



Council Meeting Agenda
January 8, 2024
6:00PM

1. Call to Order..... Mayor Ed Hooks
2. Invocation Pastor Sammy Ballard, FBC Mebane
3. Recognition of Retiring WRRF Director Dennis Hodge Mayor
4. Proclamation Honoring Martinho’s Bakery and Deli Mayor
5. Consent Agenda-
 - a. Approval of Minutes- Regular Meeting- December 4, 2023
 - b. Final Plat Approval- Oakwood, Phase 1
 - c. Budget Amendment- Artificial Turf Field Maintenance
 - d. Voluntary Non-Contiguous Annexation Petition- Clifford M. Ray, Jr. Family Partnership- NCIC- Transload Facility
 - e. Voluntary Contiguous Annexation Petition- VM Development, LLC- Concrete Plant
6. 2022-23 Financial Statements and Audit..... Daphna Schwartz, Finance Director
Patricia Rhodes, Stout Stuart McGowen & King LLP
7. **Public Hearings-**
 - a. Conditional Rezoning- +/- 32.087-acre property
with a preliminary address of 1425 Trollingwood-Hawfields Road
and frontage on I-40/85 from LM (CD) to HM (CD)
by CSMS Management, LLC..... Ashley Ownbey
Development Director
 - b. Special Use Permit (*Quasi-Judicial*)- to allow for a travel plaza
on the +/- 32.087-acre property with a preliminary address
of 1425 Trollingwood-Hawfields Road and frontage on I-40/85
by CSMS Management, LLC..... Ms. Ownbey
8. Adjournment..... Mayor



OFFICE OF THE MAYOR

PROCLAMATION

MARTINHO'S BAKERY AND DELI

WHEREAS, Maria and Artur Martinho, immigrants from Portugal, first started a construction business in New Jersey before moving to North Carolina to open a restaurant; and

WHEREAS, in 1988, the Martinho family purchased the long-vacant building at 106 W. Clay Street in Mebane previously used for a doctor's office and began renovating the space to become Martinho's Bakery and Deli; and

WHEREAS, the Martinho's and their son, Eddie, opened Martinho's Bakery and Deli in Downtown Mebane on March 3, 1990 and were joined by their son Luis in 1991; and

WHEREAS, in 1996 the Martinho family expanded the restaurant, adding pizza ovens, a larger grill and doubling their patron seating area; and

WHEREAS, IN 2009, Maria and Artur Martinho retired from the family business and passed on the day-to-day management to Luis and Lisa Martinho; and

WHEREAS, Martinho's has become a much-loved mainstay in the Mebane community, known for its delicious pizzas, salads, subs and bakery specialties; and

WHEREAS, throughout the years, Martinho's has been a proud supporter of the Mebane community, supporting local schools, youth sports and community causes; and

WHEREAS, for more than three decades, Martinho's has been the landmark Downtown restaurant, serving generations of customers from Mebane and surrounding communities; and

WHEREAS, after 33 years in business, the Martinho family has decided to close Martinho's Bakery and Deli this month to begin their next chapter in life; and

WHEREAS, the Mebane community is indebted to the Martinho family for sharing their restaurant with our community and creating a welcoming gathering place for both every day and special occasions;

NOW THEREFORE, I, Ed Hooks, Mayor of the City of Mebane, North Carolina do proclaim January 8, 2024, as Martinho's Bakery and Deli Appreciation Day, and call upon the citizens of Mebane to join with me in thanking the Martinho family for 33 years of business in Downtown Mebane.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Mebane, North Carolina to be affixed this 8th day of January 2024.

(SEAL)

Signed, Sealed and Delivered
this 8th day of January, 2024

Mayor Ed Hooks



The Mebane City Council met for its regular monthly meeting at 6:00 p.m., Monday, December 4, 2023 in the Council Chambers of the Glendel Stephenson Municipal Building located at 106 E. Washington Street.

Councilmembers Present:

Mayor Ed Hooks
Mayor Pro-Tem Tim Bradley
Councilmember Katie Burkholder
Councilmember Sean Ewing
Councilmember Montrena Hadley
Councilmember Jonathan White

Also Present:

Chris Rollins, City Manager
Preston Mitchell, Assistant City Manager
Lawson Brown, City Attorney
Stephanie Shaw, City Clerk
Ashley Ownbey, Development Director
Aaron Davis, Recreation & Parks Director
Bob Louis, Fire Chief
Daphna Schwartz, Finance Director
Franz Holt, City Engineer

Mayor Hooks called the meeting to order. Rev. Jeff Smith of Mebane Presbyterian Church gave the invocation.

Mayor Hooks called for an approval of the November 6, 2023, Regular Meeting minutes. Mr. Bradley made a motion, seconded by Mr. White, to approve the minutes as presented. The motion passed unanimously.

City Clerk Stephanie Shaw reported the results of the municipal election held on November 7, 2023, as certified by Alamance County and Orange County Boards of Elections, to be as follows:

For the Office of Mayor:

Alamance County:	Ed Hooks	533
	Write Ins	31
Orange County:	Ed Hooks	92
	Write Ins	3

For the Office of City Council:

Alamance County:	Sean Ewing	488
	Katie Burkholder	456
	Write Ins	44
Orange County:	Sean Ewing	92
	Katie Burkholder	82
	Write Ins	3

Therefore, pursuant to such tabulation, it has been determined that: Ed Hooks, having received 625 total votes from both counties, has been duly elected as Mayor of the City of Mebane, pursuant to law, for a term of four years. Additionally, Sean Ewing having received 580 total votes from both counties and Katie Burkholder having received 538 total votes from both counties, have been duly elected members of the City Council of the City of Mebane, pursuant to law, for a term of four years.

Clerk Shaw administered the oath of office to Ed Hooks. She then administered the oath of office to Katie Burkholder. Attorney, Pastor and Notary Keisha Bluford administered the oath of office to Sean Ewing.

Mayor Hooks called for nominations for Mayor Pro-Tem. Ms. Burkholder nominated Tim Bradley in the form of a motion, seconded by Mr. White. The motion carried unanimously.

Clerk Shaw administered the Mayor Pro-Tem oath of office to Tim Bradley.

Mayor Hooks called forward Fire Chief Bob Louis. Mayor Hooks read aloud a Resolution Honoring Fire Chief Bob Louis on the Occasion of His Retirement and presented the framed resolution to Chief Louis.

**RESOLUTION HONORING FIRE CHIEF ROBERT J. LOUIS
ON THE OCCASION OF HIS RETIREMENT**

WHEREAS, the City of Mebane is proud to recognize the life, legacy, and accolades of Robert “Bob” J. Louis, Chief of the Mebane Fire Department, on the occasion of his retirement; and

WHEREAS, Chief Bob Louis began his career with the Mebane Fire Department as a volunteer firefighter in 1993 and was hired by the department as a full-time firefighter in 1994; and

WHEREAS, prior to reaching the rank of Fire chief, Chief Louis served in several roles within the department to include Firefighter, Secretary, Fire Captain, and Superintendent of Alarms; and

WHEREAS, Chief Louis was promoted to the rank of Fire Chief in 2000 as the city’s first career fire chief; and during his distinguished career, Chief Louis has successfully led the city’s fire department through periods of unprecedented growth, with the city’s population growing from approximately 5,000 to 20,000 and the department growing from 1 fire station to now, 3 fire stations; and

WHEREAS, at the time of his employment in 1994, the Mebane Fire Department operated with a career staff of 3 members and approximately 30 volunteers. Under the leadership of Chief Louis, the department now operates with a staff of 36 career employees and approximately 20 volunteers; and

WHEREAS, Chief Louis was integral in the construction of a fire department training facility in 2007 and fire station 3 in 2014. Chief Louis has always served the city as a community-minded leader, keeping the interests of the citizens as his top priority; and

WHEREAS, during his career, Chief Louis focused his attention on the department’s ISO rate, reducing it from a grade of 5 to an improved grade of 2, demonstrating a commitment to excellence for his department and community; and

WHEREAS, in addition to his accolades as a leader, Chief Louis was awarded the Greg Hinson Memorial Service Award in 2003 and again in 2008. Chief Louis received this award for his outstanding leadership and dedication to the department with the support of his peers and subordinates.

WHEREAS Chief Louis has served his community with pride, and upon the occasion of his retirement, is deserving of recognition and the highest commendation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Mebane, hereby honor and take pride in bringing special public attention to Fire Chief Bob Louis, for his 30 years of exemplary service. His service and dedication have positively impacted many lives throughout his career. We offer our best wishes for a long, happy, and healthy retirement.

Adopted this 4th day of the month of December in the year 2023.

ATTEST:

Ed Hooks, Mayor

Stephanie W. Shaw, City Clerk

Mayor Hooks then introduced Mayor Pro-Tem Bradley and requested that he make an additional presentation. Mr. Bradley came forward, shared kind remarks and presented Chief Louis with a gift from the City, a Mebane Logo brick sculpture, hand sculpted by NC artist Brad Spencer.

Mayor Hooks then introduced Senator Amy Galey. Senator Galey came forward and presented Chief Louis with the prestigious Order of the Long Leaf Pine, the highest award for state service granted by the Office of the Governor. Chief Louis received a standing ovation. Chief Louis acknowledged and thanked all of those that he worked with during his 30-year career and thanked the community for its support. Each Council Member and Mr. Rollins all took a moment to share their sentiments with Chief Louis, expressing admiration, gratitude, and best wishes.

Mayor Hooks recognized Omega and Brenda Wilson as they were recent recipients of the prestigious Presidential Lifetime Achievement Award. Mayor Hooks shared that Mr. and Mrs. Wilson were recognized for their decades of dedication to volunteering and serving as advocates for the West End, East End, White Level, Foust Road, Buckhorn, and Perry Hill communities in Mebane. As Co-Founders of the West End Revitalization Association (WERA) their efforts and partnerships with US, State, and local politicians brought safe drinking water and clean air standards to the people of North Carolina and across the nation, vastly improving the quality of life for so many people. The award was sponsored by Dr. Donna Corbett, Amazing Grace Etiquette/The Corbett Foundation and Rehkamp Global Enterprises and a special dinner was held in October by the same and at that dinner the Wilsons were presented with the award.

Mr. and Mrs. Wilson thanked their family, friends, the Mebane City Council, City of Mebane employees and the Mebane community. The Wilsons received a standing ovation.

Mayor Hooks recognized City of Mebane's Development Director Ashley Ownbey. He shared that in October of this year, Ms. Ownbey completed the Leading for Results course at the School of Government at the University of North Carolina at Chapel Hill. She was chosen to participate as a 2023 Local Government Federal Credit Union/Civic Fellow. Ms. Ownbey participated in the first course offered for the 2023 Fellows program, which was an outstanding cohort of leaders from across the state. Each of the Fellows committed to developing leadership knowledge and skills to help his or her organization and community. He commended Ms. Ownbey on being selected as an LGFCU/Civic Fellow and for completing the intensive program.

Mayor Hooks presented Gary and Gale Huey with a Proclamation honoring the Huey family for 66 years of service in Mebane and proclaiming December 23, 2023, as Huey's Restaurant and Oyster Bar Appreciation Day. Gary Huey thanked the Mebane community for all of the support over those 66 years.

PROCLAMATION HUEY'S RESTAURANT AND OYSTER BAR

WHEREAS, the Huey family first opened Huey's Restaurant and Oyster Bar in Mebane in 1957; and

WHEREAS, for more than 60 years, Huey's has served countless customers and friends at its location at 7601 U.S. Highway 70 in Mebane; and

WHEREAS, over the past six decades, the family restaurant has been an iconic and beloved fixture in the Mebane community, serving up its famous seafood, chicken, beef, barbecue and southern desserts; and

WHEREAS, Huey's has also made a name for itself through its successful catering business, hosting events large and small throughout North Carolina; and

WHEREAS, generations of the Huey family have been part of the restaurant's success through the years, along with thousands of loyal employees serving as line cooks, dishwashers and wait staff; and

WHEREAS, after 66 years in business, Gaye and Gary Huey have decided to close Huey's Restaurant and Oyster Bar this month to begin a well-deserved retirement; and

WHEREAS, the Mebane community is indebted to the Huey family for sharing their restaurant with our community and creating a welcoming gathering place for both every day and special occasions;

NOW THEREFORE, I, Ed Hooks, Mayor of the City of Mebane, North Carolina do proclaim Dec. 23, 2023, as Huey's Restaurant and Oyster Bar Appreciation Day, and call upon the citizens of Mebane to join with me in thanking the Huey family for 66 years of business in Mebane.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Mebane, North Carolina to be affixed this 4th day of December 2023.

Signed, Sealed and Delivered
this 4th day of December, 2023

Mayor Ed Hooks

During the Public Comment Period, Deboarh Worth, 1407 Fieldstone Drive, Mebane, shared that she is speaking in support of Alamance Eldercare and its partnership with NC AARP and a community survey known as the "Age-Friendly" Survey. She shared demographics related to Alamance County's aging population. She spoke of the importance of meeting the needs of seniors in Alamance County. She said participation in the survey will help Alamance Eldercare and AARP of NC in determining the needs of caregivers and the aging community and will assist in fostering a community that benefits all ages. She urged everyone to participate.

Fred Masi, 208 Redberry Court, Mebane, spoke regarding the Recreation and Parks Master Plan that is to be presented at tonight's meeting. He stated that the plan should include senior program events. He suggested that the City of Mebane look at implementing similar programs to those which the City of Burlington has in place for its seniors.

Mayor Hooks gave a brief overview of the Consent Agenda.

- a. Final Plat Approval- Cambridge Park, Ph. 3A
- b. Final Plat Reapproval- Cameron Lane Right-of-Way Dedication

Mr. White made a motion, seconded by Mr. Bradley, to approve the Consent Agenda as presented. The motion carried unanimously.

A Public Hearing was held on a request from the City of Mebane for approval to rezone two properties totaling +/- 40.69 acres and located at 635 Corregidor Street and 636 Corregidor Street from R-20 (Residential District) to LM (Light Manufacturing). Ms. Ownbey gave an overview of the request. She explained that the properties are a result of a recombination plat recently recorded with the Alamance County Register of Deeds on November 21, 2023, that created a +/- 17.34-acre lot (Public Works), a +/- 23.35-acre lot (Water Resource Recovery Facility), and a +/- 33.472-acre lot (Mebane Arts & Community Center and Soccer Fields). The Mebane Public Works Complex and the Water Resource Recovery Facility (WRRF) are nonconforming uses in the current zoning district. This amendment to the zoning map will update the zoning to be consistent with historic use of the property. Most of the site is within Mebane City Limits in Alamance County and the northwest portion is located within the Mebane Extraterritorial Jurisdiction (ETJ). Surrounding uses include residential, vacant, and recreation. The North Carolina Industrial Center is to the west across the NC 119 Bypass. The two properties are primarily located in the Secondary Growth Strategy Area and partly within the NC-119 Bypass and US 70 Mixed-Use Growth Strategy Area as identified by *Mebane By Design*, the Mebane Comprehensive Land Development Plan.

City Engineer Franz Holt presented the rezoning amendment request on behalf of the City. He gave a brief overview of the history of Public Works property. He then reiterated the same information as shared by Ms. Ownbey. He added that the City is not asking for any waivers or conditions with the Public Works R-20 to LM rezoning request. He stated that the City will meet all buffer, setback and allowed use requirements. He also stated that there are no immediate plans to expand the current footprint of Public Works. Mr. Holt then shared a brief history of the WRRF property and facility, 1915-2023. As with the Public Works property, the City is requesting a general rezoning of the R-20 to LM which is appropriate for the current use. He again stated that

the City is not asking for any waivers or conditions and will meet all buffer, setback and allowed use requirements. He stated that this action will correct a historic non-conforming uses meeting the current Unified Development Ordinance (UDO) requirements and being consistent with all other planning documents. He stated that the City does have immediate plans to expand the footprint of the WRRF and a Special Use Permit will be required for the expansion of the site.

Mr. White made a motion, seconded by Mr. Ewing, to close the public hearing. The motion carried unanimously. Mr. White made a motion, seconded by Mr. Bradley, to approve the LM zoning as presented with a motion to find that the application is consistent with the objectives and goals in the City's 2017 Comprehensive Land Development Plan *Mebane By Design*. Specifically, the request is for a property within the City's G-4 Secondary Growth Area and partly within the City's G-1, Mixed Use Growth Area (NC-119 Bypass and US-70) and is generally industrial in nature (Mebane CLP, p. 66;70). The motion carried unanimously.

A Quasi-judicial Public Hearing was held on a request from the City of Mebane for approval of a Special Use Permit to allow for a Water Resource Recovery Facility on a property totaling +/- 23.35 acres and located at 635 Corregidor Street.

At the onset of the hearing, the Mayor, Ms. Burkholder, Ms. Hadley, Mr. Bradley, and Mr. Ewing gave the following statement:

As to the special use permit, I have discussed the request with city staff and have visited the site. I have formed no opinion as to the merits of the request. I will make my decision tonight based solely on the evidence presented in this quasi-judicial hearing, as required by law.

Mr. White stated the following:

I do not believe I have discussed the request with city staff, but I have visited the site. I have formed no opinion as to the merits of the request. I will make my decision tonight based solely on the evidence presented in this quasi-judicial hearing, as required by law.

Also, at the onset of the hearing, Clerk Shaw swore in the following:

Franz Holt, Mebane City Engineer
Ashley Ownbey, Mebane Development Director
Chris Rollins, Mebane City Manager
Dennis Hodge, Retiring WRRF Director
John Dodson, New WRRF Director
Chuck Smith, Mebane Public Works Director
Kyle Smith, Mebane Utilities Director
Cliff Ayscue, Mebane Chief Building Inspector
Josh Johnson, AWCK Engineer
Mitch McKinney, Mebane Police Chief
Thomas Taylor, MAI, SRA- Taylor & Associates Appraisers, Inc.
Joel Whitford, Senior Project Manager- McGill Associates, PA
Doug Chapman, Vice President/Regional Manager- McGill Associates, P.A.
Carl Bradley, Resident, 4610 Mebane Rogers Road, Mebane
Kathy Newell, Resident, 1031 S. Third Street, Mebane

Ms. Ownbey said, for the sake of the record, some items reviewed previously will be repeated because this is a separate public hearing. She stated that based on the action that was just taken by the Council the subject property has been zoned LM light manufacturing. Per the City's UDO, a special use permit is required for a Water Resource Recovery Facility (WRRF) in either the light or heavy manufacturing zoning districts. The site totals just over 23 acres and is surrounded primarily by residential zoning. Most of the property is within the Mebane city limits. The western part of the property will need to be annexed. Currently the WRRF exists on the property closest to Corregidor Street; surrounding uses include the Public Works facility to the north and the Mebane Arts and Community Center, as well as the athletic fields to the south and then residential and vacant properties to the northwest and south. The North Carolina Industrial Center is also west of the site across from NC Hwy 119. The property is primarily located in the secondary Growth Strategy Area as identified by Mebane by Design or Comprehensive Land Development Plan. A portion is identified in a Mixed-Use Growth Strategy Area which is intended to serve as a transitional zone between industrial and residential uses in the area. As part of the special use

request a site plan has been submitted to and reviewed by the Mebane Technical Review Committee and the plan shows expansion of the plant, which will be reviewed in more detail by McGill and Associates. The site plan has also been reviewed to ensure it complies with the City's UDO and any other standards that apply. Staff found no need for any waivers or conditions as the ordinance is being met by the proposed site plan. There are no multimodal improvements required as there is an existing sidewalk on the east side of Corregidor Street and there are no improvements to the street network required for this development. Mebane's UDO does specify development standards which staff have reviewed to ensure they are being met. All structures on the WRRF site must be at least 300 feet from existing residences. The WRRF site is also required to have a specific type of security fencing which has been shown on the site plan. Any outdoor storage must be screened appropriately, and buffer requirements apply to the site in terms of landscaping. Finally, if there are any unpaved areas, those areas must be controlled in a manner to reduce any dust from going onto neighboring properties.

Mr. Holt came forward to introduce the following presenters:

Doug Chapman, Vice President/Regional Manager- McGill Associates, P.A.

Thomas Taylor, MAI, SRA- Taylor & Associates Appraisers, Inc.

Joel Whitford, Senior Project Manager- McGill Associates, PA

Mr. Chapman stated that he will be reviewing the plans for the WRRF expansion project, going from 2.5 million gallons a day to 4 million gallons a day and then ultimately to 6 million gallons per day. The need for expansion comes from the growth in Mebane, growth in industry, commercial businesses, and residential population. He explained that the City planned for a balanced growth directed by several policies and plans such as the Comprehensive Land Development Plan, Long Range Utility Plan, "paper" flow policy, and the Unified Development Ordinance (UDO). Mr. Chapman shared that several years back population and wastewater capacity projections were made which outlined what the future would hold so that a plan for expansion could be put in place to meet those future needs. He shared a map showing the existing WRRF site and spoke about the need for more capacity. He explained that the expansion requires State approval to modify the discharge permit. He explained that the State required an alternative analysis looking at other options for the expansion such as pumping wastewater flows to other neighboring systems such as Graham and Burlington. Neither system had the capacity to carry Mebane. He said that there was the idea of land application to direct the wastewater to, public access reuse, and expanding surface discharge to Moadams Creek, the stream adjacent to the WRRF. He spoke in detail explaining the proposed first phase of the project and the treatment process. He showed the expansion of the site showing the new facilities and explained that some of the old facilities would still be used since they had been recently updated. He explained the processes required to meet Jordan Lake Rules by maintaining the maximum daily load in pounds of nitrogen and phosphorus. He also provided that the new expansion would be using the existing pipe that discharges into Moadams Creek.

Mr. Chapman continued, stating that Ms. Ownbey mentioned earlier that the ordinance requires the facilities be 300 feet from existing structures. He said that the closest structure to the south of any of the treatment processes is over 500 feet and to the house to the West is about 345 feet to the nearest future structure that would be built in Phase 2 of the expansion.

Mr. Chapman spoke in detail about the recent WRRF renovations related to the residual aeration. He stated that the prior system was inefficient and was replaced with a new diffused air aeration system with blowers that are located on the site that are in sound attenuating enclosures to address both odors and any noise concerns. That was just completed last month. For future phases some of the benefits that they are trying to target during the design and development of the project is the improved treatment capabilities, so that there is an improved biological process and improved residual process.

Mr. Chapman stated that as part of a special use permit there are four findings of fact that must be addressed.

1) **The project will not materially endanger the public health or safety-**

Mr. Chapman stated that nuisance odors and nuisance noise have both been addressed during the design of the project as they have an improved treatment process to meet the

State's discharge permit limits. That discharge permit has already been issued to the City for the expansion. Also, the City will be in compliance with all the storm water requirements and the site will be secured by fencing as was mentioned in the UDO requirements.

2) The project will not substantially injure the value of adjoining or abutting properties-

Tom Taylor, an appraiser from Taylor and Associates, said he had researched similar situations such as properties located near landfills that may have more odor or noise and athletic fields with lights. He presented that he found that as long as the site was properly secured and buffered, in his professional opinion, the proposal would not substantially injure the value of adjoining or abutting property.

3) The project will be in harmony with the area in which it is to be located-

Mr. Chapman stated that the WRRF is an existing use. Immediate properties to the west are vacant. Buffers will be maintained to adjacent residential properties. There is similar zoning west of NC 119 and the City owns the properties to the north and south.

4) The project will be in general conformity with the land use plan or other plans and policies officially adopted by the City Council-

Mr. Chapman stated that the project would be completed in accordance with the City's UDO, Comprehensive Land Use Plan, Long Range Utility Plan, and the "paper" flow policy.

Mr. Chapman went on to say that a community meeting with the neighbors was held on November 1st at 6:00 p.m. In accordance with the UDO procedures, eighty-six property owners were invited, those that live within 300 feet of the property. Eight community members attended, and questions were presented and answered at that meeting. The project was also presented to the Planning Board at their November 13th meeting.

There was more discussion between the Council, Mr. Chapman, and Mr. Holt regarding the treatment process and the processes that have been put into place for reduction of odor. There was also brief discussion about the WRRF's current and future elevations as related to the 100-year flood plain. Mr. Holt stated that the structures are outside of the 100-year floodplain.

Ms. Newell stated that she attended the November 1st community meeting. She read aloud most of the following letter and summarized other portions:

I live on Third Street in Mebane, and was able to attend the meeting on Nov. 1, 2023 in which details about the proposed expansion of the treatment plant were presented.

I am sure that the engineering and technical features of the proposed expansion plant are excellent as per the presentation on Nov. 1. Lacking in the meeting, however, was any discussion at all about the possible impact such an expansion would have on the surrounding community other than to say that the new facility would be less noisy and have less odor. Currently I frequently smell the treatment plant.

I hope that the Planning Board and Town will consider the impact that an expanded treatment plant will have on the community, and include a plan to make sure that the future water and sewer needs of the town will be met beyond the 25 years projected.

To save time and space, I will write my concerns in paragraph form.

1. Noise and Odor.

A. Even if the new plant is considered less noisy in terms of decibels, and produces less odor in terms of parts per billion, etc., if significantly more sludge is processed, it is inevitable that more noise and odor will be produced. Noise is easier to measure than odor, as odor varies with the weather, time of year, and activities at the plant.

B. The proposed new plant will be built 25 feet higher than the current plant, so the noise and odor will travel further than the current plant, even with trees surrounding it.

C. No information was provided at the meeting regarding how a catastrophic flood or hurricane would be dealt with.

2. Impact on the Community.

A. Population growth and plant lifetime.

I have lived on Third Street since 2001. In that time many new developments have been built within a mile or so of my house including Fieldstone, Peppertree Village, Somerset, the Villas on Fifth Street, and more further away. There are 5 churches and 2 schools within walking distance of the treatment plant. The proposed plant is to have a lifetime of 25 years. The current plant has had a lifetime since the 1940's according to the previous meeting. In 25 years the surrounding area will have grown exponentially more and Mebane will need another treatment plant. Where will it be put? All the surrounding area is being built up and in that time there will be very few if any options for another expansion other than to use the current ball fields at the Community Center Park.

B. Limited green space now. Mebane has limited land now to build new parks or other facilities that attract residents, such as a senior center, expanded library, more local schools, etc. It needs to carefully consider the land at the Community Center and any other property assets and how they will be used in the next 25 years and beyond.

C. Attractiveness of the town. Mebane has a slogan of "Simply Charming". Features that attract new residents include the character of the town and other factors that Mebane now has, and has worked hard to promote and advertise, such as a quaint downtown, sidewalks, a very nice Community Center with many activities and ball fields. **A town does not advertise that it has a "state of the art sewer treatment plant" 1 mile from its downtown and in the very heart of a thriving population with surrounding schools, churches, the library, its primary sports venue, etc. This is a deterrent to growth, not an asset.** The current plant was built in the 40's when the town had a low population and in an area with few residents or other facilities.

D. Infrastructure needs.

At the meeting on Nov. 1 the reason given for keeping the plant at the Community Center property rather than finding a new location was that the current pump stations and infrastructure are still being used. Solutions:

1. Require builders/developers to pay impact fees to cover ALL the infrastructure needed to put in water and sewer lines. They will complain but they will do it as this area will continue to grow with the local factories, hospitals, etc.

2. Purchase adjacent property to the current property that is now for sale to be used for future expansion.

3. Consider a plan B to search for a new site for a treatment plant, and use the current site as a hub with a large pumping station that collects sludge from the current pumping stations and then sends it all to a new site. This would use the current infrastructure.

4. Use the funds available from the infrastructure bill available now to do any new work that will ensure the future water and sewer needs of the community. Despite political views, this money is being used all over Alamance County, and should be used now with the treatment plant so that we will have a viable system for more than 25 years.

Mr. Holt stated that the City does charge system development fees and those fees are being reviewed for possible presentation to Council. He also stated that with the policies that the City has put in place to try to maintain a linear growth contribution of flow to the plant, the City is looking out to at least 2070 with the capabilities that the City will be developing.

Mr. Bradley stated that Ms. Newell made excellent points and commended staff on the research and work done to get to this point as they have been working on this project for a long time. Mr. Bradley then made a motion, seconded by Mr. Ewing, to close the Public Hearing. The motion

carried unanimously. Mr. White stated that he appreciates all the engineering work that went into the presentation and made a motion, seconded by Mr. Bradley, to approve the special use permit as presented and a motion to find that the application is consistent with the objectives and policies for growth and development in the City's 2017 Comprehensive Land Development Plan Mebane By Design, Long-Range Utility Plan, or other plans officially adopted by the City Council. It is both reasonable and in the public interest because it has been found that the request:

- a. Will not materially endanger the public health or safety;
- b. Will not substantially injure the value of adjoining or abutting property;
- c. Will be in harmony with the area in which it is located; and
- d. Will be in conformity with the land development plan or other plans officially adopted by the City Council.

The motion carried unanimously.

A Public Hearing was held on a request for a mandatory amendment of the City's Stormwater Bonding requirements. Mr. Brown presented the request. He explained that effective on August 23, 2023, the General Assembly amended the authority of local governmental units as to the bonding requirements for real estate development projects which require stormwater devices. The City has had a policy since 2015 that the stormwater control devices required for owners and/or developers of real estate projects be bonded (generally by a cash payment) at an amount equal to forty percent (40%) of the construction costs, which bond obligation would be for twenty (20) years. The General Assembly passed Session Law 2023-108 (House Bill 488) that limits the bond amount to ten percent (10%) of the final construction costs and allows an owner or developer five (5) years from the date of the final construction approval, within which to deposit the same in a segregated account, said account to be held by the owner/developer, as opposed to the City. He stated that staff recommends the adoption of the amended Unified Development Ordinance, Article 6, Section 5.4.6 and the related agreement.

No one from the public spoke concerning the matter.

Mr. White made a motion, seconded by Mr. Bradley to close the Public Hearing. Mr. Bradley made a motion, seconded by Ms. Hadley, to approve the amendment to the City of Mebane Unified Development Ordinance in accordance with the presented amendment along with the corresponding referenced Stormwater Operation and Maintenance Agreement for Structural Stormwater Management Facilities. The motion carried unanimously.

Mayor Hooks called for a break at 7:58 p.m. Mayor Hooks called the meeting back to order at 8:03 p.m.

Mr. Bradley requested that the next item on the agenda, *Item 11. Planning Board Rules of Procedure*, be deferred to a future meeting. He requested that staff look at any wording that could be added to promote the decision by the planning board to be respectful of ordinances, policies and procedures that are in place and less of whether something popular with the public or not. After considerable discussion among the Council and comments from Tom Boney, Editor of Alamance News, Mr. Bradley made a motion, seconded by Ms. Burkholder, to defer the item until a future meeting. The motion carried unanimously.

Mr. Davis introduced Lisa Wolff and Art Thatcher, representatives from BerryDunn, who gave a presentation on the Recreation and Parks Comprehensive Master Plan. Ms. Wolf presented the plan via the attached PowerPoint presentation. She gave an overview of their process/path to the final plan. She stated that the Bike and Pedestrian Plan was considered when developing the plan. She highlighted key portions of the plan as outlined in the Executive Summary. There were questions from the Council and answers from the presenters during the presentation related to the plan recommendations.

Mr. Rollins recommended that the Council review the plan at length and come back with comments at the January meeting with possible adoption of the plan at the February meeting. There was considerable discussion regarding youth program fees and cost recovery. Mayor Hooks

stated the plan is a tool to help the Council and staff with capital project planning and to use during budget preparations. Mr. Davis pointed out that having an adopted plan does help when trying to obtain grant funding.

Ms. Schwartz presented a request for approval of a budget amendment for the purchase of a vacant lot on Ruffin Street. She explained that the Council approved the purchase of a vacant lot from MARISANNA, LLC, at the meeting on November 6, 2023. The City will spend \$220,000 for the land purchase and an estimated \$7,500 for due diligence (phase 1 environmental, title examination, etc.). This transaction is a one-time purchase, so the recommendation is to pay for the transaction with fund balance.

Mr. Ewing made a motion, seconded by Ms. Burkholder, to to approve the budget amendment to appropriate fund balance to purchase the vacant lot at the intersection of Ruffin Street and N. Fourth Street for \$220,000 from MARISANNA, LLC, and to fund \$7,500 in additional costs associated with the purchase. The motion carried unanimously.

BE IT ORDAINED by the Council of the City of Mebane that the Budget Ordinance for the Fiscal Year beginning July 1 2023 as duly adopted on June 5, 2023, is hereby amended as follows:

ARTICLE I

APPROPRIATIONS	Current Budget	Change	Revised Budget
General Fund - Public Works	\$ 3,611,555	\$ 227,500	\$ 3,839,055

ARTICLE II

REVENUES	Current Budget	Change	Revised Budget
General Fund - Appropriated Fund Balance	\$ 5,388,731	\$ 227,500	\$ 5,616,231

This the 4th day of December, 2023.

There being no further business, the meeting adjourned at 9:05 p.m.

ATTEST:

Stephanie W. Shaw, City Clerk

Ed Hooks, Mayor



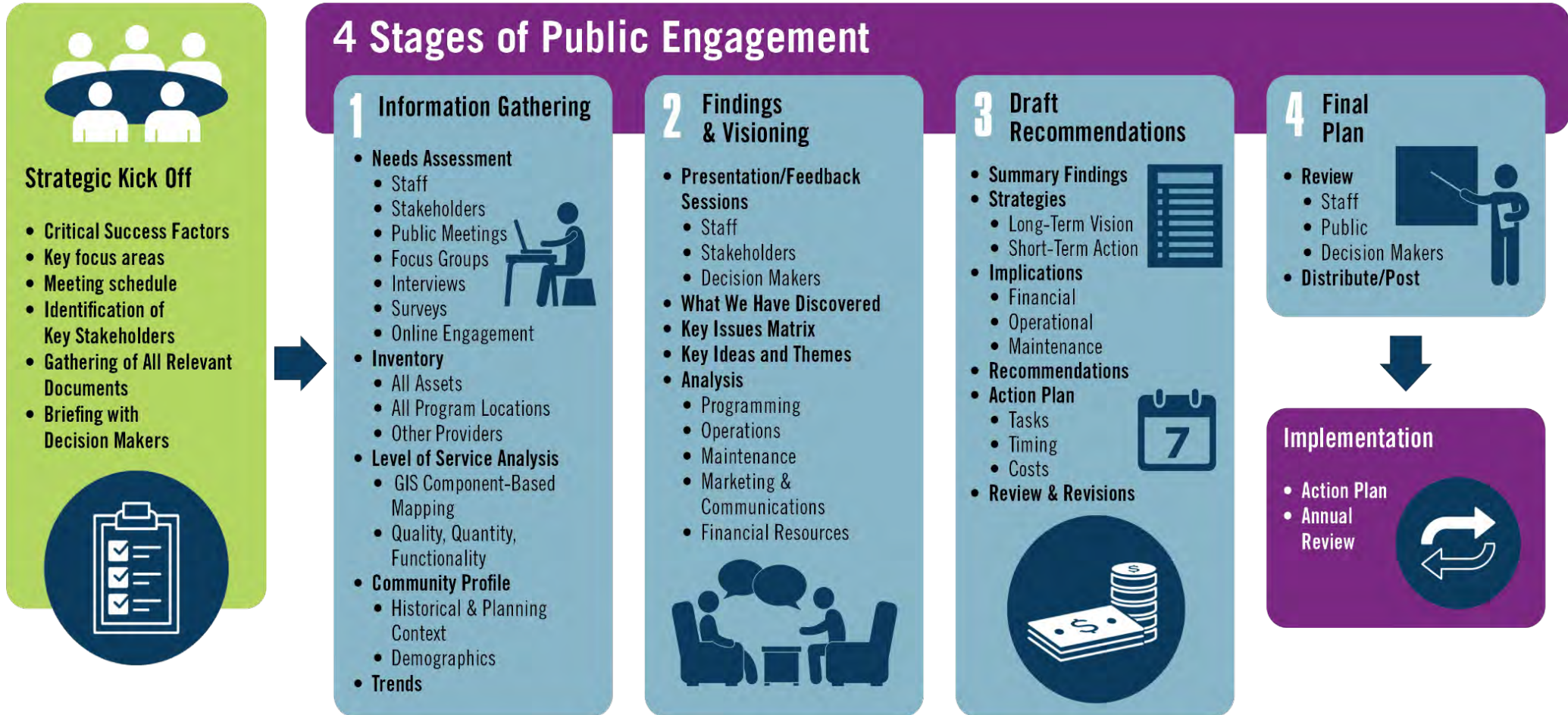
Recreation & Parks Comprehensive Master Plan

City Council Review



December 4, 2023

The Path





RECREATION & PARKS

Comprehensive Master Plan



1

Information Gathering
The Process

Plan Development Tasks

Plan Development Tasks



Document collection
and review



Organizational, financial, and
recreation program analysis



Demographics and
trends analysis



Park, facility inventory,
and level of service

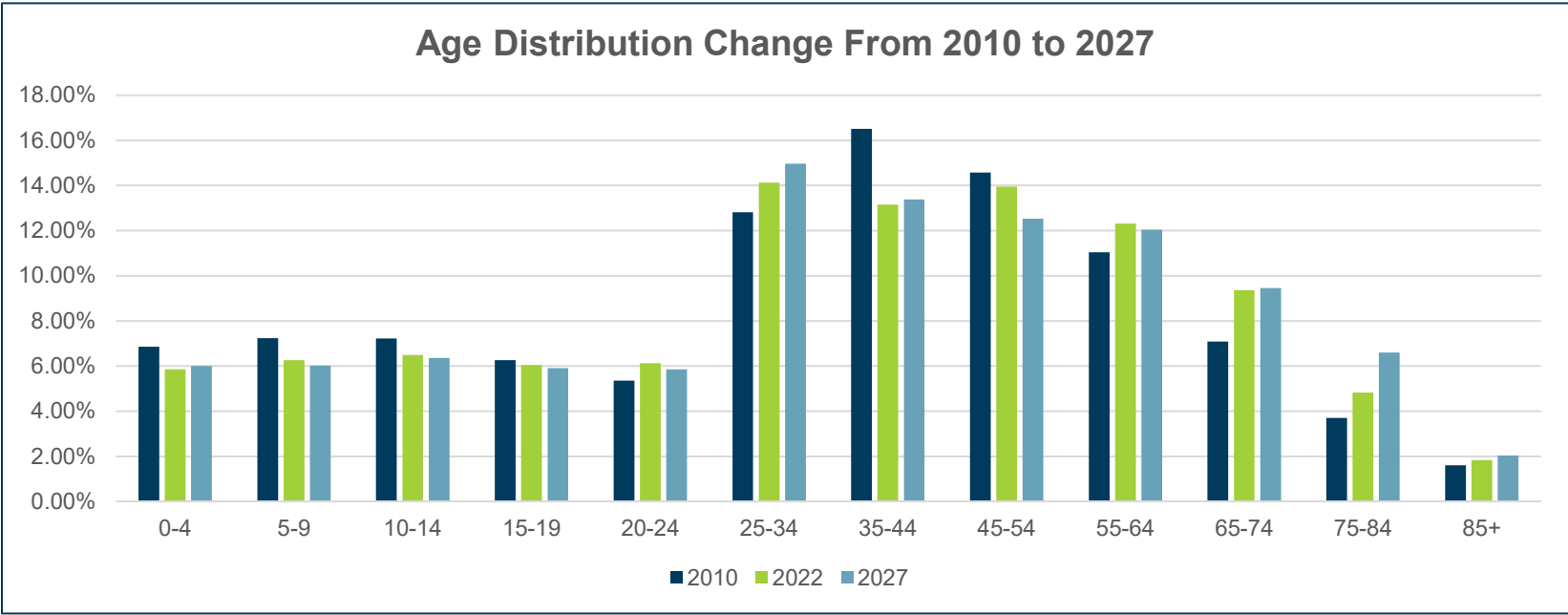
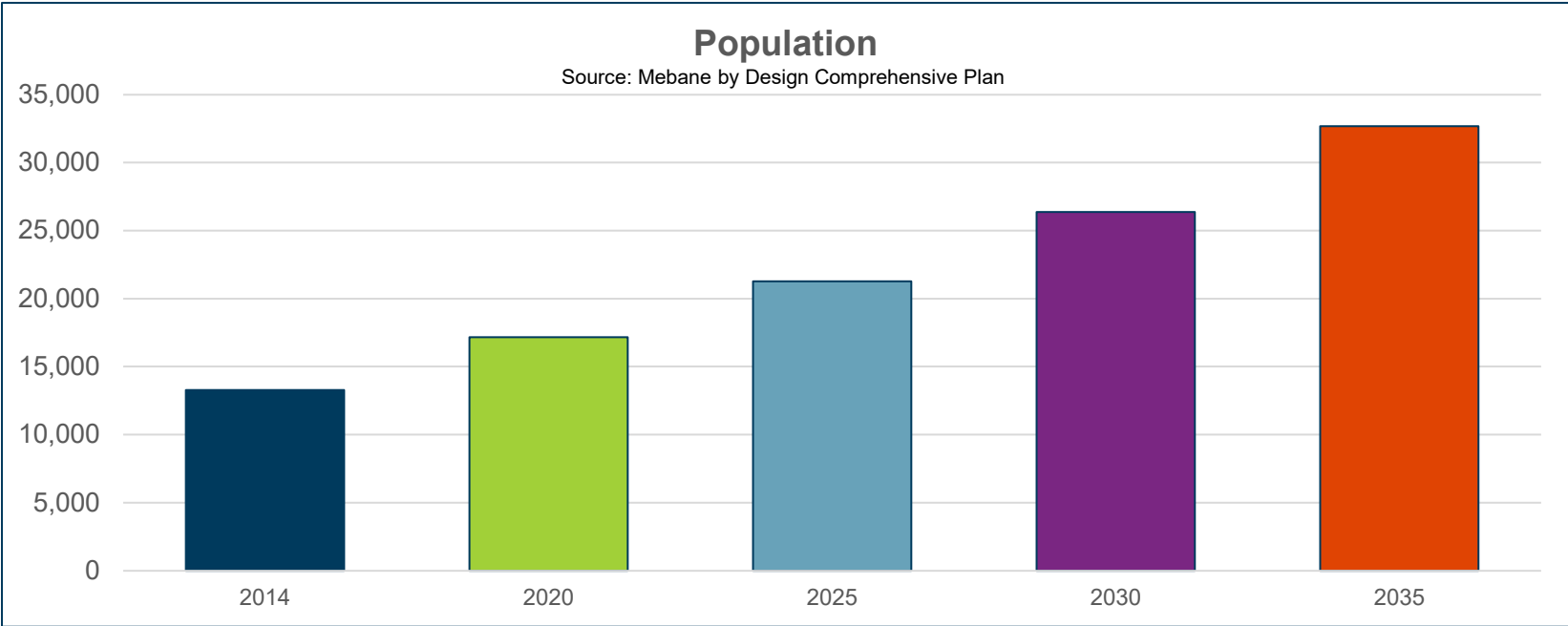


Engagement
sessions



Recommendations—goals,
strategies, and actions

Demographic Trends





Information Gathering Engagement & Responses

2

Community Engagement



70+

Stakeholders and
Focus Groups

311

Needs Assessment
Survey

1,632

Social Pinpoint
Unique Stakeholders

323

Social Pinpoint
Comments

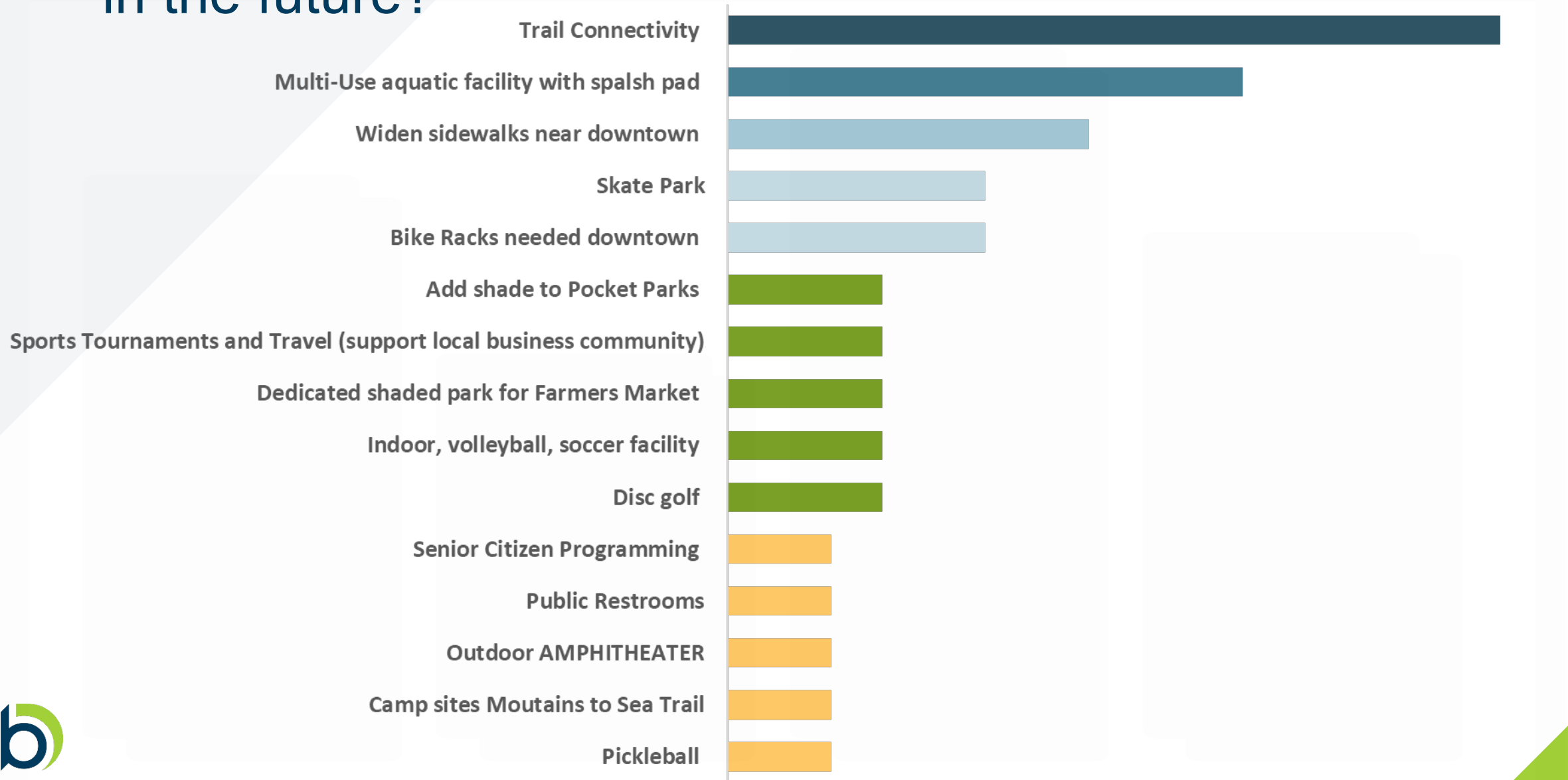
5,106

Social Pinpoint
Site Visits

2

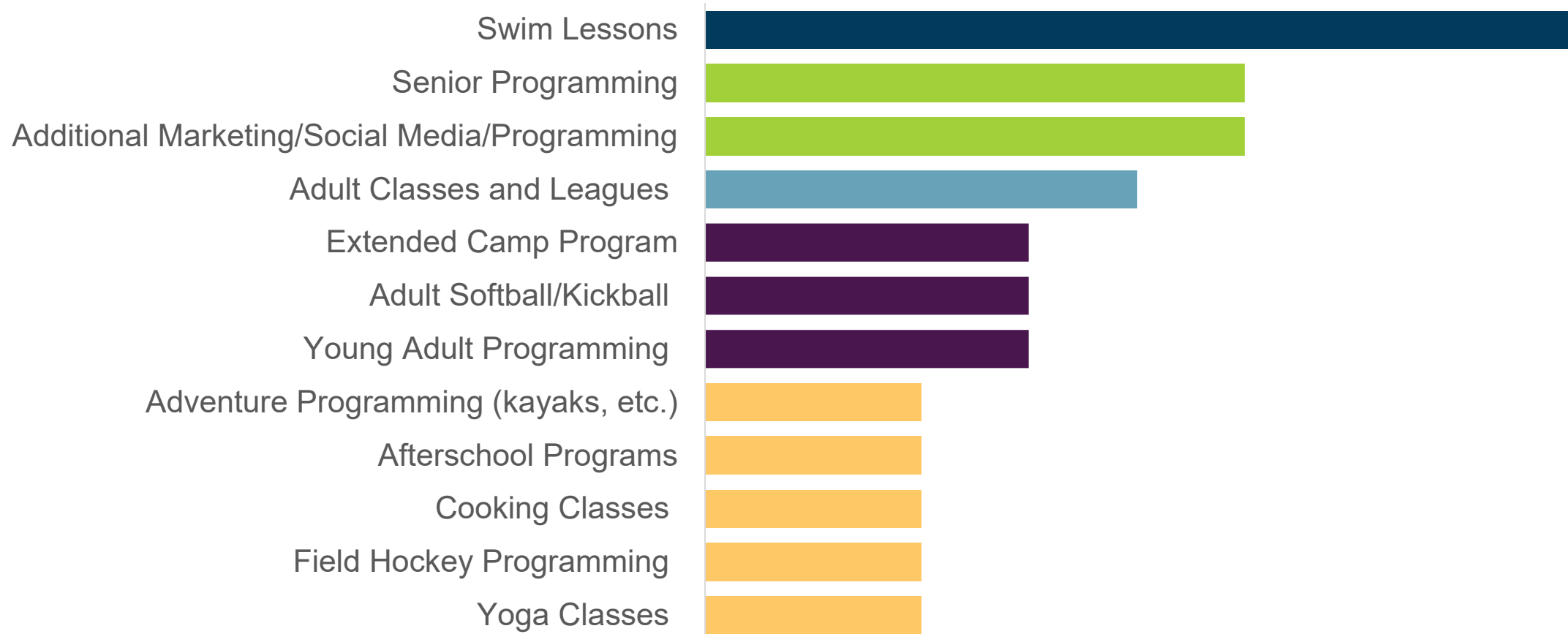
What new recreational amenities would you like to see in the future?

amenities would you like to see



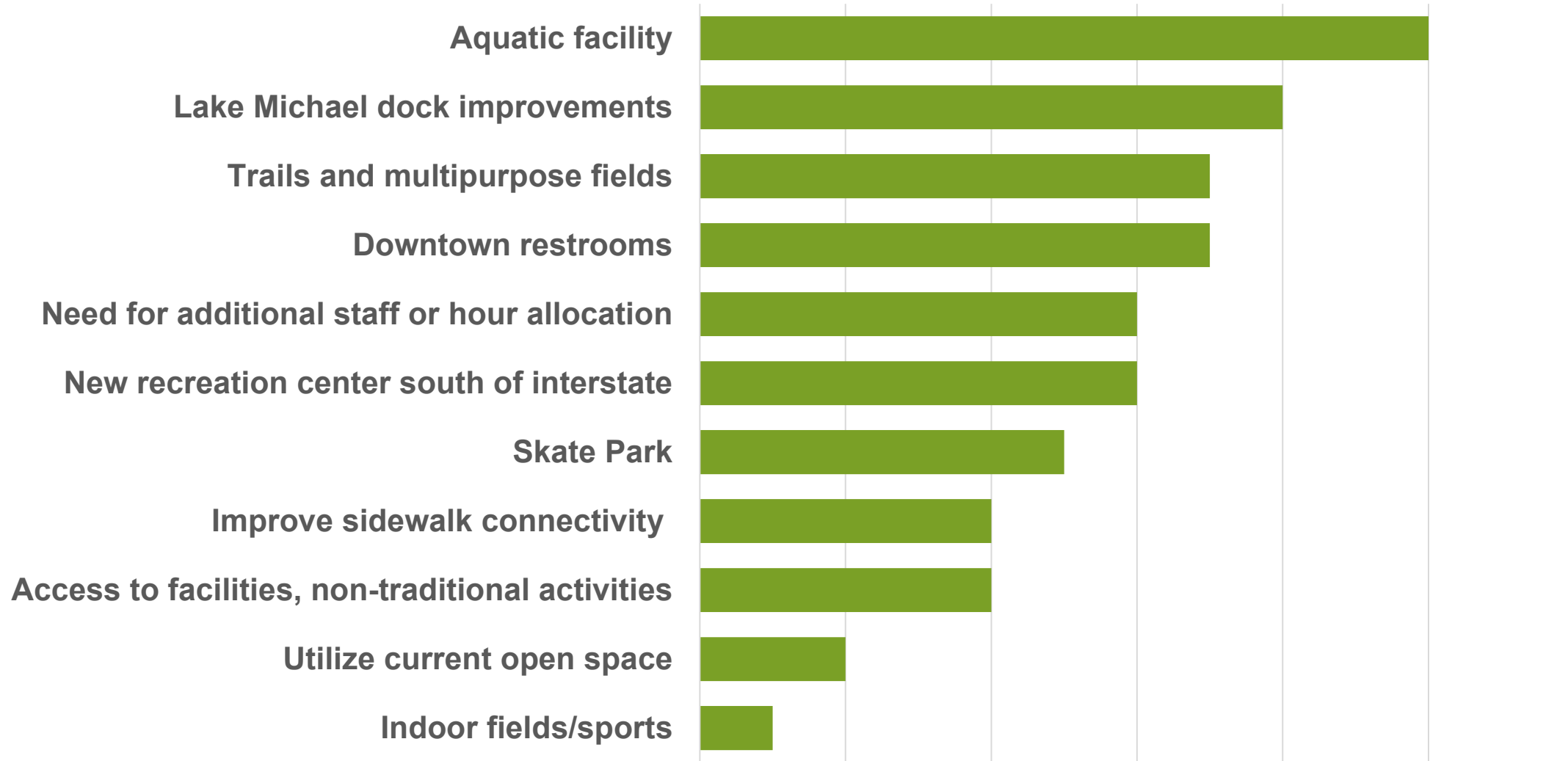
2 What new recreational programs/activities like to see available?

would you



2

What **priorities** need to be considered while developing the recreation and parks master plan?



2

Most Important Programming Needs Over the Next 5 - 10 Years

- Fitness/Wellness/Health Programs
- Swim Lessons
- Water Fitness
- Additional Teen and Youth Programs
- Adult Programs

2

Top 4 Future Needs

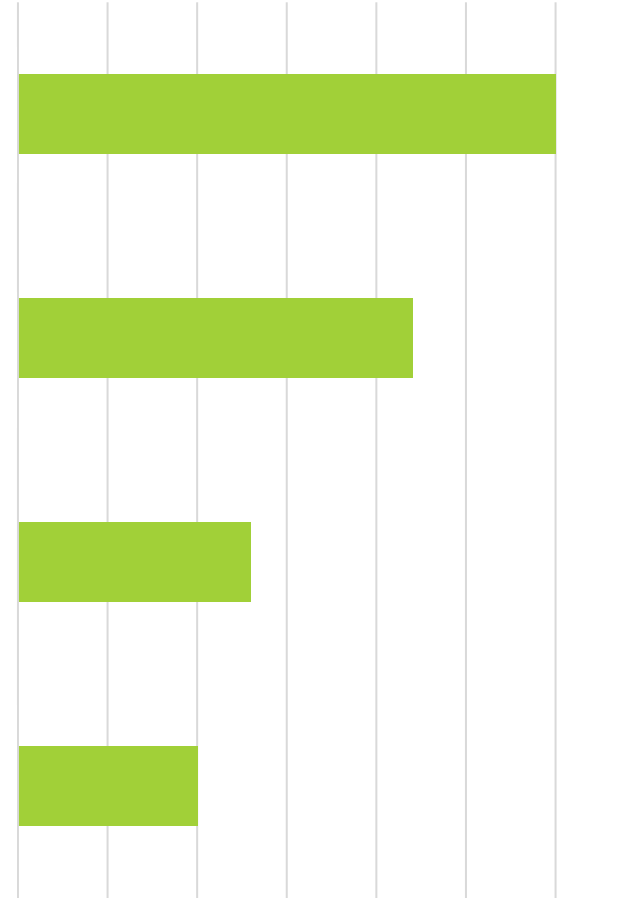


Additional Walkways, Trails and Pathways

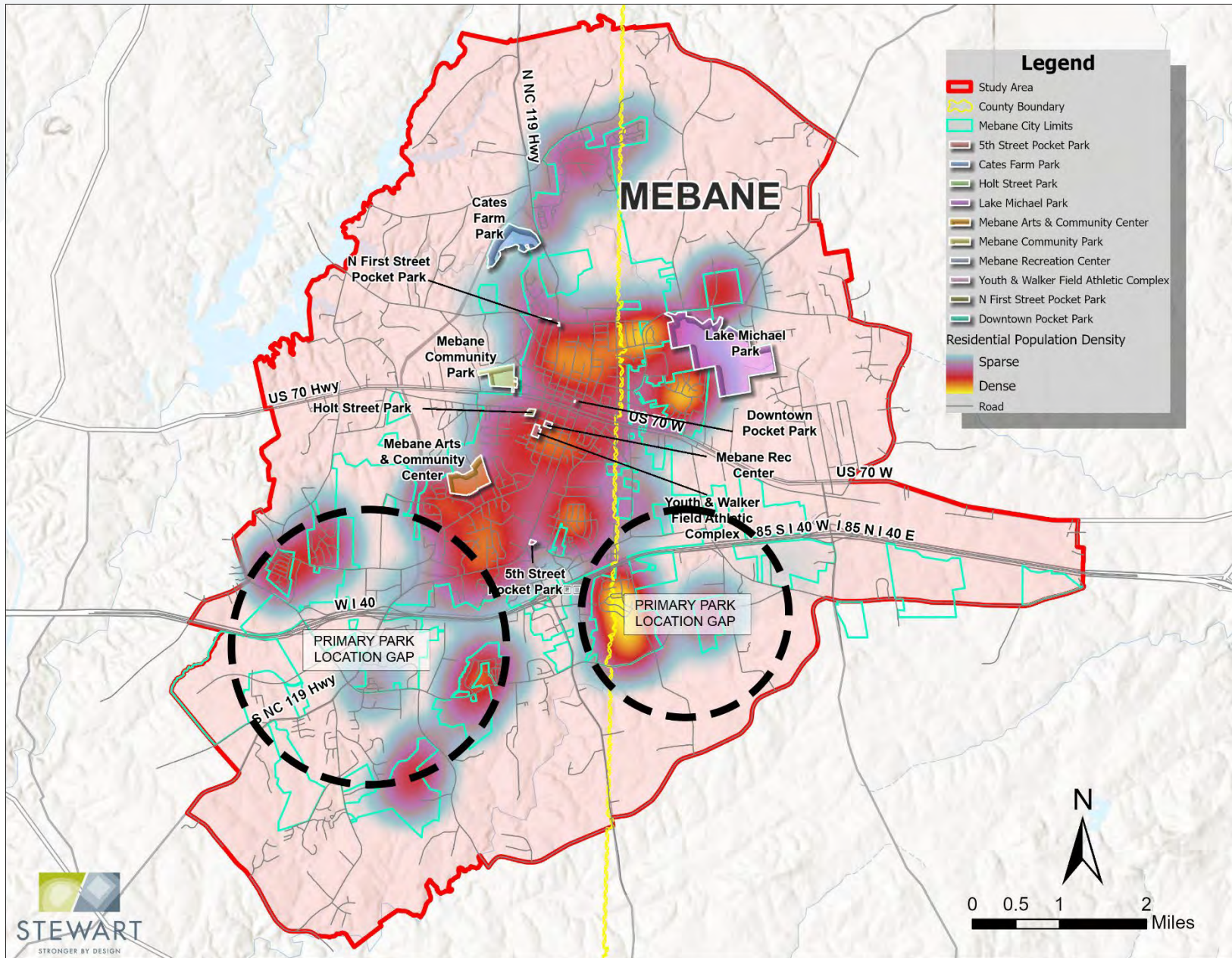
A New Community Center to Include a Swimming Pool

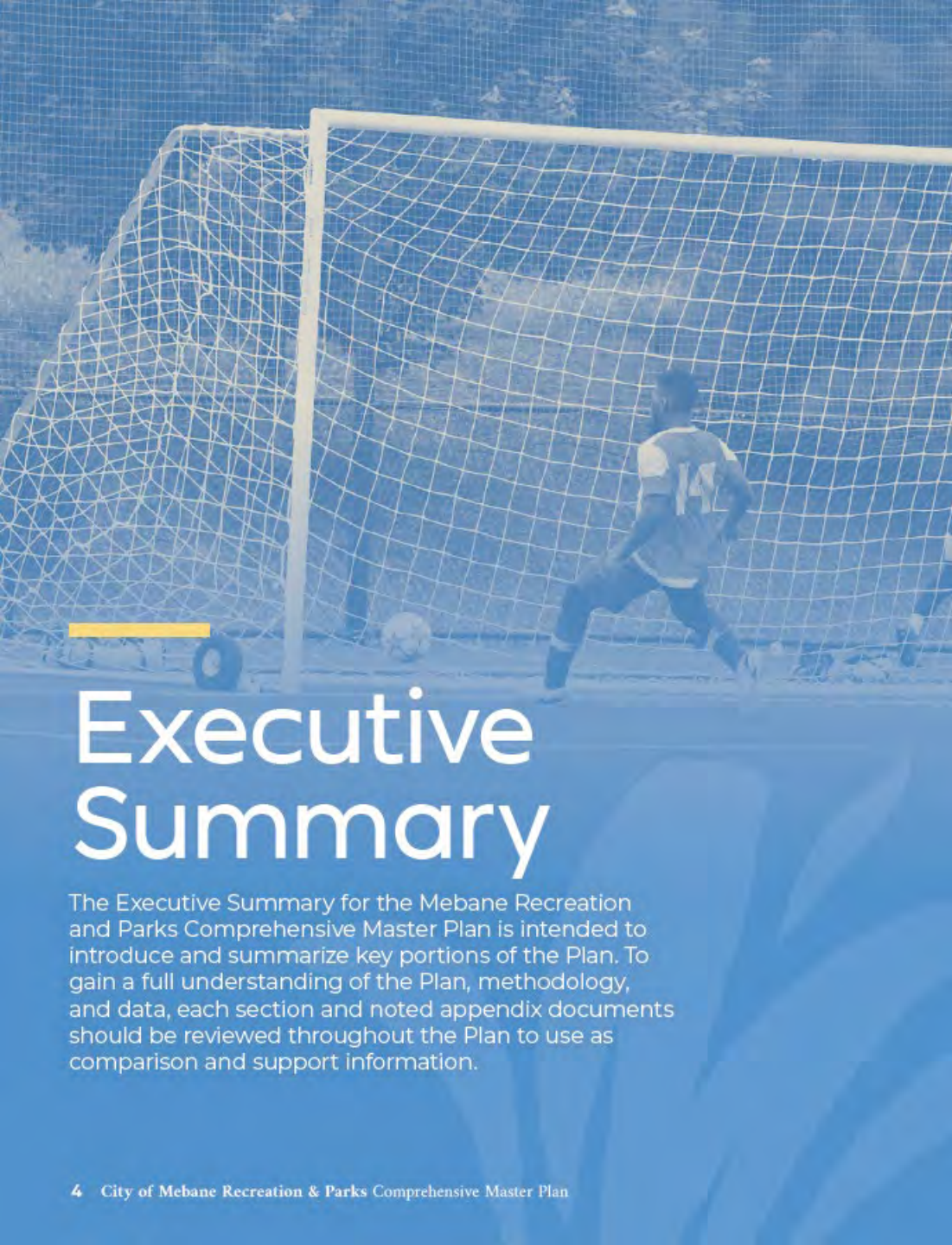
Add More Parks

Make Improvements to and/or Renovate Existing Parks and Facilities



Demographics – Potential Park Locations





Executive Summary

The Executive Summary for the Mebane Recreation and Parks Comprehensive Master Plan is intended to introduce and summarize key portions of the Plan. To gain a full understanding of the Plan, methodology, and data, each section and noted appendix documents should be reviewed throughout the Plan to use as comparison and support information.

The Key Findings Surfaced 4 Focus Areas



Operations



**Access and
Connectivity**



**Park and Facility
Maintenance and
Improvements**



**Recreation Program
and Facility Needs**

Review of Recommendations



Goal 1: Operations

Focus Area 1.1: Continue to operate as a resilient and flexible organization that adapts to changes in the Mebane community.

Focus Area 1.2: Manage the Recreation and Parks Department in a sound, responsible manner that emphasizes effective partnerships, joint ventures, stewardships, as well as staff and community involvement.

Focus Area 1.3: Maintain a highly functioning team that reflects the City of Mebane's community and emphasizes employee growth, retention, work/life balance, and staff involvement.

Focus Area 1.4: Foster and increase both existing and new financial opportunities for the department.

Recommendations Cont.



Goal 2: Access and Connectivity

Focus Area 2.1: Provide an easily accessed and connected system of walking paths and trails that support local and potentially regional efforts for walking, biking, and hiking for exercise and for pleasure. (This goal should coincide with the recommendations of the City's Bike and Pedestrian Plan.)



Goal 3: Park and Facility Maintenance Improvements

Focus Area 3.1: Maintain existing facilities and provide a safe and equitable system of parks and natural areas that offer opportunities to enjoy nature and preserve the natural environment.



Goal 4: Recreation Program and Facility Enhancements

Focus Area 4.1: Offer access to recreation programs and services in response to the city's needs and encourage healthy lifestyles.



Goal 1: Operations

Focus Area 1.1: Continue to operate as a resilient and flexible organization that adapts to changes in the Mebane community.

STRATEGIES

FA 1:1.1 Prioritize programs, activities, and facilities that best meet the needs of the changing Mebane community.

FA 1:1.2 Evaluate existing resources, including partnership for seniors, teens, and youth opportunities, and develop strategies to address the information captured from the survey and community engagement sessions.

FA 1:1.3 Advance Mebane's Recreation and Parks support and the contributions to Mebane's quality of life and economic vibrancy through communication and ongoing engagement.

FA 1:1.4 Review current operating agreements and how they benefit the department for maximum potential.



Goal 1: Operations

Focus Area 1.2: Manage the Recreation and Parks Department in a sound, responsible manner that emphasizes effective partnerships, joint ventures, stewardships, as well as staff and community involvement.

STRATEGIES

FA 1:2.1 Develop a long-term funding strategy for capital improvements with new facilities and upgrades.

FA 1:2.2 Implement the Comprehensive Plan goals.

FA 1:2.3 Maintain optimal personnel levels, contracted services, and volunteer positions within Recreation and Parks.

FA 1:2.4 Implement financial strategies that support the Department at various levels such as partnerships, grants, dedicated funding, and revenue opportunities.

FA 1:2.5 Re-examine and document departmental policies, procedures, and processes.



Goal 1: Operations

Focus Area 1.3: Maintain a highly functioning team that reflects the City of Mebane's community and emphasizes employee growth, retention, work/life balance, and staff involvement.

STRATEGIES

FA 1:3.1 Evaluate staffing levels to optimize efficiency and new programming opportunities.

FA 1:3.2 Explore additional part-time staffing and/or partnerships to fulfill community suggestions for a high LOS.

FA 1:3.3 Improve employee recruitment and retention.

Focus Area 1.4: Foster and increase both existing and new financial opportunities for the department.

STRATEGIES

FA 1:4.1 Explore developing and implementing a cost recovery and pricing philosophy and practice.

FA 1:4.2 Explore additional funding through the pursuit of grants and philanthropic opportunities.



Goal 2: Access and Connectivity

Focus Area 2.1: Provide an easily accessed and connected system of walking paths and trails that support local and potentially regional efforts for walking, biking, and hiking for exercise and for pleasure. (This goal should coincide with the recommendations of the City's Bike and Pedestrian Plan.)

STRATEGIES

FA 2:1.1 Continue with trail development and neighborhood connectivity at Cates Farm Park including Lake Michael.

FA 2:1.2 Improve walking and biking opportunities by increasing miles of developed pathways and trails within the system in collaboration with the Bike and Pedestrian Plan.

FA 2:1.3 Provide proactive management of trails and pathways that create safe and enjoyable user experiences for walking, biking, and access.

FA 2:1.4 Explore the opportunity for the expansion of facilities south of the interstate corridor.

FA 2:1.5 Offer access to recreation facilities, programs, and services that meet the City's needs, strengthen community, and encourage healthy lifestyles.

FA 2:1.6 Develop a feasibility study to determine connector opportunities to the Haw River and Mountains to the Sea Trails from the City.



Goal 3: Park and Facility Maintenance Improvements

Focus Area 3.1: Maintain existing facilities and provide a safe and equitable system of parks and natural areas that offer opportunities to enjoy nature and preserve the natural environment.

STRATEGIES

FA 3:1.1 Increase level of park service by expanding, repairing, upgrading, and/or replacing amenities noted on the inventory assessment.

FA 3:1.2 Increase acres of parks at or above standard for quality experiences (components and amenities) in a fair and equitable manner across the city with a focus south of the interstate.

FA 3:1.3 Develop an aquatic feasibility study to address the lack of water access for Mebane residents.

FA 3:1.4 Add and/or improve sustainability initiatives aligned with best practices in the parks and recreation field.

FA 3:1.5 Maintain parks, trails, and open spaces in a high-quality and proactive manner, providing adequate resources to help ensure parks are safe, clean, and green.

FA 3:1.6 Maintenance projects and annual maintenance needs should be funded on a regular schedule to address aging infrastructure.



Goal 4: Recreation Program and Facility Enhancements

Focus Area 4.1: Offer access to recreation programs and services in response to the city's needs and encourage healthy lifestyles.

STRATEGIES

FA 4:1.1 Begin the evaluation of program life cycles to provide a thorough analysis for maintaining, improving, or changing existing programming.

FA 4:1.2 Consider additional facility hours of operation, especially evening and weekends as space is available.

FA 4:1.3 Expand and offer a diverse array of programs that are reflective of the changing community in Mebane with a focus on diversity, equity, and inclusion.

FA 4:1.4 Increase marketing to non-users of city parks, programs, and facilities.

FA 4:1.5 Gather feedback and data on program participation.

FA 4:1.6 Explore opportunities for nontraditional recreation opportunities.

FA 4:1.7 Enhance special event programming within other areas of city facilities such as Cates Farm, Lake Michael, and other small pocket parks.

FA 4:1.8 Explore opportunities to expand/re-purpose the Old Rec and Youth Walker Field area.

FA 4:1.9 Expand the trail system around Lake Michael

FA 4:1.10 Complete an internal feasibility and site plan study of the land attached to the Mebane Community Park along Route 70.

Actions...Budget Impact...Lead Division...Completion Timeframe - Strategies

Goal 1: Operations			
Focus Area 1.1: Continue to operate as a resilient and flexible organization that adapts to changes in the Mebane community.			
Actions	Budget Impact	Lead Division	Completion Timeframe
Strategy FA1:1.1: Prioritize programs, activities, and facilities that best meet the needs of the changing Mebane community.	Staff Time	R&P Administration and Programming	Short-Term
Strategy FA1:1.2: Evaluate existing resources, including partnership for seniors, teens, and youth opportunities, and develop strategies to address the information captured from the survey and community engagement sessions.	Staff Time	R&P Administration	Short-Term



 BerryDunn



STEWART



RRC

Thank You!

Lisa Wolff

lisa.wolff@berrydunn.com

336.524.3097

berrydunn.com



AGENDA ITEM #5B

SUB 23-10

Final Subdivision Plat
Oakwood, Phase 1A

Presenter

Ashley Ownbey, Development Director

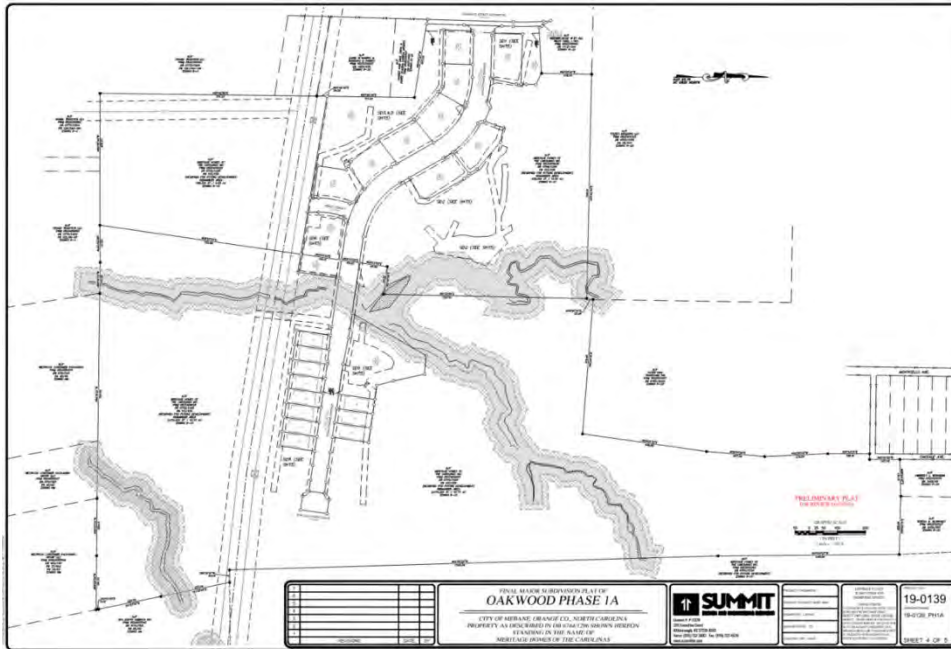
Applicant

Meritage Homes of the Carolinas, Inc.
13925 Ballantyne Corp. Pl., Ste. 300
Charlotte, NC 28277

Public Hearing

Yes No

Final Plat



Property

Oakwood Subdivision
Orange County GPINs
9825404628,
9825502531

Proposed Zoning

N/A

Current Zoning

R-8 (CD), R-10 (CD)

Size

+/-13.129 acres

Surrounding Zoning

R-8 (CD), HM, R-20,
R-8, R-6

Surrounding Land

Uses

Residential, Vacant,
Industrial

Utilities

Extended at
developer's expense.

Floodplain

No

Watershed

No

City Limits

Yes

Summary

Meritage Homes of the Carolinas, Inc. is requesting approval of the Final Plat for Phase 1A of the Oakwood Subdivision (approved for rezoning by the City Council on 04/07/2021). The final plat will include a total area of +/- 13.129 acres featuring 9 townhome blocks, 11 single-family lots, +/- 4.35 acres of open space, and +/-3.009 acres of dedicated right of way.

The Technical Review Committee (TRC) has reviewed the final plat and the applicant has revised the plat to reflect comments. All infrastructure must be completed and approved to meet the City of Mebane specifications. All infrastructure not completed shall be bonded or a letter of credit provided prior to recordation.

Financial Impact

The developer has extended utilities at his own expense.

Recommendation

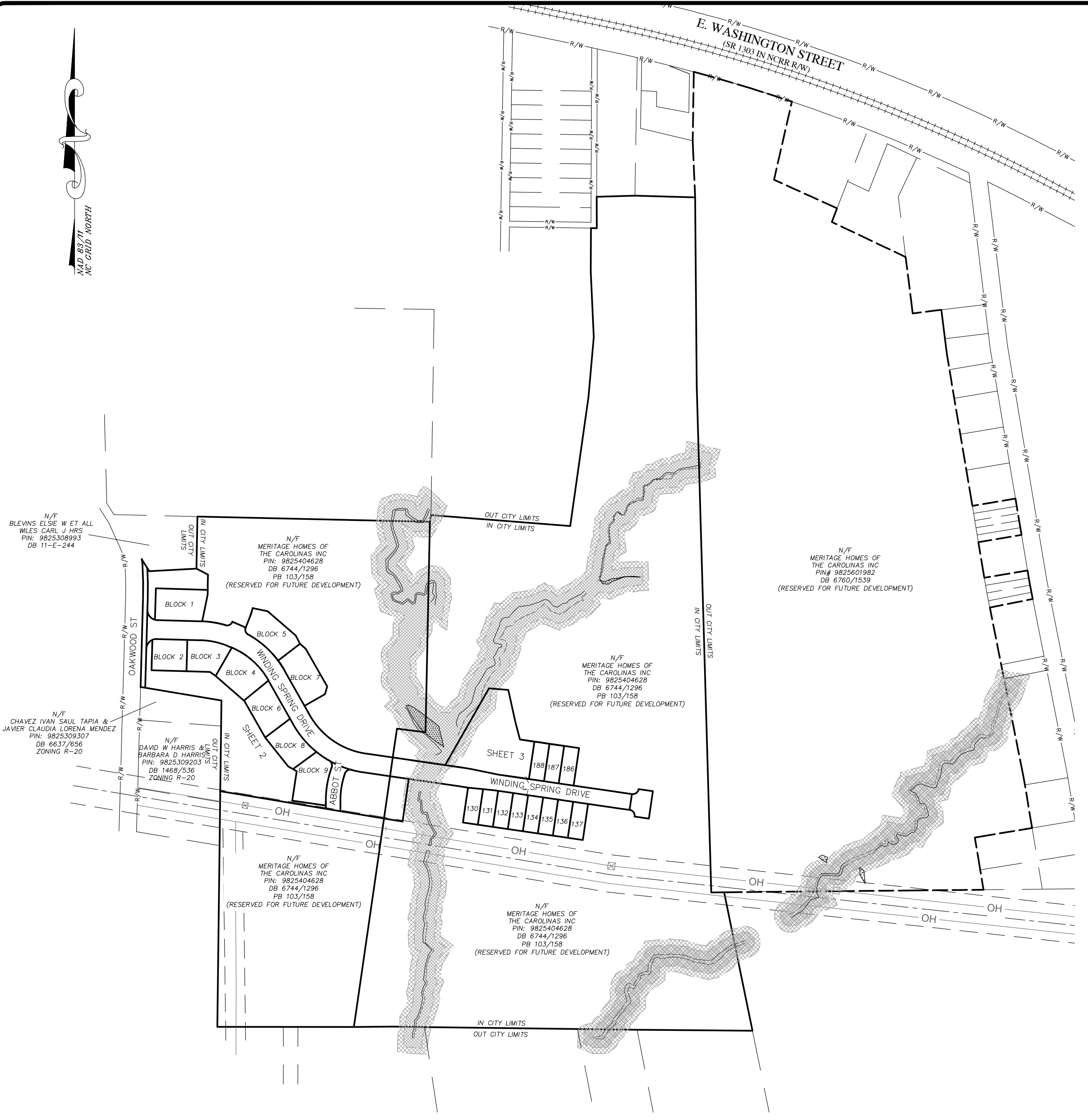
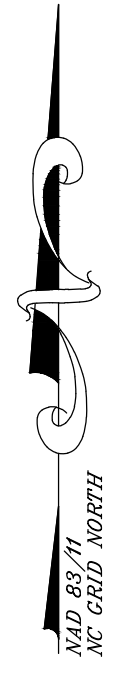
Staff recommends approval of the final plat.

Suggested Motion

Motion to approve the final plat as presented.

Attachments

1. Final Plat



CERTIFICATE OF OWNERSHIP AND DEDICATION

THIS CERTIFIES THAT THE UNDERSIGNED IS (ARE) THE OWNER(S) OF THE PROPERTY SHOWN ON THIS MAP... THE CITY OF MEBANE FOR PUBLIC USE ALL STREETS, EASEMENTS, RIGHTS-OF-WAY AND PARKS SHOWN THEREON FOR ALL LAWFUL PURPOSES TO WHICH THE CITY MAY DEVOTE OR ALLOW THE SAME TO BE USED AND UPON ACCEPTANCE THEREOF...

PROVIDED, HOWEVER, THE "COMMON ELEMENTS" SHOWN HEREON EXPRESSLY ARE NOT DEDICATED HEREBY FOR USE BY THE GENERAL PUBLIC, BUT ARE TO BE CONVEYED BY MERITAGE HOMES OF THE CAROLINAS TO OAKWOOD HOMEOWNERS ASSOCIATION, INC. FOR THE USE AND ENJOYMENT OF THE MEMBERS THEREOF PURSUANT TO THE TERMS OF THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE MEADOWS, RECORDED IN BOOK 6307, PAGE 212-248, ORANGE COUNTY REGISTRY...

BOOK NUMBER _____ PAGE NUMBER _____
SIGNATURE(S) _____
COUNTY, NORTH CAROLINA
I CERTIFY THAT THE FOLLOWING PERSON(S) PERSONALLY APPEARED BEFORE ME THIS DAY, EACH ACKNOWLEDGING TO ME THAT HE OR SHE SIGNED THE FOREGOING DOCUMENT:

NAME _____ NOTARY PUBLIC NOTARY'S PRINTED
MY COMMISSION EXPIRES: _____

CERTIFICATE OF FINAL MAJOR SUBDIVISION PLAT APPROVAL AND ACCEPTANCE OF DEDICATION

THE CITY CLERK OF MEBANE, NORTH CAROLINA, DO CERTIFY THAT THE CITY OF MEBANE APPROVED THIS PLAT OR MAP AND ACCEPTED THE DEDICATION OF THE STREETS, EASEMENTS, RIGHT-OF-WAY AND PUBLIC PARKS SHOWN THEREON, BUT ASSUMES NO RESPONSIBILITY TO OPEN OR MAINTAIN THE SAME, UNLESS IN THE OPINION OF THE CITY COUNCIL OF THE CITY OF MEBANE IT IS IN THE PUBLIC INTEREST TO DO SO.

DATE _____ CITY CLERK
STATE OF NORTH CAROLINA
ORANGE COUNTY

REVIEW OFFICER OF ORANGE COUNTY, CERTIFY THAT THIS MAP OR PLAT TO WHICH THIS CERTIFICATION IS AFFIXED MEETS ALL STATUTORY REQUIREMENTS FOR RECORDING FOR WHICH THE REVIEW OFFICER HAS RESPONSIBILITY AS PROVIDED BY LAW.

REVIEW OFFICER _____ DATE OF CERTIFICATION _____
ORANGE COUNTY LAND RECORDS/O/S

NOTE "A"
SUBSURFACE AND ENVIRONMENTAL CONDITIONS WERE NOT EXAMINED OR CONSIDERED DURING THIS SURVEY. ALL BUILDINGS, SURFACE AND SUBSURFACE IMPROVEMENTS ON AND ADJACENT TO THE SITE ARE NOT NECESSARILY SHOWN HEREON. NO STATEMENT IS MADE CONCERNING THE EXISTENCE OF UNDERGROUND CONTAINERS WHICH MAY AFFECT THE USE OF THIS TRACT.

NOTE "B"
THE LOCATION OF UNDERGROUND UTILITIES AS SHOWN ARE BASED ON VISIBLE EVIDENCE AND DRAWINGS PROVIDED TO THE SURVEYOR. LOCATION OF UNDERGROUND UTILITIES AND STRUCTURES MAY VARY FROM LOCATIONS SHOWN HEREON, AND ADDITIONAL BURIED UTILITIES MAY EXIST. CONTACT THE APPROPRIATE UTILITY COMPANIES FOR INFORMATION REGARDING BURIED UTILITIES.

NOTE "C"
DISTANCES ARE HORIZONTAL GROUND AND AREA BY COORDINATE COMPUTATION.

NOTE "D"
THIS SURVEY WAS DONE WITHOUT A TITLE SEARCH AND IS BASED ON REFERENCED INFORMATION. THERE MAY EXIST OTHER DOCUMENTS OF RECORD WHICH COULD AFFECT THIS PROPERTY.

NOTE "E"
EXCEPT AS SPECIFICALLY STATED OR SHOWN, THIS SURVEY DOES NOT REPORT ANY OF THE FOLLOWING: EASEMENTS, OTHER THAN THOSE VISIBLE DURING FIELD EXAMINATION, BUILDING SETBACKS, RESTRICTIVE COVENANTS, ZONING OR LAND USE REGULATIONS AND ANY FACTS WHICH A TITLE SEARCH MAY DISCLOSE.

NOTE "F"
WETLANDS, JURISDICTIONAL WATERS OR OTHER CONDITIONS WHICH MAY BE REGULATED BY FEDERAL OR STATE OR LOCAL AGENCIES WERE NOT INVESTIGATED DURING THIS SURVEY. RIPARIAN BUFFERS AND OTHER RESTRICTIONS ON DEVELOPMENT MAY BE REQUIRED.

NOTE "G"
THIS PROPERTY IS NOT LOCATED IN A HAZARDOUS FLOOD ZONE AS SHOWN ON FEMA FIRM NUMBER 370982400, EFFECTIVE DATE 11/17/2015. FLOOD ZONES OR BASE FLOOD ELEVATIONS WERE NOT INVESTIGATED DURING THIS SURVEY.

NOTE "H"
NO NCGS MONUMENTS WERE FOUND WITHIN 2000' OF THIS SITE.

NOTE "I"
SEE PLAT "BOUNDARY SURVEY FOR LANDS OF THE ESTATE OF VIRGINIA CLAYTON LONG & THE FIRST BAPTIST CHURCH OF MEBANE" BY STEPHEN D. PLUCKETT, PLS., DATED APRIL 4, 2008, AND RECORDED IN PB 103/758, ORANGE COUNTY.

NOTE "J"
SEE PLAT "BOUNDARY SURVEY FOR LOUISE HOLT HEATH" BY AM MORROW, PLS., DATED JULY 8, 2002, AND RECORDED IN PB 90/182, ORANGE COUNTY.

NOTE "K"
THIS PROPERTY IS WITHIN THE CAPE FEAR RIVER BASIN.

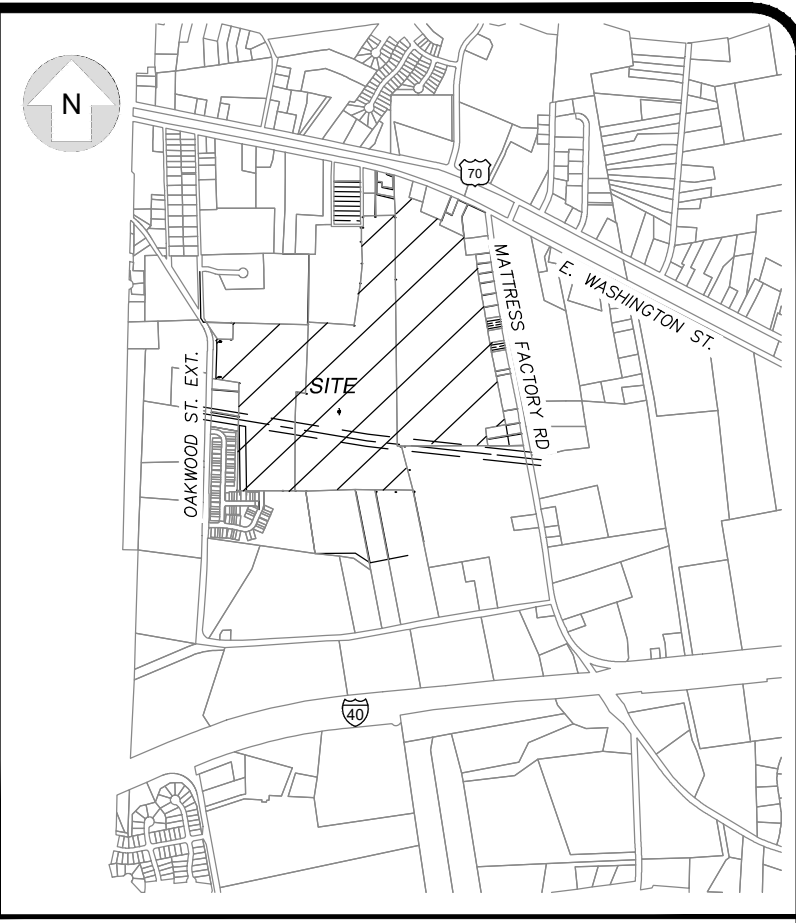
NOTE "L"
ZONING: R-8-CD (TOWNHOMES)
BUILDING FRONT SETBACK: 20 FT
BUILDING SIDE SETBACK: 15 FT
BUILDING SIDE STREET SETBACK: 15 FT
BUILDING REAR SETBACK: 15 FT

ZONING: R-10-CD (SINGLE-FAMILY)
BUILDING FRONT SETBACK: 25 FT
BUILDING SIDE SETBACK: 2 FT
BUILDING SIDE STREET SETBACK: 13 FT
BUILDING REAR SETBACK: 20 FT

NOTE "M"
THE MULTISENSE PATH IS TO BE CONSTRUCTED TO CITY OF MEBANE STANDARDS AND COVERED BY A PUBLIC EASEMENT. CITY OF MEBANE ACCEPTANCE OF THE MULTISENSE PATH AND ITS CONTINUAL MAINTENANCE WILL NOT BEGIN UNTIL ALL WORK IS DEEMED COMPLETE IN ALL PHASES SUCH THAT THE MULTISENSE PATH FORMS A COMPLETED NETWORK (WITH THE INTERNAL ROADWAY AND SIDEWALK SYSTEM AND BEING EXTENDED TO EXISTING PERIMETER STATE ROADS AND OTHER PROPERTIES AS SHOWN AND APPROVED ON THE PRELIMINARY PLAT ALL SUBJECT TO MEBANE APPROVED REVISIONS).

NOTE "N"
SEE ORANGE COUNTY PLANNING & INSPECTIONS DEPARTMENT FOR APPROVED SOIL AND EROSION CONTROL PLAN.

NOTE "O"
POSITIVE DRAINAGE SHALL BE MAINTAINED AT ALL TIMES IN SWALES AND AWAY FROM BUILDING.



VICINITY MAP
SCALE: 1"=2000'

SYMBOL LEGEND
EP = EXISTING IRON PIPE
ER = EXISTING IRON ROD
ECM = EXISTING CONCRETE MONUMENT
IRON PIN SET
BENCHMARK
CONIFEROUS TREE
DECIDUOUS TREE
BOLLARD
SIGN
SANITARY CLEANOUT
SANITARY MANHOLE
FLARED END SECTION
STORM INLET
STORM MANHOLE
ELECTRIC BOX
CUI WIRE ANCHOR
LIGHT POLE
YARD LIGHT
POWER POLE
GAS METER
GAS VALVE
TELEPHONE BOX
FIRE HYDRANT
WATER METER
WATER VALVE
BACK FLOW PREVENTER
HANDICAP PARKING
POLYETHYLENE GLYCOL PIPE
REINFORCED CONCRETE PIPE
DUCTILE IRON PIPE
CUP CURB AND GUTTER
INVERT
ELEVATION
FINISHED FLOOR ELEVATION

LINE LEGEND
WATER LINE
OVERHEAD ELECTRIC LINE
SANITARY LINE
GAS LINE
PROPERTY LINE
LINE NOT SURVEYED
RIGHT OF WAY LINE
EXISTING STORM PIPE
EXISTING TREE LINE

SITE SUMMARY
ORANGE CO. PARCEL PB 103/158
DESCRIPTION UNITS TOTAL ACRES
PARCEL AREA 8.177
LOTS 47 3.387
OPEN SPACE = (OS) 3 2.87
ROADS: 3 1.924
WINDING SPRING DR R.O.W.-1 1.587
ABBOTT ST R.O.W.-2 0.181
E. OAKWOOD ST R.O.W.-3 0.156
TOTAL DEDICATED TO PUBLIC RW 1.924

SITE SUMMARY
ORANGE CO. PARCEL PB 90/182
DESCRIPTION UNITS TOTAL ACRES
PARCEL AREA 4.952
LOTS 18 2.708
OPEN SPACE = (OS) 2 1.48
ROADS: 1 1.187
WINDING SPRING DR R.O.W.-1 1.187

TOTAL SITE SUMMARY
PHASE 1A TOTAL AREA = 13.128 ACRES
65 LOTS TOTAL = 6.145 ACRES
5 OPEN SPACE = 4.35 ACRES
R/W DEDICATION = 3.009 ACRES
PIN: 9825404628 / 9825502531
OWNER: MERITAGE HOMES OF THE CAROLINAS
REFERENCES: DB 6744/1296
PB 90/182
PB 103/158

CERTIFICATE OF OF SURVEY AND ACCURACY

I, BRANTLEY W. WELLS, PLS, L-4544, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (DEED DESCRIPTION RECORDED IN BOOK XXXX, PAGE XXXX, ETC.) (OTHER) THAT THE BOUNDARIES NOT SURVEYED ARE CLEARLY INDICATED AS DRAWN FROM INFORMATION FOUND IN BOOK _____ PAGE _____ THAT THE RATIO OF PRECISION OR POSITIONAL ACCURACY AS CALCULATED IS 1:10,000; THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH NCGS 47-30 AS AMENDED, WITNESS MY ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL THIS XXXX DAY OF JANUARY, A.D., 2024.

SURVEYOR L-4544
REGISTRATION NUMBER

CERTIFICATE OF PURPOSE OF PLAT

THIS SURVEY CREATES A SUBDIVISION OF LAND WITHIN THE AREA OF A COUNTY OR MUNICIPALITY THAT HAS AN ORDINANCE THAT REGULATES PARCELS OF LAND.

SURVEYOR 01/03/24
DATE

I HEREBY CERTIFY THAT THIS PLAT IS OF THE FOLLOWING TYPE:

G.S. 47-30 (F)(11)(A). THIS SURVEY CREATES A SUBDIVISION OF LAND WITHIN THE AREA OF A COUNTY OR MUNICIPALITY THAT HAS AN ORDINANCE THAT REGULATES PARCELS OF LAND.
I, BRANTLEY W. WELLS, PLS L-4544, CERTIFY THAT THIS MAP WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (DEED DESCRIPTION RECORDED IN BOOK/PAGE; (AS NOTED HEREON) OR OTHER REFERENCE SOURCE; (AS NOTED HEREON)); THAT THE BOUNDARIES NOT SURVEYED ARE INDICATED IN A BROKEN LINETYPE AS DRAWN FROM INFORMATION IN BOOK/PAGE; (AS NOTED HEREON) OR OTHER REFERENCE SOURCE; (AS NOTED HEREON); THAT THE RATIO OF PRECISION OR POSITIONAL ACCURACY IS 1:10,000+; AND THAT THIS MAP MEETS THE REQUIREMENTS OF THE STANDARDS OF PRACTICE FOR LAND SURVEYING IN NORTH CAROLINA (21 NCAC 56.1600). THIS MAP WAS DRAWN IN ACCORDANCE WITH G.S. 47.30 AS AMENDED, WITNESS MY ORIGINAL SIGNATURE, LICENSE NUMBER AND SEAL THIS XX DAY OF JANUARY 2024.

PRELIMINARY PLAT FOR REVIEW 01/03/2024

PROFESSIONAL LAND SURVEYOR LIC. NUMBER L-4544
SUMMIT DESIGN AND ENGINEERING SERVICES
LICENSE NUMBER P-0339

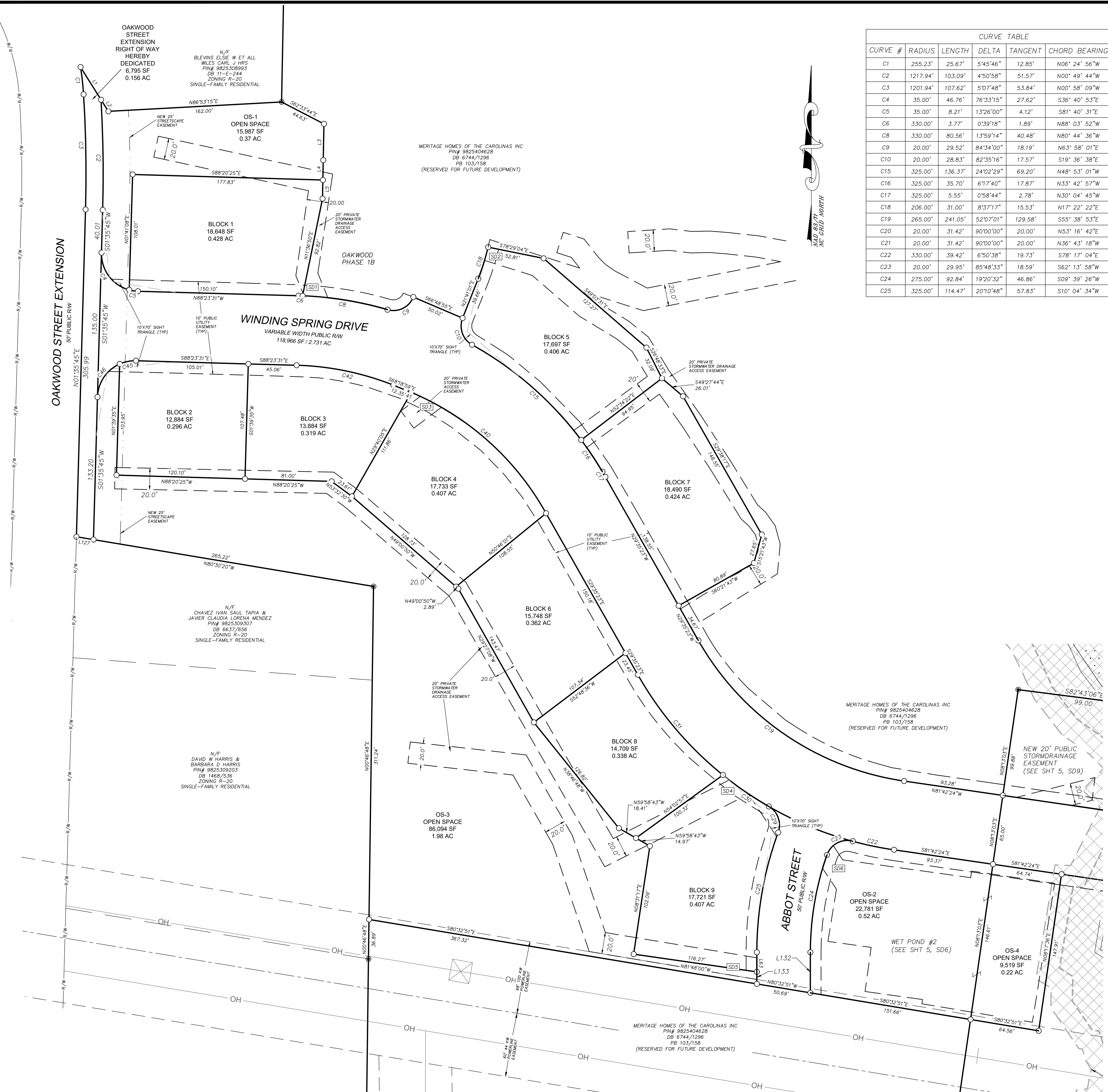
REVISIONS
7
6
5
4
3
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DATE BY

FINAL MAJOR SUBDIVISION PLAT OF
OAKWOOD PHASE 1A
CITY OF MEBANE, ORANGE CO., NORTH CAROLINA
PROPERTY AS DESCRIBED IN DB 6744/1296 SHOWN HEREON
STANDING IN THE NAME OF
MERITAGE HOMES OF THE CAROLINAS

SUMMIT DESIGN AND ENGINEERING SERVICES
License #: P-0339
320 Executive Court
Hillsborough, NC 27278-8551
Voice: (919) 732-3883 Fax: (919) 732-6676
www.summitde.com

PROJECT ENGINEER
SURVEY PROJECT MGR: RAH
DRAWN BY: JJRAH
SURVEYED BY: TD
CHECKED BY: WHM
PROJECT NO. 19-0139
DRAWING NAME 19-0139_PH1A
SHEET 1 OF 5

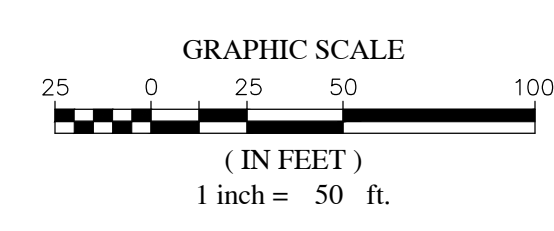
\S:\2024\19-0139\19-0139_PH1A.dwg (SUMMIT DESIGN AND ENGINEERING SERVICES) SHEET 1 OF 2 (10/24/24)



CURVE TABLE						
CURVE #	RADIUS	LENGTH	DELTA	TANGENT	CHORD BEARING	CHORD
C1	255.23'	25.67'	5°45'46"	12.85'	N06°24'56"W	25.66'
C2	1217.94'	103.09'	4°50'58"	51.57'	N00°49'44"W	103.06'
C3	1201.94'	107.62'	5°07'48"	53.84'	N00°58'09"W	107.58'
C4	35.00'	46.76'	76°33'15"	27.62'	S36°04'53"E	43.36'
C5	35.00'	8.21'	13°26'00"	4.12'	S81°40'31"E	8.19'
C6	330.00'	3.77'	0°39'18"	1.89'	N88°03'52"W	3.77'
C8	330.00'	80.56'	13°59'14"	40.48'	N80°44'36"W	80.36'
C9	20.00'	29.52'	84°34'00"	18.19'	N63°58'01"E	26.91'
C10	20.00'	28.83'	82°35'16"	17.57'	S19°36'38"E	26.40'
C15	325.00'	136.37'	24°02'29"	69.20'	N48°53'01"W	135.37'
C16	325.00'	35.70'	6°17'40"	17.87'	N33°42'57"W	35.69'
C17	325.00'	5.55'	0°58'44"	2.78'	N30°04'45"W	5.55'
C18	206.00'	31.00'	8°37'17"	15.53'	N17°22'22"E	30.97'
C19	265.00'	241.05'	52°07'01"	129.58'	S55°38'53"E	232.82'
C20	20.00'	31.42'	90°00'00"	20.00'	N53°16'42"E	28.28'
C21	20.00'	31.42'	90°00'00"	20.00'	N36°43'18"W	28.28'
C22	330.00'	39.42'	6°50'38"	19.73'	S78°17'04"E	39.39'
C23	20.00'	29.95'	85°48'33"	18.59'	S62°13'58"W	27.23'
C24	275.00'	92.84'	19°20'32"	46.86'	S09°39'26"W	92.40'
C25	325.00'	114.47'	20°10'48"	57.83'	S10°04'34"W	113.88'

CURVE TABLE						
CURVE #	RADIUS	LENGTH	DELTA	TANGENT	CHORD BEARING	CHORD
C29	20.00'	28.00'	80°12'59"	16.85'	N19°57'47"W	25.77'
C30	330.00'	51.98'	9°01'32"	26.05'	S55°33'31"E	51.93'
C31	330.00'	123.58'	21°27'22"	62.52'	S40°19'04"E	122.86'
C40	260.00'	172.28'	37°57'29"	89.44'	N48°05'46"W	169.15'
C41	260.00'	5.63'	11°42'27"	2.82'	N67°41'46"W	5.63'
C42	265.00'	92.85'	20°04'32"	46.91'	N78°21'15"W	92.38'
C45	35.00'	15.60'	25°32'39"	7.93'	S78°50'08"W	15.48'
C46	35.00'	39.38'	64°28'03"	22.07'	S33°49'46"W	37.34'

Line Table		
Line #	Length	Direction
L1	36.004'	S32°12'26.28"E
L2	12.836'	N32°12'26.28"W
L3	33.820'	N01°05'46.72"E
L4	18.557'	N01°05'46.72"E
L5	17.417'	S01°05'46.72"W
L55	31.154'	N81°12'35.28"W
L56	19.758'	N81°43'17.60"W
L57	32.242'	N81°43'17.60"W
L58	40.000'	S81°43'17.60"E
L59	40.000'	N81°43'17.60"W
L60	8.820'	S81°43'17.60"E
L61	43.221'	N84°13'12.26"W
L62	30.872'	S81°12'35.28"E
L63	18.225'	S00°00'50.35"E
L127	16.153'	N80°30'20.14"W
L128	9.177'	S10°52'34.53"E
L129	19.963'	S88°43'52.70"E
L130	23.257'	N88°46'16.39"E
L131	66.658'	N85°21'01.73"W
L132	37.890'	N00°00'50.35"W
L133	11.328'	S00°00'50.35"E



NO.	REVISIONS	DATE	BY
7			
6			
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FINAL MAJOR SUBDIVISION PLAT OF
OAKWOOD PHASE 1A
 CITY OF MEBANE, ORANGE CO., NORTH CAROLINA
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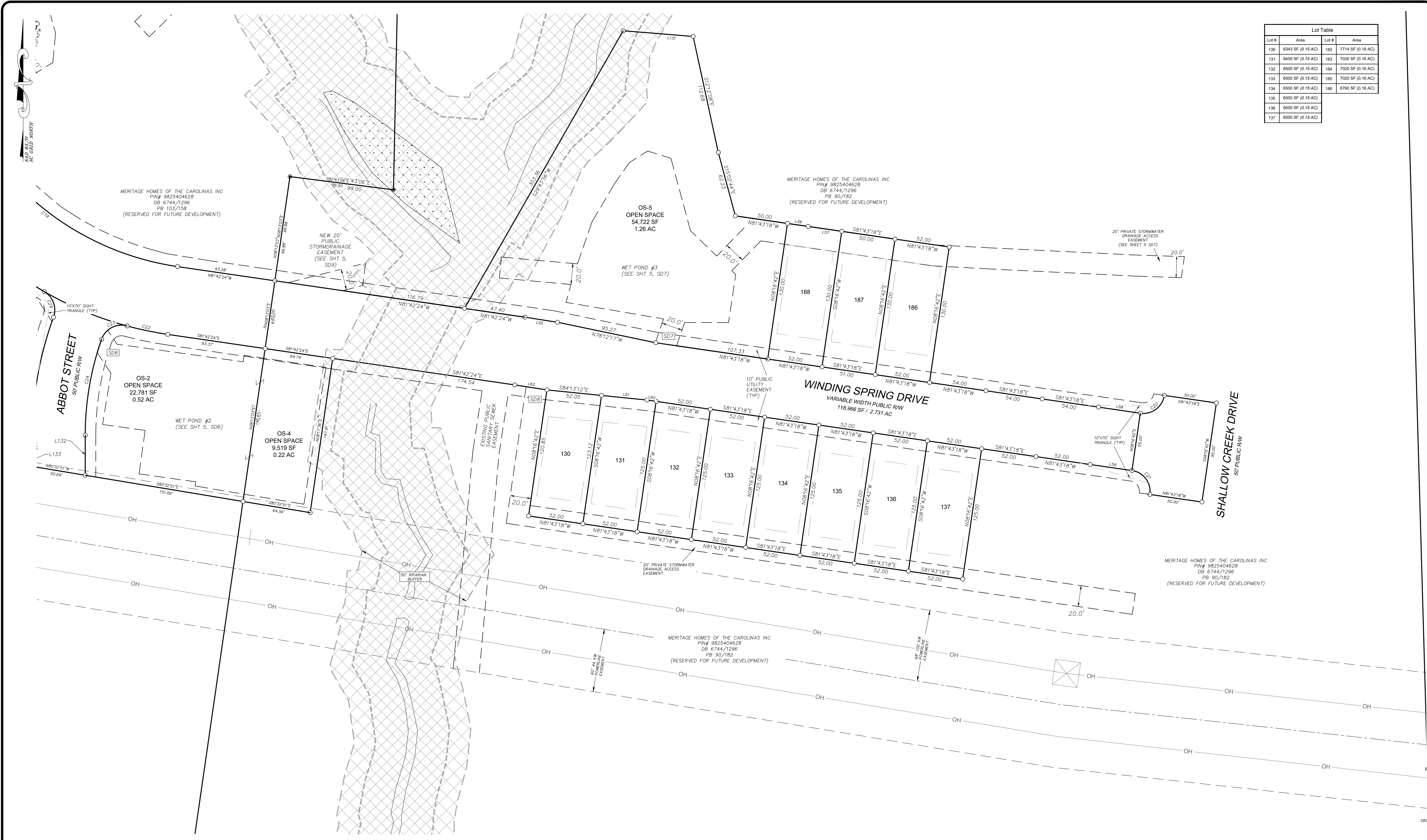
PROJECT ENGINEER	
SURVEY PROJECT MGR: RAH	
DRAWN BY: JJRAH	
SURVEYED BY: TD	
CHECKED BY: WHM	

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 BY" FOLLOWED BY HIS OR HER SIGNATURE AND
 SPECIFIC DESCRIPTION OF THE ALTERATIONS.

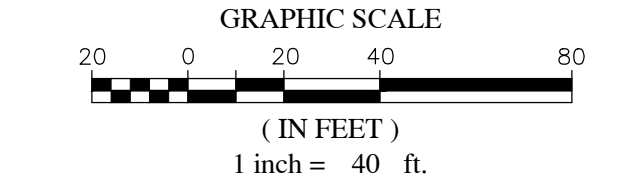
PROJECT NO.
19-0139
 DRAWING NAME
19-0139_PH1A
 SHEET 2 OF 5

PRELIMINARY PLAT
 FOR REVIEW 01/03/2024

Lot Table		
Lot #	Area	Area
130	6343 SF (0.15 AC)	182 7714 SF (0.18 AC)
131	6459 SF (0.15 AC)	183 7020 SF (0.16 AC)
132	6500 SF (0.15 AC)	184 7020 SF (0.16 AC)
133	6500 SF (0.15 AC)	185 7020 SF (0.16 AC)
134	6500 SF (0.15 AC)	186 6760 SF (0.16 AC)
135	6500 SF (0.15 AC)	
136	6500 SF (0.15 AC)	
137	6500 SF (0.15 AC)	



PRELIMINARY PLAT
FOR REVIEW 01/03/2024



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	REVISIONS	DATE	BY

FINAL MAJOR SUBDIVISION PLAT OF
OAKWOOD PHASE 1A
 CITY OF MEBANE, ORANGE CO., NORTH CAROLINA
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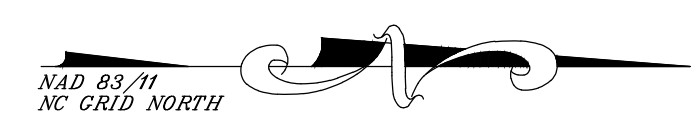
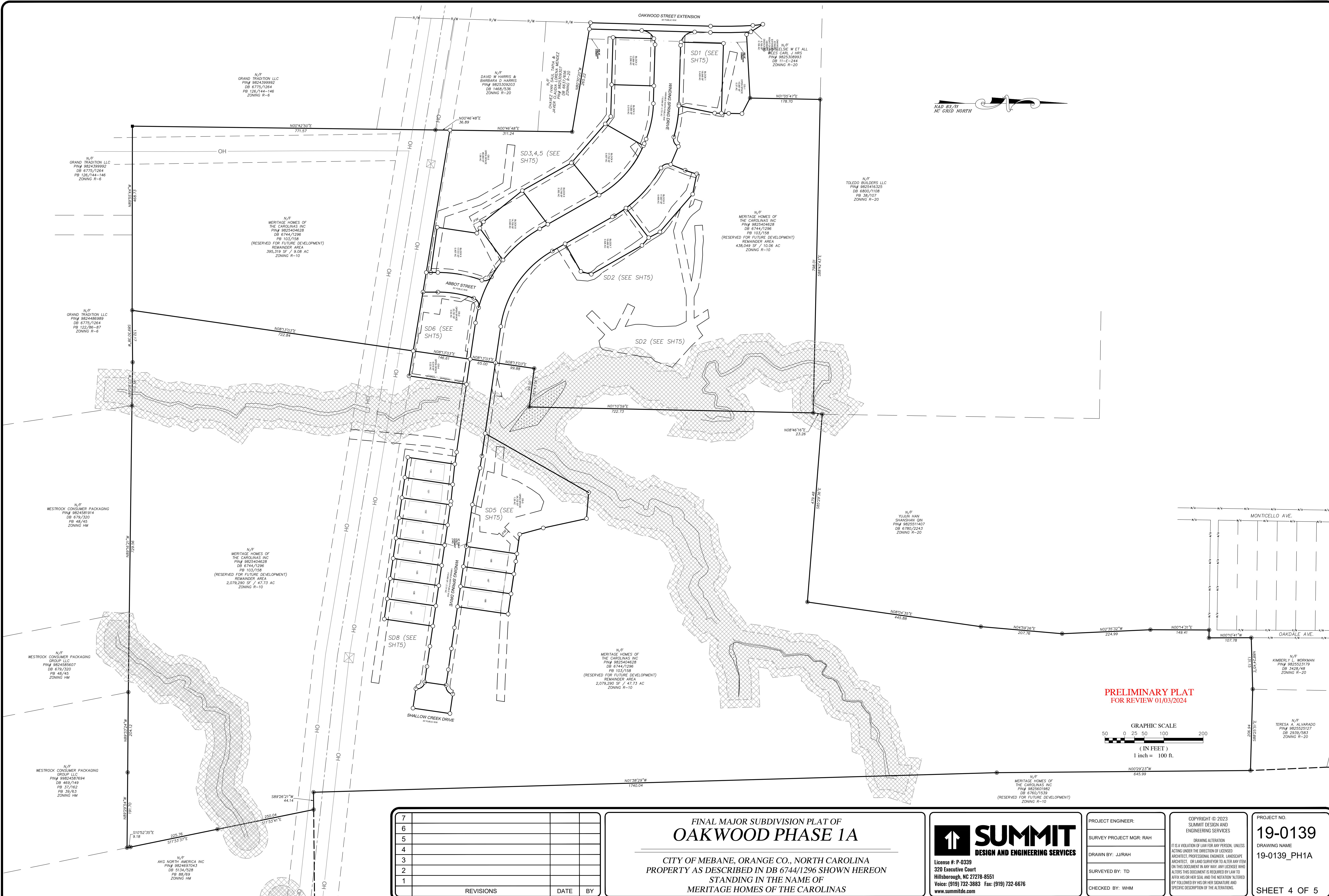
PROJECT ENGINEER:	
SURVEY PROJECT MGR: RAH	
DRAWN BY: JJRAH	
SURVEYED BY: TD	
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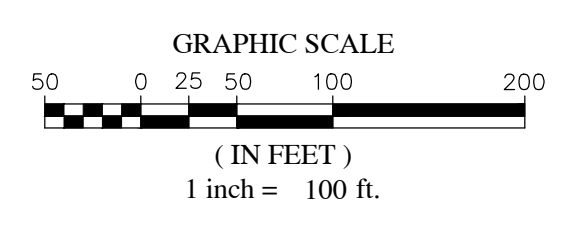
PROJECT NO.
19-0139
 DRAWING NAME
19-0139_PH1A
 SHEET 3 OF 5

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14-021781-0101 (01/20/2024) - Hillsborough County, NC - Survey - Final Plat - Review - Sheet 1 of 2 (01/20/2024)



PRELIMINARY PLAT
 FOR REVIEW 01/03/2024



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	REVISIONS	DATE	BY

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PROJECT ENGINEER: _____
 SURVEY PROJECT MGR: RAH
 DRAWN BY: JJRAH
 SURVEYED BY: TD
 CHECKED BY: WHM

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PROJECT NO.
19-0139
 DRAWING NAME
19-0139_PH1A
 SHEET 4 OF 5



AGENDA ITEM #5C

Budget Ordinance Amendment- Artificial Turf Field Maintenance

Meeting Date

January 8, 2024

Presenter

Daphna Schwartz, Finance Director
Aaron Davis, Recreation and Parks Director

Public Hearing

Yes No

Summary

Staff requests a budget amendment to account for a Mebane Youth Soccer Association (MYSA) payment towards artificial turf field maintenance.

Background

Per the City's agreement with MYSA, the association pays toward the maintenance cost of the artificial turf fields. This payment must be budgeted in order to use the fees to pay for maintenance of the fields in January.

Financial Impact

The \$50,000 payment will be used to partially cover the cost of replacing the infill on the artificial turf fields.

Recommendation

Staff recommends approving the FY23-24 Budget Ordinance Amendment.

Suggested Motion

Motion to approve the FY23-24 Budget Ordinance Amendment to account for the funds from MYSA.

Attachments

1. FY23-24 Budget Ordinance Amendment

BE IT ORDAINED by the Council of the City of Mebane that the Budget Ordinance for the Fiscal Year beginning July 1 2023 as duly adopted on June 5, 2023, is hereby amended as follows:

ARTICLE I

APPROPRIATIONS	Current Budget	Change	Revised Budget
General Fund - Recreation & Parks	\$ 3,458,497	\$ 50,000	\$ 3,508,497

ARTICLE II

REVENUES	Current Budget	Change	Revised Budget
General Fund - All Other Revenues	\$ 1,396,230	\$ 50,000	\$ 1,446,230

This the 8th day of January, 2024.



AGENDA ITEM #5D

Petition for Voluntary Non-Contiguous Annexation- Clifford M. Ray, Jr. Family Limited Partnership- NCIC, LLC- Transload Facility

Meeting Date

January 8, 2024

Presenter

Lawson Brown, City Attorney

Public Hearing

Yes No

Summary

Staff received a petition requesting voluntary non-contiguous annexation from Clifford M. Ray, Jr. Family Limited Partnership.

Background

The applicant is requesting that the described property be annexed into Mebane's Corporate Limits. This is a non-contiguous annexation containing approximately +/- 7.830 acres located in Alamance County. This property is in the North Carolina Industrial Center (NCIC). A Transload Facility is planned for this property.

Financial Impact

The property will be added to the ad valorem tax base of the City once the property is annexed.

Recommendation

Staff recommends the Council's acceptance of the petition, the Clerk's Certificate of Sufficiency, and to adopt a Resolution setting a date of public hearing for February 5, 2024.

Suggested Motion

I make a motion to accept the petition, the Clerk's Certificate of Sufficiency, and to adopt a Resolution setting a date of public hearing for February 5, 2024.

Attachments

1. Petition
2. Clerk's Certificate of Sufficiency
3. Map
4. Resolution



PETITION REQUESTING A NON-CONTIGUOUS ANNEXATION

Annexation Process – Approximately a 2 Month Process

1st Month- Submit a Petition for Annexation to the City Council, the Clerk reports to City Council the Sufficiency of the Annexation and the City Council adopts a Resolution to set a Public Hearing

2nd Month- A Public Hearing is held and normally that same night, the City Council will adopt an Ordinance to set the effective date as the same or the Council will deny the request


Date: 12/15/2023

To the City Council of the City of Mebane:

1. We the undersigned owners of real property respectfully request that the area described in Paragraph 2 below be annexed to the City of Mebane.
2. The area to be annexed is non-contiguous to the City of Mebane and the boundaries of such territory are as follows:

**Please include a Description of Boundaries (Metes and Bounds) on a separate paper.*

- **3.** We acknowledge that any zoning vested rights acquired pursuant to G.S. 160A-385.1 or or G.S. 153A-344.1 must be declared and identified on this petition. We further acknowledge that failure to declare such rights on this petition shall result in a termination of vested rights previously acquired for the property. (If zoning vested rights are claimed, indicate below and attach proof.)

Name	Address	Do you declare vested rights (Yes or No)	Signature
1. Clifford M. Ray, Jr Family Limited Partnership	PO BOX 445 OAK ISLAND, NC 28465	No	
2.			
3.			

*Municipality may wish to require metes and bounds description or map. (Provide 2 paper copies, an electronic copy and 3 mylars)

**This is one possible format for zoning vested rights declaration. This language may require

CERTIFICATE OF SUFFICIENCY

To the City Council of the City of Mebane, North Carolina:

I, Stephanie W. Shaw, City Clerk, do hereby certify that I have investigated the petition attached hereto and have found as a fact that said petition has been signed by all owners of real property lying in the area described therein, in accordance with G.S. 160A-58.2.

In witness whereof, I have hereunto set my hand and affixed the seal of the City of Mebane, this 8th day of January 2024.



Stephanie W. Shaw
Stephanie W. Shaw, City Clerk

CURVE TABLE:

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1a	71.90'	38.18'	37.73'	N 67°15'45" E	30°25'22"
C1b	71.90'	56.86'	55.39'	N 29°23'46" E	45°18'37"
C2	523.69'	417.04'	406.11'	N 31°43'12" E	45°37'39"
C3	371.00'	501.65'	464.30'	N 50°47'35" E	77°28'21"

LEG TABLE:

LINE	BEARING	DISTANCE
L6	N 82°34'15" E	96.69'
L7	S 08°54'28" W	94.66'
L8	N 69°06'04" E	42.51'
L8a	N 69°06'04" E	0.97'
L8b	N 69°06'04" E	41.54'
L17	S 33°25'28" W	147.49'
L20	S 76°39'20" W	125.13'
L21	S 77°42'16" E	10.04'
L22	N 13°08'44" E	5.88'
L23	N 45°32'25" E	25.53'
L25	N 19°17'26" W	181.39'
L26	N 76°39'20" W	252.39'
L27	S 07°00'21" E	117.99'
L28	S 03°49'47" W	107.25'
L29	S 08°50'10" W	54.39'
L30	N 81°09'50" W	113.00'
L31	N 08°50'10" E	69.62'
L32	S 08°54'22" W	62.92'
L33	N 06°44'37" E	23.60'
L34	N 83°15'23" W	6.11'
L35	N 63°31'22" E	114.90'

NOTES:

THE PURPOSE OF THIS PLAT IS TO ANNEX THE 7.830 Ac. (0.0122 Sq. Mile) ± PARCEL INTO THE CORPORATE LIMITS OF THE CITY OF MEBANE.

BOUNDARY INFORMATION IS SHOWN PER A SURVEY OF THIS PROPERTY BY SACKS SURVEYING & MAPPING DATED SEPTEMBER 22, 2023

APPARENT SOURCE TITLE: DB 2799 PG 569

PLAT REFERENCES: PB _____ PG _____ LOT 26
(SEE ALSO PB 6 PG 2, PB 66 PG 76;
PB 76 PG 221; AND PB 83 PG 147-149)

TAX PARCEL #s: 164853, 164818, 164905, AND 162092

TOTAL AREA UNDER HEAVY LINE: 7.830 ACRES, MORE OR LESS

THIS SURVEY WAS PREPARED WITHOUT REFERENCE TO A TITLE REPORT. THERE MAY BE EASEMENTS, RIGHTS-OF-WAY, OR OTHER MATTERS AFFECTING THIS PROPERTY WHICH ARE NOT SHOWN HEREON.

ALL DEEDS AND MAPS NOTED HEREON WERE USED AS REFERENCES IN PREPARING THIS SURVEY.

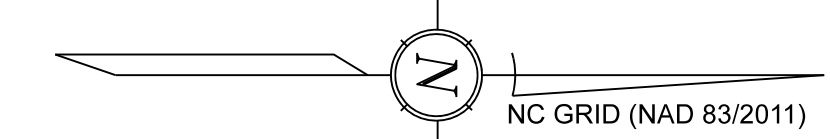
N.C. GRID COORDINATES SHOWN HEREON WERE ESTABLISHED BY RAPID STATIC GPS METHODS USING SPECTRA PRECISION SP-80 GPS EQUIPMENT, HOLDING LOCAL CORS STATIONS AS FIXED REFERENCES. A WEIGHTED LEAST-SQUARES AVERAGE OF THREE INDEPENDENT OBSERVATIONS WAS USED TO CALCULATE THE RESULTANT POSITIONS.

Class of Survey: A
Positional Accuracy: 0.04' Horiz. / n/a Vert.
Type of GPS field procedure: Rapid Static (VRS)
Date of Survey: 28 October, 2021
Datum/Epoch: NAD 83 (2011)
Published/fixed-control used: Local CORS Stations
Geoid Model: Geoid 18
Combined grid factor: 0.99995544
Units: US Survey Feet

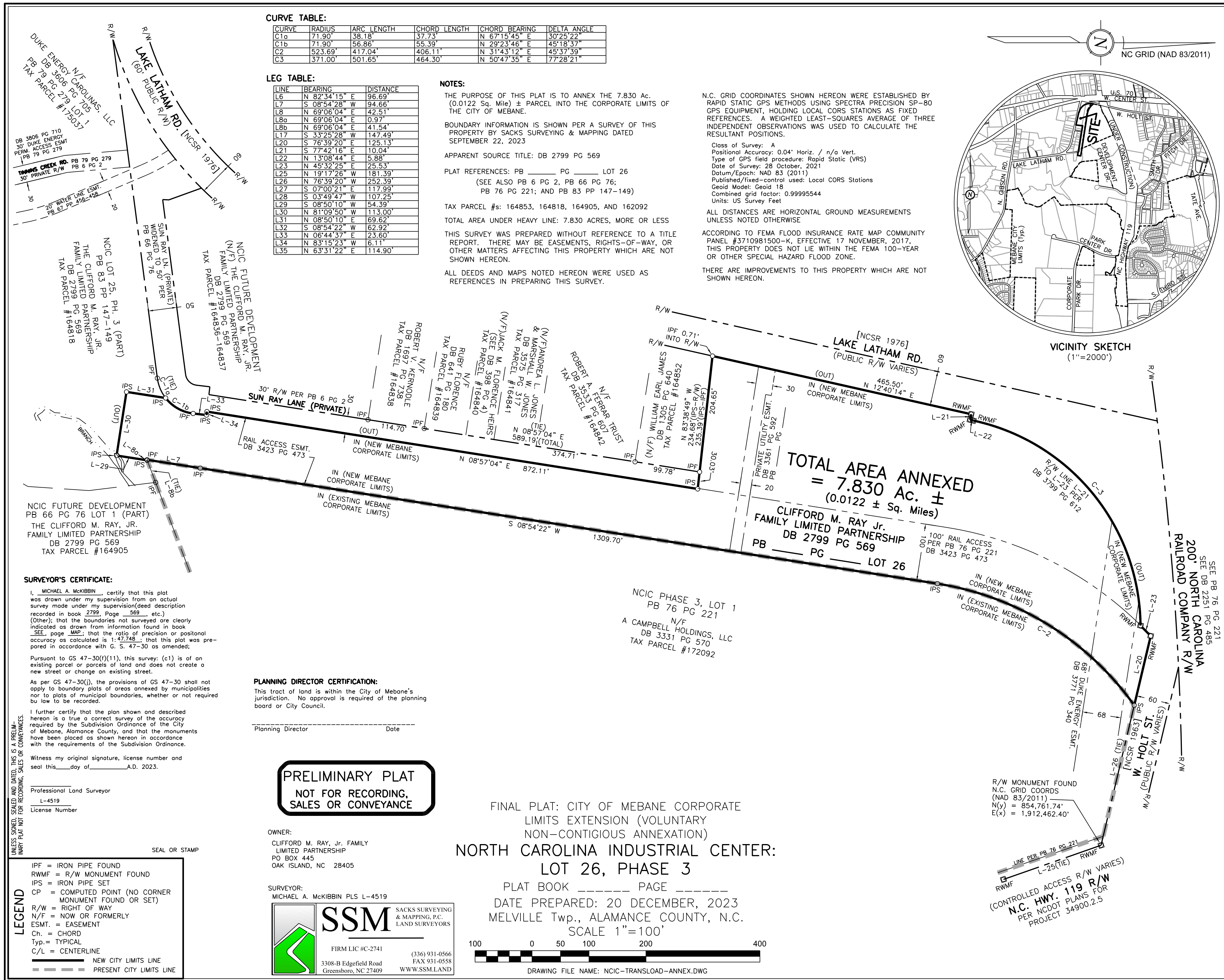
ALL DISTANCES ARE HORIZONTAL GROUND MEASUREMENTS UNLESS NOTED OTHERWISE

ACCORDING TO FEMA FLOOD INSURANCE RATE MAP COMMUNITY PANEL #3710981500-K, EFFECTIVE 17 NOVEMBER, 2017, THIS PROPERTY DOES NOT LIE WITHIN THE FEMA 100-YEAR OR OTHER SPECIAL HAZARD FLOOD ZONE.

THERE ARE IMPROVEMENTS TO THIS PROPERTY WHICH ARE NOT SHOWN HEREON.



VICINITY SKETCH
(1"=2000')



TOTAL AREA ANNEXED
= 7.830 Ac. ±
(0.0122 ± Sq. Miles)

CLIFFORD M. RAY JR.
FAMILY LIMITED PARTNERSHIP
DB 2799 PG 569
PB _____ PG _____ LOT 26

NCIC FUTURE DEVELOPMENT
PB 66 PG 76 LOT 1 (PART)
THE CLIFFORD M. RAY, JR.
FAMILY LIMITED PARTNERSHIP
DB 2799 PG 569
TAX PARCEL #164905

SURVEYOR'S CERTIFICATE:
I, MICHAEL A. MCKIBBIN, certify that this plat was drawn under my supervision from an actual survey made under my supervision (deed description recorded in book 2799, Page 569, etc.) (Other); that the boundaries not surveyed are clearly indicated as drawn from information found in book SEE, page MAP; that the ratio of precision or positional accuracy as calculated is 1:47,748; that this plat was prepared in accordance with G. S. 47-30 as amended;
Pursuant to GS 47-30(f)(11), this survey: (c1) is of an existing parcel or parcels of land and does not create a new street or change an existing street.
As per GS 47-30(j), the provisions of GS 47-30 shall not apply to boundary plots of areas annexed by municipalities nor to plats of municipal boundaries, whether or not required by law to be recorded.
I further certify that the plan shown and described hereon is a true and correct survey of the accuracy required by the Subdivision Ordinance of the City of Mebane, Alamance County, and that the monuments have been placed as shown hereon in accordance with the requirements of the Subdivision Ordinance.
Witness my original signature, license number and seal this _____ day of _____ A.D. 2023.

PLANNING DIRECTOR CERTIFICATION:
This tract of land is within the City of Mebane's jurisdiction. No approval is required of the planning board or City Council.

Planning Director Date

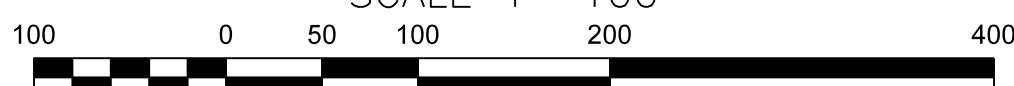
PRELIMINARY PLAT
NOT FOR RECORDING,
SALES OR CONVEYANCE

OWNER:
CLIFFORD M. RAY, JR. FAMILY
LIMITED PARTNERSHIP
PO BOX 445
OAK ISLAND, NC 28405

SURVEYOR:
MICHAEL A. MCKIBBIN PLS L-4519

SSM SACKS SURVEYING & MAPPING, P.C.
LAND SURVEYORS
FIRM LIC #C-2741 (336) 931-0566
3308-B Edgefield Road FAX 931-0558
Greensboro, NC 27409 WWW.SSM.LAND

FINAL PLAT: CITY OF MEBANE CORPORATE LIMITS EXTENSION (VOLUNTARY NON-CONTIGUOUS ANNEXATION)
NORTH CAROLINA INDUSTRIAL CENTER:
LOT 26, PHASE 3
PLAT BOOK _____ PAGE _____
DATE PREPARED: 20 DECEMBER, 2023
MELVILLE Twp., ALAMANCE COUNTY, N.C.
SCALE 1"=100'



DRAWING FILE NAME: NCIC-TRANSLOAD-ANNEX.DWG

UNLESS SIGNED, SEALED, AND DATED, THIS IS A PRELIMINARY PLAT NOT FOR RECORDING, SALES OR CONVEYANCE.

Professional Land Surveyor
L-4519
License Number

SEAL OR STAMP

LEGEND

IPF	=	IRON PIPE FOUND
RWMF	=	R/W MONUMENT FOUND
IPS	=	IRON PIPE SET
CP	=	COMPUTED POINT (NO CORNER MONUMENT FOUND OR SET)
R/W	=	RIGHT OF WAY
N/F	=	NOW OR FORMERLY
ESMT.	=	EASEMENT
Ch.	=	CHORD
Typ.	=	TYPICAL
C/L	=	CENTERLINE
---	=	NEW CITY LIMITS LINE
- - - -	=	PRESENT CITY LIMITS LINE

RESOLUTION FIXING DATE OF PUBLIC HEARING ON
QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-58.2

Annexation No. 165

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

WHEREAS, the Mebane City Council directed the City Clerk to investigate the sufficiency of the petition; and

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

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

Section 1. A public hearing on the question of annexation of the non-contiguous area described herein will be held at 6:00 p.m. on February 5, 2024.

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

NCIC LOT 26 – TRANSLOAD

Being all that certain tract or parcel of land lying and being in the Melville Township, Alamance County, North Carolina, being more particularly described as follows:

COMMENCING at an NCDOT right-of-way monument found at the intersection of the southerly right-of-way line of West Holt Street [NCSR 1963] and the westerly right-of-way line of N.C. Highway 119, said monument having North Carolina State Plane Grid Coordinates (NAD 83/2011) of North(y) = 854,761.74 feet and East(x) = 1,912,462.40 feet; running thence with the southerly right-of-way line of West Holt Street North 76 deg. 39' 20" West a distance of 252.39 feet to an iron pipe set at the northwesterly corner of Lot 1, Phase 3 of the North Carolina Industrial Center (Plat Book 76, Page 221, Alamance County Register of Deeds), being the true point and place of BEGINNING; running thence with the westerly line of said Lot 1 the following three courses and distances: 1) along a curve concave to the southeast an arc distance of 417.04 feet to an iron pipe set, said curve having a chord bearing of South 31 deg. 43' 12" West, a chord length of 406.11 feet, and a radius of 523.69 feet; 2) South 08 deg. 54' 22" West a distance of 1309.70 feet to an iron pipe found, being a corner with Lot 25A, Phase 3 of the North Carolina Industrial Center (Plat Book 83, Pages 147-149, Alamance County Register of Deeds); and 3) South 08 deg. 54' 28" West a distance of 94.66 feet to an iron pipe found at the southwesterly corner of said Lot 1; thence with the southerly line of said Lot 1 North 69 deg. 06' 04" East a distance of 0.97 feet to an iron pipe set; thence a new line the following three (3) courses and distances: 1) South 08 deg. 50' 10" West a distance of 54.39 feet to an iron pipe set; 2) North 81 deg. 09' 50" West a distance of 113.00 feet to an iron pipe set; and 3) North 08 deg. 50' 10" East a distance of 69.62 feet to an iron pipe set in the southeasterly right-of-way line of Sun Ray Lane (a private drive, see Plat Book 66, Page 76 and Plat Book 6, Page 2, both in the Alamance County Register of Deeds office); thence with the easterly right-of-way line of Sun Ray Lane the following five (5) courses and distances: 1) along a curve concave to the northwest an arc distance of 56.86 feet to an iron pipe found, said curve having a chord bearing of North 29 deg. 23' 46" East, a chord length of 55.39 feet, and a radius of 71.90 feet; 2) North 06 deg. 44' 37" East a distance of 23.60 feet; 3) North 83 deg. 15' 23" West a distance of 6.11 feet; 4) North 08 deg. 57' 04" East a distance of 872.11 feet to a point at the northerly terminus of Sun Ray Lane; and 5) with the northerly terminus of Sun Ray Lane North 83 deg. 38' 49" West a distance of 30.03 feet to an iron pipe found at the northeasterly corner of property owned, now or formerly by William Earl James (Deed Book 1305, Page 640, Alamance County Register of Deeds); thence with the northerly line of said James property North 83 deg. 38' 49" West a distance of 204.65 feet

to a point in the easterly right-of-way line of Lake Latham Road [NCSR 1976], said point being located South 83 deg. 38' 49" East a distance of 0.71 feet from an iron pipe found; thence with the easterly right-of-way line of Lake Latham Road the following six (6) courses and distances: 1) North 12 deg. 40' 14" East a distance of 465.50 feet to an NCDOT right-of-way monument found; 2) South 77 deg. 42' 16" East a distance of 10.04 feet to an NCDOT right-of-way monument found; 3) North 13 deg. 08' 44" East a distance of 5.88 feet to an NCDOT right-of-way monument found; 4) along a curve to the right an arc distance of 374.77 feet to a point, said curve having a chord bearing of North 40 deg. 59' 44" East, a chord length of 359.03 feet, and a radius of 371.00 feet; 5) continuing along a curve to the right an arc distance of 126.88 feet to an NCDOT right-of-way monument found, said curve having a chord bearing of North 79 deg. 43' 54" East, a chord length of 126.26 feet, and a radius of 371.00 feet; and 6) North 45 deg. 32' 25" East a distance of 25.53 feet to an NCDOT right-of-way monument found in the southerly right-of-way line of West Holt Street [NCSR 1963]; thence with the southerly right-of-way line of West Holt Street South 76 deg. 39' 20" East a distance of 125.13 feet

to the point and place of BEGINNING, containing 7.830 acres, more or less, BEING ALL of Lot 26, Phase 3 of the North Carolina Industrial Center as shown on a plat thereof dated September 25, 2023, recorded in the Alamance County Register of Deeds in Plat Book _____, Page _____.

Section 3. Notice of the public hearing shall be published once in the Mebane Enterprise, a newspaper having general circulation in the City of Mebane, at least ten (10) days prior to the date of the public hearing.

CITY OF MEBANE

Ed Hooks, Mayor

ATTEST:

Stephanie W. Shaw, City Clerk



AGENDA ITEM #5E

Petition for Voluntary Contiguous Annexation- VM Development, LLC

Meeting Date

January 8, 2024

Presenter

Lawson Brown, City Attorney

Public Hearing

Yes No

Summary

Staff received a petition requesting voluntary contiguous annexation from VM Development, LLC.

Background

The applicant is requesting that the described property be annexed into Mebane's Corporate Limits. This is a contiguous annexation containing approximately +/- 6.92 acres located in Orange County. A concrete plant is planned for this property.

Financial Impact

The property will be added to the ad valorem tax base of the City once the property is annexed.

Recommendation

Staff recommends the Council's acceptance of the petition, the Clerk's Certificate of Sufficiency, and to adopt a Resolution setting a date of public hearing for February 5, 2024.

Suggested Motion

I make a motion to accept the petition, the Clerk's Certificate of Sufficiency, and to adopt a Resolution setting a date of public hearing for February 5, 2024.

Attachments

1. Petition
2. Clerk's Certificate of Sufficiency
3. Map
4. Resolution



PETITION REQUESTING A CONTIGUOUS ANNEXATION

Annexation Process – Approximately a 2 Month Process

1st Month- Submit a Petition for Annexation to the City Council, the Clerk reports to City Council the Sufficiency of the Annexation and the City Council adopts a Resolution to set a Public Hearing

2nd Month- A Public Hearing is held and normally that same night, the City Council will adopt an Ordinance to set the effective date as the same or the Council will deny the request

Date: May 22, 2023

To the City Council of the City of Mebane:

1. We the undersigned owners of real property respectfully request that the area described in Paragraph 2 below be annexed to the City of Mebane.
2. The area to be annexed is contiguous to the City of Mebane and the boundaries of such territory are as follows:

**Please include a Description of Boundaries (Metes and Bounds) on a separate paper.*

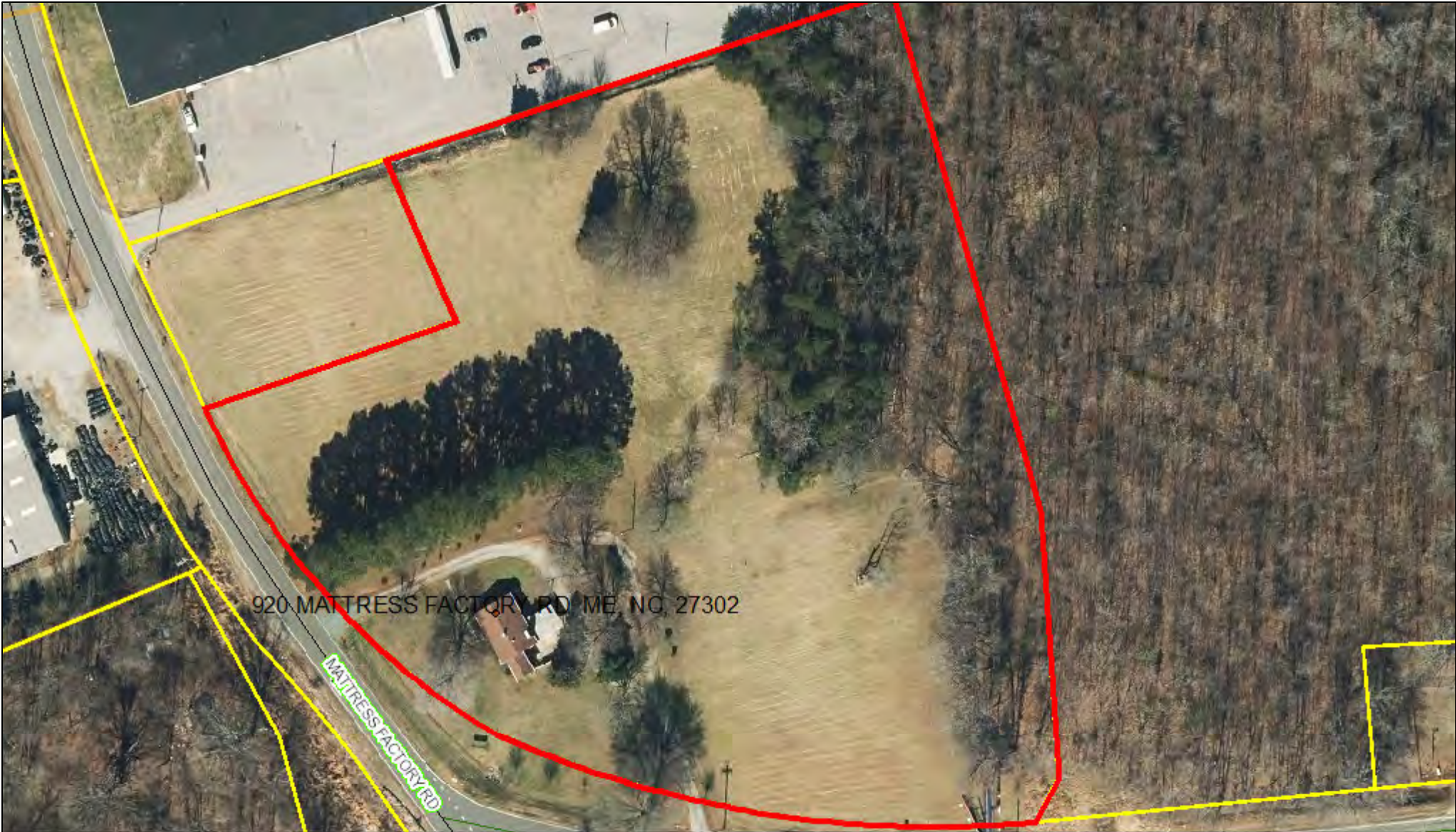
- **3.** We acknowledge that any zoning vested rights acquired pursuant to G.S. 160A-385.1 or or G.S. 153A-344.1 must be declared and identified on this petition. We further acknowledge that failure to declare such rights on this petition shall result in a termination of vested rights previously acquired for the property. (If zoning vested rights are claimed, indicate below and attach proof.)

Name	Address	Do you declare vested rights (Yes or No)	Signature
1. VM Development LLC	524 W. Bailey Street Asheboro, NC 27203		<i>William R. Tate</i>
2.			<i>DIRECTOR OF OPERATIONS</i>
3.			

*Municipality may wish to require metes and bounds description or map. (Provide 2 paper copies, an electronic copy and 3 mylars)

**This is one possible format for zoning vested rights declaration. This language may require modification to reflect the requirements of the municipal zoning vested rights ordinance, if any.

Orange County



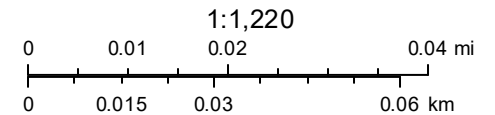
920 MATTRESS FACTORY RD ME, NC, 27302

May 22, 2023

This map contains parcels prepared for the inventory of real property within Orange County, and is compiled from recorded deed, plats, and other public records and data. Users of this map are hereby notified that the aforementioned public primary information sources should be consulted for verification of the information contained on this map.

The county and its mapping companies assume no legal responsibility for the information on this map.

PIN: 9824778854	SIZE: 5.28 A	BUILDING COUNT: 1
OWNER 1: VM DEVELOPMENT LLC	DEED REF: 6718/1392	LAND VALUE: \$76,600
OWNER 2:	RATECODE: 03	BLDG_VALUE: \$91,100
ADDRESS 1: 524 W BAILEY ST	TOWNSHIP: CHEEKS	USE_VALUE: \$0
ADDRESS 2:	BLDG SQFT: 1210	TOTAL VALUE: \$167,700
CITY: ASHEBORO	YEAR BUILT: 1942	DATE SOLD: 04/21/2021
STATE, ZIP: NC 27203		TAX STAMPS: 800
LEGAL DESC: MAJ P/O 38-46 PO 35-37 & 47-48 BRIGHT		



1:1,220

ORANGE COUNTY
NORTH CAROLINA

CERTIFICATE OF SUFFICIENCY

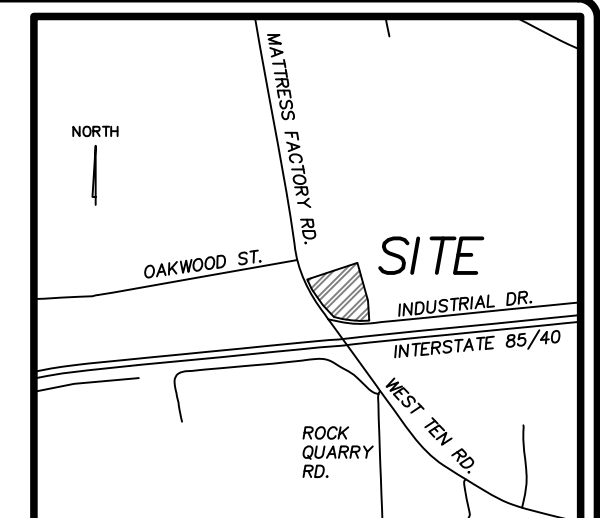
To the City Council of the City of Mebane, North Carolina:

I, Stephanie W. Shaw, City Clerk, do hereby certify that I have investigated the petition attached hereto and have found as a fact that said petition is signed by all owners of real property lying in the area described therein, in accordance with G.S. 160A-31.

In witness whereof, I have hereunto set my hand and affixed the seal of the City of Mebane, this 8th day of January 2024.



Stephanie W. Shaw
Stephanie W. Shaw, City Clerk



CURVE TABLE					
CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	116.94'	1402.39'	4°46'40"	S25°35'40"E	116.91'
C2	372.72'	1060.82'	20°07'52"	S84°08'24"E	370.81'
C3	176.68'	1402.40'	7°13'06"	N19°35'47"W	176.56'
C4	510.47'	1462.40'	20°00'00"	S25°59'14"E	507.88'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N15°59'14"W	11.19'
L2	S15°59'14"E	17.50'

BRI 900 MATTRESS FACTORY, LLC
DB.6758 P.864

VM DEVELOPMENT, LLC
DB.6718 P.1392
PIN: 9824-77-5867

VM DEVELOPMENT, LLC
DB.6718 P.1392
PIN: 9824-77-8854

MEBANE AREA INVESTMENTS, LLC
DB.5789 P.329

JAMES MARSHALL KING AND LINDA MCBROOM KING
DB.6680 P.138

NANCY B. ASHLEY, ETAL
11-E-196

NC DEPT. OF TRANSPORTATION
DB.239 P.1096

TOTAL ANNEXATION AREA
6.92 ACRES
(0.011 SQ. MILES)

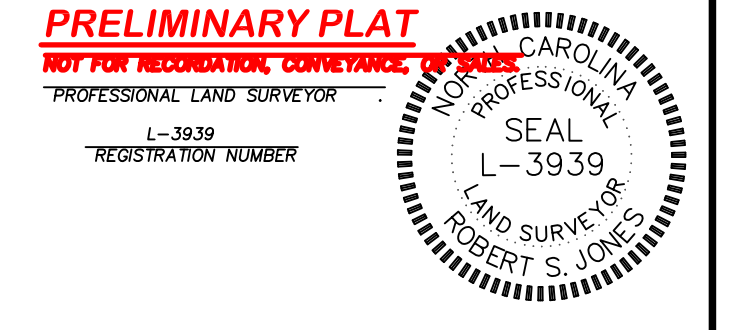
SURVEYOR'S CERTIFICATE
I, ROBERT S. JONES, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (DEED DESCRIPTION RECORDED IN BOOK _____ PAGE _____); THAT THE BOUNDARIES NOT SURVEYED ARE CLEARLY INDICATED AS DRAWN FROM INFORMATION FOUND IN BOOK _____ PAGE _____; THAT THE RATIO OF PRECISION AS CALCULATED IS 1:10000+; AND THAT THIS MAP MEETS THE REQUIREMENTS OF THE STANDARDS OF PRACTICE FOR LAND SURVEYING IN NORTH CAROLINA (21 NCAC 56.1600). THIS MAP WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED.

AND THAT:
PER NC GS 47-30 (1)(11)(i) THE PROVISIONS OF THIS SECTION SHALL NOT APPLY TO BOUNDARY PLATS OF STATE LINES, COUNTY LINES, AREAS ANNEXED BY MUNICIPALITIES, NOR TO PLATS OF MUNICIPAL BOUNDARIES, WHETHER OR NOT REQUIRED BY LAW TO BE RECORDED.

I, ROBERT S. JONES CERTIFY THAT THE STATE PLANE COORDINATES FOR THIS PROJECT WERE PRODUCED FROM AN ACTUAL GPS SURVEY UNDER MY SUPERVISION AND THE FOLLOWING INFORMATION WAS USED TO PERFORM THE SURVEY:

- (1) CLASS OF SURVEY: CLASS "A"
- (2) POSITIONAL ACCURACY: 0.06'
- (3) TYPE OF GPS FIELD PROCEDURE: VRS
- (4) DATES OF SURVEY: 02/03/2020
- (5) DATUM/EPOCH: NAD83 (2011)
- (6) PUBLISHED/FIXED-CONTROL USE: NC RTK NETWORK
- (7) GEOD MODEL: 12B
- (8) COMBINED GRID FACTOR(S): 0.9999489
- (9) UNITS: US FEET

WITNESS MY ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL THIS _____ TH DAY OF _____, 2023.



FINAL PLAT:
CITY OF MEBANE CORPORATE LIMITS EXTENSION
CONTIGUOUS VOLUNTARY ANNEXATION
SCALE: 1" = 60'
CHEEKS TOWNSHIP - ORANGE COUNTY, NC
DATE: NOVEMBER 28, 2023
REVISED: DECEMBER 27, 2023

R.S. JONES & ASSOCIATES, INC.
LAND SURVEYORS
LICENSE NO.: C-2565
P.O. BOX 1700
204 N. FIFTH STREET SUITE 1 MEBANE, N.C. 27302
PH.: (919) 563-3623

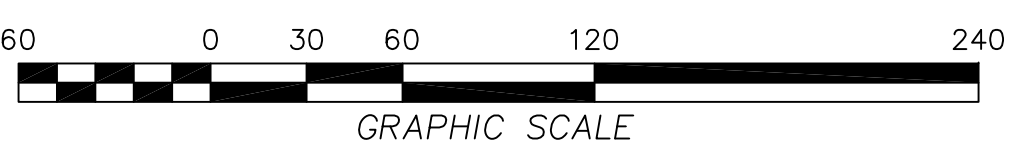
REFERENCES
DB.6718 P.1392
PB.3 P.107
DB.212 P.230
DB.212 P.231
HWY MAP 2 P.57

CURRENT OWNER:
VM DEVELOPMENT, LLC
524 W. BAILEY STREET
ASHEBORO, NC 27203

- NOTES:
- 1.) ALL DISTANCES ARE HORIZONTAL GROUND DISTANCES UNLESS OTHERWISE NOTED.
 - 2.) SURVEY PERFORMED WITHOUT THE BENEFIT OF A TITLE SEARCH. REFERENCED MATERIALS ONLY USED. THERE MAY EXIST OTHER DOCUMENTS OF RECORD THAT AFFECT THIS PROPERTY.
 - 3.) NO ATTEMPT MADE TO LOCATE CEMETERIES, WETLANDS, HAZARDOUS MATERIALS SITES, UNDERGROUND UTILITIES, OR ANY OTHER FEATURES ABOVE OR BELOW GROUND OTHER THAN THOSE SHOWN.
 - 4.) ALL AREAS BY COORDINATE COMPUTATION.
 - 5.) NEW IRON RODS SET AT ALL CORNERS UNLESS OTHERWISE NOTED.

LEGEND

- These standard symbols will be found in the drawing.
- UTILITY POLE.....⊕
 - EXISTING IRON ROD.....●
 - PK NAIL.....⊙
 - EXISTING IRON PIPE.....○
 - 5/8" REBAR SET.....⊗
 - STONE FOUND.....■
 - CONCRETE MONUMENT.....□
 - COMPUTED POINT.....△
 - OVERHEAD ELECTRIC.....— — — — —
 - RIGHT OF WAY.....— — — — —



PLANNING DIRECTOR CERTIFICATION
THIS TRACT OF LAND IS WITHIN THE CITY OF MEBANE'S JURISDICTION. NO APPROVAL IS REQUIRED OF THE PLANNING BOARD OR CITY COUNCIL.
AUTHORIZED STAFF _____ DATE _____

RESOLUTION FIXING DATE OF PUBLIC HEARING ON
QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-31

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

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

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

Section 1. A public hearing on the question of annexation of the area described herein will be held at the Glendel Stephenson Municipal Building at 6:00 p.m. on February 5, 2024

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

BEGINNING AT A 1/4" IRON PIPE IN THE NORTH R/W OF S.R. 1374, THE SOUTHWEST CORNER OF THE VASANT SEJPAL PROPERTY; THENCE WITH SAID SEJPAL N03°35'17"W A DISTANCE OF 208.35' TO A 1/2" IRON PIPE; THENCE N15°38'07"W A DISTANCE OF 409.11' TO A 1/2" IRON PIPE IN THE SOUTHERN LINE OF BRI 900 MATTRESS FACTORY, LLC; THENCE WITH BRI MATTRESS FACTORY, LLC S71°45'38"W A DISTANCE OF 551.65' TO A 5/8" REBAR IN THE EASTERN R/W OF S.R.1302;THENCE WITH SAID S.R. 1302 ALONG A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 176.68', WITH A RADIUS OF 1,402.40', WITH A CHORD BEARING OF N19°35'47"W, WITH A CHORD LENGTH OF 176.56 TO A POINT', THENCE N15°59'14"W A DISTANCE OF 11.19' TO A POINT; THENCE S80°01'03"W A DISTANCE OF 60.33' TO A POINT; THENCE S15°59'14"E A DISTANCE OF 17.50' TO A POINT;THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 510.47', WITH A RADIUS OF 1,462.40', WITH A CHORD BEARING OF S25°59'14"E, WITH A CHORD LENGTH OF 507.88',THENCE S35°59'14"E A DISTANCE OF 170.00' TO A POINT; THENCE N54°00'46"E A DISTANCE OF 90.00' TO A NCDOT R/W DISK; THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 372.72', WITH A RADIUS OF 1,060.82', WITH A CHORD BEARING OF S84°08'24"E, WITH A CHORD LENGTH OF 370.81' TO A 1/2"EIP; WHICH IS THE POINT OF BEGINNING, HAVING AN AREA OF 0.011 SQUARE MILES, 6.92 ACRES AND BEING ALL OF ORANGE COUNTY PARCELS WITH PIN'S:9824778854 AND 9824775867 PROPERTY OF VM DEVELOPMENT, LLC AND PORTION OF THE R/W OF NCSR 1302 (MATTRESS FACTORY ROAD), ALSO BEING TOTAL ANNEXATION AREA AS SHOWN ON PLAT OF SURVEY ENTITLED "FINAL PLAT: CITY OF MEBANE CORPORATE LIMITS EXTENSION CONTIGUOUS VOLUNTARY ANNEXATION" PREPARED BY R.S. JONES & ASSOCIATES, INC. REVISED DECEMBER 27, 2023

Section 3. Notice of the public hearing shall be published once in the Mebane Enterprise, a newspaper having general circulation in the City of Mebane, at least ten (10) days prior to the date of the public hearing.

Ed Hooks, Mayor

ATTEST:

Stephanie W. Shaw, City Clerk



AGENDA ITEM #6

2022-23 Financial Statements and Audit

Meeting Date

January 8, 2024

Presenter

Daphna Schwartz, Finance Director
Patricia Rhodes, Stout Stuart McGowen & King
LLP

Public Hearing

Yes No

Summary

The Finance Officer and City auditor will present the results of the audit for the previous fiscal year.

Background

As required by General Statute §159-34, each year, the City undergoes an independent audit of the financial records. In accordance with recommended best practices, the City employs two audit teams - Cobb Ezekiel & Loy continued to assist with the preparation of financial statements, and Stout Stuart McGowen & King performed the required audit of the statements. The City received an unmodified or “clean” audit opinion for the 2022-23 fiscal year.

The General Fund added \$250,000 to Fund Balance, with an unassigned fund balance totaling \$11,989,170 on June 30. Tax collections were at 99.5%, and the tax base increased to \$2,919,403,455, a 9.97% increase over the prior year. The General Fund made \$1,779,396 in payments of existing debt in FY23 and issued \$916,006 of new debt.

The total Utility Funds net position increased by \$8,151,672, primarily due to contributed capital of \$4,032,800 in the form of new utility lines, \$2,033,856 of revenue replacement from the American Rescue Plan grant, and system development fees of \$1,837,477. The Utility Fund made \$1,490,977 in payments of existing debt in FY23 and issued no new debt.

Financial Impact

None.

Recommendation

Staff recommend acceptance of the report.

Suggested Motion

I make a motion to accept the Annual Comprehensive Financial Report and the Popular Annual Financial Report for the Year Ended June 30, 2023.

Attachments

1. Annual Comprehensive Financial Report for the Year Ended June 30, 2023
2. Popular Annual Financial Report for the Year Ended June 30, 2023

3. Audit Presentation
4. Annual Comprehensive Financial Report Presentation



Annual Comprehensive Financial Report

City of Mebane, North Carolina

For the Year Ended June 30, 2023



Annual Comprehensive Financial Report

City of Mebane, North Carolina

For the Year Ended June 30, 2023

Prepared by
Daphna Schwartz
Finance Director



City of Mebane, North Carolina
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November 30, 2023

The Honorable Mayor and

Members of the City Council

City of Mebane, North Carolina

Ladies and Gentlemen:

The City of Mebane, North Carolina's Annual Comprehensive Financial Report is submitted for your review and use. The City's Finance Department prepared this report, which is the comprehensive publication of the City's financial position and results of operations as of and for the fiscal year ending June 30, 2023. Like all other local governments in the State, the City is required by state law to publish a complete set of financial statements within four months of the close of each fiscal year. In addition, 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 licensed, certified public accountant firm. This report is published to fulfill that requirement for the fiscal year ending June 30, 2023, and to provide further accountability to citizens and other interested parties by providing a more comprehensive report in lieu of the minimum basic financial statement requirements.

City management is responsible for both the data's accuracy and the report's completeness and fairness. Accordingly, city management has established a comprehensive framework of internal controls to ensure the reliability of the information. Internal controls protect the City's assets from loss, theft, and misuse and provide reliable information for preparing this report. Because the cost of internal controls should not outweigh their benefits, the City's controls were designed to provide reasonable, rather than an absolute, assurance that the financial statements are free of any material misstatements. As management, to the best of our knowledge and belief, this financial report is complete, accurate, and reliable in all material respects.

As noted earlier, the City is required by state law to have an annual independent financial audit. Stout, Stuart, McGowen & King, LLP, conducted the audit and concluded in an unmodified ("clean") opinion that the financial statements present fairly in conformity with GAAP, in all material respects, the financial position and changes in financial position for the City of Mebane, North Carolina, as of June 30, 2023. The independent auditors' report on the basic financial statements is at the beginning of the financial section of this report.

Management's discussion and analysis of the basic financial statements (MD&A) immediately follows the independent auditors' report and provides a prescribed narrative introduction, overview, and analysis of the basic financial statements. The MD&A is designed to complement this letter of transmittal and should be read in conjunction with it.

Profile of the City

The town was named for Brigadier General Alexander Mebane of the North Carolina Militia and a member of Congress in the 1790s. In 1855, the railroad arrived, and Mebane was incorporated in 1881 as the town of Mebanesville. The name was officially changed to Mebane in 1883. The charter was amended to the City of Mebane in February 1987. Also in 1881, Mebane's industrial growth began with the establishment of the former



White Furniture Company, followed by the Mebane Bedding Company (now Kingsdown) in 1904 and the Ridgeville Telephone Company (now Brightspeed) in 1907.

The City of Mebane is located in the Piedmont Triad Region of North Carolina, about 45 minutes west of Raleigh, the State capital, 20 minutes west of Research Triangle Park, and 20 minutes east of Greensboro, the State's third largest City. The City has a land area of approximately twelve square miles and a population of 19,338. Mebane is the second largest of ten municipalities on the eastern border of Alamance County. The City is located mainly in Alamance County, with about 28% of it in Orange County.

The City is governed by the council-manager form of government. Policymaking and legislative authority are vested in the City Council, consisting of the Mayor and five Council Members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City's manager and attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the City, and appointing the heads of the various departments. Five Council Members and the Mayor are elected to four-year staggered terms. The Council then selects the Mayor Pro-tem from within the Council membership.

The City provides a full range of services, including police and fire protection; the maintenance of streets and other infrastructure; planning and building inspections; solid waste and recycling services; water and sewer services; recreational and cultural activities; and a library. In the 1970s, the City of Mebane and the City of Graham began a joint venture to develop a single water supply for both cities. This intergovernmental cooperation led to the creation of the Graham-Mebane Lake, which supplies drinking water to both towns. The City of Graham operates the water treatment plant and manages all lake operations, with half of the costs paid by the City of Mebane and half borne by the City of Graham. In FY17, Mebane entered into an agreement to buy 750,000 gallons per day of Graham's sewer capacity.

The Mebane City Council is required to adopt a budget by July 1 of each year. The City is empowered to levy a property tax on real estate and personal properties within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing board. The City's budget ordinance creates a legal limit on spending authorizations and serves as the foundation for Mebane's financial planning and control. The budget is prepared by fund and department. The budget ordinance authorizes the City Manager to make transfers within funds to facilitate budget execution consistent with Council intent.

Local Economy

Mebane is uniquely located between two metropolitan areas, the Triangle, and the Triad. Mebane has and continues to lead the area in new homebuilding. This trend is expected to continue as we grow like other Triangle fringe cities. In addition, the trend of increased retail spending is expected to continue and grow stronger as the population of Mebane grows. Interest in the commercial and downtown sectors could result in these categories of development creating stand-alone projects versus recent mixed-use approaches.

Industrial development also continues in Mebane, mainly due to its prime location on the Interstate 85/40 corridor that links two of the fastest-growing metro areas on the East Coast. At one end is the Research Triangle Park region of Raleigh, Durham, and Chapel Hill; at the other end is the Piedmont Triad region of Greensboro, Winston-Salem, and High Point. The City of Mebane is at the heart of this corridor, where the total resources of the region



come together to create exceptional opportunities for expanding and relocating companies in the nationally recognized N.C. Industrial Center, the Buckhorn Industrial Park in Orange County, and the newly established North Carolina Commerce Park. Boasting over 3,000 acres between these three development areas, Mebane is poised for economic growth.

Long-Term Financial Planning and Major Initiatives

The City's 5-year Capital Improvement Plan (CIP) outlines the major capital purchases and capital project expenditures for the next five fiscal years while matching a conservative revenue source for payment. This document also describes the impact of the capital expenditures on the General Fund, Water and Sewer Fund, and the City finances as a whole. The City's long-range plans are committed to maintaining a solid financial position while providing the necessary capital improvements to continue its historically high level of services.

Major initiatives of the CIP include the expansion of the City's wastewater facility, construction of an elevated storage tank, Lake Michael Dam repairs, a new police station, and a new fire station. In addition, the City's dedication to quality of life is reflected in the commitment to update the Master Recreation and Parks Plan and Bike and Pedestrian Plan by the winter of 2024.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Mebane for its annual comprehensive financial report (ACFR) for the fiscal year ending June 30, 2022. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Mebane has received the award for the last ten years. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate. We believe that participating in the GFOA's Certificate of Achievement program will improve our transparency and disclosure to the citizens of Mebane.

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Mebane for its Popular Annual Financial Report for the fiscal year ended June 30, 2022. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.



The preparation of this report would not have been possible without the dedicated efforts of the entire staff of the Finance Department. We want to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support in maintaining the highest standards of professionalism in managing the City of Mebane's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Chris Rollins".

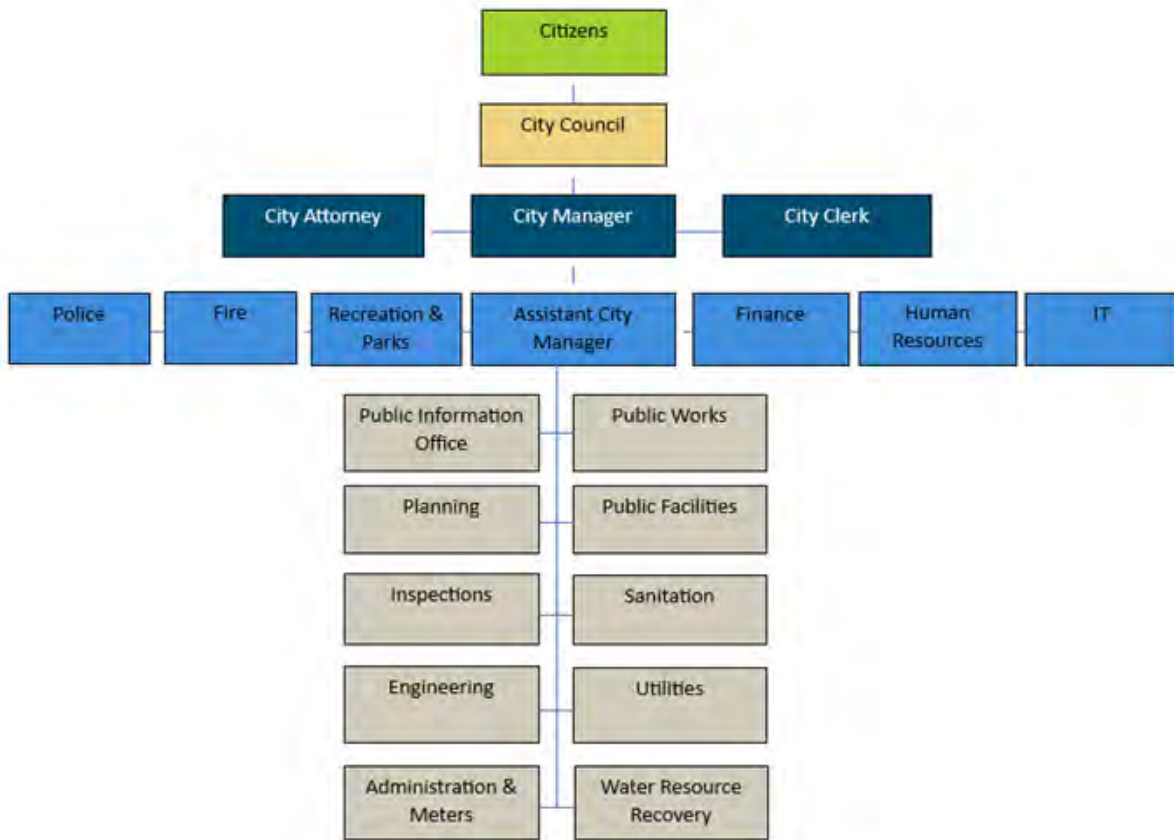
Chris Rollins
City Manager

A handwritten signature in black ink, appearing to read "Daphna Schwartz".

Daphna Schwartz
Finance Director



City of Mebane, North Carolina
Organizational Chart
June 30, 2023



Elected Officials

Ed Hooks	Mayor
Tim Bradley	Mayor Pro-Tem
Katherine Burkholder	Council Member
Sean Ewing	Council Member
Montrena Hadley	Council Member
Jonathan White	Council Member

Appointed Officials

Chris Rollins	City Manager
Preston Mitchell	Assistant City Manager
Daphna Schwartz	Finance Director
Lawson Brown	City Attorney
Stephanie Shaw	City Clerk
Terrence Caldwell	Police Chief
Bob Louis	Fire Chief
Charles Smith	Public Works Director
Ashley Ownbey	Interim Development Director
Cliff Ayscue	Inspections Director
Aaron Davis	Recreation and Parks Director
Kyle Smith	Utilities Director
Dennis Hodge	Water Resources Recovery Director
Beatrice Hunter	Human Resources Director
Kirk Montgomery	Information Technology Director
Kelly Hunter	Public Information Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Mebane
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO





**STOUT
STUART
MCGOWEN
& KING LLP**

*Certified
Public
Accountants*

*Advisors to
Management*

*Member of PCPS,
the AICPA Alliance
For CPA Firms*

Independent Auditor's Report

To The Honorable Mayor and
Members of the City Council
City of Mebane
Mebane, North Carolina

Report on the Audit of Financial Statements

Opinions

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 City of Mebane, North Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Mebane's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Mebane as of June 30, 2023, and the respective changes in financial position, and cash flows thereof and the respective budgetary comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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Burlington, NC 27216-1440

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Burlington, NC 27215

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www.ssmkllp.com
e-mail: ssmk@ssmkllp.com

Responsibilities of Management for the Audit of the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 11, and the Other Post Employment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios on page 66, the Law Enforcement Officers' Special Separation Allowance Schedules of Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on pages 62 through 63, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability (Asset) and Contributions, on pages 59 through 60, respectively, and the Firefighter' and Rescue Squad Worker's Pension Fund's Schedule of the Proportionate Share of Net Pension Liability on page 61 and the Firefighters' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on pages 64 and 65, respectively be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2023 on our consideration of the City of Mebane's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Mebane'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 City of Mebane's internal control over financial reporting and compliance.

STOUT STUART MCGOWEN & KINGS LLP

Burlington, North Carolina

November 30, 2023

City of Mebane, North Carolina
Management Discussion and Analysis
June 30, 2023

As management of the City of Mebane, we offer readers of the financial statements this narrative overview and analysis of the City’s financial activities for the fiscal year ended June 30, 2023. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City’s financial statements, which follow this narrative.

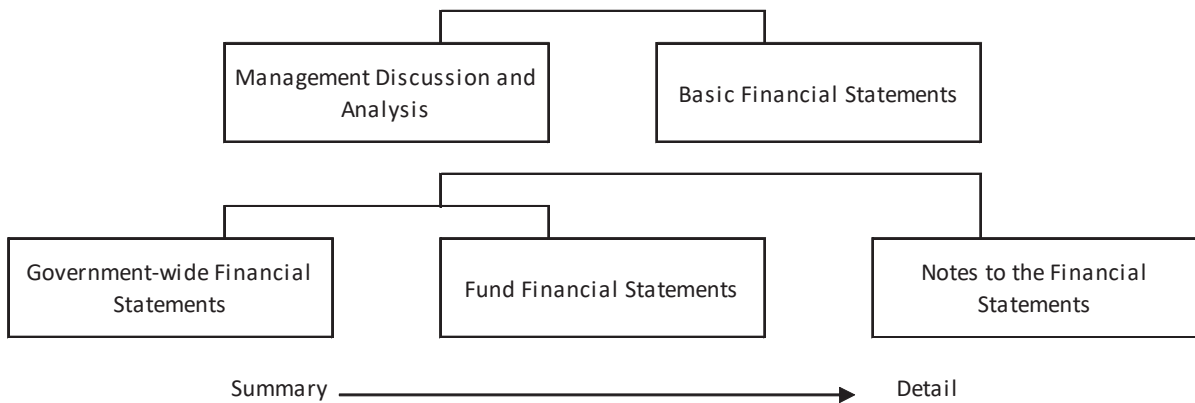
Financial Highlights

- The assets and deferred outflows of resources of the City of Mebane exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$149,847,750 (net position).
- The government’s total net position increased by \$15,815,311, due to increases in the government type net position of \$7,663,639 and increases in the business type activities net position of \$8,151,672.
- As of the close of the current fiscal year, the City of Mebane’s governmental funds reported combined ending fund balances of \$24,829,745, an increase of \$3,960,294 in comparison to \$4,455,321 in the prior year. Approximately 25.6 percent of this total amount, or \$6,348,124, is nonspendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,989,170 or 50.6 percent of total general fund expenditures for the fiscal year.

Overview of the Financial Statements

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

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 City’s financial status.

City of Mebane, North Carolina
Management Discussion and Analysis
June 30, 2023

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the City 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 budgetary comparison statements; and 3) the proprietary 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 City's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

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

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

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include most of the City'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 City charges customers to provide. These include the water and sewer services offered by the City of Mebane.

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

Fund Financial Statements

The fund financial statements (see Figure 1) provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Mebane, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the City's budget ordinance. All of the funds of the City of Mebane 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 City'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 City's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The City of Mebane adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City succeeded in providing the services as planned when the

City of Mebane, North Carolina
Management Discussion and Analysis
June 30, 2023

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 board; 2) the final budget as amended by the board; 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.

Proprietary Funds – The City of Mebane has one kind of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Mebane uses enterprise funds to account for its water and sewer activity. 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.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 24 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City of Mebane’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 59 of this report.

Interdependence with Other Entities – The City depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the City is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

Government-Wide Financial Analysis

City of Mebane’s Net Position (Figure 2)

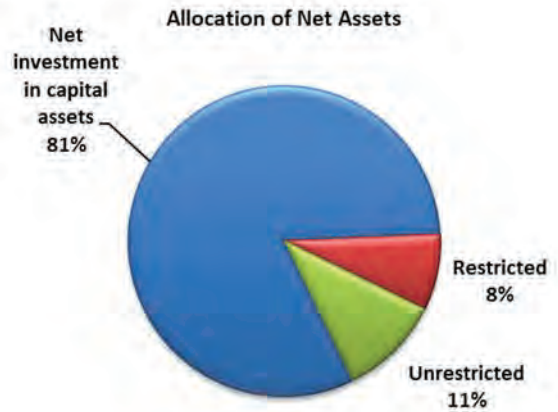
	Governmental Activities			Business-Type Activities			Total		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Current and other assets.....	\$ 22,680,271	\$ 21,553,090	\$ 17,108,874	\$ 12,097,809	\$ 11,173,521	\$ 8,495,903	\$ 34,778,080	\$ 32,726,611	\$ 25,604,777
Non-current assets.....	5,713,414	2,761,091	2,077,097	9,425,907	14,484,677	3,136,703	15,139,321	17,245,768	5,213,800
Capital assets.....	<u>69,241,769</u>	<u>64,738,517</u>	<u>60,583,002</u>	<u>72,576,174</u>	<u>61,138,183</u>	<u>54,987,245</u>	<u>141,817,943</u>	<u>125,876,700</u>	<u>115,570,247</u>
Total assets	<u>97,635,454</u>	<u>89,052,698</u>	<u>79,768,973</u>	<u>94,099,890</u>	<u>86,796,381</u>	<u>66,619,851</u>	<u>191,735,344</u>	<u>175,849,079</u>	<u>146,388,824</u>
Deferred outflows of resources	9,128,573	8,237,052	6,984,654	1,347,157	1,187,413	971,957	10,475,730	9,424,465	7,956,611
Long-term liabilities outstanding.....	23,977,497	22,886,748	22,991,907	18,073,630	19,009,149	8,841,303	42,051,127	41,895,897	31,833,210
Other liabilities.....	<u>2,779,114</u>	<u>2,772,624</u>	<u>2,200,642</u>	<u>3,399,791</u>	<u>3,171,532</u>	<u>1,293,498</u>	<u>6,178,905</u>	<u>5,944,156</u>	<u>3,494,140</u>
Total liabilities	<u>26,756,611</u>	<u>25,659,372</u>	<u>25,192,549</u>	<u>21,473,421</u>	<u>22,180,681</u>	<u>10,134,801</u>	<u>48,230,032</u>	<u>47,840,053</u>	<u>35,327,350</u>
Deferred inflows of resources	3,676,225	2,962,826	675,694	457,067	438,226	94,556	4,133,292	3,401,052	770,250
Net position:									
Net investment in capital assets.....	63,317,482	58,077,074	53,020,166	58,855,897	53,706,014	48,261,754	122,173,379	111,783,088	101,281,920
Restricted.....	6,348,124	4,324,267	3,533,331	5,539,735	3,702,258	2,465,362	11,887,859	8,026,525	5,998,693
Unrestricted.....	<u>6,665,585</u>	<u>6,266,211</u>	<u>4,331,887</u>	<u>9,120,927</u>	<u>7,956,615</u>	<u>6,635,335</u>	<u>15,786,512</u>	<u>14,222,826</u>	<u>10,967,222</u>
Total net position	<u>\$ 76,331,191</u>	<u>\$ 68,667,552</u>	<u>\$ 60,885,384</u>	<u>\$ 73,516,559</u>	<u>\$ 65,364,887</u>	<u>\$ 57,362,451</u>	<u>\$ 149,847,750</u>	<u>\$ 134,032,439</u>	<u>\$ 118,247,835</u>

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The assets and deferred outflows of the City of Mebane exceeded liabilities and deferred inflows by \$149,847,750 as of June 30, 2023. The City’s net position increased by \$15,815,311 for the fiscal year ended June 30, 2023. However, the largest portion (81.5%) reflects the City’s net investment in capital assets (e.g. land, buildings, machinery, and equipment). The City of Mebane uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Mebane’s net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the City of Mebane’s net position \$11,887,859 (7.93%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$15,786,512 is unrestricted.

City of Mebane, North Carolina
Management Discussion and Analysis
June 30, 2023

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

- Continued diligence in the collection of property taxes by maintaining a tax collection percentage of 99.50%, which compares favorably with the statewide average of 99.13%.
- Other taxes increased \$585,245 which included an increase in sales taxes of \$507,538.
- Water and sewer charges for services increased by \$1,045,878 due to an increase in demand for these services.
- A continued low cost of debt due to the City’s high bond rating.



City of Mebane Changes in Net Position (Figure 3)

	Governmental Activities			Business-Type Activities			Total		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Revenues:									
Program revenues:									
Charges for services.....	\$ 2,689,077	\$ 2,165,375	\$ 2,041,900	\$ 10,749,657	\$ 9,703,779	\$ 9,146,098	\$ 13,438,734	\$ 11,869,154	\$ 11,187,998
Operating grants and contributions	1,322,247	1,071,973	821,868	2,016,944	2,045,130	-	3,339,191	3,117,103	821,868
Capital grants and contributions.....	6,500,750	4,284,192	4,465,736	4,032,800	3,422,692	2,890,267	10,533,550	7,706,884	7,356,003
General revenues:									
Property taxes.....	14,228,025	13,129,528	11,807,602	-	-	-	14,228,025	13,129,528	11,807,602
Other taxes.....	7,926,631	7,341,386	5,764,756	-	-	-	7,926,631	7,341,386	5,764,756
Grants and contributions not restricted to specific programs.....	23,110	410,380	191,474	-	-	-	23,110	410,380	191,474
Other.....	431,652	630,116	157,929	302,525	63,939	(62,837)	734,177	694,055	95,092
Total revenues.....	33,121,492	29,032,950	25,251,265	17,101,926	15,235,540	11,973,528	50,223,418	44,268,490	37,224,793
Expenses:									
General government.....	3,569,169	2,838,280	2,945,979	-	-	-	3,569,169	2,838,280	2,945,979
Public safety.....	10,300,977	8,660,213	9,046,866	-	-	-	10,300,977	8,660,213	9,046,866
Public works.....	5,824,083	4,824,551	5,273,617	-	-	-	5,824,083	4,824,551	5,273,617
Economic development.....	3,031,889	2,260,845	2,225,126	-	-	-	3,031,889	2,260,845	2,225,126
Culture and recreation.....	2,543,789	2,064,269	1,931,238	-	-	-	2,543,789	2,064,269	1,931,238
Interest on long-term dept.....	174,264	178,756	200,005	-	-	-	174,264	178,756	200,005
Water and sewer.....	-	-	-	8,963,936	7,656,972	7,656,961	8,963,936	7,656,972	7,656,961
Total expenses.....	25,444,171	20,826,914	21,622,831	8,963,936	7,656,972	7,656,961	34,408,107	28,483,886	29,279,792
Increase in net position before transfers and special item.....	7,677,321	8,206,036	3,628,434	8,137,990	7,578,568	4,316,567	15,815,311	15,784,604	7,945,001
Transfers.....	(13,682)	(423,868)	-	13,682	423,868	-	-	-	-
Special item.....	-	-	-	-	-	-	-	-	-
Increase in net position.....	7,663,639	7,782,168	3,628,434	8,151,672	8,002,436	4,316,567	15,815,311	15,784,604	7,945,001
Net position, July 1.....	68,667,552	60,885,384	57,684,297	65,364,887	57,362,451	53,045,884	134,032,439	118,247,835	110,730,181
Net position, restated.....	-	60,885,384	57,256,950	-	57,362,451	53,045,884	-	118,247,835	110,302,834
Net position, June 30.....	\$76,331,191	\$68,667,552	\$60,885,384	\$73,516,559	\$65,364,887	\$57,362,451	\$149,847,750	\$134,032,439	\$118,247,835

Note: 2020 Net Position has been restated to reflect prior period adjustments.

Governmental activities: Governmental activities prior to transfers increased the City’s net position by \$7,677,321 thereby accounting for 48.54% of the total growth in the net position of the City of Mebane. Key elements of this change in net position are as follows:

- Property taxes increased by \$1,098,497 over the prior year.
- Other tax revenues increased by \$585,245 over the prior year, mostly in sales tax.
- Charges for services increased by \$523,702 and operating grants increased \$250,274 while capital grants and contributions increased \$2,216,558 over the prior year.

**City of Mebane, North Carolina
Management Discussion and Analysis
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Business-type activities: Business-type activities prior to transfers increased the City of Mebane’s net position by \$8,137,990, accounting for 51.46% of the total growth in the government’s net position. Key elements of this change in net position as compared to the prior year are as follows:

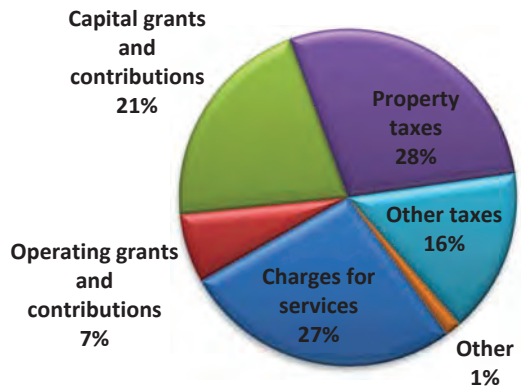
- Charges for services increased \$1,045,878 due to an increase in demand for these services, due to the growth in Mebane.
- Operating grants and contributions decreased \$28,186 while capital grants and contributions increased \$610,108 over the prior year.

Financial Analysis of the City’s Funds

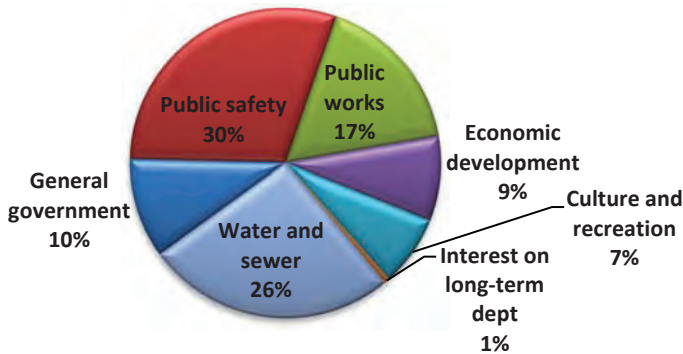
As noted earlier, the City of Mebane uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Revenues by Source - All Activities



Expenses by Function - All Activities



The general fund is the chief operating fund of the City of Mebane. At the end of the current fiscal year, fund balance available in the General Fund was \$14,786,633, while total fund balance reached \$20,978,011. The City currently has an available fund balance of 62.40% of general fund expenditures, while total fund balance represents 88.53% of the same amount.

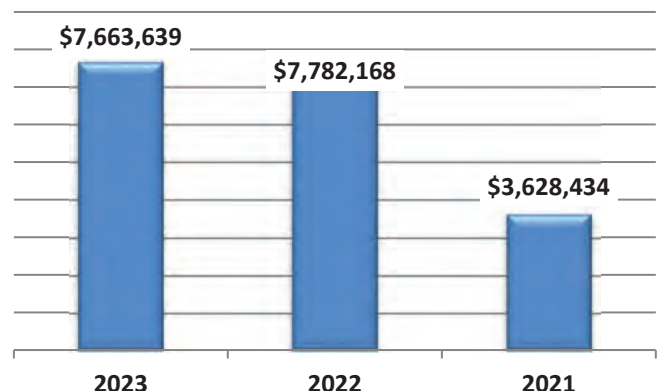
At June 30, 2023, the governmental funds of the City of Mebane reported a combined fund balance of \$24,829,745, a 18.98% increase over last year. This increase in fund balance is due to an increase in the general fund of

\$249,999 combined with an increase in the non-major funds of \$3,710,295.

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

Revenues were more than the budgeted amounts primarily because tax revenue that the City originally had expected to receive was significantly

Increase in Net Position - Governmental Funds



City of Mebane, North Carolina
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more. Expenditures were significantly less than budgeted as a result of the delay of many expenditures due to supply change issues.

Proprietary Funds: The City’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water and Sewer fund at the end of the fiscal year amounted to \$9,120,927. The total increase in net position was \$8,151,672.

Capital Asset and Debt Administration

Capital assets: The City of Mebane’s investment in capital assets for its governmental and business-type activities as of June 30, 2023, totals \$141,817,943 (net of accumulated depreciation). These assets include buildings, roads, land, artwork and collections, machinery and equipment, park facilities, vehicles, and right to use assets for IT subscriptions.

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

- Capital contributions and donations in the general fund in the amount of \$3,920,850 and in the water and sewer fund in the amount of \$4,032,800.
- Construction in progress in the governmental funds consisted of construction related expenses in the Lake Michael Dam Spillway of \$324,561 and the Cates Farm Park of \$486,034.
- While not significant, the implementation of GASB 96 added \$36,097 of right to use assets for IT subscriptions.
- Construction in progress for Utility funds includes related expenses of \$7,007,422 for the WRRF Upgrade, \$2,448,836 for the WRRF 0.5 MGD Expansion, \$219,484 for the Elevated Water Tank, and \$45,852 for the GKN Pump Station.

City of Mebane’s Capital Assets, Net of Depreciation (Figure 4)

	Governmental Activities			Business-Type Activities			Total		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Land.....	\$ 7,677,836	\$ 7,669,906	\$ 7,509,059	\$ 1,054,201	\$ 766,326	\$ 566,834	\$ 8,732,037	\$ 8,436,232	\$ 8,075,893
Artwork and collections.....	68,360	68,360	68,360	-	-	-	68,360	68,360	68,360
Buildings and systems.....	12,614,051	12,533,851	12,515,279	21,273,231	21,830,149	22,100,411	33,887,282	34,364,000	34,615,690
Water and sewer systems.....	-	-	-	38,255,754	34,620,673	30,748,944	38,255,754	34,620,673	30,748,944
Improvements other than buildings	9,358,510	9,510,210	9,994,677	-	-	-	9,358,510	9,510,210	9,994,677
Machinery and equipment.....	1,705,292	1,556,136	1,515,008	1,007,296	982,313	984,340	2,712,588	2,538,449	2,499,348
Computer equipment.....	197,791	216,302	213,453	15,627	-	-	213,418	216,302	213,453
Infrastructure.....	33,237,981	30,048,595	26,250,167	-	-	-	33,237,981	30,048,595	26,250,167
Vehicles and motorized equipment.	2,949,785	2,678,709	2,225,671	170,917	23,713	31,431	3,120,702	2,702,422	2,257,102
Right to use assets:									
IT Subscriptions.....	36,097	-	-	-	-	-	36,097	-	-
Construction in progress.....	1,396,066	456,448	291,328	10,799,148	2,915,009	555,285	12,195,214	3,371,457	846,613
	<u>\$69,241,769</u>	<u>\$64,738,517</u>	<u>\$60,583,002</u>	<u>\$72,576,174</u>	<u>\$61,138,183</u>	<u>\$54,987,245</u>	<u>\$141,817,943</u>	<u>\$125,876,700</u>	<u>\$115,570,247</u>

Additional information on the City’s capital assets can be found on page 34 of this report.

Long-term Debt: As of June 30, 2023, the City of Mebane had no bonded debt outstanding.

City of Mebane’s Outstanding Debt (Figure 5)

	Governmental Activities			Business-Type Activities			Total		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
General obligation bonds. \$	-	-	-	-	-	-	-	-	-
Revenue bonds.....	-	-	-	12,609,000	13,573,000	-	12,609,000	13,573,000	-
Direct Placement Debt.....	6,834,187	7,512,035	7,562,836	115,550	144,563	3,186,778	6,949,737	7,656,598	10,749,614
Other long-term payables.	-	-	-	2,933,907	3,211,310	3,538,713	2,933,907	3,211,310	3,538,713
IT Subscription liabilities.	32,902	-	-	-	-	-	32,902	-	-
Compensated absences.....	567,064	510,453	445,229	94,507	88,740	78,990	661,571	599,193	524,219
OPEB.....	9,102,363	11,120,836	9,501,292	1,443,671	1,757,921	1,494,607	10,546,034	12,878,757	10,995,899
Pension related debt.....	7,440,981	3,743,424	5,482,550	876,995	233,615	542,215	8,317,976	3,977,039	6,024,765
Total.....	<u>\$23,977,497</u>	<u>\$22,886,748</u>	<u>\$22,991,907</u>	<u>\$18,073,630</u>	<u>\$19,009,149</u>	<u>\$ 8,841,303</u>	<u>\$42,051,127</u>	<u>\$41,895,897</u>	<u>\$31,833,210</u>

Note: 2020 Pension related debt has been restated to reflect prior period adjustments.

The City of Mebane’s total debt increased by \$155,230 (.37%) during the past fiscal year, primarily due to increases in pension obligations of \$4,340,937, offset by decreases in OPEB liabilities of \$2,332,723, netted with scheduled principal payments of \$2,586,867 on notes, bonds, and other long-term payables.

City of Mebane, North Carolina
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The City of Mebane has maintained a high bond rating at “AA+” with Standard and Poor’s Corporation. There was no new general obligation debt issued in FY23, and Standard & Poor’s Ratings Services last review affirmed the rating, with a stable outlook for the City of Mebane. They stated that the rating reflects their opinion of the City’s favorable location, growing and diverse property base, very strong finances and low direct debt. The City believes this speaks very highly of the stability and sound management practices of the City of Mebane.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government’s boundaries. The legal debt margin for City of Mebane is \$226,718,089.

Additional information regarding the City of Mebane’s long-term debt can be found on page 51 of this report.

Economic Factors and Next Year’s Budgets and Rates

The following key economic indicators reflect the growth of the City of Mebane:

- The City has and continues to lead the area in industrial recruitment and new homebuilding. The residential and industrial sectors continue to demonstrate growth, with the latter potentially increasing explicitly beyond the number and size of recent years. Interest in the commercial and downtown sector could result in these categories of development creating stand-alone projects versus recent mixed-use approaches.
- The City's tax base continues to grow with industrial development and expansion in the NC Industrial Center and NC Commerce Park, along with new development in Orange County.
- Retail sales are expected to remain strong, with Tanger Outlets sustaining much of its growth.
- The City's population continues to grow rapidly, with the Office of State Management and Budget at the North Carolina Department of Revenue showing a 29.15% increase in the total population from 2018 to 2023.

Budget Highlights for the Fiscal Year Ending June 30, 2024

Governmental Activities: The tax year 2023 was a revaluation year for Alamance County. The City Council decreased the property tax rate from \$0.47 per \$100 property valuation to \$0.37 per \$100. The revenue-neutral tax rate was \$0.3421. The City Council directed staff to set aside the revenue from \$0.02 per \$100 valuation for future capital projects such as building a new fire station, police station, and recreation project. Property tax revenue is expected to increase 20% over the prior year's budget. Based on current trends and forecasts, sales tax revenues were budgeted to increase, with an overall increase of 27% over the FY2023 budgeted amount. Major projects include an inclusive playground at Cates Farm Park and the Lake Michael Dam spillway renovation. The budget included a 6% cost-of-living increase and merit pay for employees.

Business-type Activities: The budget for FY24 included a 6% rate increase for water and sewer services. Water and sewer charges were budgeted to increase due to the rate increase and growth, with overall revenues increasing 18.27%. In addition, the budget continued the City's dedication to the maintenance of the system and to address growth, continuing the plan to expand the capacity of the Water Resources Recovery Facility.

Request for Information

This report is designed to provide an overview of the City’s finances for those interested in this area. Questions concerning any of the information found in this report or request for additional information should be directed to:

Daphna Schwartz
Finance Director
106 E. Washington Street Mebane, NC 27302 (919) 563-5901
dschwartz@cityofmebane.com

Basic Financial Statements

The Basic Financial Statements provide a dual perspective summary overview of the financial position and operating results of the government as a whole (government-wide financial statements) and of all funds (fund financial statements). They also serve as a condensed introduction to the more detailed statements and schedules that follow.



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City of Mebane, North Carolina
Statement of Net Position
June 30, 2023

Exhibit 1

	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
Assets			
Cash and cash equivalents.....	\$ 19,438,535	\$ 10,922,599	\$ 30,361,134
Taxes receivables, (net).....	76,092	-	76,092
Accrued interest receivable on taxes.....	14,242	-	14,242
Accounts receivable (net).....	145,242	1,175,210	1,320,452
Leases receivable.....	-	-	-
Due from other governments.....	3,006,160	-	3,006,160
Prepaid items.....	-	-	-
Restricted cash.....	5,222,881	9,425,907	14,648,788
Notes receivable - Mebane Mill Lofts, LLC.....	490,533	-	490,533
Capital assets (Note 2):			
Land, non-depreciable improvements, and construction in progress	9,142,262	11,853,349	20,995,611
Other capital assets, net of depreciation.....	60,063,410	60,722,825	120,786,235
Right to use assets, net of amortization.....	36,097	-	36,097
Total capital assets.....	<u>69,241,769</u>	<u>72,576,174</u>	<u>141,817,943</u>
Total assets.....	<u>97,635,454</u>	<u>94,099,890</u>	<u>191,735,344</u>
Deferred outflows of resources.....	9,128,573	1,347,157	10,475,730
Liabilities			
Amounts due within one year:			
Accounts payable and accrued expenses.....	1,429,490	1,383,353	2,812,843
Accrued interest payable.....	47,249	86,108	133,357
Payable from restricted assets.....	1,302,375	809,746	2,112,121
Unearned revenues.....	-	1,120,584	1,120,584
Current portion of long-term liabilities.....	1,742,056	1,360,528	3,102,584
Amounts due in more than one year:			
Net pension liability - LGERS.....	5,706,551	876,995	6,583,546
Net pension liability - LEOSSA.....	1,176,432	-	1,176,432
Net pension liability - FireSSA.....	557,998	-	557,998
Due in more than one year.....	<u>14,794,460</u>	<u>15,836,107</u>	<u>30,630,567</u>
Total liabilities.....	<u>26,756,611</u>	<u>21,473,421</u>	<u>48,230,032</u>
Deferred inflows of resources.....	3,676,225	457,067	4,133,292
Net Position			
Net investment in capital assets.....	63,317,482	58,855,897	122,173,379
Restricted for:			
Stabilization by State Statute.....	6,191,378	-	6,191,378
Economic development.....	156,746	-	156,746
Future system development.....	-	5,539,735	5,539,735
Unrestricted	<u>6,665,585</u>	<u>9,120,927</u>	<u>15,786,512</u>
Total net position.....	<u>\$ 76,331,191</u>	<u>\$ 73,516,559</u>	<u>\$ 149,847,750</u>

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

City of Mebane, North Carolina
Statement of Activities
For the Year Ended June 30, 2023

Exhibit 2

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Operating		Capital Grants and Contributions		Primary Government		
	Charges for Services	Grants & Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government							
Governmental activities							
General government.....	\$ 3,569,169	\$ 4,505	\$ -	\$ -	\$ (3,564,664)	\$ -	\$ (3,564,664)
Public safety.....	10,300,977	51,672	483,176	-	(9,766,129)	-	(9,766,129)
Public works.....	5,824,083	741,725	536,176	6,500,750	1,954,568	-	1,954,568
Recreation.....	2,543,789	148,528	21,321	-	(2,373,940)	-	(2,373,940)
Economic & physical development.....	3,031,889	1,742,647	281,574	-	(1,007,668)	-	(1,007,668)
Interest on long-term debt.....	174,264	-	-	-	(174,264)	-	(174,264)
Total governmental activities.....	25,444,171	2,689,077	1,322,247	6,500,750	(14,932,097)	-	(14,932,097)
Business-type activities:							
Water and sewer.....	8,963,936	10,749,657	2,016,944	4,032,800	-	7,835,465	7,835,465
Total business-type activities.....	8,963,936	10,749,657	2,016,944	4,032,800	-	7,835,465	7,835,465
Total primary government.....	\$ 34,408,107	\$ 13,438,734	\$ 3,339,191	\$ 10,533,550	(14,932,097)	7,835,465	(7,096,632)
General revenues:							
Taxes:							
Property taxes, levied for general purposes.....					14,228,025	-	14,228,025
Sales taxes.....					6,420,709	-	6,420,709
Franchise tax.....					1,271,769	-	1,271,769
Privilege license tax.....					945	-	945
Excise Tax.....					233,208	-	233,208
Grants & contributions not restricted to specific programs.....					23,110	-	23,110
Unrestricted investment earnings.....					241,674	396,777	638,451
Miscellaneous.....					189,978	(94,252)	95,726
Total general revenues excluding transfers.....					22,609,418	302,525	22,911,943
Transfers.....					(13,682)	13,682	-
Total general revenues and transfers.....					22,595,736	316,207	22,911,943
Change in net position.....					7,663,639	8,151,672	15,815,311
Net position - beginning.....					68,667,552	65,364,887	134,032,439
Net position - ending.....					\$ 76,331,191	\$ 73,516,559	\$ 149,847,750

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

City of Mebane, North Carolina
Balance Sheet
Governmental Funds
June 30, 2023

Exhibit 3

	<u>General Fund</u>	<u>Total Non - Major Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents.....	\$ 18,243,278	\$ 1,195,257	\$ 19,438,535
Restricted cash.....	2,466,135	2,756,746	5,222,881
Taxes receivable, net.....	107,148	-	107,148
Receivable from other governments.....	2,975,104	-	2,975,104
Other receivables.....	145,244	-	145,244
Leases receivable.....	-	-	-
Prepaid items.....	-	-	-
Total assets.....	<u>\$ 23,936,909</u>	<u>\$ 3,952,003</u>	<u>\$ 27,888,912</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable.....	1,329,221	100,269	1,429,490
Payable from restricted assets.....	1,302,375	-	1,302,375
Total liabilities.....	<u>2,631,596</u>	<u>100,269</u>	<u>2,731,865</u>
Deferred inflows of resources.....	327,302	-	327,302
Fund balances:			
Nonspendable			
Leases.....	-	-	-
Prepaid assets.....	-	-	-
Restricted			
Stabilization by State Statute.....	6,191,378	-	6,191,378
Economic development.....	-	156,746	156,746
Assigned			
Subsequent year's expenditures.....	2,797,463	3,694,988	6,492,451
Unassigned.....	11,989,170	-	11,989,170
Total fund balances.....	<u>20,978,011</u>	<u>3,851,734</u>	<u>24,829,745</u>
Total liabilities, deferred inflows of resources and fund balances.....	<u>\$ 23,936,909</u>	<u>\$ 3,952,003</u>	<u>\$ 27,888,912</u>

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

City of Mebane, North Carolina
Balance Sheet (continued)
Governmental Funds
June 30, 2023

Exhibit 3

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

Total fund balance, governmental funds.....		\$ 24,829,745
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Gross capital assets at historical cost.....	92,018,810	
Accumulated depreciation.....	<u>(22,813,138)</u>	69,205,672
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Right to use assets at historical cost.....	48,129	
Accumulated amortization.....	<u>(12,032)</u>	36,097
Deferred outflows of resources related to pensions are not reported in the funds.....		6,255,983
Deferred outflows of resources related to OPEB are not reported in the funds.....		2,872,586
Other long-term assets are not available to pay for current-period expenditures and therefore are inflows of resources in the funds.		
Accrued interest receivable on taxes.....	14,242	
Notes receivable.....	<u>490,533</u>	504,775
Earned revenues considered deferred inflows of resources in fund statements.....		107,148
Deferred inflows of resources related to pensions are not reported in the funds.....		(582,256)
Deferred inflows of resources related to OPEB are not reported in the funds.....		(2,873,815)
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds.		
Notes payable.....	(6,834,187)	
Subscription liability payable.....	(32,902)	
Compensated absences.....	(567,065)	
Net pension liability - LGERS.....	(5,706,551)	
Total pension liability - LEOSSA.....	(1,176,432)	
Total pension liability - FireSSA.....	(557,998)	
OPEB liability.....	<u>(9,102,363)</u>	<u>(23,977,498)</u>
Other long-term liabilities (accrued interest) are not due and payable in the current period and therefore are not reported in the funds.....		<u>(47,249)</u>
Net Position of Governmental Activities.....		<u>\$ 76,331,188</u>

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

City of Mebane, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

Exhibit 4

	<u>General Fund</u>	<u>Total Non- Major Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Property taxes.....	\$ 13,691,894	\$ -	\$ 13,691,894
Other taxes and licenses.....	945	-	945
Unrestricted intergovernmental.....	8,234,539	-	8,234,539
Restricted intergovernmental.....	1,508,594	2,600,000	4,108,594
Permits and fees.....	1,878,503	-	1,878,503
Sales and services.....	752,683	-	752,683
Investment earnings.....	222,281	19,392	241,673
Miscellaneous.....	264,941	11,235	276,176
Total revenues.....	<u>26,554,380</u>	<u>2,630,627</u>	<u>29,185,007</u>
Expenditures			
Current:			
General government.....	3,408,844	-	3,408,844
Public safety.....	9,473,055	-	9,473,055
Public works.....	5,504,445	-	5,504,445
Recreation.....	2,269,584	-	2,269,584
Economic and physical development.....	3,046,352	-	3,046,352
Debt Service:			
Principal.....	1,608,965	-	1,608,965
Interest and other charges.....	170,431	-	170,431
Capital outlay.....	-	707,172	707,172
Total Expenditures.....	<u>25,481,676</u>	<u>707,172</u>	<u>26,188,848</u>
Excess (deficiency) of revenues over expenditures.....	<u>1,072,704</u>	<u>1,923,455</u>	<u>2,996,159</u>
Other Financing Sources (Uses)			
Transfers in.....	-	1,786,840	1,786,840
Transfers out.....	(1,786,840)	-	(1,786,840)
Installment purchase obligations issued.....	916,006	-	916,006
IT subscription agreement.....	48,129	-	48,129
Total other financing sources and uses.....	<u>(822,705)</u>	<u>1,786,840</u>	<u>964,135</u>
Net change in fund balances.....	249,999	3,710,295	3,960,294
Fund balances - beginning	20,728,012	141,439	20,869,451
Fund balances - ending.....	<u>\$ 20,978,011</u>	<u>\$ 3,851,734</u>	<u>\$ 24,829,745</u>

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

City of Mebane, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances (continued)
Governmental Funds
For the Year Ended June 30, 2023

Exhibit 4

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

Net change in fund balances - total governmental funds	\$	3,960,294	
Governmental funds report capital outlays as expenditures; however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.			
Capital outlay expenditures which were capitalized.....	\$	3,267,353	
Capital asset transfers to and from other funds.....		(13,682)	
Depreciation expense for governmental assets.....		<u>(2,707,367)</u>	546,304
Right to used leased asset capital outlay			
expenditures which were capitalized.....		48,129	
Amortization expense for intangible assets.....		<u>(12,032)</u>	36,097
Cost of capital asset disposed of during the year, not recognized on modified accrual basis.....			-
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.....			(156,565)
Benefit payments paid and administrative costs for LEOSSA are deferred outflows of resources on the Statement of Activities.....			(47,390)
OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities.....			(98,355)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds			
Amount of contributed capital and donations.....		3,920,850	
Mebane Mills Lofts notes receivable principal receipts.....		(11,235)	
Change in unavailable revenue for tax revenues.....		<u>28,051</u>	3,937,666
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.			
New long-term debt issued.....		(964,135)	
Principal payments on long-term debt.....		1,608,965	
Increase in accrued interest payable.....		<u>(3,832)</u>	640,998
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.....		(56,612)	
Pension expense.....		(406,428)	
OPEB plan expense.....		<u>(692,370)</u>	(1,155,410)
Total changes in net position of governmental activities			<u><u>\$ 7,663,639</u></u>

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

City of Mebane, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Annual Budget to Actual
General Fund
For the Year Ended June 30, 2023

Exhibit 5

	<u>Original</u>	<u>Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Property taxes.....	\$ 13,144,770	\$ 13,144,770	\$ 13,691,894	\$ 547,124
Other taxes and licenses.....	1,000	1,000	945	(55)
Unrestricted intergovernmental.....	7,334,061	7,334,061	8,234,539	900,478
Restricted intergovernmental.....	1,104,800	1,394,623	1,508,594	113,971
Permits and fees.....	1,259,760	1,259,760	1,878,503	618,743
Sales and services.....	682,114	682,114	752,683	70,569
Investment earnings.....	20,000	20,000	222,281	202,281
Miscellaneous.....	98,430	2,698,430	264,941	(2,433,489)
Total revenues.....	<u>23,644,935</u>	<u>26,534,758</u>	<u>26,554,380</u>	<u>19,622</u>
Expenditures				
Current:				
General government.....	3,781,112	4,025,087	3,408,844	616,243
Public safety.....	10,296,622	12,195,417	9,473,055	2,722,362
Public works.....	5,998,805	6,794,999	5,504,445	1,290,554
Recreation.....	2,390,782	2,605,344	2,269,584	335,760
Economic and physical development.....	2,984,647	3,466,132	3,046,352	419,780
Debt Service:				
Principal.....	1,751,335	1,645,621	1,608,965	36,656
Interest and other charges.....	173,023	174,824	170,431	4,393
Total expenditures.....	<u>27,376,326</u>	<u>30,907,424</u>	<u>25,481,676</u>	<u>5,425,748</u>
Excess (deficiency) of revenues over expenditures.....	<u>(3,731,391)</u>	<u>(4,372,666)</u>	<u>1,072,704</u>	<u>5,445,370</u>
Other Financing Sources (Uses)				
Transfers in.....	-	-	-	-
Transfers out.....	(900,000)	(4,470,760)	(1,786,840)	2,683,920
Long-term debt obligations issued.....	2,466,006	2,466,006	916,006	(1,550,000)
IT subscription agreement.....	-	-	48,129	48,129
Fund balance appropriated.....	2,165,385	6,377,420	-	(6,377,420)
Total other financing sources and uses.....	<u>3,731,391</u>	<u>4,372,666</u>	<u>(822,705)</u>	<u>(5,195,371)</u>
Net change in fund balances	\$ -	\$ -	249,999	\$ 249,999
Fund balances - beginning			20,728,012	
Fund balances - ending			<u>\$ 20,978,011</u>	

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

City of Mebane, North Carolina
Statement of Fund Net Position
Proprietary Funds
June 30, 2023

Exhibit 6

	<u>Water and</u> <u>Sewer Fund</u>
Assets	
Current assets:	
Cash and cash equivalents.....	\$ 10,922,599
Accounts receivable (net) - billed.....	774,427
Accounts receivable (net) - unbilled.....	395,634
Other receivables.....	5,149
Restricted cash.....	9,425,907
Total current assets.....	<u>21,523,716</u>
Non-current assets:	
Net pension asset.....	-
Capital assets:	
Land and other non-depreciable assets.....	11,853,349
Other capital assets, net of depreciation.....	60,722,825
Total capital assets.....	<u>72,576,174</u>
Total non-current assets.....	<u>72,576,174</u>
Total assets.....	<u>94,099,890</u>
Deferred outflows of resources.....	1,347,157
Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities.....	1,383,354
Accrued interest payable.....	86,108
Payable from restricted assets.....	809,746
Unearned revenues.....	1,120,584
Compensated absences.....	73,853
Long-term debt - current.....	306,675
Bonds payable - current.....	980,000
Total current liabilities.....	<u>4,760,320</u>
Noncurrent liabilities:	
Compensated absences.....	20,653
Net pension liability.....	876,995
Total OPEB liability.....	<u>1,443,671</u>
Long-term debt - noncurrent.....	2,742,782
Bonds payable - noncurrent.....	11,629,000
Total noncurrent liabilities.....	<u>16,713,101</u>
Total liabilities.....	<u>21,473,421</u>
Deferred inflows of resources.....	457,067
Net Position	
Net investment in capital assets.....	58,855,897
Restricted for future system development.....	5,539,735
Unrestricted	9,120,927
Total net position.....	<u>\$ 73,516,559</u>

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

City of Mebane, North Carolina
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

Exhibit 7

	<u>Water and</u> <u>Sewer Fund</u>
Operating Revenues	
Charges for services.....	\$ 8,334,674
Water and sewer taps.....	18,079
Connection fees.....	1,792,107
Miscellaneous.....	<u>606,672</u>
Total operating revenues.....	<u>10,751,532</u>
Operating Expenses	
Administration, meters and billing.....	1,163,192
Utility maintenance.....	3,605,415
Engineering.....	295,062
Water resource recovery facility.....	1,778,774
Non-departmental.....	28,989
Depreciation.....	<u>1,875,620</u>
Total operating expenses.....	<u>8,747,052</u>
Operating income (loss).....	<u>2,004,480</u>
Nonoperating revenues (expenses)	
Interest and investment revenue.....	396,777
Other.....	(99,006)
Interest expense.....	(214,005)
ARPA Grant Proceeds.....	<u>2,016,944</u>
Total nonoperating revenues (expenses).....	<u>2,100,710</u>
Income (loss) before contributions and transfers.....	4,105,190
Capital contributions.....	4,032,800
Transfers in.....	5,738,728
Transfers out.....	<u>(5,725,046)</u>
Change in net position.....	8,151,672
Total net position - beginning.....	<u>65,364,887</u>
Total net position - ending.....	<u>\$ 73,516,559</u>

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

City of Mebane, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

Exhibit 8

	<u>Water and Sewer Fund</u>
Cash Flows from Operating Activities	
Cash received from customers.....	\$ 10,081,807
Cash paid for goods and services.....	(4,041,691)
Cash paid to or on behalf of employees for services.....	(3,046,296)
Customer deposits received.....	179,625
Customer deposits returned.....	(108,645)
Other operating revenues.....	<u>606,672</u>
Total cash provided (used) by operating activities.....	<u>3,671,472</u>
Cash Flows from Noncapital Financing Activities	
Other non-operating revenues.....	(99,006)
Transfers from other funds.....	5,725,046
Transfers to other funds.....	(5,725,046)
Grant proceeds-federal ARPA grant.....	<u>2,591,329</u>
Total cash provided (used) by non-capital financing activities.....	<u>2,492,323</u>
Cash Flows from Capital and Related Financing Activities	
Acquisition and construction of capital assets.....	(9,267,130)
Proceeds from new debt.....	-
Principal paid on bonds and notes payable.....	(1,270,415)
Interest paid on bonds and notes payable.....	<u>(220,562)</u>
Total cash provided (used) by capital and related financing activities.....	<u>(10,758,107)</u>
Cash Flows from Investing Activities	
Investment income.....	<u>396,777</u>
Total cash provided (used) by investing activities.....	<u>396,777</u>
Net increase (decrease) in cash and equivalents.....	(4,197,535)
Balance, beginning.....	<u>24,546,041</u>
Balance, ending.....	<u>\$ 20,348,506</u>

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

City of Mebane, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

Exhibit 8

	<u>Water and</u> <u>Sewer Fund</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income (loss).....	\$ 2,004,480
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation.....	1,875,620
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable.....	88,784
Increase (decrease) in allowance for doubtful accounts.....	(151,837)
(Increase) decrease in deferred outflows of resources for pensions.....	(159,744)
Increase (decrease) accounts payable.....	(367,455)
Increase (decrease) salaries payable.....	(43,094)
Increase (decrease) accrued vacation.....	5,766
Increase (decrease) in net pension liability.....	643,380
Increase (decrease) in deferred inflows of resources for pensions.....	(344,172)
Increase (decrease) in OPEB liability.....	(314,250)
Increase (decrease) in deferred inflows of resources for OPEB.....	363,014
Increase (decrease) in customer deposits.....	70,980
Total adjustments.....	<u>1,666,992</u>
Net cash provided by operating activities.....	<u>\$ 3,671,472</u>
Noncash investing, capital, and financing activities:	
Noncash capital contributions of capital assets.....	<u>\$ 4,032,800</u>
Unrealized gain/loss on investments.....	<u>\$ -</u>

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

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

1. Summary of Significant Accounting Policies

The accounting policies of the City of Mebane 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 City of Mebane is a municipal corporation which is governed by an elected mayor and a five-member council. The City is located in the eastern part of Alamance County and the western part of Orange County. Generally accepted accounting principles require that these financial statements present the primary government (i.e. the City) and any component units, legally separate organization for which the elected officials of the City are financially accountable. The City of Mebane has no component units as defined above.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. These statements distinguish between the *governmental* and *business-type activities* of the City. 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 City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds. Separate statements for each fund category – *governmental and proprietary* – 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. Nonoperating revenues, such as subsidies, result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investments earnings.

The City reports the following major governmental funds:

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

The City reports the following non-major governmental funds:

CDBG- Mebane Mills Loft – Special Revenue Fund: This fund is used to account for all block grant funds expended for the renovation of the old Dixie Yarns Building into subsidized housing.

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

Capital Project Fund – Cates Farm Park: This fund is used to account for the construction of a new city park.

Capital Project Fund – Lake Michael Dam Spillway: This fund is used to account for the construction of upgrades to the Lake Michael Dam Spillway.

Capital Project Fund – Transload Facility: This fund is used to account for the construction of a new rail transload facility.

The City reports the following major enterprise fund:

Water and Sewer Fund: This fund is used to account for the City's water and sewer operations. The Water and Sewer Capital Project Funds and the System Development Capital Reserve Fund have been consolidated into the Water and Sewer Fund for financial reporting purposes. The budgetary comparison for the Water and Sewer Capital Projects Fund has been included in the supplemental information.

C. Measurement Focus and Basis of Accounting

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

Government-wide and Proprietary Fund Financial Statements: The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary 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. Nonexchange transactions, in which the City 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 nonoperating 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 City enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue 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/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating 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. Issuance of general long-term debt and acquisitions under leases and IT subscriptions are reported as other financing sources.

The City considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

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

Sales taxes and certain intergovernmental revenues, such as utilities franchise tax, collected and held by the State at year-end on behalf of the City are recognized as revenue. Sales taxes are considered a shared revenue for the City of Mebane because the tax is levied by Alamance County and Orange County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Under the terms of grant agreements, the City 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 City'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 City's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Special Revenue Funds and the Capital Projects Funds and the Enterprise Capital Projects Funds. The enterprise fund projects are consolidated with the operating funds for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the project level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations. All amendments must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

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

State law [G.S. 159-30(c)] authorizes the City to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT). The City's investments are reported at fair value. The North Carolina Capital Management Trust (NCCMT), which consists of an SEC-registered mutual fund (the Government Portfolio), is authorized by G.S. 159-30(c)(8). The Government Portfolio, which invests in treasuries and government agencies, and collateralized repurchase agreements, is a money market mutual fund (2a-7) and maintains an AAAM rating from S&P and AAAMf by Moody's Investor Service. It is reported at fair value. Because the NCCMT Government has a

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

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

Cash and Cash Equivalents

The City pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Restricted Assets

Customer deposits held by the City before any services are supplied are restricted for which the deposit was collected. Contractor reserves and bond deposits received and held are classified as restricted cash. Grant proceeds received in advance for specified purposes are classified as restricted cash. Unexpended loan principal and interest receipts in the CDBG- Mebane Mills Loft Special Revenue Fund is classified as restricted assets because its use is restricted for future economic development per an agreement with the North Carolina Housing Finance Agency. Powell Bill funds are also classified as restricted cash, if applicable, because they can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through 136-41.4. Unexpended utility system development fees are restricted for use in accordance with G.S 162A-211.

City of Mebane Restricted Cash

Governmental Activities

General Fund

Contractor reserves and bond deposits.....	\$	308,123
Asset forfeiture funds.....		253,860
Unspent loan proceeds.....		909,900
Corrections unused funds.....		1,305
Stormwater reserves.....		992,947

CDBG- Mebane Mills Loft Capital Project Fund

Economic Development.....		156,746
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Transload Capital Project Fund Unspent

State Grant Proceeds.....		<u>2,600,000</u>
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Total governmental activities.....		<u>5,222,881</u>
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Business-type Activities

Water and Sewer Fund

Customer deposits.....		809,746
Unexpended system development fees.....		5,539,735
Unexpended ARPA Capital Project Fund unexpended proceeds.....		1,138,246
Unspent bond proceeds.....		<u>1,938,180</u>

Total business-type activities.....		<u>9,425,907</u>
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Total Restricted Cash.....	\$	<u><u>14,648,788</u></u>
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Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the City levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date), however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2022. As allowed by State law, the City has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the City's General Fund, ad valorem tax revenues are reported net of such discounts.

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Allowances for Doubtful Accounts

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

Leases Receivable

The City's leases receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. There are no variable components under the lease agreement.

A deferred inflow of resources is recorded for the leases. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Inventory and Prepaid Items

The inventories of the City's enterprise fund consist of expendable materials and supplies that are expensed when purchased.

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.

Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of one year. Minimum capitalization costs are \$5,000 for all items. 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. 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.

Property, plant and equipment in the proprietary fund of the City are recorded at original cost at the time of acquisition. The City capitalizes those interest costs which are incurred during the construction period of any major capital projects. Property, plant, and equipment donated to the proprietary fund type operations are recorded at the estimated fair market value at the date of donation.

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.....	50
Buildings.....	50
Improvements	25
Vehicles.....	5/10
Furniture and equipment	5/10
Computer equipment	3/5/10

Right to use assets

The City's capital assets also include certain right to use assets. These right to use assets arise in association with agreements where the City reports a lease (only applies when the City is the lessee) or agreements where the City reports an Information Technology (IT) Subscription in accordance with the requirements of GASB 87 and GASB 96, respectively.

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The right to use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made at or prior to the start of the lease term, less lease incentives received from the lessor at or prior to the start of the lease term, and plus ancillary charges necessary to place the lease asset into service. The right to use lease assets are amortized on a straight-line basis over the life of the related lease.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term should be reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right to use subscription assets should be amortized on a straight-line basis over the subscription term.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represent a consumption of net assets that applies to future periods and so will not be recognized as an expense or expenditure until then. The City has three items that meet this criterion, pension deferrals and OPEB deferrals for the 2023 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represent an acquisition of net assets that applies to future periods and so will not be recognized as revenue until then. The City has several items that meet the criterion for this category – prepaid taxes, property taxes receivable unavailable revenues (reported only on the Balance Sheet of the Governmental Funds), leases, and pension and OPEB deferrals.

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, as well as issuance costs, 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.

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.

Compensated Absences

The vacation policy of the City provides for the accumulation of up to 240 hours of earned vacation leave with such leave being fully vested when earned. For the City's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The City has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

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The City's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest. Since the City does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Net Position/Fund Balances

Net Position

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

Fund Balances

In the governmental fund financial statements, fund balance is composed of 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 Assets – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid assets, which are not spendable resources.

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

Restricted for Economic Development – portion of fund balance that is restricted by revenue source for future community development related activities. This amount represents the balance of the total unexpended funds from the amortized repayments of the CDBG monies loaned to Mebane Mills Lofts, LLC.

Assigned Fund Balance – portion of fund balance that the City intends to use for specific purposes.

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

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appropriation; however, the budget ordinance authorizes the budget officer to modify the appropriations by resource or appropriation within funds without limitation. Any transfer between funds must be approved by the governing board in the budget ordinance as amended.

Unassigned Fund Balance – portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. Unassigned fund balance is the residual classification for the General Fund. Other governmental funds cannot report positive unassigned fund balance but can report negative unassigned fund balance if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

The City of Mebane 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-city funds, city 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 City.

The City of Mebane has adopted a fund balance policy that instructs management to conduct the business of the City in such a manner that unrestricted fund balance is 50% of annual budgeted expenditures and transfers. Any portion in excess of 50% may be set aside for future capital improvements or to other purposes as directed by the City Council.

Defined Benefit Cost-Sharing Plans

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

For purposes of measuring the net pension expense, information about the fiduciary net position of the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF) and additions to/deductions from FRSWPF's fiduciary net position have been determined on the same basis as they are reported by FRSWPF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

F. Estimates

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

2. Detail Notes on All Funds

A. Assets

Deposits

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

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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 City, these deposits are considered to be held by the City’s agent in the City’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 City or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the City 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 City has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2023 the City’s deposits had a carrying amount of \$32,585,066, and a bank balance of \$29,718,055. Of the bank balance, \$1,010,199 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. Petty cash on hand at June 30, 2023 was \$400.

Investments

At June 30, 2023, the City’s investment balances were as follows:

<u>Investments by Type</u>	<u>Valuation</u>	<u>Book Value at</u>	<u>Maturity</u>	<u>Rating</u>
	<u>Measurement</u>	<u>6/30/2023</u>		
	<u>Method</u>			
NC Capital Management Trust				
- Government Portfolio.....	Fair Value Level 1	\$ 12,424,456	N/A	AAAm
Total.....		<u>\$ 12,424,456</u>		

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 are 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’ benchmark quoted prices.

Interest Rate Risk. The City has no formal investment policy regarding interest rate risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City’s internal investment policy limits at least half of the City’s investment portfolio to maturities of less than 12 months. Also, the City’s internal management policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than two years.

Credit Risk. The City has no formal policy regarding credit risk, but has internal management procedures that limits the City’s investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2023, the City did not hold any investments in commercial paper. The City’s investment in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor’s and AAAM-mf by Moody’s Investors Service as of June 30, 2023.

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Concentration of Credit Risk. The City’s Council places no limit on the amount that the City may invest in any one issuer. For the year ended June 30, 2023, there were no investments in commercial paper that totaled more than 5 percent of the City’s investments.

Receivables – Allowance for Doubtful Accounts

The amount of taxes receivable presented in the Balance Sheet and the Statement of Net Position includes penalties levied and outstanding in the amount of \$115,116.

The amounts presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2023 are net of the following allowances for doubtful accounts:

Funds

General Fund:

Taxes Receivable.....	\$	15,356
Accounts Receivable.....		-
Total.....		<u>15,356</u>
Enterprise Fund.....		<u>49,714</u>
Total.....	\$	<u><u>65,070</u></u>

Leases Receivable

In July 2020, the City entered into a lease with Alamance County. Under the lease, the Alamance County pays the City \$450 per month for three years in exchange for maintaining a room and parking bay at the City fire department. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 2.6%, which is the City’s incremental borrowing rate. This lease expired prior to June 30, 2023.

In fiscal year 2023, the City recognized \$5,348 of lease revenue and \$52 of interest revenue under the lease.

In prior years, the City entered into separate five year renewable leases with three mobile phone companies. Under the leases, the mobile phone companies pay the City rents in the amounts of \$2,409, \$1,331, and \$3,861 per month in exchange for antenna space on the City’s water tower. The leases receivable are measured as the present value of the future minimum rent payments expected to be received during the lease terms at a discount rate of 2.6%, which is the City’s incremental borrowing rate. These leases terminated or expires prior to June 30, 2023.

In fiscal year 2023, the City recognized \$24,074, \$15,949, and \$7,703 of lease revenue and \$16, \$223, and \$19 of interest revenue under the leases.

City of Mebane, North Carolina
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Capital Assets

Primary Government

Capital asset activity for the Primary Government for the year ended June 30, 2023, was as follows:

	<u>Beginning</u>			<u>Ending</u>
	<u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balances</u>
Governmental activities:				
Capital assets not being depreciated:				
Land.....	\$ 7,669,906	\$ 7,930	\$ -	\$ 7,677,836
Artwork and collections.....	68,360	-	-	68,360
Construction in progress.....	456,448	1,015,513	75,895	1,396,066
Total capital assets not being depreciated...	<u>8,194,714</u>	<u>1,023,443</u>	<u>75,895</u>	<u>9,142,262</u>
Capital assets being depreciated:				
Buildings.....	17,288,045	461,892	-	17,749,937
Other improvements.....	11,420,943	219,155	-	11,640,098
Equipment.....	3,652,714	446,552	15,379	4,083,887
Computer equipment.....	665,225	29,876	-	695,101
Vehicles and motorized equipment.....	9,761,612	891,175	565,581	10,087,206
Infrastructure.....	34,422,050	4,198,270	-	38,620,320
Total capital assets being depreciated.....	<u>77,210,589</u>	<u>6,246,920</u>	<u>580,960</u>	<u>82,876,549</u>
Less accumulated depreciation for:				
Buildings.....	4,754,194	381,692	-	5,135,886
Other improvements.....	1,910,733	370,855	-	2,281,588
Equipment.....	2,096,578	297,396	15,379	2,378,595
Computer equipment.....	448,923	48,387	-	497,310
Vehicles and motorized equipment.....	7,082,903	190,914	136,396	7,137,421
Infrastructure.....	4,373,455	1,008,884	-	5,382,339
Total accumulated depreciation.....	<u>20,666,786</u>	<u>\$2,298,128</u>	<u>\$ 151,775</u>	<u>22,813,139</u>
Total capital assets being depreciated, net...	<u>56,543,803</u>			<u>60,063,410</u>
Capital assets being amortized:				
IT subscriptions.....	-	48,129	-	48,129
Total capital assets being amortized.....	-	<u>48,129</u>	-	<u>48,129</u>
Less accumulated amortization for:				
IT subscriptions.....	-	12,032	-	12,032
Total accumulated amortization.....	-	<u>\$ 12,032</u>	<u>\$ -</u>	<u>12,032</u>
Total capital assets being amortized, net.....	-			<u>36,097</u>
Governmental activity capital assets, net.....	<u>\$ 64,738,517</u>			<u>\$ 69,241,769</u>

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

General government.....	\$ 126,195
Public safety.....	677,052
Public works.....	1,378,455
Recreation.....	500,282
Economic & physical development.....	25,384
Total.....	<u>\$2,707,368</u>

City of Mebane, North Carolina
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Business-type Activities

The capital assets of the Enterprise Fund for the year ended June 30, 2023, was as follows:

	<u>Beginning</u>			<u>Ending</u>
	<u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balances</u>
Water and Sewer Fund:				
Capital assets not being depreciated:				
Land.....	\$ 766,326	\$ 287,875	\$ -	\$ 1,054,201
Construction in progress.....	2,915,009	7,884,139	-	10,799,148
Total capital assets not being depreciated.....	<u>3,681,335</u>	<u>8,172,014</u>	<u>-</u>	<u>11,853,349</u>
Capital assets being depreciated:				
Water sources.....	13,937,610	-	-	13,937,610
Lift stations, pumping stations and tanks.....	8,866,489	11,965	-	8,878,454
Water and sewer lines.....	46,749,514	4,686,180	-	51,435,694
Land improvements.....	77,094	12,281	-	89,375
Water Resource Recovery Facility.....	9,796,576	89,620	-	9,886,196
Machinery and equipment.....	2,002,688	151,106	21,770	2,132,024
Computer equipment.....	-	16,028	-	16,028
Vehicles.....	443,830	583,656	31,452	996,034
Total capital assets being depreciated.....	<u>81,873,801</u>	<u>5,550,836</u>	<u>53,222</u>	<u>87,371,415</u>
Less accumulated depreciation for:				
Water sources.....	4,567,973	285,941	-	4,853,914
Lift stations, pumping stations and tanks.....	2,208,219	164,228	-	2,372,447
Water and sewer lines.....	12,128,841	1,051,099	-	13,179,940
Land improvements.....	10,859	3,474	-	14,333
Water Resource Recovery Facility.....	4,060,569	217,141	-	4,277,710
Machinery and equipment.....	1,020,375	126,123	21,770	1,124,728
Computer equipment.....	-	401	-	401
Vehicles.....	420,117	436,452	31,452	825,117
Total accumulated depreciation.....	<u>24,416,953</u>	<u>\$ 2,284,859</u>	<u>\$ 53,222</u>	<u>26,648,590</u>
Total capital assets being depreciated, net.....	<u>57,456,848</u>			<u>60,722,825</u>
Business-type activity capital assets, net.....	<u>\$ 61,138,183</u>			<u>\$ 72,576,174</u>

Right to Use Leased Assets

The City has no right to use leased assets for the year ended June 30, 2023.

City of Mebane, North Carolina
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Construction Commitments

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

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Contract</u>
WRRF Upgrade Construction Services.....	\$ 333,274	\$ 203,116
WRRF Design/Engineering Services.....	2,358,786	951,214
City of Mebane WRRF Upgrade.....	5,486,467	898,494
PW Facility Fence Loop Paving.....	-	10,000
WRRF Construction Administration.....	-	5,000
Lake Michael Spillway Design.....	324,561	583,679
AWCK - Lake Michael Connector Engineering and Des.....	28,831	7,169
GKN Re-Route Final Design.....	43,193	6,307
U-6013 Utility Relocations Engineering.....	16,047	33,453
Elevated Storage Tank Eninegering Services.....	198,519	325,481
Dead End Turn-Around Study Project.....	16,546	13,454
N. Second St. and Crawford St. Sidewalk Design.....	18,240	1,761
Future Water Planning Modeling.....	28,618	2,206
Cates Farm Park Improvements.....	328,498	564,252
Fifth St. Pocket Park & Eighth St. Sidewalk	7,495	2,505
S. Third St. Ext. Sidewalk Project- Ph. 1.....	2,943	46,858
AWCK - CEI - Cates Farm Park Phase #1.....	22,814	7,186
Cates Farm Park Playground Phase #1.....	110,823	205,677
Long Range Water System Planning Support.....	22,058	7,943
Fiddler Stage for Community Park.....	42,018	65,982
Clay Street Infrastructure Improvements.....	593,180	168,745
Criteria Design Station 4.....	69,036	30,964
W Carr St Sidewalk Project - Striping	-	3,770
West Carr St Sidewalk Improvements.....	-	27,700
Council Chamber/Conf Room/ Hallway Restoration.....	-	29,996
Total.....	<u>\$ 10,051,947</u>	<u>\$ 4,202,912</u>

B. Liabilities

Pension Plan and Postemployment Obligations

Local Governmental Employees' Retirement System

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

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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.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. City of Mebane employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City of Mebane's contractually required contribution rate for the year ended June 30, 2023, was 13.10% of compensation for law enforcement officers and 12.10% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City of Mebane were \$2,313,791 for the year ended June 30, 2023.

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

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

At June 30, 2023, the City reported a liability of \$6,583,546 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2022, the City's proportion was 0.117%, which was a decrease of 0.001% from its proportion measured as of June 30, 2021.

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For the year ended June 30, 2023, the City recognized pension expense of \$2,582,941. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows of</u> <u>Resources</u>
Differences between expected and actual experience.....	\$ 283,679	\$ 27,813
Changes of assumptions.....	656,890	-
Net difference between projected and actual earnings on pension plan investments.....	2,175,931	-
Changes in proportion and differences between City contributions and proportionate share of contributions..	1,212,752	61
City contribution subsequent to the measurement date.....	<u>2,313,363</u>	<u>-</u>
Total.....	<u>\$ 6,642,615</u>	<u>\$ 27,874</u>

\$2,313,363 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2024.....	\$ 1,558,486
2025.....	1,261,126
2026.....	445,111
2027.....	1,036,655
2028.....	-
Thereafter.....	-

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

Inflation	2.5 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

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

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

City of Mebane, North Carolina
Notes to the Financial Statements
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interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Income.....	23.9%
Public Equity	35.8%
Cash and receivables.....	14.3%
Other.....	26.0%
Total.....	<u>100.0%</u>

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

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

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the City's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	<u>1% Decrease</u> <u>(5.50%)</u>	<u>Discount Rate</u> <u>(6.50%)</u>	<u>1% Increase</u> <u>(7.50%)</u>
City's proportionate share of the net pension liability (asset).....	\$ 11,882,454	\$ 6,583,546	\$ 2,216,939

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

Law Enforcement Officers' Special Separation Allowance

Plan Description. The City of Mebane administers a public employee retirement system (the *Separation Allowance*), a single-employer defined benefit pension plan that provides retirement benefits to the City's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of

City of Mebane, North Carolina
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creditable service. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time law enforcement officers of the City are covered by the Separation Allowance. At December 31, 2021, the valuation date, the Separation Allowance’s membership consisted of:

Retirees receiving benefits	-
Terminated plan members entitled to but not receiving benefits	-
Active plan members	<u>37</u>
Total	<u>37</u>

Summary of Significant Accounting Policies:

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

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

Actuarial Assumptions. The entry age actuarial cost method was used in the December 31, 2020 valuation. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.31 percent

The discount rate used is the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2021.

Mortality rates are based on the Pub-2010 amount-weighted tables with adjustments projected forward generationally from the valuation date using MP-2019.

Contributions. The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City’s obligation to contribute to this Plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The City had no benefits come 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, 2023, the City reported a total pension liability of \$1,176,432. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the City recognized pension expense of \$156,565.

City of Mebane, North Carolina
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	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience.....	\$ 119,865	\$ 165,257
Changes of assumptions.....	285,068	258,890
Benefit payments and administrative expenses made subsequent to the measurement date.....	-	-
Total.....	<u>\$ 404,933</u>	<u>\$ 424,147</u>

\$0 was reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2024.....	32,514
2025.....	18,797
2026.....	19,956
2027.....	7,533
2028.....	(27,377)
Thereafter.....	(70,637)

\$0 paid as benefits came due and \$0 of administrative expenses subsequent to the measurement date are reported as deferred outflows of resources.

Sensitivity of the City's total pension liability to changes in the discount rate. The following presents the City's total pension liability calculated using the discount rate of 4.31 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31 percent) or 1-percentage-point higher (5.31 percent) than the current rate:

	<u>1% Decrease</u> <u>(3.31%)</u>	<u>Discount Rate</u> <u>(4.31%)</u>	<u>1% Increase</u> <u>(5.31%)</u>
Total pension liability.....	\$ 1,290,627	\$ 1,176,432	\$ 1,073,519

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

	<u>2023</u>
Beginning balance.....	\$ 1,503,388
Service cost at end of year.....	91,743
Interest of total pension liability.....	33,693
Changes of benefit terms.....	-
Differences between expected and actual experience in the measurement of the total pension liability.....	(192,084)
Changes of assumptions or other inputs.....	(248,450)
Benefit payments.....	(11,858)
Other changes.....	-
Ending balance of the total pension liability.....	<u>\$ 1,176,432</u>

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

Firefighters' Special Separation Allowance

Plan Description. The City of Mebane administers a public employee retirement system (the *Separation Allowance*), a single-employer defined benefit pension plan that provides retirement benefits to the City's qualified firefighters under the age of 62 who have completed at least 30 years of creditable service or have attained 60 years of age and have completed twenty-five or more years of creditable service. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time firefighters of the City are covered by the Separation Allowance. At December 31, 2021 the Separation Allowance's membership consisted of:

Retirees receiving benefits	-
Terminated plan members entitled to but not receiving benefits	-
Active plan members	<u>28</u>
Total	<u>28</u>

Summary of Significant Accounting Policies:

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

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

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

Inflation	2.5 percent
Salary increases	3.25 to 8.00 percent, including inflation and productivity factor
Discount rate	4.31 percent

The discount rate used is the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2021.

Mortality rates are based on the Pub-2010 amount-weighted tables with adjustments projected forward generationally from the valuation date using MP-2019.

Contributions. The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City's obligation to contribute to this Plan is established and may be amended

City of Mebane, North Carolina
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by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The City had no benefits come 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, 2023, the City reported a total pension liability of \$557,998. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the City recognized pension expense of \$47,390.

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience.....	\$ 1,048	\$ 21,192
Changes of assumptions.....	83,056	125,874
Benefit payments and administrative expenses made subsequent to the measurement date.....	-	-
Total.....	<u>\$ 84,104</u>	<u>\$ 147,066</u>

\$0 was reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2024.....	(4,003)
2025.....	(4,003)
2026.....	(6,276)
2027.....	(31,094)
2028.....	(17,586)
Thereafter.....	-

\$0 paid as benefits came due and \$0 of administrative expenses subsequent to the measurement date are reported as deferred outflows of resources.

Sensitivity of the City's total pension liability to changes in the discount rate. The following presents the City's total pension liability calculated using the discount rate of 4.31 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31 percent) or 1-percentage-point higher (5.31 percent) than the current rate:

	<u>1% Decrease</u> <u>(3.31%)</u>	<u>Discount Rate</u> <u>(4.31%)</u>	<u>1% Increase</u> <u>(5.31%)</u>
Total pension liability.....	\$ 619,181	\$ 557,998	\$ 503,221

City of Mebane, North Carolina
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Schedule of Changes in Total Pension Liability
Firefighters' Special Separation Allowance

	<u>2023</u>
Beginning balance.....	\$ 666,001
Service cost at end of year.....	36,408
Interest of total pension liability.....	14,985
Changes of benefit terms.....	-
Differences between expected and actual experience in the measurement of the total pension liability.....	(25,779)
Changes of assumptions or other inputs.....	(133,617)
Benefit payments.....	-
Other changes.....	-
Ending balance of the total pension liability.....	<u>\$ 557,998</u>

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

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:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>Fire SSA</u>	<u>Total</u>
Pension Expense.....	\$ 2,582,941	\$ 156,565	\$ 47,390	\$ 2,786,896
Pension Liability.....	6,583,546	1,176,432	557,998	8,317,976
Proportionate share of the net pension liability.....	0.11700%	n/a	n/a	
 Deferred Outflows of Resources				
Differences between expected and actual experience.....	575,078	119,865	1,048	695,991
Changes of assumptions.....	1,135,666	285,068	83,056	1,503,790
Net difference between projected and actual earnings on plan investments.....	-	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions.....	1,128,407	-	-	1,128,407
Benefit payments and administrative costs paid subsequent to the measurement date..	2,065,813	-	-	2,065,813
 Deferred Inflows of Resources				
Differences between expected and actual experience.....	-	165,257	21,192	186,449
Changes of assumptions.....	-	258,890	125,874	384,764
Net difference between projected and actual earnings on plan investments.....	2,582,588	-	-	2,582,588
Changes in proportion and differences between contributions and proportionate share of contributions.....	123	-	-	123

Supplemental Retirement Income Plan for Non-Law Enforcement Officers

Pension Descriptions. The City contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by The Prudential Insurance Company of America. The Plan provides retirement benefits to non-law enforcement officers employed by the City. The City Council has the authority for establishing or amending the plan's provisions.

Funding Policy. The City contributes 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. The City Council has the authority for establishing or amending contribution requirements. Contributions for the year ended June 30, 2023 were \$608,549, which consisted of \$373,701 from the City and \$234,848, respectively, from the employees.

Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The City 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 City. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report (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

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that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the City to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. The law enforcement officers may also make voluntary contributions to the plan. Contributions for the year ended June 30, 2023 were \$178,144, which consisted of \$125,734 from the City and \$52,410, respectively, from the law enforcement officers.

Firefighters' and Rescue Squad Workers' Pension Fund

Plan Description. The State of North Carolina contributes, on behalf of the City of Mebane, to the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the State of North Carolina. FRSWPF provides pension benefits for eligible fire workers that have elected to become members of the fund. Article 86 of G.S. Chapter 58 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 Firefighter's Pension Fund 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 the Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. FRSWPF provides retirement and survivor benefits. The present retirement benefit is \$170 per month. Plan members are eligible to receive the monthly benefit at age 55 with 20 years of creditable service as a firefighter or rescue squad worker, and have terminated duties as a firefighter or rescue squad worker. Eligible beneficiaries of members who die before beginning to receive the benefit will receive the amount paid by the member and contributions paid on the member's behalf into the plan. Eligible beneficiaries of members who die after beginning to receive benefits will be paid the amount the member contributed minus the benefits collected.

Contributions. Plan members are required to contribute \$10 per month to the plan. The State, a non-employer contributor, funds the plan through appropriations. The City is not required to contribute to the Fund; however, as a benefit to the firefighters, the City has chosen to fund the member's contributions. Contribution provisions are established by General Statute 58- 86 and may be amended only by the North Carolina General Assembly. For the fiscal year ending June 30, 2023, the State contributed \$19,352,000 to the plan. The City of Mebane's proportionate share of the State's contribution is \$26,945.

Refunds of Contributions – Plan members who are no longer eligible or choose not to participate in the plan may file an application for a refund of their contributions. Refunds include the member's contributions and contributions paid by others on the member's behalf. No interest will be paid on the amount of the refund. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by FRSWPF.

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

At June 30, 2023, the City reported no liability for its proportionate share of the net pension liability, as the State provides 100% pension support to the City through its appropriations to the FRSWPF. The total portion of the net pension liability that was associated with the City and supported by the State was \$27,377. The net pension liability was measured as of June 30, 2022. The total pension liability used to

City of Mebane, North Carolina
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calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. As the City is not projected to make any future contributions to the plan, its proportionate share at June 30, 2023 and at June 30, 2022 was 0%.

For the year ended June 30, 2023, the City recognized pension expense of \$4,791 and revenue of \$4,791 for support provided by the State. At June 30, 2023, the City reported no deferred outflows of resources and no deferred inflows of resources related to pensions.

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

Inflation	2.5 percent
Salary increases	Not applicable
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

For more information regarding actuarial assumptions, including mortality tables, the actuarial experience study, the consideration of future ad hoc COLA amounts, the development of the projected long-term investment returns, and the asset allocation policy, refer to the discussion of actuarial assumptions for the LGERS plan noted above.

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

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued Annual Comprehensive Financial Report (ACFR) for the State of North Carolina.

Other Post-employment Benefits

Healthcare Benefits

Plan Description. Employees who retire under the provisions of the North Carolina Local Government Employees’ Retirement System (NCLGERS) and have fifteen (15) or more years of service with the City at the time of retirement are eligible to continue coverage in the City’s health plan, a single-employer defined benefit plan. Coverage in the health plan will continue until the retiree becomes Medicare eligible, at which time coverage will be converted to a Medicare Supplement Plan. Health care and prescription drug coverage are provided by the City’s health plan. A separate stand-alone report is not issued.

Membership of the Health Care Plan consisted of the following at June 30, 2021, the date of the latest actuarial valuation:

	<u>General</u> <u>Employees</u>	<u>Law Enforcement</u> <u>Officers</u>
Retirees and dependents receiving benefits	25	5
Active plan members	<u>100</u>	<u>38</u>
Total	<u>125</u>	<u>43</u>

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Total OPEB Liability

The City's total OPEB liability of \$10,546,034 was measured as of June 30, 2022 with a determination date of June 30, 2021, the actuarial valuation date.

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

Inflation	2.5 percent
Real wage growth	0.75 percent
Wage inflation	3.25 percent
Salary increases	General Employees- 3.25 to 8.41 percent, Firefighters 3.25 to 8.15 percent, Law Enforcement Officers 3.25 to 7.90 percent, including inflation
Discount rate	3.54 percent
Healthcare cost trend rates	Pre-Medicare- 7.00 percent for 2021 to 4.50 percent by 2031 Medicare- 5.125 percent for 2021 to 4.50 percent by 2024

The discount rate is based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by The Bond Buyer.

Changes in the Total OPEB Liability

Total OPEB Liability, Balance at July 1, 2022.....	\$	12,878,757
Changes for the year		
Service cost.....		732,681
Interest.....		292,415
Changes in benefit terms.....		-
Differences between expected and actual experience.....		(16,611)
Changes in assumptions or other inputs.....		(3,192,965)
Benefit payments.....		(148,243)
Net changes.....		(2,332,723)
Total OPEB Liability, Balance at June 30, 2023.....	\$	<u>10,546,034</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.16% to 3.54%.

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period January 2015 through December 2019.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	<u>(2.54%)</u>	<u>(3.54%)</u>	<u>(4.54%)</u>
Total OPEB liability.....	\$ 12,739,713	\$ 10,546,034	\$ 8,844,743

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB liability.....	\$ 8,539,519	\$ 10,546,034	\$ 13,228,063

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized OPEB expense of \$1,048,669. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience.....	\$ 973,665	\$ 18,138
Changes of assumptions.....	2,256,746	3,295,913
Benefit payments and administrative costs made subsequent to the measurement date.....	113,667	-
Total.....	<u>\$ 3,344,078</u>	<u>\$ 3,314,051</u>

\$113,667 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year ended June 30:

2024.....	\$ 23,573
2025.....	23,573
2026.....	23,573
2027.....	59,757
2028.....	114,738
Thereafter.....	(328,855)

Other Employment Benefits

The City 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 months' salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the City, the City does not determine the number of eligible participants. The City has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The City considers these contributions to be immaterial.

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

Deferred Outflows and Inflows of Resources

The City has several deferred outflows of resources. Deferred outflows of resources is comprised of the following:

Pensions- differences between expected and actual experience.....	\$	283,679
Pensions- change of assumptions.....		656,890
Pensions- difference between projected and actual investment earnings.....		2,175,931
Pensions- change in proportion and difference between employer contributions and proportionate share of contributions.....		1,212,752
Contributions to pension plan in current fiscal year.....		2,313,363
LEOSSA- differences between expected and actual experience.....		119,865
LEOSSA- change of assumptions.....		285,068
FFSSA- differences between expected and actual experience.....		1,048
FFSSA- change of assumptions.....		83,056
OPEB- differences between expected and actual experience.....		973,665
OPEB- change of assumptions.....		2,256,746
Benefit payments for OPEB made subsequent to measurement date.....		113,667
LEOSSA- benefit payments made and administrative expenses.....		-
Total.....	\$	<u>10,475,730</u>

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

	<u>Statement of</u> <u>Net Position</u>	<u>General Fund</u> <u>Balance Sheet</u>
Pensions- difference between projected and actual investment earnings.....	\$ 27,813	\$ -
Pensions- change in proportion and difference between employer contributions and proportionate share of contributions.....	61	-
LEOSSA- differences between expected and actual experience.....	165,257	-
LEOSSA- change of assumptions.....	258,890	-
FFSSA- differences between expected and actual experience.....	21,192	-
FFSSA- change of assumptions.....	125,874	-
OPEB- differences between expected and actual experience.....	18,138	-
OPEB- change of assumptions.....	3,295,913	-
Leases receivable (General Fund).....	-	-
Prepaid taxes and licenses (General Fund).....	220,154	220,154
Taxes receivable, less penalties (General Fund).....	-	107,148
Total.....	\$ <u>4,133,292</u>	\$ <u>327,302</u>

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The City carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the prior year and settled claims have not exceeded insurance coverage in any of the last three fiscal years.

The City has not been designated as being in a flood zone and thus carries no commercial flood insurance.

In accordance with G.S. 159-29, the City's employees that have access to \$100 or more at any given time of the City's funds are performance bonded through a commercial surety bond. The finance officer is individually bonded for \$1,000,000 and the City Manager for \$25,000. The remaining employees that have access to funds are bonded under a blanket bond for \$25,000.

Claims, Judgments and Contingent Liabilities

At June 30, 2023, the City was a defendant to various lawsuits. In the opinion of the City's management and the City attorney, the ultimate effect of these legal matters will not have a material adverse effect on the City's financial position.

Short-Term Obligations

The City did not have any short-term debt outstanding at the beginning of the year. There was no short-term debt issued during the year and none is outstanding at the end of the year.

Long-Term Obligations

Capital Leases

The City has no lease agreements that qualify as other than short-term leases required to be reported under GASB 87.

General Obligation Indebtedness

The general obligation bonds and the notes payable, which were issued to finance the construction of facilities utilized in the operations of the water and sewer system and which are being retired by its resources, are reported as long-term debt in the Water and Sewer Fund. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the City. Principal and interest requirements are appropriated on all indebtedness when due.

Bonds and notes payable at June 30, 2023 are comprised of the following individual issues:

Revenue Bonds:

Serviced by the Water and Sewer Fund:

\$2,749,000 2021 Series A Refunding Utilities Revenue Bonds due in annual installments of \$329,000 to \$359,000 through June 30, 2030; interest at 1.27%.....	\$ 4,339,304
\$10,824,000 2021 Series B Utilities Revenue Bonds due in annual installments of \$635,000 to \$815,000 through August 1, 2036; interest at 1.78%	8,269,696
Total Revenue Bonds	<u>\$ 12,609,000</u>

The City is in compliance with the covenants as to rates, fees, rentals and charges in Section 4 of the Master Trust Agreement, authorizing the issuance of the City's Combined Utilities Revenue Bonds, Series 2021A and 2021B. Section 4.03 of the Master Trust Agreement requires the sum of the income available for debt service and 15% of the system fund balance to be no less than 120% of the long-term debt service requirement for parity indebtedness and the income available for debt service will be not less

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

than the sum of the long-term debt service requirement for parity indebtedness and subordinate indebtedness and the debt service on all installment debt and system general obligation debt.

The debt service calculation is as follows:

Operating revenues	\$ 10,751,532
Operating expenses less depreciation	<u>(6,871,433)</u>
Operating income	3,880,099
Nonoperating revenues (expenses)	<u>2,100,710</u>
Income available for debt service	5,980,809
15% of Unrestricted Net Position	<u>1,368,139</u>
Total Balance for 120% Parity	<u>\$ 7,348,948</u>
Debt service principal and interest (Revenue Bond only)	1,183,839
Debt service coverage ratio on first-lien debt	621%
Debt service all debt	1,490,977
Debt service coverage ratio on all debt together	493%

Installment Purchases:

Serviced by the General Fund:

Direct placement contract payable to Truist Bank for the Southside Fire Station Project. Principal payments of \$86,667 plus interest are due semi-annually starting on July 23, 2014. The note bears interest at the rate of 2.84%. All property, equipment and deposits acquired with these local funds are the security for the debt while the debt is outstanding	1,040,000
Direct placement contract payable to Piedmont Electric Membership Corporation as part of the USDA Rural Economic Development Loan (REDL) Program for the purchase of a fire truck. Principal payments of \$46,833 are due annually starting on August 1, 2017 with final payment due August 1, 2026. The note bears no interest as part of the REDL program. The fire truck is security for the debt while the debt is outstanding	187,332
Direct placement contract payable to American National Bank and Trust Company for the City Park Project. Principal payments of \$194,333 plus interest are due semi-annually starting on October 15, 2017. The note bears interest at the rate of 3.23%. All property, improvements and equipment acquired with these local funds are the security for the debt while the debt is outstanding	3,498,000
Direct placement contract payable to First Bank for the Police Department Radio Equipment. Principal payments of \$46,900 plus interest are due semi-annually starting on May 9, 2019. The note bears interest at the rate of 3.02%. All equipment and improvements acquired with these local funds are the security for the debt while the debt is outstanding	46,900
Direct placement contract payable to First Bank for the Police Department Vehicles. Principal payments of \$26,647 plus interest are due semi-annually starting on October 16, 2019. The note bears interest at the rate of 2.58%. All equipment and improvements acquired with these local funds are the security for the debt while the debt is outstanding	53,294
Direct placement contract payable to U.S. Bancorp Government Leasing and Finance, Inc., for sanitation vehicles. Principal payments of \$43,050 plus interest are due semi-annually starting on February 28, 2022. The note bears	

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

interest at the rate of 1.363%. All equipment and improvements acquired with these local funds are the security for the debt while the debt is outstanding..... 215,250

Direct placement contract payable to Truist Bank, for equipment and rolling stock. Principal payments of \$133,176 to \$138,871 plus interest are due semi-annually starting on January 20, 2022. The note bears interest at the rate of 1.070%. All equipment and rolling stock acquired with these local funds are the security for the debt while the debt is outstanding 963,190

Direct placement contract payable to Truist Bank, for equipment and rolling stock. Principal payments of \$85,785 to \$96,444 plus interest are due semi-annually starting on February 1, 2023. The note bears interest at the rate of 3.040%. All equipment and rolling stock acquired with these local funds are the security for the debt while the debt is outstanding 830,221

Serviced by the Water and Sewer Fund:

Direct placement contract payable from the North Carolina Water Pollution Control Revolving Fund for 9th Street Sewer improvements. Principal payments of \$4,806 annually on the indebtedness started on May 1, 2010. The interest rate as established under this program is zero percent. This debt is not secured 28,834

Direct placement contract payable to Truist Bank, for equipment and rolling stock. Principal payments of \$12,077 to \$12,528 plus interest are due semi-annually starting on January 20, 2022. The note bears interest at the rate of 1.070%. All equipment and rolling stock acquired with these local funds are the security for the debt while the debt is outstanding 86,716

Total installment purchases..... 6,949,737

Total long-term debt..... 19,558,737

Less: Current portion of long-term debt..... (2,250,792)

Non-current portion of long-term debt.....\$ 17,307,945

At June 30, 2023, the City of Mebane had no authorized but unissued bonds and had a legal debt margin of \$226,718,089.

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

The following table summarizes the annual requirements to amortize all long-term liabilities outstanding at June 30, 2023 (excluding compensated absences, pension liabilities, OPEB liabilities, and any claims or judgments).

	Revenue Bonds		Other Long-term Indebtedness		Total Debt Due	
	Principle	Interest	Principle	Interest	Principle	Interest
Serviced by General Fund:						
Fiscal Year	Principle	Interest	Principle	Interest	Principle	Interest
2024.....	\$ -	\$ -	\$ 1,241,520	\$ 151,326	\$ 1,241,520	\$ 151,326
2025.....	-	-	1,149,596	125,139	1,149,596	125,139
2026.....	-	-	1,115,011	100,695	1,115,011	100,695
2027.....	-	-	940,148	77,226	940,148	77,226
2028.....	-	-	659,910	56,088	659,910	56,088
2029-2033.....	-	-	1,728,002	90,623	1,728,002	90,623
2034-2038.....	-	-	-	-	-	-
2039-maturity.....	-	-	-	-	-	-
Total.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,834,187</u>	<u>\$ 601,097</u>	<u>\$ 6,834,187</u>	<u>\$ 601,097</u>
Serviced by Water & Sewer Fund:						
Fiscal Year	Principle	Interest	Principle	Interest	Principle	Interest
2024.....	\$ 980,000	\$ 204,225	\$ 29,272	\$ 463	\$ 1,009,272	\$ 204,688
2025.....	995,000	188,356	29,534	372	1,024,534	188,728
2026.....	1,010,000	172,238	29,800	336	1,039,800	172,574
2027.....	1,028,000	155,849	17,332	-	1,045,332	155,849
2028.....	1,044,000	139,183	4,806	-	1,048,806	139,183
2029-2033.....	4,377,000	457,004	4,806	-	4,381,806	457,004
2034-2038.....	3,175,000	114,285	-	-	3,175,000	114,285
2039-maturity.....	-	-	-	-	-	-
Total.....	<u>\$12,609,000</u>	<u>\$1,431,140</u>	<u>\$ 115,550</u>	<u>\$ 1,171</u>	<u>\$ 12,724,550</u>	<u>\$1,432,311</u>

Subscriptions:

For the year ended June 30, 2023 the City implemented the requirements of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (Subscriptions). The Statement provides a definition of Subscriptions and provides uniform guidance for accounting and financial reporting for such transactions. The guidance will decrease diversity in the accounting and financial reporting for these transactions, thereby, increasing comparability in financial reporting among governments. Further, the reporting of a subscription asset (a right-to-use intangible capital asset) and a subscription liability will enhance the relevance and reliability of the financial statements.

Subscriptions in affect at the end of the prior fiscal year had their assets and liabilities initially measured at the present value of the subscription payments expected over the remaining term of the Subscription after July 1, 2022. One such agreement was in place at June 30, 2022. The Subscription is for an Applicant Tracking and Performance Management System that aids the City in onboarding new employees and provides educational opportunities for employees to enhance their professional development. The initial term of the agreement was three years. The remaining term at June 30, 2023 is eighteen months. The Subscription does not have a stated interest rate. Accordingly, the City's estimated incremental borrowing rate of 2.60% was used to discount the subscription payments. As a result, the amount of \$48,129 was added as a right-to-use subscription asset and a subscription liability as of July 1, 2022. This restatement had no effect on equity. The liability balance at June 30, 2023 was \$32,902.

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

The future minimum subscription obligations and the net present value of these minimum payments as of June 30, 2023, were as follows:

Serviced by General Fund:

<u>Fiscal Year</u>	<u>Principle</u>	<u>Interest</u>	<u>Total</u>
2024.....	\$ 32,902	\$ 209	\$ 33,111
Total.....	<u>\$ 32,902</u>	<u>\$ 209</u>	<u>\$ 33,111</u>

Changes in Long-Term Liabilities

	<u>Balance July 1,</u>			<u>Balance June</u>	<u>Current</u>
	<u>2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>30, 2023</u>	<u>Portion of</u>
					<u>Balance</u>
<u>Governmental activities:</u>					
Direct Placement					
Installment purchase.....	\$ 7,512,035	\$ 916,006	\$ 1,593,854	\$ 6,834,187	\$ 1,241,520
IT Subscription liabilities.....	-	32,902	-	32,902	32,902
Compensated absences.....	510,453	467,634	411,023	567,064	467,634
Total OPEB liability.....	11,120,836	-	2,018,473	9,102,363	-
Net pension liability (LGERS).....	1,574,035	4,132,516	-	5,706,551	-
Net pension liability (LEOSSA).....	1,503,388	-	326,956	1,176,432	-
Total pension liability (Firefighters SSA)...	666,001	-	108,003	557,998	-
Governmental activity					
long-term liabilities.....	<u>\$22,886,748</u>	<u>\$ 5,549,058</u>	<u>\$ 4,458,309</u>	<u>\$ 23,977,497</u>	<u>\$ 1,742,056</u>
<u>Business-type activities:</u>					
Direct Placement					
Installment purchase.....	\$ 144,563	\$ -	\$ 29,013	\$ 115,550	\$ 29,272
Revenue bonds.....	13,573,000	-	964,000	12,609,000	980,000
Graham/Mebane Watershed					
Agreement.....	1,528,846	-	127,403	1,401,443	127,403
Graham/Mebane Capacity					
Agreement.....	1,682,464	-	150,000	1,532,464	150,000
Net pension liability (LGERS).....	233,615	643,380	-	876,995	-
Compensated absences.....	88,740	73,853	68,086	94,507	73,853
Total OPEB liability.....	<u>1,757,921</u>	<u>-</u>	<u>314,250</u>	<u>1,443,671</u>	<u>-</u>
Business-type activity					
long-term liabilities.....	<u>\$19,009,149</u>	<u>\$ 717,233</u>	<u>\$ 1,652,752</u>	<u>\$ 18,073,630</u>	<u>\$ 1,360,528</u>

Compensated absences have typically been liquidated in the General Fund.

C. Interfund Balances and Activity

There are no balances due to/from other funds at June 30, 2023.

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund services provided and used are not eliminated in the process of consolidation. These balances routinely clear out each month prior to or at year-end.

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

A summary of interfund transfers for the fiscal year ended June 30, 2023 is as follows:

Cash Transfers:

Transfer from General Fund to:

Cates Farm Park Capital Project Fund.....	\$ 1,945,665
Lake Michael Dam Spillway Capital Project Fund.....	237,180
Transload Facility Capital Project Fund.....	300,843

Transfer from Cates Farm Park Fund Capital Project Fund to:

General Fund.....	696,848
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Transfer from Utility Fund to:

WRRF Renovation Capital Project Fund.....	50,000
WRRF 0.5 MGD Expansion Capital Project Fund.....	1,654,943
Elevated Water Tank Capital Project Fund.....	150,000
GKN Pump Station Capital Project Fund.....	1,853,159

Transfer from American Rescue Plan Grant Project Fund to:

Utility Fund.....	<u>2,016,944</u>
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Total Cash Transfers	<u>\$ 8,905,582</u>
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Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to spend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Further, during the year ended June 30, 2023, the City made the following one-time transfers:

- 1) A transfer of \$1,945,665 from the General Fund to the Cates Farm Park Capital Project Fund for capital improvements.
- 2) A transfer of \$237,180 from the General Fund to the Lake Michael Dam Spillway Capital Project Fund for capital improvements.
- 3) A transfer of \$300,843 from the General Fund to the Transload Facility Capital Project Fund for capital improvements.
- 4) A transfer of \$696,848 from the Cates Farm Park Capital Project Fund to the General Fund for repayment of funds.
- 5) A transfer of \$50,000 from the Utility Fund to the WRRF Renovation Capital Project Fund for capital improvements.
- 6) A transfer of \$1,654,943 from the Utility Fund to the WRRF 0.5 MGD Expansion Capital Project Fund for capital improvements.
- 7) A transfer of \$150,000 from the Utility Fund to the Elevated Water Tank Capital Project Fund for capital improvements.
- 8) A transfer of \$1,853,159 from the Utility Fund to the GKN Pump Station Capital Project Fund for capital improvements.
- 9) A transfer of \$2,016,944 for the American Rescue Plan Grant Project Fund to the Utility fund to cover payroll expenses.

D. On-Behalf Payments for Fringe Benefits and Salaries

The City has recognized as a revenue and an expenditure on-behalf payments for fringe benefits and salaries of \$4,791, for the salary supplement and stipend benefits paid to eligible firemen by the local board of trustees of the Firemen’s Relief Fund during the fiscal year ended June 30, 2023. Under State

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

law the local board of trustees for the Fund receives an amount each year which the board may use at its own discretion for eligible firemen or their departments.

E. Net Investment in Capital Assets

	<u>Governmental</u>	<u>Business-type</u>
Capital assets.....	\$ 69,241,769	\$ 72,576,174
less: long-term debt.....	6,834,187	15,658,457
add: unexpended debt proceeds.....	<u>909,900</u>	<u>1,938,180</u>
Net investment in capital assets.....	<u>\$ 63,317,482</u>	<u>\$ 58,855,897</u>

F. 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.....	\$ 20,978,011
Less: Stabilization by State Statute.....	(6,191,378)
Appropriated Fund Balance in 2024 budget.....	(2,797,463)
Working Capital.....	<u>(11,989,170)</u>
Remaining fund balance.....	<u>\$ -</u>

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. Outstanding encumbrances for the Governmental Funds at June 30, 2023 were \$3,071,030 for the General Fund.

G. Jointly Governed Organization

The City, in conjunction with twelve counties and sixty other municipalities established the Piedmont Triad Regional Council (Council). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member and one alternate if they so desire, to the Council’s governing board. The City paid \$3,737 in general membership fees and \$6,635 in stormwater fees to the Council during the fiscal years ended June 30, 2023.

H. Joint Ventures

The City, in conjunction with the Cities of Burlington and Graham, participate in the Alamance Municipal ABC Board. Each participating government appoints board members. The ABC Board is a joint venture established to facilitate control over alcoholic beverages within the Cities. The ABC Board has been in existence for over 38 years and is self-sustaining. The City has an ongoing financial responsibility for the ABC Board because it and the Cities of Burlington and Graham are legally obligated under the intergovernmental agreement that created the ABC Board to honor any deficiencies in the event that proceeds from other default remedies are insufficient. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2023. Complete financial statements for the ABC Board can be obtained from the administrative offices at 603 W. Harden Street, Graham, North Carolina, 27253.

I. Joint Operation

The City of Mebane and the City of Graham are co-owners and operators of a water supply reservoir and water treatment plant per an Intergovernmental Watershed Agreement. Since June 22, 1973, the ownership of the assets and improvements of the joint undertaking remained at 66.7% interest for the City of Graham and 33.3% interest for the City of Mebane. Due to relative growths of the populations in units of government, the parties agreed as February 3, 2014 to adjust the capacity, treatment and operational costs, improvements, upgrades, and repairs to be borne equally by the units. At this time, the City of Mebane also agreed to pay to the City of Graham an equalizing sum of \$2,548,070 for their

City of Mebane, North Carolina
Notes to the Financial Statements
June 30, 2023

capital interest. The amount is to be paid in twenty annual installments of \$127,403 with the first payment due July 31, 2014. No interest is included in the agreement. The balance of the payable as of June 30, 2023 was \$1,401,443.

J. Interlocal Cooperation Agreement

The City of Mebane and the City of Graham entered into an interlocal cooperation agreement for the allocation of Twenty One and Forty Three One Hundredths percent (21.43%) of capacity usage of the City of Graham's wastewater treatment plant. The cost of agreed upon improvements or upgrades to the wastewater treatment plant and the Cherry Lane pump station will be shared by the City of Mebane and the City of Graham based on percentage of capacity usage, as noted above. The duration for the continuation of the agreement is 99 years. The City of Mebane has agreed to pay the City of Graham \$2,682,464 for this capacity usage. The amount is to be paid in twenty annual installments of \$200,000 (payments 1-5), \$150,000 (payments 6-10), \$100,000 (payments 11-15), and \$86,493 (payments 16-20) with the first payment due July 10, 2018. No interest is included in the agreement. The balance of the payable as of June 30, 2023 was \$1,532,464.

K. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The City 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 monies 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 grant monies.

L. Significant Effects of Subsequent Events

In accordance with ASC 855, the City evaluated subsequent events through November 30, 2023, the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

Required Supplementary Information

This section contains additional information required by generally accepted accounting principles.

- **Schedule of Proportionate Share of Net Pension Liability (Asset) for Local Government Employees' Retirement System**
- **Schedule of Contributions to Local Government Employees' Retirement System**
- **Schedule of Proportionate Share of Net Pension Liability for Firefighters' and Rescue Squad Workers' Pension Plan**
- **Schedule of Changes in Total Pension Liability (Asset) for Firefighters' and Rescue Squad Workers' Pension Plan**
- **Schedule of Total Pension Liability as a Percentage of Covered Payroll for Law Enforcement Officers' Special Separation Allowance**
- **Schedule of Total Pension Liability as a Percentage of Covered Payroll for Firefighters' Special Separation Allowance**
- **Schedule of Changes in Total OPEB Liability and Related Ratios**



City of Mebane, North Carolina
Required Supplementary Information
City of Mebane's Proportionate Share of Net Pension Liability (Asset)
Last Ten Fiscal Years *
June 30, 2023

Local Government Employees' Retirement System

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Mebane's proportion of the net pension liability (asset) (%).....	0.11670%	0.11787%	0.11237%	0.11189%	0.10735%	0.10919%	0.10681%	0.10043%	0.09862%	0.99260%
Mebane's proportion of the net pension liability (asset) (\$).....	\$ 1,849,476	\$ 1,807,650	\$ 4,015,459	\$ 3,055,629	\$ 2,546,709	\$ 1,668,121	\$ 2,266,866	\$ 450,724	\$ (581,608)	\$ 1,116,186
Mebane's covered payroll.....	\$ 8,177,170	\$ 8,101,894	\$ 7,506,863	\$ 7,137,816	\$ 6,539,336	\$ 6,062,960	\$ 5,990,336	\$ 5,169,065	\$ 5,064,935	\$ 4,888,462
Mebane's proportionate share of the net pension liability (asset) as a percentage of its covered payroll.....	22.62%	22.31%	53.49%	42.81%	38.94%	27.51%	37.84%	8.72%	(11.48%)	22.83%
Plan fiduciary net position as a percentage of the total pension liability **.....	84.51%	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30. This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

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

City of Mebane, North Carolina
Required Supplementary Information
City of Mebane's Contributions
Last Ten Fiscal Years *
June 30, 2023

Local Government Employees' Retirement System

	<u>2023</u>	<u>2022</u>	<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.....	\$ 1,250,382	\$ 970,164	\$ 671,809	\$ 624,341	\$ 526,288	\$ 364,077	\$ 438,800	\$ 404,627	\$ 376,969	\$ 353,916
Contributions in relation to the										
contractually required contribution...	<u>1,250,382</u>	<u>970,164</u>	<u>671,809</u>	<u>624,341</u>	<u>526,288</u>	<u>364,077</u>	<u>438,800</u>	<u>404,627</u>	<u>376,969</u>	<u>353,916</u>
Contribution deficiency (excess).....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Mebane's covered payroll.....	\$ 9,580,523	\$ 8,177,170	\$ 8,101,894	\$ 7,506,863	\$ 7,137,816	\$ 6,539,336	\$ 6,062,960	\$ 5,990,336	\$ 5,169,065	\$ 5,064,935
Contributions as a percentage of										
covered payroll.....	13.05%	11.86%	8.29%	8.32%	7.37%	5.57%	7.24%	6.75%	7.29%	6.99%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

City of Mebane, North Carolina
Required Supplementary Information
City of Mebane's Proportionate Share of Net Pension Liability
Last Nine Fiscal Years *
June 30, 2023

Firefighters' and Rescue Squad Workers' Pension

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Mebane's proportionate share of the net pension liability (%).....	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
Mebane's proportionate share of the net pension liability (\$).....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the City of Mebane.	<u>26,945</u>	<u>40,756</u>	<u>52,183</u>	<u>53,623</u>	<u>75,430</u>	<u>61,719</u>	<u>45,002</u>	<u>38,775</u>	<u>31,152</u>
Total.....	<u>\$ 26,945</u>	<u>\$ 40,756</u>	<u>\$ 52,183</u>	<u>\$ 53,623</u>	<u>\$ 75,430</u>	<u>\$ 61,719</u>	<u>\$ 45,002</u>	<u>\$ 38,775</u>	<u>\$ 31,152</u>
Mebane's covered payroll.....	\$ 1,982,811	\$ 1,648,356	\$ 1,650,409	\$ 1,534,858	\$ 1,371,047	\$ 1,289,371	\$ 1,227,668	\$ 1,268,042	\$ 945,728
Mebane's proportionate share of the net pension liability (asset) as a percentage of its covered payroll.....	1.36%	2.47%	3.16%	3.49%	5.50%	4.79%	3.67%	3.06%	3.29%
Plan fiduciary net position as a percentage of the total pension liability.....	102.40%	95.80%	92.30%	90.50%	89.35%	94.94%	91.40%	93.42%	92.76%

* The amounts are presented for the prior fiscal year. This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

City of Mebane, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Last Seven Fiscal Years*
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance.....	\$ 1,503,388	\$ 1,372,013	\$ 802,190	\$ 621,186	\$ 574,870	\$ 427,541	\$ 400,968
Service cost.....	91,743	92,414	56,536	49,682	45,895	37,803	35,736
Interest on the total pension liability.....	33,693	26,480	26,151	22,611	18,057	16,370	14,155
Changes of benefit terms.....	-	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability.....	(192,084)	59,602	46,055	77,061	23,723	53,293	-
Changes of assumptions or other inputs.....	(248,450)	(47,121)	441,081	31,650	(34,476)	46,746	(14,371)
Benefit payments.....	(11,858)	-	-	-	(6,883)	(6,883)	(8,947)
Other changes.....	-	-	-	-	-	-	-
Ending balance of the total pension liability.....	<u>\$ 1,176,432</u>	<u>\$ 1,503,388</u>	<u>\$ 1,372,013</u>	<u>\$ 802,190</u>	<u>\$ 621,186</u>	<u>\$ 574,870</u>	<u>\$ 427,541</u>

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31. This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

City of Mebane, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
Last Ten Fiscal Years
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability.....	\$ 1,176,432	\$ 1,503,388	\$ 1,372,013	\$ 802,190	\$ 621,186	\$ 574,870	\$ 427,541	\$ 400,968	\$ 258,154	\$ 238,533
Covered payroll.....	2,184,576	2,088,345	1,971,990	1,889,896	1,622,281	1,553,944	1,443,743	1,443,743	1,228,378	1,097,171
Total pension liability as a percentage of covered payroll...	53.85%	71.99%	69.58%	42.45%	38.29%	36.99%	29.61%	27.77%	21.02%	21.74%

Notes to the Required Schedules

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

City of Mebane, North Carolina
Schedule of Changes in Total Pension Liability
Firefighters' Special Separation Allowance
Last Three Fiscal Years**
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Beginning balance.....	\$ 666,001	\$ 637,293	\$ 427,347
Service cost.....	36,408	39,560	27,629
Interest on the total pension liability.....	14,985	12,300	13,932
Changes of benefit terms.....	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability.....	(25,779)	1,618	-
Changes of assumptions or other inputs.....	(133,617)	(24,770)	168,385
Benefit payments.....	-	-	-
Other changes.....	-	-	-
Ending balance of the total pension liability.....	<u>\$ 557,998</u>	<u>\$ 666,001</u>	<u>\$ 637,293</u>

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

**This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

City of Mebane, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered Payroll
Firefighters' Special Separation Allowance
Last Three Fiscal Years**
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability.....	\$ 557,998	\$ 666,001	\$ 637,293
Covered payroll.....	1,609,805	1,647,382	1,368,060
Total pension liability as a percentage of covered payroll.....	34.66%	40.43%	46.58%

Notes to the Required Schedules

The City of Mebane 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. Additional years' information will be displayed as it becomes available.

City of Mebane, North Carolina
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Six Fiscal Years*
June 30, 2023

<u>Total OPEB Liability</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost.....	\$ 732,681	\$ 699,762	\$ 459,321	\$ 380,966	\$ 402,678	\$ 452,991
Interest	292,415	256,952	289,711	238,114	213,111	183,870
Changes of benefit terms.....	-	-	-	-	-	-
Differences between expected and actual experience.....	(16,611)	297,009	5,490	1,302,981	8,326	(9,652)
Changes of assumptions.....	(3,192,965)	767,656	2,476,778	(115,846)	(384,358)	(663,734)
Benefit payments.....	<u>(148,243)</u>	<u>(138,521)</u>	<u>(106,211)</u>	<u>(112,112)</u>	<u>(97,786)</u>	<u>(74,215)</u>
Net change in total OPEB liability.....	(2,332,723)	1,882,858	3,125,089	1,694,103	141,971	(110,740)
Total OPEB liability - beginning.....	<u>12,878,757</u>	<u>10,995,899</u>	<u>7,870,810</u>	<u>6,176,707</u>	<u>6,034,736</u>	<u>6,145,476</u>
Total OPEB liability - ending.....	<u>\$ 10,546,034</u>	<u>\$ 12,878,757</u>	<u>\$ 10,995,899</u>	<u>\$ 7,870,810</u>	<u>\$ 6,176,707</u>	<u>\$ 6,034,736</u>
Covered payroll.....	8,033,806	7,289,922	6,848,284	6,848,284	6,100,000	6,100,000
Total OPEB liability as a percentage of covered payroll.....	131.27%	176.67%	160.56%	114.93%	101.26%	98.93%

Notes to Schedule

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

<u>Fiscal Year</u>	<u>Rate</u>
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Major Governmental Funds

- **The General Fund** – This fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.



City of Mebane, North Carolina
Comparative Balance Sheets
General Fund
June 30, 2023 and 2022

Statement A-1

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Assets		
Cash and equivalents.....	\$ 19,407,038	\$ 18,906,921
Restricted cash.....	1,302,375	2,117,885
Taxes receivable.....	107,148	77,563
Accounts receivable.....	145,242	115,682
Leases receivable.....	-	28,887
Prepaid items.....	-	31,716
Advance to other funds.....	-	-
Due from other governments.....	2,975,104	2,363,029
Total assets.....	<u>\$ 23,936,907</u>	<u>\$ 23,641,683</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities:		
Accounts payable	\$ 1,329,219	\$ 1,596,138
Due to other governments.....	-	-
Payable from restricted assets.....	1,302,375	1,119,671
Total liabilities.....	<u>2,631,594</u>	<u>2,715,809</u>
Deferred inflows of resources.....	327,302	197,862
Fund balances:		
Nonspendable:		
Leases.....	-	340
Prepaid assets.....	-	31,716
Restricted for:		
Stabilization by State Statute.....	6,191,378	4,182,828
Assigned:		
Subsequent year's expenditures.....	2,797,463	2,165,385
Unassigned.....	11,989,171	14,347,743
Total fund balances.....	<u>20,978,012</u>	<u>20,728,012</u>
Total liabilities, deferred inflows of resources and fund balances.....	<u>\$ 23,936,908</u>	<u>\$ 23,641,683</u>

City of Mebane, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2023
(With Comparative Totals for the Fiscal Year Ended June 30, 2022) **Statement A-2**

	<u>2023</u>		<u>Variance</u>	<u>2022 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Positive</u> <u>(Negative)</u>	
Revenues				
Property taxes:				
Current and prior years.....	\$	\$ 13,595,276	\$	\$ 12,574,194
Penalties and interest, net of discounts.....		96,618		57,746
Total.....	<u>13,144,770</u>	<u>13,691,894</u>	<u>547,124</u>	<u>12,631,940</u>
Other taxes and licenses:				
Privilege licenses.....	1,000	945	(55)	805
Unrestricted intergovernmental:				
Local option sales tax.....		6,295,278		5,781,791
Telecommunications sales tax.....		53,775		54,274
Utility franchise tax.....		1,271,769		1,179,423
Video franchise fee.....		71,656		77,107
Beer and wine tax.....		82,108		70,859
ABC profit distribution.....		136,496		163,667
Tax sharing.....		281,574		315,498
Other.....		41,883		40,856
Total.....	<u>7,334,061</u>	<u>8,234,539</u>	<u>900,478</u>	<u>7,683,475</u>
Restricted intergovernmental:				
Powell Bill allocation.....		502,733		497,992
Controlled substance tax.....		1,417		1,726
ABC Revenue for law enforcement.....		34,040		43,323
Solid waste disposal tax.....		14,604		13,461
On-behalf of payments - fire.....		51,657		50,815
Federal equitable sharing.....		396,063		122,208
Fire district tax funds.....		508,080		501,973
Total.....	<u>1,394,623</u>	<u>1,508,594</u>	<u>113,971</u>	<u>1,231,498</u>
Permits and fees:				
Building permits.....		940,726		712,334
Inspection fees.....		415,663		336,176
Planning fees.....		190,369		178,488
Street and utility inspection fees.....		285,456		147,650
Other.....		46,289		14,165
Total.....	<u>1,259,760</u>	<u>1,878,503</u>	<u>618,743</u>	<u>1,388,813</u>

City of Mebane, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2023
(With Comparative Totals for the Fiscal Year Ended June 30, 2022) **Statement A-2**

	<u>2023</u>		<u>Variance</u>	<u>2022 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>	
Revenues (continued)				
Sales and services:				
Recreation department fees.....	\$	\$ 153,977	\$	\$ 141,125
Sanitation fees.....		546,456		524,592
Cemetery plot sales.....		52,250		35,550
Total.....	<u>682,114</u>	<u>752,683</u>	<u>70,569</u>	<u>701,267</u>
Investment earnings.....	<u>20,000</u>	<u>222,281</u>	<u>202,281</u>	<u>9,809</u>
Miscellaneous:				
Material sales.....		5,727		1,378
Rent.....		53,414		65,854
Other grants and awards.....		5,000		566,050
Other.....		200,800		322,516
Total.....	<u>2,698,431</u>	<u>264,941</u>	<u>(2,433,490)</u>	<u>955,798</u>
Total revenues.....	<u>26,534,759</u>	<u>26,554,380</u>	<u>19,621</u>	<u>24,603,405</u>
Expenditures				
General government:				
City Council:				
Salaries and employee benefits.....		58,969		58,925
Other operating expenditures.....		27,849		8,928
Total.....	<u>88,237</u>	<u>86,818</u>	<u>1,419</u>	<u>67,853</u>
Administration:				
Salaries and employee benefits.....		871,236		708,008
Other operating expenditures.....		199,097		208,391
Capital outlay.....		51,270		15,500
Total.....	<u>1,249,653</u>	<u>1,121,603</u>	<u>128,050</u>	<u>931,899</u>
Finance:				
Salaries and employee benefits.....		411,866		368,628
Other operating expenditures.....		283,831		239,681
Capital outlay.....		-		-
Total.....	<u>738,971</u>	<u>695,697</u>	<u>43,274</u>	<u>608,309</u>
Information Technology:				
Salaries and employee benefits.....		196,239		178,685
Other operating expenditures.....		574,313		298,498
Capital outlay.....		143,301		151,528
Total.....	<u>1,059,288</u>	<u>913,853</u>	<u>145,435</u>	<u>628,711</u>

City of Mebane, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2023
(With Comparative Totals for the Fiscal Year Ended June 30, 2022) **Statement A-2**

	<u>2023</u>		<u>Variance</u>	<u>2022 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>	
Expenditures (continued)				
General government:				
Non-departmental:				
Salaries and employee benefits.....	\$	\$ 121,734	\$	\$ 127,326
Other operating expenditures.....		469,139		432,472
Total.....	<u>888,938</u>	<u>590,873</u>	<u>298,065</u>	<u>559,798</u>
Total general government.....	<u>4,025,087</u>	<u>3,408,844</u>	<u>616,243</u>	<u>2,796,570</u>
Public safety:				
Police:				
Salaries and employee benefits.....		4,070,547		3,471,541
Maintenance.....		110,559		118,750
Other operating expenditures.....		686,031		687,082
Capital outlay.....		389,063		437,788
Total.....	<u>5,741,451</u>	<u>5,256,200</u>	<u>485,251</u>	<u>4,715,161</u>
Fire:				
Salaries and employee benefits.....		3,222,374		2,653,334
Maintenance.....		205,308		152,125
Other operating expenditures.....		446,313		289,857
Capital outlay.....		342,860		8,807
Total.....	<u>6,453,966</u>	<u>4,216,855</u>	<u>2,237,111</u>	<u>3,104,123</u>
Total public safety.....	<u>12,195,417</u>	<u>9,473,055</u>	<u>2,722,362</u>	<u>7,819,284</u>
Public works:				
Public works:				
Salaries and employee benefits.....		813,100		716,761
Maintenance.....		918,198		746,627
Other operating expenditures.....		362,941		323,806
Capital outlay.....		819,103		650,859
Total.....	<u>3,726,053</u>	<u>2,913,342</u>	<u>812,711</u>	<u>2,438,053</u>
Public facilities:				
Salaries and employee benefits.....		392,224		292,141
Maintenance.....		231,190		207,516
Other operating expenditures.....		59,742		60,824
Capital outlay.....		153,872		34,284
Total.....	<u>901,199</u>	<u>837,028</u>	<u>64,171</u>	<u>594,765</u>

City of Mebane, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2023
(With Comparative Totals for the Fiscal Year Ended June 30, 2022) **Statement A-2**

	<u>2023</u>		<u>Variance</u>	<u>2022 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>	
Expenditures (continued)				
Sanitation:				
Salaries and employee benefits.....		\$ 505,342		\$ 425,570
Maintenance.....		172,816		125,889
Tipping fees.....		583,203		477,583
Other operating expenditures.....		176,886		142,373
Capital outlay.....		315,827		311,206
Total.....	<u>2,167,748</u>	<u>1,754,074</u>	<u>413,674</u>	<u>1,482,621</u>
Total public works.....	<u>6,795,000</u>	<u>5,504,444</u>	<u>1,290,556</u>	<u>4,515,439</u>
Recreation:				
Parks and recreation:				
Salaries and employee benefits.....		1,091,685		847,152
Maintenance.....		286,884		201,970
Other operating expenditures.....		566,978		489,376
Capital outlay.....		324,037		549,981
Total.....	<u>2,605,344</u>	<u>2,269,584</u>	<u>335,760</u>	<u>2,088,479</u>
Total recreation.....	<u>2,605,344</u>	<u>2,269,584</u>	<u>335,760</u>	<u>2,088,479</u>
Economic and physical development:				
Planning:				
Salaries and employee benefits.....		244,593		260,218
Maintenance.....		12,568		9,733
Professional services.....		108,044		62,769
Other operating expenditures.....		24,825		88,129
Capital outlay.....		9,665		31,284
Total.....	<u>651,537</u>	<u>399,695</u>	<u>251,842</u>	<u>452,133</u>
Inspections:				
Salaries and employee benefits.....		666,956		546,524
Maintenance.....		2,910		2,718
Professional services.....		2,280		-
Other operating expenditures.....		58,415		33,798
Capital outlay.....		59,310		276,340
Total.....	<u>878,139</u>	<u>789,871</u>	<u>88,268</u>	<u>859,380</u>
Engineering:				
City Engineer contracted services.....		100,000		87,660
Professional services stormwater.....		70,000		70,000
Professional services.....		275,500		293,828
Total.....	<u>445,500</u>	<u>445,500</u>	<u>-</u>	<u>451,488</u>

City of Mebane, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2023
(With Comparative Totals for the Fiscal Year Ended June 30, 2022) **Statement A-2**

	<u>2023</u>			<u>2022 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	
Expenditures (continued)				
Main Street Program:				
Professional services.....	\$	\$ 78,778	\$	\$ 47,875
Other operating expenditures.....		63,320		17,320
Total.....	<u>221,535</u>	<u>142,098</u>	<u>79,437</u>	<u>65,195</u>
Economic development:				
Other operating expenditures.....		1,269,188		755,349
Total.....	<u>1,269,421</u>	<u>1,269,188</u>	<u>233</u>	<u>755,349</u>
Total economic and physical development.....	<u>3,466,132</u>	<u>3,046,352</u>	<u>419,780</u>	<u>2,583,545</u>
Debt Service:				
Principal Retirement.....	1,645,621	1,608,965	36,656	1,415,799
Interest and other charges.....	174,824	170,431	4,393	178,525
Total debt service.....	<u>1,820,445</u>	<u>1,779,396</u>	<u>41,049</u>	<u>1,594,324</u>
Total expenditures.....	<u>30,907,425</u>	<u>25,481,675</u>	<u>5,425,750</u>	<u>21,397,641</u>
Excess (deficiency) of revenues over expenditures.....	<u>(4,372,666)</u>	<u>1,072,705</u>	<u>5,445,371</u>	<u>3,205,764</u>
Other Financing Sources (Uses)				
Transfers in.....	-	-	-	-
Transfers out.....	(4,470,760)	(1,786,840)	2,683,920	437,428
Proceeds from long-term debt obligations issued.....	2,466,006	916,006	(1,550,000)	1,365,000
IT subscriptions agreement.....	-	48,129	48,129	-
Total other financing sources (uses).....	<u>(2,004,754)</u>	<u>(822,705)</u>	<u>1,182,049</u>	<u>1,802,428</u>
Fund balance appropriated.....	<u>6,377,420</u>	<u>-</u>	<u>(6,377,420)</u>	<u>-</u>
Net change in fund balances.....	<u>\$ -</u>	<u>250,000</u>	<u>\$ 250,000</u>	<u>5,008,192</u>
Fund balances - beginning		<u>20,728,012</u>		<u>15,719,820</u>
Fund balances - ending.....		<u>\$ 20,978,012</u>		<u>\$ 20,728,012</u>

Non-Major Governmental Funds

Non-major governmental funds are those funds whose revenues, expenditures/expenses, assets or liabilities are less than 10% of corresponding totals for all governmental or enterprise funds or less than 5% of the aggregate amount for all governmental and enterprise funds for the same item.

- **The Mebane Mills Loft Community Development Block Grant (CDBG) Special Revenue Fund** – This fund is used to account for all block grant funds expended for the renovation of the old Dixie Yarns Building into subsidized housing.
- **The Cates Farm Park Capital Project Fund** – This fund is used to account for the land purchase and construction of the city park.
- **The Lake Michael Dam Spillway Capital Project Fund** – This fund is used to account for the construction of the Lake Michael Dam Spillway.
- **The Transload Facility Capital Project Fund** – This fund is used to account for the construction of the Transload Facility.



**City of Mebane, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

Statement B-1

	<u>Special</u>				<u>Total</u>
	<u>Revenue Fund</u>	<u>Capital Project</u>	<u>Capital Project</u>	<u>Capital Project</u>	<u>Total</u>
	<u>- CDBG -</u>	<u>Fund - Cates</u>	<u>Fund - Lake</u>	<u>Fund -</u>	<u>Nonmajor</u>
	<u>Mebane Mills</u>	<u>Farm Park</u>	<u>Michael Dam</u>	<u>Transload</u>	<u>Governmental</u>
	<u>Loft</u>	<u>Project</u>	<u>Spillway</u>	<u>Facility</u>	<u>Funds</u>
Assets					
Cash and cash equivalents	\$ -	\$ 884,414	\$ -	\$ 310,843	\$ 1,195,257
Restricted cash.....	156,746	-	-	2,600,000	2,756,746
Total assets.....	<u>\$ 156,746</u>	<u>\$ 884,414</u>	<u>\$ -</u>	<u>\$ 2,910,843</u>	<u>\$ 3,952,003</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable.....	\$ -	\$ 98,141	\$ 2,128	\$ -	\$ 100,269
Total liabilities	<u>-</u>	<u>98,141</u>	<u>2,128</u>	<u>-</u>	<u>100,269</u>
Fund balances:					
Restricted					
Economic development.....	156,746	-	-	-	156,746
Assigned					
Capital improvements.....	-	786,273	(2,128)	2,910,843	3,694,988
Total fund balances.....	<u>156,746</u>	<u>786,273</u>	<u>(2,128)</u>	<u>2,910,843</u>	<u>3,851,734</u>
Total liabilities and fund balances.....	<u>\$ 156,746</u>	<u>\$ 884,414</u>	<u>\$ -</u>	<u>\$ 2,910,843</u>	<u>\$ 3,952,003</u>

City of Mebane, North Carolina
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

Statement B-2

	<u>Special</u> <u>Revenue</u>	<u>Capital</u>	<u>Capital</u>	<u>Capital</u>	<u>Total</u>
	<u>Fund - CDBG -</u>	<u>Project Fund -</u>	<u>Project Fund -</u>	<u>Project Fund -</u>	<u>Nonmajor</u>
	<u>Mebane Mills</u>	<u>Cates Farm</u>	<u>Lake Michael</u>	<u>Transload</u>	<u>Governmental</u>
	<u>Loft</u>	<u>Park Project</u>	<u>Dam Spillway</u>	<u>Facility</u>	<u>Funds</u>
Revenues					
Restricted intergovernmental.....	\$ -	\$ -	\$ -	\$ 2,600,000	\$ 2,600,000
Program revenue.....	11,235	-	-	-	11,235
Interest earnings.....	4,072	5,320	-	10,000	19,392
Total revenues.....	<u>15,307</u>	<u>5,320</u>	<u>-</u>	<u>2,610,000</u>	<u>2,630,627</u>
Expenditures					
Capital outlay - other.....	-	467,864	239,308	-	707,172
Capital outlay - equipment.....	-	-	-	-	-
Total expenditures.....	<u>-</u>	<u>467,864</u>	<u>239,308</u>	<u>-</u>	<u>707,172</u>
Excess (deficiency) of revenues					
over expenditures	<u>15,307</u>	<u>(462,544)</u>	<u>(239,308)</u>	<u>2,610,000</u>	<u>1,923,455</u>
Other Financing Sources (Uses)					
Transfers from other funds.....	-	1,248,817	237,180	300,843	1,786,840
Transfers to other funds.....	-	-	-	-	-
Appropriated fund balance.....	-	-	-	-	-
Total Other Financing Sources (Uses).....	<u>-</u>	<u>1,248,817</u>	<u>237,180</u>	<u>300,843</u>	<u>1,786,840</u>
Net change in fund balances.....	15,307	786,273	(2,128)	2,910,843	3,710,295
Fund balances - beginning.....	141,439	-	-	-	141,439
Fund balances - ending.....	<u>\$ 156,746</u>	<u>\$ 786,273</u>	<u>\$ (2,128)</u>	<u>\$ 2,910,843</u>	<u>\$ 3,851,734</u>

City of Mebane, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Fund - CDBG - Mebane Mills Loft
From Inception and For the Year Ended June 30, 2023 **Statement B-3**

	<u>Authorization</u>	<u>Prior Years</u>	<u>Actual</u>		<u>Variance Positive (Negative)</u>
			<u>Current Year</u>	<u>Total to Date</u>	
Revenues					
CDBG.....	\$ 250,000	\$ 250,000	\$ -	\$ 250,000	\$ -
Program revenue- principal receipts.....	-	98,269	11,235	109,504	109,504
Program revenue- interest receipts.....	-	41,063	2,691	43,754	43,754
Investment earnings.....	-	2,107	1,381	3,488	3,488
Total revenues.....	<u>250,000</u>	<u>391,439</u>	<u>15,307</u>	<u>406,746</u>	<u>156,746</u>
Expenditures					
Pedestrian improvements.....	56,700	56,700	-	56,700	-
Historic preservation.....	145,645	145,645	-	145,645	-
Other activities.....	27,655	27,655	-	27,655	-
Administration.....	20,000	20,000	-	20,000	-
Total expenditures.....	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>-</u>
Revenue over (under) expenditures.....	<u>-</u>	<u>141,439</u>	<u>15,307</u>	<u>156,746</u>	<u>156,746</u>
Net change in fund balance.....	<u>\$ -</u>	<u>\$ 141,439</u>	15,307	<u>\$ 156,746</u>	<u>\$ 156,746</u>
Fund balance, July 1.....			141,439		
Fund balance, June 30.....			<u>\$ 156,746</u>		

City of Mebane, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Capital Project Fund - Cates Farm Park Project
From Inception and For the Year Ended June 30, 2023 **Statement B-4**

	<u>Actual</u>				<u>Variance</u>
	<u>Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Positive</u> <u>(Negative)</u>
Revenues					
Investment earnings.....	\$ -	\$ -	\$ 5,320	\$ 5,320	\$ 5,320
Total revenues.....	<u>-</u>	<u>-</u>	<u>5,320</u>	<u>5,320</u>	<u>5,320</u>
Expenditures					
Professional services.....	-	-	-	-	-
Design and engineering.....	49,800	44,170	5,630	49,800	-
Construction administration.....	30,100	-	22,914	22,914	7,186
Construction.....	981,373	-	413,320	413,320	568,053
Capital outlay - equipment.....	316,536	84,823	26,000	110,823	205,713
Total expenditures.....	<u>1,377,809</u>	<u>128,993</u>	<u>467,864</u>	<u>596,857</u>	<u>780,952</u>
Revenue over (under) expenditures.....	<u>(1,377,809)</u>	<u>(128,993)</u>	<u>(462,544)</u>	<u>(591,537)</u>	<u>786,272</u>
Other Financing Sources (Uses)					
Operating transfers in:					
From General Fund for					
capital improvements.....	1,377,809	128,993	1,248,817	1,377,810	1
Total other financing sources (uses).....	<u>1,377,809</u>	<u>128,993</u>	<u>1,248,817</u>	<u>1,377,810</u>	<u>1</u>
Revenues and other sources over (under)					
expenditures and other uses.....	<u>\$ -</u>	<u>\$ -</u>	<u>786,273</u>	<u>\$ 786,273</u>	<u>\$ 786,273</u>
Fund balance, July 1.....			-		
Fund balance, June 30.....			<u>\$ 786,273</u>		

City of Mebane, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Capital Project Fund - Lake Michael Dam Spillway
From Inception and For the Year Ended June 30, 2023 **Statement B-5**

	<u>Actual</u>				<u>Variance Positive (Negative)</u>
	<u>Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Expenditures					
Design and engineering.....	\$ 908,240	\$ 85,253	\$ 239,308	\$ 324,561	\$ 583,679
Total expenditures.....	<u>908,240</u>	<u>85,253</u>	<u>239,308</u>	<u>324,561</u>	<u>583,679</u>
Revenue over (under) expenditures.....	<u>(908,240)</u>	<u>(85,253)</u>	<u>(239,308)</u>	<u>(324,561)</u>	<u>583,679</u>
Other Financing Sources (Uses)					
Operating transfers in:					
From General Fund for capital improvements.....	908,240	85,253	237,180	322,433	(585,807)
Total other financing sources (uses).....	<u>908,240</u>	<u>85,253</u>	<u>237,180</u>	<u>322,433</u>	<u>(585,807)</u>
Revenues and other sources over (under)					
expenditures and other uses.....	<u>\$ -</u>	<u>\$ -</u>	<u>(2,128)</u>	<u>\$ (2,128)</u>	<u>\$ (2,128)</u>
Fund balance, July 1.....			-		
Fund balance, June 30.....			<u>\$ (2,128)</u>		

City of Mebane, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Capital Project Fund - Transload Facility
From Inception and For the Year Ended June 30, 2023 **Statement B-6**

	<u>Authorization</u>	<u>Prior Years</u>	<u>Actual</u>		<u>Variance</u>
			<u>Current Year</u>	<u>Total to Date</u>	<u>Positive</u>
					<u>(Negative)</u>
Revenues					
State Grant Proceeds.....	\$ 2,600,000	\$ -	\$ 2,600,000	\$ 2,600,000	\$ -
Alamance County Portion.....	300,843	-	-	-	(300,843)
Investment earnings.....	-	-	10,000	10,000	10,000
Total revenues.....	2,900,843	-	2,610,000	2,610,000	(290,843)
Expenditures					
Professional services.....	360,126	-	-	-	360,126
Construction.....	2,841,560	-	-	-	2,841,560
Total expenditures.....	3,201,686	-	-	-	3,201,686
Revenue over (under) expenditures.....	(300,843)	-	2,610,000	2,610,000	2,910,843
Other Financing Sources (Uses)					
Operating transfers in:					
From General Fund for					
capital improvements.....	300,843	-	300,843	300,843	-
Total other financing sources (uses).....	300,843	-	300,843	300,843	-
Revenues and other sources over (under)					
 expenditures and other uses.....	\$ -	\$ -	2,910,843	\$ 2,910,843	\$ 2,910,843
Fund balance, July 1.....			-		
Fund balance, June 30.....			\$ 2,910,843		

Proprietary Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the government's board is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's board has decided that periodic determination of net income is appropriate for accountability purposes.

- **Water and Sewer Fund** – This fund is used to account for the operations of the City's water and sewer system.
- **System Development Capital Reserve Fund** – This fund is specifically dedicated to setting aside financial resources for long term or large-scale capital projects for the proprietary fund. Revenue generated from system development fees are used as a funding source.
- **WRRF Renovation – Capital Project Fund** – This fund is used to account for the construction upgrade of the City's water resource recovery facility.
- **WRRF 0.5 MGD Expansion – Capital Project Fund** – This fund is used to account for the construction expansion of the City's water resource recovery facility.
- **American Rescue Plan – Grant Project Fund** – This fund is used to account for expenditures related to the American Rescue Plan Grant.
- **Elevated Water Tank – Capital Project Fund** – This fund is used to account for the construction of the City's elevated water tank.
- **GKN Pump Station – Capital Project Fund** – This fund is used to account for the construction of the City's GKN Pump Station.



City of Mebane, North Carolina
Comparative Statement of Net Position
Proprietary Funds
June 30, 2023 and 2022

Statement C-1

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Assets		
Current assets:		
Cash and equivalents.....	\$ 10,922,599	\$ 10,061,364
Restricted cash.....	9,425,907	14,484,677
Accounts Receivable, net - billed.....	774,427	765,038
Accounts Receivable, net - unbilled.....	395,634	341,998
Other receivables.....	5,149	5,121
Due from other governments.....	-	-
Prepaid items.....	-	-
Total current assets.....	<u>21,523,716</u>	<u>25,658,198</u>
Non-current assets:		
Capital assets:		
Land and other non-depreciable assets.....	11,853,349	3,681,335
Other capital assets, net of depreciation.....	60,722,825	57,456,848
Total capital assets.....	<u>72,576,174</u>	<u>61,138,183</u>
Total non-current assets.....	<u>72,576,174</u>	<u>61,138,183</u>
Total assets.....	<u>94,099,890</u>	<u>86,796,381</u>
Deferred outflows of resources.....	<u>1,347,157</u>	<u>1,187,413</u>
Total assets and deferred outflows of resources.....	<u>\$ 95,447,047</u>	<u>\$ 87,983,794</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities.....	\$ 1,383,354	\$ 1,793,902
Accrued interest payable.....	86,108	92,665
Due to other governments.....	-	-
Payable from restricted assets.....	809,746	738,766
Unearned revenues.....	1,120,584	546,199
Compensated absences.....	73,853	73,570
Long-term debt - current.....	306,675	356,415
Bonds payable - current.....	980,000	964,000
Total current liabilities.....	<u>4,760,320</u>	<u>4,565,517</u>
Noncurrent liabilities:		
Compensated absences.....	20,653	15,170
Net pension liability.....	876,995	233,615
Other postemployment benefits.....	1,443,671	1,757,921
Long-term debt - noncurrent.....	2,742,782	2,999,457
Bonds payable - noncurrent.....	11,629,000	12,609,000
Total noncurrent liabilities.....	<u>16,713,101</u>	<u>17,615,163</u>
Total liabilities.....	<u>21,473,421</u>	<u>22,180,680</u>
Deferred inflows of resources.....	<u>457,067</u>	<u>438,226</u>
Net Position		
Net investment in capital assets.....	58,855,897	53,706,014
Restricted for future system development.....	5,539,735	3,702,258
Unrestricted	9,120,927	7,956,615
Total net position.....	<u>73,516,559</u>	<u>65,364,887</u>
Total liabilities, deferred outflows of resources, and net position.....	<u>\$ 95,447,047</u>	<u>\$ 87,983,793</u>

City of Mebane, North Carolina
 Combining Statement of Net Position
 Proprietary Funds - By Subfund
 June 30, 2023

Statement C-2

	<u>Operating Fund</u>	<u>System Development Capital Reserve Fund</u>	<u>WRRF Renovation Capital Project Fund</u>	<u>WRRF 0.5 MGD Expansion Capital Project Fund</u>	<u>American Rescue Plan Grant Project</u>	<u>Elevated Water Tank Capital Project Fund</u>	<u>GKN Pump Station Capital Project Fund</u>	<u>Total</u>
Assets								
Current assets:								
Cash and equivalents.....	\$ 8,902,055	\$ -	\$ 50,000	\$ -	\$ -	\$ 80,718	\$ 1,889,826	\$ 10,922,599
Restricted cash.....	809,746	5,539,735	1,938,180	-	1,138,246	-	-	9,425,907
Accounts receivable, net - billed.....	774,427	-	-	-	-	-	-	774,427
Accounts receivable, net - unbilled.....	395,634	-	-	-	-	-	-	395,634
Other receivables.....	5,149	-	-	-	-	-	-	5,149
Due from other governments.....	-	-	-	-	-	-	-	-
Prepaid items.....	-	-	-	-	-	-	-	-
Non-capital eliminations.....	-	-	-	-	-	-	-	-
Total current assets.....	10,887,011	5,539,735	1,988,180	-	1,138,246	80,718	1,889,826	21,523,716
Non-current assets:								
Capital assets:								
Land and other non-depreciable assets.....	11,853,349	-	-	-	-	-	-	11,853,349
Other capital assets, net of depreciation.....	60,722,825	-	-	-	-	-	-	60,722,825
Total capital assets.....	72,576,174	-	-	-	-	-	-	72,576,174
Total non-current assets.....	72,576,174	-	-	-	-	-	-	72,576,174
Total assets.....	83,463,185	5,539,735	1,988,180	-	1,138,246	80,718	1,889,826	94,099,890
Deferred outflows of resources.....	1,347,157	-	-	-	-	-	-	1,347,157
Total assets and deferred outflows of resources.....	\$ 84,810,342	\$ 5,539,735	\$ 1,988,180	\$ -	\$ 1,138,246	\$ 80,718	\$ 1,889,826	\$ 95,447,047
Liabilities								
Current liabilities:								
Accounts payable and accrued liabilities.....	\$ 771,965	\$ -	\$ 397,254	\$ 57,092	\$ -	\$ 149,350	\$ 7,693	\$ 1,383,354
Accrued interest payable.....	86,108	-	-	-	-	-	-	86,108
Due to other governments.....	-	-	-	-	-	-	-	-
Payable from restricted assets.....	809,746	-	-	-	-	-	-	809,746
Unearned revenues.....	-	-	-	-	1,120,584	-	-	1,120,584
Compensated absences.....	73,853	-	-	-	-	-	-	73,853
Long-term debt - current.....	306,675	-	-	-	-	-	-	306,675
Bonds payable - current.....	337,261	-	642,739	-	-	-	-	980,000
Total current liabilities.....	2,385,608	-	1,039,993	57,092	1,120,584	149,350	7,693	4,760,320
Noncurrent liabilities:								
Compensated absences.....	20,653	-	-	-	-	-	-	20,653
Net pension liability.....	876,995	-	-	-	-	-	-	876,995
Other postemployment benefits.....	1,443,671	-	-	-	-	-	-	1,443,671
Long-term debt - noncurrent.....	2,742,782	-	-	-	-	-	-	2,742,782
Bonds payable - noncurrent.....	3,369,797	-	8,259,203	-	-	-	-	11,629,000
Total noncurrent liabilities.....	8,453,898	-	8,259,203	-	-	-	-	16,713,101
Total liabilities.....	10,839,506	-	9,299,196	57,092	1,120,584	149,350	7,693	21,473,421
Deferred inflows of resources.....	457,067	-	-	-	-	-	-	457,067
Net Position								
Net investment in capital assets.....	58,855,897	-	-	-	-	-	-	58,855,897
Restricted for future system development.....	-	5,539,735	-	-	-	-	-	5,539,735
Unrestricted.....	14,657,872	-	(7,311,016)	(57,092)	17,662	(68,632)	1,882,133	9,120,927
Total net position.....	73,513,769	5,539,735	(7,311,016)	(57,092)	17,662	(68,632)	1,882,133	73,516,559
Total liabilities, deferred outflows of resources, and net position.....	\$ 84,810,342	\$ 5,539,735	\$ 1,988,180	\$ -	\$ 1,138,246	\$ 80,718	\$ 1,889,826	\$ 95,447,047

City of Mebane, North Carolina
 Combining Schedule of Revenues, Expenses, and Changes in Net Position
 Proprietary Funds - By Subfund
 June 30, 2023

Statement C-3

	<u>Operating Fund</u>	<u>System Development Capital Reserve Fund</u>	<u>WRRF Renovation Capital Project Fund</u>	<u>WRRF 0.5 MGD Expansion Capital Project Fund</u>	<u>American Rescue Plan Grant Project</u>	<u>Elevated Water Tank Capital Project Fund</u>	<u>GKN Pump Station Capital Project Fund</u>	<u>Total</u>
Operating Revenues								
Charges for services.....	\$ 8,334,674	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,334,674
Water and sewer taps.....	18,079	-	-	-	-	-	-	18,079
Connection fees.....	-	1,792,107	-	-	-	-	-	1,792,107
Miscellaneous.....	606,672	-	-	-	-	-	-	606,672
Total operating revenues.....	8,959,425	1,792,107	-	-	-	-	-	10,751,532
Operating Expenses								
Administration, meters and billing.....	1,163,192	-	-	-	-	-	-	1,163,192
Utility maintenance.....	3,605,415	-	-	-	-	-	-	3,605,415
Engineering.....	295,062	-	-	-	-	-	-	295,062
Water resource recovery facility.....	1,778,774	-	-	-	-	-	-	1,778,774
Non-departmental.....	28,989	-	-	-	-	-	-	28,989
Depreciation.....	1,875,620	-	-	-	-	-	-	1,875,620
Total operating expenses.....	8,747,052	-	-	-	-	-	-	8,747,052
Operating income (loss).....	212,373	1,792,107	-	-	-	-	-	2,004,480
Nonoperating revenues (expenses)								
Interest and investment revenue.....	96,147	45,370	162,670	-	16,912	852	74,826	396,777
Other.....	(99,006)	-	-	-	-	-	-	(99,006)
Interest expense.....	(214,005)	-	-	-	-	-	-	(214,005)
Intergovernmental Grant Proceeds.....	-	-	-	-	2,016,944	-	-	2,016,944
Total nonoperating revenues (expenses).....	(216,864)	45,370	162,670	-	2,033,856	852	74,826	2,100,710
Income (loss) before contributions and transfers.....	(4,491)	1,837,477	162,670	-	2,033,856	852	74,826	4,105,190
Capital contributions.....	4,032,800	-	-	-	-	-	-	4,032,800
Installment purchase obligations issued.....	-	-	-	-	-	-	-	-
Expense transfer from projects.....	7,657,286	-	(5,679,915)	(1,712,035)	-	(219,484)	(45,852)	-
Capital asset transfers from other funds.....	13,682	-	-	-	-	-	-	13,682
Transfers in.....	2,016,944	-	50,000	1,654,943	-	150,000	1,853,159	5,725,046
Transfers out.....	(3,708,102)	-	-	-	(2,016,944)	-	-	(5,725,046)
Change in net position.....	10,008,119	1,837,477	(5,467,245)	(57,092)	16,912	(68,632)	1,882,133	8,151,672
Total net position - beginning.....	63,505,650	3,702,258	(1,843,771)	-	750	-	-	65,364,887
Total net position - ending.....	\$ 73,513,769	\$ 5,539,735	\$ (7,311,016)	\$ (57,092)	\$ 17,662	\$ (68,632)	\$ 1,882,133	\$ 73,516,559

City of Mebane, North Carolina
 Schedule of Revenues and Expenditures - Budget to Actual
 Water and Sewer Fund
 For the Fiscal Year Ended June 30, 2023
 (With Comparative Totals for the Fiscal Year Ended June 30, 2022)

Statement C-4

	2023		Variance	2022 Actual
	Budget	Actual	Positive (Negative)	
Revenues				
Charges for services:				
Water sales.....	\$	\$ 4,072,165	\$	\$ 3,839,044
Sewer charges.....		4,041,402		3,783,019
Water and sewer taps.....		18,079		26,279
Total.....	<u>8,275,016</u>	<u>8,131,646</u>	<u>(143,370)</u>	<u>7,648,342</u>
Other operating revenues:				
Other operating revenues.....		606,672		631,269
Total.....	<u>675,375</u>	<u>606,672</u>	<u>(68,703)</u>	<u>631,269</u>
Other nonoperating revenues:				
Other.....		(99,006)		44,539
Interest and investment earnings.....		96,147		4,548
Total.....	<u>214,000</u>	<u>(2,859)</u>	<u>(216,859)</u>	<u>49,087</u>
Total revenues.....	<u>9,164,391</u>	<u>8,735,459</u>	<u>(428,932)</u>	<u>8,328,698</u>
Expenditures				
Administration, meters and billing:				
Salaries and employee benefits.....		882,783		748,052
Supplies.....		29,206		27,749
Other operating expenditures.....		242,888		178,553
Total.....	<u>1,239,935</u>	<u>1,154,877</u>	<u>85,058</u>	<u>954,354</u>
Utility maintenance:				
Salaries and employee benefits.....		1,268,126		1,013,294
Chemicals.....		-		133,824
Supplies.....		86,247		125,272
Maintenance.....		248,530		139,117
Purchases of water		1,290,068		980,001
Highway 119 project expenses.....		-		-
Other operating expenditures.....		591,350		350,574
Total.....	<u>4,241,777</u>	<u>3,484,321</u>	<u>757,456</u>	<u>2,742,082</u>
Engineering:				
City Engineer contracted services.....		115,248		124,447
Other operating expenditures.....		179,815		182,455
Total.....	<u>299,033</u>	<u>295,063</u>	<u>3,970</u>	<u>306,902</u>

City of Mebane, North Carolina
 Schedule of Revenues and Expenditures - Budget to Actual
 Water and Sewer Fund
 For the Fiscal Year Ended June 30, 2023
 (With Comparative Totals for the Fiscal Year Ended June 30, 2022)

Statement C-4

	2023		Variance	2022 Actual
	Budget	Actual	Positive (Negative)	
Expenditures (continued)				
Water resource recovery facility:				
Salaries and employee benefits.....		\$ 737,043		\$ 672,838
Chemicals.....		121,435		88,949
Supplies.....		18,358		37,770
Maintenance.....		129,996		517,437
Other operating expenditures.....		707,353		272,907
Total.....	2,011,289	1,714,185	297,104	1,589,901
Non-departmental:				
Other operating expenditures.....		28,989		64,185
Total.....	15,054	28,989	(13,935)	64,185
Debt Service:				
Principal Retirement.....	1,272,153	1,270,415	1,738	3,492,619
Interest and other charges.....	221,468	220,562	906	139,476
Total.....	1,493,621	1,490,977	2,644	3,632,095
Capital outlay:				
Miscellaneous water.....	1,620,457	1,431,630	188,827	1,467,315
Miscellaneous sewer.....	181,410	178,214	3,196	235,212
Total.....	1,801,867	1,609,844	192,023	1,702,527
Total expenditures.....	11,102,576	9,778,256	1,324,320	10,992,046
Excess (deficiency) of revenues over expenditures.....	(1,938,185)	(1,042,797)	895,388	(2,663,348)
Other Financing Sources (Uses)				
Transfers in.....	1,980,000	2,016,944	36,944	3,025,062
Transfers out.....	(4,808,159)	(3,708,102)	1,100,057	(1,016,746)
Proceeds from long-term debt.....	-	-	-	4,794,058
Total other financing sources (uses).....	(2,828,159)	(1,691,158)	1,137,001	6,802,374
Fund balance appropriated.....	4,766,344	-	(4,766,344)	-
Revenues and other sources over expenditures and other uses.....	\$ -	\$ (2,733,955)	\$ (2,733,955)	\$ 4,139,026

City of Mebane, North Carolina
Schedule of Revenues and Expenditures - Budget to Actual
Water and Sewer Fund
For the Fiscal Year Ended June 30, 2023
(With Comparative Totals for the Fiscal Year Ended June 30, 2022)

Statement C-4

	<u>2023</u>		<u>Variance</u>	<u>2022 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Positive</u> <u>(Negative)</u>	
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Revenues and other sources over expenditures and other uses.....		\$ (2,733,955)		\$ 4,139,026
Reconciling items:				
Principal retirement.....		1,270,415		3,492,619
Capital outlays.....		1,609,844		1,702,527
Proceeds from long-term debt.....		-		(4,794,058)
Increase (decrease) in receivable allowance.....		167,471		(26,631)
Increase (decrease) in unbilled receivables.....		53,636		21,343
(Increase) decrease in accrued interest payable.....		6,557		(56,530)
(Increase) decrease in vacation pay.....		(5,769)		(9,749)
Increase (decrease) in deferred outflows of resources - pensions.....		234,086		141,958
(Increase) decrease in net pension liability.....		(643,380)		308,600
(Increase) decrease in deferred inflows of resources - pensions.....		344,172		(361,003)
Increase (decrease) in deferred outflows of resources - OPEB.....		(74,342)		73,498
(Increase) decrease in deferred inflows of resources - OPEB.....		(363,014)		17,333
(Increase) decrease in OPEB liability.....		314,250		(263,314)
Depreciation.....		(1,875,620)		(1,710,866)
Amortization of deferred loss on refunding.....		-		-
Capital contributions.....		4,032,800		3,422,692
Interest income from Water and Sewer Capital Project Funds.....		300,630		9,529
Capital asset transfers from other funds.....		13,682		423,868
Restricted income from System Development Capital Reserve Fund.....		1,792,107		1,434,780
Income from American Rescue Plan Grant Project Special Revenue Fund.....		2,016,944		2,045,130
Net Transfers to (from) Capital Project funds.....		<u>1,691,158</u>		<u>(2,008,316)</u>
Total reconciling items.....		<u>10,885,627</u>		<u>3,863,410</u>
Change in net position.....		<u>\$ 8,151,672</u>		<u>\$ 8,002,436</u>

City of Mebane, North Carolina
Schedule of Revenues and Expenditures - Budget to Actual
System Development Capital Reserve Fund
For the Fiscal Year Ended June 30, 2023
(With Comparative Totals for the Fiscal Year Ended June 30, 2022) **Statement C-5**

	<u>2023</u>		<u>Variance</u>	<u>2022 Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Positive</u> <u>(Negative)</u>	
Revenues				
Charges for services:				
System Development Fees- Water.....	\$	\$ 546,297	\$	\$ 425,919
System Development Fees- Sewer.....		1,245,810		1,008,861
Total.....	<u>1,598,000</u>	<u>1,792,107</u>	<u>194,107</u>	<u>1,434,780</u>
Other nonoperating revenues:				
Interest and investment earnings.....		45,370		1,293
Total.....	<u>3,000</u>	<u>45,370</u>	<u>42,370</u>	<u>1,293</u>
Total revenues.....	<u>1,601,000</u>	<u>1,837,477</u>	<u>236,477</u>	<u>1,436,073</u>
Excess (deficiency) of revenues				
over expenditures.....	<u>1,601,000</u>	<u>1,837,477</u>	<u>236,477</u>	<u>1,436,073</u>
Other Financing Sources (Uses)				
Utility Capital Reserve.....	(1,601,000)	-	1,601,000	-
Transfers to other funds:				
Utility Capital Project Fund.....	-	-	-	(199,177)
Appropriated fund balance.....	-	-	-	-
Total other financing sources (uses).....	<u>(1,601,000)</u>	<u>-</u>	<u>1,601,000</u>	<u>(199,177)</u>
Revenues and other sources over				
expenditures and other uses.....	<u>\$ -</u>	<u>\$ 1,837,477</u>	<u>\$ 1,837,477</u>	<u>\$ 1,236,896</u>

City of Mebane, North Carolina
 Schedule of Revenues and Expenditures - Budget and Actual (Non - GAAP)
 WRRF Renovation Capital Project Fund
 From Inception and For the Year Ended June 30, 2023

Statement C-6

	<u>Actual</u>				<u>Variance Positive (Negative)</u>
	<u>Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues					
Investment earnings.....	\$ -	\$ 7,486	\$ 162,670	\$ 170,156	\$ 170,156
Total revenues.....	<u>-</u>	<u>7,486</u>	<u>162,670</u>	<u>170,156</u>	<u>170,156</u>
Expenditures					
Professional services.....	102,784	92,284	1,500	93,784	9,000.00
Design and engineering.....	555,285	555,285	-	555,285	-
Construction administration.....	591,390	141,324	191,950	333,274	258,116
Construction.....	7,147,291	538,614	5,486,465	6,025,079	1,122,212
Equipment.....	523,750	523,750	-	523,750	-
Contingency.....	31,442	-	-	-	31,442
Total expenditures.....	<u>8,951,942</u>	<u>1,851,257</u>	<u>5,679,915</u>	<u>7,531,172</u>	<u>1,420,770</u>
Revenue over (under) expenditures.....	<u>(8,951,942)</u>	<u>(1,843,771)</u>	<u>(5,517,245)</u>	<u>(7,361,016)</u>	<u>1,590,926</u>
Other Financing Sources (Uses)					
Operating transfers in:					
From Water and Sewer Fund for utility capital improvements.....	50,000	583,000	50,000	633,000	583,000
Operating transfers out:					
To Water and Sewer Fund for utility capital improvements.....	-	(583,000)	-	(583,000)	(583,000)
Installment purchase obligations issued.....	8,901,942	8,901,942	-	8,901,942	-
Total other financing sources (uses).....	<u>8,951,942</u>	<u>8,901,942</u>	<u>50,000</u>	<u>8,951,942</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses.....					
	<u>\$ -</u>	<u>\$ 7,058,171</u>	<u>\$ (5,467,245)</u>	<u>\$ 1,590,926</u>	<u>\$ 1,590,926</u>

City of Mebane, North Carolina

Schedule of Revenues and Expenditures - Budget and Actual (Non - GAAP)

WRRF 0.5 MGD Expansion Capital Project Fund

From Inception and For the Year Ended June 30, 2023

Statement C-7

	<u>Authorization</u>	<u>Actual</u>			<u>Variance</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Positive</u> <u>(Negative)</u>
Revenues					
ARP Grant Proceeds.....	\$ 11,925,000	\$ -	\$ -	\$ -	\$ (11,925,000)
Total revenues.....	<u>11,925,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,925,000)</u>
Expenditures					
Design and engineering.....	3,513,200	1,016,746	1,432,090	2,448,836	1,064,364
Land purchase.....	286,800	-	279,945	279,945	6,855
Construction.....	11,925,000	-	-	-	11,925,000
Total expenditures.....	<u>15,725,000</u>	<u>1,016,746</u>	<u>1,712,035</u>	<u>2,728,781</u>	<u>12,996,219</u>
Revenue over (under) expenditures.....	<u>(3,800,000)</u>	<u>(1,016,746)</u>	<u>(1,712,035)</u>	<u>(2,728,781)</u>	<u>1,071,219</u>
Other Financing Sources (Uses)					
Operating transfers in:					
From Water and Sewer Fund for utility capital improvements.....	3,800,000	1,016,746	1,654,943	2,671,689	(1,128,311)
Total other financing sources (uses).....	<u>3,800,000</u>	<u>1,016,746</u>	<u>1,654,943</u>	<u>2,671,689</u>	<u>(1,128,311)</u>
Revenues and other sources over (under) expenditures and other uses.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (57,092)</u>	<u>\$ (57,092)</u>	<u>\$ (57,092)</u>

City of Mebane, North Carolina
 Schedule of Revenues and Expenditures - Budget and Actual (Non - GAAP)
 American Rescue Plan Grant Project
 From Inception and For the Year Ended June 30, 2023

Statement C-8

	<u>Actual</u>				<u>Variance</u>
	<u>Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Positive</u> <u>(Negative)</u>
Revenues					
ARPA Grant Proceeds.....	\$ 5,182,658	\$ 2,045,130	\$ 2,016,944	\$ 4,062,074	\$ (1,120,584)
Investment earnings.....	-	750	16,912	17,662	17,662
Total revenues.....	<u>5,182,658</u>	<u>2,045,880</u>	<u>2,033,856</u>	<u>4,079,736</u>	<u>(1,102,922)</u>
Other Financing Sources (Uses)					
Operating transfers out:					
To Water and Sewer Fund for					
salaries and benefits reimbursements.....	<u>(5,182,658)</u>	<u>(2,045,130)</u>	<u>(2,016,944)</u>	<u>(4,062,074)</u>	<u>1,120,584</u>
Total other financing sources (uses).....	<u>(5,182,658)</u>	<u>(2,045,130)</u>	<u>(2,016,944)</u>	<u>(4,062,074)</u>	<u>1,120,584</u>
Revenues and other sources over (under)					
expenditures and other uses.....	<u>\$ -</u>	<u>\$ 750</u>	<u>\$ 16,912</u>	<u>\$ 17,662</u>	<u>\$ 17,662</u>

City of Mebane, North Carolina
 Schedule of Revenues and Expenditures - Budget and Actual (Non - GAAP)
 Elevated Water Tank Capital Project Fund
 From Inception and For the Year Ended June 30, 2023

Statement C-9

	<u>Actual</u>				<u>Variance Positive (Negative)</u>
	<u>Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues					
ARP Grant Proceeds.....	\$ 2,502,990	\$ -	\$ -	\$ -	\$ (2,502,990)
SCIF Grant Proceeds.....	150,000	-	-	-	(150,000)
Investment earnings.....	-	-	852	852	852
Total revenues.....	<u>2,652,990</u>	<u>-</u>	<u>852</u>	<u>852</u>	<u>(2,652,138)</u>
Expenditures					
Professional services.....	120,000	-	20,965	20,965	99,035
Design and engineering.....	524,000	-	198,519	198,519	325,481
Construction.....	5,852,000	-	-	-	5,852,000
Contingency.....	585,200	-	-	-	585,200
Total expenditures.....	<u>7,081,200</u>	<u>-</u>	<u>219,484</u>	<u>219,484</u>	<u>6,861,716</u>
Revenue over (under) expenditures.....	<u>(4,428,210)</u>	<u>-</u>	<u>(218,632)</u>	<u>(218,632)</u>	<u>4,209,578</u>
Other Financing Sources (Uses)					
Operating transfers in:					
From Water and Sewer Fund for utility capital improvements.....	-	-	150,000	150,000	150,000
Installment purchase obligations issued.....	4,428,210	-	-	-	(4,428,210)
Total other financing sources (uses).....	<u>4,428,210</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>(4,278,210)</u>
Revenues and other sources over (under) expenditures and other uses.....					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (68,632)</u>	<u>\$ (68,632)</u>	<u>\$ (68,632)</u>

City of Mebane, North Carolina
Schedule of Revenues and Expenditures - Budget and Actual (Non - GAAP)
GKN Pump Station Capital Project Fund
From Inception and For the Year Ended June 30, 2023

Statement C-10

	<u>Actual</u>				<u>Variance</u>
	<u>Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Positive</u> <u>(Negative)</u>
Revenues					
Investment earnings.....	\$ -	\$ -	\$ 74,826	\$ 74,826	\$ 74,826
Total revenues.....	<u>-</u>	<u>-</u>	<u>74,826</u>	<u>74,826</u>	<u>74,826</u>
Expenditures					
Design, engineering and construction....	1,853,159	-	45,852	45,852	1,807,307
Total expenditures.....	<u>1,853,159</u>	<u>-</u>	<u>45,852</u>	<u>45,852</u>	<u>1,807,307</u>
Revenue over (under) expenditures.....	<u>(1,853,159)</u>	<u>-</u>	<u>28,974</u>	<u>28,974</u>	<u>1,882,133</u>
Other Financing Sources (Uses)					
Operating transfers in:					
From Water and Sewer Fund for utility capital improvements.....	-	-	1,853,159	1,853,159	1,853,159
Installment purchase obligations issued.....	1,853,159	-	-	-	(1,853,159)
Total other financing sources (uses).....	<u>1,853,159</u>	<u>-</u>	<u>1,853,159</u>	<u>1,853,159</u>	<u>-</u>
Revenues and other sources over (under)					
expenditures and other uses.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,882,133</u>	<u>\$ 1,882,133</u>	<u>\$ 1,882,133</u>

Additional Financial Data

This section contains additional information on property taxes and interfund transfers.

- **Schedule of Ad Valorem Taxes Receivable**
- **Analysis of Current Tax Levy**
- **Schedule of Ten Largest Taxpayers**



City of Mebane, North Carolina
Schedule of Ad Valorem Taxes Receivable
June 30, 2023

Schedule D-1

<u>Fiscal Year</u>	<u>Uncollected</u> <u>Balance</u> <u>6/30/2022</u>	<u>Additions</u>	<u>Collections</u> <u>and Credits</u>	<u>Uncollected</u> <u>Balance</u> <u>6/30/2023</u>
2022-2023.....	\$ -	\$ 13,721,187	\$ 13,652,870	\$ 68,317
2021-2022.....	30,193	-	12,948	17,245
2020-2021.....	17,394	-	4,513	12,881
2019-2020.....	8,370	-	2,149	6,221
2018-2019.....	11,222	-	1,306	9,916
2017-2018.....	2,687	-	1,284	1,403
2016-2017.....	1,111	-	630	481
2015-2016.....	4,515	-	3,518	997
2014-2015.....	4,190	-	3,026	1,164
2013-2014.....	4,469	-	593	3,876
2012-2013.....	5,108	-	5,108	-
	<u>\$ 89,259</u>	<u>\$ 13,721,187</u>	<u>\$ 13,687,945</u>	<u>122,501</u>
Less: Allowance for uncollectible accounts (General Fund).....				<u>15,356.00</u>
Ad valorem taxes receivable - net.....				<u>\$ 107,145</u>
Reconciliation with revenues:				
Ad valorem taxes - General Fund.....				\$ 13,691,894
Add (subtract):				
Penalties and interest, net of discounts.....				(96,618)
Amount written off for tax year 2011-2012.....				5,108
Refunds and other adjustments.....				87,561
Total collections and credits.....				<u>\$ 13,687,945</u>

**City of Mebane, North Carolina
 Analysis of Current Tax Levy
 City - Wide Levy
 For the Fiscal Year Ended June 30, 2023**

Schedule D-2

	<u>City - Wide</u>			<u>Total Levy</u>	
	<u>Total Property Valuation</u>	<u>Rate</u>	<u>Amount of Levy</u>	<u>Property Excluding Registered Motor Vehicles</u>	<u>Registered Motor Vehicles</u>
Tax levy:					
Real property	\$ 2,140,989,587	0.47	\$ 10,062,643	\$ 10,062,643	\$ -
Personal property	753,754,339	0.47	3,542,645	2,590,859	951,786
Public service companies.....	24,903,062	0.47	117,044	117,044	-
Subtotals.....	<u>2,919,646,988</u>		<u>13,722,332</u>	<u>12,770,546</u>	<u>951,786</u>
Less: Homestead exemptions.....	<u>(243,533)</u>	0.47	<u>(1,145)</u>	<u>(1,145)</u>	<u>-</u>
Totals.....	<u>\$ 2,919,403,455</u>		<u>13,721,187</u>	<u>12,769,401</u>	<u>951,786</u>
Advertising, interest cost and late filing fees.....			-	-	-
Gross levy.....			<u>13,721,187</u>	<u>12,769,401</u>	<u>951,786</u>
Release and adjustments.....			-	-	-
Net levy.....			<u>13,721,187</u>	<u>12,769,401</u>	<u>951,786</u>
Uncollected taxes at June 30, 2023.....			<u>68,317</u>	<u>58,093</u>	<u>10,224</u>
Current year taxes collected.....			<u>\$ 13,652,870</u>	<u>\$ 12,711,308</u>	<u>\$ 941,562</u>
Current levy collection percentage.....			<u>99.50%</u>	<u>99.55%</u>	<u>98.93%</u>

City of Mebane, North Carolina
Analysis of Current Tax Levy
City - Wide Levy
For the Fiscal Year Ended June 30, 2023

Schedule D-3

Secondary Market Disclosures:

Assessed Valuation:

Assessment Ratio (Note 1).....		100%
	<u>Current Year Rate</u>	<u>Prior Year Rate</u>
Real Property.....	\$ 2,140,989,587	\$ -
Personal Property.....	750,224,126	3,530,213
Public service companies (Note 2).....	24,903,062	-
Total Assessed Valuation.....	<u>2,916,116,775</u>	<u>3,530,213</u>
Tax Rate per \$100.....	<u>0.47</u>	<u>0.47</u>
Levy.....	<u>13,705,740</u>	<u>16,592</u>
		<u>\$ 13,722,332</u>

Note 1: Percentage of appraised value has been established by statute.

Note 2: Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

City of Mebane, North Carolina
Ten Largest Taxpayers
For the Fiscal Year Ended June 30, 2023

Schedule D-4

<u>Name</u>	<u>Type of Enterprise</u>	<u>Assessed Valuation</u>	<u>Tax Levy</u>	<u>Percentage of Total Assessed Valuation</u>
Lotus Bakeries US LLC.....	Natural Snack Product Manufacturing.....	\$ 89,680,372	\$ 421,498	3.07%
MRE Propco LP.....	Healthcare Supplies Manufacturer.....	86,510,700	\$ 406,600	2.96%
Keystone at Mebane Oaks, LLC.....	Apartment Complex.....	82,781,555	\$ 389,073	2.84%
XPXII Greensboro Logistics.....	Freight and Logistics Service.....	76,808,168	\$ 360,998	2.63%
GKN Automotive Components.....	Auto Components Manufacturing.....	66,975,421	\$ 314,784	2.29%
Industrial Connections & Solutions LLC.....	Electronics Manufacturing.....	60,899,638	\$ 286,228	2.09%
Liggett Group - One Hundred Maple, LLC.....	Tobacco Manufacturing.....	60,654,969	\$ 285,078	2.08%
Wal-Mart.....	Retail.....	59,048,891	\$ 277,530	2.02%
Cambro Manufacturing Co.....	Foodservice Supplies Manufacturing.....	52,456,539	\$ 246,546	1.80%
Tanger Properties LMTD Partner...	Retail.....	44,611,519	\$ 209,674	1.53%
		<u>\$ 680,427,772</u>	<u>\$ 3,198,011</u>	<u>23.31%</u>

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Statistical Section

This part of the City of Mebane's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

- **Financial Trends** - These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.
- **Revenue Capacity** - These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.
- **Debt Capacity** - These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.
- **Demographic and Economic Information** - These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.
- **Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

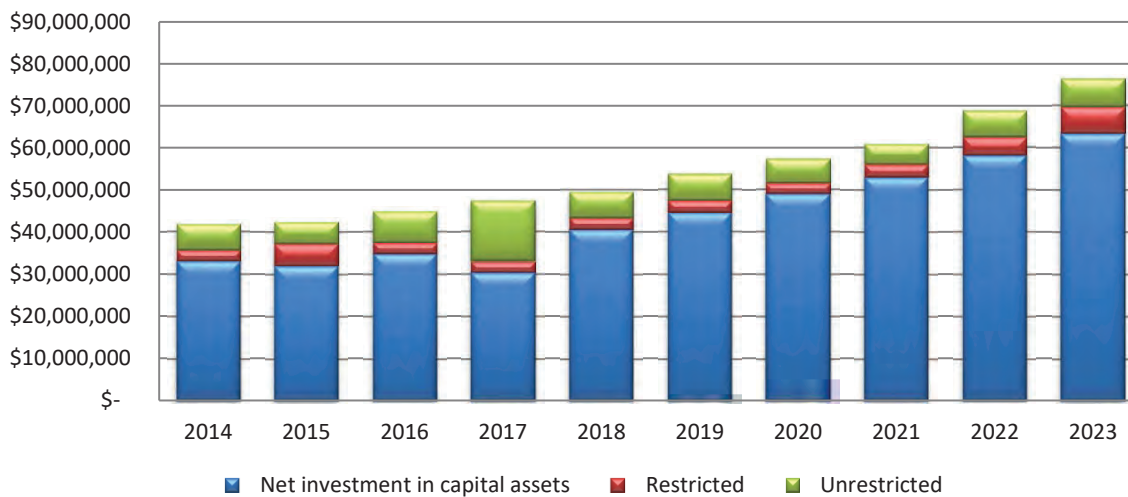
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

City of Mebane, North Carolina
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 1
Page 1 of 2

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
Governmental activities					
Net investment in capital assets.....	\$ 33,039,857	\$ 32,011,821	\$ 34,801,671	\$ 30,319,096	\$ 40,610,954
Restricted.....	2,594,241	5,225,747	2,589,616	2,615,433	2,757,579
Unrestricted.....	6,195,064	5,185,319	7,502,406	14,338,635	6,147,464
Total governmental activities net position.....	<u>\$ 41,829,162</u>	<u>\$ 42,422,887</u>	<u>\$ 44,893,693</u>	<u>\$ 47,273,164</u>	<u>\$ 49,515,997</u>
Business-type activities					
Net investment in capital assets.....	\$ 31,622,606	\$ 33,155,614	\$ 34,178,396	\$ 34,527,281	\$ 38,122,626
Restricted.....	-	-	-	-	-
Unrestricted.....	6,415,219	5,635,431	7,589,047	8,948,578	8,413,024
Total business-type activities net position.....	<u>\$ 38,037,825</u>	<u>\$ 38,791,045</u>	<u>\$ 41,767,443</u>	<u>\$ 43,475,859</u>	<u>\$ 46,535,650</u>
Primary government					
Net investment in capital assets.....	\$ 64,662,463	\$ 65,167,435	\$ 68,980,067	\$ 64,846,377	\$ 78,733,580
Restricted.....	2,594,241	5,225,747	2,589,616	2,615,433	2,757,579
Unrestricted.....	12,610,283	10,820,750	15,091,453	23,287,213	14,560,488
Total primary government activities net position.....	<u>\$ 79,866,987</u>	<u>\$ 81,213,932</u>	<u>\$ 86,661,136</u>	<u>\$ 90,749,023</u>	<u>\$ 96,051,647</u>

Governmental Activities - Net Assets by Component



City of Mebane, North Carolina
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

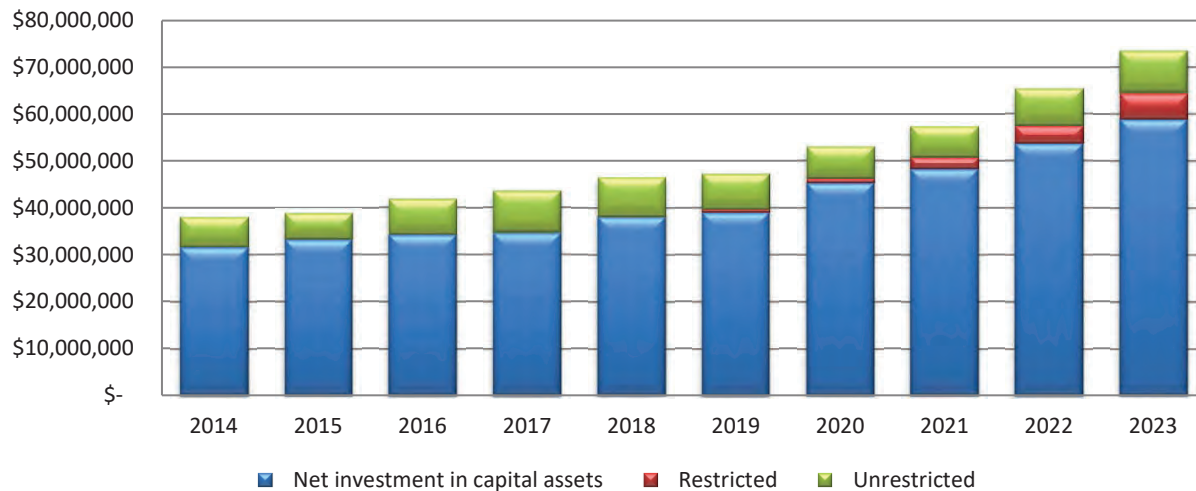
Table 1
Page 2 of 2

	Fiscal Year Ending June 30,				
	2019	2020	2021	2022	2023
Governmental activities					
Net investment in capital assets.....	\$ 44,539,110	\$ 48,932,506	\$ 53,020,166	\$ 58,077,074	\$ 63,317,482
Restricted.....	2,844,468	2,535,935	3,005,430	4,324,267	6,348,124
Unrestricted.....	6,328,882	5,788,509	4,859,788	6,266,211	6,665,585
Total governmental activities net position.....	<u>\$ 53,712,460</u>	<u>\$ 57,256,950</u>	<u>\$ 60,885,384</u>	<u>\$ 68,667,552</u>	<u>\$ 76,331,191</u>
Business-type activities					
Net investment in capital assets.....	\$ 38,984,945	\$ 45,237,242	\$ 48,261,754	\$ 53,706,014	\$ 58,855,897
Restricted.....	586,608	970,910	2,465,362	3,702,258	5,539,735.00
Unrestricted.....	7,619,918	6,837,732	6,635,335	7,956,615	9,120,927
Total business-type activities net position.....	<u>\$ 47,191,471</u>	<u>\$ 53,045,884</u>	<u>\$ 57,362,451</u>	<u>\$ 65,364,887</u>	<u>\$ 73,516,559</u>
Primary government					
Net investment in capital assets.....	\$ 83,524,055	\$ 94,169,748	\$ 101,281,920	\$ 111,783,088	\$ 122,173,379
Restricted.....	3,431,076	3,506,845	5,470,792	8,026,525	11,887,859
Unrestricted.....	13,948,800	12,626,241	11,495,123	14,222,826	15,786,512
Total primary government activities net position.....	<u>\$ 100,903,931</u>	<u>\$ 110,302,834</u>	<u>\$ 118,247,835</u>	<u>\$ 134,032,439</u>	<u>\$ 149,847,750</u>

Notes:

(1) 2020 includes a prior period restatement of \$427,347; 2018 includes a prior period restatement of \$2,337,035; 2017 includes a prior period restatement of \$15,099; 2016 includes a prior period restatement of \$545,860; 2015 includes a prior period restatement of \$(531,756).

Business-type Activities - Net Assets by Component



City of Mebane, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2
(Page 1 of 2)

	Fiscal Year Ending June 30				
	2014	2015	2016	2017	2018
Expenses					
Governmental activities:					
General government.....	\$ 2,133,862	\$ 2,130,084	\$ 2,058,889	\$ 2,023,497	\$ 2,227,259
Public safety.....	4,400,496	4,929,504	5,521,196	6,132,593	6,567,770
Public works.....	3,887,001	3,848,791	4,169,363	3,907,270	3,885,804
Cultural and recreation.....	1,179,235	1,163,723	1,288,321	1,195,553	1,301,845
Economic and physical development.....	1,137,040	584,532	1,415,831	461,389	1,879,946
Interest on long-term debt.....	151,011	178,086	156,676	174,166	300,632
Total governmental activities expenses.....	12,888,645	12,834,720	14,610,276	13,894,468	16,163,256
Business-type activities:					
Water and sewer.....	4,493,195	4,288,957	4,926,465	6,139,854	6,039,261
Total Business-type activities.....	4,493,195	4,288,957	4,926,465	6,139,854	6,039,261
Total primary government expenses.....	17,381,840	17,123,677	19,536,741	20,034,322	22,202,517
Program revenues					
Governmental activities:					
Charges for services:					
General government.....	60,900	45,470	213,347	58,291	60,580
Public safety.....	12,986	13,964	13,905	21,135	19,941
Public works.....	355,012	338,920	420,613	401,609	422,237
Cultural and recreation.....	75,170	77,245	85,535	86,690	87,018
Economic and physical development.....	222,071	287,110	374,248	427,814	391,359
Operating grants and contributions.....	667,594	498,060	448,823	574,891	934,764
Capital grants and contributions.....	912,272	2,157,849	972,045	639,266	3,380,460
Total governmental activities program revenue.....	2,306,005	3,418,618	2,528,516	2,209,696	5,296,359
Business-type activities:					
Charges for services.....	5,041,627	5,316,218	7,399,492	6,491,915	6,676,309
Operating grants and contributions.....	-	-	-	-	-
Capital grants and contributions.....	203,400	196,230	1,376,780	465,220	2,508,340
Total business-type activities program revenue.....	5,245,027	5,512,448	8,776,272	6,957,135	9,184,649
Total primary government program revenue.....	7,551,032	8,931,066	11,304,788	9,166,831	14,481,008
Net (Expense)/Revenue					
Governmental activities.....	(10,582,640)	(9,416,102)	(12,081,760)	(11,684,772)	(10,866,897)
Business-type activities.....	751,832	1,223,491	3,849,807	817,281	3,145,388
Total primary government net expense.....	(9,830,808)	(8,192,611)	(8,231,953)	(10,867,491)	(7,721,509)
General revenues and other changes in net position					
Governmental activities:					
Taxes.....					
Property taxes, levied for general purpose.....	8,054,225	8,572,861	8,859,077	9,751,487	10,279,056
Other taxes.....	3,519,938	4,105,041	4,188,891	4,299,798	4,563,646
Grants and contributions not restricted					
to specific programs.....	7,000	4,500	12,509	3,050	3,050
Unrestricted investment earnings.....	2,096	4,083	6,399	25,200	129,302
Miscellaneous.....	(7,678)	60,600	41,404	69,609	164,578
<i>Special item: Conveyance of land for economic development.....</i>	-	(2,691,591)	-	-	-
Transfers.....	784,376	393,092	965,000	-	(2,003)
Total governmental activities.....	12,359,957	10,448,586	14,073,280	14,149,144	15,137,629
Business-type activities:					
Unrestricted investment earnings.....	5,801	259	2,244	6,344	28,295
Miscellaneous.....	15,835	15,559	22,773	784,791	193,241
Transfers.....	(784,376)	(393,092)	(965,000)	-	2,003
Total business-type activities.....	(762,740)	(377,274)	(939,983)	791,135	223,539
Total primary government.....	11,597,217	10,071,312	13,133,297	14,940,279	15,361,168
Change in Net Position					
Governmental activities.....	1,777,317	1,032,484	1,991,520	2,464,372	4,270,732
Business-type activities.....	(10,908)	846,217	2,909,824	1,608,416	3,368,927
Change in primary government net position.....	\$ 1,766,409	\$ 1,878,701	\$ 4,901,344	\$ 4,072,788	\$ 7,639,659

City of Mebane, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2
(Page 2 of 2)

	Fiscal Year Ending June 30				
	2019	2020	2021	2022	2023
Expenses					
Governmental activities:					
General government.....	\$ 2,262,074	\$ 2,508,794	\$ 2,945,979	\$ 2,838,280	\$ 3,569,169
Public safety.....	7,070,899	8,045,419	9,046,866	8,660,213	10,300,977
Public works.....	3,803,467	4,939,677	5,273,617	4,824,551	5,824,083
Cultural and recreation.....	1,900,889	1,677,079	1,931,238	2,064,269	2,543,789
Economic and physical development.....	1,269,525	2,005,292	2,225,126	2,260,845	3,031,889
Interest on long-term debt.....	281,751	257,803	200,005	178,756	174,264
Total governmental activities expenses.....	16,588,605	19,434,064	21,622,831	20,826,914	25,444,171
Business-type activities:					
Water and sewer.....	6,762,948	7,298,336	7,656,961	7,656,972	8,963,936
Total Business-type activities.....	6,762,948	7,298,336	7,656,961	7,656,972	8,963,936
Total primary government expenses.....	23,351,553	26,732,400	29,279,792	28,483,886	34,408,107
Program revenues					
Governmental activities:					
Charges for services:					
General government.....	1,100	11,850	5,400	4,605	4,505
Public safety.....	21,350	17,532	19,750	22,229	51,672
Public works.....	501,353	617,855	701,980	680,282	741,725
Cultural and recreation.....	92,443	74,138	80,918	141,125	148,528
Economic and physical development.....	863,738	742,977	1,233,852	1,317,134	1,742,647
Operating grants and contributions.....	742,312	957,002	821,868	1,071,973	1,322,247
Capital grants and contributions.....	2,617,102	3,927,560	4,465,736	4,284,192	6,500,750
Total governmental activities program revenue.....	4,839,398	6,348,914	7,329,504	7,521,540	10,512,074
Business-type activities:					
Charges for services.....	6,995,810	7,644,617	9,146,098	9,703,779	10,749,657
Operating grants and contributions.....	-	-	-	2,045,130	2,016,944
Capital grants and contributions.....	226,820	5,400,880	2,890,267	3,422,692	4,032,800
Total business-type activities program revenue.....	7,222,630	13,045,497	12,036,365	15,171,601	16,799,401
Total primary government program revenue.....	12,062,028	19,394,411	19,365,869	22,693,141	27,311,475
Net (Expense)/Revenue					
Governmental activities.....	(11,749,207)	(13,085,150)	(14,293,327)	(13,305,374)	(14,932,097)
Business-type activities.....	459,682	5,747,161	4,379,404	7,514,629	7,835,465
Total primary government net expense.....	(11,289,525)	(7,337,989)	(9,913,923)	(5,790,745)	(7,096,632)
General revenues and other changes in net position					
Governmental activities:					
Taxes.....					
Property taxes, levied for general purpose.....	10,895,740	11,378,933	11,807,602	13,129,528	14,228,025
Other taxes.....	4,885,951	5,067,665	5,764,756	7,341,386	7,926,631
Grants and contributions not restricted to specific programs.....	4,050	31,047	191,474	410,380	23,110
Unrestricted investment earnings.....	180,725	153,113	56,026	12,614	241,674
Miscellaneous.....	36,506	427,623	101,903	617,502	189,978
<i>Special item: Conveyance of land for economic development.....</i>	-	-	-	-	-
Transfers.....	(57,302)	(1,394)	-	(423,868)	(13,682)
Total governmental activities.....	15,945,670	17,056,987	17,921,761	21,087,542	22,595,736
Business-type activities:					
Unrestricted investment earnings.....	63,336	89,202	28,073	14,078	396,777
Miscellaneous.....	75,501	16,655	(90,910)	49,861	(94,252)
Transfers.....	57,302	1,395	-	423,868	13,682
Total business-type activities.....	196,139	107,252	(62,837)	487,807	316,207
Total primary government.....	16,141,809	17,164,239	17,858,924	21,575,349	22,911,943
Change in Net Position					
Governmental activities.....	4,196,463	3,971,837	3,628,434	7,782,168	7,663,639
Business-type activities.....	655,821	5,854,413	4,316,567	8,002,436	8,151,672
Change in primary government net position.....	\$ 4,852,284	\$ 9,826,250	\$ 7,945,001	\$ 15,784,604	\$ 15,815,311

Notes:

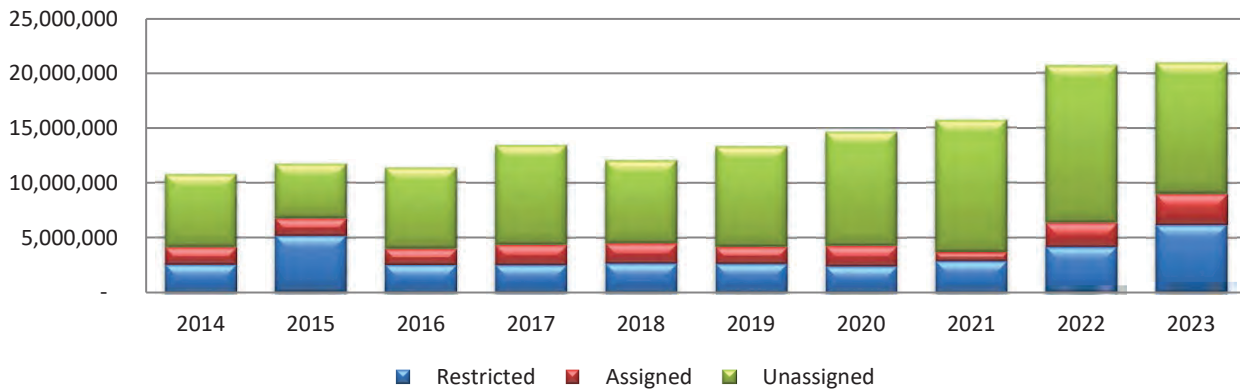
(1) 2020 includes a prior period restatement of \$427,347; 2018 includes a prior period restatement of \$2,337,035; 2017 includes a prior period restatement of \$15,099; 2016 includes a prior period restatement of \$545,860; 2015 includes a prior period restatement of \$(531,756).

City of Mebane, North Carolina
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 3
Page 1 of 2

	Fiscal Year Ending June 30				
	2014	2015	2016	2017	2018
General Fund					
Nonspendable.....	\$ 20,511	\$ 27,361	\$ 116,295	\$ 51,005	\$ 131,945
Restricted.....	2,566,389	5,183,933	2,533,840	2,545,731	2,673,951
Committed.....	-	-	-	-	-
Assigned.....	1,543,138	1,549,082	1,419,254	1,803,854	1,828,000
Unassigned.....	6,612,572	4,991,002	7,377,790	9,083,988	7,563,514
Total general fund.....	<u>\$ 10,742,610</u>	<u>\$ 11,751,378</u>	<u>\$ 11,447,179</u>	<u>\$ 13,484,578</u>	<u>\$ 12,197,410</u>
All Other Governmental Funds					
Nonspendable.....	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted.....	27,852	41,814	55,776	69,702	83,628
Committed.....	-	-	-	-	-
Assigned.....	1,925,422	1,181,066	640,198	5,986,376	1,757,022
Unassigned.....	-	-	-	-	-
Total all other governmental funds.....	<u>\$ 1,953,274</u>	<u>\$ 1,222,880</u>	<u>\$ 695,974</u>	<u>\$ 6,056,078</u>	<u>\$ 1,840,650</u>
Total Governmental Funds					
Nonspendable.....	\$ 20,511	\$ 27,361	\$ 116,295	\$ 51,005	\$ 131,945
Restricted.....	2,594,241	5,225,747	2,589,616	2,615,433	2,757,579
Committed.....	-	-	-	-	-
Assigned.....	3,468,560	2,730,148	2,059,452	7,790,230	3,585,022
Unassigned.....	6,612,572	4,991,002	7,377,790	9,083,988	7,563,514
Total governmental funds.....	<u>\$ 12,695,884</u>	<u>\$ 12,974,258</u>	<u>\$ 12,143,153</u>	<u>\$ 19,540,656</u>	<u>\$ 14,038,060</u>

Fund Balances - General Fund

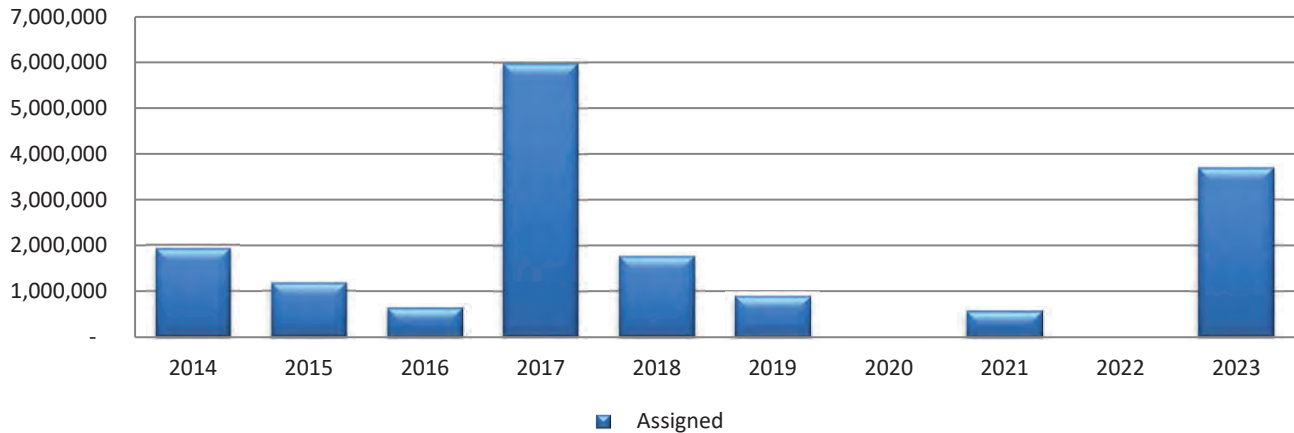


City of Mebane, North Carolina
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 3
Page 2 of 2

	Fiscal Year Ending June 30				
	2019	2020	2021	2022	2023
General Fund					
Nonspendable.....	\$ 46,552	\$ 168,052	\$ 31,716	\$ 32,056	\$ -
Restricted.....	2,658,975	2,422,768	2,877,971	4,182,828	6,191,378
Committed.....	-	-	-	-	-
Assigned.....	1,500,000	1,823,718	804,772	2,165,385	2,797,463
Unassigned.....	9,186,167	10,427,779	12,005,360	14,347,743	11,989,170
Total general fund.....	\$ 13,391,694	\$ 14,842,317	\$ 15,719,819	\$ 20,728,012	\$ 20,978,011
All Other Governmental Funds					
Nonspendable.....	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted.....	98,182	113,160	127,459	141,439	156,746
Committed.....	-	-	-	-	-
Assigned.....	884,814	-	566,851	-	3,694,988
Unassigned.....	-	-	-	-	-
Total all other governmental funds.....	\$ 982,996	\$ 113,160	\$ 694,310	\$ 141,439	\$ 3,851,734
Total Governmental Funds					
Nonspendable.....	\$ 46,552	\$ 168,052	\$ 31,716	\$ 32,056	\$ -
Restricted.....	2,757,157	2,535,928	3,005,430	4,324,267	6,348,124
Committed.....	-	-	-	-	-
Assigned.....	2,384,814	1,823,718	1,371,623	2,165,385	6,492,451
Unassigned.....	9,186,167	10,427,779	12,005,360	14,347,743	11,989,170
Total governmental funds.....	\$ 14,374,690	\$ 14,955,477	\$ 16,414,129	\$ 20,869,451	\$ 24,829,745

Fund Balances - All Other Governmental Funds



City of Mebane, North Carolina
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4
Page 1 of 2

	Fiscal Year Ending June 30				
	2014	2015	2016	2017	2018
Revenues					
Ad valorem taxes.....	\$ 7,705,045	\$ 8,207,631	\$ 8,436,102	\$ 9,349,863	\$ 9,851,605
Other taxes and licenses.....	199,935	190,058	795	960	1,005
Unrestricted intergovernmental.....	3,323,889	5,033,302	4,191,306	4,427,170	4,866,039
Restricted intergovernmental.....	1,497,810	893,277	880,010	904,619	1,265,968
Permits and fees.....	244,104	320,358	606,212	482,809	411,580
Sales and services.....	416,084	392,832	433,014	444,814	462,033
Investment earnings.....	17,190	1,746	6,363	25,200	129,302
Miscellaneous.....	94,753	260,119	155,294	270,538	322,138
Total revenues.....	13,498,810	15,299,323	14,709,096	15,905,973	17,309,670
Expenditures					
General government.....	2,087,742	2,094,055	2,151,509	1,997,039	2,244,898
Public safety.....	5,091,637	4,901,955	5,414,023	6,171,044	6,526,581
Public works.....	3,708,213	3,708,075	3,733,538	3,268,769	3,400,679
Cultural and recreation.....	1,195,637	1,318,029	1,466,564	1,056,609	1,828,941
Economic and physical development.....	3,832,902	703,466	1,466,432	703,062	1,878,174
Debt service:					
Principal.....	426,667	833,854	835,083	836,338	1,316,286
Interest and other charges.....	119,484	182,646	161,067	139,372	306,592
Capital outlay.....	1,437,893	2,138,037	1,276,985	634,567	5,739,986
Total expenditures.....	17,900,175	15,880,117	16,505,201	14,806,800	23,242,137
Excess (deficiency) of revenues over (under) expenditures.....	(4,401,365)	(580,794)	(1,796,105)	1,099,173	(5,932,467)
Other Financing Sources (Uses)					
Transfers to other funds.....	(245,000)	(1,450,000)	(856,734)	(60,000)	(1,726,812)
Transfers from other funds.....	1,029,376	1,843,092	1,821,734	60,000	1,724,810
Issuance of debt.....	4,345,275	-	-	6,298,330	431,873
IT subscriptions agreement.....	-	-	-	-	-
Total other financing sources (uses).....	5,129,651	393,092	965,000	6,298,330	429,871
Net change in fund balances.....	728,286	(187,702)	(831,105)	7,397,503	(5,502,596)
Fund balances, beginning.....	11,967,598	12,695,884	12,974,258	12,143,153	19,540,656
Prior period adjustment.....	-	466,076	-	-	-
Fund balances, beginning as restated.....	11,967,598	13,161,960	12,974,258	12,143,153	19,540,656
Fund balances, ending.....	\$ 12,695,884	\$ 12,974,258	\$ 12,143,153	\$ 19,540,656	\$ 14,038,060
Debt service as a percentage of noncapital expenditures.....	4.6%	8.2%	7.0%	7.4%	10.3%

City of Mebane, North Carolina
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4
Page 2 of 2

	Fiscal Year Ending June 30				
	2019	2020	2021	2022	2023
Revenues					
Ad valorem taxes.....	\$ 10,413,402	\$ 10,897,067	\$ 11,339,347	\$ 12,631,940	\$ 13,691,894
Other taxes and licenses.....	1,030	955	955	805	945
Unrestricted intergovernmental.....	5,095,144	5,433,058	6,101,360	7,683,475	8,234,539
Restricted intergovernmental.....	1,589,184	1,262,717	1,154,666	1,231,498	4,108,594
Permits and fees.....	915,604	811,186	1,338,035	1,388,813	1,878,503
Sales and services.....	494,687	576,421	616,526	701,267	752,683
Investment earnings.....	180,725	153,113	56,027	12,615	241,673
Miscellaneous.....	167,614	524,824	262,594	966,972	276,176
Total revenues.....	18,857,390	19,659,341	20,869,510	24,617,385	29,185,007
Expenditures					
General government.....	2,179,611	2,265,058	2,540,663	2,629,542	3,214,271
Public safety.....	6,544,785	6,888,994	6,818,514	7,372,689	8,741,132
Public works.....	3,113,625	3,048,385	3,888,863	3,519,090	4,215,643
Cultural and recreation.....	1,445,320	1,343,057	1,293,315	1,538,498	1,945,547
Economic and physical development.....	1,255,070	1,927,454	2,163,879	2,275,921	2,977,377
Debt service:					
Principal.....	1,347,620	1,272,748	1,239,573	1,415,799	1,608,965
Interest and other charges.....	285,412	264,189	211,159	178,525	170,431
Capital outlay.....	3,652,717	2,068,669	1,685,392	2,597,000	3,315,482
Total expenditures.....	19,824,160	19,078,554	19,841,358	21,527,064	26,188,848
Excess (deficiency) of revenues over (under) expenditures.....	(966,770)	580,787	1,028,152	3,090,321	2,996,159
Other Financing Sources (Uses)					
Transfers to other funds.....	(1,500,000)	(1,183,857)	(1,144,592)	(696,274)	(1,786,840)
Transfers from other funds.....	2,067,932	1,183,857	1,144,592	696,274	1,786,840
Issuance of debt.....	735,468	-	430,500	1,365,000	916,006
IT subscriptions agreement.....	-	-	-	-	48,129
Total other financing sources (uses).....	1,303,400	-	430,500	1,365,000	964,135
Net change in fund balances.....	336,630	580,787	1,458,652	4,455,321	3,960,294
Fund balances, beginning.....	14,038,060	14,374,690	14,955,477	16,414,130	20,869,451
Prior period adjustment.....	-	-	-	-	-
Fund balances, beginning as restated.....	14,038,060	14,374,690	14,955,477	16,414,130	20,869,451
Fund balances, ending.....	\$ 14,374,690	\$ 14,955,477	\$ 16,414,129	\$ 20,869,451	\$ 24,829,745
Debt service as a percentage of noncapital expenditures.....	10.2%	8.8%	8.0%	8.4%	7.8%

Notes:

(1) 2015 includes a prior period restatement of \$466,076.

City of Mebane, North Carolina
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 5

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Public Service Companies</u>	<u>Less Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Ratio of Assessed Value to Estimated Actual Value</u>
2014	1,163,814,338	476,296,137	22,343,241	(8,380,262)	1,654,073,454	0.47	1,574,895,032	105.0%
2015	1,171,969,829	498,060,858	22,232,490	(8,580,903)	1,683,682,274	0.49	1,603,949,005	105.0%
2016	1,215,674,661	511,076,370	23,926,263	(9,087,410)	1,741,589,884	0.49	1,648,732,865	105.6%
2017	1,355,230,856	550,037,154	20,701,422	(6,871,152)	1,919,098,280	0.49	1,919,559,215	100.0%
2018	1,519,215,965	576,423,148	21,265,042	(6,231,130)	2,110,673,025	0.47	2,165,774,122	97.5%
2019	1,572,394,043	593,126,106	19,041,041	(2,685,151)	2,181,876,039	0.47	2,238,905,875	97.5%
2020	1,627,662,514	648,540,774	19,264,439	(243,533)	2,295,224,194	0.47	2,449,836,538	93.7%
2021	1,755,206,176	602,162,652	19,101,600	(243,533)	2,376,226,895	0.47	2,542,954,665	93.4%
2022	1,931,258,902	706,724,061	17,085,572	(352,483)	2,654,716,052	0.47	2,872,643,553	92.4%
2023	2,140,989,587	753,754,339	24,903,062	(243,533)	2,919,403,455	0.47	3,641,847,848	80.2%

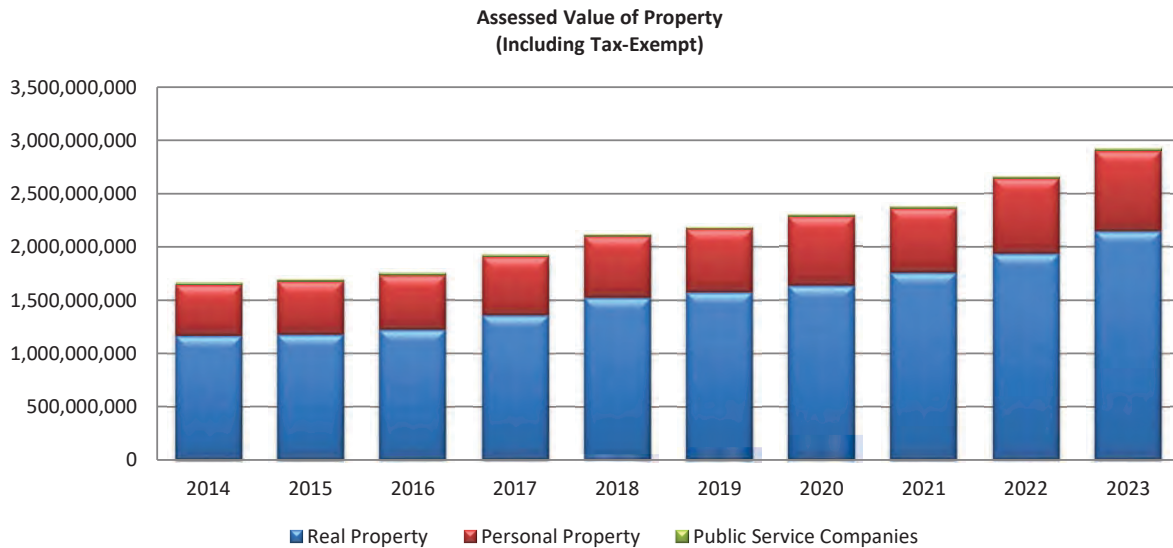
Sources:

Alamance County and Orange County Tax Departments.

Notes:

Assessed valuations are established by the Alamance County Board of Commissioners at 100% of estimated market value. A revaluation of real property is required by the North Carolina General Statutes at least every eight years. Property was last revalued in FY 2023.

Estimated actual taxable value is calculated using information provided in Alamance and Orange County's Annual Comprehensive Financial Reports (ACFRs).



City of Mebane, North Carolina
Direct and Overlapping Property Tax Rates
Last Ten Years
(Rates are Per \$100 of Assessed Value)

Table 6

<u>Fiscal Year</u>	<u>Direct Rate</u>	<u>Overlapping Rates</u>		<u>Combined Tax Rate</u>	
	<u>City of Mebane</u>	<u>Alamance County</u> ⁽¹⁾	<u>Orange County</u> ⁽²⁾	<u>Alamance County</u>	<u>Orange County</u>
2014.....	0.47	0.540	0.858	1.010	1.328
2015.....	0.49	0.530	0.858	1.020	1.348
2016.....	0.49	0.580	0.878	1.070	1.368
2017.....	0.49	0.580	0.878	1.070	1.368
2018.....	0.47	0.580	0.838	1.050	1.308
2019.....	0.47	0.590	0.850	1.060	1.320
2020.....	0.47	0.670	0.868	1.140	1.338
2021.....	0.47	0.670	0.868	1.140	1.338
2022.....	0.47	0.660	0.819	1.130	1.289
2023.....	0.47	0.676	0.820	1.146	1.290

Sources:

⁽¹⁾ Alamance County Tax Department.

⁽²⁾ Orange County Tax Department.

Notes:

Overlapping rates are the county government rates that apply to property owners within the City of Mebane. The City of Mebane is located in both Alamance and Orange counties. Not all overlapping rates apply to all property owners, but at least one County overlapping rates applies to each property owner.

**City of Mebane, North Carolina
Principal Property Taxpayers
Current Year and Nine Years Ago**

Table 7

Taxpayer	2023			2014		
	<u>Taxable Assessed Value</u> (1)	Rank	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	Rank	<u>Percentage of Total Taxable Assessed Value</u>
Lotus Bakeries US LLC.....	\$ 89,680,372	1	3.07%	\$ (2)		
MRE Propco LP.....	86,510,700	2	2.96%	(2)		
Keystone at Mebane Oaks, LLC.....	82,781,555	3	2.84%	(2)		
IPXII Greensboro Logistics.....	76,808,168	4	2.63%	(2)		
GKN Automotive Components.....	66,975,421	5	2.29%	108,240,516	1	6.50%
Industrial Connections & Solutions LLC.....	60,899,638	6	2.09%	(2)		
Liggett Group - One Hundred Mapel LLC.....	60,654,969	7	2.08%	76,337,861	2	4.60%
Wal-Mart.....	59,048,891	8	2.02%	14,774,329	7	0.90%
Cambro Manufacturing Co.....	52,456,539	9	1.80%	(2)		
Tanger Properties LMTD Partner.....	44,611,519	10	1.53%	37,196,862	4	2.20%
Sandvik Inc.....	(2)			51,588,563	3	3.10%
Mebane Packaging / Meadwestvaco.....	(2)			24,805,467	5	1.50%
Carden Place Investors LLC	(2)			16,868,033	6	1.00%
Armacell LLC/Armstrong	(2)			13,910,017	8	0.80%
Nypro, Inc. (a Jabil Company)	(2)			13,717,354	9	0.80%
Spring Forest, LLC.....	(2)			13,251,550	10	0.80%
Total.....	<u>\$680,427,772</u>		<u>23.31%</u>	<u>\$370,690,552</u>		<u>22.20%</u>

Source:

Alamance County Tax Department.

Notes:

(1) Assessed valuation represents taxes assessed and due in the fiscal year ended June 30, 2023.

(2) Not within top ten ranking.

**City of Mebane, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years**

Table 8

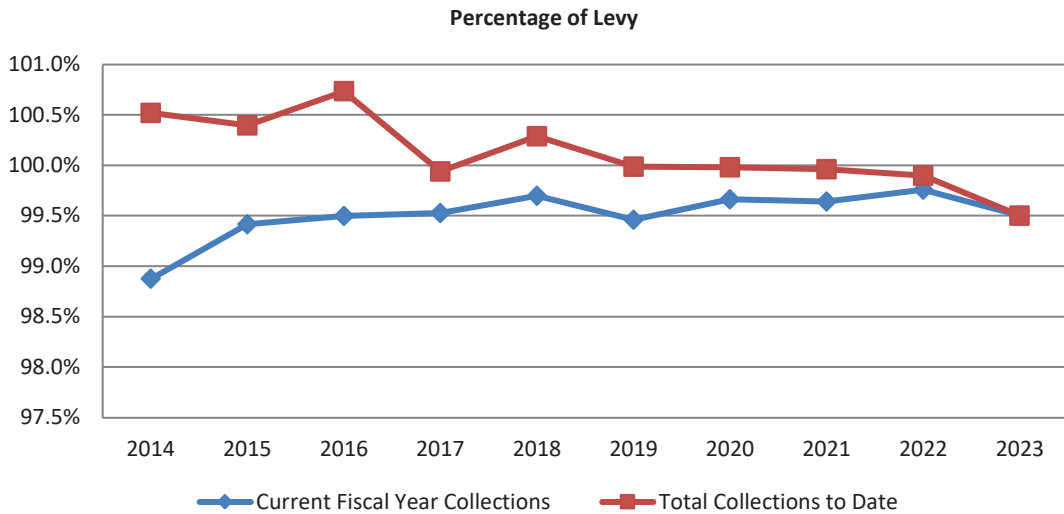
<u>Fiscal Year</u>	<u>Fiscal Year of the Levy</u>			<u>Total Collections to Date</u>		
	<u>Taxes Levied for the Fiscal Year ⁽¹⁾</u>	<u>Amount Collected</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>	<u>Amount</u>	<u>Percentage of Levy</u>
	2014.....	7,764,524	7,677,173	98.9%	127,578	7,804,751
2015.....	8,223,909	8,175,886	99.4%	80,574	8,256,460	100.4%
2016.....	8,528,175	8,485,223	99.5%	105,455	8,590,678	100.7%
2017.....	9,288,710	9,244,828	99.5%	38,044	9,282,872	99.9%
2018.....	9,815,332	9,785,748	99.7%	57,884	9,843,632	100.3%
2019.....	10,383,208	10,326,956	99.5%	54,947	10,381,903	100.0%
2020.....	10,854,564	10,817,844	99.7%	34,571	10,852,415	100.0%
2021.....	11,273,675	11,233,082	99.6%	36,080	11,269,162	100.0%
2022.....	12,490,459	12,460,266	99.8%	17,245	12,477,511	99.9%
2023.....	13,721,187	13,652,870	99.5%	-	13,652,870	99.5%

Sources:

Alamance County Tax Department.

Notes:

⁽¹⁾ Taxes levied for the fiscal year are not adjusted for discoveries in subsequent years but their collection is included in the total collections to date for the year in which they would have been levied.



City of Mebane, North Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

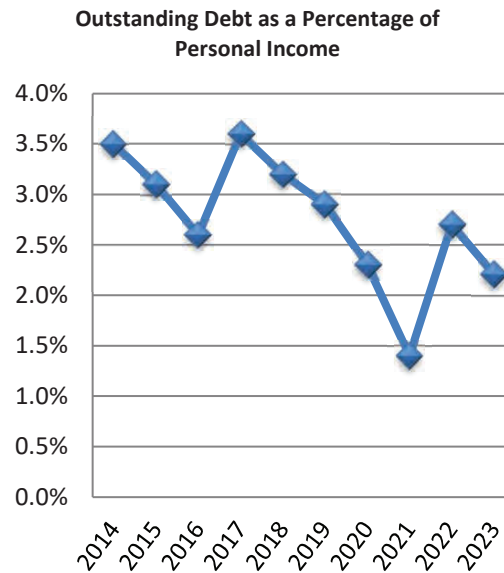
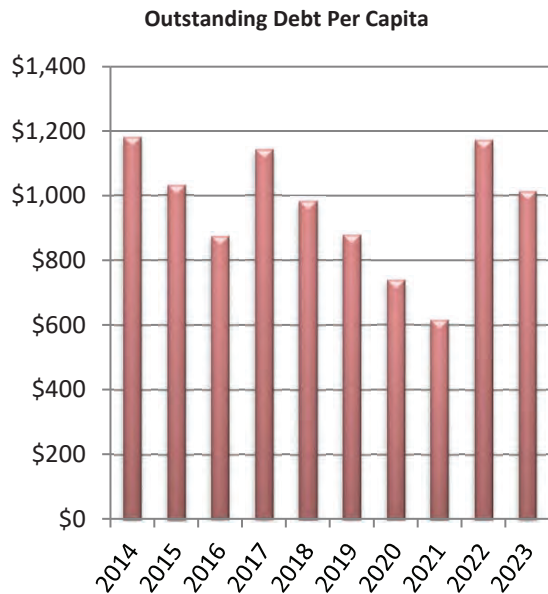
Table 9

Fiscal Year	Governmental Activities		Business-type Activities			Total	Percentage of Personal	
	Installment Financing ⁽²⁾	General Obligation Bonds	Revenue Bonds	Installment Financing ⁽²⁾	Income ⁽¹⁾		Per Capita ⁽¹⁾	
2014.....	7,348,610	455,000	-	6,788,750	14,592,360	3.5%	1,180	
2015.....	6,514,756	335,000	-	6,162,611	13,012,367	3.1%	1,032	
2016.....	5,679,678	215,000	-	5,272,472	11,167,150	2.6%	874	
2017.....	11,141,683	95,000	-	4,869,335	16,106,018	3.6%	1,141	
2018.....	10,257,277	-	-	4,459,195	14,716,472	3.2%	983	
2019.....	9,645,099	-	-	4,042,056	13,687,155	2.9%	878	
2020.....	8,371,909	-	-	3,617,917	11,989,826	2.3%	737	
2021.....	7,562,836	-	-	3,186,778	10,749,614	1.4%	615	
2022.....	7,512,035	-	13,573,000	144,563	21,229,598	2.7%	1,172	
2023.....	6,834,187	-	12,609,000	115,551	19,558,738	2.2%	1,011	

Notes:

⁽¹⁾ See Table 13 for personal income and population data. These ratios are calculated using personal income and population for the calendar year.

⁽²⁾ Details regarding outstanding debt can be found in the notes to the financial statements.



City of Mebane, North Carolina
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 10

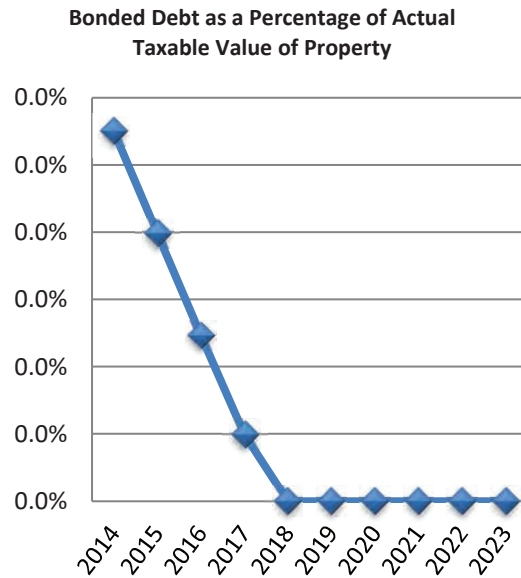
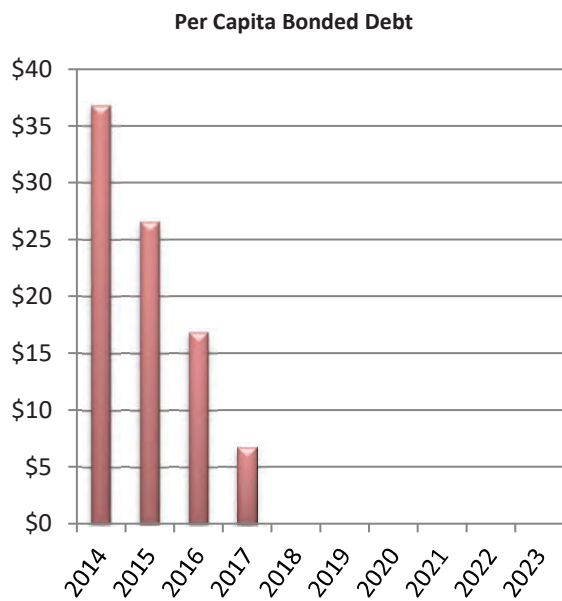
<u>Fiscal Year</u>	<u>General Bonded Debt</u>	<u>Percentage of Actual</u>	
		<u>Taxable Value of Property</u> ⁽¹⁾	<u>Per Capita Bonded Debt</u> ⁽²⁾
2014.....	455,000	0.03%	37
2015.....	335,000	0.02%	27
2016.....	215,000	0.01%	17
2017.....	95,000	0.00%	7
2018.....	-	0.00%	-
2019.....	-	0.00%	-
2020.....	-	0.00%	-
2021.....	-	0.00%	-
2022.....	-	0.00%	-
2023.....	-	0.00%	-

Notes:

⁽¹⁾ See Table 5 for Assessed Value of Taxable Property.

⁽²⁾ See Table 13 for personal income and population data. These ratios are calculated using personal income and population for the calendar year.

⁽³⁾ Details regarding outstanding debt can be found in the notes to the financial statements.



City of Mebane, North Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2023

Table 11

<u>Governmental Unit</u>	<u>Debt</u> <u>Outstanding</u>	<u>Estimated</u> <u>Percentage</u> <u>Applicable⁽¹⁾</u>	<u>Estimated</u> <u>Share of Direct</u> <u>and</u> <u>Overlapping</u> <u>Debt</u>
Alamance County general obligation debt.....	\$ 186,452,106	15.00%	\$ 27,963,522
Orange County general obligation debt.....	410,129,137	2.98%	<u>12,210,398</u>
Subtotal, overlapping debt.....			40,173,920
City of Mebane debt.....			<u>6,834,187</u>
Total direct and overlapping debt.....			<u>\$ 47,008,107</u>

Sources:

Alamance and Orange County debt outstanding provided by Alamance and Orange Counties.

Notes:

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

⁽¹⁾ For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City of Mebane's boundaries and dividing it by each unit's total taxable assessed value. Taxable assessed property values as of June 30, 2022 were used to determine the overlapping debt percentage.

**City of Mebane, North Carolina
 Legal Debt Margin Information
 Last Ten Fiscal Years**

Table 12

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt</u>		<u>Legal Debt Margin as a</u>	
		<u>Applicable to</u>	<u>Legal Debt</u>	<u>Percent of Debt</u>	
	<u>Limit</u>	<u>Limit</u>	<u>Margin</u>	<u>Limit</u>	
2014.....	132,325,876	13,808,094	118,517,782	89.6%	
2015.....	134,694,582	17,117,480	117,577,102	87.3%	
2016.....	139,327,191	17,644,973	121,682,218	87.3%	
2017.....	153,527,862	25,367,821	128,160,041	83.5%	
2018.....	168,853,842	31,431,998	137,421,844	81.4%	
2019.....	174,550,083	20,412,713	154,137,370	88.3%	
2020.....	183,617,936	22,755,008	160,862,928	87.6%	
2021.....	190,098,152	18,470,042	171,628,110	90.3%	
2022.....	212,377,284	7,512,035	204,865,249	96.5%	
2023.....	233,552,276	6,834,187	226,718,089	97.1%	

Notes:

Legal Debt Margin Calculation for Fiscal Year 2021:

Assessed valuation.....	\$ 2,919,403,455	
Statutory limit percentage.....	8.0%	
Debt limit - 8.0% of assessed value.....		\$ 233,552,276
Gross debt:		
Total bonded debt.....	-	
Authorized and unissued bonds.....	-	
Lease financing agreements.....	6,834,187	
Total gross debt.....	6,834,187	
Less: statutory deductions.....	-	
Total amount of debt applicable to debt limit (net debt).....		6,834,187
Legal Debt Margin.....		\$ 226,718,089

City of Mebane, North Carolina
Demographic and Economic Statistics
Last Ten Calendar Years

Table 13

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Median value of owner -occupied housing (2)</u>	<u>Median Family Income</u>	<u>Median Age (4)</u>	<u>Unemployment Rate (5)</u>
2014.....	12,366	161,000	52,586	35.8	6.3%
2015.....	12,613	165,800	53,029	35.8	5.7%
2016.....	12,774	172,400	53,029	35.8	4.7%
2017.....	14,117	178,700	54,430	35.9	4.0%
2018.....	14,973	185,700	56,037	35.8	4.0%
2019.....	15,589	193,500	60,851	34.8	3.7%
2020.....	16,262	195,800	54,157	34.2	4.4%
2021.....	17,472	189,600	64,729	34.7	5.7%
2022.....	18,116	202,900	61,213	35.3	4.5%
2023.....	19,338	223,300	69,947	35.8	5.2%

Note: Many of these data elements are not published annually for cities. Data is estimated using the ratio of Mebane to Alamance County from the 2020 census and the 2005-2014 American Community Survey. That ratio was applied back to annual county data to estimate the data for the City of Mebane.

Notes:

(1) Office of State Management and Budget, NC Department of Revenue

(2) U. S. Department of Commerce, Bureau of Economic Analysis.

United States Census Bureau, Most recent available census data.

(3) American City Survey Fact Finder.

(4) N. C. Employment Security Commission, Local Area Unemployment Statistics

(5) N. C. Employment Security Commission, Local Area Unemployment Statistics

* Data not available - estimated based on trends.

**City of Mebane, North Carolina
Principal Employers
Current Year and Nine Years Ago**

Table 14

<u>Employer</u>	<u>2023⁽¹⁾</u>			<u>2014⁽²⁾</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of</u>
			<u>Total</u>			<u>Total</u>
			<u>Employment</u>			<u>Employment</u>
ABB (General Electric).....	805	1	4.12%	315	4	4.7%
Sports Endeavors.....	631	2	3.23%	311	5	4.6%
Walmart Distribution.....	594	3	3.04%	*		(3)
AKG of America.....	430	4	2.20%	350	3	5.2%
GKN.....	429	5	2.20%	800	1	11.9%
Armacell.....	297	6	1.52%	250	8	3.7%
Liggett Group LLC.....	290	7	1.49%	299	6	4.5%
Medline.....	250	8	1.28%	*		(3)
Morinaga.....	228	9	1.17%	*		(3)
Jabil (Nypro).....	225	10	1.15%	250	9	3.7%
Sandvik.....	180	*	0.92%	*		(3)
Chick-fil-a.....	152	*	0.78%	*		(3)
Cambro.....	143	*	0.73%	*		(3)
Lotus.....	139	*	0.71%	*		(3)
Carrier (Walter Kidde).....	93	*	0.48%	269	7	4.0%
Kingsdown.....	81	*	0.41%	175	10	2.6%
Reserve Copper.....	28	*	0.14%	*		(3)
UPI (Universal PersevaChem Inc).....	-	*	0.00%	*		(3)
Ferraro Foods.....	-	*	0.00%	*		(3)
West Rock (Meadwestvaco).....	-	*	0.00%	400	2	6.0%
Prescient - Closed.....	-	*	0.00%	*		(3)
BD - Tripath.....	-	*	0.00%	*		(3)
Total.....	4,995		25.57%	3,419		50.9%

Sources:

- (1) Human Resource Directors- Phone or Email
- (2) Alamance County Area Chamber of Commerce data for closest year available
- (3) Not available

* Not in top ten this year

City of Mebane, North Carolina
Full-time-Equivalent Employees by Function
Last Ten Fiscal Years

Table 15

Function / Department	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government:										
Mayor & City Council.....	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
City Manager.....	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
City Clerk.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance.....	2.0	3.0	3.0	4.0	4.0	5.0	5.0	5.0	6.0	6.0
Human Resources.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0
Tax Collector.....	1.0	1.0	1.0	-	-	-	-	-	-	-
City Attorney.....	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Information Technology.....	-	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0
Public Buildings.....	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	6.0
Public Safety:										
Police Department.....	31.0	32.0	35.0	35.5	40.0	40.0	40.0	41.0	49.5	52.5
Fire Department.....	16.0	25.0	25.0	25.0	25.0	28.0	29.0	29.0	31.0	37.0
Economic and Physical Development:										
Planning.....	1.0	1.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.5
Inspections.....	4.0	4.0	4.0	5.0	4.0	4.0	5.0	6.0	6.0	6.0
Public Works:										
Streets.....	-	-	-	-	-	-	-	-	-	-
Sanitation.....	7.0	7.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Public Works.....	12.0	12.0	12.0	13.0	12.0	14.0	14.0	12.0	14.0	14.0
Culture and Recreation:										
Recreation.....	5.0	5.0	5.0	5.0	7.0	7.0	7.0	8.0	10.0	9.0
Arts and Community Center.....	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0
Water and Sewer:										
Billing and Metering.....	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0
Water distribution and maintenance.....	2.0	2.0	3.0	3.0	3.0	5.0	5.0	7.0	11.0	-
Waste Collection and Treatment:										
Pretreatment - industrial monitoring.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.5
Wastewater Treatment Plant.....	5.0	5.0	5.0	5.0	5.0	6.0	5.0	6.0	6.0	7.0
Laboratory.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sewer mains and lift stations.....	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	-
Total.....	110.5	122.5	128.5	131.0	136.5	145.5	147.5	152.5	172.0	167.0

Sources:

City of Mebane staff

Notes:

A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

**City of Mebane, North Carolina
Operating Indicators by Function
Last Ten Fiscal Years**

Table 16

<u>Function</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government										
Finance Department										
Vendor checks issued.....	2,952	3,029	3,095	3,104	3,299	3,668	3,613	3,621	3,984	4,004
Human Resources										
Workers' compensation lost time (days).....	122	-	-	-	-	23	-	-	-	-
Employee turnover rate.....	3%	5%	9%	5%	9%	4%	6%	12%	13%	16%
Public Safety										
Fire Protection										
Incident calls.....	823	773	840	909	918	921	919	939	1,175	1,143
Structure fires.....	211	15	19	26	34	21	25	36	49	17
Inspections.....	190	186	394	363	250	545	233	188	725	338
Child passenger seat inspections.....	191	154	204	193	237	190	217	107	219	172
Police Protection										
Physical arrests.....	568	501	377	438	482	506	436	274	299	301
Citations issued.....	1,226	1,028	926	1,585	1,522	1,846	1,720	970	1,186	1,754
Response to calls/officer initiated activity.....	14,942	14,685	16,968	16,363	17,220	19,764	21,718	20,932	22,657	21,256
Traffic accidents.....	528	491	620	790	628	809	642	767	813	884
Public Works										
Street resurfacing (miles).....	2.67	1.48	1.48	1.51	1.32	2.20	1.56	4.15	3.35	3.02
Refuse collected (tons annually).....	3,390	3,585	3,880	4,073	4,278	4,594	4,950	5,459	5,454	5,578
Homes receiving service.....	3,965	4,756	4,527	4,717	5,354	4,965	5,243	5,538	5,867	6,146
Recyclables collected (tons annually).....	1,112	1,100	841	862	864	831	1,265	792	1,024	1,006
Economic & Physical Development										
Inspections										
Residential inspections conducted.....	5,914	5,212	6,477	7,348	4,765	7,032	7,357	11,159	10,274	8,138
Commercial inspections conducted.....	785	1,462	8,499	9,710	5,449	5,291	2,761	2,214	1,565	2,564
Total inspections conducted.....	<u>6,699</u>	<u>6,674</u>	<u>14,976</u>	<u>17,058</u>	<u>10,214</u>	<u>12,323</u>	<u>10,118</u>	<u>13,373</u>	<u>11,839</u>	<u>10,702</u>
Certificates of occupancy issued.....	131	154	166	216	102	206	207	285	322	386
Building permits issued.....	228	155	191	143	171	196	259	348	268	291
Cultural & Recreation										
Recreation										
Athletics participants.....	2,693	2,653	2,744	2,679	2,679	2,923	1,623	1,846	2,933	1,965
Water Distribution										
Accounts.....	4,566	4,744	4,934	5,227	5,471	5,717	5,972	6,008	6,678	6,988
Average daily consumption (mgd).....	1.350	1.400	1.510	1.880	1.760	1.710	1.707	1.911	1.931	1.985
Wastewater Treatment										
Accounts.....	4,263	4,424	4,587	4,898	5,034	5,170	5,395	5,564	6,031	6,327
Average daily treatment (mgd).....	1.340	1.202	1.359	1.373	1.290	1.690	1.570	1.770	1.588	1.590

Sources:

Various City departments

Notes:

"NA" indicates "not available"

City of Mebane, North Carolina
Capital Asset Statistics by Function
Last Ten Fiscal Years

Table 17

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Fire Protection										
Stations.....	2	3	3	3	3	3	3	3	3	3
Fire trucks.....	13	13	13	13	13	13	13	13	13	13
Police Protection										
Stations.....	1	1	1	1	1	1	1	1	1	1
Patrol units.....	32	30	29	31	39	36	36	36	37	36
Public Works										
Miles of streets.....	52.4	54.0	54.3	54.7	56.6	58.0	60.1	62.4	65.6	67.9
Maintenance vehicles.....	56	58	58	51	45	29	31	32	32	34
Miles of sidewalks (linear feet).....	43.0	50.1	50.8	54.2	55.3	57.5	59.8	63.6	69.0	72.0
Refuse collection trucks.....	6	6	6	6	6	6	6	6	7	7
Cultural & Recreation										
Number of parks	6	6	6	6	7	8	9	9	10	11
Park acreage.....	275	275	275	308	308	328	328	362	365	366
Trails (miles).....	3	3	3	3	3	5	5	5	5	5
Playgrounds.....	5	5	5	5	3	4	5	5	6	6
Baseball/softball diamonds.....	6	6	6	6	6	6	6	6	6	6
Soccer fields.....	10	10	10	10	10	7	7	7	7	7
Water and Sewer										
Miles of gravity sewer lines.....	89.1	94.3	97.8	98.6	100.1	113.4	118.8	122.1	123.6	126.5
Miles of water lines.....	104.6	111.3	111.3	114.9	117.2	117.8	122.2	125.8	130.0	132.8
Miles of sewer force mains.....	18.5	18.3	21.9	18.3	18.5	24.2	27.8	27.8	27.8	27.8
Miles of storm sewer.....	57.6	58.5	61.1	61.8	64.9	65.0	67.6	71.5	81.3	84.3

Source:

Various City departments

Compliance Section

This section contains compliance reports for the City's Governmental Compliance.

- **Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**



**STOUT
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MCGOWEN
& KING LLP**

*Certified
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Accountants*

*Advisors to
Management*

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS*

Independent Auditor's Report

To The Honorable Mayor and
Members of the City Council
City of Mebane
Mebane, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Mebane, North Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprises the City of Mebane's basic financial statements, and have issued our report thereon dated November 30, 2023.

*Member of PCPS,
the AICPA Alliance
For CPA Firms*

Report on Internal Control Over Financial Reporting

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

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

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

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Mebane’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

STOUT STUART MCGOWEN & KINGS LLP

Burlington, North Carolina

November 30, 2023



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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; WITH OMB
UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTATION
ACT**

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Mebane, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Mebane, North Carolina, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Mebane's major federal programs for the year ended June 30, 2023. The City of Mebane's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Mebane complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Mebane federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

STOUT STUART MCGOWEN & KINGS LLP

Burlington, North Carolina
November 30, 2023



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**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT
ON INTERNAL CONTROL OVER COMPLIANCE; WITH OMB UNIFORM
GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT**

Independent Auditor’s Report

To The Honorable Mayor and
Members of the City Council
City of Mebane
Mebane, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the City of Mebane, North Carolina, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Mebane’s major State programs for the year ended June 30, 2023. The City of Mebane’s major State programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Mebane complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2023.

Basis for Opinion on Each Major State Program

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

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

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Mebane State programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a State program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, 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 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 Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

STOUT STUART MCGOWEN & KINGS, LLP

Burlington, North Carolina
November 30, 2023

CITY OF MEBANE, NORTH CAROLINA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the Fiscal Year Ended June 30, 2023

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant Deficiency(s) 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(s) identified that are not
 considered to be material weaknesses _____ Yes X None Reported

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

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

Identification of major federal programs:

Federal Assistance Listing No. Names of Federal Program or Cluster

21.027 Coronavirus State and Local Fiscal
 Recovery Fund

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

Auditee qualified as low-risk auditee? _____ Yes X No

CITY OF MEBANE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2023

Section I. Summary of Auditor's Results

State Awards

Internal control over major State programs:

Material weakness(es) identified? _____ Yes X No

Significant Deficiency(s) identified that are not
considered to be material weaknesses _____ Yes X None Reported

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 State Single Audit
Implementation Act _____ Yes X No

Identification of major State program:

State Program Name

Powell Bill

Section II. Financial Statement Findings

None reported.

Section III. Federal Award Findings and Questioned Costs

None reported.

Section IV. State Award Findings and Questioned Costs

None reported.

CITY OF MEBANE, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2023

None

City of Mebane, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2023

Grantor/Pass-through <u>Grantor/Program Title</u>	Federal Assistance Listing No.	State/ Pass-through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Passed Through to Subrecipient
Federal Awards:					
Cash Programs:					
<u>U.S. Dept. of Justice</u>					
Direct Program:					
Federal Equitable Sharing Funds	16.922	na	\$ 9,823	\$ -	\$ -
<u>U.S. Dept. of Treasury</u>					
Passed-through the Office of State Budget and Management:					
NC Pandemic Recovery Office					
Coronavirus State and Local Fiscal Recovery Fund	21.027		<u>2,016,944</u>	-	-
Total assistance - federal programs			<u>2,026,767</u>	-	-
Cash Assistance:					
<u>N.C. Department of Transportation:</u>					
Powell Bill	na	2000001817	-	502,733	-
<u>N.C. Office of State Budget and Management</u>					
State Capital and Infrastructure Fund	na		-	<u>150,000</u>	-
Total assistance - state programs			-	<u>652,733</u>	-
Total assistance			<u>\$ 2,026,767</u>	<u>\$ 652,733</u>	<u>\$ -</u>

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

1. The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the City of Mebane under the programs of the federal government and the State of North Carolina for the year ended June 30, 2023. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the City of Mebane , it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Mebane.
2. Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
3. City of Mebane has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



POPULAR ANNUAL FINANCIAL REPORT 2023
FISCAL YEAR ENDED JUNE 30, 2023
City of Mebane, North Carolina

What is the PAFR?

The Popular Annual Financial Report (PAFR) is a document that contains information from the Annual Comprehensive Financial Report (ACFR). It provides the City of Mebane’s financial and statistical information in a user-friendly format. The PAFR is intended to increase awareness throughout the community on the financial operations of the City.

Unlike the ACFR, the PAFR is not prepared in accordance with Generally Accepted Accounting Principles (GAAP). Residents who prefer to review a report that is GAAP compliant may review the audited financial statements (ACFR) on the City’s website at <https://cityofmebanenc.gov/>.

What’s Inside

City Government Overview 1

About Mebane

A Message From the City Manager 2
 Organizational Chart 3
 History, Geography, and Demographic Facts 4
 Local Economy 5

City Finances

Financial Structure 6
 Net Position 7
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 Capital Investments and City Debt 14
 Operating Indicators 15
 Understanding Your Utility Bill 16

Glossary of Terms 17

What is the form of government?

The City is governed by the council-manager form of municipal government. The City Council consists of the mayor and five council members. The mayor serves as the presiding officer at City Council meetings, and acts as the head of the City for ceremonial purposes. Policy making and legislative authority are vested in the City Council who are responsible for passing ordinances, adopting the budget, appointing committees, and hiring both the City’s manager and attorney, among other duties. The five members of the City Council and the Mayor are elected to four-year staggered terms. The Council then selects the Mayor Pro-tem from within the Council membership.

Mebane’s Mayor, Council & Staff



Back: (l-r) City Clerk Stephanie Shaw, City Manager Chris Rollins, Council Member Sean Ewing, Council Member Jonathan White, City Attorney Lawson Brown, Assistant City Manager Preston Mitchell

Front: (l-r) Council Member Montrena Hadley, Mayor Ed Hooks, Mayor Pro-tem Tim Bradley, Council Member Katie Burkholder

Boards, Committees & Commissions

- Bicycle and Pedestrian Advisory Commission
- Board of Adjustment
- Planning Board
- Racial Equity Advisory Committee
- Recreation and Parks Advocacy Commission

For more information visit:

<https://cityofmebanenc.gov/departments/boards-and-commissions/>



To the Mayor, City Council, and the citizens of Mebane:

I am pleased to present the Popular Annual Financial Report (PAFR) for the City of Mebane covering the fiscal year 2023 (July 1, 2022, to June 30, 2023). The PAFR highlights the City and its financial position at a glance. It is intended to be a supplement to the FY 2022 Annual Comprehensive Financial Report, not a replacement.

The City ended FY 2023 with an overall net position of \$149,847,750, an increase of \$15,815,311. The governmental funds increased by \$7,663,639, and the proprietary funds increased by \$8,151,672. FY 2023 revenues remained strong increasing 13.45% over the prior year. Citywide expenditures increased by 20.80% from the preceding year.

The governmental funds reported combined fund balances of \$24,829,745, an increase of \$3,960,294. Of that balance, \$11,989,170 is unassigned or available for emergencies or one-time projects.

Moving forward, staff will actively work to implement the Capital Improvement Plan approved by the Mayor and City Council. The plan includes an inclusive playground at Cates Farm Park, a design for a new fire station, a new elevated water tower, and the expansion of the Water Resource Recovery Facility.

A big "thank you" to the Finance staff for producing this outstanding report. Also, a big "thank you" to all City staff who have provided top-quality services to City residents and visitors throughout the year.

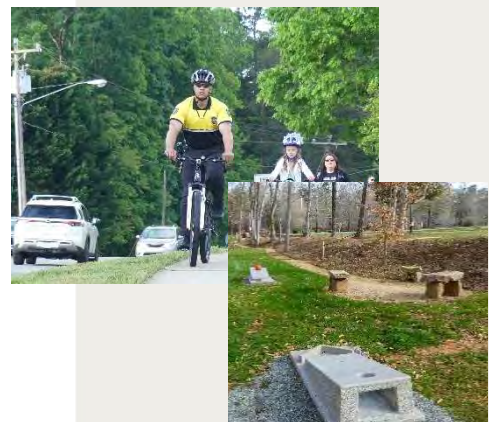
I hope this PAFR assists readers in gaining a better understanding of the City's financial activities and demonstrates transparency to residents, businesses, City Council, and all interested persons by providing important information while demonstrating continued dedication and service.

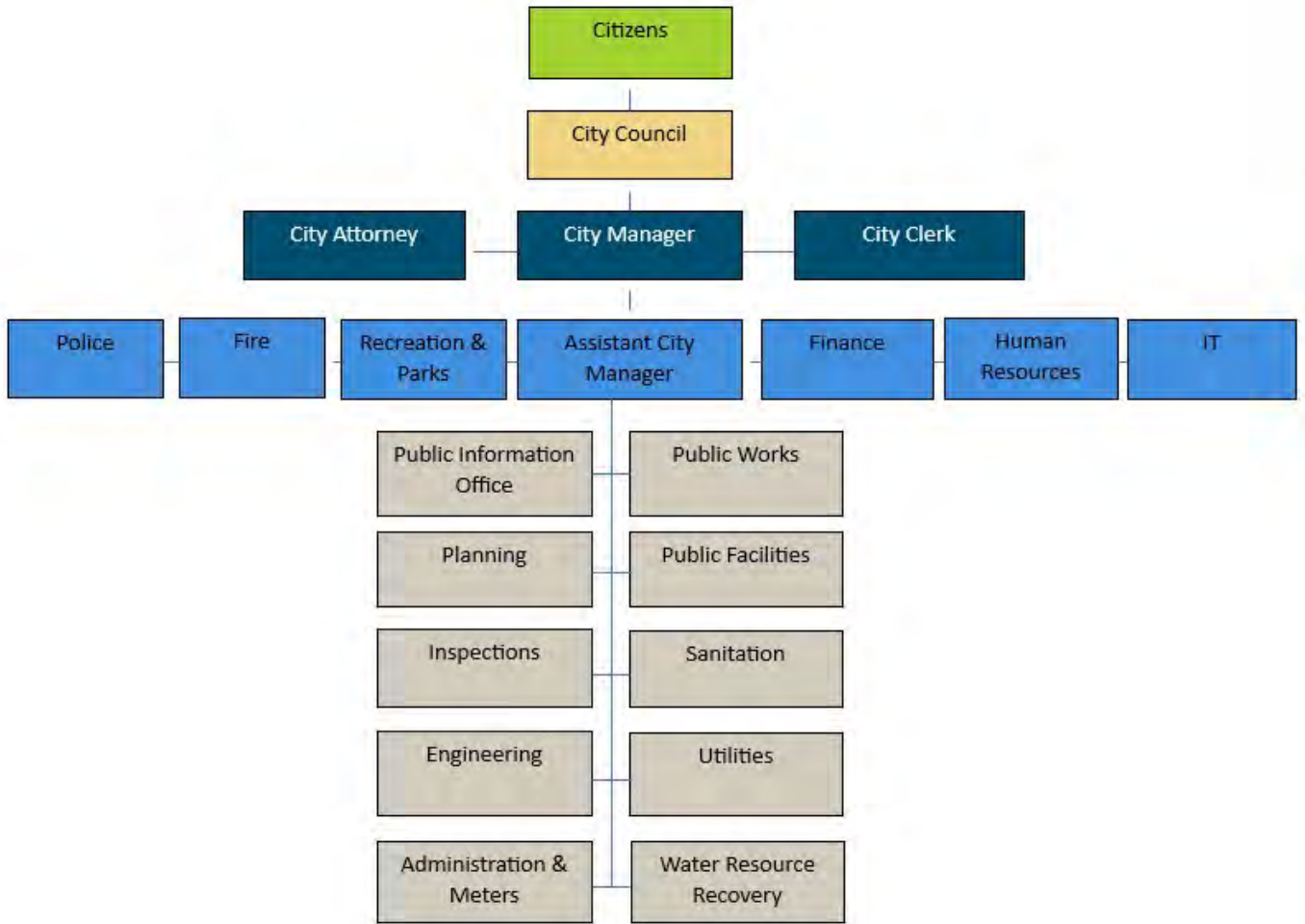
Sincerely,
Chris Rollins
City Manager



Services Provided by the City:

- Police protection
- Fire protection
- Water and wastewater utilities
- Economic development
- Recycling and sanitation
- Yard waste, loose leaf, and bulk item collection
- Snow removal
- Cemetery
- Stormwater management
- Street maintenance
- Public parks
- Recreation programs
- Dog park
- Splash pad
- Trails
- Planning and zoning
- Licensing, permitting and inspections





HISTORY

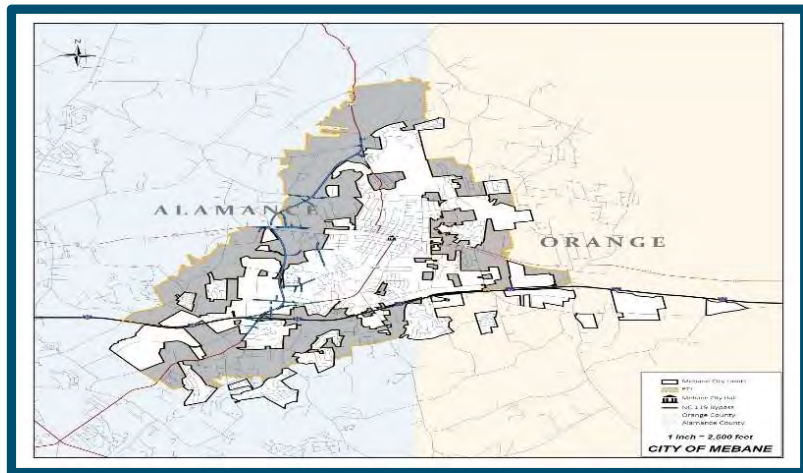
1881	1883	1921	1922	1987
Incorporated as the town of Mebanesville	Name is officially changed to Mebane	Water and sewer facilities were placed in operation	The first paving of streets and laying of sidewalks	Name is officially changed to the City of Mebane

The City of Mebane is named after Brigadier General Alexander Mebane of the North Carolina Militia and a member of Congress in the 1790s. For more information go to

<https://www.mebanehistoricalmuseum.org/>

GEOGRAPHY

- Located in the Research Triangle and Piedmont Triad Regions of North Carolina
- 45 minutes west of Raleigh, the State capital
- 20 minutes west of Research Triangle Park and Durham
- 20 minutes east of Greensboro, the State's third-largest City
- The land area is approximately 12 square miles
- The majority of Mebane is in Alamance County, with about 28% in Orange County



DEMOGRAPHICS

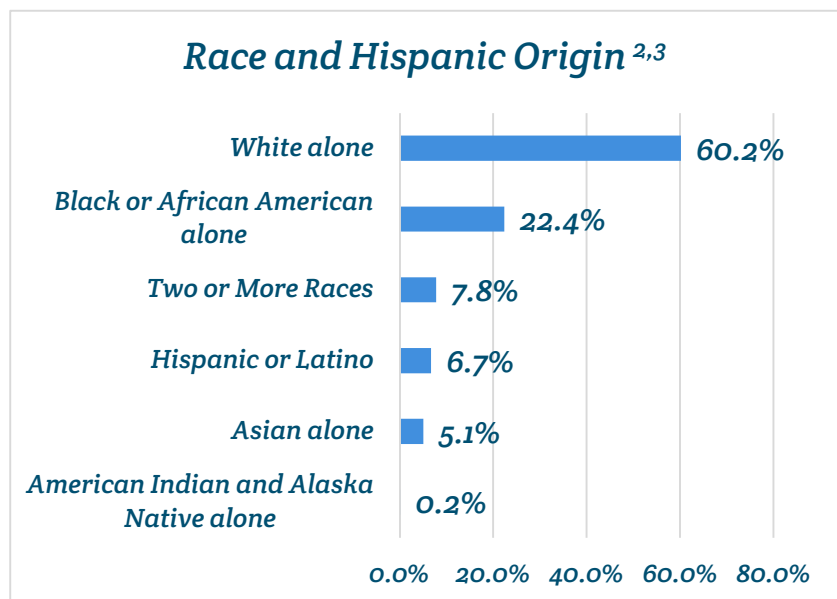
Population: 19,338¹

Median Age: 35.8¹

EDUCATIONAL ATTAINMENT FOR THE POPULATION OVER AGE 25:

94.2% graduated high school or equivalent

37.2% Bachelor's degree or higher



1. Office of State Management and Budget, NC Department of Revenue

2. U.S. Department of Commerce, Bureau of Economic Analysis, United States Census Bureau

3. The percentages in the chart do not add up to 100% because individuals can be a person of Hispanic or Latino origin regardless of race. Also, some individuals select more than one race, or Hispanic or Latino only, and do not select a race.

Strong Growth Trends

Mebane’s proximity within two large metropolitan areas, the Triangle and the Triad, as well as Interstate 40/85, makes it an attractive location for families, homebuilders, and commercial and industrial developers and businesses. Mebane has and will continue to lead the area in new home building. Industrial development is steady with recent additions including Mid-Atlantic STIHL to the Buckhorn Industrial Park and Revere Copper to the North Carolina Commerce Park.



ECONOMIC AND PHYSICAL DEVELOPMENT

<i>Residential inspections conducted:</i>	8,138
<i>Commercial inspections conducted:</i>	2,564
<i>Certificate of occupancy issued:</i>	322
<i>Building permits issued</i>	386
<i>Median value of owner-occupied housing:</i>	\$223,300²
<i>Median household income:</i>	\$69,947²
<i>Unemployment rate:</i>	5.2%¹



1. Office of State Management and Budget, NC Department of Revenue
 2. U.S. Department of Commerce, Bureau of Economic Analysis, United States Census Bureau
 3. Data acquired from the company directly or the Alamance County Chamber of Commerce

FUNDS

Governmental Funds: The City's major governmental fund is the **General Fund** through which most governmental functions of the City are financed, such as police, fire, recreation and parks, sanitation, and public works. All general tax revenues and other receipts not allocated by law or contractual agreement to another fund are accounted for in this fund.

Proprietary (Business-Type) Funds: The City's proprietary fund is an enterprise fund. Enterprise funds are used to report activities for which a fee is charged to external users for goods or services. The City utilizes one enterprise fund, the **Utility Fund**, to account for revenues and expenses to the City's water and wastewater activities, financed through user charges and fees for services.

Capital Reserve Fund: The City has one capital reserve fund, the **Utility Capital Reserve Fund**. This fund preserves system development fees (paid for each new home constructed) for future use in utility capital and infrastructure projects.

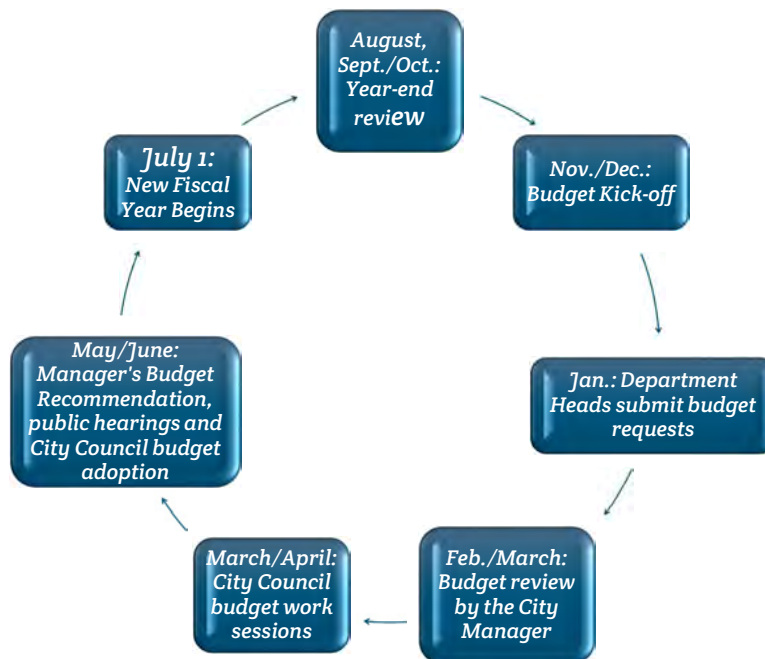
BUDGET

The City of Mebane's budget is developed annually for each of the City's funds. The City's budgeted revenues are presented by funding source while the budgeted expenditures are presented by department.

Budgeting is a year-round activity in most municipalities. The City operates on a July 1 to June 30 fiscal year. Therefore, budgeting for a new year usually starts in November or December and moves through the steps in the budget cycle shown above.

The City follows a budget calendar each year that outlines each step of the process and the date on which it should occur. The City Council adopts the budget by June 30 each year, while budget amendments may happen throughout the year. The current fiscal year's budget calendar and adopted budget may be found [here](#).

THE BUDGET CYCLE



What is the City of Mebane's financial structure?

The City uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives.

Governmental funds account for the City's basic operations. Proprietary funds are self-supporting, where costs are covered by charges and fees. Capital reserve funds may be established as a mechanism for legally saving money to finance all or part of future infrastructure, equipment or other capital requirements.

What is the City of Mebane's net position?

Net position, the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, serves over time as a useful indicator of a government's overall financial condition. Net position is divided into three categories: net investment in capital assets, restricted net position, and unrestricted net position.

The City of Mebane's overall net position was \$149,847,750 million in FY 2023. This was a 11.80% increase of \$15,815,311 million from FY 2022. The largest portion, 81.50%, reflects the City's net investment in capital assets.

The City's net investment in capital assets was \$122,173,379 million, an increase of 9.30% or \$10,390,291 million from FY 2022. This was largely due to \$7,925,620 of capital contributions from developers.

Restricted net position, resources that are subject to external restrictions on how they may be used, represents, \$11,887,859 million of the City's total net position.

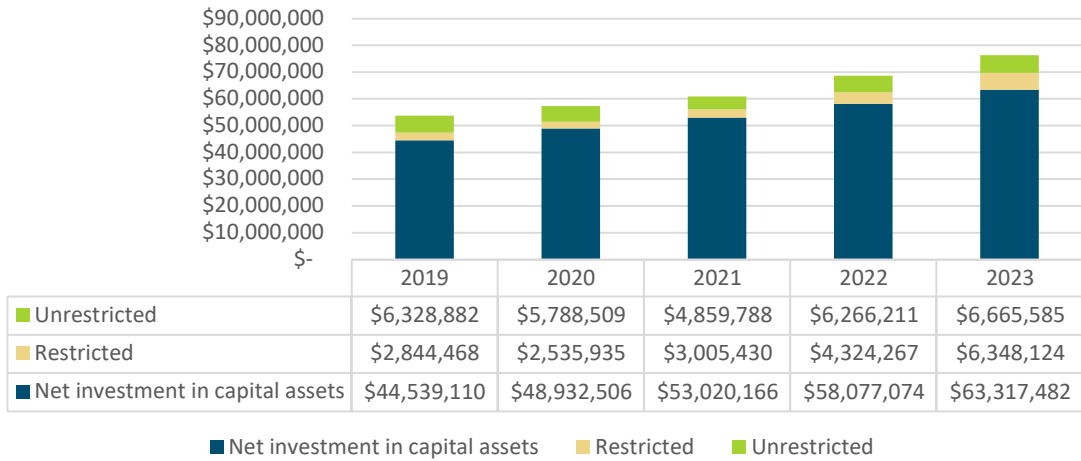
Unrestricted net position, which is used to meet the City's ongoing obligations to citizens, creditors, and employee pension plans, represents \$15,786,512 million. Business-type activities account for \$9,120,927 million of this total, while \$6,665,585 million account for governmental activities.

Changes in Net Position

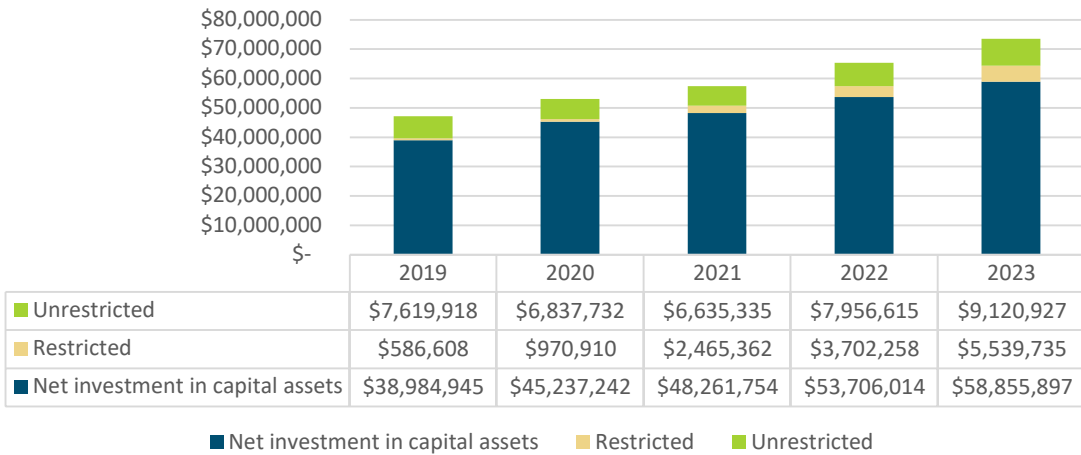
	Governmental Activities	Business- Type Activities	City-Wide Totals
Revenues:			
Program revenues:			
Charges for services	\$ 2,689,077	\$ 10,749,657	\$ 13,438,734
Operating grants and contributions	1,322,247	2,016,944	\$ 3,339,191
Capital grants and contributions	6,500,750	4,032,800	\$ 10,533,550
General Revenues:			
Property Taxes	14,228,025		\$ 14,228,025
Other Taxes	7,926,631		\$ 7,926,631
Grants and contributions not restricted to specific programs	23,110		\$ 23,110
Other	431,652	302,525	\$ 734,177
Total Revenues	33,121,492	17,101,926	\$ 50,223,418
Expenses:			
General government	\$ 3,569,169		\$ 3,569,169
Public safety	10,300,977		10,300,977
Public works	5,824,083		5,824,083
Economic development	3,031,889		3,031,889
Culture and recreation	2,543,789		2,543,789
Interest on long-term debt	174,264		174,264
Water and sewer	-	8,963,936	8,963,936
Total expenses	25,444,171	8,963,936	34,408,107
Increase in net position before transfers and special items	7,677,321	8,137,990	15,815,311
Transfers	(13,682)	13,682	
Special Items			
Increase in net position	7,663,639	8,151,672	15,815,311
Net position, July 1	68,667,552	65,364,887	134,032,439
Net position, June 30	76,331,191	73,516,559	149,847,750

History of Net Position

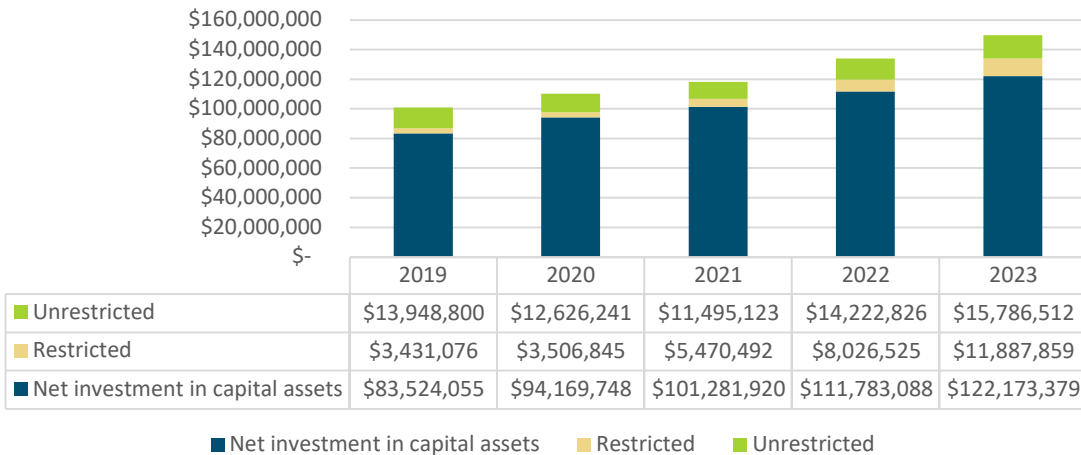
Governmental Activities Net Position



Business-Type Activities Net Position



City-Wide Net Position



What is fund balance?

Fund balance, the City’s savings account, measures the net financial resources available to finance expenditures in the future. Fund balance demonstrates the difference between assets and deferred inflows of resources over its liabilities and deferred outflows of resources.

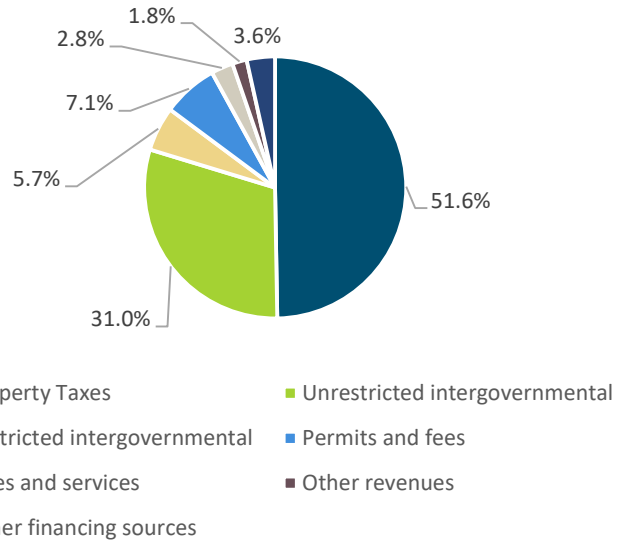
What is the fund balance policy?

The City’s fund balance policy requires an unassigned fund balance of thirty-three percent (33%) of annual budgeted expenditures and transfers for each operating fund.

Why do we need a fund balance?

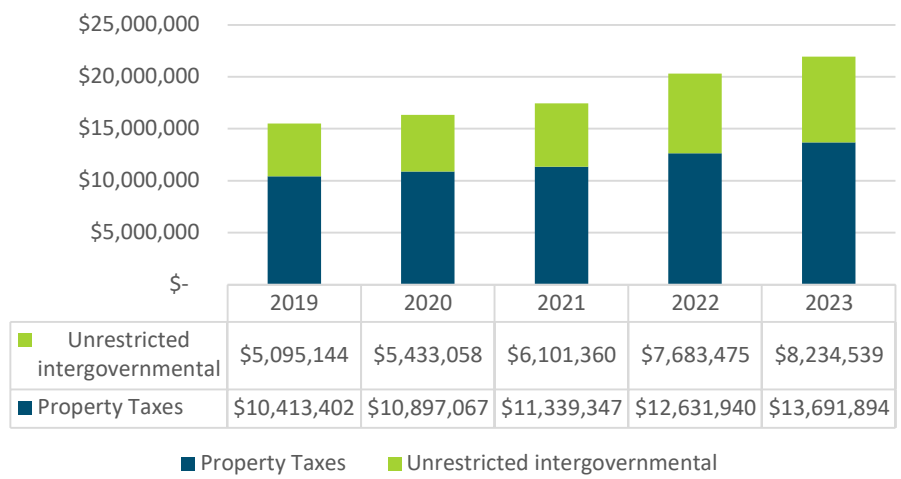
The purpose is to alleviate significant unanticipated expenditures or revenue shortfalls and to ensure the continued delivery of City services.

General Fund Revenues and Other Financing Sources



General Fund revenues and other financing sources were \$27,518,515. Revenues were approximately \$19,621 more than budgeted, and other financing sources were \$1,550,000 under budget because debt was not issued for the Holt Street Greenway project and a fire engine. Revenues were \$1,950,975 higher than the prior year. Property taxes account for over half of the City's revenues. Unrestricted intergovernmental revenues, largely consisting of sales tax revenue, is the second greatest revenue source.

Top Revenue Sources



Principal Property Taxpayers

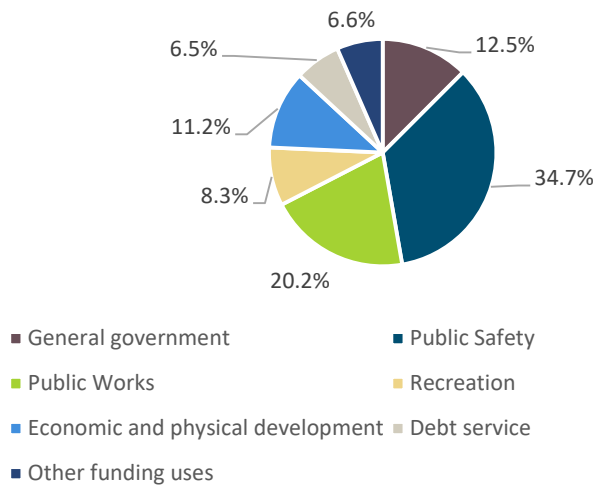
Name	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Lotus Bakeries US, LLC	\$ 89,680,372	1	3.07%
MRE Propco, LP (Medline Industries)	86,510,700	2	2.96%
Keystone at Mebane Oaks, LLC	82,781,555	3	2.84%
XPXII Greensboro Logistics Investors, LP	76,808,168	4	2.63%
GKN Driveline North America, LLC	66,975,421	5	2.29%
Industrial Connections & Solutions, LLC (ABB)	60,899,638	6	2.09%
Liggett Group-Vector Brands, Inc.	60,654,969	7	2.08%
Wal-Mart, Inc.	59,048,891	8	2.02%
Cambro Manufacturing Co.	52,456,539	9	1.80%
Tanger Properties LMTD Partner	44,611,519	10	1.53%
	<u>\$ 680,427,772</u>		<u>23.31%</u>

Source: Alamance & Orange County Tax Departments

Assessed value represents taxes assessed and due in the fiscal year ended June 30, 2023.

Expenditures for the General Fund were \$27,268,515. Departmental expenditures \$25,481,675, and other funding uses were \$1,786,840. Departmental expenditures were approximately \$5.4 million less than budgeted, primarily due to supply chain issues delaying projects and delivery of vehicles and a fire engine. Departmental expenditures were \$4,084,034 higher than the prior year. Other funding uses were \$2.7 million under budget due to delayed projects.

General Fund Expenditures and Other Funding Uses



Fund Balance Components

In the governmental fund financial statements, fund balance is composed of classifications designed to explain the requirements placed on how fund balance can be spent.

Non-spendable – Amounts in this classification cannot be spent because they are an asset, such as inventory, or are legally or contractually unable to be spent.

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

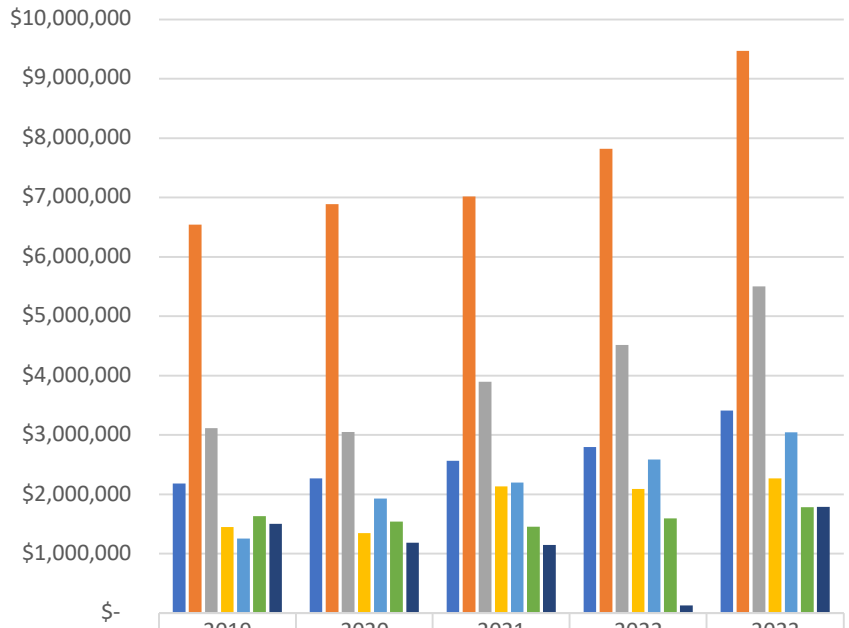
Assigned – This classification includes the portion of fund balance that the City intends for specific purposes. Most frequently this is amount is the portion of fund balance budgeted in the following years budget.

Unassigned – Amounts not included in any other classification.

City of Mebane's Expenditure Categories

The City has fifteen departments that are grouped into five categories for reporting purposes. The departments in general government include the city council, administration, finance, information technology, and non-departmental which includes general expenses such as insurance. The fire and police departments are included in the public safety category. The public works, public facilities, and sanitation departments are in the public works category. The recreation and parks department is the only one in the recreation category. The planning, inspections, engineering, and economic development departments are in the economic and physical development category. Debt service is not a department but is accounted for separately.

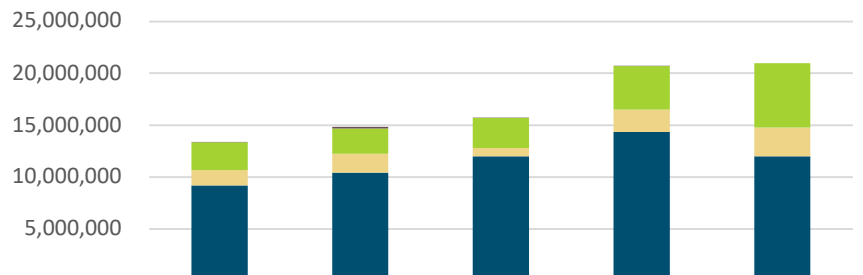
General Fund Expenditures - Last Five Years



	2019	2020	2021	2022	2023
General government	\$2,179,611	\$2,265,058	\$2,564,263	\$2,796,570	\$3,408,844
Public Safety	\$6,544,785	\$6,888,994	\$7,019,825	\$7,819,284	\$9,473,055
Public Works	\$3,113,625	\$3,048,385	\$3,897,282	\$4,515,439	\$5,504,444
Recreation	\$1,445,320	\$1,343,057	\$2,132,340	\$2,088,479	\$2,269,584
Economic and physical development	\$1,255,070	\$1,927,454	\$2,199,172	\$2,583,545	\$3,046,352
Debt service	\$1,633,032	\$1,536,937	\$1,450,732	\$1,594,324	\$1,779,396
Other funding uses	\$1,500,000	\$1,183,857	\$1,144,592	\$129,423	\$1,786,840

The General Fund's balance increased by \$250,000 for a total of \$20,978,012. The unassigned fund balance was \$11,989,170, which is 47% of actual expenditures and transfers, whereas the policy only requires 33%.

General Fund Balance

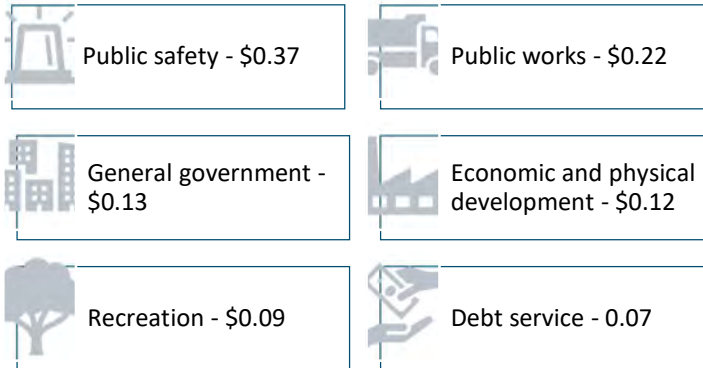


	2019	2020	2021	2022	2023
Nonspendable	\$46,552	\$168,052	\$31,716	\$32,056	-
Restricted	2,658,975	2,422,768	2,877,971	4,182,828	6,191,378
Assigned	1,500,000	1,823,718	804,772	2,165,385	2,797,463
Unassigned	9,186,167	10,427,779	12,005,360	14,347,743	11,989,170

Assessed Values and Collection Rates

Fiscal Year	Total Taxable Assessed Value	Tax Rate	Taxes Levied	Total Collections as of June 30	Percentage Collected
2019	\$ 2,181,876,039	0.47	\$ 10,383,208	10,371,987	99.9%
2020	\$ 2,295,224,194	0.47	\$ 10,854,564	10,846,194	99.9%
2021	\$ 2,376,226,895	0.47	\$ 11,273,675	11,256,281	99.8%
2022	\$ 2,654,716,052	0.47	\$ 12,490,459	12,460,266	99.8%
2023	\$ 2,919,403,455	0.47	\$ 13,721,187	13,652,870	99.5%

Ways Your Taxpayer Dollar is Used



City of Mebane's Property Tax Rate

Local governments have historically relied on ad valorem property taxes as a major source of revenue. Ad valorem property taxes are based on residential and commercial property throughout the City of Mebane. Taxes are based on the value of land, buildings, improvements, and significant assets such as business machinery and equipment.

County tax assessors are responsible for determining the assessed value of property.

There was no change in Mebane's tax rate in FY 2023. The tax rate remained \$0.47 per \$100 of assessed value.

Property Tax Revenues

In FY 2023, every \$0.01 charged in property tax generated approximately \$291,940 in revenue. Total FY 2023 property tax revenues of \$13,652,870 were higher than the budget by \$570,346 and higher than FY 2022 by \$1,192,604. The increase is the result of growth.

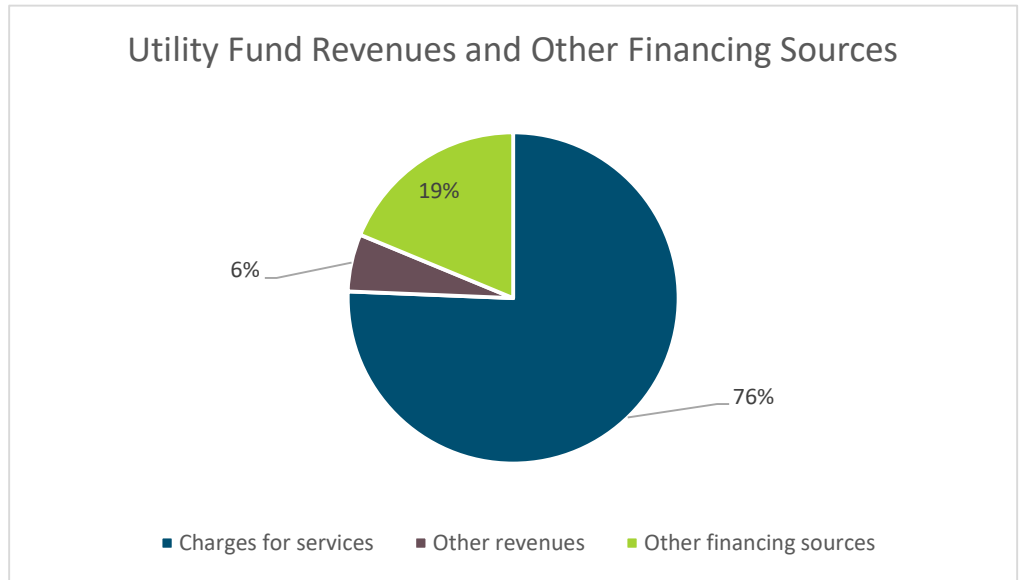
Utility Rates and Fees

The Utility Fund is supported by user fees. These fees include rates for water usage and sewer services, bulk water purchases, fees for water and sewer taps, meters, and new development. These fees cover operating costs, including maintenance, and capital costs, such as new equipment, renovations, and expansions.

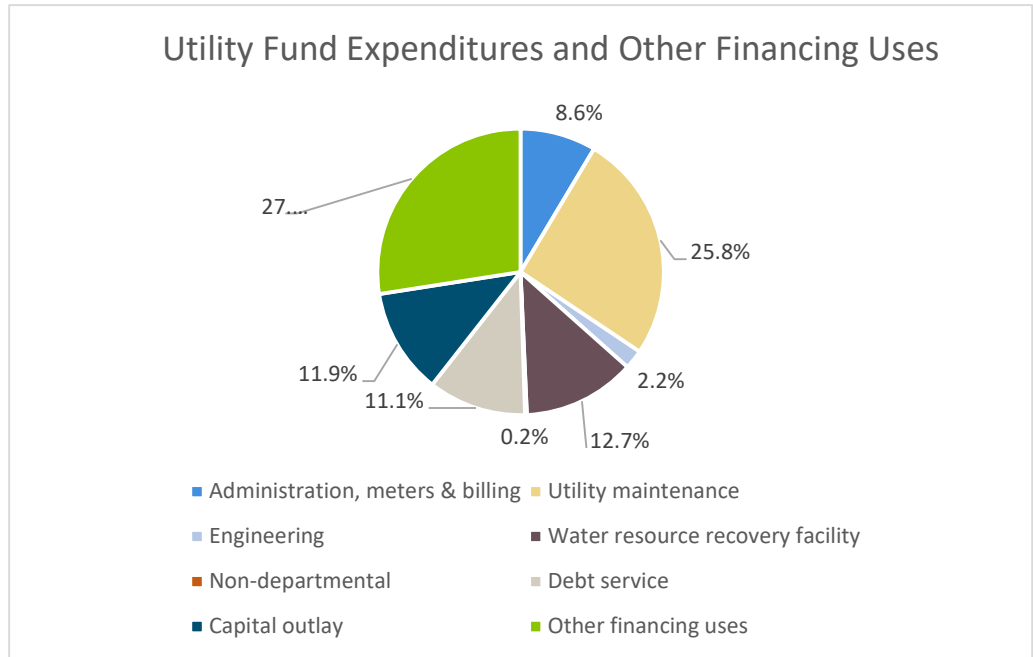
Fees are set by the City Council each year during the budget process and become effective July 1. Since the fees must cover all costs of the utility, at times, the fees must be increased.

The City increased water and sewer rates fiscal year 2022-2023.

The Utility Fund revenues were \$8,735,459, which was \$428,932 less than budgeted. Other financing sources exceeded the budget by \$36,944.



Expenditures for the Utility Fund were \$9,778,256, approximately \$1.3 million less than budgeted, mainly due to supply chain issues delaying projects. Expenditures were \$1,213,790 less than the prior year, primarily due to the refinancing of \$3,015,000 of debt last year. Other financing uses were \$3,708,102 which represents transfers to capital project ordinances.



Expenditures and other financing uses exceeded revenue and other financing sources by \$2,733,955 due to transfers to capital project ordinances.

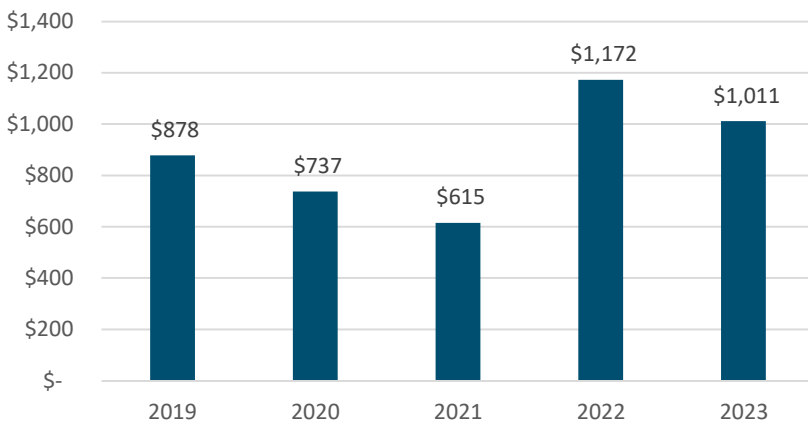
City of Mebane's Capital Budget

The City plans its capital improvement plan (CIP) over a five-year period. The City defines capital assets as assets with an initial cost of more than \$5,000; however, only items with a cost of \$25,000 or more are included in the CIP. In 2023, the City's capital assets for governmental activities and proprietary activities increased by \$4,503,252 and \$11,437,991, respectively.

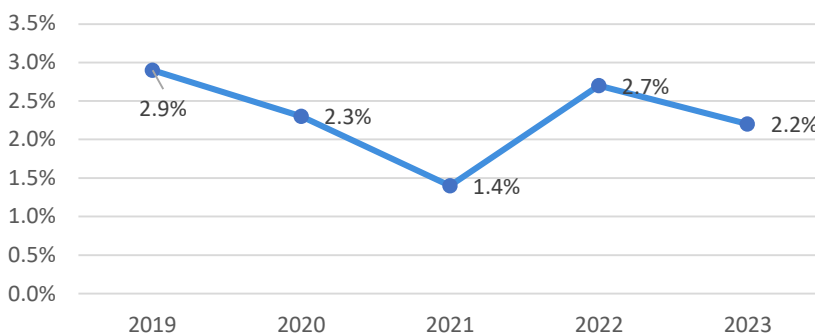
The City finances capital purchases through various funding sources, including Pay-go (cash), grants, installment loans, and revenue bonds. Significant capital projects and the corresponding capital expenditures are shown below.

Project	Total Expenditures as of June 30, 2023
Cates Farm Park	\$ 467,864
Lake Michael Dam Spillway	\$ 239,308
Water Resource Recovery Facility Renovation	\$ 7,531,172
Water Resource Recovery Facility Expansion	\$ 2,728,781
Elevated Water Tank	\$ 219,484
GKN Pump Station	\$ 45,852
Total	\$ 11,232,461

Outstanding Debt Per Capita



Outstanding Debt as a Percentage of Personal Income



How does the City pay for Capital Investments?

Capital investments are funded from various sources, including transfers from the General or Utility funds, federal and state grants, developer contributions, user charges and fees, and bond or installment financing agreement proceeds.

Is there a limit on the amount of debt the City can issue?

The City Council approves the issuance of all new debt. The legal debt limit imposed by state statute is 8% of assessed property value. As of June 30, 2023, the City's legal debt limit was \$233,552,276 with total net debt applicable to the limit of \$6,834,187.

NC Local Government Commission (LGC)

The City is required to have the majority of debt issuances approved by the NC LGC, which is an oversight commission established by the NC General Assembly in 1931 after a wave of municipal bond defaults in the first years of the Great Depression.

366 park acres

11 parks

6 playgrounds

1,965 athletic participants

5 miles of trails

7 soccer fields

6 baseball/softball diamonds

36 patrol units

21,256 police responses to calls

17 structure fires

1,143 fire incident calls

67.9 miles of streets

72 miles of sidewalks

5,578 tons of refuse collected

8,138 residential inspections

2,564 commercial inspections

386 certificates of occupancy issued

291 building permits issued

6,988 water accounts

6,327 sewer accounts

3.02 miles of streets resurfaced

338 fire inspections

132.8 miles of water lines

126.5 miles of gravity sewer lines

4,004 vendor payments

0 workers comp lost days





CITY OF MEBANE
 106 E Washington St
 Mebane, NC 27302-2656
 (919) 563-5901

Account Number	AMOUNT DUE
99-99999-00	\$52.37
Meter 9999999	
Due Date	After Due Date Pay
11/20/2022	\$52.37
Service Address	
1234 City Street	

Any check, electronic payment or bank draft that is returned for insufficient funds or any other reason will be assessed a \$25 return charge.

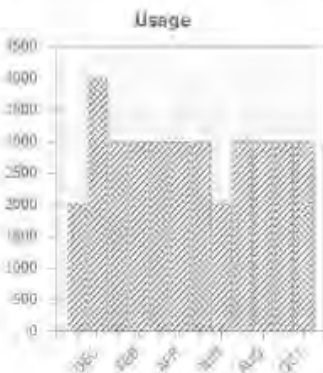
MAKE CHECK PAYABLE &
 REMIT TO:

BOB AND MARY SMITH
 1234 CITY STREET
 MEBANE, NC 27302

CITY OF MEBANE
 106 E Washington St
 Mebane, NC 27302

CUSTOMER ACCOUNT INFORMATION - RETAIN FOR YOUR RECORDS

Name		Service Address			Account Number	
BOB AND MARY SMITH		1234 CITY STREET			99-99999-00	
Status	Service Dates		# Days	Bill Date	Penalty Date	Due Date
	From	To				
Active	9/10/2022	10/10/2022	1 30	10/31/2022	11/25/2022	11/20/2022



PREVIOUS BALANCE	\$52.37
PAYMENTS	(\$52.37)
ADJUSTMENTS	\$0.00
PENALTIES	\$0.00
PAST DUE AMOUNT	\$0.00
INSIDE WATER	21.39
INSIDE SEWER	22.98
GARBAGE/RECYCLING	8.00
CURRENT BILL	\$52.37
AMOUNT DUE	\$52.37

METER	CURRENT READING	PREVIOUS READING	2 USAGE
3056359	37,000	34,000	3,000

1. The number of days represents the number of days in a billing period.
 2. The usage represents the usage in gallons for a billing period.
 3. Water usage fees are based on the location of the service address. The current rate for service addresses inside the City is \$7.56 per 1,000 gallons, and for outside the City, the rate is \$15.12 per 1,000 gallons.
 4. Sewer usage fees are based on the location of the service address. The current rate for service addresses inside the City is \$8.12 per 1,000 gallons, and for outside the City, the rate is \$16.24 per 1,000 gallons.
 5. The garbage/recycling fee is \$8 per month.
- The average monthly consumption is 4,000 gallons which equates to an inside City bill of \$62.72 and outside City bill of \$125.44.

Do you want to track your water usage and receive an alert in the event of unexpected occurrences, such as a leak? Then grab your last water bill and go to www.waterscope.us to register.

Annual Budget: A budget that applies to a single fiscal year. The term is also used to describe the City's current budget.

Annual Comprehensive Financial Report: The official annual report of the City.

Assessed Valuation: A government's valuation of real estate or other property as a basis for levying taxes.

Assets: Items the City owns.

Business-Type Activities: Activities financed through fees charged to external parties.

Capital Assets: Assets with a life extending beyond the current year that are intended to continue to be used over time, such as land, buildings, vehicles, machinery, infrastructure like roads and bridges, and other equipment.

Capital Reserve Fund: A fund that provides a mechanism for legally saving money to finance all or part of future infrastructure, equipment, or other capital requirements.

Deferred Inflow of Resources: An accounting term for acquiring assets applicable to a future reporting period. An example is taxes received before the period for which they are levied. (i.e., receive 2023 taxes in 2022).

Deferred Outflow of Resources: An accounting term for the City's use of assets applicable to a future reporting period. An example is a grant received by the City before meeting the related timing requirements. (i.e., received in 2022 but will be used in 2023).

Enterprise Fund: Account for operations that are financed like a private business, where the intent is that the costs of providing goods and services to the general public continually be financed or recovered through user charges. The City's sole enterprise fund is the Utility Fund.

Expenditures: City purchases using revenue and/or borrowed funds.

Fund: A fiscal and accounting entity with a self-balancing set of accounts that are segregated to carry on specific activities or attain particular objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance: The excess of a fund's assets over liabilities and reserves. Commonly referred to as the City's savings.

Fiscal Year (FY): The twelve months beginning July 1 and ending the following June 30. The fiscal year 2022 covers July 1, 2021, to June 30, 2022.

Generally Accepted Accounting Principles (GAAP): The accounting standards adopted by the United States Securities and Exchange Commission (SEC).

Governmental Activities: Activities financed through taxes and intergovernmental revenues.

Governmental Fund: Governmental funds are typically used to account for most of a government's activities, including those that are tax-supported. The General Fund is a governmental fund.

Liabilities: Planned future spending resulting from past transactions and/or events, such as obtaining an item without yet paying for it.

Net Position: The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. This is the City's equity.

Proprietary Fund: Funds that focus on determining operating income, changes in net assets, financial position, and cashflows. The Utility Fund is the only proprietary fund for the City of Mebane.

Popular Annual Financial Report (PAFR): This report is a condensed version of the ACFR and is geared toward public use.

Revenue: Financial resources received from various sources.

Revenue Bond: A bond for which payment is supported by a specific revenue stream. The City of Mebane's revenue bond is supported by the revenue generated by the Utility Fund.

Pay Your Bill Online



Visit: <https://cityofmebanenc.gov/>

View Your Water Consumption



Visit: <https://waterscope.us/Home/Main>

Connect with us on social media

Visit: <https://cityofmebanenc.gov/connect/>





AUDIT PRESENTATION TO THE CITY COUNCIL

For Year Ended June 30, 2023

January 8, 2024

AUDIT HIGHLIGHTS

- Mebane's 13th Annual Comprehensive Financial Report
- Unmodified Opinion
- An Audit is:
 - Consideration of the system used to capture financial data
 - Consideration of the Internal Controls
 - Testing of Internal Controls
- Internal Control – No Findings
- Single Audit

COMPARATIVE INFORMATION

A Comparison of Fund Balance to Similar Municipalities (based on most recently available statistics)

	Population	Unassigned Fund Balance	% of General Fund Net Expenditures to Fund Balance
City of Mebane	17,797	11,989,170	50.60%
Belmont	15,010	8,746,612	54.17%
Elon	11,336	8,886,350	104.50%
Graham	17,157	13,354,783	82.00%
Fuquay Varina	34,152	32,589,055	60.30%
Hillsborough	9,660	8,818,131	80.00%

Thank You to the Mebane City Council,
Chris Rollins, Preston Mitchell, Daphna
Schwartz, and their staff





Annual Comprehensive Financial Report

For the year ended June 30, 2023

Daphna Schwartz
Finance Director



Agenda

- Annual Comprehensive Financial Report (ACFR) Highlights
- General Fund
- Utility Fund
- Capital Reserve Fund
- Capital Projects
- Debt Portfolio



ACFR Highlights

- “Clean” Audit Opinion
- Assets exceeded liabilities by \$149,847,750 (net position)
- Total net position increased by \$15,815,311 from the prior year
- Combined ending governmental fund balances of \$24,829,745, an increase of \$3,960,294 over the prior year



General Fund

- Overall, revenues came in 11% higher than budgeted:
 - Sales Tax
 - Federal Equitable Sharing
 - Permits and Fees
 - Miscellaneous revenues
 - Investment earnings
- Overall, expenditures came in 17% lower than budgeted:
 - Supply Chain issues
- Fund balance increased

Fiscal Year 2022-2023			
Governmental Funds - FY23 Results	Amended Budget	FY23 Actuals	% of Collected/Spent
Property Taxes	\$ 13,144,770	\$ 13,691,894	104%
Unrestricted Intergovernmental	\$ 7,334,061	\$ 8,234,539	112%
Restricted Intergovernmental	\$ 1,394,623	\$ 1,508,594	108%
Permits and Fees	\$ 1,259,760	\$ 1,878,503	149%
Sales and Services	\$ 682,114	\$ 752,683	110%
Miscellaneous	\$ 98,431	\$ 264,941	269%
Other taxes and licenses	\$ 1,000	\$ 945	95%
Investment earnings	\$ 20,000	\$ 222,281	1111%
Operating Revenues	\$ 23,934,759	\$ 26,554,380	111%
Other financing sources	\$ 2,466,006	\$ 964,135	39%
Fund Balance Appropriated	\$ 6,377,420	\$ -	0%
Total Revenues and other funding sources	\$ 32,778,185	\$ 27,518,515	
Personnel & Benefits	\$ 13,355,348	\$ 12,666,865	95%
Operating Expenses	\$ 10,028,100	\$ 8,427,106	84%
Capital Expenses	\$ 5,703,532	\$ 2,608,308	46%
Debt Payments	\$ 1,820,445	\$ 1,779,396	98%
Transfers Out	\$ 1,870,760	\$ 1,786,840	
Total Expenses	\$ 32,778,185	\$ 27,268,515	83%
Net Gain/(Loss)		\$ 250,000	



Utility Fund

- Operating revenues came in 2% lower than budgeted.
- Non-operating revenues came in below budget because the AIA Grant funds were not received during the fiscal year.
- Transfers in are from the American Rescue Plan revenue replacement grant.
- Overall, expenditures came in 15% lower than budgeted.
 - Supply chain issues.
 - Transfers out to capital project ordinances.
- Data in this table is presented on a budgetary basis and only represents the operating portion of the Utility Fund. On a full-accrual basis, the Utility Funds, which include capital project ordinances and system development fees, net position increased \$8,151,672.

	Fiscal Year 2022-2023		
Utility Fund - FY23 Results	Amended Budget	FY23 Actuals	% of Collected/Spent
Charges for services	\$ 8,275,016	\$ 8,131,646	98%
Other operating revenues	\$ 675,375	\$ 606,672	90%
Operating revenues	\$ 8,950,391	\$ 8,738,318	98%
Non-operating revenues	\$ 214,000	\$ (2,859)	-1%
Transfers In	\$ 1,980,000	\$ 2,016,944	102%
Fund Balance Appropriated	\$ 4,766,344	\$ -	0%
Total Revenue	\$ 15,910,735	\$ 10,752,403	68%
Personnel & Benefits	\$ 3,049,520	\$ 2,887,952	95%
Operating Expenses	\$ 4,754,568	\$ 3,789,483	80%
Capital Expenses	\$ 1,801,867	\$ 1,609,844	89%
Debt Payments	\$ 1,496,621	\$ 1,490,977	100%
Transfers Out	\$ 4,808,159	\$ 3,708,102	77%
Total Expenses	\$ 15,910,735	\$ 13,486,358	85%
Revenues and other sources over expenditures and other uses		\$ (2,733,955)	



System Development Capital Reserve Fund

- Revenues came in higher than budgeted due to growth.
- Statutorily, the use of system development fees are restricted. In general, the fees can be used to fund future water or sewer capital projects.
- The net position in the fund as of June 30, 2023, was \$5,539,735.

Fiscal Year 2022-2023			
System Development Capital Reserve Fund - FY23 Results	Amended Budget	FY23 Actuals	% of Collected/Spent
Charges for Services	\$ 1,598,000	\$ 1,792,107	112%
Other nonoperating revenues	\$ 3,000	\$ 45,370	1512%
Total Revenues	\$ 1,601,000	\$ 1,837,477	115%
Transfers	\$ 1,601,000	\$ -	0%
Change in net position		\$ 1,837,477	
Beginning net position		\$ 3,702,258	
Ending net position		\$ 5,539,735	



Governmental Capital Projects

Capital Project Funds as of June 30, 2023	Amended Budget	Actuals as of 6/30/23	% of Collected/Spent
Cates Farm Park			
Transfer from General Fund	\$ 1,377,809	\$ 1,377,810	100%
Investment earnings	\$ -	\$ 5,320	
Expenditures	\$ 1,377,809	\$ 596,857	43%
Fund Balance		\$ 786,273	
Lake Michael Dam Spillway			
Transfer from General Fund	\$ 908,240	\$ 322,433	36%
Expenditures	\$ 908,240	\$ 324,561	36%
Fund Balance		\$ (2,128.00)	
Transload Facility			
State Grant Proceeds	\$ 2,600,000	\$ 2,600,000	100%
Alamance County Portion	\$ 300,843	\$ -	0%
Investment earnings	\$ -	\$ 10,000	
Total revenues	\$ 2,900,843	\$ 2,610,000	90%
Transfer from General Fund	\$ 300,843	\$ 300,843	100%
Total revenues and other financing sources	\$ 3,201,686	\$ 2,910,843	91%
Expenditures	\$ 3,201,686	\$ -	0%
Fund Balance		\$ 2,910,843	



Utility Capital Projects

Capital Project Funds as of June 30, 2023	Amended Budget	Actuals as of 6/30/23	% of Collected/Spent
WRRF Renovation			
Total financing sources	\$ 8,951,942	\$ 8,951,942	100%
Investment earnings	\$ -	\$ 170,156	
Total Transfers and Expenditures	\$ 8,951,942	\$ 7,531,172	84%
Fund Balance		\$ 1,590,926	
WRRF Expansion			
Transfers from Utility Fund	\$ 3,800,000	\$ 2,671,689	70%
Expenditures	\$ 3,800,000	\$ 2,728,781	72%
Fund Balance		\$ (57,092.00)	
American Rescue Plan (ARP) Grant Project			
ARP Grant Proceeds	\$ 5,182,658	\$ 5,182,658	100%
Investment proceeds	\$ -	\$ 17,662	
Expenditures	\$ 5,182,658	\$ 4,062,074	78%
Fund Balance		\$ 1,120,584	

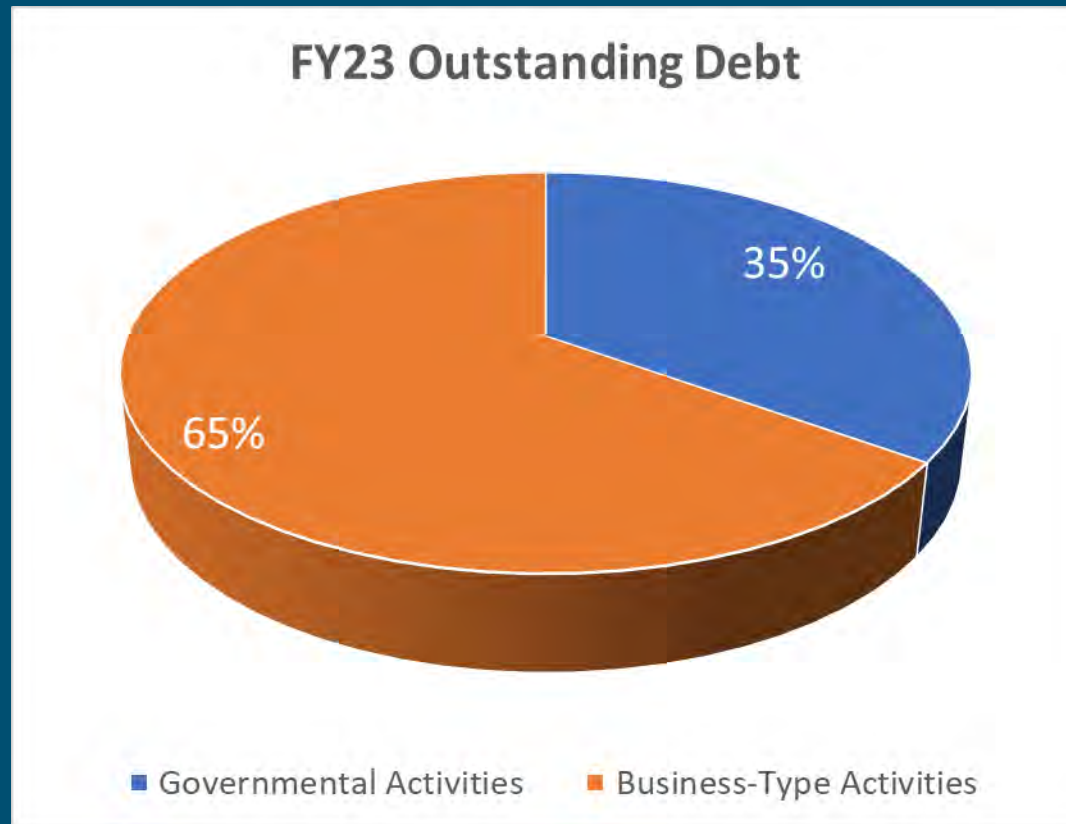


Utility Capital Projects

Capital Project Funds as of June 30, 2023	Amended Budget	Actuals as of 6/30/23	% of Collected/Spent
Elevated Water Tank			
American Rescue Plan Grant Proceeds	\$ 2,502,990	\$ -	0%
State Capital Infrastructure Grant Proceeds	\$ 150,000	\$ 150,000	100%
Debt proceeds	\$ 4,428,210	\$ -	0%
Investment earnings	\$ -	\$ 852	
Total revenues and other financing sources	\$ 7,081,200	\$ 150,852	2%
Expenditures	\$ 7,081,200	\$ 219,484	3%
Fund Balance		\$ (68,632)	
GKN Pump Station			
Debt proceeds	\$ 1,853,159	\$ 1,853,159	100%
Investment earnings		\$ 74,826	
Expenditures	\$ 1,853,159	\$ 45,852	2%
Fund Balance		\$ 1,882,133	



Debt Portfolio



- Debt Portfolio remains well within legal limits
- Governmental Activities \$6.8 M
- Business-Type Activities \$12.7M
- In FY23 the General Fund issued \$916,006 of debt for rolling stock.
- In FY23, the Utility Fund did not issue any debt.

Thank you

The 6/30/23 Annual Comprehensive Financial Report (ACFR) and the Popular Annual Financial Report (PAFR) is available on the City's website at the following link:

www.cityofmebanenc.gov/city-financial-information/

Daphna Schwartz
Finance Director
dschwartz@cityofmebane.com





AGENDA ITEM #7A

RZ 23-09

Conditional Rezoning – 1425
Trollingwood-Hawfields Road

Presenter

Ashley Ownbey, Development Director

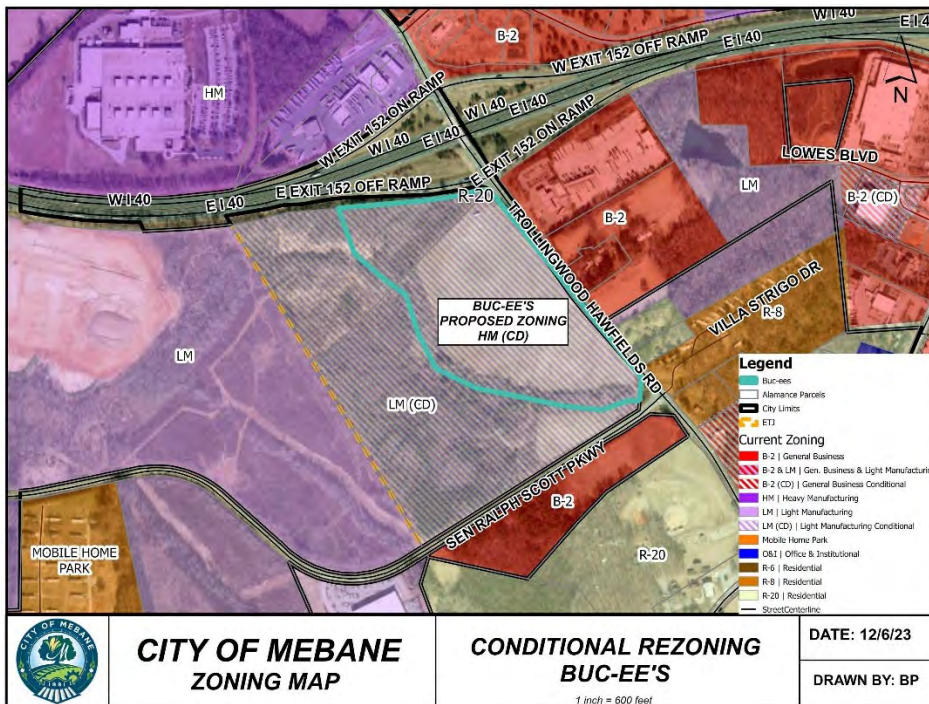
Applicant

CSMS Management, LLC
327 FM 2004
Lake Jackson, TX 77566

Public Hearing

Yes No

Zoning Map



Property

1425 Trollingwood-Hawfields Road

Alamance County GPINs:
9804720640 (portion)
9804810638 (portion)

Proposed Zoning

HM (CD)

Current Zoning

LM (CD)

Size

+/- 32.087 acres

Surrounding Zoning

LM (CD), LM, HM, B-2,
R-20, MHP

Surrounding Land Uses

Industrial, Commercial,
Residential, Interstate
40/85

Utilities

Available

Floodplain

Yes

Watershed

No

City Limits

Yes

Application Brief

See Planning Project Report for more details.

Recommendations	
Technical Review Committee:	The Technical Review Committee (TRC) has reviewed the site plan five times, and the applicant has revised the plan to reflect the comments.
Planning Staff:	The proposed rezoning is consistent with the guidance provided within <i>Mebane By Design</i> , the City’s Comprehensive Land Development Plan.
Planning Board:	At their December 11, 2023, meeting, the Planning Board did not pass a motion to make a recommendation on the rezoning request. A motion to approve the rezoning request as presented failed to pass by a vote of 3 – 6.
Zoning & Land Use Report	
Jurisdiction:	Mebane City Limits
Proposed Use By-Right (Yes/No):	No
Type of Rezoning Request:	Conditional
Special Use Request (Yes/No):	Yes
Consistency with Mebane By Design (Yes/No):	Yes
Utilities Report	
Available Utilities (Yes/No):	Yes
Adequate Stormwater Control (Yes/No):	Yes
Innovative Stormwater Control (Yes/No):	No
Consistency with Long-Range Utility Plan (Yes/No):	Yes
Transportation Report	
Traffic Impact Analysis Required (Yes/No):	Yes
Multi-Modal Improvements (Yes/No):	Yes
Consistency with Bike/Ped Transportation Plan (Yes/No):	Yes

Summary

CSMS Management, LLC is requesting to conditionally rezone a property, which is owned by the applicant, totaling +/- 32.087 acres and preliminarily addressed 1425 Trollingwood-Hawfields Road (formerly GPINs 9804810638 and 9804720640) from LM (CD) to HM (CD). The property is located in the Mebane City Limits and in an industrial growth strategy area. A request for a special use permit has also been submitted.

The site is part of the North Carolina Commerce Park, an economic development zone that emerged in 2012. The Mebane City Council participated in a joint meeting with the Alamance County Board of Commissioners and the Graham City Council in November 2012 to define an economic development area, consider the history of the site, the impacts of a commerce park on the area, and the advantages of interlocal cooperation. From its inception, the North Carolina Commerce Park has been dedicated to economic development activities. The compact from May 2013, which established the economic development zone, recognizes the communities share “a common concern for providing jobs and economic opportunity for their citizens” while also acknowledging that industrial or commercial sites may be considered as part of the economic activities.

The conditions of the rezoning request include:

- Allowance of a singular use (“Travel Plaza”) that requires a special use permit in the zoning district.
- A site-specific plan will apply to the conditional zoning district, contingent upon the approval of the requested special use permit.
- Specific signage requirements will apply to the conditional zoning district, as described in the below table and contingent upon the approval of the requested special use permit.

Proposed Conditions	Mebane UDO Requirements
<p>The applicant is proposing the following major signage associated with the site:</p> <ul style="list-style-type: none"> – One freestanding sign not to exceed 90 feet in height and 400 square feet in sign area, including a Mebane sign. – One 50 square foot sign on the front and rear elevations of each fuel canopy. – One 50 square foot sign on the side elevations of two fuel canopies. – Signage with a total area of 202 square feet on the side elevations of the building. – Signage with a total area of 285 square feet on the front elevation of the building. – No signage on the rear elevation of the building. – Forego freestanding signs on Trollingwood-Hawfields Road and Senator Ralph Scott Parkway 	<p>The applicant submitted the site plan prior to the Mebane City Council’s adoption of amendments to the sign ordinance in June of 2023. Therefore, the applicant may choose to follow the requirements of either ordinance. The following ordinance requirements apply:</p> <ul style="list-style-type: none"> – One freestanding sign is permitted per street frontage. Signs within 400 feet of the interstate highway and interchanges are allowed a maximum height of 60 feet and a maximum sign area of 300 square feet. – One sign is permitted on each side of a fuel canopy. The maximum sign area is calculated at one square foot for every linear foot of the canopy side. – One wall sign is permitted on each side of a building (four sides). Allowable sign area is calculated at one square foot for every linear foot of building side, with a maximum sign area of 200 square feet.

Kimley-Horn and Associates, Inc. conducted a Traffic Impact Analysis (TIA) which has been reviewed by the NCDOT, City staff, and the City's contracted TIA consultant. Per findings of the TIA, the developer is required to complete the following improvements, pending project coordination with and final design approval by the North Carolina Department of Transportation (NCDOT):

Trollingwood Hawfields Road – I-40 Westbound Ramps:

- Construct a second westbound left-turn lane with a minimum of 400 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the bridge over I-40 to provide two southbound receiving lanes and a second northbound left-turn lane with a minimum of 250 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the I-40 westbound on-ramp to provide a second receiving lane with a minimum of 750' feet of full width and appropriate transition per NCDOT requirements.
- Restripe the existing southbound right-turn lane to provide a second through lane.
- Subject to available right of way, construct a southbound exclusive right turn-lane with 250 feet of full width storage and appropriate transition per NCDOT requirements.
- Modify the existing traffic signal to accommodate the proposed laneage.

Trollingwood Hawfields Road – I-40 Eastbound Ramps:

- Widen the eastbound approach to provide a shared through/left turn lane and two exclusive right turn lanes.
- Extend the eastbound left and right turn lanes to provide a minimum of 400 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the bridge over I-40 to provide two continuous southbound through lanes, and an exclusive southbound left turn lane with 150 feet of full width storage with appropriate transition per NCDOT requirements.
- Widen the southbound departure to accommodate two through lanes.
- Widen to provide two northbound through lanes, and an exclusive northbound right turn lane with a minimum of 300 feet of full width storage and appropriate transition per NCDOT requirements.
- Modify the existing traffic signal to accommodate the proposed laneage.

Trollingwood Hawfields Road – Pilot Truck Stop North Driveway:

- Coordinate with the property owner and convert the Pilot Truck Stop north driveway to a stop-controlled right-in/right-out access by constructing a median along Trollingwood Hawfields Road with appropriate channelization, signing and markings per NCDOT requirements.

Trollingwood Hawfields Road – Pilot Truck Stop South Driveway/Buc-ee's North Driveway:

- Construct the Buc-ee's north driveway with one channelized southbound free-flow right-turn ingress lane, providing a minimum of 200 feet of full width storage and appropriate transition per NCDOT requirements.

- Provide appropriate internal protected stem length on the proposed access and internal circulation pattern to accommodate all possible movements safely and efficiently.
- Widen Trollingwood Hawfields road to provide two northbound through lanes, two southbound through lanes, and an exclusive southbound left turn lane with a minimum of 300 feet of full width storage and appropriate transition per NCDOT requirements.

Trollingwood Hawfield Road – Buc-ee’s South Driveway:

- Construct the Buc-ee’s south driveway under signal control with two ingress lanes and three egress lanes, consisting of two exclusive left- turn lanes with 400’ of full width storage and an exclusive right- turn lane with 100’ of full width storage.
- Provide appropriate internal protected stem length and internal circulation pattern to accommodate anticipated queues and all possible movements safely and efficiently.
- Construct a northbound left-turn lane with 150 feet of full width storage and appropriate transition per NCDOT requirements.
- Construct a channelized southbound right-turn lane with a minimum of 200 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen Trollingwood Hawfields Road to accommodate two southbound through lanes and two northbound through lanes to receive dual left-turn movements from the access.
- Construct a connected and coordinated traffic signal to accommodate the proposed geometry.

Trollingwood Hawfields Road – Senator Ralph Scott Parkway- Villa Strigo Drive Intersection:

- Extend the existing southbound right-turn lane to provide continuous storage and terminating as a right-turn lane drop.

Senator Ralph Scott Parkway – Buc-ee’s Site Driveway:

- Construct a full-movement, stop controlled site driveway with one ingress lane and two egress lanes consisting of an exclusive right-turn lane and exclusive left-turnlane.
- Provide a minimum internal protected stem length of 100’.
- Construct an eastbound left-turn lane with 100 feet of full-width storage and appropriate transition per NCDOT requirements.
- Construct a westbound right-turn lane with 100 feet of full-width storage and appropriate transition per NCDOT requirements.

Financial Impact

The applicant will be required to make all of the improvements shown on the site plan and conceptual plan of off-site transportation improvements.

Based on sales tax revenue projections provided by the applicant, the North Carolina League of Municipalities estimates more than \$1.8 million in annual sales tax revenue from non-fuel sales. The estimation is included as an attachment. Sales tax revenue is collected and distributed by the State of North Carolina. Local option sales taxes (2%) are distributed to Alamance County and to municipalities in the

county on a per capita basis. No estimates are available for projected property tax revenue or other economic activities associated with the project.

Suggested Motion

1. Motion to approve the HM (CD) zoning as presented.
2. Motion to find that **the application is consistent** with the objectives and policies for growth and development in the City's 2017 Comprehensive Land Development Plan *Mebane By Design*. Specifically, the request:
 - Is for a property within the City's G-1 Industrial Growth Area (Mebane CLP, p. 74)

OR

1. Motion to **deny** the HM(CD) rezoning as presented due to a lack of
 - a. Harmony with the surrounding zoning or land use

OR

 - b. Consistency with the objectives and goals in the City's 2017 Comprehensive Land Development Plan *Mebane By Design*.

Attachments

1. Preliminary Presentation Slides
2. Zoning Amendment Application
3. Zoning Map
4. Site Plan – [click here to download.](#)
 - a. Conceptual Rendering
 - b. Full Site Plan Set
 - c. Sign Rendering Package
5. Planning Project Report
6. Preliminary Water and Sewer System Approval Letter
7. Technical Memorandum – City Engineering Review
8. Traffic Impact Analysis – [click here to download.](#)
 - a. NCDOT TIA Review
 - b. VHB TIA Review
 - c. Conceptual Plan of Offsite Improvements
9. Sales Tax Estimation
10. Public Comments Submitted by Email – [click here to access.](#)



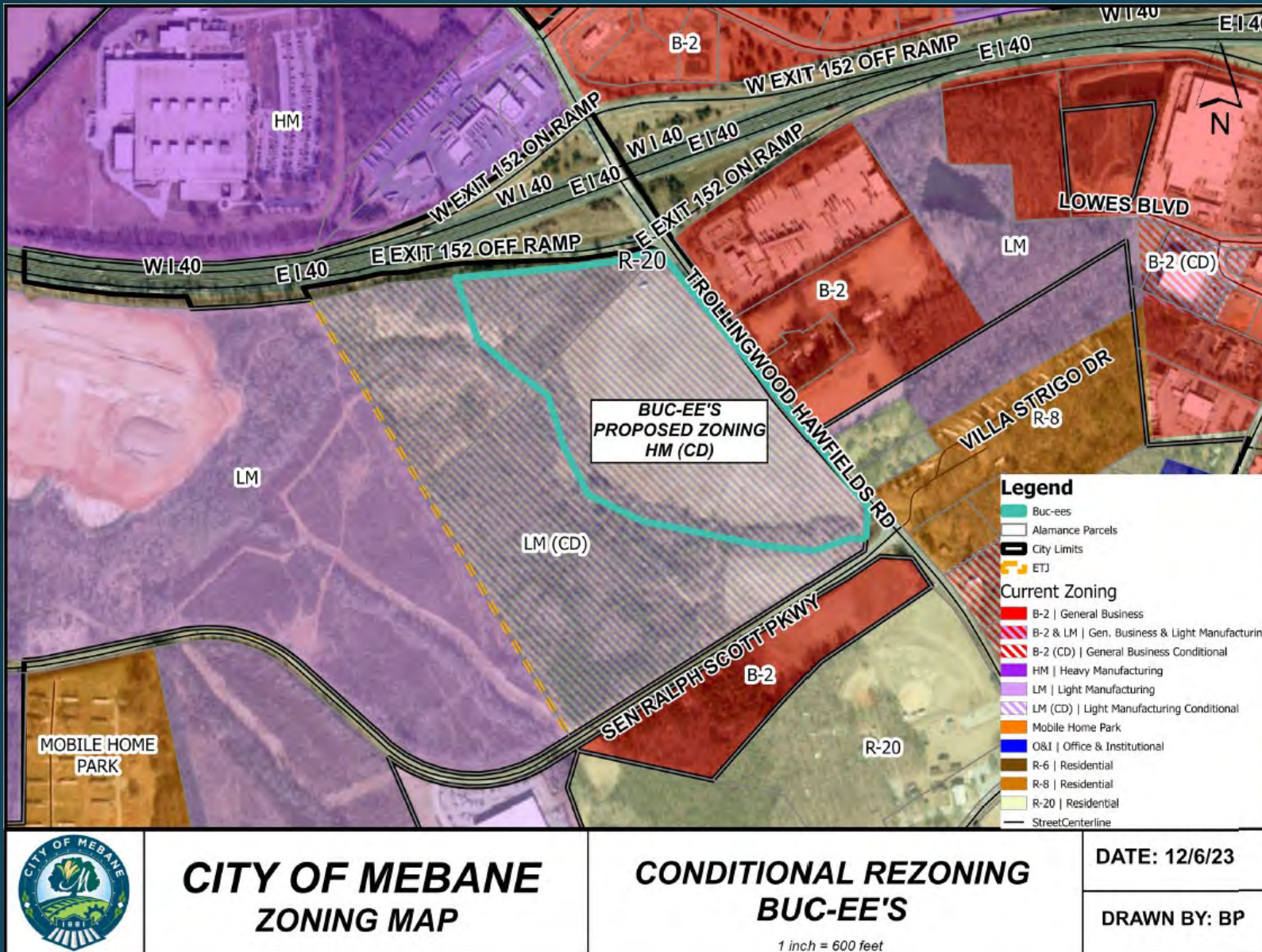
Ashley Ownbey, Development Director

Rezoning Request: LM (CD) to HM (CD)
by CSMS Management, LLC



1425 Trollingwood-Hawfields Road Conditional Rezoning Request

- Request by CSMS Management, LLC
- +/- 32.087 Acres
- Existing zoning: LM (CD)
- Requested zoning: HM (CD)



CITY OF MEBANE
ZONING MAP

CONDITIONAL REZONING
BUC-EE'S

1 inch = 600 feet

DATE: 12/6/23

DRAWN BY: BP





1425 Trollingwood- Hawfields Road

Conditional Rezoning Request

- North Carolina Commerce Park
- Mebane City Limits, Alamance County



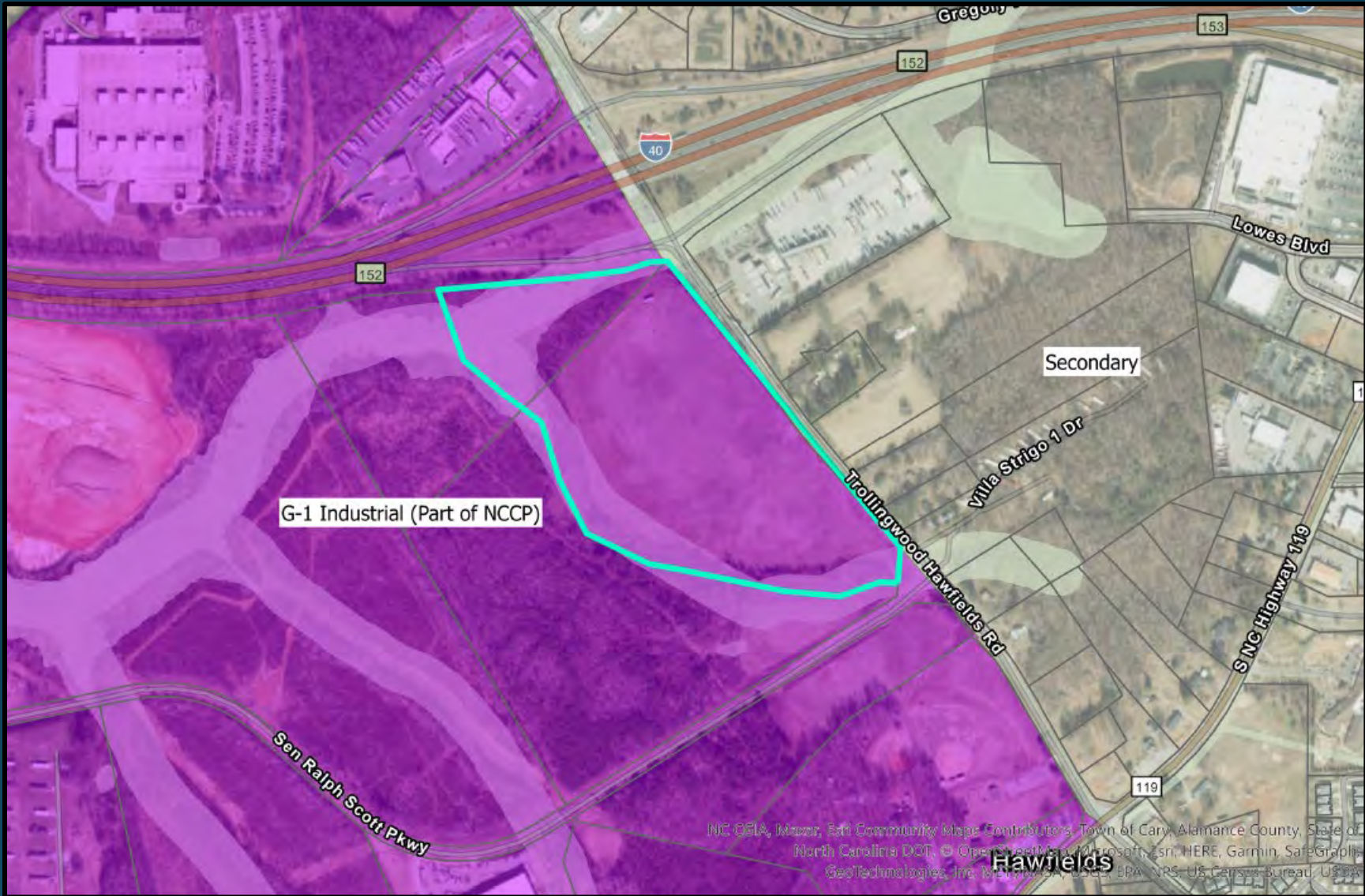


1425 Trollingwood-Hawfields Road

Conditional Rezoning Request

- Vacant, Farm
- Approved in December 2022 for a development of a +/- 279,000 square foot warehouse
- Surrounding uses include:
 - North Carolina Commerce Park
 - Love's Travel Stop
 - Pilot's Travel Center
 - Residential
 - Church





NC O&A, Mebane, Ed Community Maps Contributors, Town of Cary, Alamance County, State of North Carolina DOT, © OpenStreetMap, Microsoft, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc., Mapbox, USA, EPA, NPS, US Census Bureau, USGS

1425 Trollingwood-Hawfields Road

Conditional Rezoning Request

Mebane By Design Industrial Growth Strategy Area (Part of NCCP)



1425 Trollingwood-Hawfields Road

Conditional Rezoning Request

Zoning district would allow for one use that requires a special use permit:

- Travel Plaza

Site-specific plan to carry with zoning district, contingent upon approval of a special use permit.

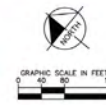


BUC-EE'S MEBANE: CONCEPTUAL SITE PLAN RENDERING

JANUARY 2, 2024

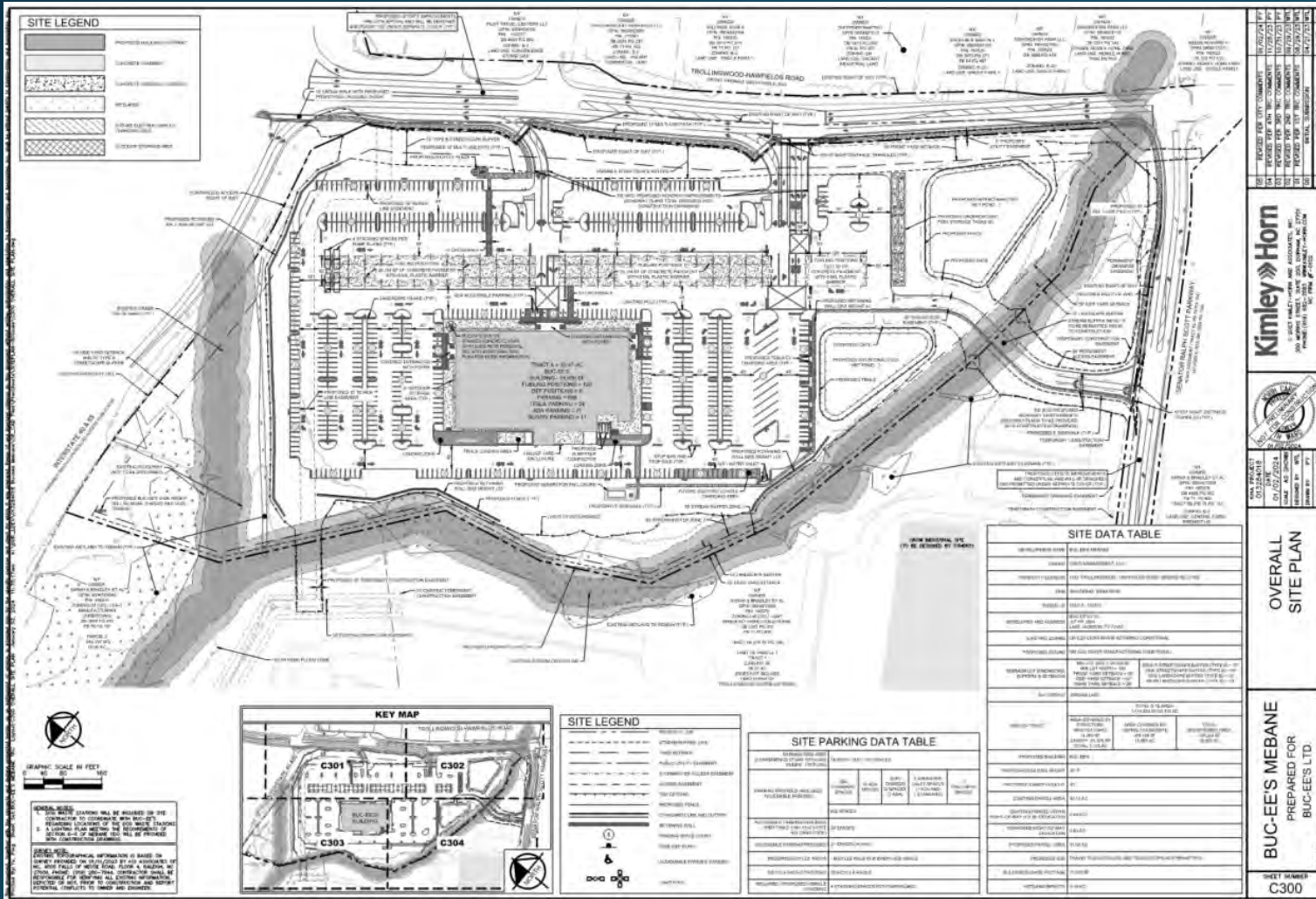


Kimley»Horn



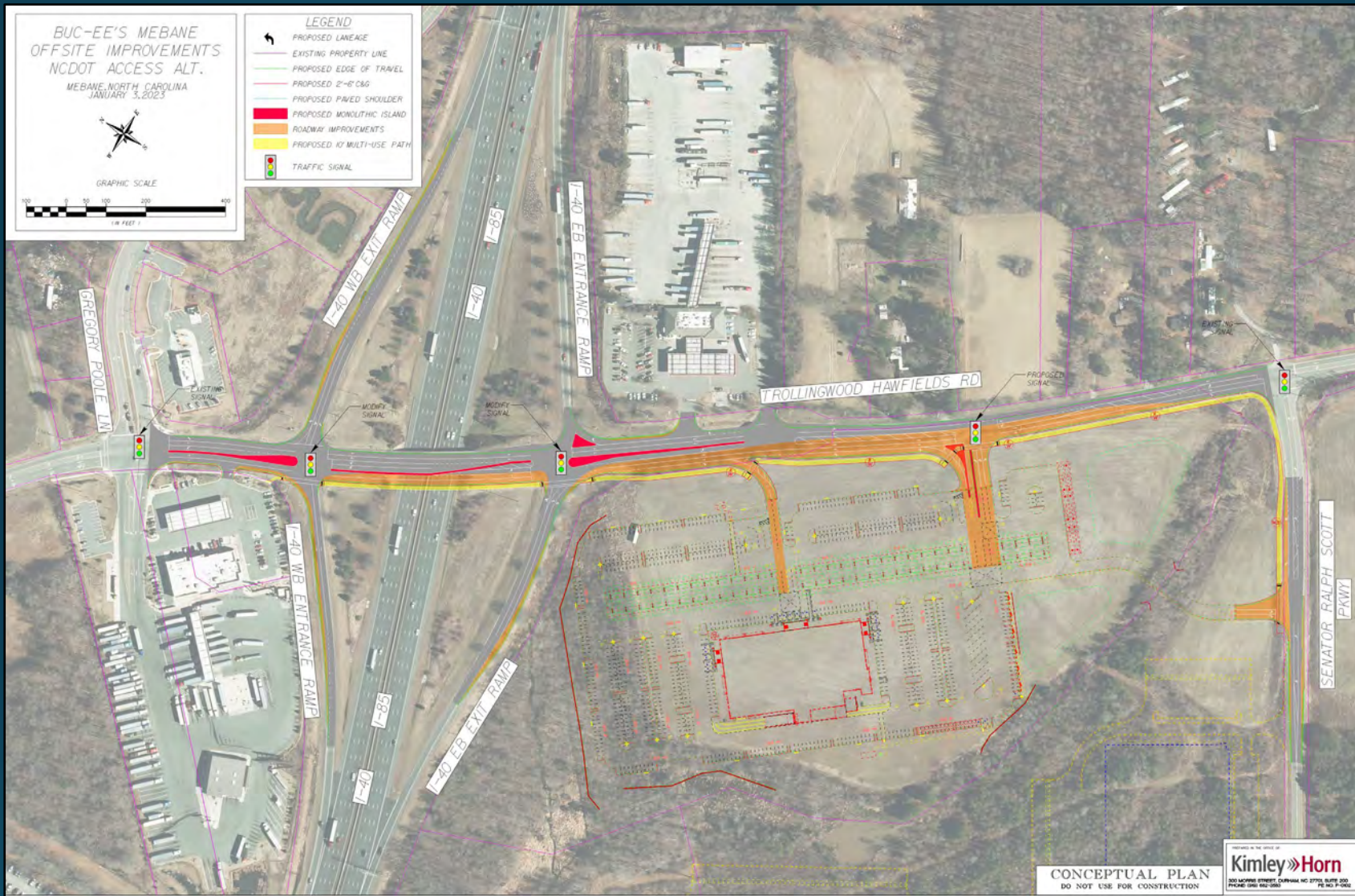
1425 Trollingwood-Hawfields Road

Conditional Rezoning Request



- Two driveways on Trollingwood-Hawfields Road and one driveway on Senator Ralph Scott Parkway.
- 10' multi-use path and bicycle plaza
- Conditions requested related to signage:
 - Freestanding sign with a maximum height of 90 feet and maximum area of 400 square feet
 - Wall signs exceeding 200 square foot maximum





1425 Trollingwood-Hawfields Road

Conditional Rezoning Request

Per the TIA, the applicant is required to make roadway improvements on Trollingwood-Hawfields Road, Senator Ralph Scott Parkway, I-40/85 ramps, and the bridge across I-40/85. The improvements require project coordination with and final design approval by the NCDOT.



Buc-ee's Proposed Water and Wastewater Use

- *Water Use*

- Buc-ee's water use is estimated at 23,000 gallons per day (gpd).
- The City of Mebane uses an average of 2.1 million gallons per day (mgd).
- Graham-Mebane Water Plant Capacity is 12 mgd (6 mgd to each municipality).
- On average Mebane uses 100 gpd per capita.
 - Residential use only 43 gpd per capita which equates to 535 people at 23,000 gpd.
- Mebane has the capacity to serve Buc-ee's domestic and fire demands.

- *Wastewater Use*

- Buc-ee's wastewater is estimated at 23,000 gpd.
- Due to the location within the North Carolina Commerce Park (NCCP), wastewater usage does not count against Mebane's allocation of 0.75 mgd to the Graham Wastewater Treatment Plant.
- Downstream wastewater facilities have the capacity to serve the proposed project.





Applicant Presentation



BUC-EE'S at Trollingwood- Hawfields Road and I-40

MEBANE CITY COUNCIL

JANUARY 8, 2024



NATURE OF REQUEST

- ▶ Existing Zoning is LM CU; 279,000 sq. ft. warehouse with 49 truck docks, 71 trailer storage spaces and 211 parking stalls
- ▶ Conditional Zoning request
- ▶ 86 uses in HM District narrowed down to 1
- ▶ Site Plan Specific
- ▶ All Aspects of this proposal have been
 - ▶ Vetted by City's TRC process
 - ▶ Studied in the Traffic Impact Analysis process and Subject to those results
 - ▶ On Public Record for full Transparency
- ▶ Represents a Firm Commitment that cannot be altered in any substantive way without coming back through this process

PROPOSED SITE PLAN



BUC-EE'S MEBANE: CONCEPTUAL SITE PLAN RENDERING

JANUARY 2, 2024



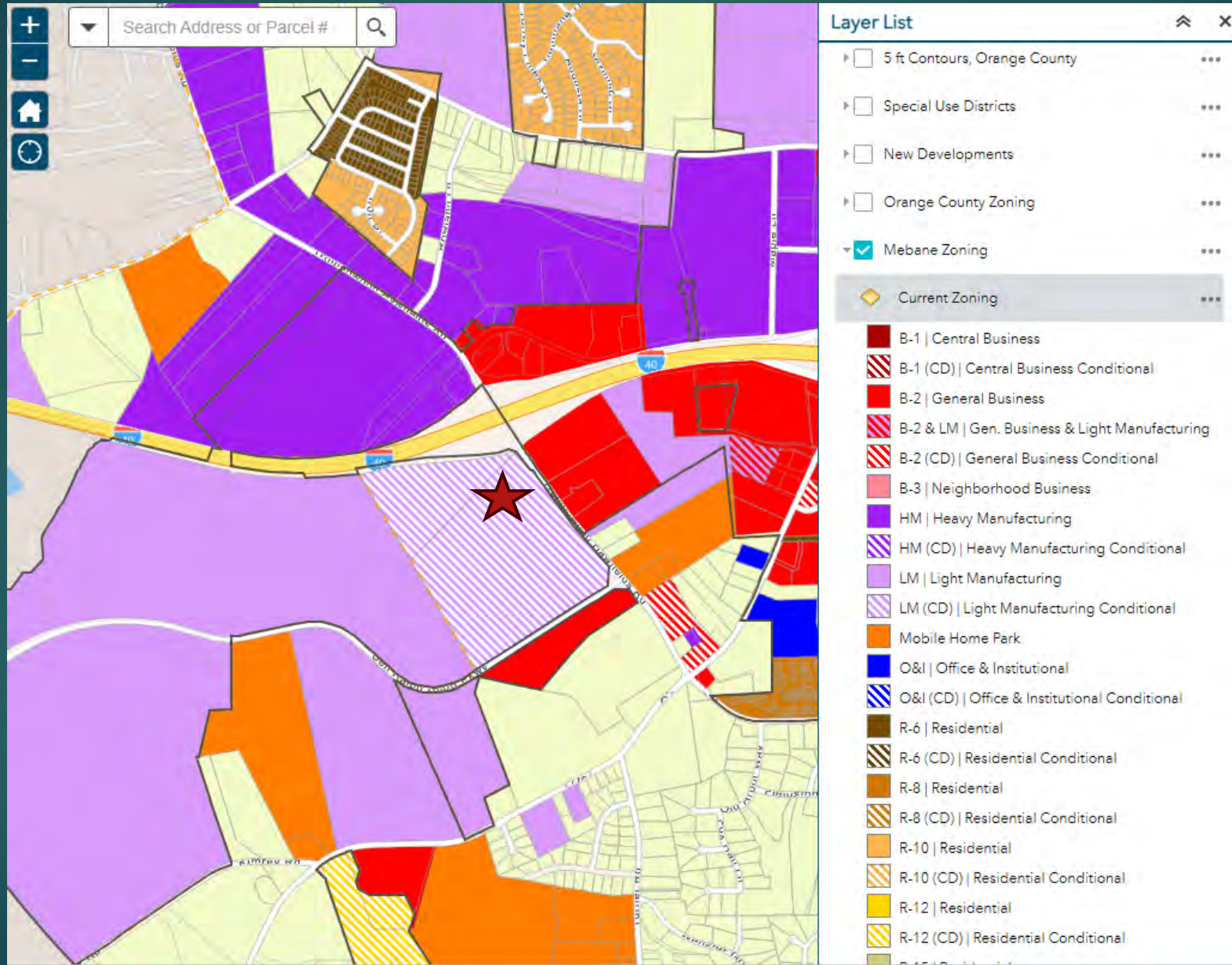
Kimley»Horn



EXISTING LAND USE PATTERN



ZONING CONTEXT

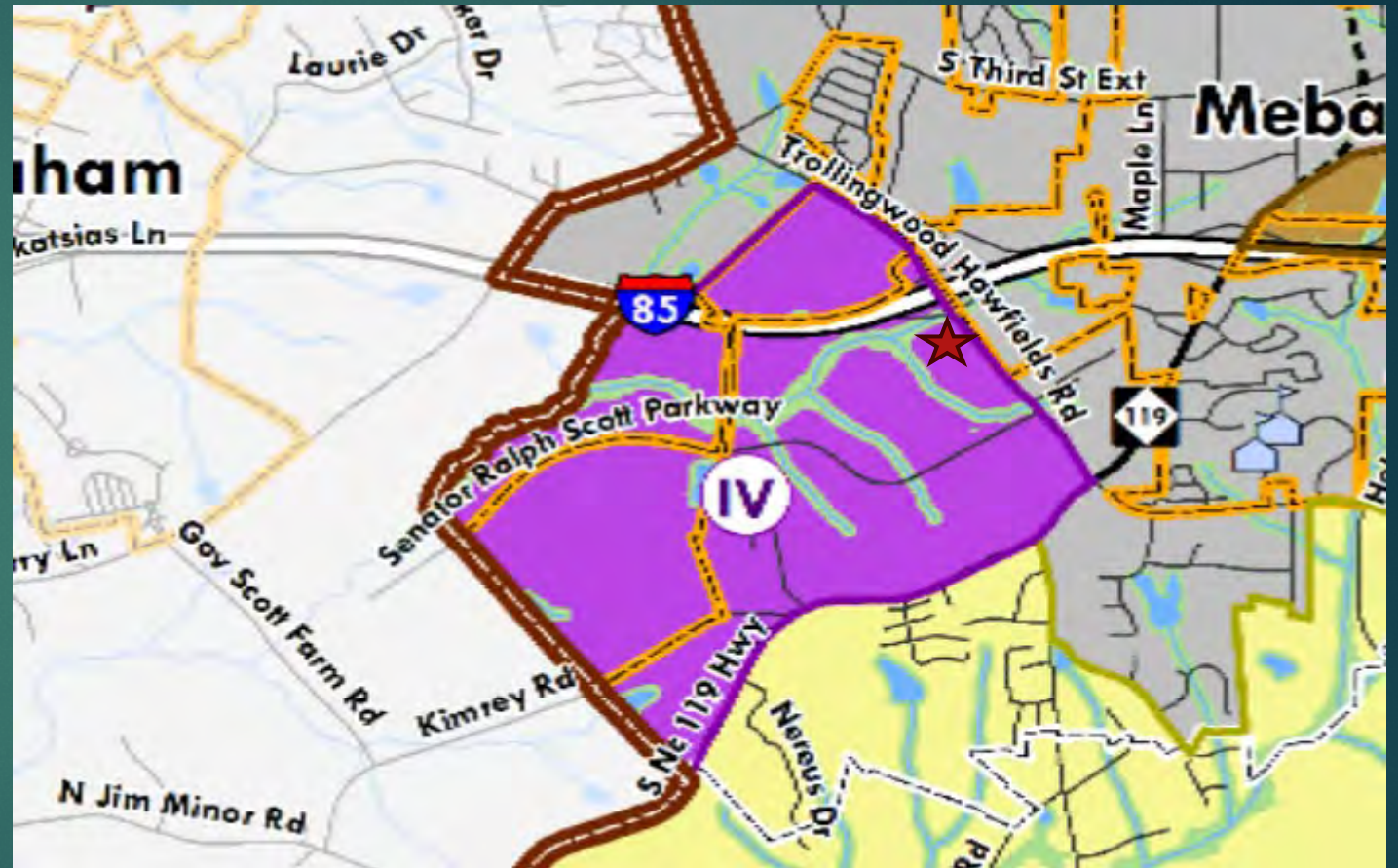


MEBANE BY DESIGN

MEBANE BY DESIGN
Comprehensive Land Development Plan
City of Mebane



FINAL REPORT
Adopted by Mebane City Council
May 1, 2017



Designated G-1, Industrial (IV): Greatest Access and Infrastructure, Part of NCCP, destination oriented, employment center; support Industrial uses in this location

Comprehensive Transportation Plan

ROADWAY PROJECT # 3

MEBANE 2040 COMPREHENSIVE TRANSPORTATION PLAN PROJECT SHEET

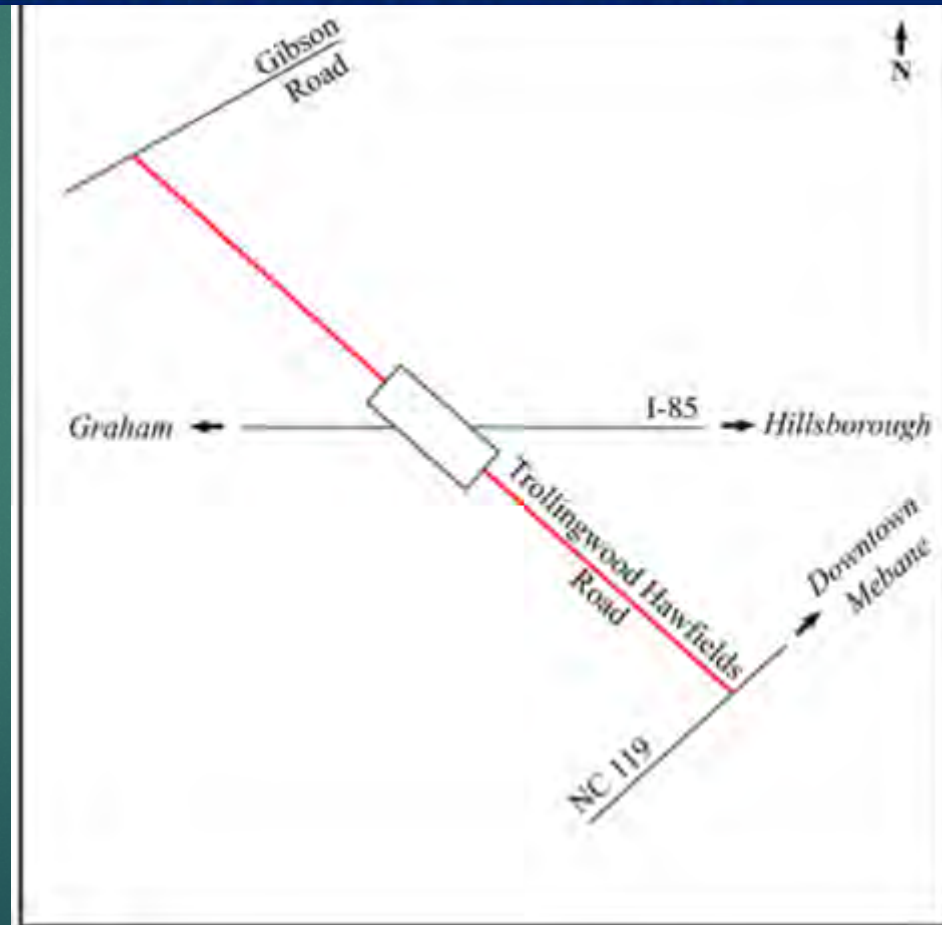
Trollingwood Hawfields Road Widening



Roadway Facilities

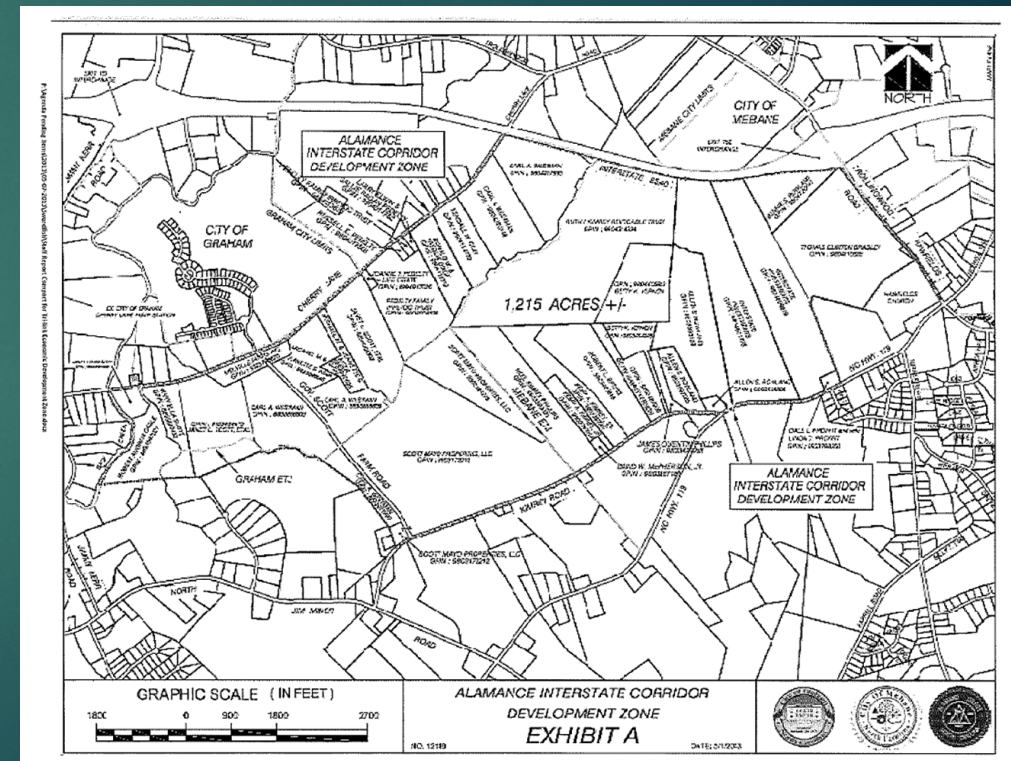
Legend

- Funded Recommended New Road
- Funded Improved Road
- ... Unfunded Potential Connectivity Improvements
- ... Unfunded Recommended New Road
- Unfunded Improvements Needed
- Existing Roadways
- ⊙ Existing Interchange
- ⊙ Recommended Interchange
- NCDOT Funded Grade Separation
- NCDOT Funded Interchange Modification
- ⊗ Proposed Railroad Crossing Improvements
- ★ Recommended Safety Study
- ▭ Mebane City Limits



NORTH CAROLINA COMMERCE PARK

- ▶ 1,200 Economic Development Zone spanning Mebane, Graham and Alamance County jurisdictions
- ▶ Governed by Interlocal Agreement that provides for shared utility provision and shared tax revenue
- ▶ A shared commitment to create economic opportunity
- ▶ It is THRIVING: Wal-Mart Distribution Center, Lidl Distribution Center, UPS Distribution Center, Crow Holdings just broke ground on over 400,000 square feet of warehouse space
- ▶ Synergistic Use



SITE PLAN CONSIDERATIONS

- ▶ Impact Considerations
 - ▶ Driveway location
 - ▶ Signage location
 - ▶ Environmental Considerations
 - ▶ Transportation (next slide)



BUC-EE'S MEbane: CONCEPTUAL SITE PLAN RENDERING

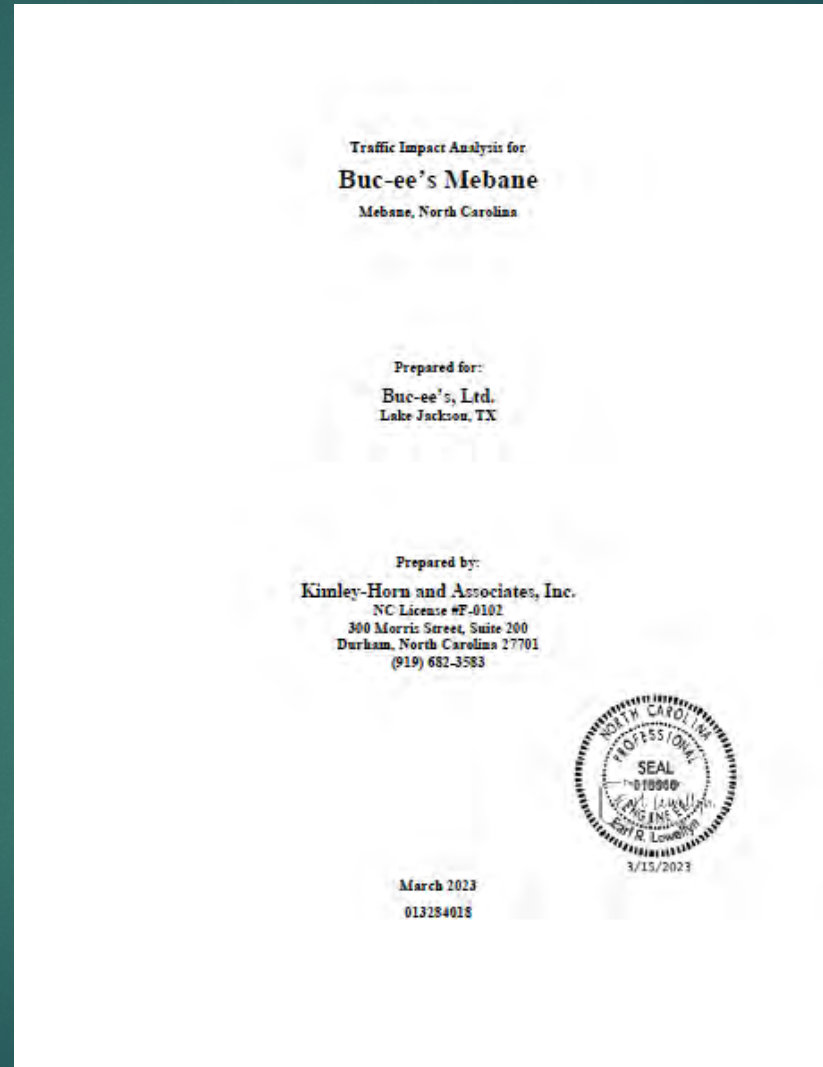
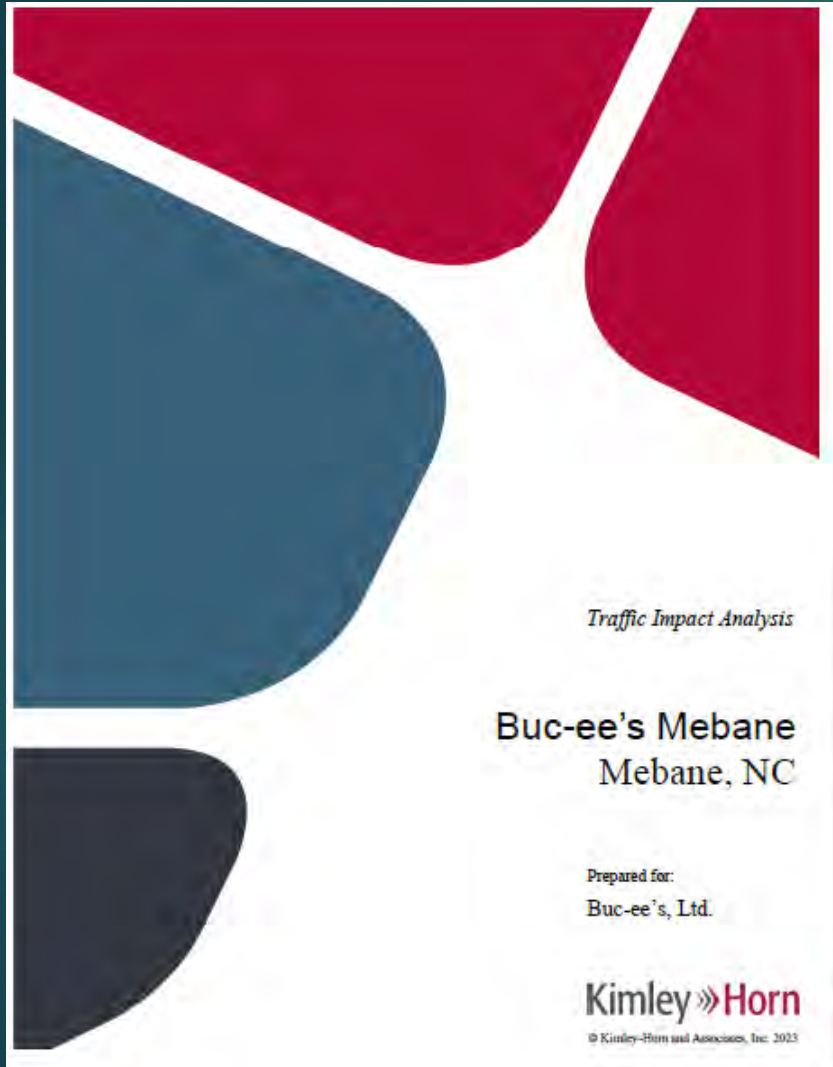
JANUARY 2, 2024



Kimley»Horn



TRANSPORTATION AND TRAFFIC CONSIDERATIONS



- ▶ TIA Process and Parties
- ▶ Scope
- ▶ Considerations
- ▶ Findings

Amended and updated by Addendum on June 30, 2023 and August 18, 2023

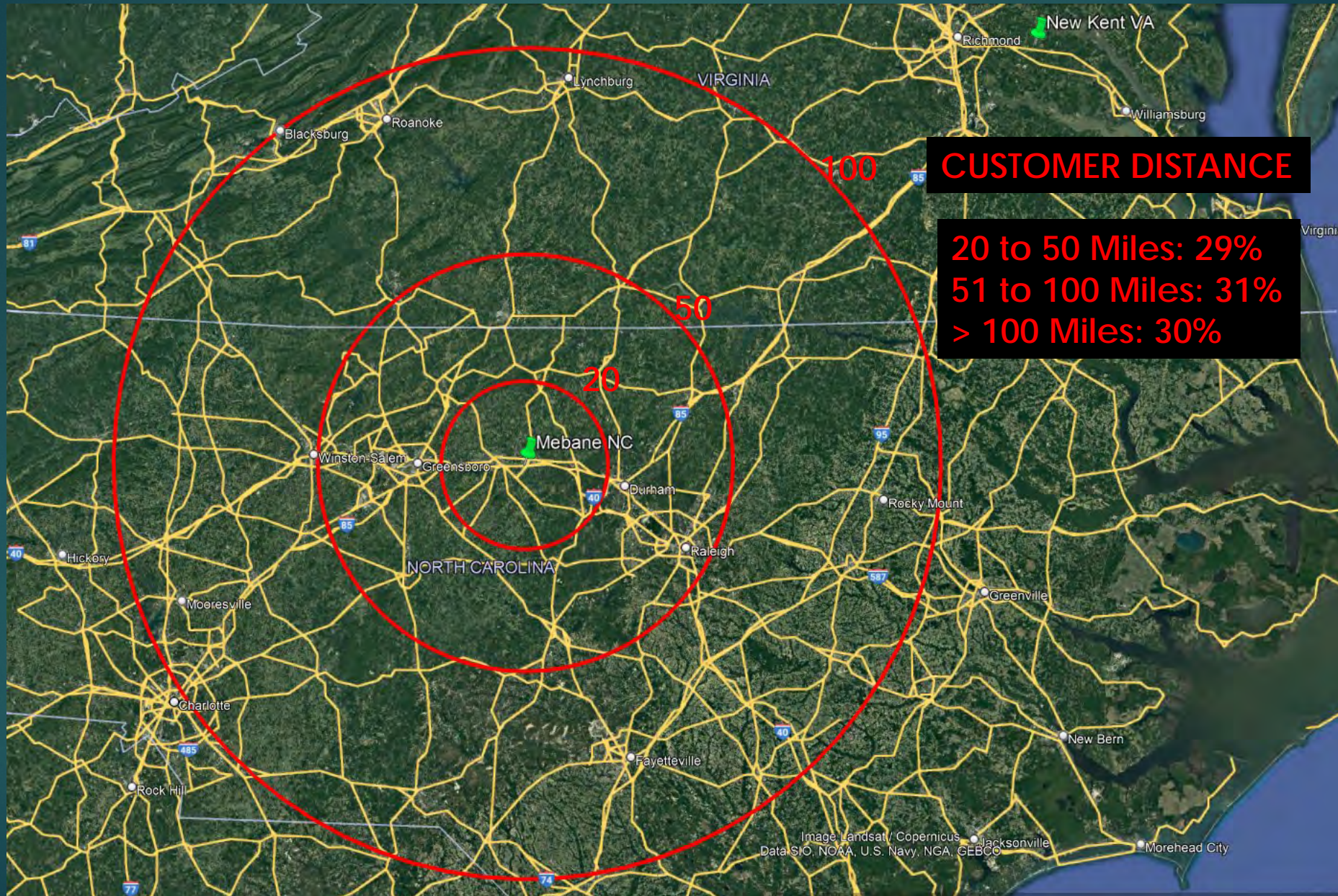
EMPLOYMENT CONSIDERATIONS

- ▶ 225 Full Time Employees (Conservative Estimate)
- ▶ Employment Compensation includes health insurance, 401k and 3 week of paid vacation for all Full Time Employees
- ▶ Average Total Compensation Package of \$45,600.00
- ▶ Average Annual Payroll of approximately \$9 million

ECONOMIC CONSIDERATIONS

- ▶ Initial Capital Investment of \$60 to \$70 million
- ▶ Annual Taxable Sales Conservatively estimated at \$30 million
 - ▶ Sales Tax Revenue shared between State of NC, Alamance County and incorporated municipalities in Alamance County according to state statute
- ▶ Annual Property Tax estimates of \$2.1 million to County and \$111,000 to City
- ▶ Average Fuel Sales of 18-20 Gallons Annually

REGIONAL CONSIDERATIONS



LOCAL TOUCHES



- ▶ City of Mebane Branding
- ▶ Opportunity and Focus for Local Suppliers/Vendors
- ▶ Partnership with proper agencies to advertise and partner with other Mebane Establishments and Attractions

Signage Condition Proposal

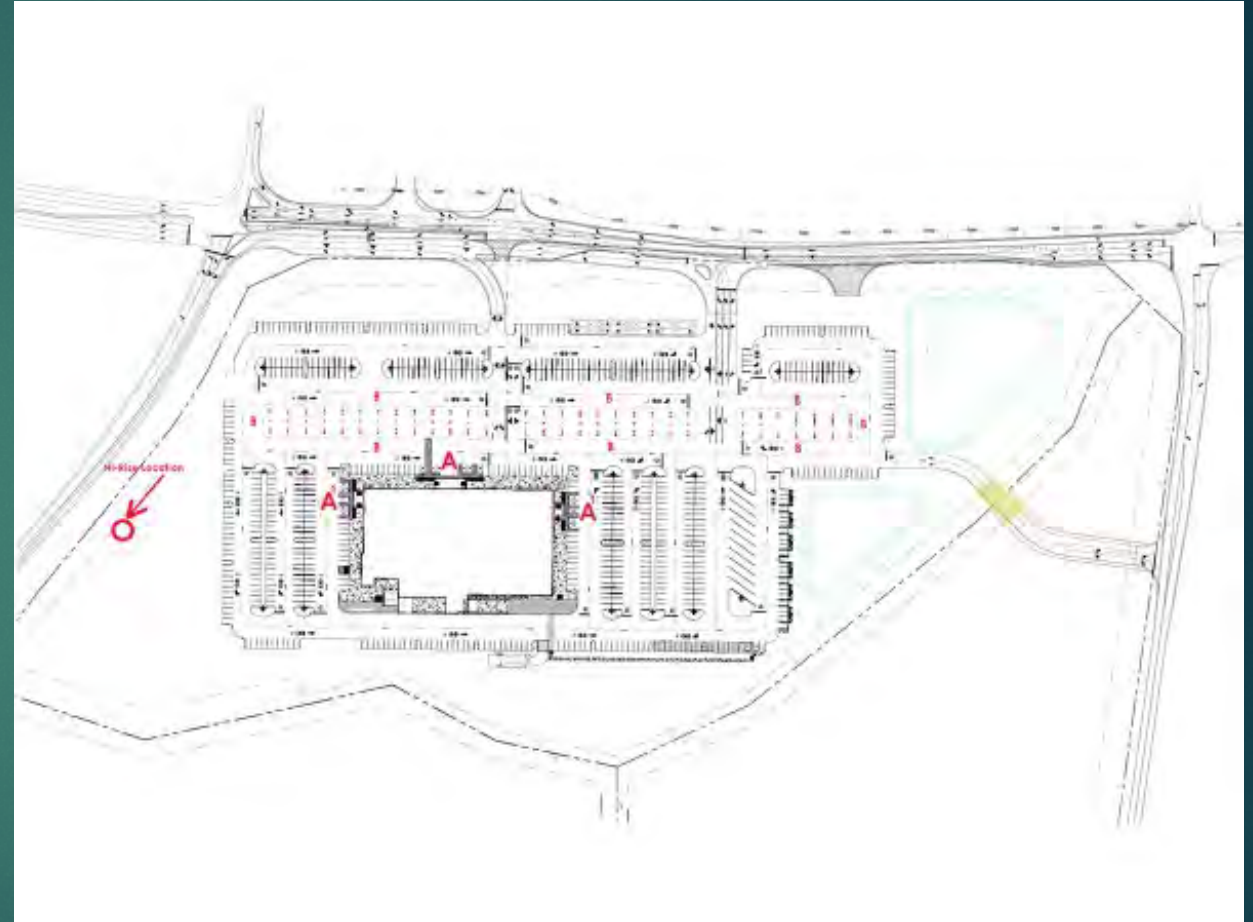


BUC-EE'S MEbane: CONCEPTUAL SITE PLAN RENDERING

JANUARY 2, 2024



Kimley»Horn





BUILDING WALL SIGNS

LINEAR FT. BUILDING: 441
 TOTAL SF SIGNAGE: 0
 WALL COVERAGE: 0%



REAR ELEVATION

LINEAR FT. BUILDING: 274
 TOTAL SF SIGNAGE: 202
 WALL COVERAGE: 2.73%



RIGHT ELEVATION

LINEAR FT. BUILDING: 274
 TOTAL SF SIGNAGE: 202
 WALL COVERAGE: 2.73%



LEFT ELEVATION

LINEAR FT. BUILDING: 441
 TOTAL SF SIGNAGE: 285
 WALL COVERAGE: 2.39%



FRONT ELEVATION

SCALE: NTS



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Buc-ee's Travel Center

Project ID#:
 Project Mgr:
 Designer:
 Created on:

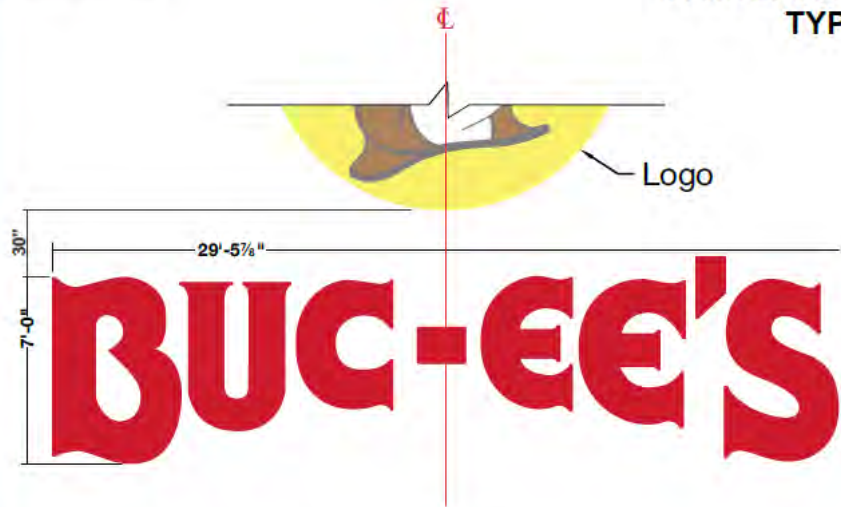
REVISION

1	



285 SQ./FT.

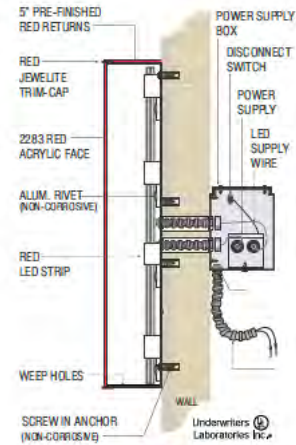
MAIN ENTRY WALL SIGN TYPE - A



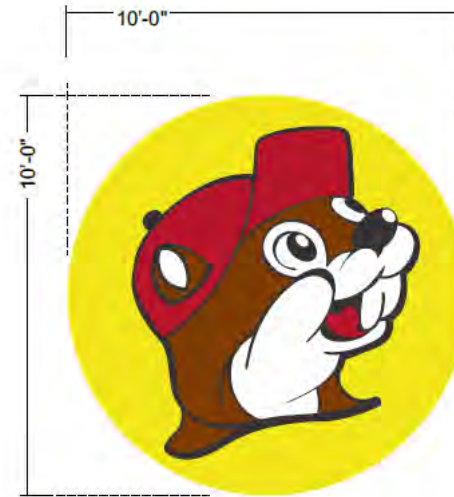
COLOR SPECS

- 2283 RED ACRYLIC
- 2 RED TRIM-CAP
- 5 PRE-FINISHED RED RETURNS

206.42 SQ./FT.



Buc-ee's
CHANNEL LETTERS FLUSH MOUNTED
W/ REMOTE POWER SUPPLY(S)



78.54 SQ./FT.

COLOR SPECS

- ARLON 33 RED • PMS 485c
- ARLON 63 RUST • PMS 483c
- ARLON 15 YELLOW • PMS 109c
- ARLON 22 BLACK □ WHITE



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Project ID#: _____
Project Mgr: _____
Designer: _____
Created on: _____

REVISION

**TYPICAL FUEL CANOPY
Sign Type B**



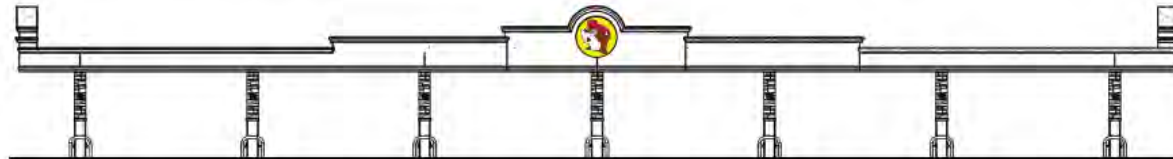
50 SF
13.12%

3 FUEL CANOPY 2 - EAST ELEVATION 3/32" = 1'-0"



50 SF
13.12%

4 FUEL CANOPY 2 - WEST ELEVATION 3/32" = 1'-0"



50 SF
1.44%
(Typical)

5 FUEL CANOPY 2 - NORTH ELEVATION 3/32" = 1'-0"



50 SF
1.44%
(Typical)

6 FUEL CANOPY 2 - SOUTH ELEVATION 3/32" = 1'-0"

TYPICAL CANOPY COVERAGE TOTAL: 3.53%



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Project ID#: 133295
Project Mgr: Brenda Beams
Designer: JR
Created on: 01/04/2023

REVISION

R1	



DEF

ETHANOL
FREE

BUC-EE'S

DIESEL EXHAUST FLUID

BUC-EE'S



MEBANE, NC - SIGN ANALYSIS

BUC-EE'S TRAVEL CENTER		SIGN SQUARE FOOTAGE PER WALL					
74K BUILDING SIGNS	LF	Area (SF)	Buc-ee's	Beaver	DEF/ETH	Total	Coverage
Front Entrance Wall	441	11,907	206.00	79.00	-	285.00	2.39%
Rear Building Wall	441	11,907	-	-	-	-	0.00%
Side Entrance Wall	274	7,398	138.00	64.00	-	202.00	2.73%
Side Entrance Wall	274	7,398	138.00	64.00	-	202.00	2.73%
Subtotal Building		38,610	482.00	207.00	-	689.00	1.78%
FUEL CANOPIES (3)							
Canopy Front		8,250	-	150.00	-	150.00	1.82%
Canopy Side		403	-	50.00	-	50.00	12.41%
Canopy Back		8,250	-	150.00	-	150.00	1.82%
Canopy Side		403	-	50.00	-	50.00	12.41%
Subtotal Canopy		17,306	-	400.00	-	400.00	2.31%
CUMULATIVE WALL COVERAGE		55,916	482.00	607.00	-	1,089.00	1.95%

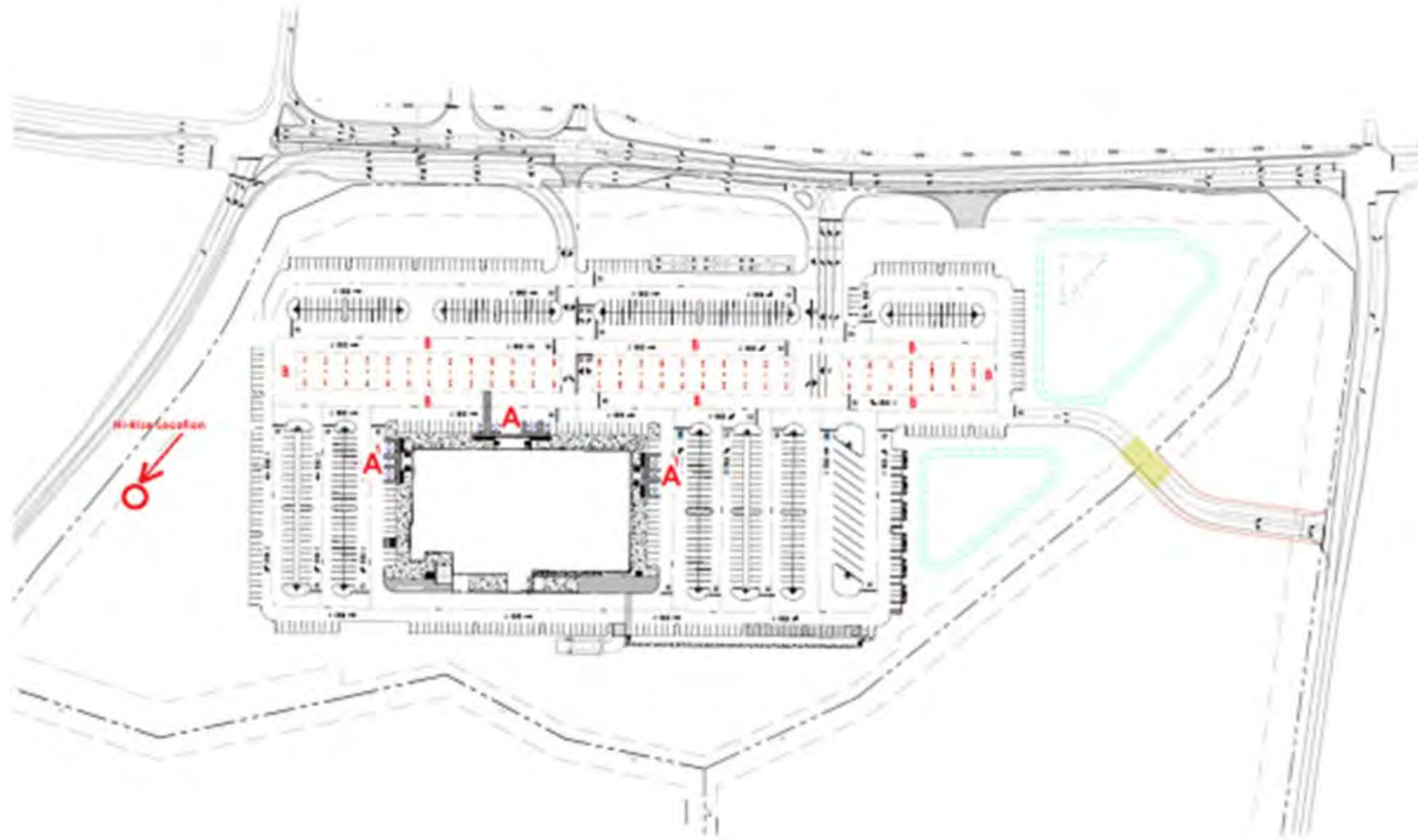




WALMART CENTER RETAIL



Ground Sign



BeaverButton: 300sf
 City Panel: 100sf
 TOTAL: 400sf



OPPOSITE VIEW
 LOGO FACES LEFT

LOGO COLOR SPECS

- ARLON 33 RED • PMS 485c
- ARLON 63 RUST • PMS 483c
- ARLON 15 YELLOW • PMS 109c
- BLACK □ WHITE

PRESENTATION DRAWING

Client:

Buc-ee's

Client's Location:

Mebane, NC

Sales Rep: Justin B.

Project Manager: Brenda B.

PM Approval:

Date:

Drawn By: DR

Revision:

Work Order#

"THIS SIGN IS INTENDED TO BE INSTALLED IN ACCORDANCE WITH THE REQUIREMENTS OF ARTICLE 600 OF THE NATIONAL ELECTRICAL CODE AND/OR OTHER APPLICABLE LOCAL CODES. THIS INCLUDES PROPER GROUNDING AND BONDING OF THE SIGN."

THIS IS AN ORIGINAL UN-PUBLISHED DRAWING CREATED BY SWS SIGNS. IT IS SUBMITTED FOR YOUR PERSONAL USE IN CONJUNCTION WITH A PROJECT BEING PLANNED FOR YOU BY SWS SIGNS. IT IS NOT TO BE SHOWN TO ANYONE OUTSIDE YOUR ORGANIZATION, NOR IT IS TO BE USED, REPRODUCED, COPIED OR EXHIBITED IN ANY FASHION.

Pilot Freeway



Pilot
T-H Road



Love's
Freeway



Love's
State 119



Lowe's
State 119

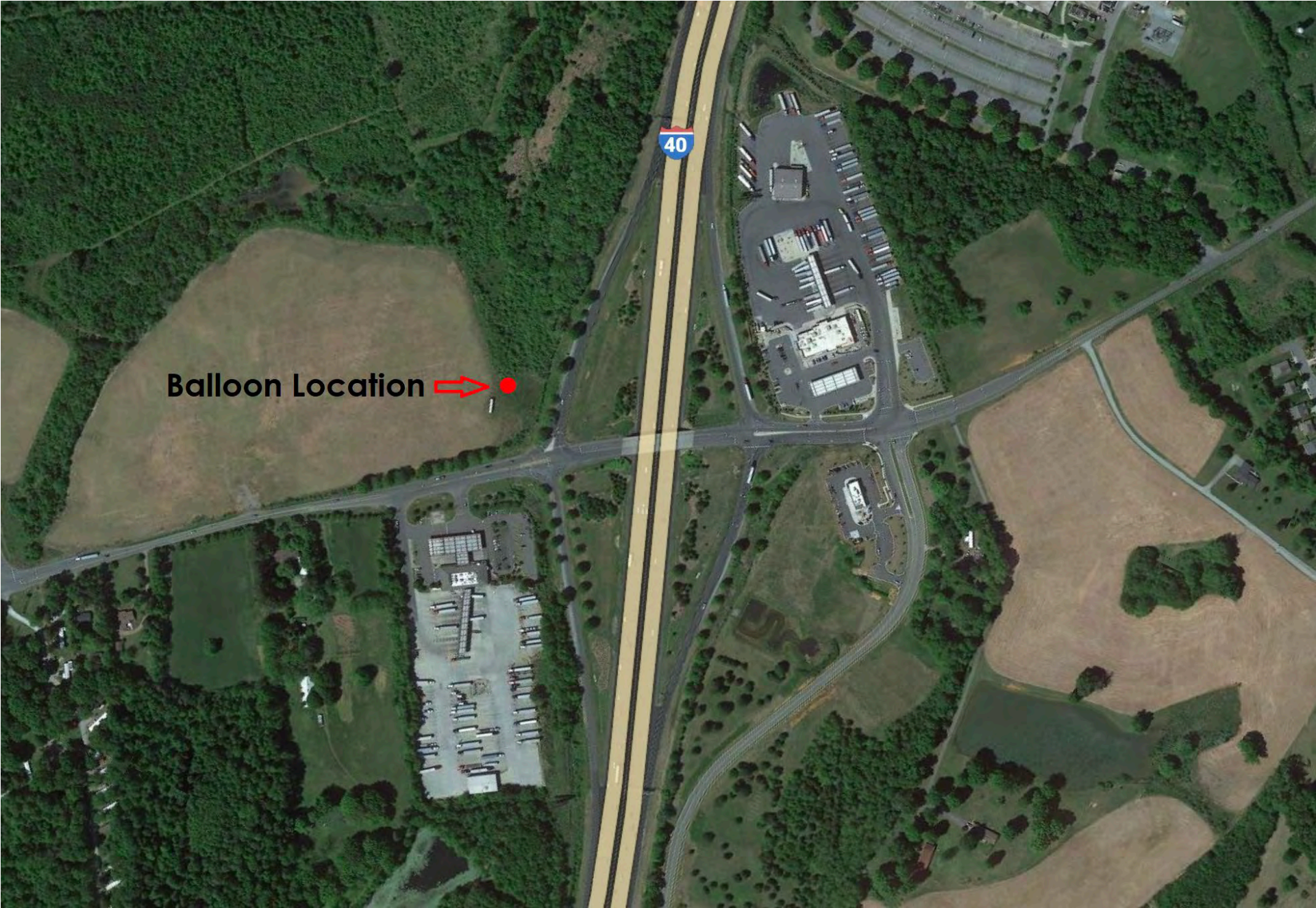


Lowe's
Freeway



TEN MOST RECENT SIGN APPROVALS

LOCATION	HEIGHT	CITY BUTTON	PANEL	TOTAL	ORDINANCE	NOTES
Springfield MO	70	415	125	540	70/600	Measured from interchange elevation
Auburn AL	70	415	90	505	100/300	Measured from interchange elevation
Athens AL	125	491	90	581	70/300	Ordinance Revision
Sevierville TN	100	491	163	654	100/300	Approved within PUD
Richmond KY	100	491	110	601	40/NA	Approved at staff level
Florence SC	100	452	125	577	NA	Bldg signs conditionally approved
Calhoun GA	150	491	113	604	100/300	Approved with conditions
Warner Robins GA	100	491	163	654	30/300	Ordinance Revision
Crossville TN	150	707	133	840	NA	Approved by Tenn. DOT
St. Johns FL	100	298	0	298	75/300	Bldg signs conditionally approved
AVERAGE	106.5	474.2	111.2	585.4		



Balloon Location → ●

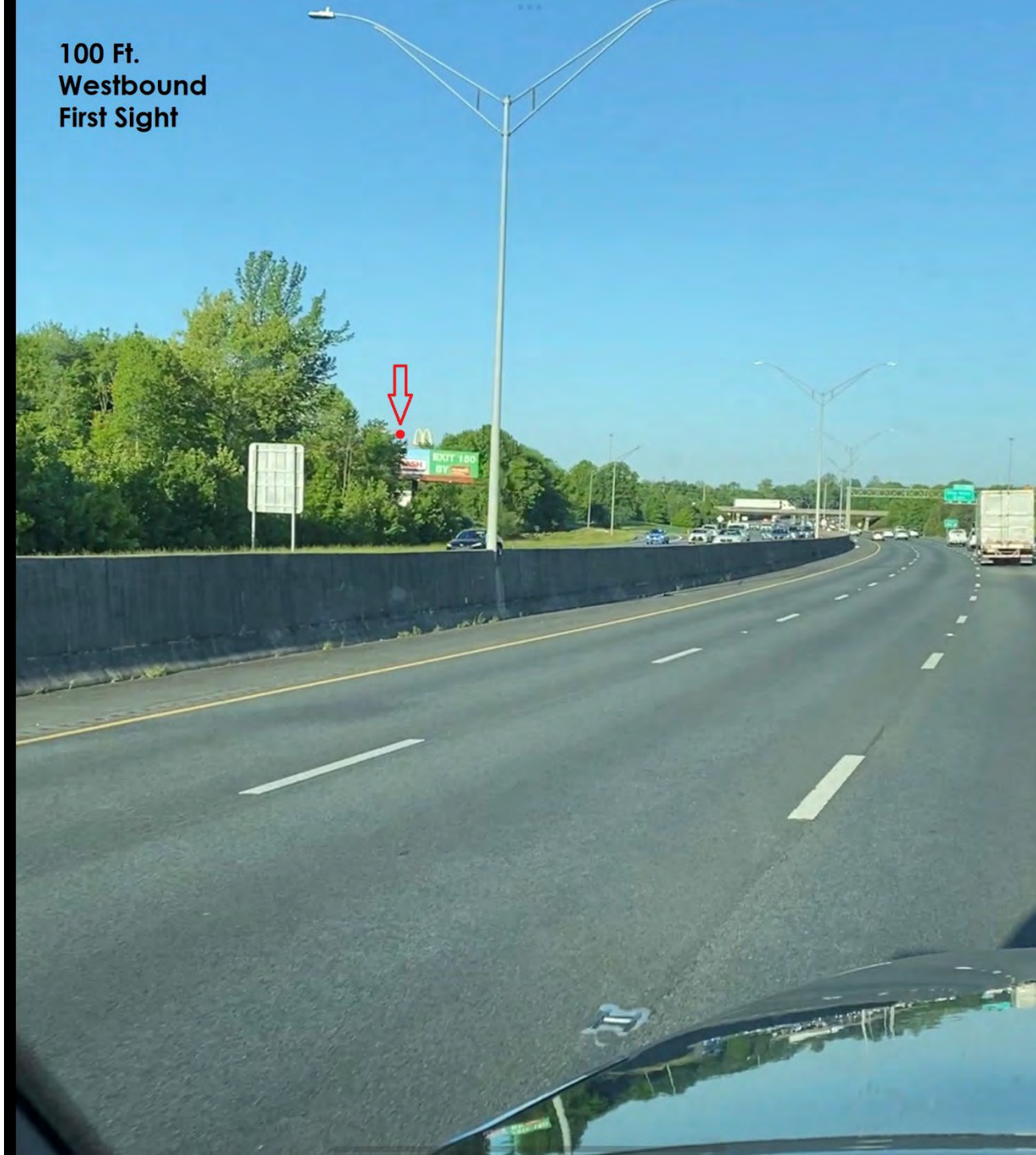
Westbound Street View



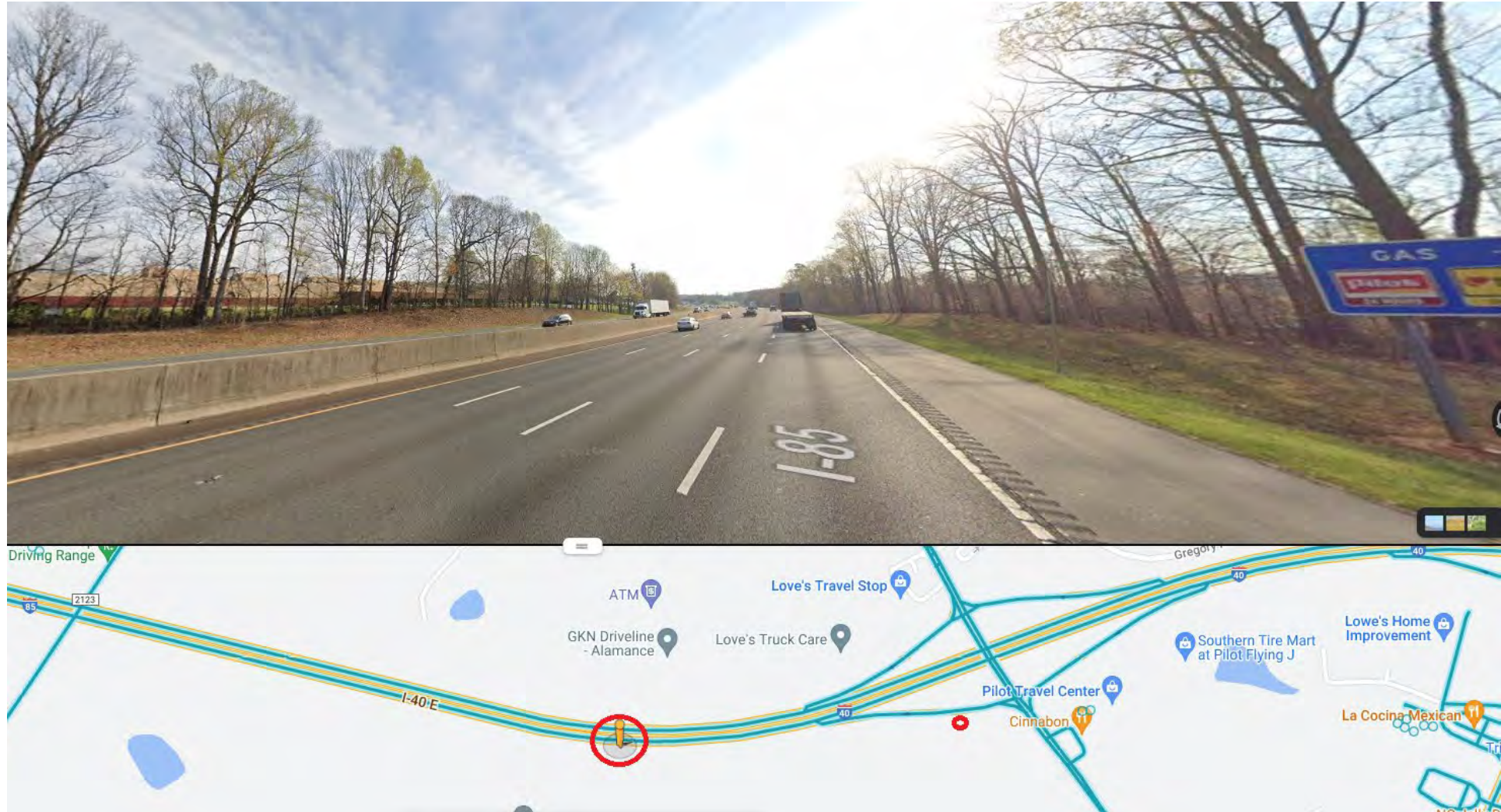
80 Ft.
Westbound
First Sight



100 Ft.
Westbound
First Sight



Eastbound Street View

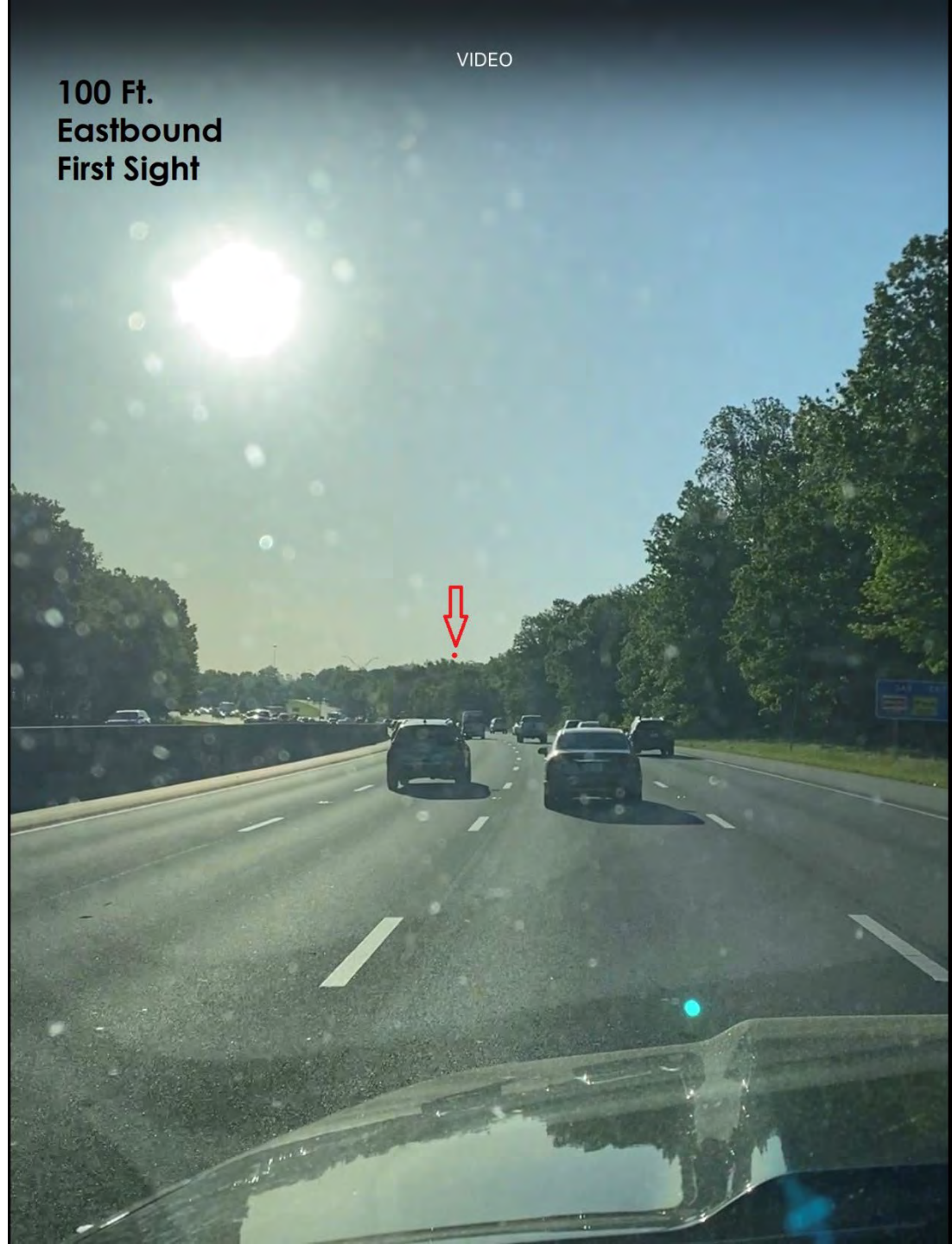


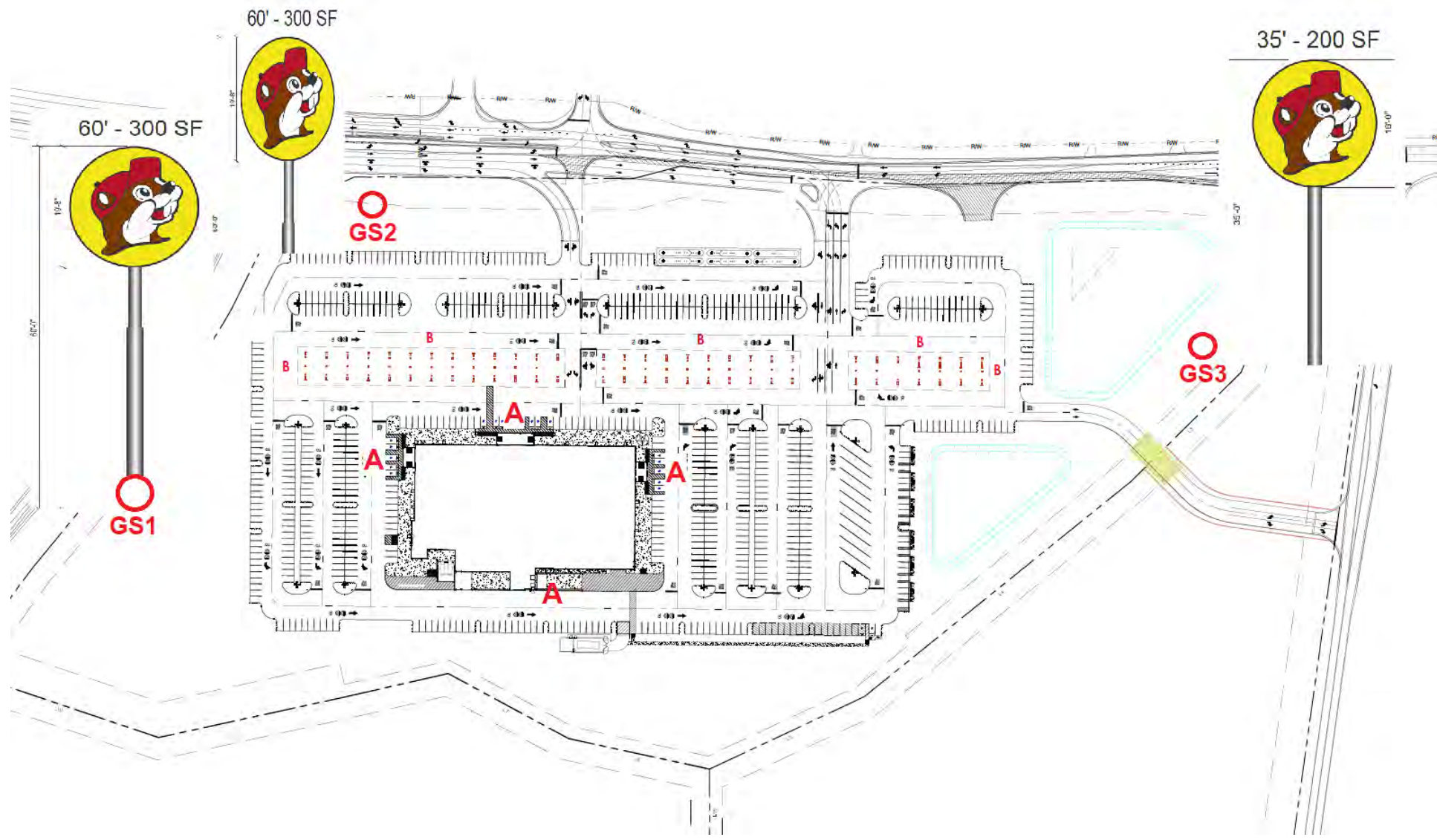
80 Ft.
Eastbound
Not Visible



VIDEO

100 Ft.
Eastbound
First Sight





60' - 300 SF

60' - 300 SF

35' - 200 SF

GS1

GS2

GS3

B

B

B

A

A

A

ORDINANCE / PROPOSED COMPARISON

PER ORDINANCE	Area	Height
Ground Sign 1	300	60
Ground Sign 2	300	60
Ground Sign 3	200	35
	800	155
Wall Sign 1	200	
Wall Sign 2	200	
Wall Sign 3	200	
Wall Sign 4	200	
	800	
Total Number of Signs	7	
Total Area of Sign	1,600	
Total Height of Sign	155	

PROPOSED	Area	Height
Ground Sign 1	400	90
Wall Sign 1	285	
Wall Sign 2	202	
Wall Sign 3	202	
	689	
Total Number of Signs	4	
Total Area of Sign	1,089	
Total Height of Sign	90	

NEIGHBORHOOD OUTREACH

327 FM 2004
Lake Jackson, Texas 77566



979.230.2920

October 20, 2023

Dear Neighbor:

Buc-ee's is excited to be under contract to purchase a portion of the property known as 1447 Trollingwood-Hawfields Road, located on the southwestern quadrant of the interchange with I-40. Buc-ee's is a national retailer, eatery, and family travel center with personal vehicle fuel sales and charging stations. Our plan for the above property is to develop and open the first Buc-ee's store in North Carolina.

We have worked with the City of Mebane to design an appealing and well thought out plan and are excited to share it with you. To facilitate this plan, we have applied to the City of Mebane to rezone the property to HM Conditional Use with a Special Use Permit. We expect to be heard by the Planning Board on December 11, 2023.

The granting of our request will enable us to proceed with our plans for a first class and well-designed Buc-ee's Store at this location. We believe our request reflects a reasonable plan for growth and development in Mebane, will provide an exciting economic development opportunity for Mebane and Alamance County, and will provide additional retail and dining options to current and future citizens.

In order to provide information about our project and respond to any questions that you might have, we will host a neighborhood informational meeting on Wednesday, November 8, 2023 at 6:00 pm. The meeting will be held at 5th & Washington Event Center located at 203 E South 5th Street, Mebane, NC 27302.

We look forward to answering your questions as we move through the rezoning process. Please feel free to contact our project representative, Amanda Isabella, with any questions you have about this request. Her direct phone number is 336-609-5137, or you can email her at amanza@isacsonsheridan.com.

Sincerely,

Sean Beard

Director of Real Estate and Development

- Mailed informational letter to all property owners within the City's notification range on October 20, 2023.
- Invited everyone to an in Person Meeting on November 8th
- 3 people attended; Question primarily about traffic improvements and timing
- Held in-home follow up meeting next morning with across-the-street neighbors
- No other inquiries via phone or email

Feedback Received at Planning Board Hearing

- ▶ Question Regarding Native American Archeological Impacts
- ▶ Environmental Planning
 - ▶ Water Usage
 - ▶ Impervious Surface
 - ▶ Proactive Thinking Regarding Energy Consideration
- ▶ On Site Safety Planning and Management

Questions and Discussion

BUC-EE'S®



MEBANE, NORTH CAROLINA





APPLICATION FOR A ZONING AMENDMENT

Application is hereby made for an amendment to the Mebane Zoning Ordinance as follows:

Name of Applicant: CSMS Management, LLC

Address of Applicant: 327 FM 2004 ,Lake Jackson, TX, 77566

Address and brief description of property to be rezoned: 1425 Trollingwood-Hawfields Rd.

Mebane, NC 27302: approximately +/- 32.50 acres of undeveloped property.

Applicant's interest in property: (Owned, leased or otherwise) Owner


*Do you have any conflicts of interest with: Elected/Appointed Officials, Staff, etc.?

Yes Explain: _____ No

Type of re-zoning requested: L-M (CD) to H-M (CD) (Heavy Manufacturing Conditional District)

Sketch attached: Yes No _____

Reason for the requested re-zoning: Development of a Buc-ee's

Signed: 
Joe O'Leary, Vice President

Date: Apr 19, 2023

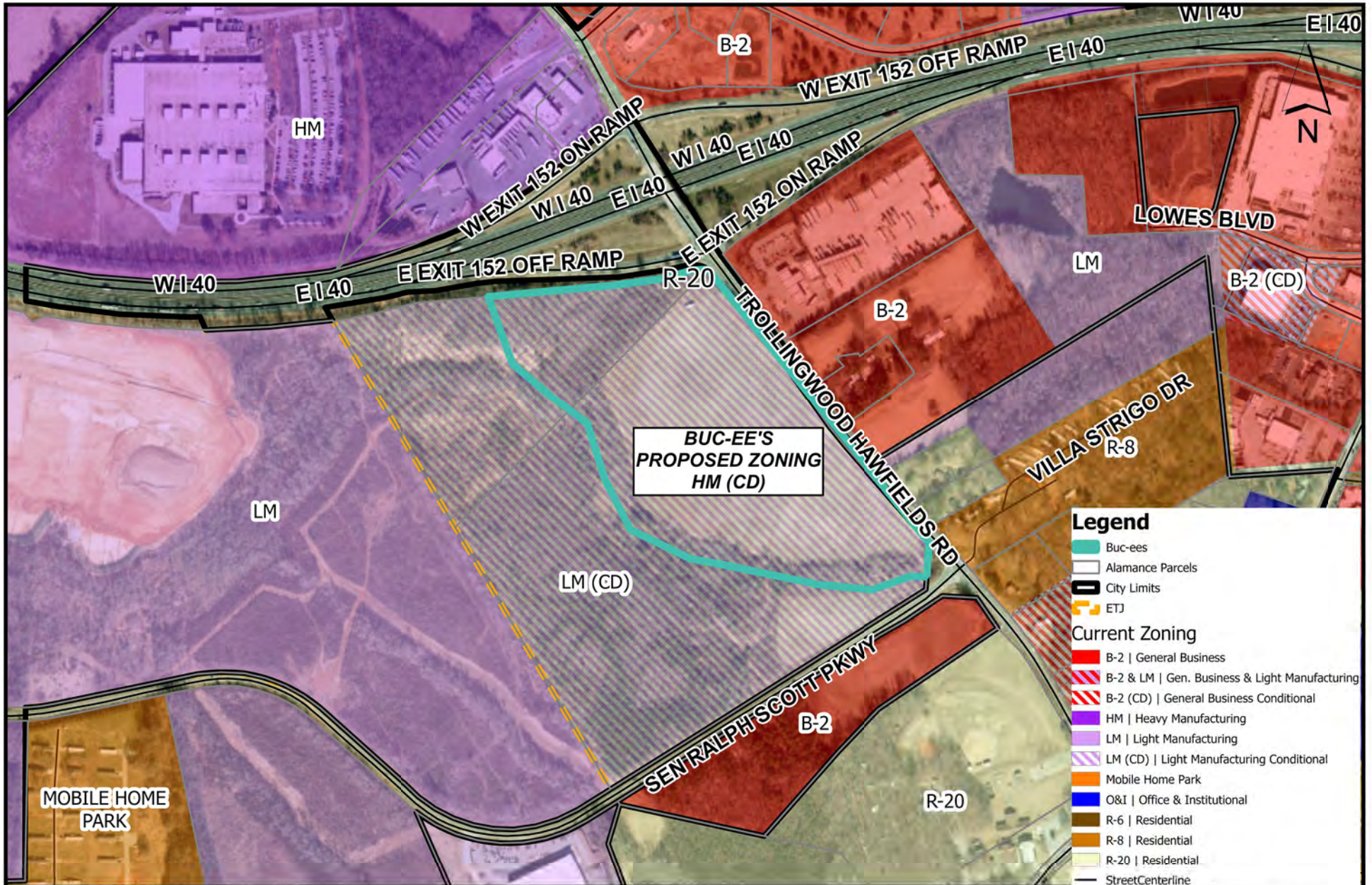
Action by Planning Board: _____

Public Hearing Date: _____ Action: _____

Zoning Map Corrected: _____

The following items should be included with the application for rezoning when it is returned:

1. Tax Map showing the area that is to be considered for rezoning.
2. Names and addresses of all adjoining property owners within a 300' radius (Include those that are across the street).
3. \$300.00 Fee to cover administrative costs.
4. The information is due 15 working days prior to the Planning Board meeting. The Planning Board meets the 2nd Monday of each month at 6:30 p.m. Then the request goes to the City Council for a Public Hearing the following month. The City Council meets the 1st Monday of each month at 6:00 p.m.



**CITY OF MEBANE
ZONING MAP**

**CONDITIONAL REZONING
BUC-EE'S**

1 inch = 600 feet

DATE: 12/6/23

DRAWN BY: BP

**The site plan documents
are available for download
through the following link:**

<https://cityofmebane.sharefile.com/d-s6c3b8646105f4a89aa3437435d19919a>

PLANNING PROJECT REPORT

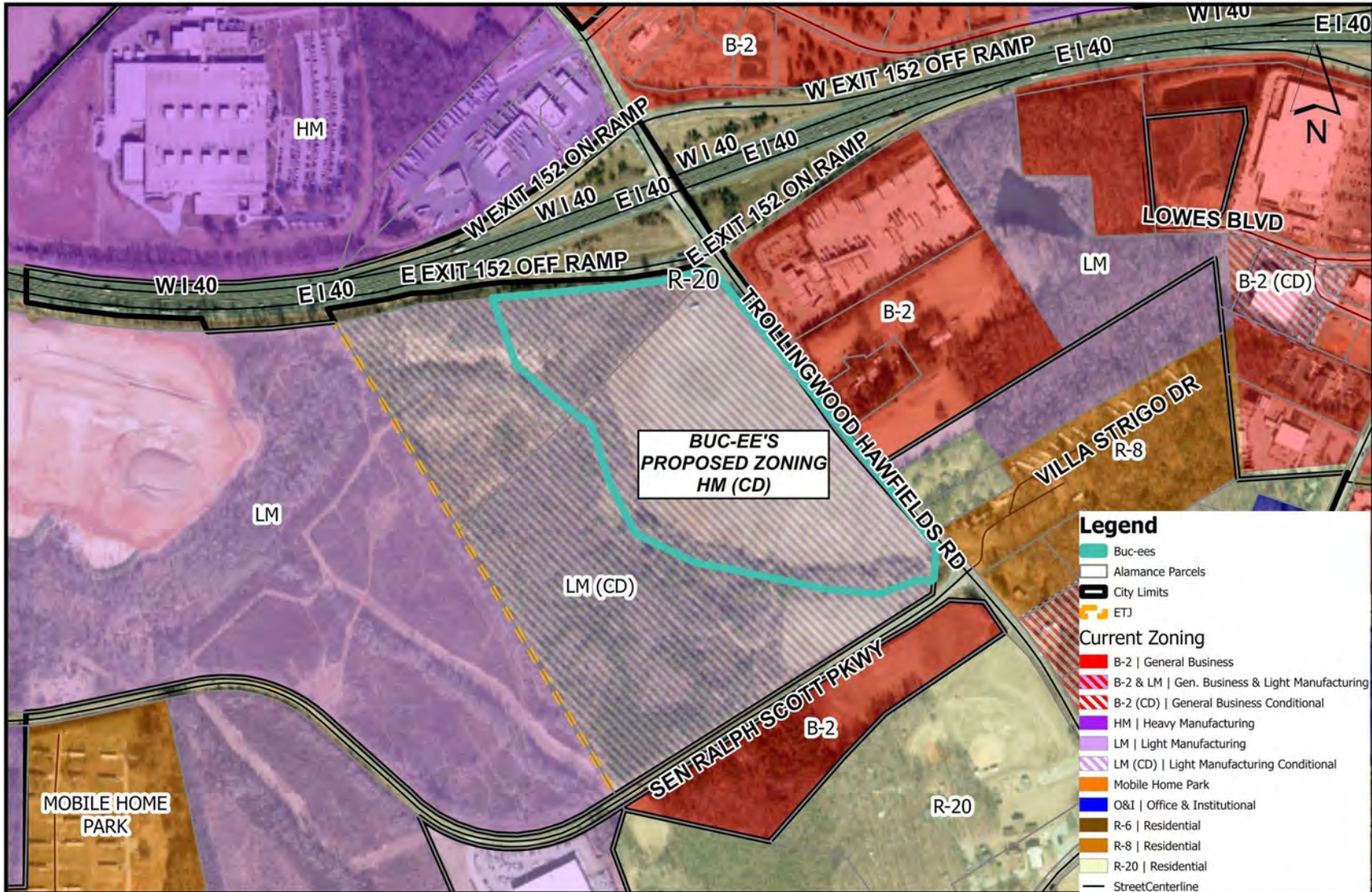
DATE	12/04/2023
PROJECT NUMBER	RZ 23-09
PROJECT NAME	Conditional Rezoning – 1425 Trollingwood-Hawfields Road
APPLICANT	CSMS Management, LLC 327 FM 2004 Lake Jackson, TX 77566

CONTENTS

PROJECT NAME & APPLICANT	PAGE 1
ZONING REPORT	PAGE 2
LAND USE REPORT	PAGE 4
UTILITIES REPORT	PAGE 7
STAFF SPECIAL USE CONSISTENCY FINDING.....	PAGE 10

ZONING REPORT

EXISTING ZONE	LM (CD), Light Manufacturing Conditional District
REQUESTED ACTION	HM (CD), Heavy Manufacturing Conditional District
CONDITIONAL ZONE?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
CURRENT LAND USE	Vacant, Farm
PARCEL SIZE	+/- 32.087 acres
PROPERTY OWNERS	CSMS Management, LLC 11200 West Broadway, Suite 2332 Pearland, TX 77584
LEGAL DESCRIPTION	<p>Request to rezone the +/- 32.087-acre property with a preliminary address of 1425 Trollingwood-Hawfields Road and frontage on I-40/85 (formerly GPINs 9804810638 and 9804720640), from LM (CD) to HM (CD) to allow, contingent on the approval of a special use permit, a travel plaza by CSMS Management, LLC.</p> <p>A subdivision plat was recorded on October 19, 2023. The subject property is described as Lot 1 on the plat recorded with the Alamance County Register of Deeds in Book 84, Pages 95-99. A GPIN has not been assigned to the new lot.</p>
AREA ZONING & DISTRICTS	<p>Adjoining properties are zoned LM (CD) and properties to the northwest are zoned HM (Heavy Manufacturing). Across Trollingwood-Hawfields Road, the adjacent zoning varies, with properties zoned B-2 (General Business), LM (Light Manufacturing), R-20 (Residential), and Mobile Home Park. Properties to the south of Senator Ralph Scott Parkway are zoned B-2 and R-20.</p>
SITE HISTORY	<p>The site has historically been used as farmland. Stream, wetlands, and floodplain are present. In December 2022, the Mebane City Council approved a rezoning request that included the subject property. The property was rezoned to LM (CD), and the site-specific plan associated with the conditional zoning district showed a +/- 279,000 square foot warehouse with 49 truck docks, 71 trailer storage spaces, and 211 parking stalls.</p>
STAFF ANALYSIS	
CITY LIMITS?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
PROPOSED USE BY-RIGHT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
SPECIAL USE?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
EXISTING UTILITIES?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
POTENTIAL IMPACT OF PROPOSED ZONE	The proposed rezoning is consistent with the LM and HM zoning of surrounding properties and the location of the property in the North Carolina Commerce Park.



**CITY OF MEBANE
ZONING MAP**

**CONDITIONAL REZONING
BUC-EE'S**

1 inch = 600 feet

DATE: 12/6/23

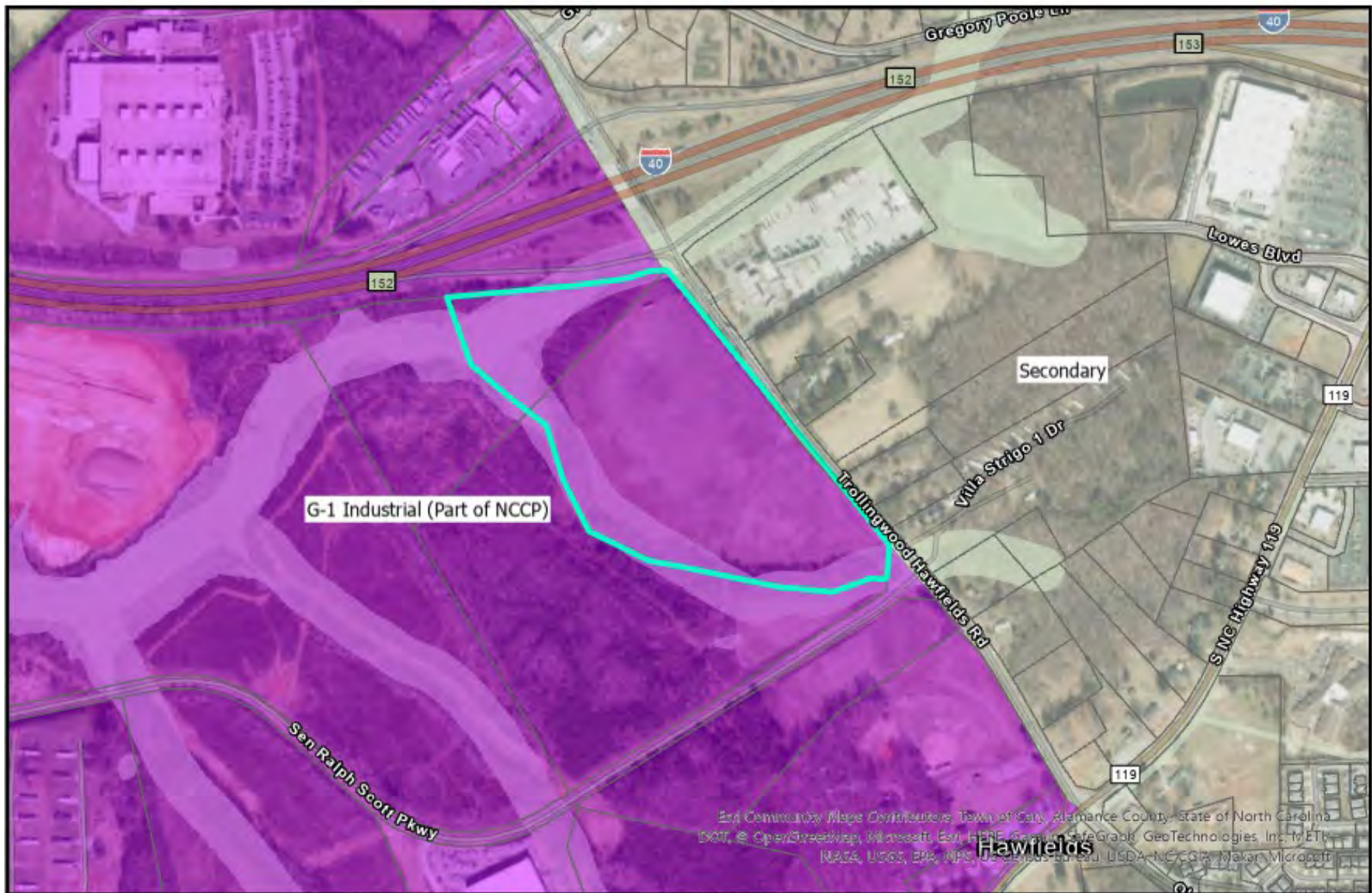
DRAWN BY: BP

LAND USE REPORT

EXISTING LAND USE	Vacant, Farm
PROPOSED LAND USE & REQUESTED ACTION	The applicant is requesting to rezone a +/- 32.087-acre property from LM (CD) to HM (CD). Additionally, the applicant is requesting a special use permit to develop a travel plaza on the subject property.
PROPOSED ZONING	HM (CD), Heavy Manufacturing Conditional District
PARCEL SIZE	+/- 32.087 acres
AREA LAND USE	<p>The property is part of the North Carolina Commerce Park, which includes such industrial users as UPS, Walmart, and Revere Copper. Crow Industrial is currently developing the adjoining properties to the west for two warehouse buildings. Love's Travel Stop is across I-40/85, and a Pilot Travel Center is across Trollingwood-Hawfields Road. Residential uses are also across Trollingwood-Hawfields Road, including single-family detached homes and a mobile home park. Property immediately across Senator Ralph Scott Parkway is undeveloped.</p>
ONSITE AMENITIES & DEDICATIONS	<p>The applicant proposes a 10' public multi-use path across the property's frontage on Trollingwood-Hawfields Road and to its driveway access on Senator Ralph Scott Parkway. A 10' public multi-use path is also proposed as part of the bridge improvements. Crosswalks and pedestrian signals will be installed where required.</p> <p>Right-of-way dedications will occur as necessitated with roadway improvements.</p>
CONDITIONAL ZONE?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
DESCRIPTION OF PROPOSED CONDITIONS	<p>The conditions of the rezoning request include:</p> <ul style="list-style-type: none">- Allowance of a singular use ("Travel Plaza") that requires a special use permit in the zoning district.- A site-specific plan will apply to the conditional zoning district, contingent upon the approval of the requested special use permit.- Specific signage requirements will apply to the conditional zoning district, as described below and contingent upon the approval of the requested special use permit. <p>The applicant is proposing one freestanding sign not to exceed 90 feet in height and 400 square feet in sign area. The Mebane UDO allows one sign per street frontage. For signs within 400 feet of the interstate highway and interchanges, the maximum allowed height is 60 feet and the maximum area is 300 square feet. The applicant is proposing wall signs that exceed the maximum sign area of 200 square feet. The signs adhere to the rule used to calculate allowable sign area, which is one square foot for every linear foot of building wall.</p>

CONSISTENCY WITH *MEBANE BY DESIGN* STRATEGY

LAND USE GROWTH STRATEGY DESIGNATION(S)	G-1 Industrial
OTHER LAND USE CONSIDERATIONS	Mebane Comprehensive Transportation Plan, Roadway Project #4
<i>MEBANE BY DESIGN</i> GOALS & OBJECTIVES SUPPORTED	PUBLIC FACILITIES AND INFRASTRUCTURE 2.1 Improve safety and confidence of pedestrian access across major streets, including I-40/85, US-70, NC-119, Mebane-Oaks Road and other highly traveled roadways.
<i>MEBANE BY DESIGN</i> GOALS & OBJECTIVES <u>NOT</u> SUPPORTED	



UTILITIES REPORT

AVAILABLE UTILITIES	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
PROPOSED UTILITY NEEDS	Per the memorandum from Franz Holt of AWCK, the anticipated water and sewer use for the proposed development is 23,000 gallons per day. An extension of a 12-inch water main along Trollingwood-Hawfields Road from the City's 16-inch water main at Senator Ralph Scott Parkway will provide for private fire and domestic connections. For sewer, the applicant will extend a 12-inch public sewer main from its 15-inch outfall to and under Trollingwood-Hawfields Road. The proposed extension is consistent with the planned City of Mebane GKN Pump Station flow reroute project to Graham. An 8-inch private connection to this public line will serve the proposed development and include a grease trap. Upon completion of public water and sewer main improvements, they will become part of the City of Mebane's water and sewer systems for ownership and maintenance.
UTILITIES PROVIDED BY APPLICANT	The applicant has pledged to provide all on-site utilities, as described in AWCK's Technical Memo.
MUNICIPAL CAPACITY TO ABSORB PROJECT	The City has adequate water & sewer supply to meet the domestic and fire flow demands of the project.
CONSISTENCY WITH MEBANE LONG RANGE UTILITY PLAN?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
ADEQUATE STORMWATER CONTROL?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
INNOVATIVE STORMWATER MANAGEMENT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

TRANSPORTATION NETWORK STATUS

CURRENT CONDITIONS	<p>The property has frontages on Trollingwood-Hawfields Road and I-40/85. Two driveway connections are proposed on Trollingwood-Hawfields Road, one as a right-in only and the other as full movement and signalized. Though the property does not have frontage on Senator Ralph Scott Parkway, the applicant has acquired a 55' permanent access easement to provide the site with another point of entry and exit.</p> <p>NCDOT provides traffic count data for Trollingwood-Hawfields Road, which is currently a two-lane undivided road. In 2019, this section of the road had an average daily traffic volume of 10,000 trips. NCDOT does not provide any data for Senator Ralph Scott Parkway. In 2022, the I-40/85 ramps registered the following number of trips: 6,200 at eastbound exit; 4,100 at eastbound</p>
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entrance; 4,000 at westbound exit; and 6,600 at westbound entrance.

North of Senator Ralph Scott Parkway, Trollingwood-Hawfields Road registers a low safety score of 78, with 48 crashes recorded in the area between 2018 and 2022. The section of Trollingwood-Hawfields Road that extends from the intersection with Senator Ralph Scott Parkway to the south registers a moderate safety score of 33. This roadway is identified as part of the high-injury network in the BGMPO Transportation Safety Plan.

**TRAFFIC IMPACT ANALYSIS
REQUIRED?**

YES NO

**DESCRIPTION OF RECOMMENDED
IMPROVEMENTS**

The applicant is required to make roadway improvements on Trollingwood-Hawfields Road, Senator Ralph Scott Parkway, I-40/85 ramps, and the bridge across I-40/85, pending project coordination with and final design approval by the NCDOT. These improvements include widening, monolithic islands, turn lanes, and multi-use path. The detailed improvements required by the Traffic Impact Analysis (TIA) are included in the attached letters from the NCDOT, VHB (the City's contracted TIA reviewer), and the City Engineer. A conceptual design is also included on the following page. The NCDOT has indicated funding for additional improvements on the corridor exists, as Project I-6059 has previously been submitted and considered under the State Transportation Improvement Program (STIP)

**CONSISTENCY WITH THE MEBANE
BICYCLE AND PEDESTRIAN
TRANSPORTATION PLAN?**

YES NO

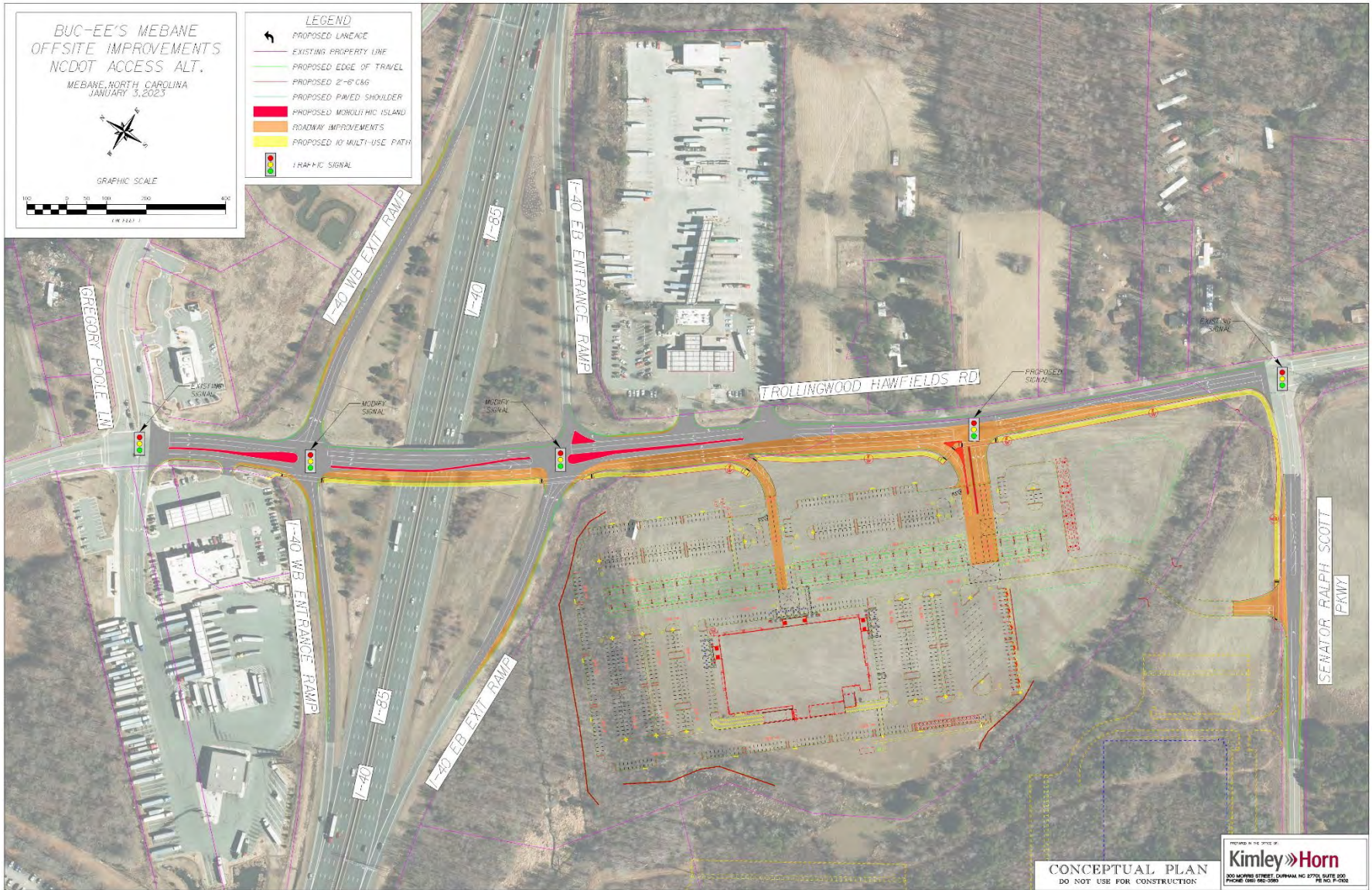
**MULTIMODAL IMPROVEMENTS
PROVIDED BY APPLICANT?**

YES NO

Consistent with the requirements of the Mebane Unified Development Ordinance, the applicant will provide a bicycle rack for every ADA space. To accommodate the bicycle racks, the applicant has proposed a bicycle plaza that includes parking for bicycles and a repair station.

**DESCRIPTION OF MULTIMODAL
IMPROVEMENTS**

The applicant will construct a 10' multi-use path from its driveway entrance on Senator Ralph Scott Parkway to the existing sidewalk at Love's Travel Stop along Trollingwood-Hawfields Road. Internal sidewalk will connect the development to the multi-use path. Crosswalks and pedestrian crossing signals will be provided where required.



STAFF RECOMMENDATION

STAFF RECOMMENDATION	<input checked="" type="checkbox"/> APPROVE <input type="checkbox"/> DISAPPROVE
STAFF SPECIAL USE FINDING	<input type="checkbox"/> CONSISTENT <input type="checkbox"/> NOT CONSISTENT.....WITH <i>MEBANE BY DESIGN</i>
RATIONALE	The proposed rezoning is consistent with the guidance provided within Mebane By Design, the Mebane Comprehensive Land Development Plan. Specifically, it is located in an industrial growth strategy area. The site is part of the North Carolina Commerce Park and the proposed project is in harmony with nearby light and heavy industrial uses.



December 5, 2023

Seth Ward, PE
Kimley-Horn and Associates
300 Morris Street Suite 200
Durham, NC 27701

Subject: Buc-ee's at NCCP – Water and Sewer System

Regarding the subject Preliminary Site Plan and in accordance with the UDO, this letter is provided to indicate that I have reviewed the preliminary water and sewer system layout and find it acceptable and meets City standards based on the following:

1. Water system –
 - Buc-ee's proposes to extend a 12-inch water main along Trollingwood-Hawfields Road from Mebane's 16-inch water main at Senator Ralph Scott Parkway. This 12-inch water main will eventually be looped back to Lowes Blvd. with future development. Private fire and domestic connections will be made from the 12-inch water main extension with appropriate valves, backflow devices, and fire hydrants protecting and serving the site.
 - Anticipated water use is 23,000 gallons per day.
 - The City has adequate water capacity at the Graham-Mebane Water Plant to provide domestic water use and fire flows for the proposed development.
 - Upon completion of the public water main improvements, to City of Mebane requirements, they will become a part of Mebane's water distribution system for ownership and maintenance.

2. Sanitary Sewer system –
 - Buc-ee's proposes to extend a 12-inch public sewer main from its 15-inch outfall to and under Trollingwood-Hawfields Road. The proposed extension is consistent with the planned City of Mebane GKN Pump Station flow reroute project to Graham. An 8-inch private connection to this public line will serve the proposed development and include a grease trap.
 - Anticipated wastewater use is 23,000 gallons per day.
 - The City has adequate wastewater capacity available in the downstream Mebane 15-inch sanitary sewer outfall, Graham's 18-inch sanitary sewer outfall, Graham's Cherry Lane Pump Station, and at the Graham Wastewater Treatment Plant. This wastewater flow does not count against Mebane's 0.75 MGD purchased wastewater capacity agreement.
 - Upon completion of public sewer main improvements, to City of Mebane requirements, they will become a part of Mebane's sewer collection system for ownership and maintenance.

If there are any questions, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Franz K. Holt".

Franz K. Holt, P.E. City Engineer

CC:

Ashley Ownbey - Development Director

Kyle Smith, P.E. – Utilities Director



Technical Memorandum

Date: December 5, 2023

To: Ashley Ownbey - Development Director

From: Franz K. Holt, P.E - City Engineer

Subject: Buc-ee's at the NC Commerce Park (NCCP) – City Engineering review

Preliminary Site Plans for Buc-ee's at the NCCP dated November 28th, 2023, and prepared by Seth Ward, P.E. with Kimley Horn and Associates, INC., of Durham, NC, have been reviewed by the Engineering Department as a part of the TRC process. Our technical memo comments are as follows:

A. General

1. Buc-ee's proposes to construct a 74,000 square foot building on a 32.47-acre site located within the NCCP and fronting along Trollingwood-Hawfields Road.
2. Stormwater management controls will be required to treat and detain the stormwater runoff from the proposed built upon surfaces meeting Mebane Phase II stormwater requirements for post-construction runoff.
3. A Traffic Impact Analysis (TIA) has been completed for the site and reviewed by NCDOT and City with certain roadway improvements being identified to Trollingwood-Hawfields Road and Senator Ralph Scott Parkway. NCDOT review and approval will be required for utility encroachments, multi-use path improvements, the three proposed driveway connections, and the proposed roadway, bridge, turn lane, and signal improvements identified as a part of the TIA.
4. A 10' wide multi-use path is shown along Trollingwood-Hawfields Road from Senator Ralph Scott Parkway through the Interstate overpass to the existing sidewalk at Love's. The 10' wide multi-use path will also continue along Senator Ralph Scott Parkway to the Buc-ee's driveway. Internal sidewalk network will connect to these public walkway improvements.

B. Availability of City Water and Sewer

1. Water system –
 - Buc-ee's proposes to extend a 12-inch water main along Trollingwood-Hawfields Road from Mebane's 16-inch water main at Senator Ralph Scott Parkway. This 12-inch water main will eventually be looped back to Lowes Blvd. with future development. Private fire and domestic connections will be made from the 12-inch water main extension with appropriate valves, backflow devices, and fire hydrants protecting and serving the site.
 - Anticipated water use is 23,000 gallons per day.
 - The City has adequate water capacity at the Graham-Mebane Water Plant to provide domestic water use and fire flows for the proposed development.
 - Upon completion of the public water main improvements, to City of Mebane requirements, they will become a part of Mebane's water distribution system for ownership and maintenance.



2. Sanitary Sewer system –

- Buc-ee's proposes to extend a 12-inch public sewer main from its 15-inch outfall to and under Trollingwood-Hawfields Road. The proposed extension is consistent with the planned City of Mebane GKN Pump Station flow reroute project to Graham. An 8-inch private connection to this public line will serve the proposed development and include a grease trap.
- Anticipated wastewater use is 23,000 gallons per day.
- The City has adequate wastewater capacity available in the downstream Mebane 15-inch sanitary sewer outfall, Graham's 18-inch sanitary sewer outfall, Graham's Cherry Lane Pump Station, and at the Graham Wastewater Treatment Plant. This wastewater flow does not count against Mebane's 0.75 MGD purchased wastewater capacity agreement.
- Upon completion of public sewer main improvements, to City of Mebane requirements, they will become a part of Mebane's sewer collection system for ownership and maintenance.

C. *Phase II Stormwater Post Construction Ordinance, Watershed Overlay District, and Falls Lake Watershed Stormwater Regulations*

1. Watershed Overlay District requirements are provided under Sec. 5.3 of the UDO. These requirements in the UDO are for the Back-Creek Watershed, which includes the Graham-Mebane Lake. These requirements do not apply as the project drains to Back Creek below the Graham-Mebane Lake dam with no restrictions on built upon area.

2. Phase II Stormwater Post Construction Ordinance

Sections 5.1 and 5.2 in the UDO provide standards for Storm Water Management and 5.1.F requires compliance with the Mebane Post Construction Runoff Ordinance (which is a stand-alone ordinance titled the Phase II Stormwater Post Construction Ordinance (SPCO)). The standards in the UDO are general standards as the Ordinance itself provides detailed standards. The SPCO does apply to this project as it will disturb more than one acre of land and it is estimated that the new built upon will be more than 24% of the site. The project proposes to construct two privately maintained stormwater management control devices meeting the City's requirements for stormwater treatment and detention. Fencing is required with water pooling at 2 feet and above.

D. *Storm Drainage System*

Sec. 5-1.D in the UDO provides requirements for storm drainage systems. The preliminary site plans include a preliminary layout of storm drainage swales, piping, and inlets that collect stormwater runoff that is directed to stormwater management control devices where treatment and detention occurs before being discharged off-site.



G. *Street Access and TIA*

The following is from NCDOT's review letter:

Based on the information provided, and as a condition of the pending driveway permit, the developer will be required to construct the following road improvements to mitigate the anticipated impacts of site traffic.

Trollingwood-Hawfields Road – I-40 Westbound Ramps:

- Construct a second westbound left-turn lane with a minimum of 400 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the bridge over I-40 to provide two southbound receiving lanes and a second northbound left-turn lane with a minimum of 250 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the I-40 westbound on-ramp to provide a second receiving lane with a minimum of 750' feet of full width and appropriate transition per NCDOT requirements.
- Restripe the existing southbound right-turn lane to provide a second through lane.
- Subject to available right of way, construct a southbound exclusive right turn-lane with 250 feet of full width storage and appropriate transition per NCDOT requirements.
- Modify the existing traffic signal to accommodate the proposed laneage.

Trollingwood-Hawfields Road – I-40 Eastbound Ramps:

- Widen the eastbound approach to provide a shared through/left turn lane and two exclusive right turn lanes.
- Extend the eastbound left and right turn lanes to provide a minimum of 400 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the bridge over I-40 to provide two continuous southbound through lanes, and an exclusive southbound left turn lane with 150 feet of full width storage with appropriate transition per NCDOT requirements.
- Widen the southbound departure to accommodate two through lanes.
- Widen to provide two northbound through lanes, and an exclusive northbound right turn lane with a minimum of 300 feet of full width storage and appropriate transition per NCDOT requirements.
- Modify the existing traffic signal to accommodate the proposed laneage.

Trollingwood-Hawfields Road – Pilot Truck Stop North Driveway:

- Coordinate with the property owner and convert the Pilot Truck Stop north driveway to a stop-controlled right-in/right-out access by constructing a median along Trollingwood-Hawfields Road with appropriate channelization, signing and markings per NCDOT requirements.



Trollingwood Hawfields Road – Pilot Truck Stop South Driveway/Buc-ee’s North Driveway:

- Construct the Buc-ee’s north driveway with one channelized southbound free-flow right-turn ingress lane, providing a minimum of 200 feet of full width storage and appropriate transition per NCDOT requirements.
- Provide appropriate internal protected stem length on the proposed access and internal circulation pattern to accommodate all possible movements safely and efficiently.
- Widen Trollingwood Hawfields road to provide two northbound through lanes, two southbound through lanes, and an exclusive southbound left turn lane with a minimum of 300 feet of full width storage and appropriate transition per NCDOT requirements.

Trollingwood-Hawfield Road – Buc-ee’s South Driveway:

- Construct the Buc-ee’s south driveway under signal control with two ingress lanes and three egress lanes, consisting of two exclusive left-turn lanes with 400’ of full width storage and an exclusive right-turn lane with 100’ of full width storage.
- Provide appropriate internal protected stem length and internal circulation pattern to accommodate anticipated queues and all possible movements safely and efficiently.
- Construct a northbound left-turn lane with 150 feet of full width storage and appropriate transition per NCDOT requirements.
- Construct a channelized southbound right-turn lane with a minimum of 200 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen Trollingwood-Hawfields Road to accommodate two southbound through lanes and two northbound through lanes to receive dual left-turn movements from the access.
- Construct a connected and coordinated traffic signal to accommodate the proposed geometry.

Trollingwood-Hawfields Road – Senator Ralph Scott Parkway- Villa Strigo Drive Intersection:

- Extend the existing southbound right-turn lane to provide continuous storage and terminating as a right-turn lane drop.

Senator Ralph Scott Parkway – Buc-ee’s Site Driveway:

- Construct a full-movement, stop controlled site driveway with one ingress lane and two egress lanes consisting of an exclusive right-turn lane and exclusive left-turn lane.
- Provide a minimum internal protected stem length of 100’.
- Construct an eastbound left-turn lane with 100 feet of full width storage and appropriate transition per NCDOT requirements.
- Construct a westbound right-turn lane with 100 feet of full width storage and appropriate transition per NCDOT requirements.



H. Construction Plan Submittal

- The UDO indicates that construction plans for all street facilities, including water and sewer facilities, shall be submitted following preliminary plat or site plan approval; therefore, construction plans are not required as a part of the site plan review.
- A utility plan is provided which generally shows the proposed water lines, sewer lines, and storm drainage and stormwater management devices to indicate that the project is feasible for utility service and providing stormwater management.
- Appendix E, which is included in the UDO, is a Construction Document checklist which is to be provided at such time as construction plans are submitted after Preliminary Site Plan approval.
- Based on city engineering review of the referenced preliminary site plans, it is my opinion that said plans are in substantial compliance with the UDO.

The traffic impact analysis (TIA) documents are available for download through the following link:

<https://cityofmebane.sharefile.com/d-s6c3b8646105f4a89aa3437435d19919a>

* Estimates of sales tax revenue below are based on sales estimates provide by Buc-ee's and existing Alamance County sales tax rates. All figures are estimates intended to provide guidance as to sales tax revenues derived only from non-fuel sales at Buc-ee's and do not take into account any additional projected economic activity associated with the project.

Prepared Food		
	\$ 17,000,000.00	
State of North Carolina	4.75%	\$ 807,500.00
Article 39	1.00%	\$ 170,000.00
Article 40	0.50%	\$ 85,000.00
Article 42	0.50%	\$ 85,000.00
Sub-total	6.75%	\$ 1,147,500.00
Merchandise		
	\$ 10,000,000.00	
State of North Carolina	4.75%	\$ 475,000.00
Article 39	1.00%	\$ 100,000.00
Article 40	0.50%	\$ 50,000.00
Article 42	0.50%	\$ 50,000.00
Sub-total	6.75%	\$ 675,000.00
Grocery (Non-Prepared Food)		
	\$ 3,000,000.00	
State of North Carolina	0.00%	\$ -
Article 39	1.00%	\$ 30,000.00
Article 40	0.50%	\$ 15,000.00
Article 42	0.50%	\$ 15,000.00
Sub-total	2.00%	\$ 60,000.00
TOTAL Estimated Sales Tax Revenue		\$ 1,882,500.00
DISTRIBUTION		
State of N.C.		\$ 1,282,500.00
Alamance County & Municipalities		\$ 600,000.00
Alamance County Share		\$ 311,511.43
Total Municipal Share		\$ 288,488.57
	Alamance	\$ 2,514.29
	Burlington	\$ 142,260.75
	Elon	\$ 28,550.94
	Gibsonville	\$ 11,055.15
	Graham	\$ 44,216.32

	Green Level	\$ 8,088.03
	Haw River	\$ 6,343.48
	Mebane	\$ 37,797.33
	Ossipee	\$ 1,358.12
	Swepsonville	\$ 6,304.16

*Estimates of sales tax revenue are only estimates and are based on percentages of sales tax revenue received by each jurisdiction based on the most recent Certification of Amounts Disbursed During the Twelve-Month Period Ending June 30 (<https://www.ncdor.gov/certification-22-23>).



AGENDA ITEM #7B

SU 23-04

Special Use Permit – Buc-ee’s
Mebane

Presenter

Ashley Ownbey, Development Director

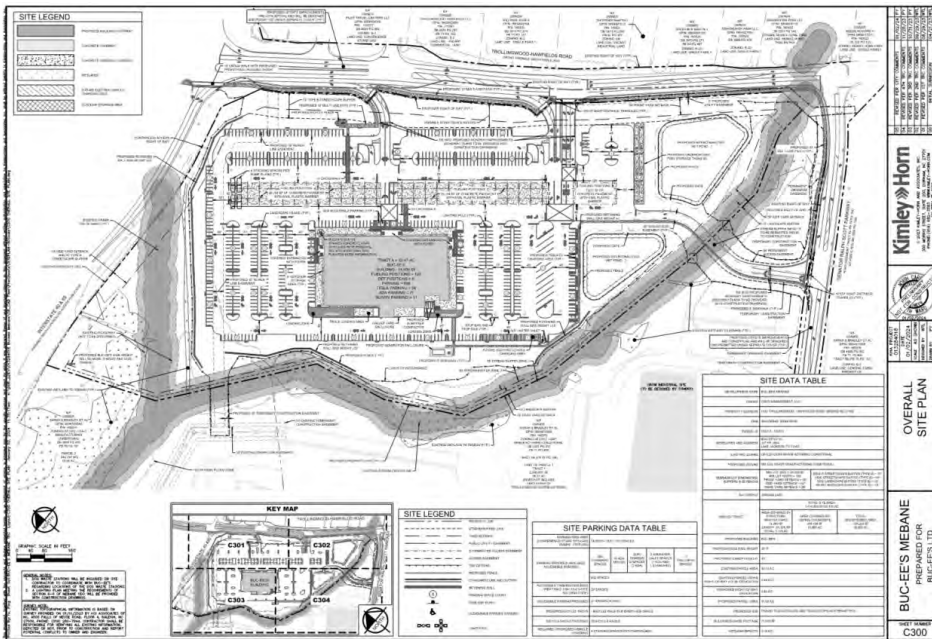
Applicant

CSMS Management, LLC
327 FM 2004
Lake Jackson, TX 77566

Public Hearing

Yes No (Quasi-Judicial)

Site Plan



Property

1425 Trollingwood-
Hawfields Road

Alamance County GPINs:

9804720640 (portion)

9804810638 (portion)

Proposed Zoning

HM (CD)

Current Zoning

LM (CD)

Size

+/- 32.087 acres

Surrounding Zoning

LM (CD), LM, HM, B-2,
R-20, MHP

Surrounding Land Uses

Industrial, Commercial,
Residential, Interstate
40/85

Utilities

Available

Floodplain

Yes

Watershed

No

City Limits

Yes

Application Brief

See Planning Project Report for more details.

Recommendations	
Technical Review Committee:	The Technical Review Committee (TRC) has reviewed the site plan five times, and the applicant has revised the plan to reflect the comments.
Planning Staff:	The proposed development “Buc-ee’s Mebane” is consistent with the guidance provided within Mebane By Design, the Comprehensive Land Development Plan. Specifically, it is located in an industrial growth strategy area, serves Goal 2.1, and widens Trollingwood-Hawfields Road consistent with Roadway Project #4 of the City’s Comprehensive Transportation Plan.
Planning Board:	At the December 11 meeting of the Planning Board, a motion to approve a rezoning request for the property failed to pass by a vote of 3 – 6. As such, the Planning Board did not act on the special use request.
Zoning & Land Use Report	
Jurisdiction:	Mebane City Limits
Proposed Use By-Right (Yes/No):	No
Type of Rezoning Request:	Conditional
Special Use Request (Yes/No):	Yes
Consistency with Mebane By Design (Yes/No):	Yes
Utilities Report	
Available Utilities (Yes/No):	Yes
Adequate Stormwater Control (Yes/No):	Yes
Innovative Stormwater Control (Yes/No):	No
Consistency with Long-Range Utility Plan (Yes/No):	Yes
Transportation Report	
Traffic Impact Analysis Required (Yes/No):	Yes
Multi-Modal Improvements (Yes/No):	Yes
Consistency with Bike/Ped Transportation Plan (Yes/No):	Yes

Summary

CSMS Management, LLC is requesting approval for a Special Use Permit to allow for a travel plaza on a property, which is owned by the applicant, totaling +/- 32.087 acres and preliminarily addressed 1425 Trollingwood-Hawfields Road (formerly GPINs 9804810638 and 9804720640). The property is located in the Mebane City Limits. A request to rezone the subject property from LM (CD) to HM (CD) has also been submitted.

The site is part of the North Carolina Commerce Park, an economic development zone that emerged in 2012. The Mebane City Council participated in a joint meeting with the Alamance County Board of Commissioners and the Graham City Council in November 2012 to define an economic development area, consider the history of the site, the impacts of a commerce park on the area, and the advantages of interlocal cooperation. From its inception, the North Carolina Commerce Park has been dedicated to economic development activities. The compact from May 2013, which established the economic development zone, recognizes the communities share “a common concern for providing jobs and economic opportunity for their citizens” while also acknowledging that industrial or commercial sites may be considered as part of the economic activities.

Approval of the special use permit request will allow for a travel plaza with an approximately 74,000 square foot building, 120 fueling positions, and approximately ~~650~~ 652 parking stalls, including electric vehicle and bus/RV parking. The site plan shows three driveways – two on Trollingwood-Hawfields Road and one on Senator Ralph Scott Parkway. **Since presentation of the rezoning and special use requests to the Mebane Planning Board, the applicant has modified two retaining walls to minimize impacts to wetlands, relocated the underground fuel storage tanks, and adjusted the parking and landscaping designs to accommodate these changes. Additionally, the applicant has revised the grading and incorporated a culvert for the stream crossing associated with the driveway on Senator Ralph Scott Parkway and extended the existing 48” culvert on the southeastern corner of the site to not conflict with the proposed 10’ multi-use path.**

The following conditions are proposed with the request:

Proposed Conditions	Mebane UDO Requirements
<p>The applicant is proposing the following major signage associated with the site:</p> <ul style="list-style-type: none"> – One freestanding sign not to exceed 90 feet in height and 400 square feet in sign area, including a Mebane sign. – One 50 square foot sign on the front and rear elevations of each fuel canopy. – One 50 square foot sign on the side elevations of two fuel canopies. – Signage with a total area of 202 square feet on the side elevations of the building. 	<p>The applicant submitted the site plan prior to the Mebane City Council’s adoption of amendments to the sign ordinance in June of 2023. Therefore, the applicant may choose to follow the requirements of either ordinance. The following ordinance requirements apply:</p> <ul style="list-style-type: none"> – One freestanding sign is permitted per street frontage. Signs within 400 feet of the interstate highway and interchanges are allowed a maximum height of 60 feet and a maximum sign area of 300 square feet.

<ul style="list-style-type: none"> - Signage with a total area of 285 square feet on the front elevation of the building. - No signage on the rear elevation of the building. - Forego freestanding signs on Trollingwood-Hawfields Road and Senator Ralph Scott Parkway 	<ul style="list-style-type: none"> - One sign is permitted on each side of a fuel canopy. The maximum sign area is calculated at one square foot for every linear foot of the canopy side. - One wall sign is permitted on each side of a building (four sides). Allowable sign area is calculated at one square foot for every linear foot of building side, with a maximum sign area of 200 square feet.
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Kimley-Horn and Associates, Inc. conducted a Traffic Impact Analysis (TIA) which has been reviewed by the NCDOT, City staff, and the City’s contracted TIA consultant. Per findings of the TIA, the developer is required to complete the following improvements, pending project coordination with and final design approval by the North Carolina Department of Transportation (NCDOT):

Trollingwood Hawfields Road – I-40 Westbound Ramps:

- Construct a second westbound left-turn lane with a minimum of 400 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the bridge over I-40 to provide two southbound receiving lanes and a second northbound left-turn lane with a minimum of 250 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the I-40 westbound on-ramp to provide a second receiving lane with a minimum of 750’ feet of full width and appropriate transition per NCDOT requirements.
- Restripe the existing southbound right-turn lane to provide a second through lane.
- Subject to available right of way, construct a southbound exclusive right turn-lane with 250 feet of full width storage and appropriate transition per NCDOT requirements.
- Modify the existing traffic signal to accommodate the proposed laneage.

Trollingwood Hawfields Road – I-40 Eastbound Ramps:

- Widen the eastbound approach to provide a shared through/left turn lane and two exclusive right turn lanes.
- Extend the eastbound left and right turn lanes to provide a minimum of 400 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the bridge over I-40 to provide two continuous southbound through lanes, and an exclusive southbound left turn lane with 150 feet of full width storage with appropriate transition per NCDOT requirements.
- Widen the southbound departure to accommodate two through lanes.
- Widen to provide two northbound through lanes, and an exclusive northbound right turn lane with a minimum of 300 feet of full width storage and appropriate transition per NCDOT requirements.
- Modify the existing traffic signal to accommodate the proposed laneage.

Trollingwood Hawfields Road – Pilot Truck Stop North Driveway:

- Coordinate with the property owner and convert the Pilot Truck Stop north driveway to a stop-controlled right-in/right-out access by constructing a median along Trollingwood Hawfields Road with appropriate channelization, signing and markings per NCDOT requirements.

Trollingwood Hawfields Road – Pilot Truck Stop South Driveway/Buc-ee's North Driveway:

- Construct the Buc-ee's north driveway with one channelized southbound free-flow right-turn ingress lane, providing a minimum of 200 feet of full width storage and appropriate transition per NCDOT requirements.
- Provide appropriate internal protected stem length on the proposed access and internal circulation pattern to accommodate all possible movements safely and efficiently.
- Widen Trollingwood Hawfields road to provide two northbound through lanes, two southbound through lanes, and an exclusive southbound left turn lane with a minimum of 300 feet of full width storage and appropriate transition per NCDOT requirements.

Trollingwood Hawfield Road – Buc-ee's South Driveway:

- Construct the Buc-ee's south driveway under signal control with two ingress lanes and three egress lanes, consisting of two exclusive left- turn lanes with 400' of full width storage and an exclusive right- turn lane with 100' of full width storage.
- Provide appropriate internal protected stem length and internal circulation pattern to accommodate anticipated queues and all possible movements safely and efficiently.
- Construct a northbound left-turn lane with 150 feet of full width storage and appropriate transition per NCDOT requirements.
- Construct a channelized southbound right-turn lane with a minimum of 200 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen Trollingwood Hawfields Road to accommodate two southbound through lanes and two northbound through lanes to receive dual left-turn movements from the access.
- Construct a connected and coordinated traffic signal to accommodate the proposed geometry.

Trollingwood Hawfields Road – Senator Ralph Scott Parkway- Villa Strigo Drive Intersection:

- Extend the existing southbound right-turn lane to provide continuous storage and terminating as a right-turn lane drop.

Senator Ralph Scott Parkway – Buc-ee's Site Driveway:

- Construct a full-movement, stop controlled site driveway with one ingress lane and two egress lanes consisting of an exclusive right-turn lane and exclusive left-turn lane.
- Provide a minimum internal protected stem length of 100'.
- Construct an eastbound left-turn lane with 100 feet of full-width storage and appropriate transition per NCDOT requirements.

- Construct a westbound right-turn lane with 100 feet of full-width storage and appropriate transition per NCDOT requirements.

Financial Impact

The applicant will be required to make all of the improvements shown on the site plan.

Based on sales tax revenue projections provided by the applicant, the North Carolina League of Municipalities estimates more than \$1.8 million in annual sales tax revenue from non-fuel sales. The estimation is included as an attachment. Sales tax revenue is collected and distributed by the State of North Carolina. Local option sales taxes (2%) are distributed to Alamance County and to municipalities in the county on a per capita basis. No estimates are available for projected property tax revenue or other economic activities associated with the project.

Suggested Motion

1. Motion to approve the special use permit as presented.
2. Motion to find that the application is consistent with the objectives and policies for growth and development in the City's 2017 Comprehensive Land Development Plan *Mebane By Design*, the City's 2018 *Comprehensive Transportation Plan*, or other plans officially adopted by the City Council. It is both reasonable and in the public interest because it has been found that the request:
 - a. Will not materially endanger the public health or safety;
 - b. Will not substantially injure the value of adjoining or abutting property;
 - c. Will be in harmony with the area in which it is located; and
 - d. Will be in conformity with the land development plan or other plans officially adopted by the City Council.

OR

1. Motion to **deny** the special use permit as presented due to a failure to satisfy any one of the four criteria required for approval (**NOTE: criterion for failure must be specified**):
 - a. Will materially endanger the public health or safety; or
 - b. Will substantially injure the value of adjoining or abutting property; or
 - c. Will not be in harmony with the area in which it is located; or
 - d. Will not be in conformity with the land development plan or other plans officially adopted by the City Council.

Attachments

1. Preliminary Presentation Slides
2. Special Use Permit Application
3. Site Plan – [click here to download](#).
 - a. Conceptual Rendering
 - b. Full Site Plan Set
 - c. Sign Rendering Package

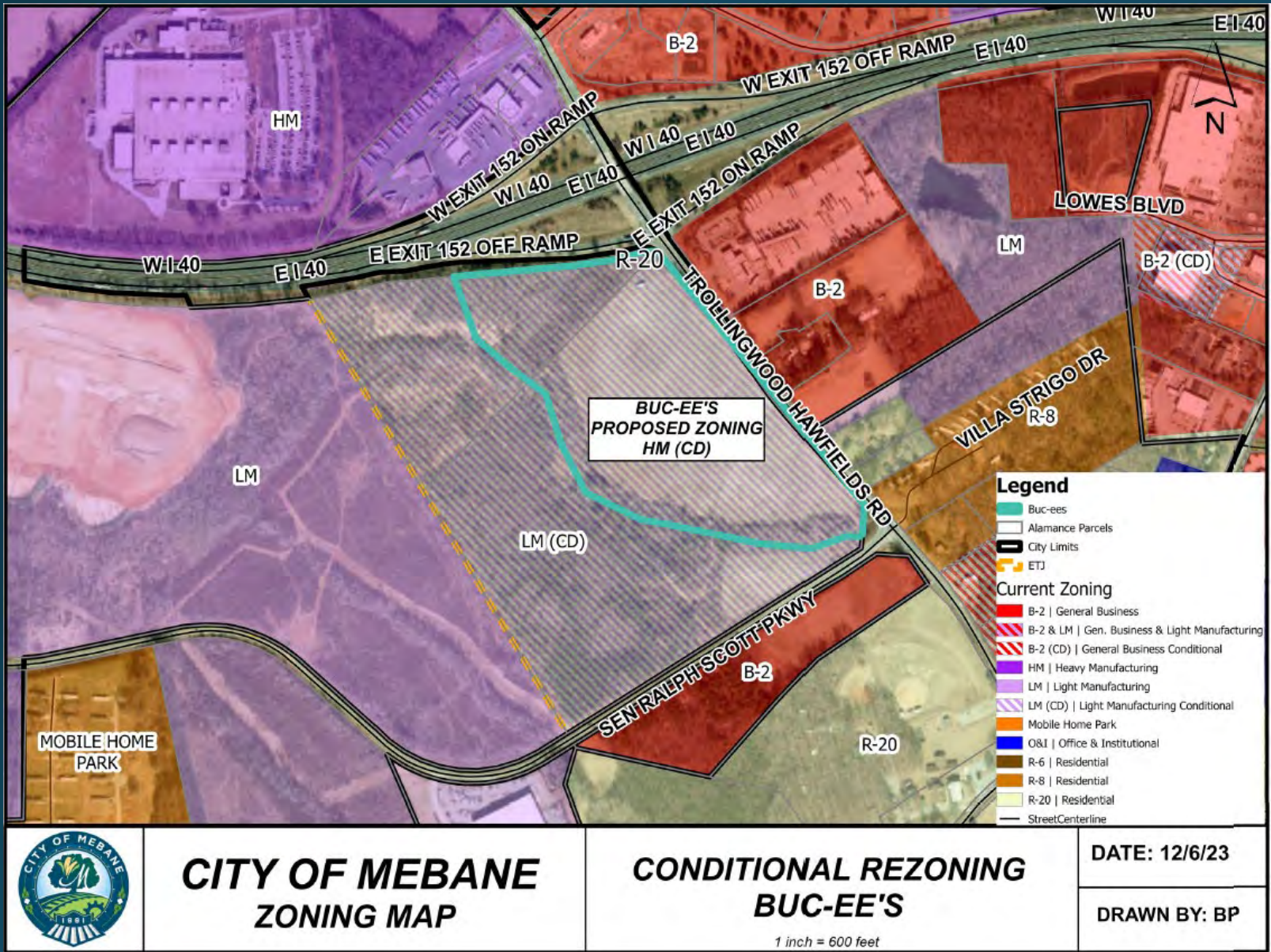
4. Planning Project Report
5. Preliminary Water and Sewer System Approval Letter
6. Technical Memorandum – City Engineering Review
7. Traffic Impact Analysis – [click here to download.](#)
 - a. NCDOT TIA Review
 - b. VHB TIA Review
 - c. Conceptual Plan of Offsite Improvements
8. Sales Tax Estimation



Ashley Ownbey, Development Director

Special Use Permit Request: Travel Plaza – Buc-ee’s Mebane
by CSMS Management, LLC





Buc-ee's

Special Use Permit Request

- Request by CSMS Management, LLC
- +/- 32.087 Acres
- Requested zoning: HM (CD)





Buc-ee's

Special Use Permit Request

- North Carolina Commerce Park
- Mebane City Limits, Alamance County



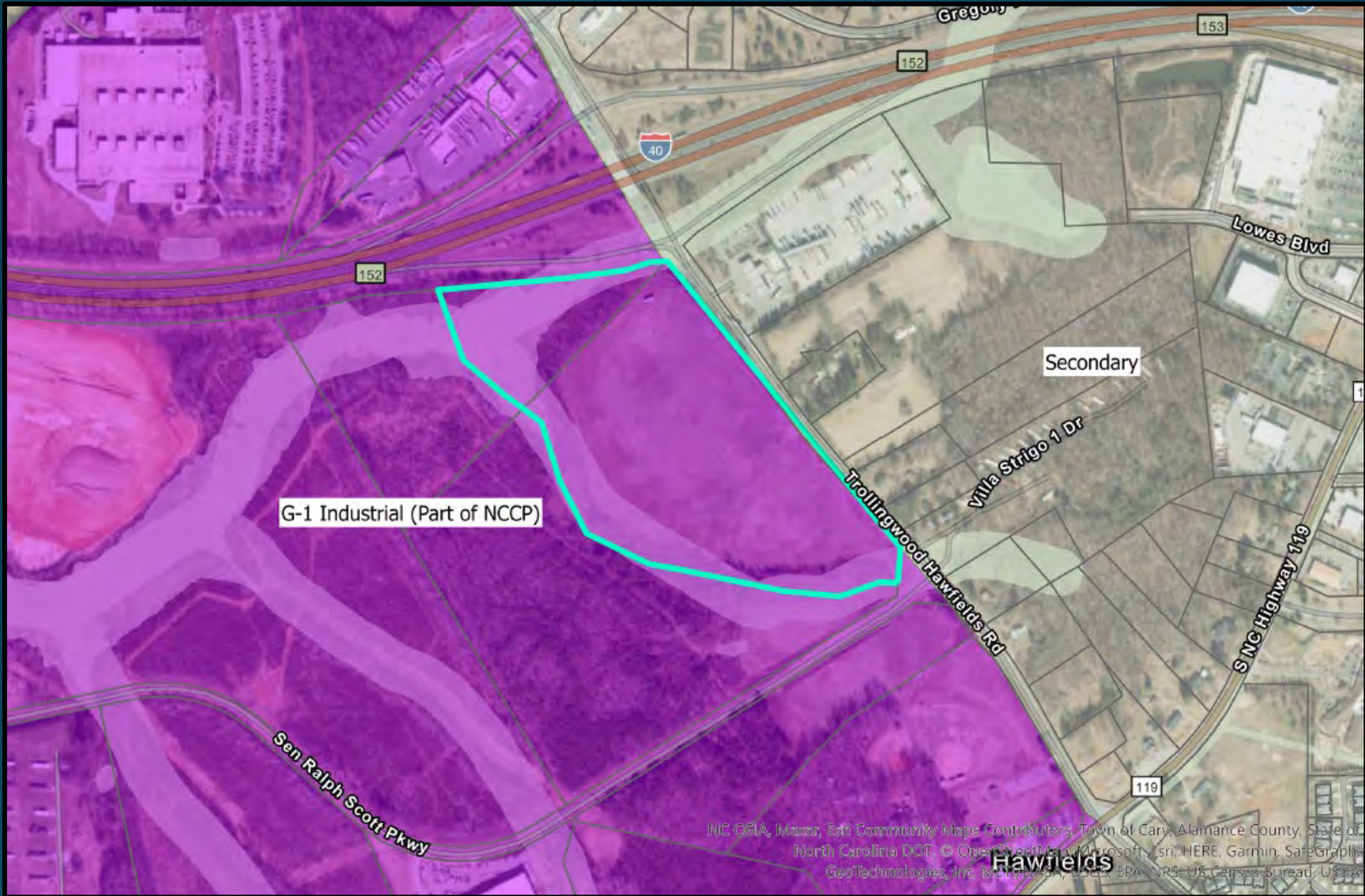


Buc-ee's

Special Use Permit Request

- Vacant, Farm
- Approved in December 2022 for a development of a +/- 279,000 square foot warehouse
- Surrounding uses include:
 - North Carolina Commerce Park
 - Love's Travel Stop
 - Pilot's Travel Center
 - Residential
 - Church





Buc-ee's Special Use Permit Request

Mebane By Design Industrial Growth Strategy Area (Part of NCCP)





BUC-EE'S MEBANE: CONCEPTUAL SITE PLAN RENDERING

JANUARY 2, 2024



Kimley»Horn



Buc-ee's

Special Use Permit Request

Special Use Permit requested to allow for a travel plaza to include:

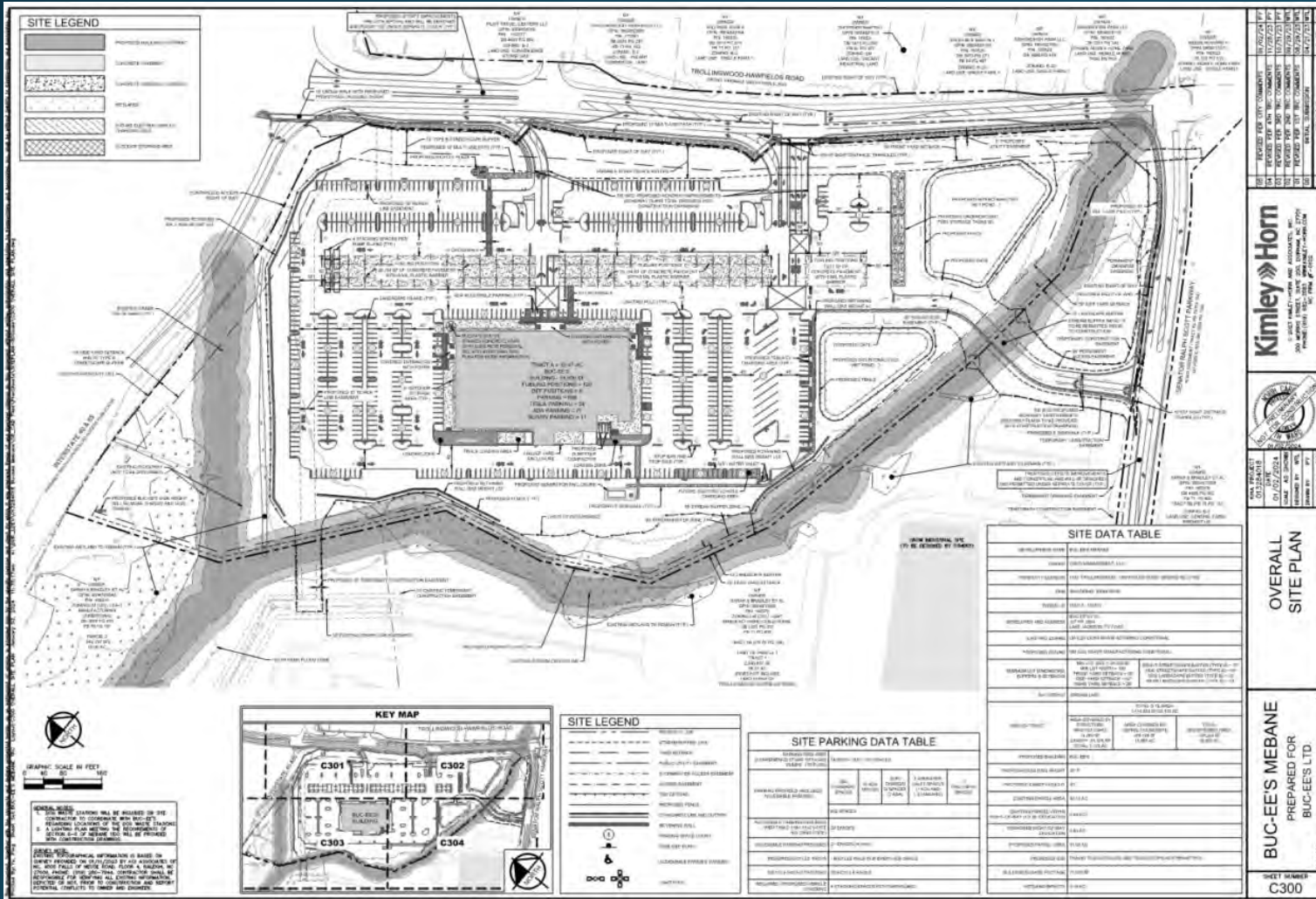
- +/- 74,000 square foot building
- 120 fueling positions
- +/- 652 parking spaces, including standard, ADA, electric vehicle, bus/RV

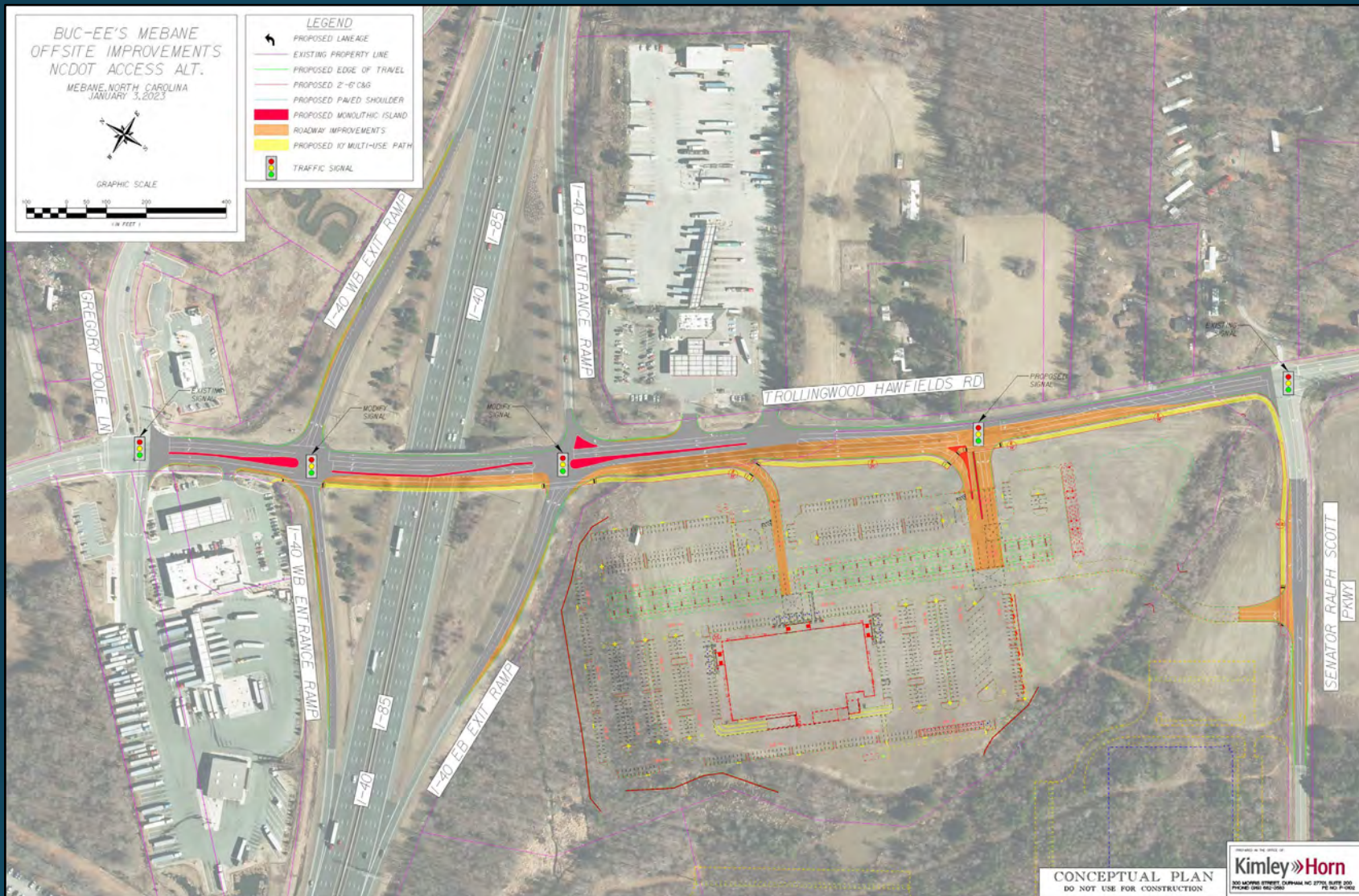


Buc-ee's

Special Use Permit Request

- Two driveways on Trollingwood-Hawfields Road and one driveway on Senator Ralph Scott Parkway.
- 10' multi-use path and bicycle plaza
- Conditions requested related to signage:
 - Freestanding sign with a maximum height of 90 feet and maximum area of 400 square feet
 - Wall signs exceeding 200 square foot maximum
- Revisions since Planning Board:
 - Modifications to retaining walls
 - Relocation of fuel tanks
 - Culverts





Buc-ee's Special Use Permit Request

Per the TIA, the applicant is required to make roadway improvements on Trollingwood-Hawfields Road, Senator Ralph Scott Parkway, I-40/85 ramps, and the bridge across I-40/85. The improvements require project coordination with and final design approval by the NCDOT.



Buc-ee's Proposed Water and Wastewater Use

- *Water Use*

- Buc-ee's water use is estimated at 23,000 gallons per day (gpd).
- The City of Mebane uses an average of 2.1 million gallons per day (mgd).
- Graham-Mebane Water Plant Capacity is 12 mgd (6 mgd to each municipality).
- On average Mebane uses 100 gpd per capita.
 - Residential use only 43 gpd per capita which equates to 535 people at 23,000 gpd.
- Mebane has the capacity to serve Buc-ee's domestic and fire demands.

- *Wastewater Use*

- Buc-ee's wastewater is estimated at 23,000 gpd.
- Due to the location within the North Carolina Commerce Park (NCCP), wastewater usage does not count against Mebane's allocation of 0.75 mgd to the Graham Wastewater Treatment Plant.
- Downstream wastewater facilities have the capacity to serve the proposed project.





Applicant Presentation



BUC-EE'S at Trollingwood- Hawfields Road and I-40

MEBANE CITY COUNCIL

JANUARY 8, 2024



SPECIAL USE PERMIT REQUEST (TRAVEL CENTER*)

- ▶ Four Findings of Fact
 - ▶ The Use Will Not Materially Endanger Public Health or Safety
 - ▶ The Use Will Not Substantially Injure the Value of Adjoining or Abutting Property
 - ▶ The Use Will Be In Harmony With the Area in Which it is to be Located
 - ▶ The Use Will Be In General Conformity With the Land Use Plan or Other Plans and Policies Officially Adopted by the City Council

THE USE WILL
NOT
MATERIALLY
ENDANGER
PUBLIC
HEALTH OR
SAFETY

- ▶ Technical Review Committee Process
- ▶ Planning Project Report Documentation
- ▶ Site Plan Specifics
 - ▶ Public Benefits
 - ▶ Internal Design Standards
 - ▶ Environmental Considerations
- ▶ Transportation Impact Analysis Process

SITE PLAN SPECIFICS



BUC-EE'S MEBANE: CONCEPTUAL SITE PLAN RENDERING

JANUARY 2, 2024



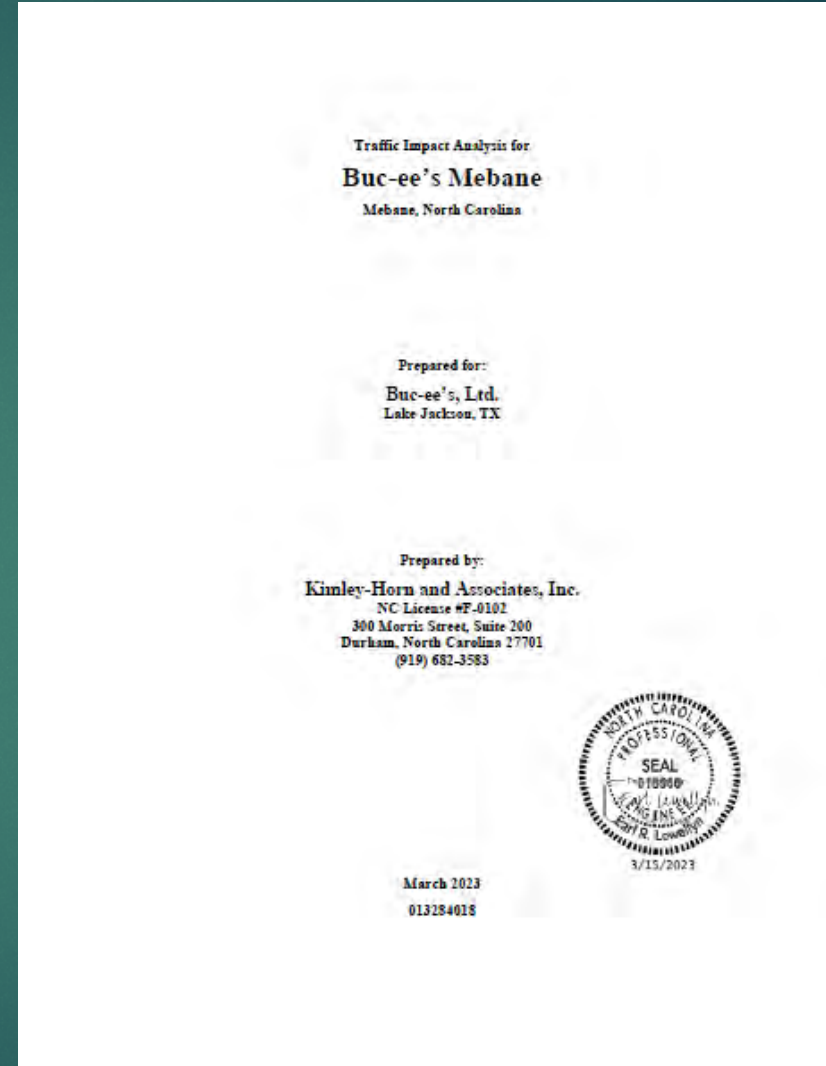
Kimley»Horn



ENVIRONMENTAL CONSIDERATIONS

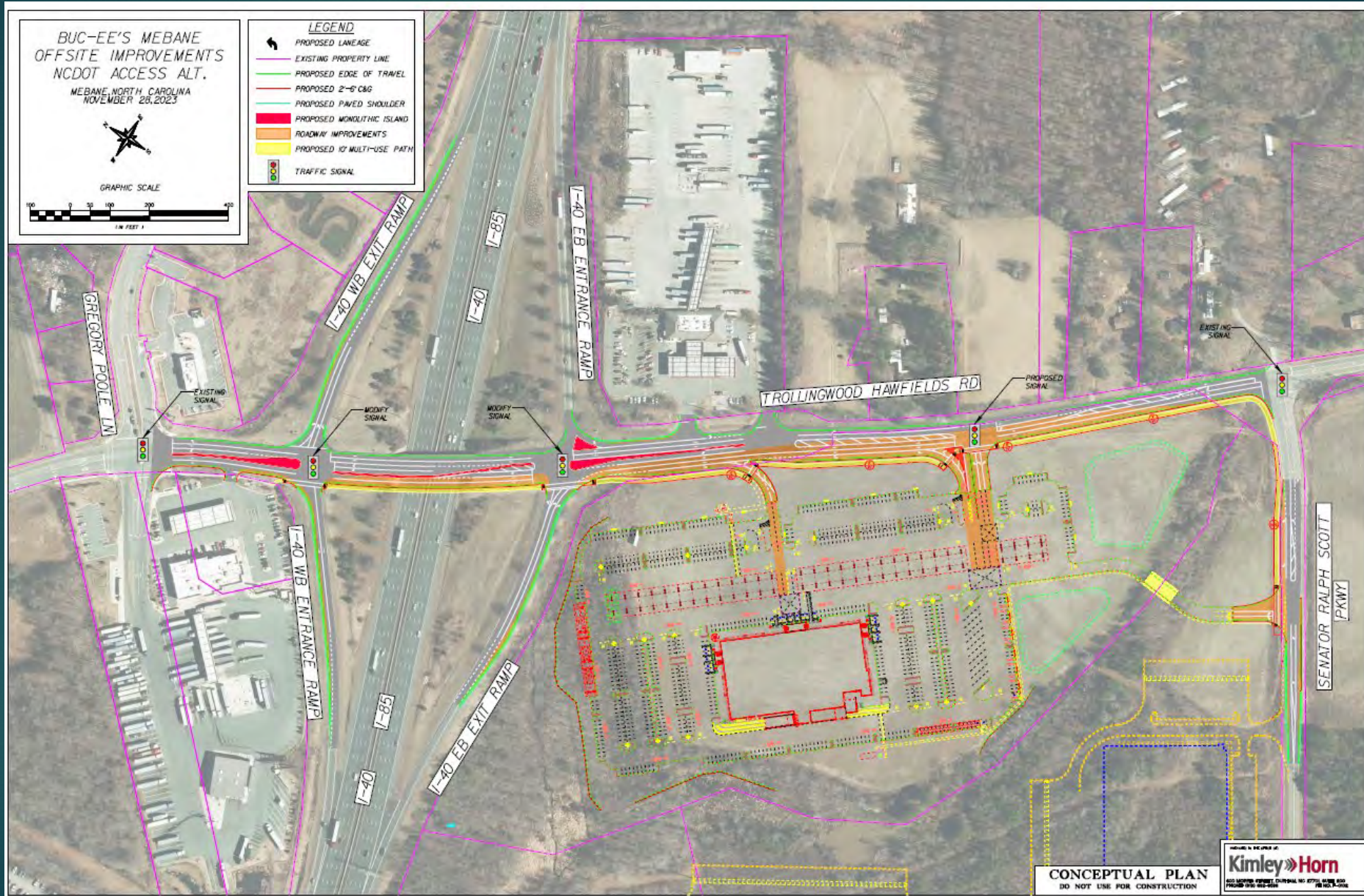
- ▶ 100-year Floodplain Present on south end of Site
 - ▶ Project proposes limited fill within the 100-year floodplain for site balancing;
 - ▶ No Fuel Tanks proposed in the Flood Plain
 - ▶ Proposal must be approved by City of Mebane;
 - ▶ Buc-ee's must prepare a no-rise flood study and update the mapping of the FEMA 100-year floodplain to reflect the proposed grades.
- ▶ Jurisdictional Streams/Wetlands Present on western and southeastern perimeters on Site
 - ▶ Project proposes limited impacts to streams and wetlands to remain under the threshold for a Nationwide Permit (0.5 acres);
 - ▶ Impacts are necessary for utility improvements required by the City and for Buc-ee's grading and secondary entrance required by City and NCDOT;
 - ▶ No Fuel Tanks proposed in the wetlands;
 - ▶ Buc-ee's must permit impacts through the US Army Corps of Engineers and the NC Division of Water Resources through prescribed regulatory process.
- ▶ Riparian Buffers
 - ▶ Project proposes limited impacts to Jordan Lake Watershed Riparian Buffer Zones Present on Site;
 - ▶ Impacts are necessary for utility improvements required by the City and secondary access required by the City and NCDOT;
 - ▶ No Fuel Tanks proposed in the Riparian Buffers;
 - ▶ Buc-ee's must prepare the required Jordan Lake Riparian Buffer Authorization to permit the impacts through DEQ's prescribed regulatory process.

TRAFFIC IMPACT ANALYSIS

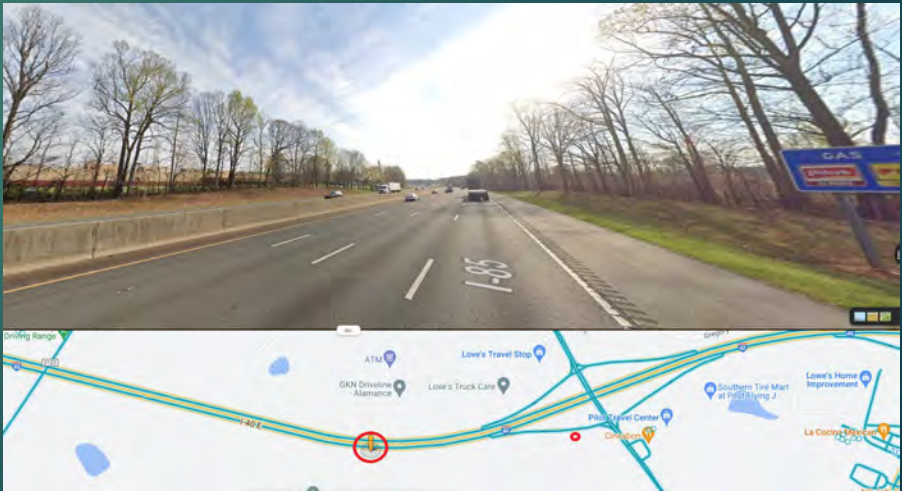
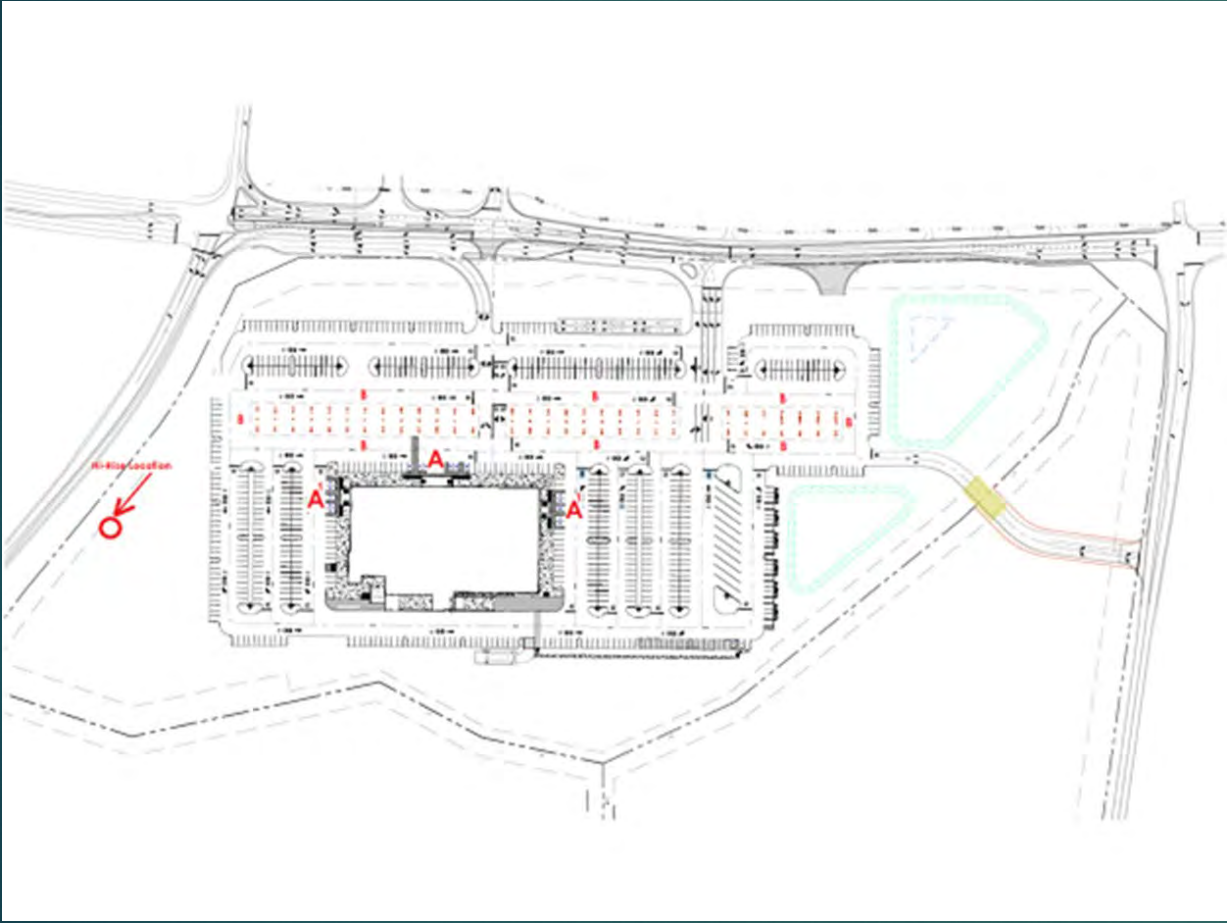


Amended and updated by Addendum on June 30, 2023 and August 18, 2023

TRAFFIC IMPROVEMENTS



PROPER WAYFINDING



THE USE WILL NOT SUBSTANTIALLY INJURE THE VALUE OF ADJOINING/ABUTTING PROPERTY

ZONING HEARING

BUC EE'S, A TRAVEL CENTER
TROLLINGWOOD-HAWFIELDS ROAD
MEBANE, NC 27302



PREPARED FOR

MS. AMANDA HODIERNE
ISAACSON SHERIDAN
804 GREEN VALLEY ROAD, SUITE 200
GREENSBORO, NC 27408

REPORT DATE
DECEMBER 11, 2023

LAURA K. MALLORY, MAI

MCNAIRY & ASSOCIATES
1616-B BATTLEGROUND AVENUE
GREENSBORO, NC 27408

MARCUS S. ORR

MCNAIRY & ASSOCIATES

www.mcnairyassociates.com

1616-B Battleground Avenue
Greensboro, NC 27408
336-378-1564

E-mail: laura@mcnairyassociates.com

December 11, 2023

Ms. Amanda Hodieme
Isaacson Sheridan
804 Green Valley Road, Suite 200
Greensboro, NC 27408

RE: Proposed Rezoning
LM - CD, Light Manufacturing to HM, Heavy Manufacturing with Special Use Permit to allow a travel center
Trollingwood-Hawfields Road
Mebane, NC 27302

Dear Ms. Hodieme:

As per your request, we are submitting a study on the property located at Trollingwood-Hawfields Road in Mebane, NC. We have reviewed the proposed site plan provided as well as public records such as tax records, the Mebane zoning ordinance and maps, existing and proposed land uses to determine if the proposed zoning change to HM, Heavy Manufacturing and issuance of a special use permit to allow a travel center will substantially injure the value of adjoining and abutting property.

Based on the research and analysis demonstrated in this report, the appraisers are of the opinion that a change in zoning to HM, Heavy Manufacturing and issuance of a special use permit to allow a travel center on the property will not substantially injure the value of adjoining and abutting property.

It was a pleasure preparing this report for you. Please let us know if we may be of further assistance.

Respectfully,


Laura K. Mallory, MAI

Laura K. Mallory, MAI
NC Certified General
Real Estate Appraiser, A3711

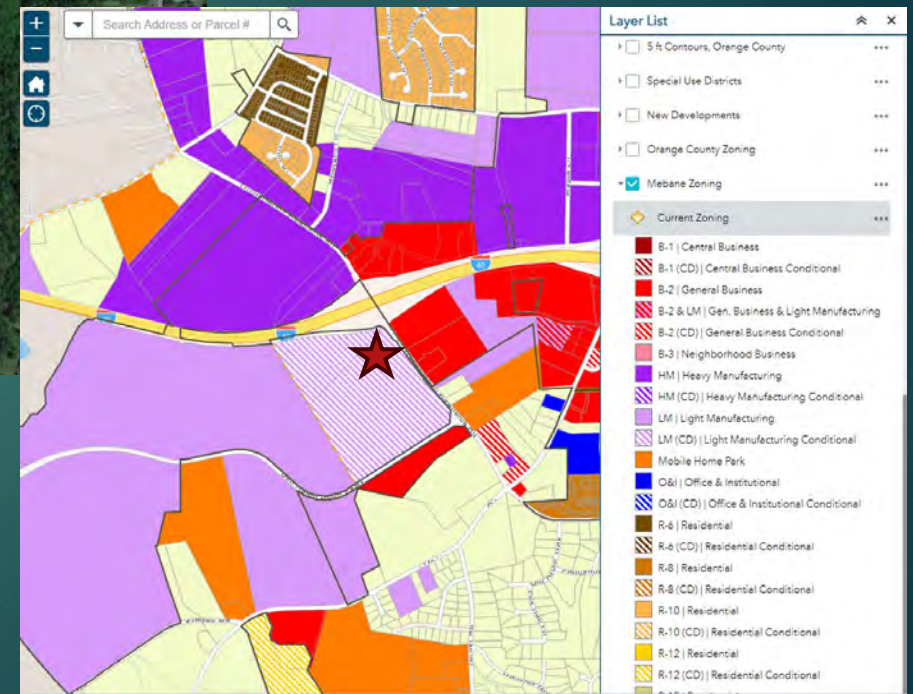

Marcus S. Orr

Marcus S. Orr
NC Certified General
Real Estate Appraiser, A8431

THE USE WILL
BE IN
HARMONY
WITH THE
AREA IN
WHICH IT IS
TO BE
LOCATED

- ▶ Planning Project Report Documentation
 - ▶ Page 2, bottom
 - ▶ Page 9, Staff Recommendation
- ▶ Existing Land Use Pattern
- ▶ Use of Site Planning Strategies

EXISTING LAND USE PATTERN



SITE PLANNING ELEMENTS FOR COMPATIBILITY



BUC-EE'S MEBANE: CONCEPTUAL SITE PLAN RENDERING

JANUARY 2, 2024



Kimley»Horn



THE USE WILL BE IN
GENERAL
CONFORMITY
WITH THE LAND
USE PLAN OR
OTHER PLANS &
POLICIES
OFFICIALLY
ADOPTED BY THE
CITY COUNCIL

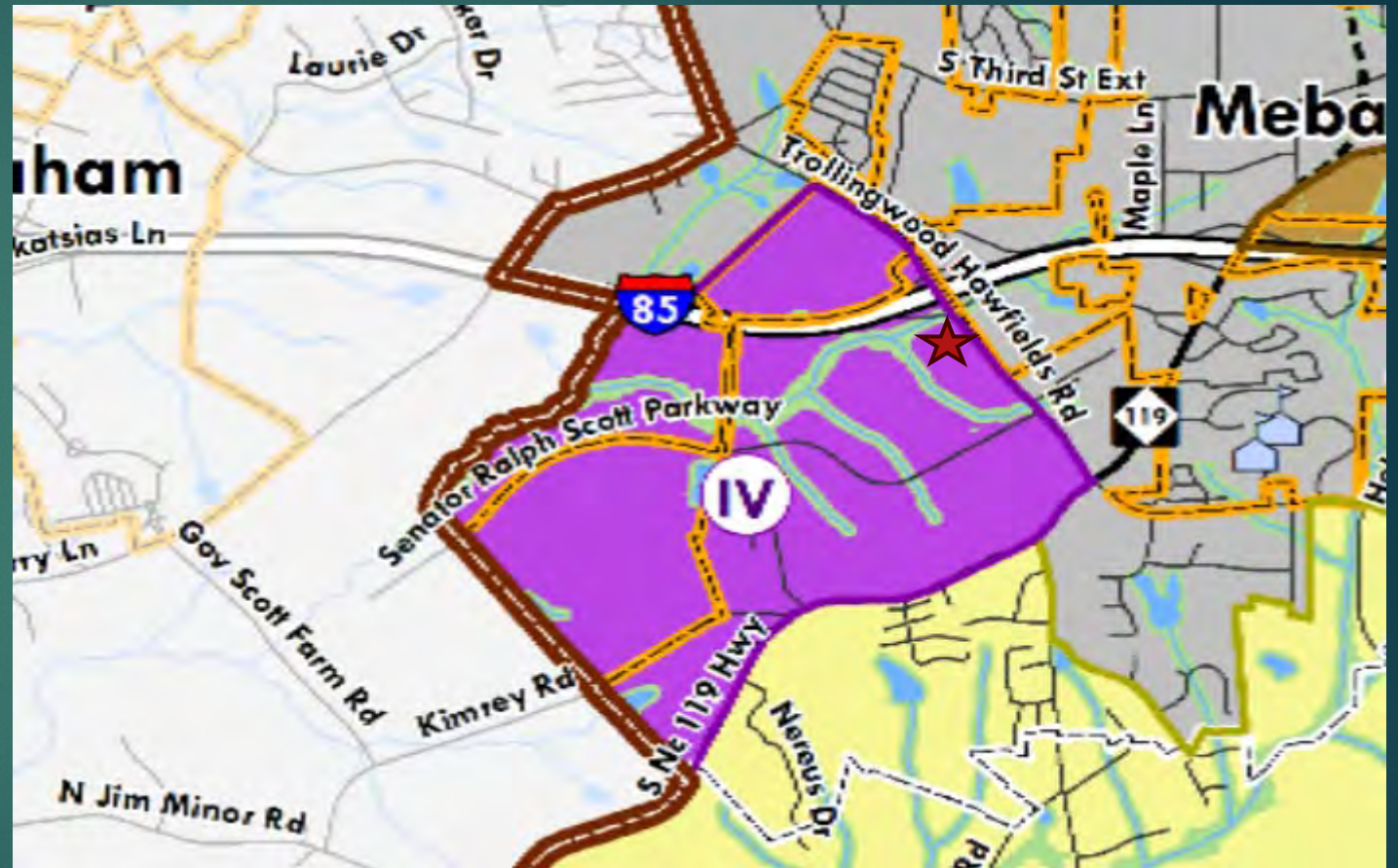
- ▶ Planning Project Report Documentation
 - ▶ Consistency with Mebane By Design Strategy, Page 4
 - ▶ Staff Recommendation, Page 9
- ▶ Mebane By Design
- ▶ North Carolina Commerce Park
- ▶ Unified Development Ordinance
- ▶ Utility Infrastructure Plans

MEBANE BY DESIGN

MEBANE BY DESIGN
Comprehensive Land Development Plan
City of Mebane



FINAL REPORT
Adopted by Mebane City Council
May 1, 2017



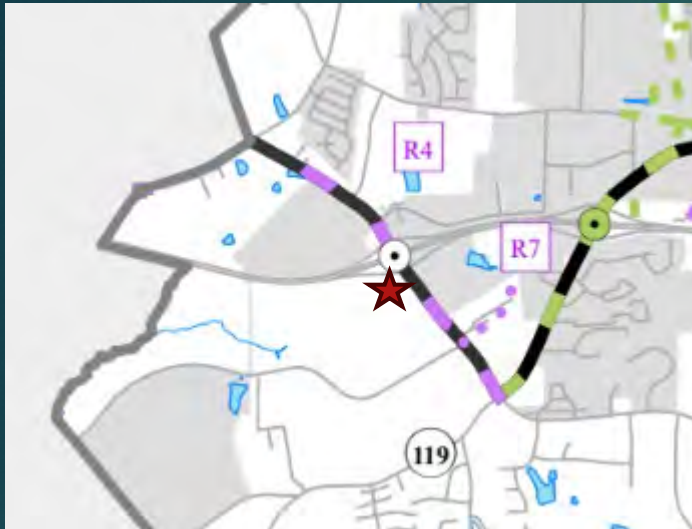
Designated G-1, Industrial (IV): Greatest Access and Infrastructure, Part of NCCP, destination oriented, employment center; support Industrial uses in this location

Comprehensive Transportation Plan

ROADWAY PROJECT # 3

MEBANE 2040 COMPREHENSIVE TRANSPORTATION PLAN PROJECT SHEET

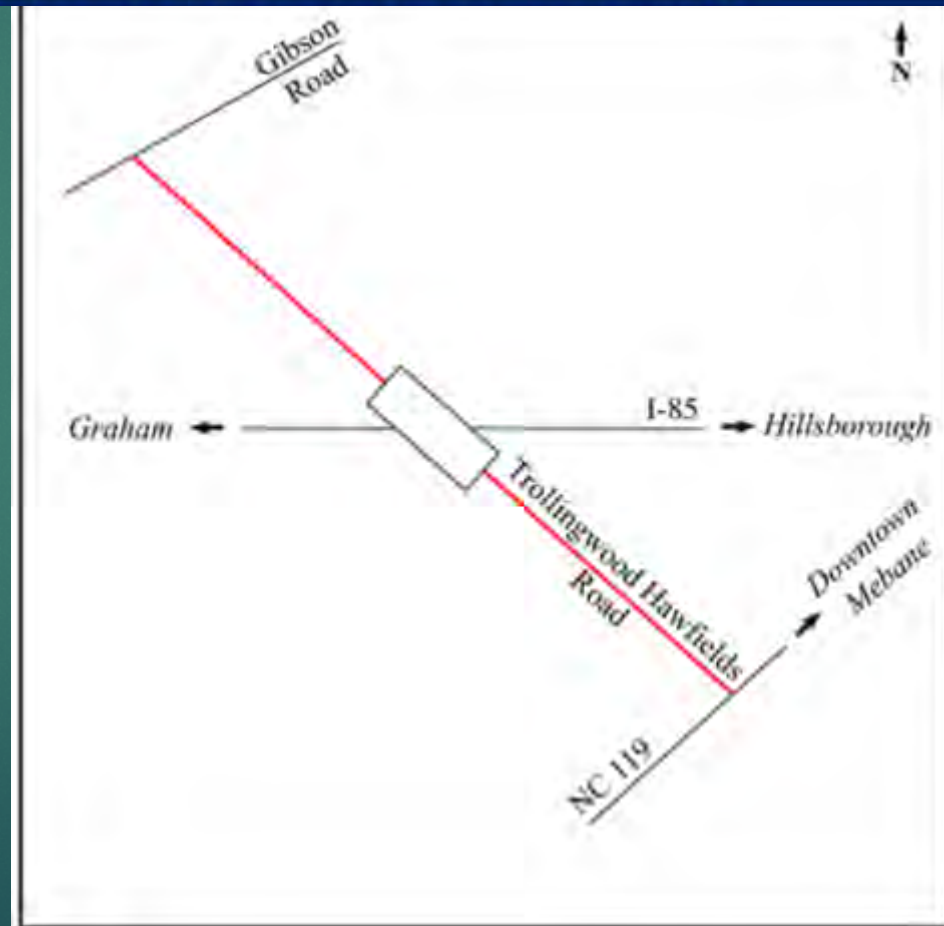
Trollingwood Hawfields Road Widening



Roadway Facilities

Legend

- Funded Recommended New Road
- Funded Improved Road
- ... Unfunded Potential Connectivity Improvements
- ... Unfunded Recommended New Road
- Unfunded Improvements Needed
- Existing Roadways
- ⊙ Existing Interchange
- ⊙ Recommended Interchange
- NCDOT Funded Grade Separation
- NCDOT Funded Interchange Modification
- ⊗ Proposed Railroad Crossing Improvements
- ★ Recommended Safety Study
- ▭ Mebane City Limits



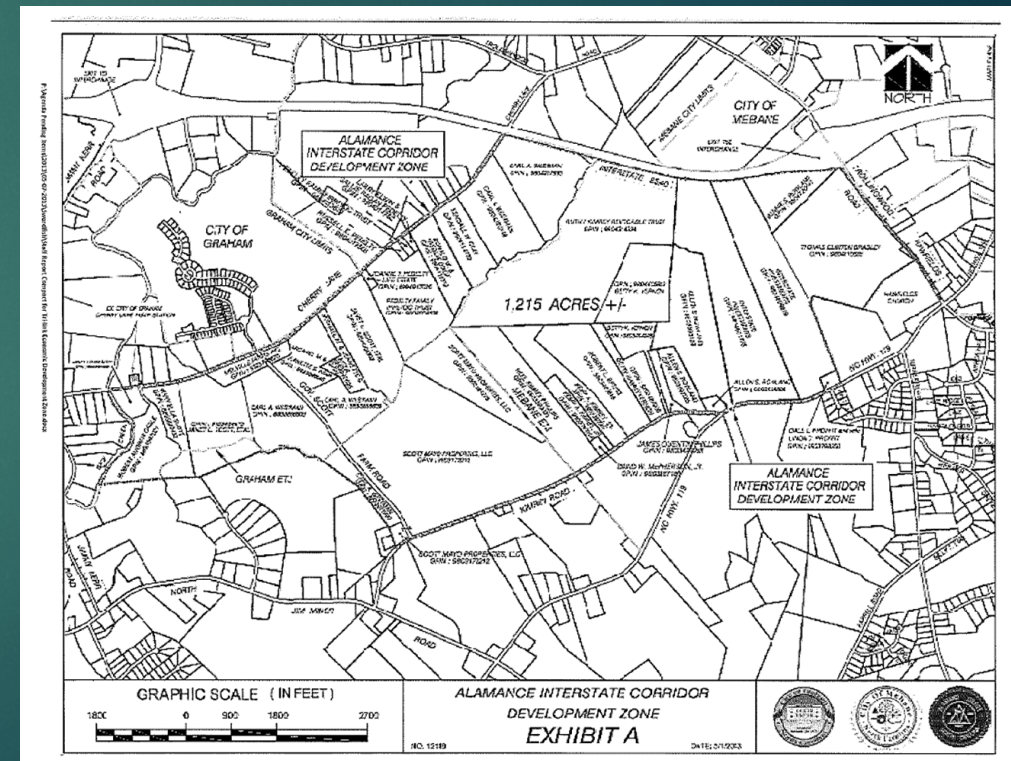


Bicycle and Pedestrian Transportation Plan Design Goal/Objective: Public Infrastructure 2.1

- ▶ Improve Safety and Confidence of Pedestrian Access Major Streets and other Highly Traveled Roadways
 - ▶ Provision of 10' Multi-Use Path across frontage of Trollingwood-Hawfields Road around to access on Senator Ralph Scott Parkway
 - ▶ 10' Multi-Use Path included in bridge improvement cross section
 - ▶ Will tie in to future crosswalks when warranted and able to be safely constructed
- ▶ Provision of Bike Racks and Bicycle Plaza and Repair Station
- ▶ Internal sidewalk system to connect to Multi-Use Paths on perimeter of site

NORTH CAROLINA COMMERCE PARK

- ▶ 1,200 Economic Development Zone spanning Mebane, Graham and Alamance County jurisdictions
- ▶ Governed by Interlocal Agreement that provides for shared utility provision and shared tax revenue
- ▶ A shared commitment to create economic opportunity
- ▶ It is THRIVING: Wal-Mart Distribution Center, Lidl Distribution Center, UPS Distribution Center, Crow Holdings just broke ground on over 400,000 square feet of warehouse space
- ▶ Synergistic Use



Questions and Discussion

BUC-EE'S®



MEBANE, NORTH CAROLINA





APPLICATION FOR A SPECIAL USE PERMIT

Application is hereby made for an amendment to the Mebane Zoning Ordinance as follows:

Name of Applicant: CSMS Management, LLC

Address of Applicant: 327 FM 2004, Lake Jackson, TX, 77566

Address and brief description of property: 1425 Trollingwood Hawfields Road

Southwest quadrant of Trollingwood Road interchange at I-40 corridor; approximately 32.47 acres

Applicant's interest in property: (Owned, leased or otherwise) Owner

*Do you have any conflicts of interest with: Elected/Appointed Officials, Staff, etc.?

Yes Explain: _____ No

Type of request: Modification of standards within the HM CD Zoning

Sketch attached: Yes No

Reason for the request: To allow for the Travel Plaza within the HM district.

Signed: *JMCR*

Date: 10/26/23

Action by Planning Board: _____

Public Hearing Date: _____ Action: _____

Zoning Map Corrected: _____

The following items should be included with the application for rezoning when it is returned:

1. Tax Map showing the area that is to be considered.
2. Names and addresses of all adjoining property owners within a 300' radius (Include those that are across the street).
3. \$400.00 Fee to cover administrative costs.
4. The information is due 15 working days prior to the Planning Board meeting. The Planning Board meets the 2nd Monday of each month at 6:30 p.m. Then the request goes to the City Council for a Public Hearing the following month. The City Council meets the 1st Monday of each month at 6:00 p.m.

**The site plan documents
are available for download
through the following link:**

<https://cityofmebane.sharefile.com/d-s6c3b8646105f4a89aa3437435d19919a>

PLANNING PROJECT REPORT

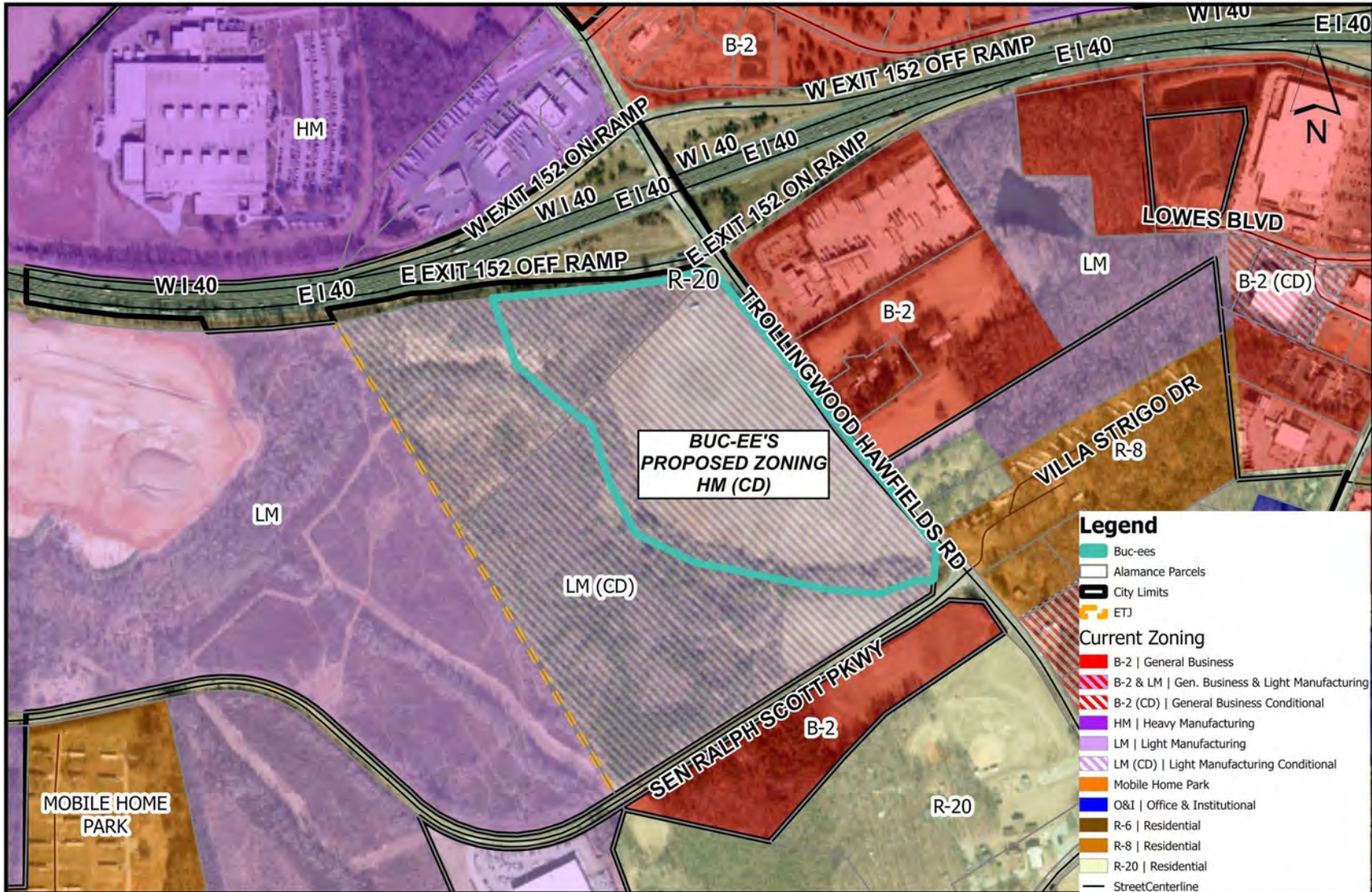
DATE	12/04/2023
PROJECT NUMBER	SU 23-04
PROJECT NAME	Buc-ee's Mebane
APPLICANT	CSMS Management, LLC 327 FM 2004 Lake Jackson, TX 77566

CONTENTS

PROJECT NAME & APPLICANT	PAGE 1
ZONING REPORT	PAGE 2
LAND USE REPORT	PAGE 4
UTILITIES REPORT	PAGE 6
STAFF SPECIAL USE CONSISTENCY FINDING.....	PAGE 9

ZONING REPORT

EXISTING ZONE	LM (CD), Light Manufacturing Conditional District
REQUESTED ACTION	HM (CD), Heavy Manufacturing Conditional District
CONDITIONAL ZONE?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
CURRENT LAND USE	Vacant, Farm
PARCEL SIZE	+/- 32.087 acres
PROPERTY OWNERS	CSMS Management, LLC 11200 West Broadway, Suite 2332 Pearland, TX 77584
LEGAL DESCRIPTION	Request for a Special Use Permit to allow for a travel plaza on the +/- 32.087-acre property with a preliminary address of 1425 Trollingwood-Hawfields Road and frontage on I-40/85 (formerly GPINs 9804810638 and 9804720640) by CSMS Management, LLC. A subdivision plat was recorded on October 19, 2023. The subject property is described as Lot 1 on the plat recorded with the Alamance County Register of Deeds in Book 84, Pages 95-99. A GPIN has not been assigned to the new lot.
AREA ZONING & DISTRICTS	Adjoining properties are zoned LM (CD) and properties to the northwest are zoned HM (Heavy Manufacturing). Across Trollingwood-Hawfields Road, the adjacent zoning varies, with properties zoned B-2 (General Business), LM (Light Manufacturing), R-20 (Residential), and Mobile Home Park. Properties to the south of Senator Ralph Scott Parkway are zoned B-2 and R-20.
SITE HISTORY	The site has historically been used as farmland. Stream, wetlands, and floodplain are present. In December 2022, the Mebane City Council approved a rezoning request that included the subject property. The property was rezoned to LM (CD), and the site-specific plan associated with the conditional zoning district showed a +/- 279,000 square foot warehouse with 49 truck docks, 71 trailer storage spaces, and 211 parking stalls.
STAFF ANALYSIS	
CITY LIMITS?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
PROPOSED USE BY-RIGHT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
SPECIAL USE?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
EXISTING UTILITIES?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
POTENTIAL IMPACT OF PROPOSED ZONE	The proposed rezoning is consistent with the LM and HM zoning of surrounding properties and the location of the property in the North Carolina Commerce Park.

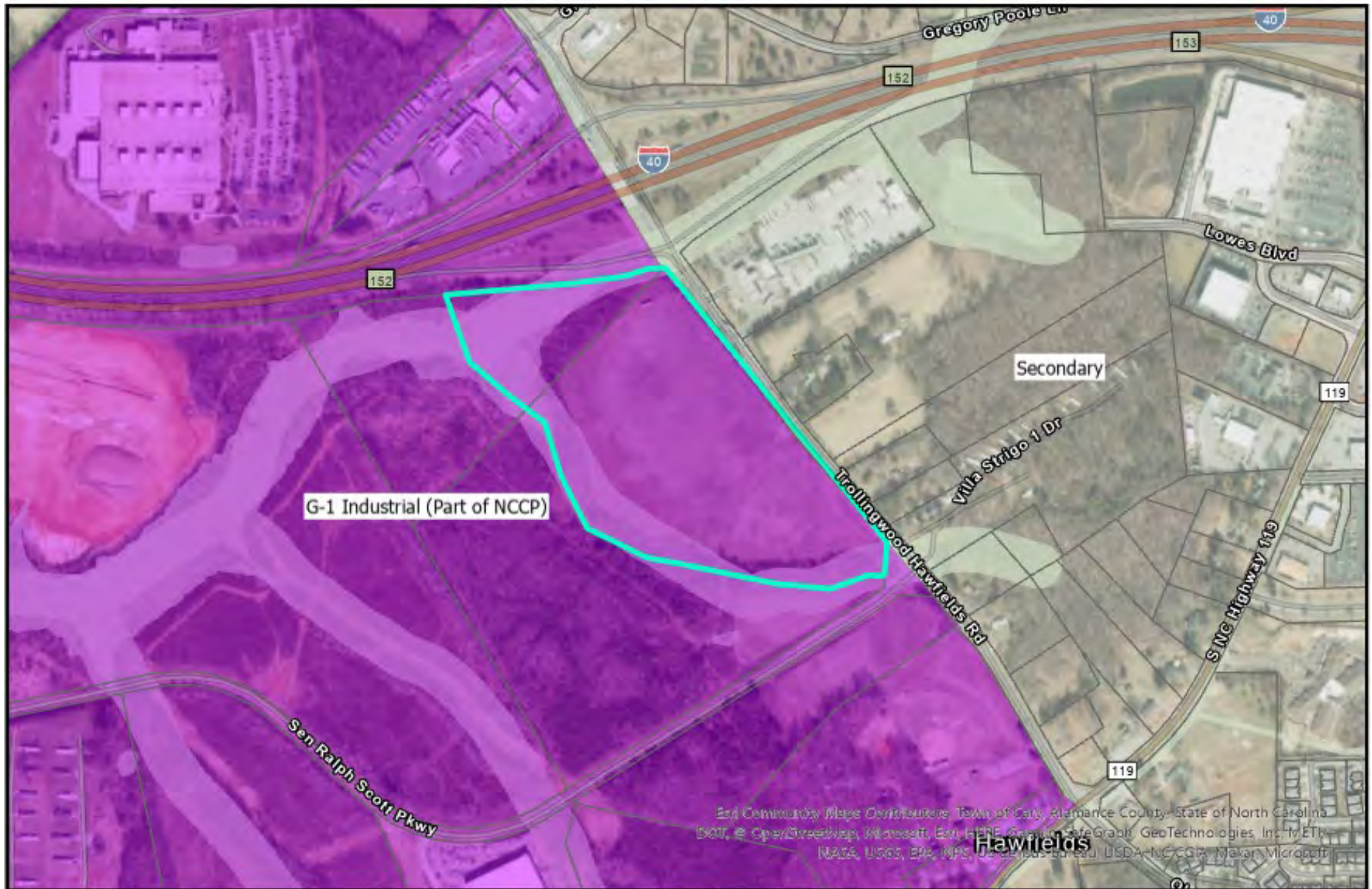


	<p>CITY OF MEBANE ZONING MAP</p>	<p>CONDITIONAL REZONING BUC-EE'S</p> <p>1 inch = 600 feet</p>	<p>DATE: 12/6/23</p>
			<p>DRAWN BY: BP</p>

LAND USE REPORT

EXISTING LAND USE	Vacant, Farm
PROPOSED LAND USE & REQUESTED ACTION	The applicant is requesting a special use permit to develop a travel plaza on a +/- 32.087-acre property. Additionally, the applicant is requesting to rezone the subject property from LM (CD) to HM (CD).
PROPOSED ZONING	HM (CD) Heavy Manufacturing Conditional District
PARCEL SIZE	+/- 32.087 acres
AREA LAND USE	The property is part of the North Carolina Commerce Park, which includes such industrial users as UPS, Walmart, and Revere Copper. Crow Industrial is currently developing the adjoining properties to the west for two warehouse buildings. Love's Travel Stop is across I-40/85, and a Pilot Travel Center is across Trollingwood-Hawfields Road. Residential uses are also across Trollingwood-Hawfields Road, including single-family detached homes and a mobile home park. Property immediately across Senator Ralph Scott Parkway is undeveloped.
ONSITE AMENITIES & DEDICATIONS	The applicant proposes a 10' public multi-use path across the property's frontage on Trollingwood-Hawfields Road and to its driveway access on Senator Ralph Scott Parkway. A 10' public multi-use path is also proposed as part of the bridge improvements. Crosswalks and pedestrian signals will be installed where required.
CONDITIONAL ZONE?	Right-of-way dedications will occur as necessitated with roadway improvements. <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
DESCRIPTION OF PROPOSED CONDITIONS	The applicant is proposing one freestanding sign not to exceed 90 feet in height and 400 square feet in sign area. The Mebane UDO allows one sign per street frontage. For signs within 400 feet of the interstate highway and interchanges, the maximum allowed height is 60 feet and the maximum area is 300 square feet. The applicant is proposing wall signs that exceed the maximum sign area of 200 square feet. The signs adhere to the rule used to calculate allowable sign area, which is one square foot for every linear foot of building wall.

CONSISTENCY WITH <i>MEBANE BY DESIGN</i> STRATEGY	
LAND USE GROWTH STRATEGY DESIGNATION(S)	G-1 Industrial
OTHER LAND USE CONSIDERATIONS	Mebane Comprehensive Transportation Plan, Roadway Project #4
<i>MEBANE BY DESIGN</i> GOALS & OBJECTIVES SUPPORTED	PUBLIC FACILITIES AND INFRASTRUCTURE 2.1 Improve safety and confidence of pedestrian access across major streets, including I-40/85, US-70, NC-119, Mebane-Oaks Road and other highly traveled roadways.
<i>MEBANE BY DESIGN</i> GOALS & OBJECTIVES <u>NOT</u> SUPPORTED	



UTILITIES REPORT

AVAILABLE UTILITIES	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
PROPOSED UTILITY NEEDS	Per the memorandum from Franz Holt of AWCK, the anticipated water and sewer use for the proposed development is 23,000 gallons per day. An extension of a 12-inch water main along Trollingwood-Hawfields Road from the City's 16-inch water main at Senator Ralph Scott Parkway will provide for private fire and domestic connections. For sewer, the applicant will extend a 12-inch public sewer main from its 15-inch outfall to and under Trollingwood-Hawfields Road. The proposed extension is consistent with the planned City of Mebane GKN Pump Station flow reroute project to Graham. An 8-inch private connection to this public line will serve the proposed development and include a grease trap. Upon completion of public water and sewer main improvements, they will become part of the City of Mebane's water and sewer systems for ownership and maintenance.
UTILITIES PROVIDED BY APPLICANT	The applicant has pledged to provide all on-site utilities, as described in AWCK's Technical Memo.
MUNICIPAL CAPACITY TO ABSORB PROJECT	The City has adequate water & sewer supply to meet the domestic and fire flow demands of the project.
CONSISTENCY WITH MEBANE LONG RANGE UTILITY PLAN?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
ADEQUATE STORMWATER CONTROL?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
INNOVATIVE STORMWATER MANAGEMENT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

TRANSPORTATION NETWORK STATUS

CURRENT CONDITIONS	<p>The property has frontages on Trollingwood-Hawfields Road and I-40/85. Two driveway connections are proposed on Trollingwood-Hawfields Road, one as a right-in only and the other as full movement and signalized. Though the property does not have frontage on Senator Ralph Scott Parkway, the applicant has acquired a 55' permanent access easement to provide the site with another point of entry and exit.</p> <p>NCDOT provides traffic count data for Trollingwood-Hawfields Road, which is currently a two-lane undivided road. In 2019, this section of the road had an average daily traffic volume of 10,000 trips. NCDOT does not provide any data for Senator Ralph Scott Parkway. In 2022, the I-40/85 ramps registered the following number of trips: 6,200 at eastbound exit; 4,100 at eastbound</p>
---------------------------	--

entrance; 4,000 at westbound exit; and 6,600 at westbound entrance.

North of Senator Ralph Scott Parkway, Trollingwood-Hawfields Road registers a low safety score of 78, with 48 crashes recorded in the area between 2018 and 2022. The section of Trollingwood-Hawfields Road that extends from the intersection with Senator Ralph Scott Parkway to the south registers a moderate safety score of 33. This roadway is identified as part of the high-injury network in the BGMPO Transportation Safety Plan.

**TRAFFIC IMPACT ANALYSIS
REQUIRED?**

YES NO

**DESCRIPTION OF RECOMMENDED
IMPROVEMENTS**

The applicant is required to make roadway improvements on Trollingwood-Hawfields Road, Senator Ralph Scott Parkway, I-40/85 ramps, and the bridge across I-40/85, pending project coordination with and final design approval by the NCDOT. These improvements include widening, monolithic islands, turn lanes, and multi-use path. The detailed improvements required by the Traffic Impact Analysis (TIA) are included in the attached letters from the NCDOT, VHB (the City's contracted TIA reviewer), and the City Engineer. A conceptual design is also included on the following page. The NCDOT has indicated funding for additional improvements on the corridor exists, as Project I-6059 has previously been submitted and considered under the State Transportation Improvement Program (STIP)

**CONSISTENCY WITH THE MEBANE
BICYCLE AND PEDESTRIAN
TRANSPORTATION PLAN?**

YES NO

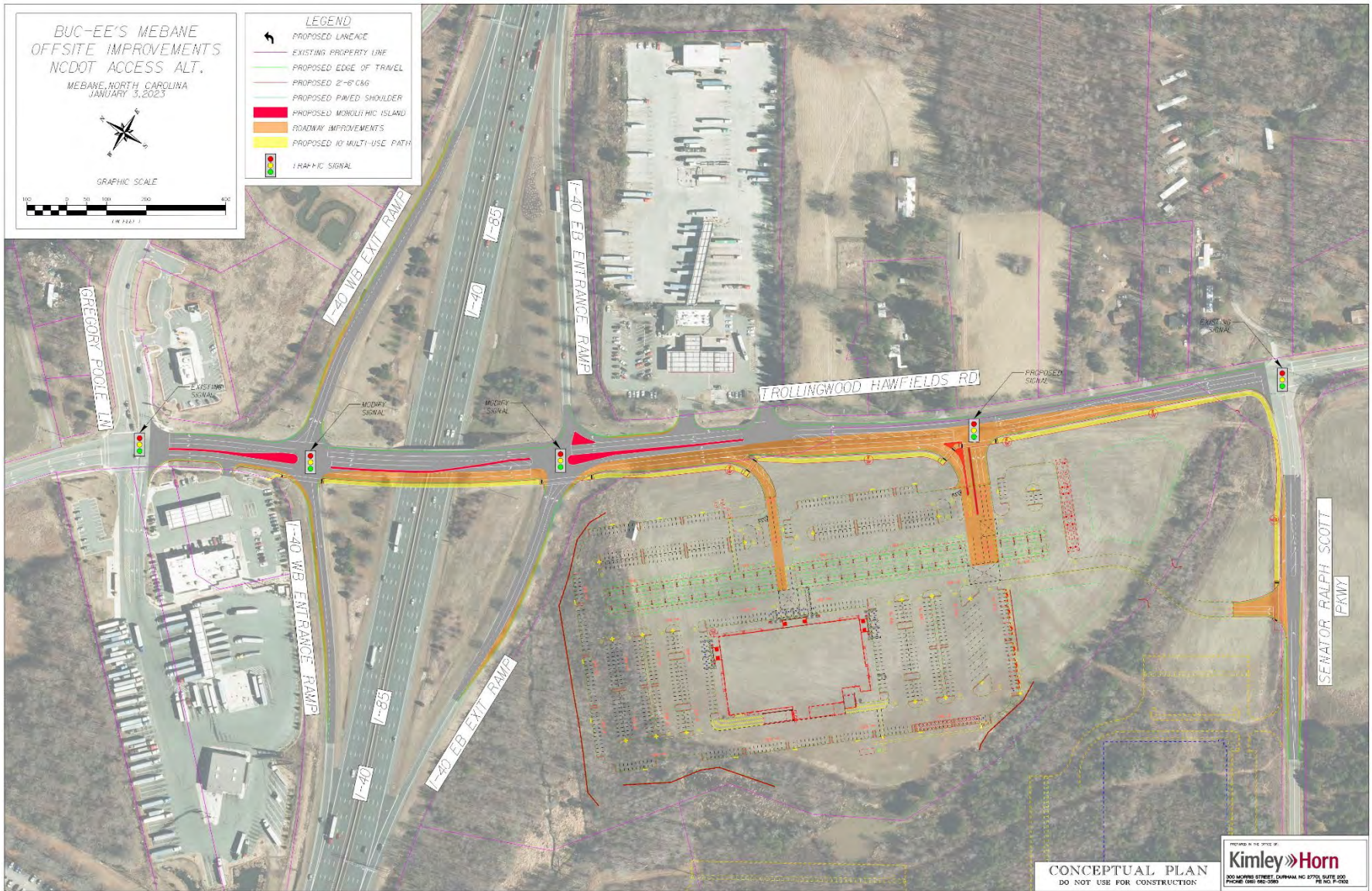
**MULTIMODAL IMPROVEMENTS
PROVIDED BY APPLICANT?**

YES NO

Consistent with the requirements of the Mebane Unified Development Ordinance, the applicant will provide a bicycle rack for every ADA space. To accommodate the bicycle racks, the applicant has proposed a bicycle plaza that includes parking for bicycles and a repair station.

**DESCRIPTION OF MULTIMODAL
IMPROVEMENTS**

The applicant will construct a 10' multi-use path from its driveway entrance on Senator Ralph Scott Parkway to the existing sidewalk at Love's Travel Stop along Trollingwood-Hawfields Road. Internal sidewalk will connect the development to the multi-use path. Crosswalks and pedestrian crossing signals will be provided where required.



STAFF RECOMMENDATION

STAFF RECOMMENDATION	<input type="checkbox"/> APPROVE <input type="checkbox"/> DISAPPROVE
STAFF SPECIAL USE FINDING	<input checked="" type="checkbox"/> CONSISTENT <input type="checkbox"/> NOT CONSISTENT.....WITH <i>MEBANE BY DESIGN</i>
RATIONALE	The proposed development “Buc-ee’s Mebane” is consistent with the guidance provided within Mebane By Design, the Mebane Comprehensive Land Development Plan. Specifically, it is located in an industrial growth strategy area, serves Goal 2.1, and widens Trollingwood-Hawfields Road consistent with Roadway Project #4 of the City’s Comprehensive Transportation Plan. The site is part of the North Carolina Commerce Park and the proposed project is in harmony with nearby light and heavy industrial uses.
PUBLIC INTEREST CONFORMANCE?	
ENDANGER PUBLIC HEALTH OR SAFETY?	<input type="checkbox"/> YES <input type="checkbox"/> NO
SUBSTANTIALLY INJURE THE VALUE OF ADJOINING OR ABUTTING PROPERTY?	<input type="checkbox"/> YES <input type="checkbox"/> NO
HARMONIOUS WITH THE AREA IN WHICH IT IS LOCATED?	<input type="checkbox"/> YES <input type="checkbox"/> NO
CONSISTENT WITH MEBANE BY DESIGN, THE MUNICIPAL COMPREHENSIVE LAND DEVELOPMENT PLAN?	<input type="checkbox"/> The application is consistent with the objectives and policies for growth and development contained in the City of Mebane Comprehensive Land Development Plan, <i>Mebane By Design</i> , and, as such, has been recommended for approval.
	<input type="checkbox"/> The application is not fully consistent with the objectives and policies for growth and development of the City of Mebane Comprehensive Land Development Plan, <i>Mebane By Design</i> , but is otherwise in the public interest and has been recommended for approval. The Comprehensive Land Development Plan must be amended to reflect this approval and ensure consistency for the City of Mebane’s long-range planning objectives and policies.
	<input type="checkbox"/> The application is not consistent with the objectives and policies for growth and development of the City of Mebane Comprehensive Land Development Plan, <i>Mebane By Design</i> , and, as such, has been recommended for denial.



December 5, 2023

Seth Ward, PE
Kimley-Horn and Associates
300 Morris Street Suite 200
Durham, NC 27701

Subject: Buc-ee's at NCCP – Water and Sewer System

Regarding the subject Preliminary Site Plan and in accordance with the UDO, this letter is provided to indicate that I have reviewed the preliminary water and sewer system layout and find it acceptable and meets City standards based on the following:

1. Water system –

- Buc-ee's proposes to extend a 12-inch water main along Trollingwood-Hawfields Road from Mebane's 16-inch water main at Senator Ralph Scott Parkway. This 12-inch water main will eventually be looped back to Lowes Blvd. with future development. Private fire and domestic connections will be made from the 12-inch water main extension with appropriate valves, backflow devices, and fire hydrants protecting and serving the site.
- Anticipated water use is 23,000 gallons per day.
- The City has adequate water capacity at the Graham-Mebane Water Plant to provide domestic water use and fire flows for the proposed development.
- Upon completion of the public water main improvements, to City of Mebane requirements, they will become a part of Mebane's water distribution system for ownership and maintenance.

2. Sanitary Sewer system –

- Buc-ee's proposes to extend a 12-inch public sewer main from its 15-inch outfall to and under Trollingwood-Hawfields Road. The proposed extension is consistent with the planned City of Mebane GKN Pump Station flow reroute project to Graham. An 8-inch private connection to this public line will serve the proposed development and include a grease trap.
- Anticipated wastewater use is 23,000 gallons per day.
- The City has adequate wastewater capacity available in the downstream Mebane 15-inch sanitary sewer outfall, Graham's 18-inch sanitary sewer outfall, Graham's Cherry Lane Pump Station, and at the Graham Wastewater Treatment Plant. This wastewater flow does not count against Mebane's 0.75 MGD purchased wastewater capacity agreement.
- Upon completion of public sewer main improvements, to City of Mebane requirements, they will become a part of Mebane's sewer collection system for ownership and maintenance.

If there are any questions, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Franz K. Holt".

Franz K. Holt, P.E. City Engineer

CC:

Ashley Ownbey - Development Director

Kyle Smith, P.E. – Utilities Director



Technical Memorandum

Date: December 5, 2023

To: Ashley Ownbey - Development Director

From: Franz K. Holt, P.E - City Engineer

Subject: Buc-ee's at the NC Commerce Park (NCCP) – City Engineering review

Preliminary Site Plans for Buc-ee's at the NCCP dated November 28th, 2023, and prepared by Seth Ward, P.E. with Kimley Horn and Associates, INC., of Durham, NC, have been reviewed by the Engineering Department as a part of the TRC process. Our technical memo comments are as follows:

A. General

1. Buc-ee's proposes to construct a 74,000 square foot building on a 32.47-acre site located within the NCCP and fronting along Trollingwood-Hawfields Road.
2. Stormwater management controls will be required to treat and detain the stormwater runoff from the proposed built upon surfaces meeting Mebane Phase II stormwater requirements for post-construction runoff.
3. A Traffic Impact Analysis (TIA) has been completed for the site and reviewed by NCDOT and City with certain roadway improvements being identified to Trollingwood-Hawfields Road and Senator Ralph Scott Parkway. NCDOT review and approval will be required for utility encroachments, multi-use path improvements, the three proposed driveway connections, and the proposed roadway, bridge, turn lane, and signal improvements identified as a part of the TIA.
4. A 10' wide multi-use path is shown along Trollingwood-Hawfields Road from Senator Ralph Scott Parkway through the Interstate overpass to the existing sidewalk at Love's. The 10' wide multi-use path will also continue along Senator Ralph Scott Parkway to the Buc-ee's driveway. Internal sidewalk network will connect to these public walkway improvements.

B. Availability of City Water and Sewer

1. Water system –
 - Buc-ee's proposes to extend a 12-inch water main along Trollingwood-Hawfields Road from Mebane's 16-inch water main at Senator Ralph Scott Parkway. This 12-inch water main will eventually be looped back to Lowes Blvd. with future development. Private fire and domestic connections will be made from the 12-inch water main extension with appropriate valves, backflow devices, and fire hydrants protecting and serving the site.
 - Anticipated water use is 23,000 gallons per day.
 - The City has adequate water capacity at the Graham-Mebane Water Plant to provide domestic water use and fire flows for the proposed development.
 - Upon completion of the public water main improvements, to City of Mebane requirements, they will become a part of Mebane's water distribution system for ownership and maintenance.



2. Sanitary Sewer system –

- Buc-ee's proposes to extend a 12-inch public sewer main from its 15-inch outfall to and under Trollingwood-Hawfields Road. The proposed extension is consistent with the planned City of Mebane GKN Pump Station flow reroute project to Graham. An 8-inch private connection to this public line will serve the proposed development and include a grease trap.
- Anticipated wastewater use is 23,000 gallons per day.
- The City has adequate wastewater capacity available in the downstream Mebane 15-inch sanitary sewer outfall, Graham's 18-inch sanitary sewer outfall, Graham's Cherry Lane Pump Station, and at the Graham Wastewater Treatment Plant. This wastewater flow does not count against Mebane's 0.75 MGD purchased wastewater capacity agreement.
- Upon completion of public sewer main improvements, to City of Mebane requirements, they will become a part of Mebane's sewer collection system for ownership and maintenance.

C. *Phase II Stormwater Post Construction Ordinance, Watershed Overlay District, and Falls Lake Watershed Stormwater Regulations*

1. Watershed Overlay District requirements are provided under Sec. 5.3 of the UDO. These requirements in the UDO are for the Back-Creek Watershed, which includes the Graham-Mebane Lake. These requirements do not apply as the project drains to Back Creek below the Graham-Mebane Lake dam with no restrictions on built upon area.

2. Phase II Stormwater Post Construction Ordinance

Sections 5.1 and 5.2 in the UDO provide standards for Storm Water Management and 5.1.F requires compliance with the Mebane Post Construction Runoff Ordinance (which is a stand-alone ordinance titled the Phase II Stormwater Post Construction Ordinance (SPCO)). The standards in the UDO are general standards as the Ordinance itself provides detailed standards. The SPCO does apply to this project as it will disturb more than one acre of land and it is estimated that the new built upon will be more than 24% of the site. The project proposes to construct two privately maintained stormwater management control devices meeting the City's requirements for stormwater treatment and detention. Fencing is required with water pooling at 2 feet and above.

D. *Storm Drainage System*

Sec. 5-1.D in the UDO provides requirements for storm drainage systems. The preliminary site plans include a preliminary layout of storm drainage swales, piping, and inlets that collect stormwater runoff that is directed to stormwater management control devices where treatment and detention occurs before being discharged off-site.



G. *Street Access and TIA*

The following is from NCDOT's review letter:

Based on the information provided, and as a condition of the pending driveway permit, the developer will be required to construct the following road improvements to mitigate the anticipated impacts of site traffic.

Trollingwood-Hawfields Road – I-40 Westbound Ramps:

- Construct a second westbound left-turn lane with a minimum of 400 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the bridge over I-40 to provide two southbound receiving lanes and a second northbound left-turn lane with a minimum of 250 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the I-40 westbound on-ramp to provide a second receiving lane with a minimum of 750' feet of full width and appropriate transition per NCDOT requirements.
- Restripe the existing southbound right-turn lane to provide a second through lane.
- Subject to available right of way, construct a southbound exclusive right turn-lane with 250 feet of full width storage and appropriate transition per NCDOT requirements.
- Modify the existing traffic signal to accommodate the proposed laneage.

Trollingwood-Hawfields Road – I-40 Eastbound Ramps:

- Widen the eastbound approach to provide a shared through/left turn lane and two exclusive right turn lanes.
- Extend the eastbound left and right turn lanes to provide a minimum of 400 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen the bridge over I-40 to provide two continuous southbound through lanes, and an exclusive southbound left turn lane with 150 feet of full width storage with appropriate transition per NCDOT requirements.
- Widen the southbound departure to accommodate two through lanes.
- Widen to provide two northbound through lanes, and an exclusive northbound right turn lane with a minimum of 300 feet of full width storage and appropriate transition per NCDOT requirements.
- Modify the existing traffic signal to accommodate the proposed laneage.

Trollingwood-Hawfields Road – Pilot Truck Stop North Driveway:

- Coordinate with the property owner and convert the Pilot Truck Stop north driveway to a stop-controlled right-in/right-out access by constructing a median along Trollingwood-Hawfields Road with appropriate channelization, signing and markings per NCDOT requirements.



Trollingwood Hawfields Road – Pilot Truck Stop South Driveway/Buc-ee’s North Driveway:

- Construct the Buc-ee’s north driveway with one channelized southbound free-flow right-turn ingress lane, providing a minimum of 200 feet of full width storage and appropriate transition per NCDOT requirements.
- Provide appropriate internal protected stem length on the proposed access and internal circulation pattern to accommodate all possible movements safely and efficiently.
- Widen Trollingwood Hawfields road to provide two northbound through lanes, two southbound through lanes, and an exclusive southbound left turn lane with a minimum of 300 feet of full width storage and appropriate transition per NCDOT requirements.

Trollingwood-Hawfield Road – Buc-ee’s South Driveway:

- Construct the Buc-ee’s south driveway under signal control with two ingress lanes and three egress lanes, consisting of two exclusive left-turn lanes with 400’ of full width storage and an exclusive right-turn lane with 100’ of full width storage.
- Provide appropriate internal protected stem length and internal circulation pattern to accommodate anticipated queues and all possible movements safely and efficiently.
- Construct a northbound left-turn lane with 150 feet of full width storage and appropriate transition per NCDOT requirements.
- Construct a channelized southbound right-turn lane with a minimum of 200 feet of full width storage and appropriate transition per NCDOT requirements.
- Widen Trollingwood-Hawfields Road to accommodate two southbound through lanes and two northbound through lanes to receive dual left-turn movements from the access.
- Construct a connected and coordinated traffic signal to accommodate the proposed geometry.

Trollingwood-Hawfields Road – Senator Ralph Scott Parkway- Villa Strigo Drive Intersection:

- Extend the existing southbound right-turn lane to provide continuous storage and terminating as a right-turn lane drop.

Senator Ralph Scott Parkway – Buc-ee’s Site Driveway:

- Construct a full-movement, stop controlled site driveway with one ingress lane and two egress lanes consisting of an exclusive right-turn lane and exclusive left-turn lane.
- Provide a minimum internal protected stem length of 100’.
- Construct an eastbound left-turn lane with 100 feet of full width storage and appropriate transition per NCDOT requirements.
- Construct a westbound right-turn lane with 100 feet of full width storage and appropriate transition per NCDOT requirements.



H. Construction Plan Submittal

- The UDO indicates that construction plans for all street facilities, including water and sewer facilities, shall be submitted following preliminary plat or site plan approval; therefore, construction plans are not required as a part of the site plan review.
- A utility plan is provided which generally shows the proposed water lines, sewer lines, and storm drainage and stormwater management devices to indicate that the project is feasible for utility service and providing stormwater management.
- Appendix E, which is included in the UDO, is a Construction Document checklist which is to be provided at such time as construction plans are submitted after Preliminary Site Plan approval.
- Based on city engineering review of the referenced preliminary site plans, it is my opinion that said plans are in substantial compliance with the UDO.

The traffic impact analysis (TIA) documents are available for download through the following link:

<https://cityofmebane.sharefile.com/d-s6c3b8646105f4a89aa3437435d19919a>

* Estimates of sales tax revenue below are based on sales estimates provide by Buc-ee's and existing Alamance County sales tax rates. All figures are estimates intended to provide guidance as to sales tax revenues derived only from non-fuel sales at Buc-ee's and do not take into account any additional projected economic activity associated with the project.

Prepared Food		
	\$ 17,000,000.00	
State of North Carolina	4.75%	\$ 807,500.00
Article 39	1.00%	\$ 170,000.00
Article 40	0.50%	\$ 85,000.00
Article 42	0.50%	\$ 85,000.00
Sub-total	6.75%	\$ 1,147,500.00
Merchandise		
	\$ 10,000,000.00	
State of North Carolina	4.75%	\$ 475,000.00
Article 39	1.00%	\$ 100,000.00
Article 40	0.50%	\$ 50,000.00
Article 42	0.50%	\$ 50,000.00
Sub-total	6.75%	\$ 675,000.00
Grocery (Non-Prepared Food)		
	\$ 3,000,000.00	
State of North Carolina	0.00%	\$ -
Article 39	1.00%	\$ 30,000.00
Article 40	0.50%	\$ 15,000.00
Article 42	0.50%	\$ 15,000.00
Sub-total	2.00%	\$ 60,000.00
TOTAL Estimated Sales Tax Revenue		\$ 1,882,500.00
DISTRIBUTION		
State of N.C.		\$ 1,282,500.00
Alamance County & Municipalities		\$ 600,000.00
Alamance County Share		\$ 311,511.43
Total Municipal Share		\$ 288,488.57
	Alamance	\$ 2,514.29
	Burlington	\$ 142,260.75
	Elon	\$ 28,550.94
	Gibsonville	\$ 11,055.15
	Graham	\$ 44,216.32

	Green Level	\$ 8,088.03
	Haw River	\$ 6,343.48
	Mebane	\$ 37,797.33
	Ossipee	\$ 1,358.12
	Swepsonville	\$ 6,304.16

*Estimates of sales tax revenue are only estimates and are based on percentages of sales tax revenue received by each jurisdiction based on the most recent Certification of Amounts Disbursed During the Twelve-Month Period Ending June 30 (<https://www.ncdor.gov/certification-22-23>).

Mebane Fire Dept. Monthly Report

	November	Year to Date	% Change from 2022
Structural Response			
Totals	29	335	-3%
Average Personnel Per Response	10	11	
Average Volunteer Response	2	2	
Non Structural Responses			
Totals	88	701	-5%
Total Fire Response	117	1036	-5%
Location (Year to Date)	North	South	
Total Number/Percentage	465/45%	570/55%	
Average Fire Response Time	5:08	6:03	
Percentage of Calls Inside City	42%	52%	
Percentage of Calls Outside City	32%	31%	
Percentage of Calls for Mutual Aid	26%	17%	
EMT Response	204	1935	-1%
Location (Year to Date)	North	South	
Total Number/ Percentage	998/52%	937/48%	
CPS Seats Checked	15	187	
Smoke Alarms Checked/Installed	8	59	
Station Tours/Programs	1	22	
# of Participants	722	5712	
Events Conducted/Attended	5	59	
Safety Message on City Water Bill	5100	46400	
Views Of Fire Safety Facebook Post	0	16488	



The Planning Board meeting was held at the Glendel Stephenson Municipal Building located at 106 E. Washington Street, Mebane, NC 27302 and livestreamed via YouTube. The video can be accessed through the following link: <https://www.youtube.com/watch?v=zh6zx06hbi0>.

Members Present:

Edward Tulauskas, Chair
Judy Taylor, Vice Chair
Colin Cannell
William Chapman
Keith Hoover
Kurt Pearson
Gale Pettiford
David Scott
Susan Semonite

City Staff Present:

Ashley Ownbey, Development Director
Briana Perkins, City Planner
Kirk Montgomery, IT Director

Franz Holt, City Engineer
Mitch McKinney, Chief of Police
Jamie Joseph, Deputy Fire Marshal

1. Call to Order

At 6:31 p.m. Chair Tulauskas called the meeting to order.

2. Approval of November 13, 2023, Meeting Minutes

Judy Taylor made a motion to approve the meeting minutes. Colin Cannell seconded the motion, which passed unanimously.

3. City Council Actions Update

Ashley Ownbey informed the Board that the City Council had unanimously approved the rezoning and special use permit for the Water Resource Recovery Facility (WRRF). She said that the mandatory amendment to stormwater regulations in the Mebane Unified Development Ordinance was also approved. Ashley Ownbey stated that the adoption of Planning Board Rules of Procedure was not approved since a Council member requested additional research on the role of the Planning Board.

Judy Taylor asked if the Planning Board would review the recommendation before the document returns to City Council. Ashley Ownbey responded that she could consult with others about the timeline.

4. Request to rezone the +/- 32.087-acre property with a preliminary address of 1425 Trollingwood-Hawfields Road and frontage on I-40/85 (formerly GPINs 9804810638 and 9804720640), from LM



(CD) to HM (CD) to allow, contingent on the approval of a special use permit, a travel plaza by CSMS Management, LLC.

- 5. Request for a Special Use Permit to allow for a travel plaza on the +/- 32.087-acre property with a preliminary address of 1425 Trollingwood-Hawfields Road and frontage on I-40/85 (formerly GPINs 9804810638 and 9804720640) by CSMS Management, LLC.**

CSMS Management, LLC is requesting to conditionally rezone a property, which is owned by the applicant, totaling +/- 32.087 acres and preliminarily addressed 1425 Trollingwood-Hawfields Road (formerly GPINs 9804810638 and 9804720640) from LM (CD) to HM (CD). The property is located in the Mebane City limits and in an industrial growth strategy area. CSMS Management, LLC is also requesting approval for a Special Use Permit to allow for a travel plaza on the property.

The site-specific plan and staff report are provided in the meeting agenda packet available [here](#).

Ashley Ownbey provided a more detailed overview and PowerPoint presentation of the requests.

Amanda Hodierne, attorney from Isaacson Sheridan representing Buc-ee's, first introduced the team who would be speaking and then presented a brief overview of the rezoning request. She emphasized that although Buc-ee's is considered a travel plaza use, no truck parking is allowed.

Stan Beard, Director of Real Estate for Buc-ee's, provided a brief overview of the extensive process through Mebane's Technical Review Committee. He then provided a brief history of Buc-ee's from the first store opening in Clute, Texas in 1982. He emphasized again that Buc-ee's was not a truck stop and more of a destination for families to stop during road trips. He also provided a brief overview of the store and highlighted what Buc-ee's offered.

Amanda Hodierne provided that Buc-ee's would make a commitment to Mebane through branding, promoting local products in their store, and partnering with local agencies to advertise the area around Buc-ee's. Amanda Hodierne then explained the proposed site-specific conditions relating to signage. She provided that for the wall signs, the condition was to exceed the maximum area of 200 square feet as required by the Mebane Unified Development Ordinance (UDO). The wall signs would adhere to the first condition of one square foot per linear foot of wall length. She described the next condition of the proposed pole sign to exceed the maximum height of 60 feet and maximum sign area of 200 square feet. Amanda Hodierne explained that the Buc-ee's logo on the sign would be 300 square feet since it would be the only sign visible from the highway, and they included the branding of "Mebane" at 100 square feet to promote the area. She provided examples of wall and pole signs already located in Mebane and additional information about other Buc-ee's location signs. She then referred to Stan Beard to explain why the pole sign was proposed at 90-feet instead of the allowed 60-feet.



Stan Beard explained that the height of the sign was determined by a “balloon test” which showed how far away the sign could be seen while traveling on the interstate. He explained that the sign would need to be seen from a certain point for travelers to move safely at fast speeds to the exit. He provided that the average height of other Buc-ee’s signs was around 106 feet and provided evidence in his presentation of where the balloon could be seen along the highway. He explained that they presented 90 feet as the maximum height and would reduce the height if another balloon test after site grading was completed showed that the sign was visible at a lower height.

Amanda Hodierne presented the four findings of fact for the Special Use Permit.

- 1) The project will not materially endanger the public health or safety.
 - Amanda Hodierne commented the site plan was reviewed five times by the Mebane Technical Review Committee (TRC) to ensure the plan meets requirements of the City and the North Carolina Department of Transportation (NCDOT).
 - Austin Watts, civil engineer with Kimley-Horn, described site details and provided that the site plan was the start of the process and the actual construction plans would go back through TRC review before everything was finalized. Mr. Watts described public benefits, highlighting that a 10-foot multi-use path would provide access to the site, a sewer pipe would be extended consistent with the City’s plans, and there would be significant improvements to the roads.
 - Scott Ratcliff, Director of Engineering for Buc-ee’s, stated that the parking lot was designed for safe and efficient travel. He said that the drive aisles were specifically larger for clearer sight lines to avoid accidents. He also said that wayfinding signs would be used for directing traffic through the site.
 - Earl Lewellyn, traffic engineer for Kimley-Horn, explained the TIA and how they based the traffic impact on the local area and other Buc-ee’s locations. He said that the TIA considered capacity, queuing, and weaving during peak hours. He remarked that the TIA was reviewed by the NCDOT and the City. He showed that there were significant road improvements required by the NCDOT to meet their standards which he showed on the traffic map provided in the presentation.

David Scott asked if there was a traffic signal at the entrance on Senator Ralph Scott Parkway. Earl Lewellyn replied that there was not a traffic signal at that entrance.

Earl Lewellyn also stated that NCDOT assigns grades to roadways from A to F and the current roads were assigned a grade of D. He said that after the road improvements the roads would operate at a grade of C or better.

Amanda Hodierne stated that wayfinding was also a major component to moving traffic efficiently and safely from the interstate to Buc-ee’s.

- 2) The project will not substantially injure the value of adjoining or abutting property.



- Marcus Orr, appraiser with McNary & Associates, studied the local area and compared travel centers on other exits in Alamance County and Exit 157 in Orange County. He stated that the study showed a general pattern of higher housing prices around the travel centers. He said that his findings did not show any negative impacts on residential property around travel centers. He commented that he had also looked at industrial uses around travel centers and did not see any negative impacts on industrial uses either.
- 3) The project will be in harmony with the area in which it is to be located.
- Amanda Hoderne explained that the primary uses in the area are industrial and that Buc-ee's fits that general pattern.
 - Austin Watts reviewed site plan elements for compatibility, stating that there would be landscape buffers along the road and minimum 100-foot buffers around the streams to the rear of the property. He said that there would be minimal impacts on floodplain and wetlands, with any impacts permitted through the State and U.S. Army Corps. He also mentioned that all lights would be cut-off with zero footcandles at the property lines.
 - Amanda Hoderne commented that as mentioned before, Buc-ee's would not be utilizing all of the allowed signage, further reducing impacts to the area.
- 4) The project will be in general conformity with the land use plan or other plans and policies officially adopted by the City Council.
- Amanda Hoderne explained that the area was designated as G-1, Industrial in the City's Comprehensive Land Development Plan and the site is part of the North Carolina Commerce Park, which supports industrial uses. She provided that Buc-ee's fits the description of uses allowed in the G-1, Industrial growth strategy area and provides a better alternative to another industrial user with heavy truck traffic.
 - Amanda Hoderne showed that the road improvements proposed by Buc-ee's were consistent with a project in the City's Comprehensive Transportation Plan. She also reviewed that the plan is aligned with goals described in the Bicycle and Pedestrian Transportation Plan. The site includes a 10-foot multi-use path across the frontage of Trollingwood-Hawfields Road and around to the access on Senator Ralph Scott Parkway. She said that the path would cross the bridge. The site also includes a bicycle plaza and crosswalks.
 - Amanda Hoderne reviewed the North Carolina Commerce Park, explaining it was an economic development zone serving Mebane, Graham, and Alamance County. She described the shared tax revenue between the jurisdictions, noting Buc-ee's would be generating significant revenue with about five million visitors each day. Amanda Hoderne commented on the park as a shared commitment to economic opportunity that was currently thriving. She stated that Buc-ee's would be a synergetic use with the North Carolina Commerce Park.



Amanda Hoderne reviewed that a neighborhood meeting for Buc-ee's was held on November 8, 2023, with only three individuals attending. She said that they had addressed questions primarily with traffic improvements and timing. She also said that an in-home visit with the property owners across the street was conducted and resulted in relocating the second entrance to not interfere with the neighbor's driveway.

Kurt Pearson asked if Amanda Hoderne meant to say five million people a year instead of a day. Amanda Hoderne clarified that she did mean five million people a year.

Colin Canell expressed his concern about possible oil or fuel spills and asked how Buc-ee's would handle a situation like a severe storm. Scott Ratcliff explained that the first aspect of the design was to have underground storage tanks meet and exceed State requirements. He said that the second design aspect was designing the parking lot to where any spills would go into a filtration system that separates the oils or fuels from the water.

Judy Taylor asked if Scott Ratcliff could show where the underground tanks would be located on the site plan. Scott Ratcliff showed the area along the left side of the site plan where the tanks would be and also showed that there would be protection around the gas canopies.

Colin Cannell asked about the differences in design between the site plans from before and after they had spoken with the neighbor across the street to move the southern driveway. He said it looked like the tank location had to be moved, the main entrance to the store was moved to now line up with the first driveway to the site, and that crosswalks from the gas canopies to the store had disappeared. Scott Ratcliff explained that there were crosswalks from the canopies to the store that were not showing on the rendered site plan. He said that the moving of the tanks was to make sure that delivery trucks were able to get to the tanks without too much disturbance to customer traffic.

Colin Cannell asked about the sign comparison table and to clarify about the ordinance only allowing for 200 square feet of signage total. Amanda Hoderne replied that the total square footage of 200 was allowed for each side.

Kurt Pearson commented that the Planning Board was looking at the site situational factors of the project for Mebane as a whole. He said that Mebane seemed to be in a growth loop where more developments meant City infrastructure must grow to accommodate the needs of the new growth. He also commented that this proposal had good and bad aspects to it. He said it showed great employment opportunities, and, on the other hand, generated more traffic with the TIA calculating about 2,298 trips (about 38 cars a minute) during peak hour on a Saturday. He said he wanted to point out that the Board should just consider smart growth.

Chair Tulauskas commented that he wanted to reiterate that the Planning Board is an advisory board that makes recommendations, and that the final decision would be by the City Council.

Judy Taylor asked about the eastbound lanes from the interstate and if the lanes would be a free flow right turn or fully signalized. Earl Lewellyn replied that there would be duel right turn lanes fully



signalized. Judy Taylor asked what the length of the ramp was for stacking. Earl Lewellyn replied that the ramp would be 450 feet for three lanes. Judy Taylor expressed concern about traffic backup on the interstate. Earl Lewellyn replied that was a major concern for NCDOT and why the TIA considered queuing in its analysis.

Susan Semonite asked about trucks coming off and turning left into the Pilot. Earl Lewellyn said that the Pilot entrance was also a key factor in the traffic design, especially for the trucks.

Judy Taylor asked if the concrete median extended the entire entrance of the Pilot and if the trucks would be able to make the turn without going across both lanes. Earl Lewellyn said that the signals would be coordinated to create gaps in the traffic to allow trucks to move more easily.

Kurt Pearson asked if Earl Lewellyn was confident that the queuing would not back up onto the interstate. Earl Lewellyn responded that he was. Kurt Pearson commented that he was concerned since Mebane already has issues with back-up from Tanger Outlets. Earl Lewellyn replied that it was true that traffic improvements are not designed for Black Friday type of events. They are designed for peak hours.

Susan Semonite asked if a 100 square foot panel for "Mebane" was necessary since some of the other Buc-ee's location signs had smaller panels of about 70 square feet. Stan Beard replied that they could reduce the city panel to 90 square feet which was used for Athens, GA and Auburn, AL. David Scott expressed his desire for a larger Mebane panel.

Kurt Pearson commented that he had recently been to the Buc-ee's in Alabama and saw the same as what was being presented. He said that it was very clean, the people were personable, and the traffic flow was good although he did not visit during peak hour.

Susan Semonite also commented that she had been to a Buc-ee's recently and explained that although the food was prepared fresh, that it was not set up to eat inside. Stan Beard replied that it was built around a road trip to where the customer would take the food to their car.

Chair Tulauskas asked about green initiatives such as solar or water. Stan Beard replied that Buc-ee's was as efficient as possible with water and wastewater use. He said power was the same way and said that the facility was not a LEED certified facility.

Susan Semonite asked about the water consumption estimated at 23,000 gallons a day and how they arrived at the estimate. Stan Beard replied that the estimate was based on other Buc-ee's store usage.

Following a break, Chair Tulauskas opened the meeting for public comment.

Patty Dischinger, 96200 Cabaret, Chapel Hill, representing her parents who live across the street commented that her parents would much rather have a Buc-ee's than another warehouse.

Linda Alger, 109 Edenborough Dr., Mebane, was for having a Buc-ee's even with the increase to traffic.



Lucus Babinec, 1021 N. Frazier Rd., Mebane, identified as a local farmer who was concerned about more concrete development, taking away from local goods and services, and not a smart growth component.

Theresa Jensen, 1021 N. Frazier Rd., Mebane, identified as a local attorney and asked if there was a need to have a big attraction such as Buc-ee's and expressed concern if it would benefit Mebane, its impacts to the natural resources, and if the project would really be the best choice for economic development.

Richard Miller, 1718 Old Arbor Way, Mebane, was concerned about the impacts Buc-ee's would have on the other local businesses already operating along Trollingwood-Hawfields Road.

Edward Mazurek, 3469 Bentrige Dr., Mebane, was concerned about more traffic congestion.

Christopher Chung, 150 Fayetteville St, Raleigh, identified as the CEO of Economic Development Partnership of North Carolina and provided that a lot of North Carolina was growing at a high rate and having a Buc-ee's would create a better economic base than another warehouse that was the original intention of the site. He also added on a personal note that after being to several Buc-ee's locations, that it was a destination that also promoted the local area around it.

Janet Eckleburger, 2872 Nereus Dr., Mebane, was concerned about the impact to local businesses especially downtown Mebane.

Omega Wilson, 206 Moore St., Mebane, co-founder of the West End Revitalization Association (WERA), was concerned about the lack of clean energy initiatives. He asked why solar panels on-top of the large expanse of pumps, and other clean energy options were not considered in the overall design.

Mary McFarland, 307 N. Wilba Rd., Mebane, was concerned with the amount of water consumption of the site and if the natural resources would be affected.

Catherine Andrews, 3038 Fieldstone Ln, Mebane, was concerned about the increase in traffic and whether the infrastructure for Duke Energy could support the development.

Laurie Weatherly, 605 Benwich Ln, Efland, said the project was an environmental disaster and was also concerned about the traffic.

Benita Rayner, 614 Border St., Graham, was representing the Indigenous people as part of the Occaneechi Tribe and was concerned with traffic, the impact on natural resources, and building upon the historical Indian Trading Path.

Martha Hamblin, 1726 Foxhall Ln, Mebane, was concerned about the increase in waste going to the Alamance County landfill, public safety at the facility, and the impact on local businesses.



Sarah Stitsinger, 1637 Old Arbor Way, Mebane, was concerned with the environmental impacts, traffic, noise pollution, and public safety.

Lorraine Werts, 113 Somerset Ct. Mebane, was concerned with having corporate employment instead of local and the project being just a stop deterring people from exploring local businesses in Mebane.

Katie Newcomb, 304 W. Lee St., was concerned about the increase in traffic and asked if the TIA had taken into account the new school.

Del Ward, 6950 Spencer-Dixon Rd., was concerned with water consumption, employee retention, and traffic.

Karyn Newcomb, 28 London Ln, was concerned with traffic and whether the City's infrastructure could sustain the development.

Tim Frank, 1102 Jersey St., Haw River, questioned what percentage of local goods would be brought into Buc-ee's, was concerned about traffic, crime, and also the sustainability of employment.

Debra Kaufman, 207 Holt St, Mebane, was concerned about local business impacts, the environment, noise, and light pollution.

Janine Zanin, 4601 Timberwood Trl., Efland, commented that she had recently been to a Buc-ee's where traffic was backed up and the store was heavily crowded making it dangerous.

Aminha Ghaffar, 1123 Ranger Dr., Hillsborough, was a representative of the Lumbee Tribe and was concerned about the environmental impacts and the historic Indian Trading Path. She had asked if the Occaneechi Tribe had been contacted in the review process. She was also concerned about who would be responsible for disaster management of the site.

Beth Bronson, 1221 Buckhorn Rd., Mebane, asked if the HM zoning was necessary and if the zoning could be B-2 instead. She asked where the public comments that were emailed would go. She also asked whether a 74,000 square foot building was necessary since other Buc-ee's locations were smaller in size.

Kurt Pearson asked Ashley Ownbey to clarify how public comments either mailed or emailed were distributed. Ashley Ownbey replied that all comments were shared with the Planning Board but could not be included as part of the written record of the meeting.

Alice Ray, 1879 Jimmie Kerr Rd, Haw River, was concerned about the excess traffic during school hours.

Mike Garrett, 1103 Copper Cir., Mebane, commented that he was for the project, but was also concerned about the water consumption.



Chris Smith, 3102 Gym Rd., Efland, opposed the project since promises brought up in Orange County were not kept and was concerned about more traffic.

Richard White, 2635 Jamie Baker Dr., Mebane, asked the City and Board to not allow the proposed conditions and make Buc-ee's adhere to the current standards.

Brett Rapkin-Citrenbaum, 106 Cone Dr., Haw River, was concerned about the environmental impacts and traffic.

Charles Stancati, 1034 Longleaf Pine Pl., Mebane was concerned about the traffic and water consumption.

Chair Tulauskas closed the public comment period.

Amanda Hodierne responded to some concerns about the impervious surface with the fact that the project would follow regulations of the State and Mebane UDO. She said one of the regulations was the riparian buffers that would remain untouched by the development. She said the second aspect was the impervious surface that was highly regulated through the State and Jordan Lake Watershed regulations to where the post development was caught, treated, and released at predevelopment rates. She pointed out that the filtration process provided by Scott Ratcliff was extra to what the State and City requirements were for stormwater runoff. She explained that the underground tanks were out of the floodplain entirely and only impacting the floodplain slightly in the left back corner of the site, which would be permitted through the State. She commented on the "leak scenario" of the storage tanks saying that there were two incasements around the tanks with an alarm going off if the first incasement was breached. Amanda Hodierne also addressed the concern of Buc-ee's negative effect on local business to provide that there were no facts showing that issue in other locations. She said that in fact there was an economic increase to local businesses in the locations where Buc-ee's was introduced.

Susan Semonite asked if the comments about the Indian Trading Path had been reviewed by staff. Ashley Ownbey replied that staff did not look at that aspect and would do more research on the matter as well as contact speakers.

Colin Cannell commented that he had joined the Board primarily for more affordable housing and said that a business that offers good jobs, with good wages, and benefits was a key component to affordable housing. He said the other component was controlling sprawl in which concentrating the uses was a better option than the same type of use being spread out through different exits. He said in his opinion that there was not a better alternative use for the property.

Colin Cannell made a motion to approve the rezoning as follows:

Motion to approve the HM (CD) zoning as presented.

Motion to find that the application is consistent with the objectives and policies for growth and development in the City's 2017 Comprehensive Land Development Plan Mebane By Design.



Specifically, the request:

- *Is for a property within the City's G-1 Industrial Growth Area (Mebane CLP, p. 74)*

David Scott seconded the motion, which was denied with a 6-3 vote. Those for the approval were Colin Cannell, David Scott, and Edward Tulauskas and those opposed were Keith Hoover, Kurt Pearson, Judy Taylor, William Chapman, Susan Semonite, and Gale Pettiford.

Chair Tulauskas noted that the requests would go to the City Council on January 8, 2024, at 6:00 p.m. Ashley Ownbey noted that since the rezoning request was denied, that there was no need for a vote on the special use request which would also be considered as a recommendation for denial.

6. New Business

Ashley Ownbey informed the Board that the City offices would be closed for December and January holidays.

7. Adjournment

Chair Tulauskas adjourned the meeting at approximately 10:24p.m.