use District and/or for a Conditional Use Permit for my (our) property from
R-10: Residential to CB-CU Community Business Conditional Use
(Current Zoning District) (Proposed Zoning District)

and to offer additional use and/or standard restrictions as a part of the request for a Conditional Use Permit.

For DPZ Use only

Project # _____

Date Received: _____

Signature of Owner(s):

Ryan M. Roberts
Ryan M. Roberts - PENSICO TRUST CO - Custodian

Kathryn E. Roberts
Kathryn E. Roberts - PENSICO TRUST CO - Custodian

Brian Amador
Authorized Signet

Wake County PIN/REID:

PIN: 0649.35.2626 ; REID: 0047145

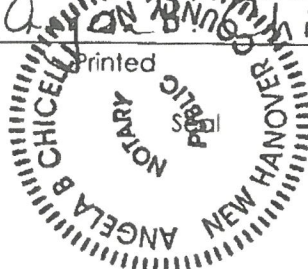
PIN: 0649.35.2626; REID: 0047145

State of NC
County of New Hanover

Sworn to and subscribed before me the 21st day of January, 20 21.

Notary Public in and for the State of North Carolina Commission expires: 4-3-21

Angela B. Chichelli
Notary Public



7019 2280 0001 2986 5554

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only
For delivery information, visit our website at www.usps.com®.

Apex, NC 27502

Certified Mail Fee	\$3.60
Extra Services & Fees (check box, add fee as appropriate)	\$2.85
☐ Return Receipt (hardcopy)	\$0.00
☐ Return Receipt (electronic)	\$0.00
☐ Certified Mail Restricted Delivery	\$0.00
☐ Adult Signature Required	\$0.00
☐ Adult Signature Restricted Delivery	\$0.00

0171
5Postmark
Here

Postage	\$0.55
Total Postage and Fees	\$7.00

02/09/2021

Sent To

Ronald A. Taylor

Street

213 James St.

City, St

Apex, NC 27502

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7019 2280 0001 2986 5547

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only
For delivery information, visit our website at www.usps.com®.

Suwanee, GA 30024

Certified Mail Fee	\$3.60
Extra Services & Fees (check box, add fee as appropriate)	\$2.85
☐ Return Receipt (hardcopy)	\$0.00
☐ Return Receipt (electronic)	\$0.00
☐ Certified Mail Restricted Delivery	\$0.00
☐ Adult Signature Required	\$0.00
☐ Adult Signature Restricted Delivery	\$0.00

0171
5Postmark
Here

Postage	\$0.55
Total Postage and Fees	\$7.00

02/09/2021

Sent To

Judith Adams

Street

346 Canterbury Place Drive

City, St

Suwanee, GA 30024

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7019 2280 0001 2986 5561

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only
For delivery information, visit our website at www.usps.com®.

New Smyrna Beach, FL 32169

Certified Mail Fee	\$3.60
Extra Services & Fees (check box, add fee as appropriate)	\$2.85
☐ Return Receipt (hardcopy)	\$0.00
☐ Return Receipt (electronic)	\$0.00
☐ Certified Mail Restricted Delivery	\$0.00
☐ Adult Signature Required	\$0.00
☐ Adult Signature Restricted Delivery	\$0.00

0171
5Postmark
Here

Postage	\$0.55
Total Postage and Fees	\$7.00

02/09/2021

Sent To

James Taylor

Street

14 Oak Tree Drive

City, St

New Smyrna Beach, Florida 32169-4311

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7019 2280 0001 2986 5370

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only
For delivery information, visit our website at www.usps.com®.

Raleigh, NC 27616

Certified Mail Fee	\$3.60
Extra Services & Fees (check box, add fee as appropriate)	\$2.85
☐ Return Receipt (hardcopy)	\$0.00
☐ Return Receipt (electronic)	\$0.00
☐ Certified Mail Restricted Delivery	\$0.00
☐ Adult Signature Required	\$0.00
☐ Adult Signature Restricted Delivery	\$0.00

0171
5Postmark
Here

Postage	\$0.55
Total Postage and Fees	\$7.00

02/09/2021

Sent To

Thales Academy

Street

4641 Paragon Park Road

City, St

Raleigh, NC 27616

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7019 2280 0001 2986 5530

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only
For delivery information, visit our website at www.usps.com®.

Clayton, NC 27520

Certified Mail Fee	\$3.60
Extra Services & Fees (check box, add fee as appropriate)	\$2.85
☐ Return Receipt (hardcopy)	\$0.00
☐ Return Receipt (electronic)	\$0.00
☐ Certified Mail Restricted Delivery	\$0.00
☐ Adult Signature Required	\$0.00
☐ Adult Signature Restricted Delivery	\$0.00

0171
5Postmark
Here

Postage	\$0.55
Total Postage and Fees	\$7.00

02/09/2021

Sent To

Mike & Sue Edwards

Street

310 Tayside St

City, St

Clayton, NC 27520

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7019 2280 0001 2986 5525

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only
For delivery information, visit our website at www.usps.com®.

Hampstead, NC 28443

Certified Mail Fee	\$3.60
Extra Services & Fees (check box, add fee as appropriate)	\$2.85
☐ Return Receipt (hardcopy)	\$0.00
☐ Return Receipt (electronic)	\$0.00
☐ Certified Mail Restricted Delivery	\$0.00
☐ Adult Signature Required	\$0.00
☐ Adult Signature Restricted Delivery	\$0.00

0171
5Postmark
Here

Postage	\$0.55
Total Postage and Fees	\$7.00

02/09/2021

Sent To

Ryan & Kathryn Roberts

Street

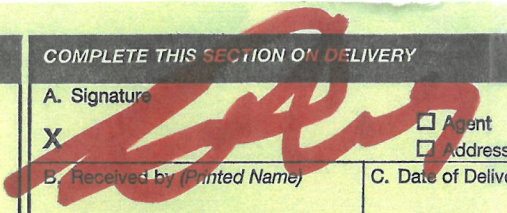
383 Aster Pl

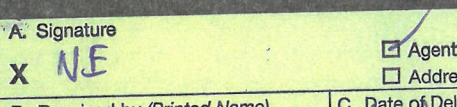
City, St

Hampstead, NC. 28443

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

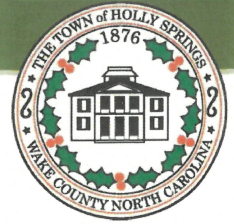
SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X  ☐ Agent ☐ Addressee	
1. Article Addressed to: Mike & Sue Edwards 310 Tayside St Clayton, NC 27520		B. Received by (Printed Name) C. Date of Delivery	
2. Article Number (Transfer from service label) 7019 2280 0001 2986 5530		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No 2/11/21	
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☒ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery		☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X NE  ☒ Agent ☐ Addressee	
1. Article Addressed to: James Taylor 14 Oak Tree Drive New Smyrna Beach, Florida 32169-4311		B. Received by (Printed Name) NE 69-A C19 C. Date of Delivery 2/12/21	
2. Article Number (Transfer from service label) 7019 2280 0001 2986 5561		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☒ No	
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☒ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery		☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY													
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature ☒ <i>Kathryn Roberts</i> ☐ Agent ☐ Addressee													
1. Article Addressed to: Ryan & Kathryn Roberts 383 Aster Pl Hampstead, NC. 28443		B. Received by (Printed Name) <i>Kathryn Roberts</i>	C. Date of Delivery 8/16/21												
2. Article Number (Transfer from service label) 7019 2280 0001 2986 5523		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No													
9590 9402 5180 9122 4170 53		3. Service Type <table border="0"> <tr> <td>☐ Adult Signature</td> <td>☐ Priority Mail Express®</td> </tr> <tr> <td>☐ Adult Signature Restricted Delivery</td> <td>☐ Registered Mail™</td> </tr> <tr> <td>☒ Certified Mail®</td> <td>☐ Registered Mail Restricted Delivery</td> </tr> <tr> <td>☐ Certified Mail Restricted Delivery</td> <td>☐ Return Receipt for Merchandise</td> </tr> <tr> <td>☐ Collect on Delivery</td> <td>☐ Signature Confirmation™</td> </tr> <tr> <td>☐ Collect on Delivery Restricted Delivery</td> <td>☐ Signature Confirmation Restricted Delivery</td> </tr> </table>		☐ Adult Signature	☐ Priority Mail Express®	☐ Adult Signature Restricted Delivery	☐ Registered Mail™	☒ Certified Mail®	☐ Registered Mail Restricted Delivery	☐ Certified Mail Restricted Delivery	☐ Return Receipt for Merchandise	☐ Collect on Delivery	☐ Signature Confirmation™	☐ Collect on Delivery Restricted Delivery	☐ Signature Confirmation Restricted Delivery
☐ Adult Signature	☐ Priority Mail Express®														
☐ Adult Signature Restricted Delivery	☐ Registered Mail™														
☒ Certified Mail®	☐ Registered Mail Restricted Delivery														
☐ Certified Mail Restricted Delivery	☐ Return Receipt for Merchandise														
☐ Collect on Delivery	☐ Signature Confirmation™														
☐ Collect on Delivery Restricted Delivery	☐ Signature Confirmation Restricted Delivery														
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt													

TOWN OF HOLLY SPRINGS
ZONING PETITION

AFFIDAVIT OF OWNER NOTIFICATION



The following Affidavit of Owner Notification shall be provided at time of petition submittal if the Applicant is requesting a Zoning Map Change for property(s) he/she does not own at the time of the petition submission.

The following form or a separately prepared document in substantially the same form may be used for submitting the Notice of the requested Zoning Map Change and the public hearing in association with a request for a Zoning Map Change to the property owner(s). The form must be sent to the owner(s) via certified mail. This Affidavit is to be signed by the Applicant of the requested Zoning Map Change and have attached thereto the USPS green certified mail receipt and a copy of the form sent to the owner(s) to ensure that all record owners of the property have been notified by the Applicant(s).

For DPZ Use only

Project # _____

Date Received: _____

AFFIDAVITSTATE OF NORTH CAROLINA
COUNTY OF WAKE

I hereby certify to the Town of Holly Springs that the owner of the property described by Wake County Real Estate ID 84548; 183053; 31659 and PIN 649258795; 649353599; 649353728 was served the notification attached to this Affidavit indicating the requested zoning map change petition and public hearing date and time. As evidence of the service of the notification, I hereby attach the return receipt from the certified mailing of this notice.

This the 9th day of February, 20 21.

Applicant Signature _____

Printed name of Applicant Thomas J. Spaulding

NOTARY STATEMENT

Sworn to and subscribed before me the 9th day of February, 20 21.Notary Public in and for the State of North Carolina. My Commission expires: 10-14-2021

Anne B. Oakley
Notary Public

/ Anne B. Oakley

Printed

Seal



NOTIFICATION TO PROPERTY OWNER

Dear Property Owner,
(James T. Taylor)

I am requesting the Holly Springs Town Council to rezone your property described by:

Wake County Real Estate ID# 84548; 183053; 31659

and PIN 649258795; 649353599; 649353728

located at 1338 New Hill Road; 4544 Old Holly Springs Apex Rd; 0 Old Holly Springs Apex Rd

from R-10: Residential (existing zoning district) to

CB: Community Business Conditional Use (proposed zoning district).

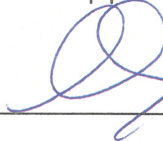
The public hearing before the Holly Springs Town Council on the matter will be heard on June 15, 2021 (date) at 7:00 PM.

Additional information can be obtained by contacting the Holly Springs Department of Planning & Zoning at (919) 557-3908.

Thank you,

Signature of Applicant:

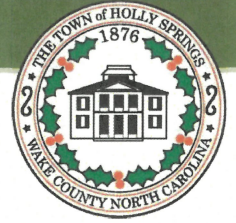
Date:



2-9-2021

Name	<u>Thomas J. Spaulding</u>	Company	<u>The Spaulding Group, PA</u>
Mailing Address	<u>1611 Jones Franklin Road, Suite 101</u>		
City	<u>Raleigh</u>	State	<u>NC</u> Zip <u>27606</u>
Telephone #	<u>(919) 854-7990</u>	Fax #	<u>() N/A</u>
		E-Mail	<u>tom@spaulding-group.com</u> <u>anne@spaulding-group.com</u>

AFFIDAVIT OF OWNER NOTIFICATION



The following Affidavit of Owner Notification shall be provided at time of petition submittal if the Applicant is requesting a Zoning Map Change for property(s) he/she does not own at the time of the petition submission.

The following form or a separately prepared document in substantially the same form may be used for submitting the Notice of the requested Zoning Map Change and the public hearing in association with a request for a Zoning Map Change to the property owner(s). The form must be sent to the owner(s) via certified mail. This Affidavit is to be signed by the Applicant of the requested Zoning Map Change and have attached thereto the USPS green certified mail receipt and a copy of the form sent to the owner(s) to ensure that all record owners of the property have been notified by the Applicant(s).

For DPZ Use only

Project # _____

Date Received: _____

AFFIDAVIT

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I hereby certify to the Town of Holly Springs that the owner of the property described by Wake County Real Estate ID 84548 and PIN 649258795 was served the notification attached to this Affidavit indicating the requested zoning map change petition and public hearing date and time. As evidence of the service of the notification, I hereby attach the return receipt from the certified mailing of this notice.

This the 9th day of February, 2021.

Applicant Signature [Signature]

Printed name of Applicant Thomas J. Spaulding

NOTARY STATEMENT

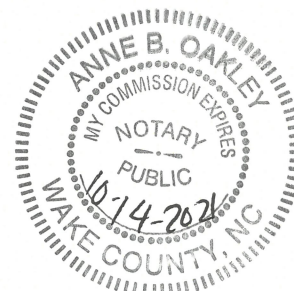
Sworn to and subscribed before me the 9th day of February, 2021.

Notary Public in and for the State of North Carolina. My Commission expires: 10-14-2021

[Signature]
Notary Public

Anne B. Oakley
Printed

Seal



NOTIFICATION TO PROPERTY OWNER

Dear Property Owner,
(Ronald A. Taylor)

I am requesting the Holly Springs Town Council to rezone your property described by:

Wake County Real Estate ID# 84548

and PIN 649258795

located at 1338 New Hill Road

from R-10: Residential (existing zoning district) to

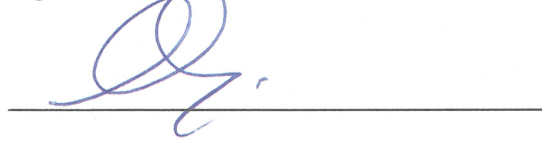
CB: Community Business Conditional Use (proposed zoning district).

The public hearing before the Holly Springs Town Council on the matter will be heard on June 15, 2021 (date) at 7:00 PM.

Additional information can be obtained by contacting the Holly Springs Department of Planning & Zoning at (919) 557-3908.

Thank you,

Signature of Applicant:



Date:

02-09-2021

Name	<u>Thomas J. Spaulding</u>	Company	<u>The Spaulding Group, PA</u>
Mailing Address	<u>1611 Jones Franklin Road, Suite 101</u>		
City	<u>Raleigh</u>	State	<u>NC</u> Zip <u>27606</u>
Telephone #	<u>(919) 854-7990</u>	Fax #	<u>()</u>
		E-Mail	<u>tom@spaulding-group.com</u> <u>anne@spaulding-group.com</u>

TOWN OF HOLLY SPRINGS
ZONING PETITION

AFFIDAVIT OF OWNER NOTIFICATION



The following Affidavit of Owner Notification shall be provided at time of petition submittal if the Applicant is requesting a Zoning Map Change for property(s) he/she does not own at the time of the petition submission.

The following form or a separately prepared document in substantially the same form may be used for submitting the Notice of the requested Zoning Map Change and the public hearing in association with a request for a Zoning Map Change to the property owner(s). The form must be sent to the owner(s) via certified mail. This Affidavit is to be signed by the Applicant of the requested Zoning Map Change and have attached thereto the USPS green certified mail receipt and a copy of the form sent to the owner(s) to ensure that all record owners of the property have been notified by the Applicant(s).

For DPZ Use only

Project # _____

Date Received: _____

AFFIDAVITSTATE OF NORTH CAROLINA
COUNTY OF WAKE

I hereby certify to the Town of Holly Springs that the owner of the property described by Wake County Real Estate ID 31660 and PIN 649353581 was served the notification attached to this Affidavit indicating the requested zoning map change petition and public hearing date and time. As evidence of the service of the notification, I hereby attach the return receipt from the certified mailing of this notice.

This the 9th day of February, 2021.

Applicant Signature 

Printed name of Applicant Thomas J. Spaulding

NOTARY STATEMENT

Sworn to and subscribed before me the 9th day of February, 2021.

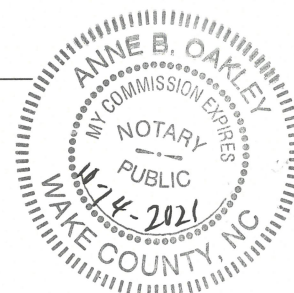
Notary Public in and for the State of North Carolina. My Commission expires: 10-14-2021


Notary Public

Anne B. Oakley

Printed

Seal



NOTIFICATION TO PROPERTY OWNER

Dear Property Owner,
(Judith R. Adams)

I am requesting the Holly Springs Town Council to rezone your property described by:

Wake County Real Estate ID# 31660

and PIN 649353581

located at 1300 New Hill Road

from R-10: Residential (existing zoning district) to

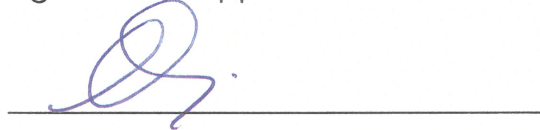
CB: Community Business Conditional Use (proposed zoning district).

The public hearing before the Holly Springs Town Council on the matter will be heard on June 15, 2021 (date) at 7:00 PM.

Additional information can be obtained by contacting the Holly Springs Department of Planning & Zoning at (919) 557-3908.

Thank you,

Signature of Applicant:



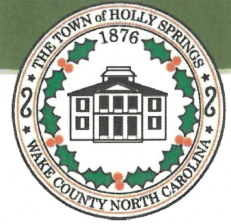
Date:

2-9-2021

Name	<u>Thomas J. Spaulding</u>	Company	<u>The Spaulding Group, PA</u>
Mailing Address	<u>1611 Jones Franklin Road, Suite 101</u>		
City	<u>Raleigh</u>	State	<u>NC</u> Zip <u>27606</u>
Telephone #	<u>(919) 854-7990</u>	Fax #	<u>() N/A</u>
		E-Mail	<u>tom@spaulding-group.com</u> <u>anne@spaulding-group.com</u>

TOWN OF HOLLY SPRINGS
ZONING PETITION

AFFIDAVIT OF OWNER NOTIFICATION



The following Affidavit of Owner Notification shall be provided at time of petition submittal if the Applicant is requesting a Zoning Map Change for property(s) he/she does not own at the time of the petition submission.

The following form or a separately prepared document in substantially the same form may be used for submitting the Notice of the requested Zoning Map Change and the public hearing in association with a request for a Zoning Map Change to the property owner(s). The form must be sent to the owner(s) via certified mail. This Affidavit is to be signed by the Applicant of the requested Zoning Map Change and have attached thereto the USPS green certified mail receipt and a copy of the form sent to the owner(s) to ensure that all record owners of the property have been notified by the Applicant(s).

For DPZ Use only

Project # _____

Date Received: _____

AFFIDAVITSTATE OF NORTH CAROLINA
COUNTY OF WAKE

I hereby certify to the Town of Holly Springs that the owner of the property described by Wake County Real Estate ID 47145 and PIN 649352626 was served the notification attached to this Affidavit indicating the requested zoning map change petition and public hearing date and time. As evidence of the service of the notification, I hereby attach the return receipt from the certified mailing of this notice.

This the 9th day of February, 2021.

Applicant Signature [Signature]

Printed name of Applicant Thomas J. Spaulding

NOTARY STATEMENT

Sworn to and subscribed before me the 9th day of February, 2021.

Notary Public in and for the State of North Carolina. My Commission expires: 10-14-2021

Anne B. Oakley
Notary Public

Anne B. Oakley
Printed

Seal



NOTIFICATION TO PROPERTY OWNER

Dear Property Owner,
(PENSCO- Mike & Sue Edwards)

I am requesting the Holly Springs Town Council to rezone your property described by:

Wake County Real Estate ID# 47145

and PIN 649352626

located at 4528 Old Holly Springs Apex Road

from R-10: Residential (existing zoning district) to

CB: Community Business Conditional Use (proposed zoning district).

The public hearing before the Holly Springs Town Council on the matter will be heard on June 15, 2021 (date) at 7:00 PM.

Additional information can be obtained by contacting the Holly Springs Department of Planning & Zoning at (919) 557-3908.

Thank you,

Signature of Applicant:

Date:

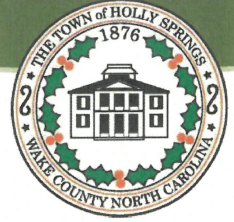


02-09-2021

Name Thomas J. Spaulding Company The Spaulding Group, PA
Mailing Address 1611 Jones Franklin Road, Suite 101
City Raleigh State NC Zip 27606
Telephone # (919) 854-7990 Fax # () N/A E-Mail tom@spaulding-group.com
anne@spaulding-group.com

TOWN OF HOLLY SPRINGS
ZONING PETITION

AFFIDAVIT OF OWNER NOTIFICATION



The following Affidavit of Owner Notification shall be provided at time of petition submittal if the Applicant is requesting a Zoning Map Change for property(s) he/she does not own at the time of the petition submission.

The following form or a separately prepared document in substantially the same form may be used for submitting the Notice of the requested Zoning Map Change and the public hearing in association with a request for a Zoning Map Change to the property owner(s). The form must be sent to the owner(s) via certified mail. This Affidavit is to be signed by the Applicant of the requested Zoning Map Change and have attached thereto the USPS green certified mail receipt and a copy of the form sent to the owner(s) to ensure that all record owners of the property have been notified by the Applicant(s).

For DPZ Use only

Project # _____

Date Received: _____

AFFIDAVITSTATE OF NORTH CAROLINA
COUNTY OF WAKE

I hereby certify to the Town of Holly Springs that the owner of the property described by Wake County Real Estate ID 47145 and PIN 649352626 was served the notification attached to this Affidavit indicating the requested zoning map change petition and public hearing date and time. As evidence of the service of the notification, I hereby attach the return receipt from the certified mailing of this notice.

This the 9th day of February, 2021.

Applicant Signature [Signature]

Printed name of Applicant Thomas J. Spaulding

NOTARY STATEMENT

Sworn to and subscribed before me the 9th day of February, 2021.

Notary Public in and for the State of North Carolina. My Commission expires: 10-14-2021

Anne B. Oakley
Notary Public

Anne B. Oakley
Printed

Seal



NOTIFICATON TO PROPERTY OWNER

Dear Property Owner,

(PENSCO - Ryan & Kathryn Roberts)

I am requesting the Holly Springs Town Council to rezone your property described by:

Wake County Real Estate ID# 47145

and PIN 649352626

located at 4528 Old Holly Springs Apex Road

from R-10: Residential (existing zoning district) to

CB: Community Business Conditional Use (proposed zoning district).

The public hearing before the Holly Springs Town Council on the matter will be heard on June 15, 2021 (date) at 7:00 PM.

Additional information can be obtained by contacting the Holly Springs Department of Planning & Zoning at (919) 557-3908.

Thank you,

Signature of Applicant:

Date:



2-9-2021

Name	<u>Thomas J. Spaulding</u>	Company	<u>The Spaulding Group, PA</u>
Mailing Address	<u>1611 Jones Franklin Road - Suite 101</u>		
City	<u>Raleigh</u>	State	<u>NC</u> Zip <u>27606</u>
Telephone #	<u>(919) 854-7990</u>	Fax #	<u>()</u>
		E-Mail	<u>tom@spaulding-group.com</u> <u>anne@spaulding-group.com</u>

Thales

AFFIDAVIT OF OWNER NOTIFICATION



The following Affidavit of Owner Notification shall be provided at time of petition submittal if the Applicant is requesting a Zoning Map Change for property(s) he/she does not own at the time of the petition submission.

The following form or a separately prepared document in substantially the same form may be used for submitting the Notice of the requested Zoning Map Change and the public hearing in association with a request for a Zoning Map Change to the property owner(s). The form must be sent to the owner(s) via certified mail. This Affidavit is to be signed by the Applicant of the requested Zoning Map Change and have attached thereto the USPS green certified mail receipt and a copy of the form sent to the owner(s) to ensure that all record owners of the property have been notified by the Applicant(s).

For DPZ Use only

Project # _____

Date Received: _____

AFFIDAVIT

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I hereby certify to the Town of Holly Springs that the owner of the property described by Wake County Real Estate ID 0072447 and PIN 0649.25.7680 was served the notification attached to this Affidavit indicating the requested zoning map change petition and public hearing date and time. As evidence of the service of the notification, I hereby attach the return receipt from the certified mailing of this notice.

This the 9th day of February, 2021.

Applicant Signature [Signature]

Printed name of Applicant Thomas J. Spaulding

NOTARY STATEMENT

Sworn to and subscribed before me the 9th day of February, 2021.

Notary Public in and for the State of North Carolina. My Commission expires: 10.14.2021

Anne B. Oakley
Notary Public

Anne B. Oakley
Printed

Seal



NOTIFICATION TO PROPERTY OWNER

Dear Property Owner,
(Thales Academy)

I am requesting the Holly Springs Town Council to rezone your property described by:

Wake County Real Estate ID# 0072447

and PIN 0649.25.7680

located at 1340 New Hill Road, Holly Springs, NC 27540

from R-10: Residential (existing zoning district) to

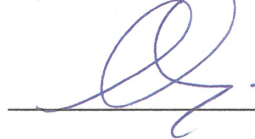
CB: Community Business Conditional Use (proposed zoning district).

The public hearing before the Holly Springs Town Council on the matter will be heard on June 15, 2021 (date) at 7:00 PM.

Additional information can be obtained by contacting the Holly Springs Department of Planning & Zoning at (919) 557-3908.

Thank you,

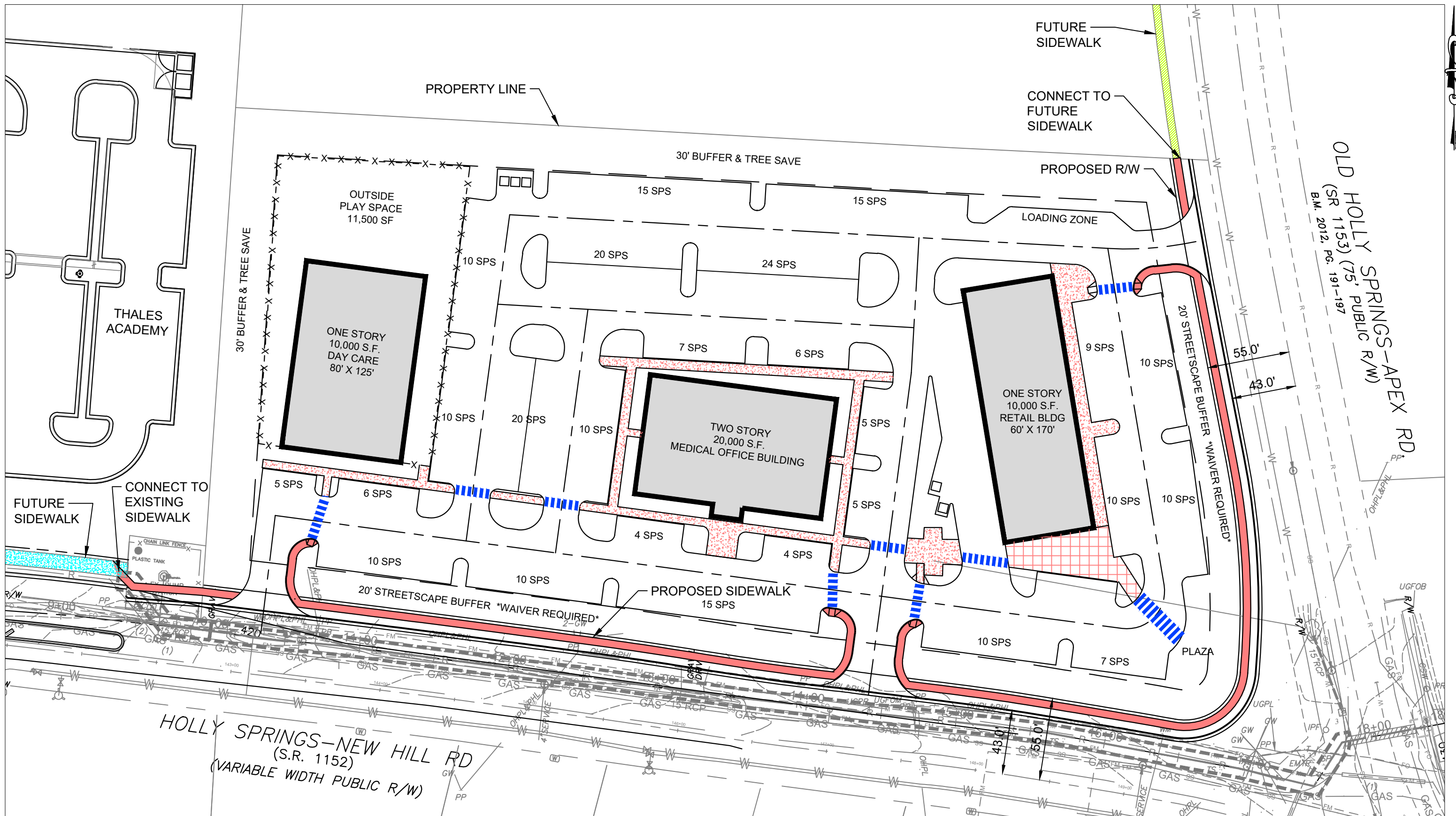
Signature of Applicant:



Date:

February 9, 2021

Name Thomas J. Spaulding Company The Spaulding Group, PA
Mailing Address 1611 Jones Franklin Road, Suite 101
City Raleigh State NC Zip 27606
Telephone # (919) 854-7990 Fax # () N/A E-Mail tom@spaulding-group.com
anne@spaulding-group.com



HOLLY SPRINGS NEW HILL ROAD CONCEPTUAL SITE PLAN

THE SPAULDING GROUP, PA
planning • civil engineering
 1611 Jones Franklin Road Suite 101 Raleigh, NC 27606
 Phone (919) 854-7990 Fax (919) 854-7928

SCALE: 1" = 60'
EXHIBIT



LEGEND

- EXISTING SIDEWALK
- PROPOSED SIDEWALK
- FUTURE SIDEWALK

HOLLY SPRINGS NEW HILL ROAD REZONING

THE SPAULDING GROUP, PA
planning • civil engineering
 1611 Jones Franklin Road Suite 101 Raleigh, NC 27606
 Phone (919) 854-7990 Fax (919) 854-7925

SCALE: 1" = 500'

EXHIBIT

CONDITIONAL USE PERMIT

The following Conditional Use Permit form or a separately prepared document in substantially the same form may be used for submitting the Conditional Use Permit Restrictions Statement in association with a request for a Conditional Use District. The attached form is intended to meet the recording standards of the Wake County Register of Deeds.

If there are no changes to the Conditional Use Permit at the Public Hearing, the Department of Planning & Zoning will have the Review Officer sign the Permit and return it to the Applicant for recording in accordance with the Town of Holly Springs Development Procedures Manual.



If there are minor changes to the Conditional Use Permit approved at the Public hearing, the Applicant must modify the Permit to reflect the changes that were made and return the revised Permit to the Department of Planning & Zoning within ten (10) business days for Review Officer signature prior to recording in accordance with the Town of Holly Springs Development Procedures Manual.

An additional public hearing shall be required If the changes being required or requested are of such a substantial nature as to effect any of the following: the type of use, greater than 10% change in the overall density, significant alterations to site access, or hours of operation. If an additional public hearing is required, then the Petitioner shall modify the permit and cover the cost of republishing public notice.

Standard Document Criteria

A standard document meets the following criteria. If a document fails to meet any one of these criteria, the non-standard document fee will be added.

- Paper size is 8.5" x 11" or 8.5" x 14"
- Blank margin of 3" at top of first page.
- Blank margin of at least 1/4" on remaining sides of first page and on all sides of subsequent pages.
- Typed or printed in black on white paper in a legible font.
- A font size no smaller than 9 point shall be considered legible.
- Blanks in an instrument may be completed in pen and corrections to an instrument may be made in pen.
- One-sided only.
- Instrument type is stated at center of first page.

Prepared By: Thomas Spaulding - The Spaulding Group, PA

1611 Jones Franklin Road, Suite 101

Raleigh, NC 27606

Returned To: Town of Holly Springs Department of Planning & Zoning
P.O. Box 8
Holly Springs, NC 27540

Instrument Type: Other – Conditional Use Permit

TOWN OF HOLLY SPRINGS
ZONING PETITION

CONDITIONAL USE PERMIT

DPM Appendix #A.02
Supplement #15
November 2018



In accordance with the Town of Holly Springs Unified Development Ordinance, the Owner of the real estate located in the Town of Holly Springs, North Carolina, or its extra-territorial jurisdiction, which is described below, offers the following use and development standard restrictions for the following described parcel of real estate:

LEGAL DESCRIPTION:

Town of Holly Springs

Property Owner: Judith R. Adams; James T. Taylor & Robert A. Taylor; PENSICO TRUST CO - Custodian; Thales Academy

Property Descriptions: 1300/1338/1340 New Hill Rd & 0/4528/4544 Old Holly Springs Apex Road

PIN(s): 0649.35.3581; 0649.25.8795; 0649.35.3728; 0649.35.3599; 0649.35.2626; 0649.25.7680

including town owned parcel to be deeded to the developer as described in the attached legal description

WRITTEN STATEMENT / TERMS OF CONDITIONAL USE PERMIT:

The following Permitted Uses shall be prohibited :

- 1. Motor Cycle / Scooter Sales**
- 2. Self-Service Laundry / Costume Rental**
- 3. Public Utlity Substation**
- 4. Bed & Breakfast/ Bus Station / Agricultural Seed Sales / Radio or Television Stations/ Artificial Lake**
- 5. Neighborhood Recycling Collection Point**
- 6. Automobile Parts Sales (new)**
- 7. Quick Oil Change Facility**
- 8. Car Wash (automatic or self)**
- 9. Gasoline Service Station without repair**

The terms and conditions contained in this instrument shall run with the land, be binding on the Owner of the above-described real estate, subsequent owners, heirs, devisees, grantees, lessees, and licensees of the above-described real estate and other persons acquiring an interest therein. The terms of this conditional use permit may be modified or terminated by a decision of the Town of Holly Springs Town Council made at a public hearing after proper notice has been given and in connection with a petition for zoning map change.

The terms and conditions contained in this instrument shall be effective upon the approval of the conditional use district on the subject real estate and the approval of this Conditional Use Permit by the Town Council pursuant to the Town of Holly Springs Unified Development Ordinance, and shall continue in effect until modified or terminated by the Town of Holly Springs Town Council.

The terms and conditions of this instrument may be enforced by the Town of Holly Springs Town Council.

This Conditional Use Permit shall be retained in the office of the Department of Planning & Zoning of the Town of Holly Springs, North Carolina and shall constitute additional restrictions on the use and development of the subject real estate.

IN WITNESS WHEREOF, Owner has executed this instrument this _____ day of _____ 20_____, *See attached multiple owner signatures*

TOWN OF HOLLY SPRINGS REZONING

Beginning at a rebar set at the turnout of Old Holly Springs-Apex Road (SR 1153) (75' Public Right of Way) and Holly Springs-New Hill Road (SR 1152) (Variable Width Public Right of Way), said rebar being North 27°14'10" West 5,355.23 feet from N.C.G.S. Monument "Seagraves", said monument having N.C. Grid Coordinates (NAD83/1995) of N=690,714.40, E=2,045,932.34, thence from said Beginning point, along said Old Holly Springs-Apex Road (SR 1153) western right of way turnout South 46°28'25" West 37.32 feet to a rebar set on the northern right of way of Holly Springs-New Hill Road (SR 1152) (Variable Width Public Right of Way), thence along said right of way North 74°46'09" West 48.49 feet to a rebar set, thence North 78°22'12" West 59.31 feet to a rebar set, thence North 80°49'30" West 56.79 feet to a rebar set, thence North 82°33'49" West 46.08 feet to a rebar set, thence North 72°35'19" West 20.25 feet to a rebar set, thence North 81°23'58" West 83.00 feet to a rebar set, thence North 81°23'58" West 104.62 feet to a rebar set, thence North 82°25'23" West 2.86 feet to a rebar set, thence North 82°25'23" West 9.92 feet to a rebar set, thence North 82°25'23" West 49.65 feet to a rebar set, thence North 82°25'23" West 92.10 feet to a rebar set, thence North 81°54'54" West 23.05 feet to a rebar set, thence North 81°54'54" West 35.37 feet to a rebar set, thence North 74°39'03" West 25.78 feet to a rebar set, thence North 04°05'04" East 3.15 feet to a rebar set, thence North 81°56'17" West 2.88 feet to a rebar set, thence North 86°08'51" West 13.67 feet to a rebar set, thence North 74°39'03" West 44.30 feet to a rebar set, thence North 74°39'03" West 13.60 feet to a rebar set, thence leaving said Holly Springs-New Hill Road (SR 1152) (Variable Width Public Right of Way) North 03°54'25" East 320.78 feet to an existing 1/2" iron pipe, thence South 86°41'02" East 478.18 feet to an existing 1 1/2" iron pipe, thence South 86°55'37" East 173.02 feet to a point on the western right of way of Old Holly Springs-Apex Road (SR 1153) (75' Public Right of Way), thence along said right of way with a curve to the left, having an arc length of 101.96 feet, a radius of 2,935.00 feet, and a chord bearing and distance of South 09°57'17" East 101.95 feet to a rebar set, thence South 10°57'00" East 48.92 feet to a rebar set, thence South 10°57'00" East 94.18 feet to a rebar set, thence South 10°57'00" East 66.00 feet to a rebar set, thence South 10°57'00" East 69.47 feet to a rebar set, thence South 17°27'46" East 13.13' to the point and place of Beginning containing 5.855 Acres more or less.

THE SPAULDING GROUP, PA

planning • civil engineering

Voluntary Zoning Conditions

21-REZ-01

Holly Springs New Hill Commercial Rezoning Date: 11.23.2021

The following conditions will apply to the parcels included in this Conditional Use rezoning application:

- 1) Buildings shall have a minimum height of 20 feet and 2 stories with the exception of 1 single- story building allowed for childcare/pre-school or similar uses. The single story building is still required to meet the 20 foot minimum height requirement.
- 2) The 10' pedestrian side path will be extended to the existing stub within the right-of-way in front of Thales Academy (PIN 0649265028)
- 3) Drive-thru facilities (if any) shall position service lanes to run parallel with Old Holly Springs Apex Road to allow for safe pedestrian access to the facility and commercial center.
- 4) The following uses shall be prohibited:
 - i. Motorcycle/Scooter Sales
 - ii. Self Service Laundry/Costume Rental
 - iii. Public Utility SubStation
 - iv. Bed & Breakfast/Bus Station/Agricultural Seed Sales
 - v. Neighborhood Recycling Collection Point
 - vi. Automobile Parts Sales (new)
 - vii. Quick Oil Change Facility
 - viii. Car Wash (automatic or self)
 - ix. Gasoline Service Station without repair
- 5) Any restaurant business having a drive-thru service shall be part of a two-story building and will require a Special Exception Use permit
- 6) All parking areas located between a front building line and a street shall be limited to either a single loaded parking area or 1 double loaded parking area with 1 access drive.
- 7) Low-impact landscape design techniques and sustainable stormwater practices will be incorporated into the development.

- 8) The Town requires certain fees to be paid upon development of land and for the granting of a building permit. Said fees are listed in the Town's annual budget, and with this rezoning the Developer agrees he/she (i) is familiar with these fees, (ii) does not dispute the reasonableness of these fees as set forth in the Town's annual budget; and (iii) notwithstanding any reimbursements discussed at this time through an Infrastructure Reimbursement Agreement, hereby agrees to timely pay all normal and customary fees applicable to Developer in connection with Non-Residential and Residential Projects. Such fees are listed in the current year annual budget of fees at the time the fee is due under the ordinary course of development unless otherwise specifically noted in the Developer Agreement.
- 9) The Town requires, pursuant to N.C.G.S. § 160A-372, the dedication and construction of streets and rights of way, as shown in the approved Comprehensive Transportation Plan and the approved Transportation Assessment Report, to create conditions essential to public health, safety, and the general welfare. A rezoning may be delayed until such time as necessary transportation improvements (to include offsite improvements) may be made, unless the Town and the Developer can enter into agreements to accelerate the time for completion of these needed improvements.
- 10) A fee-in-lieu (FIL) will be offered towards the realignment of Old Holly Springs & New Hill Roads. Developer offers the amount of \$234,000 to be paid at release of construction drawings.
- 11) Development may be split into two Phases. Phase 1 defined as up to 3 acres developable beside Thales Academy PIN 0649265028 (not to include any shared SCM or parking/entrances on remaining acreage). Phase 2 shall be the remaining developable acreage towards the intersection of Old Holly Springs & New Hill Roads. Should the development be divided into 2 phases, then Developer shall pay the proportionate share of the FIL at time of approval of those construction drawings for Phase 1. Proportionate share to be determined as a percentage of acreage developed versus overall acreage. Developer shall be responsible for any thoroughfare widening as part of the overall development or Phasing and any improvements such as turn lanes required by NCDOT.

(Individual Owners)

Signature _____ (Seal)

Printed James T. Taylor

Signature Ronald A. Taylor (Seal)

Printed Ronald A. Taylor

(Individual Acknowledgments)

STATE OF _____)

COUNTY OF _____)

Before me, a Notary Public in and for said County and State, personally appeared James T. Taylor, Owner(s) of the real estate described above who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this _____ day of _____, _____.

Signature _____

Printed _____

My Commission expires: _____

SEAL

STATE OF North Carolina
COUNTY OF Wake

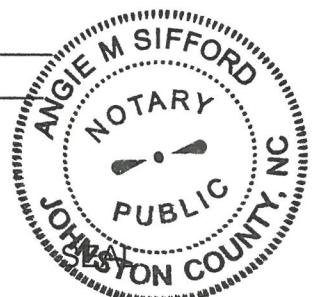
Before me, a Notary Public in and for said County and State, personally appeared Roland A. Taylor, Owner(s) of the real estate described above who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 20th day of January, 2021.

Signature: Angie M. Sifford

Printed: 1/20/2021

My Commission expires: June 10, 2023



(Individual Owners)

Signature James T. Taylor (Seal)
Printed James T. Taylor

Signature _____ (Seal)
Printed Ronald A. Taylor

(Individual Acknowledgments)

STATE OF Florida
COUNTY OF Volusia

Before me, a Notary Public in and for said County and State, personally appeared James T. Taylor, Owner(s) of the real estate described above who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 20 day of January, 2021.

Signature Sandra K Phelps
Printed Sandra K Phelps

My Commission expires: 08-11-2022



SANDRA K PHELPS
Commission # GG 236789
Expires August 11, 2022
Bonded thru Budget Notary Services

SEAL

STATE OF _____
COUNTY OF _____

Before me, a Notary Public in and for said County and State, personally appeared _____
Roland A. Taylor, Owner(s) of the real estate described above who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this _____ day of _____, _____.

Signature: _____
Printed: _____

My Commission expires: _____

SEAL

(Individual Owner)

Signature *Judith R. Adams* (Seal)

Signature _____ (Seal)

Printed Judith R. Adams

Printed _____

(Individual Acknowledgment)

STATE OF GEORGIA

) SS:

COUNTY OF Gwinnett

Before me, a Notary Public in and for said County and State, personally appeared JUDITH ADAMS, Owner(s) of the real estate described above who acknowledged the execution of the foregoing instrument and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 5 day of FEBRUARY, 2021.

Signature *M. Adrian Peele*

Printed M. ADRIAN PEELE

My Commission expires: 10/30/2021



(Organization Owner)

Signature William H. Francis Jr. (Seal)

By Thales Academy

Printed William H. Francis Jr.

Title Chief Financial Officer

(Organization Acknowledgment)

STATE OF North Carolina
COUNTY OF Wake) SS:

I, a Notary Public for said County and State, certify that William H. Francis Jr personally came before me this day and acknowledged that he/she is the Chief Financial Officer of Thales Academy, a (corporation, ~~limited liability company~~, ~~partnership~~) (strike inapplicable) and that by authority duly given as the act of the corporation the foregoing instrument was signed in its name by its Chief Financial Officer sealed with its corporate seal, and attested by himself/herself as its Chief Financial Officer.

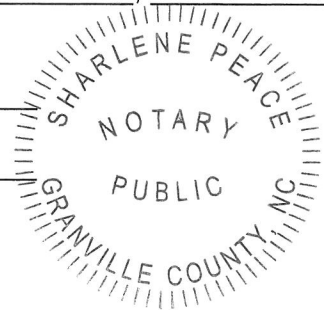
Witness my hand and Notarial Seal this 10 day of February, 2021.

Signature Sharlene Peace

Printed Sharlene Peace

My Commission expires: 10/23/2021

This instrument was prepared by _____.



(Organization Owner)

Signature Jason Amador (Seal)

By PENSCO TRUST CO

Printed Jason Amador

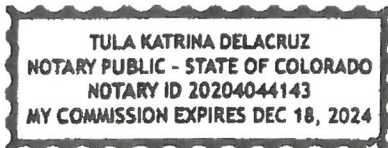
Title Authorized Signer

STATE OF Colorado (Organization Acknowledgment)

) SS:
COUNTY OF Denver

I, a Notary Public for said County and State, certify that Jason Amador personally came before me this day and acknowledged that he/she are the Authorized Signer of PENSCO TRUST CO, a (corporation, limited liability company, partnership) (strike inapplicable) and that by authority duly given as the act of the corporation the foregoing instrument was signed in its name by its Authorized Signer sealed with its corporate seal, and attested by himself/herself as its Authorized Signer.

Witness my hand and Notarial Seal this 5th day of February, 2021.



Signature Tula Katrina DeLaCruz
Printed Tula Katrina DeLaCruz

My Commission expires: 12/18/24

This instrument was prepared by _____

(Organization Owner)

Signature Jason Amador (Seal)

By PENSCO TRUST CO

Printed Jason Amador

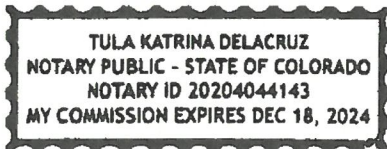
Title Authorized Signer

STATE OF Colorado) (Organization Acknowledgment)

COUNTY OF Denver) SS:

I, a Notary Public for said County and State, certify that Jason Amador personally came before me this day and acknowledged that he/she are the Authorized Signer of PENSCO TRUST CO, a (corporation, limited liability company, partnership) (strike inapplicable) and that by authority duly given as the act of the corporation the foregoing instrument was signed in its name by its Authorized Signer sealed with its corporate seal, and attested by himself/herself as its Authorized Signer.

Witness my hand and Notarial Seal this 5th day of February, 2021.



Signature Tula Katrina DeLaCruz

Printed Tula Katrina DeLaCruz

My Commission expires: 12/18/24

This instrument was prepared by _____.

PLAN CONSISTENCY STATEMENT



Describe how the proposed Zone Map Change request is consistent or supported by the objectives and policies of *Vision Holly Springs: Town of Holly Springs Comprehensive Plan* and how it is inconsistent with the Plan.

You must respond to each section; please type or print legibly in blue or black ink

Project Information:

Project Name: Holly Springs New Hill Mixed Use

Proposed Zoning District: CB-CU - Community Business Conditional Use

Proposed Land Use/Density: Mixed Use Center

Future Land Use Plan Map Designation: Mixed Use Center

Future Land Use Plan Designation Land Use/Density: Mixed Use Center

For DPZ Use only

Project # _____

Date Received:

Plan Consistency Statement:

In accordance with NCGS §160A-383 prior to adopting or rejecting any zoning amendment, the Town Council shall adopt a statement of zoning consistency or inconsistency. Please include as much detailed information about the proposed zoning change and developer offered conditions (if any) or unique conditions associated with this request that support the Town's comprehensive plan objectives and/or policies and why the proposed zoning change is reasonable and in the public interest. If the proposed zoning amendment is not in compliance with the comprehensive plan, the Town Council is required to determine why the proposed zoning change is reasonable and in the public interest if approved. Please provide detailed documentation to assist the Council in making their determination. *Attach Additional Sheets as needed*

Petitioner's Response	Staff's Evaluation
Executive Summary Please see sheets immediately following this page for each response to these questions. Thank you.	☐ Agree ☐ Disagree
Section 1: Future Land Use & Community Character	☐ Agree ☐ Disagree
Section 2: Transportation / Comprehensive Transportation Plan	☐ Agree ☐ Disagree

Section 3: Parks, Recreation & Open Space/Beyond the Green: A Parks & Recreation Master Plan	☐ Agree ☐ Disagree
Section 4: Community Facilities	☐ Agree ☐ Disagree
Section 5: Infrastructure and Utilities	☐ Agree ☐ Disagree
Section 8: Natural Resources	☐ Agree ☐ Disagree

Plan Consistency Response Prepared by:

Preparer's Signature(s)

Date

Anne B. Oakley
 Anne B. Oakley

2-17-2021

Holly Springs New Hill Mixed Use - Petitioner's Responses – Plan Consistency Statement

Executive Summary

The Town of Holly Springs has enjoyed exponential growth in recent years. Much of this growth has been residential with commercial centers filling in along 55-bypass and other major thoroughfares. Vision Holly Springs' Comprehensive Plan, the town's long-term vision document is a working conduit for finding the necessary balance to allow the town to maintain its charm and character while equally working to diversify its tax base. The proposed rezoning request will provide non-residential completion to a high-profile corner and intersection while adding necessary balance to a key area that is designated as Mixed-Use. This request fulfills the Mixed-Use intentions set forth in Vision Holly Springs by adding non-residential uses adjacent to high density residential and educational uses thus serving neighbors and the community.

The Executive Summary, found in the Comprehensive Plan, describes specific guidelines for the town as it steers new development. Several of the statements are applicable to this rezoning request as well as consistent with the request. Specifically:

- 1.) "To enable all residents with the ability to live within walking distance of a neighborhood commercial center and central civic space."
This rezoning request is comprised of six (7) parcels located at the intersection of (3) roads: Old Holly Springs Apex Road, Holly Springs New Hill Road and New Hill Rd. These parcels are located within walking distance to Holly Springs Place a 239-unit multi-family complex, Thales Academy, and Hensley Subdivision a single-family home community. These nearby residential and educational uses will have easy pedestrian connectivity to the proposed commercial uses.
- 2.) "To strategically encourage business park, light industrial and **commercial development** in appropriate locations and balance overall tax base."
Commercial Development is intended for prominent intersections where bicycle, vehicle and pedestrian traffic can access the site safely and efficiently. The intersection of these parcels where 3 major roads come together is a perfect example of such an intersection. By adding commercial uses to this site, it adds necessary balance to the surrounding high-density residential and education uses, as well as adding to the overall non-residential tax base.

Section 1: Future Land Use & Community Character

The Future Land Use and Community Character sections of the town's Comprehensive Plan work to define the characteristics of what Holly Springs seeks to strive for, the idea of maintaining a village atmosphere that embodies small town charm.

A. Future Land Use

The following are specific Future Land Use objectives this rezoning request will satisfy.

- 1.) "Balance land use decisions with their potential impact on the regional transportation network."
As noted above commercial developments should be located where appropriate, in this circumstance appropriate means located at a 3-road major intersection with a network that leads to nearby prominent shopping centers, 55-Bypass, and local high density / single family residential. The road improvements along this proposed commercial site will complete the road frontage leading to an intersection which is already signalized and feeds appropriately into an existing pre-planned commercial roadway network and major thoroughfare 55-Bypass. This site will contribute to construction and / or a fee-in-lieu to the future intersection re-alignment as well. In addition to the vehicular access this site fits neatly into; bicycle and

pedestrian connectivity will allow local employees and nearby residents to take advantage of the personal and professional uses planned within this commercial development.

- 2.) "Prevent sprawl and ensure that community services and infrastructure are used strategically and conservatively."

The (7) parcels that comprise the site of this rezoning are approximately 5.84 acres and conveniently complete this intersection. From Thales Academy to the signal along with road frontage on Old Holly Springs Apex Road across from 239-unit apartments; the commercial use of this site adds community services and infrastructure strategically and conservatively. By adding personal and professional use types, residents and local employees alike can enjoy close vehicle access or take advantage of the pedestrian connectivity this site will offer. The site being generally small and contributing to the in-fill mixed use intent of the overall area help to mitigate single use sprawl and provide community services and infrastructure strategically and conservatively.

B. Community Character

Community character speaks to creating a sense of community and identity for the residents and businesses of the town. To achieve this the Comprehensive Plan has several Community Character Objectives, several of which this rezoning request achieves:

- 1.) "Encourage a "village atmosphere" by creating a sense of community and identity for the residents and business of Holly Springs".

Village atmosphere is a term used often in the Town of Holly Springs. This term lends to a small-town charm. This proposed Commercial Development truly does just that. Imagine staff from Thales Academy or Oak View Elementary who would be able to enjoy walking to personal and professional appointments on their lunch breaks or directly after work. Picture adjacent residents who do not have to get in their cars because they can now walk to attend these appointments. The commercial use of this site creates that sense of community and identity when these personal and professional community uses are conveniently and easily accessed creating the desired village atmosphere.

- 2.) "Enhance the public streetscape with trees, landscaping and street furniture as appropriate along thoroughfares and in the cores of the community growth areas, using both public and private initiatives to develop the character of pedestrian places."

This project will be subject to street tree requirements and this is in conjunction with all other UDO public streetscape requirements. Building orientation will play a critical role and work to establish a public streetscape. When commercial is facing the street, it allows these public streetscapes to occur. All these features contribute to this community growth area and develop the character of local pedestrian places.

- 3.) "Encourage the development of connected pedestrian-oriented developments."

Sideways and connecting Sideways surrounding this property will be the foundation of this pedestrian-oriented commercial center. This planned walkable access will make it easy for nearby residential and schools to access the services at this prominent and convenient location. Together these components create a pedestrian-oriented development the whole community can enjoy.

C. Future Land Use Map

As part of the Future Land Use and Community Character section of the Comprehensive Plan, there is also a Future Land Use Map which places specific land use designations on specific parcels, guiding current property owners and developers on what the town's vision is.

The Comprehensive Plan designates these subject parcels as 'Mixed-Use Center'. The Plan states that:

A Mixed-Use Center offers the opportunity to serve broader economic, entertainment, and housing needs in the community. Land uses and buildings on small blocks in the core may stand three or more stories tall and encourage active public spaces between the buildings. Residential units or office space are found above storefronts. Homes surrounding the core offer several choices to live and experience the center. Parking is satisfied using on-street parking, structured parking, and shared rear-lot parking strategies. The compact, walkable environment and mix of residential and non-residential uses in the center supports multiple modes of transportation, including the potential for transit-oriented development if-when a decision is made to invest in premium transit along the NC 55 corridor.

The intersection of Old Holly Springs Apex Road, Holly Springs New Hill Road and New Hill Road is in a fast pace area of the community. Currently, Holly Springs Place a 239-unit multi-family with clubhouse is under construction directly across Old Holly Springs Apex Road. Thales Academy is located adjacent to the site along Holly Springs New Hill Road with single- family community Hensley on the other side of Thales Academy.

With Residential and Educational uses close to the subject parcels included in this rezoning request, and the addition of this project's commercial uses, a mixed-use center truly begins to take shape. Residents from nearby Holly Springs Place, and Hensley will be able to walk their child to school and potentially continue walking to work in a future professional office.

The Holly Springs New Hill Mixed-Use request meets both the current Land Use Plan and Vision Comprehensive Plan. When developed, this project will offer the necessary commercial component to this corner making it truly reflect a Mixed-Use Center. A walkable, modern village concept that will be a welcomed part of Holly Springs.

Section 2: Transportation / Comprehensive Transportation Plan

As the town experiences continued growth, traffic becomes more and more critical. As a new development, this project will contribute to the mitigation of its potential traffic impacts. This is done through submitting required TIA's and working with both the town's Development Services as well as NCDOT. The developer will work with the Town of Holly Springs to create a Developer Agreement that will outline the full scope of commitments for Traffic Impact at this site.

Transportation

The Comprehensive Plan strives to strike a balance between land use and effective transportation throughout town and has several objectives that suggest how that can be achieved. The proposed rezoning request can meet several of these, specifically:

- 1.) "Promote a pedestrian -friendly environment by filling gaps and improving connectivity throughout the sidewalk system and to key destination or activity nodes."

This project is critical to complete and in-fill this high profile 3-road intersection. With the development of these (7) parcels in a friendly walkable manner while providing thoughtful community business uses. The developer committed to filling a gap by working with the Town of Holly Springs to complete the sidewalk connection from Thales Academy site to this future Commercial Center. With Sidepaths and sidewalks continuing along road frontage, this site greatly promotes pedestrian-friendly connectivity. These contributions improve the pedestrian climate along these major roads and improve connectivity throughout the sidewalk system to key destination or activity nodes.

Comprehensive Transportation Plan

The CTP outlines the same goals or objectives as the transportation section of the Comprehensive Plan. The plan also proposes a multimodal transportation network that fosters growth in a positive way to the surrounding environment. This is done through three distinct elements: roadway, bicycle and pedestrian, and transit. This project is committed to creating a Developers Agreement with the town to define the roadway aspects of how this Developer is able meet these objectives. The pedestrian elements will be added by constructing the required sidepaths and sidewalk along the project frontage. The transit element is dependent on what comes to fruition with future transit options for the town. Currently there is no public transit offered in Holly Springs.

Section 3: Parks, Recreation & Open Space/Beyond the Green: A Parks & Recreation Master Plan

The purpose of the Parks & Recreation Master plan is to acknowledge the importance of providing open space and active opportunities for all town residents. The master plan has several guiding principles, and our rezoning request meets the following:

- 1.) "To enable all residents to live within walking distance of a neighborhood commercial center and central civic space."

This project is in an area that is rapidly changing. Hensley, an existing single-family subdivision, is within walking distance of the proposed project. Across the street, Holly Springs Place apartment community is under construction and just down New Hill Road is Target, restaurants, and additional shopping. All are projects that are recently constructed or already established. All these residents and employees will have an opportunity to walk to this development's personal and professional offices.

This will greatly improve the quality of life for this area of the community.

2.) "To physically unite the Town by connecting existing trails, sidewalks, and open spaces."

To the greatest extent possible, this project will connect sidewalk systems by constructing public sidewalks along its property frontage as required by Town standards. The Developer has committed to working with the Town to bridge the sidewalk gap between Thales Academy and this commercial site. The site will also meet all other requirements to physically unite the town by adhering to the required site improvements.

Section 4: Community Facilities

Community facilities addresses the need to be mindful of the increased demand for public services as the town grows and develops. Community facilities can include fire, police, EMS, as well as public school facilities. The Comprehensive Plan contains several community facilities objectives, specifically our project achieves the following:

1.) "Inform developers when proposing new subdivisions- of the need for residents' access to community facilities and the importance to plan appropriately to enable this access."

Although as a non-residential development, there is less demand for community facilities when compared to a traditional subdivision because there are commercial uses and not residential ones, community facilities may be used in a limited capacity. Developers plan for community facilities such as police, fire and EMS when designing a development. Drive isles are required to be designed to accommodate the largest emergency response vehicle. The turning template is then submitted and reviewed by staff to ensure that the vehicle can safely maneuver through all access points and parking areas. Due to the infill location of this project, existing emergency response facilities are located within close proximity and no issues are perceived with regards to insufficient response time.

Section 5: Infrastructure and Utilities

The Comprehensive Plan strives to ensure that infrastructure such as water, wastewater, stormwater, electric, telecommunications and so forth, with respect to new development can adequately handle new growth. Holly Springs has planned smartly for the rapid growth that it has been experiencing over the last several years. A water agreement is in place with Harnett county where the town is served by abundant water from the Cape Fear River. With regards to sewer, the town has invested in its own wastewater treatment plant. The Town-owned and operated WRF facility presently has a total treatment capacity of 6.0 MGD, and in 2018 treated

approximately 2.8 MGD. The Town has a permit to expand the treatment up to 8.0 MGD. Withthat said, the submitted sewer analysis shows there are no sewer capacity issues to serve our proposed rezoning request.

For many years the town has had established stormwater requirements. This project will be required to meet all NPDES Phase II requirements which will be reviewed duringthe site plan process.

Given our subject project area's close proximity to existing development, there is already electricity in place nearby. Additionally, there are several telecommunication services in proximity also installed to allow for a healthy market of choices for future businesses.

Section 8: Natural Resources

The town is tasked with the challenge of finding a balance between development and preserving the natural environment. Fortunately, the town has many tools it uses during the development process to ensure that there is some thought to that balance. First, the town must verify that each project, meet all state, federal and local requirements when it comes to protecting stream and wetland features. It has been determined that this small commercial development has no such features or wetland, and that this site does not require such environmental reviews.

This project will work to meet the town's requirements for the preservation of Natural Resources.

NEIGHBORHOOD MEETING REPORT



A minimum of fourteen (14) days prior to the scheduled Public Hearing on the Petition, the Petitioner shall submit a report about the Neighborhood Meeting(s) to the Department of Planning & Zoning.

☒ Neighborhood Meeting Date: 04.15.2021
Time: 6:30PM - 7:30PM
Location: Zoom - Video Conferene

For DPZ Use only
Project # _____
Date Received: _____

Notification of Owners:

1. The Petitioner or Petitioner's Agent shall prepare a Neighborhood Meeting Notification to be sent via first class mail to the owner(s) of the land specified on the Petition, owner of land abutting that parcel(s) of land, any homeowners association or property owners association that represents any parcels within that area as shown on the county tax listings and to the Town of Holly Springs Department of Planning & Zoning.
2. The Notice shall include the date, time, and location of the Neighborhood Meeting; the name of the Petitioner; the location of the proposed request (address, tax property identification number, or metes and bounds description); and an explanation of the nature of the request.
3. The Notice shall be deposited in the mail not less than ten (10) days nor more than 25 days before the date of the Neighborhood Meeting.

☐ Complete ☐ Incomplete

☒ Date of Notification Mailing: 03.30.2021

Conduct of Meetings:

At the Neighborhood Meeting, the Petitioner shall explain the proposal and petition, answer any questions, respond to concerns neighbors have about the petition and proposed resolutions to these concerns. Town Staff will not attend the Neighborhood Meeting.

Summary of Issues: See attached complete neighborhood meeting report.

Attach Additional Sheets as needed

Changes made to the Petition by the Petitioner as a result of the meeting:
No changes were requested as a result of this meeting.

Attach Additional Sheets as needed

Additional attachments required for the report:

- ☒ A listing of those persons and organizations that were sent notification about the Neighborhood Meeting.
☐ A copy of the signed attendance list that includes names and addresses of those in attendance. On-line - N/A

Neighborhood Meeting Report Prepared by:

Preparer's Signature(s)
Anne B. Oakley, Operations Manager
Anne B. Oakley

Date
04.30.2021

April 15, 2021

Town of Holly Springs
Development Services
120 S. Main Street
Holly Springs, NC 27540

RE: Neighborhood Meeting Summary: Holly Springs New Hill Rezoning 21-REZ-01

To whom it may concern:

The Spaulding Group, PA acting as the consultant and applicant respectfully submitted a Rezoning Petition request for 7 parcels located at the intersection of Holly Springs New Hill Rd and Old Holly Springs Apex Road; more particularly described as:

PIN #	REID	ACREAGE	CURRENT ZONING
0649.35.3581	0031660	0.93	R-10: Residential
0649.25.8795	0084548	3.71	R-10: Residential
0649.35.3728	0031659	0.76	R-10: Residential
0649.35.3599	0183053	0.29	R-10: Residential
0649.35.2626	0047145	1.00	R-10: Residential
0649.25.7680	0072447	0.12	R-10: Residential
no PIN available	no REID available	See legal description	R-10: Residential

Presently vacant, the subject parcels totaling ± 6.81 acres are zoned R-10: Residential. A Rezoning Petition was submitted to propose all parcels be rezoned to Community Business Conditional Use. In compliance with required notifications for a rezoning, a Neighborhood meeting was held on Thursday, April 15, 2021 via ZOOM. (Please see attached adjacent property owner mailing list, and neighborhood meeting invite.) The following is a summary of the meeting:

The applicants were present in the ZOOM forum at 6:15pm and the meeting began at 6:35pm. Aside from the applicants, two other individuals attended and one elected not to speak. The applicant provided a vicinity map on the screen to orient the proposed property and explained the current zoning and proposed zoning to the meeting attendees. After this introduction, the applicant opened the meeting for any questions.

Ryan Roberts – Pensco Group a property owner stated he was on the call to listen on behalf of the investors of Pensco Group and ask questions. He asked if the property taxes would go up because of the rezoning, if the rezoning would be conditional use and if an annexation would be involved?

Anne Oakley – The Spaulding Group, PA replied the property taxes will adjust to the commercial rate for Wake County, and the property value will likely increase due to its new

THE SPAULDING GROUP, PA
planning • civil engineering

Commercial designation. The rezoning petition is conditional use, and the conditions include excluding certain permitted uses to help form the expectations for the future commercial center. As all parcels are already within town limits, an Annexation was not required for these parcels.

Tom Spaulding – The Spaulding Group, PA advised the major concern with the overall project is the potential for expensive road improvements, understanding this factor and how the town will negotiate with the Property owners and Developer will be key to the overall outcome.

Ryan Roberts – Pensco Group advised his group of investors are in support of the project and proposed rezoning, he stated it is a unique opportunity to collaborate this group of landowners and bring commercial development to this intersection and he hopes the Town will also see that as a unique opportunity. He asked questions regarding what are the next steps that lead to full approval and where will this property access sewer? What type of timeline is the TIA review going to be on and when do we anticipate project approval?

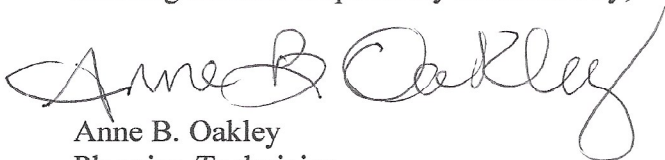
Tom Spaulding – The Spaulding Group, PA explained the 3 steps of the submittal process to achieve Construction Drawing approval and begin development. He also advised sewer runs along Holly Springs Road and the project can tie in there. Mr. Spaulding explained the TIA review process with the town and advised that a Developer's Agreement will have to be worked out. Due to the project's submittal date schedule it should follow May Planning Board and June Town Council; this could change depending on the review cycle of the TIA.

Rehab Hamad – Triland Property Assured Mr. Roberts that the Real Estate Team who brought these property owners together and The Spaulding Group acting as the applicant are an experienced team who are all committed to working together to ensure the success of this project. She further reiterated Mr. Spaulding's concerns with the potential for expensive road improvements that could threaten the feasibility of the project.

Ryan Roberts – Pensco Group thanked everyone on the call and concluded that this small 6 acre project would not be a major traffic contributor and should not be made to carry expensive road improvements. He advised that the investors of Pensco Group are in full support and to let them know whatever they can do to support this project.

Tom Spaulding – The Spaulding Group, PA thanked everyone on the call for attending and asked if anyone else had any other questions; hearing no questions he made a motion to adjourn the meeting. Motion was seconded by Ms. Rehab Hamad and the online ZOOM meeting concluded at 7:25PM.

Meeting minutes respectfully submitted by,



Anne B. Oakley
Planning Technician
The Spaulding Group, PA

THE SPAULDING GROUP, PA
planning • civil engineering

March 30, 2021

Subject: Holly Springs New Hill Mixed Use – 1300/1338/1340 New Hill Rd & 0/4528/4544
Old Holly Springs Apex Road
Wake County Parcel Identification Numbers: 0649.35.3581; 0649.25.8795; 0649.35.3728;
0649.35.3599; 0649.35.2626; 0649.25.7680

Dear Neighbor:

This letter is inviting you to an informational meeting to review the proposal for a mixed-use rezoning on 7 parcels totaling approximately 6.81 acres, located at the addresses listed above. (please see maps included in this letter outlining the specific parcels in yellow). This request is to rezone these parcels to Community Business Conditional Use. At this meeting we will discuss the petition and provide an overview of the proposed commercial rezoning.

Meeting Information:

Location: This meeting will be held remotely on Zoom, see the accompanying page for directions on how to join.

Date: Thursday, April 15, 2021

Time: 6:30pm - 7:30pm

Please feel free to contact us with any questions or concerns regarding this petition. If you do not wish to participate in the Zoom meeting on April 15, please feel free to contact Tom Spaulding or Anne Oakley at any time, 919-854-7990, or tom@spaulding-group.com; anne@spaulding-group.com.

Sincerely,

Anne B. Oakley
The Spaulding Group, PA
919-854-7990

Instructions on how to join the Neighborhood Meeting via Zoom

Online:

- Before the meeting, go to this link: <https://www.zoom.com> to download and sign- up for the Zoom application.
- At the time of the meeting, join the meeting via the same link.
- The Webinar ID is: 910 5368 4775 Passcode: 756075
- Upon joining, you will be added to the audience and your input will be automatically on mute. To ask a question, select the “raise hand” button and the meeting leader will call on you in the order your raised hand was received.
- **If you have questions, but do not wish to join the neighborhood meeting via Zoom, please feel free to contact Tom Spaulding or Anne Oakley at any time, 919-854-7990, or tom@spaulding-group.com; anne@spaulding-group.com.**

By Phone:

- At the time of the meeting dial one of the following numbers:
 - 1 646 876 9923 US
 - 1 301 715 8592 US
 - 1 312 626 6799 US
 - 1 346 248 7799 US
 - 1 408 638 0968 US
 - 1 669 900 6833 US
 - 1 253 215 8782 US

(multiple numbers are offered in case one gives a busy signal)

- The Webinar ID is: 910 5368 4775 Passcode: 756075

Upon joining, you will be added to the audience and your input will be automatically on mute. To ask a question, press *9 and the moderator will call on you in the order your raised hand was received.

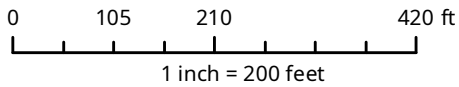
By iPhone one-tap:

- +16468769923,,91053684775#,,,*756075# US
- +13017158592,,91053684775#,,,*756075# US

Upon joining, you will be added to the audience and your input will be automatically on mute. To ask a question, press *9 and the moderator will call on you in the order your raised hand was received.



New Hill Rez VICINITY



Disclaimer
*iMaps makes every effort to produce and publish the most current and accurate information possible. However, the maps are produced for information purposes, and are **NOT** surveys. No warranties, expressed or implied, are provided for the data therein, its use, or its interpretation.*

Holly Springs New Hill Rezoning 200 Ft Buffer Adjacent Property Owners

PIN	Real Estate ID	Owner	Mail Address 1	Mail Address 2	Mail Address 3	Site Address	City
649255277	121263	PARRISH WOMBLE HEIRS	114 HICKORY ST	HOLLY SPRINGS NC 27540		1347 HOLLY SPRINGS NEW HILL RD	HOLLY SPRINGS
649257396	41672	LESLIE, LISA LESLIE, CALVIN	PO BOX 574	HOLLY SPRINGS NC 27540-0574		1341 HOLLY SPRINGS NEW HILL RD	HOLLY SPRINGS
649257518	153855	HOLLY SPRINGS TOWN OF	TOWN ATTORNEY	PO BOX 8	HOLLY SPRINGS NC 27540-0008	0 HOLLY SPRINGS NEW HILL RD	HOLLY SPRINGS
649257680	72447	THALES ACADEMY	1340 NEW HILL ROAD	APEX NC 27539		1340 NEW HILL RD	HOLLY SPRINGS
649258280	222650	MCNEIL, BARBARA LESLIE	1335 NEW HILL RD	HOLLY SPRINGS NC 27540-6102		1325 HOLLY SPRINGS NEW HILL RD	HOLLY SPRINGS
649258795	84548	TAYLOR, JAMES T TAYLOR, RONALD A	305 FOXWOOD TRL	PITTSBORO NC 27312-9591		1338 NEW HILL RD	HOLLY SPRINGS
649265028	37397	THALES ACADEMY	4641 PARAGON PARK RD	RALEIGH NC 27616-3406		11244 HOLLY SPRINGS NEW HILL RD	HOLLY SPRINGS
649350244	119026	BIG BOSS LITTLE BOSS LLC	5109 BARTIZAN DR	HOLLY SPRINGS NC 27540-6307		11213 HOLLY SPRINGS NEW HILL RD	HOLLY SPRINGS
649352029	41677	TRIANGLE STORAGE I LLC	201 S ELLIOTT RD APT 511	CHAPEL HILL NC 27514-5975		1309 NEW HILL RD	HOLLY SPRINGS
649352626	47145	PENSCO TRUST CO CUSTODIAN	FBO SUSAN G EDWARDS	PO BOX 173859	DENVER CO 80217-3859	4528 OLD HOLLY SPRINGS APEX RD	HOLLY SPRINGS
649353198	12258	UPPERMAN, SHIRLEY A STEPHENS, LILLIE C	103 PLAZA DR	GARNER NC 27529-2725		1303 NEW HILL RD	HOLLY SPRINGS
649353581	31660	ADAMS, JUDITH R	346 CANTERBURY PLACE DR	SUWANEE GA 30024-7497		1300 NEW HILL RD	HOLLY SPRINGS
649353599	183053	TAYLOR, JAMES T	305 FOXWOOD TRL	PITTSBORO NC 27312-9591		4544 OLD HOLLY SPRINGS APEX RD	HOLLY SPRINGS
649353728	31659	TAYLOR, JAMES T	305 FOXWOOD TRL	PITTSBORO NC 27312-9591		0 OLD HOLLY SPRINGS APEX RD	HOLLY SPRINGS
649361536	65323	WOMBLE, TOMMY L MCIVER, PATTY W	LINDA F JOHNSON ADMIN	PO BOX 446	FUQUAY VARINA NC 27526-0446	4500 OLD HOLLY SPRINGS APEX RD	HOLLY SPRINGS
649367355	67333	KRG BENNET KNOLL LLC	KITE REALTY GROUP	30 S MERIDIAN ST STE 1100	INDIANAPOLIS IN 46204-3565	1501 HENDRICKS HILL LN	HOLLY SPRINGS
649451311	409311	TARGET CORP	PROPERTY TAX DEPT T-2785	PO BOX 9456	MINNEAPOLIS MN 55440-9456	100 GRAND HILL PL	HOLLY SPRINGS
		TAYLOR, JAMES T	14 OAK TREE DRIVE	NEW SMYRNA BEACH, FL 32169-4311			
		TAYLOR, RONALD A	213 JAMES STREET	APEX, NC 27502			
		EDWARDS, MIKE & SUE	310 TAYSIDE STREET	CLAYTON, NC 27520			
		ROBERTS, RYAN & KATHRYN	383 Aster Place	HAMPSTEAD, NC 28443			

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**DEVELOPMENT AGREEMENT REGARDING INFRASTRUCTURE
CONSTRUCTION AND FEE REIMBURSEMENT**

BY AND BETWEEN

**NEW HILL 1300, LLC
&
THE TOWN OF HOLLY SPRINGS**

THIS AGREEMENT (“Agreement”), made and entered into this ____ day of _____, 2021, by and between the **TOWN OF HOLLY SPRINGS**, a North Carolina Municipal corporation, hereafter referred to as the “Town” and **NEW HILL 1300, LLC**, a Delaware limited liability company, its successors and/or assigns, hereafter referred to as the “Developer.”

WITNESSETH:

WHEREAS, the Developer or its affiliate is the fee simple owner or contract purchaser of several tracts of land held in common for development, the total of which are approximately 5.85 acres in size, which are shown in **Exhibit A**, attached hereto and incorporated herein by reference (the “Property”); and,

WHEREAS, the Developer seeks to develop the Property and has requested that the Town approve [NAME OF MASTER PLAN] (the “Master Plan”) dated [DATE OF MASTER PLAN], as may be later amended and approved by the Town; and,

WHEREAS, the Developer desires careful integrations between public and private capital facilities planning, financing, and construction, and further desires sufficient assurances that development standards, ordinances, policies and procedures remains stable throughout the extended period of development; and,

WHEREAS, it is beneficial to the Town and Developer to construct and coordinate certain off-site road improvements to serve the proposed development and future development in the Town; and

WHEREAS, the Town is authorized to enter into this contract pursuant to N.C.G.S. § 160D-1001(b) and 160D-1003, and may contract with the Developer to carry out the public purposes set forth herein pursuant to N.C.G.S. §160D-1001(a) and the Town Council of Holly Springs has determined that it is in the best interests of its citizens to do so; and,

WHEREAS, the Developer has offered certain Zoning Conditions listed in Exhibit C and has done so voluntarily and agrees to be bound by those conditions.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, which are incorporated by reference as if set forth below, the Town and the Developer agree as follows:

ARTICLE I

1. **General:** All terms of this Agreement shall become enforceable upon the later of: (i) the signing of this Agreement by the Developer and ratification of this Agreement by the Town Council; (ii) the annexation of the Property into the Town; and (iii) the approval of the Development Plan by the Town Council (i)-(iii), (the “Conditions Precedent”). For the portions of the Property not currently within the corporate limits of the Town (the “ETJ Property”), the Holly Springs Town Council shall in its sole legislative discretion make the determination after holding a public hearing on the matter as to whether the ETJ Property shall be annexed into the corporate limits of the Town.

2. **Definitions:**

- a. **Actual Costs:** The amount of true costs actually incurred for construction of a certain project described herein upon final completion and approved by the Town, inclusive of the cost of acquiring easements or rights of way from those not party to this agreement, but exclusive of any administrative costs (i.e., profit and overhead) of the Developer, or any project construction contingency. Any such costs which herein after are agreed to be reimbursed or otherwise paid by the Town shall be audited by the Town under generally accepted accounting principles for governments for a period of three (3) years after the last act under this Agreement. Developer’s right of reimbursement for Actual Construction Costs pursuant to the terms of this Agreement is contingent upon Developer first receiving from the Town advance written consent to the expected cost of an applicable transaction before the cost is incurred, provided, that such consent shall not be unreasonably withheld or delayed by the Town.
- b. **Conditions Precedent:** The conditions referenced in subsections (i)-(iii) of Article I, Section 1 of this Agreement.
- c. **Construction Drawings:** The civil engineering drawings for the Project as submitted to and approved by the Town and other applicable authorities as required for the issuance of construction permits for the Project.
- d. **Development Plan:** The Development Plan approved for the Project, as approved by the Town Council, together with approved civil construction drawings approve by the Town’s Development Services department, containing each of the zoning conditions listed in Exhibit C.
- e. **Infrastructure Project(s):** Any project described herein that will become an asset of the Town or NCDOT, regardless of who constructs it.

- f. **Project**: The Developer's plan to develop the Property in the manner described in the Development Plan, and as approved by the Town Council of Holly Springs through its normal development process.
- f. **Project Permits**: The building permits for the construction of the Project pursuant to the approved Construction Drawings.

ARTICLE II DESCRIPTION OF AGREEMENT

1. **TERM**: The duration of this Agreement is for ten (10) years. The parties are not precluded from entering into subsequent agreements that may extend the original term.

2. **PHASING**: It is anticipated that the Project will be constructed in two phases as outlined below and in the Development Plan (each, a "Phase"). Phasing of the Project and associated development levels may be updated administratively by Town staff as development plans are submitted and traffic studies updated.

(a) Phase one will include approximately _____ square feet of _____ space ("Phase 1"). For purposes of this Agreement, Phase 1 shall commence upon the filing of the first site plan application for the Project. Phase 1 shall consist of not more than 2 buildings on land comprising 3 acres or less.

(b) Phase two will include approximately _____ square feet of _____ space ("Phase 2").

Prior to approval of civil construction drawings of any phase, the Developer shall (i) dedicate all necessary rights of way and easements to the Town necessary for the realignment of the intersection of Holly Springs New Hill Road and Old Holly Springs Apex Road, (ii) construct any needed Infrastructure Project; and (iii) pay to the Town a fee in lieu as described in paragraph 4 below. Developer shall cooperate with granting of additional easements, if required, in order to effectuate all of the Infrastructure Projects construction, repaired, or reconstructed during the term of this Agreement.

3. **ROAD IMPROVEMENTS**: The Developer shall construct all road improvements as a public Infrastructure Project as detailed on the Development Plan.

4. **ADDITIONAL DEVELOPER CONTRIBUTION (FEE IN LIEU)**. In addition to the Road Improvements, the Developer has agreed to and shall contribute \$208,800 to the realignment of the intersection of Old Holly Springs Apex Road and Holly Springs New Hill, to be constructed by others.

ARTICLE III DEVELOPER'S DUTIES

Subject to the satisfaction of each of the Conditions Precedent:

1. If the Developer constructs the Project, then Developer shall do so in accordance with the Construction Drawings approved by the Town, requirements of the Town, and according to engineering best practices.
2. The Developer shall adhere to all of the voluntary Zoning Conditions listed in Exhibit C.
3. As a condition precedent to the issuance of the Project Permits for a Phase, the Developer shall procure and provide to the Town a completion bond for the portion of the TIA Road Improvements included in that Phase as enumerated in Article I, Section 3 of this Agreement (the “Bonds”, and each, a “Bond”). Each Bond shall secure the Developer’s obligations to construct the TIA Road Improvements for a Phase prior to receiving any certificate of occupancy for that Phase. Each Bond shall be released upon the completion of construction of the portion of the TIA Road Improvements subject to the Bond. Provided, however, that if the Developer elects to pay a fee-in-lieu as outlined in Article II, Section 6, of this Agreement, no Bond or other security shall be required.

ARTICLE IV DEVELOPER BENEFITS

(Insert provisions addressing conveyance of land owned by Town)

1. **LAND DEDICATION:** In exchange for construction of the TIA Road Improvements, or payment of fees-in-lieu as outlined above and Developer’s contribution to the Realignment, the Town shall convey to the Developer land along Holly Springs New Hill Road, as more particularly described in **Exhibit B** (the “Town Land”) to facilitate the Project. Prior to the issuance of building permits for Phase 1, the Town shall convey the Town Land to the Developer and the Developer shall file a subdivision plat to incorporate the Town Land as part of the overall Project tract.

ARTICLE V OTHER

Subject to the satisfaction of each of the Conditions Precedent:

1. If Developer elects to pursue the development and construction the Project, then the Developer shall be responsible for the complete design and construction of the Project, including all surveying, design, permitting, plat preparation and recordation, testing, engineering, bidding, construction, inspection, acceptance, easement maps and documents, construction management, construction administration, and all other necessary functions to insure complete-in-place, fully functional Project built and operational in accordance with Town and State standards and approved plans for the project. The costs of all of these items shall be borne by the Developer and shall not be subject to reimbursement or participation by the Town, except as specifically described herein.

2. The Town agrees that it shall act consistent with its rules, regulations, and common practices on any application for permits associated with the development of the Project.

3. In the course of installing the Project or any other work on easements obtained by the Town and under the Town's ownership, the Developer shall operate under permission to encroach onto a Town easement and rights of way and shall hold the Town harmless. The Developer agrees to protect, defend, indemnify and hold the Town of Holly Springs and its officers, employees and agents (collectively, "Indemnified Parties") free and harmless from and against any and all direct and actual losses, penalties, damages, settlements, costs, charges, liens, professional fees, or other expenses or liabilities caused by Developer or its contractors or agents entry onto and performance of work on the easements and rights of way of the Town in connection with the development of the Project and not resulting from the gross negligence or intentional misconduct of any of the Indemnified Parties ("Indemnified Matters"). The Developer further agrees to investigate, handle, provide defense for and respond to, any claims pertaining to Indemnified Matters at its sole expense and agrees to bear all other costs and expenses related thereto, even if such claims are groundless, false, or fraudulent.

4. All projects shall be subject to the Town's policies and procedures regarding Town acceptance on infrastructure.

5. It shall be the responsibility of the Developer to ensure that all regulatory approvals for each project are in place before beginning construction.

6. Payment of the Fee in Lieu payments by the Developer is in full satisfaction of any component of the Road Improvements (as defined above) and by making such payment, each party fully and completely releases the other from current and future obligations relating to such component of the Road Improvements.

7. All notices, reports, and other communications given pursuant to this Agreement shall be in writing and shall either be mailed by first class mail, postage prepaid, certified or registered with return receipt requested, or delivered in person to the intended addressee. Notice sent by certified or registered mail shall be effective upon the date of delivery indicated on the return receipt. Notice given in any other manner shall be effective upon actual receipt by the addressee.

8. Notices under this agreement shall be to the following:

FOR THE TOWN:

Randy J. Harrington
Town Manager
PO Box 8
Holly Springs, NC 27540
Reference: CRESCENT
COMMUNITIES

FOR THE DEVELOPER:

9. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina. The parties consent to the jurisdiction of Wake County.

10. This Agreement is not assignable by the Developer to an unaffiliated third-party without the prior written consent of the Town, which consent may be evidenced by written communication from the Town Manager. However, Developer may assign its rights and obligations under this Agreement to an entity in which Developer or any of its direct or indirect owners has an interest without the necessity of further consent.

11. The section and subsection headings in this Agreement have been included for convenience only, and are not part of the Agreement and shall not be taken as an interpretation of any provision of this Agreement.

12. A ruling by any court that one or more of the provisions contained in this Agreement is invalid, illegal, or unenforceable in any respect shall not affect any other provision of this Agreement so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Thereafter, this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had been amended to the extent necessary to be enforceable within the jurisdiction of the court making the ruling and to preserve the transactions contemplated by this Agreement to the greatest extent possible.

13. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and there are no representations, warranties, covenants or obligations except as set forth in this Agreement. This Agreement supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions relating to the subject matter hereof, written or oral, of the parties.

14. It is anticipated that, upon completion of the Roadway Improvements, following any necessary holding periods, the roadway improvements constructed pursuant to this Agreement shall be dedicated to the Town (or such other applicable government entity), and upon dedication, conveyance or assignment of such easements/improvements to the proper governmental entity, the obligations of the Developer with respect thereto shall terminate, and such applicable governmental entity shall have the continuing and ongoing obligation to maintain and repair the same.

15. This Agreement does not guarantee any specific approvals of any proposed development plan, provided, however, that all approvals granted prior to the date of this Agreement shall continue to be valid and in full force and effect.

16. Exhibit List: The following exhibits are hereby incorporated by reference:

EXHIBIT A: Description of Parcels

EXHIBIT B: Description of Town Land

EXHIBIT C: Zoning Conditions

[Signatures Appear on Following Page]

DRAFT

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

THE TOWN

(Town Seal)

TOWN OF HOLLY SPRINGS

BY: _____
Randy J. Harrington, Town Manager

ATTEST:

[] Linda McKinney, Town Clerk
[] Kathryn White, Deputy Town Clerk

This document is sufficient as to form.

John P. Schifano, Town Attorney

This instrument has been pre-audited in the manner proscribed by the Local Government Finance Act.

Antwan Morrison
Finance Director

NORTH CAROLINA
WAKE COUNTY

I, a Notary Public of the County and State aforesaid, certify that _____ personally came before me this day and acknowledged that she is the Town Clerk/Deputy Town Clerk of the Town of Holly Springs, and that the seal affixed to the foregoing instrument in writing is the corporate seal of said Town, and that said writing was signed and sealed by her in behalf of said corporation by its authority duly given and the said person acknowledged this writing to be the act a deed of said corporation.

WITNESS my hand and official stamp (or seal), this the ____ day of December, 2021

Notary Public

My Commission Expires: _____

Date: _____

_____, Notary Public

[Affix Notary Stamp or Seal]

My Commission Expires: _____

THE DEVELOPER

CRESCENT COMMUNITIES, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

STATE OF _____
_____ COUNTY

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: _____.

Date: _____, _____, Notary Public

[Affix Notary Stamp or Seal]

My Commission Expires: _____

EXHIBIT A

DESCRIPTION (THE "PROPERTY") OF 5.855 ACRES IN
HOLLY SPRINGS, WAKE COUNTY, NORTH CAROLINA.

PARCEL INFORMATION			
OWNER	PARCEL #	ZONING	AREA*
James T. Taylor & Ronald A. Taylor	0649258795	R-10: Residential	3.328 ac
James T. Taylor & Ronald A. Taylor	0649353728	R-10: Residential	0.649 ac
James T. Taylor & Ronald A. Taylor	0649353599	R-10: Residential	0.242 ac
Pensco Trust Co.	0649352626	R-10: Residential	.924 ac
Thales Academy	0649257680	R-10: Residential	0.117 ac
Judith R. Adams	0649353581	R-10: Residential	0.581 ac
Town of Holly Springs	No parcel #	No zoning	.014 ac.
		Total	5.855 ±ac

EXHIBIT B
The Town Land

All of that property northeast of the right-of-way of Green Oaks Parkway as shown in Book of Maps 2006, Page 2291, Wake County Registry.

Approximately 0.7700 acres labeled as Tract 2 and more particularly described in Deed Book 13263, Page 1468, Wake County Registry.

DRAFT

EXHIBIT C
VOLUNTARY ZONING CONDITIONS

1. Buildings shall have a minimum height of 20 feet and 2 stories with the exception of 1 single-story building allowed for childcare/pre-school or similar uses. The single story building is still required to meet the 20 foot minimum height requirement.
2. The 10' pedestrian side path will be extended to the existing stub within the right-of-way in front of Thales Academy (PIN 0649265028)
3. Drive-thru facilities (if any) shall position service lanes to run parallel with Old Holly Springs Apex Road to allow for safe pedestrian access to the facility and commercial center.
4. The following uses shall be prohibited:
 - a. Motorcycle/Scooter Sales
 - b. Self Service Laundry/Costume Rental
 - c. Public Utility Substation
 - d. Bed & Breakfast/Bus Station/Agricultural Seed Sales
 - e. Neighborhood Recycling Collection Point
 - f. Automobile Parts Sales (new)
 - g. Quick Oil Change Facility
 - h. Car Wash (automatic or self)
 - i. Gasoline Service Station without repair
5. Any restaurant business having a drive-thru service shall be part of a two-story building and will require a Special Exception Use permit
6. All parking areas located between a front building line and a street shall be limited to either a single loaded parking area or 1 double loaded parking area with 1 access drive.
7. Low-impact landscape design techniques and sustainable stormwater practices will be incorporated into the development.
8. The Town requires certain fees to be paid upon development of land and for the granting of a building permit. Said fees are listed in the Town's annual budget, and with this rezoning the Developer agrees he/she (i) is familiar with these fees, (ii) does not dispute the reasonableness of these fees as set forth in the Town's annual budget; and (iii) notwithstanding any reimbursements discussed at this time through an Infrastructure Reimbursement Agreement, hereby agrees to timely pay all normal and customary fees applicable to Developer in connection with Non-Residential and Residential Projects. Such fees are listed in the current year annual budget of fees at the time the fee is due under the ordinary course of development unless otherwise specifically noted in the Developer Agreement.
9. The Town requires, pursuant to N.C.G.S. § 160A-372, the dedication and construction of streets and rights of way, as shown in the approved Comprehensive Transportation Plan

and the approved Transportation Assessment Report, to create conditions essential to public health, safety, and the general welfare. A rezoning may be delayed until such time as necessary transportation improvements (to include offsite improvements) may be made, unless the Town and the Developer can enter into agreements to accelerate the time for completion of these needed improvements.

10. A fee-in-lieu (FIL) will be offered towards the realignment of Old Holly Springs & New Hill Roads. Developer offers the amount of \$234,000 to be paid at release of construction drawings.
11. Development may be split into two Phases. Phase 1 defined as up to 3 acres developable beside Thales Academy PIN 0649265028 (not to include any shared SCM or parking/entrances on remaining acreage). Phase 2 shall be the remaining developable acreage towards the intersection of Old Holly Springs & New Hill Roads. Should the development be divided into 2 phases, then Developer shall pay the proportionate share of the FIL at time of approval of those construction drawings for Phase 1. Proportionate share to be determined as a percentage of acreage developed versus overall acreage. Developer shall be responsible for any thoroughfare widening as part of the overall development or Phasing and any improvements such as turn lanes required by NCDOT.



THE TOWN OF

Holly Springs

Ordinance No.: RZ21-07

Date Adopted: January 4, 2022

Effective Date: January 4, 2022

**AN ORDINANCE TO AMEND SECTIONS OF THE CODE OF ORDINANCES
TO MODIFY APPENDIX A: UNIFIED DEVELOPMENT ORDINANCE: OFFICIAL ZONING MAP
AND ADOPT THE COMPATIBILITY STATEMENT REQUIRED BY
NORTH CAROLINA GENERAL STATUTES 160D-605**

WHEREAS, the Town of Holly Springs Town Council adopted *Vision Holly Springs: Town of Holly Springs Comprehensive Plan* in November 2007 and updated the plan in 2009, 2018, 2019; and

WHEREAS, the Town of Holly Springs has received a request to modify the Official Zoning Map for : #21-REZ-01 to change the zoning of approximately 5.855 acres property identified by Wake County PINs 0649258795, 0649353728, 0649353599, 0649352626, 0649257680, 0649353581 and land described in the legal description as: Beginning at a rebar set at the turnout of Old Holly Springs-Apex Road (SR 1153) (75' Public Right of Way) and Holly Springs-New Hill Road (SR 1152)(Variable Width Public Right of Way), said rebar being North 27°14'10" West 5,355.23 feet from N.C.G.S. Monument "Seagraves", said monument having N.C. Grid Coordinates (NAD83/1995) of N=690,714.40, E= 2,045,932.34, thence from said Beginning point, along said Old Holly Springs-Apex Road (SR 1153) western right of way turnout South 46°28'25" West 37.32 feet to a rebar set on the northern right of way of Holly Springs-New Hill Road (SR 1152)(Variable Width Public Right of Way), thence along said right of way North 74°46'09" West 48.49 feet to a rebar set, thence North 78°22'12" West 59.31 feet to a rebar set, thence North 80°49'30" West 56.79 feet to a rebar set, thence North 82°33'49" West 46.08 feet to a rebar set, thence North 72°35'19" West 20.25 feet to a rebar set, thence North 81°23'58" West 83.00 feet to a rebar set, thence North 81°23'58" West 104.62 feet to a rebar set, thence North 82°25'23" West 2.86 feet to a rebar set, thence North 82°25'23" West 9.92 feet to a rebar set, thence North 82°25'23" West 49.65 feet to a rebar set, thence North 82°25'23" West 92.10 feet to a rebar set, thence North 81°54'54" West 23.05 feet to a rebar set, thence North 81°54'54" West 35.37 feet to a rebar set, thence North 74°39'03" West 25.78 feet to a rebar set, thence North 04°05'04" East 3.15 feet to a rebar set, thence North 81°56'17" West 2.88 feet to a rebar set, thence North 86°08'51" West 13.67 feet to a rebar set, thence North 74°39'03" West 44.30 feet to a rebar set, thence North 74°39'03" West 13.60 feet to a rebar set, thence leaving said Holly Springs-New Hill Road (SR 1152)(Variable Width Public Right of Way) North 03°54'25" East 320.78 feet to an existing 1/2" iron pipe, thence South 86°41'02" East 478.18 feet to an existing 1 1/2" iron pipe, thence South 86°55'37" East 173.02 feet to a point on the western right of way of Old Holly Springs-Apex Road (SR 1153) (75' Public Right of Way), thence along said right of way with a curve to the left, having an arc length of 101.96 feet, a radius of 2,935.00 feet, and a chord bearing and distance of South 09°57'17" East 101.95 feet to a rebar set, thence South 10°57'00" East 48.92 feet to a rebar set, thence South 10°57'00" East 94.18 feet to a rebar set, thence South 10°57'00" East 66.00 feet to a

rebar set, thence South 10°57'00" East 69.47 feet to a rebar set, thence South 17°27'46" East 13.13' to the point and place of Beginning containing 5.855 Acres more or less from R-10: Residential to CB CU: Community Business Conditional Use; and

WHEREAS, the *Vision Holly Springs: Town of Holly Springs Comprehensive Plan* designates said parcel on the *Future Land Use Map* as Mixed Use Center; and

WHEREAS, the zoning allows land uses that are consistent with the adopted *Vision Holly Springs: Town of Holly Springs Comprehensive Plan Future Land Use Map*, and

WHEREAS, the Holly Springs Planning Board reviewed this request at a Public Meeting on November 23, 2021 and recommended approval by a vote of 5-1-2; and

WHEREAS, an opportunity for public input into the suggested amendment has been offered in a public hearing before the Town Council; and

WHEREAS, after considering the recommendation of the Holly Springs Planning Board and the public input offered in a public hearing before the Town Council, the Town Council finds amending the Official Zoning Map will meet the development needs of the community and help achieve the *Vision Holly Springs: Town of Holly Springs Comprehensive Plan*,

WHEREAS, the Town Council finds the proposed amendment to the Official Zoning Map is reasonable and in the public interest as it is consistent with the Vision Holly Springs Comprehensive Plan and Future Land Use Map designation of Mixed Use Center and will allow for the development of broader economic, entertainment, and housing needs in the community compatible with adjacent uses.

BE IT ORDAINED by the Holly Springs Town Council of the Town of Holly Springs, North Carolina, that the Unified Development Ordinance of the Town is amended as follows:

Part 1: Amend Unified Development Ordinance Section 1.20, C. Official Zoning Map with the following rezoning request: #21-REZ-01 to change the zoning of approximately 5.855 acres of Wake County PINs 0649258795, 0649353728, 0649353599, 0649352626, 0649257680, 0649353581 and land described in the attached legal description from R-10: Residential to CB CU: Community Business Conditional Use with conditions 1-11 as submitted.

1. Buildings shall have a minimum height of 20 feet and 2 stories with the exception of 1 single-story building allowed for childcare/pre-school or similar uses. The single-story building is still required to meet the 20 foot minimum height requirement.
2. The 10' pedestrian side path will be extended to the existing stub within the right-of-way in front of Thales Academy (PIN 0649265028)
3. Drive-thru facilities (if any) shall position service lanes to run parallel with Old Holly Springs Apex Road to allow for safe pedestrian access to the facility and commercial center.
4. The following uses shall be prohibited:
 - a. Motorcycle/Scooter Sales
 - b. Self Service Laundry/Costume Rental
 - c. Public Utility Substation
 - d. Bed & Breakfast/Bus Station/Agricultural Seed Sales
 - e. Neighborhood Recycling Collection Point

- f. Automobile Parts Sales (new)
 - g. Quick Oil Change Facility
 - h. Car Wash (automatic or self)
 - i. Gasoline Service Station without repair
5. Any restaurant business having a drive-thru service shall be part of a two-story building and will require a Special Exception Use permit
 6. All parking areas located between a front building line and a street shall be limited to either a single loaded parking area or 1 double loaded parking area with 1 access drive.
 7. Low-impact landscape design techniques and sustainable stormwater practices will be incorporated into the development.
 8. The Town requires certain fees to be paid upon development of land and for the granting of a building permit. Said fees are listed in the Town's annual budget, and with this rezoning the Developer agrees he/she (i) is familiar with these fees, (ii) does not dispute the reasonableness of these fees as set forth in the Town's annual budget; and (iii) notwithstanding any reimbursements discussed at this time through an Infrastructure Reimbursement Agreement, hereby agrees to timely pay all normal and customary fees applicable to Developer in connection with Non-Residential and Residential Projects. Such fees are listed in the current year annual budget of fees at the time the fee is due under the ordinary course of development unless otherwise specifically noted in the Developer Agreement.
 9. The Town requires, pursuant to N.C.G.S. § 160A-372, the dedication and construction of streets and rights of way, as shown in the approved Comprehensive Transportation Plan and the approved Transportation Assessment Report, to create conditions essential to public health, safety, and the general welfare. A rezoning may be delayed until such time as necessary transportation improvements (to include offsite improvements) may be made, unless the Town and the Developer can enter into agreements to accelerate the time for completion of these needed improvements.
 10. A fee-in-lieu (FIL) will be offered towards the realignment of Old Holly Springs & New Hill Roads. Developer offers the amount of \$234,000 to be paid at release of construction drawings.
 11. Development may be split into two Phases. Phase 1 defined as up to 3 acres developable beside Thales Academy PIN 0649265028 (not to include any shared SCM or parking/entrances on remaining acreage). Phase 2 shall be the remaining developable acreage towards the intersection of Old Holly Springs & New Hill Roads. Should the development be divided into 2 phases, then Developer shall pay the proportionate share of the FIL at time of approval of those construction drawings for Phase 1. Proportionate share to be determined as a percentage of acreage developed versus overall acreage. Developer shall be responsible for any thoroughfare widening as part of the overall development or Phasing and any improvements such as turn lanes required by NCDOT.

Part 2:

REPEAL OF CONFLICTING ORDINANCES

All ordinances or parts of the Unified Development Ordinance of the Town of Holly Springs conflicting or inconsistent with the provisions of this rezoning ordinance are hereby repealed.

Part 3:

SEVERABILITY

If any section, part of a section, paragraph, sentence, clause, phrase, or word of this Ordinance is for any reason held or declared to be unconstitutional, inoperative or void, such holdings shall not affect the remaining portion of this Ordinance and it shall be construed to have been the legislative intent to pass the Ordinance without such unconstitutional, invalid or inoperative part therein, and the remainder of this Ordinance after the exclusion of such part or parts shall be deemed to be held valid as if such part or parts had not been included therein, or if this Ordinance or any of the provisions thereof shall be held inapplicable to any person, group of persons, property, kind of property, circumstances, or set of circumstances, such holdings shall not affect the applicability thereof to any other person, property or circumstances.

Part 4:

INCLUSION IN UDO

It is the intention of the Town Council entered as hereby ordained, that the provisions of this Ordinance shall become and be made part of the Unified Development Ordinance of the Town of Holly Springs, North Carolina; that the Section(s) of this Ordinance may be renumbered or relettered to accomplish such intention, and that the word "Ordinance" may be changed to "Section, or "Article" or other word.

Part 5:

EFFECTIVE DATE

The provisions of this ordinance shall become effective December 21, 2021 in accordance with the laws of the State of North Carolina.

Adopted this, the 4th day of January 2022.

Town of Holly Springs by

ATTEST:



Sean Mayefskie, Mayor

Linda McKinney, Town Clerk



Holly Springs Town Council

Town Council Meeting Agenda Cover Sheet

Agenda Item#: 9.

New Business

Title: Midterm Appointment to Tree Advisory Committee

Strategic Priority Area: Responsible & Balanced Growth

Staff Resource: Linda McKinney, Town Clerk

Action(s):

Appoint a person to serve on the Tree Advisory Committee for a term ending June 30, 2023.

Explanation:

- The Tree Advisory Committee consists of five members serving three-year terms and one junior member serving a one-year term.
- New appointments were made in May, but one appointee has resigned.
- After advertising on the Town's website, through social media and other means, the Clerk's office received eight applications for the opening.

Background:

- The Tree Advisory Committee (TAC) was created in November 2018.
- The TAC exists to provide guidance and feedback to the Town Council on maintaining the Tree City USA standards, and to assist with the Street Tree Replacement Program, tree maintenance guidelines, informing and educating the public on tree preservation and maintenance, and providing assistance with the planning of the annual Arbor Day Event.

Funding Source(s):

N/A

Attachment(s):

1. Combined applications TAC
2. 2021_TAC Applicant Map

Application to Serve on Tree Advisory Committee

Applicant Name	Carrie Randa
E-mail	cdranda@gmail.com
Address	Street Address: 152 Sweet Vista lane City: Holly Springs State: NC Zip Code: 27540
I reside within the	Corporate limits of Holly Springs
How long have you lived in Holly Springs?	16 years
Name of neighborhood	12 Oaks
Home/Cell phone	(910) 538-5735
Current employer	ICON plc
Job title / occupation	Corporate attorney
	Randa Resume 2021.pdf
Have you served on this board in the past?	No
List any education, work experience or qualifications you have relevant to the Tree Board - specifically in regard to urban forestry, trees or landscape.	I don't have any specific experience in this area but am very interested. I have a child at Lincoln heights elementary school in the environmental magnet program and feel this work is important and necessary.
List any current or past volunteer activities in which you are / were involved.	Special Olympics gymnastics coach for 2 years, various volunteer positions with my sorority and currently a regional volunteer.
What do you see as the responsibilities of this board and what do you	I want to ensure that environmental concerns get more attention by our town and council. I want to ensure we are choosing sustainable native varieties

hope to accomplish if appointed?	of trees and plants and making wise choices regarding protections and development.
Do you have any personal or business interest(s) that could create a conflict of interest (either real or perceived if you are appointed?)	No
Have you taken the opportunity to attend any board meetings prior to the notice of this vacancy?	No
Signature	
Date & time	11/05/2021 5:59 PM

View [view all your submissions](#) easily.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Carrie Randa

152 Sweet Vista Lane
Holly Springs, NC 27540

910-538-5735
cdranda@gmail.com

PROFESSIONAL EXPERIENCE

Licensed to practice law in North Carolina
Certified Criminal Justice Instructor through NC Criminal Justice Education and Training and Standards Commission

September 2021-
Current

ICON plc

Corporate Counsel, Senior Legal Counsel

- Reviewing, drafting and negotiating a broad range of commercial contracts;
- Ensuring that contracts are in compliance with legal, regulatory and organization policies,
- Monitoring the contract process to assure compliance with the organization's contractual guidelines, satisfaction of customers/vendors, including participation in precontract discussions, contract negotiations and contract changes;
- Participate in the development of departmental procedures to improve the timely completion of contract deliverables;
- Ensure delivery of final contracts in a time fashion, working independently or as part of a team;
- Respond to requests for legal assistance from other stakeholders in the organization

November 2020-
September 2021

IQVIA RDS Inc.

Attorney 1, Lead Contract Negotiations

- Reviewing, drafting and negotiating a broad range of commercial contracts;
- Ensuring that contracts are in compliance with legal, regulatory and organization policies,
- Monitoring the contract process to assure compliance with the organization's contractual guidelines, satisfaction of customers/vendors, including participation in precontract discussions, contract negotiations and contract changes;
- Participate in the development of departmental procedures to improve the timely completion of contract deliverables;
- Ensure delivery of a final contract in a time fashion, working independently or as part of a team;
- Coordinate legal matters handled by outside counsel

October 2018-
November 2020

IQVIA RDS Inc.

Investigator Services Analyst II, Site Contract Negotiations

North America Regulatory and Start-up (NA RSU)

- Work as a liaison between pharmaceutical clients and investigational sites to negotiation and finalize contracts and budgets related to investigational drug trials;
- Assist pharmaceutical clients in amending existing contracts with investigational sites conducting drug trials to update protocol changes, budgetary changes, terms and conditions as necessary;
- Analyze requests for legal language changes in contracts and make appropriate changes as needed;
- Maintain and orderly schedule of needed negotiations and status of particular contracts to ensure that all sites are finalized in an efficient and timely manner.

September 2017 –
October 2018

North Carolina Department of Public Safety, Raleigh, NC

Legal Specialist and Assistant General Counsel

- Assist the Department of Public Safety General Counsel's office with all relevant legal issues, including policy development and review, statutory interpretation and legal analysis, drafting, updating and revising statutory language, contract review, drafting memoranda

Carrie Randa

152 Sweet Vista Lane
Holly Springs, NC 27540

910-538-5735
cdranda@gmail.com

regarding legal issues for the Department and assisting with various commissions and groups with daily questions and concerns;

- Handle inquiries and matters related to the Division of Adult Correction and Juvenile Justice, the Governor's Crime Commission, the State Highway Patrol and other state entities;
- Act as counsel for various committees and commissions, including the Governor's Crime Commission and the Juvenile Justice Advisory Committee;
- Teach legal courses to division within the Department such as probation and parole and the state highway patrol;
- Assist other internal departments at the Department of Public Safety when necessary, including public relations, records, medical;
- Liaise with external agencies as needed.

October 2016-
September 2017

North Carolina Department of Justice, Raleigh, NC

Contract Attorney, Law Enforcement Liaison Section

- Revise and review lesson plans, outlines and materials used for law enforcement training and certification statewide;
- Review and revise lesson plans, outlines and materials used to train 911 telecommunicators statewide;
- Handle other matters as assigned.

June 2014-May 2016

United States Department of Justice, Raleigh, NC

Assistant United States Attorney, Eastern District of North Carolina

- Prosecuted federal cases of child pornography, carjacking, bank robbery, Hobbs Act robbery, firearms violations, and other violent federal felonies throughout the Eastern District of North Carolina;
- Prepared and presented cases to Grand Juries seated in the Eastern District of North Carolina;
- Prepared discovery, negotiated pleas, tried cases before federal juries and appeared in Federal Magistrate and Federal District Court on behalf of the United States;
- Drafted and submitted a criminal appellate brief to the Federal Court of Appeals for the 4th Circuit of the United States.

Jan. 2012- June 2014

North Carolina Department of Justice, Raleigh, NC

Assistant Attorney General, Crime Control and Motor Vehicle Section

- Handled civil litigation and legal matters for the North Carolina Division of Motor Vehicles as part of the North Carolina Department of Transportation;
- Prepared and responded to discovery in civil matters, prepared motions, conducted and defended depositions and regularly argued in Superior Courts throughout North Carolina;
- Appeared in Civil Superior Courts throughout the State to handle driver's license- related cases for the Division;
- Drafted and submitted criminal and civil briefs to the North Carolina Court of Appeals and Supreme Court. Currently have six published opinions from the North Carolina Court of Appeals;
- Prepared cases and defended the Division in employment matters with the Employment Security Commission and Office of Administrative Hearings.

Carrie Randa

152 Sweet Vista Lane
Holly Springs, NC 27540

910-538-5735
cdranda@gmail.com

- Sept. 2011-current **Central Carolina Community College** (Harnett and Lee County Campus)
 Basic Law Enforcement Training Instructor
- Teach various classes for cadets completing basic law enforcement training. These courses include criminal elements, legal update, trial and testimony and arrest, search and seizure.
- Sept. 2008-Dec. 2011 **Office of the District Attorney**, Harnett County, NC
 Assistant District Attorney
- Prosecuted various types of state felony cases, including murders, drug offenses, property crimes, violent and sexually based crimes;
 - Prepared discovery in felony cases, met with victims and witnesses, negotiated plea offers and pled felonies and misdemeanors in District and Superior Court;
 - Acted as the sole domestic violence prosecutor from September 2008 until November 2009, actively running domestic violence District Court in three counties, preparing cases, meeting with victims of domestic violence and coordinating efforts with law enforcement;
 - Prosecuted traffic infractions, DWI and drug offenses and other misdemeanor crimes in criminal District Court.
- Summer 2007 **Wake County District Attorney's Office**, Raleigh, NC
 Intern
- Aided assistant District Attorneys in the disposition of criminal matters in District Court.
- Spring 2007-
Spring 2008 **Davis and McCabe, P.A.**, Raleigh, NC
 Law Clerk
- Researched legal issues and prepared memoranda of law for attorneys; drafted complaints, interrogatories, requests for discovery and demand letters for personal injury lawsuits; aided in case preparation, including interviewing witnesses and victims and preparing affidavits and attending depositions and mediations.
- Summer 2006 **North Carolina Coalition against Sexual Assault**, Raleigh, NC
 Legislative/Legal Intern
- Assisted with research on legislation relating to sexual assault/abuse issues and regularly met with legislators and attended committee meetings to advocate for legislation.
- Winter 2005/2006 **Cooper, Ginsberg, Gray, PLLC**, Fairfax, VA
 Law Clerk
- Helped compile and organize various case files for ongoing divorce proceedings and assisted attorneys in trial preparation and correspondence.
- July 2003-
July 2005 **Rape Crisis Center of Coastal Horizons Center, Inc.**, Wilmington, NC
 Counselor/Advocate
- Advocated for victims of sexual assault to law enforcement, hospital staff and other legal entities;
 - Provided emergency crisis and ongoing counseling services for victims of sexual assault or abuse and regularly conducted support groups;
 - Compiled statistical analyses for dissemination to state and local agencies and for use in grant applications;

Carrie Randa

152 Sweet Vista Lane
Holly Springs, NC 27540

910-538-5735
cdranda@gmail.com

- Membership on Community Child Protection Team (CCPT), Sexual Assault Response Team (SART), UNCW-SART, and North Carolina Coalition Against Sexual Assault (NCCASA), 9th District Delegate to the NCCASA legislative committee.

EDUCATION

Norman Adrian Wiggins School of Law, Campbell University

Juris Doctor received May 12, 2008

- Honor Court Defense Counsel
- National Trial Team
- Buffalo-Niagara Invitational Trial Team, *Top 16*
- Intramural Moot Court Competition, *Quarter-Finalist*
- ABA Negotiations Team, *7th place Regional*
- Kaplan PMBR Representative 2006-2008, *Head Representative*, 2007-2008
- Phi Alpha Delta Legal Fraternity, *Treasurer*
- Women in Law, *Vice President*

University of North Carolina, Wilmington, Wilmington, NC

Master of Arts in General Psychology received July 2005

Thesis Title: *Attributions, Coping, Self-Blame and Emotional Status in Victims of Rape and Domestic Violence*

- Psi Chi National Honor Society
- American Psychological Society and American Psychological Association student affiliate

James Madison University, Harrisonburg, VA

Bachelor of Arts in Psychology received in May 2001

Minors in Criminal Justice and German

- Delta Delta Delta

PROFESSIONAL AFFILIATIONS AND ADMISSIONS

State Bar of North Carolina, Admitted August 2008

United States District Court, Eastern District of NC

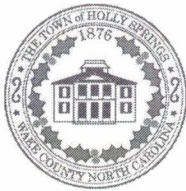
United States Court of Appeals, Fourth Circuit

Wake County Bar Association

North Carolina Coalition against Sexual Assault Board of Directors, *Legislative Co-chair*, 2007-2009

ACTIVITIES

- Coach, Buffalo Niagara Mock Trial Tournament, Campbell University School of Law, Fall 2014
- Assistant Coach, Carolinas Invitational Mock Trial Tournament team, Campbell University School of Law, Fall 2013
- Special Olympics North Carolina gymnastics coach, 2012-2013
- Recruitment Specialist, Region 3 (JMU, VCU, William and Mary), Delta Delta Delta, 2019-present
- Lifetime Membership Advisor for Philanthropy, Delta Delta Delta at James Madison University, 2018-2019
- Lifetime Membership Advisor for Delta Delta Delta at Duke University, 2014
- Service Chair for Triangle Alumnae Panhellenic Council, 2013-2014
- Lifetime Membership Advisor for Delta Delta Delta at NC State University, 2012-2014
- Professional mentor program member, Campbell University School of Law, 2014



Town of Holly Springs

Tree Advisory Committee Application

2

For Office Use only:
Appointed Date: _____ Term Expires: _____

Applicant Name: SHAWN UYEMURA E-Mail Address: SHAWNU_28@YAHOO.COM

Address: 204 BASKERVILLE COURT Zip: 27540

I reside within the ☒ Corporate Limits of Holly Springs ☐ Extraterritorial Jurisdiction (ETJ) of Holly Springs

How long have you lived in Holly Springs: 3 YRS Name of Neighborhood: 12 OAKS

Home/Cell Phone: (732) 853-2462 Work Phone: ()

Current Employer: METLIFE Job Title/Occupation: ANALYST

☐ Jr. Member Applicant

List any education, work experience or qualifications you have relevant to the Tree Advisory Committee- specifically in regard to urban forestry, trees, or landscape.

For the past 20 years I have worked planting, maintaining, and designing gardens at various homes. Improving the quality of life, through nature, keeps a community happy and thriving.

Bachelors of Science in Computer Science

List any current or past volunteer activities in which you are/were involved.

Director of IT for a non-profit

This included setting budgets, meet/negotiate with vendors, advising members and volunteers. IT design and implementation of IT related services.

What do you see as the responsibilities of this Committee and what do you hope to accomplish if appointed?

I hope to assist this committee in the continuation of beautifying the township of Holly Springs. We want residents and visitors to remember our township as a place of beauty.

Do you have any personal or business interest(s) that could create a conflict of interest (either real or perceived) if you are appointed?

☒ No ☐ Yes If yes, please explain:

Have you taken the opportunity to attend any previous Committee meetings prior to the notice of this vacancy?

☒ No ☐ Yes

By submission of this application, I certify that all of the information contained herein is true to the best of my knowledge, and I understand that this application shall be active for two years. I also understand that I will be required to be available to attend meetings of the Committee as assigned.

Shawn Uyemura

07/22/2021

Signature of Applicant

Date

* Please note, original signature is required in order to be considered. This information along with other material may be used by the Town Council in making appointments and in the event you are appointed, it may be used as a basis for a news release to identify you to the community.

How did you find out about these opportunities? Previous Applicant

Application to Serve on Tree Advisory Committee

Applicant Name	Paige Pavlik
E-mail	paige@pavlik.us
Address	Street Address: 141 Bells Walk Court City: Holly Springs State: North Carolina Zip Code: 27540
I reside within the	Corporate limits of Holly Springs
How long have you lived in Holly Springs?	21 years
Name of neighborhood	Wescott
Home/Cell phone	(919) 935-7140
Current employer	State of NC
Job title / occupation	Program Manager
Have you served on this board in the past?	No
List any education, work experience or qualifications you have relevant to the Tree Board - specifically in regard to urban forestry, trees or landscape.	I have no formal experience in landscaping or forestry but have spent the last 30 years landscaping my yard Planting trees and knowing the importance of trees in our lives.
List any current or past volunteer activities in which you are / were involved.	Girls Scouts Co leader Big sister of America Middle creek elementary volunteer Co-led daddy daughter dance
What do you see as the responsibilities of this board and what do you	I see the responsibilities of the board as being an advocate for trees in Holly Springs and ensuring that we maintain and or replace trees as needed.

hope to accomplish if
appointed?

Do you have any personal
or business interest(s) that
could create a conflict of
interest (either real or
perceived if you are
appointed?

No

Have you taken the
opportunity to attend any
board meetings prior to
the notice of this vacancy?

No

Signature



Date & time

11/12/2021 11:42 AM

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Application to Serve on Tree Advisory Committee

Applicant Name	Kathy Young
E-mail	fromkathyyoung@gmail.com
Address	Street Address: PO Box 1012 City: Holly Springs State: NC Zip Code: 27540
I reside within the	Corporate limits of Holly Springs
How long have you lived in Holly Springs?	15 years
Name of neighborhood	Remington
Home/Cell phone	(919) 800-8433
Current employer	retired
Job title / occupation	school teacher/truck driver/prison teacher (FSP)
Have you served on this board in the past?	No
List any education, work experience or qualifications you have relevant to the Tree Board - specifically in regard to urban forestry, trees or landscape.	While teaching at the University of Florida, I lived in Gainesville which had some very practical ordinances about trees, such that the city was mostly tree cover. The city planted many trees and sponsored a tree and flowering shrub sale every year, selling thousands of trees at cost, which enabled citizens to plant many more shrubs and trees. They also regulated what trees could be cut.
List any current or past volunteer activities in which you are / were involved.	Past: Girl Scouts, teaching Sunday School, leadership in several professional organizations, NC Legislature legislative committee on education, volunteer teacher. Current: regular presentations on gardening and preparing for storms and safety to groups.
What do you see as the responsibilities of this board and what do you hope to accomplish if appointed?	Prevent regular careless deforestation of our town. Plant more trees and flowering shrubs at town expense (but not blocking traffic view!). Encourage citizens to plant more trees and shrubs. Encourage builders to not clear-cut.

Encourage businesses to plant greenery (not blocking views).
Educate citizens on value and importance of growing more trees and shrubbery, particularly those that can survive with less water and not blow down in storms.
Find ways to support wildlife that has been displaced by our building in their habitats.
Solicit businesses to sponsor tree planting in public areas.
Sponsor events or help schools sponsor events to teach children about planting.

Do you have any personal or business interest(s) that could create a conflict of interest (either real or perceived if you are appointed?)

No

Have you taken the opportunity to attend any board meetings prior to the notice of this vacancy?

No

Signature



Date & time

11/16/2021 6:05 PM

How did you find out about these opportunities?

email

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Application to Serve on Tree Advisory Committee

Applicant Name	Russell Lichtenstein
E-mail	rlichtenstein1976@outlook.com
Address	Street Address: 212 Somerset Farm Dr. City: Holly Springs State: North Carolina Zip Code: 27540
I reside within the	Corporate limits of Holly Springs
How long have you lived in Holly Springs?	16 years
Name of neighborhood	Russell B. Lichtenstein
Home/Cell phone	(919) 522-7023
Work phone	(919) 362-1050
Current employer	Southern Garden, Inc.
Job title / occupation	Pre-Construction Manager
	Russell Lichtenstein Resume.pdf
Have you served on this board in the past?	No
List any education, work experience or qualifications you have relevant to the Tree Board - specifically in regard to urban forestry, trees or landscape.	I have been working in the landscape industry for 15 years. I am a licensed landscape contractor. I am an estimator for a commercial landscape contracting company with extensive knowledge concerning best planting practices and species selection.
List any current or past volunteer activities in which you are / were involved.	Coaching my sons local soccer team.
What do you see as the responsibilities of this board and what do you hope to accomplish if appointed?	Maintaining existing trees. Also recommending both current installation best practices and best species with highest survivability rates. Also, best species for specific locations. Community involvement.

Do you have any personal or business interest(s) that could create a conflict of interest (either real or perceived if you are appointed?)	Yes
If yes, please explain.	Potentially considering I work for a commercial landscape contractor. However, I am able to separate the two and avoid any conflict of interest that may arise.
Have you taken the opportunity to attend any board meetings prior to the notice of this vacancy?	No
Signature	
Date & time	11/16/2021 2:43 PM
How did you find out about these opportunities?	Email

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Russell Brakeley Lichtenstein

212 Somerset Farm Drive
Holly Springs, North Carolina 27540
Mobile: 919-522-7023
Rlichtenstein76@outlook.com

OBJECTIVES

Results-oriented individual with over 14 years' experience estimating with some project managing in the competitive construction industry with a focus on landscaping. Sales manager responsible for identifying bid opportunities and delegating estimate responsibilities to my two assistants. Responsible for procuring bid documents, identifying scope/s of work. Communicating with owners, architects and/or general contractors to understand the project and discuss scheduling, etc. Build estimate templates to fit each specific project and its corresponding scopes of work. Determine, through knowledge of industry standards, experience and team discussion, the approach to each project. This process consists of understanding site logistics, product availability, projected price increases, State, County, Municipality, owner specific requirements, scheduling, alternates/unit prices/allowances, etc. Responsible of compiling all of this information and present it to the general contractors, owners, or construction managers by a bid deadline. Team focused, detail oriented and proficient with various analytical tools that are used for both takeoffs of and auditing plans, cost analysis, budget analysis and budget site negotiations. Contract negotiation, review and execution as well as developing submittal packages. Excellent communication skills and creative problem solving facilitate customer service with clients, developers and Project Managers through all project phases.

HIGHLIGHTS

• Customer Service Oriented	• Proficient in ISQFT Takeoff Tool
• Microsoft Office Suite (Word, Excel, Outlook)	• Familiarity with NCDOT, university, municipality and private bidding requirements
• MWBE (Minority) Requirements, local landscape codes.	• Project Management
• Project Estimate Team Manager	• Contract Review and Execution
• Multitask management of multiple projects with multiple bid deadlines	• Sales Manager with (2) Assistants
• Licensed Landscape Contractor	• Lead Generation

ACCOMPLISHMENTS

- Senior Estimator:
 - 2013: Approx. \$27 million bid w/\$2.50 million in contracts.
 - 2016: Approx. \$50 million bid w/\$4.90 million in contracts.
 - 2018: Approx. \$45 million bid w/\$6.40 million in contracts.
 - 2019: Approx. \$51 million bid w/\$6.23 million in contracts.
- 2021: Licensed Landscape Contractor
- NCDOT Level II Erosion Control/Stormwater Site Manager
- NCSU NC Coop Extension – Certified Stormwater SCM Inspection & Maintenance Professional
- NCSU Construction Management Diploma
- Notary Public

WORK EXPERIENCE

SOUTHERN GARDEN, INC., Apex, NC (Dec 2006 – Present)

Senior Estimator / Sales Manager / Project Manager

- Responsible for initiating leads with owners, developers and general contractors.
- Communicate with representatives, including Project Managers, construction managers and owners to negotiate projects to bid, quote and ultimately go to contract with.
- Confer and consult with vendors and subcontractors in order to incorporate their products and services into our proposal/s.
- Company representative for trade association meetings to promote our company and industry.

BIDDING:

- Communicate with project estimators, project managers and/or owners project scope, schedule and budgets.
- Procure bid documents
- Review operational records and reports, determine profitability, project sales
- Track customer preferences to focus effective sales efforts
- Evaluate construction methods and determine cost-effectiveness of plans, using computers
- Study job specifications to determine appropriate construction methods
- Review Owner/General Contractor contracts
- Determine labor requirements for dispatching workers to construction sites
- Advise dealers and distributors on policies and standard operating procedures to ensure functional effectiveness of business
- Prepare contracts and negotiate revisions, changes and additions to contractual agreements with architects, consultants, clients, suppliers and subcontractors

BIDS AWARDED:

- Create the Project plan - Schedule the project in logical steps (creating the bid, etc.) and budget time required to meet deadlines
- Interpret and explain plans and contract terms to administrative staff, workers, and clients, representing the owner or developer
- Approve budget expenditures to ensure project stays within cost scope
- Requisition supplies or materials to complete construction projects
- Inspect or review projects to monitor compliance with building and safety codes, or other regulations
- Prepare and submit budget estimates, progress reports, or cost tracking reports
- Responsible for resolving internal project issues (work procedures, construction problems, personnel, contractors and design professionals)
- Responsible for resolving client project issues (schedule, contractors, sales and service)

STAFF DEVELOPMENT/MANAGEMENT:

- Plan and Direct staffing, training, and performance evaluations to develop and control sales and service programs
- Direct clerical staff to keep records of export correspondence, bid requests, and credit collections,
- Direct clerical staff to maintain current information on tariffs, licenses, and restrictions, etc...

KELLY'S EROSION CONTROL, Apex, NC (July 2003 – Dec. 2006)

Field Manager

- Communicate with Project Managers and Site Superintendents daily to get on schedule to both install and repair erosion control fencing and tree protection fencing.
- Read SWPPP Reports at each of our contracted project sites or neighborhoods and repair per report
- Managed multiple crews including their daily schedules, logistics and required equipment needs.

EDUCATION

Apex High School, Apex, NC June 1994
Licensed Commercial Landscape Contractor #1387– State of N.C
Construction Management Diploma - NCSU
Stormwater BMP Inspector - NCSU
(NCSU) Level II Erosion Control Inspector
Notary Public

REFERENCES

References available upon request

Application to Serve on Tree Advisory Committee

Applicant Name	Shannon Robb
E-mail	mrs.s.robb@gmail.com
Address	Street Address: 112 Townsgate Ct City: Holly Springs State: NC Zip Code: 27540
I reside within the	Corporate limits of Holly Springs
How long have you lived in Holly Springs?	6 years
Name of neighborhood	Oak Hall
Home/Cell phone	(910) 358-7096
Current employer	Stay at home mom
Job title / occupation	Homeschool mom
Have you served on this board in the past?	No
List any education, work experience or qualifications you have relevant to the Tree Board - specifically in regard to urban forestry, trees or landscape.	Bachelors of Arts in Middle Grades Education (UNCW) Focus on math and science. Masters of Science in Instructional Technology (ECU) Used to teach Middle Grades math and science in NC. Currently homeschool my own child (frequent Wake county parks and programs)
List any current or past volunteer activities in which you are / were involved.	FIRST Lego League Coach
What do you see as the responsibilities of this	After reading the most recent meeting minutes and the TAC's UDO Recommendations for 2021, I do

board and what do you hope to accomplish if appointed?

hope to see these recommendations continue to be present in all decisions for future planning of this developing town. With more large companies, homes and other business going up around our small town, the preservation of natural space is even more important; not just for the balance of wildlife, but for noise and smell control, erosion, air quality, and others that affect all of our residents' daily living. As a homeschooling mom, I want for my child, as well as all the youth of this town, a place where they can feel connected with nature without having to go outside of Holly Springs, as we currently have to do. Many trees will out live the older generation, so it is the purpose of the TAC to ensure our youth's future is set on a path of success rather than failure.

Do you have any personal or business interest(s) that could create a conflict of interest (either real or perceived if you are appointed?

No

Have you taken the opportunity to attend any board meetings prior to the notice of this vacancy?

No

Signature



Date & time

11/22/2021 12:44 PM

How did you find out about these opportunities?

Town email

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Application to Serve on Tree Advisory Committee

Applicant Name	Elizabeth Strycker
E-mail	lizstrycker@gmail.com
Address	Street Address: 416 Cottonwood Lane City: Holly Springs State: NC Zip Code: 27540
I reside within the	Corporate limits of Holly Springs
How long have you lived in Holly Springs?	almost 5 years
Name of neighborhood	Elizabeth L Brenna-Strycker
Home/Cell phone	(408) 483-1517
Work phone	(919) 691-5894
Current employer	Construction Bid Source, LLC
Job title / occupation	Director of Sales Operations
Have you served on this board in the past?	No
List any education, work experience or qualifications you have relevant to the Tree Board - specifically in regard to urban forestry, trees or landscape.	I work for a company that assists contractors with finding taxpayer-funded construction projects out to bid (Public Works). I see work just like this all the time, since landscaping is usually sub-contracted out on large construction projects my team and I handle daily.
List any current or past volunteer activities in which you are / were involved.	South Bay Musical Theatre (Backstage Help, Set Builder and Performer), Los Gatos Ballet (Backstage help, Set Builder and Performer). Daughters of the American Revolution (philanthropy)
What do you see as the responsibilities of this board and what do you	If anything, to pitch in to the community I live in. Plus, I'm an avid gardener. I have a fantastic vegetable garden. We also just removed 5 huge

hope to accomplish if appointed?	sweet gum, red oak, and white oak trees endangering our home, and planted 15 crepe myrtle, sugar/red/October Glory maples, dogwoods, Eastern Redbuds, and a cherry blossom. One word: expensive. So I will always be mindful of cost and quality of trees.
----------------------------------	--

Do you have any personal or business interest(s) that could create a conflict of interest (either real or perceived if you are appointed?	No
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Have you taken the opportunity to attend any board meetings prior to the notice of this vacancy?	No
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Signature	
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Date & time	11/30/2021 2:15 PM
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How did you find out about these opportunities?	Town of HS notifications
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Application to Serve on Tree Advisory Committee

Applicant Name	Linda Hewitt
E-mail	lehewitt18@gmail.com
Address	Street Address: 101 Waterpoint Road City: Holly Springs State: NC Zip Code: 27540
I reside within the	Corporate limits of Holly Springs
How long have you lived in Holly Springs?	Since June 2020
Name of neighborhood	Parkside Village
Home/Cell phone	(412) 445-2479
Work phone	(412) 445-2479
Current employer	State University of New York (S.U.N.Y)
Job title / occupation	Undergraduate Instructor, Empire Online, Empire State College
Jr. Member Applicant?	Yes (15 and up)
	Linda Hewitt CV 2020 CDL.docx
Have you served on this board in the past?	No
List any education, work experience or qualifications you have relevant to the Tree Board - specifically in regard to urban forestry, trees or landscape.	I have a lifelong interest in and love of trees, sparked by sitting in the apple tree next to my childhood home and by visiting the Redwood National Park in California with my family as a six-year-old child. While I have no professional or scientific background related to trees, I do bring an enthusiasm for trees specifically and for preserving and enhancing our natural environment more generally. One of the aspects of Holly Springs which influenced my husband and I to move here was the availability of green space and the designation of Holly Springs as a "Tree City." We were thrilled to find a home across from Womble Park. We have put in a pollinator garden and native plants at our home in order to

	contribute in a small way to the health of our local environment. My lifelong experience as an educator makes me eager to educate everyone from preschoolers to adults about the importance of trees to our community.
List any current or past volunteer activities in which you are / were involved.	Volunteering has been a hallmark of my life experience. My volunteer activities in my former city of Pittsburgh, PA during the last five years have included regular weekly work at an Interfaith Food Bank/Clothing Bank and an after-school program for elementary school children. I am eager to begin volunteering in Holly Springs and Wake County.
What do you see as the responsibilities of this board and what do you hope to accomplish if appointed?	From attending the last virtual meeting of the TAC and looking at the website, I learned that the Tree Board exists to maintain the "Tree City" designation, to manage the tree "population" of Holly Springs in an environmentally and fiscally sound manner, to educate the community about trees by means of an annual Arbor Day celebration and other programming throughout the year and to educate residents more specifically about tree maintenance and preservation. I feel I could contribute to the TAC by aiding in community education efforts targeted at children and adults, by helping Holly Springs keep its Tree City designation, and by passing on my enthusiasm for the benefits of trees, which range from climate change amelioration to stress reduction in humans. I would like to help increase public awareness of the value of the trees and forested areas which grace our community. I will be available to assist the Committee regardless of my status as a member or as an interested citizen. Thank You.
Do you have any personal or business interest(s) that could create a conflict of interest (either real or perceived if you are appointed?)	No
Have you taken the opportunity to attend any board meetings prior to the notice of this vacancy?	Yes
Signature	
Date & time	12/04/2021 7:24 PM
How did you find out about these opportunities?	Holly Springs Website

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LINDA E. HEWITT

101 Waterpoint Road Holly Springs, NC 27540
lehewitt18@gmail.com
412 445-2479

EDUCATION

University of Pittsburgh
M.S. Child Development and Child Care 1979
Honors: University Scholar

Allegheny College
B.A. Political Science, cum laude 1971
Honors: Ray F. Smock Prize in Political Science
Honors in Political Science
Pi Gamma Mu
Phi Beta Kappa

ADULT EDUCATION TEACHING EXPERIENCE

S.U.N.Y. Empire State College, Center for Distance Learning/Empire Online
Adjunct Instructor – “Introduction to Child Development” and “Child Development: Introductory” 2012 — Present
Adjunct Instructor – “Developing Early Childhood Programs” 2011 — 2012
Developed/revised new course CHS-254424

Adjunct Instructor – “Beneficial Programs for Children and Families” 2006 — 2011
Helped develop and taught new course CHS-253214

DIRECT EXPERIENCE WITH CHILDREN AND TEENS

Beth El Nursery School, Pittsburgh, PA
Director 2002 — 2008
Responsible for complete operation of a NAEYC-accredited inclusive, diverse preschool serving 110 children aged 15 mos.to 6 yrs.

Head Teacher, Twos, Threes, Fours, Fives and Sixes 1996 — 2002
In addition to classroom teaching, I assisted the Director with NAEYC Reaccreditation, revised our Child Assessment instrument, and wrote the curricula for a Kindergarten Transition class and an Extended Day Program for older children.

ADDITIONAL DIRECT EXPERIENCE WITH CHILDREN AND TEENS

Mt. Lebanon Extended Day Program, Mt. Lebanon, PA

Site Director**2013 – 2015**

Responsible for operation of a daily before-and-after-school program housed in an elementary school for grades K through 6

Frank Sarris Public Library, Canonsburg, PA

Librarian**2010 – 2013**

Circulation Desk, Children, Teens and Adults

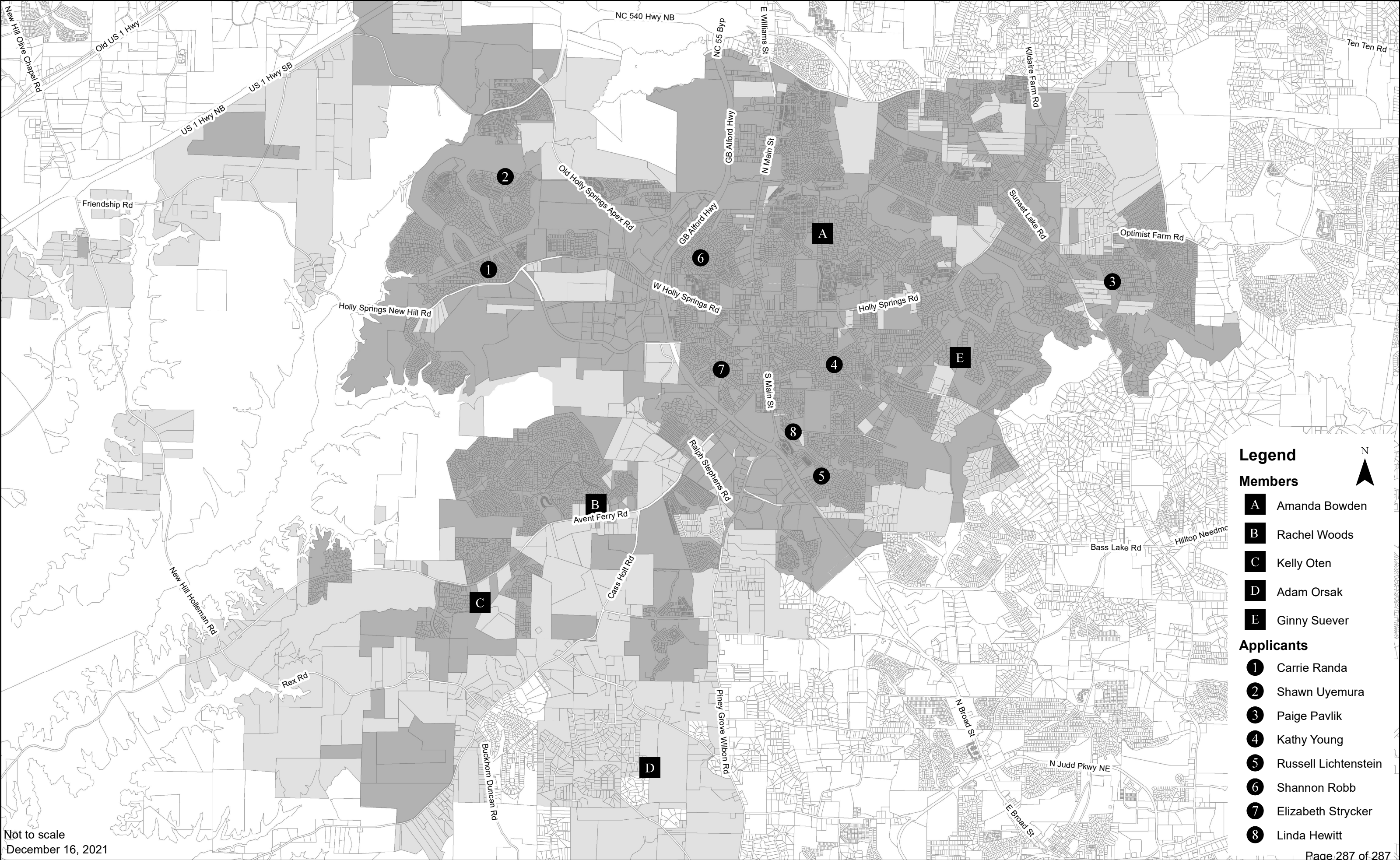
Assisted with Children's Programming

Sharp Visions Summer Camp, Pittsburgh, PA

Camp Counselor, Master's Level**June-August 2009**

Led daily programming for children and teens with severe and/or multiple disabilities

Tree Advisory Committee Applicants



Legend



Members

- A** Amanda Bowden
- B** Rachel Woods
- C** Kelly Oten
- D** Adam Orsak
- E** Ginny Suever

Applicants

- 1** Carrie Randa
- 2** Shawn Uyemura
- 3** Paige Pavlik
- 4** Kathy Young
- 5** Russell Lichtenstein
- 6** Shannon Robb
- 7** Elizabeth Strycker
- 8** Linda Hewitt